

SECTION 2

PANEL OBSERVATIONS AND CONCLUSIONS RESPECTING GOVERNANCE IN UNINCORPORATED LOCAL SERVICE DISTRICTS

INTRODUCTION

The Department of Municipalities and Housing³⁶ conducted a review of Local Service District legislation in order to “ensure that the legislation governing service provision in the unincorporated regions is functional, up-to-date and meets the servicing requirements of residents of the Local Service Districts”.

It is important to note that the Department emphasized that its review of the Local Service District (LSD) legislation was based only “on an examination of the administrative framework for Local Service District operations” and did not “consider changes to the fundamental structure or orientation of Local Service Districts”. Their final report, *A Review of Local Service District Legislation* produced 33 proposals for improving the procedures and operations in LSDs for consideration in the new legislation.

HISTORIC BACKGROUND

In 1962 the Government of New Brunswick established the New Brunswick Commission on Finances and Municipal Taxation, commonly referred to as the Byrne Commission after the name of its Chairman, Mr. E.G. Byrne, which undertook a sweeping review of all aspects of municipal administration in the Province³⁷.

As a result of its recommendations, the Government legislated a new Municipalities Act which radically changed the structure of rural administration in New Brunswick by abolishing the historic County Councils and establishing a new regime under the authority and tutelage of the Provincial Government. It provided that the status of approximately 250 communities that had populations

³⁶ Referred to as Department of Municipalities since July 1999

³⁷ Report of the Task Force on Municipal Structure and Financing, Government of New Brunswick, Fredericton 1962

of over 300 persons could apply to become Local Service Districts and be given the right to organize for the provision of services for which the local ratepayers were willing to be taxed.

Articles 23-27.2 of the Municipalities Act provide for the establishment of Local Service Districts and the various procedures for their operation and the provision and payment of services. Article 25 of the Act provides for the election of an LSD Advisory Committee consisting of three to five members to serve for a term of two years “which shall advise and assist the Minister in the Administration of the District”. At the present time (1999) there are 271 LSD’s covering 80% of the landmass and 40% of the population of the Province. Only 168 of the LSD’s have an elected LSD Advisory Committee.

PRINCIPLED APPROACH

The Panel decided that the principled approach was equally appropriate in the context of reviewing the provisions governing Local Service Districts.

The principles of accountability, responsiveness, openness and accessibility are no less relevant to local governance for the unincorporated areas of the Province than for the incorporated municipalities. It could be argued that the need for a local citizen LSD Advisory Committee flows from a basic respect for these principles.

The principle of public choice is particularly relevant when considering the concerns raised, during the public hearings, about the legislation governing Local Service Districts. The Panel believes that citizens should be able to choose the type of community to reside in that best responds to their individual wants and needs.

Whether citizens choose to live in a rural area or a major urban center, that choice must be respected. It would be inappropriate for the Provincial government to institute policies that have the effect of penalizing people for living in one type of community as opposed to another. However, residents of rural areas cannot expect to have the cost of local services subsidized by the residents of urban areas or vice versa.

This same perspective was advanced in the recommendations of the 1993 report of the Commission on Land Use Planning and the Rural Environment (CLURE) which stated,

“CLURE believes that people should be able to live wherever they choose with respect to urban and rural communities, provided they do so in such manner that does not create negative impacts on their neighbors, on resource lands or on

the environment and that they are willing to pay for services associated with their choice of location on a fair and equitable basis.”³⁸

GENERAL OBSERVATIONS

With respect to Local Service District administration in general, the presentations and comments made to the Panel throughout the Province had a consistent theme. LSDs expressed a feeling of frustration at the lack of any meaningful participation in the governance of the districts. This frustration was advanced from a variety of perspectives given the diversity in the size and character of the Local Service Districts in the Province.

The presenters made no requests for incorporation as full-fledged municipalities. The comments generally supported retention of the current advisory structure without an administrative bureaucracy and expressed a desire to be more actively involved in local decision-making.

Members of the elected LSD Advisory Committees were particularly frustrated to find out that their stated role of “providing advice and assistance to the Minister” rarely, if ever, went beyond a cursory examination of fire department budgets which had already been set by the Municipal Services Representative (MSR) and approved by the department. This lack of consultation was ascribed to a basic lack of respect for the role of the LSD Advisory Committees in local affairs.

Any suggestions or recommendations such as the need for more or improved equipment for the fire departments usually fell on deaf ears because of already established budget limitations. As one respondent declared, “ I soon discovered that our LSD Advisory Committee was nothing but a rubber stamp and that, even worse, I had no budget even to buy a rubber stamp!”

Furthermore, members of LSD Advisory Committees were annoyed by rarely, if ever, being informed or consulted about other Government sponsored or approved activities within their districts – activities such as woodlot operations, road construction, environmental related activities, land use planning, commercial construction, etc.

From the public responses received, it also became clear that the role and the activity of the Municipal Services Representatives (MSRs) varied considerably, some being very positive and helpful and providing funds for travel or administrative expenses, others being exceedingly parsimonious and relatively uncommunicative concerning developments of local interest or concern.

³⁸ The Commission on Land Use and the Rural Environment, Final Report, 1993, p. 17

Presenters complained of the lack of communication or responses from the Department to requests for assistance in dealing with such problems as “summer villages”, private roads, and beach clean-ups.

Changing local needs, divergent local priorities, an increased desire by citizens to work for the well being of their communities and criticism about the lack of meaningful local input into decisions affecting their communities gave the Panel a clear indication that there is a need for a better model of governance in unincorporated areas. The status quo is not acceptable.

RANGE OF NEEDS

The Panel previously noted the broad range in the size, type and character of municipalities across the Province and the divergent needs and interests of these communities. This is no less true of the Local Service Districts in the Province of New Brunswick.

Policy makers are sometimes quick to lump all Local Service Districts in the ‘rural community’ basket as though they were an homogeneous group facing the same concerns, open to the same solutions and well served by a consistent structure. The reality is far different. Local Service Districts embrace coastal, farm, fishing and tourist communities to name but a few.

Some are adjacent to urban areas while others are far distant. Some have active LSD Advisory Committees, others inactive. Some must contend with a large influx of seasonal residents while others must deal with large-scale forestry or industrial operations. Yet others must cope with the local impact of decisions made in nearby urban areas.

As with the incorporated municipalities, this reality points to a wide variety of interests, problems and priorities in the various Local Service Districts.

The Panel believes and the new Municipal legislation must allow for divergent governance requirements, foster local choice and encourage respect for local decisions in the unincorporated areas of the Province of New Brunswick.

PARTICIPATION

The Panel learned that of the 271 Local Service Districts in the Province of New Brunswick only 168 have active LSD Advisory Committees in place. It was suggested during the public hearings that this lack of interest in participating in

local affairs was symptomatic of a general lack of influence and respect at the local level and a limited understanding of the role of LSD Advisory Committees in general.

The presenters seemed to believe that citizens saw little to be gained from participating on an LSD Advisory Committee perceived to have no real authority, was seldom consulted and rarely listened to by Provincial authorities. There is undoubtedly some truth to these perceptions as the Panel heard numerous complaints about lack of consultation and outright frustration at being excluded from the decision-making process.

There is very limited understanding of the concept of a Local Service District and the roles and responsibilities of LSD Advisory Committees. The Panel concluded that this lack of understanding is also a major contributing factor to both the lack of participation in the political process in unincorporated areas and the sense of frustration.

The Panel is also of the opinion that the sheer number of Local Service Districts is another contributing factor. The different rural regions of the Province are so fragmented in terms of the number of LSD's that it is often difficult to identify a single community of interest that might stimulate citizen participation on LSD Advisory Committees.

The Panel recommends that, in consultation with representatives of LSD Advisory Committees, the Province develop appropriate educational materials (print, video, internet) to explain the role and functioning of a Local Service District and the LSD Advisory Committee.

RESOURCES

Many presenters from the Local Service Districts raised the issue of a lack of financial resources to fund such basic requirements as training, travel, photocopying, hall rentals and public notices.

While at first glance it may appear to be a minor concern relative to the other matters at hand, the Panel believes that it is a matter that must be rectified. The Panel noted a great disparity across the Province in the type and level of funding that LSD Advisory Committees are able to access in support of their mandate.

A lack of adequate financial resources effectively undermines an LSD Advisory Committee's ability to function. Training is a fundamental necessity if the voluntary leadership in these communities is to be developed to the advantage of the communities, the citizens and the Province.

The ability to notify the public of meetings, rent a hall or make photocopies are no less important. A travel budget is also considered essential if LSD Advisory Committee members are to be able to participate in public hearings or attend meetings to represent their community's interests. The Panel believes this matter can be addressed in the next budget year regardless of the status of the legislative initiative.

The Panel strongly recommends that an adequate administrative support budget be immediately provided for each functioning LSD Advisory Committee. In addition, the LSD Advisory Committee should be given complete discretion over the use of these funds according to a budget plan.

LAND USE PLANNING

While identifying major shortcomings of the current LSD system, many presenters cited the need for, and the lack of, effective land use planning mechanisms in the unincorporated areas of the Province. Lack of representation on the planning agencies, lack of consultation with the local community by the planning agencies, lack of information about planning matters and a lack of enforcement powers at the local level were oft repeated criticisms of the current planning environment in the Local Service Districts.

The very comprehensive report of the 1993 Commission on Land Use Planning and the Rural Environment (CLURE) addressed these issues in considerable detail. CLURE's "rural" mandate focused on unincorporated areas of New Brunswick, i.e. the large area outside the cities, towns and villages which is home to over 300,000 residents where rural planning is not well defined, often non-existent, and devoid of public representation and input. This situation not only deprives citizens of an adequate opportunity to influence and protect their quality of life but it also creates conflicts with adjacent municipalities in terms of financing of regional services and facilities.

