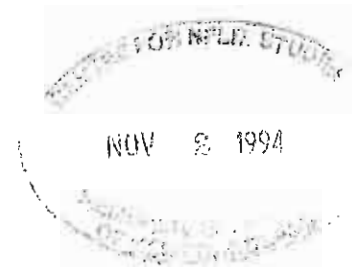


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REPORT OF COMMISSIONERS
MADE PURSUANT TO THE
MUNICIPALITIES FEASIBILITY REPORTS REGULATIONS, 1980
IN RELATION TO THE PROPOSED AMALGAMATION OF THE
TOWNS OF
MILLTOWN-HEAD OF BAY D'ESPOIR
AND
MORRISVILLE

Commissioners: Frank Manuel
Eric Ball



SECTION 3

3.0 - Background

3.1 - Milltown-Head of Bay D'Espoir

The Town of Milltown is located near the head of Bay D'Espoir which is about midway along the province's south coast. It has a population of 1,276 persons comprising 344 residences. The latest census period from 1981-1986 shows the population of the town to have declined by 7.3 percent over the five-year period.

The town has a Town Council and charges a property tax rate of 6 mills, a water and sewer levy of \$168 per year, a poll tax of \$75 per year and a business tax.

Milltown has adopted the National Building Code as the standard for building construction and will, in the very near future, have in place a town plan and land use zoning and subdivision regulations.

The municipality has approximately 10 km of road, a town hall, fire hall, garage and recreation centre. Fire protection equipment consists of a 625 GPM pumper. Additional heavy equipment is comprised of a loader and pickup truck.

Recreational facilities in the town at the moment consists of a softball field and a municipal park.

Milltown contracts out its garbage collection and disposal service and has its own landfill site.

The municipality also provides water and sewer to 98 percent of the community.

Staffing consists of a town clerk, town manager, a superintendent of works, and one part-time maintenance man.

The financial position of the town is set out in the latest available statement, which at the time of writing was 1987. In that year, the town had an accumulated deficit of \$5,992. The latest budget for the town shows revenues to be in the order of \$442,303.

3.2 - Morrisville

The community of Morrisville is located approximately 5 km south of Milltown in a cove on the other side of the peninsula which both municipalities share. It has a population of 221 persons comprising 49 residences. The latest census period from 1981-1986 shows the population of the community to have declined by 5.2 percent over the five-year period.

The community has a council and charges a water supply levy of \$36 per year, a poll tax of \$70 per year, a business tax, but no tax on real property.

Morrisville has adopted the National Building Code as the standard for building construction. However, there is neither a town plan nor development regulations in place and so the municipality has no control over development or the power to zone.

The municipality has approximately 3 km of road, a community office located in the fire hall. Fire protection equipment consists of a van equipped with 2 pumpers. The community has no other heavy equipment.

Recreational facilities in the community at the moment consists of a softball field and municipal park.

Morrisville contracts out its garbage collection and disposal service and has its own landfill site.

The municipality also provides water to the entire community, but there is no sewer system available at this time.

The community has no staff. At the moment, administrative duties are carried out by a councillor who acts in the capacity of an administrator on a part-time basis.

The latest budget for the community show revenues to be in the order of \$11,555.

SECTION 4

4.0 - Public Hearings

A joint feasibility public hearing was held in the Town of Milltown on April 3, 1990 commencing at 7:00 P.M.

4.1 - Written Briefs were presented by:

- (i) A proposal for amalgamation by Mr. Ron Ozon, Senior Planner, Department of Municipal and Provincial Affairs. (Appendix A)
- (ii) Mayor Kearley, Town of Milltown-Head of Bay D'Espoir.
- (iii) John Augot, Community of Morrisville.

4.2 - Oral Presentations from the floor:

- (i) Jeremiah Perry, Milltown-Head of Bay D'Espoir

SECTION 5

5.0 - Record of Briefs

5.1 - Written Briefs

The first brief was presented by Mayor Kearley of Milltown-Head of Bay D'Espoir.

