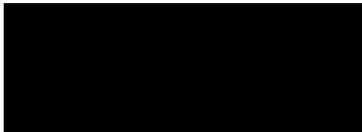


DOC/2019/01579-03

May 7, 2019



Dear 

Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act, 2015* [Our File #: MAE/089/2019]

On April 9, 2019, the Department of Municipal Affairs and Environment received your request for access to the following records/information:

"February 2019 Information Note titled "Increase Population Effects on Own Source Revenue."

I am pleased to inform you that a decision has been made by the Deputy Minister for the Department of Municipal Affairs and Environment to provide access to some of the requested information.

However, certain text contained within the records has been refused in accordance with the following exceptions to disclosure, as specified in the *Access to Information and Protection of Privacy Act, 2015 (the Act)*:

"Section 27(1)(l): In this section, "cabinet record" means that portion of a record which contains information about the contents of a record within a class of information referred to in paragraphs (a) to (h).

Section 27(2)(a): The head of a public body shall refuse to disclose to an applicant a cabinet record."

As required by 8(2) of the *Act*, we have severed information that is unable to be disclosed and have provided you with as much information as possible. In accordance with your request for a copy of the records, the appropriate copies have been enclosed.

Please be advised that you may appeal this decision and ask the Information and Privacy Commissioner to review the decision to provide partial access to the requested information, as set out in section 42 of the *Act* (a copy of this section of the *Act* has been enclosed for your reference).

A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner. Your

appeal should identify your concerns with the request and why you are submitting the appeal.

The appeal may be addressed to the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL. A1B 3V8
Telephone: (709) 729-6309
Toll-Free: 1-877-729-6309
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the *Act* (a copy of this section of the *Act* has been enclosed for your reference).

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time. Please note that requests for personal information will not be posted online.

If you have any further questions, please feel free to contact me by telephone at 709-729-7183 or by e-mail at ryancollins@gov.nl.ca.

Sincerely,



Ryan Collins
ATIPP Coordinator
Municipal Affairs and Environment

Enclosures

Access or correction complaint

42. (1) A person who makes a request under this Act for access to a record or for correction of personal information may file a complaint with the commissioner respecting a decision, act or failure to act of the head of the public body that relates to the request.
- (2) A complaint under subsection (1) shall be filed in writing not later than 15 business days
- (a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or
 - (b) after the date the head of the public body is considered to have refused the request under subsection 16(2).
- (3) A third party informed under section 19 of a decision of the head of a public body to grant access to a record or part of a record in response to a request may file a complaint with the commissioner respecting that decision.
- (4) A complaint under subsection (3) shall be filed in writing not later than 15 business days after the third party is informed of the decision of the head of the public body.
- (5) The commissioner may allow a longer time period for the filing of a complaint under this section.
- (6) A person or third party who has appealed directly to the Trial Division under subsection 52(1) or 53(1) shall not file a complaint with the commissioner.
- (7) The commissioner shall refuse to investigate a complaint where an appeal has been commenced in the Trial Division.
- (8) A complaint shall not be filed under this section with respect to
- (a) a request that is disregarded under section 21;
 - (b) a decision respecting an extension of time under section 23;
 - (c) a variation of a procedure under section 24; or
 - (d) an estimate of costs or a decision not to waive a cost under section 26.
- (9) The commissioner shall provide a copy of the complaint to the head of the public body concerned.

Direct appeal to Trial Division by an applicant

- 52.** (1) Where an applicant has made a request to a public body for access to a record or correction of personal information and has not filed a complaint with the commissioner under section 42, the applicant may appeal the decision, act or failure to act of the head of the public body that relates to the request directly to the Trial Division.
- (2) An appeal shall be commenced under subsection (1) not later than 15 business days
- (a) after the applicant is notified of the decision of the head of the public body, or the date of the act or failure to act; or
 - (b) after the date the head of the public body is considered to have refused the request under subsection 16(2).
- (3) Where an applicant has filed a complaint with the commissioner under section 42 and the commissioner has refused to investigate the complaint, the applicant may commence an appeal in the Trial Division of the decision, act or failure to act of the head of the public body that relates to the request for access to a record or for correction of personal information.
- (4) An appeal shall be commenced under subsection (3) not later than 15 business days after the applicant is notified of the commissioner's refusal under subsection 45(2).



Information Note
Department of Municipal Affairs and Environment (MAE)

Title: Increase Population Effects on Own Source Revenue

Issue: To inform on towns who have a decrease in own source revenue in Budget 2019 due to an increase in population based on the 2016 Census data.

