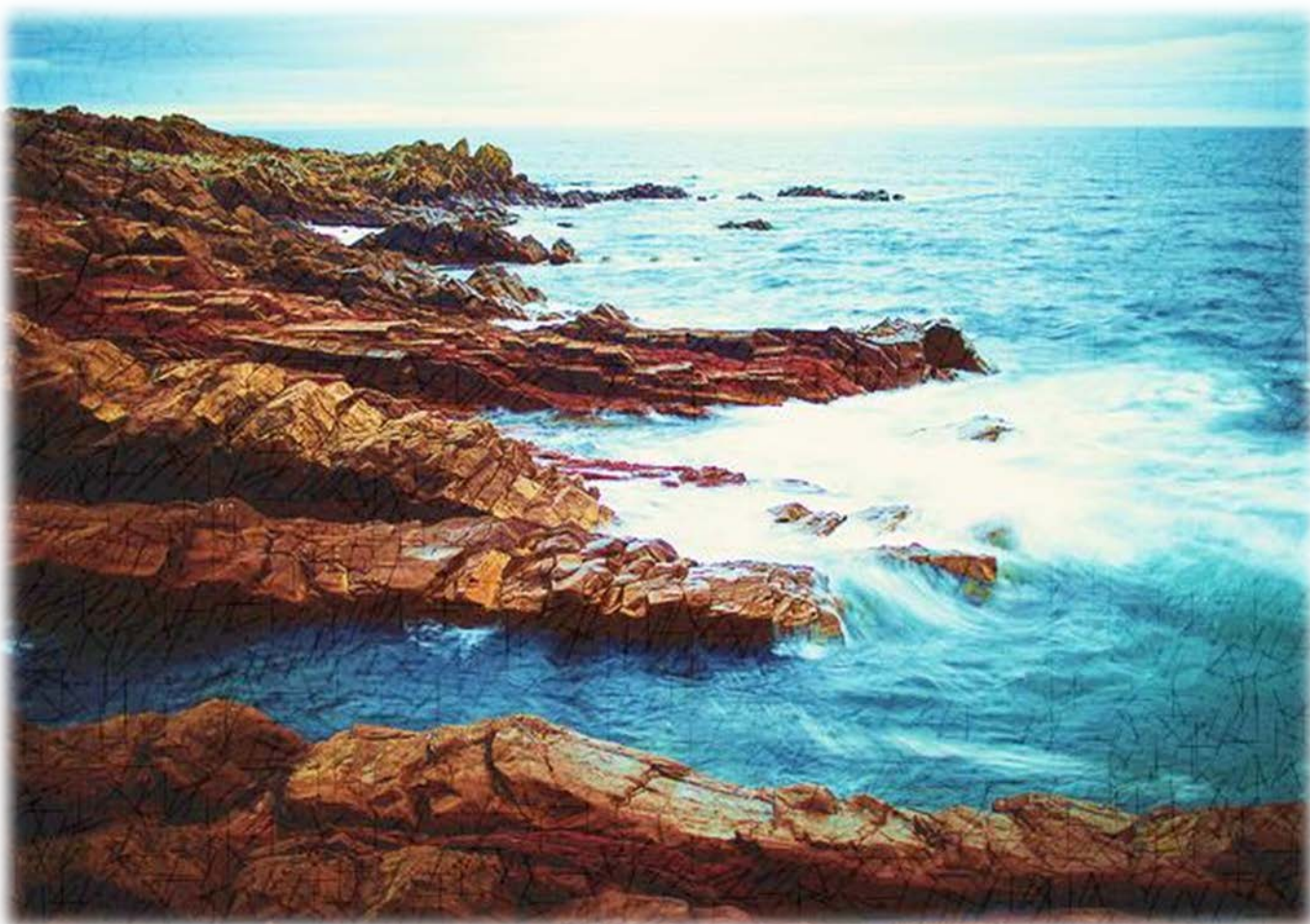


WHAT WE HEARD

FISCAL FRAMEWORK REVIEW



Government of Newfoundland and Labrador
Department of Municipal and Intergovernmental Affairs
2014


**Newfoundland
Labrador**

Municipal and Intergovernmental Affairs



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I: Executive Summary

Background:

In Budget 2013, the Provincial Government committed to review the Provincial-Municipal Fiscal Framework and to identify options for efficient and effective ways for communities to raise revenue, deliver services and provide good local governance.

The review placed a great deal of importance on the consultation process. It was paramount to consult with a large and diverse group of residents and stakeholders, so their perspectives regarding: municipal expenditure pressures; the ability for municipalities to derive their own revenue; the opportunities for efficiencies and improvements in service delivery and governance; and the Provincial Government's current supports to communities (Municipal Operating Grants, Municipal Capital Works funding, etc.), were heard.

The purpose of this *What We Heard* report is to publicize and describe all the information we collected from the surveys, discussions and submissions. **This report is not intended to provide any commentary or analysis**, but instead summarizes the viewpoints of residents, businesses, municipal and other stakeholders from around the province.

Who was involved?

An extensive consultation process involving key municipal and regional stakeholders as well as the general public was developed.

Online Consultations/Telephone Survey

An online survey released on January 31, 2014 (closed June 30), was used to target members of the population that receive and pay for municipal services. Additionally, a province-wide telephone survey was conducted from July 16 to August 4, 2014, targeting the same stakeholder group.

- **111** online surveys submitted
- **221** telephone surveys conducted

Roundtable Discussions – Local Government/Community Sector

Roundtable discussions with the members of Municipalities Newfoundland and Labrador (MNL) and the Professional Municipal Administrators (PMA) provided an opportunity for municipal leaders and professional staff from cities and towns to provide their feedback. Following the same format, further roundtable discussion took place across the province with various Local Service District (LSD) committee

members as well as Rural Secretariat Regional Councils.

The discussions were structured with two components: polling questions and roundtable discussions; and were assisted by the Office of Public Engagement (OPE). The Department of Municipal and Intergovernmental Affairs (MIGA) and MNL staff acted as roundtable facilitators and table recorders to ensure the process ran smoothly and all feedback was captured. In summary:

- Approximately **500** local government representatives took part in these discussions
- There were a total of **8** MNL/PMA discussions in:
 - Grand-Falls Windsor
 - Clarenville
 - L'anse au Clair
 - St. John's (x2)
 - Deer Lake
 - Hawke's Bay
 - Gander
- There were a total of **3** LSD discussions in:
 - Whitbourne
 - Gander
 - Corner Brook
- There were a total of **4** Rural Secretariat Regional Council discussions in:
 - Corner Brook
 - St. John's
 - Gander
 - St. Anthony – Port au Choix (via conference call)

Other Stakeholders

The external stakeholder meeting process involved groups in service delivery – ranging from small business to construction, recreation, hospitality, commerce, as well as other municipal stakeholders who were not part of the roundtable discussions. The other stakeholder meetings were launched in May of 2014.

What did we hear?

Expenditure Pressures:

During the MNL and PMA discussions, respondents were asked what they felt were the top *current* and *future* expenditure pressures for their municipalities.

The top reported current expenditure pressures were: roads; drinking water; sewer and wastewater; waste collection and disposal; and snow clearing. These current expenditure pressures amounted to **84 per cent** of all responses.

The top predicted future expenditure pressures were: sewer and wastewater; drinking water; roads; and waste collection and disposal. These future expenditure pressures amounted to **81 per cent** of all responses.

Many municipalities indicated they are trying to address known expenditure pressures in various ways. The most frequently discussed measure was to raise taxes. Meanwhile, others have placed a new

emphasis on collecting back taxes and increasing fees for services they provide.

Own Source Revenue:

During the MNL and PMA discussions, the majority of respondents (**63 per cent**) indicated that their municipality did not generate sufficient local revenue, with **96 per cent** indicating that municipalities require new revenue sources.

While respondents believed that municipalities needed new revenue sources, they also agreed that the responsibility for providing that funding should be shared among the three orders of government involved. With **38 per cent** stating the Provincial Government should be responsible for funding new revenue sources, while **37 per cent** said the Federal Government and **25 per cent** said Municipal Governments.

Community Cooperation and Regionalization:

During the MNL and PMA discussions, the majority of respondents (**68 per cent**) indicated their municipality shares one to three different services, while **22 per cent** of respondents indicated that they do not share any services. A small percentage (**9 per cent**) indicated they share four services or more.

A business sector stakeholder recommended increasing regional cooperation for all communities across the province, especially relating to incurring costs for infrastructure development.

A recreation stakeholder had many recommendations, with the primary focus on greater regional cooperation amongst communities.

As well, a public works stakeholder also recommended the Provincial Government work towards providing more regional services rather than allowing municipalities to provide these services alone.

Municipal Taxation:

During our consultation with a business stakeholder, it was indicated that independent business owners in various municipalities across Newfoundland and Labrador pay between two and five times what residents pay on equally assessed property. According to them, in order to improve fairness in the property tax system, municipalities would need to lower taxes on commercial property owners.

Respondents were generally conflicted on whether they would be willing to pay more to improve or add new services to their community.

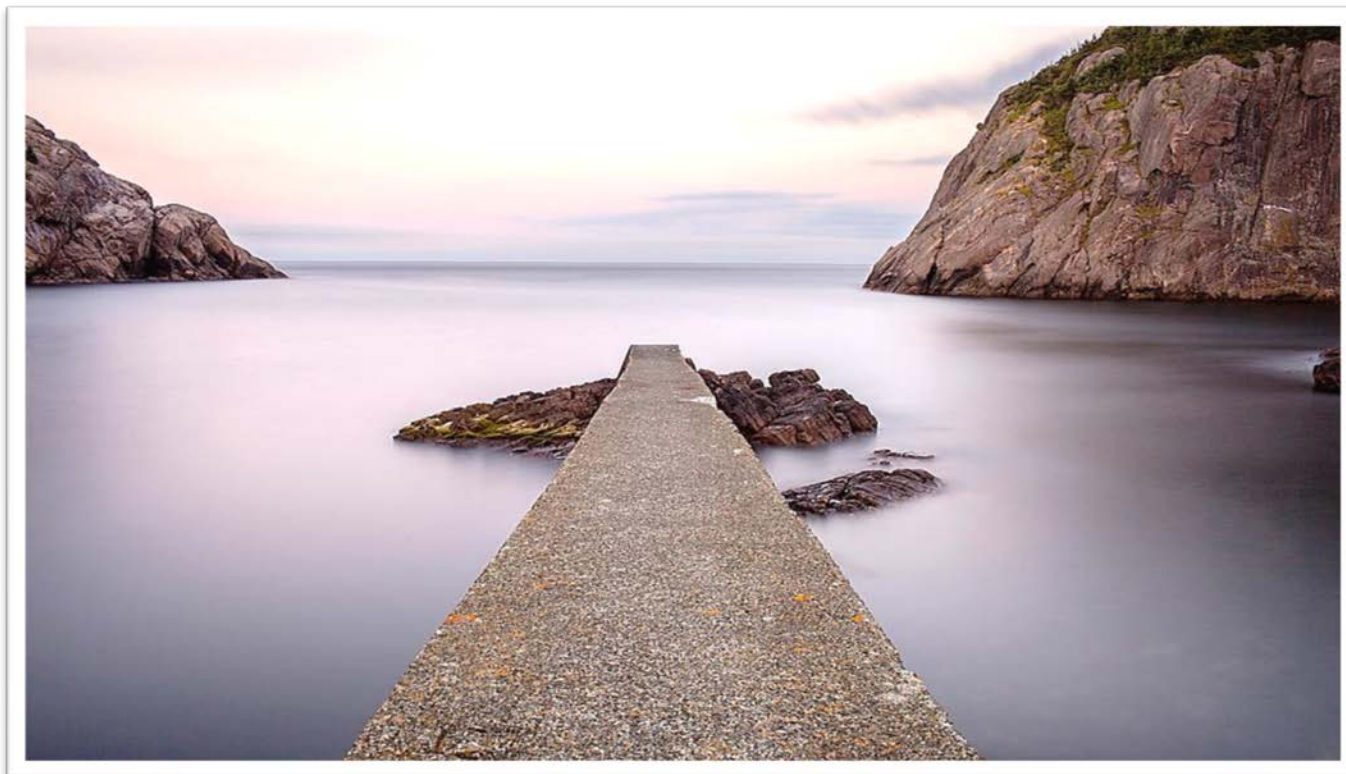
Many that opposed a tax increase did so because they did not believe they were already receiving adequate quality municipal services for their taxes. Meanwhile, others indicated they were willing to pay increased taxes providing the services were either of higher or better quality or necessary for the community.

Alternative Revenue Streams:

According to a written submission from a business sector stakeholder, possible alternative sources of municipal funding include: rebating the municipalities for the provincial portion of the HST that is paid on their expenditures; and payment of property taxes on government-owned properties that are owned or occupied in the municipalities.

In consultation with a stakeholder from the hospitality industry, it was stated that any accommodations tax/levy should have the approval of those expected to implement the levy, and that the levy should be industry led, and be reinvested back into the tourism industry.

Regarding alternative revenue streams, a business sector stakeholder recommended a user fee philosophy for municipal services be adopted, where appropriate. They believe those who consume services should be directly responsible for paying for those services.



Section 1: Introduction

1.1 Background

In Budget 2013, the Provincial Government committed to review the Provincial-Municipal Fiscal Framework to ensure that it is sustainable and fair for all communities in the province. The goal of the Provincial-Municipal Fiscal Framework review is to examine the existing Provincial-Municipal Fiscal Framework and identify options for efficient and effective ways for communities to raise revenue, deliver services and provide good local governance. This is the first comprehensive review of this nature in almost 40 years.

The objectives of the review are to:

- Review the current and future municipal expenditure pressures;
- Review existing local own source revenue;
- Identify opportunities for efficiencies in service delivery;
- Review of existing financial relationship between the Provincial Government and communities;
- Identify options for new revenue sources for municipalities;
- Complete jurisdictional review of other provinces and territories fiscal frameworks; and
- Identify potential legislative amendments that may result from changes to the fiscal framework coming out of this review.

The review placed a great deal of importance on the consultation process. It was paramount to consult with a large and diverse group of residents and stakeholders, so their perspective regarding municipal expenditure pressures, the ability for municipalities to derive their own revenue, opportunities for efficiencies and improvements in service delivery and governance, the Provincial Government's current supports to communities, were heard.

1.2 *What We Heard*

The purpose of this *What We Heard* report (the report), is to publicize and describe the information gained through the surveys, discussions, submissions, as well as responses gained during the public consultations, which shall represent all viewpoints on the issue of the fiscal framework review.

This report is not intended to provide any commentary or analysis, but to simply summarize what residents, businesses, and stakeholders from municipal and other sectors around the province have stated are the important local matters and how they would like to see improvements made within their respective communities, as well as the province as a whole.



Section 2: Consultation Approach

An extensive consultation process involving key municipal and regional stakeholders as well as the general public was developed for the review. The consultation approach for the review had two phases with the following timelines and key deliverables:

Phase 1 (January–June 2014)

1. A dedicated webpage on the Department of Municipal and Intergovernmental Affairs (the department) website (<http://www.miga.gov.nl.ca/consultations/fiscalframeworkreview/ffr.html>) to inform the public of the nature of the review and the opportunities for feedback.
2. An online consultation survey was available for use from January 31 to June 30, 2014, to allow residents, businesses, municipal and other stakeholders an opportunity to share their ideas on how municipal services are delivered, paid for and shared. Any interested party could also provide a written submission to the department.
3. A series of roundtable face-to-face discussions were held between January 31 and April 2, 2014, with Municipalities Newfoundland and Labrador (MNL) membership, Professional Municipal Administrators' (PMA) membership, and representatives from the Rural Secretariat Regional Councils and Local Service Districts (LSDs).

Phase 2 (May–August 2014)

1. The MNL Symposium marked the beginning of Phase 2 with the presentation of the Fiscal Framework Discussion Document, which summarized the findings from the eight roundtable consultations with the MNL and PMA membership which took place over the winter and spring months. The MNL Symposium also allowed the MNL members an opportunity to further consider the objectives of the review, reflect on their comments at the roundtable discussion sessions, and provide additional feedback to MNL and the department.
2. Meetings with targeted stakeholders involved in supporting municipal service delivery (e.g., economic development, recreation, waste collection/disposal, environment, infrastructure, firefighting, bylaw enforcement, land-use planning, etc.) were carried out between May – August, 2014.

Online Consultations/Telephone Survey

An online survey released on January 31, 2014 (closed on June 30), was used to target members of the population that receive and pay for municipal services (i.e. individual homeowners/residents and businesses). In addition to being available online, it was also available via email, fax, and traditional mail if requested, with a dedicated phone number being established to request the survey in these formats. Additionally, handwritten surveys were distributed at the beginning of June to various province-wide institutions such as the eight Motor Registration Division (MRD) locations, along with the six Crown Land Administration locations. Furthermore, a province-wide phone survey was also conducted throughout the month of July and early August.

Roundtable Discussions – Local Government/Community Sector

Roundtable discussions with the members of MNL and PMA provided an opportunity for municipal leaders and professional staff from cities and towns to provide their feedback on the following areas of the review:

1. Municipal expenditure pressures;
2. Local own source revenue;
3. Efficiencies in service delivery; and
4. New or alternate revenue sources for municipalities.

These four areas were selected to be part of the consultation process as they were identified to be the key areas of interest for municipal stakeholders. The remaining three areas of the review are research based and therefore, not included as part of the consultation process.



Roughly 500 municipal representatives took part in the consultations across the province as follows:

Region	Date	Location
Corner Brook - Rocky Harbour Regional Council	31 January, 2014	Corner Brook
MNL Central Region	1 February, 2014	Grand Falls-Windsor
MNL Eastern Region	8 February, 2014	Clareville
Avalon Regional Council	17 February, 2014	St. John's
MNL Labrador Region	20 February, 2014	L'anse au Clair
PMA Avalon Region	22 February, 2014	St. John's
Grand Falls-Windsor – Baie Verte – Harbour Breton Regional Council	28 February, 2014	<i>Cancelled due to weather</i>
MNL Western Region	1 March, 2014	Deer Lake
St. Anthony - Port au Choix Regional Council	10 March, 2014	Conference Call
LSD Eastern Region	20 March, 2014	Whitbourne
Gander - New-Wes-Valley Regional Council	20 March, 2014	Gander
MNL Avalon Region	22 March, 2014	St. John's
LSD Central Region	22 March, 2014	Gander
LSD Western Region	27 March, 2014	Corner Brook
MNL Northern Peninsula Region	29 March, 2014	Hawke's Bay
PMA Conference	2 April, 2014	Gander

The consultations were co-facilitated by the department and MNL staff and were structured with two components: polling questions and roundtable discussions.

Following the same format as the MNL and PMA discussions, further roundtable discussions took place across the province with various Local Service District committee members as well as Rural Secretariat Regional Councils.

Other Stakeholders

Other stakeholder meetings were launched in May of 2014. Members of various target groups involved in service delivery – ranging from small business to construction, recreation, hospitality, commerce, as well as other stakeholders who were not part of the roundtable discussions. The meetings were conducted through a variety of methods, including in-person, conference calls, electronic feedback, and regular mail.



Section 3: MNL and PMA Discussions

As discussed earlier, the MNL and PMA discussions were scheduled between January 31 and April 2, 2014, and were structured with two components: polling questions and roundtable discussions.

The electronic polling used Share Point technology for instantaneous feedback on 13 questions related to the topics. The roundtable discussions were used to get further input on eight questions related to the four main topics. These discussions provided time for participants to think about and write down their individual responses which were followed by group discussions on the same topic. The discussions were assisted by the Office of Public Engagement (OPE), while the department and MNL staff acted as roundtable facilitators and table recorders to ensure the process ran smoothly and all feedback was captured.



The polling findings shared in this report are derived from a summary of the quantitative polling data and the qualitative information obtained from the MNL and PMA roundtable discussions.

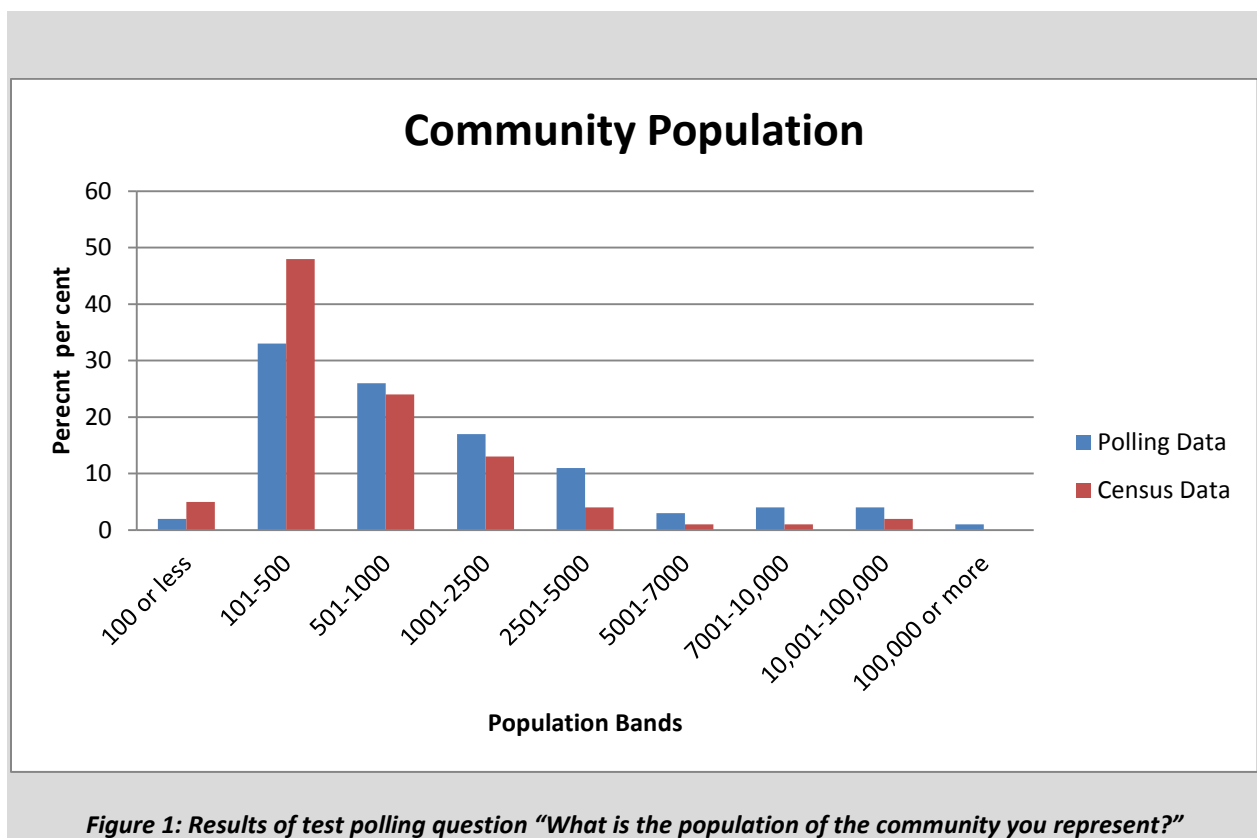
It should be noted that feedback provided by attendees was not assessed for validity. This document reflects a summary of the opinions expressed at these sessions by the individuals in attendance.

Limitations

There are some potential limitations to the consultation data collected. They could include recorder errors, misinterpretation of questions and/or responses, time limitations, and that all municipalities were not proportionally represented. While measures were taken to minimize these potential limitations the impact is not known or quantifiable.

3.1 Test Polling Question

This question was asked to ensure that participants were familiar with using the keypads provided for the electronic polling questions. The chart below compares 2011 census data against the polling information that was collected at the various sessions.



3.2 Municipal Expenditure Pressures

An expenditure pressure was defined for the purpose of the consultations as a budgetary expense that places increasing strain on other aspects of a municipality's budget. The causes of current and future expenditure pressures could include new service demands, changes in the local tax base, and new legislative/regulatory requirements.

