

ROTHESAY

Public Budget Presentation

By **Webex Videoconference**

Monday, October 25, 2021

6:00 pm



Public access to the Live stream will be available online:

<https://www.rothesay.ca/town-hall/agendas/>

1. APPROVAL OF AGENDA

2. DRAFT 2022 Rothesay Budgets (Presentation by the Treasurer)

2.1 2021 Memorandum from Treasurer MacDonald

2.2 Draft 2022 General Operating Fund Budget

- General Operating Fund Draft Budget Highlights
- Draft 2022 General Operating Fund Budget

2.3 Draft 2022 Utility Operating Fund Budget

- Utility Operating Fund Draft Budget Highlights
- Draft 2022 Utility Operating Fund Budget

3. NEXT MEETINGS

Monday, November 8, 2021

Monday, November 15, 2021

Monday, November 15, 2021

Regular Council meeting (7:00 pm)

Public Hearing – Holland Drive (7:00 pm)

Special Budget Approval Meeting

4. ADJOURNMENT



ROTHESAY MEMORANDUM



TO : Mayor and Council
FROM : Doug MacDonald
DATE : October 20, 2021
RE : Preliminary Operating Budgets

The Town conducts business through two separate “funds”, General and Utility. Property taxes are the primary revenue source for the General Fund and Water and Sewer charges are the primary revenue source for the Utility Fund. Property assessment values are determined by the Province.

The Provincial Government requires the Town to submit operating budgets on an annual basis, ideally on or before November 15th. Capital Budgets are also drafted on an annual basis for each Fund however, these are not directly approved by the Province. Each Operating budget is impacted by the amount of capital spending to be funded from current year’s revenue, known as “capital from operating”.

While we have a broad five year capital plan, Council has yet to meet to determine final 2022 capital priorities therefore, we have split the budget process in two sections. Our plan is to have the 2022 Operating budgets approved at the November Council meeting, to meet the Provincial filing deadline, and to have the 2022 Capital budgets approved at the December Council meeting.

Enclosed are draft preliminary operating budgets for discussion purposes.

Assumptions and highlights are as follows:

General Fund

- Increase in assessment base of 9.10%
- Annualized Saint John inflation rate currently is 4.9%
- Other revenues slightly decreased given expected level of activity
- Wage adjustment (including benefit changes) of 3%
- Protective services budgets based on revised submissions
 - Police - \$3,035,186 (8.3% increase)
 - Fire - \$2,365,873 (4.5% increase)
- Regional Facilities, Library, Comex, Envision, Waste Disposal, Snow Clearing, Insurance all based on approved contracts and/or budgets
- Recreation includes additional seasonal positions
- Debenture payments based on known repayment schedules
- “Capital from Operating” increased to reflect expected capital expenditures
- Draft tax rate of \$1.20 (a reduction of 4 cents)

ROTHESAY

TO:

FROM:

2021October25SpecialOpenBudgetPresn_003

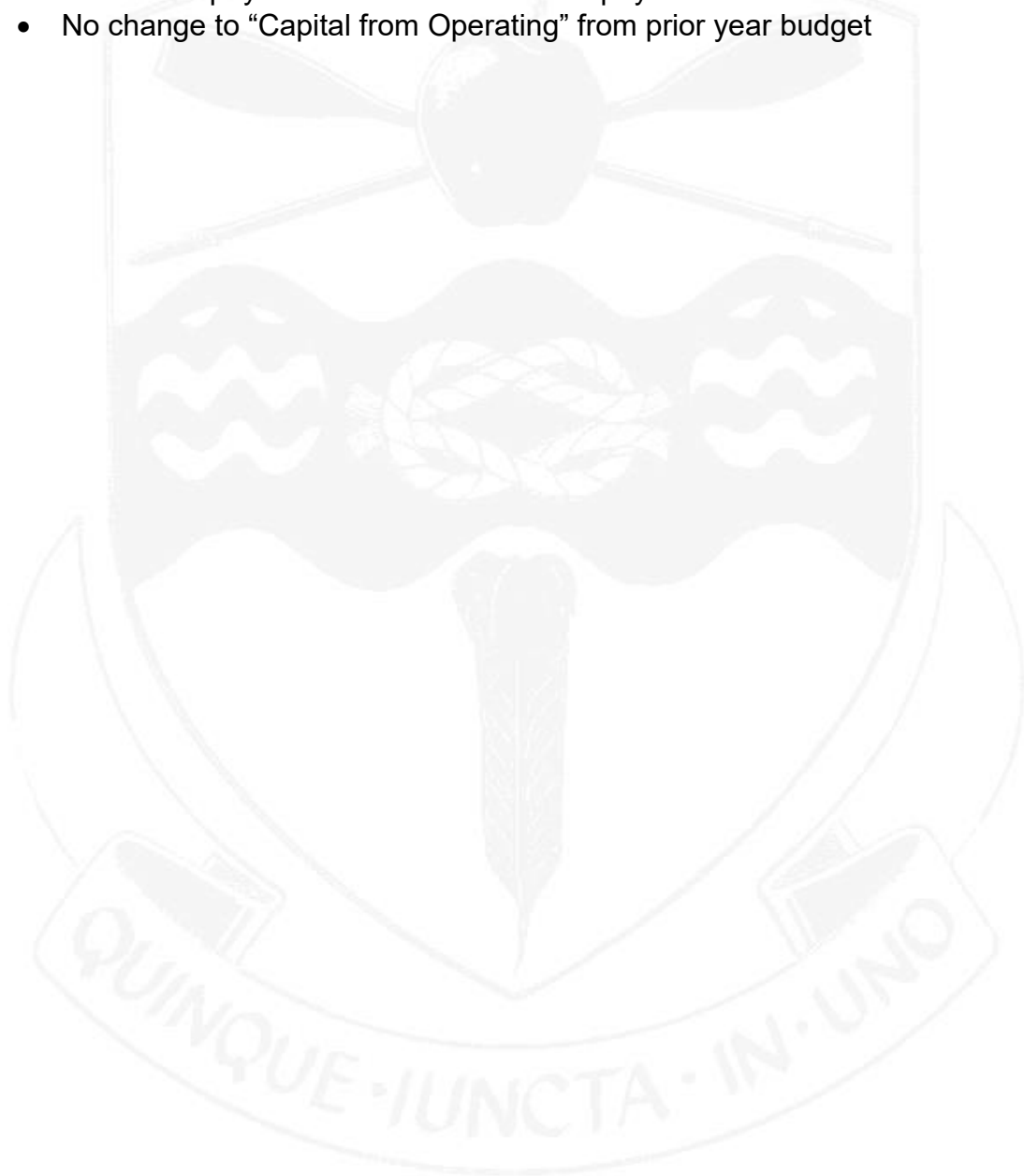
RE:

-2-

(DATE)

Utility Fund

- No change to water revenues (small increase budgeted to reflect additional users)
- Increase in sewer charge to \$410 per equivalent user (increase of \$10)
- Direct water expenditure increase due to additional well cleaning
- Debenture payments based on known repayment schedules
- No change to "Capital from Operating" from prior year budget





GENERAL OPERATING FUND

Draft BUDGET 2022 – HIGHLIGHTS

1. Total Operating Budget \$20,030,000
2. 9.10% increase in aggregate property tax assessments
3. Decrease the tax rate to \$1.20 per \$100 of assessment – a 4 cent decrease
4. **General Government** includes the administrative costs, insurance and other overhead expenditures and has an increase of approximately 4.4%
5. **Protective Services** budgets reflect the submissions from the Fire and Police Boards
6. **Transportation Services** includes costs of snow removal contracts, salt expenditures and wages with no aggregate change in total expenditures
7. **Environmental Health Services** includes garbage collection and disposal and has an increase of approximately 2.3% due to increased tipping fees
8. **Environmental Development Services** includes increase in funding related to Envision
9. **Recreation & Cultural Services** reflect an increase from the 2021 budget of 4.64% to reflect costs including the maintenance of trail infrastructure, regional facilities, parks, etc.
10. **Fiscal Services** includes debt service costs and an increase in the funding of capital projects

Total proposed expenditures by category are as follows:

