



Naturally Yours

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**SPECIAL REGULAR SESSION OF THE 51ST COUNCIL
OF THE
MUNICIPALITY OF THE DISTRICT OF SHELBURNE
March 25, 2020**

The Special Session of the 51st Council of the Municipality of the District of Shelburne was held on Wednesday, March 25, 2020 commencing at 7:05 pm via teleconference call.

THOSE IN ATTENDANCE WERE:

Warden Penny Smith
Deputy Warden John Roscoe
Councillor Terry McIntyre
Councillor Doris Townsend
Councillor Roger Taylor
Councillor Norman Wallet
Trudy Payne, CAO

ALSO IN ATTENDANCE:

Michelle Williams, Director of Finance
Anita DeMings, Executive Assistant

CALL TO ORDER:

The meeting was called to order at 7:05 pm by Warden Smith. She advised Council of the format to be used for this evenings' teleconference meeting and that a draft copy of the minutes will be posted on the Municipality's website within 24 hours as per the directive from the Minister Porter.

Agenda:

1. Delaying the Tax Bill – Impact
2. Cash Flow Analysis
3. Interest Payment Further Delay - Impact
4. Tax Rate Lift

5. Tax Sale by Tender – Cancellation Discussion
6. Tax Sale 2020-2021 – Delay/Cancellation Discussion
7. Low Income Tax Policy
8. Revised Proposed Budget 2020-2021
9. Proposed Tax Rate Reduction Discussion
10. Area Rate – Town of Lockeport
11. Summarization of Impact to the Budget
12. Direction for the Budget
13. Next Meeting Date

1. Trudy Payne, CAO, advised Council of the present situation regarding the COVID – 19 pandemic. Staff is requesting Council’s consideration in delaying sending out the 2020-21 tax bill.

Discussion was held regarding the extension of the deadline for the payment of tax bills and how this would affect the cash flow for the Municipality and the procedures of tax sale. Discussion was held regarding payments, interest, timeframe and various implementation procedures.

MOTION: APPROVAL TO DELAY TAX BILL FOR 2020/21

Being duly moved and seconded, be it resolved that Council of the Municipality of the District of Shelburne approve delaying the tax bill for 2020-2021 at this time, extending the timeline for which taxes will be paid; to be reviewed at a later date.

- **MOTION CARRIED**

Councillor McIntyre joined the meeting at 7:16 pm.

2. Trudy Payne, CAO, presented Council with the current situation of cash flow for the Municipality of the District of Shelburne.

Discussion was held regarding what the impact would be on the Municipality’s cashflow in delaying sending out the 2020-2021 tax bills.

Ms. Payne advised Council that she has been in contact with the Municipal Advisor and has inquired regarding the postponement of the payments to the Province from the Municipality. If the Province approves the Municipality paying for such things as education and corrections until later, this will assist the Municipality with its cash flow. She also reached out to the MP’s office asking the same concerning federal government payments, such as the RCMP. She explained that staff will need time to look at revenues and expenditures outlined in the draft budget to help determine how long the current cash flow will be sufficient until the Municipality may need to go into the overdraft and/or operating reserves and when there may be a need to look at using capital reserves. This analysis will help provide Council with timelines as to when actions to use the overdraft and reserves to ensure there is adequate cash flow, may be required. It was agreed that staff should proceed with this analysis and bring it back to Council.

Ms. Payne advised Council that with the current situation, Section 84 of the MGA allows a borrowing limit of up to 50% of the 2019 taxes received. After discussion and recognizing there would be no cost to the Municipality to increase the line of credit or overdraft, and that the Municipality would only incur costs when the overdraft is used, Council supported increasing the overdraft to its maximum amount.

MOTION: CASH FLOW - OVERDRAFT

Being duly moved and seconded, be it resolved that Council of the Municipality of the District of Shelburne approve an increase to its overdraft per Section 84 of the MGA.

- **MOTION CARRIED**

3. Trudy Payne, CAO, requested that an extension to waive the interest charged to those who owe funds to the Municipality be extended past March 31, 2020 until further notice due to the COVID -19.

Michelle Williams, Director of Finance explained the financial impact to Council by waiving the interest owing.

Discussion was held regarding the impact this would have on the residents, revenue, and the cost of the extension.

MOTION: EXTENDING TIMEFRAME OF INTEREST PAYMENT

Being duly moved and seconded, be it resolved that Council of the Municipality of the District of Shelburne approve extending the timeframe past March 31, 2020 to forgo charging residents any interest charges on funds they owe to the Municipality considering COVID-19. The date this extension will end will be upon further assessment and determination by Council.

