

Municipality Of Chatham-Kent
Finance, Budget & Information Technology Services
Administration
Information Report

To: Mayor and Members of Council
From: Gord Quinton, MBA, CPA, CGA
Date: November 23, 2019
Subject: Provincial Download 2020 Budget Summary

This report is for the information of Council.

Background

The Ontario Provincial Government has shifted sources of funding from the Provincial Income Tax / Sales Tax to the Chatham-Kent Property Taxpayers. This transfer to property taxpayers unilaterally breaks previously agreed to cost sharing agreements in a number of social programs with little input from Chatham-Kent Council or staff. Administration will present the entire 2020 Draft Budget to the Chatham-Kent Budget Committee on Wednesday January 15, 2019 at 6pm.

Comments

The following table summarizes the transfer of funding from the Province to Chatham-Kent taxpayers, for Council to consider in the 2020 Budget.

Service	\$ Download (to nearest '000)
Public Health – from 100% funded to 70%	\$502,000
Public Health – from 75% funded to 70%	\$396,000
Child Care & Early Years – from 100% to 80%	\$420,000
Employment and Social Services - Cancellation of Addiction Services	(\$69,000) (2 - 50/50 funded jobs were eliminated saving Chatham-Kent its 50%)
Public Library – postage due to cancellation of Inter Library Loan Service	\$1,000
Land Ambulance – failure to 50/50 fund	\$244,000

Service	\$ Download (to nearest '000)
OMPF 2019 – (announced post 2019 Budget)	\$436,000
OMPF 2020 - Final	<u>\$386,000</u>
TOTAL Transfer to Chatham-Kent Taxpayers	<u>\$2,316,000 or 1.5% Tax Increase</u>

Consultation

The Executive Management Team identified the figure in this report during 2020 Draft Budget discussions.

Legal Services will investigate, in cooperation with the relevant departments, which of these downloaded services is mandatory and which are optional.

Financial Implications

There are no financial implications of this report. The Chatham-Kent Budget Committee will consider raising tax requirements by 1.5% or \$2.3 million to accommodate the shift of mandated services to the property taxpayers by the Province.

Prepared by:

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Attachments: none

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