



LRMC

Lakehead Rural
Municipal Coalition

Report on OMPF & Downloaded Service Costs

January 2020

When LRMC members met with Ministers at the AMO Conference in August of 2019, we requested a meeting with relevant ministers and staff to address the complex issues set out in this report. While we were told a meeting in Toronto would be arranged, it has yet to occur. We have written twice now, to respectfully request that this meeting be set up without response. Our members are taking this opportunity to again request that this meeting take place as soon as possible. This report contains analyses to demonstrate how patently unfair current financial policies are to rural municipalities. It will take more than a 15-minute delegation meeting at the ROMA or OGRA conferences to properly explain the information and to demonstrate the logical conclusions.

Recommendation: Honour our request for a meeting, in Toronto, as soon as possible, to fully explore the information set out in this report.



OMPF & Downloaded Service Costs: Drastic Change is Required Now

For many years the LRMC has been highlighting in its Rural Action Plan the inadequacy of the Ontario Municipal Partnership Fund (“OMPF”) when compared to the levies from third party service provider agencies. While the Provincial Government continues to review the OMPF Program, rural municipalities like those in the LRMC, year after year continue to see third party service provider agency levies exceed OMPF funding. The gap is widening exponentially now that OMPF is reduced annually yet agency levies are increased annually. This trend is not financially sustainable for the LRMC municipalities. Our member municipalities propose that the Province take drastic action now to remedy the situation.

Back in 1998, the (then) Provincial government realigned service responsibility between it and Ontario’s municipalities through an initiative titled “Local Services Realignment” (“LSR”). The Province took \$2.5 billion in education tax off of property tax bills and put \$3.0 billion onto property tax bills to fund services including OPP policing and certain health and social services. In order to make the transfer “revenue neutral” to all municipalities, a \$0.5 billion funding program, called the Community Reinvestment Fund (“CRF”), was established and provided to municipalities.

The CRF was re-titled the OMPF several years ago.

Now, over twenty years later, the entire picture has changed. The purported objective of the OMPF, the CRF’s replacement, is to support municipalities with the greatest need. Responsibilities downloaded in the LSR initiative are now detached from the OMPF. Rather than being revenue neutral for all, under the current arrangements some municipalities are “revenue positive” while other are “revenue negative,” and the “gap,” the difference between OMPF and the cost of downloaded services, between the winners and losers is widening.

For the fifteen (15) Thunder Bay District municipalities there are schedules included in this report which outline the situation with OMPF, third party agency levies, and related aspects, and demonstrate the inequities. The small, urban municipalities on the north shore of Lake Superior are getting far more money from OMPF than they pay in levies, while most of the rural municipalities pay more money in levies than they get from OMPF. This OMPF windfall enables these small urban municipalities to deliver services like golf courses and indoor swimming pools that rural municipalities cannot afford, while at the same time keep their tax rates lower than that of rural municipalities.

We are proposing two options for your consideration to fix this unfair, unsustainable system.

The first calls for the Province to re-assume responsibility for the health and social services downloaded to municipalities in 1998. These provincially-mandated services have nothing to do with the local services provided by municipalities with property tax revenue. Coincidental with this change would be slimming down the OMPF to only the northern and the rural components. These changes would ultimately save both the municipalities and Ontario money since the governments would be responsible for the services they can effectively manage and thereby better control the costs of those services.

The second assumes the Province may want to continue using the OMPF program to provide assistance to municipalities it thinks are needy, so there would be no major overhaul of the program. Under this option, the Province would bill rural municipalities using the same method it applies to Territories Without Municipal Organization ("TWOMOs") to cover the costs of services including policing, health and social services. This involves a 0.25% tax levy. The third party agencies providing these services would stop billing rural municipalities, and the Province would pay the costs for the services provided to the rural municipalities. Since truly rural municipalities are unable to provide any more services to their constituents than the Province provides to TWOMOs, it stands to reason that the same billing model should be employed.

Demonstration of Inequity of the Current Regime to Rural Municipalities

For years the LRMC has been providing analyses of financial and statistical data clearly demonstrating that the current practices are grossly unfair to rural municipalities. The key factor is the use of weighted assessment and household income as determinants in setting OMPF allocations and third party service agency levies. This works against rural municipalities. The use of the same two determinants for infrastructure grants also penalizes the rural municipalities. On the other hand, the use of these determinants highly favours small urban municipalities.

