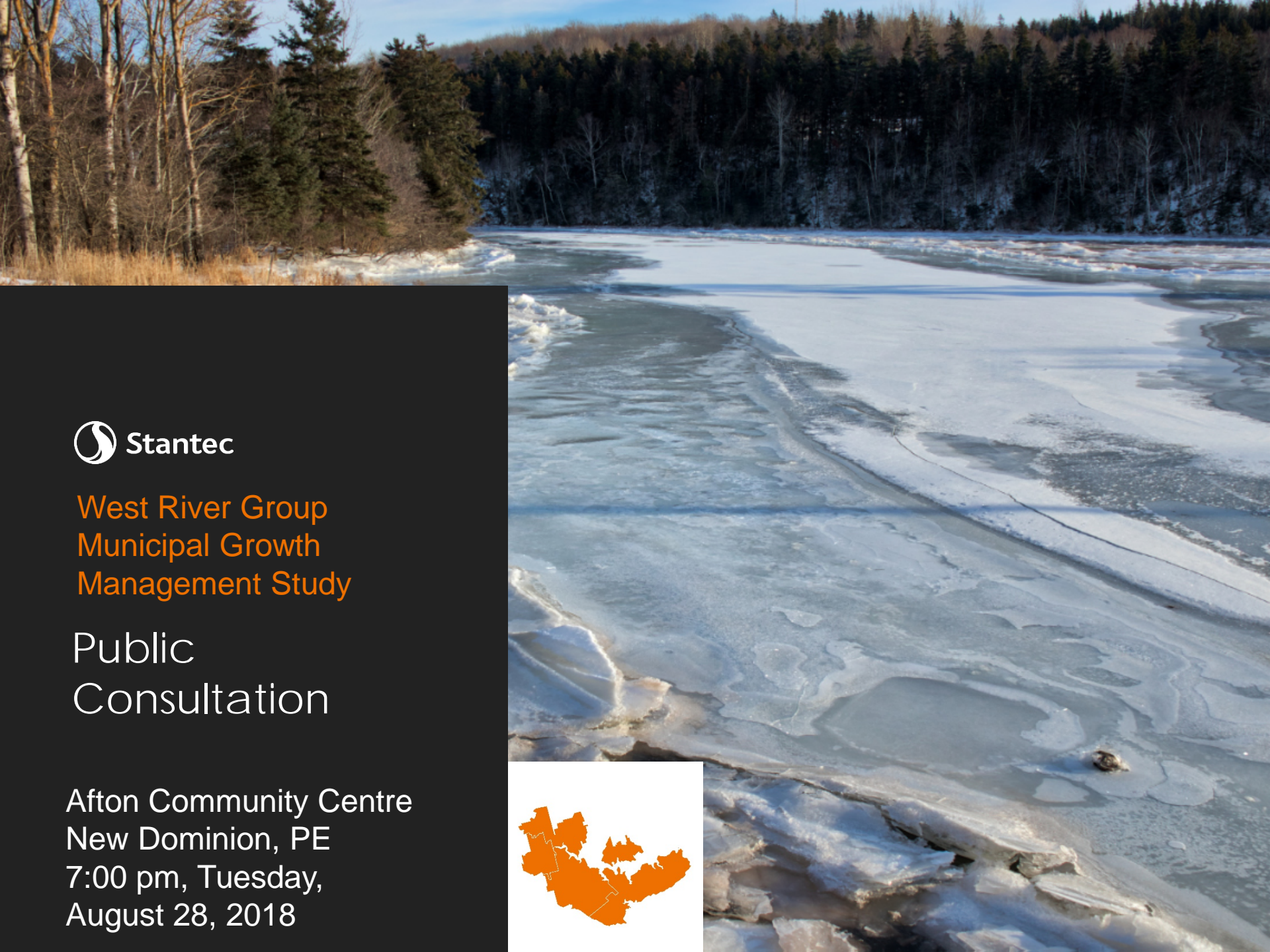
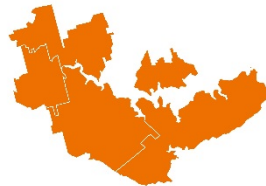




West River Group
Municipal Growth
Management Study

Public
Consultation

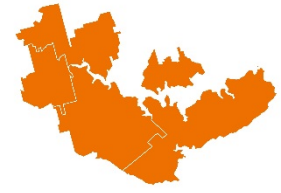
Afton Community Centre
New Dominion, PE
7:00 pm, Tuesday,
August 28, 2018



