

**AMO Update by:  
Jamie McGarvey, AMO President and  
Mayor, Town of Parry Sound**

**Monday, January 28, 2019, 3:00 p.m.  
Grand Ballroom Centre/West  
2019 ROMA Conference**

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(Check Against Delivery)

Thank you for the warm welcome.

It is a pleasure to provide this update from AMO.

For many of us, this is the first chance to reconnect since AMO's annual conference in August.

For some it is an opportunity to welcome you to Council – and to the AMO family.

We work hard to support ROMA – and rural Ontario.

We support you as elected officials – by providing advocacy, research, insightful analysis, and training.

We support your municipality by providing all of that, and more.

Our services arm – *named LAS* – helps municipal governments achieve better results... save money... and stretch tax dollars further.

AMO supports your communities – by creating a meeting place – where governments can come together, and work together, to move Ontario forward.

You are all valued participants in this larger, shared project.

Ontario's municipal leaders have a long history of working well with others, to achieve great things.

AMO has been at it for more than a century.

120 years to be precise.

Historic things happen when we come together.

Collectively, we achieve a lot when we come together at conferences like this.

It would be a mistake to go our separate ways on Wednesday.

We have to continue to work together, and to support one another.

We need to speak with a common... clear... voice.

While challenges may be complicated, a clear voice is possible – and powerful.

The expectations on us are clear.

People want us to represent them well.

Passionately... honestly... and openly.

They want governments to work well together.

That does not mean we will always agree.

We find common ground where we can. And make the most of that.

When we disagree, we disagree gracefully – as members of duly elected governments.

People have high expectations that we will create opportunity... promote fairness... protect our environment... and provide quality services.

It is also safe to say that we are expected to deliver all that with the lowest possible tax bill.

To be frank, I believe we deliver on all those expectations quite well.

Municipal governments provide most of the services that people use most often – from the moment they wake up to the moment they go to bed.

That's undeniable.

Any disruptions in our services are felt immediately – and we hear about it – right away.

Our services have immediate value and impact.

We provide them with the smallest share of tax dollars.

We believe the municipal share should better reflect municipal responsibilities.

Municipal governments only collect about 9% of a household's total taxation.

Nine cents of that tax dollar.

We get funding transfers from the provincial government.

You count on them.

We also get transfers from the federal government, such as Canada's gas tax fund.

And we fought hard for that.

Many Ontario communities count on these transfers to remain viable.

Many of you rely on that to deliver basic services.

We know the province is looking at transfer programs on a line by line basis – which suggests ministry by ministry.

They are looking for ways to reduce their cost of government, and to reduce their deficit.

AMO has strongly urged the province to take a different approach – one that doesn't substitute one problem for another.

You see... Ontario's provincial and municipal governments are deeply interconnected.

Look no further than the Minister's Forum this afternoon.

Most of Cabinet is here, and no one on that panel knows who will have to answer the next question.

The health sector engages with the Ministry of Health.

The education sector engages with the Ministry of Education.

The Municipal sector engages with most of Cabinet.

Multiple ministries provide transfers, set standards, share service relationships and enforce regulations.

Working with us, the Province needs to look at the big picture and proceed carefully.

Municipal governments are good at innovation – as long as the province's rules do not get in the way. By looking at the big picture, we can find ways to serve the people of Ontario better.

By listening, we can avoid mistakes, and collateral damage.

Working together, we can show Ontario's property taxpayers the respect they deserve.

Municipal governments receive less than 6 per cent of the Ontario government's total transfer payments.

To be more specific, the Ontario government distributes almost \$134 billion dollars to its transfer partners.

Municipal governments get \$4.2 billion – which is 5.6% of the total.

We get a small percentage of some very big numbers.

But those relatively small transfers are essential to Ontario's 444 municipal governments.

For almost half of them, a 1% property tax increase generates less than \$50,000.

Which half?

The half that comes to a rural municipal conference.

So I don't need to explain this to you.

But to be frank, AMO and ROMA do have to explain it to decision-makers in Toronto.

It's not their fault.

They are used to working with large numbers.

From the vantage point of Queens Park, it is hard to relate to some of the challenges that you have.

It can be hard to understand that it might take a 5% property tax increase to pay for a single fire truck... to repair a bridge... to resurface a single road... or to fix your water tower.

When you pour over spreadsheets that are rounded out to millions and billions... it is easy to forget that communities struggle to fund essentials that cost hundreds and thousands.

Thankfully, Ontario's Finance Minister – and Minister of Municipal Affairs – are former mayors.

They will remember the shoes you are in – when you remind them.

That's what the delegation meetings are for.

This conference is facilitating some 350 of them.

That's a great deal of information sharing in one place.

But what about after these few days?

AMO keeps that conversation going.

Since the election, AMO staff have averaged more than one meeting per day, with this new government and senior public servants.

We are two subway stops away from them – because you can't be.

What do we talk about?

Our advocacy falls into several buckets:

- Removing barriers to service delivery
- Reducing or improving regulations and administrative processes
- Streamlining infrastructure investment
- Increasing your ability to use tax dollars wisely, and
- Making sure that municipal revenue, matches your responsibilities.

We have made some important progress.

You've heard about success in securing protection for your double hatter firefighters.

(Wait for applause)

I can't believe it took years... but we never wavered... because protecting them is the right thing to do.

We have made progress on the interest arbitration process for fire services.