Polling Question

1. What are currently the top three expenditure pressures in your municipality?

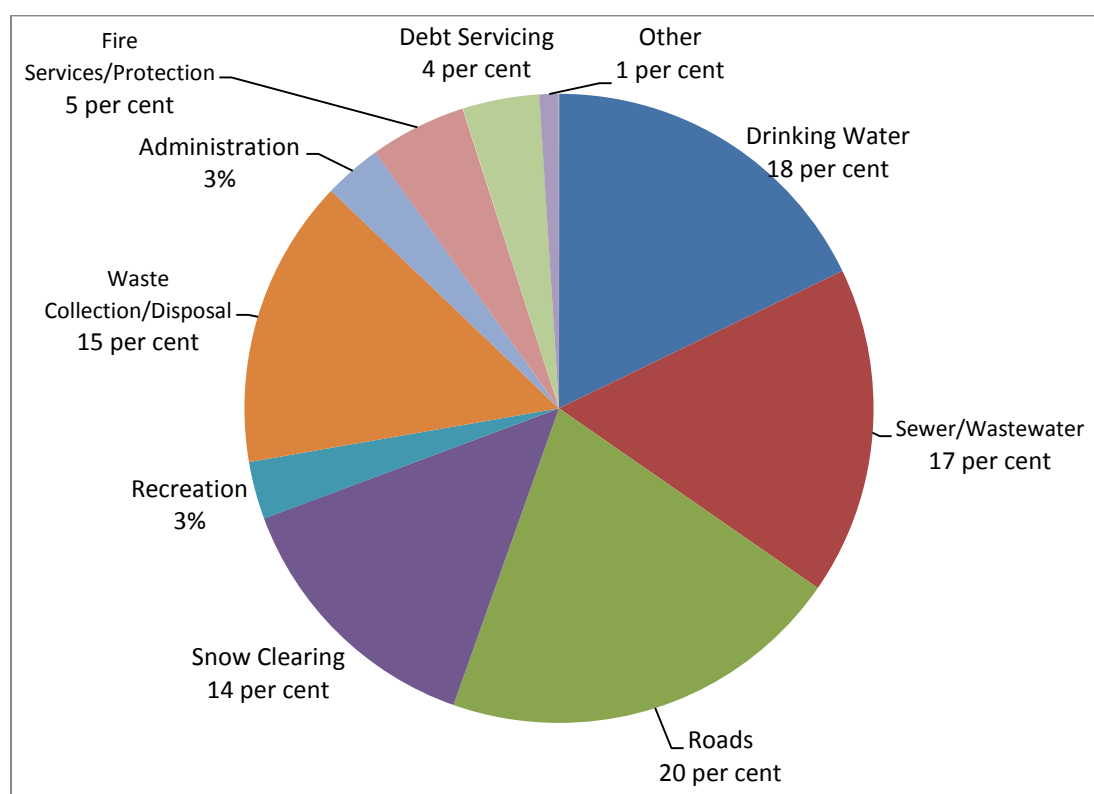


Figure 2: Aggregate results from polling question “What are currently the top three expenditure pressures in your municipality?”

The purpose of this question was to gather information on what the respondents felt the current expenditure pressures on municipal budgets.

Roads, drinking water, sewer and wastewater, waste collection and disposal, and snow clearing were the top reported current expenditure pressures, amounting to 84 per cent of all responses.

Population Breakdown

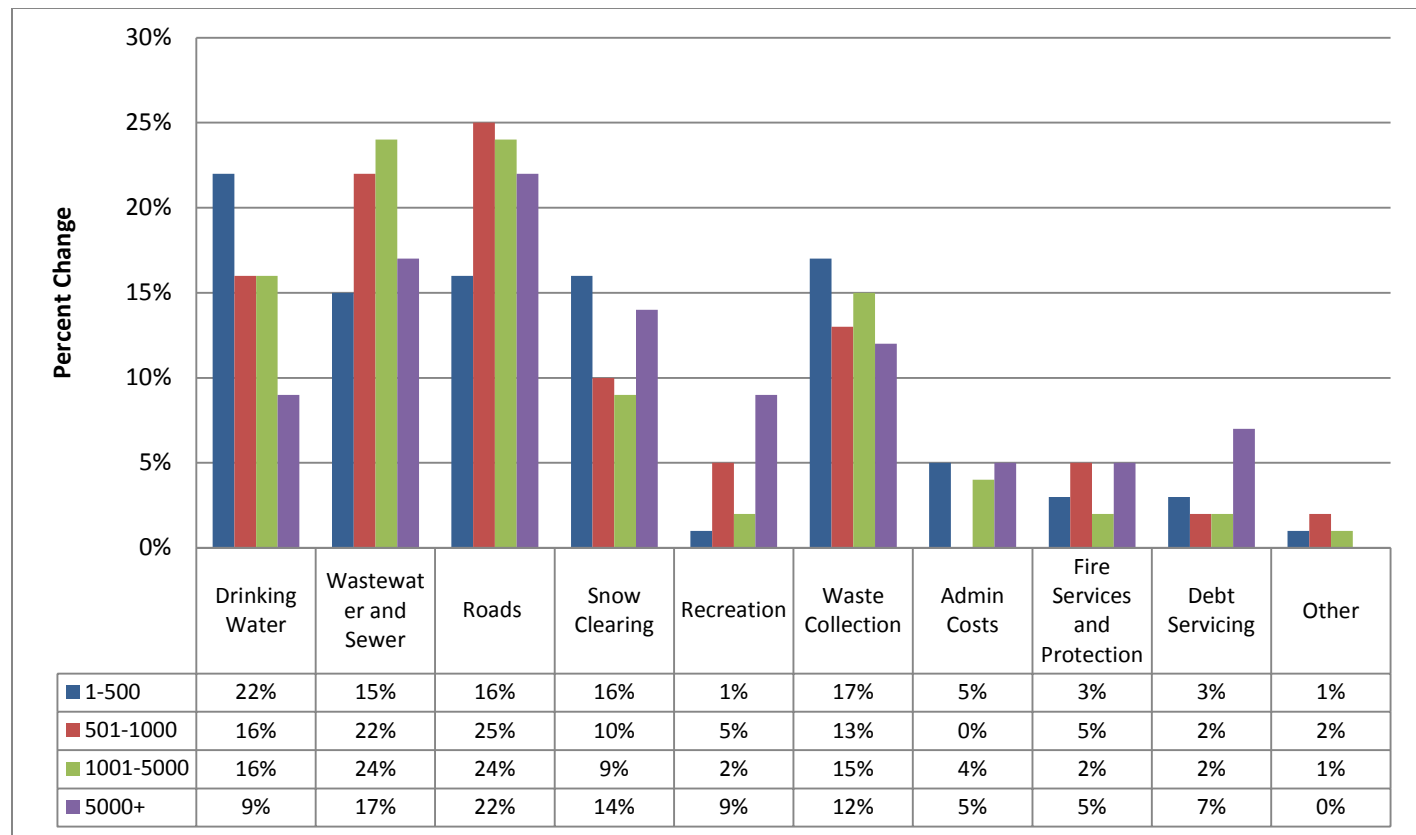


Figure 3: Population breakdown results from polling question “What are currently the top three expenditure pressures in your municipality?”

Figure 3 illustrates what was identified as the top three current expenditure pressures amongst four population size groupings: **1-500**, **501-1,000**, **1,001-5,000**, and **5,000 plus** residents.

Respondents from communities with **1-500** residents, unlike the other three samples, identified drinking water as their top expenditure expense, as noted by 22 per cent of respondents. Similarly, 17 per cent identified waste collection as amongst their top expenditure pressures, the highest of the four samples.

Both the **501-1,000** and **1,001-5,000** population groupings identified similar current expenditure pressures. Both groups identified wastewater and sewer, and road maintenance as being their largest current expenditure pressures. Similarly, both said that drinking water was third amongst the listed pressures, with 16 per cent for both groups.

The **5,000 plus** population groupings was more divided on their current expenditure pressure than the other groups. While they identified roads and wastewater and sewer as their top expenditure pressures,

they were the group to mostly indicate recreation and debt servicing expenditures, with 12 per cent and 7 per cent, respectively. As well, fewer respondents indicated that drinking water and waste collection were their current expenditure pressures in comparison to the other groups.

Polling Question

2. What do you anticipate will be the top three expenditure pressures for your municipality in the next ten years?

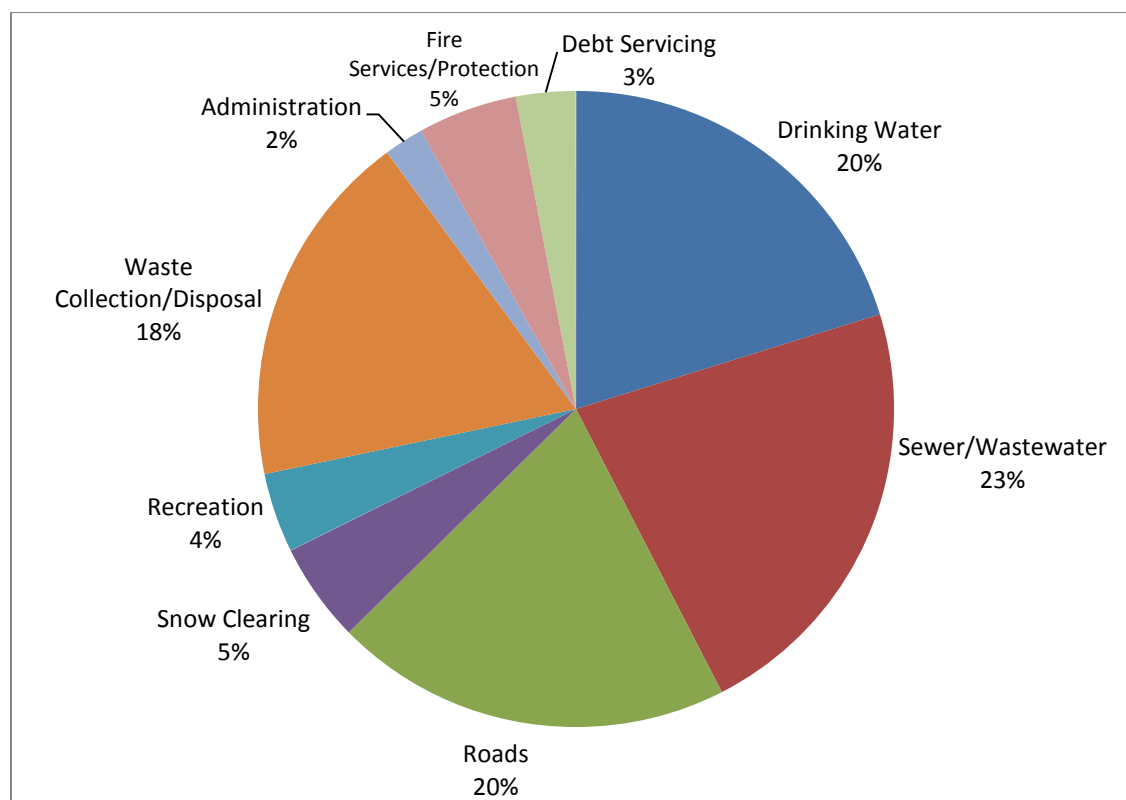


Figure 4: Aggregate results from polling question “What do you anticipate will be the top three expenditure pressures for your municipality in the next ten years?”

The purpose of this question was to gauge what municipalities expect will be future expenditure pressures in the next ten years.

Sewer and wastewater, drinking water, roads, and waste collection and disposal were the four highest responses amounting to 81 per cent of responses.

Population Breakdown

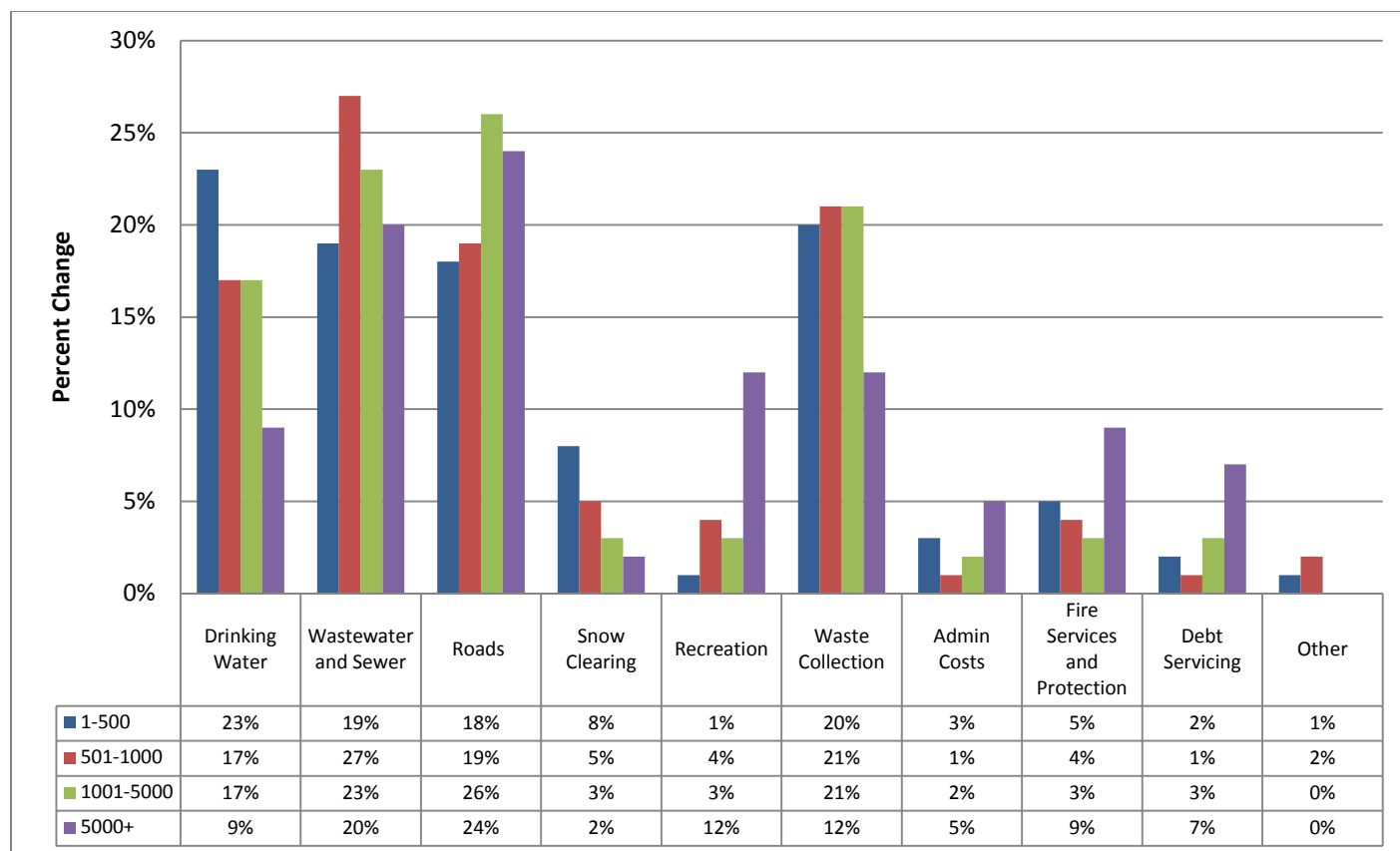


Figure 5: Population breakdown results from polling question “What do you anticipate will be the top three expenditure pressures for your municipality in the next ten years?”

All four population groups had notable differences in what they believe to be their top three future expenditure pressures.

With 23 per cent of the **1-500** population group indicating that drinking water was their top predicted expenditure pressure, the highest of all population groups. Following this, they identified waste collection (20 per cent) and wastewater and sewer (19 per cent). Unlike the other groups, however, they did not identify roads (18 per cent) as being amongst their top future expenditure pressures.

The **501-1,000** population group indicated that wastewater and sewer was their largest future expenditure pressure (27 per cent), the only population group to indicate this. Additionally, waste collection and roads can also be identified as being amongst their future expenditure pressures, as indicated by 21 per cent and 19 per cent of respondents, respectively.

The **1,001-5,000** population group indicated that roads were their anticipated highest expenditure

pressure, at 26 per cent. They also anticipate wastewater and sewer, and waste collection as being amongst their top pressures, with 23 per cent and 21 per cent, respectively.

Like the **1,001-5,000** population group, the **5,000 plus** population group indicated that roads (24 per cent) and wastewater and sewer (20 per cent) were their top largest anticipated expenditure pressures. However, unlike the other groups, the **5,000 plus** population group was divided on their other anticipated pressures. Uniquely, they viewed recreation as amongst their top anticipated pressures (12 per cent) – an equal response to waste collection, which was amongst the top three indicated response for the other population groups. They also identified fire services and protection (9 per cent), debt servicing (7 per cent), and admin costs (5 per cent) more than any other group – while having the lowest response to drinking water (9 per cent) compared to the response of the smaller population sizes.

Roundtable Discussion

3. What are the causes of the expenditure pressures your community is currently experiencing?

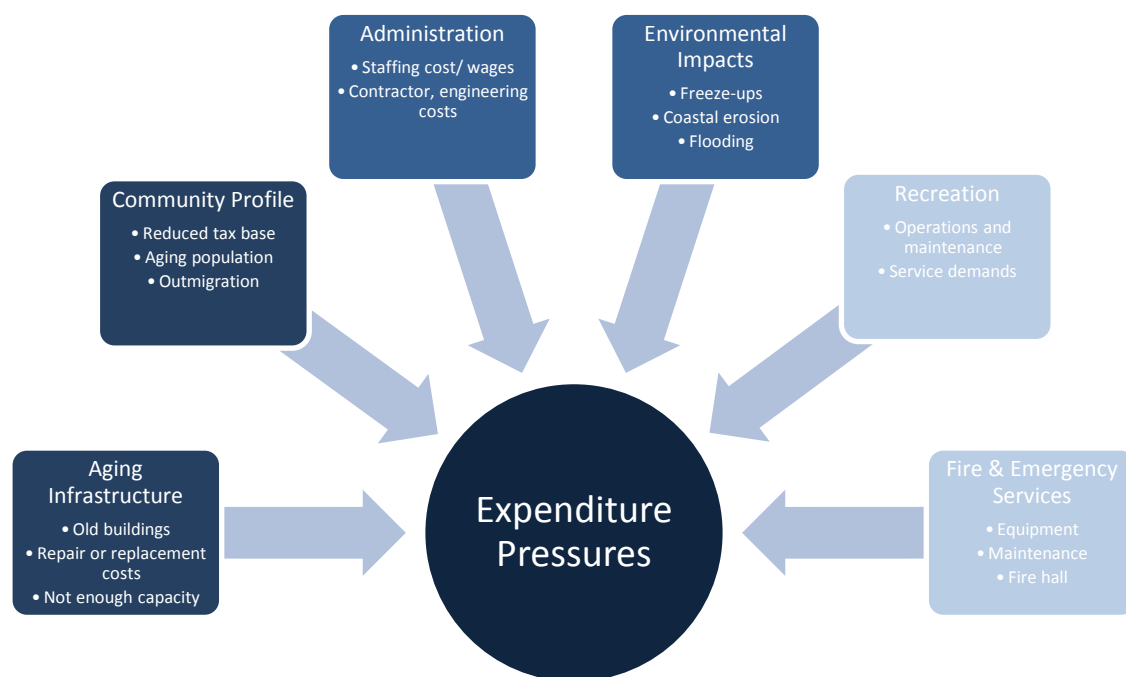


Figure 8: Causes of expenditure pressures. Darker shade represents higher frequency of response.

There were six main themes for the causes of expenditure pressures. The most predominant was aging municipal infrastructure. Participants cited unexpected costs associated with unscheduled repairs, maintenance, upgrades and replacements of municipal buildings, roads and water systems. Towns also

expressed concerns about having difficulty funding the municipal portion required for Municipal Capital Works projects.

The second most commonly stated expenditure pressure was the changing community profile. The demographics of communities have changed over the last 40 years. It was felt that many communities do not have the same tax base as they once did and many towns continue to lose community residents due to outmigration.

Municipal leaders noted the consequences of negative demographic changes, whereby aging populations and outmigration erode and limit the tax base, resulting in an increase in the cost of delivering services per person. They also expressed that the aging population has put considerable strain on a municipality's ability to raise revenue as more of the taxpayers are pensioners on lower fixed incomes and are less able to adapt to tax increases.



Some participants indicated that administration becomes an increasing expenditure pressure as populations decline. It is becoming harder for towns to compete with increased wages in other sectors, communities and provinces. Similarly, the costs of engineering and contracting services have

increased due to the increased demand for these services around the province.

Many attendees commented that major weather events have put considerable strain on their budgets. Road damage, bridge washouts and flooding from hurricane and rain storms are becoming more common and coastal erosion threatens municipal infrastructure.

It was also noted by participants that the cost of delivering services such as recreation and fire and emergency services has increased faster than municipalities and taxpayers have adapted. The price of equipment continues to increase and maintenance costs put strain on communities' budgets.

4. How is your municipality addressing these expenditure pressures?



Figure 9: Top responses regarding addressing expenditure pressures.

Many municipalities indicated they are trying to address known expenditure pressures in various ways. The most frequently discussed measure was to raise taxes, specifically the mill rate for local property tax. Meanwhile, others have placed a new emphasis on collecting back taxes and increasing fees for services they provide.

It was indicated that changing the way services are delivered is another way to address expenditure pressures. Some municipalities have found cost savings by sharing services between communities, and many towns have indicated that basic services such as fire protection, water, recreation and municipal equipment can easily be shared among neighbouring communities.

Strategic planning for future expenditures and altering budgeting practices were also identified as measures to address expenditure pressures.

Lobbying government for additional funding, whether for one time grants, Municipal Capital Works (MCW) program or increased Municipal Operating Grants (MOG), were also seen by participants as a way to address short and long term expenditure pressures.

Some towns noted they have changed their approach to service delivery. For instance, they purchase higher quality equipment that is more durable. They also suggested that hiring economic development officers could assist in rejuvenating local economies.

Many have also moved to reduce the quantity or frequency of services in order to adjust to expenditure pressures, while others have been forced to reduce the amount of employees or working hours.

3.3 Local Own Source Revenue

Existing local own source revenue is how a municipality raises revenue from the following means: property tax, poll tax, fees for service, business tax and/or water/sewer tax.

Polling Question

5. Does your municipality generate sufficient local revenue (in conjunction with your Municipal Operating Grant, if applicable) to meet your needs?

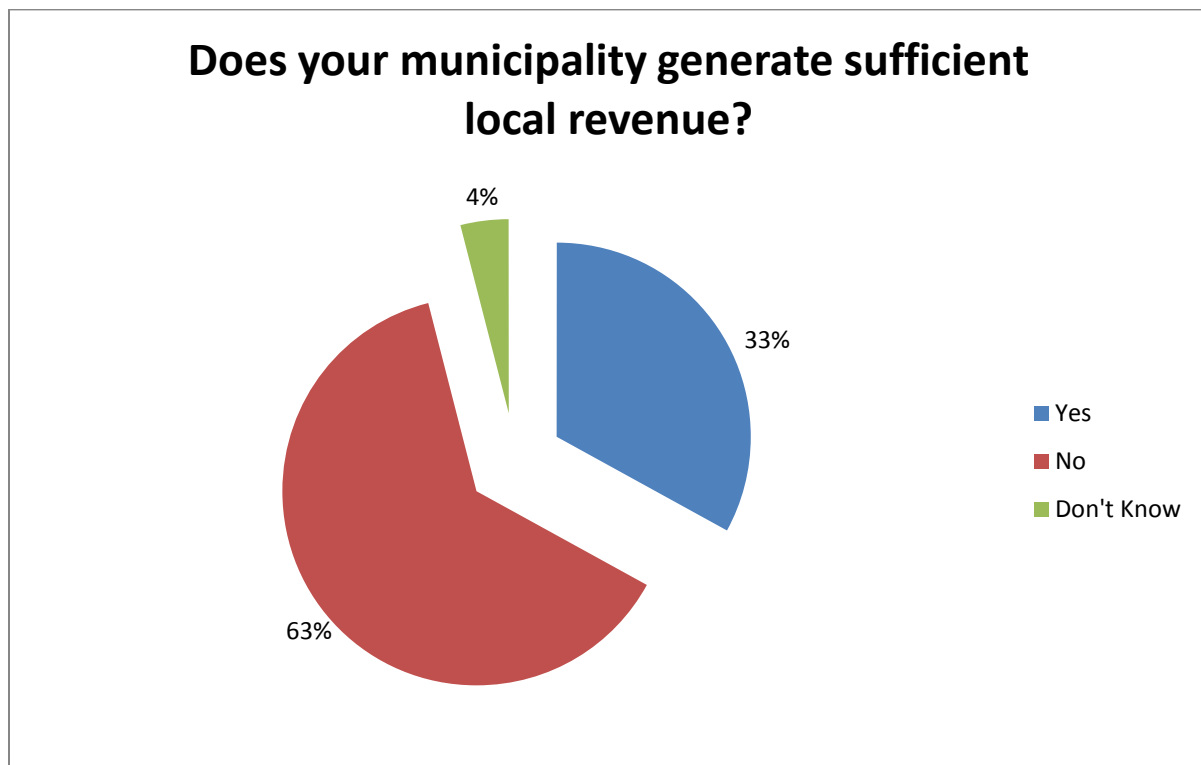


Figure 10: Results from polling question regarding levels of local revenue.