Using information from the 15 municipalities in the District of Thunder Bay, three sets of data analyses are provided in this Report to illustrate the gross unfairness to rural municipalities. Following that is a critique of the use of weighted assessment and household income as the key determinants in setting OMPF allocations and third party service agency levies. Lastly there

is a discussion on the lack of fairness for rural municipalities due to the absence of services in their communities although they pay more than the small urban municipalities for those services.

Schedule A: OMPF for Thunder Bay District Municipalities

OMPF for Municipalities in the District of Thunder Bay						\$	%
						Change from 2017	Change from 2017
		2020	2019	2018	2017		
Manitouwadge		1,716,400	1,718,100	1,718,100	1,674,000	42,400	2.53%
Nipigon		1,049,000	1,049,000	1,049,000	1,049,000	0	0.00%
Red Rock		637,500	639,400	640,600	643,100	-5,600	-0.87%
Greenstone		2,144,400	2,199,300	2,252,200	2,244,100	-99,700	-4.44%
Schreiber		807,300	820,400	833,700	860,600	-53,300	-6.19%
Marathon		1,721,500	1,787,600	1,853,300	1,835,000	-113,500	-6.19%
Terrace Bay		858,800	885,300	908,200	943,000	-84,200	-8.93%
Gillies	LRMC	173,800	181,600	190,600	204,900	-31,100	15.18%
Thunder Bay		18,811,300	19,321,500	20,478,500	22,259,200	3,447,900	15.49%
Conmee	LRMC	201,200	211,500	225,200	246,100	-44,900	18.24%
Shuniah	LRMC	850,300	872,700	969,600	1,077,300	-227,000	21.07%
Dorion		103,100	112,100	121,500	133,800	-30,700	22.94%
Oliver							
Paipoonge	LRMC	894,900	986,100	1,095,600	1,217,300	-322,400	26.48%
O'Connor	LRMC	158,900	176,500	196,100	217,800	-58,900	27.04%
Neebing	LRMC	538,300	598,100	664,500	738,300	-200,000	27.09%
						-	-
		30,666,700	31,559,200	33,196,700	35,343,500	4,676,800	14.09%

Schedule A, showing OMPF over the 4-year period 2017 to 2020 has an easily recognizable pattern. Rural municipalities, five of the six LRMC members and Dorion, have experienced the greatest reductions. Thunder Bay, the large urban municipality, is in the middle. The small urban municipalities north of the Lake have seen the lowest reductions. Manitouwadge has even seen an increase while Nipigon has not seen a cut.

Schedule B: OMPF versus Levies & Policing for the Thunder Bay District Municipalities

	A	B	C	D	E	F	G
	2018 OMPF	TBDSAB Levy	SNEMS Levy	TBDHU Levy	Police Costs	2018 TOTAL	(A - F) Net Benefit OMPF minus Levies
Manitouawadge	1,718,100	62,810	37,073	45,608	441,224	586,715	1,131,385
Marathon	1,853,300	177,961	105,041	73,292	783,054	1,139,348	713,952
Nipigon	1,049,000	111,365	65,730	34,448	172,535	384,078	664,922
Schreiber	833,700	50,722	29,938	25,292	223,898	329,850	503,850
Red Rock	640,600	50,950	30,070	19,905	150,188	251,113	389,487
Terrace Bay	908,200	138,231	81,598	32,974	308,000	560,803	347,397
Gillies	190,600	41,919	24,743	10,001	60,596	137,259	53,341
Comnee	225,200	73,939	43,646	15,461	92,860	225,906	-706
O'Connor	196,100	77,725	45,877	14,374	81,469	219,445	-23,345
Dorton	121,500	52,775	31,152	6,909	67,962	158,798	-37,298
Neebing	664,500	373,505	220,458	44,014	300,588	938,565	-274,065
Greenstone	2,252,200	752,165	443,974	94,309	1,460,372	2,750,820	-498,620
Shuniah	969,600	867,042	511,776	56,841	722,843	2,158,502	-1,188,902
Oliver Paipoonge	1,095,600	911,493	538,014	124,746	1,093,400	2,667,653	-1,572,053
Thunder Bay	20,478,500	16,534,721	9,759,688	2,238,140	49,086,968	77,619,517	-57,141,017
	33,196,700	20,277,323	11,968,778	2,836,314		90,128,372	-56,931,672

Under the service realignment imposed by the Provincial Government in 1998 municipalities were given responsibility for policing and certain health and social services costs, but were given funding from the “Community Reinvestment Fund” to offset the costs. There was not to be any impact on municipal finances; the service realignment was to be “revenue neutral.”

