



# Financial Information Bulletin

Municipality of Colchester

June 2009

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## Mayor's Message

I believe it is important for all Colchester taxpayers to know how your tax dollars are spent. Therefore, on behalf of Council, I am pleased to be able to share with our residents and businesses some important financial information concerning the County of Colchester budget. I also would like to share with you some of Council's longer term goals associated with the growth and development plans for the County and the Region.

The budget process is always challenging for Council as there are many competing demands for the limited financial resources. Some cost pressures are unavoidable, such as:

- The Municipality contributes approximately \$5,800,000 annually to the Province associated with the cost of education. For this year it is estimated that these costs will increase by approximately \$115,000;
- Electricity costs will increase by over \$40,000 this year and the Municipality is estimating over \$680,000 in electricity costs in the budget; and,
- Debt servicing costs associated with the County's contribution to the new regional hospital will increase by over \$150,000 this year to almost \$475,000 in total.

Other cost increases relate to Council's decision to respond to service delivery initiatives such as:

- Policing costs will increase by almost \$500,000 this year due to the addition of several police officer positions and a civilian position over the past two years. This decision will move the Municipality closer to being able to deliver twenty-four hour policing to ensure our communities are safer to live and work in.
- The Municipality has increased funding to the Colchester Regional Development Agency (CoRDA) by \$135,000 to ensure that CoRDA can continue to deliver programs and services that will support the growth and development of economic opportunities and jobs.
- The Council has increased funding to reserves by over \$500,000 this year in order to ensure that the County can take advantage of Federal and Provincial Government Infrastructure Funding Programs and to reduce the costs of building infrastructure by eliminating interest costs.

With respect to long term initiatives, the Council has also identified many priority projects that are critical investments necessary to provide quality services to our residents and businesses; to ensure that our region is competitive; and, to ensure that the environment is protected. A few examples include:

- The Councils of the County and Town have together committed \$11 million in funding to a new \$30 plus million Civic Centre along with a \$2.4 million modernization of the Colchester Legion Stadium. This new facility will be a hub of sports, health and wellness, entertainment, and cultural activities for residents and will have considerable economic spin off for businesses.

If you have any comments or questions regarding anything in this publication, please call Kim Paterson at 897-3164.

(Continued on page 8)

### Tax Bills and Area Rates

For the budget year 2009/2010, the Municipality will send out approximately 26,000 tax bills. The two most common bills are for residential or commercial property, samples of which are below and on page 3. These two properties do not exist, rather the bills were created to show a few of the tax rates and area rates that may appear on a tax bill. Following is an explanation of the sections of the tax bill as shown in red to the left of each bill: section 1 on the bill includes the date the bill was sent out, the due date for the taxes, the amount due, a tax payer number (which is linked to the owner) and a property number (which is linked to the property—except in the case of a business or a mobile home. In these cases, the property number is linked to the actual business or mobile home); section 2 is the property owner(s) name and mailing address; section 3 is included so that the bill can be paid at a financial institution; section 4 is basically a repeat of section 1, but includes the period that the tax bill is issued for and interest information; section 5 lists the tax rates applied to the property (see explanation below); section 6 lists all the area rates that are applied to the property (see explanation below); and section 7 is the legal description of the property which we receive from the Property Valuation Services Corporation.

Tax bills are issued on a per property basis. Owners of more than one property will receive more than one tax bill. What is shown on a tax bill relates to the type of property and the services property owners receive. There are four different tax rates and over 40 different area rates.

The types of property include residential, commercial and/or business occupancy; resource and forest land. Farmland is treated differently in that the provincial government gives the Municipality a grant based on the amount of active farmland in our area so owners of farmland are not sent a tax bill by the Municipality.

The residential and resource tax rate for 2009/2010 is \$0.79 per \$100 of assessed value. An example of resource property would be blueberry fields.

