



Windsor & District Chamber of Commerce
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DATE: October 26, 2004
TO: The Mayor and Members of Council
FROM: Windsor & District Chamber of Commerce
RE: 2005 City of Windsor Budget

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. The Chamber’s Board of Directors approved this presentation on October 26, 2004.

On behalf of our membership we are pleased to provide our comments about the 2005 budget. We commend the City for its consultative approach to the Budget process as suggested in our presentation last year.

Last year our recommendations included the need to address the issue of Property Assessments and how they contribute to escalating property tax rates. We identified a need to focus on debt reduction and finding synergies in order to eliminate costs more aggressively.

We also asked the City of Windsor to take recommendations of the PricewaterhouseCoopers (PWC) report seriously and live by more stringent financial reporting rules. These issues are still valid and the Chamber reiterates these recommendations for the 2005 Budget.

It is encouraging that progress has been achieved in the timeliness for the 2005 Budget Planning Process. The Chamber is, however, still concerned when it comes to financial reporting and accountability, as we believe budgeting should be based on solid financial data. The lack of financial information is evident in the absence of a solid financial package for Budget stakeholders and City Council.

The following comments and recommendations pertain to the 2005 Budget:

- The Chamber is delighted that the City of Windsor is moving ahead with the Budget process at this early time. We have asked repeatedly over the past several years for this process to be timely.
- We applaud the Zero Based Budget process adopted for the 2005 Budget and we are looking forward to reviewing this year’s recommended Budget. We urge the City to stick with its deadlines for approving the Budget.

- The Chamber is reiterating the need to be allowed a reasonable time to review and comment on the recommended Budget before it is approved by City Council. Transparency and review from the Budget stakeholders such as the Windsor & District Chamber of Commerce are imperative for integrity and credibility of the corporation of the City of Windsor.
- The Chamber supports the 5-year capital planning process. The Capital Budget Committee should review the 2004 plan and make a thorough examination of any new additions or changes to the Capital Budget. Careful analysis must be given to the City capital budgets this year.
- The Chamber continues to affirm the necessity of implementing the Price Waterhouse Coopers recommendations concerning financial controls and management, including the Budget process. We are eagerly waiting for the City to implement effective performance measures and timelines. We need to review how the City intend to measure its performance, even relative to other municipalities.
- Audited financial statements have not been issued as of October 2004. The City needs to ensure that final year actual numbers are completed in order to proceed on budgets for departments, in particular the issue-based budgets for non-zero based budgets and capital project variance reports.
- Prior to the approval of any operating/capital spending in the interim (prior to finalization of budgets), City must have a plan for approval/spending since we do not have actual reports.
- As announced by council, a plan to reduce the debt by \$10 million per year presumes a plan to undertake operating and capital reductions. This needs to form part of the 2005 Budget. The Chamber has asked the City before, and will continue to insist on a continued effort to reduce its debt until it is eliminated.
- The City has indicated the Peoplesoft Budget Module is scheduled for implementation in 2005; the current zero based budget must co-ordinate with the module in order to realize the long term benefits of efforts/money spent on this process.
- The City of Windsor should address the issue of additional fees charged through the Utilities billing, along with any other taxation matters that are currently omitted from the City of Windsor budgets.