Background and Current Status:

s.27(1)(i);s. 27(2)(a)

- In 2015 - 2016, the Department of Municipal Affairs and Environment (MAE) introduced new accountability measures in addition to the prior requirements of annual budgets and annual audited Public Sector Accounting Board compliant financial statements.
- 
- Each year a circular is distributed to all municipalities and Inuit community governments outlining the community sustainability partnership accountability measures and exemptions. The most recent circular (DOC/2018/02806) was distributed in May 2018. See Attached.
- In 2018, a decision was made that municipalities would be notified in a circular regarding the effect of the 2016 census data for the 2019 budget.
- September 2018, a circular was sent to all municipalities with a copy of the 2019 Municipal Budget Form which included a reminder of the accountability measures. The circular stated, "the accountability measures for funding under the Municipal Operating Grant and Provincial Gas Tax Sharing programs include the requirement for municipalities to maintain their own source revenues, on a per capita basis (as per the 2016 census), in their municipal budgets (over own source revenue levels in their 2015 municipal budgets). See attached.
- Prior to the 2016 census data, the 2011 census data was used. As a result of the 2016 census, the populations in some municipalities increased and affected those municipalities own source revenue on a per capita basis. s. 27(2)(i); s. 27(2)(a)
- 
- The own-source revenues for establishing benchmarks include residential property taxes, commercial/non-residential property taxes, vacant land property taxes, residential water and sewage taxes, commercial/non-residential water and sewage taxes, other taxes including poll tax, business tax, utility tax, municipal utility tax, direct seller tax and other authorized taxes.
- As per section 101 of the *Municipalities Act, 1999*, a municipal council has until March 31st of each year to impose or vary the tax rate.

Analysis:

- The Central and Western regions have not identified any municipalities whose own source revenue has decreased as a result of an increase to population.
- In Eastern region, there are 30 municipalities whose populations have increased based on the 2016 census data.
- There are seven budgets outstanding in the eastern region, including one municipality that had an increase in population.
- To date, five towns have been identified as not maintaining their required level of own source revenue on a per capita basis due to the increase in population.

- The following five towns and shortages have been identified, as follows:

Municipality	2018-2019	2018-2019	2018-2019	2011 Census	2016 Census	2015 Own Source Revenue	2019 Own Source Revenue	Required Per Capita:	Budgeted Per Capita:	Per Capita Shortage
	Municipal Operating Grant	Provincial Shared Gas Tax	Total Grants					2015 OSR per 2011 Census	2018 OSR per 2016 Census	
Bay Bulls	\$ 22,659	\$ 83,367	\$106,027	1,283	1,500	\$1,343,482	\$ 1,440,000	\$ 1,047.14	\$ 960.00	\$ (87.14)
Clarke's Beach	\$ 23,530	\$ 62,089	\$ 85,619	1,396	1,558	\$ 887,925	\$ 924,007	\$ 636.05	\$ 593.07	\$ (42.98)
Portugal Cove - St. Philip's	\$ 69,548	\$ 242,596	\$312,144	7,366	8,147	\$8,923,253	\$ 9,299,378	\$ 1,211.41	\$1,141.45	\$ (69.96)
Winterland	\$ 15,568	\$ 33,058	\$ 48,626	293	373	\$ 200,310	\$ 200,523	\$ 551.82	\$ 537.60	\$ (14.22)
Witless Bay	\$ 21,858	\$ 75,117	\$ 96,975	1,179	1,619	\$ 898,296	\$ 1,024,793	\$ 761.91	\$ 632.98	\$ (128.93)
Logy Bay - Middle Cove - Outer Cove	\$ 28,941	\$ 122,084	\$151,025	2,098	2,221	\$1,775,289	2019 Budget not received	\$ 846.18	TBD	TBD

- As per the community sustainability partnership accountability measures, by not maintaining the required own source revenue on a per capita basis, municipalities will not be eligible to receive the 2019 Municipal Operating Grant or the 2019 share of the Provincial Gas Tax Revenue.

Action Being Taken:

- The municipalities affected have been notified in writing that the own source revenue has not been maintained as per capita.
- Department officials are monitoring the situation and advising municipalities to submit a revised budget or provide rationale for not maintaining their own source revenue on a per capita basis.
- Officials will review the rationale and advise on the recommended course of action on a case by case basis.

Prepared/Approved by:
Ministerial Approval:

L. Evoy/B. Steele/S. Hounsell/D. Michielsen/J. Chippett [pending]
Received from Hon. Graham Letto [pending]

February 18, 2019

May



Government of Newfoundland and Labrador
Department of Municipal Affairs and Environment

DOC/2018/02806

TO ALL MUNICIPALITIES AND INUIT COMMUNITY GOVERNMENTS

RE: COMMUNITY SUSTAINABILITY PARTNERSHIP ACCOUNTABILITY MEASURES AND EXEMPTIONS

In 2015-16, the Department of Municipal Affairs and Environment introduced new accountability measures in addition to the prior requirements of annual budgets and annual audited Public Sector Accounting Board compliant financial statements.

This circular clarifies the accountability measures required to be eligible for funding under the Municipal Operating Grant and Provincial Gas Tax Revenue Sharing programs for 2018-19, as well as identifies the parameters for possible exemptions.