- **MOTION CARRIED**

4. Michelle Williams, Director of Finance, presented Council the Tax Rate Lift staff report for information purposes.

Discussion was held regarding the value of properties, weekly updates received from Property Valuation Service Corporation, based on assessment appeals as well as revenue sources. Once people receive their assessments, they have time to appeal them. When people are successful with their appeals it affects the revenue collected through the tax rate. That is why in part the lift has decreased from the \$119,000 provided initially in December to \$26,000 provided in March 2020.

5. Michelle Williams, Director of Finance, advised Council that a Tax Sale by Tender staff report was generated but due to the current situation of COVID - 19, staff is recommending not to proceed with the tax sale by tender.

Discussion was held regarding timing, as well as, financial and social impact. It was agreed that staff would forward the staff report for Council's review.

It was the consensus of Council to delay the tax sale by tender at this time.

6. Michelle Williams, Director of Finance, advised Council that the delay of the tax bill being sent will also affect the following year. For example, the preliminary letters for tax sale cannot be sent out until the due date of the taxes paid has passed. The scheduling of the tax sale procedures is mandated by the Municipal Government Act (MGA).

It was the consensus of Council to delay the Tax Sale for 2020-21.

7. Michelle Williams, Director of Finance, presented a chart of various municipal units to compare the Municipality of Shelburne's Low-Income Tax Exemption policy. She advised Council that in this current year, this policy has assisted 81 residents.

Discussion was held regarding the income threshold, Federal Governments Standards of low income, the amount of the exemption, the benefits and the cost to the changes in this policy.

It was the consensus of Council that further analysis be carried out by staff and brought back to a Council meeting.

8. Trudy Payne, CAO, advised Council that a revised budget was sent to them for information purposes, so they could see the impact to the proposed budget, using the current tax rate. The revenue collected from taxes shows a decrease in the amount to be allocated to operating reserves.
9. Trudy Payne, CAO, updated Council that in light of the COVID -19 pandemic, before making a decision regarding a tax rate reduction, consideration should be given to what measures Council feel would best ease the financial and mental stress for its residents and small businesses, with a focus to those who needed the most.

Staff recommends a delay in setting the tax rate, pending the analysis that was proposed in Agenda Item # 2 - cash flow discussions and to find out what the Federal and Provincial Governments plans are to support COVID -19 and what role the Municipality can play.

Ms. Payne stated that a number of emails were received from residents, and forwarded to Councillors, requesting consideration be given for a tax relief due to COVID-19.

Discussion was held regarding cash flow, sources of assistance from other levels of government, lowering the tax rate, revising the low- income property tax policy to increase the income thresholds and amounts provided, and an emergency fund, etc.

It was the consensus of Council that further analysis be carried out by staff.

10. Trudy Payne, CAO, presented Council with the results of the Area Rate for the Town of Lockeport to acquire a 2020 pumper fire truck.

On February 14, 2020, a letter was sent out to all eligible properties within the Town of Lockeport Fire Department Service Area. A community information session was held on Monday, March 2, 2020. 954 Ballots were sent out and 207 were received for the vote. 116 were yes and 91 were no; 56% yes 44% no.

Discussion was held regarding the importance of fire coverage and the concern over the low participation by eligible voters as well as the close vote.

MOTION: AREA RATE – TOWN OF LOCKEPORT

Being duly moved and seconded, be it resolved that Council for the Municipality of the District of Shelburne implement the area rate for municipal residents serviced by the Town of Lockeport Volunteer Fire Department at 3.6 cents per \$100 of assessment to purchase a 2020 pumper fire truck; area rate to be for a 10-year term.

- **Motion Carried**

Recorded Vote:

Councillor Townsend – yes

Councillor Wallet – yes

Councillor McIntyre – yes

Warden Penny Smith – yes

Deputy Warden John Roscoe – no

Councillor Roger Taylor – no

11. In order to summarize impact to the budget, it was the consensus of Council that further analysis be carried out by staff as noted in Item # 8 & Item #9
12. Before finalizing the 2020-21 Budget, it was the consensus of Council that further analysis be carried out by staff as noted in Item # 8 & Item # 9.
13. **NEXT MEETING DATE**

It was the consensus of Council that the next meeting of Council be held on Tuesday, April 14 at 6:30 pm and by teleconference call, if still required.

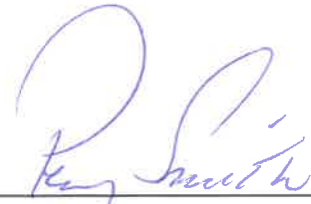
ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:00 pm.

Council Meeting
March 25, 2020

Anita DeMings
Recording Secretary

_____ May 27/20
Date



Penny Smith, Warden



Erin Hartley, Director of Corporate Services