



TOWN OF AURORA
ADDITIONAL ITEMS
FOR FINANCE ADVISORY COMMITTEE

Tuesday, August 11, 2015
5:30 p.m.
Leksand Room

- **Item 2 – CFS15-029 – Council Budget Process, Policies and Directives**

RECOMMENDED:

THAT Report No. CFS15-029 be received; and

THAT Finance Advisory Committee comments and discussion be referred to staff for preparation of an updated Council Budget Process, Policies and Directives report for adoption and recommendation at a future meeting of the Finance Advisory Committee.



SUBJECT: *Council Budget Process, Policies and Directives*

FROM: *Dan Elliott, Director, Corporate & Financial Services - Treasurer*

DATE: *August 11, 2015*

RECOMMENDATIONS

THAT Report No. CFS15-029 be received; and

THAT Committee comments and discussion be referred to staff for preparation of an updated Council Budget Process, Policies and Directives report for adoption and recommendation at a future meeting of the Finance Advisory Committee.

PURPOSE OF THE REPORT

To present a framework for the annual budget review process of Council and Committee which streamlines the review time and process, while balancing the need for detailed reviews. The report outlines draft Budget Principles of Council, draft Council Budget Process, and a draft set of Budget Directives for staff preparation of the 2016 and forecast budgets.

BACKGROUND

At its first meeting held in April, Finance Advisory Committee discussed approaches for future budget reviews by Council which would seek to streamline the review timelines and number of meetings of Council members, while balancing the need for detailed reviews of each section of the budget.

COMMENTS

A number of municipalities are able to review and approve their annual operating budgets in short order on a recurring basis. This normally arises through the use of Council having set clear objectives and targets for the preparation of the budget. Staff then prepare and present a draft budget which meets the directives of Council for prompt approval. Discussion is limited to the key pressure points which had to be overcome during the budget preparation, and any changes in service levels which may be noticed by members of the public in the coming year.

The greatest difficulty in following such budget approach is that Council must have a clear outlook of the budget realities facing the municipality in the coming years, and once having informed knowledge of such, set appropriate directives for staff for preparation of the budget. Making significant budget adjustments late in the budget review process is challenging, as often the lead time for service level adjustments or even rate changes can be long, as program and services are often flowing from one year to another, and incorporated into program guides, and other materials for the public. Adjusting service levels, rates and programs requires lead time. Accordingly, it is helpful to all participants in the budget process to have a very clear understanding of the expected processes, timelines, and even Council's expectations for the end result set out in writing.

Multi year budget approaches can also be incorporated where the detailed budgets are produced following the budget principles and directives of Council for the upcoming and three successive budget years all at the same time. Information of the outlook years is then used by Committee in reviewing and setting budget directives for the subsequent year, if change is needed.

The attached draft Council Budget Principles, Process and Directives is for discussion only at this time. Despite requests, staff have yet to receive any input or samples from other municipalities. Some material was gleaned from the Town of Markham. Accordingly, the attached document is considered substantively original by staff.

The Council Budget Principles portion is intended to set a clear and open framework of budget principles upon which Council expects the budget to be prepared. These are higher level statements addressing such things as the reality of infrastructure funding shortfalls, fluctuating interest rates, fluctuation inflation, continual growth of the community, and need to maintain services and facilities as we grow and as we age. These Council Budget Principles are proposed to be reviewed in detail in the first year of each Council term.

The Council Budget Process portion is intended to set out high level overview of the budget review process undertaken by Council and or Committee each year. This includes establishing distinct components of each annual budget which must be considered independent of each other for their specific purposes. Segregation in this way, like segregating Operating from Capital budget review, allows the key issues of each to be separately discussed and debated for approval. This process also outlines a proposed detailed budget review to be conducted on a continually rotating basis of each town department, intended to occur after each budget approval, with recommendations to be incorporated in the following year budget. This Council Budget Process document would not be expected to change much at all year to year, or even term to term. It is anticipated that this Process portion would be reviewed and affirmed in the first year of each term of Council.

Council Directives for Annual Budget preparation by staff is a set of more specific, definitive type statements of Council for staff to follow in preparing the upcoming budget details. Should staff deliver a draft budget and forecast which meets these directives, it is anticipated by both Council and staff that such budget could be expected to be approved without significant debate, change or delay, to allow planned business operations to continue uninterrupted as outlined in the budget. Immediately following the annual operating budget approval, Council, through Committee would review, update and set the Council Budget Directives for the following year's budget and forecast preparation.

