DALHOUSIE UNIVERSITY
College of
Continuing Education

Local Government Finance

Description of the course

There are four courses on accounting and finance in the NACLAA program. This course—**Local Government Finance**—is meant to provide an overview of financial issues for both specialist financial managers and non-financial managers who will be taking only one course in finance. The course **Financial Management** is oriented more toward management issues, as its name suggests. It provides considerably more depth of information about the financial function than is found in **Local Government Finance**. While this course goes into more depth of treatment than Financial Management, it is still heavily focussed on issues in the field rather than a nuts and bolts treatment of how to do accounting. The nuts and bolts material is in the courses **Local Government Accounting** and **Property Taxation and Assessment**.

The objective of this course is to provide both financial and non-financial managers with the expertise to understand the financial as well as the economic, organizational and political implications of financial issues. Since this is the only required course on finance in the program, it includes a solid overview of what a non-financial manager needs to know about budgeting and finance. It also provides a sound basis of information for financial managers to move on to other courses. The author is both a professional accountant and political scientist. This combination of areas of expertise allows him to deal with accounting and finance in an issues-oriented way that sets these issues in the broad context of their organizational and political implications.

Learning Objectives

- Compare and contrast some of the contending theories about the appropriate size of the state in society
- Discuss some of the reasons why governments have grown
- Describe the changing size and scope of governments in Canada
- Explain the role of municipal government in relation to other governments in Canada
- Eplain what municipal governments do
- Explain the purposes that a budget serves in a government organization
- Describe the various stages in the preparation of the budget
- Compare and contrast the different approaches that can be used in the preparation of the expenditure budget
- Understand how to manage the budget after it has been allocated to prevent over expenditure
- Outline the usual sources of revenue for municipalities
- Explain what user charges are

- Discuss the advantages and disadvantages of user charges/fees
- Outline the advantages and disadvantages of the property tax
- Describe sources of funding such as development charges and borrowing
- Outline several innovative sources of funding used by some municipalities
- Describe how municipal government fits into the constitutional framework of Canada
- Explain the constitutional, legal, and institutional aspects of intergovernmental relations
- Discuss the rationale for intergovernmental transfer payments
- Compare the impact of different types of transfer payments
- Understand the current concern about deterioration of municipal infrastructure
- Compare and contrast some of the different methods of financing improvements in infrastructure
- Understand the advantages and disadvantages of some of the various methods of alternative services delivery
- Assess the costs and benefits associated with sprawl type development
- Understand why municipalities need to be competitive and what they must do to be competitive
- Discuss the advantages and disadvantages of municipal amalgamation
- Understand the concept of fiscal sustainability

Course Outline

Module 1: The purpose of this module is to provide an overview of the role of government generally and the role of local governments within Canada's three tier system of government. This module is somewhat theoretical in parts although the theory is always related to practical aspects of local government. The theory in this module is important for laying the groundwork for the more practical approaches of the later modules.

Module 2: The preparation and adoption of the budget document is probably the most important single decision that a government makes on an annual basis.

Module 3: Municipal governments receive their revenue from three main sources—property and related taxes, transfers from other governments (mostly provincial governments), and user fees and similar charges. Local governments also derive some funds from the selling of bonds and other forms of debt but this is not revenue because it must be repaid.

Transfers from other governments will be discussed extensively in the next module, so they are not discussed in this module. This module will describe the various taxes and user charges that are available to local governments, discuss the advantages and disadvantages of each, and discuss some potential new sources of revenue that could be available to local governments.

Module 4: The study of intergovernmental relations focuses on the many relationships between the different orders of governments—federal, provincial, and local—and the numerous different mechanisms for organizing those relationships. Canada is a federal country. The main tenet of **federalism** is that sovereignty is constitutionally divided between two levels of government—a national or central government and a number of constituent unit governments (in Canada's case provinces).

Module 5: Municipalities are responsible for a great deal of the **public infrastructure**—roads, bridges, buses, subway cars, sewer and water mains, sewage treatment and water purification

plants, community centres, hockey rinks, and much more. This infrastructure constitutes an important component of the services that Canadians have come to depend on governments to deliver; however, in recent years some serious concerns have been raised about the quality of that infrastructure. The concern is twofold. In some cases, new infrastructure is not keeping pace with increasing population and increasing need for physical infrastructure. Transportation systems do not expand as rapidly as the population they serve resulting in inadequate public transit and gridlocked streets. The second concern is that the infrastructure that has been in place for many years is deteriorating. Transit rolling stock is getting older; sewer and water mains are crumbling; and roads and bridges are riddled with potholes. These concerns raise questions about whether enough emphasis is being placed on the funding of physical infrastructure.

