

Text of letter to editor – Dec 14, 2016

City putting more coal in our Christmas stocking!

Budget night at council once again offered taxpayers an example of the misinformed leading the blind. In order to mislead taxpayers on the level of yearly spending increases council continues to accept the ridiculous idea presented by senior financial staff concerning the tax levy. These are highly paid people who are supposed to be providing accurate information yet they continue to dig in their heels instead of admitting the error of their ways.

A tax levy is the amount that must be raised through taxation of citizens. Assessment values are used to apportion the amount of that tax levy among citizens. Suggesting that there is a connection between new assessment based on growth and the tax levy is a falsehood. It is also incorrect to suggest that new assessment lowers the impact of taxes on taxpayers. During the council meeting the Mayor and numerous council members repeatedly referred to the fact that the tax levy increase was under 2%. The actual tax levy increase was 2.7%. In addition, in order to keep the tax levy increase at that 2.7%, the City used borrowed money amounting to \$2.7 million which must be repaid by taxpayers over the next 20 years plus interest. It is like remortgaging your house to pay for groceries.

Councillor Shogren noted that the current tax levy increase was 1.97% and also as an aside offered that the average tax levy increase over the past 4 years at 1.8% was the lowest of any community. The actual current tax levy increase is 2.7% and the average increase in City expenses from 2014 – 2017 was 2.9%

The Mayor indicated that the City's debt levels over 2015 decreased by \$10.5 million. This is not true. The \$9.5 million current value of the Hospital commitment previously on the City books was simply transferred to North Bay Hydro's books. This money must be repaid, plus interest, over the next 20 years by future taxpayers who are still teenagers today. The City books may show a \$10.5 million debt reduction but the loan has not been paid off and was just moved to our Hydro bills. This will cost taxpayers over \$13 million before that liability is extinguished.

The Mayor indicated that the capital borrowing was reduced from \$8.5 million to \$5.0 million. This is not true. Capital borrowing has not been reduced but has been financed by the loan now showing on Hydro books, repayable by taxpayers over 20 years with interest. When Mayor McDonald took office at the end of 2010, taxpayers total long term debt at the City amounted to approx \$56 million. At the end of 2016, that figure stands at \$89 million. Six years and a \$33 million increase. Does this strategic plan strike anyone as nothing more than borrow, spend, tax and spend some more?

There was much talk of compromises necessary to get a budget passed. I would like to suggest that compromising is what got us where we are today which is a community simultaneously among those with the highest taxes and among those the lowest incomes.

There was much talk about the time spent on the budget this year. I would like to suggest that showing up for meetings does not speak to the quality of any final results.

The Mayor suggested that spending six to eight months on the budget is time wasted since council should be doing what needs to be done to rebuild the City and move the community further along. This Mayor and council have demonstrated that their idea of moving the community forward is paying "experts" for more studies along with more requests for public input and producing campaign style brochures labeled as strategic plans.

Once again this year, the North Bay Taxpayers' Association failed to receive any response to our list of suggestions concerning the 2017 budget confirming once again that the public meetings scheduled by the City are simply what they have always been, dog and pony shows.

The talk of wanting to build skyscrapers in North Bay by the deputy mayor and Councillor Bain's anecdote about his daughter recently returning to North Bay was what settled the budget process I think. So all taxpayers can move along because there is nothing more to see here and this Christmas, the City's plan is, just like Mickey Rooney and Judy Garland in Babes in Arms, to rent a barn, put on a musical and use the proceeds to solve all of our problems. Lord help us!