The use of documented Council Budget Principles, Council Budget Processes, and Council Budget Directives is intended to bring about adoption and use of common understanding and language for Council, members of the public who follow such, and staff. These three documents would be made public on the Town's website in the applicable annual budget information and review section for easy reference by all parties.

LINK TO STRATEGIC PLAN

Bringing forward high level statements of budget principles, process, and directives for the annual budget cycle support the broad guiding principles of the Town's Strategic Plan of Leadership in Corporate Management, and Progressive Corporate Excellence and Continuous Improvement.

ALTERNATIVE(S) TO THE RECOMMENDATIONS

1. None, Discussion and comments from Finance Advisory Committee to be referred back to staff for incorporation into a final version for presentation at a future meeting of Committee.
2. Committee may provide alternative directions for budget cycle preparation and review.

FINANCIAL IMPLICATIONS

No direct financial implications of this report.

CONCLUSIONS

At the request of Finance Advisory Committee, staff have prepared some overarching budget framework statements and principles for consideration by Committee. These

have been organized into three sections: Council Budget Principles, Budget Process, and Council Budget Directives. Comments and directions from Committee will be incorporated into a future report to Committee.

PREVIOUS REPORTS

None

ATTACHMENTS

Attachment #1 – Council Budget Process, Principles and Directives – DRAFT for discussion

PRE-SUBMISSION REVIEW

Executive Leadership Team - Thursday, May 28, 2015

Prepared by: Dan Elliott, Director of Corporate & Financial Services - Treasurer



***Dan Elliott, CPA, CA
Director of Corporate & Financial
Services - Treasurer***



***Patrick Moyle,
Interim Chief Administrative Officer***

Council Budget Principles

The Council of the Town of Aurora is responsible for two key elements in carrying out their duties. Council must represent and advance the interests, needs and actively plan for the future, and serve the residents and businesses of the community of the Town of Aurora, while also responsibly managing a large municipal corporation, including its future, resources, assets, needs and interests. The funding raised and used by the corporation comes primarily from within the community, and must be used wisely, obtaining good value and cared for responsibly. Within the context of annual corporation budgets, Council is committed to remain engaged with the community and continually strengthen the municipal corporation's overall fiscal sustainability, balanced with the need for Aurora's property taxation levels and water rates to remain comparable and affordable within the context of the Greater Toronto Area.

Council recognizes that there are many different external influences which have impacts to the Town's budgets, costs and services. The following items each cause tax increase pressures upon the budgets of the Town. Council is committed to address each of these issues in a manner which respects the taxpayer, the financial health of the municipal corporation and our staff serving Aurora:

- New and emerging legislative compliance requirements increasing demand on municipal resources and staffing
- Growth of the community, and the resultant volumetric increase in demand for services and facilities provided and available. Such costs are normally offset by growth in base revenues arising from the new residents and businesses.
- Community expectations for newer, evolving and additional services and facilities over and above today's existing service levels
- The need to develop the financial capacity to meet current and future capital infrastructure replacement needs to provide reasonable service levels in a sustainable manner. Infrastructure sustainability funding has historically been a low priority for municipal governments across the country. Aging and deteriorating infrastructure requiring urgent repair or replacement has now brought this issue to the forefront for all levels of government.
- Economic pressures such as interest rate fluctuations and inflationary pressures
- Cost increases in some supply sectors which exceed inflation, such as electricity
- Pressures on wage and benefits costs, including collective agreements
- Service and supply contract renewals and existing committed multi-year contracts

Council recognises that during every budget debate, various perspectives and interests are represented and raised at the Council table. To assist in these prospective discussions, Council has reviewed and agreed on a consensus basis that the following principles will guide the development, review and approval processes of each budget for the Town. These Budget Principles will be reviewed by Council in the first year of each Council term, and at any other time as requested by Council.