As noted in Figure 10, the majority of respondents (63 per cent) did not indicate that their municipality generates sufficient local revenue. Alternatively, approximately 1/3 of respondents indicated that their municipality generated sufficient revenue.

Population Breakdown

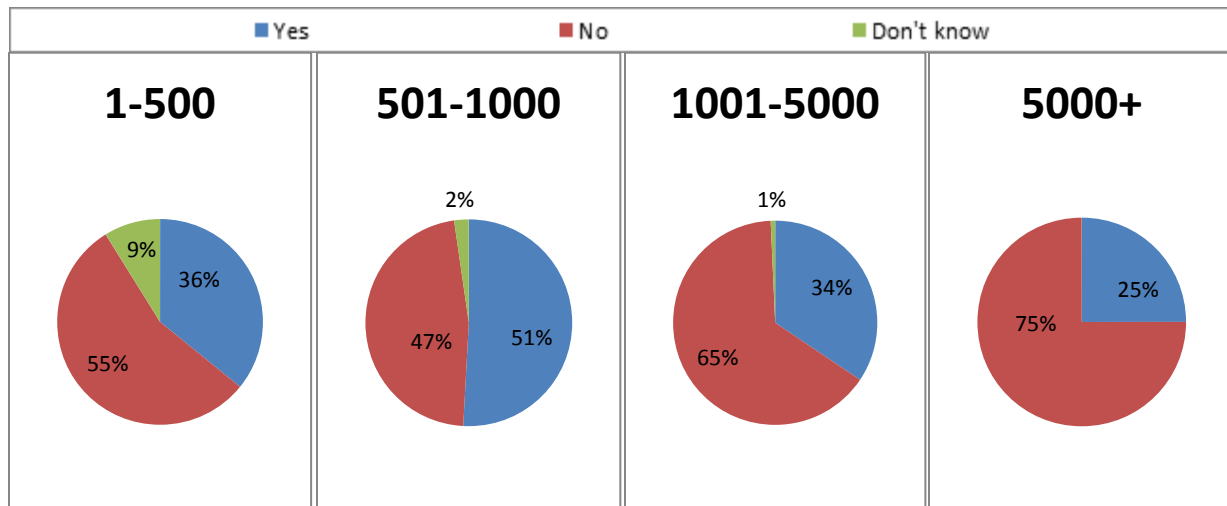


Figure 11: Results on whether your municipality generates sufficient local revenue (grouped by population).

The majority of respondents agreed that their municipality did not generate a sufficient amount of local revenue, with the exception of the **501-1,000** population sample, who indicated they did indeed generate enough revenue.

Polling Question

6. How much of an increase in revenue would your municipality need to meet all the demands of your taxpayers?

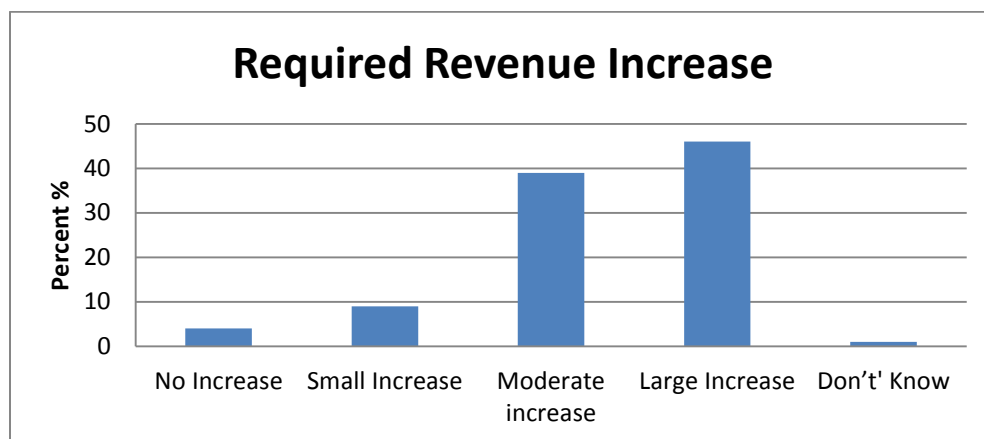


Figure 12: Results of polling question on required increase in revenue.

Although Figure 10 indicates that 33 per cent of respondents felt that their municipality generated sufficient levels of revenue, 94 per cent felt that a revenue increase of some degree was required. As per Figure 12, 46 per cent responded that a large increase was needed and 39 per cent agreed that a moderate increase was needed.

Population Breakdown

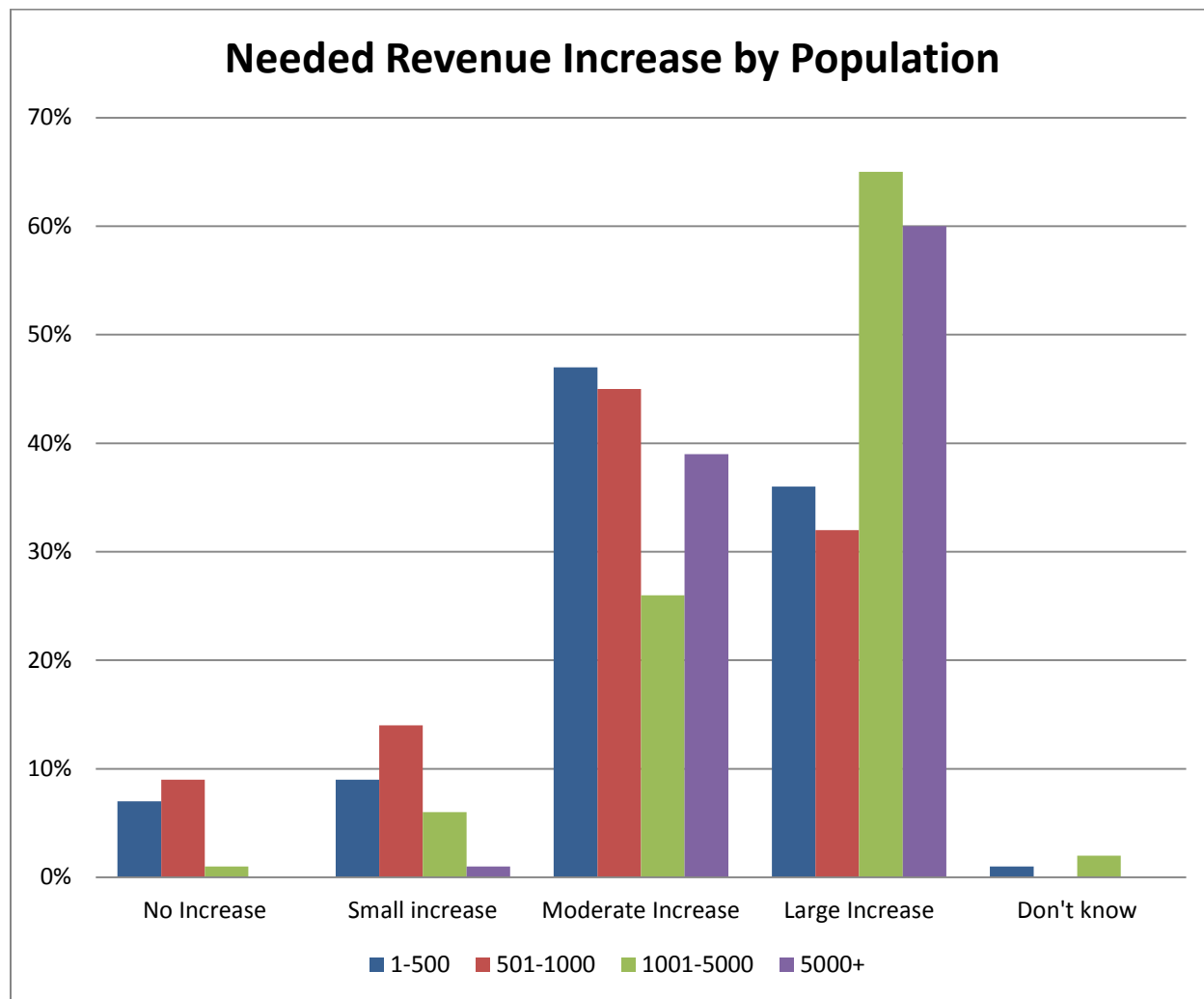


Figure 13: Results of polling question on required increase in revenue (grouped by population range).

A varying majority of all four population samples agreed that a revenue increase would be needed; however, the polling results showed that respondents were split on which level of revenue increase would be required to meet all the demands of their tax-payers. The **1-500** and **501-1,000** population

samples indicated that they were not in demand of a large increase, with a majority of both samples indicating that they could use a moderate increase or less. With a greater majority, the **1,001-5,000** (65 per cent) and **5,000 plus** (60 per cent) population samples anticipated a large increase as being necessary.

Roundtable Discussion

7. What changes would you make to the current property tax and assessment system?



Figure 14: Feedback on changes to property tax and assessments.

There was no predominant direction from respondents regarding changes to the property tax and the assessment system. The feedback consistently went in opposing directions.

Much of the discussion regarding property tax centered on the Municipal Assessment Agency (MAA). Some of the respondents felt that the MAA should be eliminated; others felt a review of the agency's role is needed, or a review of MAA operations. Some individuals thought that assessments should be done more often by the MAA, while others felt that municipalities should conduct their own assessments.

Feedback regarding tax rates was also inconsistent. Attendees suggested that property tax rates should be increased, capped at a flat rate, or be eliminated altogether in favour of a flat rate or income based system.

Some towns expressed difficulty in collecting taxes and suggested that a third party agency may be able to provide assistance, including the Provincial Government, as is done in other Canadian jurisdictions. Some municipal representatives also felt that there should be more aggressive measures in place for collection.

Many called for changes to the way that governments pay taxes. It was requested that the Provincial Government start paying grants in lieu of property taxes on government property.

Overall, responses did suggest that participants are not satisfied with the status quo and that changes to the system are desired, however, there is no clear direction in terms of what particular changes are preferred.

8. What changes would you make to the other local revenue sources (e.g. poll tax, water/sewer tax, business tax, utility tax)?

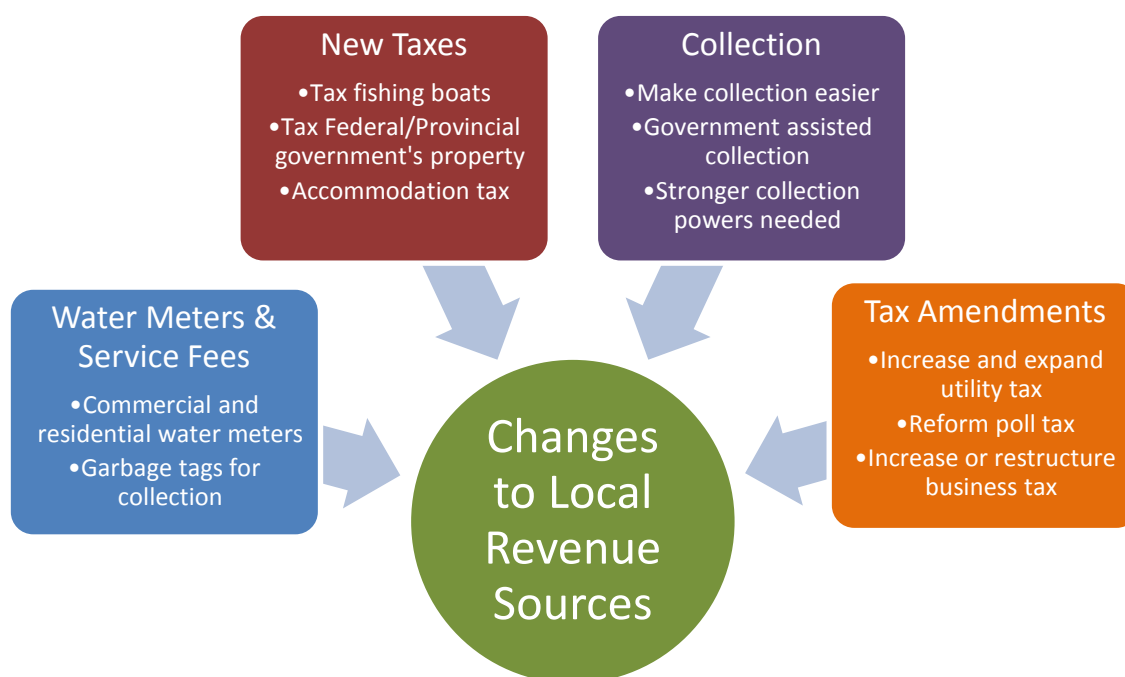


Figure 15: Feedback on changes to other local revenue sources.

The feedback received from this question focused on the addition of new taxes and fees, and maximizing the benefits of the current system.

One of the most popular suggestions for a new local revenue source was regarding installing water meters for high water users in communities, such as fish plants, schools, hospitals, and seniors homes.

Other new sources suggested include increasing the types of taxes and the application of current taxes. It was also felt that fishing operations should be taxed by municipalities. Finally, respondents suggested that new taxes, such as an accommodation tax, could also become a new local revenue source.

Most attendees agreed that tax collection can be difficult and that measures should be taken to make tax collection easier for towns.

Finally, many agreed that amendments are needed for utility tax, business tax and poll tax. Participants felt that both business tax and utility tax could be amended to broaden their application, and that individual communities should be able to set the tax rate.

Poll tax was said to be very difficult to collect, and most comments surrounding the topic were either in favour of reforming the tax or abolishing it altogether.

Polling Question

9. **Do you think businesses in your community should be paying more for the municipal services they receive?**

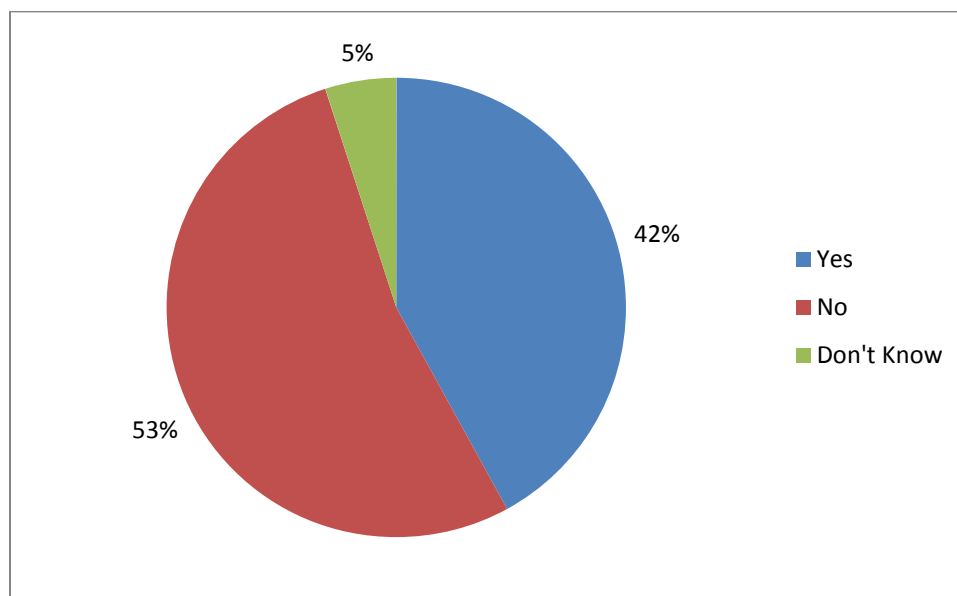


Figure 16: Business and taxations/fee levels.

Over half of respondents (53 per cent) felt that businesses in their communities should not pay more municipal taxes for the services they received. Alternatively, 42 per cent felt that businesses should be paying more taxes.

Population Breakdown

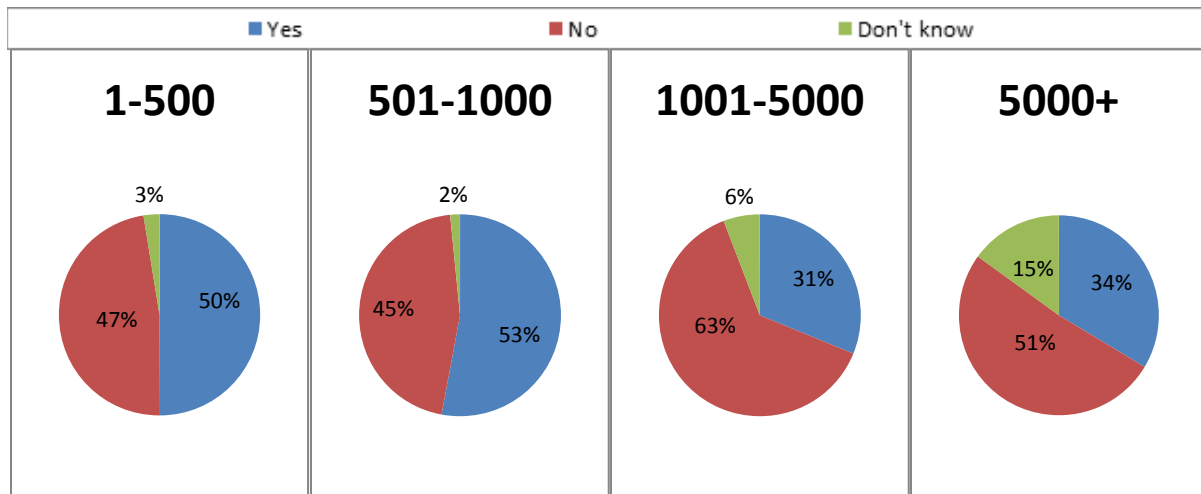


Figure 17: Results on whether businesses in your community should be paying more for the municipal services they receive (grouped by population range)

Respondents representing communities with populations of **1-500** and **501-1,000** indicated that they believe businesses should be paying more for their services. In comparison, only 31 per cent and 34 per cent of respondents from communities with **1,001-5,000** and **5,000 plus** populations indicated this.

Polling Question

10. Do you think residents in the community should be paying more for the municipal services they receive?

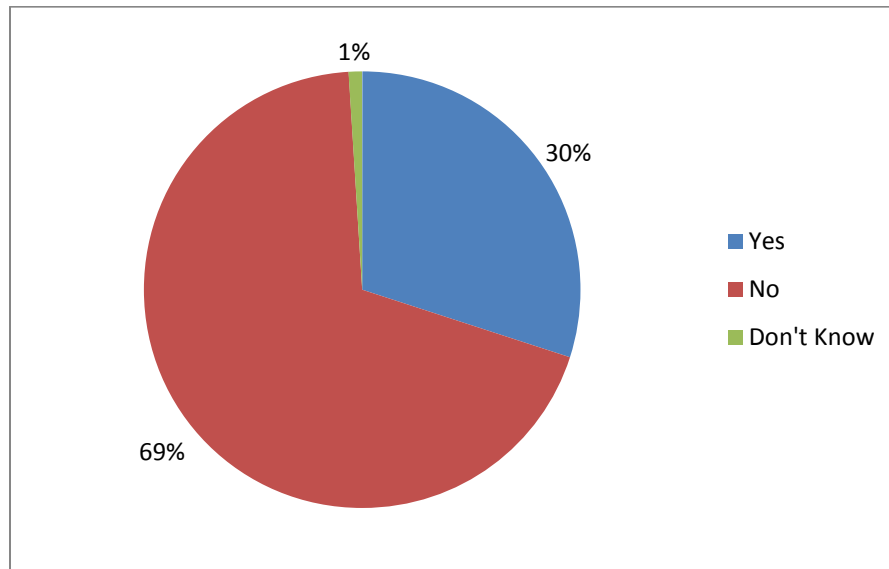


Figure 18: Residents and taxation levels.

Over 2/3 of respondents (69 per cent) indicated that residents should not have to pay more taxes or fees for municipal services. While 30 per cent felt they should be paying more.

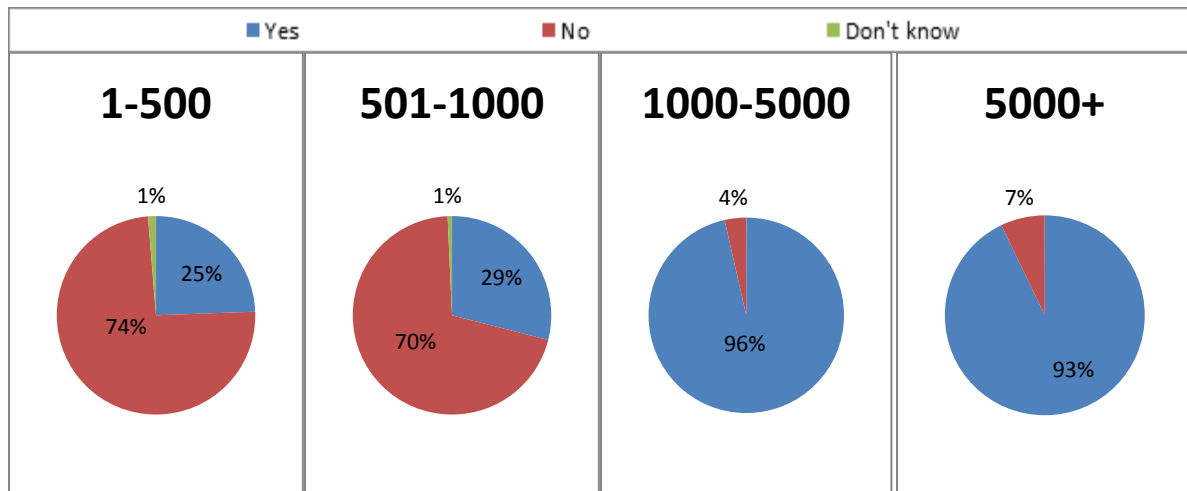
Population Breakdown

Figure 19: Results on whether residents in the community should be paying more for the municipal services they receive (grouped by population range)

Similar to the previous question, which dealt with businesses within the community, respondents answered differently based on the population of their communities. From the **1-500** and **501-1,000** samples, a majority of respondents indicated that they did not believe residents should be paying more for their services, in comparison to the **1,000-5,000** and **5,000 plus** population samples, who felt that residents should be paying more.

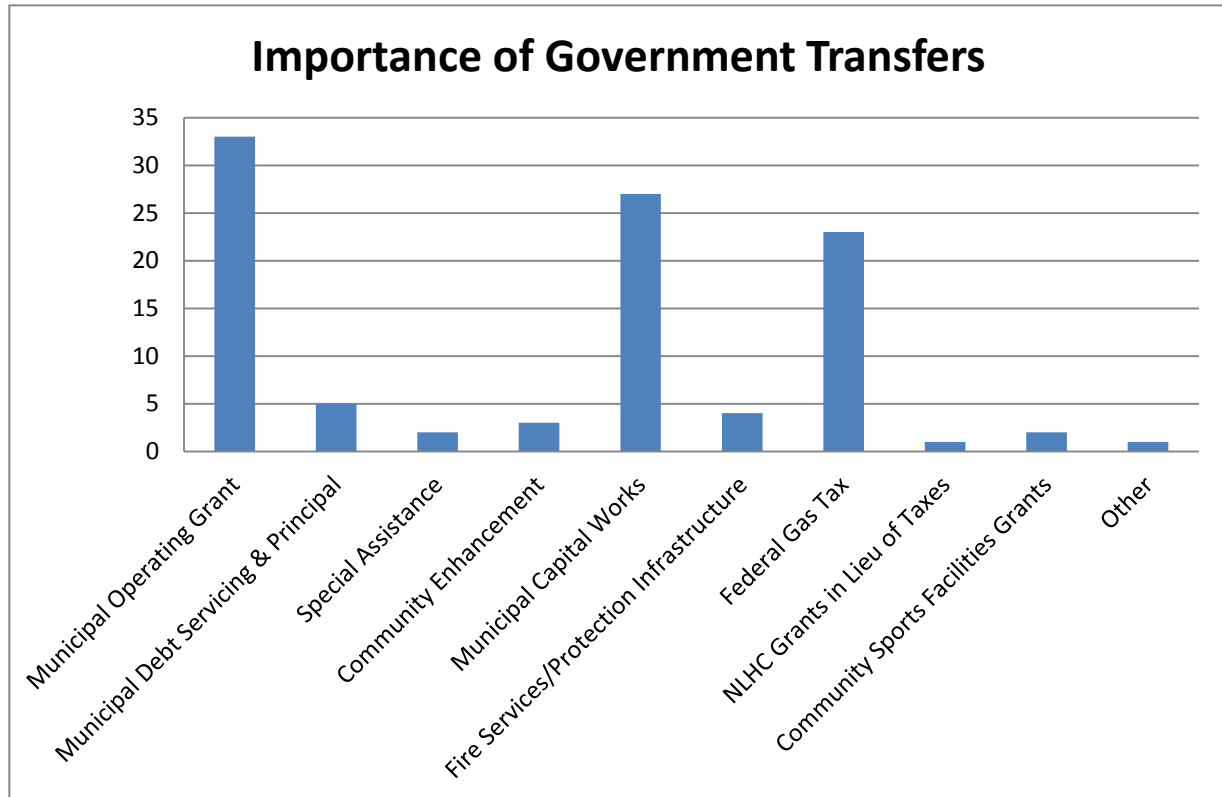
Polling Question**11. What government funding transfers are most important to your municipality?**

Figure 20: Government transfers to municipalities.

