



Date 21 May 2010

City Council Committee Report

To: Mayor Compton & Members of Council

Fr: Karen Brown

Re: Final KDSB 2010 Levy, Tax & Claw Back Rates

Recommendation:

That Council hereby provides three readings to a By-law to amend the City's 2010 municipal operating budget to reflect the additional levy from the Kenora District Services Board in the amount of \$98,271 over and above the amount approved in the City's 2010 municipal operating budget based on previous budget submissions from the Kenora District Services Board; and

That Council hereby provides three readings to a By-law to adopt amended estimates for all sums required for the year, to establish rates to be levied for same and to provide for penalty and interest in default of payment thereof for 2010; and

That Council hereby gives three readings to a By-law to establish amended claw back rates for certain property classes within the Corporation of the City of Kenora for 2010; and further

That in accordance with Notice By-law #144-2007, public notice is hereby given of Council's intention to:

- Amend its 2010 Municipal Operating and Municipal Five Year Capital Plan by by-law at its May 28th meeting; and
- Amend its tax ratios and tax rates for 2010 at its May 28th meeting.

Background:

The City has received the final approved levy from the Kenora District Services Board (KDSB) for 2010. The final request is for an additional \$98,271 over and above the amounts approved in the City's original 2010 municipal operating budget as outlined in the chart on the top of the following page.

**KDSB 2010 Budget
Comparison to 2010 Approved City Budget
City of Kenora Allocation**

	Approved KDSB Budget	Approved City Budget	(Over) / Under Budget
Ontario Disability Support	218,400	194,456	23,944
Child Care	155,669	160,723	(5,054)
Ontario Works	403,368	429,970	(26,602)
Social Housing	1,052,858	1,052,818	40
Land Ambulance	899,455	793,510	105,945
Working Fund Reserve - Interest Earned	(8,554)	(8,552)	(2)
Total	2,721,196	2,622,925	98,271

% Impact on Property Taxes **0.54%**

As the City's final tax levy has not yet been prepared, it is recommended that this increase be passed on through the 2010 property tax rates. The original rates approved by Council reflected an increase in the municipal tax rate of about .59%. With this adjustment, the final rate increase to the municipal tax rate would be about 1.13%.

Additional information on the changes to the KDSB levy over the past few years have been attached for your reference.

Budget:

A budget amendment is required, which will include an amendment to the City's 2010 municipal tax rates as well as the 2010 claw back rates.

Communication Plan/Notice By-law Requirements:

A press release explaining the changes as a result of the amended Kenora District Services Board Levy will be issued.

KDSB 2006 - 2010 Budget Comparison
Five Year Budget Review / Impacts
City of Kenora Allocation

Approved KDSB Budget Request

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
		*		***	
Ontario Disability Support	218,400	383,952	536,396	589,952	567,002
Child Care	155,669	158,965	205,098	201,120	211,142
Ontario Works	403,368	336,245	388,034	397,385	395,066
Social Housing	1,052,858	1,039,230	1,283,048	1,191,868	1,224,004
Land Ambulance	899,455	578,056	946,737	885,236	954,469
Board Projects	-	-	30,740	5,352	-
Working Fund Reserve - Interest Earned	(8,554)	(41,544)	(77,518)	(53,525)	-
Total	2,721,196	2,454,904	3,312,535	3,217,388	3,351,683
\$ Increase over previous year	266,292	(857,631)	95,147	(134,295)	
% Increase over previous year	10.8%	-25.9%	3.0%	-4.0%	
		**			
Total Local Costs	14,270,818	13,684,175	13,491,356	13,052,075	
\$ Increase over previous year	586,643	192,819	439,281		
% Increase over previous year	4.3%	1.4%	3.4%		





Notes on following page

KDSB 2006 - 2010 Budget Comparison
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- * Note - represents original KDSB budget submission. Budget amended and resubmitted during 2009. The City's 2009 share as per the approved amendment was \$2,714,562. The total net local costs as per the approved amendment were \$14,141,492.
- ** Reduction as a result in the change in sharing ratios due to the implementation of Provincial Land Tax in 2009 for the unorganized areas.
- *** Represents original KDSB budget submission. Budget amended and resubmitted during 2007. The City's 2007 share as per the approved amendment was \$3,249,964. The total net local costs as per the approved amendment were \$13,165,473.

The comparison does not account for the uploading by the Province commencing in 2008 as follows:

Four Year Upload of ODB and ODSP

	Current Provincial Cost Shares	<i>New Provincial Cost Shares</i>			
		2008	2009	2010	2011
Ontario Drug Benefits	80% 	100%	100%	100%	100%
Ontario Disability Support Program Administration Component	50% 	100%		100%	100%
Ontario Disability Support Program Benefits Component	80% 			90% 	100%