

**" Instead of looking on discussion as a stumbling-block in the way of action, we think it an indispensable preliminary to any wise action at all."**

**- Pericles referring to the city State of Athens during the Peloponnesian War (431 - 404 BCE)**

Two Thousand Four Hundred years ago Pericles spoke the above quotation during a funeral oration given annually to commemorate the fallen Athenians of the 27 year Peloponnesian war. If during a time of war a society that was surrounded by militaristic absolute rulers could hold discussion in such high regard then all the more so we who live in a peaceful oasis should excel at discussion with our citizens.

As a town we have much to learn from the ancient Greeks as well as modern day Greece. Recently we have seen the turmoil and devastation that can occur by living beyond ones means. Greece would have defaulted on its sovereign debt had it not been for a Trillion Dollar bailout provided by the international community to support Greek and other European Union debt. The simple lesson is one of fiscal responsibility. We must all learn to live within our means as individuals, as municipalities and as nations.

My primary role is that of Finance. Last month council received the 2009 audited financial statements from our external auditors, Goudreau Poirier. In short the presentation this year has changed much but the fundamentals have thankfully not changed. Municipal Financial presentation in Quebec has shifted to a national model. This model is quite different from what we have been accustomed to and requires a good deal of expert explanation to understand. Straight comparisons between the current financials and the previous ones are impossible without a good deal of discussion and explanation.

June 7th we will be tabling the town's audited financial statements. The statements will be made available to the public on the Hampstead Web Site. As promised we will present the Financials in an open forum. The presentation will be made by the Town's Treasurer in conjunction with the Town's auditors. The target date is our Council meeting scheduled for Tuesday September 7th 2010. All residents and interested parties are invited to attend this important discussion. My goal is absolute transparency.

The fundamentals are positive. Hampstead generated a modest operating surplus in the fiscal year 2009. Our accumulated surplus stands at approximately 1.5 Million dollars. Capital payments during the year on all loans was slightly over \$ 1,000,000. Currently there are no major variances between budgeted items for fiscal year 2010 and actual amounts spent to date. Going forward we are in a strong position with projected Principal and Interest (P&I) payments expected to drop from 1.7 Million dollars to 1.148 Million dollars in fiscal year 2012, for a net decrease of \$ 560,000 per year or rather a 32 % decrease in projected P&I payments, based on our current debt load.

Fears I have regard the Montreal agglomeration budget for 2011. In 2010 we were hit with a 12% increase in our taxes payable to Montreal. Given that Montreal represents approximately half of our taxes it translated in to a 6% tax increase to our residents. It is imperative that Montreal and the Provincial Government understand that it is not possible for us to sustain double digit tax increases in order to underwrite Montreal's continuing budget shortfalls. Further the current concept of taxation without direct representation is antithetical to a modern liberal democracy.

I wonder what Pericles would have done?