

## Councillors have mixed messages on state of reserves

**By Brock Weir**

Councillors have approved a new strategy to tackle Aurora's reserve accounts ? the funds tucked away to make sure enough money is on hand to cover ?bumps in the road.?

But while Aurora Treasurer Dan Elliott's 10 year plan to make sure reserve accounts are healthy was passed, debates indicated differing perspectives on whether the accounts are half-empty or half-full.

Talks centred on Mr. Elliott's 10 year Capital Plan for the Town. Over the next decade, the plan has a \$151 million vision for Aurora including keeping what Aurora already has in check and significant investment in new infrastructure.

Reserve funds are not simply dollars stashed away for a rainy day, but are there to provide a buffer so any unexpected costs are not a direct hit on taxpayers. He proposed a number of strategies for the decade ahead.

The first is to avoid going into debt for repairing or replacing existing capital assets which could be funded through development charges. The second strategy is to have double what you actually need stored away for repair and replacement ? two times the average 10 year requirement.

The third option is to divide cash to capital in proportion to needs, and the fourth is keeping cash-to-capital contributions, which is hammered out during each year's budget process ? on an even keel, keeping pace with inflation.

But before the plans were approved at last week's Council meeting, some members of the table wanted everyone to be on message about the state of the reserves, which are each in varying states of financial health.

?We need to be very mindful of the message we send out to residents because [a negative message] leads them to believe there's a cause for concern,? said Councillor Michael Thompson. ?Yes [Mr. Elliott] is concerned, but that is why he has put together the 10 year plan to not only meet the needs we have identified, the infrastructure that we need to build in the community to repair the growth related infrastructure and to address those issues with our reserves so we can feel very proud we have managed those finances well and we have a plan in place.

?I think we all need to be on the same page in terms of the message.?

Mayor Geoffrey Dawe and Councillor John Abel were just two of the Council members who expressed similar sentiments. Councillor Abel, for instance, said he was appreciative of Mr. Elliott's plan in that it puts forward a solid plan to address some of his previously noted concerns, particularly deficits in Aurora's Repair & Replacement and Development Charge reserves.

?This [plan] is something we have needed in this Town for a long time,? said Mayor Dawe. ?It is forward thinking. We're not a small town anymore. We are a multi-million dollar business and we need to plan accordingly. [This] puts us in a better position to manage where we're going and, in the long run, provide far more value to the residents in the Town of Aurora.?

Other Councillors, however, were not as eager to get on the same page. Councillor Evelyn Buck, for instance questioned the plan of putting money away from the taxpayers of today to help pay for infrastructure and buffer the tax hits of the residents of tomorrow, whether five or 10 years down the road.

?I am not sending the same message to the community,? said Councillor Buck of Councillors Thompson and Abel's support of the plan. ?I think [residents] should be concerned. We are accountable for each 12 months of the amount of money we take out of the pockets of the people who live in this Town. I am not interested in taking money out of the pockets of the people who live here today to save or to protect the people who may live here five, six, 10 or 20 years down the road.

?It is a matter of principle, and I hope that people are listening and will understand there is a difference of opinion and principle and I would like that to be known I am not sending that same message.?

Councillor Chris Ballard expressed a similar view. He said while it might be good politically to address ?big bumps? that might come out around budget time through these reserves, he questioned the wisdom from a ?philosophical? perspective.

?That might make life easier for the politicians, but I am also drawn to the point of view that it is our job to explain those bumps and to justify those expenditures as they happen,? he said. ?I still struggle with that philosophical difference that taxing the residents today for assets of the future is a good thing.

?It might be a good thing politically because it gets rid of those bumps, but I struggle with it.?