

Supplementary Budget – Briefing Note

2020 Budget

Urban Assessment

Briefing Note required for:**-items >\$50,000****-changes in FTE**

Dept	Division	Business Unit	Item	Base Supp	Amount	FTE Impact
IES	Drainage	16250	Urban Assessment	S	\$ 731,013	0
IES	Drainage	16250	Urban Assessment	B	\$ 200,000	0

Background:

Municipal drainage charges are accumulated throughout the year and charged out at year-end. This cost is for urban areas only, as rural areas assessed for projects under the Drainage Act pay individual property assessments.

The current 2020 base budget for urban assessment is \$240,000.

Comment:

The total urban assessment account required for 2020 is \$1,462,025. However, we believe this cost reflects a one-year extraordinary expense largely due to the failure and emergency repairs of the urban drain along Grand Avenue West in Chatham. It is recommended that this cost be assessed over two years for an annual supplementary request in 2020 of \$731,013 and in 2021 of \$731,012 to mitigate the impact on the urban ratepayer.

This amount will be area rated to the urban areas throughout Chatham-Kent. This process of assessing costs to the urban communities of Chatham-Kent has been in place since 2001. The remaining \$200,000 base request will be placed in reserves for future emergency projects.

IMPACT IF NOT FUNDED

If not funded, \$731,013 would be left on the books to be dealt with in future years. This would also affect the municipality's ability to levy remaining assessments to other parties for projects.