The Mayor started his presentation by stating his understanding that the amalgamation would not be a take-over rather it is uniting communities for mutual benefit. He went on to say that the creation of a larger tax base is not significant in the Milltown-Bay D'Espoir area as the base would only be increased by some 17% with the amalgamation of the municipalities

concerned. He said in local revenues alone the residents of Morrisville would see an increase in municipal taxes of approximately 625%. He said total revenue from all sources for residents of Morrisville is about 633% less than that of residents of Milltown-Head of Bay D'Espoir. Mr. Kearley said that because of the lack of equipment and staff in Morrisville, there would be a major increase required in order to service that town. There would be no elimination or duplication, there would have to be an increase in all services. He went on to say that the geography of the area dictates that the two municipalities must be allowed to continue as they are at the present. He said that municipalities are different - they are unique in their own special way. He said the acquisition of Morrisville would only add to the cost instead of helping to alleviate it for the Town of Milltown-Head of Bay D'Espoir. Mr. Kearley said that amalgamation is certainly not of any benefit to either town unless there is a huge increase in tax incentives and general municipal assistance grants by the province. It is very obvious to the residents of Morrisville and Milltown-Head of Bay D'Espoir that the economic conditions of the area cannot support any significant increase in taxes. The population in both towns is mostly unemployed. It is very difficult at the present time to collect existing taxes and he said he dare not imagine the problems of increasing taxes as it is most obvious that if amalgamation were to come about there would have to be tax increases. He said his brief makes it very apparent that the Town of Milltown-Head of Bay D'Espoir is totally against amalgamation. He said that they are concerned for the residents of Milltown-Head of Bay D'Espoir and do not want to burden them with heavier taxes and more headaches. He said he felt it would be detrimental to the people of the area to have increased taxes at this time and ask that the Commissioners recommend to Government that

they be allowed to remain the town that they presently are and leave room for improvement at the rate with which they are presently moving forward.

The second brief was presented by Mr. Augot, representing the Town of Morrisville.

Mr. Augot said although the study on amalgamation points out that it is not a take-over in the case of Morrisville being combined with Milltown-Head of Bay D'Espoir quite a considerable distance away, it is in danger of being considered by most residents as a take-over. He said Morrisville has always been a very independent community and that it has had its own municipal government since 1971, its own services, businesses, church services, etc. Because of the layout of the community there are very minimum requirements in the way of municipal services such as snow clearing, garbage disposal, road maintenance, etc. Even though the service fees have been kept to a minimum, they have maintained the community very well and have always kept themselves out of arrears. He said they are 5 km distance from the Town of Milltown and the geography of the community does not suggest amalgamation would be workable. He said we are on one side of the peninsula and Milltown is on the other. Between communities lie a very rough terrain making it very difficult to travel from one community to the other and it is very unlikely that the communities would grow towards each other because of the terrain. He said after studying the proposal for a feasibility study for the amalgamation of the two communities, they are convinced that such a move would burden them with extremely high taxes and would only be to the detriment of their lifestyle as it now exists, and he presented

a petition from the residents of Morrisville indicating their opposition to the amalgamation process.

5.2 - Oral Briefs

Mr. Jeremiah Perry, Milltown-Head of Bay D'Espoir

Mr. Perry said there is a fear within the people of the amalgamation of Milltown-Head of Bay D'Espoir and there are questions that cannot be answered by Government. He said the people are worried about potential tax increases. He said the towns are strapped for funds to carry out existing services and municipalities cannot afford additional taxes, and he feels that amalgamation will be costly and will result in higher taxation. Mr. Perry said the Honourable the Minister, Eric Gullage, said for amalgamation to be viable there must be 1500 people in the town. He said the area does not show real growth to allow for this. He also said unless there is lots of funds forthcoming from Government, he is not in favour of amalgamation.

SECTION 6

6.0 - Feasibility Evaluation

6.1 - General

The Commissioners examined written briefs and oral comments presented during the hearing. Commissioners also undertook independent research in arriving at its conclusions.

It should be noted that the towns in question indicated that the majority did not favour the amalgamation proposal.

The assessment by the Commissioners early in the process focused on one major obstacle to the amalgamation of the towns under consideration, that is the geography of the region. It is quite obvious that the municipalities concerned will not grow together as one unit because of their locations and the rough topography separating them. Because of this the Commissioners did not pursue further analysis of other criteria pertaining to the amalgamation process.

SECTION 7

7.0 - Recommendations

The Commissioners recommend that the Towns of Milltown and Morrisville not be amalgamated.

