

# Rural Municipality of West River

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Proposal for Restructuring  
August 26, 2019

**PROPOSAL FOR RESTRUCTURING  
PURSUANT TO SECTION 15(2) AND 15(3) OF THE MUNICIPAL GOVERNMENT ACT**

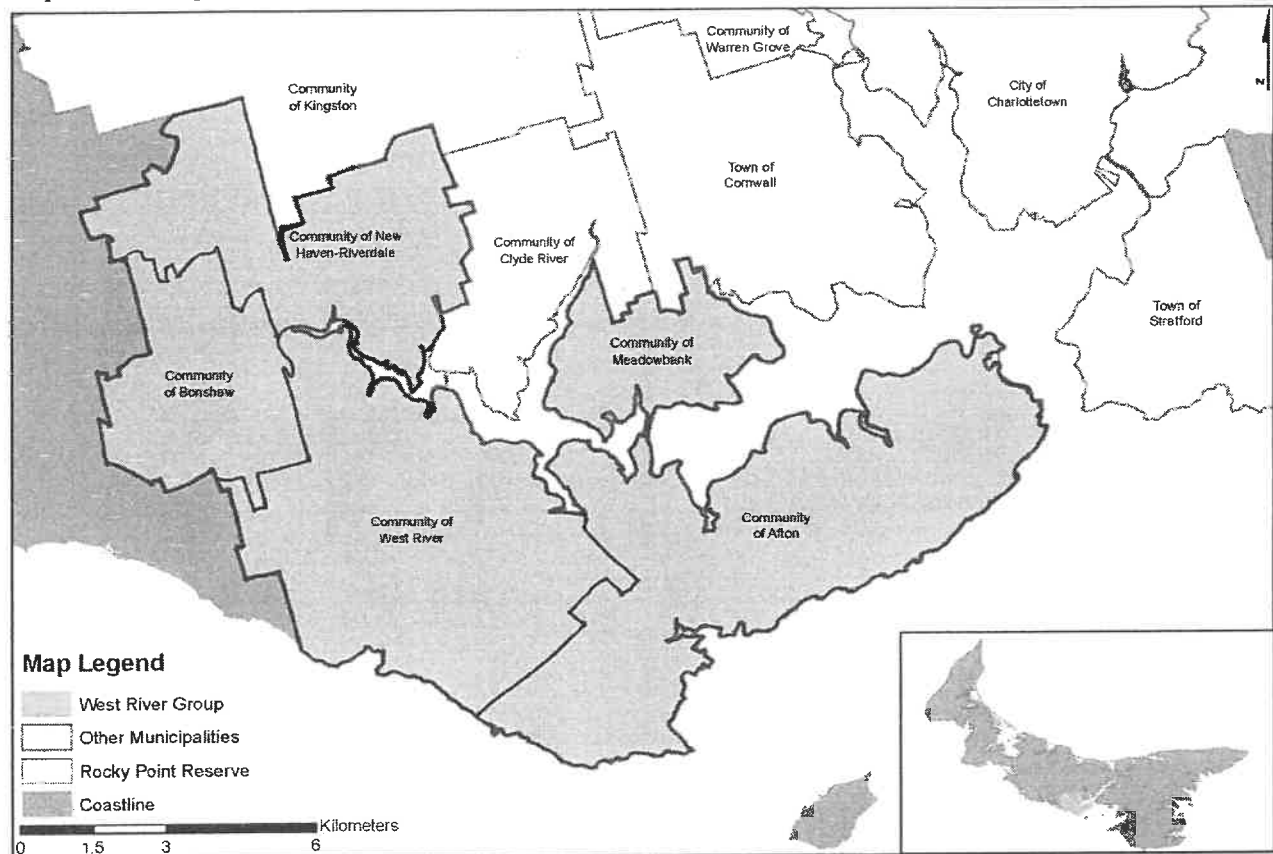
Name of Proposed Municipality: Rural Municipality of West River	Applicant Municipalities: Afton, Bonshaw, Meadow Bank, New Haven/Riverdale, West River
Contact Name: Elizabeth Wilson	Contact Person: Chairperson, West River Group
Contact Address: 5966 Route 19, Rice Point, PE C0A1H6	Contact Phone Number: 902 394-4006
Email: <a href="mailto:Eliz.sears@gmail.com">Eliz.sears@gmail.com</a>	Date of proposal:

**BACKGROUND**

Following the implementation of the current Municipal Government Act (MGA) and the requirements of compliance with the new Act, the five communities (Afton, Bonshaw, Meadow Bank, New Haven/Riverdale and West River) formed the West River Group to evaluate the new requirements and recommend a potential framework for moving forward. A Municipal Growth Management Study was completed in August, 2018 that provided information to the individual communities on both the costs, viability, advantages and disadvantages of the individual communities potentially maintaining their individual municipal structures or restructuring into one municipal entity. Information was collected and presented to the residents of the five communities and following these meetings; the consensus of the residents involved was to move forward toward amalgamation of the five rural municipalities into one entity – the Rural Municipality of West River.

