

Finance Committee Meeting Agenda

07, September, 2021 – 9:00 a.m.

Via Microsoft Teams

1. **Call to Order**
- 1.1. Mi'kma'ki Territorial Acknowledgement
2. **Announcements, Acknowledgements, Recognition**
3. **Public Input (15 Minutes)**
4. **Approval of Agenda** (as circulated)
5. **Approval of Minutes – July 6, 2021**
6. **Business Arising from Minutes**
7. **Presentations/Scheduled Times – Audit Committee Training Session 1-30**
8. **Consideration of Correspondence - Nil**
9. **Recommendations from Committees & Boards - Nil**
10. **Staff Reports**
- 10.1. **Finance Department**
- 10.1.1. Property Tax Rebate Applications 31-32
- 10.2. **Planning Department**
- 10.2.1. Electric Vehicle Charging Station (Amendments to Fees Policy)..... 33-38
- 10.3. **Recreation Department**
- 10.3.1. Remembrance Day Grants 39-40
11. **Mayor's/Deputy Mayor's/Councillors' Matters**
12. **Added Items**
13. **In Camera**
- 13.1. Legal Advice re Litigation under Section 22(2)(f) of the MGA
- 13.2. Land Negotiations re Osprey Village under Section 22(2)(a) of the MGA
14. **Adjournment**




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Financial Reporting Role

Module 3

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Five Modules

Audit Committee Training on roles of the audit committee

- > General Purpose and Function
- > External Auditor Function
- > **Financial Reporting Function**
- > Alleged Wrong-doing Function
- > Risks and Internal Control Function

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What Is Your Role Regarding the Financial Reporting Function?

1. Review the audited financial statements;
2. Review any changes in accounting principles and practices with management;
3. Review any significant variances in comparison to prior year and/or budget; and
4. Review and discuss the Financial Condition Indicators (FCIs).

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- › Building knowledge of financial statements;
- › Know the importance of analyses and key questions;
- › Gain awareness of potential red flags;
- › Understand the link between financial analyses and financial condition indicators; and
- › Understand Committee's role



Financial Statements

Role in reviewing financial statements

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What is the Purpose?

- ✓ Demonstrate accountability and transparency to citizens
- ✓ Fulfill legislated requirements
- ✓ Aid in effective long-term planning
- ✓ Provide a snapshot in time

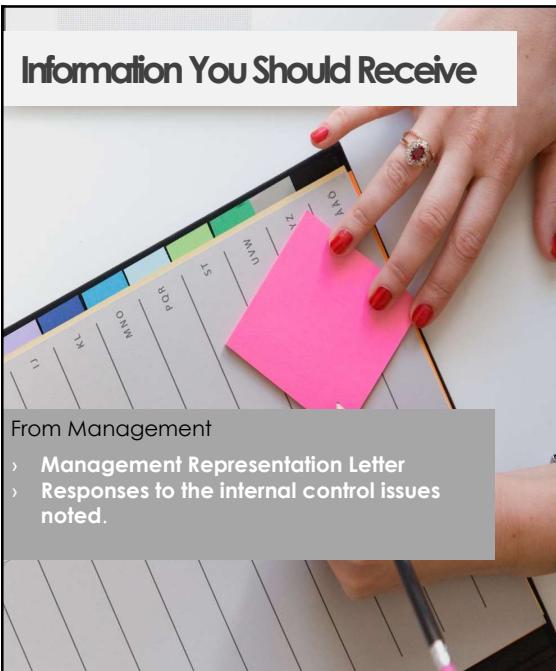
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Information You Should Receive



From Management

- › Management Representation Letter
- › Responses to the internal control issues noted.

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From the External Auditor:

- › Audit opinion
- › Set of Audited Financial Statements
 1. Statement of Financial Position;
 2. Statement of Operations;
 3. The Statement of Remeasurement Gains and Losses;
 4. Statement of Changes in Net Debt;
 5. Statement of Cash Flow; and
 6. Notes / supplementary schedules.
- › Management/Internal Control Letter
- › Potential additional analyses/feedback

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What Standards?– Auditor’s Opinion

- › Canadian Public Sector Accounting Board's standards
- › Municipal Government Act regulations 'Financial Reporting and Accounting Manual" (FRAM)

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Independent Auditor’s Report



- Outlines the Standards–
- Management’s Responsibility
- Level of Assurance
- Audit Opinion

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Audit Opinion

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- › Based on a standard - Compliant with Chartered Professional Accountants of Canada's Public Sector Accounting Standards



The opinion may be:

- › **Unqualified** – the auditor has determined that the statements are presented in conformity with established standards;
- › **Qualified** – the auditor has identified one or more specific issues regarding the financial statement preparation;
- › **Adverse** – the auditor has identified significant issues in the preparation or accuracy of the consolidated financial statement; or
- › **Denial** – the auditor is unable to examine enough information to form an opinion.

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Key Questions – Auditor's Opinion

- › Were the financial statements prepared in accordance with Canadian public sector accounting standards?
- › Did the auditor issue an unqualified opinion on the financial statements?

