



Windsor & District Chamber of Commerce
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DATE: April 28, 2003
TO: The Mayor and Members of Council
FROM: Windsor & District Chamber of Commerce
RE: 2003 City of Windsor Budget

About the Windsor & District Chamber of Commerce

As the “Voice of Business,” Windsor & District Chamber of Commerce represents over 1,450 business members who collectively employ more than 80,000 people. Our membership profile truly represents a cross-section of the business interests in our community. We actively work with government to ensure the business and investment climate in our region remains competitive and believe that any issues that restrict our ability to attract new business or expand existing business must be resolved.

We are pleased to provide our comments to you about the 2003 budget on behalf of our membership.

The Budget Process

For several years we have been disheartened by the lack of opportunity for the Chamber to be involved earlier in the annual Budget process. In past meetings with the administration of the City, as early as 2000, we expressed a desire to be informed and be involved early in the preparation of the draft budget. This has not been the case for this year’s budget as we are presently witnessing the most delayed and difficult budget process on record.

The City Administration has made overtures to respond to the request by the Chamber of Commerce to be included in the budget process and introduced a new administrative process to give everyone, especially the City Council, an earlier opportunity to reflect on the budget. The result was a fragmented and lengthy process. The City Council got their first opportunity to examine the Operating Budget only in mid-November. The administration then waited as late as March to unveil the Capital Budget. The time for holding public consultations and a first draft budget is presented only now in late April 2003, a point at which much of the decision making in the budget process could be a forgone conclusion as much of the budget may have already been committed.

We are proposing an alternative budget model and suggest the City of London’s process as a best practice. The dates and their timelines are set a year in advance with full public deliberations. To provide Londoners with information about the 2003 Budget, complete budget information was posted on the City website, a budget comment line was set up to answer questions from the public and a public participation session was

scheduled a full month after the draft Budget was released. This approach would stem most of our concerns with the budget process in Windsor. Transparency, scheduled timelines and commitment to effective input by the public and the community stakeholders should be paramount for a better budget process. The Chamber would be even more in support of the London's recent addition of the Strategic Financial Planning model as a best practice model.

Double-Dipping

In 2001 the average assessment on a residential home in Windsor increased by 5.4 % due to the provincial assessment. When combined with a City tax rate increase of 1.7 % (touted as modest at the time), the combined tax increase was at 7.1 %. This year this development is likely to continue. There is no legitimate reason for City Council to raise the tax rate, and there is a good argument to advocate an actual reduction.

Restructuring

We are pleased with the recent announcements of reorganization of city administration. If they lead to a more efficient and effective City Hall operation, they are a welcome new step in providing fiscal fitness for the City of Windsor. We see this as a first step in streamlining the administration. Resources must be used more efficiently to reduce costs. These concepts are implemented by the private sector and must be the only sensible approach to doing business for the City as well. If followed, there should be an opportunity to hold the line on any tax rate increase for the upcoming year and a possibility for a timely rate reduction to offset the increases that will come from higher property assessments.

Conclusion

The Windsor and District Chamber of Commerce is urging the City of Windsor to change its budget process to accommodate more public input including our Chamber and to provide sufficient time for public consultations. We suggest the City of London's Budget process as a benchmark for the City of Windsor. Although a review of the business process of the City Hall has been addressed by its administration, which we applaud, it is still unfinished. We would like to see the changes to be made soon to be able to provide for a better Budget process for 2004. Our business community and the public deserve a better process from our city.

Respectfully Submitted,



Michael Robinson
Chair
Board of Directors
Windsor & District Chamber of Commerce