

Good evening. My name is Ken Strauss and I live on Pebble Beach Drive in Cobourg. I appreciate this opportunity to provide some comments about the Draft Strategic Plan.

A 2017 article in the Financial Post newspaper reported the shocking statistic that the "average Canadian household spends more on taxes than any other expense." "In 2016 the average Canadian family earned \$83,105 and paid \$35,283 in total taxes ... an amazing 42.5% of income going to taxes of various kinds." With recent changes to CPP and the new carbon tax this percentage is even higher today.

In the years from 2010 to 2017 Cobourg's spending increased by almost 30% while the average hourly wage for Canadians increased by less than 17%. This is not sustainable! The Strategic Plan admits that there is a "perception that taxes are too high." The Strategic Planning Session Notes suggest that educating the public may change this perception. There is no mention of actually addressing the problem of unsustainably high spending with substantial increases year after year.

The Strategic Plan should document the vision of our Council with explicit milestones towards achieving their vision. Instead, this Strategic Plan has mostly vague, unmeasurable and unachievable "feel good" goals. Listed goals include "Cobourg will be a strong community ... embracing integrated sustainability practices" and "resources will be maximized." Best of all: "Cobourg residents will be healthy and happy". I am surprised and concerned that rather than proposing "reducing taxes by increasing automation" and "doing more with less" these proven ways to control unsustainable spending are actually listed as **threats** in the SWOT analysis!

Council has said that their new budget increases taxes by less than 2%. This is factually correct but seriously misleading. Money for increased spending has been "found" by depleting reserve funds, using grants from upper levels of government and increased development charges which will make housing even less affordable. Although property tax **rates** increased by less than 2%, the net spending (the levy) increased by almost 4%. Without dipping into reserves, fee increases and some serious expense reduction, the levy and taxes will continue to increase by even more than 4%.

In the interests of improved transparency regarding the sources of funding and as a first step to make Cobourg's taxes sustainable, I would like to ask that the following goals be added to the Draft Strategic Plan:

- 1) An annual report detailing current borrowing and the balances of all reserve funds together with changes in these amounts will be provided to Council and the public prior to each year's budget cycle.**
- 2) The Town of Cobourg will find ways to maintain essential and core services at their current levels while approving no increases in annual operating expenditures during the remainder of this term of Council.**