

Zero tax increase four years running in Windsor

Little dissent as line on spending held

By Doug Schmidt, The Windsor Star March 6, 2012



A copy of the budget sits on the desk of Percy Hatfield speaks during a city council meeting at city hall in Windsor on Monday, March 5, 2012.

Photograph by: Tyler Brownbridge, The Windsor Star

WINDSOR, Ont. -- In just under two hours of debate with little to no dissent, city council on Monday night unanimously approved a fourth consecutive zero operating budget that will see most Windsorites pay the same or less in municipal taxes in 2012 than they did last year.

Mayor Eddie Francis thanked councillors and administration for an "unheard of" accomplishment. "Love us or hate us ... this council delivers every single time," said Francis.

Ward 3 Coun. Fulvio Valentinis said the budget document was "very focused and disciplined," adding the reason only a few delegations addressed council on the budget was because "it was fair."

But Ward 8 Coun. Bill Marra warned that, despite the perception of some, attaining another tax freeze was very difficult and that it "can't be sustained forever and ever." He said the budget trimming had been accomplished so far without negatively affecting quality of service.

This year's budgeting effort, however, will come at the cost of some municipal jobs.

Jean Fox, president of CUPE Local 543 which represents inside workers, said she has a meeting scheduled today with the city's human resources managers to go over the numbers of jobs being eliminated and in which areas. It was already announced a week earlier that staffing levels will be reduced at the city-operated Huron Lodge home for seniors, which will see its overall budget cut by two per cent, or \$417,000.

"My general impression is ... council adhered to what was promised to the taxpayers," Fox said when asked for her response to the 2012 budget. "I agree with Bill Marra ... it's not sustainable - something's got to give," she added.

Council approved a 2012 operating budget totalling \$730 million, with a required municipal tax levy of \$394 million (including \$75 million education levy). Due to the lingering effects of the recession and the city's ailing economy, Windsor receives an education levy windfall from the province of almost \$5.5 million, which helped reduce the pressure of municipal budget makers tasked by council to find savings.

City treasurer Onorio Colucci said administration was "quite proud" of having delivered the fifth municipal tax freeze in seven years. While "holding the line" in the residential and multi-residential taxpayer categories, the average commercial taxpayer gets a 3.69-per-cent tax rate reduction, while industrial goes down six per cent and large industrial sees a five per cent cut.

Property taxes paid on a typical Windsor home in 2004 was 2.4 per cent higher than the provincial average, according to the city's finance department. This year, the average

Windsor homeowner will pay 10.4 per cent less than the provincial average. At the same time, Windsor's long-term debt will sink to a projected \$135.2 million by year's end, down from the 2002 peak of \$230 million.

"We applaud council," said Jason Ilijanic, chairman of the Windsor Essex Regional Chamber of Commerce's finance and taxation committee. Ilijanic used his opportunity addressing council to state that chamber members "remain supportive of an auditor general position," referring to the recent high-profile firing of Todd Langlois.

Ward 4 Coun. Alan Halberstadt expressed satisfaction that spending on outside legal and consulting expertise will go down to about \$1 million. In the past, Halberstadt has voted against the operating budget because it contains a \$4-million dividend paid by city-owned Enwin to the city, but not last year or this year.

"I didn't want to rain on any parade," Halberstadt explained later. "It's pretty difficult to object to a balanced budget," he added.

Council also approved funding an "investment response team" in the mayor's office to assist in the mayor's efforts at pursuing economic development opportunities.

After a subsidy last year of about a quarter-million dollars, Francis informed council that municipally owned Windsor International Airport "will break even this year."

In a report to council from acting police Chief Al Frederick, the Windsor Police Service trimmed more than \$1.7 million (including five vacancies that will remain empty) to keep 2012 spending at the same level as the \$68 million approved last year.

Also mixed in among the hundreds of pages of approved budget documents - \$906,000 in Handi-Transit funding, up \$125,000; corporate fuel budget up \$600,000 (mostly for Transit Windsor) in anticipation of global oil price hikes; \$80,000 for skunk removal; \$75,000 for spaying and neutering of feral cats; fines for expired parking meters rise from \$15 to \$17; lifeguards will continue to roam Sandpoint Beach this summer.

Halberstadt said the budget process "isn't a closed book yet ... the capital budget is still to come."

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