

Budget talks forecast a 2.9 per cent tax increase for Aurora

Aurora residents can expect a tax increase on the municipal portion of the tax bill in the neighbourhood of 2.9 per cent in 2022, according to data released by the Town last week.

This is the target that is set to be before Council this Monday when local lawmakers sit down for their first session of budget deliberations.

Preliminary numbers were presented at last week's Council meeting by Rachel Wainwright-Van Kessel, the Town's Treasurer and Director of Finance.

This target of 2.9 per cent, which will translate to an average of an additional \$71.50 for the average home assessed at \$800,000, is on par with the Town's multi-year budgeting program but will only be able to stay at that level through some cost-cutting.

“We did actually have to find some savings in the Operating Budget as growth was less than what we projected in the budget last year for 2022,” said Ms. Wainwright-Van Kessel. “We had to find about \$600,000 in savings there. The average household impact of this budget from a tax bill and water bill perspective includes, on the average home of \$800,000, \$71.50 for the year. On the quarterly water bill where the average bill for residents is about 54 cubic metres per quarter, that is about \$16.71 [per time period].”

Aurora's budget is divided into two parts: the Operating Budget and the Capital Budget.

The Operating Budget is the component that has the most direct impact on the residential tax rate.

Sluggish growth of 1.1 per cent compared to a forecasted 2.2 per cent has been the biggest contributor in trying to find savings to maintain the forecasted tax increase.

“Our budget is balanced in 2022 and the largest area of our expenditures includes salaries and benefits with program cost being next, which also includes contracted services, and a third of our fees is for water and wastewater,” said the treasurer. “When we look at our tax levy breakdown over the last three years of the multi-year budget, we can see the impact it is having with lower growth in 2022. With only 1.1 per cent growth, it actually reduces the overall amount of how much the budget increases from a tax perspective. We still maintain the 2.9 per cent tax increase, but lower growth means we will be collecting less in taxes.”

Another factor being considered in next year's budget is inflation, which Ms. Wainwright-Van Kessel described as a “bit of a hot topic.”

“In our last couple of budgets, we had 1.9 per cent in our budget for 2020, which was related to inflationary pressures and the amount was reduced to just a little under 1 per cent for this year when we approved our budget last year,” she said.

“COVID continues to have an impact in our 2022 budget. We have our savings for non-COVID-related items and we are having to use some of the funding we received over the last two years to help pay for some of the challenges we're facing in 2022 that are related to COVID.”

In looking at the overall tax bill for 2022, the Treasurer said the biggest impact is attributed to the Central York Fire Services, the fire department shared jointly between the Towns of Aurora and Newmarket, part of which is related to the continued construction of a new fire hall in the southwest quadrant of St. John's Sideroad and Bayview Avenue, just off Earl Stewart Drive. This build is part of the Town's Capital Budget.

“The 2022 Capital expenditures are at \$83.6 million and we are only seeking an additional \$16.3 million in new capital approvals, which includes new capital projects and changes to existing capital projects,” said the Treasurer. “The ten-year plan amounts to \$302

million and we're not seeking any approvals for additional debt authority this year.

?In 2022, there is a significant amount of spending and the main reason for that is the work is still continuing on Aurora Town Square (formerly Library Square), which is why you see a lot of growth capital spending in Planning for next year. The plan right now is about \$8.5 million higher than what our 10-year plan was last year?. Overall, the capital budget authority that we're seeking to approve includes projects which are also underway and a lot of projects underway do not require any further approvals from Council. They do not require any changes to their current budget authority. Some of the significant projects we have going on include Aurora Town Square, repair and replacement work on storm sewers and roads, the fire hall is expected to be completed next year, and we're working towards the design and construction of the SARC (Stronach Aurora Recreation Complex) gym.?

Budget discussions are set to formally kick off in Council Chambers this Monday, November 8, at 7 p.m.

The meeting will be streamed live on the Town of Aurora's YouTube channel and via its own website at aurora.ca.

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