To guide the West River Group in its collaboration toward amalgamation, the Group adopted the following vision statement: *The West River Group; a Community of ~~Communities~~; connected by our shared values and our mutual desire to protect/respect our rural quality of life; working together through consensus.*

## Map of Existing Municipal Boundaries and the Proposed Boundary



### RESOLUTIONS – TO APPROVE SUBMISSION OF AN APPLICATION FOR RESTRUCTURING

- copies of the resolutions to approve submission of an application for restructuring from each applicant Municipality involved in the proposal.

## OPERATING BUDGET – RESTRUCTURED MUNICIPALITY

AMALGAMATED RURAL MUNICIPALITY OF WEST RIVER						
BUDGETED EXPENSES OF THE GENERAL OPERATING FUND						
For the Fiscal Year Ending	5 Communities	Year Ending	Year Ending	Year Ending	Year Ending	Year Ending
	31/03/2020	31/03/2021	31/03/2022	31/03/2023	31/03/2024	31/03/2025
2019/2020 Tax Assessment — \$295,682,950.00						
	BUDGET	BUDGET	FORECAST	FORECAST	FORECAST	FORECAST
<b>OPERATING REVENUE</b>						
Assessable Municipal Property Taxes *	404,854.00	473,093.00	473,093.00	473,093.00	473,093.00	473,093.00
Tax Grant						
Equalization Grant — Provincial Government	19,259.00					
Gas tax fund allocations for operations						
Municipal Capital Expenditure Grant						
Planning Credit	3,867.00	32,525.00	32,525.00	32,525.00	32,525.00	32,525.00
Development Permits		15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Bylaw Enforcement		15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Services provided to other governments						
Sales of services/Rental Income	688.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Other revenue from own sources --- Surplus	44,387.00	18,343.00	13,903.00	11,463.00	9,023.00	6,583.00
Black Fly Program --- New Haven/Riverdale \$0.03 **		10,550.00	12,000.00	12,000.00	12,000.00	12,000.00
Other unconditional transfers from other governments for operations	5,250.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00
GST (Other conditional transfers from other governments or agencies for operations)	2,500.00					
Fire Department revenues						
<b>TOTAL OPERATING REVENUE</b>	<b>\$480,805.00</b>	<b>\$570,011.00</b>	<b>\$567,021.00</b>	<b>\$564,581.00</b>	<b>\$562,141.00</b>	<b>\$559,701.00</b>
<b>OPERATING EXPENSES</b>						
<b>General Administration</b>						
Advertising	1,200.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Bank Charges & Interest	705.00	500.00	500.00	500.00	500.00	500.00
Elections	1,750.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Legal Fees/Bylaw Enforcement	3,000.00	10,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Insurance	18,275.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Accounting Services	16,950.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Office & Supplies***	12,091.00	12,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Mayor & Council Honorarium	7,410.00	6,700.00	6,700.00	6,700.00	6,700.00	6,700.00
CAO Compensation	22,500.00	70,000.00	72,000.00	72,000.00	72,000.00	72,000.00
Planning		65,000.00	70,000.00	70,000.00	70,000.00	70,000.00
Bylaw Enforcement		15,000.00	15,000.00	15,000.00	15,000.00	15,000.00
Reserve for 5 yr. Official Plan review****		15,000.00	5,000.00	5,000.00	5,000.00	5,000.00
Emergency Measures		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Reserve for capital asset replacement		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Volunteer Appreciation	1,500.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Donations	4,000.00					
West River Group	10,000.00					
Professional Fees, Training, Travel	6,350.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
<b>TOTAL --- General Administration</b>	<b>105,731.00</b>	<b>233,700.00</b>	<b>231,700.00</b>	<b>231,700.00</b>	<b>231,700.00</b>	<b>231,700.00</b>
<b>Transportation services</b>						
Fire protection services	232,361.00	221,762.00	221,762.00	221,762.00	221,762.00	221,762.00
<b>Other Municipal Services</b>						
Mapping	500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
Black Fly Program **	11,500.00	10,550.00	12,000.00	12,000.00	12,000.00	12,000.00
<b>TOTAL --- Other Municipal Services</b>	<b>12,000.00</b>	<b>13,050.00</b>	<b>14,500.00</b>	<b>14,500.00</b>	<b>14,500.00</b>	<b>14,500.00</b>
<b>Police protection services</b>						
<b>Recreation and parks</b>						
Grants to Organizations	17,096.00	21,096.00	21,096.00	21,096.00	21,096.00	21,096.00
Community Events	7,500.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
<b>TOTAL --- Recreation &amp; Parks</b>	<b>24,596.00</b>	<b>27,096.00</b>	<b>27,096.00</b>	<b>27,096.00</b>	<b>27,096.00</b>	<b>27,096.00</b>
<b>Depreciation/amortization</b>						
<b>Facilities and public property</b>						
Operating Grants --- Facilities	25,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Property Renovations/Upgrades	31,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
Property Maintenance	21,275.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00
Staff Compensation	10,500.00	10,500.00	10,500.00	10,500.00	10,500.00	10,500.00
<b>TOTAL --- Facilities and public property</b>	<b>87,775.00</b>	<b>60,500.00</b>	<b>60,500.00</b>	<b>60,500.00</b>	<b>60,500.00</b>	<b>60,500.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$462,462.33</b>	<b>\$556,108.00</b>	<b>\$555,558.00</b>	<b>\$555,558.00</b>	<b>\$555,558.00</b>	<b>\$555,558.00</b>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<b>\$18,342.78</b>	<b>\$13,803.00</b>	<b>\$11,463.00</b>	<b>\$9,023.00</b>	<b>\$6,583.00</b>	<b>\$4,143.00</b>
* Tax Rate --- \$0.16						
** Applies to residential property boundaries of New Haven/Riverdale						
*** Provincial support for office upgrades						
**** Amalgamated Community requires support for official plan						

