

SCHEDULE 'A'



Office of the Mayor

RECEIVED MAR 25 2011

March 17, 2011

Mayor Marianne Matichuk  
City of Greater Sudbury  
Tom Davies Square  
Box 5000, Station A  
Greater Sudbury, ON P3A 5P3

MARIANNE:  
Congrats on your  
recent victory!  
Looking forward  
to meeting you  
soon. Mark.

Dear Mayor ~~Matichuk~~, MARIANNE:

Since 2007 the City of Kingston has been making efforts to increase the "Heads and Beds" levy that municipalities receive in lieu of property taxes for provincial institutions such as universities and hospitals. The current amount of \$75 per head/bed has not been increased since 1987 when it was adjusted from \$50.

This matter has been discussed by the AMO at recent pre-budget discussions with the province. Kingston submitted a letter to the Standing Committee on Finance and Economic Affairs in January of this year, asking that the province meet with Kingston and other municipalities to consider an adjustment to this rate. As I discussed with my colleagues at a recent Large Urban Mayors Caucus of Ontario (LUMCO) meeting, the Heads and Beds levy will continue to be a key issue for Kingston.

To date, we have received positive support from over 30 municipalities across the province on this important issue. There is a shared understanding among municipalities that the current Heads and Beds rate does not reflect a fair compensation for providing the local resources necessary to support these provincial services. If indexed to inflation, based on our calculations, this amount would be approximately \$135 per head/bed. As per data taken from the 2009 Financial Information Return (FIR), the **City of Greater Sudbury** received an annual transfer of \$ 929,250 for the Heads and Beds payment. If the rate was indexed to inflation this amount would be approximately \$1,672,650, which is an increase of \$ 743,400 to your municipal revenues.

.../2



The Corporation of the City of Kingston  
216 Ontario Street, Kingston, Ontario K7L 2Z3  
www.cityofkingston.ca & e-mail: mgerretsen@cityofkingston.ca  
(613) 546-4291 ext. 1400 & fax (613) 546-5133

Kingston:  
Canada's  
First Capital

LETTER TO: Mayor Marianne Matichuk  
March 17, 2011  
Page 2

---

I had the opportunity to speak with Premier McGuinty during his recent visit to Kingston on the topic of Heads and Beds, which I hope served to open the door to future discussions. The City of Kingston has requested a delegation during the AMO conference in August of this year to further address this issue. With your support our collective municipal voice will be heard by the provincial government.

If you have already joined our effort through a motion of support – thank you! If not, please consider asking your council to adopt the attached motion and return it to us. We would like all Ontario municipalities that have post-secondary institutions and hospitals to unite on the matter of Heads and Beds. If you are planning to attend the AMO conference in August and would like to join our delegation, please contact me directly. Your attendance and support would be invaluable.

Sincerely,



Mark Gerretsen,  
Mayor

MG/gc

cc: John Bolognone, City Clerk



The Corporation of the City of Kingston  
216 Ontario Street, Kingston, Ontario K7L 2Z3  
[www.cityofkingston.ca](http://www.cityofkingston.ca) ✉ e-mail: [mgerretsen@cityofkingston.ca](mailto:mgerretsen@cityofkingston.ca)  
(613) 546-4291 ext. 1400 ✉ fax (613) 546-5133

*Kingston:  
Canada's  
First Capital*