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The Financial Statements

- › Review each statement
- › Look at key questions
- › Look at the financial condition indicator in relationship to the statement

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Additional Supporting Information and Analyses

keep it simple

Financial Condition Indicators

- › 13 Indicators
- › Organized into 3 dimensions
- › Risk threshold for each Indicator
- › Graphically presented in 'House' format



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Statement of Financial Position

Overarching Statement

- › Financial Assets
- › Liabilities
- › Non-Financial Assets
- › Accumulated Surplus

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Municipality of Scottville
Statement of Financial Position
March 31

	2019	2018
FINANCIAL ASSETS		
Cash and cash equivalents		
Restricted cash		
Taxes and sewer receivable (net of asset valuation allowances)		
Other receivables (net of asset valuation allowances)		
Inventory held for resale		
Investments		
Loans and advances		
Investment in government business enterprises or partnerships		
Other financial assets - Long term		
TOTAL FINANCIAL ASSETS		
LIABILITIES		
Bank indebtedness		
Short-term borrowings		
Payables and accruals		
Tax sale surplus		
Other liabilities - Short term		
Long-term debt		
Other liabilities - Long term		
TOTAL LIABILITIES		
NET FINANCIAL ASSETS (NET DEBT)		
NON FINANCIAL ASSETS		
Tangible capital assets (net of accumulated amortization)		
Prepaid expenses		
Inventory not held for resale		
Other non financial assets		
TOTAL NON FINANCIAL ASSETS		
ACCUMULATED SURPLUS (DEFICIT)		

Municipality of Scottville
Statement of Cash Flow

	Actual 2019	Actual 2018
OPERATING ACTIVITIES		
CAPITAL TRANSACTIONS		
FINANCING ACTIVITIES		
INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH		
Cash Beginning of year		
CASH END OF YEAR		

Statement of Change in Net Financial Assets (Net Debt)

	Budget 2019	Actual 2019	Actual 2018
Annual surplus (deficit)			
Remeasurement gains (losses)			
Acquisition of tangible capital assets, net			
Amortization of tangible capital assets			
Change in net financial assets (net debt)			
Net financial assets (net debt), beginning of year			
Net financial assets (net debt), end of year			


Statement of Operations

	2019 Budget	2019 Actuals	2018 Actuals
REVENUE			
EXPENSES			
ANNUAL SURPLUS OR DEFICIT			
Accumulated Surplus (Deficit), beginning of year			
Accumulated Surplus (Deficit), end of year			

Statement of Financial Position

- › Overarching statement
- › Changes are summarized in the other statements

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Municipality of Scottiaville Statement of Financial Position

March 31 2019 2018

FINANCIAL ASSETS			
Cash and cash equivalents			
Restricted cash			
Taxes and sewer receivable (net of asset valuation allowances)			
Other receivables (net of asset valuation allowances)			
Inventory held for resale			
Investments			
Loans and advances			
Investment in government business enterprises or partnerships			
Other financial assets - Long term			
TOTAL FINANCIAL ASSETS			
LIABILITIES			
Bank indebtedness			
Short-term borrowings			
Payables and accruals			
Tax sale surplus			
Other liabilities - Short term			
Long term debt			
Other liabilities - Long term			
TOTAL LIABILITIES			
NET FINANCIAL ASSETS (NET DEBT)			
NON FINANCIAL ASSETS			
Tangible capital assets (net of accumulated amortization)			
Prepaid expenses			
Inventory not held for resale			
Other non financial assets			
TOTAL NON FINANCIAL ASSETS			
ACCUMULATED SURPLUS (DEFICIT)			

Financial Assets

- Current cash resource
- Receivables
- Investments
- Assets expected to be converted into cash or to generate cash

- Effectiveness of Tax Collection
- Cash Position
- Ability to address unforeseen costs

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Key Questions

- Has the Cash position decreased significantly from previous years?
- What is the cash position? Does the municipality have enough cash to pay bills as they come due? (Low liquidity can indicate a cash flow problem and may indicate a concern in other areas such as revenue collection.)
- How effective is the tax collection?
- What is the organization's ability to address unforeseen costs? Is there sufficient reserves to address unexpected events or provide flexibility to address future projects/obligations.

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Municipality of Scotiaville Statement of Financial Position

March 31 2019 2018

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FINANCIAL ASSETS		
Cash and cash equivalents		
Restricted cash		
Taxes and sewer receivable (net of asset valuation allowances)		
Other receivables (net of asset valuation allowances)		
Inventory held for resale		
Investments		
Loans and advances		
Investment in government business enterprises or partnerships		
Other financial assets - Long term		
TOTAL FINANCIAL ASSETS		
LIABILITIES		
Bank indebtedness		
Short-term borrowings		
Payables and accruals		
Tax sale surplus		
Other liabilities - Short term		
Long-term debt		
Other liabilities - Long term		
TOTAL LIABILITIES		
NET FINANCIAL ASSETS (NET DEBT)		
NON FINANCIAL ASSETS		
Tangible capital assets (net of accumulated amortization)		
Prepaid expenses		
Inventory not held for resale		
Other non financial assets		
TOTAL NON FINANCIAL ASSETS		
ACCUMULATED SURPLUS (DEFICIT)		