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**Municipality of the County of Colchester**  
 P.O. BOX 897, TRURO, NOVA SCOTIA B2N 5E7 • PHONE (902) 897-3150

INVOICE No. 00-000002

DATE	PAYMENT DUE DATE	AMOUNT DUE	TAX PAYER NO.	PROPERTY NO.
01 JUN 09	13 AUG 09	4,593.75	009-987654	12345678

AMOUNT REMITTED: \$

ABC COMPANY  
 456 MUNICIPAL STREET  
 LOWER TRURO, NS, B2N 1A2

PLEASE MAKE CHECKS PAYABLE TO THE MUNICIPALITY OF THE COUNTY OF COLCHESTER OR PROPERTY MAY BE SAID AT POST FINANCIAL INSTITUTIONS

RECEIPT PORTION: PLEASE DETACH AND RETURN TOP PORTION OF YOUR BILL WITH YOUR PAYMENT. BRING FULL BILL IF PAYING IN PERSON.

**Municipality of the County of Colchester**  
 P.O. BOX 897, TRURO, NOVA SCOTIA B2N 5E7 • PHONE (902) 897-3150

TAX BILL: 2009/2010

INVOICE No. 00-000002

TAX BILL FOR PERIOD APRIL 01 2009 TO MARCH 31, 2010

DATE	PAYMENT DUE DATE	AMOUNT DUE	TAX PAYER NO.	PROPERTY NO.	AMOUNT REMITTED
01 JUN 09	13 AUG 09	4,593.75	009-987654	12345678	

INTEREST WILL ACCRUE AT 1.25 % PER MONTH AFTER 13 AUG 09

DESCRIPTION	ASSESSMENT	RATE / BASE	AMOUNT
COMMERCIAL PROPERTY	175,000	2.10/ 100	3675.00
COBEQUID FIRE	175,000	.18/ 100	315.00
WEST ROBIE FIRE HYDRANT	175,000	.02/ 100	35.00
URBAN SERVICE RATE	175,000	.325/ 100	568.75
<b>TOTAL</b>			<b>4,593.75</b>

12345678  
 456 MUNICIPAL STREET  
 LOWER TRURO  
 ABC COMPANY

PLEASE FORWARD YOUR PROPERTY TAX BILL TO YOUR MORTGAGE COMPANY IF THEY ARE TO PAY TAXES ON YOUR BEHALF. PLEASE SEE REVERSE SIDE FOR IMPORTANT GENERAL INFORMATION.

The commercial and business occupancy tax rate is \$2.10 per \$100 of assessed value. The difference between commercial and business occupancy tax is that a commercial tax bill is connected to the property and the business occupancy tax bill is related to the business itself. An example would be the owner of a business in a strip mall would receive a tax bill with BUSINESS OCCUPANCY listed in section 5 rather than COMMERCIAL PROPERTY, however if the property owner also had a business in the strip mall, they would receive two bills—one showing COMMERCIAL PROPERTY and the other showing BUSINESS OCCUPANCY listed on the bill. (The final year for business occupancy is 2009/2010, except for financial institutions which are scheduled to have business occupancy deleted in 2013/2014. Business occupancy is being phased out in accordance with provincial legislation.)

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Municipality of the County of Colchester  
P.O. BOX 897, TRURO, NOVA SCOTIA B2N 5E7 • PHONE (902) 897-3150

INVOICE No. 00-000001

DATE: 01 JUN 09 PAYMENT DUE DATE: 13 AUG 09 AMOUNT DUE: 1,152.30 TAX PAYER NO.: 012-123456 PROPERTY NO.: 98765432

JOHN SMITH  
JANE SMITH  
123 COUNTY ROAD  
BROOKFIELD, NS B0M 1C0

AMOUNT REMITTED: \$

RECEIPT PORTION: PLEASE DETACH AND RETURN TOP PORTION OF YOUR BILL WITH YOUR PAYMENT. BRING FULL BILL IF PAYING IN PERSON.