Council Budget Principles

The following principles will guide the preparation, review and evaluation for approvals of the Annual Operating, Capital and Utility budgets for the Town:

Open and Transparent Process

1. The Annual Budget Process shall include opportunities for input from members of the public and community groups. All feedback, comments and suggestions received through solicitation tools such as email, website, surveys or others, will be conveyed to FAC as they are received throughout the budget review process.
2. All meetings of the Budget Review process shall be open to the public, except those aspects which are permitted and appropriate to be held in closed session, such as but not limited to discussions regarding collective agreement negotiation provisions, personnel matters, or litigation.
3. Budget materials, presentations, disclosures and Committee review processes shall be open and transparent. All materials will be prepared with the intended audience being a member of the general public where reasonable and practical. A specific section of the Town's website will contain all relevant budget materials, presentations, summaries and reports throughout the process, and updated to reflect the final approved budgets.
4. Council will undertake to complete the review and approval of the annual operating budgets prior to the commencement of the new budget year. For a budget in respect of the year following a municipal general election, the budget review process will begin early in the new budget year, as required by statute.
5. In making comparisons to other municipalities in respect to processes, performance, service levels, cost, revenue rates or any other basis, the Town shall have regard to, at minimum, the following municipalities:
 - a. All other lower tier municipalities of York Region.
 - b. Municipalities in the Durham Region, Peel Region, and Region of Halton Hills which have populations within 30% of the Town's population.
 - c. York Region where applicable.

Budgets to be Fiscally Responsible

6. The Town will prepare a traditional municipal balanced budget for review. Ontario Regulation 284/09 allows for exclusion from such budget certain accounting estimates such as amortization, and post-employment benefit liabilities. The impact of these excluded items will be presented separately as part of the budget submission as required of the Regulation.

7. The Town will not use or rely upon prior year operating surpluses to fund or balance the Operating Budget.
8. The Town will not rely on one-time or short-term temporary funding sources to fund or balance the Operating Budget, unless directly associated with corresponding temporary expenses for events or special purpose programs.
9. Council and staff will continually look to implement changes in technique, tools or approaches to delivering all services and functions which will reduce costs, or improve the efficiency or effectiveness of our work and programs. Where necessary, capital investments required to achieve such improvements will be prioritized.
10. The annual operating budget will not be impacted by year to year fluctuations of the actual capital budget approval. Rather a singular, stable and predictable funding transfer to Infrastructure Sustainability Reserves will be included.
11. Council is committed to adequately fund infrastructure repair, replacement and improvements through annually evaluating the future funding needs, and when indicated, increase annual contributions to infrastructure sustainability reserves. Such increases will be included in the Fiscal Strategy budget area. Additionally, the Town will ensure the planned capital program attempts to replace assets at the optimal point in time for efficient and effective use of scarce capital funding in accordance with the Ten Year Asset Management and Investment Plan, balancing this with meeting community expectations, and the need for maintaining reliable services.
12. Council recognizes that budget decisions made in one year may have ripple-type impacts to future budget years. To ensure open and public awareness, for each annual operating budget presented for tax funding, an accompanying forecast of the next three budgets and related tax impacts shall also be presented. These forecasts will be updated as budget decisions are made during review. The forecasts presented will always include three or more years for consistency of vision. Using multi-year budgets and forecasts improves fiscal health and service delivery through:
 - a. better coordination of budgeting and strategic priorities;
 - b. greater certainty for departments in managing expenditures and service levels
 - c. improved fiscal discipline of the organization
 - d. streamline annual budget reviews to focus on key changes in assumptions and outlooks, and the reasons driving such changes
 - e. allow staff to develop budgets with fixed targets in place, allowing early response to circumstances and budget constraints of such targets.
13. A separate Special Phasing Budget will be used to address significant permanent tax pressures. These pressures will be mitigated through phase-in in over multiple years, using tax stabilization reserves where necessary. Foreseen pressures, such as the operating costs for a facility under construction, will be phased-in in advance

where possible. Unforeseen pressures will be phased-in as promptly as appropriate. Phasing of such tax pressures may result in tax rate increases which are in excess of inflation so as not to adversely impact existing services and facilities provided. Where appropriate, growth revenues will be allocated towards the new costs.

14. In the event that previously established Operating Budget directives are sought to be reduced by FAC or Council, a balanced approach will be used whereby 50% of such amount will be through internal cost reductions which have minimal impact on service levels, with the other 50% through new revenue streams, fee increases exceeding inflation, or definitive service or program reductions identified by FAC.

Inflation is a Reality for both the community and the Corporation

15. Council and our taxpayers recognize that annual tax increases approximating inflation are necessary to support perpetuation of existing services, facilities and operations, while accommodating new growth in population and the demand for more of these same levels of services, facilities and operations such growth creates. For reference, Council will refer to the annual 12 month CPI index for the Toronto Area, as reported by Statistics Canada for the period July 1 to June 30, ending in the year prior to the budget under review.
16. It is reasonable to expect administrative support overhead type costs are necessary, and should remain in a consistent ratio to the cost of core outward services and operations. The growth of the community and demand for services affects both outward and administrative functions of the corporation.