CLURE noted that incorporated areas in New Brunswick have been losing population to the unincorporated areas. Between 1976 and 1991 the incorporated areas' share of the population dropped from 64% to 60% while the unincorporated area's share has increased from 36% to 40%. At the same time, however, the farm population in New Brunswick has been decreasing to the extent that in 1991 less than 2% of the population live on farms and less than 8% earn their living directly from the other resource sectors with the result that " New Brunswick has the fastest growing rural non-farm population in Canada".³⁹

³⁹ IBID p. 22

CLURE suggested the following vision as a guide to planning and development in rural areas:

"The collective vision for rural New Brunswick is based on the preservation and enhancement of a rural life-style and quality of life that will facilitate sustainable development for rural communities while minimizing conflicts with our resources and environment".⁴⁰

Noting the importance of rural planning to the quality of life of rural residents CLURE recommended establishing 12 to 15 expanded and enhanced District Planning Commissions to provide more meaningful and local input in rural planning.

As a first step, the Provincial government established the Rural District Planning Commission in Fredericton in June 1995 to provide planning services to rural districts and to terminate the previous use of Basic Planning Statements. Local Service District taxpayers discovered to their surprise that whether they wished planning services or not their, their property tax bill reflected an increase to help pay for the new Commission. Local Service District Advisory Committees were provided no information concerning the role of the new Commission or the services it would provide.

Subsequently, 11 District Planning Commissions were established, the most recent being the Royal District Planning Commission established for the Kings and Queens County areas. These District Planning Commissions are supposed to include significant representation from LSD areas in their membership.

During the public consultations a number of LSD presenters expressed considerable concern about the lack of information and consultation being provided by the Rural District Planning Commission or by the District Planning Commission in which they found themselves. Some presenters were not aware whether or not their area was even included in any Planning Commission. This may be symptomatic of the fact that Ministerial appointments to the planning body are often made without the input or knowledge of the LSDs.

Unplanned development can have a detrimental effect on the quality of life in a community for many generations. The Panel cannot overstate the fundamental importance of effective land use planning in the long-term development of healthy, vibrant communities in the rural areas of this Province. The key to building support for local land use plans is meaningful citizen input and consultation at every stage of development of the community plan.

Residents must have a voice in selecting their representatives on the planning agency, have real input in the development of their plan through broad based

⁴⁰ IBID p. 26

community consultation and must be consulted on the actual day-to-day implementation of the plan through vehicles such as local Planning Advisory Committees. The residents must also have an understanding of the processes and mechanisms that are established so that they can fully appreciate and respect their rights and obligations. In short, the process must be driven from the bottom up and not imposed from the top down.

The Panel concludes that there is a significant communication gap between Local Service Districts and the relevant District Planning Commissions and recommends that the Government take immediate steps to ensure that the constituent unincorporated areas are fully informed of and have meaningful and ongoing representation and input into all aspects of local planning administered by the District Planning Commissions.

NUMBER OF LSD'S

Many presenters questioned the necessity of maintaining the large number of Local Service Districts in the Province. It was pointed out, for example, that there are presently 57 LSDs on the Acadian Peninsula alone and some 271 across the Province. In fact, 103 of the LSDs do not even have LSD Advisory Committees in place.

Presenters noted that centralized administration of such a large number of LSDs is next to impossible. The Minister is responsible for their operation but must, of necessity, rely on the advice of the local Municipal Service Representative (MSR). The sheer volume of requests creates delays in getting decisions and taking needed action because the Municipal Services Representative must refer the LSD requests to the Minister for a decision.

The Panel believes this creates a sense of alienation at the local level. The Minister is seen as being unfamiliar or unconcerned with local problems and the citizens often feel that a local bureaucrat is governing their community. The large number of LSDs also limits the opportunity to develop integrated land use plans for the rural areas of the Province.

As noted previously, land use planning is an essential element in preserving the rural character of the communities and the quality of life that residents consider so attractive.

The Panel is convinced, as were a number of presenters, that a consolidation of Local Service Districts is warranted. Factors such as, a shared community of interest, the land area involved, the population, service demands, fiscal capacity, up-to-date boundaries and local desires should be given careful consideration.

The intent is not to take the communities away from the residents. The purpose is to reduce the number of LSDs over time to ensure that the newly defined communities will be able to develop and prosper, as the residents' desire, in the years ahead.

As a first step opportunities should be identified, in consultation with local residents, to consolidate inactive LSDs with those that have active LSD Advisory Committees or with adjacent urban areas. The result should be fewer Local Service Districts, each with active LSD Advisory Committees, suitable community plans and sufficient resources to provide needed services in a rural environment.

The need for adjusting the boundaries of the LSD's is directly related to the need to rationalize the size and number of LSD's in the Province. Boundaries should reflect established communities of interest and the effective delivery of services in those areas.

The Panel recommends that the Province take action to reduce substantially the number of Local Service Districts in the Province of New Brunswick within the next five years.

The Panel further recommends that residents of the Local Service Districts be fully consulted during the process to reestablish boundaries.

SUSTAINABILITY

The goal of developing strong, healthy, viable and sustainable communities is just as vital in the unincorporated, primarily rural, areas of the Province as it is in any of the cities, towns and villages of this Province. The population of a rural community may be smaller and the character of the community may be far different but the goal is no less important.

The Panel believes that fostering and facilitating local decision making will serve to develop a stronger sense of community and self-sufficiency at the local level. Meaningful participation in the local decision making process will also favor stronger support for the choices that have been made.

The Panel believes, to the extent that community leaders and residents begin to realize that they can influence the decision making process in a real and effective manner they will be motivated, to not only to participate in problem solving, but also to actively support the proposed solutions. Both outcomes will be of lasting benefit to the community.

A governance framework can provide the needed stability but the actual decision making process must recognize the diversity of local needs and foster developing local solutions to local problems.

This notion goes to the underlying role of the LSD Advisory Committee. It can be regarded as a device that presents the appearance of local choice or it can be become an effective vehicle for encouraging local solutions to local problems. In the latter case, the Minister respects local desires in all but the rarest of circumstances.

The Panel believes the future prosperity and sustainability of rural communities in New Brunswick will be determined largely by the opportunities residents of the unincorporated areas are given for meaningful participation in the local decision making process. Identifying problems, establishing priorities and developing solutions to local concerns should be integral elements in the local governance mandate.

GOVERNANCE GAP

One aspect of the implementation of the 1963 Equal Opportunities Program was the abolition of all County Councils in New Brunswick, the creation of ninety new villages and the division of the remaining unincorporated areas into Local Service Districts. However, the government never replaced the County Councils with any form of structure for local or regional governance.

As indicated in other sections of this report, there has been a steady increase in the population of unincorporated areas in New Brunswick to the extent that over 40% of the Provincial population now reside in unincorporated areas. Statistics indicate that for various reasons there has been a steady movement of residents from the municipal areas to unincorporated areas and it seems likely that this trend will continue and even escalate.

These population trends are not equally evident in all unincorporated areas of the Province. This fact, coupled with the divergent character of the various Local Service Districts, suggests that a 'one-size-fits-all' approach to local governance may no longer be appropriate.

In the course of its public consultations the Panel encountered no sentiment in favor of a return to the former County Council system nor were there any expressions of strong sentiment in favor of vesting the Local Service Districts with the powers of a municipality. There was, however, ample evidence that the residents of the unincorporated areas were very concerned that they had virtually no voice or vote in how they are governed, how they are taxed or how they are provided with services essential for their well being and their quality of life.

Briefly, the representatives of Local Service Districts identified a series of shortcomings with the current governance model for unincorporated areas including;

Lack of a meaningful role for the LSD Advisory Committee: No decision making authority combined with little voice on local matters creates not only frustration but also discourages participation by citizens on LSD Advisory Committees.

Taxation without representation: LSD Advisory Committees rarely, if ever, have input into the development or approval of their annual operating budget or the determination of their local tax rate. It is sometimes the practice of MSRs to present the budget to the LSD Advisory Committee only after approval by the department.

Lack of effective consultation: LSDs are rarely consulted by government agencies and departments despite their 'advisory role' on local matters. On occasion, they are consulted but not listened to and often are merely told what will happen, rather than asked what should happen.

Lack of input on land use planning: The structures to deliver land use planning in the rural areas are relatively new and continue to evolve. LSDs contend that planning decisions are being made without adequate consultation with the affected LSD.

Lack of representation on regional agencies: LSD residents often do not have direct representation on the planning agencies or solid waste commissions yet they are required to contribute to the operating costs of these same bodies. Appointments of LSD residents can be made to these boards without the knowledge, input or consent of the LSDs that are to be represented.

No decision making authority: The advice or opinions of the LSD Advisory Committees are not binding on the Minister. Furthermore, the LSD Advisory Committee has no decision-making authority on local matters.

Delays in getting decisions: Relying on a centralized bureaucracy to 'process' decisions often means that it takes months to obtain a response to simple requests to resolve local matters.

It is interesting to note that these problems were cited primarily by citizens and representatives of Local Service Districts with LSD Advisory Committees that are active in local affairs. The Local Service District model may continue to serve adequately the needs of certain communities while another model offering more local autonomy may be better suited to other rural areas.

The Panel concluded that the existing Local Service District system does not meet the needs of all unincorporated areas in the Province of New Brunswick.

THE CURRENT RURAL COMMUNITY PILOT PROJECT

The CLURE Report proposed that the existing 7 Planning Districts established by the Community Planning Act be increased to 12-15 District Planning Commissions and the consolidation of the existing LSDs in each Planning District into units to be called "Rural Communities". Each Rural Community would have an elected Community Council to which each LSD would elect one member, each LSD becoming, in effect, a ward of the Community Council. CLURE emphasized that the Rural Communities would not be municipalities in the sense of cities, towns and villages but that their responsibilities would initially be limited to planning matters within the Rural Community.