Municipality of the County of Colchester TAX BILL 2009/2010 INVOICE No. 00-000001

TAX BILL FOR PERIOD APRIL 01 2009 TO MARCH 31, 2010

DATE: 01 JUN 09 PAYMENT DUE DATE: 13 AUG 09 AMOUNT DUE: 1,152.30 TAX PAYER NO.: 012-123456 PROPERTY NO.: 98765432

INTEREST WILL ACCRUE AT: 1.25 % PER MONTH AFTER 13 AUG 09

DESCRIPTION	ASSESSMENT	RATE / BASE	AMOUNT
RESIDENTIAL PROPERTY	92,000	.79/ 100	726.80
BROOKFIELD FIRE	92,000	.175/ 100	161.00
BROOKFIELD STREET LIGHTS	92,000	.07/ 100	64.40
SEWER MAINTENANCE	92,000	.08/ 100	73.60
SEWER CAPITAL	92,000	.02/ 100	18.40
BROOKFIELD SIDEWALK	92,000	.005/ 100	4.60
GARBAGE COLLECTION / DISPOSAL		103.50	103.50
<b>TOTAL</b>			<b>1,152.30</b>

98765432  
123 COUNTY ROAD  
BROOKFIELD  
LAND DWELLING

SMITH JOHN  
SMITH JANE

PLEASE FORWARD YOUR PROPERTY TAX BILL TO YOUR MORTGAGE COMPANY IF THEY ARE TO PAY TAXES ON YOUR BEHALF. PLEASE SEE REVERSE SIDE FOR IMPORTANT GENERAL INFORMATION.

Finally there is a per acre levy charged to owners of forest land, as prescribed by the Assessment Act. For owners with less than 50,000 acres, the charge is \$0.25 cents per acre; and for owners with more than 50,000 acres the charge is \$0.40 cents per acre.

The majority of properties in the Municipality also attract area rates. Area rates are applied to all properties within a defined area that are receiving a specific service such as street lights. The area rate is applied to each \$100 of assessment. We have a few area rates which are flat rates, such as garbage collection/disposal, which are charged per property. In determining what an area rate should be, the Municipality determines all the expenses for the service and divides that cost by the assessed value of the properties in the defined area.

Area rates are approved by Council at their Council meeting in May of each year. At the time of printing, the area rates shown in this newsletter have been reviewed by Council Committee and in the case of the Sewer Capital; Water Extension; and

Brookfield Sidewalk Rates, Council Committee has requested that these rates be looked at by staff and further information brought to the May Council Meeting. Any changes in the area rates listed in this newsletter will be noted in our next newsletter.

As mentioned, the Municipality has over 40 different area rates. As an example, there are 17 different fire rates, as each of the volunteer fire departments has their own rate. A complete list of area rates, and the charges for each, is on our website at [www.colchester.ca/tax-rates](http://www.colchester.ca/tax-rates). The Villages of Bible Hill and Tatamagouche also approve and levy village tax rates, which include a mix of services. The County invoices, collects and remits these taxes to the respective village.