The Town will Advance Priorities

17. Council is committed to advancing strategic priorities set out in our Strategic Plan, balanced with affordable and coordinated advancements of the goals and objectives set out in our various Master Plans, including:
 - a. Communications Strategic Plan
 - b. Corporate Administrative Plan
 - c. Corporate Environmental Action Plan
 - d. Cultural Master Plan
 - e. Downtown Revitalization Plan
 - f. Economic Development Master Plan
 - g. Information Technology Strategic Plan
 - h. Long Range Asset Management and Investment Plan
 - i. Official Plan (community growth plan)
 - j. Parks Master Plan
 - k. Promenade Plan
 - l. Pursuit of Top 100 Employer status
 - m. Servicing Master Plan
 - n. Trails and Open Spaces Master Plan
 - o. Transportation Master Plan

It is recognized that it may not be financially possible to make advancement in all areas each year. Council will annually identify and prioritize such items during the annual budget review process.

18. Innovation, efficiencies, service excellence, maintaining public safety, and service level improvements come through the continuous learning and development of our staff. Training and development funding will be provided in the budget in the range of x% to x% (to be determined) of the Total Salaries and Benefits costs. In the first year of each term of Council, data from the comparator municipalities will be presented to confirm the Town's percentage allocation.

Historical Underfunding must be Addressed

19. A separate annual Fiscal Strategy budget is intended to:
 - a. Eliminate the infrastructure funding gap which arose from a long history of underfunding the costs of wear & tear on (consumption of) our infrastructure.
 - b. Reduce the reliance upon unsustainable revenue sources by the Operating budget, such as interest from the Hydro Investment Reserve Funds.

The driver for the need for current tax increases in this regard is a historical underfunding of contributions to infrastructure reserves, and the recently mandated detailed planning and forecasting taking place for the management of capital asset infrastructure. This situation is being experienced in virtually all municipalities across Canada, particularly by those municipalities such as Aurora who implemented long periods without increasing taxes. The "no tax increase" years actually made matters worse for each of these municipalities, as the core operations experience inflationary pressures every year, as does the cost of rehabilitation and replacement of infrastructure.

Current service levels of the base operating budget should not suffer due to the need to address this historical funding issue. Council is committed to increase property taxes in order to increase its contributions to reserves for funding necessary infrastructure rehabilitation and renewal. The Town's Ten Year Asset Management and Investment Plan outlines and updates this strategy each year.

It is understood that the Fiscal Strategy budget will normally push the tax rate impact to the resident beyond inflation rates when combined with the Operating Budget.

20. The Province has quietly been providing "tax room" to municipalities since 1998: Since the substantial changes of property taxes with the introduction of Current Value Assessment in Ontario in 1998, the Province of Ontario has generally held education tax rates revenue neutral for existing properties each year, resulting in a decline of the portion of the property tax bill going toward education. Together with

recent uploading from the Region of York and others of the Social Pooling allocation, and other social and provincial responsibilities, the Province has continually reduced their burden on the property tax bill incrementally each year. Some of these reductions have been offset by increased regulatory compliance requirements which have directly or indirectly added costs to the municipalities. Overall, it needs to be recognized that due to the net zero tax increases for education taxes, the province annually opens “tax room” on the bill for municipalities to address funding pressures such as infrastructure and compliance costs. Council and the community need to recognize that to access this tax room, the local taxes need to increase by more than general inflationary levels. Failing to access this tax room in one year is difficult to recapture in future years.

Council Budget Review and Approval Process

The annual budget review and approval process includes the following distinct components, each with their separate Council Review and Approval Process flow:

November/December each year (January to March following an election)

- Operating Budget
 - CAO controlled operations
 - Aurora Public Library Board funding request
 - Aurora Cultural Centre Board funding request
 - Aurora Historical Society funding request
 - Central York Fire Services Budget
 - Utilities Operations Budgets

- Annual Fiscal Strategy Budget

- Annual Special Phasing Budget

- Three Year Forecast Budgets

- Budget Directives for the next year’s budget

October each year (January following an election)

- Capital Budget
 - Ten Year Asset Management and Investment Plan
 - Annual Capital Budget

March to September

- Annual Detailed Review – departmental detailed review (rotating)

Operating Budget

The annual operating budget will be reviewed by the Finance Advisory Committee of Council (FAC) in the fall period prior to each budget year, except budgets for the year

following an election. All meetings of the Finance Advisory Committee are open to the public. Attendance, input and inquiries of members of Council not formally part of the Committee is encouraged.