APPENDIX A

A PROPOSAL
FOR
A FEASIBILITY STUDY
OF THE AMALGAMATION OF
MILLTOWN-HEAD OF BAY D'ESPOIR
AND
MORRISVILLE

1.0 INTRODUCTION

The Minister of Municipal and Provincial Affairs has ordered the preparation of a Feasibility Study into the amalgamation of the Towns of Milltown-Head of Bay d'Espoir and Morrisville under the province's municipal consolidation program. This statement has been prepared to satisfy the requirements of the municipal legislation and to inform the general public about the proposal.

Feasibility studies into proposed amalgamations are conducted according to the procedures set out in the Municipalities Feasibility Report Regulations under the Municipalities Act, summarized as follows:

The Minister appoints a Commissioner to prepare a Feasibility Report and a date is set for a Public Hearing to take place. A proposal is made available for public inspection. At least two weeks before the Public Hearing, notices are published and posted in the area proposed for amalgamation and persons wishing to be heard at the Public Hearing inform the Commissioner of their intentions at least 48 hours beforehand. The Public Hearing is then held and the Commissioner afterwards submits a written report to the Minister containing a summary of the Hearing, a copy of all submissions, and an evaluation of the proposal and recommendations. The Lieutenant-Governor in Council, on the recommendation of the Minister, then determines the outcome.

2.0 PURPOSE OF AMALGAMATION

Amalgamation is not the "taking over" of one municipality by another, but is the uniting of neighbouring communities for their mutual benefit. It will create larger, more viable towns, providing residents with a stronger voice, more efficient administration of municipal programs and services, and improved financial capabilities.

While it is possible for smaller municipalities to operate efficiently, in terms of the level of services they currently provide, they face limitations in upgrading services or expanding them for the future growth of their community. Amalgamation will, for one thing, create a larger tax base. The resultant increase in revenues will better enable the larger town to hire more qualified staff, purchase machinery and other equipment and to generally provide residents with better service than would smaller municipal units with their limited capabilities.

Additionally, experience has shown that there is often competition between nearby municipalities, as well as unnecessary (and expensive) duplication of facilities and staff. One of the main purposes of amalgamation is to circumvent this by promoting a spirit of cooperation. A more equitable distribution of locally available tax revenue would come about as well.

From an overall point of view, it must be remembered that there are approximately 300 municipalities in Newfoundland, more than in all the rest of the Atlantic provinces. The task of dealing with such a large number of municipalities, to serve so few people, is a time consuming and expensive burden for the province, which all of us pay for through our taxes. Lowering the number of municipal units will reduce this burden and improve the efficiency of provincial - municipal interactions. With less competition for government attention, the concerns of each are likelier to be heard.

3.0 LOCATION AND DEVELOPMENT PATTERN

Milltown-Head of Bay d'Espoir and Morrisville are located near the head of Bay d'Espoir, which is found about midway along the province's south coast. The communities of Milltown and Morrisville are located on a peninsula which has the waters of the Bay on one side and the outlet of Conne River on the other. Milltown-Head of Bay d'Espoir is a previous amalgamation of the two communities from which it gets its name and spreads out along the shoreline of the Bay. Morrisville is more compact in form and is located in a cove on the other side of the peninsula.

4.0 INFRASTRUCTURE, ADMINISTRATION AND SERVICES

Infrastructure, Administration and Services	Milltown-Head of Bay d'Espoir	Morrisville
Population: 1981 1986 % Change	1,376 1,276 -7.3%	233 221 -5.2%
Residences (1986)	344	49
Roads	9.5 km	2.3 km
Recreation Facilities	Softball Field Municipal Park	Softball Field Municipal Park
Fire Fighting Equipment	1975/625 Pumper, 1980 GMC Van, Pumps, 4 SCBA Units Foam System, 2000 feet of Hose, Paging System	Van 2 Pumps
Town Equipment	Loader, Pickup	None
Sanitation	Land Fill Disposal Site, Contract	Land Fill Disposal Site Contract
Water and/or Sewer	98%	100% Water
Staff	Town Manager/Clerk Superintendent of Works, Seasonal Worker	None
Five Year Capital Works Plan (1987-1992)	Water and Sewer, \$1,075,000 Roads \$154,000	None
Buildings	Recreation Centre Town Hall Fire Hall Garage Building	Town Complex
Municipal Plan	In Progress	no
Zoning Regulations	In Progress	no
Building Regulations	yes	yes