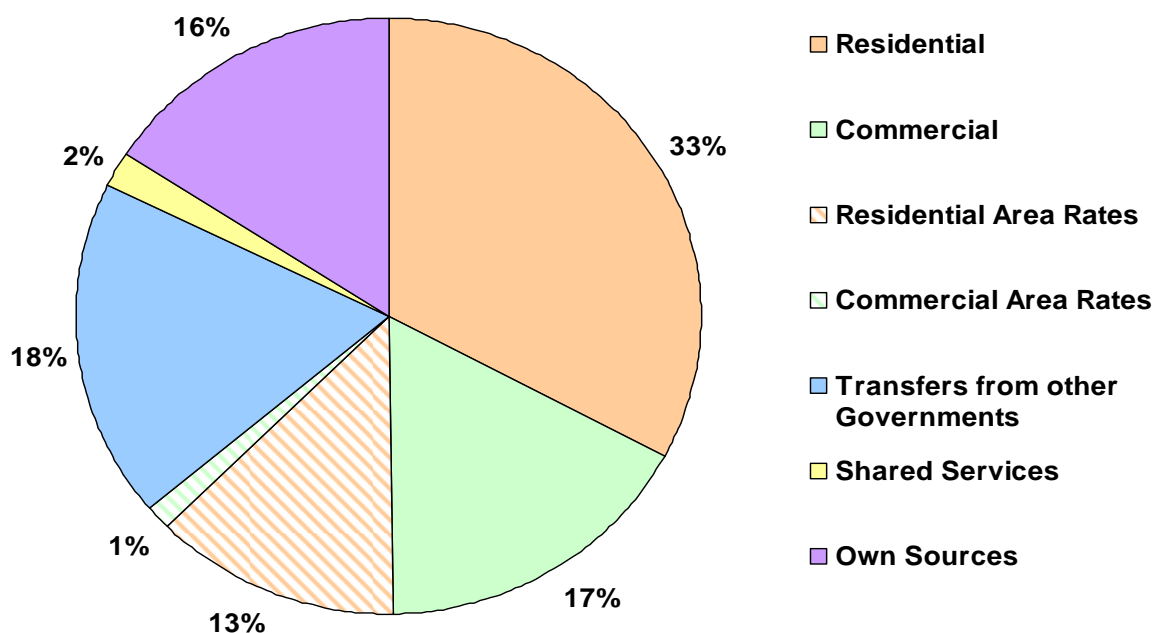
### Urban Service Rate

In 1994 Council adopted the Service Delivery Strategy. The document has a number of policies which relate to the types of services the Municipality is willing to provide and the method of paying for those services.

The document also defines the Central Colchester Service Delivery Area which is basically the urban area of Colchester. Council adopted a policy that levies a uniform urban service rate on all properties in the urban area for a number of services (listed below).

The proposed urban service rate for 2009/2010 is 0.325 cents. The rate is comprised of sewer maintenance (0.08), sewer capital (0.02), sidewalk (0.185), street lights (0.03), water extension (0.005) and fire protection (hydrant rate) (0.005). The urban service rate is not charged to properties within the Village of Bible Hill.

## Total Budgeted Revenue – 2009/2010



### Total Budgeted Revenue Chart

The above chart represents the revenue the Municipality expects to receive in 2009/2010. The residential category represents the money generated from the residential, resource and forest acreage tax levies. The commercial category includes the money the Municipality expects to collect from the commercial and business occupancy tax levies. The residential area rates category includes the money generated by all area rates applied to residential and resource property and the commercial area rates category reflects the money generated by all area rates applied to commercial and business occupancy property. By adding the residential and residential area rates categories, we can see that our residential, resource and forest acreage property owners are contributing 46% of the revenue required by the Municipality in 2009/2010. It should be noted that the above chart includes over \$1.8 million dollars in fire department area rates which is transferred to the fire departments and \$123,113 in fire hydrant area rates which is transferred to the water utilities. The money collected for the Villages of Bible Hill and Tatamagouche is not included in the above chart.

Transfers from other governments includes a federal and provincial grant in lieu of property tax for property owned by both levels of government, an equalization grant and capital grants.

Shared services represents the money collected for the various wastewater treatment and/or solid waste services we provide to the Towns of Truro and Stewiacke.

Our own sources would include, for example, revenue from tipping fees, the sale of recycled product, licenses and permits, return on investments, other municipalities who take recyclables to our Materials Recovery Facility and our water utilities.

## Types of Budgets

The Municipality prepares a general operating budget, a capital budget, an area rate budget and two water utility budgets annually. These budgets are brought to Council for approval. The general operating budget covers most municipal services as well as transfers to the provincial government for services such as education. The capital budget covers projects and equipment such as a new sidewalk or a front end loader for the Balefill facility. The area rate budget includes budgets for specific services within a defined area, such as fire services or street lights. Water Utility budgets are prepared for the Debert and Tatamagouche Water Utilities.

