

Region of Queens Municipality 2018-2019 Budget Address



Albany New, Bangs Falls, Beach Meadows, Beech Hill Farms, Brooklyn, Buckfield, Caledonia, Charleston, Danesville, Eagle Head, East Berlin, East Port l'Hebert, East Port Medway, Greenfield, Harmony Mills, Hibernia, Hunts Point, Kejimikujik National Park of Canada, Kempt, Labelle, Lake Rossignol, Liverpool, Medway River Reserve, Mersey Point, Middlefield, Mill Village, Milton, Molega, Molega North, Moose Harbour, Mount Pleasant, New Grafton, North Brookfield, Northfield, Pleasantfield, Pleasant River, Ponhook Reserve, Port Joli, Port Medway, Port Mouton, Riversdale, South Brookfield, South West Port Mouton, Summerville Centre, Tobeatic Wildlife Management Area, Wentworth Lake, West Berlin, West Caledonia, Westfield, Western Head, Whiteburn Mines, White Point, Wildcat Reserve

April 24, 2018

Since 1996, Region of Queens Municipality has been admired across Nova Scotia because of its foresight and leadership in governance and structural change. That change has not come easy, but our community has been the beneficiary of great results because of amalgamation. Success has occurred due to our willingness and desire to invest in our community and our people.

Today, after many years of reducing costs and trimming budgets, we are looking to the future and investing in our infrastructure, investing in our readiness for business developments, investing in our communities, investing in our community groups, investing in our safety and environment, and investing in our council and staff. This budget is about investments that are important to our residents to foster growth in our economy and population.

Our revenue each year is derived mainly from residential and commercial taxation. Queens, like almost every other community in Nova Scotia outside of Halifax, achieved only modest assessment growth in 2017. In Liverpool, being District 13, residential assessments decreased one-third of one percent (-0.33%) and commercial assessments decreased nearly twelve percent (-11.96%). Resource assessments increased twenty-eight percent (28.10%) however; resource taxation in Liverpool is only able to generate a minimal amount of tax as vacant lands are not plentiful.

Outside of District 13 in the rest of Queens County, residential assessments are up 1.83%, resources assessments are up 0.03% and commercial assessments are down 4.84%.

The revenue we expect to receive from both the provincial and federal governments this year are anticipated to be on par with last year.

Our budget reflects an increase in revenue of \$153,211 from solid waste contracts with Shelburne County which accurately reflect usage from last year. Our previous budget was based on only a partial year's sale of service from 2016-2017. With this increased revenue, also comes an increased operating cost for staff at our Queens Solid Waste Management Facility to process the waste. Additionally, we are budgeting an increase of \$43,891 in commercial solid waste fees.

Several years ago, our uncollected taxes amounts rose to unacceptable levels and have begun to decline slightly due to increased tax sales and tax collection efforts. These outstanding amounts are still too high and council has set a goal of decreasing its uncollected taxes from nearly 14% to 7.5% by the end of this fiscal year. If we are successful, then we expect our interest revenue on taxes to decrease by \$15,000 in 2018-2019.

Last year, Queens Place hosted two large concerts and budgeted to break even on both events. This year, we are only budgeting to host one large concert. A second large event, World Junior Curling Championship is being hosted by a local host committee in February 2019. Accounting

rules require public sector bodies to budget the full costs of both revenue and expenses. Therefore, our revenue shows a reduction of \$100,000 by only hosting one concert, but our expenses are also reduced by the same amount. Additionally, Queens Place will see a reduction in ice time booked in this fiscal year because of efficiencies by some of our users, and reductions in rentals commencing in 2017, for a variety of reasons that are outside the control of the facility. While we will work aggressively to find additional uses to replace this lost revenue, we cannot budget for it at this time. This reduction in revenue is budgeted at \$160,340.

Last year, council chose to transfer money from its reserves to balance the budget in order to avoid raising taxes. That amount was \$55,000.

Total operating revenues in 2018-2019 are projected at \$19,769,483, a \$483,758 or 2.5% increase over the previous year. This is partially the result of significant new investments on the expenditure side of the budget which council wishes to advance and invest in this year. Based on the low increase in assessment, an increase in the tax rate is required to pay for these investments. That amount is factored into the proposed tax rate increase.

On the expenditure side of the budget, council has chosen to make significant investment in many areas. While our employment numbers fluctuate from month to month, the budget will only see an increase of one new full-time equivalent. Two new positions are being created in public works and building/fire inspection, while one position has been eliminated in administration.