**OPERATING BUDGETS – AFTON, BONSHAW, MEADOW BANK, NEW HAVEN/RIVERDALE, WEST RIVER FOR 2019/2020**

INDIVIDUAL RURAL COMMUNITIES PRE-AMALGAMATION						
	AFTON	BONSHAW	MEADOW BANK	NEW HAVEN/RIVERDALE	WEST RIVER	FIVE COMMUNITIES
	Year Ending	Year Ending	Year Ending	Year Ending	Year Ending	Year Ending
For the Fiscal Year Ending	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<b>OPERATING REVENUE</b>						
Assessable Municipal Property Taxes	174,822.00	19,557.00	36,578.00	70,313.00	103,584.00	404,854.00
Tax Grant				3,867.00		3,867.00
Equalization Grant --- Provincial Government		5,678.00		13,581.00		19,259.00
Gas tax fund allocations for operations						
Municipal Capital Expenditure Grant						
Services provided to other governments						
Sales of services/Rental Income		688.00				688.00
Other revenue from own sources --- 2019 Surplus	33,229.00		9,858.20	1,300.00		44,387.20
Other unconditional transfers from other governments for operations					5,250.00	5,250.00
GST (Other conditional transfers from other governments or agencies for operations)				2,500.00		2,500.00
<b>TOTAL OPERATING REVENUE</b>	<b>208,051.00</b>	<b>25,923.00</b>	<b>46,436.20</b>	<b>91,561.00</b>	<b>108,834.00</b>	<b>480,805.20</b>
<b>OPERATING EXPENSES</b>						
<b>General Administration</b>						
Advertising	500.00			700.00		1,200.00
Bank Charges & Interest	100.00	180.00		225.00	200.00	705.00
Elections	1,000.00				750.00	1,750.00
Legal Fees/Bylaw Enforcement	2,000.00			1,000.00		3,000.00
Insurance	8,500.00	2,175.00	2,100.00	1,500.00	4,000.00	18,275.00
Accounting Services	3,000.00	2,000.00	2,450.00	5,000.00	4,500.00	16,950.00
Office & Supplies	1,000.00	200.00	390.90	7,800.00	2,700.00	12,090.90
Mayor & Council Remuneration			2,250.00	5,160.00		7,410.00
CAO Compensation	4,500.00	2,450.00	1,500.00	9,050.00	5,000.00	22,500.00
Volunteer Appreciation	1,500.00					1,500.00
Donations	250.00		700.00		3,050.00	4,000.00
West River Group	5,000.00	1,000.00	500.00	1,500.00	2,000.00	10,000.00
Miscellaneous --- Prof. Fees, Training, Travel	1,500.00			4,850.00		6,350.00
<b>TOTAL --- General Administration</b>	<b>28,850.00</b>	<b>8,005.00</b>	<b>9,890.90</b>	<b>36,785.00</b>	<b>22,200.00</b>	<b>105,730.90</b>
<b>Transportation services</b>						
Fire protection services	110,000.00	9,167.00	27,433.43	26,000.00	59,760.00	232,360.43
<b>Other Municipal Services</b>						
Mapping				500.00		500.00
Black Fly Program				11,500.00		11,500.00
<b>TOTAL --- Other Municipal Services</b>				<b>12,000.00</b>		<b>12,000.00</b>
<b>Police protection services</b>						
<b>Recreation and parks</b>						
Grants to Organizations	7,084.00	2,500.00	2,442.00	2,000.00	4,020.00	18,046.00
Community Events	5,000.00			1,000.00	1,500.00	7,500.00
<b>TOTAL --- Recreation &amp; Parks</b>	<b>12,084.00</b>	<b>2,500.00</b>	<b>2,442.00</b>	<b>3,000.00</b>	<b>5,520.00</b>	<b>25,546.00</b>
<b>Depreciation/amortization</b>						
<b>Facilities and public property</b>						
Operating Grants --- Facilities	25,000.00					25,000.00
Property Renovations/Upgrades	29,000.00				2,000.00	31,000.00
Property Maintenance	2,500.00	4,375.00		7,000.00	7,400.00	21,275.00
Staff Compensation					10,500.00	10,500.00
<b>TOTAL --- Facilities and public property</b>	<b>56,500.00</b>	<b>4,375.00</b>		<b>7,000.00</b>	<b>19,900.00</b>	<b>87,775.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$207,184.00</b>	<b>\$24,047.00</b>	<b>\$39,066.33</b>	<b>\$84,785.00</b>	<b>107,380.00</b>	<b>\$462,462.33</b>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<b>\$867.00</b>	<b>\$1,876.00</b>	<b>\$7,369.78</b>	<b>\$6,776.00</b>	<b>\$1,454.00</b>	<b>\$18,342.78</b>