Agenda

1. Introductions
2. What is a Growth Management Study?
3. Changes in the *Municipal Government Act*
4. Options Assessed
 - Service Agreements
 - Regional Agency
 - Amalgamation
5. Financial Analysis
6. Public Consultation
7. Recommendation
8. Implementation
9. Questions & Discussion

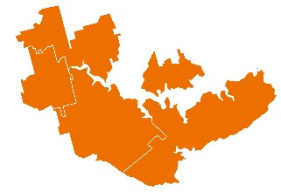




Municipal Growth Management Study

A Municipal Growth Management Study can help people study the social, cultural and economic resources in an area to increase capacity, improve service delivery and promote economic opportunities. **A Growth Management Study can help a municipality to determine the appropriate size and scope for restructuring initiatives.**

-- PEI Communities, Land and Environment



Project Schedule

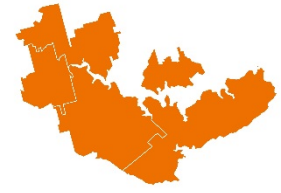
Task	Start Date	End Date
Step One: Project Start-up	Monday, April 9	
Step Two: Development of Public Engagement Strategy	Monday, April 9	Friday, April 27
Step Three: Assessment and Evaluation		
Background Research and Analysis	Monday, April 9	Monday, May 30
Financial Analysis	Monday, April 9	Monday, May 30
Public Engagement	June 13 to June 21	
Assessment and Evaluation Reporting	Friday, June 15	Friday, June 29
Step Four: Options and Recommendations		
Option Identification, Analysis and Recommendations	Friday, June 29	Monday, July 16
Final Presentation	August/September	August/September



Project Outcomes

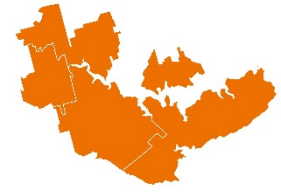
- Engage citizens of the West River communities
- Explain the issues
- Outline the options
- Assess the impacts
 - of maintaining the individual municipal structures of each community
 - restructuring the communities into one entity comprised of the five members of the Group
- Find consensus
- Summarize, recommend and report





New MGA Requirements

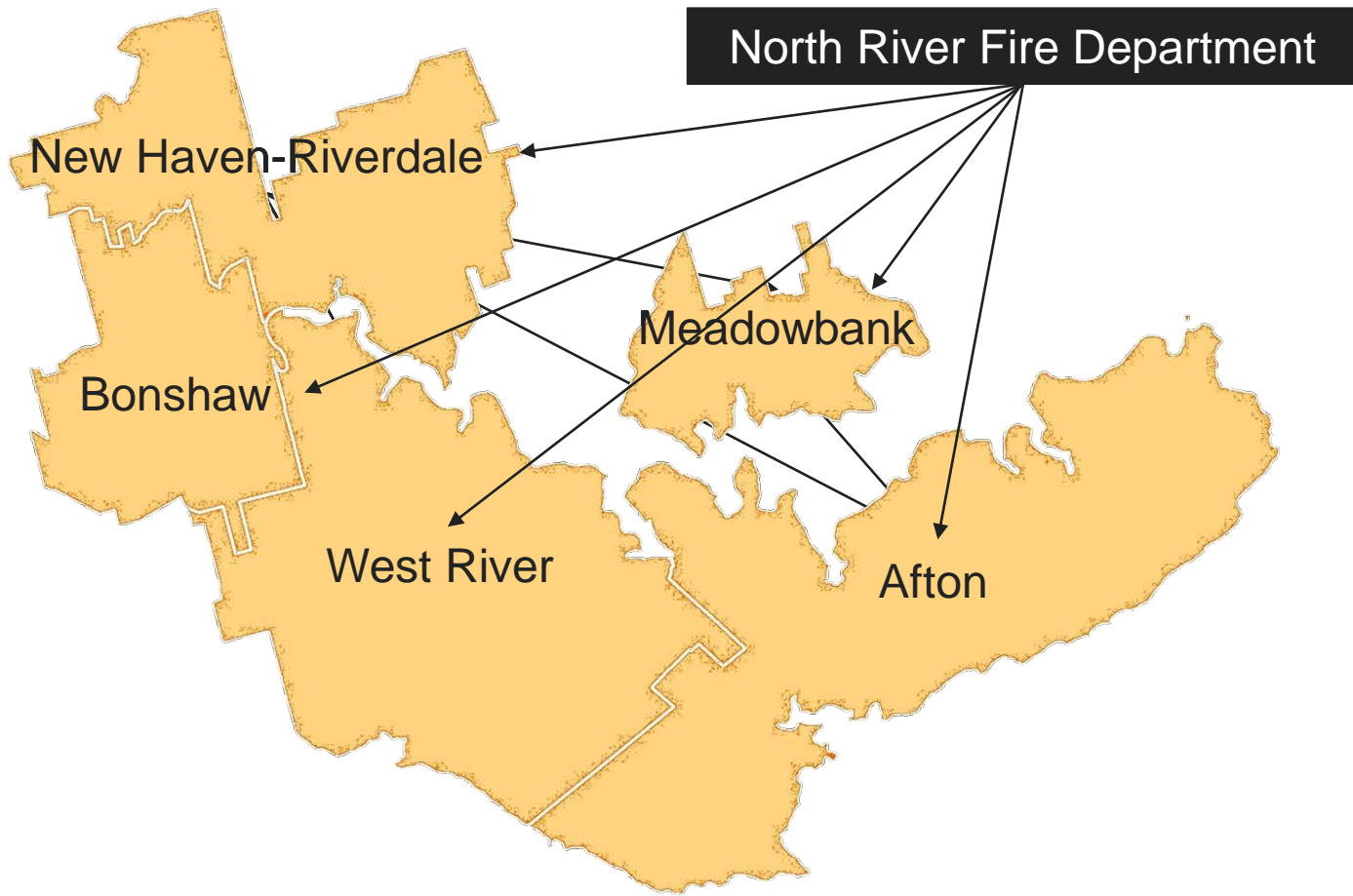
- New Mandatory Services:
 - Fire Protection
 - Land Use Planning
 - Emergency Measures Planning
- Must maintain Municipal Office:
 - Open 20 hours per week
 - Meeting accessibility standards within five years
- Regular Council Meetings
- More Stringent Financial Reporting
- Stricter Financial Oversight



