

January 8, 2003

To the Special Advisory Team on City of Kawartha Lakes Referendum Question:

I would like to thank you for your report and its recommendations. Your hard work and commitment to the future of your community is appreciated.

It has always been my belief that local government issues should be decided locally. The City of Kawartha Lakes council has the authority to put forward a locally developed restructuring proposal.

Taxpayer groups, Oakwood residents and the City of Kawartha Lakes council asked me, as Minister, to put forward a non-binding question on the structure of the municipality. In the best interests of taxpayers and residents of the community, I acted on this request. It was my intent from the beginning of this process to bring closure to the restructuring debate.

I appointed the Advisory Team, led by Max Radiff, to develop a clear and concise non-binding question that would indeed bring closure to the issue.

After carefully reviewing all of the team's recommendations, I have made a number of decisions.

The people of the City of Kawartha Lakes will have the opportunity to provide input on their community's future during the November 10, 2003 municipal election. I acknowledge that the team had recommended the vote on the question be held earlier. However, I have committed to an open and inclusive process and am committed to further debate on this issue that engages the whole population, including seasonal residents.

Even if the question could be asked earlier in 2003, there is simply not enough time to do all of the work that is necessary so the new councils could be elected in the November elections. There would be inadequate opportunities to implement change during that time, and there would be significant transitional work needed to implement the result of the referendum vote if the majority votes for a change to the structure.

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If the result of the referendum shows that the majority of Kawartha Lakes residents want to see change in the current structure of municipal government, we owe it to them to take the time to do it right.

I agree with your recommendation to hold public meetings for the purpose of information dissemination. I am pleased that Max Radiff has agreed to guide these meetings. Further information about the time and locations of these meetings will be communicated shortly.

As for the question itself, I feel that the supplementary questions suggested by the advisory team will not bring closure to this debate. The recommended three-part question leads to four possible outcomes. If these supplementary questions are used, I feel there is great potential for a result that is unclear.

The question that will be put to voters on the municipal ballot is the following:

“Are you in favour of a return to the previous municipal model of government with an upper-tier municipality and 16 lower-tier municipalities?”

I believe this question will end the debate and provide clear direction on the community’s future. I have chosen not to use the city or county names in the question, because it is council’s decision as to what those names are or will be.

If the result of the question is to keep the current structure, then the newly-elected council will hold office for the normal three-year term until 2006.

If the result of the question is to change the structure, I would expect that the necessary steps could be taken to provide for new municipal elections in 2004 and the councillors elected during the November 10, 2003 election would constitute an interim council.

The team made other recommendations dealing with establishing referendum committees, use of taxpayers’ funds during the referendum campaign and leaves of absence for council members who wish to actively participate in the referendum campaign. Although I agree with the intent of these recommendations, it is not within my authority as Minister, or that of the municipal clerk, to enforce any of them. The *Municipal Elections Act, 1996* does not provide the framework respecting campaign finances on Minister’s referendum questions.

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I expect that citizen groups will engage in the process and that campaigns will operate in good faith without the necessity of formal rules and monitoring by the city clerk. I agree that municipal funds should not be used to advocate one side or the other in the referendum campaign. However, it can be expected that municipal councillors will voice their preferred option.

One important recommendation of the committee was on public education regarding the powers municipalities already have. I think this is a good idea. Municipalities in Ontario have a great deal of authority. Ontario’s *Municipal Act, 2001* gives municipalities broad flexibility to deal with local circumstances and to react quickly to local economic, environmental or social changes. For example, every council in Ontario has the right to decide its own name and the ability to area-rate prescribed municipal services such as culture, parks, recreation, waste management systems, fire protection, transit, water systems, street lighting and flood control systems. Should a municipality want another service to be area-rated, I invite them to make a request. As well, further flexibility is provided to all municipalities to impose user fees to recover the costs of many services they provide. I plan to release information on what authorities municipalities have to all Kawartha Lakes taxpayers in the near future.

I am confident that we can bring this debate to a satisfactory conclusion for the good of all the residents of Kawartha Lakes.

Sincerely,

*(Original signed by the Minister)*

Hon. Chris Hodgson

Minister