A multi-year budget approach is to be used by Aurora. The current year's budget, plus similarly detailed forecasted budgets of the subsequent three years are to be prepared and presented by staff, in accordance with directives from Council. The basic premise of the multi-year budget approach is that a current budget which meets the previously approved forecast and budget directives of Council will generally be approved by FAC and Council. Staff can more effectively plan multi-year programs, revenue streams and staffing based on the presumption of having complying budget forecasts receiving approval. Any variations from forecast would need to be fully explained in the presentation of such budget. It is important to note that Committee or Council can still make amendments to those future approved forecasts based on new initiatives, new regulations, or changing economic circumstances.

Using this presumed approval and multi-year approach to developing budgets will give several advantages:

- improved coordination of budgeting for strategic priorities,
- greater certainty for departments in managing expenditures and service levels
- improved fiscal discipline of the organization
- streamline annual budget reviews to focus on key changes in assumptions and outlooks, and the reasons driving such changes
- allow staff to develop budgets with fixed targets in place, allowing early response to circumstances and budget constraints of such targets.

In conducting its annual operating budget review and approval process, the FAC will consider the following components and their related three year forecasts:

- CAO controlled operations including Building Services Budget
- Aurora Public Library Board funding request
- Aurora Historical Society funding request
- Central York Fire Services Budget (as recommended by Joint Council Committee)
- Utilities Operations Budgets
- Annual Fiscal Strategy Budget
- Annual Special Phasing Budget

Once these budget components have been reviewed by FAC, FAC will recommend adoption to General Committee. General Committee will recommend adoption to Council.

Operating Budget – Aurora Cultural Centre Board funding request

To fulfil the requirements of the Cultural Services Agreement with the Aurora Cultural Centre Board, their annual report and budget request for funding of operations will be

presented to General Committee. General Committee will deliberate on the funding request and make any adjustments to the Operating Budget as appropriate.

Budget Communications Strategy and Key Messages

Following recommendation for adoption of the annual operating budget and forecasts, FAC will discuss and provide direction to staff regarding key messages and budget highlights, including any specific statements or strategies to be included in media releases, website and other communications regarding the approval of the budget.

Budget Directives for Next Budget

Following resolutions regarding Communications Strategy Key Messages, the FAC will turn its attention to reviewing the budget directives for the preparation of the subsequent budget. The directives presented by staff for consideration will be those of Council from the prior year, with any changes recommended being highlighted. FAC will recommend a set of Budget Directives to General Committee for adoption by Council.

Capital Budget

The annual review and approval of the Ten Year Asset Management and Investment Plan will be completed prior to the end of October prior to the budget year. This timing allows for pricing advantage of early tendering, as well as allowing integration of the capital plan into the operational plans, capacities and requirements of the affected business units within the Operating Budget as applicable. FAC will recommend adoption to General Committee. General Committee will recommend adoption to Council. Funding allocations approved in the annual capital budget will be effective January 1 of the budget year, unless otherwise specifically approved by Council.

Rotating Annual Departmental Detailed Budget Reviews

Separate from and completed subsequent to the annual final budget approval, a specific group of town budget areas will be examined in detail each year during the period of April to September or as otherwise determined by Committee. The FAC will review the operational budget details of each operating department on a rotating basis, so as to review all operating departments of the Town once each term. Recommended adjustments will be reflected by staff in the following year's operating budget submission.

This rotating approach balances the need to review the details of each departmental budget with the expectation of efficient and effective use of Committee time commitment for the annual budget process. Detailed review of every department every year is not practical. The rotational approach allows for ongoing assurance by Council, new members to Council, and the general public that all areas of the budget have been reviewed in extensive detail within the last few years by a committee of Council, and that such reviews continue on a regular basis on a fixed schedule. This approach ensures that the annual budget review of the overall corporate budget submission can remain at a higher level of consolidation, focusing on service levels, performance

indicators and overall compliance with budget directives and prior forecasts, and the forecasts for the following years.