Key Challenges

- New Mandatory Services:
 - Fire Protection – North River Fire Dept.
 - Land Use Planning – New Haven-Riverdale Official Plan administered by Planning Board
 - Emergency Measures Planning – None
- Municipal offices are required and only Afton has suitable space
- All municipalities must increase Administrator hours
- Separate municipalities will have additional council members, elections, and administrative requirements relative to an amalgamated municipality

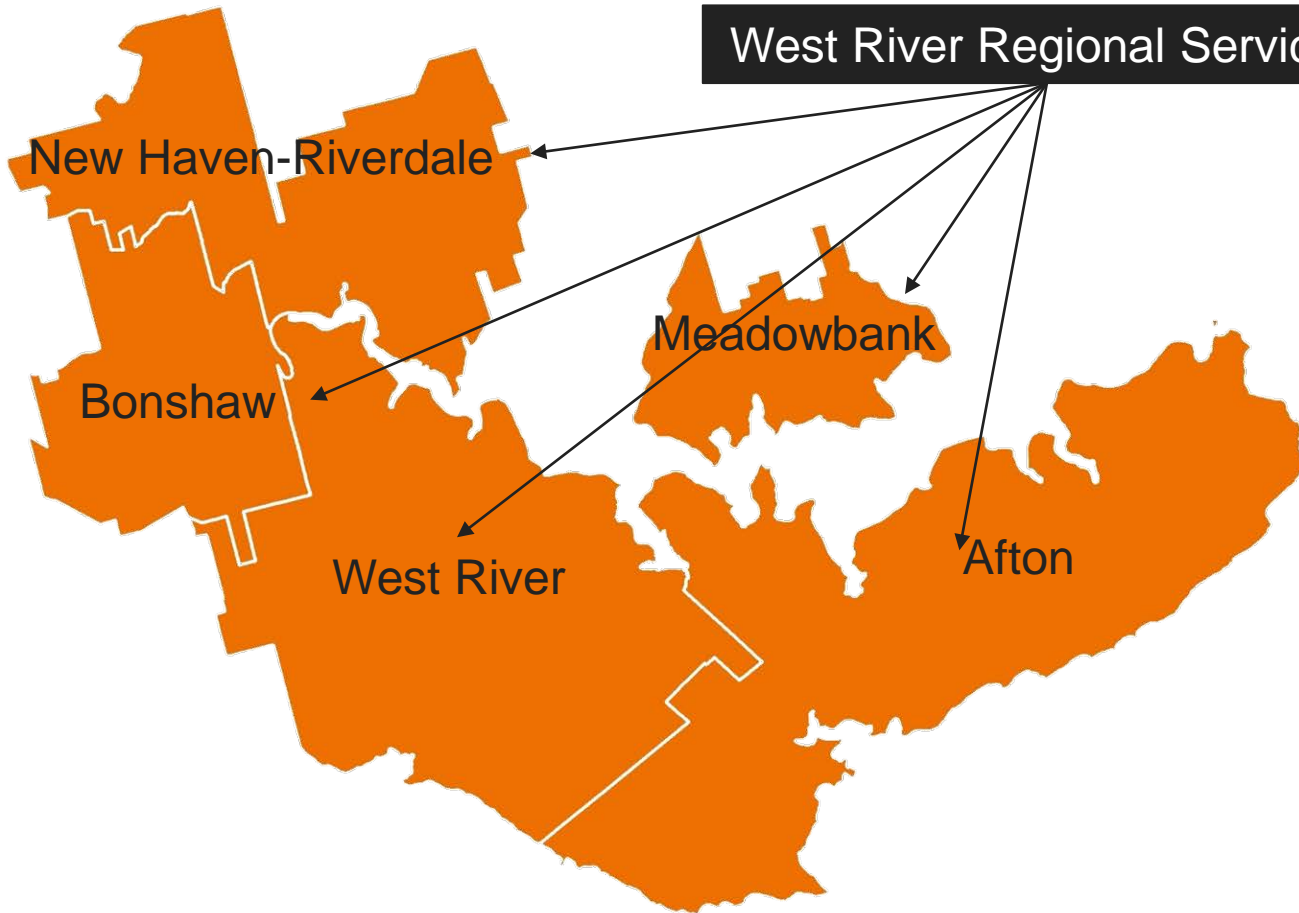
Service Agreements



Emergency Services

Regional Agency

West River Regional Services





Amalgamated Municipality



West River Communities



Additional Costs Under New MGA

Description	Afton	Bonshaw	Meadowbank	New Haven-Riverdale	West River	Total
Current Expenditures	\$159,500	\$22,700	\$34,500	\$70,600	\$108,500	\$395,800
Estimated Additional Expenditures						
Municipal Office/Audit/Insurance	\$30,000	\$33,800	\$63,100	\$26,000	\$42,000	\$194,900
Council Remuneration	-	-	\$2,100	-	\$5,000	\$7,100
Elections	\$700	\$600	\$700	\$600	\$700	\$3,300
Planning/Bylaw Enforcement/Legal	\$73,000	\$15,000	\$21,000	\$23,000	\$37,000	\$169,000
