

MUNICIPALITY OF THE COUNTY OF CUMBERLAND

CONSOLIDATION OF SPRINGHILL AND THE COUNTY

QUESTION AND ANSWER SHEET

Question: Why is the Town of Springhill applying for dissolution?

Answer: First, most Towns and Municipalities in Nova Scotia have experienced both a population decline and an economic decline. These two factors are directly related in that a loss of jobs in a community means that residents seek employment either in other communities or in other provinces or Countries. This reduces the ability to raise sufficient property taxes to provide municipal services.

Second, municipalities need fiscal capacity to remain viable and sustainable in the long term. Fiscal capacity requires that a municipality have the ability to raise enough revenues to provide core services such as road repair and replacement, pay its debts, and set aside funds for future operations and to replace its assets. Springhill is having difficulty achieving this capacity.

Question: Will my property taxes go up to pay off Springhill debts?

Answer: Your property taxes will not go up to pay off Springhill's debt. The County will work with the Town and the Province to reduce the Town's debt to a manageable amount. Springhill residents will be required to pay for any debt that remains.

Question: Will County residents be required to help pay for any other Municipal Services provided by the Town?

Answer: The County has the authority to charge an area rate. An area rate is a tax that recovers funds only from those property owners that receive and benefit from a specific service. For example County residents in Wallace, Pugwash, Biggs Drive, Amherst Marsh, Maccan, Strathcona, and River Hebert have sewage collection and treatment systems. Residents that are not on these sewage systems do not pay for the costs of operating and replacing these systems. A second example in the County is that only property owners that are living on roads that are lit by street lights pay for the streetlights costs,

The costs of some services currently provided in the Town will be area rated when our two municipalities are joined. Examples include debt payments, road repair, maintenance and replacement, streetlights, water, and sewer.

Question: What costs will be included in a consolidated general tax rate?

Answer: Normally, the costs of services that are available to residents, used by residents, or provide a benefit to residents are included in the general tax rate. Examples of services include police protection, fire protection, building inspection, Council and administration, planning and development, EMO, by-law enforcement, recreation, etc.

Question: How will consolidating our two municipalities help Springhill?

Answer: The outcome of consolidation is primarily about achieving that capacity that is referenced above. The County will work with the Province to develop an achievable debt reduction strategy resulting in significant annual cost reduction. We will also implement an organization structure and service model that will be more cost effective and streamlined as compared to the two separate service delivery and administrative structures. Again, this will achieve cost savings. These cost savings will be used to pay off debt, repair or replace roads, or build reserve funds for water or sewer line replacement.

Question: Will Springhillers lose their identity?

Answer: Absolutely not. In fact, the new consolidated Municipality will continue to promote those activities, events, festivals, history, and culture that are unique to Springhill and its residents.

In previous consolidations in Nova Scotia, communities and residents have not lost their identity, history, heritage, or culture. Residents of consolidated communities continue to associate with their home towns. Liverpool, Sydney, Louisbourg, Canso, Dartmouth, for example, continue to maintain their names and identities.

Question: What are the benefits of consolidating our two municipalities?

Answer: The removal of legal boundaries will facilitate regional service decisions. Decisions about regional planning strategies, regional tourism promotion, geothermal resource development, recreation programs and services, water and sewer extensions will be made by one Council.

Consolidation also provides an opportunity to bring together two staff complements that are dedicated, loyal, capable, and experienced; the outcome being a strategic, efficient, and effective organization.

We encourage residents to look at consolidation from the viewpoint of the assets that our municipalities are bringing to a joined municipality. We have tremendous geothermal, tidal power, wind power, solar power development potential, a tax base of

\$1.3 B, tourism assets that are among the best in the Province, and elected officials that care about community and people.

Springhill will contribute a number of assets to the consolidated municipality, including a Federal institution that will continue to contribute to Municipal revenues well into the future, a modern, first class community Centre, an industrial park, a Community College, an increase in the tax and population base, a world class Tourist attraction and a retail centre.

In summary, consolidation brings many positive opportunities for our residents and communities.