General Government Services	\$ 2,524,000	12.6%
Protective Services	\$ 5,771,000	28.9%
Transportation Services	\$ 3,699,000	18.5%
Environmental Health Services	\$ 862,000	4.3%
Environmental Development (planning)	\$ 682,000	3.4%
Recreation and Cultural Services	\$ 2,247,000	11.2%
Fiscal Services (P&I)	\$ 972,000	4.9%
Capital Expenditures	\$ 3,000,000	15.0%

2021October25SpecialOpenBudgetPresn_005

Town of Rothesay

	ACTUAL	BUDGET	ACTUAL YTD	BUDGET	BUDGET		
	2020	2020	September	2021	2021	2022	
			2021				
REVENUE							
Warrant of Assessment	16,492,476	16,492,464	12,751,724	17,002,299	18,181,510		
Sale of Services	338,629	410,300	294,525	465,600	419,900		
Services to Province of New Brunswick	83,288	60,000	42,812	60,000	<u>60,000</u>		
Other Revenue from Own Sources	312,565	108,150	85,674	115,260	94,943		
Unconditional Grant	128,323	128,335	98,395	131,193	<u>130,973</u>		
Conditional Transfers	551,322	26,500	1,041,854	26,500	<u>40,000</u>		
Other Transfers	1,216,251	1,099,251	1,037,522	1,082,149	1,102,674		
	<u>\$19,122,854</u>	<u>\$18,325,000</u>	<u>15,352,506</u>	<u>\$18,883,000</u>	<u>\$20,030,000</u>	6.07%	
EXPENSES							
General Government Services	2,266,965	2,308,843	1,703,522	2,416,762	2,523,274	4.41%	12.60%
Protective Services	5,428,368	5,331,346	4,228,508	5,439,207	5,770,860	6.10%	28.81%
Transportation Services	3,361,327	3,606,766	2,536,956	3,687,492	3,698,749	0.31%	18.47%
Environmental Health Services	674,617	658,000	641,207	842,000	862,000	2.38%	4.30%
Environmental Development	509,844	605,940	379,259	649,200	681,867	5.03%	3.40%
Recreation & Cultural Services	1,979,431	2,112,991	1,691,616	2,147,205	2,246,800	4.64%	11.22%
Fiscal Services	4,849,628	3,701,113	3,902,623	3,701,134	4,246,450	14.73%	21.20%
	<u>\$19,070,180</u>	<u>\$18,325,000</u>	<u>15,083,690</u>	<u>\$18,883,000</u>	<u>\$20,030,000</u>		
Surplus (Deficit) for the Year	<u>\$52,674</u>	<u>\$0</u>	<u>\$268,815</u>	<u>\$0</u>	<u>-\$0</u>		

Town of Rothesay

Assessments and Tax Rates

	2018	2019	2020	2021	2022
Municipal Tax Base For Rate	\$ 1,251,068,506	\$ 1,293,791,950	\$ 1,330,037,450	\$ 1,388,723,650	\$ <u>1,515,125,800</u>
Tax Rate	1.2400	1.2400	1.2400	1.2400	1.2000
Warrant of Assessment	\$ 15,513,249	\$ 16,043,020	\$ 16,492,464	\$ 17,220,173	\$ 18,181,510
A one cent increase in the tax rate raises:	\$ 125,107	\$ 129,379	\$ 133,004	\$ 138,872	\$ 151,513
Cost of Assessment	\$ 242,707	\$ 250,996	\$ 258,027	\$ 269,412	\$ 293,934
Percentage Change	2018	2019	2020	2021	2022
Assessment increase	-0.45%	3.41%	2.80%	4.41%	9.10%
Tax rate increase	1.64%	0.00%	0.00%	0.00%	-3.23%
	1.18%	3.41%	2.80%	4.41%	5.58%