Reserve for 5-year Official Plan Review	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000
Emergency Measures	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000
Reserve for Capital Asset Replacement	-	-	-	\$10,000	-	\$10,000
Total Additional Expenditure	\$108,700	\$54,400	\$91,900	\$64,600	\$89,700	\$409,300
Total Estimated Future Expenditures	\$268,200	\$77,100	\$126,400	\$135,200	\$198,200	\$805,100
<i>% Increase</i>	<i>68%</i>	<i>240%</i>	<i>266%</i>	<i>92%</i>	<i>83%</i>	<i>103%</i>



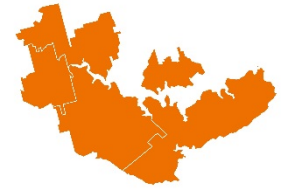
Amalgamation v. Separation

Description	Separate	Amalgamated	Savings	
			Net	%
Current Expenditures	\$395,800	\$395,800		
Estimated Additional Expenditures				
Municipal Office/Audit/Insurance	\$194,900	\$35,200	\$159,700	82%
Council Remuneration	\$7,100	(\$900)	\$8,000	113%
Elections	\$3,300	\$1,100	\$2,200	67%
Planning/Bylaw Enforcement/Legal	\$169,000	\$99,000	\$70,000	41%
Reserve for 5-year Official Plan Review	\$20,000	\$5,000	\$15,000	75%
Emergency Measures	\$5,000	\$2,500	\$2,500	50%
Reserve for Capital Asset Replacement	\$10,000	\$10,000	\$0	0%
Total Additional Expenditures	\$409,300	\$151,900	\$257,400	63%
Total Estimated Expenditures	\$805,100	\$547,700	\$257,400	32%



