

ST. EDMUNDS PROPERTY OWNERS INC.

P.O. BOX 152, TOBERMORY, ONTARIO N0H 2R0

www.sepo.ca

2019 NEWSLETTER #2

SEPO's GOALS

To lead collective action in support of the long term affordable enjoyment of our properties in an unspoiled natural environment.

To encourage responsible attitudes for sustaining the high quality of life on our St. Edmunds properties.



Greetings and Welcome to Newsletter #2

Spring 2019 can't arrive soon enough for people who have worked against the colder winter and record snowfalls; those who enjoy winter out of doors activities are savouring the last of the winter conditions. It's a certainty that many of us are looking forward to returning to our places on the Bruce Peninsula for the summer season. Your SEPO Executive has been monitoring happenings in the area; this newsletter is an update on several matters.

TAXES AND THE 2019 MUNICIPAL BUDGET

The first draft of the 2019 Municipal Budget was presented to Council on February 19. It is a 148 page document which contains many bi line items but is quite brief in narrative as to what is behind the numbers.

An ongoing criticism of our Mayor who is also the Chief Executive Officer of our Municipality is the absence of any guidance to staff to influence their thought processes as they prepare the budget. At the very least, there should be a definite limit on the expense side.



As it turns out, the present document reflects very much the same approach and, once again, an increase in property tax, this year averaging 4.93%. The tax levy is in two components:

- 1) Assessed property values for 2019 are estimated at an average gain of 3.59% and**
- 2) The applied tax rate which will increase by an average 1.77%.**

It is important to understand that the significant variable in one's own property tax calculation is the assessed annual property value increase which is calculated and provided by the Municipal Property Assessment Corporation (MPAC) every four years. If the property owner is fortunate enough not to have realized an increase when properties were last assessed then the tax increase will be in the area of 1.77%. Conversely, it can be very much higher if the MPAC increase is higher than the average assessed value of 3.39%. Overall, an average increase of 4.93% far exceeds the current Consumer Price Index which is significantly less than 2%.



It is worthy to note and to critique the fact that while Parks Canada controls a significant land mass in our municipality, its Payment in Lieu of Taxes ("PILT") contribution to the municipality is budgeted for \$625,000 in 2019, a **decrease** of \$2,000 of the actual contribution in 2018! The PILT is woefully inadequate in terms of the extent of the land mass owned by Parks Canada and the services necessitated and provided by the Municipality of Northern Bruce Peninsula. The 2018 acquisition of the approximately 2300 acre Driftwood Cove property represents a significant loss in property tax revenue. Clearly, there has been a noteworthy shortcoming of our past Councils to aggressively tackle the inequity of financial support that the Federal Government provides through Parks Canada in light of the growing financial burden it puts on the municipality and more specifically on private property owners, especially those in Tobermory. The two National Parks draw thousands of people to the area which impacts significantly on police services, fire, emergency, rescue, roads, landfills, traffic congestion and parking.

Managing finances, whether for a municipality or a business enterprise is complicated and requires significant leadership in setting out clear targets. The increase in the Consumer Price Index is the accepted standard for overall increases. What would it take for this municipality to manage an overall average tax levy increase in the upcoming fiscal budget within that same criteria?

The proposed tax levy for 2019 in the current draft budget is \$6,040,728. Of that amount, \$3,548,332 has been set aside to cover operating costs. Yet, operating costs

from taxation in the previous year (2018) amounted to \$2,453,232, a difference of \$1.1 million that is well beyond the Consumer Price Index! *That said, the planners will tell you that the budgeted increase for operating expenses is 5.07% (as indicated) because the increase is compared to the budgeted amount of \$3,377,137 in 2018 that was never realized. Comparing budgeted amount to the budgeted amount of the previous year is a normal practice with this municipality but it makes no sense in this case when the unrealized difference is \$1.1 million!*



In 2018, the budgeted amount for operating expenses, was \$3,377,137 but the amount spent was \$2,453,232 for a difference of \$923,905.00. Where did it go? Was it “used up” or was it put into Reserves? How much money does the MNBP need in Reserves?

To add to this absurdity is the fact that the actual total operating expenses applied to taxes have reduced each year for the last four years from \$3,254,569 in 2015 to \$2,453,232 in 2018.

We implore our present Council to make responsible adjustments to Budget draft #2 and that the final document which will be presented to the public on March 25 will reflect this budgeting reality.

MEETING WITH PARKS CANADA

In early February, David Almack, John Bainbridge, Bill Manderson, Jack Schenk and Jace Weir, on behalf of SEPO, met with Mr. John Festarini, Superintendent of Bruce



Peninsula National Park and Fathom Five National Marine Park. The purpose of the meeting was for Parks Canada to outline to SEPO its recent activity and future plans and to receive questions and comments from SEPO regarding the impact of the large influx of visitors created by the Parks activities on the Municipality in general and local landowners specifically.