Schedule B illustrates that the current situation is far from being “revenue neutral.” Other than Greenstone, all of the municipalities north of the Lake are enjoying surpluses. Meanwhile, other than Gillies, LPMC municipalities have deficits. The City of Thunder Bay is an anomaly; unlike the other 14 municipalities, the City has its own police force, which accounts for over 63% of its total cost per the Schedule.

There are three versions of Schedule C - Comparison of 2016 Census and 2017 FIR Information for Thunder Bay District Municipalities – shown on the following three pages.

Schedule C contains a lot of information on the 15 Thunder Bay District municipalities that demonstrates that the rural municipalities are far worse off than their small urban and urban counterparts. The FIR data is from 2017 while the Census data is from 2016. The data has been sorted by different parameters to highlight certain aspects of the overall situation, thus there are three Versions of Schedule C.

Version A

The OMPF formula uses household income to rank municipalities. Using this statistic is flawed since it does not take into account the number of persons living off that household income. Version A is sorted by per capita income. The table shows small urban municipalities like Schreiber, Manitouwadge, Terrace Bay and Marathon that have high OMPF per household because they have moderate household income have per capita income over the median of the 15 municipalities. On the other hand, rural municipalities like Oliver Paipoonge, O'Connor and Conmee that have low OMPF per household because they have high household income have per capita income under the median of the 15 municipalities.

Version B

Residential and Multi-Residential Taxation per household is a better measure of impact on households than Total Taxation per household, since the latter takes into account taxes paid by businesses that can include taxes paid by large corporations. Rural municipalities like Conmee, Oliver Paipoonge and O'Connor have high rates of taxes per household.

Residential and Multi-Residential Taxation per household as a Percentage of Total Taxation is a telling statistic. The burden on residential taxpayers is higher if there are fewer other taxpayers. Greenstone gets nearly 50% of its tax from TransCanada Pipelines, so it has the lowest Residential and Multi-Residential Taxation per household. LPMC municipalities rely the most on residential taxpayers.

Version A

[illegible]

OMPFF	per Household	Population	Households	People per Household	Median			Res & Multi-Res.			2017 Total	2017 Comp. Exp. Per HH
					Gross		Taxation per HH	Taxation per Household	Taxation % of Total Tax.			
					per HH	capita						
Greenstone	766	4,636	2,930	1.58	63,488	40,182	4,771	1,332	27.92%	8,483	2,627	
Dorion	769	316	174	1.82	79,360	43,604	2,857	1,795	62.84%	5,041	1,522	
Marathon	1,117	3,273	1,643	1.99	82,816	41,616	2,927	1,802	61.55%	6,209	2,222	
Terrace Bay	1,056	1,611	893	1.80	75,328	41,949	3,502	1,804	51.51%	7,193	2,270	
Gillies	957	410	214	1.92	66,944	34,867	1,875	1,813	96.67%	3,182	1,209	
Shuniah	506	2,798	2,130	1.31	96,939	73,999	2,017	1,867	92.55%	2,793	711	
Schreiber	1,284	1,047	670	1.56	70,528	45,210	2,684	2,045	76.19%	6,723	2,124	
Neebing	633	2,055	1,166	1.76	87,424	49,673	2,116	2,077	98.15%	3,422	809	
Nipigon	1,305	1,642	804	2.04	57,062	27,972	2,888	2,132	73.82%	5,836	1,969	
Manitouwadge	1,379	1,821	1,214	1.50	66,048	44,032	2,974	2,211	74.33%	5,556	1,800	
Thunder Bay	442	107,909	50,388	2.14	66,163	30,917	3,106	2,281	73.44%	10,502	4,561	
Conmee	753	819	327	2.50	89,856	35,942	2,369	2,326	98.22%	3,838	1,448	
Oliver												
Paipoonge	512	5,922	2,379	2.49	96,981	38,948	2,827	2,405	85.08%	4,109	833	
Red Rock	1,448	895	444	2.02	69,376	34,345	3,351	2,465	73.55%	6,924	2,728	
O'Connor	801	663	272	2.44	89,856	36,826	2,571	2,512	97.74%	4,142	1,473	
		135,817	65,648									