Town of Rothesay

	ACTUAL	BUDGET	ACTUAL YTD	BUDGET	BUDGET
	2020	2020	September	2021	2022
			2021		
REVENUE					
Sale of Services					
Bill McGuire Memorial Centre	3,099	20,000	8,867	20,000	20,000
Town Hall Rent	71,791	73,000	57,125	73,000	73,000
Boat Club Rent	4,013	4,000	4,013	4,000	4,000
Fox Farm Rental	14,228	10,200	14,000	20,400	20,000
<i>Arena Revenue</i>	181,159	220,800	124,999	265,200	224,900
Community Garden	820	1,000	600	1,000	1,000
<i>Recreation Progams</i>	63,519	81,300	84,921	82,000	77,000
Total Sale of Services	338,629	410,300	294,525	465,600	419,900
Other Revenue from Own Sources					
<i>Licenses & Permits</i>	156,638	75,000	52,256	75,000	55,000
KVFD Admin Penalties	0	0	3,150	0	0
<i>Interest</i>	11,697	10,000	12,430	14,000	12,000
<i>Miscellaneous</i>					
Miscellaneous Revenue	126,075	10,150	3,370	8,952	10,435
Recycling Dollies & Lids	761	1,000	715	600	800
History Book Sales	60	0	45	0	0
Local Improvement Levy Mulberry Lane	5,333	0	4,708	4,708	4,708
Fire Dept. Administration	12,000	12,000	9,000	12,000	12,000
	312,565	108,150	85,674	115,260	94,943
Conditional Transfers					
Canada Day Grant	2,000	1,500	1,600	1,500	1,500
Grant - Other	549,322	25,000	1,040,254	25,000	25,000
	551,322	26,500	1,041,854	26,500	26,500
Other Transfers					
Surplus of 2nd Previous Year	99,251	99,251	250,022	32,149	52,674
Utility Fund Transfer	1,000,000	1,000,000	787,500	1,050,000	1,050,000
Transfer from Capital reserve	117,000				
	1,216,251	1,099,251	1,037,522	1,082,149	1,102,674

2021October25SpecialOpenBudgetPresn_008

Town of Rothesay

	ACTUAL	BUDGET	ACTUAL YTD	BUDGET	BUDGET
	2020	2020	September	2021	2022
			2021		
EXPENSES					
General Government Services					
<i>Legislative</i>					
Mayor	36,468	47,000	27,354	47,000	47,000
Councillors	118,592	136,100	93,677	136,100	136,100
Regional Service Commission 9	3,597	7,000	3,920	5,226	6,000
Other	1,825	13,500	2,650	13,500	12,500
	<u>160,481</u>	<u>203,600</u>	<u>127,601</u>	<u>201,826</u>	<u>201,600</u>
<i>Administrative</i>					
Office Building	158,687	155,000	136,020	177,500	181,250
Solicitor	4,213	50,000	8,063	50,000	50,000
Wages & Benefits	1,048,388	1,063,656	677,362	1,090,247	1,111,334
Admin Other	10,574	18,000	0	17,500	14,500
Covid-19 Expenses	100,722	0	14,046	25,000	25,000
Supplies	94,765	109,700	87,450	143,398	144,000
Professional Fees	28,814	30,000	12,853	30,000	35,000
Other	150,557	159,729	94,143	126,498	140,751
Total Administration	<u>1,596,720</u>	<u>1,586,085</u>	<u>1,029,937</u>	<u>1,660,143</u>	<u>1,701,835</u>
Other General Government Services					
Community Communications	835	10,000	1,231	10,000	10,000
Civic Relations	326	2,000	135	1,000	1,000
Insurance	194,165	195,131	247,058	223,290	256,784
Donations	20,448	35,000	10,400	34,000	36,500
Cost of Assessment	258,027	258,027	266,004	266,003	293,934
Property Taxes - L.P.P.	16,469	15,000	16,782	18,000	17,622
Fox Farm Rental Expenses	19,493	4,000	4,375	2,500	4,000
	<u>509,763</u>	<u>519,158</u>	<u>545,985</u>	<u>554,793</u>	<u>619,839</u>
	<u>2,266,965</u>	<u>2,308,843</u>	<u>1,703,522</u>	<u>2,416,762</u>	<u>2,523,274</u>

