

**Policy: Policy Statement on Recreation Area Rates**

**Date Amended: May 31, 2001**

**Motion: "That Council approve the amendments to the Policy Statement on Recreation Area Rates as attached to these minutes." Motion Carried**

**Date Originally Approved: February 25, 1999**

**Motion: "That on recommendation of Council Committee, Council recommends that the attached Recreation Policy, with amendments, be approved." Motion carried**

**This Policy is current as of: June 8, 2001**

## **Municipality of the County of Colchester Policy Statement on Recreation Area Rates**

### Introduction

This policy will outline the process for the creation of a new area rate, the reporting relationship between the Municipality and any group receiving money and the cancellation of the rate. This Policy is not intended to limit Council's ability to set an area rate of its own initiative, but rather authorize a community group to initiate an area rate process of their own.

### Terms of the Policy

### Definitions

1. Residential Ratepayer: In this policy a "residential ratepayer" means a person who owns property on which a residential dwelling is located, except in respect of properties on which mobile homes are situated. In the case of a mobile home, the residential ratepayer is the person who owns the mobile, not the land on which it is situated, if the owners are different.

### Creation of a new area rate

2.
  - a) An application for the creation of a community group initiated recreational area rate must be submitted to the Municipality by a group, incorporated under the Societies Act, whose objectives include the promotion of recreational opportunities.
  - b) All monies collected by this area rate must be used for the initial start up cost of programs that have not been offered before and/or facilities development and maintenance.
  - c) Area rates levied under this policy will be levied on all residential ratepayers in a defined area.
3. The completed application, which must be submitted to the County by January 15th of any given year, will include:
  - the area in which the rate is proposed to be collected;
  - the type of area rate (a flat rate or one based on assessment value);
  - the groups list of current officers and a letter from the Registry of Joint Stocks stating that the group is in good standing;
  - a five-year plan regarding the groups plans to spend the money collected by the area rate, along with an estimation of the monies needed.
4. The application will be reviewed by County Staff for completeness and appropriateness. The criteria for this review will include an evaluation of
  - their proposed project;
  - the type of area rate;
  - the proposed area rate boundary;

- the groups five year plan;
  - the amount of money the group feels they need to carry out their five-year plan.
5. Staff will write a report to Council outlining their evaluation of the application. Council will review the application and, using the following criteria, approve, vary or reject the application for a new recreational area rate:
    - an evaluation of the benefits for the community based on the groups long term plan;
    - consideration of the amount proposed to be collected by the area rate;
    - whether funding for the facility would conflict with other municipally funded programs/ projects, or be contrary to other Municipal objectives or policies;
    - is the facility in sufficient demand for the project to go ahead? ;
    - is the area for which the rate is proposed to be levied appropriate in Councils view? ;
    - the interval of time since the circulation of a petition under this policy in the affected area.
  6. Upon Councils approval of the application the Municipality will prepare a petition, for the group, who will be responsible for obtaining the signatures on the petition. The petition will include the civic address of all residential properties in the affected area from the most recent information available to the Municipality, including the name of the residential ratepayer to the extent possible. During the preparation of the petition, the group will be notified of the total assessed value, or the total number of residential dwellings, within the defined boundary, in order that it may determine the amount to be charged for the area rate.
  7. Prior to the group circulating the petition, the group must first hold a public meeting. The group is required to notify their area Councillor(s) and the Director of Community Development for the Municipality of the date, time and location of the meeting. At the public meeting the group shall explain their reason(s) for requesting a new recreational area rate; review their five-year plan; explain who will be required to pay the rate and the amount of the rate; provide those interested with a list of current officers and their phone numbers; explain the possible reasons and ways in which the rate may be cancelled, and make clear that any increases to the rate must first be approved at a residential ratepayers meeting.
  8. The petition, prepared by the Municipality, will state who is requesting the area rate, what the rate is being collected for, the amount of the area rate, and the area to be covered by the area rate.
  9. All signed petitions must be submitted to the County, by March 1st, in order for the rate to be set by Council and collected during the next fiscal year. Staff may require that petitions be submitted prior to that time, should the area rate cover a large geographic area, or there is more than one group submitting a petition for that year.
  10. Staff will review the petition for verification of the signatures and a determination of the amount of support for the new area rate.
  11. The area rate will be approved by Council, if the petition is determined to be valid and have 2/3 support of residential ratepayers in the area. All area rates are set annually, by Council, during the Council Meeting at the end of May.

### Change in the Area Rate

12. a) The Municipality will continue to levy area rates for recreation as approved by residential ratepayers and/or the Municipal Council.  
  
b) No request for an increase in the area rate shall be permitted without a residential ratepayers meeting having been held. A residential ratepayers meeting may be called by the area councillor, the group seeking a change in the rate, or Municipal Staff to discuss a proposed change.  
  
c) Any group wishing to recommend a change in their area rate in any given year shall give notice in writing to the Municipal Clerk on or before April 1 of any given year.

### Financial Obligation

13. The Municipality will make quarterly payments to the group on or before the first day of June, September, December and March, of each fiscal year. The quarterly payments will take into account all estimated amounts due to the group in respect of Area Rates less any charges or reductions stipulated in this policy.
14. a) The Municipality will retain two (2) percent of each recreational area rate to cover the administration of the area rate levy and to allow for uncollected taxes.  
  
b) The two (2) percent reduction will be recovered by way of a deduction from area rates levied with the net amount being paid to the respective recreational groups.
15. a) On or before April 1 of each year every recreational group shall supply the Municipality with one copy of their most recent audited annual financial statements together with one copy of their current operating budget, and a letter from the Registry of Joint Stock Companies stating that the group is in good standing. At this time the group must also supply the Municipality with a copy of their revised five-year plan.  
  
b) Any recreational group failing to file the required financial data by April 1 shall have future quarterly installments from the Municipality withheld until such time as the information is filed.
16. Should Council deem it appropriate, Council may cancel the area rate, based on the following criteria:
  - the misuse of funds by the group;
  - noncompliance with the financial reporting requirement or other requirement of this policy;
  - noncompliance with the groups five-year plan;
  - the area rate becomes inconsistent with other Municipal policies, objectives or programs;
  - Council receives a valid petition from the residential ratepayers, stating their desire to have the rate cancelled.

17. Should the group wish to cancel the area rate, it must do so in writing to Council, before March 1st of any given year.

Cancellation of the rate by ratepayers

18.
  - a) Provided that no similar petition has been prepared for circulation in the proceeding 12 months, an affected residential ratepayer wishing to have the area rate cancelled, may request Municipal Staff to prepare a petition, stating the reason(s) for the ratepayer wanting the rate cancelled.
  - b) The residential ratepayer wishing to have the rate cancelled, will have to circulate the petition, and return it to the Municipality for verification and determination of the amount of support for the cancellation of the area rate.
  - c) The signed petitions will have to be returned to the Municipality before March 1st of any given year.
  - d) The residential ratepayer will have to get the support of over 1/3 of residential ratepayers in the area.