

Councillors support city budget

Dianne Cornish, Review Staff

Published on Apr 10, 2009

In stark contrast to last year, when the Flamboro Slots controversy raged, both councillors from Flamborough supported the city budget last week. Also in stark contrast were the percentage of tax increases being levied in the local wards.

This year, residents in the Flamborough portion of Robert Pasuta's Ward 14 face a 1.4 per cent increase compared to last year's 8.7 per cent. And in Councillor Margaret McCarthy's Ward 15, which includes Waterdown, the increase was pegged at 1.7 per cent, down dramatically from last year's 9.9 per cent hike.

Won over

City council's decision to take the slots funds and put them into the city's general revenues rather than use most of them to mitigate the Flamborough tax burden proved highly unpopular with local ratepayers last spring when they learned the move would almost double their 2008 tax increase. As a result, McCarthy and Pasuta both cast dissenting votes on last year's budget that was supported by the majority of city councillors.

This year, however, councillors were won over by a budget increase they could support. Councillor David Mitchell was the only councillor to vote against the budget even though residents of his ward in Stoney Creek and Glanbrook face increases of just 1.3 per cent and 0.5 per cent respectively. Mitchell contended council could have reached a zero per cent budget.

Stopping short of agreeing that he is happy with the budget, Pasuta said, "I'm okay with it and very thankful for what the province has done in providing us with the grant (for social service costs), without having it as a loan." In its budget, the Ontario government handed Hamilton \$16.5 million to offset the city's social services burden.

Noting that this is just the second time since Flamborough's amalgamation with Hamilton in 2001 that she has supported the city's budget, McCarthy said, "In the end, a 1.7 per cent increase for my community was the best that I could get." Adding that the budget was "eight months in the making" and the result of many marathon sessions, she said the 1.7 per cent tax increase is the lowest since amalgamation and "one of the lowest in the entire province."

McCarthy said it's her understanding that the 1.7 per cent increase for Ward 15 residents includes the phased-in Current Value Assessment (CVA) as well as area-rating for the ward.

Under area rating, property owners in Flamborough are given a tax break because of reduced or non-existent services in such areas as fire protection, public transit and recreation.

McCarthy expressed relief that council chose to leave area-rating alone. If councillors had voted to eliminate it, Flamborough residents would have seen an additional 10 per cent hike in property taxes, she said. The issue isn't scheduled to be debated again until 2011.

The budget includes money for resurfacing some roads in rural Flamborough, Pasuta said. There will also be funds to improve recreational services in the ward.

Both councillors said ratepayers have reacted positively to the small tax hike this year. A 1.7 per cent hike equates to an extra \$55 for the average Hamilton home worth \$210,000.

If lean times helped keep tax hikes down this year, Pasuta expects the economic downturn, coupled with a municipal election in the wings, will mean even more tax relief next year. He predicts council will be looking at a zero per cent increase in 2010. "We've got to tighten our belts and we've got to stop holding our hands out," he said.