

No increase in King's 2018 budget

By Mark Pavilons

King residents received a bit of a break on their residential tax bills, thanks to a zero increase in this year's budget. King is the only municipality in York, and perhaps all of the GTA, to do this.

King council approved the 2018 operating and capital budgets Monday, after staff worked diligently to whittle down a previously recommended 2% hike.

The tax rate is projected to drop by roughly 8% for the Township's portion of the property tax bill. The final tax rate will be determined when York Region and provincial education rates are known. It's expected the Regional portion of the tax bill will increase slightly over last year.

"We're proud of what staff and council have achieved with this budget," said Mayor Steve Pellegrini. "We've managed to sharpen our pencils and reduce the Township's tax rate, while continuing to make contributions to our reserves that will support long-term investment in our infrastructure. This strategy helps us plan for the future with more financial certainty and sustainability."

Maintaining the Township portion of the net tax levy requirement will assist homeowners who experienced significant increases in their property assessment values last year. Taxpayers who experienced assessment value increases over 7% will continue to see some increase as the increased assessment impact is phased in over the next 3 years. However, with the reduction to the Township tax rate the impact will be less than it was in 2107.

Staff achieved the 0% net levy through a combination of identifying incremental sources of revenue; deferring personnel requirements, and a "temporary reliance" on the tax rate stabilization reserve, to offset the impacts of Bill 148.

Staff had to shave roughly \$560,000 from the draft budget. Final assessment data shows a higher-than-expected tax revenue. The Township will draw \$230,000 from its stabilization reserve to counteract the impacts this year of Bill 148. Some programs were changed to find savings within department budgets.

The amended 2018 capital budget totals \$26.9 million, a drop of \$3.7 million that was originally forecasted back in January 2017. This is attributed to a rescheduling of road projects in Nobleton; adding priority watermain works in Schomberg, and eliminating the need for debenture financing of a major fire vehicle.

This doesn't mean that taxpayers will be paying less, however. At this point, it's difficult to pinpoint the tax impacts, so staff provided three scenarios for local taxpayers.

In one case, King's share of the taxes will actually decline, and if York and the education portion of property taxes rise, the estimated blended 2.13% increase. If MPAC assessments call for a 7% hike, local homeowners paying \$98 to \$197 more this year in taxes.

In another scenario, the share for King and education will decline, and York's will rise, for a blended hike of .24%. Those with an assessed value increase of 5% will see their taxes go up between \$11 and \$21.

In the last scenario, those with an assessed value increase of 12% will see the biggest hike, between \$320 and \$640.

"This year's budget shows we can invest wisely while also operating within our means," Pellegrini added. "We will keep taxes relatively low while maintaining the programs and services King's residents expect and deserve."

The main source of income for the Township is property taxes. This is estimated to reach \$30.3 million this year, compared to \$29.8 in 2017.

Commercial assessment shows the biggest jump this year ??14.38%. That's followed by a 10.51% increase in residential development. Total taxable assessment in 2018 is pegged at \$8.59 billion.

All property owners received an assessment notice in 2016 from MPAC, outlining the changes in assessment phased in from 2017 to 2020. This assessment has a direct impact on your property bill.

King Treasurer, Allan Evelyn, stressed the importance of aligning contributions to infrastructure reserves with the investment in intergenerational capital assets that will serve the Township as its population continues to grow. The 2018 budgets demonstrate that commitment and maintain a course toward fiscal sustainability.

In addition to infrastructure investment, property tax dollars pay for a wide range of programs and services, said Pellegrini.

"Here are just a few things you get for your tax dollars: snow removal from roads and sidewalks, road and bridge repairs and maintenance, fire and emergency services, parks, arenas and four library branches. Add to that the unique experience of living in such a beautiful place as King Township, we think we're providing excellent value for tax dollars."

To support King Township operations and continued growth, the Township's \$26.9 million capital budget funded by property taxes

(\$4.6 million), development charges (\$12.6 million), various reserves \$2.4 million) and debentures (\$7.3 million) includes the following highlights:

? \$10.4 million for improving roads and bridges.

? \$1.7 million for Parks, Recreation and Culture projects.

? \$200,000 for libraries.

? \$11.8 million for municipal buildings.

The Township portion of tax bill based on assessment value of \$784,300.