



Minutes

Village of Tahsis

Meeting	Committee of the Whole
Date	Tuesday April 28, 2020
Time	10:30 AM
Place	Municipal Hall - Council Chambers and by electronic means

Present

Mayor Martin Davis
 Councillor Bill Elder
 Councillor Sarah Fowler
 Councillor Lynda Llewellyn by phone
 Councillor Cheryl Northcott

Staff

Mark Tatchell, Chief Administrative Officer
 Deb Bodnar, Director of Finance
 Janet StDenis, Finance and Corporate Services Manager by phone

Public

2 members of public by phone

Call to Order

Mayor Davis called the meeting to order at 10:31 p.m.
 Mayor Davis acknowledged and respected that Council is meeting upon Mowachaht/ Muchalaht territory

Introduction of Late Items

None.

Approval of the Agenda

Fowler: COW 045/2020

THAT the Agenda for the April 28, 2020 Committee of the Whole meeting be adopted as presented.

CARRIED

Business Arising

1 **2020 Budget Analysis and Tax Rate Options**

The Director of Finance briefed Council on the April 16, 2020 COVID-19 Provincial Financial Measures noting the potential implications that each measure may have upon the Village's cash flow.

A summary of the 2020 net budgeted savings related to COVID-19 was provided to Council. Expenditure savings related to COVID-19 employee layoffs (April 1 to September 30) and not opening the Information Centre this summer were also noted along with projected revenue reductions in areas such as parking and permits.

The Financial Plan was presented with a 0.4% municipal tax levy increase over 2019. A discussion followed.

Llewellyn: COW 046/2020

THAT the 2020-2024 Financial plan be adopted as presented by staff and that a 0.4% increase in the municipal tax levy over 2019 be approved to fund the property tax revenue portion of the Financial Plan .

CARRIED

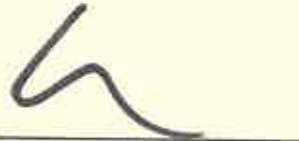
Adjournment

Fowler : COW 047/2020

THAT the meeting adjourn at 12.24 p.m.

CARRIED

Certified correct this
5th Day of May, 2020



Corporate Officer

Village of Tahsis
2020 Total Taxation - All Taxing Authorities
Change over 2019

Taxation Authority	2019 Actual	2020 Requisition	Increase (Decrease)	% Change	% of 2020 Tax
General Municipal	714,228	717,292	3,064	0.4%	72%
Strathcona Regional District	10,517	10,983	466	4.4%	1%
Comox Regional District - Solid Waste	9,422	9,234	(188)	-2.0%	1%
Comox Strathcona Regional Hospital District	26,830	26,345	(485)	-1.8%	3%
Vancouver Island Regional Library	12,087	11,207	(880)	-7.3%	1%
BC Assessment Authority	2,189	2,418	229	10.5%	0%
Municipal Finance Authority	9	9	-	0.0%	0%
School	197,270	198,243 *	973	0.5%	20%
Police	13,103	13,731 *	628	4.8%	1%
Total Taxation	985,655	989,462	3,807	9.5%	100%

* The 2020 residential portion of School and Police requisitions have not been received yet; the 2019 rates were used based on the 2020 assessment values for demonstration purposes.

Village of Tahsis
2020 Operating Budget
Projected Budget Savings and Change in Revenues

<u>Operating Expenditures</u>	<u>Amount</u>
<u>Recreation Centre</u>	
Customer Service Front Desk	21,044.00
Lifeguards	6,619.00
Climbing Wall Instructor	1,358.00
Reduction in utility costs and propane usage	4,580.00
Concession (offset by reduced revenues)	7,500.00
	<u>41,101.00</u>
<u>Info Centre</u>	
Seasonal Workers	11,655.00
No internet and reduction in utility costs	2,000.00
	<u>13,655.00</u>
<u>Administration</u>	
Administrative Assistant	2,652.00
Revised benefit package - 20% cost savings	5,000.00
Reduction in travel/training	2,500.00
	<u>10,152.00</u>
<u>Council</u>	
Reduction in travel/training	4,000.00
<u>Public Works</u>	
Reduction in fuel cost per litre	1,000.00
<u>Protective Services</u>	
Building inspection, bylaw officers not available	6,000.00
Total Projected Budget Savings	<u>75,908.00</u>
 <u>Operating Revenues</u>	
RC Building Rental Income	750.00
RC Fitness Programs	100.00
RC Special Events	125.00
RC Specialty Courses Fees	250.00
RC Surf Den	200.00
RC Bowling, Youth and Adult	750.00
RC Event Donations	375.00
RC Concession (offset by reduced costs)	10,000.00
Building Rental Income	1,400.00
Parking Passes	4,000.00
Investment earnings - 20%	5,600.00
Summer Employment Grant	3,000.00
Total projected reduction in revenues	<u>26,550.00</u>
 Net Projected Budget Savings	 <u>49,358.00</u>