This question sought to identify views on what participants felt were the most important funding transfers from other orders of government to municipalities. By far, the top three responses were Municipal Operating Grants, Municipal Capital Works and Federal Gas Tax program funds.

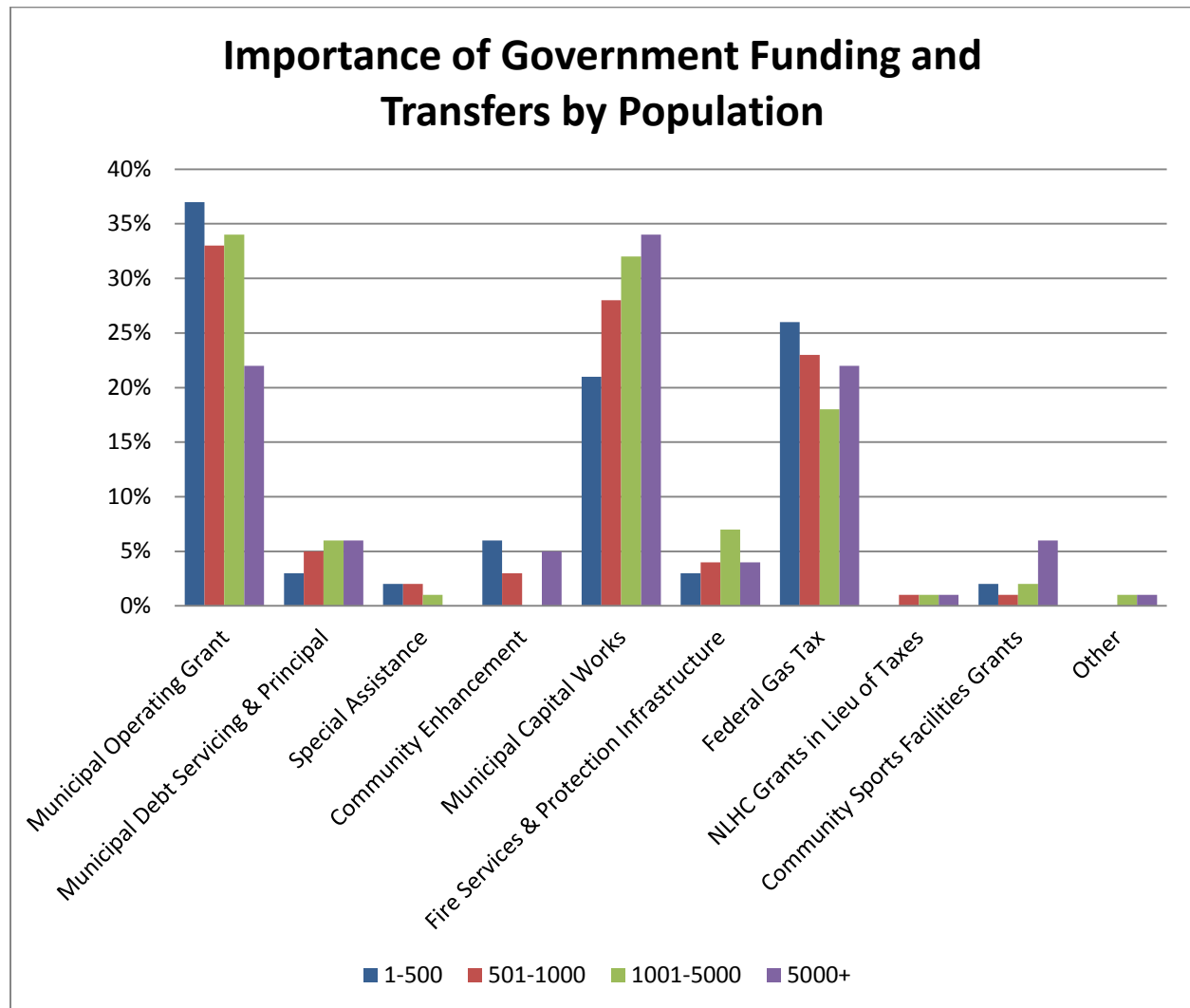
Population Breakdown

Figure 21: Government transfers to municipalities (grouped by population range).

All four population groups chose the Municipal Operating Grant (MOG), Municipal Capital Works, and the Federal Gas Tax as the most important government funding/transfer mechanism by a significant margin when compared to other sources.

For the **1-500** population group, the MOG garnered the highest response, where 37 per cent of the group believed this to be their most important government fund. Following the MOG, the Federal Gas Tax and Municipal Capital Works were chosen as the second and third most important government transfer funds, receiving 26 per cent and 21 per cent, respectively.

As well, for the **501-1,000** population group, the MOG received 33 per cent, compared to the Municipal Capital Works and the Federal Gas Tax, which received 28 per cent and 23 per cent, respectively.

Similarly, the **1,001-5,000** group chose the MOG as the most important transfer, receiving 34 per cent. Closely following the MOG was Municipal Capital Works, receiving 32 per cent, and then the Federal Gas Tax with 18 per cent.

Meanwhile, for the **5,000 plus** population sample, the Municipal Capital Works was the top option, earning 34 per cent of their respondents. Additionally, both the MOG and Federal Gas Tax received 22 per cent.

3.4 Efficiencies in Service Delivery

Efficiencies in service delivery can be accomplished simply through the sharing of services or equipment between neighbouring communities. It can also be sought through the delivery of services on a regional basis (e.g. Regional Waste Management). Services can also be shared through regional cooperation initiatives including amalgamations.

Polling Question

12. How many municipal services are you sharing with another community?

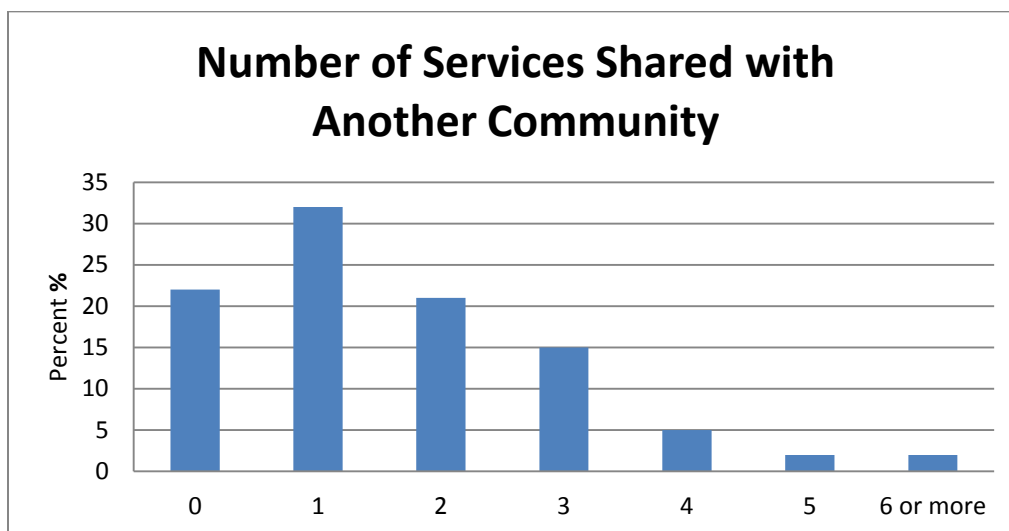


Figure 22: Number of services shared between communities.

The purpose of this question was to gather information on how many services municipalities currently

share with other communities (other municipalities, LSDs, or unincorporated areas).

The majority of respondents (68 per cent) indicated their municipality shares one to three different services, while 22 per cent of respondents indicated that they do not share any services. A small percentage (9 per cent) indicated they share four services or more.

Population Breakdown

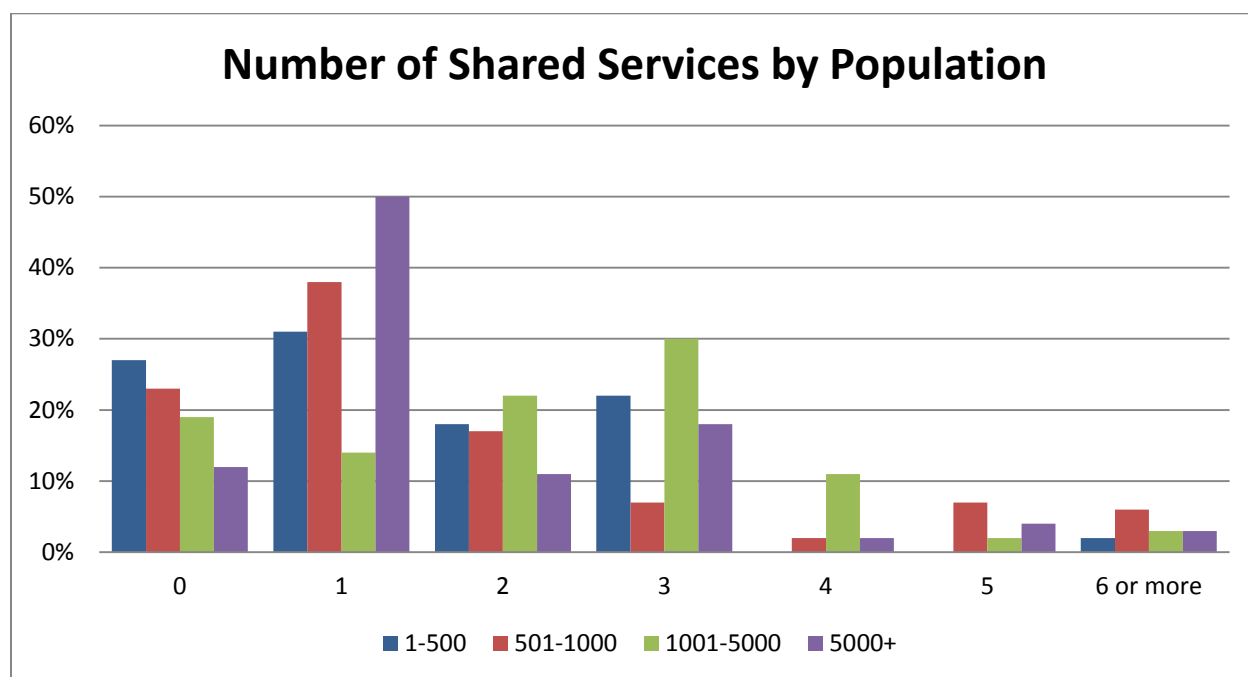


Figure 23: Number of services shared between communities (by population range)

According to Figure 23, a majority of the **5,000 plus** population sample shares one service or less with neighboring communities. With the sharing of one service garnering 50 per cent of the responses, while zero received 12 per cent, and nothing higher than three shared services receiving more than a total of 4 per cent for this grouping.

Despite being smaller population ranges, the majority of the **1-500** and **501-1,000** population samples also appear to share one service or less. For the **1-500** group, 58 per cent said they shared one service or less, while for the **501-1,000** group, 61 per cent identified one shared service or less. With that being said, 40 per cent of the **1-500** population sample said they shared between two and three services.

Finally, the **1,001-5,000** population sample had a far greater range in terms of number of shared services. For this population range, three shared services received the highest amount of responses (30

per cent). While four shared services received 11 per cent; two received 22 per cent and one or less received a combined 33 per cent.

When comparing the four population samples, the **1,001-5,000** grouping appears to utilize more regional collaboration, with a total of 46 per cent of respondents saying their community shares three or more services with other communities. As compared to 27 per cent of the **5,000 plus** population group, 24 per cent for the **1-500** group, and 22 per cent of the **501-1,000** population sample.

Polling Question

13. Sharing services with other communities results in...

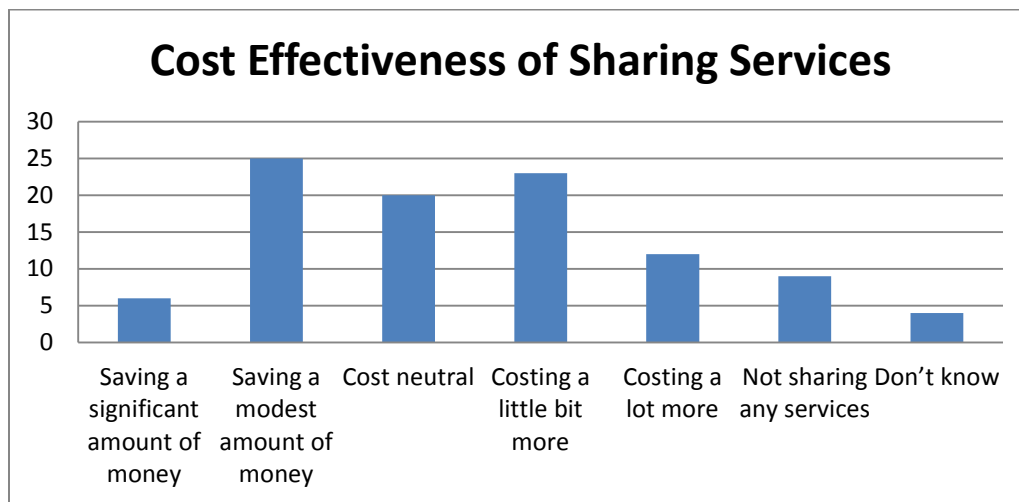


Figure 24: Cost effectiveness of sharing services.

This question was about whether or not municipalities feel that sharing services is cost effective. The majority of respondents agreed that sharing services was cost neutral or better. While 31 per cent of respondents indicated that sharing services was saving their municipality a significant or modest amount of money, 20 per cent thought it was cost neutral, 23 per cent said it was costing a little bit more, and 12 per cent indicated it was costing them a lot more money.

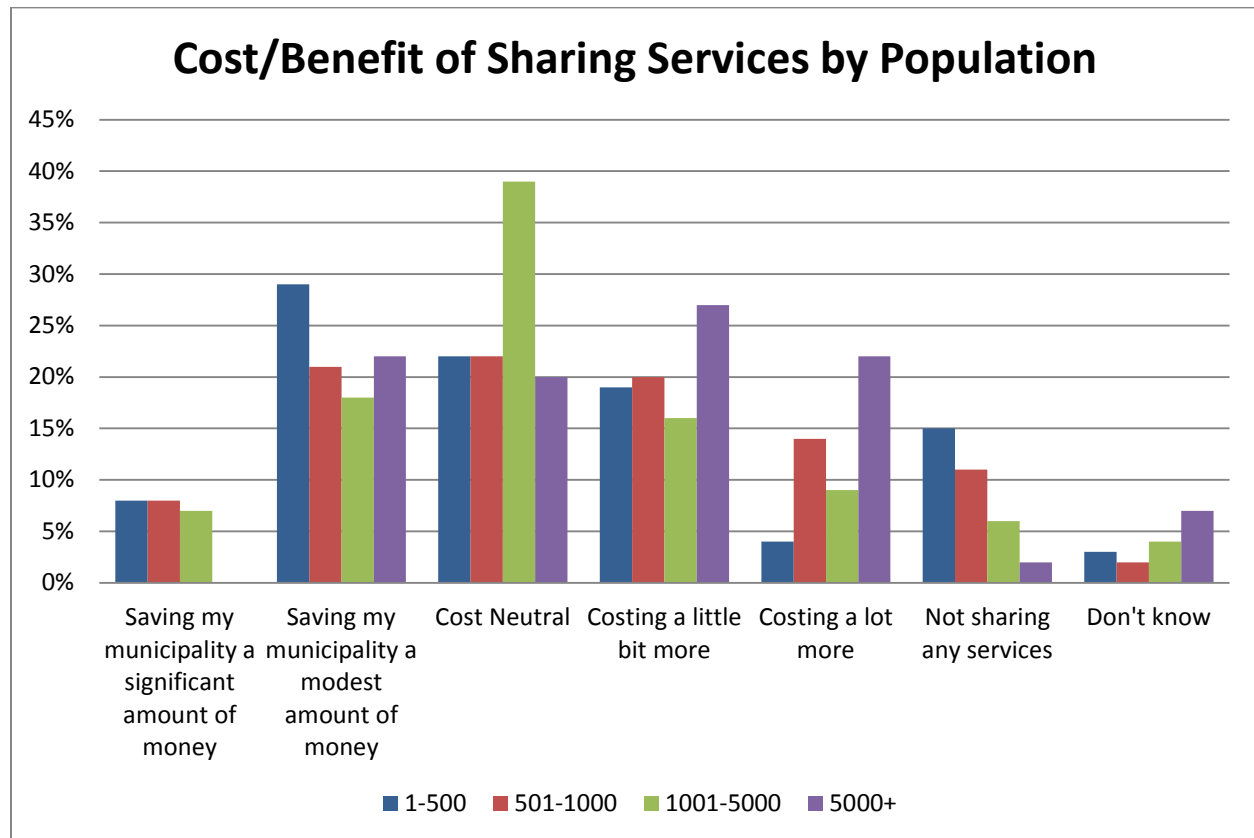
Population Breakdown

Figure 25: Cost effectiveness of sharing services (grouped by population range).

Of those that share services, both the **501-1,000** population sample and the **1,001-5,000** sample indicated that sharing services was cost neutral, if not saving them a modest or significant amount of money. For the **1,001-5,000** population group, 39 per cent of respondents felt it was cost neutral, as did the **501-1,000** group, with 22 per cent also indicating it as being cost neutral. Additionally, for the **1-500** population group, 29 per cent of respondents believed it saved their municipality a modest amount of money.

Meanwhile, 27 per cent of the **5,000 plus** population sample indicated that the sharing of their services cost a little bit more than providing their own services. As compared to the same percentage of respondents (22 per cent) who both believed the sharing of services either saved their municipality a modest amount of money, or cost a lot more.

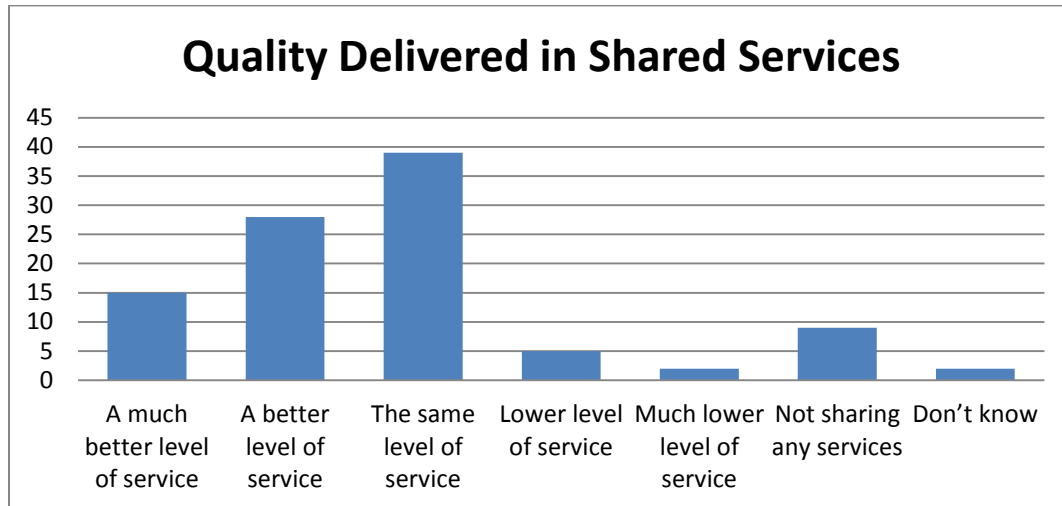
Polling Question**14. Sharing services with other communities is...**

Figure 26: Quality effectiveness of sharing services.

Where the previous question focused on the cost effectiveness of sharing services, this question focused on the quality of the service being delivered.

While 39 per cent felt that the service was about the same level of quality as a result of sharing service delivery, 43 per cent thought that sharing a service resulted in either a better or much better level of service.

Population Breakdown

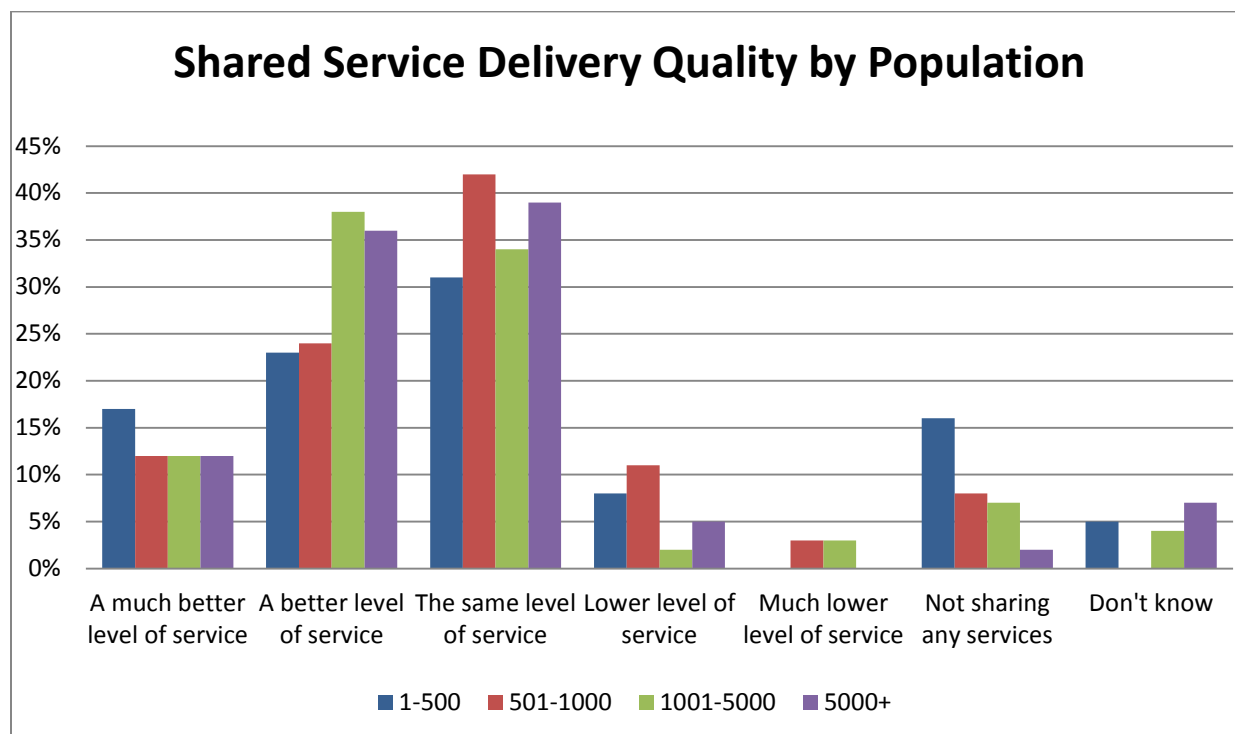


Figure 27: Quality effectiveness of sharing services (grouped by population range).

A majority of all four population samples agreed that sharing services resulted in at least the same level of service or better.

The **1,001-5,000** and **5,000 plus** population groups garnered the highest amount of positive responses to the service quality of shared services (providing better or much better levels of service), with total positive responses of 50 per cent and 48 per cent, respectively. This can be compared to only 5 per cent for both population groups having a negative opinion (providing a lower level or much lower level of service) on shared services.

