

## **Region aims for 3.15-percent tax increase**

Durham Regional Councillors accepted a 3.15-percent property tax increase for 2011 at their January 26th meeting. A 3.15-percent property tax increase will add about \$70 to the taxes of the average home-owner in the Region. The increase will vary slightly among the Region's eight municipalities, depending on their level of Regional Transit service.

Oshawa Councillor John Aker introduced an amendment to reduce Regional Finance Commissioner Clapp's recommended property tax guidelines. Aker's motion requested that councillors be provided budget options to arrive at budget guidelines somewhat lower than those recommended by Clapp. Aker suggested Clapp provide budgets using guide-lines of 2.5-, 2- and 1.5-per-cent increases. "We have to decide who is in charge and responsible for the next four years," Aker stated.

In response to a series of questions by Aker, Clapp revealed the Region has an estimated surplus in the range of \$3- to \$4-million, \$800,000 in interest-bearing funds in the bank, and a Rate Stabilization Fund between \$24- and \$25- million.

"I am asking staff what can be done," Aker stated. "I'm not saying what has to be done."

The 2011 budget guidelines presented include an increase of approximately \$3-million or 8.6-percent for regional transit, \$7.8- million or 5.3-percent for police services, and \$1-million or 2.8-percent for solid waste management.

There are increases in Clapp's report of millions and millions of dollars in every area, according to Oshawa Councillor Nancy Diamond. "I'm not seeing anyone who can get by with less," she stated. "Yet many of our residents are getting by with less."

If you don't look for economies, you will not get them, according to Diamond. "If we give carte blanche to an over 3-per-cent increase, we would never know what we could have done," she stated.

Councillor Steve Parish, Mayor of Ajax, said Aker's motion was, "just smoke and mirrors."

In defence of his recommended budget guidelines, Commissioner Clapp warned that using reserve funds to fund tax increases, "is the absolute worst that can happen."

Last week, Moody's Investors Service of New York announced that once again the Regional Municipality of Durham has maintained its Triple "A" credit rating. According to Clapp, the Region got this rating because of good business planning. "Good business planning doesn't simply reduce taxes by applying Rate Stabilization Funds one year and then they are not available next year," Clapp stated. Only three councillors supported Aker's motion, all three being Oshawa councillors.

Budget deliberations will take place this month, with the final adoption of the 2011 Regional budget scheduled for the March 9th Regional Council meeting.

Regional taxes account for 50-percent of the local property tax bill. The remaining 50- percent is divided almost evenly between the local municipal property taxes and the education taxes. \*\*