The Government's response to the CLURE report was tabled in the Legislature on December 7, 1993. It agreed to establish Rural Communities out of one existing large LSD or 2 or more LSDs that had a natural "community of interest".

The then Minister later commented that as a result of the amendments to the Municipalities Act, "the 12 LSDs served by the Beaubassin District Planning Commission now have the opportunity to participate in a pilot project now underway, to set up Rural Communities in their area".

The Minister emphasized, however, that the role of a Rural Community did not extend beyond involvement in a rural planning process stating that "these rural Communities will be established in areas where residents support the idea of taking responsibility for local planning issues....Like municipalities, Rural Communities will be represented by an elected body having decision-making authority on land use issues that effect their community. Like Local Service Districts, they will have their local services provided for by the Province and advise the Minister on the provision of these services. The rural Communities will replace the LSDs in some, but not all New Brunswick Communities."

To date, only one Rural Community, the Beaubassin East Rural Community has been established from former LSDs. Currently, it appears that the Government has no intention or desire to replicate this experiment in other areas, possibly because the intended role in land use planning has been superseded by the establishment of the more effective District Planning Commissions.

The Panel concluded that the governance needs of Local Service Districts go beyond planning matters and therefore cannot be adequately met by the Rural Community structure as currently legislated.

OTHER REVIEWS

Over the years, it became apparent that the LSD system had inherent imperfections in dealing with the provision of services, rural development, management of the environment, the protection of agricultural land, the growing problems of urban sprawl and ribbon development and the strained relations with neighbouring municipalities. During the 20-year period between 1971 and 1991 special task forces conducted numerous studies concerning these matters in addition to the studies and documents prepared internally by the Government and externally by consultants.

Between 1975 and 1977 the Province carried out three major studies dealing with rural areas. The first of these was the 1976 Report of the Task Force on Unincorporated Areas of New Brunswick (The Allen Report) which had the mandate to examine “the effectiveness and efficiency of the municipal structure of the unincorporated areas of the Province and the desirability and feasibility of other forms of municipal structure”. In commenting on that report, CLURE noted that the LSD Advisory Committees “have no real power or responsibility because they are not a responsible or accountable form of government”.⁴¹

The major recommendation of the Allen Report was that all legislation pertaining to the LSDs be abolished and they be replaced by 11 new municipalities with the status of “Rural Municipalities” to include all of the unincorporated areas of the Province and be given the same powers and responsibilities as provided by the Municipalities Act. This recommendation was never implemented.

In 1977, the “Third Report of the Select Committee of the New Brunswick Legislature on Rural Life and Land Use (the Fanjoy Report) dealt largely with topics such as housing programs, social policy, the location of mobile homes, effective planning for rural areas and the growing problems of urban sprawl.

The 1977 Report of the Agricultural Resources Policy (the Parks Report) noted the importance of preserving an assured supply of agricultural land and the countervailing threats of urban sprawl.

In 1978 the New Brunswick Division of the Community Planning Associations of Canada issued a report entitled “Schizophrenic Sprawl”. Other studies such as the “Controlled Access Highway Study” of 1981, the “Land Use Policy Task Force” of 1982, the “Land and Water Use Policy Working Paper” of 1985 dealt with other aspects of rural development and administration.

In 1980 the Comay Planning consultants Report (which had been commissioned by the Province of New Brunswick and the Canada Mortgage and Housing

⁴¹ IBID p. 112

Corporation) noted that one of the problems related to the growth of urban sprawl was the absence of local government in the rural areas.

The Panel was surprised how well some of the recommendations set out in these earlier reports responded to the needs and concerns raised by presenters during this round of public hearings. The Panel was also dismayed by the fact that only cosmetic changes to the governance of Local Service Districts had been made to date, despite the many earlier recommendations for improvement.

The population of rural unincorporated areas of New Brunswick has been increasing and has the fastest growing rural, non-farm population in Canada. During the 1976-91 time period eight of the eleven larger urban municipalities suffered and average 13% decline in population as younger and, sometimes, more affluent and better educated residents moved from municipalities to adjacent rural and semi-rural unincorporated areas.

With the advent of computers and modern telecommunication technologies of the "information highway" this trend is likely to continue as 'office-at-home' facilities will continue to reduce if not obviate the need for employees to work in business offices in the urban centers. Residents in rural areas are certainly capable of dealing competently and effectively with any aspect of local governance.

It is difficult to draw definitive conclusions from the apparent unwillingness of previous governments to act on the recommendations of the many earlier reports. The Panel is firmly convinced that this inertia is no longer tenable and the Province must move forward to develop a more effective framework for local governance for the unincorporated areas of this Province.

The Panel does not accept the age-old refrain that limited resources, small populations and a lack of local expertise preclude effective decision making at the local level in rural New Brunswick.

The Panel recommends that the Province develop a more effective framework for local governance for the unincorporated areas of this Province.

A NEW RURAL DISTRICT GOVERNANCE MODEL

The many submissions and comments received from representatives of the Local Service Districts throughout the Province made it abundantly clear that not only are citizens genuinely interested in securing the well being and future prosperity of their communities but that the limitations of the current governance model often fail to support these initiatives.

The Panel is not advocating a wholesale abandonment of the current Local Service District structure but rather is encouraging a more aggressive evolution towards effective and independent decision making at the local level in the rural areas of the Province by the creation of Rural Districts.

The Panel is proposing the creation of Rural Districts to play a more useful and important role not just in respect of land use planning but also in respect of serving as a mechanism for local governance currently unavailable in the unincorporated areas of the Province.

The Panel recommends that the new Rural District have the following essential features:

| FEATURES | PURPOSE |
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| Rural District Authority | The Authority is the governing body. The Authority and not the community would be incorporated. No municipal status, no hiring of staff permitted to prevent creation of costly bureaucracy. Allows district to exercise authority. |
| LSDs become Wards | Allows for protection of local identity, separate tax rates, separate service levels. Can build on existing community of interest |
| 5-7 Wards per Rural District | Limited scope makes it easier for rural district to administer; broad implementation will reduce number of LSDs. Fewer LSDs for MSR to administer |
| Informal LSD Advisory Committees | Rural District would assume advisory role of LSD Advisory Committees. Elected ward representatives may choose to use informal LSD Advisory Committees as sounding boards for local matters. |
| Elected Representative(s) per ward | Creates representative government, eliminates LSD Advisory Committees, avoids costly, cumbersome two tier government, creates more accountable body |
| Triennial Elections | Elections held in conjunction with municipal elections will enhance significance and profile of rural district authority elections |
| Property Taxation | No change. Police and transportation services included in base tax rate. |
| Mandatory Public Meetings | Improved accountability to citizens, allows for information and decision making meetings |

Opportunities for Improving Local Governance in New Brunswick

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| Petition Requirements | No change but would relate to 'defined areas' so that quorum and petition requirements can be met. |
| ROLE | PURPOSE |
| Participates in preparation of budget | Local input in spending decisions, service levels. Input in establishing tax rate(s). |
| Make appointments to all regional service agencies (solid waste, planning etc.) | Provides local voice on matters of local concern. Ensures local representation. Committee has more meaningful role. |
| Fulfills role of Planning LSD Advisory Committee (PAC) for District Planning Commission. | Allows for meaningful participation and input into local planning decisions |
| Adopts and amends rural Land Use Plan | Allows for input into development of local land use plans |
| Negotiates cost sharing agreements | Local input on service acquisition and regional cooperation |
| Advises Minister | Continues to advise Minister on services, service levels, service delivery methods, capital borrowing, acquisitions and disposals and other local matters. |
| Service responsibilities | Directly responsible for delivery of Planning, Fire and Recreation Services. Police and transportation services continue to be provided on Province wide basis as part of base tax rate. |
| Point of contact for all government departments and agencies. | Requiring all government departments and agencies to advise and as necessary solicit input of Rural Districts will enhance roll of authority and improve communication with the Province. |

The Panel believes that, with these basic features, the new Rural District Governance model will resolve many of the issues raised during the hearings. The concerns about a lack of a meaningful role for the LSD Advisory Committee, taxation without representation, a lack of effective consultation, too many LSDs, protecting the rural lifestyle, avoiding incorporation as full fledged municipalities, lack of input on land use planning matters and a lack of representation on regional agencies would be addressed. The new Rural District Governance Model will also provide a springboard for future development, increased independence, sustainability and prosperity as these rural communities grow and develop.

Initially allowing for separate tax rates and maintaining LSDs as wards would preserve local identity. Permitting the Rural District to have full decision-making authority over planning, fire and recreation services would enhance the role of the Rural District and provide for a solid foundation on which to acquire other service responsibilities and develop the rural districts as local decision-making bodies. Requiring the Rural Authority to appoint representatives to regional service delivery agencies will provide the unincorporated areas a voice on these boards and commissions.

The strength of both the Rural District Governance model and the Local Service District system are entirely based on the willingness of the Minister to consult with the local community, listen to and respect their opinions on matters of local concern and to act accordingly. In the short-term, ensuring that the local community has a strong voice in local matters can be the only compensation for a lack of local decision-making power

A requirement for Rural Districts to hold public meetings and to hold rural elections in conjunction with municipal elections will reinforce an awareness of the rural committee and the importance of its role.

Better representation, increased accountability, improved land use planning, local decision-making and potential economies of scale are the likely immediate benefits. Fewer LSDs, coordinated development, more citizen involvement and a strong voice for citizens of rural areas are the longer-term outcomes to be realized.

Finally, while the Panel has attempted to set out the essential features of a new Rural District governance model, it is preferred that the detailed characteristics be developed in consultation with representatives of the Local Service Districts. A chart comparing the key characteristics of a Rural District and a Local Service District is provided in Appendix 4.

