



THE DISTRICT MUNICIPALITY OF MUSKOKA

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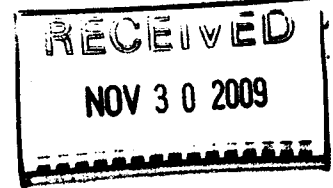
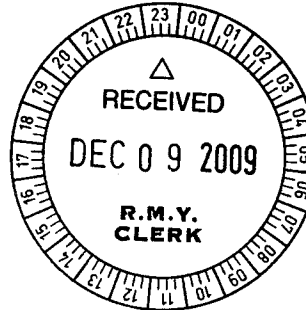
REGION OF YORK
CLERK'S OFFICE

FILE No. - P04

Office of the District Chair

November 24, 2009

The Honourable Dalton McGuinty
Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1



CHAIR
CAO
L. RUSSO

Dear Premier McGuinty:

As you can appreciate, municipalities across Ontario are facing significant financial pressures to maintain their current levels of service while at the same time maintain and invest in critical infrastructure.

The current economic environment coupled with the introduction of the proposed Harmonized Sales Tax will only add to the cost of constructing and maintaining essential municipal infrastructure. The result of which will be to either saddle an already weary local taxpayer with the extra financial burden through a regressive property tax regime or force municipalities to curtail investment in public assets, assets that are critical to sustaining healthy and economically viable communities.

The federal government recognized the municipal sector's financial predicament and introduced a 100% rebate on all GST paid by municipalities to address the fiscal imbalance between the federal, provincial and local levels of government. In response to these concerns, The District Municipality of Muskoka at its' Council meeting on November 16, 2009 passed the following resolution:

THAT the District Chair write to the Premier, Deputy Premier and the Minister of Finance requesting that municipalities be eligible for a 100% rebate on the Ontario portion of the proposed Harmonized Sales Tax similar to the existing rebate for the Federal Goods and Services Tax;

AND THAT copies of this resolution be forwarded to the Association of Municipalities of Ontario, Association of Municipal Managers, Clerks and Treasurers of Ontario, Municipal Financial Officers' Association, and all upper-tier and single-tier municipalities in the Province.

The District Municipality of Muskoka is seeking the support of your government and those parties circulated in this letter to enact a rebate program for 100% of the provincial portion of the new Harmonized Sales Tax.

Yours truly,

Gord Adams
District Chair

cc: Honourable Dwight Duncan, Minister of Finance
Association of Municipalities of Ontario
Association of Municipal Managers, Clerks and Treasurers of Ontario
Municipal Finance Officers of Ontario
All upper-tier and single-tier municipalities

Managing Our Legacy Together