

MUNICIPALITY OF THE DISTRICT OF LUNENBURG  
Minutes of a Special Meeting of  
**FINANCE COMMITTEE**  
Held via Tele and Video Conference  
**Tuesday, June 2, 2020 – 9:00 a.m.**

**ATTENDANCE**

Councillor Michael Ernst, District 8, Chair  
Councillor Martin Bell, District 2, Vice Chair  
Mayor Carolyn Bolivar-Getson  
Deputy Mayor Eric Hustvedt, District 1  
Councillor Lee Nauss, District 3  
Councillor John Veinot, District 4  
Councillor Cathy Moore, District 5  
Councillor Claudette Garland, District 6  
Councillor Wade Carver, District 7  
Councillor Reid Whynot, District 9  
Councillor Errol Knickle, District 10

Staff: Tom MacEwan, CAO  
Alex Dumaresq, Deputy CAO  
Elana Wentzell, Director of Financial Services  
Sherry Conrad, Municipal Clerk  
Angela Veinot, Manager of Accounting  
Sarah Kucharski, Communications Officer  
Dave Waters, Director of Business Development, Tourism & Infrastructure  
Rachel Hiltz, Recording Secretary

1. **CALL TO ORDER**

Councillor Ernst called the meeting to order at 9:00 a.m.

2. **ANNOUNCEMENTS/ACKNOWLEDGEMENTS/RECOGNITION: (Nil)**

3. **APPROVAL OF AGENDA:**

**Moved by Mayor Bolivar-Getson, seconded by Councillor Moore that the Finance Committee Agenda be approved as circulated. Carried unanimously.**

4. **STAFF REPORTS:**

4.1 **Finance Department**

4.1.1 **2020 Tax Sale Update**

Ms. Wentzell reviewed a report titled "Tax Sale March 2, 2020" (circulated with Agenda). She noted that of the 16 properties in the tax sale, only two did not sell.

It was explained that tax sale funds go directly to outstanding taxes and expenses. Residents have six months after the sale to redeem properties that are redeemable. Any funds over the taxes and expenses are deemed surplus and are put in reserve for 20 years. Residents, or those in charge of estates, can make a claim through the Supreme Court of Nova Scotia to get those surplus funds within 20 years. After 20 years, the funds are considered revenue for the Municipality.

#### **4.1.2 Uncollectable Accounts Under \$100**

Ms. Wentzell reviewed a report titled "Uncollectable Accounts Under \$100 Written Off" (circulated with Agenda). She noted that Policy MDL-71 allows for staff to write off accounts under \$100, and a list of those accounts must be provided to Council annually. In the past fiscal year, there were no accounts under \$100 written off.

#### **4.1.3 Tax Billing Options – COVID-19**

Ms. Wentzell reviewed a report titled "Municipal Tax Billing COVID-19 Response and Options" (circulated with Agenda). She noted that the current tax bill is now due on August 31, 2020, instead of May 31, 2020 which is the usual due date.

Several options were discussed, including delaying the next tax bill due date, changing or removing the interest rate, discounts for early payments, and payment plans. Council already has a payment plan option for those in arrears.

It was noted that if Council delays the tax bill due date again, this will impact the 2021 assessment roll, as well as the reminder notice and collection letter process. Staff are recommending changing or removing the interest rate. The following points were noted:

- The current rate is 10% per year, compounded monthly. This rate could be changed to 5% or 0%, with the recommendation being 0% to help residents and local businesses.
- This change would be effective September 1, 2020 and no interest would be charged until April 1, 2021.
- This is expected to result in approximately \$148,000 in lost interest revenue, however, the Municipality is in a strong financial position that can support this.
- Staff considered lost interest on deposits, overdue taxes and cash flow.

A question arose regarding assisting local businesses. Ms. Wentzell noted that a change in interest rate would be system wide and would help both residents and businesses. If Council is interested in further assisting businesses, as it is recognized that many of them were, and may still be, closed, a Policy could be created and Council would have to determine what additional assistance they wanted to give.

**Moved by Mayor Bolivar-Getson, seconded by Councillor Bell that the Finance Committee recommends to Council that Municipal Council set the interest charged on overdue property taxes starting September 1, 2020 continuing through March 31, 2021 at 0% and that the due date of the final tax bill remains October 31, 2020;**

**and further; that a policy be developed for tax relief measures to targeted groups to accommodate those hardest hit by the COVID-19 situation.**

Councillors were also provided with a draft list of businesses in the Municipality. This list is not comprehensive and Councillors were encouraged to advise staff if they were aware of businesses that were missing from the list. This list was prepared to provide Finance staff with a high-level indication of the different businesses and sectors.

**The motion on the floor was voted on and carried unanimously.**

## **4.2 Administration Department**

### **4.2.1 Community Facility Grant Policy**

Ms. Wentzell reviewed the report titled “Community Facility Grant Policy” (circulated with Agenda). She noted that Council has budgeted \$150,000 for a Community Facility Grant to help community facilities impacted by COVID-19. The Community Facility Grant Policy would provide funds to a community group that lost revenue due to missing fundraising opportunities that were scheduled to be held in their facilities and were cancelled because of COVID-19. The Municipality of the District of Chester developed a similar policy, which was also attached for information.

A discussion was held and the following points were noted:

- Staff is recommending excluding Fire Departments from this Policy as they have other means to raise revenue, however, a Fire Department can come forward to the Finance Committee to request financial aid. The Department will have to demonstrate that they have a financial need. Fire Departments will need to provide a budget and financials to prove their need, not just the lost revenue. Chris Kennedy, Fire Services Coordinator, will be part of these discussions.
- There is a Legion in New Germany which will be eligible for the funding. However, the Legions in Bridgewater, Lunenburg, Mahone Bay and Chester serve residents in MODL. Councillors want to be able to support these Legions, however, do not want to have some Legions eligible for more funding than others, as the Legions in the Towns may be able to get funding from the municipal unit in which they are located. A suggestion was to provide a percentage of the maximum funding to those outside of MODL.
- Councillors would also like to see consideration for churches and church halls that hold events for the community-at-large as well as museums.
- It was noted that Councillors need to consider MODL’s financial position before they continue to provide additional funding.

Councillors felt they needed more time to discuss and consider the points noted.

**Moved by Councillor Garland, seconded by Deputy Mayor Hustvedt that the Finance Committee direct staff to develop a Community Facility Grant Policy based on the Municipality of the District of Chester’s Emergency Assistance Fund for Community Facilities Policy with changes as determined by the Committee. Carried Unanimously.**

Staff will make amendments per the discussion and bring a draft Policy back to the next Council meeting.

5. **IN CAMERA: (If Required)**

6. **ADJOURNMENT:**

**There being no further business at 10:05 a.m., it was moved by Councillor Bell, seconded by Councillor Nauss that the meeting adjourn. Carried.**