

Sept 11/2018 . Resident's meeting

REPORT FOR THE AFTON REPRESENTATIVES OF THE WEST RIVER GROUP

This report is meant to take the consultants research and findings and distill that information to the facts relevant to our Community – Afton.

Our first question to the consultants – What are the costs, viability, advantages and disadvantages of each community maintaining and meeting the new municipal structures? – In Afton, we are a community of 1,291 residents (2016 census) with a current municipal tax rate of .12 cents per \$100 of assessment and no separate commercial tax rate. Our community has grown in the last number of years and continues to grow – population grew 5.8% since 2011 census. There are 1,404 properties within the community with a total assessment of \$139,137,900.

The community owns the Afton Community Centre, 5 acres of land beside the centre and approximately 13 acres in Rice Point at the site of the old Rice Point Wharf. All structures and property are debt free. There are development codicils on the property at Rice Point. Afton does not have a municipal office, an official plan and zoning bylaws or an emergency measure plan but does have fire services, which are contracted with the North River Fire Department. 7.5 cents of our municipal taxes go toward these fire dues. Afton has a part-time administrator who is paid an honorarium for her services.

Brenda Wedge (CPA - MRSB Consulting) prepared the financial information to answer the financial costs for Afton. She calculated current costs, new costs in the form of a 20 hour per week administrator (CAO), meeting audit and insurance requirements, holding elections, hiring planning, bylaw enforcement and legal services and maintaining an emergency measure plan. These new expenditures will increase our total expenditures by over 60% and estimates our municipal taxes would go from .12 to .17 cents per \$100 of property assessment. The costs of developing and implementing an official plan or an emergency measures plan are not included in her projections.

The increase in taxes would not address the costs of developing and implementing an official land use plan or the emergency measures plan but does address the maintenance of such plans. Ten years ago, Afton considered implementing an official plan and the costs, at that time, were estimated in the range of \$50,000.

The advantages of remaining as we are: we maintain our identity, that is, we remain New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek and Rice Point under the umbrella name of 'AFTON'. Our council is elected from these six communities. Afton could probably have the community office within the community centre with minor renovations and that centre is pretty well accessible (another new requirement of the MGA). Afton would have to develop an official plan, various bylaws and an emergency measures plan – costs yet unknown. Afton could possibly contract our planning and bylaw enforcement (a

service agreement) through another larger municipality (possibly Cornwall) and that would minimize the size of an office required. Afton would continue to contract with the North River Fire Department for fire services. If Afton stays its own entity, things could continue somewhat as they are and Afton could even enter into service agreements for planning, bylaw enforcement and emergency measure. The tax rate, either way, would be .16 cents per \$100 of assessment. Afton could also encourage creation another level of government in the form of a regional agency that would take over the job of planning, bylaw enforcement, emergency measures planning, fire dues and the community could contract with that separate entity – estimated cost of .16 cents per \$100 of assessment.

The disadvantages of Afton remaining its own entity are the increased tax rates .17 cents per \$100; a smaller population 1,291 – the province is pushing communities toward the 4,000 mark for continued sustainability as well as, not reaching the province's target of \$200,000,000 tax assessment. Whether totally independent, using service agreements or creating a regional agency, Afton Municipality will have to maintain its own office, its own CAO at a minimum 20 hour work week and the community will have to shoulder the burden of developing and implementing its own official plan and emergency measures plan. In addition, as a smaller community, Afton is susceptible to potential forced amalgamations with other larger communities – Cornwall and Crapaud come to mind.

Our next question to the consultants – What are the costs, viability, advantages and disadvantages of restructuring the communities into one entity comprised of the five members of the Group? -

The new community would have a population 3,154 and a tax assessment base of \$297,065,700. The population would be closer to the province's desired 4,000 for sustainability and the tax assessment is well over the \$200,000,000 required by the province.

The expanded West River Municipality would include the Afton Community Centre, 5 acres of land beside the Centre, approximately 13 acres in Rice Point at the site of the old Rice Point Wharf, a smaller Bonshaw Hall with .5 acres of land, the R.J. Mutter park which includes walking trails and sports fields (37.8 acres) and the Lloyd Inman Memorial Park in Canoe Cove. All these structures and properties are debt free. The WRM still does not have a municipal office and emergency measure planning but does have fire services which are contracted with the North River Fire Department at 7.5 cents of our municipal taxes and an official plan and zoning bylaws developed by New Haven-Riverdale. This plan would have to be updated to encompass and meet the requirements of the residents of the larger WRM.

Brenda Wedge (CPA - MRSB Consulting) prepared the financial information to answer the financial costs for a joining of the WRG. Once again, she calculated current costs, new costs in the form of a 40 hour per week administrator (CAO), meeting audit and insurance

requirements, holding elections, hiring full-time planning, bylaw enforcement, contracting legal services and maintaining an emergency measure plan. She estimates these new expenditures shared over the five communities would be .16 cents per \$100 of assessment and a commercial tax rate of .16 cents per \$100.