Mr. Festarini began by distributing a copy of Park’s recent update to the Municipality that refers to its recent acquisition of the 13.24 sq. km Driftwood Cove property, its mandate for natural resource conservation and enhancing visitor experience, and its recent expenditures on infrastructure at Cyprus Lake, Singing Sands and Flowerpot Island. It also provides information on visitor usage and discusses the planning process to be followed in implementing Park’s overall goals of protecting natural resources and enhancing visitor experiences. However, it is to be noted that the update does not contain an acknowledgement of the concerns for the impacts that Park activities have on the way of life of the citizens of the local community or provide any indication that

Parks Canada may include within its mandate responsibility to take steps to alleviate these concerns. We would strongly suggest that SEPO members who share these concerns familiarize themselves with the Parks update and express their concerns directly to Parks Canada and to the Municipality. To facilitate this action we have posted a copy of the Parks update to the Municipality on SEPO's website. Follow this link to the report; <http://sepo.ca/parks-canada-presentation-to-mnbp-council-2019/>

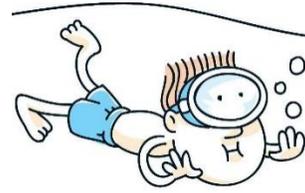
Comments made and questions raised by SEPO at the meeting focused on the inadequacy of local infrastructure to meet the needs of the large influx of visitors (parking, public washrooms, public transportation, garbage collection etc.), the safety issues created by the high volume of vehicular and pedestrian traffic on Highway 6 and within the community of Tobermory; the lack of pre-visit orientation and education for visitors to provide information as to what they should expect to experience and what is expected of them during their visits; the need for peripheral parking areas and public transportation to control overcrowding and ensure safe conditions in the Tobermory commercial district and other high volume areas; the lack of a Parks Canada visitor entry centre strategically placed on Highway 6 to enable control over the number of park visitors allowed into the area at any one time and where orientation and education can be provided. Concern was also expressed by SEPO as to the role that will be played in the Parks planning process by the Sustainable Tourism Plan initiated by the Bruce Peninsula Environmental Group and being funded by the Province's tourism promotion program and our own local municipality. SEPO would like to ensure that Parks Canada recognizes that the main purpose of the Sustainable Tourism Plan is to promote tourism in our area and should not be used as a substitute by Parks Canada for taking its own action to alleviate the effects of its activities on our local community.

During the meeting Mr. Festarini indicated that while Parks Canada's two primary concerns are to preserve the natural resources of the area and to enhance the experience of visitors to the area, he did acknowledge that Parks Canada is aware that its activities have had adverse effects on the lifestyles of the local citizens and that it wishes to be a good neighbour to those in the local community that are affected by its activities. He stated that Parks Canada has taken steps to implement a scheduling program of visits to Cyprus and to Flowerpot, to provide additional parking and to place an annual cap on the numbers of visitors allowed to visit the Parks and that this will be subject to future review. He indicated that there are limitations on Parks Canada's ability to restrict the number of visitors to the area because jurisdiction over Highway 6 lies with the province rather than the federal government and that not all visitors to the area are coming to visit the Parks. He stated that Parks Canada will be implementing a park



entry fee in 2020 that may help to control the number of visitors.

SEPO stated that it hopes that the large land area recently acquired by Parks Canada at Driftwood Cove with its 6.5 kilometers of Georgian Bay shoreline will be developed in such a way as to provide a wide range of activities such as nature walks, hiking, kayaking and educational programs and with the necessary infrastructure to support the inevitable increase in the number of visitors in years to come. This could reduce the impact of the large tourist influx on other areas of the community. SEPO members should be aware that Parks Canada will be seeking input from the public in formulating its plans for the future use of the property and has already held its first public consultation meeting this month. We urge all members of SEPO to be informed and involved and to play an active role in the consultation process to help ensure that Parks Canada's future plans will not only preserve the natural beauty and ecology of the area and the enhance visitor experiences but also preserve the things that have made the area so important and attractive to our local citizens.



ACCOMMODATION TAX

There have been suggestions for a levy to lessen the financial burden for taxpayers as a result of the influx of tourists in recent years. Maybe it's time to be thinking about this source of additional revenue. The Municipal Accommodation Tax came into effect on January 1, 2018, and will be charged at a rate of 4% for the overnight accommodation portion of your bill. The Municipal Accommodation Tax is HST applicable if the business is an HST registrant.



MNBP February Newsletter

<https://www.northbrucepeninsula.ca/en/municipal-services/resources/Newsletters/Municipal-Newsletter-February-2019.pdf>

Benefits for SEPO members.

- **Sparlings Propane** offers bulk rate pricing to members of St. Edmunds Property Owners, Inc.
- SEPO is a member of **FOCA** (Federation of Ontario Cottagers' Associations), as such, you as a SEPO member can benefit. Additional information is available on the secure section of www.sepo.ca. *Recently, you received an email detailing access to the secure section of the website. Please contact us at info@sepo.ca if you need assistance accessing the secure section of the website.*

Looking ahead

These are some of the topics to be addressed in future newsletters:

- Short term rentals
- Septic systems
- Parking lots
- Planning

MEETINGS IN 2019

SEPO SPRING MEETING

SATURDAY, MAY 25, 2019 9:00 – 11:00 A.M.

TOBERMORY COMMUNITY CENTRE

MEMBERSHIP

To join SEPO or to renew your membership, please click on <http://sepo.ca/> for our webpage containing information and a link to download a membership application form.

NEW The membership form can be completed and submitted **online** and the fee can be paid by Interac e transfer. Of course memberships can be renewed by mailing the form and cheque to: SEPO, P.O. BOX 152, TOBERMORY, ONTARIO N0H 2R0

SEPO EXECUTIVE

President	David Almack	Directors
Vice-President	Udo Nixdorf	Kevin Doyle
Secretary	Udo Nixdorf	Barry Hatt
Treasurer	Jace Weir	Jack Schenk
		Bob Wilson

Contact us at: **St. Edmunds Property Owners, Inc.**
P.O. Box 152
Tobermory, ON
N0H 2R0
OR at: info@sepo.ca

St. Edmunds Property Owners, Inc.

*Representing property owners in the former Township of St. Edmunds and
the Municipality of Northern Bruce Peninsula*

Clip Art from Clipart.co