

2011 CITY OF WINDSOR OPERATING BUDGET PRESENTATION

Monday, March 7, 2011

The Windsor-Essex Regional Chamber of Commerce represents approximately 1,300 business members collectively worth \$10 Billion in annual sales and employing over 40,000 people across the region.

The Chamber supports and applauds the City of Windsor for delivering a net zero tax levy increase while holding the level of services needed by businesses this year.

The budget reflects the dedication to fiscal discipline while facing significant budgetary pressures due to rising fixed expenses, revenue loss due to reduced assessment, weak economic performance in the previous years and the costs of administering provincially mandated programs and services.

The Chamber membership is concerned with the downward assessment and re-assessment of commercial and industrial properties, how it impacts the City budget going forward and possible implications on taxation.

On the opposite side of this argument, there is room for further improvement in finding savings and working with the senior levels of government and its own workforce to reduce in subsequent budgets.

The Chamber also sees the provincial transfer payments and fine-tuning of the educational levy as the most significant drivers helping the City control the budget expenses. If the positive predictions for the local economy come true it is imperative that the City of Windsor move toward significant effort to reduce its expenses on its own. Longer term planning will provide a roadmap on how to accomplish this goal.

The Chamber is pleased to read from the report that the City's comparative budget performance in the past several years is among the very best in the Province.

Acknowledging this performance statement in the budget documents, the Chamber would like to remind City Council that some of our businesses still have the highest tax rates in the Province. The tax rate information for comparable Cities and Essex County municipalities shows a particular disparity in the broad commercial and industrial classes.

From the latest widely available data on tax rates the Chamber has concluded that the City has average or higher than average tax rates for many of the key business tax classes and this information is available on our website. The Chamber will address this issue in more detail at the time of the tax policy deliberations.

From the report in front of Council today, the corporation of the City of Windsor and City of Windsor Council is responsible for a combined budget of \$724.7 million, which includes its budget and all transfers for provincial programs. This is a significant amount of money that needs to be accounted for and spent in the best interest of all budget stakeholders, including the business taxpayers.

For this reason, we supported and welcomed the City of Windsor decision to appoint an Auditor General. It will keep the City of Windsor on the right track when it comes to financial controls and stewardship of hard earned taxpayer dollars.

The Chamber expects the City of Windsor to create a positive business climate that will help new and existing businesses. This is why the Chamber supported all City of Windsor initiatives geared toward business retention and attracting new investment. The Chamber's philosophy is based on providing incentives for investment rather than regulation.

The City of Windsor's Brownfield Redevelopment plan and the recent Economic Revitalization Improvement plan are good examples of where we need to go in terms of economic development. These are valuable tools.

In the run up to the 2010 municipal elections our members told us they want economic development, job creation and lower municipal taxes and fees. The recent economic development initiatives, the successes of this past year in economic development and this budget are good first steps in moving the City of Windsor in that direction.