

Council targets 1.8% tax increase following economic challenges

By Brock Weir

Financial challenges in Ontario, Canada, and around the world have led number-crunchers at Town Hall to do a dramatic re-think on how much of a tax increase Aurora residents can afford to pay in 2016.

Councillors this week will consider a joint recommendation from interim CAO Patrick Moyle and Town Treasurer Dan Elliott, to target a 2016 tax increase of 1.8 per cent, down from an initially forecasted 4.1 per cent.

?It is clear? that 2016 will be a more challenging period for taxpayers and, as such, the original 2015 budget assumptions for 2016 have been reconsidered,? said Mr. Elliott in his report to General Committee this week. ?The global, national, and provincial economies have created a great deal of volatility and uncertainty for taxpayers, and the Town's budget should reflect that concern.?

Last month, Council twice voted down on a tie vote a year-long hiring freeze for new positions at Town Hall, a move championed by Councillors Tom Mrakas, Wendy Gaertner and Sandra Humfryes, citing keeping an eye on Aurora's bottom line while giving the Town's new permanent CAO, a position expected to be filled in January, a chance to assess the municipal staff complement and evaluate any changes that might be necessary.

While this move failed around the Council table, if the recommendation to slash the budget targets by over two per cent is approved, that is exactly how the savings will be achieved.

?During consideration of the 2015 budget, an operating budget forecast for 2016 was provided,? said Mr. Elliott. ?The forecast suggested a tax increase of 4.1 per cent and included the hiring of 11 new full-time staff positions, factoring in an extension of service levels to meet the needs of new growth areas.

?Staff will be expected to find increased capacity within existing workflows and processes to partially absorb the inflationary increases expected for 2016. [The Town] is currently piloting a ?Lean Process Review? for its processes, with the expectation that this become a corporate standard. Additionally, it is recommended that 2016 be the year when a corporate-wide project management methodology will be employed for future capital and operating projects and programs.?

The move to set a budget target at this point is part of a drive to approve next year's operating budget ? and, therefore, the tax increase to be expected by taxpayers ? by the end of the 2015 calendar year.

To achieve this, staff are working within a six point framework including Council's directive to eliminate reliance on the Hydro Reserves by 2019, reducing reliance on supplementary taxes, increase funding to reserve accounts, phase-in additional fire crews on the Central York Fire Services, develop more efficient ways of service delivery to residents, and ?always being mindful of new or higher levels of service which add to tax levy pressure.?

?While a 1.8 per cent tax levy pressure may be achievable for 2016, the forecast pressures for 2017, 2018 and 2019 remain unclear,? noted Mr. Elliott. ?A detailed review of the multi-year forecasts will be undertaken as part of the new CAO's mandate and these forecasts will be delivered to Council during the 2017 budget process.?