



***Tentative Agenda for Special
Meeting of Town Council***

Monday, March 22, 2021 @ 6:00 PM

55 Victoria Street
Kensington, PEI
C0B 1M0

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***Please ensure all cell phones and other electronic devices are turned
off or placed on non-audible mode during the meeting.***

**Town of Kensington
Special Meeting of Town Council
March 22, 2021 – 6:00 PM**

- 1. Call to Order**
- 2. Adoption of Agenda (Additions/Deletions)**
- 3. Declaration of Conflict of Interest**
- 4. New Business**
 - 4.1 RFD2021-12 - 2021/22 Town of Kensington Financial Plan
 - 4.2 RFD2021-13 - 2021/22 Property Tax Rates
 - 4.3 RFD2021-14 - Operating Lines of Credit – General and Water and Sewer Utility
- 5. Adjournment**

Town of Kensington - Request for Decision

Date: March 18, 2021	Request for Decision No: 2021-12
Topic: 2021/22 Town of Kensington Financial Plan	
Proposal Summary/Background: <p>Section 150(1) of the Municipal Government Act states that a council shall on or before March 31st in each year, adopt by resolution a financial plan for the upcoming fiscal year.</p> <p>The financial plan shall contain:</p> <ul style="list-style-type: none">(a) An operating budget that includes estimates of the amount of money required for expenditures and to be received as revenue;(b) A capital budget; and(c) A five-year capital expenditure program that includes an asset management (AM) plan. <p>As Councillors are aware, we are currently in the process of completing a comprehensive asset management plan. As it is completed, it will be submitted to Municipal Affairs as required by the Municipal Government Act.</p>	
Benefits: <ul style="list-style-type: none">• None noted.	
Disadvantages: <ul style="list-style-type: none">• None noted.	
Discussion/Comments: <p>The draft 2021/22 operational and capital budgets, as well as a proposed 5-year capital plan (Financial Plan) are being presented in final draft form for consideration. A copy of the proposed 2021/22 Financial Plan is circulated with this RFD.</p> <p>The proposed capital budget for the 2021/22 fiscal year includes capital purchases proposed for the upcoming fiscal year and includes the following revenue sources: transfer from operations (Municipal Funding), the Federal Gas Tax Program, Provincial/Federal Infrastructure Programs, and long-term borrowing.</p> <p>The 5-year Capital Plan contains budget estimates based on identified needs over the next five years. The projects are generally based on the priorities as enunciated in the Town's 5-year strategic plan.</p> <p>The attached final 'draft' budget projects a consolidated surplus position for fiscal year 2021/22 of \$25,874 which includes a surplus of \$390 in the Water and Sewer Utility, a surplus of \$117,296 in Town operations, a \$1,840 surplus in the Fire Department, a deficit in the Credit Union Centre operations of \$-38,236 and a deficit position in the operation of the business park of \$-55,416 (Note</p>	

there is no revenue currently associated with the business park however it is anticipated that business park properties will be sold throughout 2021/22).

Every effort is being made by staff and Council to hold the line on property taxes and to offset increases in expenditures by gaining efficiency and through growth in property assessment revenues.

It is recommended that current tax rates be maintained for 2021/22.

The 2021/22 Water and Sewer Utility rates will see an increase (effective January 1, 2021) based on the 5-year rates approved by the Island Regulatory Appeals Commission in 2021. Note that the 2021/22 Financial Plan includes the water and sewer utility as a department of the town and not as its own independent corporate entity as in previous years.

Options:

1. Approve the 2021/22 Financial Plan as recommended.
2. Not approve the 2021/22 Financial Plan.
3. Refer the Financial Plan back to staff for further deliberation.

Costs/Required Resources:

N/A

Source of Funding

N/A

Recommendation:

It is recommended that Town Council consider and adopt the following resolution:

WHEREAS Section 150(1) of the Municipal Government Act, R.S.P.E.I. 1988, Cap. M-12.1. requires a council to, on or before March 31 in each year, to adopt by resolution a financial plan for the upcoming fiscal year;

BE IT RESOLVED that Town Council approve the Town of Kensington 2021/22 Financial Plan with operational revenue estimates projected at \$3,021,342 and operational expenditure estimates projected at \$2,995,468.

BE IT FURTHER RESOLVED that Town Council approve the 2021/22 Capital Expenditure Plan and the 2021 – 2026, 5 Year Capital Expenditure Plan, as presented.

