

3.75% tax increase set for approval at next week's Council meeting

By Brock Weir

Aurora's proposed 3.75 per cent budget increase is due to be finalized at next Tuesday's Council meeting.

After beginning the process last fall, and hours of debates over such issues as salaries and new positions at Town Hall, a spike in insurance premiums carried by the municipality, and considerable debate over a \$70,000 grant to the Aurora Historical Society, \$20,000 more than their regular grant and \$10,000 over what they received last year, which also covered events relating to Aurora's Sesquicentennial, they settled on 3.75 which is just a fraction lower than what was originally projected.

If given final approval next week, Aurora residents can expect to pay an extra \$13.24 in property taxes in the year ahead, or an additional \$53.96 for the average Aurora property assessed at \$400,000.

Combined with a tax increase from the Region of York, as well as taxes for education, this will result in an overall 1.99 per cent impact on your tax bill.

Last year, the 2013 Budget was approved on consent with no comments around the table which caused some Councillors to cry foul despite not calling the item. That is not a scenario that is likely to repeat this year, however, as Councillors have indicated they still have a lot to say.

At last week's General Committee meeting, however, Councillors had an early say on next year's budget process. Although the 2015 Council will be steering that budget to fruition, contracts related to water main relining sparked the debate that Aurora might be better served if these budget deliberations begin as early as possible.

The debate stemmed from a proposal for nearly \$640,000 worth of water main relining along MacDonald Drive and Haida Drive. This project has been over a year in the making and when tenders were issued last May for the project, two bids to complete the work came back for \$946,616 and \$1,092,851. The Town cancelled this project, which originally had a \$700,000 budget, added \$350,000 to the 2014 Capital Budget at the end of last year, and re-tendered in January.

The result was a very different picture ? with the winning bid coming in at \$635,600.

Looking at the nearly \$300,000 discrepancy, Councillors wanted information on how this came in so significantly under the new budget.

?The rationale is there is a substantial cost savings compared to prices received in 2013 and the reason is likely due to the late issuance of the bid,? said Councillor John Gallo. ?If that is the case, maybe we should start the budget in January?because I can't imagine that big of a variance because we put out a tender. Perhaps we didn't know that when we put it out again that it would be that much lower because if we did know, why would we request an increase of \$350,000 to the budget? It just doesn't add up to me.?

According to Ilmar Simanovskis, Aurora's Director of Infrastructure, when tenders are issued in May, contractors often already have their workloads in place for the year to meet their annual targets and adding more, late in the game, can result in increased prices.

?Lo and behold, they have an early tender and being first on the street, they are looking for work and we are very fortunate to get pricing that we actually expected in 2013,? said Mr. Simanovskis. ?It is a good news story and I think Council's comment being that the sooner we get the documents on the street, the better pricing we seem to get overall.?

Added Town Solicitor Warren Mar: ?Timing is key and there could be market conditions that we were not always aware of from this year to last year and I think it just shows how important timing is to the issuing of tenders.?

Nevertheless, some Councillors agreed that when it comes to the budget, getting things done earlier should be considered.

?We should gear our budgets so we have a cut-off that we know we're talking about hundreds of thousands of dollars if we wait a month or two,? said Councillor Gallo.

Councillor John Abel said he agreed that it is better to get things done sooner, and things would have been done sooner this year if final approval hadn't been deferred at the request of other councillors.

?A lot of municipalities have their whole budget done in January whereas we go to March and we haven't even finalized ours, but at least we move forward the capital to take advantage of getting our bids in early because if we were still at that stage now, who knows what that cost would play to the taxpayers by not doing so?? he said.