Levies account for much of tax hike

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The operating base budget increase, however, is only 2.6 per cent— the amount required to continue the existing operations of the town plus costs previously approved by council. With the exception of firefighters no new staff will be hired, and no programs will be expanded.

Fogal, who called this an inflationary increase, said, "it's not the typical basket of goods upon which the rate of inflation is calculated."

"A lot of people think that if the taxes are going up by 5.9 per cent that we're ramping up the number of staff that we've got and we're increasing the pay well beyond what the people get in the private sector. So I know this is not the case," said Fogal.

JANE FOGAL

More than half of the Town's proposed increase is the result of levies to pay for town facilities:

• 1.2% Fire Services Levy, to pay for new firefighters and pay off the new fire station debt. Fogal noted that the fire halls were built during slow growth years when there was no development charges to pay for them. As well, the fire department is gradually transitioning from a part-time service to a full-time one.

• 0.9 % Special Infrastructure Levy, for infrastructure improvements. This is the last year for this levy, and Fogal suggested the money raised ($294,000) should be used towards active transportation (walking/biking) projects such as separated bike lanes on major roadways and sidewalks/paths in the Armstrong Ave. industrial area.

• 0.7% Library Operating Levy, to help alleviate the dollar impact of opening the new Georgetown library. This is also the last year for this levy.

• 0.5% Arena Levy, to pay the debt for the arena additions. Originally, the levy was only supposed to be 0.2% but construction costs were higher than expected, requiring a higher levy. A 1% levy will be imposed in 2014 and 2015.

"That is a surprise and a disappointment to me," said Fogal, noting there is so little money for other priorities. However since the money is for Mold-Masters quad pads, which she supported (she did not support the third in Acton), she said she has little choice but to accept it.

These are all preliminary figures and could change when the capital budget discussion gets under way in mid-November and operating budget debate begins in mid-January. Public delegation night for the capital budget is Nov. 14 and for the operating budget it's January 14.

DeSousa said the capital budget of $19.5 million is "very aggressive". While it will be reviewed in more detail in the coming months, $15.4 million will be spent on Infrastructure Services and $3 million on Recreation and Parks projects.

DeSousa pointed out Halton Hills is second only to Milton in the lowest amount of taxes paid by property owners (with a home assessed at $400,000) in a comparison to neighbouring municipalities: from highest to lowest Brampton ($1,926), Cambridge ($1,738), Kitchener ($1,602), Waterloo ($1,527), Burlington ($1,500), Oakville ($1,458), Mississauga ($1,452), Caledon ($1,441), Halton Hills ($1,435) and Milton ($1,002). DeSousa said Milton's low taxes is a result of growth and revenue from the Mohawk casino.

Town taxes provide for 90 per cent of frontline customer service delivery and infrastructure, said DeSousa. Of $362 Town taxes/$100,000 of assessment: $55 goes to fire services, $48 general administration; $44 recreation programs and cultural facilities; $44 bridges, roads and sidewalk repair; $43 general engineering and public works; $27 libraries, $16 winter maintenance; $12 planning, development and sustainability; $11 park maintenance, and $7 streetlighting.

DeSousa said other factors have influenced the budget preparation, including:

• the lowest assessment growth in the last 10 years (only 0.75%). It peaked in 2006 at 4.4%. MPAC is reassessing residential homes this year.

• the need to replenish seriously depleted reserves,

• the need to spend an additional $870,000 for employee wages and benefits.

DeSousa said he expects the assessment growth will slowly rise with the building of the outlet mall in the 401 Corridor and other developments.