

HH council receives quarterly finance report

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By Nate Smelle

Hastings Highlands council recently received a quarterly report detailing the state of the municipality's finances. The report, which was prepared by Hastings Highlands deputy treasurer Tanya Dickinson, shows details of the revenue and expense actuals as well as any accruals for the period of Jan. 1 through June 30.

During this time period the municipality spent approximately 50 per cent (\$1,952,084.70) of its \$3,932,430 budget for Transportation Services; and 51 per cent (\$1,094,027.28) of its \$2,136,765 budget for Protection Services. Hastings Highlands also spent \$569,995.96 (47.63 per cent) of its \$1,196,788 budget for General Government Services (council and administration); and \$399,736.30 (36.2 per cent) of its budget for Environmental Services. In total, the municipality has spent \$4,952,601.86 (48.56 per cent) of its \$10,198,332 operating budget.

Taking a deeper look at the operating budget, Dickinson also provided insight into how the municipality's finances have been impacted by the COVID-19 pandemic. While the total effects of COVID-19 on municipal budgets are still unknown, she indicated that Hastings Highlands has been tracking additional expenses incurred due to the virus. As of June 30, Dickinson pointed out an additional \$8,755.06 was spent on mandatory items relating to COVID-19 and the health and safety of staff and volunteers. Acknowledging how this number will continue to grow as the pandemic persists, Councillor Tony Fitzgerald said "Not all costs have been brought in yet, and it is almost certain that as this continues and we adapt to the conditions imposed by COVID-19 that number is going to rise. We need to keep an eye on that and be very cognizant of that as it affects our bottom line."

Dickinson also pointed out that the 2020 Operating Budget did include \$10,000 for emergency clean up as a contingency that has not yet been spent. Furthermore, by means of council's approved "COVID-19 Preparation" Hastings Highlands Business Continuity Plan, she said the cost associated with waiving the April, May and June 2020 penalties applied to overdue 2020

property tax accounts and accounts receivable accounts was approximately \$15,000.

Fitzgerald expressed concerns regarding the municipality's rising tax arrears. Although tax arrears increased by \$64,388.84 during the same period in comparison to last year, he said the numbers "aren't too bad" considering the significant challenges people and municipalities are facing due to the pandemic. Still, Fitzgerald drew attention to a "disturbing trend" of increasing tax arrears taking place in Hastings Highlands from the midpoint 2018 to the present.

Recognizing that the municipality's tax levy for the Ontario Provincial Police, and education levy must be paid whether the municipality is able to collect taxes or not, he said council needs to pay close attention to this trend. Councillor Tammy Davis agrees. In light of the looming costs generated by the pandemic, she said the municipality needs to be extra cautious with spending.

Hastings Highlands CAO/treasurer David Stewart explained that the municipality would normally be able to collect some of this missing revenue through tax sales, however because of restrictions in place by the province municipalities are currently unable to proceed with any tax sales. Fitzgerald said it is one thing for the municipality to hold a tax sale on vacant land to collect the taxes they are owed, however it is a completely different scenario when a tax sale means someone will lose their home. "As this pandemic continues, we have people potentially in a very difficult situation," added Fitzgerald.

"People of low income, seniors on a fixed income, the working poor" if they find it difficult to pay their taxes are we going to go after taking somebody's home because of something that is not their fault? This could us in a real situation where morally it wouldn't be right to go after that tax sale? This could go south on us and we need to keep an eye on it."