

2010 Budget Frequently Asked Questions

What is Whitby's 2010 budget increase in percentage terms?

The Town tax increase is 2.99%, however when combined with the Region and the Education portion of the property tax bill the overall property tax increase is 2.0%.

What is the average increase for Whitby taxes in 2010?

The Town's 2.99% tax increase translates into an average increase of \$37 per household (based on an average house assessed at \$289,400).

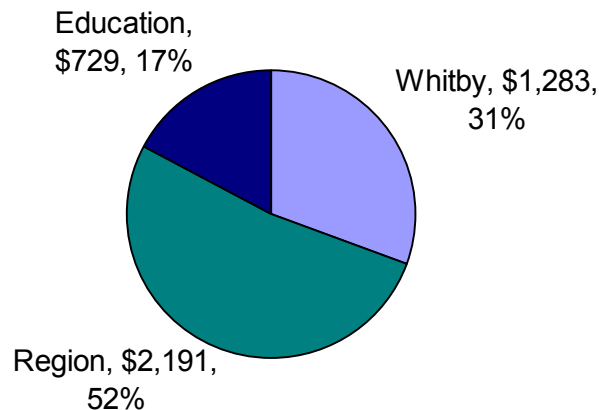
Why does Whitby need a tax increase?

The \$37 increase addresses the inflationary pressures of maintaining existing services, service levels and infrastructure, the annualized impact of previous Council decisions such as the opening of the new Brooklin Community Centre, costs to maintain service levels due to growth and the cost to comply with legislation and/or health and safety issues.

How much of my property tax payments go towards the Town of Whitby?

The Town of Whitby is responsible for billing and collecting property taxes for all properties located within the municipality. Taxes are levied and collected on behalf of the Town of Whitby, Region of Durham and for school board purposes. The Town and Region set tax rates for their purposes and the Province is responsible for setting the education rates. As indicated in the chart below – in 2010, for a property assessed at \$289,400, approximately 31% of the residential property taxes will go to the Town of Whitby, 52% will go to the Region of Durham and the remaining 17% will go towards education.

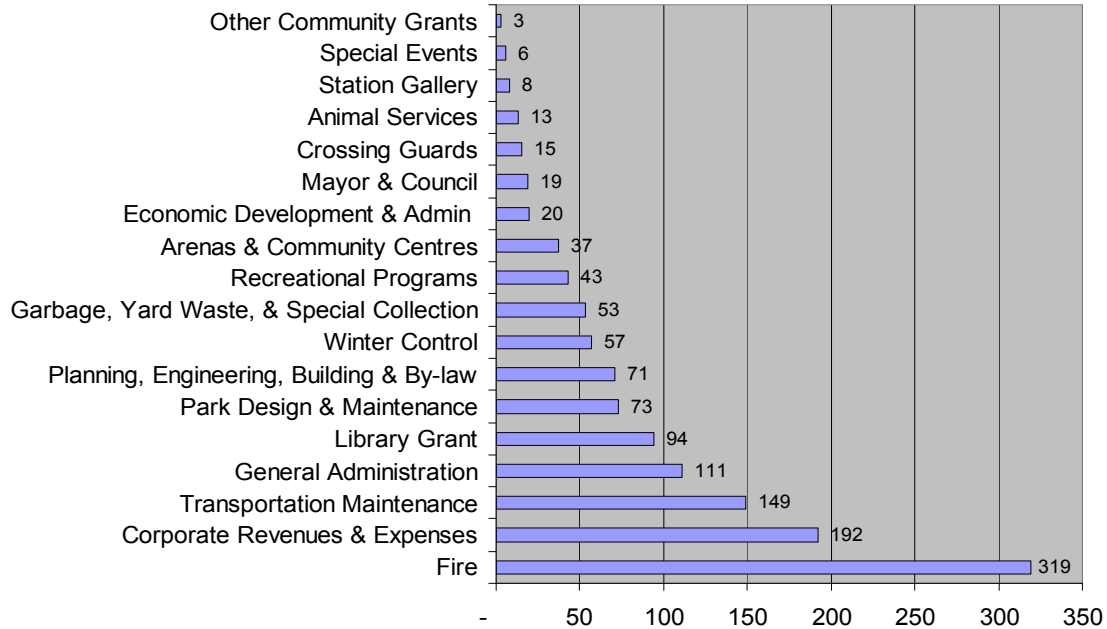
\$4,203 estimate based on Residential Average Assessment of \$289,400



How does the Town spend its portion of the property taxes?