### Capital Budget and Projects

The capital budget is separated into two parts. The first is the five year summary of major projects and the second is for vehicles and equipment. The information below comes from the 2008/09 to 2012/13 Capital Project Plan. When Council is working on the five year summary of major projects, discussion is usually held project by project, to determine when the project will occur and how it will be funded. Each year Council has the opportunity to add, amend, or delete projects. There are various sources of revenue, depending on the type of project. Major revenue sources typically used to fund these projects include the following:

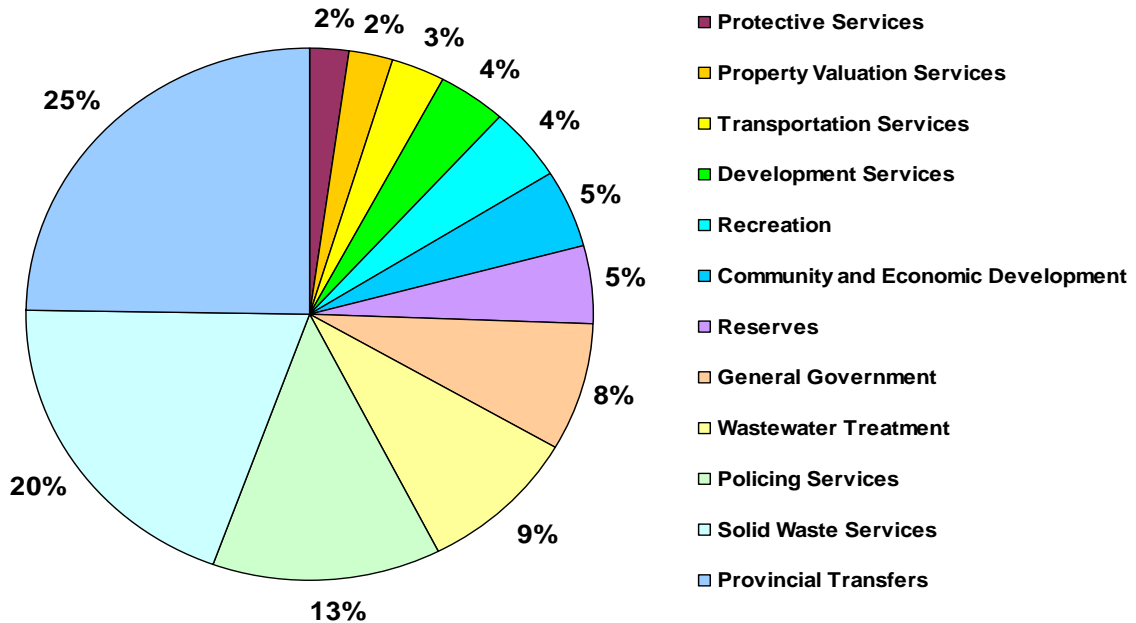
- |            |  |
|------------|--|
| Municipal  | <ul style="list-style-type: none"> <li>• General revenue collected from residential and commercial taxes, including the use of reserves created over time. For example, the Council has budgeted \$1,325,000 in reserves this year to be used for future capital projects.</li> <li>• Borrowing money to be repaid over time. For example, the Council borrowed \$5.2 million to fund a portion of its \$7 million commitment to the new regional hospital.</li> <li>• Revenue collected from services provided, such as tipping fees at the Balefill, will be set aside to build the next Balefill cell.</li> </ul> |
| Provincial | <ul style="list-style-type: none"> <li>• Build Canada Funding—The Government of Canada and the Province of Nova Scotia signed an agreement that will see \$752.1 million available for infrastructure improvements in Nova Scotia.</li> <li>• B-FIT Program— This program assists municipalities in the development of facilities in order to increase public participation in sport and physical recreation.</li> </ul>   |
| Federal    | <ul style="list-style-type: none"> <li>• Gas Tax—The Gas Tax Fund is available exclusively for municipal infrastructure projects which will improve water and air quality and reduce greenhouse gas emissions.</li> <li>• Build Canada Funding— see above</li> </ul>   |

The major projects approved for the 2008/2009 fiscal year included: the elimination of an old sewage treatment plant in Debert; Town water extended to the new Salmon River School; the installation of water meters at the homes in Debert; some paging equipment for the Colchester firefighters; a sidewalk from East Prince Street to Deville's Rink; the Debert sidewalk; the replacement of a second sewage treatment plant in Debert; the replacement of the force main for the Hilden sewer system; Tatamagouche Branch Library; Bible Hill water extensions; Tatamagouche water treatment plant—completion; and the Wade Road water extension. The cost of these projects exceeded \$7.5 million dollars.