The rotation of detailed reviews will be as follows (calendar year of term):

Year 1	Council Administration CAO/ Administration Legal & Legislative Services Corporate Accounts
Year 2	Parks, Recreation and Culture Services Infrastructure & Environmental Services Utilities Operation Budget
Year 3	Building Services Division (fees funded budget) Building & Bylaw Services Planning & Development Services Corporate & Financial Services
Year 4	None due to municipal election

The detailed review will include, but is not limited to:

- the current approved operating budget, with provided expanded details;
- all related fees and rates charged;
- activities, services and service levels provided by the department;
- open capital projects and status
- the area's related content details within the Ten Year Asset Management and Investment Plan
- adequacy of staffing and funding to meet mandatory activities, services, commitments, and approved non-mandatory services, activities and programs and general expectations of Council;

Directives of Council to Staff for Preparing 2016 Budget and Forecasts

Council, staff and the taxpayers need to recognize the necessity to increase base operating budgets, in expense allocations as well as fees & charges, by inflationary allowances each year. Not doing so will constrain the Town's ability to continue to deliver services and programs year after year without slow or clear dilution of the quality or quantity of such. Increasing expenses for inflation, but ignoring fees will add additional pressure to the tax rate in excess of inflation levels. Increased tax revenue from a growing municipality, or "growth revenue" needs to be used to fund the expansion and extension of operational services to these new residents and business

through increased spending, and should not be considered a mitigating factor for inflation or tax increases.

Historical underfunding for infrastructure sustainability must be addressed in addition to the normal pressures of the Operating Budget, and are seen as a surcharge.

Definitions

In this section, the following terms are defined as follows:

- a) Base Operations are the programs, services, costs and revenues of the following budget departments/components:
 - a. Parks, Recreation & Culture including Aurora Cultural Centre Board services
 - b. Infrastructure & Environmental Services
 - c. Building Services Division
 - d. By-law Enforcement Division
 - e. Planning & Development Services
 - f. Council Administration
 - g. Chief Administrative Officer/Administration
 - h. Legal & Legislative Services
 - i. Corporate & Financial Services
 - j. Access Aurora/Customer Service Centre
 - k. Corporate Revenues and Expenses
 - l. Aurora Public Library Board services
 - m. Aurora Historical Society funding grant,

excluding any costs included in the Fiscal Strategy budget and the Special Phasing budget.

- b) Consumer Price Index (CPI) is the 12 month July to June Toronto Area Consumer Price Index (CPI) as reported by Statistics Canada in the year prior to the subject budget year. For future years contained in the budget forecasts, the indices of reference shall be those prepared by the Town's lead bank Chief Economist as released closest to the release of the above CPI index by Statistics Canada.
- c) Service Level Sustainability Index is a value plus or minus 1 calculated as $A/(B+C)$ where:
 - A= The percentage increase in total combined expenditures of the Base Operations of the Town
 - B= The estimated assessment base growth year over year from the year prior to the subject budget year
 - C= The rate of CPI as defined above.

Commencing with the 2016 Operating Budget, the following directives are to be followed by staff when preparing and presenting annual and forecast budgets:

- 1) Base Operations combined net budget tax pressures are to be limited to CPI by:
 - a. All fees, charges and other non-tax operating revenue rates or charges to be indexed individually by a minimum of CPI, unless otherwise restricted by statute or contract such as a lease agreement.
 - b. The Town's Base Operations expenditure budget be targeted to a year over year Fiscal Sustainability Index value of between 0.90 and 1.0, excluding corporate expenditure and new services or service enhancement items.
 - c. The Town's non-tax revenues budget be targeted to a similar year over year "revenue sustainability index" value of between 0.90 and 1.1, excluding corporate revenue items.
- 2) A Fiscal Strategy tax surcharge of an additional tax increase to be levied for purposes of increasing the contributions to infrastructure reserves for the ultimate rehabilitation and replacement of infrastructure, to reduce the operational budget reliance on interest from the hydro reserves and to reduce the budget reliance on temporarily high supplementary tax revenues. Such surcharge will be determined during review and approval of the Ten Year Capital Investment Plan.
- 3) In addition to the Base Operations budget and Fiscal Strategy surcharge tax pressures, a 1.3% tax increase be levied in each year through to 2020 inclusive to fund the multi-year budget requirements of Central York Fire Services and their pending expansion of services. A proportionate share of current year growth revenue will be allocated to mitigate this specific 1.3% amount.