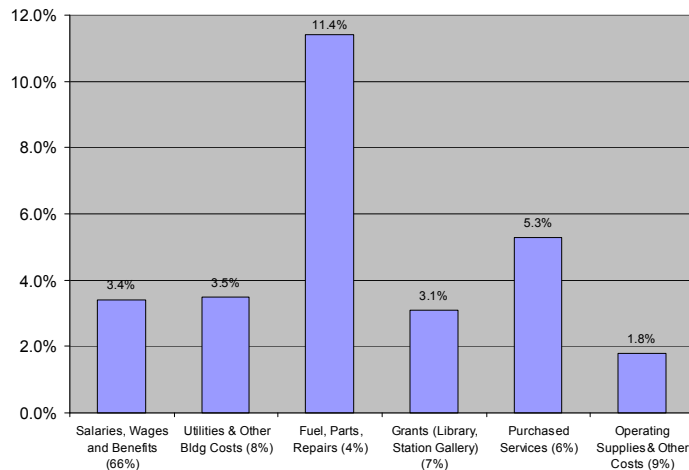
The chart below shows how the Town utilizes the \$1,283 portion of the property taxes.

What You Get for Your 2010 Taxes – Whitby Portion \$1,283 on a House Assessed at \$289,400



What is the rate of inflation?

The Town's internal operating rate of inflation is 3.6%. It should be noted that the Town's costs of inflation runs at a higher level than that of the published Consumer Price Index (CPI). While CPI measures the average annual increase in the price of goods purchased for a typical household (eg. Food, shelter, clothing, etc.), the Municipal Price Index measures the average increase in the price of goods and services that the Town would purchase over the year (eg. remuneration increases, insurance, contracts, fuel, etc.).



The Town's capital inflation is estimated to be 7%. The Construction Price Index is an indication of inflation that affects the construction industry and subsequently the Town. It has been in the range of 6% to 9% in the last number of years.

What is the Town doing to control costs and reduce cost pressures?

In order to minimize the impact of these pressures, Mayor, Council and staff are continually looking for ways to maintain or improve both the levels and efficiency of the services the Town provides. Types of measures include: Strategic Spending on Assets; Planned Capital Maintenance Funding; Grant Application Submissions; Partnership and Sponsorship Options; Community Involvement through Committees & Volunteer Opportunities; Technology & Customer Services Initiatives; Revenue Enhancing Programming; and Long Term Planning.

Examples of these measures include:

- The implementation of our customer relationship management program across the organization to help provide consistent communication and better customer service. This technology streamlines the process of responding to requests for service and provides the capability of tracking the status of each request.
- The construction of an indoor soccer facility developed in partnership with the private sector and allows the community to enjoy a new facility while minimizing the ongoing cost to the taxpayer.
- The Town has entered into agreements and has modified its operations to reduce the hydro costs at our arenas and for our streetlights.
- The Town also takes advantage of implementing new technology to improve services and or gain efficiencies such as the on-line option for the payment of parking tickets.

Will next year's tax increase be zero?

There are many pressures which will affect the Town of Whitby in future years, including growth, the opening of our new facilities, monitoring our existing assets and inflationary components. Inflationary costs for utilities and gas affect the Town significantly and place additional pressure on the budget. Every time we add a new park, new road or facility, it has an impact on the Operating budget. While tax increases are expected for the future, the Mayor and Council of the Town of Whitby are committed to keeping tax rates at a reasonable level while maintaining the balance between current budget demands, growth and addressing the future capital issues.

How does the Town support the Whitby Public Library?

This year the Town will provide an operating grant of \$4,508,342 and \$346,434 in capital funding to the Whitby Public Library. The operating grant covers the inflation on 2009 expenses and also includes \$78,236 in net operating costs for the new Brooklin branch scheduled to open in the fall of 2010. The majority of the capital funding will be used to expand the library collection for the new Brooklin branch.

