

Mayor backtracks in budget battle

Alderman calls bid to reduce tax hike to 20% 'OK, for a start'

Kim Guttormson and Joel Kom

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Faced with furious Calgarians protesting a proposed tax hike of almost 25 per cent over three years, the mayor and a group of aldermen are suddenly selling duelling plans to bring the rate down.

Eight aldermen want the budget to be sent back to the drawing board, so city staff can make at least \$38 million in cuts.

Mayor Dave Bronconnier's proposal, developed with Ald. Gord Lowe, suggests dropping next year's tax hike by three percentage points by increasing revenue.

The recommendations released Thursday acknowledge the barrage of calls and e-mails to city hall since the budget details were released a week ago.

Aldermen expect a large turnout at the city's open house Saturday, where taxpayers can query staff about the budget numbers. And Monday, when debate begins, members of the public will each have five minutes to give council their opinion.

"Tough decisions have to be made next week," Bronconnier said.

His proposal recommends an infusion of \$8 million a year from Enmax and removing the money in the budget allocated for EMS, since the province has promised to take it over next spring.

"This deals with solutions, rather than delays," Bronconnier said, adding the level of service proposed is maintained. "It's a reasonable step, given the economic climate, for us to look at easing the burden as best as we can. It balances off the needs for front-line service.



CREDIT: Darren Francey, Calgary Herald

Mayor Dave Bronconnier: Proposes to reduce next year's property tax hike by three percentage points, through increased revenues.



CREDIT: Darren Francey, Calgary Herald
Dale Hodges

"I don't hear of any other proposals coming around, what I hear is 'send it back.' "

Bronconnier's plan, if accepted by council, would reduce the proposed tax increases of 9.6 per cent next year, 6.8 per cent in 2010 and 6.9 per cent in 2011 to 6.8, 6.2 and 6.5.

Eight aldermen -- Dale Hodges, Jim Stevenson, Ray Jones, Joe Connelly, John Mar, Andre Chabot, Ric McIver and Diane Colley-Urquhart -- would like to see the increase dropped to the municipal rate of inflation, which is about four or five per cent.



CREDIT: Darren Francey, Calgary Herald
Jim Stevenson

The mayor points out inflation plus the rate of growth totals 6.8 per cent.

At least two aldermen interested in sending back the document city staff have spent months preparing believe the two proposals can work together.

"I think we can do better than that," Hodges said of the reduction to a compounded 20.8 per cent increase over three years. "This is OK for a start.



"I don't think with all the reaction we're getting, I don't think this is going to do it. It's a start though."

CREDIT: Darren Francey, Calgary Herald
Ray Jones

Hodges supports sending the budget back, but believes council should give staff direction about where to make cuts. The draft motion Thursday simply instructs staff to maintain planned increases for emergency services -- 242 more police officers, 130 firefighters, 55 paramedics and 30 911 dispatchers.

"We have to indicate what we want, not what we don't want," Hodges said.

Ald. Ric McIver, who thinks giving staff that direction would be micro-managing, was surprised in the mayor's change in tone from last week.



CREDIT: Darren Francey, Calgary Herald
Joe Connelly

"It seems like yesterday the world was going to end," McIver said of reducing the tax hike. "Today it seems easy, so that's a good thing.

"If it's that easy to get from 9.6 per cent to 6.8 per cent, with effort we can do a little better yet."

He's in favour of bolstering the revenue side to bring down the rate, as Bronconnier

proposes, but also wants to see spending cut.

"What they're doing is perfectly compatible with what others are trying to do today."

Bronconnier won't support a move to send back the budget.

"Administration has done their job," he said, noting staff removed about \$100 million from the budget between spring and now. "Council is not setting policy if it's just hoisting it over the fence back to administration and saying come up with something."



CREDIT: Darren Francey, Calgary Herald

City council has already approved much of the proposed spending, Mar said, adding it's up to council to now undo some of those decisions.

"I don't want to kill the budget outright. We've worked too hard on it to kill it," he said. "But to go out with the same budget in this economic climate is not based in reality."

Colley-Urquhart, who last week accused Bronconnier and Lowe of "fear-mongering" by threatening Calgarians with front-line service cuts if they wanted taxes dropped, expects the horse-trading to begin.



CREDIT: Darren Francey, Calgary Herald
Andre Chabot

"We'll see what becomes of it and what strong-arming takes place over the weekend. There may be some effort to convince one of the eight of us not to vote for (the group proposal.)"

Bronconnier said next week is set aside for budget deliberations and that's exactly what council should do.

"Now it's a matter of city council rolling up their sleeves, filling up their coffee cups, going through the numbers," said Bronconnier.



CREDIT: Darren Francey, Calgary Herald
Ric McIver

"The bottom line is council now should be bringing forward solutions to their colleagues to reduce the tax bite.

"That's what you debate."

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CREDIT: Darren Francey, Calgary Herald
Diane Colley-Urquhart

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