Schedule C: Comparison of 2016 Census and 2017 FIR Information for Thunder Bay District Municipalities

Version C

		Sorted By									
		OMPF		People		Median		Res & Multi- R.		2017 Total	
per household	Population	Households	per	Household	Gross per HH	Gross per capita	Taxation per HH	Taxation per Household	Taxation % of Total Tax.	Expenses HH	Comp. Exp. Per HH
Shuniah	506	2,798	2,130	1.31	96,939	73,999	2,017	1,867	92.55%	2,793	711
Gillies	957	410	214	1.92	66,944	34,867	1,875	1,813	96.67%	3,182	1,209
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Greenstone	766	4,636	2,930	1.58	63,488	40,182	4,771	1,332	27.92%	8,483	2,627
Thunder Bay	442	107,909	50,388	2.14	66,163	30,917	3,106	2,281	73.44%	10,502	4,561
		135,817	65,648								

Version C

Total Expenses per household simply means how much a municipality spends. LRMCMunicipalities are the lowest spenders, whereas municipalities north of the Lake, amongst the highest OMPF recipients, are bigger spenders. The City of Thunder Bay is an anomaly – as a large urban municipality, it is mandated to provide additional services, such as long-term care homes, that increase its spending.

Compensation Expenses per household correlates fairly well with Total Expenses per household. LRMCMunicipalities are the lowest spenders. The small urban municipalities have more financial resources than LRMCMunicipalities to utilize, since they receive more OMPF funding, yet pay lower levies to third party service providers. Manitouwadge operates a golf course and Marathon has an indoor swimming pool. Spending more on employees can generate advantages. Terrace Bay employs community service personnel who have been very successful getting large government grants to do various community redevelopment projects over the years.

Weighted assessment and household income are poor determinants of financial capacity. The use of weighted assessment as a determinant is, in our respectful submission, a major flaw of the current system. In the OMPF formula high assessment is viewed as an advantage to a municipality, since it supposedly indicates more tax revenue potential. We need to point out that high assessment does not mean property owners are able to pay more municipal tax. It does not distinguish between residential and other, e.g., commercial, industrial, etc., assessment. Taxes generated by the latter assessment types do not come out of the after-tax incomes of municipal residents, but out of the pre-tax incomes of businesses and organizations. Again, truly rural municipalities rely primarily on the residential tax base.

We also wish to highlight the significant negative consequences of high assessment. One is the higher cost of housing to residents. LRMCMunicipal residents pay higher mortgage payments, residential accommodation rents and property insurance, resulting in less available cash flow to fund other household costs, like municipal taxes. Another significant disadvantage to high assessment for a municipality is increased levies from third party service providers, who calculate levy allocations based on assessment. Two organizations using assessment to calculate levies charged to LRMCMunicipalities are the Thunder Bay District Social Services Board and Superior North Emergency Management Services. In both of these examples, services are provided to people, not to properties. LRMCMunicipal taxpayers pay far more for social services and ambulance services than their counterparts in the small urban municipalities due to the weighted assessment factor.

Household income is not as meaningful as per capita income for measuring the financial capacity of municipal residents. Household income is an inferior measure since it does not take into account the number of people in a household dependent on that income. As shown on Schedule C, three LRMCMunicipalities, Oliver Paipoonge, Conmee and O'Connor, have the highest numbers of persons per household. People, not the properties, live on the

household income. The more people there are in the house, the less money the residential household has, overall, for living expenses such as property taxes.

An important factor to consider is the presence of service offices and/or bases in the municipalities. There are three major benefits to having services facilities in a municipality. The first is easy access for residents. The second is property taxes, water and sewer charges and other revenues for the host municipality. The third is employment and business activity in the host community.