The Panel strongly recommends that the Province engage in public consultations with Local Service Districts with a view to adopting and implementing the proposed Rural District model of local governance for the unincorporated areas of the Province.

A RANGE OF GOVERNANCE OPTIONS

The Panel is not targeting the creation of a specific number of Rural Districts or the abandonment of the Local Service District concept. The Panel recognizes that given the range in the type and character of the unincorporated areas that it may be sufficient for certain communities to continue to use the Local Service District governance model in its current form. While they would continue to have the limited planning tools and service responsibilities necessary to preserve the quality and character of rural life they currently enjoy they would function purely in an advisory role.

The use of unincorporated areas as a governance mechanism must recognize the diversity of local needs and foster developing local solutions to local problems. A continuum of models, differing in complexity and suited to different stages of community development is appropriate.

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| Governance Model | Local Service District | Rural District Authority | Municipality |
| Role | Advisory Role | Advisory & Some Local Decision Making Authority | Full Local Decision Making Authority |

The Panel supports an evolutionary approach to developing local autonomy in the unincorporated areas of the Province. The initial stage(s) would be a Local Service District with no LSD Advisory Committee in place that is entirely administered by the Department of Municipalities or a Local Service District with an active LSD Advisory Committee providing advice to the Minister on local matters.

The next stage would see a number of Local Service Districts join together to create a Rural District governed by an elected body with decision making authority on certain local matters (fire, recreation, planning) and a strong advisory role on other local matters. In the long-term as the Rural Districts mature and become more self-reliant (politically, administratively, and financially) they could seek full municipal status.

The Panel advocates an evolutionary approach to local empowerment for the unincorporated areas of the Province of New Brunswick that respects and accommodates the divergent needs and interests of the communities in the rural areas of the province. The level of local decision making authority each possesses differentiates the range of governance models.

PANEL COMMENTS AND RECOMMENDATIONS RESPECTING PROPOSALS IN *THE REVIEW OF LOCAL SERVICE DISTRICT LEGISLATION*

As mentioned at the beginning of this section, the Department of Municipalities and Housing conducted a limited examination of the administrative framework for Local Service District operations and produced 33 proposals for change. Following, is a summary of the public reaction to the current status of Local Service Districts and to the 33 proposed revisions to the Municipalities Act contained in the *Review of Local Service District Legislation*.

It is anticipated that the core roles of the Local Service District and LSD Advisory Committees will continue to be integral elements of rural governance in New Brunswick. The Panel comments with respect to the public input received regarding the proposed changes are deemed appropriate in the context of our recommendation to adopt a new Rural District Governance Model.

THE FIRST SCHEDULE OF THE *MUNICIPALITIES ACT*

Background

The First Schedule⁴² of the Municipalities Act sets out the services that municipalities are expressly authorized to provide to their residents. These are also the services that are available to Local Service District (LSD) residents. Included in the services listed are; urban redevelopment and renewal, land assembly, housing, and industrial development and promotion.

Synopsis of Public Input

Many presenters agreed that a separate schedule of services should be established to clarify in more detail the LSD Advisory Committee responsibilities. The comment in the Government document that a number of services listed in the first Schedule of the Municipalities Act such as urban redevelopment and renewal, land assembly, housing and industrial development and promotion, as being of “limited relevance to the residents of LSD’s” was greeted with considerable annoyance by many presenters who considered these areas to be of direct relevance to governance in their respective areas.

Themes that were suggested for inclusion in a separate schedule of services in addition to fire protection, street lighting, recreational facilities and programs,

⁴² First Schedule Services, Municipalities Act R.S.N.B. 19 , c. M-22

community services, waste collection and disposal, general administration and planning were economic and industrial development, urban development plans, preservation of heritage buildings and properties.

It was also recommended that such a schedule should permit future additions to account for currently unforeseen situations. One presentation suggested that provision should be made for an automatic review of the schedule every ten years.

Panel Comments

It was evident from the input received throughout the public hearing process that the matters of local concern in LSD's have grown well beyond garbage collection and street lighting. Local Service Districts can be affected by the activities of government agencies and developments in neighboring communities. The range of services that an LSD is permitted to provide will largely determine the community's ability to respond to local issues.

The representatives of the LSD Advisory Committees cited their need to be actively involved in the many local matters that impact the quality of life in their communities including aspects of economic renewal, housing and industrial development and promotion.

The Panel was struck by the apparent gulf between the perspectives inherent in the legislation and those of the LSD Advisory Committee representatives. The service responsibilities of an LSD are inextricably linked to its role. A defined list of services must of necessity flow from a clear understanding of the role of Local Service Districts.

While the Province seemingly regards LSD Advisory Committees as simple administrative adjuncts to local service delivery, the presenters tend to regard their LSD Advisory Committee more as a vehicle for self-determination by giving them a voice in local matters. This disparity results in confusion over roles and responsibilities, frustration with the decision making process and dissatisfaction with the outcomes when trying to resolve matters of local concern.

The Panel concluded that the legislated list of services should afford citizens the maximum opportunity to determine the nature, level and quality of services available in their communities. The schedule should reflect the full range of services that are, or may become, matters of concern in Local Service Districts.

Given that the adoption of the sphere of jurisdiction approach for incorporated municipalities will likely result in the elimination of the First Schedule from the legislation, the Panel concluded that a schedule of services should be developed expressly for Local Service Districts.

Panel Response to Recommendations

Proposals:

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| 1. | <p>It is proposed that a separate schedule of services be applied to Local Service Districts. In addition, it is proposed that those services currently provided in the unincorporated areas be identified in this separate schedule. These services include fire protection, street lighting, recreational facilities and programs, community services, waste collection, waste disposal, administration, and land use planning.</p> <p>THE PANEL CONCURS WITH THE NEED FOR A LIST OF SERVICES FOR LOCAL SERVICE DISTRICTS AND FURTHER RECOMMENDS THE INCLUSION OF ECONOMIC AND INDUSTRIAL DEVELOPMENT AND PROMOTION, COMMUNITY DEVELOPMENT PLANS, HOUSING AND PRESERVATION OF HERITAGE BUILDINGS AND PROPERTIES.</p> |
| 2. | <p>It is proposed that Public Input be solicited respecting those additional services that residents of Local Service Districts may require and would be financed through local property taxation.</p> <p>THE PANEL CONCURS.</p> |

METHOD OF PROVIDING SERVICES

Background

There are currently three methods through which services are delivered to the residents of Local Service Districts.

Direct Delivery: Some services, such as fire protection and recreational facilities, are directly delivered to the residents of unincorporated areas. In these situations, the Minister of Municipalities and Housing owns, operates, and maintains the facilities and equipment necessary to deliver the service.

Statutory Commissions: Services such as land use planning and solid waste disposal are provided by district planning commissions created under the Community Planning Act and solid waste corporations created under the Clean Environment Act, respectively.

Contractual Arrangements: Certain services are provided to the residents of unincorporated areas by third parties that have entered into contractual arrangements with the Minister. The most notable examples are those agreements entered into with municipalities that provide recreational services or fire protection services on a regional basis.

Synopsis of Public Input

With regard to the methods of providing services, there was general agreement that since the three types of service delivery already existed there seemed to be no practical need to recognize them or enshrine them in legislative language unless legal experts decreed that such would be helpful or desirable.

Panel Comments

The Panel questions the need for legislating the particular types of service delivery mechanisms. The prescriptive approach has already proven problematic in application for incorporated municipalities. Any required legislative provision should be permissive in nature so as to provide sufficient flexibility to LSD's to be able to provide services effectively and efficiently. Other service delivery approaches may be developed in the future that are far more advantageous than those identified.

Panel Response to Recommendations

Proposals:

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| 1. | <p>It is proposed that the legislation recognize the three methods through which services are provided to local service district residents.</p> <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THE ADOPTION OF PERMISSIVE LANGUAGE THAT WOULD ALLOW FOR THE USE OF ANY SERVICE DELIVERY MECHANISM AS DEEMED APPROPRIATE BY AN LSD ADVISORY COMMITTEE.</p> |
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ACQUISITION AND DISPOSAL OF PROPERTY

Background:

The Minister of Municipalities and Housing currently holds title to various types of property (e.g. fire halls, equipment, and community halls) acquired for the purposes of service provision in the unincorporated areas. In most instances, the cost of acquiring such property has been paid for by the residents of the area through what is referred to as the local rate of property taxation.

The Minister also currently holds title to various types of property “in trust” for the residents of unincorporated areas. Some of these properties were vested in the Minister when the county system was abolished while others have been taken over at the request of residents of a particular area or as the result of being willed to the LSD by a citizen.

Synopsis of Public Input

It was also affirmed that any Ministerial decision to acquire or to dispose of property within the LSD district should only be undertaken with the approval of the residents concerned and that the proceeds of disposing of an asset within a specific LSD should be transferred to that specific LSD.

The presenters stated that the Minister should not have the authority to make a unilateral decision, such as the acquisition of assets that may affect the local tax rate. The presenters argued that any Ministerial action that may have an impact on tax rates should be subject to local approval.

There was unanimous support for the provision of a simplified and fairly streamlined system for capital financing for the purpose of service provision. This long-term financing would particularly relate to such things as acquiring new or necessary replacement of fire fighting equipment on the basis of a popularly agreed increase of property taxes to finance the project.

Panel Comments

Allowing for the acquisition and disposal of assets and providing for a means of obtaining capital financing for high cost items will allow Local Service Districts to address their service requirements in a cost effective and affordable manner.

The Panel stresses the fundamental importance of seeking local input and citizen approval for any action that will have an impact on the local tax levy. Taxation without representation is anathema to the basic concept of democracy. As long as the Local Service Districts do not have decision-making authority at the local level, the Province must protect and respect local interests by providing LSD Advisory Committees with a strong voice in local matters. This entails not only

consulting with but listening to and respecting the opinions and desires of the local community as expressed by the LSD Advisory Committee.