This module will review the infrastructure issue in two parts. First, it will survey the extent of the problem, then it will examine some methods of funding that could solve the problem.

Module 6: This module discusses a number of issues that are not strictly and narrowly financial issues, but that have some very significant financial implications. The second section of this module discusses the urban sprawl type of development. This is clearly the preferred type of development in the second half of the 20th century and beyond. The third section deals with the impact that globalization and the ever changing broader economic environment have had on the ability of municipalities to attract new businesses and **economic development**.

Required Readings

Otto Eckstein, *Public Finance*, 3rd ed.; Englewood Cliffs, NJ: Prentice-Hall, 1973, Chapter 1.

Richard M. Bird and N. Enid Slack, Urban Public Finance in Canada, 2nd ed. (Toronto: John Wiley & Sons, 1993), Chapter 3, pp 15-16 and 30-39.

Richard M. Bird and N. Enid Slack, Urban Public Finance in Canada, 2nd ed. (Toronto: John Wiley & Sons, 1993, Chapter 5.

Almos Tassonyi, "Municipal Budgeting," Canadian Tax Journal, vol. 50, no. 1 (2002), 181–98.

Kenneth Kernaghan and David Siegel, *Public Administration in Canada*, 4th ed.; Scarborough, ON: ITP Nelson, 1999, pp. 620-9.

Kenneth, Kernaghan and David Siegel, *Public Administration in Canada*, Toronto, ON: Methuen, 1987, pp. 515-22.

Municipal District of Rocky View (Alberta), *2000 Business Plan as Approved by Council on November 23, 1999*.

Richard M. Bird and N. Enid Slack, Urban Public Finance in Canada, 2nd ed. (Toronto: John Wiley & Sons, 1993), Chapter 6 , "The Property Tax", pp 79-87 and 94-102.

Harry M. Kitchen and Enid Slack, "Special Study: New Finance Options for Municipal Governments," Canadian Tax Journal, vol. 51, no. 6 (2003), 2215–2253.

Katherine A. Graham, Susan D. Phillips, and Allan M. Maslove, Urban Governance in Canada: Representation, Resources, and Restructuring (Toronto: Harcourt Brace Canada, 1998), Chapter 8.

Canada, "Budget 2004: A New Deal for Communities" (March 23, 2004).

Harry M. Kitchen and Enid Slack, "Special Study: New Finance Options for Municipal Governments," Canadian Tax Journal, vol. 51, no. 6 (2003), 2253–2275.

TD Economics, "Mind the Gap: Finding the Money to Upgrade Canada's Aging Public Infrastructure," (May 20, 2004), pp 1-28.

Michael Zino, "The Development of a Planned Debt Policy," in Jack Rabin, W. Bartley Hildreth and Gerald J. Miller (eds), *Budgeting: Formulation and Execution*, Athens, GA: Carl Vinson Institute of Government, The University of Georgia, 1996, pp. 323-28. (Reprinted from *Municipal Finance Journal*, Vol. 15, No. 1 (1994), pp. 75-84.)

Kenneth Kernaghan and David Siegel, *Public Administration in Canada*, 4th ed.; Scarborough, ON: ITP Nelson, 1999, Chapter 11, "Alternative Service Delivery".

Enid Slack, "Municipal Finance and the Pattern of Urban Growth," C.D. Howe Institute Commentary No. 160 (February 2002).

Andrew Sancton, "Metropolitan and Regional Governance," in Edmund P. Fowler and David Siegel, eds., Urban Policy Issues: Canadian Perspectives, 2nd ed. (Don Mills: Oxford University Press, 2002), 54–68.

Harry Kitchen, Municipal Revenue and Expenditure Issues in Canada (Toronto: Canadian Tax Foundation, 2002), Chapter 13, "Fiscal Sustainability and the Future".

Graded Assignments

Discussion Boards:

Grade Value: 8%

Students are required to participate in all 5 online discussions. Each online discussion will consist of an initial posting on the discussion topic and response postings (comments) either in response to a classmate's posting or as an augmentation of your initial posting. Students will have approximately one week to meet the requirements of each discussion board. Focused online discussions allow students to express their understanding of information that is covered in each of the modules, to discuss that information with classmates and their instructor, and to integrate the results of those discussions into their own learning.