With all the growth in Whitby, why do we need a tax increase?

Although new growth does bring in additional assessment, it requires additional resources to be provided by the Town of Whitby for such items as garbage pickup, snow plowing and maintenance of additional roads, community services for new residents and the payment of capital infrastructure for new development.

Don't development charges pay for the cost of capital for new development?

Due to legislative requirements under the Development Charges Act, the Town cannot collect 100% of the cost of the capital related to new development therefore existing taxpayers must pay some of the cost. Development charges do contribute to the capital cost of new development but not all the cost is covered.

How is the Town addressing the capital program?

Council has adopted a strategy of focussing the capital budget program on:

- 1) taking care of the existing \$1.7 billion dollars worth of assets (estimated replacement cost value), and
- 2) addressing the capital requirements of growth

In order to take care of the existing infrastructure, Council has increased the amount of tax based capital spending from \$12.8 million in 2009 to \$14.4 million in 2010. This has been achieved through the use of additional ongoing gas tax and Whitby Hydro dividend revenues.

In order to address the tax based capital costs of growth, Council plans on directing all assessment growth revenues, beginning in 2010, to the capital program. A study will be conducted this year to confirm, what the initial analysis found to be, a feasible approach.

What capital projects are scheduled for 2010?

The budget supports numerous projects, studies and master plans to address Council's priorities.

Significant projects in the capital program include:

- Ongoing funding to preserve and promote our Downtowns; provide for future Planning Land Use Studies; and continue to build on initial steps to address the legislative requirements regarding Accessibility
- Brooklin Streetlighting on east side of Baldwin Street, converting from overhead to underground hydro (contingent upon grant approval for 50% Federal funding)
- Corporate Energy Conservation Management Plan
- New and revitalized parks & trails
- Expansion of parking lot facilities at the Civic Recreation Centre
- Roof replacement and construction of compound storage shed at the Operations Center
- Fleet and equipment projects including ice resurfacers, a fire truck and 2 garbage trucks
- Continued focus on infrastructure improvements including a variety of road, sidewalk, storm water management facilities, signalization and street lighting projects

How does Whitby taxes compare to other municipalities?

While it is not easy to compare one municipality to another due to such factors as the level of service and the sources of revenue are not always the same, Whitby is

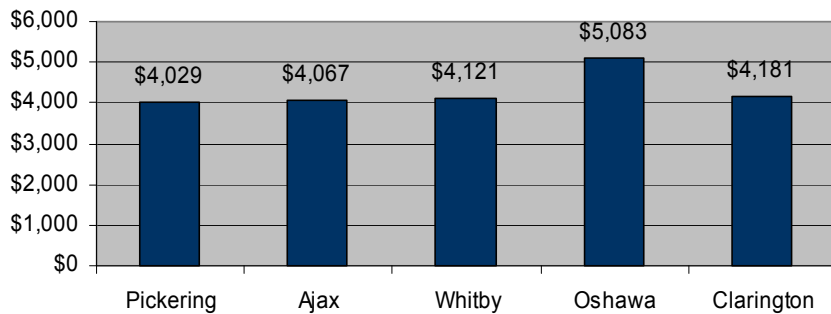
competitive compared to the other Durham lakeshore municipalities. Also when you compare the taxes of a similar property to those of other municipalities Whitby is in the mid range, not the lowest but not the highest either.

It is always difficult to balance reasonable tax increases against the services requested by the community. Council always considers the budget with the idea to balance the competing pressures as best as possible. The 2010 budget increase allows Council to maintain the base of services provided to the taxpayers in Whitby.

Does Whitby have the highest tax rates in the Region?