5.0 REVENUE, EXPENDITURE AND TAXATION

	MILLTOWN/ HEAD OF BAY d'ESPOIR		MORRISVILLE	
<u>TAX RATES</u>				
Property	6 mills			
Water & Sewer	168.00		36.00	
Business General	*		*	
Poll Tax	75.00		35.00	
<u>ASSESSED PROPERTY VALUE</u>	\$	Per/Cap	\$	Per/Cap
Residential	6 806 550.00	5 334.29	0.00	0.00
Commercial	691 300.00	541.77	0.00	0.00
TOTAL	7 497 850.00	5 876.06	0.00	0.00
Year of Assessment	1989			
<u>BUDGET</u>				
<u>REVENUES</u>				
Local Revenue	162 086.00	127.03	4 427.00	20.30
Prov. Grants & Subsidy:				
GMA Grant	31 700.00	24.84	7 128.00	32.25
Tax Incentive	41 752.00	32.72	0.00	0.00
Prov. Share of Debt				
Charges:				
Water & Sewer	197 164.00	154.52	0.00	0.00
Paving	6 601.00	5.17	0.00	0.00
Other	0.00	0.00	0.00	0.00
Provincial Subtotal	277 117.00	217.18	7 128.00	32.25
Other Income	3 100.00	2.43	0.00	0.00
TOTAL REVENUE	422 303.00	330.96	11 555.00	52.29
<u>EXPENDITURES</u>				
Administration	52 680.00	41.29	2 138.00	9.67
Protection to Persons				
and Property	18 290.00	14.33	1 100.00	4.98
Public Works	21 293.00	16.69	5 517.00	24.96
Garbage Collection	19 734.00	15.47	1 800.00	8.14
Recreation	1 800.00	1.41	0.00	0.00
Basic Services Total	113 797.00	89.18	10 555.00	47.76
<u>DEBT CHARGES</u>				
Total Council	59 723.00	46.80	0.00	0.00
Total Prov. Subsidy	203 765.00	159.69	0.00	0.00
Total Debt Charges	263 488.00	206.50	0.00	0.00
Operation & Maintenance				
Water & Sewer	59 820.00	46.88	1 000.00	4.52
Miscellaneous	5 198.00	4.07	0.00	0.00
TOTAL EXPENDITURES	422 303.00	330.96	11 555.00	52.29

* Varies

6.0 BENEFITS OF AMALGAMATION

Experience from previous amalgamations in the province shows that certain benefits may be expected. Realization of many of these benefits, however, will be the responsibility of the new council. For example, decisions about a single municipal building, priority of areas for servicing, the direction of development, staffing and so forth, will be their responsibility.

6.1 More Efficient Administration

The amalgamated municipalities will be able to improve overall services and administration by taking advantage of "economies of scale" as a result of a larger tax base and by sharing some servicing arrangements and systems. Equipment and staff that the individual municipalities could not have afforded on their own may become financially attainable. Much duplication of services will be eliminated, reducing administrative costs and building and equipment overheads. These costs for the amalgamated town should be lower than the combined costs for each individual municipality. Also, fuller utilization of equipment, facilities and staff should come about.

6.2 Improved Financial Resources

Local financial resources should be improved as the result of an enlarged tax base, more cost-efficient spending power and a larger municipal assistance grant accompanying the population increase. More revenue will be available to purchase items which as separate municipalities, the communities might not be able to afford. It will also enable the new municipality to more easily meet costs of basic services such as garbage collection, street lighting and fire protection, road maintenance and municipal administration.

6.3 Larger Population

As a single town Milltown-Head of Bay d'Espoir and Morrisville would have a population of 1,497 persons. For one thing, as has just been mentioned, this will increase the population component of the General Municipal Assistance Grant, which provides a larger per capita grant with higher population.

Additionally, many municipalities have often had problems finding enough people to sit on council. This is understandable, as the job is often quite frustrating. Councillors have to deal with residents' complaints, government bureaucracy and inadequate financial resources, among other things. In some places, this has led to

resignations and, in some cases, an unwillingness of members of the public to serve on council. An enlarged municipality would have a larger population base from which to draw potential Council members and may generate the financial resources to hire more staff, making the job of the Councillor less demanding.

6.4 Planning

At present, neither has a municipal plan. However, Milltown-Head of Bay d'Espoir expects to have one soon. A municipal plan directs land uses to their most appropriate locations and prevents incompatible uses from mixing. A single planning and development control program for the larger region is more desirable than each municipality separately planning for its own concerns. A plan for the combined communities would allocate growth to areas that are the most logical and economical to service and develop, and would alleviate concerns about conflicting with land use plans of the other municipality.

