



Premier's Forum

on Local Government



How We Got Here?

- Commitment in *A Stronger Tomorrow, Our Five Point Plan*
 - First Premier's Forum on Local Government was **Wednesday October 5, 2016**
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Who Attended?



What was discussed?

What were the outcomes?

1. Exploration of New Municipal Revenues
 2. Aging Municipal Infrastructure
 3. Regional Opportunities: Municipalities, LSDs and UIAs
 4. Municipal Candidate Interest
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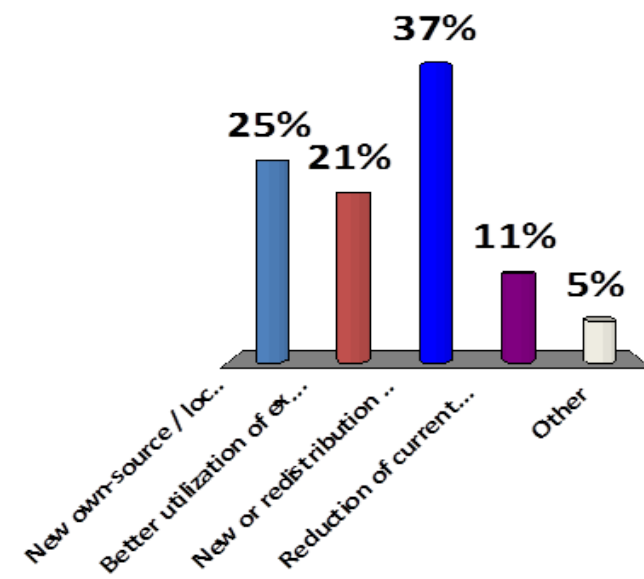
Exploration of New Municipal Revenues - Background

- Municipal revenue is generated by: Local Revenue; Provincial Transfers; and Federal Transfers
 - Local revenue largely refers to taxes/fees charged to residents
 - Provincial transfers refers to provincial funding, grants and rebates, however the province is experiencing unsustainable fiscal pressures
 - Federal transfers refers to federal funding, grants and rebates
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Exploration of New Municipal Revenues - Outcomes

Which of the following would be your preferred options to explore new revenue sources for municipalities?

1. New own-source / local revenue sources
2. Better utilization of existing own-source / local revenue sources
3. New or redistribution of current government transfer funding
4. Reduction of current municipal expenditures
5. Other



Exploration of New Municipal Revenues - Outcomes

What opportunities are available for new/redistribution of current government transfer funding?

#1: Redistribution of provincial tax revenues

#2: Increase flexibility/access to federal gas tax funding

#3: Less restrictions on what funding can be spent on

Aging Municipal Infrastructure - Background

- Municipal infrastructure can include: roads; water/wastewater systems; municipal buildings; recreational facilities and parks
 - Aging infrastructure is defined as currently at or beyond 75% of its useful life
 - Approximately 45% of municipal infrastructure is estimated to be amortized
 - MA funds 25-30% of infrastructure project applications received
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Aging Municipal Infrastructure - Outcomes

How do you suggest the Provincial Government improve the way it currently prioritizes its municipal infrastructure funding?

#1: Prioritize based on project type

#2: Have objective prioritization – “Take the politics out of decision making”

#3: Prioritize based on meeting regional impact

Aging Municipal Infrastructure - Outcomes

Do you have any other ideas on how to improve the Municipal Capital Works' cost share ratio program?

