

Rural Municipality of West River

Proposal for Restructuring
June 28, 2019

- Asset List
 - Savings
- Exactly what you have in bank. - used for ...
- Spelling.
- Template online for budget.

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

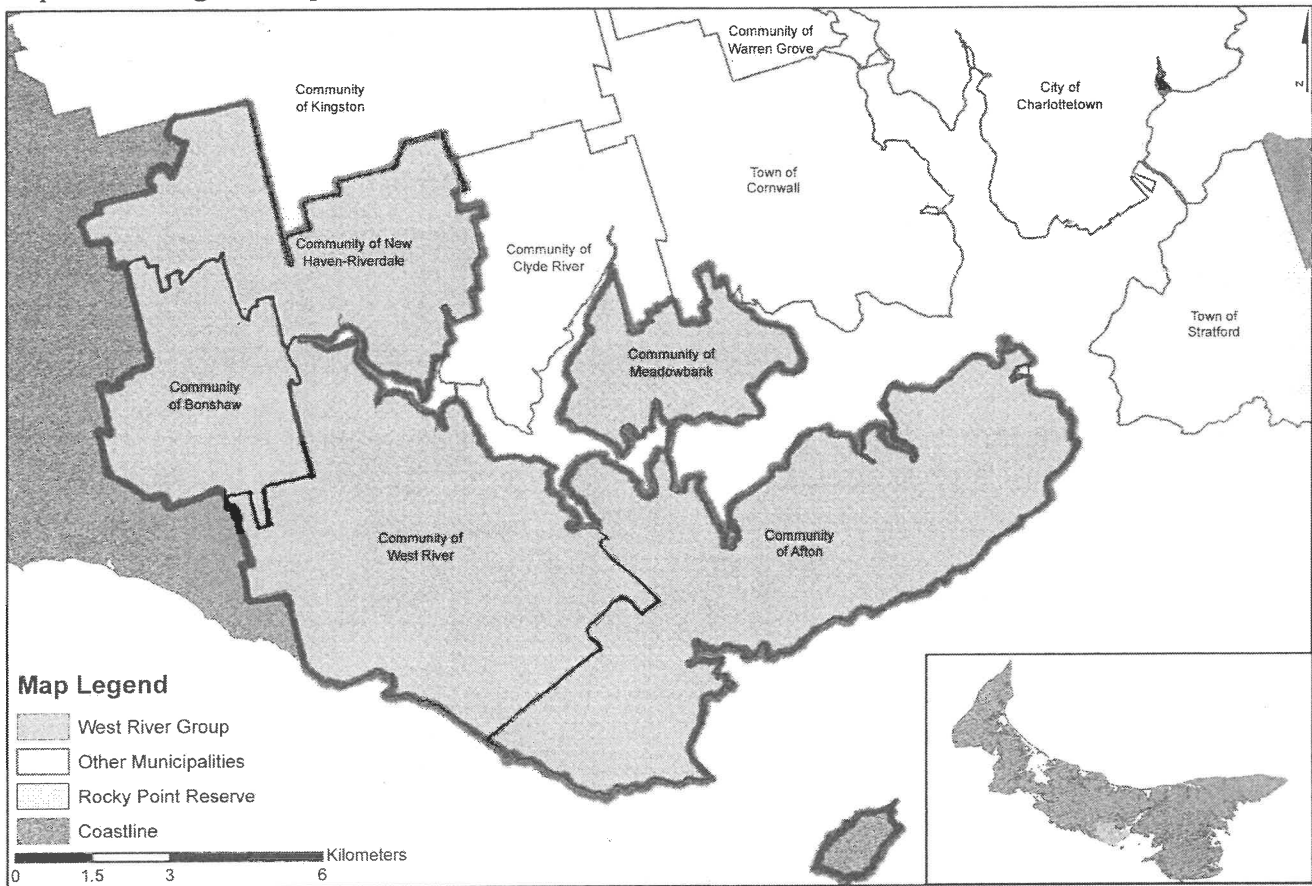
Name of Proposed Municipality:	Applicant Municipalities: Afton, Bonshaw, Meadowbank, New Haven/Riverdale, West River
Contact Name: Elizabeth Wilson	Contact Person: Chairperson, West River Group
Contact Address: 5966 Route 19, Rice Point, PE C0A1H6	Contact Phone Number: 902 394-4006
Email: Eliz.sears@gmail.com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

