

Summary of the Feasibility Report for the establishment of the LSD of the parish of Lincoln as a Village April 2013

A plebiscite (vote - yes or no) will be held on Monday, May 13, 2013, in accordance to Regulation 2005-96 under the *Municipalities Act*.

All eligible voters from the LSD of the parish of Lincoln will be asked to answer the following plebiscite question when casting their ballot on Monday, May 13, 2013. The Advance Poll is scheduled for Saturday, May 4, 2013, or by special ballot:

“Are you in favour of the establishment of the Local Service District (LSD) of the Parish of Lincoln as a village, as proposed in the summary of the feasibility report of April 2013?”

Local support will be sufficient if a majority, (50% + 1) of those voting at the plebiscite, vote in favour of establishing a village.

This document serves to provide essential information, in an effort to assist affected residents in making an informed choice when voting at the plebiscite.



Current Situation for the Local Service District (LSD) of the parish of Lincoln

Population

According to the 2011 census, the community of Lincoln currently has a population of 3,140 residents.

Tax Base composition and Tax rates

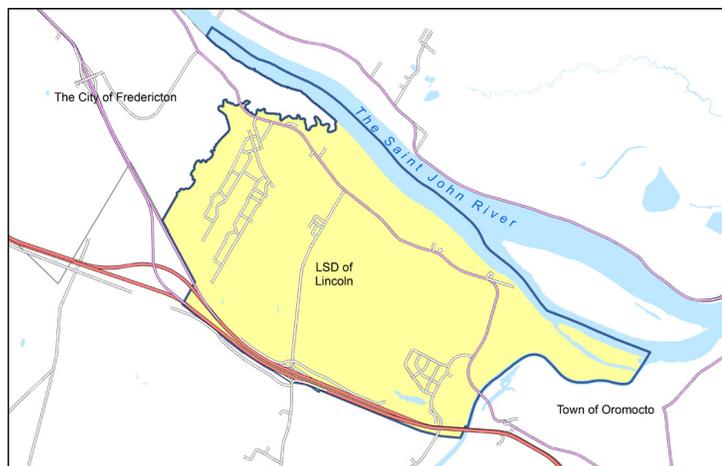
- ◆ 2013 property tax base is \$205,954,300 of which approximately \$148,325,000 is Residential property, \$8,577,000 is Residential non-owner occupied property, \$10,778,000 is designated farmland and \$20,530,000 is under a business classification.
- ◆ The 2013 local property tax rate has been set at \$0.269. The special provincial rate which pays for policing and roads has been set at \$0.5765 therefore when the two are added together the tax rate has been set at \$0.8455 per \$100 of assessment for a residential owner occupied property.

Property Tax Rates per \$100 of Assessed Value

Property Type	Provincial rate	LSD 2013 local rate	Special Provincial rate	Total rate
Residential Owner Occupied Housing (homes)	N/A	\$0.2690	\$0.5765	\$0.8455
Residential Non-Owner Occupied Housing (cottages, apartments etc.)	\$1.3973	\$0.2690	N/A	\$1.6663
Non Residential (businesses)	\$2.1035	\$0.4034	N/A	\$2.5069

Geography

Geographically, the community falls within the readily identifiable geographic boundaries of the Saint John River, the Oromocto River, the TransCanada Highway (Rte 2/7) and the Baker Brook. This area is known as the Local Service District of Lincoln.



The Village Proposal

The Geographical Boundaries for the Village

The village would be composed of the current LSD of Lincoln.

The Village Name

The name of the village would continue to be Lincoln. As such, there would be no change to civic addresses in the area.

Composition of the Council and method of election of the Village Councillors

The mayor and four councillors would be elected at large at the time of the municipal elections. The Village Council would have the ability to establish citizen advisory committees to work with Council on issues of concern to the community. It would be the village council's duty to regularly seek and identify the needs and wishes of the residents, property owners, businesses, and community organizations with regard to local services. In addition they would review the services provided and align those services with what the community wants, needs and is willing to pay.

What services would the Village be responsible to provide, and how would those services be delivered?

The village would be responsible for any of the services listed under Schedule A of the *Municipalities Act* that the community needs/wishes to have delivered.

The Provincial Government would no longer provide municipal services within the village. The village could provide these services directly, contract these services out or engage the services of the Regional Service Commission to provide the services. This would depend upon the most cost efficient way to provide the service as determined by the village council (*example: due to the relatively small number of km of roads for the size of the property tax base, the community will take advantage of substantial savings by becoming a village and being responsible for roads. The savings are \$450,000 initially and \$200,000 annually going forward*).

Initial Revenues and Costs

Administration: Similar to other municipalities, it would be expected that Council members would receive a remuneration and additional allowances for costs incurred while carrying out their duties as Mayor or Councillor. It is up to the Council however, to make such a decision by way of a by-law.

Staff: As a minimum, Village Council would have to appoint a clerk, a treasurer, and an auditor (requirements under the *Municipalities Act*). One person may be able to carry out the functions of clerk and treasurer, thereby limiting some administrative costs. Alternatively a Clerk may be employed full time and the Treasurer on a part time basis, for example.

Office: The Village would also have an office where the staff would work, citizens receive services and the Council would meet publicly. It would purchase office equipment and furnishings and take out liability insurance. The annual operating budget of the village could also include the purchase of legal and engineering services.

The village council would have financial powers as provided for by the *Municipalities Act*. The Village Council would establish a budget and set the required property tax rate to pay for its governance, administration and services it would provide. Lincoln would benefit from the Gas Tax Fund.

Example Initial Property tax bill change per \$100 assessment (2014)

Property Type	Assessed \$100,000	Assessed \$150,000	Assessed \$200,000	Assessed \$1,000,000
Owner Occupied Residence	<i>Tax decrease \$277</i>	<i>Tax decrease \$416</i>	<i>Tax decrease \$550</i>	N/A
Business	Tax increase \$366	Tax increase \$549	Tax increase \$732	Tax increase \$3,660

Summary and Recommendations

The purpose of the study, as identified by the participants of the September initial assessment meeting held in June 2012, was to determine if a village could provide the same services as the LSD and what would be the costs for those services if the village delivered them.

In the first instance, the study determined that a village could deliver the same services as an LSD and in fact those services would be delivered by the same entities regardless of whether or not Lincoln was a village or LSD.

In the second instance, the study has determined that the property tax bill to the residential homeowner (79% of the tax base) will drop significantly (approximately \$550 in the first year of incorporation on a property assessed at \$200,000) with the incorporation of the LSD as a Village.

The details of these savings are contained in appendix B and a comparison to the LSD is found in appendix C of the Study Document found at www.lincolnnb.ca. The study has also taken into account the improvements to the New Brunswick property tax system initiated by the Provincial Government.

It is with this in mind that incorporation of the Local Service District of the Parish of Lincoln into a Village be put to a vote by plebiscite of the residents of Lincoln May 13, 2013.

More Information

Lincoln Website: www.lincolnnb.ca

Government of NB Website: www.gnb.ca/localgovernment

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