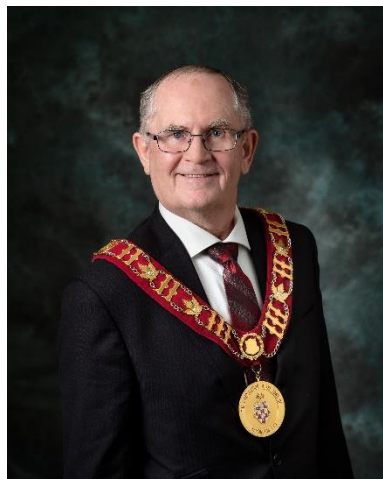


2021/22 Financial Plan

Town of Kensington
P.O. Box 418
Kensington, PE
C0B 1M0

Incorporated 1914

Kensington Town Council



Mayor Rowan Caseley



Deputy Mayor Coreen
Pickering



Councillor Ivan Gallant



Councillor Rodney Mann



Councillor Jeff Spencer



Councillor Wade Toombs

Background Financial Information

2021/22 Property Tax Rates (per \$100.00 of Assessed Value):

Municipal Non-Commercial \$0.55 Provincial Non-Commercial \$1.50

Municipal Commercial \$1.30 Provincial Commercial \$1.50

Provincial Property Tax rate may be subject to \$0.50 Credit

2021 Water and Sewer Rates **(Effective Jan 1, 2021)**

Sewer

Unmetred \$363.00 per year

Metred \$278.04 plus \$2.94 per thousand gallons

Water

Unmetred \$252.00

Metred \$212.04 plus \$1.39 per thousand gallons

2021/22 Assessment Information

2021/22 Non-Commercial Assessment Value \$83,475,770.00

2021/22 Commercial Assessment Value \$12,859,640.00

2021/22 Fund Summaries

2021/22 Provincial Equalization (Estimated) \$285,756.00

2021/22 Property Tax & Tax Credit (Estimated) \$842,676.00

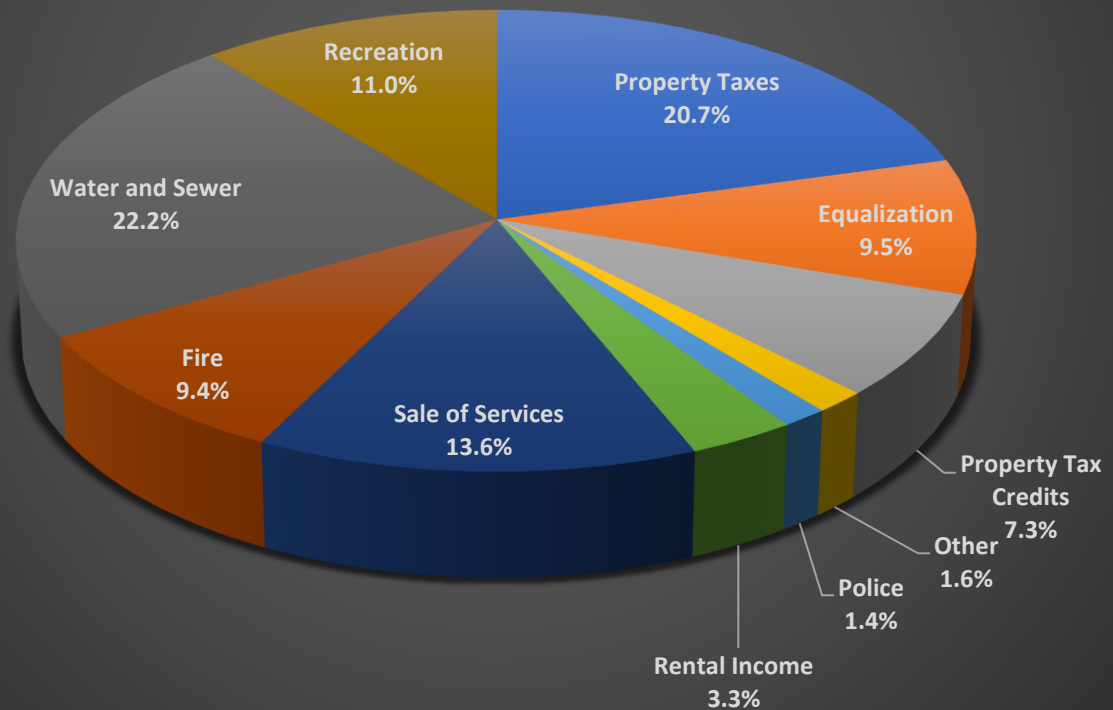
2021/22 Estimated Operational Revenue \$2,351,832.00

