

## LAHAVE AND DISTRICT FIRE DEPARTMENT

RATEPAYERS MEETING 22 JULY, 2020

### **FINANCIAL REPORT**

#### Introduction

1. This report will be delivered in two parts. The first part will describe the previous Fiscal Year from April 1, 2019 to 31 March, 2020. The second part will deal with the present Fiscal Year and the Motion to approve the fire tax rate.

#### Previous Fiscal Year

2. The main objectives were to focus our finances on activities that were in the best interest of the Department and to develop a rational and achievable plan to fund the Department into the future. We met some of these objectives.

3. By renegotiating our banking arrangements, we achieved reductions in administrative fees. We successfully registered as a Municipal Unit with Canada Revenue Agency and increased the GST/HST rebate percentage that we are entitled to – in short, we get more money back from the Government. We continued to invest in secure Guaranteed Investment Certificates to organize and fund our next vehicle purchase. Investments were sequenced to mature so that we would have approximately \$350,000.00 available, without penalty, for use throughout the calendar year 2021. Our investments grew in value by \$9729.00 over the past Fiscal Year.

4. To create the 5-year cost projections as directed in our By-Laws, we needed to first agree on a long term plan for our vehicle replacement and building upgrades. A draft plan was in the final stages of approval before COVID-19 restrictions halted those efforts. Accordingly, the 5-year cost projects are not yet available but will be produced as soon as we can complete our planning process.

5. The Auditors Report has been posted on our web site and copies have been provided to meeting attendees. The Report is favourable. On Page 3 of the Report, our excess of expenses over revenue sits at \$62,552.00, up from \$25,074.00 in the previous year. This means that the tax rate increase you approved last year has had the desired effect of mitigating the combined impacts of depreciation and escalating costs for capital equipment and infrastructure (buildings).

6. Overall, from a financial perspective, last Fiscal Year was a sound and progressive year.

#### Present Fiscal Year

7. The approved budget for the Department is posted on our website. Under Revenues, we have three GICs maturing which will yield \$4287.87 in interest income. Unfortunately, COVID-19 will have a continued impact on our ability to conduct fund raising activities. The “Cool Bowl, Hot Soup” event has been cancelled and anticipated revenue for both Hall Rentals and Bar Sales have been reduced.

8. Under Expenses, additional money has been allocated for several projects. Over the past few years, the installation of heat pumps at the Fire Hall has been discussed as a way to provide a measure of comfort to our workers and guests during fundraising events. Heat pumps might also reduce our heating costs. We had obtained quotes and were ready to discuss this proposal before progress was halted by COVID-19. Additional funds have been allocated for this purpose, should we decide to proceed with this proposal during this Fiscal Year.

9. Modest increases were also allocated for a new fridge for the Hall, a small washroom upgrade at the Station and repair work on the Huey Lake dry hydrant that could not be completed last year. A professional inspection last year indicated that our communication tower has also degraded to the point where it requires replacement.

10. To facilitate this work and maintain our ability to provide satisfactory fire protection services to the District, a Fire Tax rate of 0.13 dollars per \$100 of assessed value is being requested. This maintains the rate at last year's level and will continue to position the Department for necessary and future capital purchases without an immediate need for loans.

#### Conclusion and Recommendations

11. The budget provides the necessary funding to continue operations and perform necessary upgrades. The requested tax rate supports these activities and ensures that near term capital acquisitions can be made without the need for loans.

12. It is recommended that the following Motion be approved:

Move that: ***"The LaHave and District Fire Department request the Municipality of the District of Lunenburg to approve a Fire Tax Rate of 0.13 per one hundred dollars of assessment value for the Fiscal Year 2020 to 2021".***

Report Submitted by:  
Derek Purcell  
Treasurer