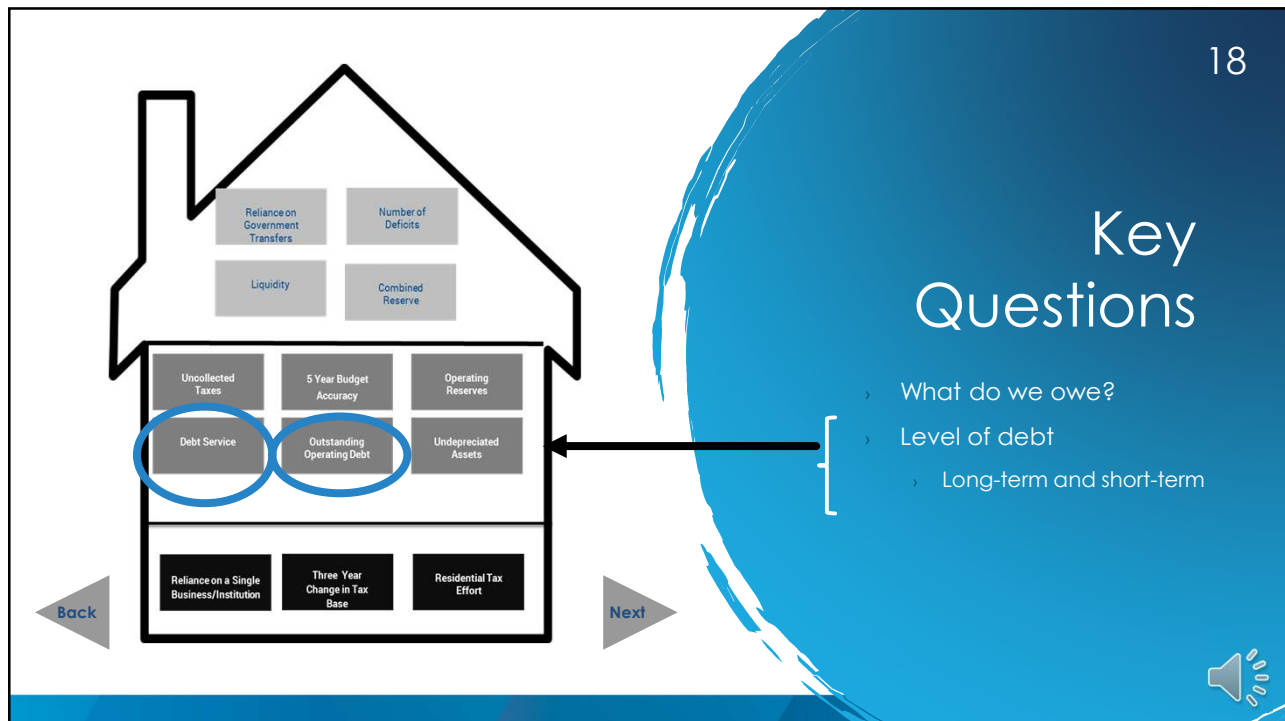
Liabilities

- › Payable (money owed)
- › Accruals (the obligation has occurred)
- › Deferred revenue (received money, but obligations unfulfilled)
- › Employee Pension Obligations

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Municipality of Scotiaville Statement of Financial Position

March 31 2019 2018

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FINANCIAL ASSETS			
Cash and cash equivalents			
Restricted cash			
Taxes and sewer receivable (net of asset valuation allowances)			
Other receivables (net of asset valuation allowances)			
Inventory held for resale			
Investments			
Loans and advances			
Investment in government business enterprises or partnerships			
Other financial assets - Long term			
TOTAL FINANCIAL ASSETS			
LIABILITIES			
Bank indebtedness			
Short-term borrowings			
Payables and accruals			
Tax sale surplus			
Other liabilities - Short term			
Long-term debt			
Other liabilities - Long term			
TOTAL LIABILITIES			
NET FINANCIAL ASSETS (NET DEBT)			
NON FINANCIAL ASSETS			
Tangible capital assets (net of accumulated amortization)			
Prepaid expenses			
Inventory not held for resale			
Other non financial assets			
TOTAL NON FINANCIAL ASSETS			
ACCUMULATED SURPLUS (DEFICIT)			

Non-financial Assets

- › Prepaid expense (an expense paid before obligation realized)
- › Inventory
- › Tangible Capital Assets (net book value)
e.g., truck actual cost minus accumulated amortization (spreading the cost of the truck over the life of the truck).

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Key Question

› Condition of assets

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Municipality of Scotiaville Statement of Financial Position

March 31 2019 2018

FINANCIAL ASSETS			
Cash and cash equivalents			
Restricted cash			
Taxes and sewer receivable (net of asset valuation allowances)			
Other receivables (net of asset valuation allowances)			
Inventory held for resale			
Investments			
Loans and advances			
Investment in government business enterprises or partnerships			
Other financial assets - Long term			
TOTAL FINANCIAL ASSETS			
LIABILITIES			
Bank indebtedness			
Short-term borrowings			
Payables and accruals			
Tax sale surplus			
Other liabilities - Short term			
Long-term debt			
Other liabilities - Long term			
TOTAL LIABILITIES			
NET FINANCIAL ASSETS (NET DEBT)			
NON FINANCIAL ASSETS			
Tangible capital assets (net of accumulated amortization)			
Prepaid expenses			
Inventory not held for resale			
Other non financial assets			
TOTAL NON FINANCIAL ASSETS			
ACCUMULATED SURPLUS (DEFICIT)			

Accumulated Surplus

Financial assets + Non-financial assets - Liabilities = Accumulated surplus

Financial Statement Note: The note identifies the portion of the accumulated surplus that is:

- unrestricted;
- restricted (can only be used for a pre-determined purpose); and
- tangible capital asset.