The projects included in the five year plan for 2009/2010 are the replacement of the Balefill scales, various waste management projects from the Waste Management Master Plan, Debert Infrastructure—Phase One, a sidewalk in Valley on the Salmon River Road from Eagle Drive to the store, and Debert Water.

The capital budget for vehicles and equipment is funded by various specific capital reserve funds. Discussion is usually held on a fund by fund basis and the Council has the opportunity to review requests by fund annually. The Municipality currently has the following capital reserves in place: Special Capital, Special Operating, Balefill Site, Vehicle Reserve, Materials Recovery Reserve, Liner Replacement Reserve, Court-house Reserve, Municipal Infrastructure, Street Repaving, and Balefill Improvement.

## Operating Budget Expenses 2009/2010



### Operating Budget Expenses

In March, Council approved an operating budget of approximately \$26.9 million for 2009/2010 and the above chart represents the expenditures portion of that budget. Each of the categories in the chart are explained below in detail.

**Provincial Transfers**—The transfers to the Province of Nova Scotia represent 25% of the operating budget. The largest transfer is for education, which is almost \$5.8 million this year. The remainder of the money is allocated to Correctional Services, the Housing Authority and the Colchester-East Hants Library.

**Municipal Departments**—Seven of the above categories, which are described in this section, represent one or more of our municipal departments. The combination of these categories accounts for 50% of the operating budget. Within most of these categories, we have common expenses for things such as salaries, office supplies, training, computer supplies and programming, fuel and vehicle maintenance. These categories are also where we have building related costs such as electricity and insurance. If you are interested in more detailed information on the operating budget, please visit our website at [www.colchester.ca/2009-2010-budget](http://www.colchester.ca/2009-2010-budget). Please note that the Public Works Department (Water Division) expenses are not included in the operating budget. All Water Division related expenses are accounted for in the Water Utility budgets.

Following are the categories and the departments included in each and some of the larger expenses that are not listed above:

**Protective Services**— Animal Control and the Emergency Management Departments; Flood Committee projects; Central Dispatch and insurance for the fire departments.

(Continued on page 7)

**Transportation Services**—This includes the money we spend on County owned roads as well as the money we transfer to the Province for local J-class roads in our area.

**Development Services**—Community Development (Planning, Building Inspection, Development Office), Property Mapping/Information and the Public Works/Engineering Departments.

**Recreation**— Recreation Department; recreation programs; parks/trails; arenas; and Scotia Pool.

**General Government**—Administration, Information Technology and Finance Departments; Council related expenses; and the low income tax exemptions.

**Wastewater**— Public Works Department (Wastewater Collection and Regional Sewage Treatment Plant divisions); expenses for the Central Colchester Treatment Plant, the Brookfield, Tatamagouche, Debert and Great Village Rural Treatment Plants; and the debt related to these facilities.

**Solid Waste**— Solid Waste Department; operational expenses for the Balefill, Composting and Recycling Facilities; the cost to collect recyclables; and the debt related to the three facilities.

**Policing Services**—The money transferred to the R.C.M.P. is shown as Policing Services. This category also includes \$7,500 which is transferred to the Province to cover public prosecutor legal fees for local fines that are challenged.

**Reserves**—The Reserves category represents the money put aside for future projects or capital purchases.

**Community and Economic Development**—The Community and Economic Development section includes such things as grants and tax exemptions given to non-profit organizations; this year's portion of money for the new regional hospital; an allocation to the Central Nova Tourist Association, the Tatamagouche and Stewiacke Tourist Bureaus; the Tatamagouche Library; a few planning studies, including a traffic study and a stormwater management master plan; and finally money for the Colchester Regional Development Agency.

**Property Valuation Services Corporation**—Effective April 1, 2008, responsibility for property assessment in Nova Scotia transferred from Assessment Services to the Property Valuation Services Corporation (PVSC). The PVSC is a municipally-owned, not-for-profit corporation that determines the market value of properties as legislated by the Assessment Act. All municipalities in the province must pay a portion of the total cost of operating the PVSC, and for our Municipality that represents 2% of our operating budget.

