

MEDIA RELEASE

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MUNICIPALITY OF CHESTER HOLDS TAX RATE SECOND YEAR IN A ROW

MUNICIPALITY OF CHESTER – Council approved their 2016-17 Capital and Operating Budget today with little to spare. Despite a tough year, and more anticipated to follow, Council managed to realize a small surplus of \$2400, hold the commercial and residential tax rate, and introduce a number of service enhancements and capital projects.

The Municipality is in a strong financial position with healthy reserves. However, the slow rate of growth during the last couple of years in Canada has finally caught up with municipalities through a slow down in assessment growth – this is expected to continue over the next two to three years. This impacts the Municipality operationally because the slow rate of growth has not affected rising costs. Overall, expenditures exceeded revenue by half a percent over last year.

Regardless of the challenge, property tax rates, area rates and fees have seen little to no change. Residential property tax rates remain at \$0.685 per \$100 of assessment and commercial rates stayed at \$1.53 – the lowest in comparison to similar Nova Scotia rural municipalities.

All area rates are the same as 2015-16 with the exception of three: streetlight rates, which will drop by 20% overall; waste collection and disposal, which will increase marginally by \$0.0027/\$100; and sewer rate, which will also increase by a \$20.37 flat charge. The slight increase to waste collection and disposal is a result of a 20% reduction in funding from the Resource Recovery Fund Board as well as a 3.4% increase in operational costs resulting from third-party blue bag processing. The sewer rate increase represents \$31,310 and will be applied towards sewer-related capital projects this year as well as reserves for future capital investment.

Probably most notable in the \$28 million Municipal Budget is that there is almost \$8.2 million in capital investment lined up for this year. A few of the more prominent undertakings include trail upgrades, wind energy development, sewer system upgrades,

improved drainage at Wild Rose Park, repairs to a portion of Foxwood Drive, and repairs to Chester Basin Wharf. This year, capital projects will be funded primarily through borrowing (56%), reserves (25%), and grants (13%).

In line with Council's four-year Strategic Plan (ending this year), there is heavy focus on efficiencies and the level of service that the Municipality offers. The purpose of quality management programs, as adopted by the Municipality when they achieved ISO 9001:2008 standards certification, is continuous improvement. This year, Council and municipal staff will make this a priority with implementing an e-billing option for taxpayers, improve internal control measures by implementing a purchase order module, and recertifying using ISO 9001:2015 standards. The Municipality also plans to extend Saturday operating hours at Kaizer Meadow, continue with the sewer infiltration program and streamline organics and landfill processes.

Also in line with Council's Strategic Plan, there is a strong emphasis on Economic Development in this year's Budget with initiatives that include a plan and development of inter-municipally owned wind energy project, land acquisition for business/industrial park development, parking study for Chester, continued support for our Visitor Information Centre, participation in the South Shore Regional Enterprise Network and a marketing strategy to promote economic prosperity.

"Council's focus this year is on generating non-tax-based revenue, advancing economic development, and providing quality and efficient service and infrastructure levels," says Warden Allen Webber. "We feel that this Budget, as a financial and policy tool, will allow that."

Other budgetary items of note are grants to the community (\$318,921); an increase to reserves (\$470,802); and more than \$7 million in mandatory contributions paid to the Province to help with the cost of education, policing and corrections, housing, libraries, and assessment services.

The Budget, along with highlights, is available to all residents at the Municipal Office, online at www.chester.ca, and in the upcoming *Municipal Insight* newsletter in mailboxes in May.

CONTACT INFORMATION:

Warden Allen Webber

Municipality of the District of Chester
(902) 275-3554 phone (902) 275-4771 fax
awebber@chester.ca