Indicator – financial resource available for future services

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Key Questions – Financial Position

- › Is net debt or net financial asset position increasing or decreasing?
- › Is the accumulated surplus or deficit increasing or decreasing?
- › What investment has been made in tangible capital assets for providing future services?

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Statement of Operations

Information about the revenues and expenses for the reporting period

- › Revenue
- › Expenses
- › Annual Surplus or Deficit

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Municipality of Scotiaville Statement of Operations

	March 31	2019 Budget	2019 Actuals	2018 Actuals
REVENUE				
Net property taxes and payments in lieu of taxes				
Grants in lieu				
Services provided to other governments				
Sales of services				
Other revenue from own sources				
Unconditional transfers from other governments				
Conditional transfers from other governments				
Net income from government business enterprises				
Water fund revenues				
Electric fund revenues				
TOTAL REVENUE				
EXPENSES				
General government services				
Protective services				
Transportation services				
Environmental health services				
Public health services				
Environmental development services				
Recreation and cultural services				
Extraordinary or special items				
Water fund expenses				
Electric fund expenses				
TOTAL EXPENSES				
ANNUAL SURPLUS (DEFICIT)				
Accumulated Surplus (Deficit), beginning of year				
Annual Surplus				
Accumulated Surplus (Deficit), end of year				

Revenue

- Earned
- By Source

Note: The main source of revenue is property assessment rate.

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Revenue

Key questions regarding revenue

- > How dependent is the organization on transfers to meet operating costs?
- > How did actual results for revenues compared to budget and prior years?
- > Is there any other dependence/vulnerability?
- > How stable is the revenue? Has the revenue growth matched the cost of living?
- > What is the flexibility to increase if required?
- > Is there enough annual revenues to cover operating expenses?

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Municipality of Scotiaville Statement of Operations

March 31 2019 2019 2018
Budget Actuals Actuals

Expenses

- By Function (standard functions)

Not all expenses are based on cash transaction. For example, amortization expense is the cost of the use of that asset for stated timeframe (period).

REVENUE				
Net property taxes and payments in lieu of taxes				
Grants in lieu				
Services provided to other governments				
Sales of services				
Other revenue from own sources				
Unconditional transfers from other governments				
Conditional transfers from other governments				
Net income from government business enterprises				
Water fund revenues				
Electric fund revenues				
TOTAL REVENUE				
EXPENSES				
General government services				
Protective services				
Transportation services				
Environmental health services				
Public health services				
Environmental development services				
Recreation and cultural services				
Extraordinary or special items				
Water fund expenses				
Electric fund expenses				
TOTAL EXPENSES				
ANNUAL SURPLUS (DEFICIT)				
Accumulated Surplus (Deficit), beginning of year				
Annual Surplus				
Accumulated Surplus (Deficit), end of year				

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Municipality of Scotiaville Statement of Operations

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	March 31	2019	2019	2018
	Budget	Actuals	Actuals	
REVENUE				
Net property taxes and payments in lieu of taxes				
Grants in lieu				
Services provided to other governments				
Sales of services				
Other revenue from own sources				
Unconditional transfers from other governments				
Conditional transfers from other governments				
Net income from government business enterprises				
Water fund revenues				
Electric fund revenues				
TOTAL REVENUE				
EXPENSES				
General government services				
Protective services				
Transportation services				
Environmental health services				
Public health services				
Environmental development services				
Recreation and cultural services				
Extraordinary or special items				
Water fund expenses				
Electric fund expenses				
TOTAL EXPENSES				
ANNUAL SURPLUS (DEFICIT)				
Accumulated Surplus (Deficit), beginning of year				
Annual Surplus				
Accumulated Surplus (Deficit), end of year				

Annual Surplus
Revenue - expenses

Note: This amount is added to the accumulated surplus.

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Key Questions

- How did actual results for expenses compared to budget and prior years?
- How effectiveness was the expenditure management
- How successful was the organization in maintaining a balance budget?
- Was the annual deficit or surplus impacted by an unusual or non-recurring event?
- Is the accumulated surplus or deficit of the entity increasing or decreasing?

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Statement of Cash Flow

Details the sources of cash and how you use the cash....the flow

- › Operating
- › Capital
- › Investing
- › Financing

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Operating Transactions

Includes:

- Annual surplus; and
- Changes in inventory

Capital Transactions

Includes:

- Expended on capital assets; and
- Received selling an asset.

Financing Transactions

Includes:

- Funds received from long-term debt financing; and
- Long-term debt principal repaid.

Investing Transactions

Includes:

- Increases or decreases in temporary or long-term investments. An example is interest earned on a bond.

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Municipality of Scotiaville Statement of Cash Flow

	Actual 2019	Actual 2018
OPERATING ACTIVITIES		
Annual surplus (deficit)		
Amortization		
Taxes and sewer receivable (net of asset valuation allowances)		
Other receivables (net of asset valuation allowances)		
Other financial assets		
Change in inventory/ prepaid/ other non-financial assets		
Payables		
Other liabilities - short-term and long-term		
TOTAL OPERATING ACTIVITIES		
CAPITAL TRANSACTIONS		
Acquisition of capital assets		
Proceeds from sale of capital assets		
(Gain)/ loss on sale of capital assets		
Write down of capital assets		
TOTAL CAPITAL TRANSACTIONS		
FINANCING ACTIVITIES		
Change in short-term debt		
Change in long-term debt		
Other		
TOTAL FINANCING ACTIVITIES		
INVESTING ACTIVITIES		
Investments		
Investment in government business enterprises or partnerships		
Loans and advances		
Remeasurement gains (losses)		
TOTAL INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents		
Beginning of year		
End of year		

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Key Questions – Cash Flow

- › Is the direct or indirect method to prepare the Statement of Cash Flow used?
- › Was there sufficient cash flow from operations to cover all of the cash requirements?
- › Is there excess cash that could be used to pay down the debt or transfer to reserves?