#1: Use more multi-year funding arrangements

Tie #2: Improve timing of funding to reflect tender needs

Tie #2: Prioritize projects with regional impacts

#3: Enhance information sharing and cooperation

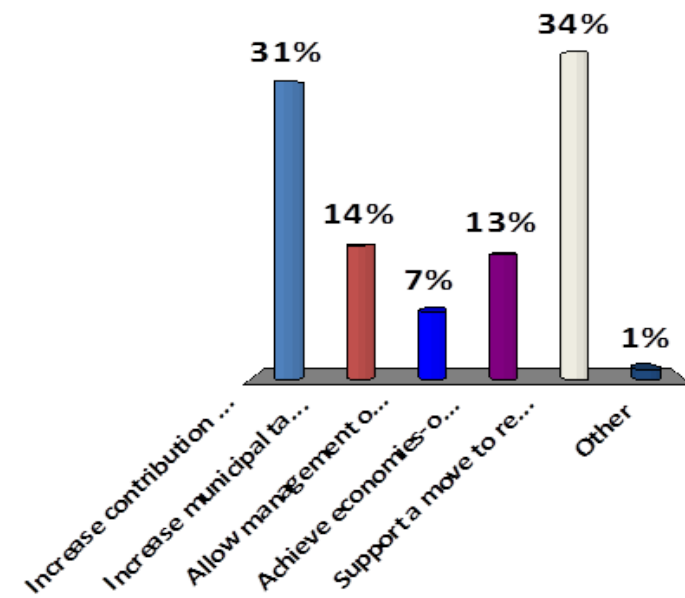
Regional Opportunities - Background

- There are 271 Municipalities, including the 3 Cities
 - There are 5 Inuit Community Governments
 - There are ~172 Local Service Districts
 - There are ~180 Unincorporated Areas
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Regional Opportunities - Outcomes

What would be the main top two regional opportunities achieved involving municipalities, LSDS and UIAs in the municipal system?

1. Increase contribution for services from LSDs and UIAs
2. Increase municipal tax base
3. Allow management of common issues through shared planning
4. Achieve economies-of-scale and cost efficiencies through sharing services
5. Support a move to regionalization
6. Other



Regional Opportunities - Outcomes

Please identify what needs to change to make a move to regionalization happen?

#1: Provincial Government will need to implement regionalization legislation

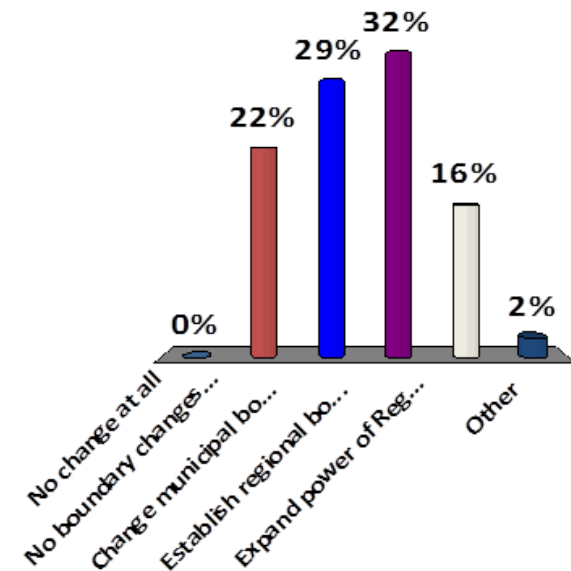
#2: The Provincial Government will need to mandate involvement in any regional government system

#3: Ensure municipalities/citizens understand the impacts of regionalization

Regional Opportunities - Outcomes

What would your preferred top two regional opportunities look like involving municipalities, LSDs and UIAs?

1. No change at all
2. No boundary changes, but change ability to tax in LSDs and UIAs
3. Change municipal boundaries so LSDs/UIAs become part of municipalities
4. Establish regional boundaries so LSDs/UIAs become part of a region
5. Expand power of Regional Service Boards
6. Other



Regional Opportunities - Outcomes

Please identify what needs to change to establish regions that include LSDs and UIAs?

#1: Legislation needs to change

#2: Geography and population need to be considered when creating regions

Tie #3: Communities must retain their identity and have representation in new model

Tie #3: Need a new regional government structure

Municipal Candidate Interest - Background

- Data from past municipal general elections shows municipal candidate interest has been in decline since at least 2005
 - Following the 2013 municipal general elections:
 - Only 75% of municipalities achieved a full council; and
 - Less than half needed an election
 - Next municipal general elections are September 26, 2017
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Municipal Candidate Interest - Outcomes

What methods can be utilized to address the barriers/challenges impacting new candidate interest and retaining incumbents?

#1: Income tax incentives

#2: Increase remuneration

Tie #3: Municipal tax incentives

Tie #3: Educate and inform people about what is involved

Next Steps

- Specific exploratory opportunities identified
 - Use of future MNL, PMA and CCL municipal sector events
 - www.ma.gov.nl.ca/premiersforum
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Thank you

Any Questions?
