

King's 2019 budget carries 2.3% tax hike

By Mark Pavilons

Cognizant of every tax dollar, King's treasurer presented the 2019 operating budgets with minimal impacts to taxpayers.

After being told by councillors to trim some staff expenses, Allan Evelyn presented the 2019 budgets Monday in a marathon council session.

Based on an average property assessment value of approximately \$835,500, residents will see an increase of \$51 on the Township portion of their 2019 property tax bill.

For every residential tax dollar collected by the Township, the estimated portion retained by King is 40.03 cents, York Region gets 40.39 cents and the province gets 19.58 cents for education.

The total approved 2019 operating and capital budgets are \$71.7 million.

Initially, Councillors Jordan Cescolini and Jakob Schneider said they wouldn't support the budget, citing deficiencies in their wards that take priority over other projects. After some discussion, which included a review of long-term capital projects, and a vow to hold workshops, they agreed to support the 2019 operating and capital budgets.

Staff had originally proposed a budget that carried a 2.8% hike, but achieved further efficiencies. Staff accomplished this through a combination of identifying incremental sources of revenue, deferral of personnel requirements, and a reliance on an appropriation from the tax rate stabilization reserve.

Evelyn said this budget "represents a responsible request for access to resources and establishes a path toward predictability of future tax rate impacts through 2022, while also creates a clear path of infrastructure investments that will serve the Township for decades."

Staff deferred some staff additions and also made revisions to the four-year forecast for capital works.

Evelyn stressed that residential taxation is the Township's primary source of revenue and they have to make sure they don't erode their reserve contributions.

To help offset some of the projected increases and costs over the next four years, they will dip into the tax rate stabilization reserve, which currently sits at \$1.2 million. Any draws through 2022 will be replenished, he said. The Township will generate supplementary taxes from new growth. The Township has incurred debt, but has a solid debt repayment plan.

After some public delegations, who asked council to cut spending and defer some capital projects, councillors pointed out some realities.

Nobody is happy with tax increases, said Councillor Bill Cober, noting this budget process has been responsive and responsible. Councillors all asked for road improvements in their wards and they got it.

Mayor Steve Pellegrini pointed out King's budget is so small in the big picture, they keep track of every penny. He pointed out York Region's \$3 billion budget includes adding more staff than King currently employs.

The tax mill rate has actually dropped this year, by an estimated 7%.

The Township, he said, is eager to get at the many road improvement projects on the books.

The 2019-2022 capital budgets include 138 projects worth \$125.7 million. Over the term of council, the proposed capital program will support new construction and rehabilitation of buildings, new fleet requirements, roads, bridges, parks and recreation and the new library.

Of that total, only 14%, or a little over \$18 million, is coming from taxes.

The long-term forecast is just that, but Cober stressed it's vital for them to have a "financial GPS" that shows them the way.

King has also put together a budget quick reference guide which can be accessed at www.king.ca. You can also find a complete set of documents related to the 2019 budget at www.king.ca.