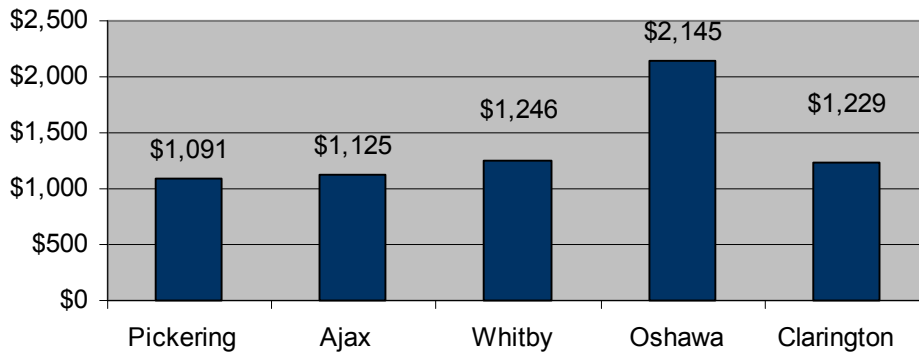
Based on comparisons to each of the five lakeshore municipalities in Durham Region, the Town of Whitby's taxes are in the mid range and are competitive with other area municipalities in Durham. The chart below compares the total property taxes on a home assessed at \$289,400 for the five lakeshore municipalities in 2009.

Comparison of Residential Property Taxes on a Property Assessed at \$289,400



The chart below compares the Town or lower tier portion of the property taxes on a home assessed at \$289,400 for the five lakeshore municipalities in 2009.

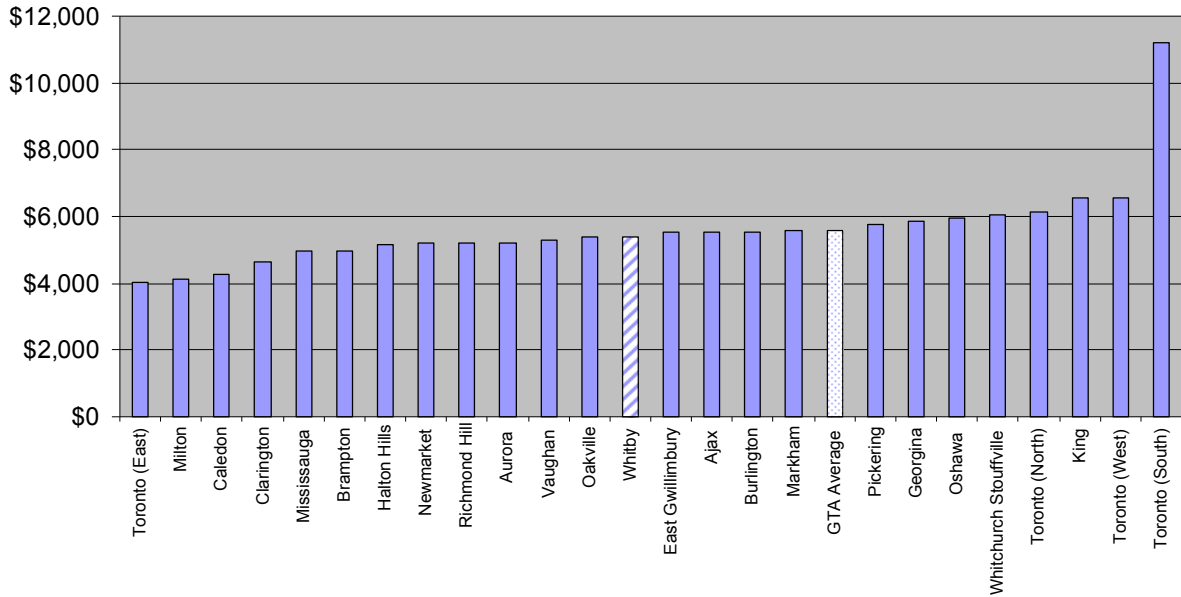
2009 - Comparison of Lower Tier Residential Taxes on a Property Assessed at \$289,400



Note: In the above chart, household waste and green bin collection services are provided at the local level for Whitby and Oshawa and at the Region level for the other 3 Durham lakeshore municipalities. In the case of Whitby, the cost for this service, for the average household, is \$51 which when removed for comparison purposes results in a \$1,195 property tax which again is mid range and competitive.