One of council's commitments this year is to begin to re-invest in itself, with an approximate additional \$23,000 in new training funding to allow more council members to attend Union of Nova Scotia Municipalities and Federation of Canadian Municipalities conferences and training. Additionally, council will invest an additional \$15,750 from its administration budget to support the ongoing development of a transit service for Queens County.

Policing services are expected to increase 1.3% in 2018-2019 and this will cost residents \$2,059,900, being an additional \$26,435 this year. We are very fortunate to have the excellent level of service that we have in our community with our local RCMP detachment. This increase is lower than in many previous years. Also, Council has committed \$5,000 in the budget to continue our support for the Senior's Safety Coordinator position at the local RCMP office.

Council is pleased again this year to continue to provide significant funding to our fire departments and other emergency service providers. We will once again provide the five departments with \$327,637 in operating funding and an additional \$215,000 in capital funding. Total fire funding from all budget areas totals \$626,774. Funding to both Queens County

Ground Search and Rescue and West Queens 1st Responders will continue at the same amounts as last year.

In the area of roads, council has agreed to cost-share on the paving of Pleasant Avenue in Mount Pleasant with Nova Scotia Department of Transportation and Infrastructure Renewal. Our cost will be \$25,000, to be funded 75% by residents of assessment districts 1-12 and 25% on the general rate. As well, council will invest an additional \$7,500 to paint the splays on all municipal sidewalks to increase the visibility of the change in slopes.

One of the most difficult areas to accurately budget each year is the expenditure that the Region has to contribute to the deficit of the Western Region Housing Authority for affordable housing within Queens. We do not have input into or involvement in their budget, nor are we privy to their expected capital upgrades that we are required to subsidize. Because of large increases in previous years, we are conservatively budgeting an additional increase of \$20,000 this upcoming year to bring our contribution to \$110,000.

One of the largest investments this year will be the complete review of the Region's Municipal Planning Strategy and Land Use Bylaw. It was created 8 years ago and is required to be reviewed and updated commencing in 2018. This project is budgeted to cost \$100,000 in 2018/19, and we expect it to cost an additional \$50,000 to \$100,000 in 2019. Significant opportunities will be provided for the public to have their say during this year and into 2019 to provide input into what they want their land uses to be for the next eight years.

Two new initiatives this year will see \$50,000 invested in each. The first is a Liverpool and Caledonia façade program, to be cost-shared with local businesses. This program will be rolled out once program criteria and applications are developed and it is determined if Provincial funding may be available to support this initiative. The second \$50,000 is to support a branding program to help the Region develop a brand for all of Queens. Currently, there are many brands, slogans and signage differences throughout Queens, including *The South Shore's Great Outdoors!*, Port of the Privateers, Escape from the Usual, Coat of Arms, Region's logo, and others. These are confusing not only for visitors, but for our own community. We must do better; funding is being budgeted to consult with our residents and hire an external expert to facilitate this initiative, which is expected to draw significant public interest.

A further expense in this year's budget is \$46,000 in additional funding to work more aggressively on economic development initiatives. In the past, initiatives have not been fully pursued because of a lack of financial resources to do so. Four of these opportunities must include new housing potential, broadband for our underserved areas, doctor recruitment, and replacement of Hillview Acres facility. There are many others however; these are only a few.

Liverpool is our largest commercial area and we have not spent enough time planning and developing its future opportunities to maximize its potential for local businesses, visitors, and our residents. To that end, we have applied for provincial funding to support an external assessment of how best to mitigate future flooding problems in the downtown core. We are budgeting \$75,000 for this assessment, and are also reviewing options to potentially re-install a railing on the Liverpool bridge sidewalk. The review is taking place this year with any decision to install a railing required during budget discussions in 2019-2020. Another issue is the availability of a power source in Privateer Park and along the waterfront; a further \$10,000 is budgeted this year to advance that project. An additional \$5,000 is being invested to develop a design plan with connectivity options for the waterfront and downtown area, to allow for a better and more efficient flow of people and vehicles in this area. We require a realistic and focused view of our waterfront area, and this will require input from businesses, residents and potential developers.

As noted previously, our expenditures in Queens Place are down by \$100,000 this year in view of the intention to only hosting one large concert, and as such revenues are down by an equivalent amount. Furthermore, we are providing \$50,000 in grant funding to the World Junior Curling Host Society as they bring the world to Queens County in February 2019. Queens will benefit from being promoted internationally.