It would also eliminate wasteful and expensive competition for development that sometimes arises among nearby municipalities. For instance, adjacent municipalities might compete for government funding to install new services or roads, or extend existing ones, with the aspiration of attracting new residents or other forms of development. Several neighbouring municipalities may thus end up with expensive and under-utilized infrastructure when an extension in just one location may have been all that was necessary to accommodate new development for the area. A single planning program would reduce the possibility of this problem from occurring and lead to a better managed overall development pattern.

7.0 RESPONSE TO FEASIBILITY CRITERIA

7.1 Access to Officials

By replacing two existing councils with one new one, the ratio of residents to councillors and other public officials will be higher. The physical distance to be travelled to reach the council office (which, most likely, will be a Town Hall of one of the former municipalities) would be increased for some residents. However, considering that the communities share a common boundary, and are relatively small (both in size and population) to begin with, it is not likely that there will be any substantial change in accessibility from residents of Milltown-Head of Bay d'Espoir or Morrisville to public officials.

7.2 Representation in Accordance with Population Distribution

Election of councillors at large may provide adequate representation under the new municipality, however, councillors could be elected under a ward system, if desired. The wards could be made up of equal numbers of voters and/or designed to cover distinct areas of the new municipality to ensure fair representation.

7.3 Community Identity

There is no reason why an administrative reorganization (which is really all that amalgamation is) should reduce or destroy community identity. Local government is not a means by which a community establishes its "identity" but is merely a means of providing people with municipal services. Community identity comes from many things but mainly through interpersonal relationships among residents. Municipal reorganization should not change that.

Many municipalities throughout the province have distinct areas within them in which local residents have a strong sense of community identity. The Town of Conception Bay South, for example, is an amalgamation of several communities. Although they form part of the larger municipality, communities like Topsail, Manuels and Foxtrap (to name a few) retain their own identities, which all residents of C.B.S. recognize.

7.4 Suitability for Servicing

This category applies mainly to new municipal incorporations. The towns currently have different levels of water and sewer servicing which can be added to as needed in the amalgamated municipality.

7.5 Physical Constraints

The communities are connected by road. The built-up parts of the towns are about 4 kilometers apart. While they are too far apart to integrate water and sewer services, the distance between them is reasonably short, so sharing of other services and facilities should not be difficult.

7.6 Administrative Capability

Again, this applies mainly to new municipal incorporations. In this case, there is already ample local experience in municipal administration.

7.7 Co-ordination of Municipal Services and Functions

Combined management of municipal services and administration should not be difficult to achieve, but how to do it will be up to the new Council to decide. Amalgamation should create an opportunity to improve the standard of municipal management and perhaps enable technical and specialist staff to be employed, and/or provide the resources to allow more and better equipment to be purchased.

7.8 Cost Efficiency

As was noted previously, amalgamation should produce a more cost efficient administration with more revenue available to it. Thus, with combined spending power and increased revenue, more money may be available to allow services to be expanded, provided at a lower cost per capita or to allow a better standard to be provided for the same cost. Generally, a single administration providing the same services that had previously been done by two should prove to be more cost efficient. Refer to Sections 6.1 and 6.2.

7.9 Feasibility in Terms of Revenue and Expenditure

Sufficient revenue to run the combined towns should be available through the revenue sources currently used by the separate municipalities. The amalgamated municipality would also realize additional revenue because the population component of the General Municipal Assistance Grant increases on a per capita basis with an enlarged population. Adjustments in property tax rates by the new municipality could result in a higher Tax Incentive Grant, as well. It will, of course, be completely up to the new Council to determine its own budget, as well types and rates of taxes.

The effect of the proposed amalgamation on expenditures is more difficult to estimate. Potentially, there are both savings and additional costs, but again, decisions relating to these matters will be the responsibility of the new council and should not involve additional costs if managed properly.

7.10 Equity in Terms of Taxes Paid and Benefits Received

Residents of the area utilize each other's services to some degree, through the normal interaction that occurs between nearby communities. However, the towns separately finance their own roads and other infrastructure. Smaller municipalities have less of a financial ability to provide the same level of services that larger municipalities can and often have higher per capita tax rates in order to do this. Thus, a situation can arise where people separated by only a short distance are provided with unequal levels of service and pay unequal levels of taxes. Such inequalities would eventually be removed by amalgamation.

