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| <b>TO:</b>            | <b>CHAIR AND MEMBERS<br/>FINANCE AND ADMINISTRATION<br/>MEETING OF SEPTEMBER 28, 2011</b> |
| <b>FROM:</b>          | <b>GRANT HOPCROFT<br/>DIRECTOR OF INTERGOVERNMENTAL AND COMMUNITY LIAISON</b>             |
| <b>SUBJECT:</b>       | <b>2011 ONTARIO PROVINCIAL ELECTION CANDIDATE QUESTIONNAIRE<br/>ADDED REPORT</b>          |
| <b>RECOMMENDATION</b> |   |

That, on the recommendation of the Director of Intergovernmental and Community Liaison, this report **BE RECEIVED** for information.

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| <b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b> |
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Board of Control: August 8, 2007  
 Board of Control: September 26, 2007  
 Finance and Administration: July 20, 2011  
 Finance and Administration: September 28, 2011

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| <b>BACKGROUND</b> |
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This report pertains to Question 2 of the City of London 2011 Provincial Election Questionnaire:

2. How will you and your Party support the ongoing implementation of the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR) as a measure to restore the provincial-municipal fiscal imbalance in a fair, equitable, and sustainable manner? Will you and your party commit to uploading further municipal funding responsibilities to the province for services such as Public Health, Social Services and Land Ambulance?

I have been asked by Mayor Fontana to report on the impact to the City of London if the scheduled upload of Ontario Works and Court Security costs does not proceed in accordance with the upload schedule announced by the Ontario government following release of the PMFSDR Report.

At the present time, approximately \$600 Million of the announced \$1.5 Billion province-wide upload of social assistance and court security costs remains to be implemented between now and 2018

For London, if the upload proceeds as announced, based on our caseload projections, Civic Administration are projecting upload savings by year for Ontario Works as follows:

| Year         | Ontario Works Savings  |
|--------------|--|
| 2012         | \$1,800,000  |
| 2013         | \$3,300,000  |
| 2014         | \$3,100,000  |
| 2015         | \$3,100,000  |
| 2016         | \$3,100,000  |
| 2017         | \$3,300,000  |
| 2018         | \$3,300,000  |
| <b>Total</b> | <b>\$20,800,000</b> in cumulative Ontario Works savings for the period 2012 to 2018. |

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The anticipated upload savings in London Court Security costs over the same period is \$8 Million, based on the following projected amounts:

|      |             |
|------|-------------|
| 2012 | \$280,000   |
| 2013 | \$580,000   |
| 2014 | \$860,000   |
| 2015 | \$1,140,000 |
| 2016 | \$1,420,000 |
| 2017 | \$1,720,000 |
| 2018 | \$2,000,000 |

**Total    \$8,000,000** in cumulative Court Security savings for the period 2012 to 2018.

The total cumulative upload savings impact for both Ontario Works and Court Security combined for 2012 to 2018 is \$28.8 Million or approximately a 7.25% impact in municipal tax.

On an annualized basis, the ongoing impact for 2018 and beyond, based on current projections, would be five to six million dollars, representing an annualized tax impact of 1.25% to 1.5% for the City of London.

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| <b>RECOMMENDED BY:</b>   |
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| <b>GRANT HOPCROFT, DIRECTOR OF INTERGOVERNMENTAL AND COMMUNITY LIAISON</b> |