

Text of letter to Editor – Jan 30, 2016

Paying little attention to a presentation by Mr. Gardiner regarding the current water budget, council members voted to approve a massive budget increase for the water department. By comparing this year's budget, which is nothing more than a guess, with last year's budget, which was also nothing more than a guess, council is able to delude taxpayers into thinking that the increase was only 2.42%.

However, last year's figures are now a matter of record and 2016 showed a surplus of just over \$700,000. When taking this surplus into account the 2017 budget is really an increase of 7% over last year's actual expenditures. However, in keeping with the City's practice of fudging yearly increases in the City's expenses, council and senior staff has now extended this practice to the water and waste water budget.

The sole reason for the use of estimated amounts in any financial situation is because actual figures are not available. Once actual amounts become available, the need for the estimates disappears. The 2016 water and waste water expenditures are now known and are a matter of record. The question becomes, why the city is not using those known amounts to describe the year over year increases. This is clearly because a 2.42% increase is much easier to defend than a 7% increase and this deluding of the public once again gives the lie to the oft heard claim that the City administration are open and transparent in their dealings with the public.

Mr. Gardiner also respectfully suggested that the \$700,000 surplus in the Water department should be at least partially returned to taxpayers in this year's rates. The fact of matter is that the entire surplus from the previous year's budget should be included in the revenues estimates for the current year. Councillor Mayne's suggestion that most financial experts would not agree with such a move is without any basis in fact.

This surplus was a result of staff making inaccurate estimates for revenue and expenses during the preparation of last year's budget. Nothing more, nothing less. These funds were taken from taxpayers in error. The surplus funds have no effect whatsoever on current operating expenses of the Water and Wastewater department. As suggested by Councillor Maroosis, these funds are simply a result of overcharging for water during 2016. This overcharge should be viewed in the same manner as a simple error in calculation.

Unfortunately for taxpayers once the City has our money, the excuses they have for not refunding it are unlimited and very seldom are they supported by the facts.

We are currently one position out of first place for the most expensive residential water rates in the province.