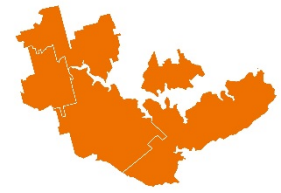
Estimated Tax Rate Required to Cover Shared Service Agreements

New Shared Service Agreements	Amount
Land Use Planning	
Planning/Bylaw Enforcement/Legal	\$99,000
Administration of land use planning (4%)	\$4,000
Emergency Measures Planning	
Emergency measures – annual reserve	\$2,500
Administration of emergency measures planning (4%)	\$100
Total estimated shared service agreements expenditures	\$105,600
Total assessment base	\$297,065,700
Tax rate per \$100 assessment to cover shared service agreements	\$0.0356
Rounded to	\$0.04



Estimated Tax Rate Required to Cover Regional Agency Costs

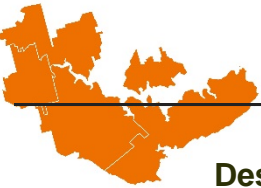
Regional Agency Costs	Amount
Administration (office, administrator, audit, insurance)	\$15,000
Planning/Bylaw Enforcement/Legal	\$99,000
Emergency measures – annual reserve	\$2,500
Total estimated Regional Agency expenditures	\$116,500
Total assessment base	\$297,065,700
Tax rate per \$100 assessment to cover Regional Agency expenditures	\$.0392
Rounded to	\$0.04



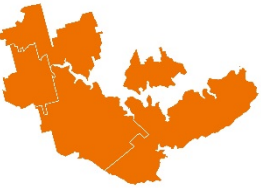
Estimated Tax Savings Through Shared Service Agreements or a Regional Agency

Description	Afton	Bonshaw	Meadowbank	New Haven-Riverdale	West River
Estimated Land Use Planning and Emergency Measures as Separate Municipalities					
Planning/Bylaw Enforcement/ Legal	\$73,000	\$15,000	\$21,000	\$23,000	\$37,000
Emergency Measures	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
Total estimated expenditures for land use planning and emergency measures	\$74,000	\$16,000	\$22,000	\$24,000	\$38,000
Assessment values	\$139,137,900	\$11,878,100	\$34,949,300	\$34,686,400	\$76,414,000
Estimated tax rate per \$100 assessment required to cover land use planning and emergency measures as separate municipalities	\$0.05	\$0.13	\$0.06	\$0.07	\$0.05
Estimated Tax Savings Through Shared Service Agreements or a Regional Agency					
Estimated tax rate per \$100 assessment to cover shared service agreements or Regional Agency	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Estimated tax savings through shared service agreements or Regional Agency	(\$0.01)	(\$0.09)	(\$0.02)	(\$0.03)	(\$0.01)