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Statement of Change in Net Debt

- › Reconciles the change in net debt for the current and prior year



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Municipality of Scotiaville Statement of Change in Net Financial Assets (Net Debt)

	Budget 2019	Actual 2019	Actual 2018
Annual surplus (deficit)			
Remeasurement gains (losses)			
Acquisition of tangible capital assets, net			
Amortization of tangible capital assets			
Proceeds from sale of capital assets			
(Gain)/ loss on sale of capital assets			
Write down of capital assets			
Other			
Acquisition/ consumption of supply inventory			
Acquisition/ use of prepaid expenses			
Other			
Change in net financial assets (net debt)			
Net financial assets (net debt), beginning of year			
Net financial assets (net debt), end of year			

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Key Questions – Statement of Change in Net Debt

- › How did actual spending on capital assets compare to capital plan?
- › What investment has the entity made in tangible capital assets for providing future services?
- › How were current expenditures financed?
- › Is the net debt or net financial asset position increasing or decreasing?

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Statement of Remeasurement Gains and Losses

Gains and losses until the asset or liability is disposed or settled.

- › Opening position
- › Current changes in remeasurement gain or losses by type
- › Gain or losses realized in the year and transferred to the statement of operations
- › Ending balance

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Key Questions – Remeasurement Gains and Losses

- › Why do the financial statements not include a Statement of Remeasurement Gains and Losses?
- › What is the potential exposure to future fair value or foreign currency exchange?

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Notes provide:

- › financial statement's bases;
- › more detail regarding items in the financial statements;
- › Information on what is not recognized; and
- › details regarding future obligations.




Notes

Provide a variety of information on the organization's current and future obligations and performance.
Integral part of the financial statements
Requirement

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Notes and Schedules

- › Reporting Entity
- › Significant Accounting Policies
- › Receivables
- › Payables
- › Deferred revenue
- › Pension plans and other employee benefit obligations
- › Commitments (contractual obligations)
- › Contingencies
- › Debt Repayment
- › Accumulated surplus(debt)
- › Segment disclosure by objects
- › Estimates and measurement uncertainty
- › Subsequent events
- › Remuneration and expense schedule
- › Amortization Schedule

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Key Questions – Notes

- › Have the accounting policies changed?
- › Is the unrestricted portion of the accumulated surplus in a deficit position?
- › What is the potential exposure to contingent liabilities?
- › What is the potential exposure due to guarantees?
- › What is the condition of the employee pension plan? (especially if there is a defined benefit plan)?
- › What amount of funds are required to be set aside to cover the future debt interest and repayments obligations?
- › What reserves have been set aside for future obligations or infrastructure needs?
- › Do the expenses of reportable person appear reasonable?

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What are some potential warning signs?



Potential Warning Signs:

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- › Not meeting reporting deadlines;
- › Cash position has decreased significantly from previous years;
- › Amount of cash and cash equivalents is less than the amount of restricted surplus;
- › Net financial assets reported has significantly decreased or the net debt has significantly increased;
- › Unrestricted portion of the accumulated surplus is in a deficit position;
- › Less than seven Financial Condition Indicators deemed low risk;
- › Reserves are low; and
- › Debt service ratio and expense to revenue ratio is above 100%.

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Overall Goal

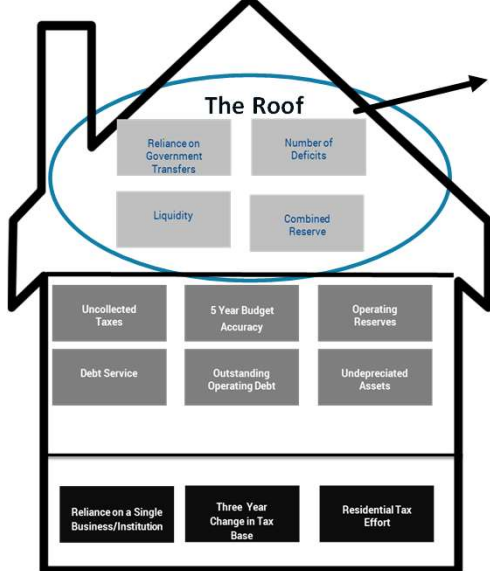
Is the municipality able to meet current and future needs in a balance and independent manner.

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THE KPIs (ROOF) INDICATORS:

- › **Liquidity** -Cash position (Ability to meet current needs)
- › **Combined Reserve** -Ability to have funds for future capital projects/assets (Ability to meet future needs)
- › **Number of Deficits** Success in maintaining balance budget (In a balance manner)
- › **Reliance on Government Transfers** - Any dependence (Independent manner)

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What I do with this information?

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WHAT DOES THE COLOUR MEAN?

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How do I interpret the results?