2021October25SpecialOpenBudgetPresn_009

Town of Rothesay

	ACTUAL	BUDGET	ACTUAL YTD	BUDGET	BUDGET
	2020	2020	September	2021	2022
			2021		
Protective Services					
Police					
Police Protection	2,698,645	2,581,645	2,136,009	2,802,204	3,035,186
Crime Stoppers	2,800	2,800	2,800	2,800	2,800
	<u>2,701,445</u>	<u>2,584,445</u>	<u>2,138,809</u>	<u>2,805,004</u>	<u>3,037,986</u>
Fire					
Fire Protection	2,227,401	2,225,646	1,746,768	2,262,703	2,365,873
Water Costs Fire Protection	325,000	325,000	330,000	330,000	330,000
	<u>2,552,401</u>	<u>2,550,646</u>	<u>2,076,768</u>	<u>2,592,703</u>	<u>2,695,873</u>
Emergency Measures					
911 Communications Centre	156,755	156,755	0	0	0
EMO Director/Committee	879	20,000	731	20,000	20,000
	<u>157,634</u>	<u>176,755</u>	<u>731</u>	<u>20,000</u>	<u>20,000</u>
Other					
Animal & Pest Control	6,264	9,500	1,421	9,500	5,000
Other	10,625	10,000	10,779	12,000	12,000
	<u>16,889</u>	<u>19,500</u>	<u>12,200</u>	<u>21,500</u>	<u>17,000</u>
Total Protective Services	5,428,368	5,331,346	4,228,508	5,439,207	5,770,860

2021 October 25 Special Open Budget Presn_010
 Town of Rothesay

	ACTUAL 2020	BUDGET 2020	ACTUAL YTD September 2021	BUDGET 2021	BUDGET 2022
Transportation Services					
Common Services					
Administration	1,688,206	1,810,279	1,277,449	1,835,500	1,812,274
Workshops, Yards & Equipment	639,986	693,723	475,577	654,000	679,413
Engineering	4,738	7,500	0	7,500	5,000
	<u>2,332,931</u>	<u>2,511,502</u>	<u>1,753,026</u>	<u>2,497,000</u>	<u>2,496,687</u>
Roads & Streets	60,564	55,000	55,719	50,000	55,000
Crosswalks & Sidewalks	14,018	21,063	10,445	19,992	20,125
Culverts & Drainage Ditches	80,167	67,500	55,572	65,000	60,000
Street Cleaning & Flushing	16,687	40,000	13,060	44,000	45,000
Snow & Ice Removal	507,392	602,000	381,386	651,500	667,000
	<u>678,828</u>	<u>785,563</u>	<u>516,183</u>	<u>830,492</u>	<u>847,125</u>
Street Lighting	152,537	130,000	110,177	130,000	145,000
Flood Costs	32,217	0	0	40,000	15,000
Traffic Services					
Street Signs	17,028	8,000	8,930	12,000	12,500
Traffic Lanemarking	27,513	30,000	25,677	30,000	40,000
Traffic Signals	23,952	40,000	43,066	40,000	40,000
Railway Crossing	19,368	24,000	17,960	22,000	25,000
	<u>87,861</u>	<u>102,000</u>	<u>95,633</u>	<u>104,000</u>	<u>117,500</u>
Public Transit - Comex Service	71,201	71,201	60,623	83,500	74,938
Public Transit - Other	1,752	2,500	1,314	2,500	2,500
KV Committee for the Disabled	4,000	4,000	0	0	0
	<u>76,953</u>	<u>77,701</u>	<u>61,937</u>	<u>86,000</u>	<u>77,438</u>
	<u>3,361,327</u>	<u>3,606,766</u>	<u>2,536,956</u>	<u>3,687,492</u>	<u>3,698,749</u>