## FIVE-YEAR CAPITAL PLAN

### AMALGAMATED RURAL MUNICIPALITY OF WEST RIVER

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 – 2019/20	Afton Community Centre, Bonshaw Community Centre, R.J. Mutter Park, Lloyd Inman Memorial Park	Notional Gas Tax & Reserve Funds	Renovations, Expansions, Upgrades	266,411
2 – 2020/21	Bonshaw Community Centre, R.J. Mutter Park, Lloyd Inman Memorial Park	Notional Gas Tax & Reserve Funds	Renovations, Expansion, Upgrades	76,900
3 – 2021/22	Bonshaw Community Centre, Lloyd Inman Memorial Park	Reserve Funds	Renovations, Expansion, Upgrades	62,000
4 – 2022/23	Bonshaw Community Centre, Lloyd Inman Memorial Park	Reserve Funds	Renovations, Expansion, Upgrades	20,288
5 – 2023/24	Bonshaw Community Centre, Lloyd Inman Memorial Park	Reserve Funds	Renovations, Expansion, Upgrades	59,000

### AFTON

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 – 2019/20			No Projects	0
2 – 2020/21	Afton Community Centre	Notional Gas Tax	Expansion, Upgrades	134,411
3 – 2021/22			No Projects	0
4 – 2022/23			No Projects	0
5 – 2023/24			No Projects	0

### BONSHAW

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 – 2019/20	Bonshaw Community Centre	Notional Gas Tax & Reserve Funds	Renovations	20,000
2 – 2020/21	Bonshaw Community Centre	Notional Gas Tax & Reserve Funds	Renovations	19,000
3 – 2021/22	Bonshaw Community Centre	Reserve Funds	Furniture	2,000
4 – 2022/23	Bonshaw Community Centre	Reserve Funds	Renovations	13,000
5 – 2023/24	Bonshaw Community Centre	Reserve Funds	Renovations	4,000

### MEADOW BANK

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 – 2019/20			No Projects	0
2 – 2020/21			No Projects	0
3 – 2021/22			No Projects	0
4 – 2022/23			No Projects	0
5 – 2023/24			No Projects	0

## NEW HAVEN/RIVERDALE

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 - 2019/20	R.J. Mutter Park	Notional Gas Tax & Reserve Funds	Sport Field Upgrade	100,000
2 - 2020/21	R.J. Mutter Park	Notional Gas Tax & Reserve Funds	Sport Field Upgrade	65,000
3 - 2021/22			No Projects	0
4 - 2022/23			No Projects	0
5 - 2023/24			No Projects	0

## WEST RIVER

YEAR	ASSET	SOURCE OF FUNDS	PROJECT	PROPOSED BUDGET
1 - 2019/20	Lloyd Inman Memorial Park	Notional Gas Tax & Reserve Funds	Upgrades	12,000
2 - 2020/21	Lloyd Inman Memorial Park	Notional Gas Tax & Reserve Funds	Upgrades	10,000
3 - 2021/22	Lloyd Inman Memorial Park	Reserve Funds	Upgrades	60,000
4 - 2022/23	Lloyd Inman Memorial Park	Reserve Funds	Upgrades	7,288
5 - 2023/24	Lloyd Inman Memorial Park	Reserve Funds	Upgrades	55,000

## MUNICIPAL ASSETS

The new Chief Administrative Officer of the restructured municipality will take responsibility for the operation and management of the office and oversee the management of the following municipal buildings and assets:

1. Property, 1552 Rte. 19, New Dominion – part of the Afton Community Centre property – approximately 5 acres undeveloped land behind the Afton Community Centre, 5 acres; property #382895-000;
2. 5997 Rte. 19, Rice Point - guaranteeing access to the Northumberland Strait – property #203109-000, 13 acres;
3. Signage – 3 Meadow Bank entrances with flower beds;
4. Property, 2443 West River Road, Route 9, Township 31, New Haven/Riverdale - R.J. Mutter Park - Athletic fields, walking trails, playground, park - property #227306, 37.8 acres;
5. Lloyd Inman Memorial Park, 208 Park Road, Canoe Cove – property #512244, 5.5 acres

While owned and funded through the new Rural Municipality the following assets will be managed and operated by two separate, individual incorporated Boards of Directors:

1. Afton Community Centre, 1552 Rte. 19, New Dominion – the building and property extending to the outside edge of the parking lots but not including war memorial and flower beds – property #382895-000, – Board of the Afton Community Centre Recreation Committee Inc.
2. Bonshaw Community Centre, 25 Green Road, Bonshaw – property #402917, ½ acre – Board of the proposed incorporated Bonshaw Community Centre Recreation Committee Inc.