As for the smaller population groups, the **1-500** group also had a largely positive opinion on shared services with other communities (40 per cent), as compared to the negative viewpoint (8 per cent). While the **501-1,000** population sample had a slightly smaller plurality than the other three groups, with a total of 36 per cent positive and 14 per cent negative.

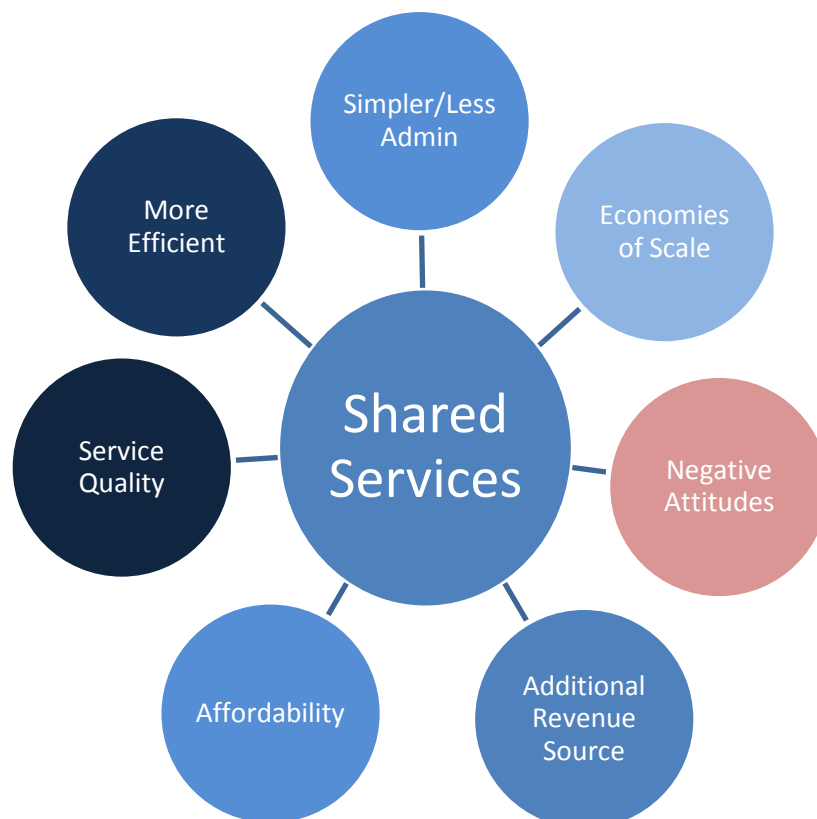
Roundtable Discussion**15. Identify why certain regional collaborative/cooperative initiatives worked for your municipality.**

Figure 28: Why regional services worked. More frequent responses are darker in colour.

Many respondents felt that regional cooperation initiatives worked in their region because cooperation improved the quality of services and in some cases provide cost savings and more efficient operations. Fire services and waste management were two examples that were given frequently as good examples of sharing services. Some respondents felt that in some cases Fire Stations have better response times and are less costly to operate. Regional waste management was viewed as removing an administrative burden from some municipalities.

Another popular response was that sharing services increased the affordability of services. It was noted that this allows towns to offer services that they otherwise would not have been able to provide. For instance, when three to four towns come together they are able to hire full time animal control staff. In fact, some towns consider sharing services as a new revenue source as they charge surrounding

communities for services, offsetting their own costs.

Not all feedback regarding the sharing of services was positive. Many suggested that negative attitudes and community rivalries have stalled some regional cooperative initiatives. However, it was expressed that sharing more information with communities to better demonstrate the benefits of collaboration would alleviate this concern.

16. Identify mechanisms or structural changes that would enhance regional cooperation/collaboration?

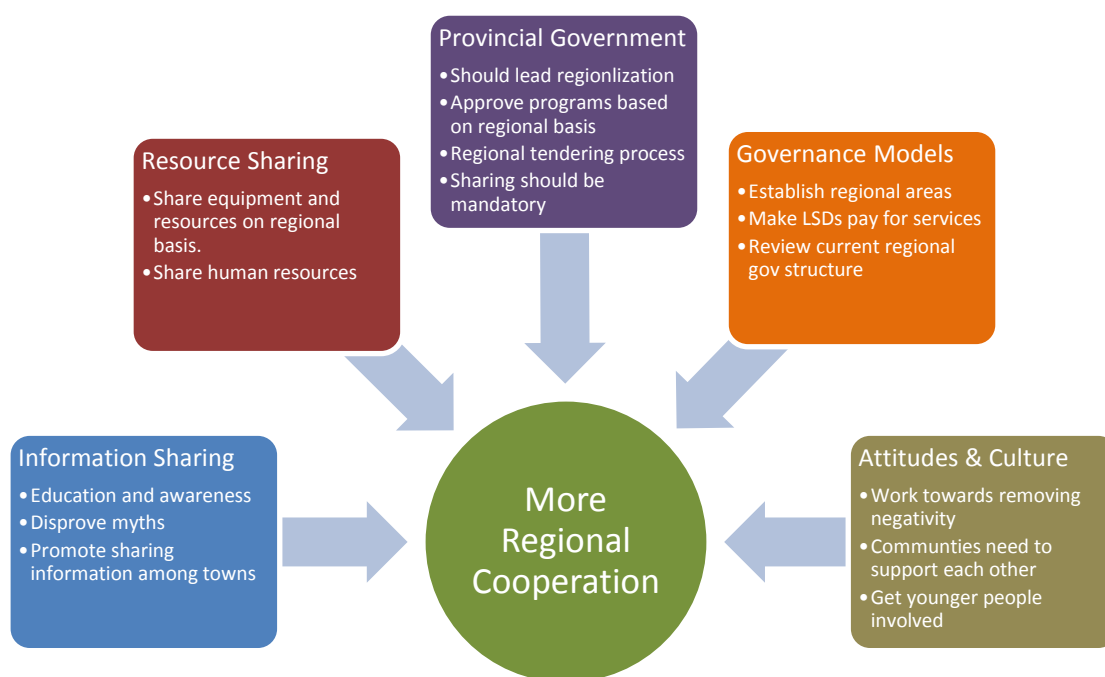


Figure 29: How can regional cooperation be enhanced?

One of the most frequently discussed ways to enhance regional cooperation was increasing education and awareness. Information such as financial savings and operational efficiencies should be shared between towns. One interesting idea was to have towns publish service cost breakdowns in an easy to understand table so residents and other communities can better understand municipal service delivery costs.

It was expressed that intercommunity sharing is already taking place without the presence of formal agreements. However, as sharing services expands to include human resources and expensive equipment it may be best to encourage formal agreements.

Many feel that new governance models are needed to establish a more formal level of regional governance. At the very least many agreed that LSDs and unincorporated areas should be brought under a new governance model.

There was significant support for the Provincial Government providing more funding for regional infrastructure projects over projects for individual communities. Furthermore, many also felt that regionalization should be led by the Provincial Government to ensure that as many towns take part as possible.

As was present in the previous question on regionalization, there were some comments on the difficulty of working with negative attitudes. However parties did agree that communities need to work together and councils should compromise.

3.5 New Sources of Revenue

New sources of revenue are considered to be any new revenue stream that would be used by a municipality to fund capital, operations, and maintenance and reserve service delivery costs.

Polling Questions

17. Do municipalities need new sources of revenue?

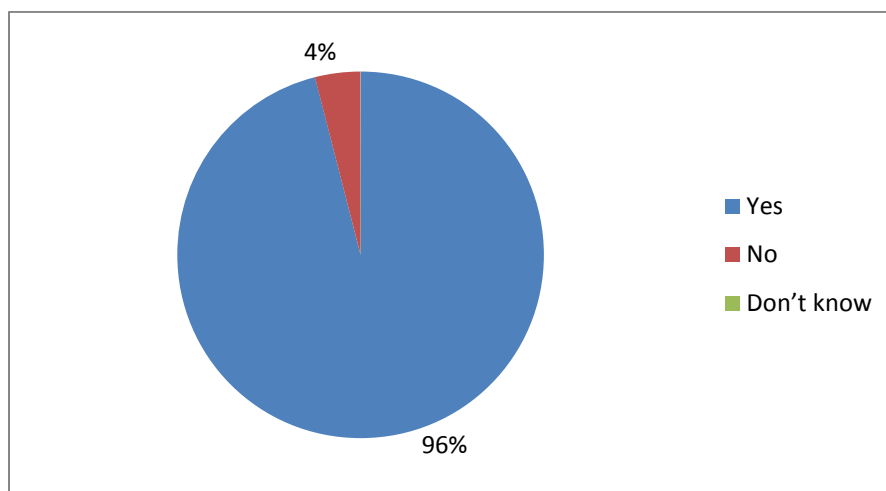


Figure 30: Do municipalities need new revenue sources?

The majority of respondents agreed that municipalities require new revenue sources.

18. What orders of government should be responsible for funding the new revenue sources?

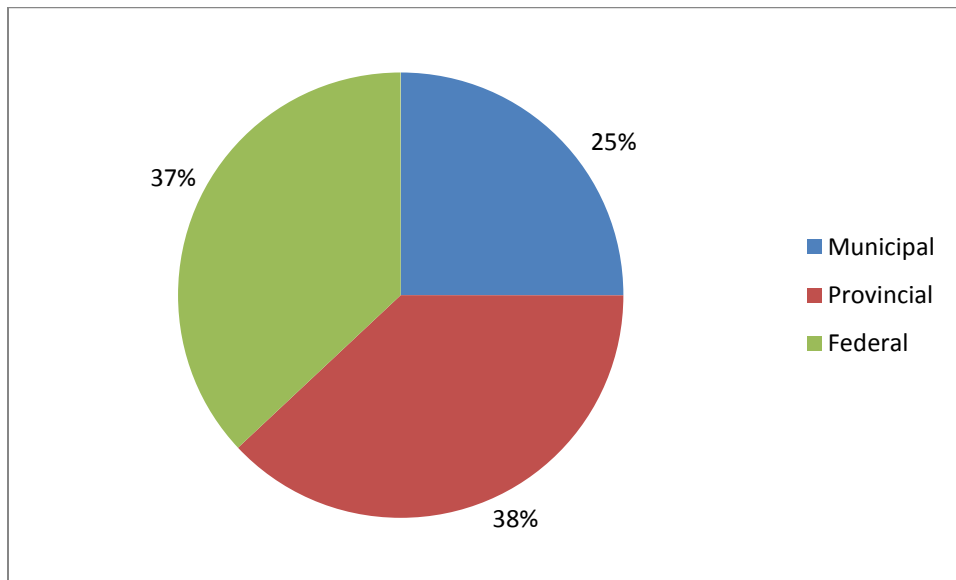
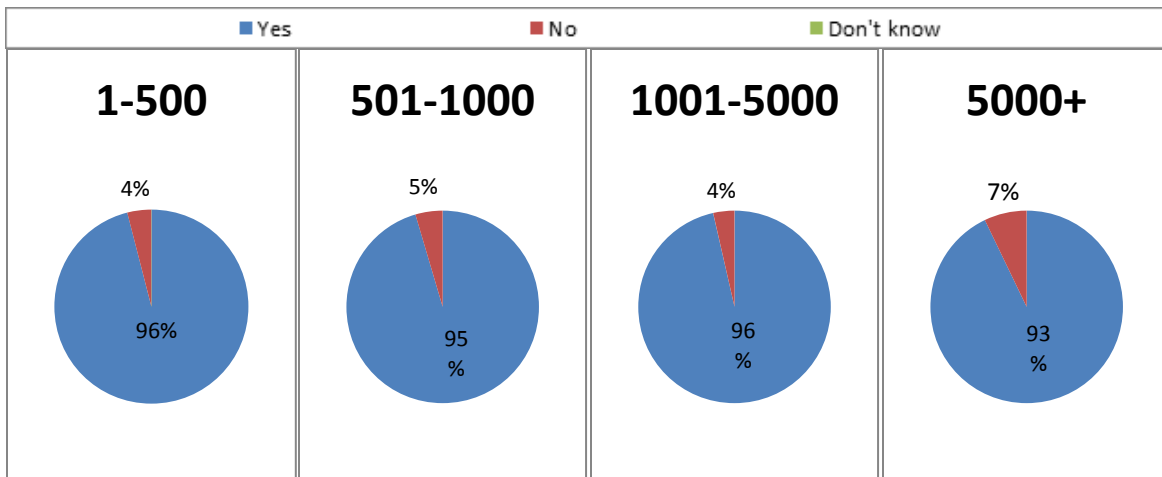
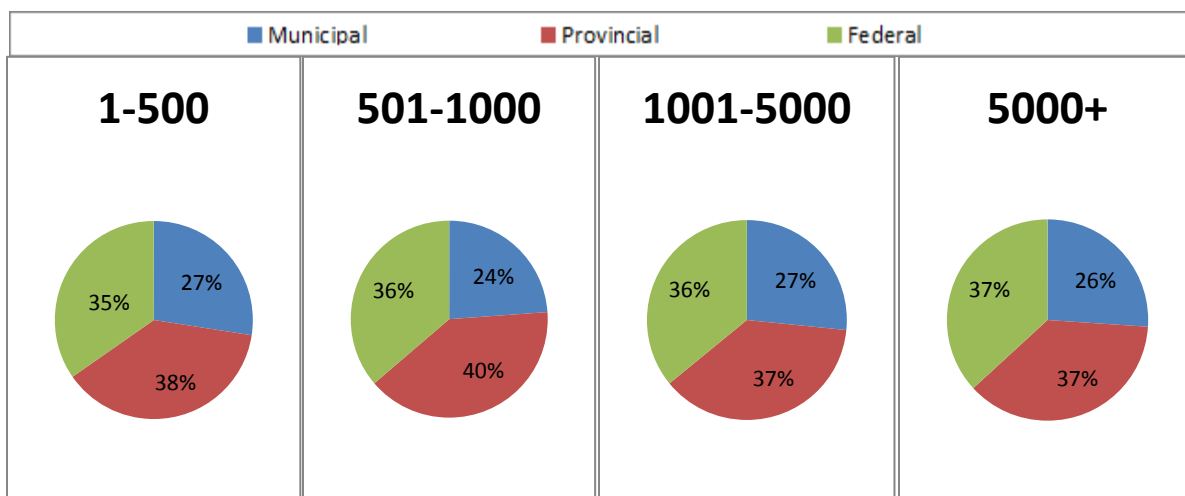


Figure 31: Who should be responsible for funding new revenue sources?

While respondents believed that municipalities needed new revenue sources, they also agreed that the responsibility for providing that funding should be shared among the three orders of government involved. With 38 per cent of respondents saying the Provincial Government should be responsible for funding new revenue sources, while 37 per cent said the Federal Government and 25 per cent said Municipal Governments.

Population Breakdown*Figure 32: Do municipalities need new revenue sources? (by population range)**Figure 33: Who should be responsible for funding new revenue sources? (by population range)*

A large majority of all population samples agreed that there would need to be a new revenue source for municipalities. They also agreed that the responsibility for providing that funding should be shared among the three orders of government involved.

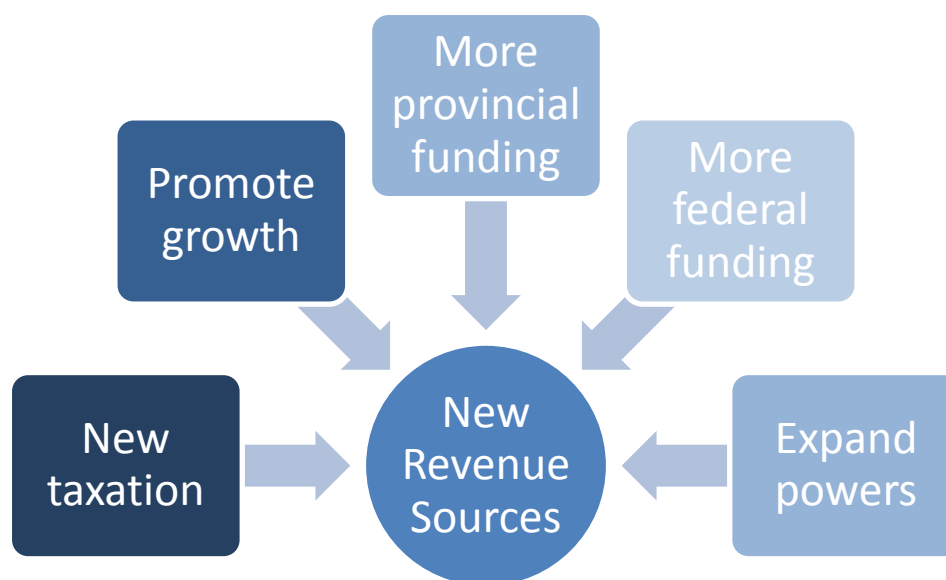
Roundtable Discussion**19. Identify options for new sources of revenue for municipalities.**

Figure 34: Options for new revenue sources. More frequent responses are darker in colour.

There were many different potential sources of new revenue identified. One of the most commonly discussed sources was new types of taxation. One of the most popular ideas was taxing (or charging fees to) LSDs, and unincorporated areas for the use of municipal services.

Charging the Provincial Government property tax on its properties was also commonly raised as it was previously mentioned. Allowing municipalities to charge an accommodation tax and receive a portion of lottery incomes were other common suggestions that were put forward. Some towns felt that they should be able to access some of the royalties that come from industry activity in their communities.

Some participants indicated that the Provincial Government should share a portion of the HST with municipalities, offer a rebate, or provide a percent of the provincial income tax.

Many participants agreed that the Federal Government should loosen restrictions on gas tax spending and allow communities to use the funding for other projects. Some towns also requested the Federal Government introduce a Municipal Operating Grant program similar to that of the province.

However, municipalities generally recognized their own role in developing local options for new revenue as well. It was discussed that promoting economic growth in towns and regions in the form of special events, tourism and land development will contribute to more revenue.

Section 4: LSD and Rural Secretariat Regional Councils Discussions

Following the same format as the MNL and PMA discussions, further discussions took place across the province with various Local Service District committee members and the Rural Secretariat Regional Councils.

4.1 LSD Discussions

4.1.1 Polling Questions

1. What are currently the top three expenditure pressures in your community?

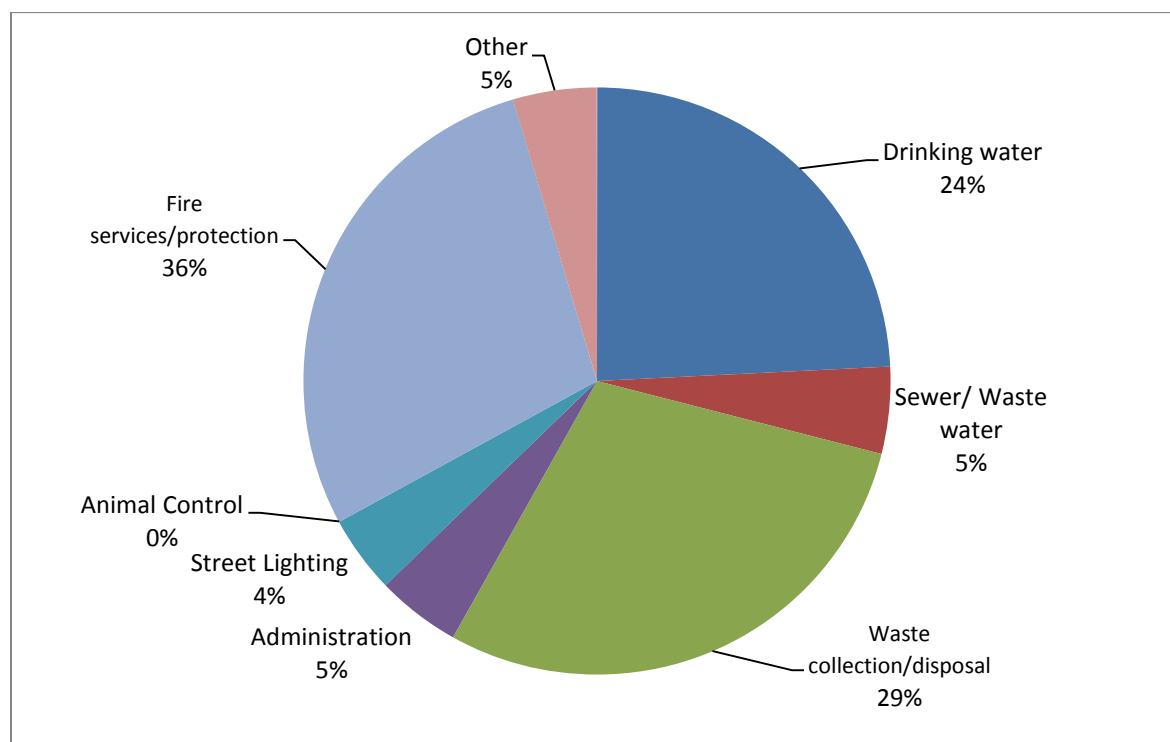


Figure 35: Aggregate results from polling question “What are currently the top three expenditure pressures in your community?”

In Section 3.2, the expenditure pressures of municipalities were examined. In this section, the top expenditure pressures for LSDs are examined. Fire services/protection garnered the highest response (36 per cent), while drinking water and waste collection/disposal received 29 per cent and 24 per cent,

respectively. The top three expenditure pressures amounted for 89 per cent of the total responses for these communities.

2. What do you anticipate will be the top three expenditure pressures for your community in the next ten years?

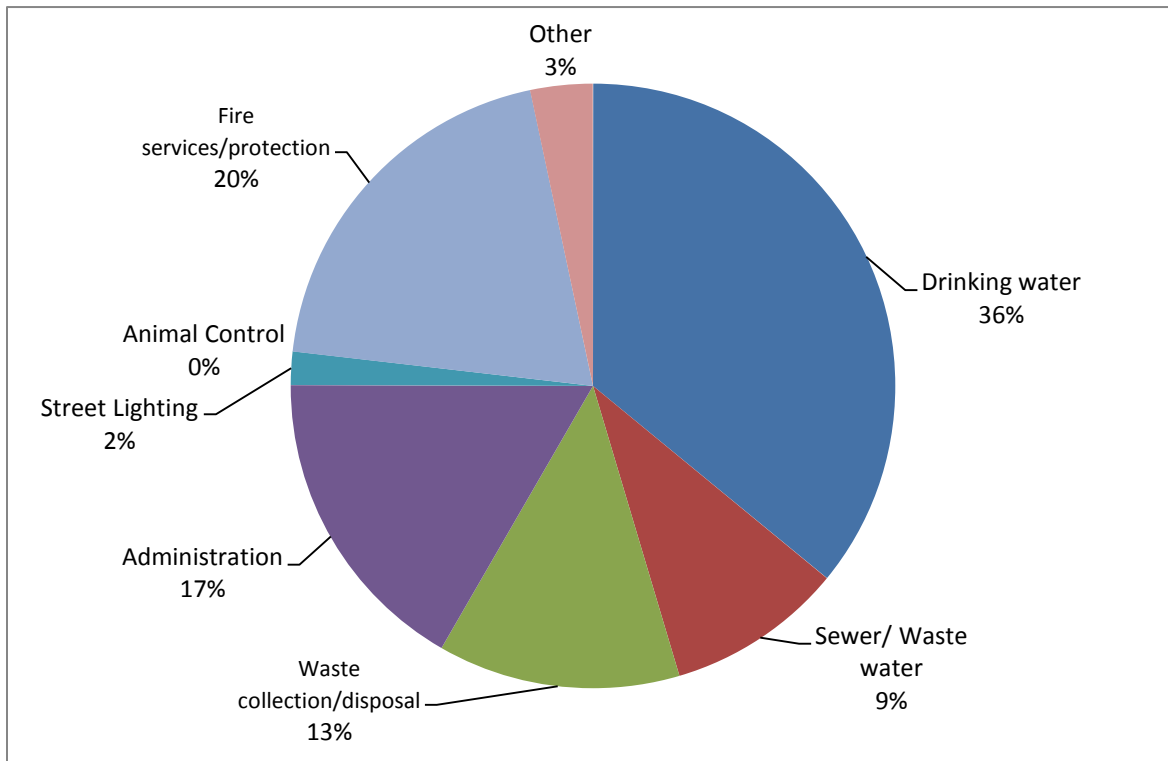


Figure 36: Aggregate results from polling question “What do you anticipate will be the top three expenditure pressures for your community in the next ten years?”

