

## **Municipality of the district of Argyle**

### **Answers to Service exchange agreement questions**

#### **Q2 considering the responsibilities listed above, which responsibilities does your council believe municipalities should maintain or assume and why?**

When considering the answer to this question, Council considered the following: which services must be controlled locally, and which services does it make sense for municipalities to invest in locally, with controls and leadership at the provincial level.

So those services that our council felt strongly should be controlled locally are listed below:

Policing (shared service through Provincial agreement)

Sidewalks

Public transit

Recreation

Control of Invasive weed species

Solid waste and wastewater.

Land-use planning – see below

Building inspection - see below

This list was produced with the understanding that these services are improved through local understanding, knowing the local nuances of the region. It is possible that certain services here could be better served at the provincial level (such as building inspections), but the nuance of local service makes the service superior in execution. Policing has local considerations that make the detachment better at delivery for instance, even if the priorities are those mostly set by the RCMP.

There are services included here that require a more regional outlook, due to the growing complexity of the service. Specifically, land use planning and building inspection (as well as fire inspection not listed here) have changed drastically since the 1995 conversation, some of which only came to be municipal at that time. The recruitment and retention of qualified personnel is challenging with these services, with no real visible solution to streamline education delivery. It does and it has pitted municipalities against each other in competing for who can pay their staff the most. The least wealthy units lose. We would stop short of recommending a provincial maintenance, rather, a provincial exercise pushing these services at a regional level, or to incite municipalities to make this move. Individual municipalities of typical size cannot manage these services well alone, and a provincial takeover would reduce the effectiveness of a locally delivered service. A second recommendation, if the first isn't viable, would be to take over the education piece, and have it part of a curriculum of a qualified campus, allowing the courses to be accessed more readily regardless of geography.

Local Roads was excluded from the list, as it is unreasonable to expect a council to properly prioritize and address all roads in their municipality without some drastic alteration. It is noted that municipalities should pay a per km fee on J-class maintenance, and that fee should be increased to increase consistency of investment. There is an awful divide in costs when compared to towns, and any renegotiation should not pit Towns against Rurals. I exclude municipal roads constructed after 1995 as this was clearly done with municipal ownership in mind. This is a municipal service.

Certain mandatory contributions simply do not make a lot of sense, other than the province is interested in sharing the fiscal responsibilities of the province with municipalities. While the education allocation really doesn't fall within our mandate, we can at least accept that there are schools in our

region that must be funded. The amount invested is huge to most municipalities, representing 22-28 percent of their budgets. When combined with other contributions such as policing, PVSC (needed), correctional services, regional housing losses and contributions to the regional library, the amount exceeds 35% for us.

Another consideration should be made around how these services are to be paid for. Most residents see the amount as a municipal tax, and any effort to show a transparent bill would not alter that view. These fees are clearly for the delivery of provincial services, to which we have little to no impact on the execution. Examples include correctional services, school board appropriation, regional housing authority losses. These should be reconsidered. For example, while schools impact many residents' everyday lives, and are located in each municipality, correctional facilities are not, nor do we influence their operation in any way (rightly so). So why is this a municipal cost?

It should be added here that pre 1982 schools are now a topic of discussion. The Province is in the process of calculating the Asset Retirement Obligations under a new Public Sector accounting section, to which they still plan to transfer to incoming municipalities. These costs are not small for some, including asbestos removal or demolition if nothing else makes more sense. The Province is, in many cases, transferring a liability (not an asset) to municipalities that may not be able to fund it, and also pay a hefty fee to the Province for school operations.

Examples of services we pay for that we do have some element of control include : per Km for roads, public libraries, police services. These should remain somewhat the same, as this is a service we pay for (partial or full) and have some influence as to its execution.

Council recognizes that a shared service agreement is a shared responsibility. It would be prepared to pay more (or receive less) for services that fall within the partial control of the municipality, listed above, to offset the cost reductions requested above.

**Q3 Considering the responsibilities listed above, which responsibilities does your council believe the province should maintain or assume and why.**

The province should maintain existing services, including items listed in the question. With the exception of Environment, the decisions made by the province on the delivery of these services impact their own investments.

Environment is a larger issue, one that should continue to be led by the Province, due to the complexity of existing legislation, and the requirement for experts in that particular field. Where it often crosses into our lane are issues surrounding regulations of solid waste, wastewater and coastal issues. These regulations are built by the province (or even federally) with no consideration of the execution of that regulation which sits with the municipality. Again we are not suggesting that it changes responsibilities, but what we are suggesting is a more formal input from municipalities as the result of increased legislation will surely impact their finances now and in the future. As the CAO's father said often, I pay, I say. The province pays for the experts, the enforcement, the regulations etc... but the result could cost the municipalities in the millions of dollars. Whether it's wastewater or solid waste, they would represent the one -two of potential liability. So, we would request a more formal model of engagement – one that treats us as the partners we are. The risk of costs flowing to us is very high in this department, and we ask that you consider that in our deliberations.