2018/19 Municipal Operating Grant Program

To receive its 2018/19 Municipal Operating Grant payments without delay, eligible municipalities and Inuit Community Governments are required:

- to submit a complete 2018 municipal budget;
- to submit audited Public Sector Accounting Board financial statements by June 30, 2018 for the 2017 fiscal year;
- to submit a Tax Receivable Summary by June 30, 2018 based on taxes receivable as of December 31, 2017;
- to submit a Tax Recovery Plan by June 30, 2018 to recover taxes receivable as of December 31, 2017;
- to have maintained their own source revenues, on a per capita basis, in their 2018 municipal budgets (over own source revenue levels in their 2015 municipal budget); and
- to participate in the water/wastewater initiative, if the recipient has been identified by the Department of Municipal Affairs and Environment to benefit.

If these documents have not been submitted for prior fiscal years, or were deemed unacceptable by the Department, then a recipient's 2018/19 Municipal Operating Grant funding will be held. Also, as a reminder, the Municipal Operating Grant Program was changed in 2016/17 and only funding from the prior year can now be carried forward.

2018/19 Provincial Gas Tax Revenue Sharing Program

To receive the 2018/19 Provincial Gas Tax Revenue Sharing payments without delay, municipalities and Inuit Community Governments are required:

- to submit a Tax Receivable Summary by June 30, 2018 based on taxes receivable as of December 31, 2017;
- to submit a Tax Recovery Plan by June 30, 2018 to recover taxes receivable as of December 31, 2017;
- to have maintained their own source revenues, on a per capita basis, in their 2018 municipal budgets (over own source revenue levels in their 2015 municipal budget); and
- to participate in the water/wastewater initiative, if the recipient has been identified by the Department of Municipal Affairs and Environment to benefit.

Please note that audited 2017 Public Sector Accounting Board financial statements are not required for this program and that Provincial Gas Tax Revenue funds are not carried over to successive fiscal years if a recipient is non-compliant.

Exemptions to the 2018/19 Accountability Measures

There may be, on occasion, extenuating circumstances that may prevent or delay, a Municipality from meeting its accountability requirements. The Minister has the authority to provide a possible exemption and will consider the following criteria:

- closure or suspension in operations of a primary or major industry within the Municipality which negatively impacts its revenue stream such that trying to maintain own source revenue levels would create a disproportionate financial hardship to the Municipality and/or its residents;
- gross negligence or wrong doing on the part of the Municipality's auditor or staff member (often resulting in the dismissal of the auditor or staff member) that negatively impacts the ability of the Municipality to meet the accountability requirements in the required timeframe; or
- a natural or other disaster (e.g., fire, flood, hurricane), which prevents access to the information, records, or files necessary to meet the accountability requirements in the required timeframe.

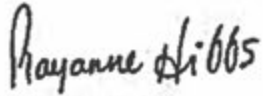
Please note that any exemption provided by the Minister will be provided for a limited time period and that the Minister may attach conditions to any exemption.

Instructions and Templates

Attached are the instructions and templates to assist you in the completion of a Tax Receivable Summary and Tax Recovery Plan. Please submit the required documentation to

municipalfinance@gov.nl.ca and should you require further assistance I can be reached at 729-3247.

Sincerely,



Rayanne Hibbs
Manager
Municipal Finance and Employment Support

cc. Sandy Hounsell, Director
Lori Evoy, Regional Manager
Ed Goodyear, Regional Manager
Holly Scott, Regional Manager



Sept

Circular To All Municipalities

2019 Municipal Budget Form

September 2018

Enclosed you will find a copy of the 2019 Municipal Budget Form. Pursuant to section 77 of the *Municipalities Act, 1999* (and equivalent sections in the Acts for the three cities), all municipalities must adopt a budget for the upcoming year. Budgets should be adopted by **December 1, 2018** and a copy of that budget in the required form sent to the local Regional Office by **December 31, 2018**. As well, please submit with the budget a copy of the municipality's tax structure, as published pursuant to section 109 of the *Municipalities Act, 1999* (and equivalent sections in the Acts for the three cities).

Please note, the accountability measures for funding under the Municipal Operating Grant and Provincial Gas Tax Sharing programs include the requirement for **municipalities to maintained their own source revenues, on a per capita basis (as per the 2016 census), in their municipal budgets (over own source revenue levels in their 2015 municipal budget)**. Please refer to the Community Sustainability Partnership Accountability Measures and Exemption Circulars, sent out in May of each year.

For your convenience, the Municipal Budget Form is also available online at: <http://www.ma.gov.nl.ca/training/index.html>. Only signed budget forms will be accepted by the Department of Municipal Affairs and Environment. Adopted budget forms should be sent to your local Regional Office.

Should you have any questions regarding the form or the budget process, please contact your local Regional Office:

Region	Address	Phone	Fax
Western/Labrador Regional Office	Attention: <u>Holly Walsh-Scott</u> P.O. Box 2006 Corner Brook, NL A2H 6J8	(709) 637-2332	(709) 637-2548
Central Regional Office	Attention: <u>Edison Goodyear</u> P.O. Box 2222 Gander, NL A1V 2N9	(709) 256-1050	(709) 256-1060
Eastern Regional Office	Attention: <u>Lori Evoy</u> P.O. Box 8700 St. John's, NL A1B 4J6	(709) 729-0259	(709) 729-0477

Enclosed: 2019 Municipal Budget Form