2021/22 Estimated Operational Expenditures \$2,314,648.00

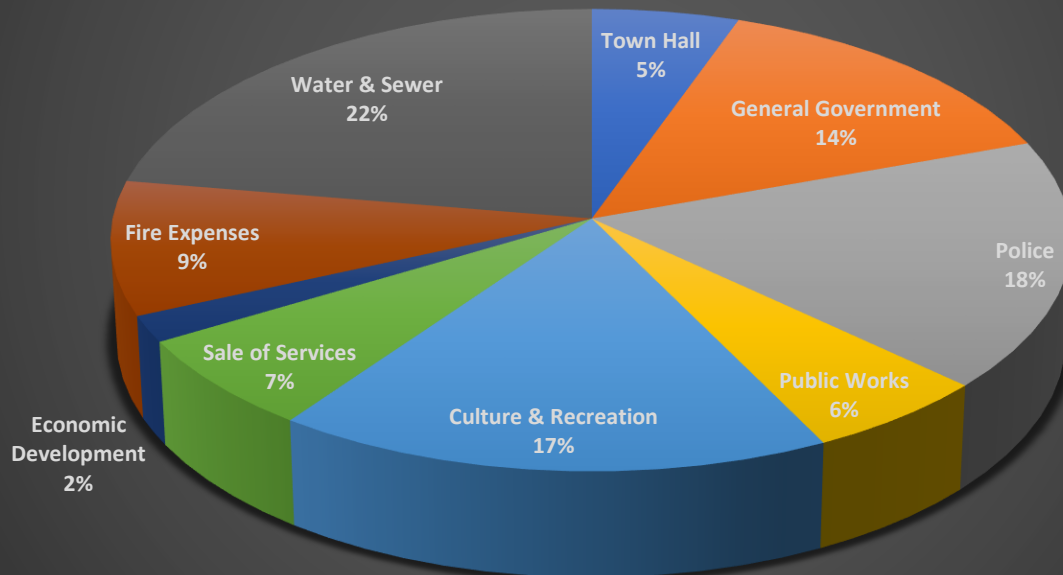
2021/22 Estimated Water and Sewer Revenue \$669,510.00

2021/22 Estimated Water and Sewer Expenditures \$669,120.00

Town of Kensington Revenue Estimates by Category



Town of Kensington Expenditure Estimates by Category



Revenue and Expenditure Summary

		2021/22
Revenue		
General Government	\$	1,006,644
Police	\$	217,996
Rental Revenue	\$	99,508
Recreation Revenue	\$	4,500
Sale of Services	\$	411,200
Fire Revenue	\$	282,684
Credit Union Centre	\$	329,300
Water and Sewer	\$	669,510
Total Revenue all Sources	\$	3,021,342
Expenditures		
Town Hall	\$	162,041
General Government	\$	422,085
Police	\$	522,689
Public Works	\$	171,817
Train Station	\$	51,795
Recreation	\$	95,785
Sale of Services	\$	196,340
Fire Department	\$	280,844
Credit Union Centre	\$	367,536
Business Park	\$	55,416
Water and Sewer	\$	669,120
Total Expenditures	\$	2,995,468
Net Revenue/Expenditure	\$	25,874

Town Hall: 2021/22 Budget Estimates

	2021/21
Expenditures	
Depreciation	\$ 49,020
Property Taxes	\$ 10,800
Electricity	\$ 17,600
Heating Oil	\$ 19,150
Wages – Custodian	\$ 36,815
Repair and Main. - Building	\$ 20,400
Janitor Supplies - Town Hall	\$ 4,800
Interest – Long Term Debt	\$ 3,456
Total Expenditures	<hr/> \$ 162,041

Sale of Services: 2021/22 Budget Estimates

	2021/22
Expenditures	
Office Expenses	\$ 1,500
IT Services	\$ 1,860
Wages - Police Tech's	\$ 166,000
Professional Development	\$ 480
PROS	\$ 2,500
Administration to Police Department	\$ (12,000)
Allocation from General Government	\$ 36,000
Total Expenditures	\$ 196,340