2021October25SpecialOpenBudgetPresn_011
 Town of Rothesay

	ACTUAL 2020	BUDGET 2020	ACTUAL YTD September 2021	BUDGET 2021	BUDGET 2022
Environmental Health Services					
Solid Waste Disposal Land Fill garbage	212,853	195,000	142,868	200,000	210,000
Solid Waste Disposal Landfill Compost	76,611	36,000	39,888	34,000	36,000
Solid Waste Collection Fero	278,656	290,000	428,218	568,000	571,000
Solid Waste Collection Curbside Recycling	59,028	97,000	0	0	0
Clean Up Campaign	47,469	40,000	30,233	40,000	45,000
	674,617	658,000	641,207	842,000	862,000
Environmental Development Services					
Planning & Zoning					
<i>Administration</i>					
<i>Administration</i>	407,727	456,460	268,259	466,500	459,167
Planning Projects	0	45,000	0	25,000	25,000
Heritage Committee	0	2,500	0	2,500	2,500
	407,727	503,960	268,259	494,000	486,667
Economic Development Comm.	98,988	98,780	111,000	152,000	192,000
Tourism	3,129	3,200	0	3,200	3,200
	102,117	101,980	111,000	155,200	195,200
	509,844	605,940	379,259	649,200	681,867

2021October25SpecialOpenBudgetPresn_012

Town of Rothesay

	ACTUAL 2020	BUDGET 2020	ACTUAL YTD September 2021	BUDGET 2021	BUDGET 2022
Recreation & Cultural Services					
<i>Administration</i>	279,173	271,460	247,020	339,800	383,404
<i>Beaches</i>	36,384	45,500	45,494	50,636	50,300
<i>Rothesay Arena</i>	263,347	335,434	247,503	315,000	368,468
<i>Parks & Garden</i>	575,169	586,554	498,167	613,500	635,387
<i>Rothesay Common Rink</i>	49,957	57,672	57,224	43,976	67,026
<i>Playgrounds & Fields</i>	112,218	115,000	95,937	124,000	129,000
<i>Memorial Centre</i>	56,225	61,000	55,851	76,000	72,988
<i>Summer Programs</i>	63,086	62,000	55,232	62,824	60,908
<i>Special Events</i>	7,432	39,500	10,733	39,500	40,000
	1,442,992	1,574,120	1,313,162	1,665,236	1,807,481
Kennebecasis Public Library	84,747	86,144	66,632	88,844	83,217
Regional Facilities Commission	451,692	451,692	311,822	393,125	356,102
Rothesay Living Museum	0	1,035	0	0	0
	536,439	538,871	378,454	481,969	439,319
	1,979,431	2,112,991	1,691,616	2,147,205	2,246,800

2021October25SpecialOpenBudgetPresn_013

Town of Rothesay

	ACTUAL	BUDGET	ACTUAL YTD	BUDGET	BUDGET
	2020	2020	September	2021	2022
			2021		
Fiscal Services					
Debt Charges					
Interest	201,398	173,113	93,623	182,134	187,450
Debenture Payments	778,000	778,000	394,000	804,000	784,000
	<u>979,398</u>	<u>951,113</u>	<u>487,623</u>	<u>986,134</u>	<u>971,450</u>
Transfers To:					
Capital Fund for Capital Expenditures	3,161,980	2,750,000	2,715,000	2,715,000	3,000,000
Capital Projects Funded by Grants	483,250	0	0	0	0
Reserve Funds	0	0	0	0	0
Transfers to Reserves	225,000	0	700,000	0	275,000
	<u>3,870,230</u>	<u>2,750,000</u>	<u>3,415,000</u>	<u>2,715,000</u>	<u>3,275,000</u>
	<u>4,849,628</u>	<u>3,701,113</u>	<u>3,902,623</u>	<u>3,701,134</u>	<u>4,246,450</u>



UTILITY OPERATING FUND Draft BUDGET 2022 HIGHLIGHTS

1. Total Revenue \$3,640,000
2. Revenue from sale of water of \$1,127,500 includes no increase in rates
(base water rate - \$1.18 per cubic metre and \$205 per annum fixed fee)
3. Revenue from sewerage services \$1,860,000 includes an increase of \$10 to an
annual base rate of \$410 per equivalent user per year
4. Total operating expenses, including debt service charges increased to
\$2,860,000

- **Expenses:**

Water Supply	\$ 1,111,500
Sewer Collection and Disposal	925,500
Fiscal Services	<u>823,000</u>
Total	<u>\$ 2,860,000</u>

- **Revenue:**

Sale of Water	\$ 1,127,500
Sewerage services	1,860,000
Other Revenue	<u>652,500</u>
	<u>\$ 3,640,000</u>