Additionally, one municipality may be serving as the business and commercial center for the area, and thus obtain the lion's share of the business and commercial taxes, despite the fact that many of the customers may come from neighbouring municipalities. Indirectly then, residents of neighbouring municipalities are contributing to the tax revenue of the municipality with most of the commercial activity. As a result of amalgamation, a more even spreading of revenues generated by the region's businesses would come about.

Currently, residents of both municipalities do not pay the same amount of taxes per capita. As an amalgamated municipality, they would have to have uniform tax rates throughout. The manner for instituting uniform tax rates will be up to the new municipality. The adjustments will result in a fairer system for all residents of the area.

7.11 Response of Tax Yields to Changes in Economic Activity

If one community or the other received an influx of new economic activity, then those benefits, in terms of tax revenue, would be distributed more fairly through the larger region under amalgamation, particularly in the case of a commercial business which all residents of the area will use.

7.12 Equality

Currently, residents of both communities enjoy about the same level of municipal services, so equality of servicing should

be easy to attain. Equalization of taxation will create an equality of contributions and benefits.

7.13 Simplicity of Proposed Municipal Structure

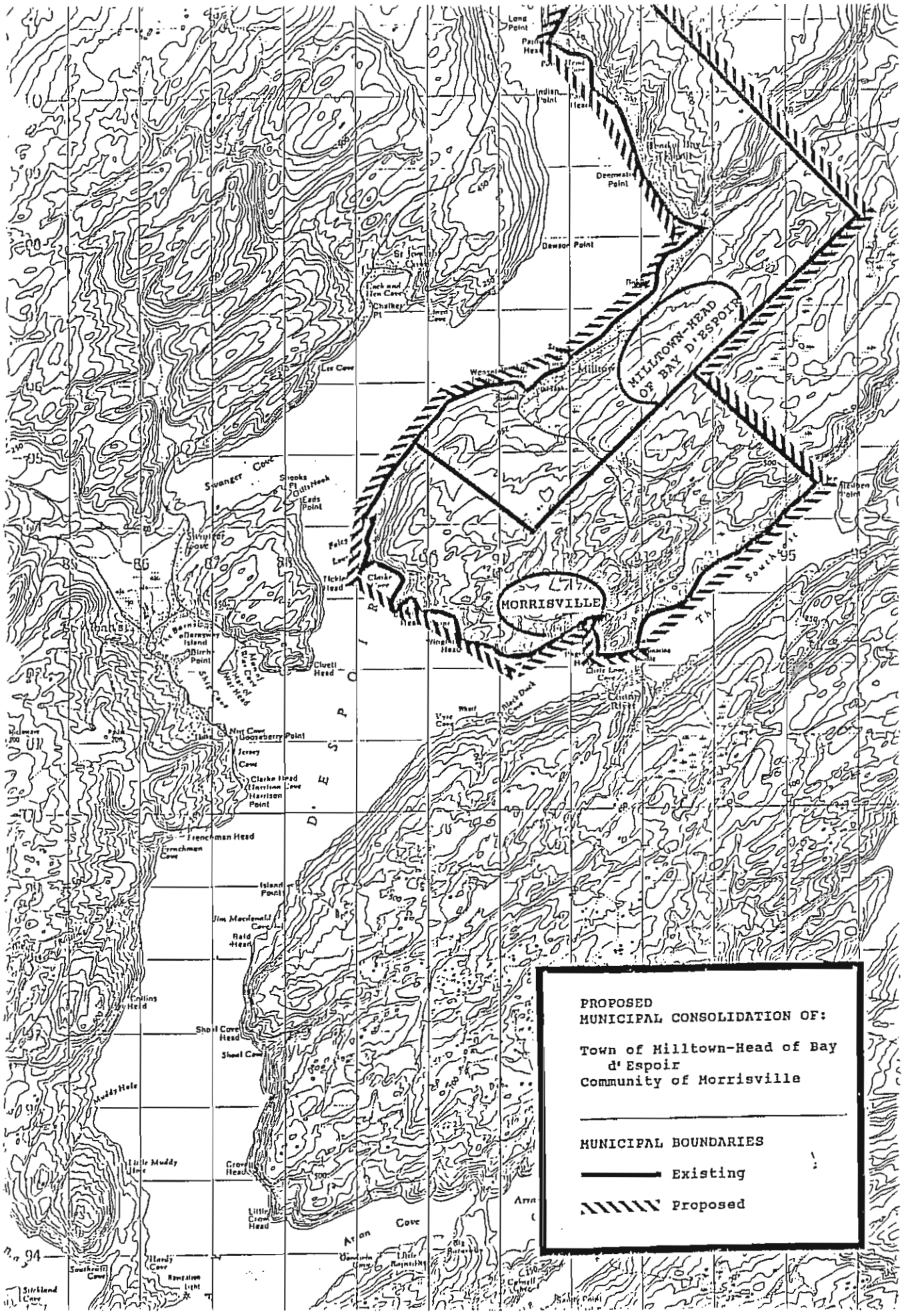
Other than a ward system for municipal representation, if desired, the new municipality need not be structured any differently than the present ones.

