

Aurora residential increase starts at projected 2.23 per cent

By Brock Weir

Budget deliberations began this week and Aurora residents can expect to see a combined increase of 2.23 per cent on residential tax bills for now.

With talks on the Town's 2017 Capital Budget wrapped last month, Council began tackling the 2017 Operating Budget on Monday night, the component that has the most direct impact on the tax rate. Over the next few weeks as talks continue, this number typically fluctuates - often downward - before the final budget is approved and ratified at the December 13 Council meeting.

Ahead of Monday's talks, Town Treasurer Dan Elliott offered a forecast of what the 2.23 per cent - which is the combined rate when one takes and weights the municipal, Regional, and school taxes - might mean for Aurora residents.

Citing \$770,000 as the average assessment for a typical detached house in Aurora as the baseline (\$500,000 was the measure used in 2016 Budget deliberations), the average Aurora household can expect to pay \$158 more on their total bill for the year ahead, \$76 of which is an increase of the Town's share.

Looking specifically at Aurora, the municipal tax increase is currently forecast to be 2.9 per cent - or, as pitched to Council by Mr. Elliott, 1.9 per cent plus a one per cent boost to the Town's reserves.

"The Town is clearly transitioning from suburban to urban, from a greenfield dependency to an intensification type development mode," said Mr. Elliott, noting Aurora's 2C Developments are moving more rapidly than they anticipated and plans are in place to develop further infill and development.

Mr. Elliott made his presentation last Tuesday as the polls began to close in the U.S. Presidential Election. This was one factor of instability Mr. Elliott said needed to be considered, along with such issues as Brexit and oil pipelines.

"There is a lot of nervousness in the national and international economics, but here in Aurora we need to focus on servicing our growing community," he said. "We have strong growth, a lot of people interested in living here" and need to receive the excellent services we're interested in providing to our community."

But, in arriving at this 2.9 per cent, the focus was pegging things to the current inflation rate. In fact, that is what Council set staff out to do: bring the proposed budget in line with the inflation rate of 2.1 per cent.

"You asked us to maintain services, you asked us to fund the required increases in our fire services within that, meet the service needs of our growing community, contain the inflation and all our non-tax revenues for inflation wherever possible," said Mr. Elliott, adding the direction included "an extra one per cent for our fiscal longevity."

"Council asked us to come in at 2.1 and we came in at 1.9, plus the other one per cent."

For taxpayers though this is a solid 2.9 per cent, however it is divvied up.

"What do you get in this 1.9 per cent budget? You get a well-maintained infrastructure, sustained service levels to our growing community," said Mr. Elliott. "We have award winning community events, we continue to win awards for different things. We have a great variety of recreational and cultural opportunities for all ages, and we have got what I believed is a well-managed, fiscally sustainable community."

In the years ahead, there will have to be a re-think. As Aurora reaches build out, the level of income flowing into municipal coffers from that growth will plummet and that is something that is being considered.

"We show a forecast of diminishing tax rate increases required to continue to fund our infrastructure each year," said Mr. Elliott, outlining long-term plans highlighted last month during Capital talks. "This year it is .6 and next year I believe it falls to .5. We do map it out for 10 years. We're good as long as we stay on that plan. If we stay on plan, it shows a healthy future."

This was a point driven home by Councillor Michael Thompson.

"We have been very fortunate in the last number of years to have considerable growth and that considerable growth has helped us keep the tax rate down, but we are moving from a community that continues to grow to one that is built out and looking at intensification so that growth from new taxes will diminish," he said. "It is more important than ever that we continue to look at those new processes to keep tax rates low."