



News Release

The City of London and The County of Middlesex

Tuesday Dec. 3, 2013

City and County reach cost-sharing agreement

The City of London and the County of Middlesex have reached a cost-sharing agreement in relation to social housing, land ambulance, child care and Ontario Works services.

Through mediation talks held in the summer, the City and the County were able to avoid expensive and protracted litigation, address issues that were important to both parties and reaffirm the long-standing relationship between the parties.

Mayor Fontana believes the strong and respectful relationship between City and County delivers the best government for residents. He said, "By working together – cooperatively and with the best interests of our residents as the first and foremost issue – London and Middlesex County provides sound and solid service. Even as times and responsibilities change, local governments must recognize the value of their neighbours and those with whom they share services. Fiscally responsible decisions that deliver optimum service on both sides of the unseen border between County and City are critical. We have achieved our goals and strengthened our connection."

Middlesex County Warden Brad Richards agreed: "I am very pleased that our neighbouring municipalities have been able to reach a workable solution in terms of cost apportionment, service delivery, service administration and funding administration."

Coun. Joni Baechler, a member of the City's negotiating team, noted, "we were able to work collaboratively to reach a mutually beneficial agreement."

Background:

- In 1997, the Ontario Government "uploaded" education costs from the municipalities to the Province and "downloaded" social services to the municipalities including social housing, social assistance, public transit, child care, public health and land ambulance services

>>>>>

- The Province designated municipalities as the “service delivery agents” or “service managers” for defined geographic areas
- The Province permitted the service delivery agents to apportion the costs for the services to municipalities included in the geographic areas
- The City is the service delivery agent for social housing, child care and Ontario Works services in the geographic area of the City and the County of Middlesex
- The County is the service delivery agent for land ambulance services in the geographic area of the City and the County
- The City and the County have had long standing arrangements for the apportionment of costs in relation to the provision of social housing, land ambulance, child care, and Ontario Works services
- The last agreements expired at various times over the past few years
- The parties were able to reach a settlement for costs apportionment for the next 4 years (2013 - 2017).
- Specifically, the settlement reached for the new agreements to share costs between the City and the County is :
 - The costs for child care and Ontario Works will be shared based on the formula of actual costs and program expenditures incurred in either the County or the City which is generally in accordance with the agreement between the City of London and the County of Middlesex dated February 19, 2002;
 - The costs for social housing will be shared using a new blended formula based on using 70% weighted assessment and 30% actual costs basis (using location of housing units as the measurement). The prior agreement was 100% weighted assessment;
 - The new formula results in an additional payment for the years 2011 and 2012 from the City to the County totalling \$897,571.
 - The costs for land ambulance will be shared using a new blended formula of 85% weighted assessment and 15% actual costs basis (using location of calls as the measurement). The prior agreement was 100% weighted assessment;
 - The new formula means the City will pay an additional \$63,555 to the County for 2012.

Weighted assessment is a calculation that uses the taxable assessment in each municipality multiplied by the tax ratio of the different types of property classes established by the municipality for each class. The weighted assessment for each property class is then added to determine the total of each municipality. Each municipality’s total is divided by the total of both municipalities weighted assessment to determine its share. Actual costs basis is a calculation based on actual use, as determined by the measurement of either location of housing units or location of calls.

The use of a blended formula to share costs between the City and the County reflects the desire to address the concerns and issues of both parties.

For more information:

Art Zuidema

City Manager

City of London

519.661.2500 x1804

Bill Rayburn

Chief Administrative Officer

County of Middlesex

519.434.7321 x2249