Residential Taxes for a Senior Executive Property Type for GTA Municipalities

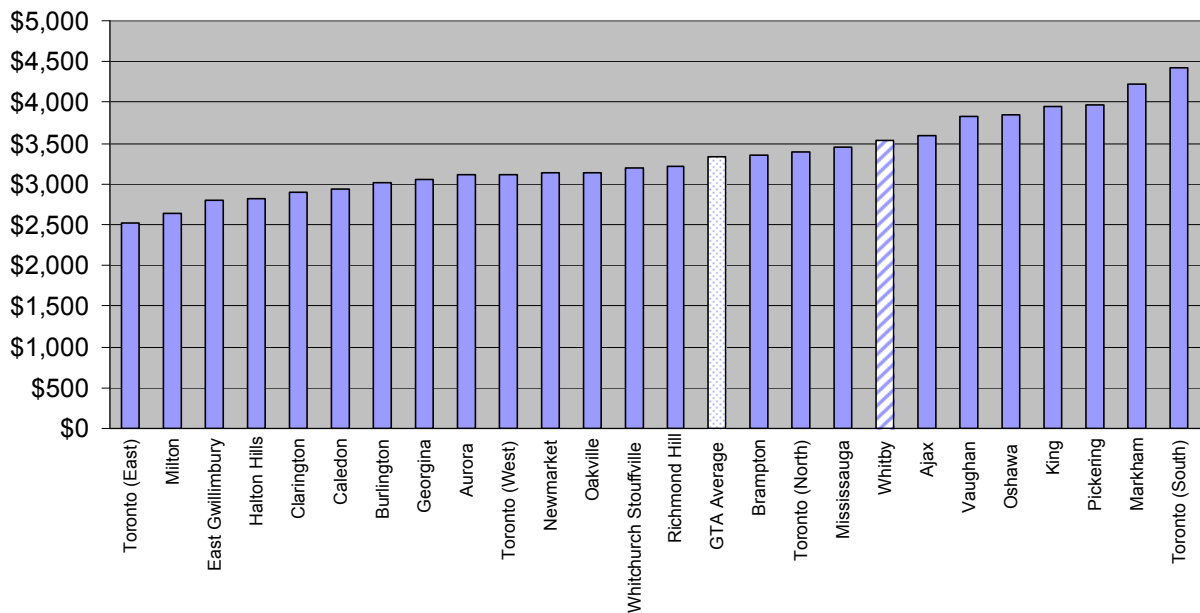
The chart below compares the property taxes of a comparable property for the greater Toronto area municipalities. The "like" property is a two storey, four or five bedroom home with three bathrooms, main floor family room plus atrium or library, a full unfinished basement and an attached two car garage. The house is approximately 3,000 square feet.