The advantages of joining in a new WR Municipality would be a larger population and a larger municipal tax assessment. The new municipality would be the 5th largest community in the province and as a single entity would have more influence with provincially elected officials. The expanded community would have 2 MLA's – in District 17 and 16. Municipal taxes would be .16 cents, rather than .17 cents per \$100 of tax assessment. There would be one municipal office for the 5 communities and that office could possibly be housed in the more accessible Afton Community Centre. There would only be costs associated with 1 municipal election (not 5), 1 set of books and 1 audit. The new community would have the benefit of the work New Haven-Riverdale has done on an official plan and could use that plan as the template to collaborate on a plan that meets the needs of an expanded municipality.

The disadvantages of joining in a new WR Municipality could be a loss of identity. In a larger community, the names, New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek and Rice Point may be lost in the larger land mass. A larger municipality may not be as cognizant of the needs and wishes of their residents since there will still only be representation by 6 councillors and a mayor. Councillors would likely be elected in wards (as defined in the Municipal Government Act) that will likely be determined by population (could be approximately 525 residents per ward – so councillors would likely come from within that ward) and dispersed around the five communities. The mayor could be elected from anywhere within the new community (from Meadowbank, or New Haven or West River or Bonshaw or Afton). Individual community resident interaction and events (Canada Day, Pancake Breakfasts) might disappear in the operation of a larger municipality.

Our third question to the consultants – For information purposes only, what are the advantages and disadvantages of any individual West River Group community joining a larger municipality within the same fire district? – The Town of Cornwall is the only larger municipality within the North River Fire District and has a population of 5,348. The North River Fire Department is located in the former community of North River, now part of the Town of Cornwall. The APM Centre is located in Cornwall and Afton, Meadowbank, New Haven-Riverdale and West River are members of the Communities 13 Inc. that built and maintain the APM Centre. Cornwall has a variety of tax rates with a current non-commercial tax rate of .46 cents per \$100 of tax assessment and a commercial tax rate of between .66 cents and \$1.12 per \$100 of tax assessment depending on the type of business and residency. Cornwall provides tax relief to agricultural producers (on land in production) in the form of a rebate.

The advantages of joining a larger municipality would be the services provided by a larger municipality. For example, the Town of Cornwall offers recreation programming and has expansive sports and recreation facilities like the Terry Fox Complex. The APM Centre is located in Cornwall and four of the five WR municipalities are members of the management corporation. Cornwall has a more formal parks system, an outdoor pool, a skate park, trail systems, community gardens. Cornwall has recreation staff and implements recreation programming and operates the Cornwall Civic Centre that houses a Curling Club. Cornwall already has an official plan and zoning bylaws created, maintained and applied by the Town's Planning Staff.

The disadvantages of joining a larger municipality within the North River Fire Department could be the very nature of being part of a town. There is a specified density of population in one area and more closely packed housing. For example, the population density of Cornwall is 189.7/persons per square kilometer compared to a range of 13.35 to 38.1/ persons per square kilometer in the WR municipalities. This density is further facilitated by the provision of water and wastewater services, something not required by the WR municipalities. This service is a separate additional fee paid by Cornwall residents on the water lines and is not part of the municipal tax rate. The expanded services provided in Cornwall come with a cost – the increased tax rates discussed above.

As part of an even larger municipality, the names, New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek and Rice Point will surely vanish within the town. If the WR municipalities were part of an even larger municipality, the needs and wishes of their residents will be even less apparent to the Municipal Council. Within a population of 5,348 plus 3,154 (8,502), Council and councillors may not be nearly as interested in the needs and wishes of the residents of the West River municipalities. There will still only be representation by 6 councillors and a mayor. Councillors would likely be elected in wards that are determined by population (approximately 1417 residents per ward). The mayor could be elected from anywhere within the expanded community.

Community resident interaction and events (Canada Day, Pancake Breakfasts) would disappear into the operation of a larger municipality. Afton's rural Community Centre and the Rice Point beach access could be declared surplus and disposed of as happened with the Ferry Road Centre in Cornwall because most sport and recreation facilities are compressed within the centre of the municipality.

Our last question to the consultants - Identify contiguous unincorporated areas to the Group and within the North River fire district who would benefit from participation within a potential Group amalgamation. According to the representatives of the North River Fire Department, none of the unincorporated abutting areas are clients of the North River Fire Department and no interested residents from unincorporated areas have expressed an interest in joining the WRG.

Recommendation from the consultants – Stantec has recommended the WRG of municipalities pursue the idea of amalgamation because such an enlarged community would still maintain a rural, rather than urban community. Amalgamation would also lessen the need for human resources but expand municipal assets for the benefit of Afton residents. Some of the benefits of amalgamation suggested by the residents and forwarded by the consultants were improved land use control, coordination of services and cost savings. Also a larger rural municipality will speak with one larger voice in interaction with the Province of P.E.I.

To amalgamate, the WR municipalities must apply for approval by the Province. IRAC would manage this process and could take up to a year to implement. The new Municipal Government Act sets out the framework for establishing and restructuring municipalities in the province.

Afton Council is asking for input this evening on the best course forward for New Dominion, Fairview, Rocky Point, Cumberland, Nine Mile Creek and Rice Point. We welcome your questions and opinions tonight. We also ask that you take the time to vote on our question to the residents of Afton.