

The Special Meeting of Council was held on Tuesday, July 7th, 2020 at 7:05pm By Video Conference Call

- Present: Mayor Kandis Jameson, Deputy Mayor Bouchard, Councilors Duford, Anderson, Chambers, Groenewegen and Willows
- Staff: SAO Glenn Smith, Director of Recreation Stephane Millette, Director of Protective Services – Ross Potter, Director of Public Works – Mike Auge, Director of Finance – Sam Mugford, Council Administrator – Stacey Barnes

1. CALL TO ORDER:

This Meeting was called to order at 7:05pm with Mayor Jameson presiding.

2. ADOPTION OF AGENDA #20-159 MOVED BY CLLR DUFORD SECONDED BY: CLLR CHAMBERS

3. DECLARATION OF INTEREST

There were no declarations of interest at the Special Meeting of Council on Tuesday, July 7th, 2020.

4. NEW BUSINESS

a. Letter of Support

RECOMMENDATION:

#20-160 MOVED BY: CLLR ANDERSON SECONDED BY: CLLR GROENEWEGEN

THAT THE COUNCIL OF THE TOWN OF HAY RIVER directs Administration to draft a letter supporting the Persons with Disabilities' application for "Youth Centre Initiatives" for Youth programs.

BACKGROUND:

CARRIED

See attachment for the background information supporting this letter of support.

COUNCIL POLICY / STRATEGY OR GOAL:

N/A

APPLICABLE LEGISLATION, BYLAWS, STUDIES, PLANS:

N/A



FINANCIAL IMPLICATIONS:

N/A

ALTERNATIVES TO RECOMMENDATIONS:

N/A

ATTACHMENTS:

Letter of support form – Persons with Disabilities

Prepared by: Stacey Barnes Council Administrator July 3^{rd,} 2020 **Reviewed by:** Glenn Smith Senior Administrative Officer July 3rd, 2020

b. MILL RATE

RECOMMENDATION:

#20-161 MOVED BY: DEPUTY MAYOR BOUCHARD SECONDED BY: CLLR WILLOWS

THAT THE COUNCIL OF THE TOWN OF HAY RIVER accepts this information item on mill rates as presented.

CARRIED

BACKGROUND:

During the budget process every year, Council approves the amount of revenue required to operate the municipality. From this amount they subtract other sources of known revenues such as grants, licenses, user fees, etc. and the difference between those sources of revenues and expenses is the amount to be raised by property taxes.

The amount to be raised is divided by the total value of all property in the municipality and multiplied by 1,000 to determine the tax rate, also known as the mill rate. The calculation expressed as an equation is as follows:

Amount to be raised (a)	X 1,000 = mill rate
Total taxable assessment (b)	

(a) As determined by Council during the O&M budget process

(b) As determined by the GNWT assessors

The word "Mil" is derived from the Latin word for one thousand. In tax terms, one mil is equal to 1/1,000 of a dollar or \$1.00 in tax for each one thousand dollars (\$1,000) of assessed value.



Other levels of government do not pay property tax however they do pay a "grant in lieu" of tax. Municipal properties are exempt from tax as are a few other properties such as churches, etc.

Property assessments for government land and improvements are categorize according to predominant use property class (e.g. residential, commercial, industrial, institutional, etc.) and calculation of grants in lieu are derived using the same mill rates that apply for taxable properties (by class). Therefore, for the purposes of this paper the revenues earned through grants in lieu are included as a source of revenue derived from property assessments and any recommended increases will apply to properties that are grantable.

The 2020 mill rates are applied to 2019 assessment values to generate the revenue that is approved during the 2020 O&M budget process.

On December 11, 2019, Council approved a targeted 2% increase in property tax revenues, which would equate to a gross increase of \$126,000.

School Tax Levy

The Town of Hay River administers a school tax levy on behalf of the GNWT. School tax is collected and remitted to the GNWT and the rate is set by the GNWT. On March 13, 2020, the Town received notice (see attached) that the school tax levy would be set at 2.27 for 2020. The 2019 school tax levy was 2.23. School tax applies to all taxable property as well as all non-GNWT grantable property.

The School tax levy is applied in the same manner as the municipal levy and is assessed per \$1,000 of value.

Proposed Mill Rate:

Property Class	Municipal Mill Rate	School Tax Levy Rate	Total Mill Rate
01 Residential	12.950	2.27	15.220
02 Commercial	15.600	2.27	17.870
03 Industrial	17.700	2.27	19.970
04 Institutional	34.250	2.27	36.520
05 Urban Other	12.950	2.27	15.220
06 Rural Residential Developed	11.655	2.27	13.925
07 Rural Residential Non-developed	11.755	2.27	14.025
08 Rural Commercial	11.755	2.27	14.025
09 Rural Industrial Developed	11.755	2.27	14.025
10 Rural Industrial Non-developed	11.755	2.27	14.025
11 Rural Agriculture	11.755	2.27	14.025
12 Rural Quarries and Minerals	11.755	2.27	14.025

The revenue to be earned from these proposed rates (excluding school tax which is a flow through to the GNWT) is \$6,454,000. In the case of Class 04- Institutional, very few of the properties under this classification will be charged the Education Mill rate as they are own by the Territorial Government.



COUNCIL POLICY/STRATEGY OR GOAL:

To provide appropriate stewardship of Town assets and finances.

APPLICABLE LEGISLATION, BYLAWS OR STUDIES:

Cities, Towns and Villages Act, S.N.W.T. 2003, c. 22, Sections 107, 108 and 109 Financial Administration By-law 2252/FIN/11 *NWT Property and Assessment Tax Act*

FINANCIAL IMPLICATIONS:

N/A

ALTERNATIVES TO RECOMMENDATIONS:

N/A

ATTACHMENTS:

2020 Education Mill Rates – Hay River

Prepared by:

Sam Mugford, CPA, CA Director of Finance and Administration Date: June 30, 2020 **Reviewed by:** Glenn Smith SAO Date: July 3rd, 2020

c. EXCUSED ABSENCE

RECOMMENDATION:

THAT THE COUNCIL OF THE TOWN OF HAY RIVER excuses Councillor Dohey from the Special Meeting of Council, Tuesday, July 7th, 2020.

BACKGROUND:

Councillor Dohey has asked to be excused from the Special Meeting of Council, Tuesday, July 7th, 2020

COUNCIL POLICY / STRATEGY OR GOAL:

N/A

APPLICABLE LEGISLATION, BYLAWS, STUDIES, PLANS:

N/A



FINANCIAL IMPLICATIONS:

N/A

ALTERNATIVES TO RECOMMENDATIONS:

N/A

ATTACHMENTS:

N/A

Prepared by: Stacey Barnes Council Administrator Date: July 7th, 2020

Reviewed by:

5. BYLAWS

a) Bylaw 2420 - Mill Rate Bylaw - First Reading

#20-163 MOVED BY: DEPUTY MAYOR BOUCHARD SECONDED BY: CLLR DUFORD

CARRIED

Bylaw 2420 - Mill Rate - Second Reading

#20-164 MOVED BY: DEPUTY MAYOR BOUCHARD SECONDED BY: CLLR DUFORD

CARRIED

7. ADJOURNMENT

#20-165 MOVED BY: CLLR WILLOWS

That the Regular Meeting of Council be adjourned at 7:16pm.

CARRIED



SPECIAL MEETING MINUTES July 7th, 2020

Certified Correct as Recorded on the 7th Day of July 2020

These minutes were accepted by motion #20-193.

meso Mayor Senior Administrative Officer