In regards to future expenditure pressures for these communities, the top answer was drinking water, with 36 per cent, while the next three were fire services/protection (20 per cent), administration (17 per cent), and waste collection/disposal (13 per cent).

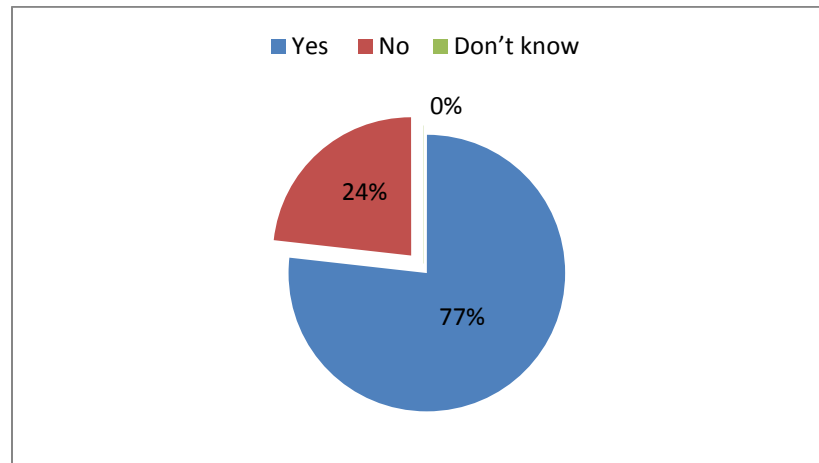
3. Does your community generate sufficient local revenue to meet its needs?

Figure 37: Results from polling question regarding levels of local revenue.

As seen in Figure 37, the majority of respondents (77 per cent) indicated that their community generates sufficient local revenue. Alternatively, approximately 1/4 of respondents indicated that their community did not generate sufficient revenue.

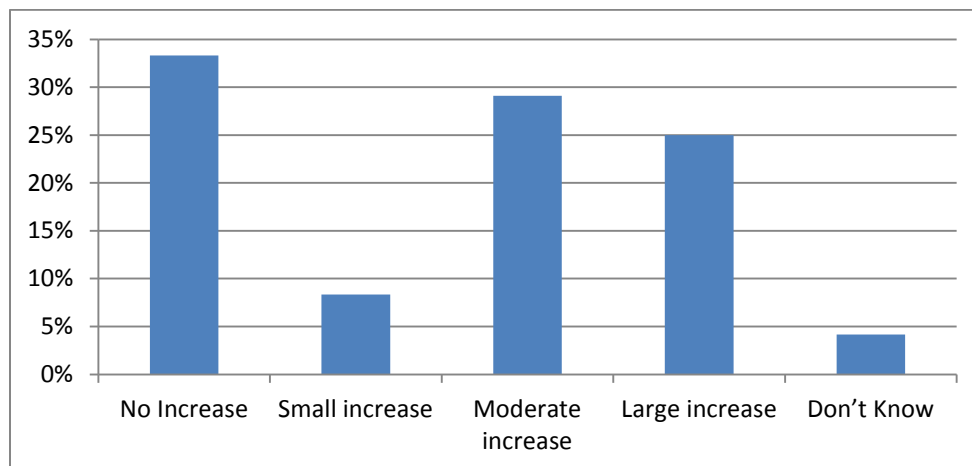
4. How much of an increase would your community need to generate to meet all the service demands of your citizens?

Figure 38: Results of polling question on required increase in revenue.

Different from the MNL/PMA discussions (see: Figure 12), 33 per cent of respondents from the LSD discussions felt that no new increase of revenue was needed to meet all the service demands of their

residents. While 29 per cent felt a moderate increase was needed, and 25 per cent felt a large increase was needed. Combined, 87 per cent of respondents felt there needed to be a small to large increase in revenue to meet the needs of their residents.

5. Do you think businesses in your community should be paying more for the services they receive?

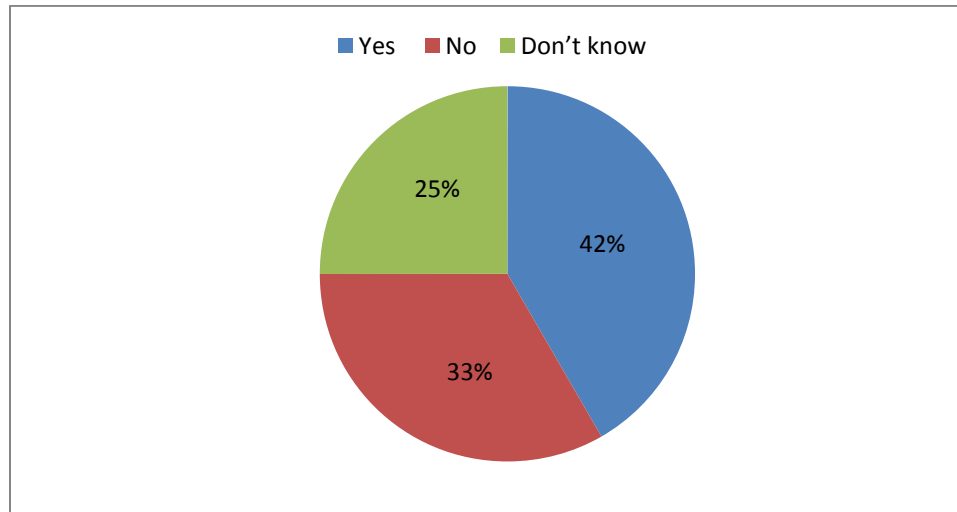


Figure 39: Business and taxations/fee levels.

When compared to the MNL/PMA discussions (see: Figure 16), where only 5 per cent did not know whether or not businesses should be paying more within the community, 25 per cent of those polled in the LSD discussions said they did not know. In addition, 42 per cent said they should be paying more, while 33 per cent said they should not be.

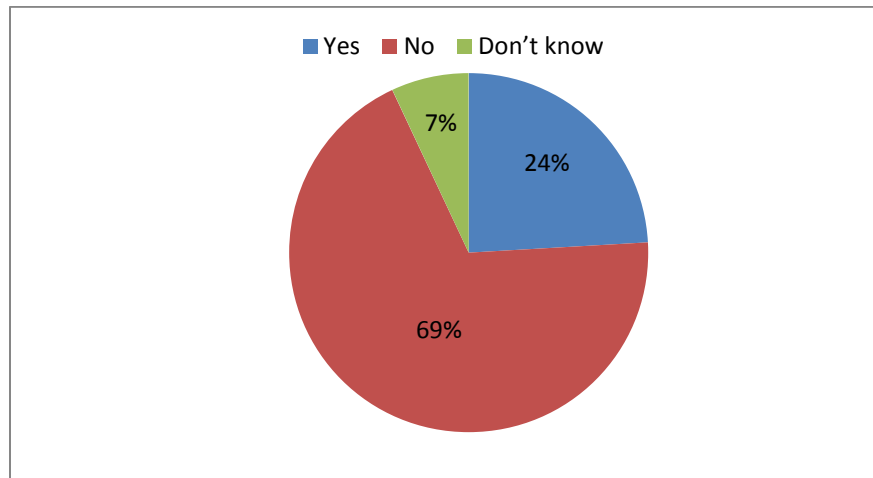
6. Do you think residents in your community should be paying more for the services they receive?

Figure 40: Residents and taxation levels.

During the LSD discussions, over 2/3 of respondents felt residents should not be paying more for the services they receive. While 24 per cent felt they should be paying more, and 7 per cent said they did not know.

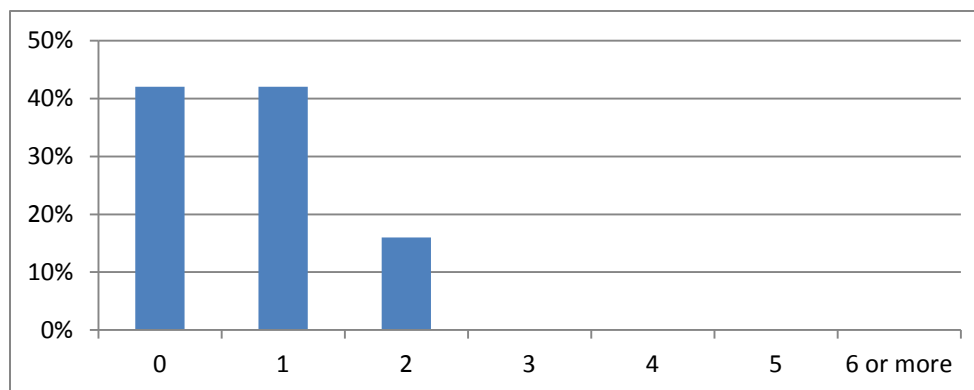
7. How many services are you sharing with another community?

Figure 41: Number of services shared between communities.

When compared to municipalities, the amount of shared services between those in LSDs appears to be far less (see: Figure 22), where, according to respondents, a total of 84 per cent share one service or less, and no more than two services are shared between their communities and others.

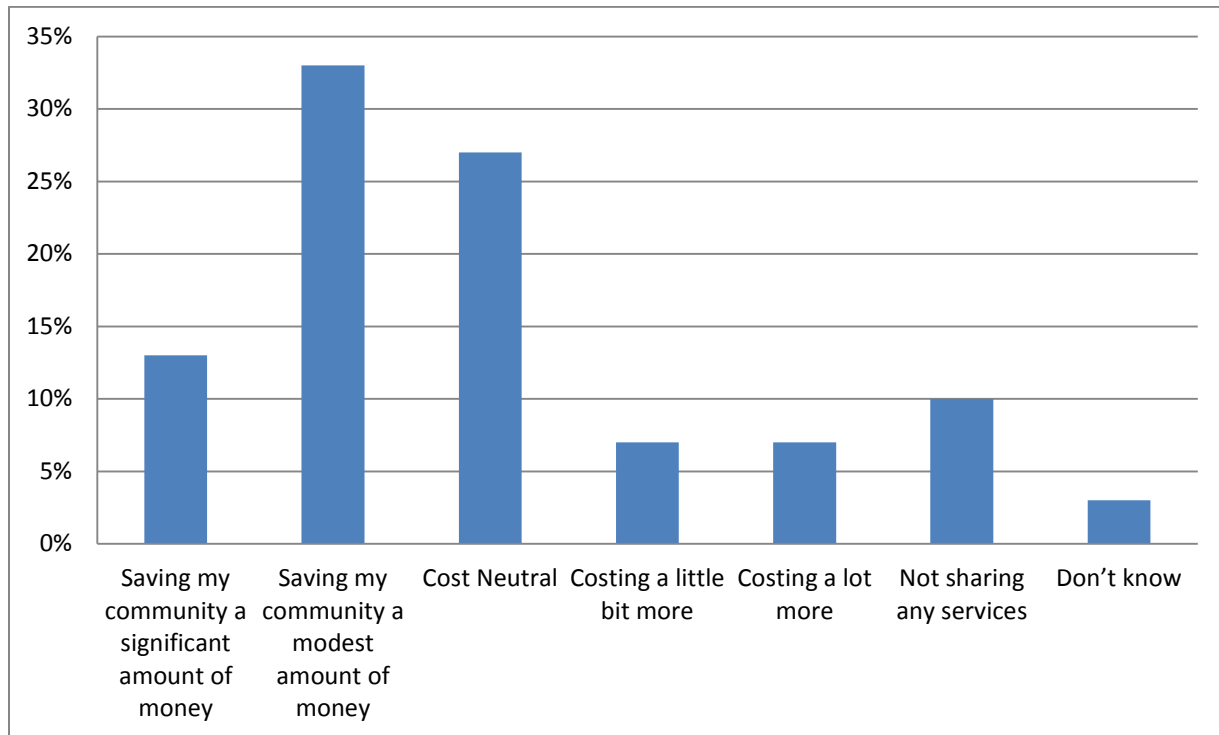
8. Sharing services with other communities is...

Figure 42: Quality effectiveness of sharing services.

This question was about whether or not these communities feel that sharing services is cost effective. The majority of respondents (73 per cent) agreed that sharing services was cost neutral or better. While 46 per cent of respondents indicated that sharing services was saving their community a significant or modest amount of money, 27 per cent thought it was cost neutral, 7 per cent said it was costing a little bit more, and 7 per cent indicated it was costing them a lot more money.

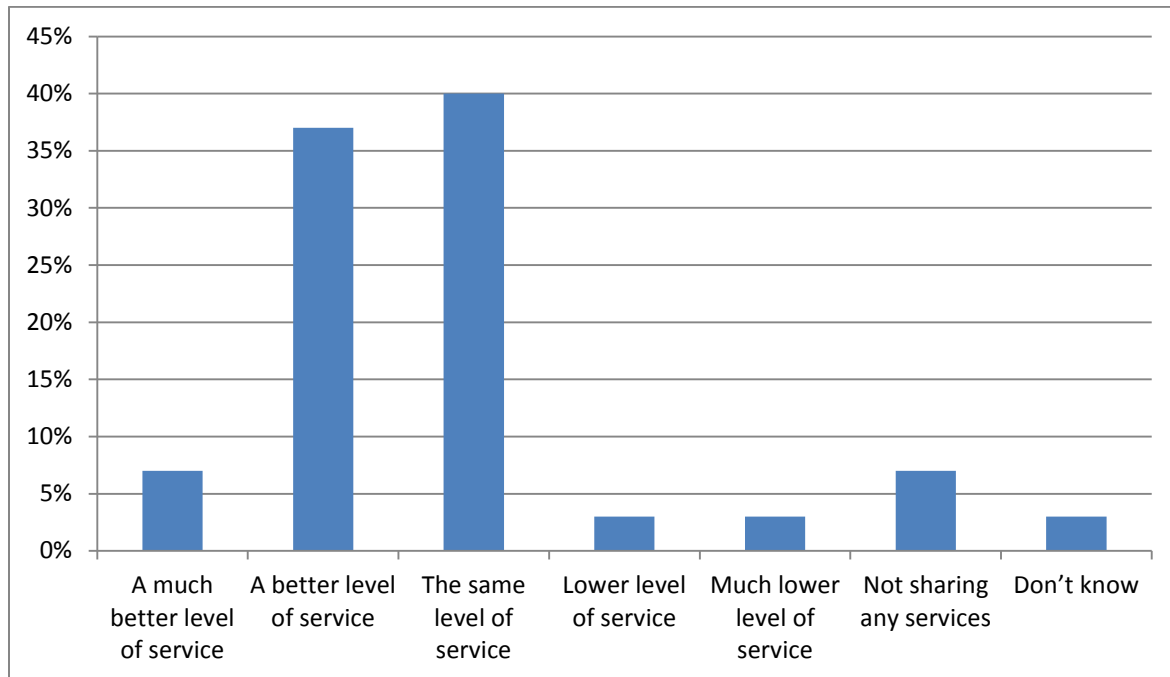
9. Sharing services with other communities is providing...

Figure 43: Quality effectiveness of sharing services.

Where the previous question focused on the cost effectiveness of sharing services, this question focused on the quality of the service being delivered.

While 40 per cent felt that the service was about the same level of quality as a result of sharing service delivery, 44 per cent thought that sharing a service resulted in either a better or much better level of service.

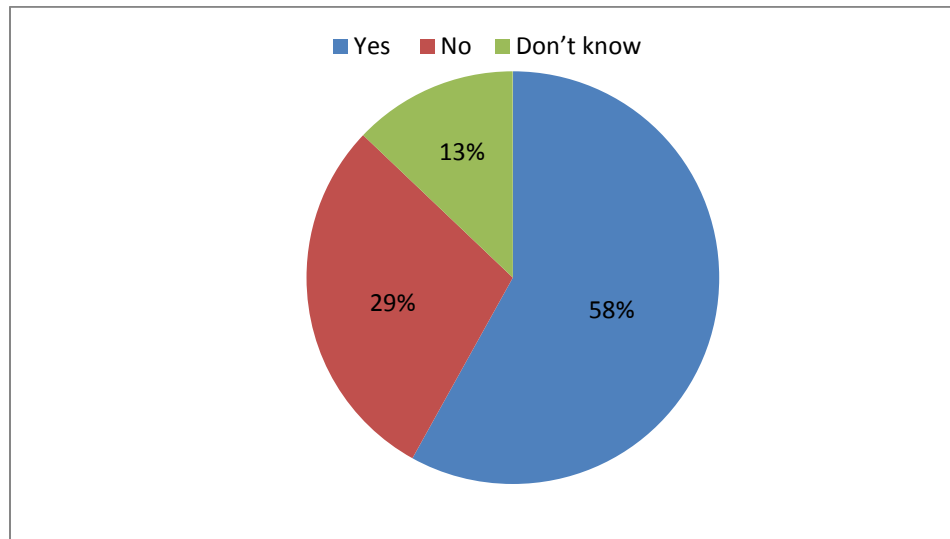
10. Does your community need new revenue sources?

Figure 44: Does your community need new revenue sources?

A majority of respondents (58 per cent) felt that their community needs new revenue sources; while 29 per cent felt they did not.

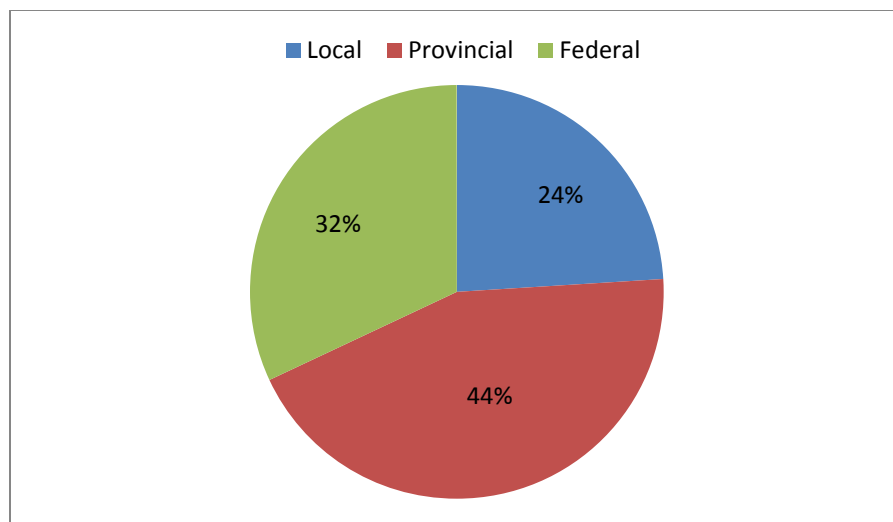
11. What order of government should be responsible for funding new revenue source(s)?

Figure 45: Who should be responsible for funding new revenue sources?

While respondents believed that local governments needed new revenue sources, they also agreed that

the responsibility for providing that funding should be shared among the three orders of government involved. With 44 per cent saying the Provincial Government should be responsible for funding new revenue sources, while 32 per cent said the Federal Government and 24 per cent said Local Government.

4.2 Rural Secretariat Regional Council Discussions

4.2.1 Polling Questions

1. What municipal services do you think should be mandatory?

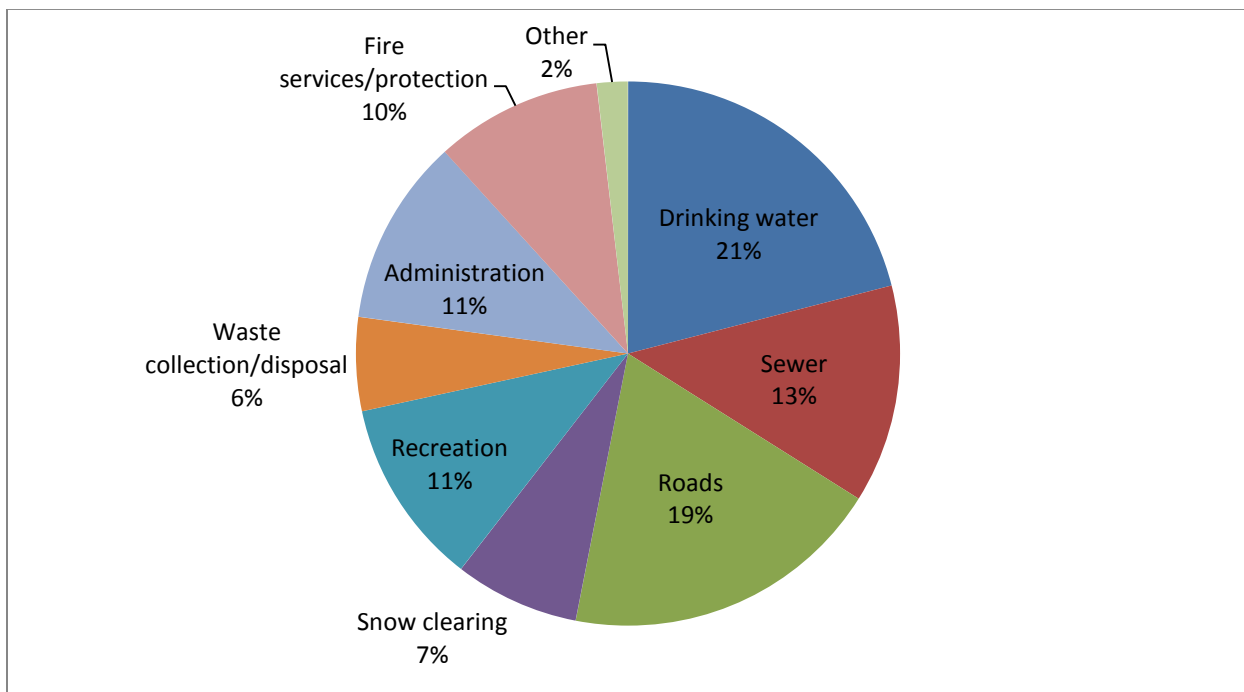


Figure 46: Aggregate results for polling question "what municipal services should be mandatory?"

During the Rural Secretariat Regional Councils discussions, it was identified that drinking water (21 per cent) and roads (19 per cent) were the services most respondents felt should be mandatory.

2. What municipal services do you think need to be improved in your community?

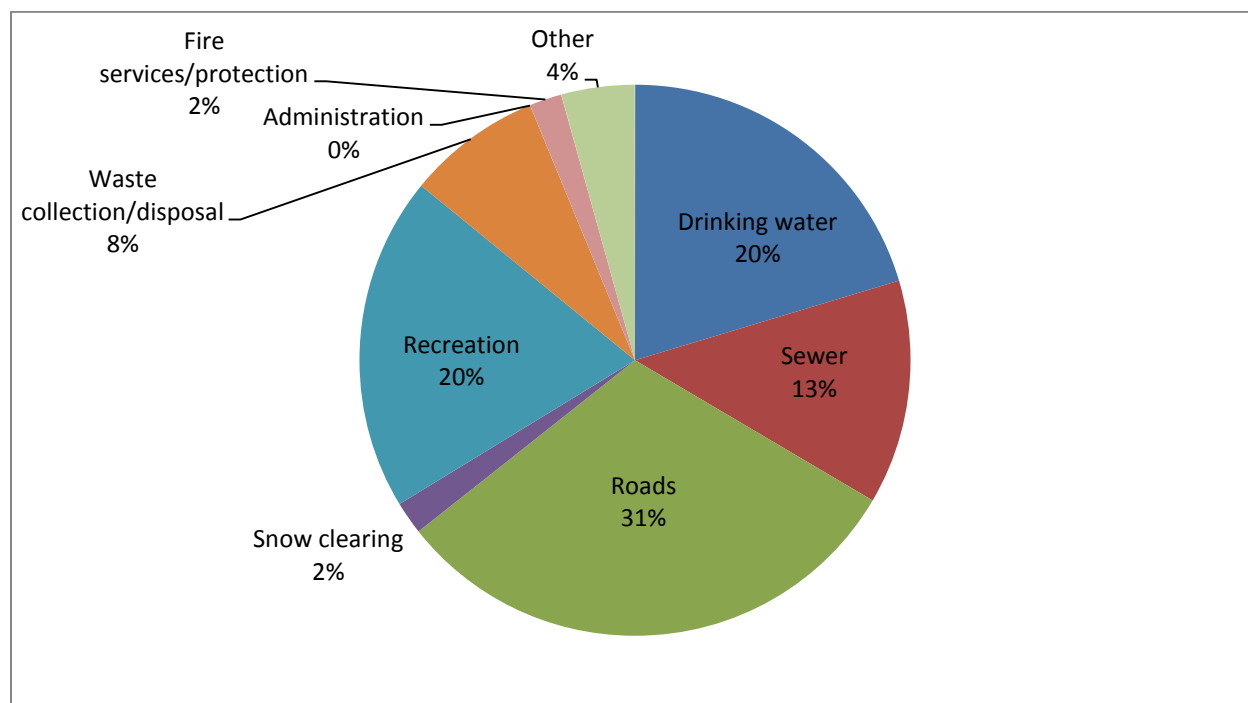


Figure 47: Aggregate results for polling question “what municipal services do you think need to be improved in your community?”

