

Early budget talks forecast 3.3 - 3.6% municipal tax increase

By Brock Weir

The municipal portion of your tax bill next year could increase between 3.3 and 3.6 per cent if early budget forecasts remain on track ? but that means some belt tightening at Town Hall, according to staff.

Councillors received an early prediction on 2017 Budget pressures last week before tasking staff with bringing in a budget with an increase pegged at the Consumer Price Index (CPI) ? currently standing at 2.3 per cent ? plus a 1 per cent increase on top of that which is to be earmarked to boost reserves.

According to Town Treasurer Dan Elliott, however, there are some challenges at Town Hall that need to be overcome before that target is met.

?We have a number of budget items that have come to light that are significantly out of place and we discussed these with the Finance Advisory Committee already,? said Mr. Elliott. ?We have some budget ?right-sizing? to do and it is quite significant, more significant than I first imagined. We were looking at that [on Tuesday] and developing some strategy.

?We think we can accommodate the ?right-sizing? in the budget, the growth of community needs and inflation of our expenditures within this framework, but it will be tight. There is not a lot of fluff in there at all for new programs or new service levels, and it will involve some constraints in a number of areas because not everything is moving by CPI. Some things like electricity and fuel are increasing by 10 per cent instead of two per cent.?

In plain-speak, ?right-sizing? translates into restructuring and finding efficiencies whether it is through reducing staff or reorganizing existing staff to streamline costs.

Compounding the problem, he added are ?deferred tax increases?, which are tax pressures that have been put off until a later date.

Council's approval of their laundry list of budget directions to staff also leaves the current funding of the Aurora Cultural Centre and Aurora Historical Society in a bit of uncertainty over how much public funding each organization will receive in the year ahead.

One task on the list was to look at budget underfunding at those two organizations, as well as the Aurora Public Library, so that each ?would receive a designated budget funding amount for their respective budget development work.?

This provision was added last year to give each group a degree of certainty for planning ahead, but this one item has been sent back to the Town's Finance Advisory Committee for further review following concerns raised by Councillor Harold Kim.

Each group needs to present a stronger structural model before going forward.

?I brought forward the need for a consistent and predictable funding model for the other organizations, including the Library, but I had a change of heart over the last 10 months or so since the last budget deliberations,? he said. ?After doing a lot more investigation and discussing with others, I think before we put forward a more predictable funding model and having an increase similar to that of the Library, we first need a strong and new governance model as well as a structural model for the other organizations, namely the Cultural Centre and the Historical Society.

?Without a strong backbone or model, we're just going to be throwing money at it, when we, as a Town, don't necessarily have a say in how the money is spent because of the structure of the organizations. In looking at other municipalities and their structures with regards to their own cultural organizations, there are very few, if any, that have the same type of structure as Aurora does and I think we need to review that.

?I am one who believes the Cultural Centre and Culture is an important part of the Town and provides a valuable service, but if others want a consistent funding model there has to be some accountability and structure where there is communication and feedback from where the funding is coming from. We have to be able to quantify. It is tough to fund a project when you can't really quantify the service being offered, how many people are using it.?

While some were reluctant to alter the list of budget tasks for staff in case it delays any work already underway in bringing the budget forward, as well as due to the fact the Cultural Budget was already due to come back to the Finance Advisory Committee, Councillor Kim's amendment was ultimately supported.

?My thoughts have always been the same: can you do more to raise funds on your own so there is less ask at the table?? said Councillor John Abel. ?I have been drawing that line in the sand. I want them to come in with their budget needs and explain it to us, their performance, and that is the oversight that we give. It is an investment in our community, just like the Library and the Museum. It is all part of social capital.

?I do not want to see an increase in these budgets. I would like to see them, for once, come in on line like we are asking our staff and everyone else, but we will see what their budget presentation is.?