In fact, it would be preferable that the Minister not be permitted to consider any initiative involving the acquisition, disposal or long-term financing of assets that may have a financial impact on the local service district unless supported by a majority of the citizens of the Local Service District.

Panel Response to Recommendations

Proposals:

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| <p>4.</p> | <p>It is proposed that the Minister continue to be authorized to acquire and dispose of property, both real and personal, in the context of providing services to residents of Local Service Districts. It is also proposed that the cost of acquiring, operating, and maintaining such property be recovered through property taxation.</p> <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THAT THE MINISTER BE REQUIRED TO SEEK THE OPINION OF THE COMMUNITY THROUGH THE LSD ADVISORY COMMITTEE PRIOR TO MAKING ANY ACQUISITION OR DISPOSAL THAT MAY AFFECT THE LOCAL TAX RATE.</p> |
| <p>5.</p> | <p>It is proposed that the Minister be authorized to borrow funds, through the Municipal Finance Corporation, to acquire the capital assets necessary to provide services to the residents of Local Service Districts and recover the cost of such borrowing through property taxation. In addition, it is proposed that similar procedures as those governing municipal capital borrowing apply to borrowings on behalf of local service district residents.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT THE MINISTER ONLY BE PERMITTED TO BORROW ON BEHALF OF A LOCAL SERVICE DISTRICT WITH THE PRIOR APPROVAL OF THE COMMUNITY AS EXPRESSED THROUGH THE ESTABLISHED VOTING PROCESS.</p> |
| <p>6.</p> | <p>Where an asset is held in trust for the residents of a local service district by the Minister or where an asset has been acquired by the Minister for the purpose of providing a particular service to the residents of one or more Local Service Districts and that asset is sold (or</p> |

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| | <p>otherwise disposed of) it is proposed that the Minister be authorized to apply the proceeds of such sale against the cost of providing services to the residents of those areas.</p> <p>THE PANEL CONCURS.</p> |
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PETITION TO THE MINISTER

Background:

The submission of a petition to the Minister under sections 24 or 25 of the Municipalities Act is the initial step in the public meeting process and, generally speaking, the role of the petition is to act as an expression of interest by the signatories in having a public meeting held.

The Municipalities Act currently requires that petitions requesting a public meeting contain a minimum of 25 signatures from residents of the affected area. Signing a petition is not considered a vote for or against the matter under consideration. A public meeting is held in response to a petition to the Minister from the residents of the area.

The Municipalities Act does not prescribe the form that a petition is to take. It is proposed that a petition should contain the following:

- *a statement to the effect that signing the petition does not constitute a vote of any kind and that, provided that a sufficient number of eligible persons sign the petition, it will be submitted to the Minister and a public meeting will be called in order to conduct an official vote*
- *a clear description of the purpose for which the meeting is to be called (e.g., for the purpose of electing an LSD Advisory Committee, for the purpose of establishing the service of street lighting, etc.)*
- *a clear delineation of the area in regard to which the proposed service is to be provided (with a map of the specific area attached as an appendix, if possible)*
- *a requirement that signatories to the petition include their printed name, signature, and full civic address.*

Synopsis of Public Input

The current procedures concerning the public meeting process were the occasion of many critical representations. Of particular concern was the Department's legalistic attitude that since the present legislation speaks only of public meetings called by the Minister, the LSD Advisory Committees have no authority to call public meetings merely to inform residents about developments of local interest or to ascertain general public reaction without necessarily deciding by formal vote.

Several presenters felt that LSD Advisory Committees should be able---indeed should be required---to organize public information meetings or consultative meetings and be provided with the necessary funds to advertise the meeting and to rent a meeting place if such was necessary.

Many presenters felt strongly that other Government Departments, e.g. Transport, Natural Resources, Environment, Regional Development, etc., should be required to request LSD Advisory Committees to organize public meetings to inform residents about impending activities or projects such as road construction, forestry operations, gas pipeline construction, garbage transfer stations, commercial housing or building projects about to be undertaken within the district.

Panel Comments

The Panel believes that the legislation should expressly allow for an LSD Advisory Committee to convene public information meetings for area residents. This will enhance citizen input and understanding of matters that affect their community and will promote the principles of openness and accountability. There is a consequent need to provide sufficient funds in each local service district budget to publish meeting notices, rent halls and prepare/print documents etc.

This type of general meeting would also provide a forum for other government agencies to provide citizens information on initiatives that may impact their community and to seek input on these and other matters. The Panel believes that all Provincial government agencies/departments should be obligated to consult with and/or advise the LSD Advisory Committee on any matters or initiatives that may affect (directly or indirectly) the citizens of a Local Service District.

The petition is the formal mechanism for convening meetings and as such, the Panel supports the introduction of regulations that would establish the form and content of these petitions.

Panel Response to Recommendations

Proposal:

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| 7. | <p>While the form a petition is to take need not be specified by legislation, it is proposed that the Department take steps to inform the public as to the information that a petition should contain.</p> <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THAT A STANDARD FORM OF PETITION BE ADOPTED BY REGULATION FOR USE IN ALL LOCAL SERVICE DISTRICTS.</p> |
| 8. | <p>If an area contains less than 25 eligible voters, it is proposed that the legislation provide that the petition may be signed by 30% of the eligible voters in the area.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT 'THE AREA' BE PRECISELY DEFINED IN THE PETITION FORM.</p> |

QUORUM AND MAJORITY REQUIREMENTS

Background:

The Municipalities Act specifies that a quorum for a public meeting consists of a minimum of 50 eligible voters, or 30% of the eligible voters in the area, whichever is the lesser of the two.

Under the current legislation, when a majority of the eligible voters present at the meeting (50% plus 1) vote in favor of a particular action, the matter is referred to the Minister for further action.

Synopsis of Public Input

Most presenters concluded that the current requirements of 50 eligible voters or 30% of the voters “in the area” to be an acceptable arrangements, but several urged that the definition of “the area” be more precise. For example, if street lights were proposed for one street within the district, the quorum requirements should relate to the residents of that particular street as the cost of providing that service will be assessed only on the tax rate of residents of that street.

Most presenters favored a simple majority requirement but a few presenters suggested that a two-thirds majority should be required when the matter represented a relatively large capital expenditure and/or a relatively large increase in the tax rate.

Panel Comments

The Panel concluded that the current quorum and majority requirements are reasonable and practical. A requirement for a 2/3 majority could result in minority rule and is not supported.

Panel Response to Recommendations

Proposals:

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| 9. | It is proposed that the current quorum requirement of 30% of the eligible voters of the affected area or 50 eligible voters of the area (whichever is the lesser of the two) remain in effect. THE PANEL CONCURS. |
| 10. | It is proposed that the majority requirement remains a simple majority. THE PANEL CONCURS. |

ESTABLISHING SIGNING AND VOTING ELIGIBILITY

Background:

Under the current legislation, in order for a person to sign a petition to the Minister or to vote at a public meeting, he or she must be qualified to vote under the Elections Act⁴³. There have been some cases where the eligibility of people who have signed the petition or who have voted at a meeting, has been in question.

Synopsis of Public Input

Several presenters pointed out that because the boundaries of many LSD's were described as being synonymous with original parish boundaries, which now have relatively little significance, steps should be taken to have LSD boundaries more precisely defined. The combination of precise boundaries and the new civic

⁴³ Elections Act R.S.N.B. c. E3

numbering system should enable the easy identification of residence requirements for petition signing and voting authority.

However, many presenters noted the need to accommodate both resident and non-resident property owners in determining petition signing and voting authority. It was noted that at present non-resident property owners with a legitimate interest in local decisions could not participate if their eligibility is determined solely in accordance with the residence requirements of the New Brunswick Elections Act.

Panel Comments

The right of a resident of a local service district to sign a petition is tantamount to the right to vote in other areas of the Province. It is therefore critical that all those qualified be extended the opportunity but equally, only those qualified, if the result of the petition is to reflect the will of the community.

The Panel gave careful consideration to the notion of allowing seasonal residents an opportunity to participate in community petitions and/or votes. It can be argued that any change in services or tax rates can affect them as much as any other resident. On the other hand, presenters noted that the needs and interests of seasonal residents are not always the same as those of permanent residents. For example seasonal residents tend to favor minimal tax rates while permanent residents may want new or increased services.

The Panel concluded that the current provisions of the *Elections Act*⁴⁴ are appropriately maintained. The individual seasonal residents will change from time to time and they will continue to exercise their voting rights in their place of permanent residence. Permanent residents of the LSD will tend to have a greater knowledge of local issues and interest in the long-term well being of the community. However, though without a vote, seasonal residents who own property should have a voice in local affairs and should therefore be permitted to attend LSD Advisory Committee meetings. They should not be included in the determination of a quorum.

The Panel concluded that many of the issues of concern (private roads) to the permanent residents could be effectively addressed with effective long term land use planning.

Earlier in the report, the Panel recommended a timely reduction in the number of Local Service Districts and it is suggested that boundary adjustments should be made at that time.

Panel Response to Recommendations

⁴⁴ Ibid.