## **MUNICIPAL DEBT**

Afton, Bonshaw, Meadow Bank, New Haven-Riverdale and West River have no debt to transfer to a new amalgamated municipality.

## **MUNICIPAL RESERVE FUNDS**

**Afton** – In a motion of Council, reserve funds – approx. \$78,000 reserve fund accumulated by the Rural Municipality of Afton will be set-aside for the sole purpose of improvements within the community (neighbourhoods) of Afton (New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek, Rice Point).

**Bonshaw** – All reserve funds moved to 5 Year Capital Expenditures forecast.

**Meadow Bank** – In a motion of Council, a reserve fund of \$5,000 will be set aside for the future betterment of the community (neighbourhood) of Meadow Bank.

**New Haven/Riverdale** – Reserve funds and Notional Gas Tax Funds – approx. \$165,000 will be dedicated to upgrades to the R.J. Mutter Park, as listed in Capital Expenditures forecast.

**West River** – The Reserve Fund - approx. \$20,000 (as of end of March 2019), will be dedicated to repairs at Lloyd Inman Park, as listed in Capital Expenditures forecast.

## **LEGISLATIVE REQUIREMENTS**

This Proposal is to restructure five rural municipalities, Afton, Bonshaw, Meadow Bank, New Haven/Riverdale, and West River into the new Rural Municipality of West River.

The Rural Municipalities of Afton, Bonshaw, Meadow Bank, New Haven/Riverdale and West River are largely rural and still agriculturally based municipalities. Following the completion of a Municipal Growth Management Study, the five communities propose to restructure and continue as one Rural Municipality to better serve our residents and the area the new municipality will encompass.

Municipalities adjoining the five rural municipalities include Clyde River, Kingston and Cornwall. Unincorporated areas contiguous to the five rural municipalities include Argyle Shore, Green Road, Green Bay, Appin Road, DeSable, Rocky Point First Nation and Elmwood. None of these unincorporated areas, except for the Rocky Point First Nation, are serviced by the North River Fire Department. Clyde River (serviced by the North River Fire Department) was invited to join the amalgamation process and was initially part of the West River Group. Clyde River left the group in 2017. The West River Group was only interested in exploring interest from residents of the contiguous non-incorporated areas included in the communities' fire district serviced by the North River Fire Department. No unincorporated areas were found to be contiguous to the five communities that were serviced by the North River Fire Department. Residents from South Melville and Clyde River attended public meetings held during the West River Group Municipal Growth Study but these residents did not express interest in being involved in the amalgamation process. It is the intention of the members of the five West River Group rural communities that this proposal for amalgamation will not affect the surrounding areas.

All five municipalities in the West River Group are rural and largely agricultural communities that share access to the West River and its watershed. The largest municipality in terms of population is Afton with 1,291 residents and the smallest, Bonshaw with 187 people. Together, the amalgamated group of municipalities will have a population of 3,154. The tax base for the five communities is reasonably evenly distributed among the five communities. The five municipalities have a strong tax base. Their 2018 total assessment is nearly 50% more than the \$200-million threshold expected of towns.



All the communities own community infrastructure assets. Community assets are complementary: two community centres, 3 municipal parks, sports fields and recreations lands. All five communities are debt-free.

Other than planning services and the black fly program in New Haven, services are very similar. All five of the communities contract fire services with the North River Fire Department. Only New Haven-Riverdale has an official plan and zoning bylaw.

Four of the five communities belong to the District 17 New Haven – Rocky Point provincial electoral district. Meadow Bank is part of District 16 Cornwall – Meadow Bank electoral district. The Bluefield Family of Schools serves the five communities.

Estimated population	3154
Estimated total property assessment value of the proposed municipality	\$295,682,950.00
Class of the proposed municipality (city, town, rural municipality (see MGA, section 11)	Rural Municipality

As per the new Municipal Government Act, proclaimed in December 2017, the new Rural Municipality of West River will provide three mandatory services:

- Fire Services;
- Municipal land use planning services, including official plans and bylaws;
- Emergency Measures planning;

As well, the new municipality will do the following:

- Maintain and operate existing infrastructure either directly or through incorporated Boards. This infrastructure includes the Afton Community Centre and surrounding property, Bonshaw Community Centre, R.J. Mutter Park, Lloyd Inman Memorial Park and the Rice Point Wharf property.
- Designate a fully accessible and secure (by 2022) municipal office that will be open a minimum of 20 hours per week;
- Hold all-day elections that began in November 2018 and appoint a Municipal Elections Officer to oversee the elections;
- Appoint a Chief Administrative Officer (CAO);
- Follow the financial practices prescribed in the Municipal Government Act including a Financial Plan and appointing an auditor to conduct an annual audit that meets public sector accounting standards.