BACKGROUND

Following the implementation of the current Municipal Governance Act (MGA) and the requirements of compliance with the new Act, the five communities (Afton, Bonshaw, Meadowbank, New Haven/Riverdale, 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



- a 5 year capital and operating budget, *← List assets, with each asset add maintenance costs. Audited statements by July June 15.*
- measures to address the transfer of municipal assets, if any,
- measures to address the transfer of municipal debts, if any,
- measures to address the transfer of municipal reserve funds, if any;
- copies of the resolutions to approve submission of an application for restructuring from each applicant Municipality involved in the proposal.

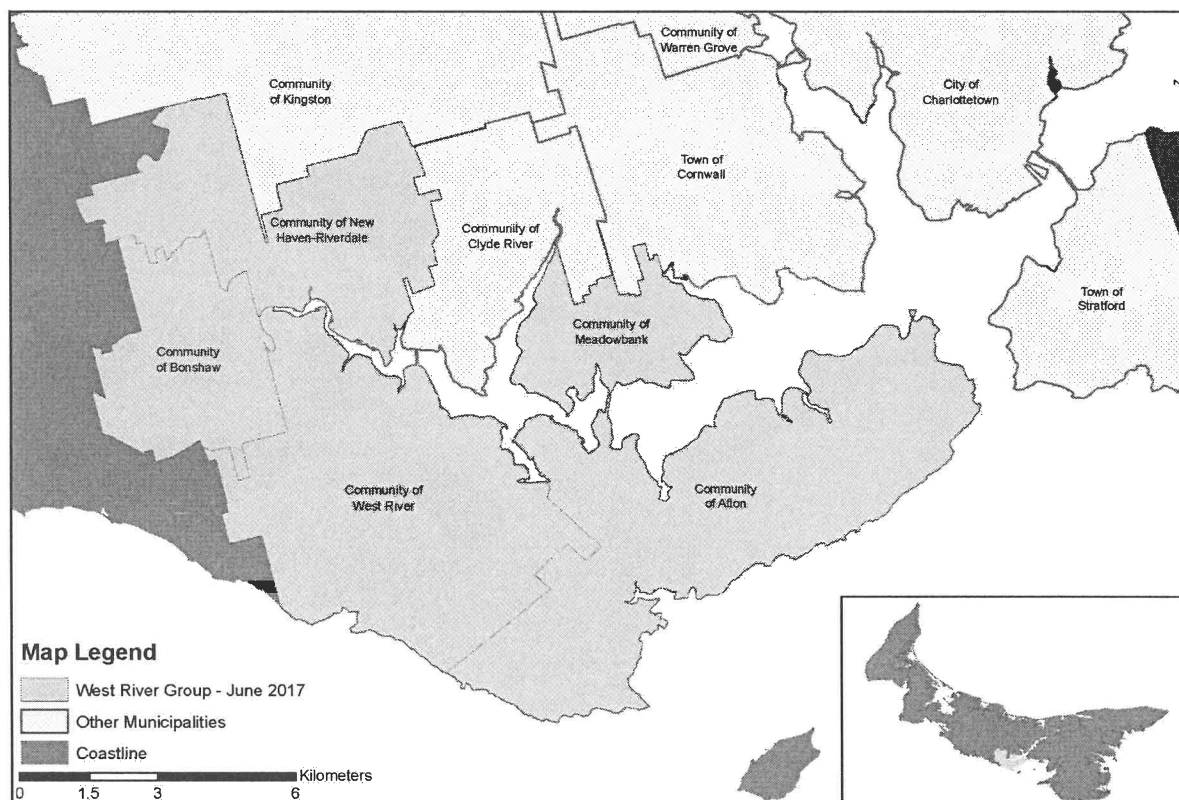
LEGISLATIVE REQUIREMENTS

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

The Rural Municipalities of Afton, Bonshaw, Meadowbank, 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. Clyde River 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 only looked at 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. Meadowbank is part of District 16 Cornwall – Meadowbank electoral district. The Bluefield Family of Schools serves the five communities.