Proposals:

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| <p>11.</p> | <p>It is proposed that a petition be considered to be valid where a minimum of 25 residents of the area who are eligible to vote under the <i>Elections Act</i> have affixed their signatures to it.</p> <p>THE PANEL CONCURS AND RECOMMENDS THAT THE 'AREA' BE PRECISELY DEFINED.</p> <p>THE PANEL FURTHER RECOMMENDS THAT NON-RESIDENT PROPERTY OWNERS BE NOTIFIED OF THE PETITION AND BE GIVEN AN OPPORTUNITY TO PARTICIPATE IN ANY RELATED MEETINGS CALLED TO CONSIDER THE MATTER. THE NON-RESIDENTS SHOULD NOT BE PERMITTED TO VOTE NOR BE CONSIDERED IN THE QUORUM REQUIREMENTS.</p> |
| <p>12.</p> | <p>It is proposed that the Minister or his or her delegate be charged with the determination of whether or not a petition that has been submitted contains a sufficient number of valid signatures. It is also proposed that the determination of the Minister or his or her delegate as to the validity of a petition should be conclusive.</p> <p>THE PANEL CONCURS.</p> |
| <p>13.</p> | <p>It is proposed that the Minister or his or her delegate be authorized to use specified sources of information, such as the permanent registry of voters, civic address listings and, where relevant, property information held by Service New Brunswick (NBGIC), in order to assist in the verification of voter eligibility.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT THIS INFORMATION BE MADE AVAILABLE TO THE LSD ADVISORY COMMITTEE.</p> |

DISPUTING VOTER ELIGIBILITY

Background:

The Municipalities Act does not currently provide a formal mechanism whereby the eligibility of a particular person to vote at a public meeting can be challenged. In situations in which the eligibility of a person to vote at a meeting is questioned, the issue is resolved informally (usually by requesting the individual to produce identification and to establish on a factual basis that the necessary period of residency has been met). In the event, however, that resolution of the matter could not be effected in this manner it would not currently be possible to compel an individual to attest to his or her eligibility to vote or preclude an ineligible person from voting.

Synopsis of Public Input

Verification of residence requirements was not considered a serious issue. Most presenters thought that a neighbor could vouch for residence requirements. Others added that, if necessary, verification could be established by the administration of an oath or an affirmation.

Panel Comments

As noted previously, the Panel believes it vital that all those eligible, but only those eligible, be given an opportunity to vote. A procedure for raising objections to voter eligibility is therefore in order.

The Panel believes that objections to voter eligibility should come only from a qualified voter in the Local Service District. In the interest of fairness and to prevent frivolous objections, the Panel also believes the objection should be documented on a standard form established by regulation. The disposition of the objection should be recorded on the same form.

The Panel supports the use of an oath or an affirmation as a means of attesting to voter eligibility in the event that an objection is raised.

Panel Response to Recommendations

Proposals:

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| 14. | It is proposed that the Minister or his or her delegate be authorized to ask a person wishing to vote at a public meeting to take an oath as to his or her |
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| | <p>eligibility to vote under the <i>Elections Act</i>. In the event that a person refuses to swear the oath as requested, it is also proposed that he or she be precluded from voting at the meeting.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THE ADOPTION, BY REGULATION, OF A STANDARD FORM TO RECORD THE SOURCE OF THE OBJECTION, THE NATURE OF THE OBJECTION AND THE DISPOSITION OF THE OBJECTION.</p> <p>THE PANEL FURTHER RECOMMENDS THAT ONLY RESIDENTS OF THE AFFECTED LOCAL SERVICE DISTRICT BE PERMITTED TO RAISE AN OBJECTION.</p> |
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OBLIGATION TO CALL / RESCHEDULE A PUBLIC MEETING

Background:

Subsections 24(1), 24(5), 25(1), and 25(3) state that within thirty days of the receipt of a petition the Minister shall call a meeting of the residents of the area to consider the subject matter of the petition. These subsections are generally interpreted as making the holding of a public meeting compulsory once a petition has been received. The legislation also currently provides that where quorum requirements for a public meeting are not met, the Minister may adjourn the meeting to a fixed date. While the statute does not specify that a meeting must be rescheduled for a date within thirty days, there is an expectation that this will be the case.

Synopsis of Public Input

With regard to the petition process there was a unanimous view that the decision whether or not to hold a public meeting as set out in Sections 24 and 25 of the Municipalities Act should definitely not be at the absolute discretion of the Minister. On the contrary, it was considered that the Minister should be legally obliged to call a public meeting as requested by a duly filed petition within 30 days of the request or as soon as possible thereafter. The requirement of at least 25 signatures on such a petition seemed acceptable to all presenters.

Other presenters noted that it would be beneficial to make mandatory at least one or two meetings of the LSD Advisory Committee each year for sharing information, obtaining community feedback and reporting on LSD Advisory Committee activities.

There was a consensus that when the quorum requirements of a petitioned meeting were not met, a second meeting should be called within a specified time period. Some accepted a time period of ninety days, many others favored a shorter time period especially if the failed quorum was caused by inclement weather or if the issue at hand was a matter that had to be dealt with within a seasonal time period.

Several presenters suggested that even if the first meeting failed to have a quorum the meeting should not be dismissed as a “non-meeting” but that it should at least continue as an information exchange meeting concerning the issue at hand without, however, proceeding to a vote.

With regard to the procedure to be followed if the second meeting also failed to have a quorum there were differing views. Some considered that if the issue at hand failed to produce a quorum in two scheduled meetings the matter should be dropped entirely. Others considered that the matter could be raised again by initiating a new petition process a year after the date of the failed second meeting.

Panel Comments

The Panel strongly recommends that the Minister be obliged to call a meeting within 30 days of receiving a valid petition. This cannot be regarded as simply a question of the Minister preserving his/her discretion but more importantly recognizing and respecting the democratic will of the residents of the community.

It is inconceivable that the legislation would allow the Minister to ignore the very mechanism established (petition) in the same legislation to allow citizens to voice their collective desire. This would be tantamount to allowing a mayor to decide unilaterally whether or not to ever convene a Council meeting. As previously noted, providing a strong voice on local matters is necessary to compensate for the lack of local decision-making authority.

In order to promote enhanced accountability and responsiveness, the Panel endorses a legislated requirement for Local Service District Advisory Committees to convene at least one public meeting each year. The meeting format should allow for information sharing, community feedback and decision making. It is thought that a broad agenda that included information items and decision making by community vote may help to generate increased interest in the proceedings of the LSD Advisory Committee meetings.

Based on the comments received, the Panel believes that the 90-day waiting period for a second meeting is excessive. A failure to act on a timely basis could negatively impact the residents of the community. The Panel suggests that if a quorum is not met at the first meeting a second meeting be called within 45 calendar days of the first meeting. The one-year waiting period is considered appropriate if a quorum is not obtained at the second meeting.

Panel Response to Recommendations

Proposals:

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| <p>15.</p> | <p>It is proposed that the decision as to whether or not a meeting is to be held to consider any of the matters set out in sections 24 and 25 of the <i>Municipalities Act</i> be within the absolute discretion of the Minister.</p> <p>THE PANEL DOES NOT CONCUR IN THE STRONGEST POSSIBLE TERMS AND RECOMMENDS THAT THE MINISTER BE REQUIRED TO CONVENE A MEETING WITHIN 30 DAYS OF RECEIPT OF A VALID PETITION.</p> <p>THE PANEL FURTHER RECOMMENDS THAT THE LSD ADVISORY COMMITTEE BE OBLIGATED TO CONVENE AT LEAST ONE PUBLIC MEETING PER YEAR WITHOUT THE NEED FOR A PETITION.</p> |
| <p>16.</p> | <p>Where the Minister has decided that a public meeting should be held in response to a petition, it is proposed that such meeting is held within thirty days of the receipt of a petition or so soon thereafter as is practicable.</p> <p>THE PANEL CONCURS BUT RECOMMENDS THAT THE 30-DAY LIMIT BE THE MAXIMUM AMOUNT OF TIME PERMITTED TO CONVENE THE MEETING.</p> |
| <p>17.</p> | <p>Where quorum requirements are not met the first time a public meeting is called (as a result of receiving a petition), it is proposed that a second meeting be scheduled to take place</p> |

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| | <p>within 90 days of the date of the first meeting that was scheduled. It is also proposed that this should apply to all types of public meetings of local service district residents authorized by the <i>Municipalities Act</i>.</p> <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THAT THE SECOND MEETING BE HELD WITHIN 45 DAYS OF THE FIRST MEETING.</p> |
| 18. | <p>Where a meeting that was initially called as a result of receiving a petition, is rescheduled and quorum requirements are again not met, it is proposed that no subsequent meeting be called. In addition, it is proposed that, following the second attempt to hold a meeting, if residents want to have the same matter considered again at a public meeting, the process would have to be re-initiated via the petition one year from the date of the meeting that was scheduled a second time.</p> <p>THE PANEL CONCURS.</p> |

INCREASE IN SERVICE LEVELS

Background:

The current legislation deals with the provision of a particular service to a given area and with the discontinuance of a service. However, the legislation provides no formal process through which the Minister may consult with the residents of a local service district with respect to either an increase in a particular level of an established service or a change in the method through which a particular service is to be provided. The meeting requirements would not apply to the services of land use planning and solid waste collection or disposal as they are governed by other legislation.

The legislation does not directly address the situation in which a particular service is being delivered pursuant to a contract for a fixed period of years. More specifically, the legislation does not deal with situations where a contract is to be renewed or where the contract is to be terminated before the agreed upon time specified in the contract.

Synopsis of Public Input

There was consensus that public meetings should be called for the purpose of determining an increase or decrease of service levels or for changes in the method of service delivery, especially if such changes would affect the tax rate. Presenters also thought the MSR should be required to keep the LSD Advisory Committee informed of the terms and conditions of any contract for delivery of services within the district, such as garbage collection.

Finally, presenters requested that the legislation make it mandatory for the Minister to call a meeting for any proposed change in service levels or contract provisions. The presenters pointed out that they are often never informed of changes and usually only find out about it after the fact.

Panel Comments

The Panel is of the opinion that residents should be fully informed and consulted concerning any change in service levels, service delivery methods or contract terms respecting same that are initiated by the Minister. The Minister should be subject to a mandatory obligation to convene a meeting in all cases. In addition, the Panel believes that the proposed changes should be subject to the approval of the community or at the very least the LSD Advisory Committee.