- > Individual risk thresholds
- > Risk level:
 - Low risk - green;**
 - Moderate risk- yellow;** or
 - High risk- red.**

For example, the range for uncollected taxes is:

- ▶ Less than 10% is low risk,
- ▶ 10% to 15% is moderate risk
- ▶ Greater than 15% is high risk

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RED INDICATORS – WHAT NEXT?:



Red = High risk

A municipality should focus on high risk first.

Next Steps:

- › Dig deeper in these risk area(s). It is important to answer the following questions:
 - What is the likelihood and impact of the risk?
 - Are there any mitigating factors?
 - What is the cause? Any linkages?
- › How will this result impact or support the municipality's strategic plan/direction?
- › Depending on the analysis, the municipality should focus mitigating actions or efforts to lower the risk threshold.

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YELLOW INDICATORS – WHAT NEXT?:

Yellow = Moderate risk

Next Steps:

- › After the red indicators - Dig deeper in these risk area(s). It is important to answer the following questions:
 - What is the trend?
 - What is the likelihood and impact of the risk?
 - What is the cause?
 - Are there any mitigating factors?
 - How does this result align with, or support the municipality's strategic plans?
- › Depending on the analysis, the municipality should focus on mitigating actions or efforts to lower the risk threshold or accept risk level.

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Financial Condition Indicators

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GREEN INDICATORS – WHAT NEXT?

Green = Low risk

- › What should a municipality do? Next Steps:
- › It is important to understand this strength:
 - What is the main reason for the low risk(s)?
 - Any linkages?
 - How is the municipality trending?
- › How can the municipality leverage this strength?
- › How does this result align with, or support the municipality's strategic plans?

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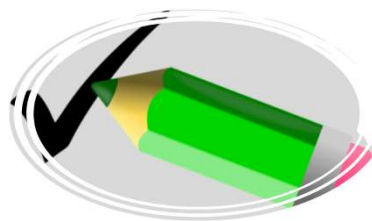
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DMA – Municipal Finance Team



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▶ 5 questions



The Quiz

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Which financial statement provides information on the accumulated surplus (deficit)?

- a) Statement of Financial Position
- b) Statement of Operations
- c) Statement of Changes in Net Debt
- d) Statement of Cash Flow

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Two statements will provide this information:

- › Statement of Financial Position; and
- › Statement of Operations.

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Which of the following would be a key question to ask when reviewing the Statement of Operations?

- a) How did actual results for revenues compared to budget and prior years?
- b) How stable is the revenue? Has the revenue growth matched the cost of living?
- c) What is the flexibility to increase if required?
- d) Was the annual deficit or surplus impacted by an unusual or non-recurring event?





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All would

It is important to ask questions.


Each question will focus on different components of the Operating Statement.






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Financial statement notes do not provide any additional information on future obligations.

True or False

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False

Notes to the financial statement can provide details on future liabilities and transactions; such as, future debt interest and principle repayments.




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Which of the following may indicate a potential concern?

- a) Not meeting reporting deadlines;
- b) Cash position has decreased significantly from previous years;
- c) Uncollected taxes has increased significantly from prior year.

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All would

It is important to ask further questions and dig deeper into these areas.




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Does a red Financial Condition Indicator mean I
am in immediate danger?

True or False

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False

Red indicates that a high risk has been identified. It is important to note that, through careful strategic planning and appropriate action, an indicator can strengthen or lessen the risk. Thus, it is critical that a municipality review the potential risks along with any relevant additional inquiry or analysis.

What should a municipality do?

- Dig deeper in these risk areas. It is important to answer the following questions:
 - › What is the likelihood and impact of the risk?
 - › Are there any mitigating factors?
 - › What is the cause? Any linkages?
- Depending on the analysis, the municipality should focus on mitigating actions or efforts to lower the risk threshold.

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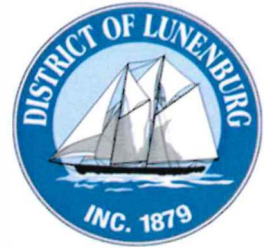


You have successfully completed Module 3.

You can now proceed to Module 4.



Finance Committee
September 7, 2021
Item: 10.1.1
Authorization: E. Wentzell



Municipality of the District of Lunenburg
Memorandum

To: Finance Committee
From: Annette Nowe, Property Tax & Customer Service Assistant
Date: September 7, 2021
Re: Update on Property Tax Exemption Applications

The Tax Department received 347 property tax exemption applications for the 2021 fiscal tax year. Included in that total were 8 applications that did not qualify because the property owner's income was greater than the \$29,999 maximum household income threshold.

On April 1, 2021 a copy of the application was circulated to many organizations who provide public outreach programs. As well, an application was mailed to each property owner who received the exemption last year. Please see the attached for a complete list of these organizations as well as statistics on the program.

The approved total for the 339 qualifying properties was \$73,208.28 which is under the budget amount of \$88,400, therefore, all approved amounts will be allocated.