Town of Rothesay

2021 October 25 Special Open Budget Presn_015

2022 UTILITY OPERATING FUND BUDGET

	YTD September 30, 2021	2020 Y/E Actual	2021 Budget	2022 Budget	
REVENUE					
1 Sale of Water	\$ 866,529	\$ 1,058,367	\$ 1,127,500	\$ 1,127,500	0.0%
2 Water Connection Fees	15,300	64,025	45,000	45,000	
Development infrastructure-Water					
3 Meter and Non-Hookup Fees	43,133	53,531	47,200	50,000	
4 Water Supply for Fire Protection	330,000	325,000	330,000	330,000	
5 Sewerage Services	1,804,868	1,657,517	1,800,000	1,860,000	\$ 10.00
6 Sewer Connection Fees	35,950	33,700	25,000	35,000	
7 Infrastructure grants	1,000	383,079			
8 Interest Earned	82,283	103,948	80,000	80,000	
9 Transfer from operating reserve	-				
10 Prior Years surplus	34,573	80,211	34,573	48,620	
11 Local improvement levy	61,859	60,408	62,000	59,000	
12 Misc Revenue	5,213	5,800	16,727	4,880	
TOTAL REVENUE	\$ 3,280,708	\$ 3,825,587	\$ 3,568,000	\$ 3,640,000	

2.02%

EXPENDITURES

WATER SUPPLY					
13 Share of Overhead Expenses	315,000	400,000	420,000	420,000	
14 Profess. Fees/Legal/Training	12,513	7,701	12,500	17,000	
15 Purification/Treatment	329,886	419,082	420,000	487,500	
16 Water Purchased	740	1,176	750	1,000	
17 Trans/Distribution	46,136	141,160	130,000	120,000	
18 Power & Pumping	32,288	48,567	42,000	44,000	
19 Billing and Collections	4,517	2,941	-	5,000	
20 Other Expenses	4,856	17,344	15,000	17,000	
TOTAL WATER SUPPLY	\$ 745,936	\$ 1,037,971	\$ 1,040,250	\$ 1,111,500	6.85%

SEWERAGE COLLECTION AND DISPOSAL

21 Share of Overhead Expenses	472,500	600,000	630,000	630,000	
22 Profess. Fees/Legal/Training	7,089	10,477	14,500	11,000	
23 Collection System	40,624	111,898	84,000	99,000	
24 Lift Stations	31,060	38,783	70,000	56,000	
25 Treatment/Disposal	62,479	93,163	92,000	93,500	
26 Other Expenses (study)	25,243	12,139	33,000	36,000	
TOTAL SEWERAGE COLL & DISP	638,995	866,460	923,500	925,500	0.22%

\$ 1,384,931 \$ 1,904,431 \$ 1,963,750 \$ 2,037,000 3.73%

FISCAL SERVICES

27 Interest on Short Term Loans		4,081		5,323	
28 Interest on Long Term Debt- Water	188,607	206,321	165,441	<u>156,299</u>	
29 Interest on Long Term Debt- Sewer	-	90,674	146,375	<u>131,569</u>	
30 Principal Repayment- Water	187,357	364,796	312,324	<u>322,439</u>	
31 Principal Repayment- Sewer		118,340	208,033	<u>207,369</u>	
32 New Debenture		-	2,077	-	
33	375,964	784,212	834,250	823,000	
34					
35 Trf to Reserves - connect fees		103,411	70,000	80,000	
36 Trf to Reserves-Dev infrastruc.					
37 Trsfr to Reserve Accts - other	5,686				
38 Capital Fund	-	984,914	700,000	700,000	
39 Prev Yrs Deficits					
TOTAL FISCAL SERVICES	\$ 381,650	\$ 1,872,537	\$ 1,604,250	\$ 1,603,000	-0.08%

TOTAL EXPENSES \$ 1,766,581 \$ 3,776,968 \$ 3,568,000 \$ 3,640,000 2.02%

NET INCOME (LOSS) \$ 1,514,127 \$ 48,620 \$ (0) \$ 0