

Draft budget projects tax hike of under 3%

By Mark Pavilons

Infrastructure spending is driving the Township of King's budget. Residents are looking at tax increases in 2017 of just under 3% as staff and politicians try to keep the impact to homeowners in check.

Spending on infrastructure – roads, bridges and culverts – soaks up more than 80% of King's annual spending. Staff presented a draft budget to council recently, drawing input and public concerns. Staff will present its final recommendations to council in late January.

One big-ticket item contained in the budget is some \$9 million earmarked for the new library and seniors centre in King City. This project drew praise and support from members of the public who appeared before council.

Ann Love said the current library has served her family well for years and she believes the new facility will do the same well into the future.

Sylvia Pal, chair of the King Township Library Board, said they've been planning an expansion for the past decade and they're taking a big leap forward with this new project. The library is changing and evolving and it will always be a community hub.

Aziza Amarshi, a small business owner in King, said the library provides a perfect place to offer seminars and workshops to disperse health care information and programs.

Zenta Triekey moved to King from South Africa and said the local library has always been an "amazing place" to connect with others. It adds so much value to the community.

Township treasurer Allan Evelyn said council made it clear to staff to keep the tax increase below 3% and they've brought back a draft that contains a blended increase of 2.32%, which will see homeowners paying an extra \$143 per year (based on a \$664,000 assessment).

Evelyn noted he's since received an update from MPAC with assessment values that will be used for 2017 and the average assessment value will increase. This will be figured in when the budget returns to council for final approval.

King's increase comes in at 2.98% and York Region's budget contained a hike of 2.87%. In previous years, the education portion of the tax bill remained the same, with no increase.

The 2017 operating budget comes in with \$34.875 million in gross expenditures, offset by \$34.132 million in gross revenues. That leaves a shortfall of \$743,000.

Staff looked at a multi-year budget plan through 2018, which has no adverse impacts on services. It's projected that King's capital budget for 2017 will be \$40.9 million, dropping to \$30.6 million in 2018. These two years will see some \$8.5 million drawn from the tax base to cover the hard projects. Funding for this work comes from development charges, reserves, gas tax revenue and debentures.

Evelyn noted that roughly 85% of King's spending goes to roads, bridges and culverts. Over the next two years, there are 95 projects on tap and 21 of those are over \$500,000.

At this time, interest rates are still low and that makes borrowing more advantageous.

Councillor Avia Eek asked that funding be included in the budget for tourism and marketing for the economic development office. Local initiatives are working and need to be enhanced, she said.

Councillor Bill Cober called this budget "responsible, frugal and forward-thinking." Core services provided by the Township are expensive, he observed.

Mayor Steve Pellegrini pointed out King's rates are in the middle of the pack in York, with Markham coming at the lowest, and Georgina with the highest.

By comparison, nearby Aurora passed its operating budget at \$60.8 million with an \$18.2 million capital budget to rehabilitate roads, waterlines, Town facilities and other Town-owned infrastructure. They came in with a 3.1% tax increase.

One resident criticized the budget process, noting the document itself is complex and average citizens would have difficulty poring through all the information. Judith Tenenbaum said wading through the budget left her frustrated and she's concerned that the process lacked public input. She wanted council to revamp the process to encourage more public participation. She attended one of the budget open house events, and commented on the lack of attendance.

Councillor Cleve Mortelliti noted any public submissions are addressed by staff and he said the budget process over the last 10 years has improved greatly and become much more coherent.

Mayor Steve Pellegrini said they held workshops and the release of the draft budget does provide for input and comment.

"We do our best," he said. "Staff is always accommodating to answer questions."

Councillor Debbie Schaefer said there is always room for improvement in the process.
Veteran Councillor Linda Pabst said this council, and this budget process, is more open and engaging than ever before.
Councillor David Boyd noted the budget is becoming easier to understand each year.
Staff will return to council with budget recommendations January 23, 2017.