The small urban municipalities in the Thunder Bay District have some offices and facilities. The City of Thunder Bay has significantly more offices and facilities. Truly rural municipalities, like the LRMC member municipalities and TWOMOs “next door”, have virtually none of these. Unlike the other municipalities in the Thunder Bay District, LRMC municipalities pay high levies without any of the benefits generated by local presence of services. It’s easy to get a flu shot at the health unit when the clinic is in the neighborhood and wait time for an ambulance is reasonable when the base is nearby. Just like residents of neighboring TWOMOs, residents of LRMC municipalities have to drive to Thunder Bay to get a flu shot at the health unit and wait longer for an ambulance to arrive. If an individual living in an LRMC municipality or a nearby TWOMO needs social housing, it’s only available in Thunder Bay. The difference is the residents in the LRMC member municipalities pay far more to the service provider for the housing it operates in the City. TWOMO residents do not.

Two Options to Generate Financial Sustainability for Rural Municipalities

As noted above, we are suggesting two alternative options to deal with the situation now in order to avoid a deep financial crisis in the future. The first is preferable since it addresses the root causes of the problem. The second is less complicated to achieve but will nonetheless provide much needed relief.

Option 1: Service Realignment and OMPF Reform

It has been over 20 years now since the drastic service realignment was implemented by the Province. The LRMC respectfully submits that the realignment has proven to be a huge mistake. The realignment was ostensibly undertaken to provide better management and control of the downloaded services, e.g., policing, housing, child care, welfare, ambulance services and public health, but that has clearly not happened. Provincial legislation and regulation dictates the delivery of these services; local governments have no meaningful role in service delivery. The only tangible results of the realignment have been municipal funding for these services and preoccupation and frustration of municipalities with the rising costs of these services, both to the detriment of traditional core local services, e.g., roads, waste disposal, recreation, fire protection and prevention, planning, water and sewer, etc.

The downloaded services, specifically health and social services, are primarily human services. Per the Canadian Constitution they are the responsibilities of provincial and territorial

governments and are supposed to be available and accessible to Canadians regardless of where they live. Ontarians are eligible for these services because they live in Ontario and not because they live in a particular municipality. Ontario should have responsibility for the management and costs of these services that are not local in nature. There is no good reason to have municipal responsibility for ambulance services while there is none for hospital services or to have municipal responsibility for child care services while there is none for child welfare services.

It would be very sensible to return to the time when municipal councils dealt with the traditional local areas they can manage and control. Local governments are best positioned to understand things like local road networks or waste disposal systems, and have authority to make good decisions to manage them properly, using property taxpayer money wisely. Council members on social and health service boards are essentially powerless. These services are highly legislated and regulated by Ontario, and the boards have little discretion in managing the services. It is important to retain member municipality Council members on these boards because of the required accountability associated with the municipal financial contributions to the services. Having locals on these service boards is important since it adds a local perspective that the service managers can consider and try to take into account in delivering the services within the provincial service parameters. If it were the Province, rather than the municipalities funding the agency, the importance of having council members on the boards disappears. Local voices can be provided by community members interested in the services, in the same way that occurs for the boards of service entities like hospitals, child welfare agencies, developmental service agencies, etc. People like them could take the seats of municipal council members that currently sit on the boards of ambulance, welfare, child care and other services.

Returning the downloaded health and social service costs to Ontario would also improve overall tax fairness. A widely accepted objective of tax policy is to have wealthier people pay more and poorer people pay less. The objective works as an income redistribution measure to counteract income and wealth inequality. It is widely accepted that income tax, the Province's main revenue tool, is far better at meeting the objective than is property tax, the main revenue tool for municipalities. The gap between the highest incomes and the lowest incomes is far greater than the gap between the highest residential assessments and the lowest residential assessments. Higher income tax rates are applied to higher levels of income whereas the same tax rate is applied to a property regardless of its assessment. Because of these factors a greater portion of income tax is paid by wealthier people than the portion of property tax paid by wealthier people. While some poor people do not pay any income tax, it is highly likely they are paying property tax since most people own or rent a dwelling.

Seniors with only CPP and OAS income, living in owned dwellings illustrate the matter. While these people pay little to no income tax, they must pay property tax. Although they are eligible for the Ontario Energy and Property Tax Credits, they are still out of pocket. These situations exist because property tax is a blunt instrument that affects wealthy and poor people alike,

while income tax does not. The LRMC submits that minimizing the property tax burden in terms of “people services” is good overall tax policy.