Essay 1:

Grade Value: 25%
Requirements: 1000-1500 words, double spaced, 12 pt. font

Final Assignment:

The final assignment is cumulative. Students are given one week to complete the assignment.
Grade Value: 35%

<u>**Evaluation Criteria**</u>
Essays

Essays in all courses are evaluated according to the following criteria:

Thesis (Grade Weight = 20%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• thesis is clearly stated, creative, original and insightful • presents a Point of View (POV) based on a critical analysis of factual evidence and relevant theory	• thesis is clearly stated and insightful • presents a POV based on an assessment of factual evidence and may refer to relevant theory	• thesis is lacking in clarity and precision • presents a POV based on a limited assessment of factual evidence and on common knowledge, generalizations and some theory	• thesis is poorly stated, ambiguous or absent • fails to present a POV or presents a POV that is not based on analysis of factual evidence relevant theory or any other viable form of support

Background and Course Content (Grade Weight = 20%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• elaboration of the thesis is concise, focused explicitly situated (relevant to the community of learners and practitioners), contextualized (related to real life scenarios for practitioners) and draws on the student's personal experiences	• elaboration of the thesis is clear and somewhat situated and contextualized • the essay contains some background information that is not central to the thesis so the focus on the thesis sometimes waivers	• elaboration of the thesis is somewhat clear, but too much time is given to contextualizing and situating the thesis • the extra emphasis on the background and context tends to draw the focus of the essay away from the central thesis	• the thesis is neither situated nor contextualized in terms of practical professional experiences and/or situations • focus on the thesis is poor or absent

Research, Supporting Data and Analysis (Grade Weight = 25%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• demonstrates a clear grasp of the complexity of the issues arising from the thesis • refers to a full range of relevant current resources (course materials, external sources), and contemporary research findings • uses relevant data, analyses and conclusions to conduct a thoroughly and objective examination of the validity of the thesis • includes a critical analysis of the sources used	• demonstrates an understanding of the central issues arising from the thesis • refers to current sources, including contemporary research findings • draws on related analyses and conclusions that support the thesis • uses a somewhat uncritical analysis of this information to examine the validity of the thesis	• demonstrates an appreciation for some of the issues arising from the thesis • refers to current sources, research, opinions, and observations that support the thesis • the resources, evidence, and analyses used are somewhat limited in scope • information is used in an uncritical way to examine the validity of the thesis	• fails to indicate an appreciation or understanding of issues that arise from the thesis • makes limited or no reference to current sources, contemporary research or other forms of factual evidence, opinions or analyses to support the thesis • does not use the information that is presented to assess the validity of the thesis

Conclusions (Grade Weight = 15%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• conclusions are clear, creative and insightful • contain a clear, cogent reiteration of and support for the central points of the thesis • thorough careful analysis confirms the superiority of this POV over other POVs. • the conclusions are based on arguments that are developed throughout the essay and offer a convincing defense of thesis and a compelling, insightful closure	• conclusions are clear and valid • contain a cogent reiteration of the central points of the thesis • a careful analysis tends to support the superiority of this POV over a competing POV • the conclusions support the main hypothesis of the essay and provide a convincing sense of closure	• conclusions are offered but in a disorganized way • the central points of the thesis are reiterated • analysis supports the thesis but little consideration is given to other POVs. • the thesis defense is somewhat successful but there is only a limited sense of closure	• conclusions are vague or absent • there is little or no reiteration of the central points of the thesis • analysis is weak and offers limited support for the thesis and does not consider alternative POVs • fails to defend the thesis adequately and provides no sense of closure

Writing Style and Essay Structure (Grade Weight = 10%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• essay is very well organized • central ideas are presented very clearly, cogently and effectively • thesis is insightful and creative and functions as a unifying factor throughout the paper • there is a critical analysis and integration of ideas throughout the paper	• essay is well organized • central ideas are presented clearly, and effectively • thesis is sound and imaginative and is referred back to frequently throughout the paper • paper is analytical and relationships between ideas are clearly developed	• some parts of the essay are less well organized • central ideas are fairly clear, but could be presented more effectively and consistently • thesis is generally sound but utilized inconsistently as a unifying factor in the paper • paper presents some analysis and integration of ideas	• essay lacks organization • central ideas are unclear and poorly presented • thesis is unclear and lacking in insight, creativity and soundness • paper is neither analytical nor integrative

Grammar and Mechanics (Grade Weight = 10%)