Public Works: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 95,640
Property Taxes	\$ 480
Electricity	\$ 2,275
Heating Oil	\$ 2,450
Street Lights	\$ 33,600
Cellular	\$ 2,400
Wages	\$ 161,992
Repair and Main. - Equip	\$ 9,600
Repair and Main. - Vehicle	\$ 600
Repair and Main. - Building	\$ 2,400
Vehicle - Gas & Oil	\$ 4,800
Snow and Ice Control	\$ 14,500
Uniforms - Clothing & Supplies	\$ 800
Gas & Oil - Equipment Public Works	\$ 7,200
Small Tools & Shop Supplies	\$ 1,800
Miscellaneous	\$ 6,000
Garbage Disposal	\$ 4,500
Asphalt Patching/Sidewalk	\$ 27,000
Water and Sewer Share	\$ (207,600)
Public Works Interest on Loans	\$ 1,380

Total Expenditures	<hr/> \$ 171,817
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Parks and Recreation: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 5,700
Property Taxes	\$ 3,390
Electricity	\$ 2,845
Wages - EVK Pool	\$ 19,000
Repair and Maint - Equip	\$ 1,000
Repair and Maint. - Building	\$ 5,450
Uniforms - Clothing & Supplies	\$ 500
Special Events Expense	\$ 15,200
Chemicals	\$ 3,500
Canada Day Expenses	\$ 3,000
Credit Union Centre Grant	\$ 25,200
Park Improvements	\$ 11,000
Total Expenditures	\$ 95,785

Train Station: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 24,000
Water & Sewer	\$ 720
Property Taxes	\$ 2,100
Electricity	\$ 10,550
Heating Oil	\$ 6,900
Freight Shed Electricity	\$ 3,325
Repair and Main. - Equip	\$ 300
Repair and Main. - Building	\$ 3,600
Interest – Long Term Debt	\$ 300
Total Expenditures	\$ 51,795

General Government: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 10,980
Property Taxes	\$ 321
Telephone	\$ 3,480
Cellular	\$ 3,900
Office Expenses	\$ 12,000
IT Services	\$ 3,600
Advertising	\$ 8,400
Wages – Administration	\$ 236,493
Workers Compensation	\$ 7,200
Honorariums	\$ 26,200
Conventions and Meetings	\$ 3,600
Dues and Memberships	\$ 6,850
Travel and Mileage	\$ 5,400
Professional Development	\$ 2,400
Donations and Grants	\$ 14,400
KISH Scholarship	\$ 1,000
Miscellaneous	\$ 4,500
Crosswalk Duties	\$ 3,600
Emergency Shelter Expense	\$ 1,200
Insurance – Other	\$ 66,694
Professional Fees – Accountant	\$ 13,000
Professional Fees – Other	\$ 96,000
Bylaw Enforcement	\$ 2,400
Fire Share of General Government	\$ (60,060)
Animal Control	\$ 120
Photocopier	\$ 3,275
Web Page Expense	\$ 1,450
ADP Payroll Expenses	\$ 4,806
Bank Charges	\$ 2,220
Promotional Materials & Flags	\$ 7,200
Operating Loan Interest	\$ 3,960
Fire Protection Charge	\$ 68,820
W&S Share of General Government	\$ (198,000)
Kensington Fire Dues	\$ 47,520
Interest – Long Term Debt	\$ 14,136
Cogsdale Maintenance Fee – Finance software	\$ 8,520
COVID-19 Expense	\$ 1,200
Library Expense	\$ 13,800
VueWorks Maintenance Fee – GIS	\$ 5,500
Allocation to Sales of Services	(36,000)
Total Expenditures	\$ 422,085

