

From the Mayor
2012

January 4,

It has certainly been a privilege to serve this community as mayor in 2012. The progress we have made this year will set the course for 2013. As we finalize our budgets for 2013 at Monday's council meeting, I'd like to discuss two entirely different "taxes" that will affect us this coming year.

The first of these is our property taxes. We have been working hard to present a final budget for council approval that will be both balanced and hold the line on the municipal portion of your property taxes. Balancing the budget means simply spending what you have and not cutting into reserves to fund the budget.

There are two ways we have to keep taxes level to support the 2013 budget. The first is to directly cut spending from the 2013 budget. Those details won't be finalized until Monday. The other is to cut spending in the 2012 budget. Those savings can be directly applied to the 2013 budget to lower taxes. A good example is the mild winter we experienced both at the beginning and end of 2012. As a result, there was savings from less overtime for plowing and less salt for the roads.

That savings, along with many others, will be used to directly reduce the 2013 property taxes. We will have a final work session on Monday afternoon and then present the final cuts at the regular Council meeting that night. I am proud of our department heads and council for their work to create a balanced budget with no tax increase.

The second issue that is on everyone's mind as we move into 2013 is the impact of the medical device tax that will have already taken effect as you read this. Quite simply, this is a 2.3% tax on the sale of medical devices, imposed by the federal government to fund the national healthcare legislation. Our heritage of orthopedic manufacturing will certainly be impacted. Without a doubt, our industrial partners have been anticipating this burdensome tax since the legislation was passed over a year ago. Each partner has their own strategy to deal with this. Many have suggested that the tax will take dollars away from research and development budgets create the need to cut expenses, and possibly cost jobs locally.

There is no "quick-fix." Our orthopedic partners will adjust, and as a community we must continue to build and improve the attributes that attract and develop talent, nurture investment, and facilitate entrepreneurship. Through our collaboration with economic developers, our local schools, foundations, and other community stakeholders, we all have realized the strategy of business growth and retention through community enhancements, workforce development initiatives, and new education programs.

Warsaw Community Schools has instituted a STEM (Science, Technology, Engineering, and Math) elementary academy and high school biomedical science curriculum. Did you know Grace College offers a graduate degree in Orthopedic Regulatory and Clinical Affairs, and now also collaborates with Trine University to offer an engineering degree as well? Ivy Tech is in their second year offering an Advanced Orthopedic Manufacturing certificate that meets our orthopedic industry needs and is the envy of many communities statewide. I have discussed

community enhancements in previous columns, as well as our natural assets, that make our community a desirable place to live.

Prognosticators try to forecast the future at the beginning of every new year. What will actually happen is uncertain. What we do understand is that the success our community has enjoyed has been the result of hard work, the willingness to take calculated risk, and conservative, compassionate values. That will not change.