



## **COMMITTEE OF THE WHOLE MEETING MINUTES**

**Monday, December 3, 2018**

**5:00 p.m.**

**30 Honour House Court - Council Chambers**

**Members Present:**

- Mayor Ann Seamans**
- Deputy Mayor Tammy Rampersaud**
- Councillor Wayne Bennett**
- Councillor Lana Hansen**
- Councillor John Coughlan**
- Councillor Jeremy Thorne**
- Councillor Cecile Cassista**
- Councillor Andrew LeBlanc**

**Staff Present:**

- C. Smith, CAO**
- A. Crummey, Town Clerk**
- D. Richard, Deputy Town Clerk**
- R. Higson, Director of Finance**
- M. Ouellet, Director of Engineering & Public Works**

**Regrets:**

- G. Cole, Director of Parks, Recreation & Community Relations**
- S. Thomson, Director of Economic Development**
- T. Finlay, Director of Human Resources**
- D. Pleau, Fire Chief**

**1. CALL TO ORDER**

Mayor Seamans called the Committee of the Whole meeting of December 3, 2018 to order at 5:00 p.m.

**2. ADOPTION OF THE AGENDA**

**Moved by:** Councillor J. Thorne

**Seconded by:** Councillor W. Bennett

That the agenda for the Committee of the Whole meeting of December 3, 2018 be approved.

**Motion Carried**

**3. DECLARATION OF CONFLICTS OF INTEREST**

NIL

**4. REVIEW OF OPTIONS FOR 2019 BUDGET**

Mayor Seamans advised that the municipalities had received the Provincial assessment figures and the Equalization Grant amount. She noted that staff is seeking direction from Council, in relation to the higher than anticipated equalization grant, prior to the budget approval on December 10, 2018.

R. Higson indicated that the Provincial Government released the final assessment base figures and the equalization grant amounts for 2019. The amount included in the draft budget for our assessment base growth was in line with the numbers released by the Province, but the Town's equalization grant is significantly higher than what was forecasted in the 2019 proposed budget. Council will have to decide how to deal with the overall surplus of \$525,157.

R. Higson provided a brief explanation as to how the Province arrives at the Equalization Grant figure. Essentially the Town is grouped with other municipalities of roughly the same size, which in our case is Rothesay and Quispamsis. The figure depends on the performance of the other municipalities in relation to tax base growth. Both Rothesay and Quispamsis are receiving additional revenue due to large growth in their assessment base, and the Province deemed that Riverview should receive a higher Equalization grant.

R. Higson confirmed with Mayor Seamans that the tax base assessment figure for Quispamis increased by 4%; Rothesay increased by 3.4% and Riverview saw a 1.80% increase in the tax base.

Previously direction was given by Council at the budget session held on November 21, 2018 if the Town did receive additional funding that staff was to allocate those funds to managing the capital budget by either putting more into capital reserves; increase the capital from operating budget; or paying down more debt. However, he noted that staff did not anticipate that the grant amount would have been that much significantly higher than the draft budget. Therefore, the Mayor requested that staff schedule a Committee of Whole meeting to confirm Council's direction on where those additional dollars should be allocated.

The Council Report dated December 3, 2018 form outlined two options for consideration which were to allocate all the additional equalization grant funds to increasing the Capital from Operating Budget. This would increase that budget to \$3.67 million or Council could decide to defer the planned 2019 - 1 cent tax rate increase and allocate the balance of the additional equalization grant to the Capital from Operating Budget. The Capital from Operating Budget would be \$3.52 million.

Mayor Seamans pointed out that while the report contains two staff recommendations, Council could bring forth other options for consideration at this time.

Council entered into a discussion on retaining the one cent tax rate increase. The members of Council supported the proposed budget as there are a number of big ticket items for the coming years and want to be fiscally responsible and make provisions for the future. It was noted that if Council is going to have a future it needs to be smart and undertake the financial planning in order to do so.

R. Higson responded to a question regarding the budgeted amount for WorkSafe premiums which was \$200,000 for 2018. In the proposed 2019 budget the figure was increase by 49% which is another \$100,000. He cautioned that the premiums are still unknown and potentially the Town could be looking at an increase between \$100,000 - \$300,000.

A consensus was reached to retain the one cent increase in the tax rate. The overall budget will be voted upon at the Regular Council meeting to be held on December 10, 2018.

The members of Council entered into a discussion regarding the idea of adding \$10,000 to the community investment grant budget. It should be noted that this suggestion to increase the community investment grant was for the year 2019 only, given the additional funds the Town has received. The intention was to direct staff to revert to the \$90,000 figure for the budget deliberations for 2020.

A consensus was reached to increase the community investment grant budget by \$10,000 for a total of \$100,000 for 2019 only.

Consideration was given to allocating the remaining funds to go to the Transfer to Capital Reserve Fund versus Capital from Operating.

R. Higson remarked that there is no difference in the net result. The difference is in the timing of financing the projects. It would make more sense if Council is setting it aside to be used for the bigger ticket items (such as the Wellness Centre, Bridgedale Boulevard, the new RCMP building and RCMP operational cost increases) to come in future years. He remarked that Council has the option to revisit when the Town actually goes to borrow funds. Council also has the option to redirect staff in 2019. He recommended to put the additional monies realized from the Equalization Grant into Transfer for Capital Reserve. He indicated that the Town can always amend that decision with no impact.

The members of Council unanimously accepted the recommendation to allocate the remaining funds to the General Capital Reserve Fund.

## **5. ADJOURNMENT**

**Moved by:** Councillor C. Cassista

**Seconded by:** Councillor W. Bennett

That the meeting be adjourned at 5:25 p.m.

**Motion Carried**