

COVID-19 tops Council concerns on first sweep of 2021 Budget

Planning ahead for whatever COVID-19 might bring in the next year or two was top of mind for local lawmakers as they took their first preliminary sweep at the 2021 Budget last week.

Town Treasurer Rachel Wainwright-van Kessel presented an overview of what to expect at Tuesday's Council meeting ahead of the start of budget deliberations on November 9.

There, she said her department anticipated COVID-19 pressures will continue into 2021, but not 2022.

This, however, raised concerns from Councillor Rachel Gilliland who questioned why there wasn't a longer-range outlook when it comes to mitigating the impacts of the virus.

"I am just wondering why we chose not to at least prepare for whether or not we could still be facing pressures," she said.

The Treasurer said it was still "very early" to determine the challenges that might come beyond 2021.

"It is very early to try and figure out what some of those pressures could be and we haven't had the opportunity to even look at the potential funding that could come from higher levels of government for 2021 and 2022 at that point in time," said Ms.

Wainwright-van Kessel. "I think as we get further into 2021, as we get through the 2022 Budget, that is going to be an opportunity to start [making] some of those potential adjustments.

"A lot of the [challenges] are for the first part of the year. The hope is we do start to see a vaccine or more of a return to normal in the first part of next year."

The Councillor was hopeful that would indeed be the case, but wanted further assurances.

"While I do like to believe we will have a vaccine in 2022 and hopefully we're all back to normal, I would just hope that any kind of numbers projecting for 2022, we don't just assume it is all back to normal because I would certainly want to know what position we would be in if it wasn't and what that would mean, and we should prepare for that."

This was a view shared by Councillor Wendy Gaertner, who added: "We don't know what is coming forward and I guess it would be your guess at this point, but I would like to have some sort of placeholder in case we do need to be paying more attention to COVID in 2022."

COVID-19 could also have an impact on the operations of Aurora's Business Improvement Area (BIA), which encompasses the immediate portion of the Yonge and Wellington corridor. Businesses and property owners pay an additional tax levy to the Town which goes directly to the BIA for its ongoing programs to revitalize the Downtown Core. Although these tax levies only apply to the properties within the BIA rather than the Town's overall tax base, there is still uncertainty on how much will be required for ongoing programming.

"They won't know what their year-end is until sometime into March, so they don't plan on setting their rate until March," said CAO Doug Nadorozny. "We also want to wait and see for what their full year end brings to where they are with COVID and whether or not they are even going to ask for a levy. Council will recall that last year they didn't assess a BIA levy to reflect the hardship businesses were going through as a result of COVID, so they are reserving their decision until later in the year. There is really nothing for them to formally present and they don't know what they are going to do for 2021 until they get into the New Year and see how COVID is impacting them."

Going forward, additional focus will be placed on how the Town finances its reserves. This will be done by assessing how much is

needed based on what is anticipated for the future versus what previous years have shown.

“When it comes to some of the tax-funded reserves, there are some that are more well-funded than others,” said Ms. Wainwright-van Kessel. “There are some that do have a shortage of funding. [The strategy] is going to account for some of those changes. As we come into next year, we’re going to take a really good look at what our fiscal strategy requirements are based on the future needs basis because, right now, what is happening is we’re applying our contribution to reserves from the tax levy based on the historical requirements. By doing it based on the future needs analysis, we’ll have a better understanding of what those contributions over the long term need to be.”

Following the tabling of the Budget last week, Mayor Tom Mrakas said in a statement that he and Council were well aware of the difficulties 2020 has placed on residents so far and this is reflected in the numbers presented.

“I want to thank staff for the work that has gone into the development of this budget,” he said. “Council and I are very aware of how important it is for us to be fiscally responsible while at the same time ensuring that residents continue to be able to benefit from the quality of life we strive for in Aurora. This has been a very difficult year for everyone in the community. It is our responsibility as elected officials to make sure we are acting responsibly with the tax dollars in our care, and with the best interests of citizens in mind.”

By Brock Weir Editor Local Journalism Initiative Reporter