Annette Nowe

Property Tax & Customer Service Assistant

Approved by:

Elana Wentzell, CPA, CMA
Municipal Treasurer

Date:

Sept 1/21

List of Organizations

1. Bridgewater Inter Church Food Bank
2. Mahone Bay & Area Food Bank
3. New Germany Food Bank
4. Family Resource Centre Bridgewater
5. Family Support Centre Bridgewater
6. St. Vincent de Paul Bridgewater
7. Salvation Army
8. United Way Lunenburg Co.
9. Harbour House
10. Second Story Women's Centre
11. Lunenburg Co. Senior Safety Coordinator

2020-2021

331 applicants
5 did not qualify (over \$29,999)
2 changed ownership July 14, 2020

2021-2022

347 applicants
8 did not qualify (over \$29,999)

Finance Committee
September 7, 2021
Item: 10.2.1
Authorization: E. Wentzell



Municipality of the District of Lunenburg

Report to Council

REPORT TO: Finance Committee
SUBMITTED BY: Byung Jun Kang, Planner
[BeYOUNG June Kang]
DATE: September 7, 2021
RE: EV Charging Station Policy (Amendments to the Fees Policy)

RECOMMENDATION

Staff recommends the Committee to set the EV charger fee by reading the following motion:

The Finance Committee recommends that Municipal Council amend the Fees Policy, as presented in Appendix A of the staff report dated September 7, 2021, with the electric vehicle charging station fee set at [decided fee] per hour.

INTRODUCTION

Following the discussion at the Policy and Strategy Committee meeting on July 20, 2021, and at the Municipal Council meeting on July 27, 2021, some councillors suggested the hourly fee for a municipal EV charging station be based on recuperating operating costs.

(The report continues on the next page.)

DISCUSSION

Table 1 breaks down the capital and operating costs of our EV charging stations. Hourly usage fees should be set based on the objective that Council wishes to accomplish. Staff provided 5 options for Council to consider on Table 2.

Contrary to a previous staff report dated July 20, 2021, the existing EV charging stations owned by the Municipality are exempted from federal inspections under clause 4(1)(g) of the [Weights and Measures Regulations](#): “The following classes or types of devices are exempt from section 8 and subsection 15(1) of the Act: clocks, watches, chronometers and other time measuring devices.” Infrastructure Canada staff confirmed this statement on August 10, 2021.

Table 1

Capital and operating costs of an evr-green® 4000 Level 2 public use charging station

Energy charge (7.2 kW x \$0.09541/kWh)*	\$0.6870/hour	
Demand charge (7.2 kW x \$10.497/kW)*	\$0.1050/hour	
<u>Operating Cost – Electricity (1 hour)</u>	\$0.7919	\$0.7919/hour
Annual subscription fee (after Year 1)	\$560.00	
Other annual maintenance fee	\$300.00	
Operating Cost – Maintenance (1 year)	\$860.00	\$0.0982/hour
Subtotal, operating costs		\$0.89/hour
EV charging station parts**	\$11,086.72	
Electricians & labour**	\$2,502.96	
Capital Cost (10 years)	\$13,589.68	\$0.1551/hour
Subtotal, operating & replacement costs		\$1.05/hour
Site preparation & amenity installation***	\$16,498.68	\$0.1883/hour
Total, operating & capital costs		\$1.23/hour

*Energy rates used are effective starting January 2022. Demand charge may not apply.

**4.29% HST is included in all capital costs. The costs may decrease with [federal grants](#). The life expectancy of a EV charging station is 10 years ([Rutschilling, 2017](#)).

***Pricing is based on average prices on much larger projects.

Table 2

Options of EV charger fee structure

Options	Minimum cost	Suggested cost*
Option 1 To recuperate operating costs only	\$0.89/hour	\$0.90/hour
Option 2 To recuperate operating costs and to prepare for replacement costs every 10 years	\$1.05/hour	\$1.05/hour
Option 3 To match the Domestic Service Tariff of NS Power to encourage overnight charging at residence	\$1.17/hour	\$1.20/hour
Option 4 To recuperate operating costs, initial capital costs, and to prepare for replacement costs every 10 years	\$1.23/hour	\$1.25/hour
Option 5 To match the EV charging station fee of NS Power	\$1.50/hour	\$1.50/hour

*Rounded up to the nearest 0 or 5 cents.

LEGISLATIVE IMPLICATION

The fee may be implemented by a policy amendment under subsection 48(3) of the **Municipal Government Act**, as the fee is not subject to clause 49(1)(c), Section 79, or subsection 81(1) of the Act to be written as a by-law.

CONCLUSION

Staff anticipates a net gain if the hourly fee is \$1.25 or higher. If so, staff also recommends either revisiting the fee during the next Fees Policy review, or creating an operating reserve from the excess funds collected.

Appendix A: Proposed Policy 058 (2021)

Department: Planning & Development Services

Report prepared by: Byung Jun Kang, Planner

Date: 2021-08-18

Report inspected by: Jeff Merrill, Director of Planning

Date: 2021-08-19

Report approved by: Elana Wentzell, Director of Finance

Date: 2021-09-01

Municipality of the District of Lunenburg

Policy

Title: Fees Policy	
Policy No. 058	Legislative authority: Municipal Government Act , subsections 48(3), 132(2), 150(2), 206(4), clauses 49(1)(c), 211(1)(b), and subclause 172(2)(e)(i) Private Roads By-law , Section 12
Effective date: January 11, 2011 April 1, 2019 (for amendments made in 2019)	Amended date: May 10, 2011; February 12, 2019; February 25, 2020; September 14, 2021

Title

- 1 This Policy is titled the Fees Policy.

Administration

- 2 This Policy must be referenced in related By-laws concerning the service identified.

Purpose

- 3 The Municipality must provide clarity to citizens as to the various fees it charges on the various government services.