The Panel cannot overstress the importance of respecting democratic principles and ideals in the governance of Local Service Districts. The fact that the community has no elected community representatives with decision making authority should not be construed as a license for the Minister to simply adopt a benevolent role. In the interest of respecting the basic principles of accountability, openness and responsiveness, the Minister should be obligated to seek community input prior to making a decision respecting service levels.

It is a practical impossibility for the Minister to be fully aware of the divergent needs and interests of over 271 Local Service Districts. As a result he/she must rely on the input of the local Municipal Services Representative. The Panel believes the Minister should be relying on the advice of the LSD Advisory Committee and not solely on the opinion of the local Municipal Services Representative so as to be truly responsive to local priorities and choices. The opinion of the LSD Advisory Committee should be the major factor to be considered by the Minister.

Panel Response to Recommendations

Proposals:

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| <p>19.</p> | <p>Once an area has been established for the provision of a particular service, it is proposed that the legislation provide for the holding of a meeting of the residents of that area for the purposes of considering an increase or decrease in an existing level of service as follows:</p> <p><u>Additional Service</u> Where it is proposed to provide financial support to an additional recreational facility or program or to provide an additional service that currently falls under the heading of community services, a meeting of the residents of the area should be held to consider the matter.</p> <p><u>Renewal of fixed term contracts:</u> If the Minister proposes to renew a contract respecting the provision of recreational facilities and programs or community services to the residents of a local service district, a meeting should be held no later than four months prior to the expiration of the term of the agreement for the purposes of considering the renewal of the agreement. If the Minister does not propose to renew the contract, it will end upon the expiration of the term specified. In the event that the Minister proposes to terminate the contract prior to the expiration of the term, a meeting should be held to consider the matter.</p> <p><u>Amendments to open-ended contracts:</u> Where street lighting is currently being provided to the residents of a local service district, the Minister should be given the option of holding a public meeting to consider the installation of additional street lights.</p> <p>Where a service is being delivered to the residents of a local service district pursuant to a contract for an unspecified term and the Minister is of the view that the contract should be substantially amended or terminated, the Minister should be given the option</p> |
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| | <p>of holding a public meeting to consider the amendment or termination of the contract. Alternate methods of providing the service (such as direct delivery or a different service provider) should also be considered at the meeting.</p> <p>Direct Delivery: Where a service is delivered directly to the residents of a local service district by the Minister through the use of assets owned and operated by the Minister, the Minister should have the option of holding a public meeting to consider any increase or decrease in service levels or any change in the method of service delivery.</p> <p>THE PANEL CONCURS WITH THE NEED TO CALL A MEETING TO CONSIDER ANY CHANGE IN THE COST, LEVEL, AND TYPE OR METHOD OF DELIVERY OF A SERVICE.</p> <p>THE PANEL DOES NOT CONCUR THAT THE HOLDING OF THE MEETING SHOULD BE AT THE DISCRETION OF THE MINISTER BUT STRONGLY RECOMMENDS THAT THE LEGISLATION PROVIDE THAT THE HOLDING OF A MEETING TO CONSIDER CHANGES IN SERVICES ETC. BE MADE MANDATORY.</p> <p>THE PANEL FURTHER RECOMMENDS THAT PRIOR TO MAKING ANY CHANGE IN SERVICES IN AN LSD, THE MINISTER BE OBLIGATED TO SEEK THE SUPPORT OF THE COMMUNITY THROUGH THE LSD ADVISORY COMMITTEE.</p> |
| 20. | <p>It is proposed that where a meeting is called under any of the circumstances set out in Proposal 19, all of the rules governing the holding of public meetings should apply.</p> |

THE PANEL CONCURS.

PROVISION OF THE SERVICE OF STREET LIGHTING

Background

Where a majority of the eligible voters present at a public meeting vote in favor of a particular action, such as the provision of a new service to the area, the Minister may make a recommendation to Provincial Cabinet respecting that action. If the Minister recommends that a particular service be provided and Cabinet concurs with that recommendation, an amendment to New Brunswick Regulation 84-168 under the Municipalities Act is made and the service is then provided. The procedures involved in amending a regulation are complex and the time period required to effect the necessary changes is occasionally a lengthy one.

Synopsis of Public Input

For many of the rural based LSD's the provision of street lighting is not a critical issue but many presenters were concerned that the present procedures for providing such or similar services apparently involve delays of up to one year. There was a consensus that such procedures should be simplified and be made less time-consuming.

It seemed to all that it is a ridiculous situation that the establishment of a service in an LSD for which the residents would be paying by an increase in their tax rate would require a time-consuming decision by the Cabinet.

Panel Comments

The Panel supports the need to streamline the process of approving requests for street lighting services in LSDs. Ministerial approval should suffice as opposed to regulatory amendment although it is recognized that the identification of the affected area must still be completed in order to apply the proper tax rates.

Panel Response to Recommendations

Proposals:

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It is proposed that a regulatory amendment not be required prior to establishing an area for the provision of the service of street lighting. It is suggested, however, that the full public

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| | <p>meeting process continue to be followed.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT THE QUORUM AND MAJORITY REQUIREMENTS FOR THE PUBLIC MEETING PROCESS RELATE ONLY TO THE AREA TO RECEIVE THE STREET LIGHTING.</p> |
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ELECTION OF A LOCAL SERVICE DISTRICT ADVISORY COMMITTEE

Background:

Choosing those persons who will advise the Minister respecting the administration of the local service district is a matter that is as important as any other matter for which a public meeting is scheduled. It is often difficult to obtain quorum for a meeting called solely for the purpose of electing members to an LSD Advisory Committee.

The Municipalities Act currently provides for a two-year term for LSD Advisory Committee members.

Synopsis of Public Input

There was consensus that LSD Advisory Committee elections should be held at the same time as Municipal elections and that the term of office be three years. There was also consensus that a required quorum of three persons for such an election was inadequate and that a quorum of at least twice the number to be elected would be a better arrangement. There was also consensus that if the established quorum could not be met, the existing LSD Advisory Committee should continue until another election was scheduled within a specific time frame.

Panel Comments

The Panel believes that holding the LSD Advisory Committee elections on a triennial basis in conjunction with municipal elections would tend to increase the profile and significance and underscore the importance of the LSD election. As noted previously, the current lack of candidates seems to relate more to the perceived futility of sitting on an LSD Advisory Committee and not to a lack of interest in the well being of the community. The Panel recognizes that this change will require the MSR to receive additional assistance during the municipal election period.

The Panel supports the need for an increased quorum requirement and the holding of a public meeting to discuss other matters of community interest at the same time as the scheduled election.

Panel Response to Recommendations

Proposals:

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| 22. | <p>Since the minimum number of persons necessary to form a LSD Advisory Committee is three, it is proposed that quorum for a meeting called solely for the purpose of electing a LSD Advisory Committee be set at a minimum of three persons.</p> <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THAT A QUORUM SHOULD BE AT LEAST TWICE THE NUMBER OF POSITIONS TO BE FILLED.</p> |
| 23. | <p>Where a meeting to elect an LSD Advisory Committee is held in conjunction with any other public meeting contemplated under sections 24 and 25, it is proposed that the minimum quorum requirement be the same as that required for such other meetings (i.e., 50 eligible voters in the area or 30% of the eligible voters in the area, whichever is the lesser of the two). It is also proposed that the legislation specifically authorize the option of holding one or more of the public meetings contemplated under sections 24 and 25 at the same time.</p> <p>THE PANEL CONCURS.</p> |
| 24. | <p>It is proposed that the legislation continue to provide for the election of LSD Advisory Committees on a biennial basis. In order to avoid any gap in membership on an LSD Advisory Committee, however, it is also proposed that members of an LSD Advisory Committee should remain in office until such time as a new LSD Advisory Committee has been elected.</p> |

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| | <p>THE PANEL DOES NOT CONCUR BUT RECOMMENDS THAT ELECTIONS BE HELD ON A TRIENNIAL BASIS IN CONJUNCTION WITH THE MUNICIPAL ELECTIONS.</p> <p>THE PANEL FURTHER RECOMMENDS THAT IF THERE IS NO QUORUM TO ELECT A NEW LSD ADVISORY COMMITTEE, ANOTHER MEETING TO ELECT THE LSD ADVISORY COMMITTEE SHOULD BE HELD WITHIN 30 DAYS.</p> <p>THE PANEL DOES NOT CONCUR WITH THE PROPOSAL TO REQUIRE MEMBERS TO REMAIN IN OFFICE. THE PANEL RECOMMENDS THAT THE MEMBER HAVE THE OPTION TO REMAIN IN OFFICE. THE COMMUNITY INTEREST IS NOT SERVED BY COMPELLING AN INDIVIDUAL TO REMAIN IN OFFICE IF NOT INCLINED TO DO SO.</p> |
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ROLE OF LOCAL SERVICE DISTRICT ADVISORY COMMITTEES

Background

The role of an LSD Advisory Committee is to advise the Minister respecting the administration of the local service district. In recent years, issues have arisen that are of interest to the local community but fall outside the scope of direct service provision. It has been suggested that the role of the LSD Advisory Committee and the public meeting process could be expanded to accommodate the consideration of issues of general interest. Questions have also arisen respecting the indemnification of members of LSD Advisory Committees in situations in which the actions of the members have led to litigation.

Synopsis of Public Input

As stated earlier, there was unanimous agreement that the role of the LSD Advisory Committee and the public meeting process be expanded to accommodate consideration of issues of general interest for which residents could be regularly informed, and, if necessary, take further steps to initiate a formal petition process.

There was also unanimous agreement that members of LSD Advisory Committees should be furnished with a statutory right of indemnification of reasonable costs incurred in the defense of legal action brought against a member for actions taken in regular performance of duties, regardless whether that defense was successful or not.