These changes would ultimately save both the municipalities and Ontario money since the governments would be responsible for the services they can effectively manage and thereby better control the costs of those services. Recent developments with the cost sharing formula for public health illustrate this point. Ontario decided to decrease its costs by reducing its contribution from 75% to 70% rather than making system changes to reduce costs. On the other hand, Ontario joined other provinces recently imploring the Federal Government to increase its annual health transfers from 3% to 5%. Restructuring and reforming the health care system to make it financially sustainable is the task at hand – downloading costs to municipal property taxpayers is no solution.

While under this option municipalities would retain responsibility for police services, we submit that the Province should reinstitute a policing grant. The traditional role of police, primarily crime prevention with law enforcement as required, has changed dramatically in recent times, especially in Northwestern Ontario. Police officers now find themselves frequently acting as social and health workers. Problems like mental health illness and addictions, homelessness, income inequality, and the breakdown of the family unit are generating a large portion of the police workload. Lack of efficient and effective health and social services to address these matters means emergency response workers are filling in the gaps. Police deal with crime undertaken by perpetrators looking for resources to feed addictions. Due to the legacy of the Indian Act and residential schools, police in Northwestern Ontario are dealing with a multitude of serious issues affecting certain portions of the Indigenous population. The Federal Government needs to acknowledge its responsibility for the situation and provide resources to deal with it. Given these responsibilities of modern policing, a police grant is warranted. How much police grants should be, i.e., what percentage of total policing costs, would need to be determined.

Under this Option we are proposing that only the northern and the rural components of the OMPF should be retained. The northern grant is justifiable given the higher cost environment and other conditions in the north. With regard to the rural grant, the definition of a rural and small community in the OMPF guidelines is inappropriate. On top of Statistics Canada’s definition of a rural community you add any municipality with a population under 10,000 to come up with your Rural and Small Community Measure (“RSCM”). While small, some municipalities with under 10,000 are more urban rather than rural. True rural communities, like the six LRMC municipalities, have distinct disadvantages, e.g., large road networks, little commercial or industrial tax base, lack of communal water and sewer services, high fire insurance rates, poor access to hi-speed (or any) Internet, lack of natural gas service, no public transit, high electricity delivery rates, no home mail delivery, etc. These disadvantages are not present in many communities under 10,000 if they are urban, and these urban small communities should not be entitled to a rural community grant.

Option 2: Alternative Billing for Rural Municipalities

Currently, the Provincial Government applies a 0.25% tax levy to properties in TWOMOs, which is intended to cover the costs of services including policing, health and social services. We respectfully submit that truly rural municipalities are able to offer very little to their constituents beyond what residents of TWOMOs receive, and should be dealt with in the same manner. Under this model, the Province would pay the costs for police, ambulance, public health, housing, Ontario Works and child care services, by providing the money directly to the service providers, such as the Thunder Bay District Social Service Administration Board, and would apply the 0.25% tax to properties in the LRMC municipalities.

LRMC municipalities as rural municipalities would therefore pay the same amounts as TWOMOs for these services. This is justifiable. We note the following similarities between rural municipalities and TWOMOs:

Communal Water and Sewer: There are no services. Residents have to pay themselves for well for water and a septic system for sewage, which typically cost \$10,000 to \$15,000 each. Unlike urban municipalities with communal systems, there are no grants from senior governments for private water and sewer systems.

Natural Gas: This fuel is generally lacking. Residents have to rely on high cost alternatives such as oil, propane, wood and electricity.

High Speed Internet: This critical component of modern life is usually unavailable, while it is widespread in even small urban municipalities.

Health and Social Services: They are generally absent. Residents need to travel to urban centres for these services.

Public Transit: There is none. Unless you have a private vehicle, you have no transportation.

Commercial/Industrial Tax Base: This is very limited. Residents bear the brunt of property taxes.

Road Network: They are extensive in these low density areas. Residents carry the costs.