April 28, 2020
Committee of the Whole Meeting
2020 Budget and Tax Rates



Items for Discussion


- ▶ April 16 Provincial financial measures
- ▶ 2020 Projected Budget Savings and Change in Revenues
- ▶ 2020 Total Taxation – Change over 2019
- ▶ Cash flow impacts
- ▶ Guidance needed from Council



April 16 Provincial Financial Measures

1. Reduction of school tax rate for commercial property tax classes 4–8
 - Province-wide relief of \$720 million

 2. Postponing late payment penalties on commercial property tax
 - Postpone the application of late payment penalties for unpaid property tax on classes 4–8 only to October 1, 2020
 - Represents a 90-day delay in penalties
 - Does NOT change the property tax due date of July 2, 2020
 - Potential impact to cash flow

 3. Delayed remittance of school and police tax until end of 2020
 - Free up cash to address liquidity pressures
 - Funds must be prioritized to first pay annual remittances to other taxing authorities due in August
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April 16 Provincial Financial Measures (continued)

4. Borrowing from capital reserves

- Allow interfund borrowing from capital to operating to address operating cash flow
- Must be repaid within 5 years of borrowing; no requirement to pay interest
- Recommended by staff to establish process through bylaw or Council resolution

5. Delay 2020 tax sale

- Allow the option to delay statutorily-required tax sale process scheduled for September 28 by one year to 2021 which effectively allows the delinquent property owner one additional year to carry delinquent taxes
- Staff recommends Council delay the 2020 tax sale process through bylaw or Council resolution
- Also option to delay the 2019 tax sale redemption process – not recommended by staff

6. Extend revenue anticipation borrowing

- Allowed to carry any outstanding balance at the end of 2020 into 2021
- Must be paid down by the end of 2021

7. Annual reporting extensions



2020 Budget Savings

- ▶ Assume projected budget savings and revenue reductions for April 1 to Sept 30/20 – 6 months
- ▶ Assume Information Centre does not open as planned for the summer of 2020
- ▶ Result – Net projected budget savings \$49,358 applied to reduce the municipal tax levy
 - Creating a 0.4% increase in municipal tax levy for 2020



2020 Total Taxation – Change over 2019

► Updated for School and Police

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Comox Regional District - Solid Waste	9,422	9,234	(188)	-2.0%	1%
Comox Strathcona Regional Hospital District	26,830	26,345	(485)	-1.8%	3%
Vancouver Island Regional Library	12,087	11,207	(880)	-7.3%	1%
BC Assessment Authority	2,189	2,418	229	10.5%	0%
Municipal Finance Authority	9	9	-	0.0%	0%
School	197,270	150,921	(46,349)	-23.5%	16%
Police	13,103	14,179	1,076	8.2%	2%
Total Taxation	985,655	942,588	(43,067)	-11.0%	100%

Cash Flow Impacts

Positive impacts

- ▶ Completion of Roads project to finalize claim
- ▶ Delay in repayment of MFA loan
- ▶ Delayed remittance of school and police tax collected
- ▶ Borrowing from capital reserves
- ▶ Extending revenue anticipation borrowing
- ▶ Delaying capital projects

Negative impacts

- ▶ Delay in collection of commercial property tax
- ▶ Postponing the 2020 tax sale

Guidance Needed

1. To draft the 2020–2024 Financial Plan and Tax Rate Bylaws
 - Municipal tax levy

2. Draft bylaws or Council resolution for:
 - Borrowing from Capital Reserves
 - Revenue Anticipation Borrowing
 - Delay 2020 Tax Sale