Fire Protection: 2021/22 Budget Estimates

	2021/22
Revenue	
Fire Dues District 1910	\$ 147,804
Fire Dues Malpeque	\$ 87,360
Fire Dues Kensington	\$ 47,520
Total Revenue	\$ 282,684
Expenditures	
Depreciation	\$ 120,000
Water & Sewer	\$ 1,644
Property Taxes	\$ 2,100
Electricity	\$ 4,920
Heating Oil	\$ 9,000
Telephone	\$ 3,960
Cellular	\$ 2,400
Advertising	\$ 1,450
Honorariums	\$ 30,700
Fire Equipment, Uniforms & Supplies	\$ 12,000
Repair and Main. - Equip	\$ 1,200
Repair and Main. - Vehicle	\$ 6,000
Repair and Main. - Building	\$ 4,800
Vehicle - Gas & Oil	\$ 4,800
Snow and Ice Control	\$ 3,250
Conventions and Meetings/Prof Dev	\$ 1,200
Insurance	\$ 2,000
Answering Service - Fire	\$ 2,880
Interest – Long Term Debt	\$ 6,480
Administration and Operating Costs	\$ 60,060
Total Expenditures	\$ 280,844
Variance	\$ 1,840

Police Protection: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 25,692
Telephone	\$ 6,500
Cellular	\$ 1,500
Office Expenses	\$ 5,160
IT Services & Cameras	\$ 3,000
Wages - Police Full Time	\$ 260,726
Wages - Part Time/Casual	\$ 118,248
Wages – Training	\$ 12,000
Workers Compensation	\$ 7,020
Repair and Main. - Equip	\$ 6,400
Repair and Main. - Vehicle	\$ 11,100
Vehicle - Gas & Oil	\$ 12,600
Professional Development	\$ 4,800
Uniforms - Clothing & Supplies	\$ 5,620
Insurance – Life	\$ 1,428
Answering Service - Police	\$ 24,000
Travel & Mileage	\$ 1,800
Vehicle – Rental	\$ 300
Court Costs & Witness Fees	\$ 600
Crime Prevention Initiatives	\$ 300
PROS	\$ 1,475
Interest – Long Term Debt	\$ 420
Administration - Sales of Services	\$ 12,000
Total Expenditures	\$ 522,689

Credit Union Centre: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 26,196
Water and Sewer	\$ 6,000
Property Taxes	\$ 540
Electricity Arena	\$ 73,155
Heating Oil	\$ 14,000
Electricity Sign	\$ 1,700
Electricity Ball Field / Canteen	\$ 360
Telephone	\$ 2,700
Cellular	\$ 780
Office Supplies	\$ 600
Advertising	\$ 1,200
Wages and Salaries	\$ 159,755
Workers Compensation	\$ 1,480
Repair and Main Equip	\$ 480
Repair and Main Vehicle (Zamboni)	\$ 1,600
Repair and Main Building	\$ 6,000
Repair and Main Ice Plant	\$ 4,050
Repair and Main Property	\$ 1,200
Repair and Main Ice Surface	\$ 3,850
Zamboni Propane	\$ 2,400
Ball Field Expenses	\$ 600
Canteen Expenses	\$ 17,500
Harvest Festival Expenses	\$
Fitplex Expenses	\$ 4,800
Snow Removal	\$ 3,300
Interest – Long Term Debt	\$ 4,390
Fund Raising Expenses	\$ 2,000
Senior Center Oil	\$ 900
Senior Center Electricity	\$ 2,400
Senior Center Repair and Main	\$ 600
Travel and Mileage	\$ 1,800
Insurance	\$ 8,000
Janitorial Supplies	\$ 8,400
Bank Charges	\$ 2,400
Garbage Removal	\$ 2,400
Total Expenditures	\$ 367,536

Kensington Water & Sewer Utility: 2021/22 Budget Estimates

	2021/22
Revenue	
Water Revenue	\$ 237,450
Interest Water A/R	\$ 2,160
Water Rating Charge	\$ 68,820
Sewer Revenue	\$ 361,080
Total Revenue	<hr/> \$ 669,510
Expenditures	
Depreciation	\$ 108,000
Property Tax	\$ 2,700
Electricity	\$ 26,400
Telephone	\$ 3,720
Advertising	\$ 120
Professional Development	\$ 1,200
Repairs & Maintenance Water	\$ 21,600
Bank Charges water	\$ 3,540
Interest on LT Debt Water	\$ 24,000
Water Analysis	\$ 5,160
Water Chlorination	\$ 1,800
Bank Charges - Sewer	\$ 3,600
Interest on LT Debt - Sewer	\$ 19,680
Repairs and Maintenance Sewer	\$ 42,000
Share of Gen Gov't	\$ 198,000
Share of Public Works	\$ 207,600
Total Expenditures	<hr/> \$ 669,120
Variance	\$ 390

Business Park: 2021/22 Budget Estimates

	2021/22
Expenditures	
Depreciation	\$ 30,744
Property Tax	\$ 2,400
Business Park Expense	\$ 2,400
Interest – Long Term Debt	\$ 19,872
Total Expenditures	<hr/> \$ 55,416

**Town of Kensington
2021/22 Proposed Capital Plan**

Project Category	Budget 2021/22	Municipal Funding	MBCU 50/50/Other	Federal/Gas Tax	Provincial/Federal Funding (RGI, MSC, ICIP, etc)	Long Term Borrowing
Credit Union Centre						
Hockey Nets	\$2,859	\$1,429			\$1,429	
Lawn Equipment Replacement	\$16,700	\$8,350			\$8,350	
Ice Plant Condensor	\$60,000	\$30,000			\$30,000	
Total Credit Union Centre	\$79,559	\$39,779	\$0	\$0	\$39,779	\$0
Police Department						
Equipment Replacement	\$1,500	\$1,500				
Speed Radar	\$2,500	\$2,500				
Taser Replacement	\$2,000	\$2,000				
Total Police Department	\$6,000	\$6,000	\$0	\$0	\$0	\$0
Fire Department						
Bunker Gear Replacement	\$15,000	\$15,000				
Tanker Truck Replacement	\$250,000					\$250,000
Water Rescue Craft	\$60,000					\$60,000
Total Fire Department	\$325,000	\$15,000	\$0	\$0	\$0	\$310,000
Town Hall/General Government						
Website Development	\$10,000	\$10,000				
Miscellaneous Capital	\$50,000	\$50,000				
Business Park Development	\$5,276,000				\$2,550,000	\$2,726,000
Official Plan/Development Control Bylaw Review	\$18,860	\$18,860				
Total Town Hall/General Government	\$5,354,860	\$78,860	\$0	\$0	\$2,550,000	\$2,726,000
Public Works						
Maintenance Building(s) Upgrades	\$7,500	\$7,500				
Barrett Street/Broadway Street Sidewalk	\$510,000			\$510,000		
Total Public Works	\$517,500	\$7,500	\$0	\$510,000	\$0	\$0
Parks/Recreation/Railyards						
Park Improvements - Various	\$86,559			\$86,559		
Active Transportation Project	\$476,075				\$238,038	\$238,038
EVK Pool Filtration System	\$40,000	\$40,000				
EVK Pool Cover	\$10,000	\$10,000				
Kent Fence	\$11,000	\$11,000				
Total Parks/Recreation/Railyards	\$623,634	\$61,000	\$0	\$86,559	\$238,038	\$238,038
Water						
Broadway Street South W/M Extension	\$782,000				\$521,333	\$260,667
Water Meter Upgrades	\$70,000			\$70,000		
Wellfield Signage	\$2,500	\$2,500				
Wastewater						
Mechanical System Upgrades	\$100,000			\$100,000		
Building - Roof and Eavestrough Replacement	\$10,000			\$10,000		
Total Water and Wastewater	\$964,500	\$2,500	\$0	\$180,000	\$521,333	\$260,667
Total	\$7,871,053	\$210,639	\$0	\$776,559	\$3,349,150	\$3,534,704