Queens Place has been operating now for 6 years with no changes to the annual fitness membership rates and only one increase in ice rates in 2015. This year will see a 2% increase in those user fees. We are still amongst the lowest rates in the province.

While big numbers draw the most attention in the budget, sometimes the small numbers have the potential to have the most impact. We expect that some of our small initiatives this year will have that result. Council has requested that staff and the new Board of Directors of the Queens Place Emera Centre establish a sponsorship program where local businesses or individuals can financially support low income residents to access Queens Place programs and memberships. Moreover, we will purchase and have available for loan, equipment for local residents and visitors to our area, to be able to safely use our new skateboard park, which is often stated to be the best in Eastern Canada. As well, we will request donations of used bicycles from residents and seek local partners to refurbish and re-condition the bikes to offer to residents free of charge. These are all efforts to increase physical activity in our community by helping to reduce some of the barriers to public participation.

A further partnership will see the Region work with Autism Nova Scotia to potentially see the development of Nova Scotia's largest inclusive playground to accommodate children of all abilities, as well as adults. The Region will install a water service, as well as other construction improvements to the playground at a cost of up to \$25,000.

The Region has been a wise steward of the financial resources entrusted to it for many years, and has been saving each year for future infrastructure projects and community investments, such as upgrades to water and sewer systems, and our Solid Waste Management Facility. This year will see the Municipality set aside \$226,683 less to dedicated reserves in order to fund some current year projects.

The largest cost in our operating budget each year is our contribution towards provincial education costs. In 2018-2019, we will fund education to the tune of \$2,812,574, an increase of \$44,743 over the previous year. Nearly 25 cents of every dollar in taxes paid by residents is turned over to the province for education payments by the Municipality.

Our water utility remains a steady piece of infrastructure for parts of our community. Despite the new water treatment facility only being ten years old, we did experience a serious valve break at the facility in March that caused a day-long interruption to this service. While the facility has been temporary fixed, the full repair cost is currently being assessed and will be funded fully by the users of the facility from current year operating costs or from one of its reserve accounts. Our water utility is self-funding and has not seen a rate increase since 2004 (14 years). We are hopeful that with prudent spending and continued efficient operations, we can maintain the current water rates for several more years.

This fiscal year will also see capital investments in water and sewer projects in Liverpool and Brooklyn. Work will commence next week to upgrade water and sewer lines on that portion of Union Street between Main Street and Church Street. This project will total \$885,000. Once that project is well underway, work will begin on a new pump station for the Brooklyn sewer and water project later this summer, and addition of a few more sewer connections along Brooklyn Shore Road. This project phase will total \$798,000.

In order to complete all of the new investments and fund expenditures contained in the 2018-2019 operating budget, a tax rate increase is requested for all districts of 2 cents. This is the first increase since April 2016. Unfortunately, our costs continue to increase each year, and the wants and needs of our residents increase as well. To balance both with the new investments this year of over half million dollars, we have had to re-allocate some funding from other areas and find other ways to reduce costs in order to limit the tax increase to a small amount.

To minimize the impact of this increase on those least able to afford it, we are continuing our low-income tax rebate for those earning less than \$23,520 per year with a rebate of up to \$250. Last year, 271 property owners took advantage of this program, and we hope more will take advantage of it this year if they are eligible. These property owners may also be eligible for a similar provincial rebate as well.

While our budget only focuses on items that have a dollar value attached to them, our plans and priorities include many other initiatives without a cost or with minimal cost funded within other budget areas. Some of those initiatives this year include looking for partnership opportunities with South Queens Chamber of Commerce and North Queens Board of Trade; meeting with Nova Scotia Department of Transportation and Infrastructure Renewal concerning road improvements throughout Queens, including a discussion about future flood mitigation and beach erosion at Hunts Point Beach; development of a Recreation for All Policy; development of a business asset inventory; development of a cultural policy; development of an events strategy; development of an engagement strategy; and development of more opportunities to increase awareness and investments in local businesses.

Today is the beginning of a clear strategy of investing more in our infrastructure, investing more in our community, and investing more in our council and staff. Today is the next step in our effort to increase openness in our governance and engagement process. We will be diligent in our daily efforts to be fair and respectful of each other, our staff, and our residents. Our goal is to continue to strive to serve residents of the Region of Queens to the best of our abilities.

Thank you.

David Dagley
Mayor