It was identified by respondents that roads (31 per cent), drinking water (20 per cent) and recreation (20 per cent) were the services that needed the most improvement. These three services amounted to 71 per cent of the responses.

4.2.2 Roundtable Discussions

During the Rural Secretariat Regional Councils discussions, various challenges facing communities were identified. The most prominent were outmigration and decreasing demographics. This was noted as affecting the tax base as well as the volunteer base, making it increasingly more difficult to maintain infrastructure.

Other noted challenges were lack of labour and a deteriorating fishing infrastructure. Both cited as hurting communities who rely heavily on fishing and labour jobs.

In regards to how municipal services can be improved, the most common responses were investments in roads, drinking water, and sewer/wastewater. When dealing with drinking water, the majority of respondents mentioned improvements with filtration. While many respondents mentioned that roads should be paved and better maintained, and sewer/wastewater systems need to be upgraded.

In terms of what municipal services they would like to see offered, the top responses were: recreation improvements (especially for seniors); public transit; community incentives for businesses to help out within the community; and improved recycling collection. It was also determined that most respondents would require new or improved services before they would be willing to pay more in fees/taxes.

4.3 Written Submissions/Reports

In addition to the polling and roundtable discussions with LSDs and the Rural Secretariat Regional Councils, direct discussions were also held with stakeholders from various communities and specific regional councils who expressed interest in the Fiscal Framework Review. They were mostly written discussions or reports. The main topics covered were municipal governance and community cooperation and regionalization.

4.3.1 Municipal Governance

A survey conducted by the Gander - New-Wes-Valley Regional Council of its membership reported that 81.5 per cent of respondents felt unsatisfied with their current governance structure. Meanwhile, only 31 per cent of survey respondents from the Grand Falls-Windsor - Baie Verte - Harbour Breton Regional Council indicated that they were unsatisfied.

A majority of polled municipal leaders in the Gander - New-Wes-Valley Regional Council indicated that there is need for a new model of municipal governance. When asked what would be required to strengthen these structures, leaders identified: a better understanding of the pros and cons of various approaches through research and future planning; a more centralized regional government structure; better cooperation between communities; being able to provide paid leadership roles and leadership roles for youth; ensuring the imposition of regional government structures through provincial legislation; and to provide additional clarity to local service districts to understand their authority within the province.

Despite a majority of respondents indicating they were satisfied with the current governance model, 77.8 per cent of respondents in the survey conducted by the Grand Falls-Windsor - Baie Verte - Harbour Breton Regional Council indicated that, at least in principle, there was a need for a new governance model. When asked what would be required to strengthen their current structure, they noted that: there was a need for regional structure, such as a regional board for funding requests; that greater funding would be needed to provide more services per capita in smaller communities; and that there should be a joint Mayors Council and other forms of cooperation for municipalities.

Respondents of both surveys were asked whether an approach similar to the recent waste management strategy would work in their respective regions. Almost 77 per cent of respondents from the Gander-New-Wes-Valley Regional Council indicated that approach would, at least in principle, be effective in the region. Likewise, slightly more than half (51 per cent) of respondents from the Grand Falls-Windsor -

Baie Verte - Harbour Breton Regional Council would be interested in adopting a similar approach.

4.3.2 Community Cooperation and Regionalization

As per a written report from the Gander - New-Wes-Valley Regional Council, 85 per cent of survey respondents indicated that collaboration amongst communities would strengthen local governance. Similarly, almost all respondents (94.6 per cent) from a submitted report from the Grand Falls-Windsor - Baie Verte - Harbour Breton Regional Council indicated they agreed with more collaboration amongst local governments.

The Gander - New-Wes-Valley Regional Council also indicated that there were six primary issues stopping their members from pursuing a more regional approach to service delivery. These included: concerns that large towns will have to help subsidize regional service provision for smaller towns; a territorial nature of communities who do not wish to lose ownership over their resources; a lack of communication between councils; a lack of formal reports or research done on the topic; a lack of perceived value; and a lack of volunteers available to support new services if offered.

The Grand Falls-Windsor - Baie Verte - Harbour Breton Regional Council also indicated some issues their members have had which has stopped them from pursuing more regional collaboration. These included: the high costs and loss of assets that come from collaboration; the lack of volunteers in given communities to assist with new services; the large geographical distance between interested communities; territorial protection from those who do not wish to lose autonomy over their resources; fear of change; a lack of communication; and a lack of strong leadership to take lead on the project.

With respect to what services could be shared, both the Gander - New-Wes-Valley, and Grand Falls-Windsor - Baie Verte - Harbour Breton Regional Councils indicated that there would be an opportunity to share: water services, economic planning, land use planning, fire and emergency services, recreation programs, waste management, and long-term municipal planning.



Section 5: External Stakeholder Meetings

As stated in the Introduction, the stakeholder meeting process was launched in May of 2014, where members of various targeted groups involved in service delivery were contacted for their unique perspectives and opinions – ranging from small business to construction, recreation, hospitality, commerce, and so on. The meetings were conducted through a variety of methods; the majority of which were in-person discussions, however, also included were electronic feedback and regular mail.

The meetings covered a wide range of important topics, spanning from industry specific issues, to those voiced by several stakeholders and spanning multiple industries. The meetings primarily dealt with municipal taxation, alternative revenue streams, service delivery and efficiency, community cooperation and regionalization, and included many suggestions and recommendations throughout. Despite the issues being divided into specific sections, there is an expected amount of crossover between the topics.

5.1 Municipal Taxation

Throughout consultation with various stakeholders, there were many concerns and recommendations which arose relating to the municipal tax system.

During our consultations with one business sector stakeholder, it was indicated that independent business owners in various municipalities across Newfoundland and Labrador pay between two and five times what residents pay on equally assessed property. A concern for the organization, they identified this as the “property tax gap” in municipalities. On this issue, they suggested a cap on the gap between commercial and residential property taxes to be imposed at the municipal level to be a maximum of two to one. As well, it was suggested that the property taxes and business taxes should be blended at the

provincial level.

Regarding the current tax system, the business sector group stated that, due to the many concerns of small business owners, municipalities should not have the power to levy additional taxes, be it through a municipal sales tax or a municipal income tax. This opposition was cited for a variety of reasons, including concerns surrounding the fairness of business taxation and the existing disproportionate burden of property tax.

The business sector group also illustrated many concerns surrounding the equity of the current tax system. Indicating that they believe a fair tax system is one where a ratepayer's burden is roughly equal to the value of goods and services provided. They state that businesses do not use more public goods and services when compared to residents and, in fact, use less. According to them, in order to improve fairness in the property tax system, municipalities would need to lower taxes on commercial property owners, as well as look to controlling the growth of operating expenditures as a means of reducing the tax burden on commercial properties. As well, they believe municipalities should restrain spending by population growth and inflation to ensure reasonable tax levels can be achieved.



Additionally, they acknowledged that when businesses shoulder a disproportionate burden of the tax, they are subsidizing residential property owners. This means there is less accountability built into the system, as increasing commercial property taxes to appease voting residents carries little political consequence for local governments. Further, they note that there is evidence which suggests that when taxes are charged at higher rates to businesses in order to subsidize lower rates to residents, an oversupply of municipal services occur. Notwithstanding the higher taxes they pay, businesses generally receive fewer services as well.

As well, they noted the suggestion that businesses, unlike residents, are able to make money from the property they own, as they can write off expenses and have the ability to “pass on” the burden of higher taxes to consumers by raising prices. They indicated that this is often considered the justification to tax at a higher rate. However, according to them, this view neglects the reality that property taxes are profit-insensitive and must be paid even if a business is struggling to survive in a competitive market environment. By forcing taxation on these businesses, they believe there is a related opportunity cost, as businesses that lack the financial flexibility will be unable to invest in new equipment, raise employee wages, pay down debt, hire additional employees or provide employee training.



Figure 48: External stakeholder suggestions for municipal taxation initiatives

Similarly, another business sector stakeholder also had concerns regarding the municipal taxation system. They stated that the common practice in most jurisdictions of Canada is for Provincial Governments to rebate back to municipalities a full or partial portion of provincial sales taxes. This is not the case in Newfoundland and Labrador, where the City of St. John's, not only pays the Provincial HST, but also pays the Health & Post-Secondary Education Tax (HAPSET) as well as the Gasoline Tax (oftentimes referred to as the Road Tax) on its public transit system. The level of provincial infrastructure in the city is extensive and its reliance on city support infrastructure is equally extensive. The board maintains the province is realizing unprecedented economic and demographic growth, most of which is outside the city parameters, and is therefore not reflected in the ability of the city to generate tax revenues.

They also stated that commercial pay per use for water increased from .88 cents per cubic meter in the most recent budget to \$1.32. Meanwhile, commercial meter rates decreased by 20 per cent. This means that there was a 30 per cent overall increase in tax collected on water from commercial users. Water taxes are not collected as a general revenue instrument, and instead they should be used to solely pay for water-related costs and projects. They also stated that businesses use an estimated 5.6 billion liters of water per year, while government and institutions use an estimated 9.2 billion litres, yet the province pays no water tax, and pay only 5 per cent of the total cost to provide water services in the form of a grant.

5.2 Alternative Revenue Streams

Many stakeholders also brought up concerns and recommendations surrounding new or potential revenue streams.

According to a written submission from another business sector stakeholder, the continued support of the province is essential to the municipalities in order to fund the capital expenditures that are required and expected by residents and business taxpayers.

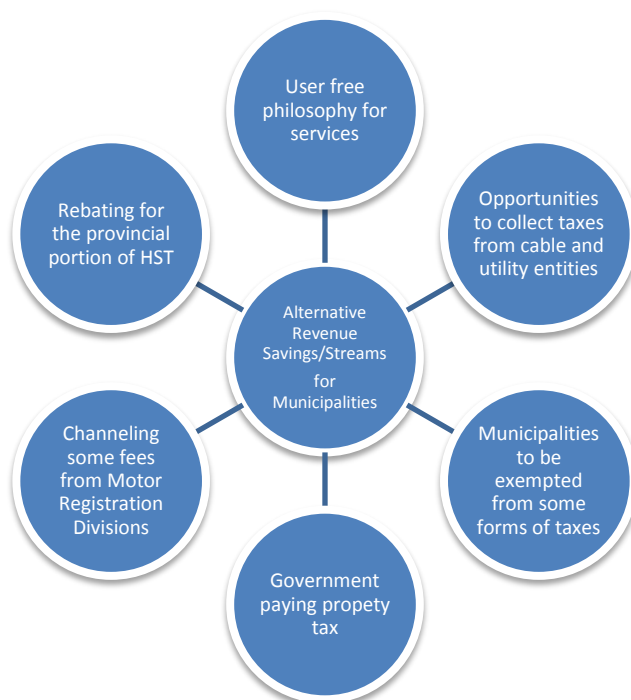


Figure 49: Alternative revenue savings/streams for municipalities

Similarly, they suggested some areas in which the province should consider as possible sources of funding for municipal operations. Their suggestions included: rebating the municipalities for the provincial portion of the HST that the municipalities pay on their expenditures; channeling some of the fees that are collected from motor vehicle registration back to the municipalities; payment of property taxes on the properties that are owned or occupied in the municipalities; municipalities should be exempted from paying Health and Post-Secondary Education tax on their payrolls; municipalities should be exempted from the provincial tax on gasoline purchases; and that there should be changes to the *Taxation of Utilities and Cable Television Companies Act* to provide for more options to collect taxes from cable and utility entities with no fixed place of operation within a municipality.

In consultation with a stakeholder from the hospitality industry, it stated that any room levies (commonly known as accommodations tax/levy) decided upon in any jurisdiction should have the approval of those expected to implement the levy, and that the levy should be industry led, focused and

managed, with monies collected be reinvested back into the tourism industry, though marketing and/or development.

Regarding alternative revenue streams, a business sector stakeholder recommended a user fee philosophy for municipal services be adopted, where appropriate. They suggest user fees offer consumers a choice to pay for a particular service and involve a direct relationship between consumption and the value of service. They believe those who consume services should be directly responsible for paying for those services.

5.3 Service Delivery and Efficiency

Throughout the consultation process, many stakeholders also brought up concerns regarding the efficiency of service delivery and infrastructure projects within Newfoundland and Labrador.

In correspondence with a public works stakeholder, they outlined some concerns they have with present service delivery. This includes the availability and upgrading of water supply systems, sewage treatment systems, and solid waste disposal systems. Many of their concerns stem from the Federal Government's wastewater regulations and monitoring procedures. Similarly, they also spoke of concerns about roads and road upgrading, storm water management, aging infrastructure, and the lack of young workers in the communities across the province.



As well, a business sector stakeholder made some recommendations for service delivery. They suggested working public partnerships with the private sector to explore alternative and innovative approaches to ensure that efficiency is maximized and local business growth is encouraged. Similarly, they recommended that the Provincial Government play a role in creating a “culture of efficiency” to save both municipalities and the province money. This includes having the Provincial Government pay for water

tax, permits, and a review of existing programs, policies and positions on service delivery.

During our consultation with a construction industry stakeholder, they identified that a large expenditure pressure for the construction industry was the planning process. They stated that municipal projects can sometimes be difficult to complete on time and on budget, given not only the short construction season, but the remote location of many towns, which increases both travel and operation

costs.

In regards to efficiency, they indicated that the tendering process between towns is not consistent. This in turn causes delays and confusion when contractors bid on tenders. In addition, many tenders are released at the same time, as well as not being promoted enough, reducing the ability of the best potential party to bid. This poor tending procedure results in a lower numbers of bids and resulting high cost of project.

They also contend that the demand for construction/contractors has increased as industrial development continues to grow around the province. They indicated their belief that fewer companies are interested in bidding on municipal works because other private work may be more profitable and easier to work with, with less red tape and delays.

Meanwhile, another business sector stakeholder stated that the costs of maintaining and operating the infrastructure and various programs to meet the needs of growing and maturing communities are increasing and, while provincial funding for operations has been minor in relation to capital funding in the past, they believe the province still has a role to play in providing funding for operations in addition to funding for capital projects.

Additionally, they believe that, in order to ensure the proper planning and financing of projects, there should be more emphasis placed on multi-year capital funding. This includes improving the process for capital funding monies from the province to enable municipalities to complete capital projects in a more efficient manner, and improving communication and coordination with respect to provincial projects and neighboring municipalities.

One idea proposed by a business sector stakeholder was to improve service efficiency and ensure that cost is minimized was the implementation of an independent Municipal Auditor General by the Provincial Government. This auditor would regularly visit municipalities and monitor, review, and report on their spending activities.

5.4 Community Cooperation and Regionalization

Throughout meetings with stakeholders, many organizations brought up the benefits that could come from additional community cooperation and regionalization.

A business sector stakeholder recommended increasing regional cooperation for all communities across the province, especially relating to incurring costs for infrastructure development. This includes sharing fire protection services, waste water and sewer resources, and garbage disposal services. In doing so, they believe that the Provincial Government should play a leadership role in facilitating greater cooperation in North East Avalon

In our consultation with a hospitality stakeholder, they recommended a shared responsibility in leading

growth and development of what they see as a highly interdependent tourism industry. This includes all government departments and agencies with tourism-related mandates being required to strategically align and integrate, and ensure a strategic focus towards shared goals. Additionally, they recommended working collaboratively to have more clearly defined roles and responsibilities within the industry, government departments, and regional tourism organizations and stronger linkages with all levels of government.

Similarly, a recreation stakeholder had many recommendations, with the primary focus on greater regional cooperation amongst communities. These recommendations include: the creation of more regional recreation programs; an increase in the development of recreation infrastructure, such as shared facilities, parks, playgrounds, and trails; and more formal agreements to access schools for community recreational use.



As well, a public works stakeholder also recommended the Provincial Government work towards providing more regional services rather than allowing municipalities to provide these services alone. As a result, they believe that services can be achieved at a more stable cost.



Section 6: Survey Questionnaires

6.1 Online and Handwritten Surveys

The online survey (see: Appendix D), which was located on the Department of Municipal and Intergovernmental Affairs website, and administered using a third party online survey platform, was released on January 31, 2014 and closed on June 30, 2014. In addition to being available online, it was also available via email, fax, and traditional mail, with a dedicated phone number established to request the survey in these formats, or to be administered over the telephone itself.

In addition, handwritten surveys (see also: Appendix D) were distributed at the beginning of June, 2014, to various province-wide institutions, such as the eight Motor Registration Division (MRD) locations, along with the six Crown Land Administration locations. The handwritten surveys mirrored the same questions as the online surveys.

Limitations

The potential limitation of the online and handwritten survey data collected is that the sample size may not be representative and therefore no statistically based consensus can be drawn.

Online/Handwritten Survey Questions

Question 1: Individual communities have the authority to provide a number of services to residents. Communities determine the types of service they will provide depending on local circumstances. Are there services that you would like your community to offer that are not currently being offered?



Figure 50: Proposed municipal services that are otherwise not currently offered.

There were five primary services that surveyed residents indicated they would like to see offered in their community: Public Transport, Water and Sewer, Recycling and Composting, Street Lighting and Maintenance, and Recreational Facilities.

Water and sewer services were a common response from individuals whose communities did not currently provide them, as was street lighting and maintenance. As well, residents from larger communities stressed the need for curbside recycling and composting programs. A common theme from residents of all municipalities was increased recreational facilities, including activities for youth, adults and seniors.

Question 2: Are there services offered in your community that you would like to see improved? Please identify these services and include any suggestions you may have on how these services can be improved.

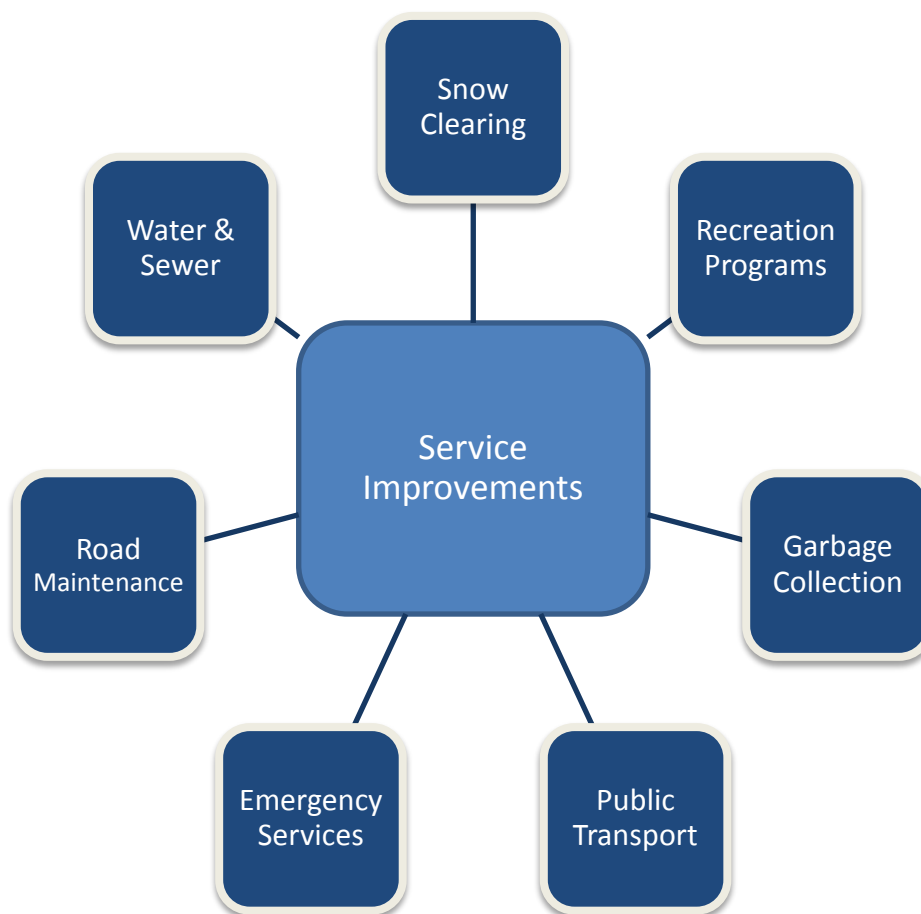


Figure 51: Municipal services which people would like to see improved.

Respondents offered varying suggestions on the services which they felt were most needed to be improved in their communities.

Many stated that there needed to be more road maintenance, and more reliable water and sewer, snow clearing, and garbage collection services. In addition, a great deal of respondents identified their communities' need for funding and expertise to manage infrastructure improvements and maintenance. Many residents with water systems cited boil orders as a recurring problem for their communities, as well as what they considered to be outdated and/or mismanaged water and sewer systems

Some respondents indicated they would like to have quicker access to emergency response services like

fire and ambulances, which they described as having wait times which are worrisome in many emergency situations, especially in more rural areas.

Those in larger municipalities stressed the need for better and expanded public transport services, as well improved urban planning (such as bussing and merge lanes) in relation to increased traffic flow and extensive commutes, which they believed to be preventing access to jobs from their communities. More specifically, it was stated that the traffic in and out of St. John's and surrounding area has become problematic, and is in need of more efficient infrastructure upgrades. Additionally, it was suggested that any substantial highway and non-residential roadwork be arranged during the evenings and overnight, so that rush hour traffic flow is not hindered.

In addition, those in larger communities who already have some form of a recycling program in place stressed the need for glass and Styrofoam to be included in the list of accepted recyclable materials.

Furthermore, recreation was a reoccurring answer, with communities wishing to have better access to recreation programs, including year-round activities for youth and seniors. Suggested recreation programs include organized sports, indoor/outdoor walking tracks, parks, arts and culture centres, and continued learning in new technologies, such as smartphones and tablets; in addition to the more effective usage of school properties for recreational sporting events and afterschool activities. Some respondents cited a government owned or charitable casino and advocated it would bring in more taxable revenue from both tourists and residents.

In relation to the following survey question, some respondents cited the Jack Byrne Arena as a prime example of communities (in this case, Torbay, Logy Bay-Middle Cove-Outer Cove, Flatrock and Pouch Cove) being able to work in partnership to fund and operate a regional recreational facility.

Question 3: Communities can hire staff to deliver services or they can purchase services from other providers (such as contractors). In some other cases, communities work with neighboring communities to share resources and services. Please provide your thoughts on what services could be provided or improved if communities in your area worked together.



Figure 52: What services could be provided and/or improved with regional cooperation

Respondents offered many suggestions on what services could be shared if more communities worked together. Many suggested sharing administrative staff and equipment, such as having a regional bookkeeper, and/or a single person who would apply for and coordinates grant applications and projects. By sharing administrative staff and equipment, respondents indicated they believed it would cut down on needless duplication and inefficiencies, and offer substantial cost-savings for the communities involved. Additionally, it was suggested to have a main and centralized administrative hub, so that resources and expertise might be utilized and shared amongst neighboring regional communities.

Likewise, it was suggested to share emergency services, such as fire protection, as the maintenance of a fire hall in every community was often costly and had little use, especially when many of these communities are in such close proximity to one another. Several respondents also stated that some of their communities already share emergency services, and that it functions well for them and would likely be a success in other rural regions.

Recreation services were also suggested, including providing infrastructure upgrades to more centrally located communities which would provide recreation services for multiple local communities. For instance, the aforementioned Jack Byrne Arena, which provides services to several surrounding

communities. Additionally, it was suggested that communities should have more discussion about economic and development planning to ensure it is more successful.

Respondents also indicated that while sharing services could be worthwhile, it is often unlikely to occur due to unwillingness on the behalf of town councils, and as well the significant distance between some communities.

Finally, the general consensus amongst respondents was that, regardless of the varying proposed solution(s), the current structure is not working to the benefit of all communities across the province.

Question 4: Municipal revenue to fund services for residents is partially covered by locally-raised taxes and fees. Are you willing to pay more in order to improve or add new services to your community's existing services? Why or why not?

