



KING
INCORPORATED 1850

The Corporation of the Township of King Ontario, Canada



2012

Budget & Business Plan

Prospering and Preserving





Executive Summary

Mayor Pellegrini and Members of Council,

Staff is pleased to present the Township of King's draft 2012 Budget & Business Plan for your consideration. The Township will be facing some significant challenges over the next few years and this plan highlights some of these challenges that will require a sustained effort by all in order to address these.

The draft 2012 Budget & Business Plan is comprised of four key components:

- 1) The 2012 Tax Based Operating Budget – programs and services that are primarily funded from property taxes, reserves and user fees.
- 2) The 2012 Water Rate Based Operating Budget – programs and services that are primarily funded from water reserves and user fees.
- 3) The 2012 Wastewater Rate Based Operating Budget – programs and services that are primarily funded from wastewater reserves and user fees.
- 4) The 2012 Capital Plan – projects in which the Township acquires, constructs, and/or renews the service potential of its infrastructure assets.

2012 Tax Rate Based Operating Budget:

The proposed 2012 Tax Rate Based Operating Budget (including recommended program changes) consists of gross expenditures in the amount of \$25.4M and revenues of \$24.1M, thus leaving a net requirement of \$1,369,789. When combined with the proposed Region of York increase of 1.8% and the School Board rate, which is proposed to remain revenue neutral, the blended rate increase is estimated at 3.62%. For an average residential property assessed at \$607,709 this amounts to an approximate annual increase of \$223 or \$19 per month.

In 2012, a 1% tax increase equates to approximately \$154,000 in net expenditures.

2012 Water and Wastewater Rate Based Operating Budgets:

The water and wastewater operating budgets reflect the new water and wastewater rate structure that Council approved in February 2011. Due to changes made by the Region of York to their water and wastewater rates for 2012 – 2016, staff is proposing to increase the Township's wastewater consumption rate in 2012 from \$0.89 per m³ to \$0.98 per m³. The impact of the proposed water and wastewater rate increase on a typical consumer (one who consumes 300 m³ per year) is an increase of \$30.60 (\$2.55 per month) for water and \$36.48 (\$3.04 per month) for wastewater with a combined impact of \$67 on an annual basis.



2012 Capital Budget

The proposed 2012 Capital Budget includes an investment of \$16.4M for the continuation of the construction of sanitary sewers and concurrent works in our Nobleton community, road improvements on the 11th Concession, construction of a Skateboard & Ball Hockey Park in King City, the construction of a soccer field at the new Holy Name School site in the King Dufferin subdivision, along with a number of other significant projects that will benefit the residents of King for years to come. The impact of the 2012 Capital Budget on the 2012 Operating Budget is \$1,131,141. This is the amount that is required to be funded out of the Operating Budget to support the 2012 capital initiatives.

Review and approval process

The draft 2012 Budget & Business Plan will be distributed to Members of Council on Thursday January 12, 2012 and available to the public via the Township's website. A presentation from Township staff, along with a staff report providing a number of recommendations will be on the January 16th, 2012 Committee of the Whole agenda. Budget deliberations for the Township's portion of the 2012 Budget are scheduled between January 16th and January 29th, 2012. Subject to the results of Committee's review, Council will be asked to approve the 2012 Budget & Business Plan on Monday, January 30th, 2012.

Sincerely,

On behalf of the Township of King Senior Management Team