

Budget talks begin, but no word yet on tax hike

By Brock Weir

Aurora residents will have to wait a little longer to get a rough idea of just how much of a tax increase will be coming their way next year.

Councillors began tackling the 2014 Budget at a special General Committee meeting Monday night. Led by Treasurer Dan Elliott, it was an overview of what is in store. The bulk of the discussion was dominated by the capital budget, but a preliminary operating budget, the portion of the budget having a most direct impact on the tax dollar, will have to wait another day.

“As of today, for the operating budget, I have been compelled to keep a fairly tight lid on things and we're working on doing that,” Mr. Elliott told Councillors on Monday. “I understand the operating budget is not complete. Last year for the first time I threw out a percentage number and that was as it stood on my desk at the time. I'm not going to do that today.”

Mr. Elliott was referring to the 8.2 per cent tax increase floated at the start of last year's budget season. This number was eventually whittled down to 3.42 per cent after significant savings, duplications, and other issues were found. After the 2013 budget was signed, sealed and delivered, some Councillors took issue with the fact such a high estimate was released when it was not even close to what they expected the finished number to be.

That process, contended Councillor Michael Thompson at the time, created negativity at that time and he called for more accurate numbers earlier this fall.

That being said, however, there are very clear issues at play which could directly impact the hit to taxpayers' wallets.

According to numbers crunched this week, the budget for Central York Fire Services (CYFS), the joint department responsible for emergency calls in Aurora and Newmarket, have approved a budget increase of 7.3 per cent, which translates into a \$581,567 impact on Aurora's Operating Budget.

New programs and initiatives being undertaken by the Town of Aurora will also have an impact, including a new museum services contract to administer and curate the historic Aurora Collection (which is due to be debated by Councillors at the Committee level this week), tax rate pressures deferred from last year's deliberations, including the phasing in of new programs and expenses from the CYFS' new fire crew, a replenishment of reserve funds, and the creation of a Cultural Master Plan due in 2014.

A downturn in local building and construction projects over the last two years, he added, translate into a consequential downturn in the amount of supplementary tax flowing into municipal coffers into 2014.

“Our supplementary taxes will be lower than originally expected for 2014, so that will draw some pressure,” said Mr. Elliott. “Our assessment growth is a little stronger than we may have thought originally. We're sitting today at 1.6 per cent assessment growth that yields about \$530,000 in growth revenue without tax increase, but our final assessment growth numbers are not due until mid-December.”

In his report, Mr. Elliott noted that while these individual factors are “not insurmountable”, all combined in the 2014 operating budget could “present Council with a challenge.”

“Prior to presenting the final draft budget to Council, the CAO, [Executive Leadership Team] and the Financial Planning team are working to identify all areas of expenditure reductions, refining revenue forecasts, examining fees and charges, and any other strategies which could be used by the Town to mitigate these key pressures. It remains too early to suggest to Council any specific percentage tax rate pressure.”

More concrete details are available, however, for the 2014 draft capital budget, which covers repair and replacement of infrastructure, growth and new infrastructure, as well as “major studies” and other projects. Repair and replacement of infrastructure

is expected to clock in at \$8.17 million as it stands now, funded from a variety of reserve accounts.

“The major project in the program is the conversion of street lights to LED,” said Mr. Elliott in his report. “Other program items include restoration work to roads, water lines, storm water management systems, pavement, parks and trails, and some replacement equipment and vehicles.

“Management has confirmed they have the resource capacity to deliver the proposed program.”

Growth and New Infrastructure is currently proposed to check in at a gross cost of \$1.14 million with three large projects on the horizon, including the implementation of a new information management system at Town Hall, the development of an accessible playground at Queen's Diamond Jubilee Park, and the development of a Community Improvement Plan.

Studies currently in the works or scheduled to get off the ground in the coming year include a study on shared services between York Region's “Northern Six” municipalities, a local tree inventory, and continuing studies on the Aurora Promenade.

Although the bulk of discussions will take place at budget meetings over the coming weeks, Monday provided Councillors and residents a chance to sound off preliminary numbers.

Residents of Hunters Glen Road were on hand to present Council with a petition from 33 area residents calling for a halt on planned road improvements and widening.

Councillors, on the other hand, called on Mr. Elliott's department for more precise numbers, including Councillor John Gallo who asked for further information on why several items previously budgeted for were coming in with surpluses or deficits from original estimates. Councillor Evelyn Buck also took aim at the significant hit the fire budget will have on Aurora residents.

“There has to have been a corresponding increase in assessment value,” she said, arguing increased costs were tied to community growth and should ultimately balance.

Budget talks are next scheduled to continue on Monday, November 18, at 9 a.m. in Council Chambers and the public are encouraged to attend and provide input on the budget.