



City of Richmond

Report to Committee

To: General Purposes Committee
From: Lani Schultz
Director, Corporate & Intergovernmental
Relations
Re: Taxpayers Survey

Date: April 15, 2004

File:

Staff Recommendations

1. That staff be directed to engage Ipsos-Reid to conduct a telephone survey as outlined in this report;
2. That staff be directed to report back to Council the results of the Ipsos Reid Survey, along with recommended questions and topics for follow-up focus group discussions and process regarding City taxation and service level matters; and,
3. That Council provide direction to staff on any additional survey work that would be desirable beyond that recommended above.

Lani Schultz
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Director, Corporate & Intergovernmental Relations
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FOR ORIGINATING DIVISION USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
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REVIEWED BY TAG	YES <input type="checkbox"/>	N/A <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

Staff Report

Origin

At the March 29th meeting of Council, staff were asked to provide advice on the following motion:

- (1) That Richmond taxpayers be surveyed on the following matters by a questionnaire circulated with the 2004 tax notices:
 - (a) Are Richmond property taxes too high, too low or acceptable;
 - (b) What is the level of taxpayers' satisfaction with, and suggestions for, improvement on the manner in which Richmond City Council has managed such matters as:
 - (a) public spending;
 - (b) provision of services
 - (c) maintenance of City infrastructure;
 - (d) imposition of user fees;
 - (e) generation of other revenues; and
 - (f) other matters as directed by Council.
 - (c) Whether taxpayers agree with City Council's approved approach to management of City finances as contained in the Long Term Financial Sustainability Plan or do taxpayers prefer alternative strategies.
- (2) That staff:
 - (a) draft a questionnaire on these matters for Council approval;
 - (b) provide advice:
 - (i) regarding any other cost-effective means of receiving and tabulating public response including use of the internet and the City Page of the local newspapers; and
 - (ii) regarding how best to publicize this questionnaire and maximize taxpayer response.

As well, staff were requested to:

- provide a supplemental sheet for possible inclusion with the property tax notice, which would show the cost of police and protective services and various other services performed by the City for 2003 and 2004, as well as the costs passed on to the City by outside agencies;
- consider other options, such as placing a full page notice in local newspapers with a questionnaire to which the public would be requested to respond, or engaging a public opinion pollster to conduct a poll of Richmond residents; and
- review action taken by other municipalities within the Lower Mainland to include information with their respective property tax notices.

Analysis

Given the current financial realities facing the City, Council has dedicated a significant amount of time to understanding and determining an appropriate course of action regarding the balance between service and taxation levels in order to best meet the current and future needs of the Richmond community. While there has been strong support from Council regarding the development and adoption of a long term sustainable financial plan, there have been considerable differences in opinion as to how best to implement the plan in a fashion that is palatable to the community and consistent with individual Council member's philosophies and goals. In order to make decisions which are in the best interests of the overall community, one key source of helpful information for Council is representative input from the community regarding preferences for changes in service levels vs. taxation levels, and on current Council financial policy in general.

Garnering meaningful community input on financial issues, while extremely useful, is not a simple task. City financial structures and service delivery models are interrelated and complex, and valid community input in any detail will require some amount of education as to what the financial realities, structures, and policies are. In general, we can anticipate that few people will want either higher taxes or fewer services, and popular opinion might believe that neither is necessary even though future financial projections, trend lines, and human capacity constraints clearly suggest otherwise. As Council has experienced, it is a long arduous process to fully grasp the reality of the current imbalance between service and taxation levels, and identifying specific services as candidates for reductions is an even further challenge.

Notwithstanding the above, a properly conducted public process will provide valuable information for Council as it deliberates the appropriate actions to ensure a sound financial program for the City. Options available include:

1. Attaching a public survey to the tax notices

Attaching a survey as part of the upcoming mail out of tax notices is a convenient and easy method to provide all taxpayers in Richmond the opportunity for input regarding the above financial questions. This method works well for straight forward questions which require little background information. General questions of preference or philosophy are suitable for this process. However, for questions regarding specific Council policy, complex systems or that require background information, this method may result in input based on assumptions, misinformation, and misunderstanding of the facts. While attaching background information is an option, it may make the tax package cumbersome and confusing. As well, for those choosing not to fill in the questionnaire, the tax notice may be discarded along with the questionnaire information. Staff also caution Council to consider the wisdom of including a statement requesting payment of taxes with a survey regarding how people are feeling about tax rates. Staff recommend against including a questionnaire with the tax notice, with the strong belief that comments and results would be skewed. In checking practices with other municipalities, while many attach information inserts with their notices, none recommend attaching surveys regarding taxation levels.

