



Service cuts and fee hikes could stabilize taxes

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If you want your property taxes to stay pretty much the same next year, you had better be ready for some service reductions and fee hikes.

This was the message out of Wednesday's 2012 Town of Oakville Budget Committee meeting, which saw committee members direct staff to review all Town programs to identify potential reductions.

Budget guidelines have directed Town staff to develop the 2012 Budget with a total property tax increase in line with inflation.

Staff initially said that would require \$5 million in budget reductions, but following a more detailed review of programs, they have backed off that number, stating \$2 million-\$3 million in reductions should be sufficient.

The reduction total will still mean some service cuts, however, residents probably will not see pool closures, arts funding cuts and the other usual suspects on the chopping block.

"In the past, staff have identified reduction options at the activity level and many of those options proved unpalatable to both the residents and council," said Nancy Sully, director of financial planning, at a Sept. 30, budget meeting.

"As a result, staff were directed not to bring forward reduction options not approved in the 2011 budget process."

The directions issued by the budget committee Wednesday seemed to focus mostly on finding efficiencies in existing programs and reducing costs. However, program cancellation was also listed as an option in some cases.

In preparation for the 2012 Budget, the committee called on Town staff to:

- Review all Town programs to identify potential reductions
- Optimize the fit between transit resources and demand
- Ensure recreation and culture cost recovery is maximized including through the use of sponsorship funding and alternative delivery methods
- Look for opportunities for minimizing the impact of the operating costs of the Queen Elizabeth Park Community and Cultural Centre
- Look for administrative savings in office operations
- Look for opportunities to increase fees and revenues

The committee also said where opportunities for additional revenue expense reductions are not available for revenue-based programs and where the cost-recovery ratio warrants it, cancellation or major changes to the programs should be considered.

Town staff were also asked to review programs where enhancements have been made and report back on whether the desired outcomes have been achieved.

All of these directions must come before council for final approval on Monday.

Chartwell Maple Grove Residents' Association representative Alex Murphy, who spoke at Wednesday's meeting, said the Town needs to be careful with its spending next year.

Murphy said that between 2006 and 2010 the amount of taxes levied by the Town of Oakville has grown by 38.5 per cent while taxes levied by the school boards and Region during the same period has grown only by 10 per cent and 16.1 per cent, respectively.

He said Town expenses rose 18.6 per cent between 2006 and 2008 and 13.6 per cent between 2008 and 2010, with Town salaries and benefits rising 36.9 per cent between 2006 and 2010.

"The conclusions of our group are the actual Town expenses have seen excessive growth over these past five years of minimal economic growth. The taxes per capita are much higher than other comparable cities and towns in Ontario," said Murphy.

"Our recommendations are that Oakville expenses only – this is operating and capital – do not increase on an annual basis more than the sum of inflation and population growth and total taxes per capital are reduced to an average of the Ontario cities and towns with a population over 100,000."

Ward 4 Town and Regional Councillor Allan Elgar called on staff to put some of the numbers mentioned by Murphy in context at a future meeting.

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