

Supplementary Budget – Briefing Note**2018 Budget***One page brief per request***Briefing Note required for:****-items >\$50,000****-changes in FTE**

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
HFS	Housing Services	Private Non-Profit & Co-op	Adjust Rent-Geared-to-Income (RGI) subsidy estimates to prior year actuals and 2018 Market Rent Indices	S	(\$207,529)	

BACKGROUND:

-BRIEFLY provide why this is a request
(eg. Based on 3 year history)

Annual subsidy estimates for private non-profits and co-operative housing providers funded by CK are adjusted to reflect actual RGI subsidy of the prior year plus adjustments to annual market rents based on provincially set annual indices being applied.

COMMENT:

- provide any further details if required, impact to user fees, etc
(eg. Gross expenses, any revenues, subsidies, etc.)

Chatham-Kent funds 11 non-profit and 2 non-profit co-operative housing providers; altogether these 13 housing providers have 8 different fiscal periods. Annual subsidy reconciliations are filed 5 months after the housing provider's year-end and completed within 2 to 3 months thereafter. Hence, there is a lag-time in the system for adjustments made to the RGI subsidy. Generally speaking, when working poor incomes increase, the amount of RGI subsidy payable to the housing providers goes down and vice versa. Households on fixed incomes do not significantly contribute to the swings in the level of RGI subsidy required; their subsidy requirements remain fairly static.