For far too long, Ontario's legislature could not come together to better balance the system and to find a way to better reflect a municipality's ability to pay.

While several attempts were made to fix it, municipal costs increased by *hundreds of millions of dollars* – needlessly and beyond our control.

Last fall, we got the changes we needed.

Municipal governments will have to do their part to make it matter.

Provide the arbitrators with quality data and analysis that captures your economic situation is key.

We are continuing to advocate for limits to municipal liability.

Unreasonable exposure to lawsuits, stole tobogganing from us.

We want to bring it back.

Today we heard that the Ontario Government is going to begin a review process. That's a good approach.

I'm sure that AMO will be involved.

This is a good example of how the Province can achieve more by looking at the big picture.

They need to look at spending challenges that municipal governments cannot control – such as insurance premiums – and ask if there is a better way.

A simple line-by-line approach to reducing costs won't solve a puzzle like joint and several liability.

We often ask, why is something done the way it is done?

Is it achieving the right outcome?

Is there demonstrated benefit?

For example, property taxes fund \$2.1 billion dollars' worth of health-related costs.

A 38% increase – in 5 years.

Property taxes are contributing to hospitals... to ambulance and paramedic services... to public health... and long-term care.

Why?

When they are looking at the health care system – and the role of LHINs – they need to understand what that means for municipal governments and our unique communities.

We cannot be left out of those discussions.

They need our input to get the policy work right.

They need our input to get implementation right.

And they will need our input to get the transition right.

All three stages are vital.

AMO shares their interest in success.

We're experienced... we do our homework... and we assemble valuable perspectives.

Those of you who are meeting AMO for the first time, I'd encourage to you take a look at our website.

It is hundreds of pages deep.

At the very least, read the information we deliver.

That doesn't mean you have to read it when it arrives in your in-box.

A colleague moves it to an AMO electronic folder and reads them with their Friday morning coffee.

They use that folder to prepare for meetings with their MPP.

It's helpful.

News... research... analysis... and opportunity.

We provide value.

We spend a lot of our time and energy, looking for ways to help municipal governments take charge and lower costs – through LAS.

We help them lower their costs by opening doors to new approaches and larger economies of scale.

For example... take the municipality of West Grey... population 13 thousand – rural and settlement areas.

West Grey is using LAS programs to create budget stability on electricity and natural gas pricing.

We helped them replace their streetlights with LEDs through LAS program.

The new lights are more efficient, conserving energy and saving West Grey about \$72,000 per year.

That alone reduces their tax rate by almost 1%.

Yet, they didn't stop at street lights.

They are using our Energy Planning Tool to improve administrative efficiency to meet Provincial regulations.

Same with the Roads Assessment service – it provides objective data about the condition of their roads.

West Grey has a modest amount of money to invest – but they want to make the most of it.

They use ONE Investment to join forces with 162 other investors.

Together, they have investments worth \$2 billion dollars – earning better returns than pooling offers.

That opens doors.

West Grey gets access to investment options it could not get on its own, top investment advice, and better returns.

You can join them.

A contract with LAS gets them access to an independent specialist... to investigate closed meeting complaints.

If they ever get one.

They haven't had one yet.

West Grey is tapping into six different LAS programs.

Wawa uses 11.

LAS has 14 programs in the bulk procurement, investment and services.

There is more on the way in 2019.

Arnprior is avoiding \$59,000 in costs through the LAS electricity program, and the hedge protection it offers.



Same is true for Cochrane, to the tune of about \$37,000.

Haldimand is saving more than \$100,000 a year in energy costs by putting LEDs in their long-term care home and arena through LAS's lighting program.

And Kenora is saving about \$19,000 per year with the LAS diesel fuel program.

I encourage you to see what LAS can do for you.

If you don't ask, you won't know.

All of the LAS programs exist because we understand the need to make the most of limited resources.

Not just taxpayers – but for everyone.

We are a conscientious bunch.

Municipal staff are committed to their responsibilities.

And municipal councils care about the communities we serve.

That's why we are here today.

It's why most of us have taken time away from our families... and day-to-day careers... to be here.

When we meet with Ministers, and Ministry staff, I hope they also understand that.

It is not uncommon for Council members to make less than \$10,000 in rural communities.

And contrary to public perception, many are working for less than minimum wage.

We appreciate what you do... and we appreciate that you are here.

We exist to help you... and to serve you.

AMO also makes it easy for municipalities to help each other.

The new government is well on its way to settling in.

And they are working at listening.

We know that changes are coming.

Some will be welcome.

Some won't be.

We know this because we have been at this government relations work for 120 years.

Here is what you can expect from us as changes come.

AMO will remain calm – that may not mean we don't have some heart palpitations!

We will be firm, and direct, when needed.

We will praise positive developments.

The Minister knows this. He is not just a former mayor. He is also a former AMO President.

To others inside Queen's Park – when we disagree, please remain calm. Keep the door open. Two-way communication is vital.

When news breaks, we push information out - by email and on our Twitter feed.

To you – the membership. We cannot harness your voices into one powerful and honest reflection of Ontario's municipal community if you are not plugged in.

Our website will keep on growing, with all the details we have.

In a few months, I will be touring the province to meet with you at the NOMA Conference... FONOM... and OSUM and more.

And of course, I hope that we will see you all in August – in Ottawa – for our annual AMO Conference.

Thanks again and enjoy the conference.