Excellent (A: 86–100)	Good (B: 72–85)	Satisfactory (C: 60–71)	Poor (D–F: 0–59)
• all sources are cited accurately • minimal spelling, punctuation, and grammatical errors • essay submitted on time (or delayed, with instructor permission)	• most sources are cited correctly • a few spelling, punctuation, and grammatical errors • essay submitted late (marks deducted at instructor's discretion)	• some sources are cited incorrectly or inappropriately • some spelling, punctuation, and grammatical errors • essay submitted late (marks deducted at instructors discretion)	• sources not cited or cited incorrectly or inappropriately • excessive spelling, punctuation, and grammatical errors • essay submitted very late

Thesis	(Grade Weight = 20%)
Background and Course Content	(Grade Weight = 20%)
Research, Supporting Data and Analysis	(Grade Weight = 25%)
Conclusions	(Grade Weight = 15%)
Writing Style and Essay Structure	(Grade Weight = 10%)
Grammar and Mechanics	(Grade Weight = 10%)

Discussion Boards

Discussion Postings (includes initial and response postings) in all courses are evaluated according to the following criteria:

1. Demonstrates an understanding of a course concept. This applies to your initial and response posts, and includes the following elements:

   a. Are your posts relevant to the assigned topic and question?
   b. Do your posts demonstrate accurate understanding of course material?

    c.   Does the subject field convey the essence of your post (in less than 10 words)?

Important Note for Quality Posts: While your posts will often draw on past experiences and informed opinions, the most successful posts will support personal opinions with reference to the course material.

2. Advances the discussion by adding new knowledge. This applies to your response posts, in which you should try to broaden the perspective presented in another post by building on their ideas or pushing those ideas in a new direction. Some possible ways to do this are:

    a.   Apply references to course material/theoretical concepts.
    b.   Provide a comparable example from your own work experience thereby extending the original idea, but with a new 'twist'.
    c.   Provide a counter-example based on personal experiences that refute or weaken the position taken by the initial author (e.g. I hear you say this...., but my experience suggests this...)
    d.   Apply a related concept from the course that the initial post did not refer to.
    e.   Apply a related example from current events or some other resource.

Basic Requirements for Course Assignments

File Types: assignments must be submitted on the Course Site in MS Word .doc, .docx, or in .rft format.(These files types can be opened in Blackboard Learn and receive comments; other formats such as .wpd cannot).

All assignments should be in 12 Times New Roman (TNR) font, double-spaced with a 1" margin on each side. Each assignment should be approximately 10 pages in length.

Each page should include the student's name and page numbers in the header or footer.

Each assignment should have a cover sheet as part of the document that has the following: course name, student's full name, instructor's name and essay title (ie. Essay Assignment #1).

Software and Technology Requirements

This course will use Blackboard Learn S-14 (BBLearn) learning management system for class communications, content distribution, and assessments.

Log on to**www.dal.ca/bblearn**

To access the course:

Username: Your College of Continuing Education username cXXXX.cce

Initial Password: Your College of Continuing Education password (it is recommended that you change this password and keep it in a safe place as we are unable to reset it at the College).

For this course, you will need a reliable and frequent access to a computer and to the Internet. You might also need a headset with a microphone or speakers and a microphone to be able to listen to online resources and conduct other activities in the course (not needed in all courses).

Blackboard supports the most common operating systems:

PC: Windows 8, Windows 7, Windows Vista

Mac: Mac OS X Mavericks

Note: computers using Windows XP, Windows 8 RT and OS X 10.6 or lower are no longer supported. Also please ensure that you have the most recent Adobe program downloaded to be able to access certain types of files on Blackboard.

To check browser and computer compatibility follow the link that can be found on the course site under 'Student Supports':
https://help.blackboard.com/en-us/Learn/9.1_SP_14/Administrator/030_Browser_Support/010_Browser_Support_SP14

Technology issues are not an excuse for missing a course requirement – make sure your computer is configured correctly and address issues well in advance of deadlines.

Help Desk Information

For technology or computer issues, you should contact the Help Desk at Dalhousie University.

Phone: 902-494-2376   Toll-free: 1-800-869-3931   Email: helpdesk@dal.ca

Operating Hours
Fall & Winter Hours	**Summer Hours (May – Aug)**
08:00am - 12:00am Monday - Friday	08:00am - 09:00pm Monday - Friday
10:00am - 12:00am Saturday - Sunday	08:00am - 06:00pm Friday
	10:00am - 06:00pm Saturday – Sunday

You will find tutorials online under 'Student Supports' that will familiarize you with various aspects of BbLearn.

For issues related to course content and requirements, please contact your instructor.