## **What we are seeing**

Further to the question itself, what we are seeing is an increased dependency on municipal government to address problems of a national scale. Population increase, homelessness, housing crises, climate change mitigation and adaptation, asset management etc. These issues are extraordinarily complex, and each municipality has but a limited capacity in many cases to tackle these issues head on. From the CAO's perspective, the administration could focus its entire priority on those set upon them by the province or federal governments, which is fine if you have sufficient resources to deal with these larger (important) issues and the urgent community issues of our residents. Our governors are charged with leading our residents to address community-based issues, and provincial and national issues. All take a specific skillset, and at the rate it is heading, municipalities will not have effective resources to address these matters properly.

We see hiring across the province, due somewhat to the baby boomer retirements, but also to fill in new positions, be it Deputy CAO, or Communications, or Procurement. These investments are thanks to the contribution of municipal taxes. Adding more fiscal strain on some will surely cause them to consider regional government, modernization, or consolidation, at the same time as addressing these multiple issues. Perhaps that is the motivation of our Province, to encourage that dialogue. A dialogue we have never shied from despite being a predominantly non-visible minority municipality (Acadian).

Just recently, our Spring AMA addressed the municipal role in code of conduct, diversity, inclusion and equity, housing, planning, Coastal Protection Act, Procurement Act, Service exchange Agreements, waste management and innovation. The volume of issues the average CAO faces (and its council by association or perhaps force 😊), has grown astronomically in the last 5 years.

Yes, there is the question of what should the province and/or municipal units take on from traditional services agreed upon in 1995, but we need a process to determine where new issues lie, and the resources necessary to address them. We acknowledge that the province is also experiencing this influx of complex issues, but in our view, has a greater capacity to find the resources required to address them. So in short, if municipalities are expected to take on more responsibility, that is fine, provided there's a funding stream or alternative revenues to pay for it.

## **Q4 What discretionary expenditures by your municipality does your council believe should be better supported by the province?**

There is no question that Physician recruitment, including the ownership of medical clinics, should be supported by the Province of NS. There is a major misalignment of priorities between what the DHA requires for the future of medical services and the intentions of local doctors, residents and the community. The Province has a tremendous opportunity to pick up bricks and mortar that was constructed municipally, to supplement the fact that they are short on infrastructure in the delivery of a wholistic medical approach. Municipalities still play a critical role in the financing of these facilities and in particular recruitment and retention. The issue we face here in Yarmouth County is that we have a recruitment officer working to fill seats here locally, but CANNOT fill the seats in the very medical clinics that we own. This is the opposite of recruitment and retention. Furthermore, those physicians that want to make a difference as mentors are not compensated for this work. yes, this is a bit detailed, but is designed to show that the Province has a provincial plan for the execution of medical services, and we do not have the expertise nor the resources to do better. This is a challenge, and we want the province to be successful. Municipalities that want to assist may do so through contributions, and other support. If we lead, we will not be aligned with Provincial objectives. We are

passionate about our community and those services, but we cannot deliver them, we should transition to support, not lead.

Same applies to long term care. We are simply not in the business of this. funding comes exclusively from the province, and there is a rugged process of admission, that should not be influenced in any way locally. We should have an evidence-based approach to admission and standards of care, neither of which exist at the municipal level. Again, our contribution should be limited to funding support for a specific initiative. This would also apply to public health initiatives, which are often led by the community, and look to us to support their fundraising efforts.

Environmental health was addressed with our solid waste and wastewater commentary. We applaud the government to support EPR as an initiative to shift the cost of recycling to the offender, rather to the municipal government. What will hurt municipalities is more capital than operational.

Specific to our municipality however, we own an industrial water unit, that supplies fresh water to major customers in the area. This was owned by the Province of NS. They downloaded the ownership to community, with a meager \$260,000 divestiture fund. Actual liabilities are far in excess of this, including Retirement Obligations and replacement. While it may have been a good way to eliminate an issue for the province, the issue is now owned by the Municipality with little option, short of closing fish processing plants and laying off over 350 people.

Issues on Economic, tourism and Community development are best in the hands of the communities with provincial funding support. The Province has done an excellent job at supporting tourism and economic development initiatives, especially if a regional body was created. In both cases here, the establishment of a regional tourism and economic development organizations has been extremely successful.

Funding public housing deficits is an area of considerable concern from many municipalities. The accountability is not strong, with estimates sent at the beginning and the end of a fiscal year. Municipalities play no role in the decision making, and are held accountable for something that, from our perspective, offer nothing to influence provincial policy, or processes.

However, in 2022, there is room for municipal government to aid in the development of housing in their areas. While we have zero influence on existing operations, we do have the ability to foster and encourage growth in private and potentially public development. If we are no longer responsible for public housing deficits, we should be enabled to invest future dollars to foster the growth that makes the most sense for the community. For instance, HRM's issues around homelessness may differ greatly from argyle's issues, which may be (actually is) a lack of rental accommodations in our area. The MGA can be amended to allow for deeper local investments with a broader community (profit oriented developers for instance). We need the power to incent development

Arts and culture should be invested at the rate and interest of local councils.

**Q5 To provide a sense of priorities, state the top three municipal expenditure responsibilities that your municipal council believes should be reviewed and why?**

1. Recruitment, retention and ownership of medical clinics
2. Housing deficits funding.
3. Long term Care decision making

**Q6 what new service responsibilities would your municipality find unacceptable.**

Hard to predict, we'd say any service responsibility that we have zero control or influence on, and that fit within the specific top mandate of the Province or federal – health care, education, highways. What would concern us greatly is the future downloading of federal or provincial infrastructure