

**Ministry of
Municipal Affairs
and Housing**

Office of the Minister

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MAR 25 2014

His Worship
Mayor Randall McLaren
Township of Bonfield
365 Highway 531
Bonfield ON P0H 1E0

Dear Mayor McLaren:

I am writing to request clarification concerning the services that are being provided by the Township during the ongoing labour disruption. I have been advised that the council is working hard to continue to provide a basic level of services during the labour disruption and I appreciate you have taken this responsibility seriously.

As you may know, I recently received a letter from CUPE outlining a number of concerns about a variety of services being available in the municipality including the municipality's ability to meet its administrative and financial obligations.

Since then, I received a request from 69 Township ratepayers requesting me to order a provincial municipal audit on the basis of concerns related to the financial standing of the municipality.

I am very aware that the current situation in the Township is very unusual. I note that up until August 1, 2013, Bonfield was managing responsibly.

My Ministry collects financial data for all Ontario municipalities, including the Township of Bonfield. Staff track this data, and perform financial analysis to determine fiscal health. Because of the reporting cycle, this analysis was last performed using financial data that was current up to December 31, 2012. At that time, the Township of Bonfield had:

- More operating revenue than expenses;
- Long-term debt repayment costs that were within the maximum amount of annual repayment limits established by the Ministry;
- Cash and temporary investments on hand to pay for everyday operating expenses; and
- Over \$200,000 saved in reserves for future expenses.

In addition, financial requirements and deadlines have been consistently met by the Township.

Notwithstanding this, the allegations being made by both CUPE and the ratepayers are serious. It is important to look further into these issues and to seek greater clarity.

In order to do this, certain information will be required from you. With this, an assessment can be made as to how best to respond to the requests and if further action may be appropriate.

Therefore, I am requesting that council provide me with the following.

An explanation of how the Township is meeting the duties and expectations of the Emergency Management and Civil Protection Act, and in particular:

- How are you meeting the requirement to have an emergency management program coordinator?
- How are you meeting the requirement for annual training of the Bonfield control group?

A municipal emergency control group with annual training is a requirement under the Emergency Management and Civil Protection Act.

An explanation of how the Township is meeting the duties and expectations of the Building Code Act and in particular:

- What arrangements do you have in place to allow for the issuing of building permits and the carrying out of required inspections?

Among other things, the Building Code Act sets out standards for the construction of buildings to help ensure their safety. The council of a municipality is responsible for the enforcement of the Act in the municipality.

Confirmation of all long-term and temporary debt taken on the municipality since August 1, 2013, including the status of the Township's temporary borrowing by-law

A municipality may take on debt for municipal purposes, by borrowing money or in other ways. Long-term debt is regularly used by municipalities for the financing of capital construction projects.

A municipality may authorize the borrowing of money temporarily in order that it has sufficient cash on hand to pay day-to-day expenses until taxes or other revenue is collected.

Confirmation of the status of the 2014 municipal budget

A municipal budget is a powerful management tool that helps the municipality define levels of services and identify how revenues are to fund expenditures.

Budgeting involves a process of prioritizing projects programs and service levels in light of the available financial resources.

Confirmation of the status of the Township's interim tax by-law

At the beginning of every year, a local municipality may adopt an interim tax levy by-law before finalizing the annual budget and determining the final tax rates.

Confirmation that an auditor has been retained to complete the 2013 Financial Statements and Financial Information Return

A municipality is required to appoint an auditor licensed under the Public Accounting Act, 2004 who is responsible for annually auditing the accounts and transactions of the municipality.

The 2013 Financial Information Return must be submitted to the Ministry by May 31, 2014. If this deadline is missed, then the Province may withhold payments made to the Township under the Ontario Municipal Partnership Fund commencing in October 2014. In 2012, Bonfield received an allocation of \$789,900 under this fund, which represents more than 25% of the municipality's total 2012 operating revenues.

Confirmation that the municipality is up to date on all its payments to the school boards and the District Social Services Administration Board

A municipality is required to remit payments to the local school boards from the taxes it collects on their behalf. These are done on a quarterly basis. The DSSAB provides a wide range of social services to the Nipissing District. The municipality is also required to make payments to the Nipissing District Social Services Administration Board.

A copy of the Township's policies for the procurement of goods and services

The Municipal Act requires municipalities to have policies for the purchasing of goods and services. Purchasing policies help ensure consistency and fairness in a municipality's purchasing.

A copy of the Township's procedural by-law

The Municipal Act requires municipalities to have procedural by-laws. These by-laws help set out consistent and transparent rules and procedures for the conduct of council meetings.

An explanation of the ongoing arrangements the Township has for land severance applications under the Planning Act and other property transactions.

The Township has Planning Act powers to approve and administer land severances.

An explanation of the arrangements the Township will be making for local burials.

The Cemeteries Act sets out certain responsibilities to municipalities with cemeteries for the interment of deceased individuals.

I have asked my staff to follow up with you in two weeks' time to give you the opportunity to ascertain when this information will be made available.

In closing, I would also like to take this opportunity to again urge both the council and the union to work together to reach a labour agreement. In the interest of transparency, I am sharing this letter with CUPE and with the ratepayers who have contacted me. This will ultimately be in the best interests of the community.

If you have questions, or wish to discuss, please contact David King, Manager in the Ministry's Sudbury Office at 1- 800- 461-1193 ext. 46853 or david.king@ontario.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Jeffrey". The signature is fluid and cursive, with a large loop at the end.

Linda Jeffrey
Minister