## Operating Budget Recoveries

The Operating Budget Summary, which is on our website at [www.colchester.ca/2009-2010-budget](http://www.colchester.ca/2009-2010-budget), shows the total amount as \$21.1 million dollars, and not the \$26.9 million dollars represented in the chart on the opposite page. This is because the Municipality recovers just over \$5.8 million from various sources.

As mentioned on page 4, we collect money from the Towns of Truro and Stewiacke for services we provide to their residents. The Towns also pay a portion of the debt and operating costs for some of our facilities, such as the Balefill Facility. We collect tipping fees at the Balefill and the Materials Recovery Facilities. We also sell the material collected at the Materials Recovery Facility such as newsprint and cardboard. We charge for building permits and dog tags and the Province pays rent for the space they lease in our Court-house. We also receive funding from the Resource Recovery Fund Board and the Province for our waste diversion efforts.



## Municipality of the County of Colchester

1 Church Street  
PO Box 697  
Truro, Nova Scotia  
B2N 5E7

[www.colchester.ca](http://www.colchester.ca)

Toll Free Number  
1-866-728-5144

### Colchester County Council

Mayor Bob Taylor  
897-3160

District 1 Councillor  
Christine Blair — 895-6537

District 2 Councillor  
Bill Masters — 895-0877

District 3 Councillor  
Gerald Buott — 673-2773

District 4 Councillor  
Mike Cooper — 671-2854

District 5 Councillor  
Glen Edwards — 893-9291

District 6 Councillor  
Karen MacKenzie — 895-8930

District 7 Councillor  
Jimmie LeFresne — 657-3222

District 8 Councillor  
Ron Cavanaugh — 895-7305

District 9 Councillor  
Bob White — 897-7982

District 10 Councillor  
Tom Taggart — 647-2025

District 11 Councillor  
Earl McKenna — 897-6901

## Municipality of the County of Colchester

(Continued from page 1)

- The County plans on implementing over \$17 million in improvements to the Central Colchester Wastewater Treatment Plant and Balefill Leachate Treatment Facilities to ensure that those facilities will have enhanced environmental protection capabilities and capacity improvements so that the residential and commercial sectors can grow in a sustainable way.
- Other initiatives include building a new library in Tatamagouche, sidewalk projects in Debert and Salmon River; and, improvements to Parks in Five Islands and Upper Stewiacke.

I am proud to say that the Colchester Council is able to provide the programs and services you will read about in this Bulletin while still managing to offer some of the lowest residential property taxes in the Province. For an eight year period since the year 2000, the Municipality's residential tax burden has grown by only 14% while inflation increased by 19% and the average residential tax burden for rural municipalities grew by over 30%. With respect to tax rates over the same period, the Council has been able not only to hold tax rates but in fact we have been able to reduce tax rates. The residential tax rate approved this year is still 7 cents lower than the rate for the budget year ending in the year 2000. In fact, when comparing Colchester to all 55 municipal units in the province, we had the 4th lowest residential rate and the 13th lowest commercial rate in the province in 2008/09.

Nevertheless, the Council must balance the desire for competitive taxes with the necessity to continue to invest in programs and services demanded by residents and businesses and required to make sure our region remains competitive. I hope you find the information in this bulletin informative and that you gain some insight into where your tax dollars go.

### Residential Tax Burden Per Dwelling—2007

The table below shows the average cost, to each dwelling unit, of municipal government services. Residential Tax Burden is calculated by dividing total residential property tax revenue, excluding area rates, by the number of dwelling units in the municipality. Care must be exercised in comparing municipalities, as municipalities which have user charges for services such as garbage collection, as we do in Colchester, will tend to have lower Residential Tax Burden than municipalities that fund all services through tax revenue. The table below includes the user charge for garbage collection in Colchester's residential tax burden. Area rates are not included for any of the municipalities listed.

Municipality of East Hants	\$866
Municipality of Lunenburg	\$792
Municipality of Kings	\$706
Municipality of Colchester	\$640
Municipality of Cumberland	\$596
Municipality of Pictou	\$491