## EXISTING AND PROPOSED CAPITAL ASSETS

Existing Capital Assets include:

1. Afton Community Centre, 1552 Rte. 19, New Dominion – property #382895-000, 7 acres
2. Property, 5997 Rte. 19, Rice Point - guaranteeing access to the Northumberland Strait – property #203109-000, 13 acres
3. Bonshaw Community Centre, 25 Green Road, Bonshaw – property #402917, ½ acre;
4. Signage – 3 Meadow Bank entrances with flower beds;
5. Property, 2443 West River Road, Route 9, Township 31, New Haven/Riverdale - R.J. Mutter Park - Athletic fields, walking trails, playground, park – property #227306, 37.8 acres;
6. Lloyd Inman Memorial Park, 2018 Park Road, Canoe Cove – property #512244, 5.5 acres

## RESTRUCTURING PRINCIPLES

All of the five communities (Afton, Bonshaw, Meadow Bank, New Haven/Riverdale, West River) are on the north and south of the banks of the lower West River. All five of the communities reside in Queens County. The communities are rural in aspect with farming and fishing as the main local occupations within the communities. A number of the residents work in nearby urban centres.

Municipality	Incorp.	Population		Change		Area (km <sup>2</sup> )	Pop. /km <sup>2</sup>
		2011	2016	No.	%		
Afton	1974	1,222	1,291	69	5.6%	39.8	32.44
West River	1974	741	801	60	8.1%	34.8	23.02
Bonshaw	1977	218	187	-31	-14.2%	14.0	13.36
Meadow Bank	1974	338	355	17	5.0%	9.3	38.21
New Haven-Riverdale	1974	485	520	35	7.2%	21.7	23.96
<b>TOTAL</b>		<b>3,004</b>	<b>3,154</b>	<b>150</b>	<b>5.0%</b>	<b>119.6</b>	<b>26.37</b>

The five communities (known going forward as the West River Group WRG) made the decision in 2017 to collaborate in the assessment of the implications of the requirements of the new Municipal Government Act (MGA) and present the options to the community residents. MRSB Consulting Services compiled the following Municipal Profiles of the member communities of the WRG in 2018:

Description	Afton	Bonshaw	Meadow Bank	New Haven-Riverdale	West River	Total
Assessment Base	\$139,137,900	\$11,878,100	\$34,949,300	\$34,686,400	\$76,414,000	\$297,065,700
Assessment per Capita	\$107,775	\$14,829	\$186,895	\$97,708	\$146,950	\$94,187
# of Properties	1,404	163	298	360	840	3,065
Municipal Tax Rate	\$0.12/\$100	\$0.16/\$100	\$0.10/\$100	\$0.20/\$100	\$0.13/\$100	\$0.13/\$100*
Assets	• Community Centre (operating)	• Community Centre including 0.5	Signage	• R.J. Mutter Park, walking trails and sports fields	• Lloyd Inman Memorial Park (land, buildings,	

	agreement) • 7 acres behind the Community Centre 13 acres associated with former Rice Point Wharf site	acres Maintain a small inactive private cemetery		(37.8 acres) Office equipment	equipment) Computer equipment	
Debt	None	None	None	None	None	
Administration	<ul style="list-style-type: none"> <li>• CAO less than 20 hrs./week</li> <li>• No office hours</li> <li>• Meetings at Community Centre</li> </ul>	<ul style="list-style-type: none"> <li>• CAO less than 20 hrs./week</li> <li>• No office hours or space</li> <li>• Meetings at Community Centre</li> </ul>	<ul style="list-style-type: none"> <li>• CAO less than 20 hrs./week</li> <li>• No office hours or space</li> <li>• Meetings at APM Centre</li> </ul>	<ul style="list-style-type: none"> <li>• CAO less than 20 hrs./week</li> <li>• No office hours</li> <li>• Office and meeting space rented from Kingston Legion</li> </ul>	<ul style="list-style-type: none"> <li>• CAO less than 20 hrs./week</li> <li>• No office hours or space</li> <li>• Meeting space rented from W.I.</li> </ul>	
Fire Protection	Yes	Yes	Yes	Yes	Yes	
Land Use Planning	No	No	No	Yes	No	
Emergency Planning	No	No	No	No	No	
Black Fly	No	No	No	Yes	No	
* Weighted average of current municipal tax rates						

Compliance with the new MGA requires municipalities to deliver municipal planning and emergency planning services. It also requires each municipality to maintain a municipal office that must be open 20 hours per week with associated administrative services provided. While municipalities may collaborate to deliver any services to their residents, they are not permitted to share office space.