Fees

- 4
 - (1) The fees for Planning and Development Services are as set out in Table 1.
 - (2) The fees for Recreation Services are as set out in Table 2.
 - (3) The fees for Administration and Finance Services are as set out in Table 3.
 - (4) The fees for Engineering Services are as set out in Table 4.

Exempted organizations

- 5 Active non-profit organizations registered under the **Societies Act** are exempt from paying those fees identified under subsection 4(1) of this Policy, with the exception of the Private Road Maintenance & Improvement Administration Fee Rate.

Table 1: Planning and Development Services Fees

Services	Fees
Amendments to a Planning Strategy or a Land Use By-law	\$525.00 + advertising fee
Development Agreement	\$525.00 + advertising fee
Development Permit	\$26.00
Fire Inspection	\$210.00
Map Book	\$25.00
Map Reproduction	\$11.00 + \$0.55 per square feet
Planning documents	\$11.00
Private Road Maintenance & Improvement Administration Fee Rate	5% of the total expenditures in the annual private road budget
Property Record Certificate	\$58.00
Subdivision, Final Plan (+ each lot after 2 lots)	\$105.00 +\$26.00
Variance	\$79.00
Zoning Certificate	\$53.00

Table 2: Recreation Services Fees

Services	Fees
Ballfields	\$21.00 per hour + HST
Ballfield League	\$19.00 per hour + HST
MARC Rental	\$11.00 per hour + HST
MARC Residence	\$5.00 per person-night + HST

Table 3: Administration and Finance Services Fees

Services	Fees
Dog Tag - Replacement	\$1.00
Fax	\$0.60 per page
NSF Cheques	\$15.00
Photocopies, black & white	\$0.15 per page
Photocopies, colour	\$0.30 per page
Tax Certificate	\$42.00
Tax Sale Administration Fee	\$160.00
Verbal Tax Information	\$11.00

Table 4: Engineering Services Fees [amended September 14, 2021]

Services	Fees
Electric Vehicle Charging Station	\$0.00 per hour
Sewer Permit	\$120.00

Annotation for Official Policy Book

Date of Adoption	January 11, 2011
Date of Notice to Council Members of Intent to Consider Approval & Effective Date of Amendments	April 11, 2011 May 10, 2011
Date of Notice to Council Members of Intent to Consider Approval Date of Amendments	February 5, 2019 February 12, 2019
Effective Date of Amendments	April 1, 2019
Date of Notice to Council Members of Intent to Consider Approval & Effective Date of Amendments	February 18, 2020 February 25, 2020
Date of Notice to Council Members of Intent to Consider Approval & Effective Date of Amendments	September 7, 2021 September 14, 2021

I certify that this "Fees Policy" was adopted and amended by Council as indicated above.

Tina Robichaud-Bond, Acting Municipal Clerk

Date

Finance Committee
September 7, 2021
Item: 10.3.1
Authorization: E. Wentzell



Municipality of the District of Lunenburg

Request for Decision

REPORT TO: Finance Committee
SUBMITTED BY: Tissy Bolivar, Program Coordinator
DATE: September 7, 2021
RE: Remembrance Day Grants

RECOMMENDATION

That the Finance Committee recommend to Council that Municipal Council award **\$750** from the Remembrance Day Grant to support community **Remembrance Day Events** on November 11, 2021, as follows:

Royal Canadian Legion Branch #23 (Lunenburg) - **\$250**

Royal Canadian Legion Branch #49 (Mahone Bay) - **\$250**

Royal Canadian Legion Branch #102 (New Germany) - **\$250**

Total: \$750

EXECUTIVE SUMMARY

The Municipality of the District of Lunenburg offers a Remembrance Day Grant to community organizations to help with the hosting of a community event on November 11 in recognition of our veterans and those currently serving our country.

Three applications were received by the extended deadline of August 31, totaling a request of \$750.

DISCUSSION

To be eligible for this grant, applicants must be a not-for-profit organization that serves the residents of the Municipality of the District of Lunenburg, is a public event that contributes to the residents where the need for financial assistance is demonstrated and must be a community celebration on November 11 that recognizes Remembrance Day. Applicants are eligible for up to 75% of the total cost of the event to a maximum of \$250.

The deadline for applications was August 1. Two applications were received prior to this date, the Royal Canadian Legion Branch #49 (Mahone Bay) and Royal Canadian Legion Branch #23 (Lunenburg). The deadline was extended to August 31, at which time we received a third application from the Royal Canadian Legion Branch 08-102 (New Germany).

We have funded both the New Germany and Mahone Bay legions with this grant in the past for their public services. This is the first year Lunenburg has applied for funding through this grant.

In 2020, no public services were held due to COVID-19. Municipal Council distributed grant money evenly between all local Royal Canadian Legion poppy campaigns.

BUDGET IMPLICATIONS

The annual budget for this grant is \$1,500. If the recommendation of \$750 is approved by Municipal Council, \$750 would remain in the grant.

ALTERNATIVES

1. Award an alternate amount to applicants.
2. Not to award this grant to the applicants.

CONCLUSION

Based on the three applications received by the extended deadline, they all fit the grant criteria, benefit our communities, and demonstrate the need for funding to offer their public Remembrance Day service. It is staff's recommendation to approve these applications at their asking amount of \$250 each.

Department: Recreation

Report Prepared By: Tissy Bolivar

Date: August 31, 2021

Report Approved By: Bill Schurman

Date: August 31, 2021

Reviewed By CAO:

Date: