Encouraging Milton tax news likely over-shadowed by levy

By BRAD REAUME

The Champion

Milton councillors have approved a 1 per cent property tax decrease for 1998, however taxes are likely to rise when the regional levy is factored in.

Halton Region has not finalized its 1998 budget but initial projections suggest a five per cent tax increase.

Given that the Halton portion of the property tax levy is substantially higher than Milton's, local residents could see a \$100 increase on average residential taxes, according to Jim McQueen, Milton's director of finance.

Milton's administration and planning committee approved a package of funding reductions totaling \$93,048. Before the recent funding announcement council had been anticipating the need to make \$330,000 in cuts. The budget plans will come before full council on April 27.

The committee also agreed to bank \$774,000 in provincial grants. While the grant is supposed to be annual there was some concern the amount would change.

Milton received \$2,030,000 from the province's new community reinvestment fund (CRF). Burlington will get \$717,000, Halton Hills \$862,000 and Oakville \$2,261,000.

According to Mr. McQueen the new method for calculating these grants worked substantially in Milton's favour. Milton had been anticipating a grant of \$1,256,000 based on the amount local residents paid in school board taxes.

However, the provincial government took that amount and factored in previous contributions to the regional levy to arrive at the new grant amount.

Staff recommended no service cuts. They called for the balance to be put into reserves, or used to soften the anticipated regional tax increase. Some voices on council called for the windfall to be reinvested in community services, which have been cut back in the last four years of tight budgets.

"The provincial government may not allocate as much money next year," said administration and planning committee chair Wally Hunter. "Just because we got more revenue we shouldn't ignore efficiencies and potential reductions."

Councillor John Challinor, who championed the operating budget reductions and increases in reserves, said changes could require a draw on reserve funds in 1999.

Councillors heard that approximately 10 per cent of the current grant has been pegged as special assistance funding and will be withdrawn after two years.

Mr. McQueen said the larger concern is the potential for tax writeoffs and successful assessment appeals cutting into anticipated tax revenues.

Tax appeals have been generated by the move to actual value assessment, especially in areas where property had not been reassessed for many years. Halton has been operating on a 1992 assessment base, more up to date than most.

Yet Mr. McQueen said there are 25,000 tax appeals in Halton-Peel still outstanding from 1997 and warned those numbers will increase.

Mayor Gord Krantz said councillors should avoid looking for places to spend the additional provincial grant money. He said the Town budget should proceed along the lines anticipated before the new grant levels were announced.

"We concluded the last time numbers were announced that we were the winner

of the losers, but now we've become the winner of the winners. The loser is Halton Region," said Mr. Krantz.

Mr. Krantz was worried that by announcing a drop in Town of Milton taxes people would expect a decrease overall and would only become angry when Halton taxes force the total up.

Halton Region is faced with \$88 million in new responsibilities and a requirement from the province to find \$14 million in cuts. However, councillors heard that

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MS walk at Drury

More than 250 north Halton residents are expected to walk for multiple sclerosis Sunday.

The 1998 Super Cities WALK for MS will be held at the Ernest C. Drury School for Deaf starting at 9:30 a.m.

"There are a number of great routes ready for the event, and every route will have everything you'll need for an enjoyable day — rest stops, refreshments, first aid and hundreds of fellow walkers," said Lesley Sims, co-ordinator of national fundraising events for the MS Society of Canada.

Proceeds will help find a cause, effective treatment and cure for MS.

"There is no cure, so now is an opportunity for you to help



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