Staffing and maintaining independent offices combined with other administrative requirements will add significantly to the costs of municipal operation and tax revenue required from residents. In public meetings held in each of the five communities in 2018, residents of the five communities directed the five councils to examine the costs, viability, advantages and disadvantages of each community maintaining their individual municipal structures versus the costs, viability, advantages and disadvantages of restructuring into one municipal entity. This analysis concluded that amalgamation would increase the area's ability to provide services to its residents, ensure the communities could comply with provincial legislation while maintaining its current infrastructure and keeping municipal taxes at a level that is acceptable to its residents.

#### **FINANCIAL VIABILITY:**

The MGA sets the framework for municipal government in Prince Edward Island and Island municipalities must comply with its requirements. The new MGA has sweeping financial and planning consequences for the five rural communities that form the WRG. Cost comparisons for

remaining individual rural municipalities were carried out or amalgamating as a new rural municipality was carried out and three alternatives were considered: service agreements, a regional agency and amalgamation. Residents were provided with the financial viability, benefits and disadvantages of each model at public meetings held in 2018.

Description	Separate	Shared Services	Regional Agency	Amalgamated
<b>Current Expenditures</b>	<b>\$395,800</b>	<b>\$395,800</b>	<b>\$395,800</b>	<b>\$395,800</b>
<b>Estimated Additional Expenditures</b>				
Municipal Office/Audit/Insurance	\$194,900	\$199,000	\$209,900	\$35,200
Council Remuneration	\$7,100	\$7,100	\$7,100	\$6,700
Elections	\$3,300	\$3,300	\$3,300	\$1,100
Planning/Bylaw Enforcement/Legal	\$169,000	\$99,000	\$99,000	\$99,000
Reserve for 5-year Official Plan Review	\$20,000	\$20,000	\$20,000	\$5,000
Emergency Measures	\$5,000	\$2,500	\$2,500	\$2,500
Reserve for Capital Asset Replacement	\$10,000	\$10,000	\$10,000	\$10,000
<b>Total Additional Expenditures</b>	<b>\$409,300</b>	<b>\$340,900</b>	<b>\$351,800</b>	<b>\$155,000</b>
<b>Total Estimated Expenditures</b>	<b>\$805,100</b>	<b>\$736,700</b>	<b>\$747,600</b>	<b>\$550,800</b>
Savings from Separate	-	\$68,400	\$57,500	\$254,300
% Savings from Separate	-	9.3%	7.7%	46.0%

For residents, the need for additional expenditures will be felt in terms of increased tax rates and higher tax bills. Tax rates are set at the level required to cover expenditures less non-tax revenues (e.g., permits and fees, sale of services, rental, revenue sharing from the Province) Non-tax revenues expected for the five municipalities are shown below. MRSB anticipates revenues will remain the same for an amalgamated municipality.

Description	Afton	Bonshaw	Meadow Bank	New Haven Riverdale	West River	Amalgamated
<b>Total Estimated Revenues – Excluding Property Tax</b>	<b>\$25,700</b>	<b>\$10,600</b>	<b>\$6,300</b>	<b>\$9,700</b>	<b>\$18,700</b>	<b>\$71,000</b>
<b>Less Total Estimated Expenditures</b>	<b>\$268,200</b>	<b>\$77,100</b>	<b>\$126,400</b>	<b>\$135,200</b>	<b>\$198,000</b>	<b>\$536,700</b>
<b>Shortfall</b>	<b>(\$242,500)</b>	<b>(\$66,500)</b>	<b>(\$120,100)</b>	<b>(\$125,500)</b>	<b>(\$179,300)</b>	<b>(\$465,700)</b>
<b>Total Assessment Base</b>	<b>\$139,137,900</b>	<b>\$11,878,100</b>	<b>\$34,949,300</b>	<b>\$34,686,400</b>	<b>\$76,414,000</b>	<b>\$297,065,700</b>
<b>Tax Rate Required</b>	<b>\$0.17</b>	<b>\$0.56</b>	<b>\$0.34</b>	<b>\$0.36</b>	<b>\$0.24</b>	<b>\$0.16</b>

#### **ECONOMIC CONTEXT:**

The Rural Municipality of West River; a Community of Communities; is connected by our shared values and our mutual desire to protect and respect our rural quality of life by working together through consensus.

The new amalgamated rural municipality remains rural in nature with significant farming and fishing activity. Retail services are also on offer in the new municipality, as well as tourism accommodation and activity such as the three golf courses – Strathgartney Golf Course, Glen Afton Golf Course and Countryview Golf Course.

and management of the office and oversee the management of the following municipal buildings and assets:

1. Property, 1552 Rte. 19, New Dominion – part of the Afton Community Centre property – approximately 5 acres undeveloped land behind the Afton Community Centre, property #382895-000, 5 acres;
2. Property, 5997 Rte. 19, Rice Point - guaranteeing access to the Northumberland Strait – property #203109-000, 13 acres
3. Signage – 3 Meadow Bank entrances with flower beds;
4. Property, 2443 West River Road, Route 9, Township 31, New Haven/Riverdale - R.J. Mutter Park - Athletic fields, walking trails, playground, park – property #227306, 37.8 acres;
5. Lloyd Inman Memorial Park, 2018 Park Road, Canoe Cove – property #512244, 5.5 acres