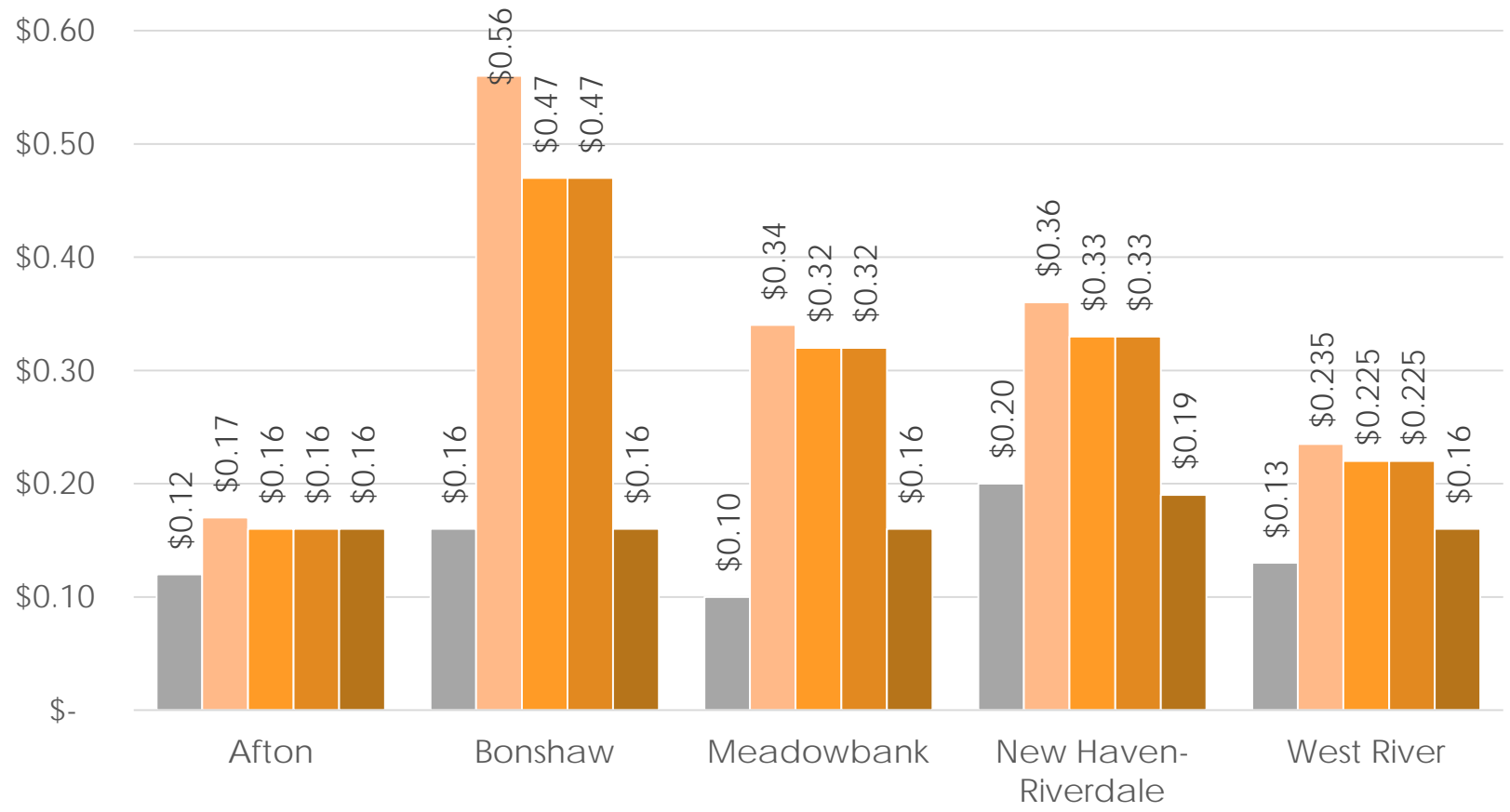
Estimated Tax Rate Comparison



Description	Afton	Bonshaw	Meadowbank	New Haven-Riverdale	West River
Current municipal tax rate	\$0.12	\$0.16	\$0.10	\$0.20	\$0.13
Current Expenditures	\$159,500	\$22,700	\$34,500	\$70,600	\$108,500
Estimated Additional Expenditures					
Municipal Office/Audit/Insurance	\$30,000	\$33,800	\$63,100	\$26,000	\$42,000
Council Remuneration	-	-	\$2,100	-	\$5,000
Elections	\$700	\$600	\$700	\$600	\$700
Reserve - 5-yr Official Plan Review	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Reserve - Asset Replacement	-	-	-	\$10,000	-
Planning/Bylaw Enforcement/ Legal	\$73,000	\$15,000	\$21,000	\$23,000	\$37,000
Emergency Measures	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total estimated expenditures	\$268,200	\$77,100	\$126,400	\$135,200	\$198,200
Less revenue excl. property tax	(\$25,700)	(\$10,600)	(\$6,300)	(\$9,700)	(\$18,700)
Shortfall	\$242,500	\$66,500	\$120,100	\$125,500	\$179,500
Assessment values	\$139,137,900	\$11,878,100	\$34,949,300	\$34,686,400	\$76,414,000
Estimated tax rate per \$100 assessment required separately	\$0.17	\$0.56	\$0.34	\$0.36	\$0.235
Est. tax savings - shared service agreements or Regional Agency	(\$0.01)	(\$0.09)	(\$0.02)	(\$0.03)	(\$0.01)
Est. municipal tax rate per \$100 assessment - shared service agreements or Regional Agency	\$0.16	\$0.47	\$0.32	\$0.33	\$0.225
Est. municipal tax rate per \$100 assessment – amalgamated	\$0.16	\$0.16	\$0.16	\$0.19	\$0.16