7.14 Acceptability of Proposal

From a regional point of view, amalgamation would result in a consolidation of the communities and an equalization of benefits and costs between them, creating a fairer situation and ultimately, a more economical one, for all concerned.

The increased size of the Town will add to financial resources and allow more staff and equipment to be obtained. Equalization of taxation levels may cause slight increases for some residents, but if new taxes were accompanied by improved levels of servicing, negative reaction would be minimised.

Amalgamation will enable a more even standard of services to be achieved, creating a fairer situation in that regard. Better coordination and control of development throughout the larger area will reduce land use problems. The general reduction in the number of municipalities in the province will improve access to the provincial government as well.



**PROPOSED
 MUNICIPAL CONSOLIDATION OF:**
 Town of Milltown-Head of Bay
 d'Espoir
 Community of Morrisville

MUNICIPAL BOUNDARIES
 — Existing
 // Proposed

BRIEF CONCERNING PROPOSED AMALGAMATION

OF THE TOWNS OF

MILLTOWN/HEAD BAY D'ESPOIR

AND

MORRISVILLE

UNDER THE PROVINCE'S CONSOLIDATION PROGRAM

PREPARED BY

MAYOR KEARLEY

FOR THE

TOWN OF MILLTOWN/HEAD BAY D'ESPOIR

APRIL 03, 1990



Phone: 882-2232

Town of Milltown / Head of Bay D'Espoir

P.O. Box 70
Head Bay D'Espoir, Newfoundland
A0H 1W0

The purpose of amalgamation as the study points out is not a "take-over", rather it is a uniting of communities for mutual benefit. The report also says it will create a larger town with a stronger voice, more efficient administration of municipal programs and services, and improved financial capabilities. The creation of a larger tax base, however, is not significant in the interest of Milltown/Head Bay D'Espoir. ~~The~~ tax base would increase according to the business and residential sector together by only 17%.

In local revenue alone the residents of Monnisville would see an increase in municipal taxes of approximately 625%. Although the study shows that GMA Grants may be increased due to increase in per/cap., it is contradicted in the case where Monnisville already receives more than \$7.00 per person. Total revenue from all sources for residents of Monnisville is about 633% less than that of residents of Milltown/Head Bay D'Espoir. In the case of Monnisville this would mean an increased budget from \$11,555.00 to \$73,142.00, an increase of only \$61,587.00, 20% of which would have to cover pay-back of Capital Works Projects. This increase could not even begin to cover the cost of providing services to Monnisville residents. They do have a water system but no municipal sewer services, they do not have snow cleaning equipment, they have no road maintenance. They presently do not have any municipal staff which means the new council would have to hire extra staff.

The study shows it quite the opposite. The report says much duplication of services would be eliminated; in our case we would have to increase services. The report also says administration and building costs would be reduced. Again, this in our case calls for high increases. How about equipment costs being reduced? The present council of Milltown/Head Bay D'Espoin does not have enough equipment to do its required work, Monnisville has none. Therefore, this means a large increase in equipment overhead. Although there is a somewhat larger increased tax base as a result of amalgamation, it is not near enough to cover the extra cost of operating. The more cost-efficient spending power could not be realized even with General Municipal Assistance Grants at increased rates. The total gain in population amounts to less than 17% whereas the cost of that extra increase in population would mean an increase of 633% in taxes for the residents of Monnisville, and we would not be able to increase services to the present taxpayers of our Town of Milltown/Head Bay D'Espoin as is now necessary.

