

Council approves 8.79-per cent tax increase Tue Apr 03, 2007

By: By Kristen Calis

PICKERING -- Although the 2007 Pickering tax increase is higher than other years, it didn't increase as much as early projections anticipated.

The 8.79-per cent tax increase means owners of homes assessed at \$280,000 will pay an extra \$1.56 per week or \$81.12 this year. Last year, the preliminary projection was a 15.85-per cent increase until it was brought down to between 8.9 and a 9.9 per cent increase in the strategy session in February.

The tax increase, along with a \$9.7 million capital budget and a \$55.8 million operating budget, was approved by Council April 2.

Mayor Dave Ryan reminded people he and other councillors live in Pickering, so they don't want high tax increases either. But, he acknowledged the difficult situation the City has been in with the low growth rate and restraints put on municipalities by provincial downloading. He thanked staff and council for creating a "tough and tight budget."

"It's very difficult to budget in this environment," he said.

The City's director of corporate services and treasurer Gil Paterson explained the financial strategic plan has been broken up into two phases: 2007 to 2011 and 2011 to 2014. Phase 1 projects a steady decrease in the levy increase. Phase 2 projects a stable period of budgetary increases.

Of the \$55.8 million current budget, \$26.6 million goes to salaries and wages. The budget kept with last year's prediction of little increase in staffing. Only two part-time employees in the animal services department will become full-time and one bylaw officer in the parking tag area will be hired.

Most of the capital budget will go to sustainability and continuing projects. Road improvements on Sheppard Avenue in the vicinity of Petticoat Creek gets \$725,000; \$250,000 will go to Old Brock Road from Wellington Street to Regional Road #1; \$640,000 to Bulmer Bridge on the Fifth Concession Road and East Duffins Creek, and \$321,700 is allotted to Liverpool Road from Annland Street to Wharf Street. The latter project includes road reconstruction with curbing to accommodate on-street parking and a sidewalk on the east side.

Other capital expenditures include: \$481,900 to streetlights and sidewalks; \$85,000 for erosion control at Sideline 16; and, \$250,000 for the installation of a storm sewer at Toy Avenue.

While five members of council and the Mayor supported the budget, Ward 1 City Councillor Jennifer O'Connell did not.

"There is too much emphasis on residential growth," she said. "Residential growth creates revenue, yes, however, it costs the City huge amounts of money as well."

Ward 2 Regional Councillor Bill McLean blamed higher levels of government for the budgeting restraints due to the large amount of provincial downloading.

"If the Province took responsibility for health and social services, each residence would get a 30-per cent tax saving on their bill," he said.

Ward 2 City Councillor Doug Dickerson agreed and said "I support hospitals. What I don't support is municipalities paying for hospitals."

Ward 1 Regional Councillor Bonnie Littley chose to look at the bright side of this year's budget. She said there have been economic and growth problems but "it should be an exciting time for the city as we really start to evolve as a city."

All the councillors agreed that people may be surprised at the tax increase, but hope residents realize there are many elements out of their control. Ward 3 Regional Councillor Rick Johnson, this being his 19th consecutive Pickering budget, said there are many more roads he'd like fixed and many he wishes were done years ago. But, he said this is a "bare-bones" capital budget. Ward 3 City Councillor David Pickles also used the phrase, acknowledging revenues are down, and therefore the tax rate is up.

Mr. Paterson projects a 7.70-per cent tax increase next year and said "it will hopefully level off in future years."