

NEWSLETTER — May, 2004

This Newsletter is produced and distributed by the Bluewater Shoreline Residents' Association (BSRA), an umbrella group of residents/beach/cottage/subdivision associations, as a service to the shoreline residents in Hay and Stanley Wards. It is funded by the Member Associations and its Associate Members. For information on membership, please contact the Membership Secretary, **Jim Chapman**, at (519) 235-1644 or (519) 565-5303, or by e-mail. BSRA's Postal address is **BSRA, GMB #411, RR 2, Zurich ON N0M 2T0**. BSRA's web site is www.bsra.ca, and its e-mail address is Click here for contact email address

This is to remind you about the BSRA General Meeting at 10:00 a.m. on Saturday, June 19, 2004 at St. Peter's Church Hall on Highway 21 North of St. Joseph. Please mark your calendar now so that you can plan to attend. Although only the official delegates may vote, all residents of the shoreline wards of Stanley West and Hay West in Bluewater are invited to attend and participate.

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Past Pres.:	Don Brazier	Lakewood	271-6203	565-5231	lbrownell@ca.ibm-con
1 st Vice Pres.:	Glen May	Homestead Heights	236-7119		glennan@hay.ne
2 nd Vice Pres.:	Melodie Northey	Copper's Cove	236-7568		snorthey@hay.ne
Secretary:	Bob Campbell	N. Houston Heights	565-5202		rscampbell@tcc.on-c
Treasurer:	Harlie Johnston	Elmwood	238-2843		hjohnst@yahoo-c
Membership:	Jim Chapman	Westdell	235-1644	565-5303	jchapmanca@yahoo-con
Newsletter:	Doug Banks	Houston Heights S.	471-4378	565-2560	scotrite@pppoe-c

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Municipal Council

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It must be remembered that although the Municipality of Bluewater sets the final tax rate and collects the taxes, the bulk of the tax rates are set by Huron County Council and the Ministry of Education for the local School Boards, and applied to the assessments established by the Municipal Property Assessment Corporation. For this reason, it is helpful to the property owners and residents of the shoreline wards that one of Bluewater's three members of Huron County Council is from a shoreline ward, and can bring the knowledgeability of a resident about shoreline issues to the County Council deliberations.

For your records, in case of need, here are the names of the members of Bluewater Municipal Council.

Mayor*	Bill Dowson	Hay East	John Becker
Deputy Mayor*	Paul Klopp	Stanley East	Bill Martin
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Hay West	Bill MacDougall	Hensall	Rod Parker
Stanley West	George Irvin	Zurich	Marg Deichert

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PO Box 250, Zurich ON N0M 2T0. You may also e-mail bluewater@town.bluewater.on.ca. The Office has two telephone numbers: **(519) 236-4351** and **(519) 565-5212**. The Fax number is **(519) 236-4329**. A Directory of municipal telephone numbers is at www.town.bluewater.on.ca. The Management Team consists of the following, with telephone information:

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Terry Brandon, Treasurer, Tax Collector, Deputy Clerk, ext. 230

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Milt Dietrich, Chief Building Official, ext. 225

Tom Dickins, Facilities Manager, 262-3206

(See the website for other officials and services.)

The Winter in Review

As usual, much has happened since our last Newsletter concerning BSRA members. Our thanks go to Bob Campbell who has provided the information that follows.

Road Grants: 2004-2006

When the road grant program was established, Council determined that there should be an annual review of the program. Accordingly, on February 2, 2004, BSRA presented to Council our recommendations. The changes suggested were based on a review of subdivision cost histories and the costs per kilometer Bluewater incurs in maintaining its assumed roads. During its subsequent budget review, Council approved the following changes:

- A. grass cutting and brush clearance become expenses eligible for reimbursement
- B. per kilometer cap for 2004-2006 established at \$2,000 (increase from \$1,900 in 2003)
- C. each subdivision to be eligible for reimbursement up to \$1,000, regardless of road length

The \$75,000 budgeted for Shoreline Road Grants in 2004 is approximately 4% of the Roads Department budget for the entire Municipality, and less than 2% of Bluewater's total budget. The road grant program was established to address the well-documented taxation/service inequity existing between shoreline residents and the balance of the Municipality. The rationale for the grant program is that shoreline residents are reimbursed up to the limit of the per kilometer grant for costs incurred solely as a result of living on roads not assumed by the Municipality. One such cost, in addition to direct physical maintenance expenditures, is liability insurance. Shoreline residents are required to pay for liability insurance to protect themselves for maintaining residence-access roads, many of which are dedicated public roads that simply have not been assumed by the Municipality. Thus, as an additional cost borne by shoreline residents as a result, liability insurance should be eligible for reimbursement. However, since it has always been the position of BSRA that this cost should fall within the per kilometer grant limit, there would be no additional cost to the Municipality. Unfortunately, the majority of Council rejected the inclusion of liability insurance as an expense eligible for reimbursement. The logic of this decision is not apparent.

