

## **Increasing wage costs – December 5, 2017**

The good news from City Hall regarding the lowest tax budget increase in years is evidence of the truth of the saying that “the devil is in the details”.

The City is including in 2018 revenues \$950,000 in funds borrowed by Hydro and transferred to the City under the Mayor’s Plan. This means that taxpayers will not only pay the \$950,000 but an additional \$396,000 in interest and taxes through their hydro bills during the next 20 years. The entire plan will cost taxpayers, in addition to the principal repayments, approximately \$1 million per year for the next 20 years. Rather than admit they are costing taxpayers millions of dollars by moving forward with this plan, the Mayor and some council members are choosing to avoid public embarrassment and save face by refusing to discuss this in a public forum. The Taxpayers’ Association has asked for a public discussion on many occasions only to be told that the Mayor does not debate with persons or groups.

The City has been suggesting that new assessment growth decreases the tax levy. This is an error by staff and multiple confirmations of this fact made been ignored by council.

The budget includes an amount for wages for a communications officer which amounts to over \$125,000. This estimate is in spite of the fact that the position is not presently occupied, has not been filled and the attempt to fill this gratuitous position has been suspended.

Wages and benefits account for 45% of the City’s total budget. Any realistic attempt to lower the tax levy must include a reduction in the amounts taxpayers are asked to pay for services which are not increasing and are not improving to any noticeable degree.

The City has the equivalent of 410 full time employees not including those employed by the ABC’s. The ABC’s include, among others, the Police department, Library and DNSAAB. These 410 employees each earn an average of \$91,690 in wages and benefits.

Fire department employees who receive an average \$154,608 in wages and benefits per person are the biggest reason for this state of affairs. However, even removing them and council members’ remuneration from the equation means the average is still \$77,973 per employee. The average wage in Canada for 2016 was just under \$50,000.

We think the compensation being paid is far beyond the market value of the services that we receive from the city. The hard-pressed taxpayers of North Bay can no longer afford to support this level of compensation for public employees. Taxpayers need council to fulfill its mandate by protecting the interests of citizens in general and not shrink from that duty.

Municipal elections are being held at the end of next year and we are urging all citizens to identify those candidates that understand these issues as well as their mandate to citizens and then vote accordingly.