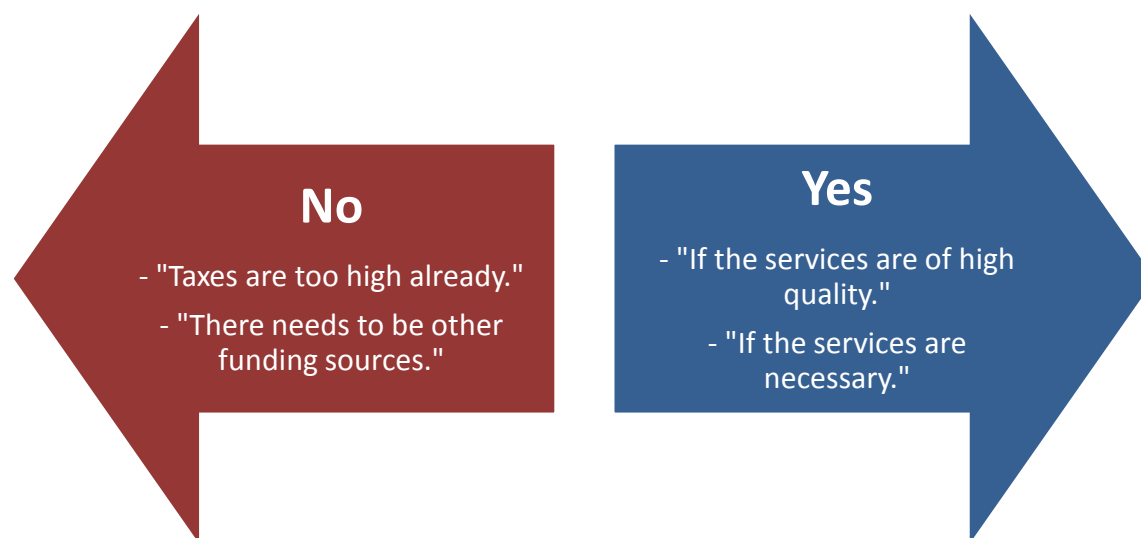


Figure 53: *Would you be willing to pay more for improved and/or new services?*

Respondents were generally conflicted on whether they would be willing to pay more to improve or add new services to their community.

Many that opposed a tax increase did so because they did not believe they were already receiving adequate quality municipal services for their taxes, and indicated that there would need to be other funding sources made available (via either the Federal or Provincial government) to fund new services.

As well, several respondents stated that they were retired or elderly residents, many of whom already reside in a small tax base area, are on a fixed income, and do not have enough incoming capital to take on a higher tax burden.

Meanwhile, others indicated they were willing to pay increased taxes, providing the services were either of high or better quality, or necessary for the community, such as water and sewer, or road maintenance. Some respondents identified that there would need to be some form or discernible proof or evidence that improved service would actually occur before they would agree to pay more.

Similarly, it was requested that more residents be educated on what Local Service Districts (LSDs), Regional Service Boards, and unincorporated/incorporated communities are; their differences and similarities, what sort of limitations/benefits they have, and roles they perform. Therefore, residents can better understand how the province's current civic structures operate.

6.2 Telephone Survey

A province-wide telephone survey (see: Appendix E) was conducted from July 16 to August 4, 2014. A total of 221 residents agreed to complete the survey, with 162 coming from municipalities, and 59 coming from LSDs/Unincorporated Areas. Regionally, 68 came from the Avalon, 51 from other Eastern areas, 50 from Central, and 52 from Western/Labrador. Quotas were set by region and community type to ensure sufficient sample would be available for analysis.

A random sampling technique was employed, where households were randomly selected using the telephone listings available within Newfoundland and Labrador. A minimum of three call-backs were conducted to minimize a "not at home" bias. Data collection took place Monday to Friday from 1:30pm to 9:30pm, Saturday from 11:00am to 7:00pm and Sunday from 1:30pm to 9:30pm. This was to ensure that data collection occurred during various times of the day and days of the week.

Telephone Survey Questions

Question 1: Which of the following municipal services do you receive from your city, town, or community, and, if any, from a nearby city, town or community?

Services	Your City/Community	Nearby City/Community	Do Not Receive	Don't Know
Fire Services/Protection	85%	12%	2%	1%
Administration	77%	7%	15%	1%
Waste Collection/Disposal	73%	20%	4%	3%

Services	Your City/Community	Nearby City/Community	Do Not Receive	Don't Know
Recreation	68%	8%	19%	5%
Snow Clearing	68%	6%	20%	6%
Road Construction/Maintenance	60%	10%	22%	8%
Sewer/Wastewater	67%	2%	30%	1%
Drinking Water	74%	3%	22%	1%

Figure 54: From where does your community receive its municipal services?

Of those surveyed, 85 per cent of respondents stated that their community provides their fire services/protection, while 12 per cent said they receive the services from another nearby community.

With 77 per cent of respondents stating that they receive administration services (tax billing/collection, etc.) from their community, while 15 per cent said they do not receive any administrative services, and 7 per cent said they receive it from a nearby community.

When it comes to waste collection/disposal, 73 per cent of respondents said those services are provided by their community, while 20 per cent said it was provided from a nearby community.

When asked about recreation services, 68 per cent of respondents stated that they receive these services from their own community, while 19 per cent said they do not receive any recreation services, and 8 per cent said that they receive it from a nearby community.

Similar to the results on recreation, 68 per cent of respondents said they receive snow clearing services from their own community, while 20 per cent do not receive these services at all, and 6 per cent receive it from a nearby community.

Much like the recreation and snow clearing results, where a higher number of respondents do not receive such services, 22 per cent of respondents said they do not receive road construction/maintenance. While 60 per cent of respondents said they receive from their own community, with 10 per cent receiving it from a nearby community.

With the highest percentage of a lack of service for residents, 30 per cent of respondents stated they do not receive any sewer/wastewater services. While 67 per cent said they receive sewer/wastewater services from their community, and only 2 per cent from a nearby community.

In regards to drinking water, 74 per cent of respondents stated they receive this service from their community, while 22 per cent said they do not receive it, and 3 per cent receive the service from a nearby community.

Question 2: What issues, if any, do you have with each of the following municipal services?

Roads

The service which garnered the most responses from those surveyed was roads, with the most common issue being the abundance of potholes and their lack of repair. Many respondents cited that even when potholes are repaired, they aren't repaired properly, or in a timely enough manner. This causes damage to cars, and even further damage to the roads themselves.

Other issues discussed was the pavement of dirt roads and side streets, lack of sidewalks, as well as timing and extensiveness of road maintenance, especially in heavy traffic areas.

Fire Services/Protection

When it came to issues surrounding fire services/protection, the majority of respondents cited a lack of efficient service. More specifically, their community's reliance on volunteer firefighters, distance from a fire station, as well as lack of proper funding.

Many respondents stated that their communities are too far from a fire station, some as far as 30 minutes or more away. As well, there is a heavy reliance on a small staff of volunteer firefighters, some of whom are only available at certain times of the year or live quite far away from the fire station. To go along with that, much of the equipment is quite out of date and in need of replacement or repair.

Some respondents suggested shared services amongst surrounding communities, so that there could be a larger staff, a closer fire station, as well as a larger tax-base to be able to afford equipment and facility upgrades.

Administration

The biggest issue respondents had with administrative services or cost, such as tax billing/collection, was that they felt taxes are too high for the services they receive. A number of respondents cited that many of their services have remained the same; however, the tax burden on them has increased over the years.

Those in rural areas, as well as seniors were the largest advocates of a lower tax rate, or specifically a tax rate that matched the services which they receive.

Waste Collection/Disposal

In regards to waste collection/disposal, there was a diverse collection of issues mentioned by the respondents, many of which surrounded the recycling programs across the province. Many respondents from smaller communities wished to have curbside recycling similar to what the larger centres have.

While those who already have a recycling plan wished for it to be improved, such as a more frequent pickup and a larger assortment of recyclable materials (glass, etc.).

When dealing with garbage collection, the majority of issues revolved around concerns with the inconsistency and infrequency of garbage pickup, as well as recent increases in cost.

Recreation

Recreation tended to be a greater issue for respondents located in smaller communities. Many of them discussed the lack of recreational facilities in their area, especially for children and the elderly. A number of those that do have recreational facilities, parks, and playgrounds in their area stated that they were too small or did not receive enough upkeep or funding. With an aging population, many respondents stressed the need for mental and physical activity opportunities for the elderly within their communities.

Snow Clearing

The main issue when discussing snow clearing was the frequency and the quality of the snow clearing. More specifically, in St. John's and other larger communities, residents commented on the lack of sidewalk clearing, citing its danger for pedestrians. While in the smaller communities, the time it takes to do the roads within their community was a frequent response.

Sewer/Wastewater

Most of the issues involving sewer/wastewater dealt with sewage outfalls, where a number of respondents from all across the province were concerned about the outfalls of raw sewage into the ocean. Also mentioned was the out of date facilities, pumps, and pipes that are in need of upgrade and repair in many communities.

Drinking Water

When it came to drinking water, a number of respondents cited issues with their community's water treatment and supply. Many people stated that their community has been under a boil order for an extended period of time, as well as some people indicated they do not drink their tap water regardless. In addition, some respondents mentioned that although their water is treated, there is too much chlorine in it to make it drinkable.

Question 3: Are there any additional municipal services you would like to receive, and would you be willing to pay more for them?

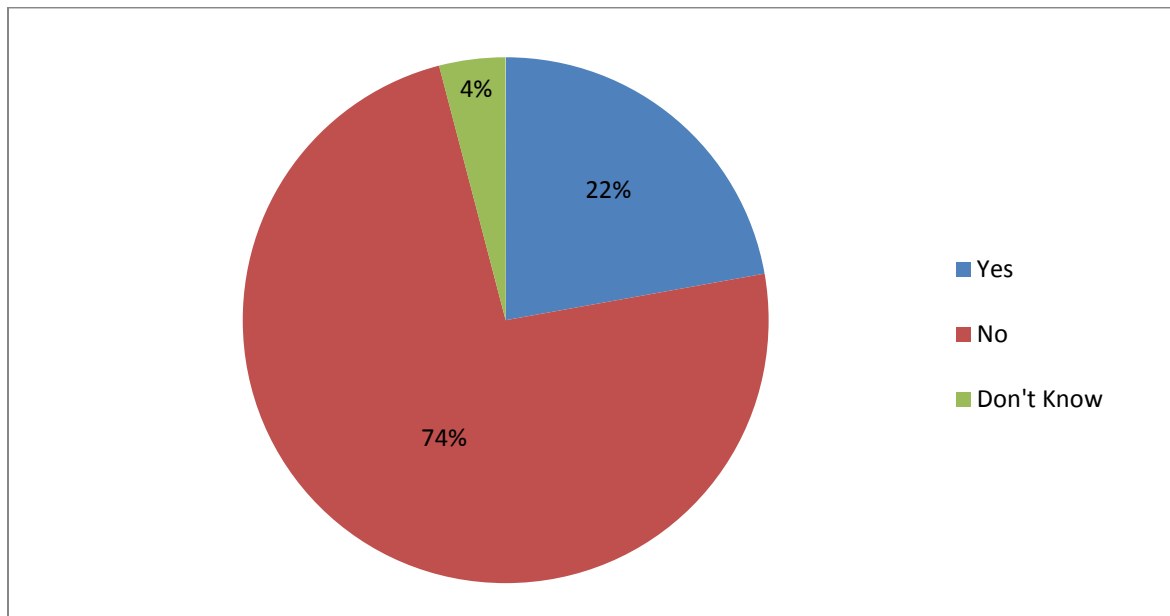


Figure 55: Would you be willing to pay for any additional services?

As shown in Figure 55, 74 per cent of respondents stated that there are no additional services they would like to receive for which they would be willing to pay more. What must be noted is that the “no” encompasses both the response to the need for additional services, as well as the willingness to pay for any additional services. Meaning, some respondents wished to have additional municipal services, but responded no because they would not be willing to pay more for those services.

On the other hand, 22 per cent of respondents stated that there are additional municipal services they would like to receive, and they would be willing to pay more for them. While 4 per cent said they did not know.

Question 4: What municipal services would you like to receive and how much would you be willing to pay per year for each of these additional services?



Figure 56: What municipal services would you like to receive?

Related to Figure 56, those that stated they wish to receive more municipal services, and were willing to pay more, had an opportunity to elaborate on what those services were, and how much were they willing to pay.

Drinking water and sewer/wastewater services garnered the most responses, where a great deal of respondents stated that they do not receive proper services. The range at which people said they would be willing to pay for this service was from \$50 to \$600 per year; however, the majority of respondents said they did not know how much they'd be willing to pay.

Fire protection services received a number of responses as well, where all the respondents stated that they did not know how much they'd be willing to pay. This is given the fact that the solution to this improved service may be shared services with another community, an updated facility and equipment, a larger staff, and so on.

Recreational services, especially for those respondents in more rural areas, also received some responses. The range at which people said they'd be willing to pay for additional recreation services was from \$50 to \$300, for services such as a full recreational facility, a playground or park, and so on.

Recycling services was also a recurring service respondents wished to receive. The majority either did not know how much they would like to pay for the service, or felt it would be included under their waste

management services, with perhaps a slight increase in yearly cost. Composting was also mentioned a few times when the issue of recycling was discussed.

Lastly, road maintenance was an additional service respondents wished to receive. Mostly all respondents did not know how much they would like to pay for better road maintenance services, given the fact that such services ranged from road pavement, road repairs, sidewalk pavement, and so on.

Question 5: For each of the following statements, please indicate whether you believe them to be more cost efficient if they were delivered either locally or regionally:

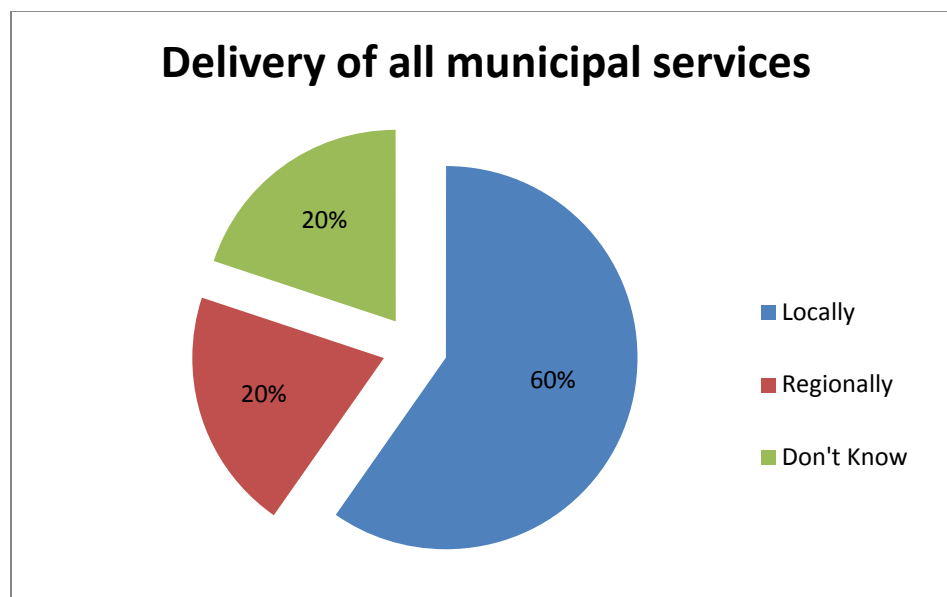


Figure 57: Most cost efficient delivery of municipal services?

Of those surveyed, 60 per cent of respondents felt the delivery of all municipal services is more cost efficient when delivered at a local level. While 20 per cent stated it is done more efficiently at a regional level, and another 20 per cent said that they did not know.

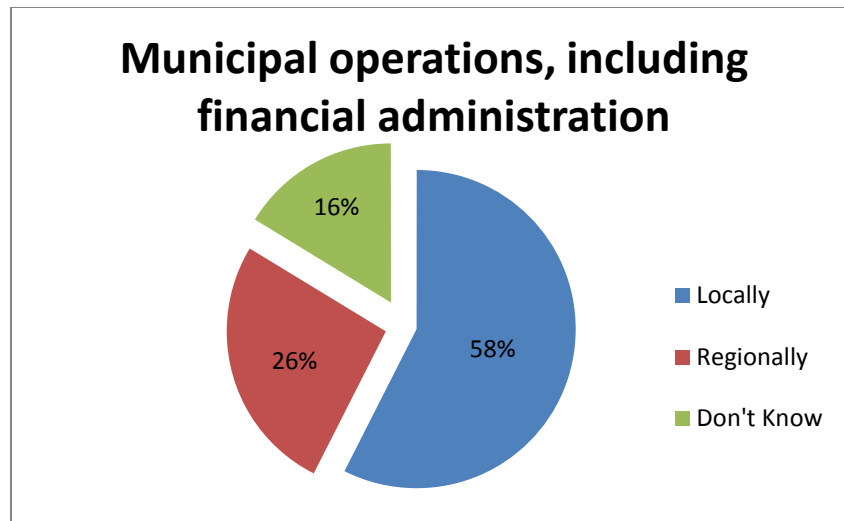


Figure 58: Most cost efficient delivery of municipal operations?

Of those surveyed, 58 per cent of respondents felt the delivery of all municipal operations, including financial administration, is more cost efficient when delivered at a local level. While 26 per cent stated it is done more efficiently at a regional level, and 16 per cent said that they did not know.

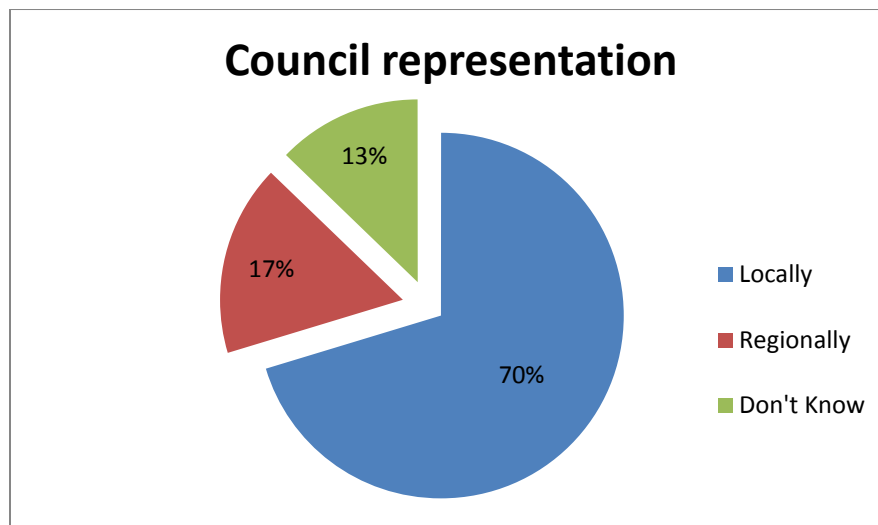


Figure 59: Should councils be comprised of local candidates or regional candidates?

Of those surveyed, 70 per cent of respondents felt the delivery of council representation is more cost efficient when delivered at a local level. While 17 per cent stated it is done more efficiently at a regional level, and 13 per cent said that they did not know.



Section 7: Appendices (A-E)

Appendix A: Polling and Discussion Questions for PMA/MNL Roundtable Discussions

1. What are currently the top three expenditure pressures in your municipality?
2. What do you anticipate will be the top three expenditure pressures for your municipality in the next ten years?
3. What are the causes of the expenditure pressures your community is currently experiencing?
4. How is your municipality addressing these expenditure pressures?
5. Does your municipality generate sufficient revenue (in conjunction with your Municipal Operating Grant, if applicable) to meet your needs?
6. How much of an increase in revenue would your municipality need to meet all the demands of your taxpayers?
7. What changes would you make to the current property tax and assessment system?
8. What changes would you make to the other local revenue sources (e.g. poll tax, water/sewer tax, business tax, utility tax)?
9. Do you think businesses in your community should be paying more for the municipal services they receive?
10. Do you think residents in the community should be paying more for the municipal services they receive?
11. What government funding transfers are most important to your municipality?
12. How many municipal services are you sharing with another community?
13. Sharing services with other communities results in...
14. Sharing services with other communities is...
15. Identify why certain regional collaborative/cooperative initiatives worked for your municipality.
16. Identify mechanisms or structural changes that would enhance regional cooperation/collaboration?
17. Do municipalities need new sources of revenue?
18. What orders of government should be responsible for funding the new revenue sources?
19. Identify options for new sources of revenue for municipalities.

Appendix B: Polling and Discussion Questions for LSD Discussions

1. What are currently the top three expenditure pressures in your LSD?
2. What do you anticipate will be the top three expenditure pressures for your LSD in the next ten years?
3. Does your LSD generate sufficient revenue to meet your needs?
4. How much of an increase in revenue would your LSD need to meet all the demands of your citizens?
5. Do you think businesses in your LSD should be paying more for the municipal services they receive?
6. Do you think residents in your LSD should be paying more for the municipal services they receive?
7. How many services are you sharing with another community?
8. Sharing services with other communities results in...
9. Sharing services with other communities is providing...
10. Do LSDs need new revenue sources?
11. What order of government should be responsible for funding new revenue source(s)?

Appendix C: Polling and Discussion for Rural Secretariat Regional Council Discussions

1. What municipal services do you think should be mandatory?
2. What municipal services do you think need to be improved in your community?
3. What new municipal services would you like to see offered by your community?
4. Identify mechanisms or structural changes that would enhance regional cooperation/collaboration.
5. Would you be willing to pay more service fees/taxes to improve the quality of services in your community?
6. What percentage of funding do you think the local and Provincial Government should provide for the delivery of municipal services in your community?
7. Is there anything you would like to include or add regarding our conversation here today?

Appendix D: Online and Handwritten Survey Questions

1. Please check ONE box that best describes your point of view in relation to this survey.

- ☐ Resident of a Community
- ☐ Municipal Administrator/Professional
- ☐ Elected Official
- ☐ Business/Industry
- ☐ Member of Stakeholder Association/Organization
- ☐ Other - please specify: _____

2. Please tell us in which community you reside.

3. Individual communities have the authority to provide a number of services to residents. Communities determine the types of service they will provide depending on local circumstances. Are there services that you would like your community to offer that are not currently being offered?

4. Are there services offered in your community that you would like to see improved? Please identify these services and include any suggestions you may have on how these services can be improved.

5. Communities can hire staff to deliver services or they can purchase services from other providers (such as contractors). In some other cases, communities work with neighboring communities to share resources and services. Please provide your thoughts on what services could be provided or improved if communities in your area worked together.

6. Municipal revenue to fund services for residents is partially covered by locally-raised taxes and fees. Are you willing to pay more in order to improve or add new services to your community's existing services? Why or why not?

7. Please add any additional comments not addressed by the preceding questions.

Please place your completed survey in the location provided at this site, or mail it to the Department of Municipal and Intergovernmental Affairs at the address below:

Appendix E: Province-Wide Telephone Survey

Questions

Q1. To begin, what city, town, or community do you live in?

Q2. Which of the following municipal services do you receive from your city, town, or community, and, if any, from a **nearby** city, town or community?

- | | |
|----------------------------|---|
| -Fire Services/Protection | -Administration (e.g. tax billing/collection) |
| -Waste Collection/Disposal | -Recreation |
| -Snow Clearing | -Road Construction/Maintenance |
| -Sewer/Wastewater | -Drinking Water |

Q3. What issues, if any, do you have with each of the following municipal services?

- | | |
|----------------------------|---|
| -Fire Services/Protection | -Administration (e.g. tax billing/collection) |
| -Waste Collection/Disposal | -Recreation |
| -Snow Clearing | -Road Construction/Maintenance |
| -Sewer/Wastewater | -Drinking Water |

Q4. What do you currently pay in total per year for the municipal services you receive?

Q5a. Are there any additional municipal services you would like to receive, and would you be willing to pay more for them?

Q5b. What municipal services would you like to receive and how much more would you be willing to pay per year for each of these additional services?

Q6. For each of the following statements, please indicate whether you believe them to be more cost efficient if they were delivered either locally or regionally:

	Locally	Regionally
a) Delivery of all municipal services (refer to Q2 listing)	<input type="checkbox"/>	<input type="checkbox"/>
b) Municipal operations, including financial administration	<input type="checkbox"/>	<input type="checkbox"/>
c) Council representation	<input type="checkbox"/>	<input type="checkbox"/>



Municipal and Intergovernmental Affairs

Provincial-Municipal Fiscal Framework Review:

What We Heard

www.miga.gov.nl.ca/consultations/fiscalframeworkreview/ffr.html

Government of Newfoundland and Labrador

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