Estimated Future Tax Rates

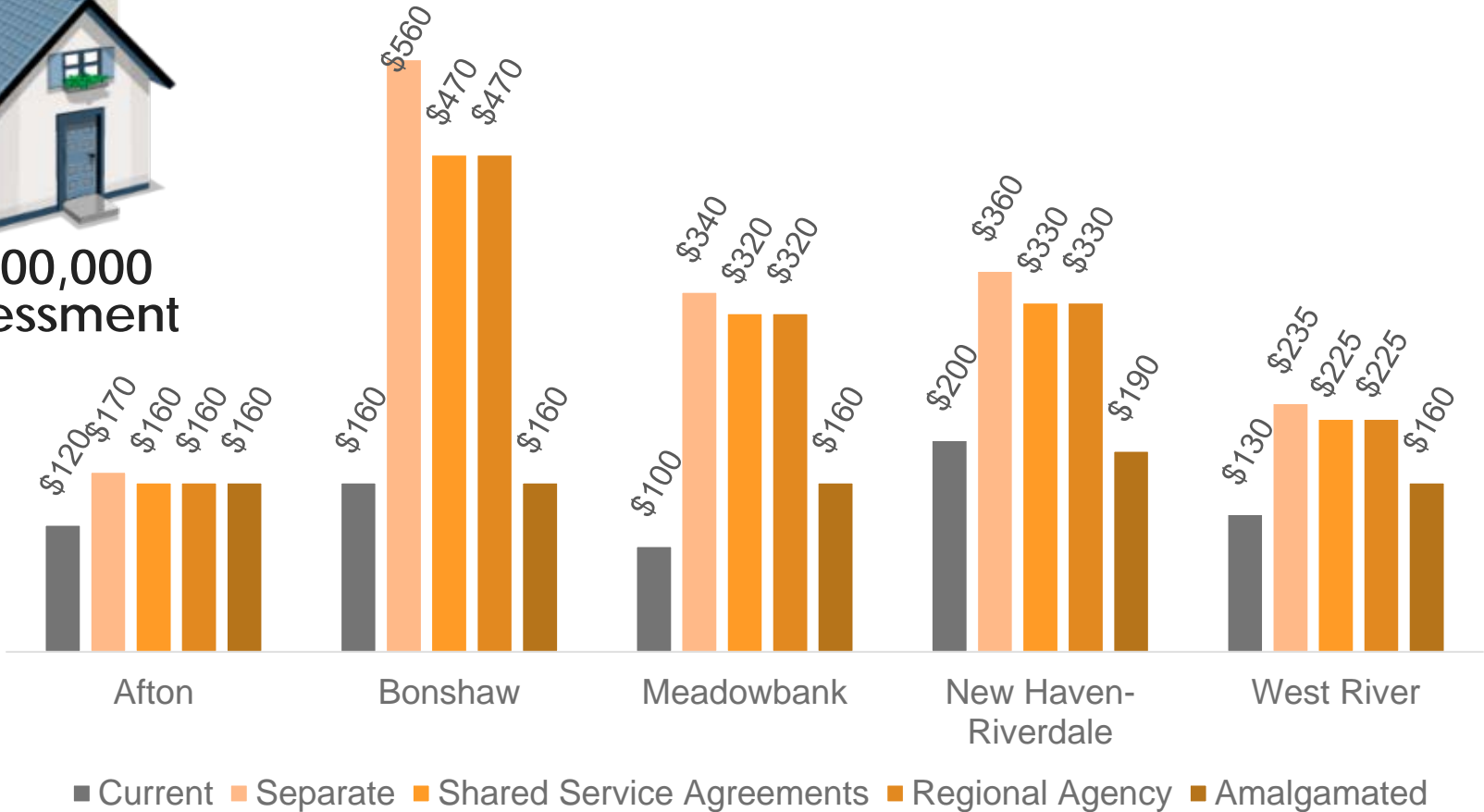


■ Current ■ Separate ■ Shared Service Agreements ■ Regional Agency ■ Amalgamated

Estimated Future Municipal Property Tax Bills



\$100,000
Assessment





Issue 1 Costs of Separation

The costs, viability, advantages, and disadvantages of each community maintaining their current individual municipal structures.

- No legal requirement to amalgamate
- Each municipality must however:
 - Elect and maintain a seven-member Council
 - Employ a CAO
 - Maintain its own municipal office, which must be open 20 hours/week and fully accessible
 - Maintain and audit its own financial records
- One municipality requires only one of each
- Increased costs particularly heavy for smaller municipalities (i.e., Bonshaw, Meadow Bank, and New Haven-Riverdale)



Issue 2 Benefits of Amalgamation

The costs, viability, advantages, and disadvantages of restructuring into one municipal entity.

