

Cabinet du Maire  
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Westmount, QC H3Z 1E2

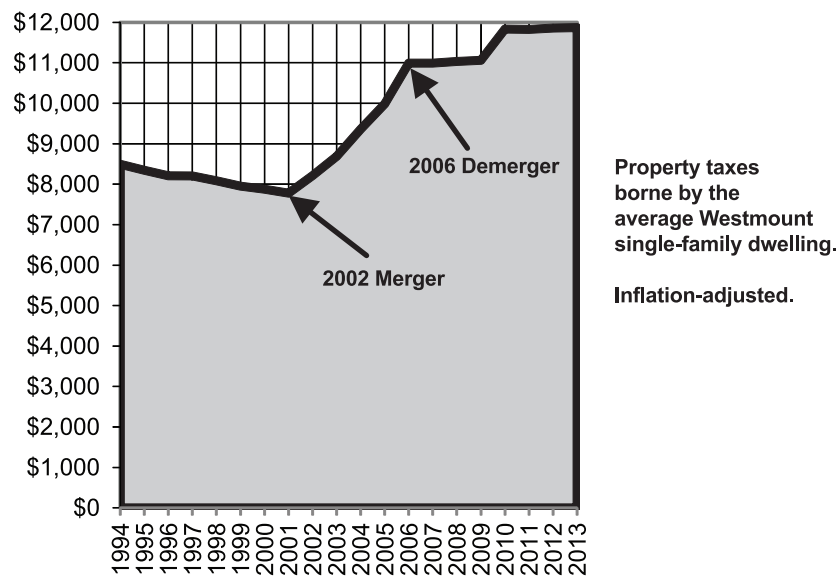


Office of the Mayor  
City Hall  
4333 Sherbrooke Street W.  
Westmount, QC H3Z 1E2

January 28, 2013

Dear Fellow Citizen,

The ongoing turbulence in the City of Montreal gave rise to a rather placid Montreal budget for 2013. It must be said, though, that their uncharacteristically modest spending increase was a matter of investments delayed rather than any real savings. Still, this year, the increase in Westmount's bill for regional services provided by Montreal through the Agglomeration Council is less than the rate of inflation. This is new. For the last twenty years, any real increase in your Westmount tax bill was caused by Montreal: either as a result of the disastrous imposition of the Montreal megacity in 2002 or through Montreal's sudden 12.5% hike in regional costs in 2010:



This same municipal turbulence brings with it a promise of ending the “corruption premium” of inflated Montreal infrastructure contracts, a cost partially passed on to us. Closer to home, we hope that our own infrastructure spending will also show more bang for our buck in a healthier, competitive environment. However, the cat's cradle of recent anti-collusion legislation with their byzantine contractual requirements and reviews could end up discouraging many firms from bidding on municipal contracts entirely, thereby perpetuating the very oligopolistic climate that we all wish to see disappear.

Your council is uncomfortably aware of the continuing poor state of our road, sidewalk, and sewer infrastructure. During the merger years, Westmount invested only \$1.7 million a year in roadwork. Since 2006, we have been averaging \$3.2 million. There is still, however, much to do. Probably unique in Quebec, Westmount adopted a policy in 1994 of “pay-as-you-go” for routine capital expenditures that was revived after demerger. We don't believe in mortgaging the future to maintain today's infrastructure.

On the operations side, we are holding our spending increases to the rate of inflation, excepting election expenses and the resumption of some recreation activities with the opening of the new Westmount Recreation Centre. However, the problem of employee over-compensation brought about by the merger continues, along with pension benefits that are unparalleled outside the municipal sector. The provincial government has engaged in much handwringing about the pension funding problem; but, to date, no legislation has been forthcoming.

**2013 City of Westmount Budget - expenses and revenues**

		Local Expenses - \$43 million							Agglomeration expenses - \$50 million				
Expenses	ADMINISTRATION	ROADS	WATER/SEWERAGE	REFUSE	ZONING	SPORTS AND RECREATION	LIBRARY	INFRASTRUCTURE AND OTHER EXPENSES	MASS TRANSIT	POLICE	FIRE	WATER/SEWERAGE	OTHER
	PUBLIC SECURITY												
Revenues	Local non-tax revenues \$10 million	Property taxes - \$83 million											

Looking at the above representation of Westmount’s 2013 Budget, you might be struck by our almost pathological dependency on property taxes to pay for our expenses. What is equally evident is that the Westmount property taxpayer is forced to pay for regional services that are consumed as a function of population, not by property values. In fact, 60% of our taxes (54% of overall spending) go to such regional services provided by the Agglomeration Council – which is controlled by the City of Montreal.

With a residential tax rate of \$ 0.9743, the taxes on the average single-family dwelling in 2013 will be \$11,871, or 2% more than in 2012. Keep in mind that, starting next year, there will be a 2% increase in taxes to help pay for the Westmount Recreation Centre (WRC). Unlike the permanent 50% tax increase imposed by Montreal starting in 2002, this 2% increase – for ten years only – will fund something of benefit to Westmounters. And that is not all. Without government grants and fundraising, the WRC would have cost Westmount property taxpayers a 6% tax increase.

Payment of your tax bill can be made in two instalments; the first due on March 1<sup>st</sup>, 2013, and the second on May 31<sup>st</sup>, 2013. An interest rate of 9% per annum will be charged on the unpaid balance. A penalty of 0.5% per month on the outstanding principal will also be charged.

If you would like a copy of Finance Commissioner Timothy Price’s budget speech, or, indeed, a copy of the actual budget, please call City Hall at 514 989-5240. You can also consult budget information on the City of Westmount’s web site at [www.westmount.org](http://www.westmount.org) or at the Westmount Public Library.

Sincerely,



Peter F. Trent,  
Mayor