

Synopsis

Revisions to the Budget Management Policy and Setting the Mandatory Provincial Contribution Area Rate

The Budget Management Policy states in section 15 that Council will consider setting the Mandatory Provincial Contribution Area Rate by the end of February each year based on the available information from the province at the time, and will communicate it to the public through various media channels.

Previously, the Town of Amherst Area Rate did not include the amounts that the Town pays for the Regional Library even though it is an amount which we are mandated to contribute by the Province and for which the Town does not determine the increases each year.

In addition, in fiscal 2018-2019 the method for contributing to the local YMCA was changed from in kind services to a payment of \$100,000. When the change was made the Budget Management Policy did not get updated.

MOTION 1: Changes to the Budget Management Policy

That Council approve the changes in the attached Budget Management Policy including the addition of the Regional Library Costs to the Mandatory Provincial Contribution Area Rate and the adjustment of the YMCA payment to reflect our contribution of \$100,000 in the Community Support Area Rate.

Through the operation of this policy, Council levies an area rate to cover the cost of services which are provided by provincial government agencies and the funding for which simply flows through the Town of Amherst.

The applicable services are: Education, Property Valuation Services Corporation (PVSC) Assessments, Corrections Services, Housing and Regional Library (new to the area rate in 2019/20). In each case the Town simply writes a cheque to the agency.

In segregating these costs and levying an area rate Council seeks to highlight that it has no control over or input into each of these costs. Last year the Mandatory Provincial Contribution Area Rate was 39 cents. This year's increase is driven by the increase in housing costs and the addition of the regional library costs.

MOTION 2:

2019-2020 Area Rate

Mandatory Provincial Contributions

WHEREAS the Mandatory provincial contributions for the 2019-2020 fiscal period of \$2,126,505 must be rated;

THEREFORE BE IT RESOLVED THAT for the Town of Amherst for the fiscal year ending March 31, 2020, the Mandatory Provincial Contribution Area Rate on all property assessments within the boundary of the Town of Amherst are as follows:

Residential / Resource	\$0.405 per \$100 of assessment
Commercial	\$0.405 per \$100 of assessment

AND THAT these area rates are due and payable on September 30, 2019 with interest to be charged on all final tax accounts outstanding on or after October 1, 2019 at the rate of 1% per month, 12% per annum.