Panel Comments

Based on the public input, the Panel is convinced that the role of the LSD Advisory Committee extends well beyond questions of local service delivery. It follows that the advice and opinions of the LSD Advisory Committee be fully respected and given due consideration.

The Panel believes that the role of the LSD Advisory Committee should include:

- ◆ advising the minister on local matters,
- ◆ informing citizens on issues and matters of local concern,
- ◆ initiating the petition process as required,
- ◆ participating in the development of the local budget,
- ◆ providing representation on regional bodies and
- ◆ acting as a point of contact for all government agencies and regional service delivery bodies.

The Panel supports the need for indemnification of the members of the LSD Advisory Committee. The Province should investigate the cost of acquiring an umbrella insurance policy to cover all LSD Advisory Committees. The related cost could be apportioned according to the number LSD Advisory Committees.

Panel Response to Recommendations

Proposals:

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| 25. | <p>It is proposed that Public Input be sought respecting the current and future role of LSD Advisory Committees in regard to issues other than those involving the direct provision of services to the residents of the local service district.</p> <p>THE PANEL CONCURS WITH THE NEED FOR PUBLIC INPUT AND FURTHER RECOMMENDS THAT AT A MINIMUM THE ROLE OF THE LOCAL SERVICE LSD ADVISORY COMMITTEE INCLUDE;</p> |
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| | <ul style="list-style-type: none"> ➤ ADVISING THE MINISTER ON LOCAL MATTERS ➤ INFORMING RESIDENTS ABOUT ISSUES OF LOCAL CONCERN ➤ INITIATING THE PETITION PROCESS ➤ PARTICIPATING IN THE PREPARATION OF THE LSD BUDGET ➤ ACTING AS THE POINT OF CONTACT FOR ALL GOVERNMENT AGENCIES AND REGIONAL BODIES ON MATTERS AFFECTING THE RESIDENTS OF THE LSD ➤ PROVIDING/NOMINATING REPRESENTATIVES TO REGIONAL BODIES AS REQUIRED ➤ PROVIDING ADVICE AND INPUT TO REGIONAL BODIES AND SPECIAL PURPOSE AGENCIES ON ISSUES OF LOCAL CONCERN |
| <p>26.</p> | <p>It is proposed that LSD Advisory Committee members be given the same rights of indemnification as municipal Council members with respect to legal costs incurred in defending an action against them arising from the performance of their duties and obligations under the <i>Municipalities Act</i>. It is also proposed that the cost of such indemnification be recovered by the Minister through property taxation.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT SUCH INDEMNIFICATION APPLY WHETHER THE OUTCOME IS SUCCESSFUL OR UNSUCCESSFUL.</p> <p>THE PANEL FURTHER RECOMMENDS THAT THE PROVINCE CONSIDER PURCHASING AN APPROPRIATE INSURANCE POLICY TO PROVIDE SUCH INDEMNIFICATION AS OPPOSED</p> |

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| | <p>TO SELF-INSURING.</p> <p>THE PANEL RECOMMENDS THAT THE INDEMNIFICATION FOR LEGAL FEES BE LIMITED TO A REASONABLE AMOUNT.</p> |
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LOCAL SERVICE DISTRICT DESIGNATIONS

Background:

Names have been included in the regulation that describes the Local Service Districts in New Brunswick. These names have been used in conjunction with property descriptions in order to identify particular unincorporated areas. The statute does not, however, provide a legislative mechanism for changing the name of a local service district.

Synopsis of Public Input

While not considered to be a burning issue, there was consensus that the residents of LSD should be consulted and have a vote in the decision to name or re-name that LSD.

Panel Comments

The Panel supports a requirement to seek the approval of the community to effect a change in name of the Local Service District. From a practical perspective (911, postal codes etc.), the Panel suggests that additional name changes not be permitted for at least 10 years following any change.

Panel Response to Recommendations

Proposals:

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| 27. | <p>It is proposed that the Minister have the authority to call a public meeting upon the receipt of a petition from the residents of the area affected to consider the question of a change to the name of the local service district.</p> <p>THE PANEL CONCURS.</p> |
| 28. | <p>Where a majority of the eligible voters in attendance at a meeting vote in favor of the proposed name change, it is</p> |

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| | <p>proposed that the legislation specifically allow for changing the name of a local service district.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT A 10 YEAR MORATORIUM ON ADDITIONAL NAME CHANGES APPLY FROM THE DATE OF THE MOST RECENT NAME CHANGE.</p> |
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WAITING PERIOD

Background:

The legislation currently provides that where a meeting has been held to consider whether or not to establish a local service district, no person may petition for the establishment of a local service district with respect to the same area for a period of one year after the date of the petition. This is the only waiting period that is imposed by the Municipalities Act. It follows, therefore, that in the context of decisions reached at public meetings called in relation to other sections of the Act (e.g. to establish or discontinue a service), closure can be difficult to obtain.

Synopsis of Public Input

There was consensus that a specified period of time of one year should elapse before there is a second petition dealing with essentially the same matter as had already been decided as a result of a petitioned public meeting.

Panel Comments

A one-year waiting period appears reasonable and will prevent frivolous or repeated pursuits of the same issue. A lack of a quorum at the first meeting should not be an absolute bar to reconsideration and provision should be made for a second meeting within 45 days of the first.

The Panel agrees that the Minister should have the discretion to call a meeting at any time if in his/her opinion a matter warrants consideration by the community.

Panel Response to Recommendations

Proposals:

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| 29. | <p>It is proposed that the legislation be amended to provide that where a meeting has been held, no person should be authorized to submit a petition to the Minister dealing with substantially the same subject matter as that which was dealt with at the public meeting, until one year has elapsed from the date of the public meeting.</p> <p>THE PANEL CONCURS.</p> |
| 30. | <p>It is proposed that where a meeting has been called (pursuant to a petition) and quorum is not met and the same meeting is called a second time and quorum is again not met, the waiting period to submit another petition pertaining to substantially the same matter should be one year from the date of the second meeting that was scheduled.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT THE SECOND MEETING BE CALLED WITHIN 45 DAYS OF THE FIRST MEETING.</p> |
| 31. | <p>It is proposed that the Minister be authorized to call a meeting when he or she feels that residents of the area ought to consider a particular matter.</p> <p>THE PANEL CONCURS.</p> |

MUNICIPAL CONSULTATION WITH LOCAL SERVICE DISTRICT RESIDENTS PRIOR TO SERVICE ESTABLISHMENT

Background:

In recent years, municipal Councils have been requesting that the residents of Local Service Districts contribute to the construction and operation of facilities that are of regional benefit. While what is most often sought is financial support for existing facilities, a number of new projects have also been proposed.

Synopsis of Public Input

Among municipal presentations there was a strong belief that there should be some formula whereby residents of LSD's should contribute in some manner to the expense of establishing a regional facility located in an urban area.

Some municipal representatives suggested that the property tax rate of LSD residents vary in proportion to their proximity to the municipal/regional service concerned. Others suggested a uniform Provincial levy.

Representatives of LSDs stated that the financing of such regional facilities should be thoroughly discussed with the neighbouring LSDs early in the planning stages long before the construction or implementation commenced. LSD representatives thought it entirely inappropriate to request cost sharing for a facility after it was in place and without any input from the LSD.

The LSD presenters also suggested that some form of LSD representation on the governing boards of these facilities is required if tax dollars from LSD residents are to be contributed to the operation or construction of the facility.

Panel Comments

The Panel believes that prior consultation is not simply a courtesy but should be mandatory if the urban community expects or hopes to solicit funding support from the LSD.

The Panel noted with interest the last recommendation that implies a meeting may be called by the LSD Advisory Committee, other than pursuant to a petition or a need for a community vote. The Panel fully supports this approach. It should

not, however, be necessary to take a vote immediately at the information meeting.

The issue of cost sharing of municipal services by Local Service Districts is difficult to resolve. Questions of representation, accountability, taxation, equity, calculation, universality and decision making all come to mind. What is fair and appropriate in the eyes of one group is not necessarily so in the opinion of others. The Panel suggests a more in-depth study of this matter is in order and recommends that in the interim, cost sharing be a matter of negotiation between the urban and rural communities.

Panel Response to Recommendations

Proposals:

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| <p>32.</p> | <p>It is proposed that any municipality or other proponent proposing to undertake a large-scale project be encouraged to seek support of local service district residents at the earliest stages of the process.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT MUNICIPALITIES BE REQUIRED TO SEEK THE SUPPORT OF THE LOCAL SERVICE DISTRICT IN THE DEVELOPMENT STAGES OF THE PROJECT.</p> <p>THE PANEL FURTHER RECOMMENDS THAT LSD CONTRIBUTIONS TO THE PROJECT BE CONTINGENT UPON APPROPRIATE LSD REPRESENTATION ON THE GOVERNING BOARD OR AGENCY OF THE FACILITY.</p> <p>THE PANEL FURTHER RECOMMENDS THAT AN INDEPTH ANALYSIS BE UNDERTAKEN AS SOON AS POSSIBLE TO DEVELOP A FAIR AND EQUITABLE METHOD OF COST SHARING FOR MUNICIPAL SERVICES USED BY RESIDENTS OF LOCAL SERVICE DISTRICTS.</p> |
| <p>33.</p> | <p>It is proposed that the full particulars of the project, the anticipated contribution and the benefits that will be afforded to local service district residents, should be presented by the proponent, at the public meeting called to consider the proposal.</p> <p>THE PANEL CONCURS AND FURTHER RECOMMENDS THAT THE TIMING OF THE MEETING FOR THE COMMUNITY VOTE BE LEFT TO THE DISCRETION OF THE LSD ADVISORY COMMITTEE.</p> |

