



STAFF REPORT
Municipality of Wawa

Maury O'Neill, CAO-Clerk



To: Mayor and Council	Report No.: CAO 2024-02
Date: January 9, 2024	Council Meeting: January 16, 2024

2024 ROMA Delegation Presentations

Recommendation

THAT Council receive Staff Report CAO 2024-02, entitled "2024 ROMA Delegations Presentations" as information.

Summary and Background

This Report provides Council with a summary of two delegations the Mayor and CAO will present to the Ministry of Infrastructure pertaining to local broadband funding and the Ministry of Children, Community and Social Services regarding ADSAB Apportionment at the Rural Ontario Municipal Association (ROMA) conference January 21-23, 2024 on behalf of the Municipality of Wawa.

Delegation Request - Ministry of Infrastructure

The Municipality is seeking confirmation from the Ministry of Infrastructure that it is eligible for Broadband AHSIP Improvement funding. This is very important to fund needed improvements in local broadband services as most are slow and lack capacity for expansion, which does not support the economic development of the community. Although Shaw Communications initiated upgrades to its legacy DSL network and currently provides speeds of at least 50/10 mbps in some areas of the community, it does not cover the whole area. The local network continues to be overloaded and is insufficient to meet the current demands.

The Municipality of Wawa will request that the Ministry include Wawa as being eligible for the AHSIP program funding so that local broadband will be improved.

Delegation Request (confirmed) – Ministry of Children and Social Services

The Municipality of Wawa is a member municipality of the Algoma District Services Administration Board (ADSAB) and is responsible for contributing to the Board's funding. Like many DSAB's, the ADSAB uses a locally developed approach to apportioning its costs amongst the member municipalities. The current formula was established in 2002 and has never been updated or indexed to changing property and population demographics across the Board's capture area.

While Wawa supports DSAB's having the flexibility to implement local formulas, the Municipality believes that such an important financial formula should be sensitive to changes in local tax, revenue and assessment base circumstances that occur over time. The Municipality will request the Ministry to review the current rules and processes for apportionment formulas.

The ADSAB formula relies primarily on the proportional share of weighted property assessment within the Board's jurisdiction but also power dam grants. The annual apportionment process follows a formula designed to achieve equity in 2002 but bears no relevance or relationship to the population serviced by the ADSAB in 2023.

The ADSAB's approach to the power dam grant revenue is singularly dependent on how much would have been shared if those properties were taxable in 2001. This precludes any consideration of current proportional measures or circumstances. Put simply, because the ADSAB grant shares are so rigidly tied to 2001 circumstances, the fixed amounts claimed by the Board have become progressively less relevant and therefore less equitable over time. The implication for Wawa taxpayers is a circumstance where they contributed \$590.00 per 100,000 of residential assessment to the DSAB budget in 2023 vs. taxpayers in non-power dam municipalities, who contributed an estimated \$353.00 per 100,000 of residential assessment. This means that Wawa homeowners contribute 67% more to ADSAB than a taxpayer located elsewhere in the Algoma District living in a home of the exact same value.

A comparable sharing formula as set out under the Fixing Long-Term Care Act addresses these revenues in a deliberate and equitable manner. That formula was regulated after hydroelectric dams were deemed exempt from property tax, while the DSAB formula pre-dates that model. A simple update to modernize the DSAB formula to match the newer standard the Province has established would be ideal.

While the immediate issue for Wawa is the treatment of power dam grants, our investigation has concluded that the root issue rests in the fact that regulation does not require locally crafted apportionment formula to be:

1. Sensitive to changes in the inter-municipal balance of populations and property assessments that inevitably occur over time; and/or
2. Revisited or reviewed at any time once they are put in place, even when a new board is constituted.

The Municipality of Wawa believes that this issue is of great importance to all DSAB's and municipalities that contribute funding. Mayor Pilon will request the Ministry review of the legislation and apportionment model used.

Recommendation

That Report CAO 2024-02 Delegations at ROMA be received as information by Council.

Maury O'Neill
CAO-Clerk