Source: BMA's 2009 Municipal Study

Residential Taxes for a Detached Bungalow Property Type for GTA Municipalities

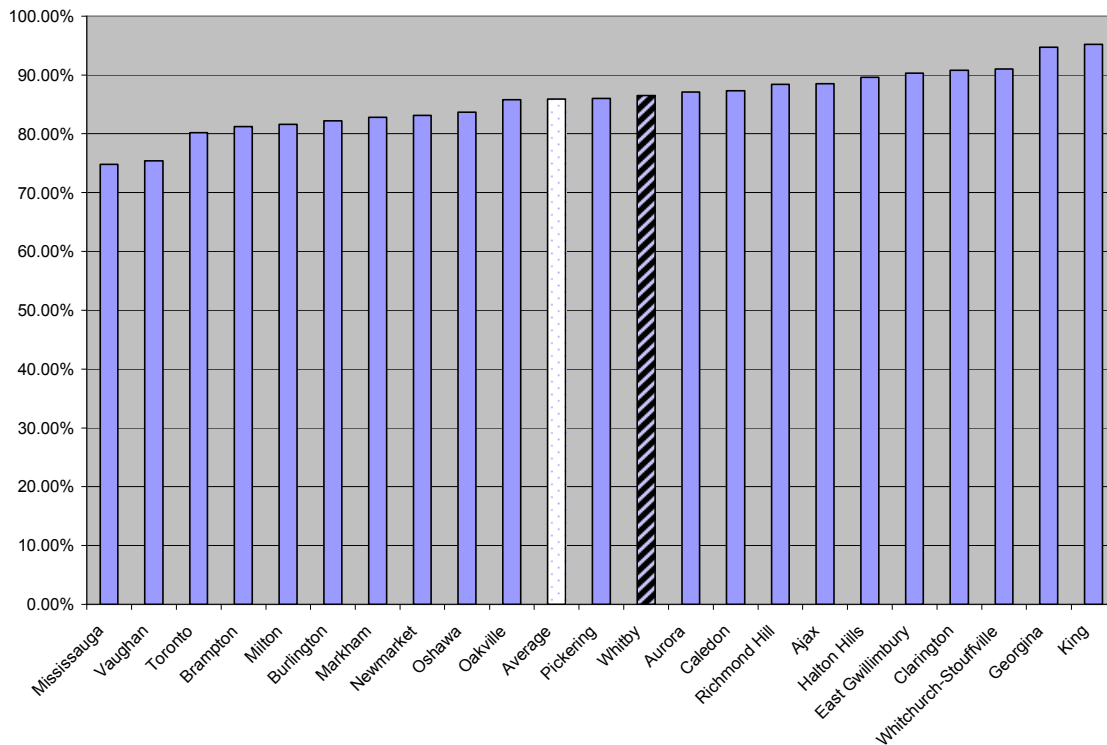
The chart below compares the property taxes of a comparable property for the greater Toronto area municipalities. The "like" property is a detached three bedroom single storey home with 1.5 bathrooms and a one car garage. The house is approximately 1,200 square feet.



Source: BMA's 2009 Municipal Study

What is the ratio of residential taxes compared to non-residential tax base?

In 2009, Whitby's residential taxes made up 87% of the tax base compared to 13% for non-residential taxes as indicated in the chart below. Efforts are continuing through our economic development programs to attract businesses to Whitby, however, residential property taxes comprises the majority of the Town's property taxes.



Source: BMA's 2009 Municipal Study

How much support does the Town of Whitby receive from the Province of Ontario?

In the Operating budget the Town of Whitby will receive \$35,110 in Provincial operating grants.

In the 2010 Capital budget the Town of Whitby plans to utilize the remaining one time 2007/2008 Provincial Surplus money on various capital asset projects.

How much support does the Town of Whitby receive from the Federal Government?

In the Operating budget the Town of Whitby will receive \$30,270 in Federal Grants. With regards to the Capital program the Town of Whitby expects to receive approximately \$3.4 million in Federal Gas Tax Funding for road, bridges and active transportation infrastructure projects. The Town has also applied for funding under intake two of the Community Adjustment Fund for 50% of the project cost for converting the hydro wires for streetlighting from overhead to underground in downtown Brooklin.

NOTE:

In addition, as part of Canada's 2009 economic action plan, the Town applied for and was successful in obtaining funding under the Infrastructure Stimulus Funding program

and the Recreational Infrastructure Canada program. As a result of these partnerships with the Federal and Provincial governments, the successful projects include the Brooklin Community Centre and Library, Anne Ottenbrite Pool Accessibility Improvements, additions, renovations and roof replacement at Iroquois Park Sports Centre, roof replacement at both Luther Vipond Memorial Arena and the Civic Recreation Centre and the redevelopment of Peel Park.

How does the opening of the new Brooklin Community Centre and Library affect my taxes?

The Town of Whitby estimates that the annual operating costs of the new facility will add approximately \$17 per average household on an annual basis. Due to the late 2010 opening of the facility, approximately \$6 of your 2010 tax bill will go toward the operation of the facility. The difference will be added to your 2011 tax bill.

Am I affected by reassessment?

[LINK TO PROPERTY REASSESSMENT 2008 UNDER TAXATION](#)
[LINK TO TOP REASSESSMENT QUESTIONS UNDER TAXATION](#)

What is the Town doing to assist low income seniors?

[LINK TO TAX RELIEF FOR – LOW INCOME SENIORS UNDER TAXATION](#)

What is the Town doing to assist low income disabled homeowners?

[LINK TO TAX RELIEF FOR – LOW INCOME DISABLED HOMEOWNERS UNDER TAXATION](#)