In 2003, 34 subdivisions participated in the road grant program. Other subdivisions wishing to participate in 2004 should contact the municipal office as soon as possible. November is the deadline for submission of expense for reimbursement in 2004. See the BSRA website for more detail: www.bsra.ca.

2004 Property Taxes

Property taxes are comprised of three components – Municipality of Bluewater, County of Huron, and Education. The "Education" tax rate is specified by the Province; the other rates are determined locally. The current value assessment of each property is determined by the Municipal Property Assessment Corporation, a not-for-profit corporation funded by all Ontario municipalities; thus your assessment is not within the control of the local municipality. Procedures for having assessed values reviewed were communicated along with the latest property assessment statements.

What Bluewater and Huron County control is the tax rate that is applied to this assessment. These rates are calculated by dividing the total assessment in the Municipality by the current budget approved by the respective Council. With respect to 2004, tax rates have been finalized for both the County (+9.3%) and Education (-11.6%) portions. It is assumed that when Bluewater Council approves the budget this month that there will be no increase in the Bluewater *tax rate*. The cumulative effect of these three components will be an increase in the overall residential tax rate of 8.13%.

The following example dramatically illustrates the effect of these rates combined with an increase in current value assessment. The assessment of the sample property has increased by 30% from \$200,000 to \$260,000. Applying the above rates to this assessed value results in **total taxes on this sample property increasing by \$833 (31.1%) from \$2,683 to \$3,516**. This increase consists of: County - \$452 (+42.1%); Bluewater - \$282 (+30.0%); Education - \$99 (+14.9%). In summary, a 30% increase in assessed value has resulted in a tax increase of 31.1%. Given our sampling

of assessed values in Hay West and Stanley West wards, there are a significant number of properties that will face even higher tax increases this year.

To its credit Bluewater Council has worked to maintain the existing tax rate despite being faced with a number of significant increases beyond its control (e.g., OPP policing costs to increase by 18%). However, it should be noted that its 2004 total expenditures increased by 14.4%, financed by \$128 million in additional assessed value. A significant portion of this increased assessment results from increased values in the two shoreline wards and Bayfield. This will lead to a further shift of taxes to these three wards and away from the residential properties in the other four wards. BSRA made Council aware of a similar shift in 2003. Simply put, shoreline residents will pay an increased and disproportionate share of Bluewater operating costs. A similar effect will result with respect to the County portion.

One of the primary objections to "Current Value Assessment" is the instability within the Municipality that results from significant fluctuations to the tax applied to individual properties. As evidence of the widespread concern over this issue is the recent formation of the Waterfront Residents After Fair Taxation (WRAFT), a new Ontario coalition of waterfront associations formed to fight an increasing shift of taxation onto waterfront properties (see www.bsra.ca). The problem, first evident on the larger lakes in Muskoka, is now creating serious financial difficulty for many waterfront residents throughout Ontario. The past two years are prime examples of the problem as applied to Bluewater. BSRA plans to continue to emphasize the seriousness of this issue to both Bluewater and Huron County Councils. One mechanism available to local Councils to limit the extent of such fluctuations would be to cap the percentage of increase or decrease that could apply to an individual property in any given year.

Water Quality Initiative

On April 5, 2004, BSRA made a presentation to Bluewater Council, reviewing the six recommendations submitted to the previous Council last summer, outlining the results of our 2003 water testing and recent developments related to water quality, and indicating the general nature of our plans for water testing in 2004. Following the presentation and discussion, Bluewater Council passed the following motion unanimously:

*"WHEREAS the physical health of our residents and the economic health of our community are of vital concern to the Municipality of Bluewater; and
WHEREAS the testing of surface water entering Lake Huron within the Municipality of Bluewater has consistently shown high levels of E-coli bacteria; and
WHEREAS it has been demonstrated that faulty septic systems, municipal sewage treatment, and agricultural runoff can contribute to the presence of E-coli in surface water entering Lake Huron;
BE IT RESOLVED that Council request the Bluewater Shoreline Residents' Association:*

- A. To provide Council later this spring with information on BSRA plans for 2004 water testing;**
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- B. To present at a future meeting more detailed recommendations for Council to consider on ways to improve the quality of surface water entering Lake Huron by reducing potential pollution from septic systems, municipal sewage treatment, and agricultural runoff;**
- C. To consult with the Chief Building Official and the Manager of Public Works in the development of its recommendations related to septic systems and municipal sewage treatment; and**
- D. To work with the Huron County Health Unit and the committees at Huron County Council."**

On May 3, Council approved the water testing portion of BSRA's "Water Quality Protection – Municipality of Bluewater" project (see www.bsra.ca). Additional information will be available at the June 19 BSRA General Meeting and in subsequent Newsletters.

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