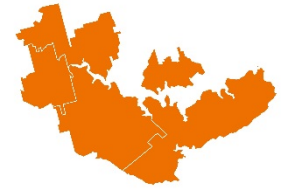
- Reduces options for residents of the area
- Fifth-largest municipality in PEI – a stronger voice in government
- Capacity to address land use planning and emergency planning responsibilities
- A single municipality only one:
 - Seven-member Council
 - CAO
 - Municipal office open 20 hours/week and fully accessible
 - Set of financial records
 - Municipal audit
- Moderately increased taxes to satisfy MGA requirements



Issue 3 Joining a Larger Municipality

For informational purposes, the advantages and disadvantages of any individual West River Group community joining a larger municipality within the same fire district.

- Town of Cornwall is the only candidate
 - More densely populated than West River municipalities
 - Requires water and sewer services
 - More elaborate parks and recreation services
 - Higher municipal expenditures
 - Higher tax rates



Issue 4 Joining a Larger Municipality

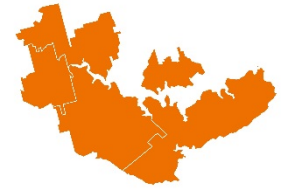
Identify unincorporated areas contiguous with the West River communities and within the North River Fire District that would benefit from participation in a potential amalgamation

- None of the unincorporated areas contiguous with the West River municipalities is served by the North River Fire Department
- No citizen or group of citizens has expressed interest in participating in amalgamation with the West River municipalities



Rationale for Amalgamation

- Maintains the rural character of the West River communities:
 - Five similar rural municipalities
 - Coordinate planning to preserve their rural environment
- Avoids duplication of administrative expenditures
 - Council and CAO
 - Office and operating hours
 - Financial management (budget and audit)
- Minimizes tax increases required to comply with the new MGA
- Enhanced voice as the fifth-largest municipality in PEI
- Reflects the wishes of community members
 - Interviews
 - Public meetings
 - Informal polling



Recommendation

We recommend the West River Group municipalities pursue their amalgamation based ... particularly on the wishes of community members consulted through the consultation process undertaken for this assignment.

To do so, the West River Group must apply for the approval of the Province of PEI to create a new municipality. IRAC manages the process ... the timeframe for approval will vary from 120 days or roughly four months to a year or longer.



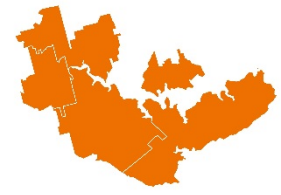
Implementation

- West River Group submits proposal to amalgamate (1)
- IRAC must issue notice of proposal within 45 days (45)
- Objections must be filed within 30 days of notice (75)
- IRAC *may* hold a Public Hearing
- If another municipality objects, IRAC must appoint a mediator within 30 days (105)
 - Mediation process must begin with 30 days of appointment (135)
 - Mediation must be complete within 60 days (195)
 - If mediation does not achieve resolution, IRAC must hold a public hearing within 30 days (225)
 - Must submit a Recommendations Report within 45 days of the hearing (270)
- Recommendation to Lt. Governor in Council
- Decision within six months if no extension requested (~450 days)



Implementation

- West River Group submits proposal to amalgamate (1)
- IRAC must issue notice of proposal within 45 days (45)
- Objections must be filed within 30 days of notice (75)
- IRAC *may* hold a Public Hearing (30)
- If no municipality objects:
 - IRAC submits recommendations report to Minister within 45 days of public hearing or (150)
 - If no public hearing is held, within 45 days from the date for filing an objection (120)
- Recommendation to Lt. Governor in Council
- Decision within six months if no extension requested (~300 to 330 days)



<https://westrivergrowth.wordpress.com/>



WEST RIVER MUNICIPAL GROWTH MANAGEMENT STUDY

Bringing the communities of West River together

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Questions?

John Heseltine, LPP MCIP
Senior Planner
Stantec Consulting Ltd.
102-40 Highfield Park Drive,
Dartmouth NS B3A 0A3

Phone: (902) 481-1477
Email:
john.heseltine@stantec.com



Brenda Wedge, BBA, CGA
Senior Consultant
MRSB Consulting Services
139 Queen Street
Charlottetown, PE C1A 8C3

Phone: (902) 368-2643
Email:
brenda.wedge@mrsbgroup.com

