

Zero tax hike in amended budget

By Mark Pavilons

Taxpayers in King Township have nothing to complain about ? literally.

For the first time in recent history, King Township approved its amended 2017 budget with a zero tax increase for its residents. Even better, the Township has put an extra \$2 million aside in its reserves, bringing them to a record high \$20 million and counting. Updated assessment figures and a shift in the tax ratio approved by York Region allowed staff to revamp the initial budget passed earlier this year.

?It's an incredible day for people in King,? said Mayor Steve Pellegrini, adding this new and improved budget respects the hard-working taxpayers in King. ?This is incredible. Things just got better in King.?

The mayor also pointed out that forward-thinking councils and staff have improved King's financial picture substantially over the past seven years. The Township's reserves have grown from \$4.7 million in 2009 to \$20 million in 2016.

The tax levy increases to \$27.9 million, from the projected \$25.7 million. As well, \$3.58 million is going to reserves, from the previously approved \$1.37 million.

The Region of York sets out the tax ratios for its member municipalities, and a recent shift worked out in King's favour. Staff reported York consulted with its nine area municipalities to decide whether to maintain existing tax ratios, or change them. After a consultation process, months after most municipal budgets had already been approved, the municipalities agreed to change the ratios, ensuring revenue neutrality for the 2017 taxation year. This change in tax policy resulted in a shift of the tax burden from the residential assessment classes to the non-residential classes (commercial and industrial).

This results in a ?meaningful and favourable adjustment to the residential property assessment classes? in King.?

The amended 2017 operating budget increases contributions to infrastructure reserves to support future needs of the Township, as outline in the 10-year capital plan (2017-2026).

Initially, council approved a budget with a blended (Township, Region and Education) tax hike of 2.32%. Based on increased assessment figures provided by the Municipal Property Assessment Corporation (MPAC), King enjoyed higher revenues.

Tax bills are now due July 25 and Sept. 25 for 2017.