Estimated population	3154
Estimated total property assessment value of the proposed municipality	\$297,065,700
Class of the proposed municipality (city, town, rural municipality (see MGA, section 11))	Rural Municipality

As per the new Municipal Governance 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:

- Designate a fully accessible (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 Governance 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 (civic address) – property #, ½ acre;
4. Signage – 3 Meadowbank entrances with flower beds;
5. Athletic fields, walking trails, playground, park (civic address) – property # , 38 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, Meadowbank, 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 ²)	Pop. /km ²
		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
TOTAL		3,004	3,154	150	5.0%	119.6	26.37

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 Governance 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	<ul style="list-style-type: none"> Community Centre (operating agreement) 7 acres behind the Community Centre 13 acres associated with former Rice Point Wharf site 	<ul style="list-style-type: none"> Community Centre including 0.5 acres Maintain a small inactive private cemetery 	<ul style="list-style-type: none"> Signage 	<ul style="list-style-type: none"> R.J. Mutter Park, walking trails and sports fields (37.8 acres) Office equipment 	<ul style="list-style-type: none"> Lloyd Inman Memorial Park (land, buildings, equipment) Computer equipment 	
Debt	None	None	None	None	None	

Administration	<ul style="list-style-type: none"> • CAO less than 20 hrs./week • No office hours • Meetings at Community Centre 	<ul style="list-style-type: none"> • CAO less than 20 hrs./week • No office hours or space • Meetings at Community Centre 	<ul style="list-style-type: none"> • CAO less than 20 hrs./week • No office hours or space • Meetings at APM Centre 	<ul style="list-style-type: none"> • CAO less than 20 hrs./week • No office hours • Office and meeting space rented from Kingston Legion 	<ul style="list-style-type: none"> • CAO less than 20 hrs./week • No office hours or space • Meeting space rented from Women's Inst. 	
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
Current Expenditures	\$395,800	\$395,800	\$395,800	\$395,800
Estimated Additional Expenditures				
Municipal Office/Audit/Insurance	\$194,900	\$199,000	\$209,900	\$35,200
Council Remuneration	\$7,100	\$7,100	\$7,100	(\$900)
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

50.00

Emergency Measures	\$5,000	\$2,500	\$2,500	\$2,500
Reserve for Capital Asset Replacement	\$10,000	\$10,000	\$10,000	\$10,000
Total Additional Expenditures	\$409,300	\$340,900	\$351,800	\$151,900
Total Estimated Expenditures	\$805,100	\$736,700	\$747,600	\$547,700
Savings from Separate	-	\$68,400	\$57,500	\$257,400
% Savings from Separate	-	9.3%	7.7%	47.0%

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

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 accommodations and activity such as three golf courses – Strathgartney Golf Course, Glen Afton Golf Course and Countryview Golf Course.

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), 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 \$.016 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, Meadowbank and West River would be included in a review of the New Haven/Riverdale official plan. The new municipality would be reviewed by a Planner who would document current land uses, development and subdivision permits issued by the province. 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 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 and management of the office and oversee the management of the following municipal buildings and assets:

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

An interim council of ten councilors, consisting of two representatives ^{chosen} from each of the five communities and a mayor would make up the initial council of the restructured municipality. A committee of the newly restructured Municipality will determine a ward system with boundaries in place prior to the next municipal elections in 2022.

ADDITIONAL INFORMATION

develop a bylaw to

letter asking for 3% of provincial tax collected given to new council to provide for special credit → official plan - take 1 year.

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

Title	