2. Placing an ad in the local papers

Similar to the previous option, this alternative is easily implemented and would reach a significant number of people. It would also provide flexibility in the timing of such a questionnaire, so that it may be separated from the tax notices. However, it is more difficult to control the validity of the results with this method, with particular concern directed at ensuring each person only receives one "vote", and that all participants are Richmond residents. Tabulation of results through this means would be somewhat time consuming, and questionnaire development may require advice from an experienced research firm to ensure useable results.

3. Conducting a phone survey

Conducting a phone survey is a reliable way to garner statistically valid information and could be utilized for the purposes of the survey that is the matter of this report. Generally, phone surveys are expensive to conduct, and often are designed to respond to focused issues and questions. They generally rely on random sampling procedures due to the impracticality of surveying whole populations. Done properly however, random samples produce highly reliable results.

There is currently an opportunity for the City to partake in a lower mainland survey being conducted by the Ipsos-Reid marketing research company that is aimed at very similar subject matter that Council has identified. Survey topics include perceived citizen value for their municipal tax dollars; preferences for tax increases vs. service cuts; citizen views about alternative forms of revenue generation; citizen satisfaction levels with the overall level of service they receive and for specific services; citizen perceptions regarding the quality of life in their municipality; citizen views regarding what are the most important issues facing the community; and citizen information needs from their local government.

A copy of the proposed Ipsos-Reid survey is contained in Appendix One of this report, and additionally, municipalities are being given the opportunity to add other questions at a cost of \$800 per closed ended question, and \$1400 per open ended question would include questions around the following topics:

Statistically valid results specific to the City of Richmond would be tabulated and presented at the end of the survey process. The cost for participation in this process is \$5,000, significantly below the estimated cost of \$30,000 for an independent study utilizing similar questions. Ipsos-Reid is a well respected marketing research and public affairs company, and staff believe the opportunity being offered by this company is of very good value.

4. Conducting a number of focus groups

Focus groups provide opportunities to garner public input through discussion and dialogue regarding specific questions, policies and issues. Focus groups are particularly helpful when background information on issues is required, allowing for questions and answer periods, presentations, etc. This method of surveying also allows for collection of anecdotal information resulting from discussions. Information from focus groups can be more time consuming to collect and to tabulate, given the need to limit the number of participants in any given group, and the more flexible nature of discussions and input. Using focus groups to follow up on specific

findings from phone surveys or questionnaires is effective for delving more deeply into areas of interest or concern that emerge from questionnaire or survey results.

In summary, staff believe that a combination of the Ipsos- Reid survey opportunity with a series of focus groups to follow up on specific findings from the survey would provide Council with the most reliable , economical and useful information regarding citizen views on City services, taxation levels and other financial matters. Specific questions for focus group discussion would be developed after the results of the Ipsos-Reid survey were reviewed. Staff strongly caution Council against attaching financial surveys to the tax notices, in order to avoid confusion and frustration for residents and skewed survey results.

Financial Impact

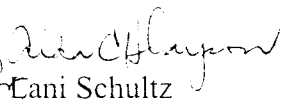
If Council chooses to undertake the Ipsos-Reid phone survey, the costs would be \$5000 dollars, plus an additional \$800 for each customized "closed" question, and \$1400 for each customized open ended question. In addition, costs to conduct follow-up focus group sessions would be approximately \$10,000 plus staff time. Funding for these costs is available in the Council Contingency Account.

Conclusion

Council have requested staff to prepare information and advice regarding options for conducting a public survey to garner information on City financial matters and policies. Staff are recommending a combined approach that uses a statistically valid phone survey conducted by the Ipsos-Reid marketing company along with follow-up focus group questions to collect further public opinions regarding specific Council policies and findings from the survey.

Staff were asked to prepare a supplemental sheet, for possible inclusion with the property tax notice, showing the cost of police and protective services along with other city services, and the costs passed onto the City from other agencies. This sheet is presently being developed and will be presented to Council at a later time for their review and input.

Finally, as per Council direction, staff checked with other municipalities regarding their practices of attaching inserts to tax notices and all municipalities that responded replied that while they include inserts, most are information notices about the current budget and tax bill, upcoming events, etc. No one responding included a tax/service level survey with their inserts, citing the possibility of skewed results as their reason.