The type of planning talked about in the report does not make room for improved planning of either present town or any new town which might come about. The geography of this area dictates that the two municipalities must be allowed to continue on as they are at present. The business sector as well as residential cannot be changed. They are to remain as they are. There could not be room for conflict with land use plans with or without amalgamation. We have two somewhat different municipalities, they are unique in their own special way. As the study points out, Monnisville is a small congested town built in a small cove with everyone just about on his neighbor's doorstep. Milltown/Head Bay D'Espoin, on the other hand, is spread out over a much larger area. It follows mainly along the shoreline of the bottom of Bay D'Espoin. This in itself explains in part why the cost of maintaining such a town is so high. The acquisition of Monnisville would only add to the cost instead of helping to alleviate it.

Section 7.1 "Response to Feasibility Criteria" sort of eliminates itself. It begins with, by replacing two existing towns with one, the residents could have easier access to councillors and public officials; however, in the end it says that due to small size and small population, it is not likely that there will be any substantial change in accessibility from residents of either town to public officials.

Section 7.2 mentions a ward system. If a new council were to consist of seven members, this means that Monnisville would have ~~only one~~ member on council. ~~This could not be acceptable to these people.~~

Section 7.9 points out the effect of the proposed amalgamation on expenditures is more difficult to estimate. Potentially there are both savings and additional costs; however, the decision on these matters would be the responsibility of the new council and should not involve additional costs if managed properly. This report says it cannot estimate the expenses, so how can it say at the same time that there should not be additional costs? As pointed out previously in this brief, the increase in cost is rather high, ~~just to put it mildly.~~

The report goes on to say that if one community or the other received an influx of new economic activity, then these benefits in terms of tax revenue would be more evenly distributed through the larger region under amalgamation. ~~At the risk of sounding negative,~~ there is no such activity in the foreseeable future. Economic influx would have to be on a permanent basis instead of short term to be of benefit to anyone.

Section 7.12 goes on to say, residents of both communities enjoy about the same level of municipal services, so equality of services should be easy to attain. ~~This, however, is totally untrue in the case of Monnisville and Milltown/Head Bay D'Espoin.~~ Equalization of taxation will not create any equality of contributions and benefits.

In summing up, it is hereby understood that amalgamation is certainly ~~not of any benefit to either town~~ unless there is a huge increase in Tax Incentives and GMA Grants by the province. It is very obvious to the residents of Monnisville and Milltown/Head Bay D'Espoin that the ~~economic conditions of the area cannot support any significant increase in taxes.~~ The population in both towns is mostly unemployed. It is ~~very~~ difficult at ~~present to collect taxes~~, so we dare not imagine the problems of increased taxes, and it is most obvious that if amalgamation were to come about there would have to be an increase in taxes. For the people of Monnisville to pay the same level of taxes as do the people of Milltown/Head Bay D'Espoin, the increase for that alone would be about 625%. To increase taxes on top of this, is unthinkable.

The Town of Milltown/Head Bay D'Espoin is presently in dire need of road repairs, water filtration system, and other Capital Works Projects. In order to attain the money for these projects alone requires increased revenues and would incur increased cost of maintenance, which in the end may require increased taxes. So in order to continue to improve the facilities we have in Milltown/Head Bay D'Espoin, it is only fair that we not have to be burdened with extra costs. These projects mentioned do not benefit Monnisville in any way whatsoever, so these people should not have to be burdened with this heavy tax load as well. Furthermore, the cost of amalgamating Monnisville would mean that we would require extra equipment, such as a loader capable of being converted to a snow plow. The loader presently used by Milltown/Head Bay D'Espoin is most often overburdened with work. It would also mean employees to operate equipment and maintain services. There would be extra work load on office staff which is overloaded already. More work for machinery means more maintenance and these costs as we know are very high.

What this brief is saying is that every way we look there are huge increases in cost ~~with no apparent increase in revenue, short of huge increases in taxes.~~ As was said earlier, this is now unthinkable. This brief makes it very apparent ~~that we are totally against amalgamation.~~ Please remember that we are concerned for the residents of our town and we do not want to burden them with heavier taxes and more headaches. We feel it would be detrimental to our people who are so heavily taxed as it is. We ask that you recommend to Government that we be allowed to remain the town that we are and leave us room for improvement at the rate with which we are moving forward.