Town of Kensington
2021 - 2026 Proposed 5 year Capital Plan

Project/Category	Estimated Cost	2021/22	2022/23	2023/24	2024/25	2025/26
Credit Union Centre						
Hockey Nets	\$2,859.00	\$2,859.00				
Lawn Equipment Replacement	\$16,700.00	\$16,700.00				
Ice Plant	\$60,000.00	\$60,000.00				
Fitplex Upgrades	\$11,405.00		\$11,405.00			
Solar Panel Installation	\$285,000.00		\$285,000.00			
Parking Area Improvements	\$740,000.00			\$740,000.00		
LED Lighting Replacement	\$16,000.00		\$16,000.00			
Total Credit Union Centre	\$1,131,964.00	\$79,559.00	\$312,405.00	\$740,000.00	\$0.00	\$0.00
Police Department						
Vehicle Replacement	\$50,000.00				\$50,000.00	
Equipment Replacement	\$4,500.00	\$1,500.00	\$1,500.00		\$1,500.00	
Taser Replacement	\$2,000.00	\$2,000.00				
Speed Radar	\$7,500.00	\$2,500.00	\$2,500.00	\$2,500.00		
Computer Replacement	\$10,000.00				\$10,000.00	
Total Police Department	\$74,000.00	\$6,000.00	\$4,000.00	\$2,500.00	\$61,500.00	\$0.00
Fire Department						
Bunker Gear Replacement	\$75,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
Tanker Truck Replacement	\$250,000.00	\$250,000.00				
Jaws of Life Replacement	\$50,000.00		\$50,000.00			
Water Rescue Craft	\$60,000.00	\$60,000.00				
Pumper Truck	\$400,000.00				\$400,000.00	
Total Fire Department	\$835,000.00	\$325,000.00	\$65,000.00	\$15,000.00	\$415,000.00	\$15,000.00
Town Hall/General Government						
Website (including app)	\$10,000.00	\$10,000.00				
Heating/Ventillation Upgrades	\$100,000.00		\$100,000.00			
Parking Area Improvements	\$40,000.00		\$40,000.00			
Sign Replacement	\$7,500.00			\$7,500.00		
Business Park Development (Phased)	\$5,276,000.00	\$5,276,000.00				
Core Area Re-Development/Street Scape (Phased)	\$1,500,000.00			\$500,000.00	\$500,000.00	\$500,000.00
Official Plan and Zoning Bylaw Update	\$18,860.00	\$18,860.00				
Miscellaneous Capital	\$50,000.00	\$50,000.00				
Total Town Hall/General Government	\$7,002,360.00	\$5,354,860.00	\$140,000.00	\$507,500.00	\$500,000.00	\$500,000.00
Public Works						
Asphalt Saw/Jackhammer	\$2,500.00		\$2,500.00			
Maintenance Building Upgrades	\$7,500.00	\$7,500.00				
Trackless V-Blade	\$8,000.00		\$8,000.00			
Lawn Mower Deck Replacement	\$5,000.00		\$5,000.00			
Broadway Street/Barrett Street Sidewalk Replacement	\$510,000.00	\$510,000.00				
Trackless Replacement	\$125,000.00				\$125,000.00	
Lawn Equipment Replacement	\$18,000.00			\$18,000.00		
Total Public Works	\$676,000.00	\$517,500.00	\$15,500.00	\$18,000.00	\$125,000.00	\$0.00
Parks/Recreation/Railyards						
Park Improvements - Various	\$86,559.00	\$86,559.00				
Active Transportation	\$476,075.00	\$476,075.00				
EVK Pool Filtration System	\$40,000.00	\$40,000.00				
EVK Pool Cover	\$10,000.00	\$10,000.00				
EVK Pool Replacement	\$125,000.00					\$125,000.00
Kent Fence	\$11,000.00	\$11,000.00				
Total Parks/Recreation/Railyards	\$748,634.00	\$623,634.00	\$0.00	\$0.00	\$0.00	\$125,000.00
Water & Sewer Utility						
Sewer Main Replacement	\$2,150,000.00			\$1,150,000.00	\$500,000.00	\$500,000.00
Water Tower Replacement	\$2,124,000.00				\$2,124,000.00	
Broadway Street South Water Main Extension	\$782,000.00	\$782,000.00				
Chlorination Building Window Replacement	\$1,500.00		\$1,500.00			
Water Meter Upgrades	\$70,000.00	\$70,000.00				
Wellfield Signage	\$2,500.00	\$2,500.00				
Mechanical Systems Upgrade	\$100,000.00	\$100,000.00				
Building - Roof and Eavestroughing Replacment	\$10,000.00	\$10,000.00				
	\$5,240,000.00	\$964,500.00	\$1,500.00	\$1,150,000.00	\$2,624,000.00	\$500,000.00
Total	\$15,707,958.00	\$7,871,053.00	\$538,405.00	\$2,433,000.00	\$3,725,500.00	\$1,140,000.00