Rural municipalities and TWOMOs share these disadvantages. A major item they do not share is charges from service provider organizations for police, ambulance, public health, housing, Ontario Works and childcare services. Rural municipalities pay for these services while TWOMOs do not. It follows that rural municipalities are subsidizing the services provided in the urban municipalities for both urban residents and TWOMO residents. Rural municipalities

are ready to pay their fair share, and the 0.25% tax, which is considered fair for TWOMOs, should be equally a fair share for truly rural municipalities.

Under this Option the Province would continue with the current OMPF system, which is supposed to support those with the greatest needs.

Conclusion

The current regime for allocating OMPF and levies is grossly unfair for rural municipalities like those in the LRMC. The trend of diminishing OMPF grants and increasing downloaded service costs is unsustainable. The LRMC municipalities are requesting drastic change to correct the imbalance.

First Recommendation: Reform the OMPF and re-align service provision as outlined in “Option One” of this Report.

Alternate Recommendation: Institute a new billing model for “people” services provided by third party agencies, as outlined in “Option Two” of this Report.

APPENDIX: Contact information

All telephone/facsimile numbers have area code 807.

The Corporation of the Township of Conmee

Mail: R.R.#1 Kakabeka Falls, P0T 1W0
 Physical: 19 Holland Road West
 Phone: 475-5229 Fax: 475-4793
 Email: info@conmee.com
 Website: www.conmee.com

Mayor: Kevin Holland
 (Vice Chair of LRMC)
 Email: mayorholland@conmee.com
 CAO/Clerk: Laura Bruni
 Email: conmee@conmee.com

The Corporation of the Township of Gillies

Mail: R.R.#1 Kakabeka Falls, P0T 1W0
 Physical: 1092 Highway 595 in Hymers
 (inside Whitefish Valley Public School)
 Phone: 475-3185 Fax: 473-0767
 Email: gillies@tbaytel.net
 Website: www.gilliestownship.com

Reeve: Wendy Wright
 Email: reevewrightgillies@gmail.com
 Clerk/Treasurer: Jenna Hakala
gillies@tbaytel.net
 Deputy Clerk/Treasurer: Franki Dacosta
gilliestreasurer@tbaytel.net

The Corporation of the Municipality of Neebing

4766 Highway 61, Neebing, P7L 0B5
 Phone: 474-5331 Fax: 474-5332
 Email: neebing@neebing.org
 Website: www.neebing.org

Mayor: Erwin Butikofer
 Email: Mayor@neebing.org
 Clerk-Treasurer: Erika Kromm
 Email: clerk@neebing.org (office)
 Deputy Clerk-Treasurer: Laura Jones
 Email: deputyct@neebing.org

The Corporation of the Township of O'Connor

Mail: R.R.#1 Kakabeka Falls, P0T 1W0
 Physical: 330 Highway 595
 Phone: 476-1451 Fax: 473-0891
 Email: twpoconn@tbaytel.net
 Website: www.oconnortownship.ca

Mayor: Jim Vezina
 Email: jmvs@tbaytel.net (home: confidential)
 Clerk-Treasurer: Lorna Buob
 Email: twpoconn@tbaytel.net
 Deputy Clerk-Treasurer: Linda Racicot
 Email: twpoconn@tbaytel.net

The Corporation of the Municipality of Oliver Paipoonge

3250 Highway 130, Rosslyn, P7K 0B1
 Phone: 935-2613 Fax: 935-2161
 Email: (no generic email)
 Website: www.oliverpaipoonge.ca

Mayor: Lucy Kloosterhuis
 (Chair of LRMC)
 Email: mayor.lucy@tbaytel.net
 CAO/Clerk: Wayne Hanchard
 Email: wayne.hanchard@oliverpaipoonge.on.ca
 Treasurer/Deputy CAO: Kevin Green
treasurer@oliverpaipoonge.on.ca

The Corporation of the Municipality of Shuniah

420 Leslie Avenue, Thunder Bay, P7A 1X8
 Phone: 683-4545 Fax: 683-6982
 Email: shuniah@shuniah.org
 Website: www.shuniah.org
 Mayor: Wendy Landry (cell: 626-6686)
 Email: wlandry@shuniah.org
 CAO: Paul Greenwood (cell: 708-0199)
 Email: pgreenwood@shuniah.org
 Clerk: Nadine Hunley-Johansen
 Email: nhunley@shuniah.org