

King approves budget with 2.5% increase

By Mark Pavilons

King residents will see another 2.5% increase in their property taxes this year.

King council passed its 2020 budget Monday night, setting the direction for this year, and through 2022. Councillor Bill Cober called the budget "responsive" and "responsible."

Working from a previously recommended 2.89% hike, Mayor Steve Pellegrini asked it be lowered to 2.5% to lessen the burden on homeowners. The difference will be taken from the Township's tax stabilization reserve.

That translates to roughly \$158 per year, based on an assessment of \$850,000. This is also assuming that York Region comes in with a tax increase of 2.69% and the school boards levy a 2% hike.

A small group of residents voiced their opposition to the budget, wondering just what they receive for their tax dollars. Many can't fathom the ever-increasing taxes year after year.

King City resident asked whether the municipality needs the new, modern library and seniors' centre. He also called the environmental plan a financial "black hole."

A Ward 3 resident said his ward has been neglected and they still have few amenities. He asked for more road improvements in his area.

A King City resident said he went door to door in his neighbourhood and most are unhappy about the tax increase. He asked council to stop the rate hikes. He also wanted to see ward-by-ward comparisons to see what residents are paying, and what they're receiving in terms of services.

A Kettleby resident said King house prices are dropping, while others in the GTA are rising. She wondered how King can attract new business and new residents with such high taxes.

Councillors all pointed out King is one large corporation, and everyone and every ward, is treated the same.

Treasurer Allan Evelyn stressed service levels are maintained and even enhanced, while King has made significant contributions to infrastructure. The new facilities, such as the library and planned recreation complex, are largely funded by development charges, not tax dollars.

Mayor Pellegrini said he's puzzled by the public's reaction, given the lack of participation in pre-budget workshops, open houses and meetings. King's commitment to roads is "huge" and King is well serviced. He also pointed out that property assessments, done by MPAC, are what determine homeowners' taxes.

Staff agreed to encourage public involvement earlier in the budget process, starting this coming summer. Staff will also provide an inventory of public assets.

The budget bolsters King's infrastructure and boosts reserves.

The budget maintains service delivery across all departments, while actually increasing efficiencies to curb costs in the long run.

Provincial mandates, climate change moves, the addition of staff members and socking money away in the infrastructure reserves all drive this year's budget.

King is adamant about maintaining operational service standards. Strategically planned construction, maintenance and rehabilitation of municipal infrastructure ensures King's long-term fiscal sustainability. Councillors are calling this year's increase a "responsible tax levy."

The 2020 operating budget stands at \$44.8 million. The bulk of the budget goes to salaries ??\$17.9 million. The Township is putting \$8.3 million into reserves. Contractual services takes \$6.8 million, followed by general operations (\$5.7 million). Utilities cost roughly \$1.5 million and other expenses total \$4.6 million.

On the revenue side, the bulk of income comes from property taxes ? \$32.9 million. User fees bring in \$4.4 million and other revenues generate \$2.6 million. To shore up the budget, and lessen the impact to taxpayers, King will transfer some \$3.6 million from its reserves.

Program changes push the bulk of the increases in this year's budget. Some 15 program change requests result in a tax impact of \$632,000 or a 2.05% increase.

Council has made a commitment to convert rural gravel roads to hard surface, and the budgets for 2020 through 2022 reflect this.

The capital budget for 2020 stands at \$34.8 million and of that, \$4.4 million (or 12.6%) will come from property taxes.

The Township's multi-year capital plan for 2020-2022 shows \$91.1 million in gross expenditures. The majority of this is for municipal buildings and roads over the next four years. To cover these costs, King will have to rely on funding from development charges (\$26.1 million), property taxes (\$12.7 million) and debentures (\$7.8 million).

The top five major capital projects, totalling \$58.1 million, include the new multi-purpose recreation centre, Nobleton sanitary sewers, phases 3 and 4, reconstruction of King Road and the 15th Sideroad, as well as bridge and culvert improvements. Staff have deferred the "Nobleton Loop" construction, the 10th Concession and 15th Sideroad, to 2023. This delays a \$5.5 million tab.

When the Township set its 2019-2022 budget cycle, it focused on a significant investment in roads, and this hasn't changed.

Internally, King is looking for efficiencies through computer system upgrades and automation of internal controls.

For every \$1 of property taxes, Engineering, Public Works & Building takes the most, at 36%. Parks and Rec. follows at 23%.

Administration takes 12%, followed by Fire and Emergency Services, which takes 10%. They're followed by Public Library (7%), Clerks and Bylaw (6%), Planning (3%), Council (2%) and Finance (1%).