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SLS:sls

Appendix One:

IPSOS-REID Municipal Survey: Quality of Life and Financial Planning (Draft Questionnaire)

Quality of Life and Services

1. In your view, as a resident of **[INSERT MUNICIPALITY]**, what is the most important issue facing your community, that is the one issue you feel should receive the greatest attention from your local leaders? **(ACCEPT ONE ANSWER)** Are there any other important local issues? **(ACCEPT ONE MORE RESPONSE).**

2. How would you rate the overall quality of life in **[INSERT MUNICIPALITY]** today? **(READ LIST)**

Very good

Good

Poor

Very Poor

[IF VERY GOOD OR GOOD ASK]

3. Why do you say the overall quality of life in **[INSERT MUNICIPALITY]** today is good? **[OPEN END – RECORD ONE MENTION]**

[IF VERY POOR OR POOR ASK]

4. Why do you say the overall quality of life in **[INSERT MUNICIPALITY]** today is good? **[OPEN END – RECORD ONE MENTION]**

5. Please tell me how **satisfied** you are with each of the following services provided by **[INSERT MUNICIPALITY]**. Our scale is very satisfied, somewhat satisfied, not very satisfied or not at all satisfied.

[ALWAYS ASK FIRST] The overall level and quality of services provided by **[INSERT MUNICIPALITY]**

Choose 3 additional services from list below

Recreational and cultural facilities

Recreational and cultural programs

Parks, trails, and other green space

Sports fields

Recycling and garbage services

Police services

Fire services

Traffic management including traffic calming and improving the flow of traffic

Public works, including road maintenance, drinking water quality and sewers

Communication with residents

Very satisfied

Somewhat satisfied

Not very satisfied

Not at all satisfied

Financial Planning

6. Thinking about all the programs and services you receive from the **[INSERT MUNICIPALITY]**, would you say that overall you get good value or poor value

for your tax dollars? Is that very or fairly?

Very good value

Fairly good value

Fairly poor value

Very poor value

7. Municipal property taxes are the primary way to pay for services provided by the City. Due to the increased cost of maintaining current service levels and infrastructure, **[INSERT MUNICIPALITY]** must balance taxation and service delivery levels. To deal with this situation, which of the following four options would you most like **[INSERT MUNICIPALITY]** to pursue? **(READ LIST – ROTATE – PICK ONE)**

Increase taxes - to enhance or expand services

Increase taxes - to maintain services at current levels

Cut services - to maintain current tax level

Cut services - to reduce taxes

(DO NOT READ) None

8. In addition to adjusting the property tax/service delivery balance, **[INSERT MUNICIPALITY]** has the option to generate other forms of revenue. Please tell me whether you would support or oppose using each of the following to pay for municipal services and programs. The first one is **(READ ITEM – RANDOMISE)**. Is that strongly or somewhat? And how about **(READ ITEM – RANDOMISE)**? Is that strongly or somewhat?

[IF NEEDED: USER FEES ARE THE FEES YOU PAY TO PARTICIPATE IN SOME MUNICIPAL PROGRAMS OR SERVICES]

Increased or new user fees on programs and services

Gambling revenues from casinos or slot machines

Expanded or increased pay parking

Corporate sponsorship for municipal programs and facilities

Strongly Support

Somewhat Support

[DO NOT READ] It Depends

Somewhat Oppose

Strongly Oppose

Communication

9. Thinking about your information needs, what kinds of information do you want **[INSERT MUNICIPALITY]** to provide you with? **(DO NOT READ LIST, RECORD TWO MENTIONS)** Any others?

Parks and recreation

By-laws

Financial/budget

Council meetings

Minutes

Upcoming events

None/No Other

Other **(Specify)**

10. Have you been to **[INSERT MUNICIPALITY]**'s website in the last twelve

months?

Yes

No

(DO NOT READ) Don't Know

Questions specific to your municipality can be added at a cost of \$800 per closed ended question and \$1400 per open ended question

DEMOGRAPHICS

11. In what year were you born? **(RECORD YEAR - RANGE 1900 TO 1987)**

12. Are you either primarily or jointly responsible for paying property taxes or rent in your household?

Yes

No

13. Do you have any children under the age of 18 living in your household?

Yes

No

14. Do you own or rent your current place of residence?

Own

Municipal Survey: Quality of Life and Financial Planning DRAFT Questionnaire – For Distribution

Rent

15. How many years have you lived in **[INSERT MUNICIPALITY]**? (IF LESS THAN 1 YEAR ENTER 0) (RANGE 0 TO 100)

Thank you for helping us to complete this survey!