



NOVA SCOTIA FEDERATION
OF MUNICIPALITIES

June 18, 2020

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Town of Yarmouth

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County of Kings

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Cape Breton Regional Municipality

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County of Colchester

TOWNS CAUCUS CHAIR:

Mayor Brenda Chisholm-Beaton
Town of Port Hawkesbury

The Honourable Stephen McNeil
Premier, Province of Nova Scotia
P.O. Box 726, Halifax, NS B3J 1X5

Dear Premier McNeil

Delivered via email

RE: NSFM's COVID-19 Lost Revenue Report

As President of the Nova Scotia Federation of Municipalities (NSFM), I am forwarding you a copy of our newly released *COVID-19: Lost Revenue Report* highlighting significant unrecoverable shortfalls in municipal revenues as a result of COVID-19.

It is estimated that municipalities in Nova Scotia are facing nearly \$67 million in shortfalls in fiscal 2020-2021. With an inability to access additional sources of revenue, or run a deficit, we are looking to our other levels of government for much needed support.

Without alternate funding, municipalities will be left with little choice but to increase tax rates next year. Based on our projections and barring any further impacts in the fall from COVID-19, that shortfall is equal to an average 7.1% hike to residential tax rates in next year's budgets.

With residents and businesses already struggling, it is an increase that will have significant negative impact on the province's recovery.

We recognize the Province has made available a \$380M loan program to municipalities. While grateful for that program, it is a loan that must be repaid. The program was appropriate in addressing the short-term liquidity issues of municipalities as a result of delayed collection of property taxes but not appropriate for lost revenue that will not be collected at a later date.

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The Federal government has already said it is willing to step up with \$14B through it's Safe Restart Agreement. It is our understanding that to access that funding they will require a spending plan plus the commitment of the Provincial Government. NSFAM, through the hard work of our members, has provided the basis of that plan with this report. As the experts in local government we are ready to go with you to the Federal government with our ask.

NSFM crafted the data collection survey with the support of the Federation of Canadian Municipalities (FCM) and the Association of Municipal Administrators of Nova Scotia (AMANS).

We would welcome the opportunity to speak directly with you and members of your office to discuss the report in detail.

Sincerely,

A handwritten signature in black ink that reads "P Mood". The signature is fluid and cursive, with the first letter "P" being large and prominent.

Mayor Pam Mood

President, Nova Scotia Federation of Municipalities

CC: All Nova Scotia MLAs
All Nova Scotia MPs
Hon. Tim Houston, Leader, NS Conservative Party
Hon. Gary Burrill, Leader, NS NDP
Kelliann Dean, Deputy Minister, Intergovernmental Affairs