Town of Kensington - Request for Decision

Date: March 18, 2021	Request for Decision No: 2021-13
Topic: 2021/22 Town of Kensington Property Taxation Rates	
Proposal Summary/Background: Section 160(1) of the Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1. states: <i>“Subject to this Act, the Real Property Assessment Act R.S.P.E.I. 1988, Cap.R-4, and the Real Property Tax Act, a council shall by resolution, after estimating the probable revenue from all sources other than taxes, approve a tax rate or rates applicable to all real property within the jurisdiction and boundaries of the municipality for the purpose of raising revenue sufficient to defray projected municipal expenditures for that year including any deficit carried forward from the previous year, and shall notify the Provincial Tax Commissioner in accordance with the Real Property Tax Act respecting the approved tax rate or rates.”</i> It is recommended that the Property Tax Rates for the 2021/22 fiscal year remain unchanged at \$0.55/\$100 of assessment for Non-Commercial properties and \$1.30/\$100 of assessment for Commercial properties.	
Benefits: <ul style="list-style-type: none">• None noted.	
Disadvantages: <ul style="list-style-type: none">• None noted.	
Discussion/Comments: <ul style="list-style-type: none">• None noted.	
Options: <ol style="list-style-type: none">1. Approve the 2021/22 Property Tax Rates as recommended.2. Not approve the 2021/22 Property Tax Rates as recommended.3. Approve different Property Tax Rates.	
Costs/Required Resources: N/A	Source of Funding N/A

Recommendation:

It is recommended that Town Council consider and adopt the following resolution:

WHEREAS Section 160(1) of the Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1. and Section 5.2 of the Town of Kensington's Tax Rate Groups Bylaw requires the town to establish tax rates by resolution;

BE IT RESOLVED THAT the 2021/22 municipal property tax rates for the Town of Kensington of \$0.55/\$100 of assessment for Non-Commercial properties and \$1.30/\$100 of assessment for Commercial properties be hereby adopted and approved.

Town of Kensington - Request for Decision

Date: March 18, 2021	Request for Decision No: 2021-14
Topic: 2021/22 Town of Kensington and Water and Sewer Utility Operating Lines of Credit	
Proposal Summary/Background: <p>Section 166(1) of the Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1. states that a council may by bylaw authorize the borrowing of money on a short-term basis for the purpose of financing operating expenditures. Section 166(2) states that, except as authorized by the Lieutenant Governor in Council, the amount borrowed for the purpose of financing operating expenditures shall not exceed 50% of the total estimated revenues of the municipality as set out in the adopted operating budget contained in the financial plan for that fiscal year.</p> <p>Section 5.1 of Town Council's Borrowing Bylaw authorizes Town Council to borrow money for the purpose of financing operating expenditures on a short-term basis.</p> <p>The town's current operating line of credit is set at \$150,000. The Water and Sewer Utility's operating line of credit is set at \$75,000. It is proposed that Town Council maintain these same levels for 2021/22.</p>	
Benefits: <ul style="list-style-type: none">• Will allow the Town to finance operating expenditures on a short-term basis as required.	
Disadvantages: <ul style="list-style-type: none">• None noted.	
Discussion/Comments: <ul style="list-style-type: none">• None noted.	
Options: <ul style="list-style-type: none">1. Approve the Town and Water and Sewer Utility operating lines of credit as recommended.2. Not approve the operating lines of credit as recommended.3. Approve operating lines of credit of a different amount.	
Costs/Required Resources: N/A	Source of Funding N/A

Recommendation:

It is recommended that Town Council consider and adopt the following resolutions:

WHEREAS Section 166(1) of the Municipal Government Act R.S.P.E.I. 1988, Cap. M-12.1. authorizes a Town Council to borrow money on a short-term basis for the purpose of financing operating expenditures;

AND WHEREAS Town Council currently carries short-term borrowing in the amount of \$150,000 for the General Account and \$75,000 for the Water and Sewer Utility Account;

AND WHEREAS no change is being proposed in the amounts to be borrowed for the 2021/22 fiscal year;

AND WHEREAS the amounts to be borrowed will not cause the Town to exceed its legislated debt capacity;

BE IT RESOLVED THAT Kensington Town Council approve an operating line of credit of \$150,000.00 from Scotiabank for the Town's General Account with the Chief Administrative Officer, or his designate, and the Mayor, or his designate, being authorized as legal signing officers, under the following terms:

- i. An interest rate of Prime, less 0.25% per annum with interest payable monthly; and***
- ii. Advances repayable on demand;***

BE IT FURTHER RESOLVED THAT Kensington Town Council approve an operating line of credit of \$75,000.00 from Scotiabank for the Water and Sewer Utility Account with the Chief Administrative Officer, or his designate, and the Mayor, or his designate, being authorized as legal signing officers, under the following terms:

- i. An interest rate of Prime, less 0.25% per annum with interest payable monthly; and***
- ii. Advances repayable on demand;***