Student-Instructor Interaction

Instructors are committed to providing a learning experience through thoughtful planning, implementation and assessment of course activities. They are committed to being readily available to students throughout the course by:

1. Replying to emails within 24-48 hours.
2. Returning graded course work with feedback within 7-10 days of each assignment due date.

Blackboard and Privacy

While connected to Dalhousie University's Learning Management System (Blackboard), students may be tracked for their use of the features and tools. For the life of the online course/program, all administrators and instructors with access to the course can request full or partial reports of tracked data for any student(s). Instructors may use tracked information to help determine grades−specifically date stamps on discussion postings and assignment file uploads are used to determine if activities were completed by a specific deadline, and to calculate late penalties if applicable.

Aggregate class and data is used by administrators to study usability, access, and pedagogical issues in the online learning environment.

Blackboard tracks each student's use of all course tools and features, including:
- entry time into each tool and feature
- exit time from each tool and feature
- time spent in each tool and feature per session
- time spent in each tool and feature during the entire course
- total time in Blackboard
- number of Blackboard sessions
- discussion messages read
- discussion messages posted
- mail messages read
- mail messages sent
- calendar entries viewed
- calendar entries added
- assignments read
- assignments submitted
- content files viewed
- web links viewed
- media Library collections viewed
- media Library entries viewed

Academic Integrity

The commitment of the College of Continuing Education is to graduate future leaders of business, government and society who manage and lead with integrity. So when you submit any work for evaluation in this course or any other, please ensure that you are familiar with your obligations under Dalhousie University's Academic Integrity Policies. Dalhousie offers many ways to learn about academic writing and presentations; so that all members of the University community may acknowledge the intellectual property of others. Knowing how to find, evaluate, select, synthesize and cite information for use in assignments is called being "information literate." Information literacy is taught by Dalhousie University Librarians in classes and through online tutorials. See guides and tutorials at http://www.dal.ca/dept/university_secretariat/academic-integrity/student-resources.html

Do not plagiarize any materials for this course. Further guidance on what constitutes plagiarism, how to avoid it, and proper methods for attributing sources, ***please see*** http://plagiarism.dal.ca/Student%20Resources/

Furthermore, the University's Senate has affirmed the right of any instructor to require that student papers be submitted in both written and computer readable format, and to submit any paper to a check such as that performed by Safe Assign anti-plagiarism software. As a student in this class, you are to keep an electronic copy of any paper you submit, and the course instructor may require you to submit that electronic copy on demand.

Diversity and Nondiscrimination

Dalhousie University is committed to maintaining a community that recognizes and values the worth and dignity of every person. The University recognizes the diversity of its students and is committed to providing a learning experience in which students are able to participate, without discrimination on grounds prohibited by the Nova Scotia Human Rights Act. In particular, the University is committed to facilitating students' access to the University's academic programs, activities, facilities and services.

The University seeks to develop and nurture diversity and encourages each individual to reach his or her own potential. Dalhousie University prohibits discrimination against any member of the university community on the basis of race, religion, color, age, gender, ethnic, national or aboriginal origin, marital status, parental status, disability, source of income, political belief and sexual orientation.

The University is obliged to make every reasonable effort short of undue hardship to take substantial, timely and meaningful measures to eliminate or reduce the discriminatory effects of the learning and community environment.

Course Evaluation

At the end of each course, you will be invited and encouraged to complete a formal course evaluation. Evaluations provide an opportunity to provide honest and anonymous feedback on course content and instruction quality. Your feedback contributes to continuous improvement of our courses. We would appreciate hearing your thoughts and opinions on the course/program. Thank you for engaging in this process. All responses will be held in strictest confidence.

Special Needs and Accommodation

It is the student's responsibility to self-identify and make a request for accommodation. The request for accommodation must be made reasonably in advance of the course or program in relation to which accommodation is being sought so that a decision can be made. The University will consider a request for accommodation made by a third party (physician, family member, caregiver, advocate or other representative) only where the student has provided prior written consent.

A request for accommodation must include the reasons for the accommodation, supporting documentation, the accommodation being requested and suggestions as to how the accommodation can be achieved, copies of medical reports (if applicable) to substantiate the request and where the request relates to a learning disability, a report describing the nature of the disability.

Disability Statement

In an effort to create a classroom environment that maximizes the success of all students, we encourage you to make us aware of any barriers that may inhibit your learning. Please feel free to ask any time about concerns or questions you may have about assignments, activities, or examinations.

The material in this syllabus and on the course site are fully copyrighted.