While owned and funded through the new Rural Municipality, the following assets will be managed and operated by separate, individual incorporated Boards of Directors:

1. Afton Community Centre, 1552 Rte. 19, New Dominion – the building and property extending to the outside edge of the parking lots but not including war memorial and flower beds – property #382895-000, 2 acres – Board of the Afton Community Centre Recreation Committee Inc.
2. Bonshaw Community Centre, 25 Green Road, Bonshaw – property #402917, ½ acre – Board of the proposed incorporated Bonshaw Community Centre Recreation Committee Inc.

### **MUNICIPAL TRANSITION PLAN**

Once restructuring is approved the five Municipalities assets would come under the umbrella of the new Rural Municipality of West River. The ownership of the assets would be transferred and all current payables and receivables would move to the restructured Municipality. The accounting systems would move to one accounting system that would include all five areas.

### **ELECTORAL MODEL**

Each of the councils will by motion put forward the names of two elected members of their council for consideration as members of a new interim ten-person council. This interim council of ten councilors and a mayor would make up the initial council of the restructured municipality. The West River Group recommends that the initial council include a number of members of the West River Group, a proposal endorsed by each of the five communities – Afton, Bonshaw, Meadow Bank, New Haven/Riverdale and West River. The West River Group also recommends the appointment of one of the five mayors as mayor of the newly amalgamated municipality. Brian Hogan (Afton) and Helen Smith-MacPhail (Meadow Bank) have agreed to assume this role for the interim until elections in 2022.

Having 2 representatives from each municipality on the interim council is the logical interim measure. The interim council may wish to reconsider as to whether or not a ward system for 2022 elections would provide the most effective democratic governance model for the future. A committee of the newly restructured Municipality will develop a bylaw to determine that system with boundaries in place prior to the next municipal elections in 2022.

All residents will have access to the recreational facilities – Bonshaw Community Centre and Afton Community Centre which each offer resident recreational programming. The Strathgartney Provincial Park will be within the borders of the new amalgamated municipality.

Other commercial services within the proposed boundaries of the Rural Municipality of West River include, but are not limited to the Matos Vineyard and Winery, Coast Line Boarding Kennel, Montessori School (Pre K and K), Country Kids Dare-Care, Canoe Cove Honey, Honeydew Apiaries and the following construction services – Island Coastal Services Ltd., Crosby Construction, PRS Drywall and Renovations, West Masonry Ltd., Dinomac Masonry Ltd. and Builderup Construction.

Commercial taxes will be levied, however, as it is not our intention to use commercial tax rates to leverage additional income, it is projected that the commercial tax rate will be set at the same rate of \$.16 as the proposed residential rate.

### **IMPACT ON REGION:**

The WRG is unaware of any municipal boundary expansion initiatives that are currently approved, underway or under consideration by any municipalities bordering the amalgamated Rural Municipality of West River

Once again, the WRG is unaware of any existing, approved or planned municipal infrastructure or facilities for provision of services to the residents of the amalgamated Rural Municipality of West River.

### **Compliance with MGA, clause 14(b) & (c)**

Currently, only New Haven/Riverdale provides municipal planning services that include an official plan and bylaws. Once amalgamation occurs, Afton, Bonshaw, Meadow Bank and West River would be included in a review of the New Haven/Riverdale official plan. A Planner who would document current land uses, development and subdivision permits issued by the province would review the new municipality. This review will take place in 2019/2020 with the updated official plan and bylaws to be in force by 2022.

The West River Group (WRG) will be seeking a funding arrangement with the province to assist with this review that will include all of the five communities that will be under the umbrella of the Rural Municipality of West River.

The North River Fire Department provides fire services for the five communities and the cost of this service is .075 cents per hundred dollars of assessment.

Emergency planning services are currently not in place but proposed future budgeting will allow the new Rural Municipality of West River to have this service in place by the end of 2020.

### **Compliance with MGA, section 85**

The administration office of the newly amalgamated municipality will be located at 1552 Route 19, New Dominion in the lower level of the Afton Community Centre. This is an accessible location that will operate for a minimum of twenty (20) hours per week. The new Chief Administrative Officer of the restructured municipality will take responsibility for the operation

**ADDITIONAL INFORMATION**

The goal of the West River Group, who is making application for the restructuring of the five communities of Afton, Bonshaw, Meadow Bank, New Haven/Riverdale and West River, is to assure both continuity and an easy transition for the individual communities to a new and vibrant municipality. The West River Group believes that by following the preceding plans outlined in this application, we can reassure the residents of our individual communities that this restructured municipality will reflect our shared values and continue our desire to protect and respect our rural quality of life while continuing to work together to achieve consensus in our decision making.

Signature:	
_____	_____
Name (Print)	Name (Sign)
_____	
Title	

