

FAQ: Budget Basics

Where are my tax dollars spent?

Town collect property taxes on behalf of both York Region and the school boards. Of your property taxes, approximately **43% funds the Region, 34% funds Town services, and 23% funds the Province (Ministry of Education).**

The **Town's share** of taxes pays for municipal services, such as:

- Fire and Emergency services
- Traffic management
- Road maintenance
- Sidewalk maintenance
- Street lighting
- Events and community engagement
- Theatre programming
- Museum services
- Latcham Art Centre
- Library
- Recreation programming
- Parks, trails and open spaces
- Tree canopy maintenance
- Cemeteries
- Garbage collection
- Recycling and composting
- Municipal law enforcement
- Parking enforcement
- Animal services
- Crossing guards

Services provided by **York Region** include:

- Children Services
- Court Services
- Forestry
- Housing
- Long-Term Care
- Paramedic Services
- Police Services
- Public Health
- Regional Roads
- Social Assistance
- Transit

The **Province's** share of taxes is directed to:

- York Region District School Board
- York Region Catholic School Board

- Conseil scolaire Viamonde (French public board)
- Conseil scolaire catholique MonAvenir (French Catholic board)

What are Budget documents?

Budget documents tell a Town's financial story and set spending targets for municipal programs, services and initiatives. The Budget is an important element in the accountability cycle and provides a standard against which later performance can be judged.

What is Capital Budget?

The Town's **Capital Budget** is a project-based financial plan that covers major infrastructure costs, including the rehabilitation and replacement of existing assets, and the construction or purchase of new capital assets. It also funds studies that support long-term capital planning. This budget helps manage long-term assets like roads, buildings, and equipment, ensuring they align with the Town's strategic goals and provide benefits for years to come.

What pays for the Capital Budget?

The Town relies on various funding sources, some annual and others one-time. These funding sources include:

- Development charges levied against developers to cover the cost of new infrastructure in growth areas.
- Transfers from reserve funds
- Transfers from the Operating Budget
- Issuing of debt
- Senior government transfers/grants

What are capital projects?

A capital project is a project that helps maintain or improve a Town asset, often called infrastructure. It includes:

- Major maintenance or rehabilitation projects
- New construction, expansion, renovation or replacement projects for existing facilities
- Purchases of major equipment

Project costs can include:

- Architectural planning
- Contract services
- Cost of land
- Engineering

Who determines what is included in the Capital Budget?

During the Capital Budget process, we consider:

- The Town's Asset Management Plan
- Community needs reflected in various approved Master Plans
- Financing capabilities
- Council and Mayor directions
- Goals outlined in the Town Strategic Plan

What is Operating Budget?

The Town's **Operating Budget** covers the ongoing costs required to deliver essential services to residents. These services include recreation, parks, events, winter management, fire protection, waste collection, and more. The Operating Budget is primarily funded through annual property taxes and user fees.

What pays for the Operating Budget?

The Operating Budget is mainly funded from property taxes, but it can also include revenues from:

- Earnings on our investments
- User fees and charges, such as recreation fees, parking fines, business licences and building permits

What is Water and Wastewater Budget?

The Town's water and wastewater operating budget covers the ongoing expenses associated with delivering water, wastewater services, and stormwater collection. This budget is primarily funded through water and wastewater rate collections.

What is Capital Infrastructure Fee?

Your water and wastewater bill includes a capital infrastructure fee. The Capital Infrastructure fee is a fixed quarterly charge based on your property's meter size. This gives the Town a stable source of annual funding to cover the costs of maintaining water supply and delivery as well as wastewater collection and treatment.

If there is a budget surplus, where does it go?

Provincial legislation dictates that municipal budgets in Ontario must be balanced annually. The Town cannot budget for a surplus or deficit.

If a municipality incurs a surplus at the end of the year, legislation permits municipalities to allocate

surplus funds to reserve funds to ensure long-term stability and protection against unforeseen circumstances.

I don't use the parks/walk on the trails/use the arenas. Why should I pay for these services? Why can't I just pay for what I use?

Depending on the stage in your life and your interests, you will use Town services differently. Whether we use them or not, we all pay for the many services that the Town must provide. If you don't drive a car, you still pay for roads. If you don't use our parks, a portion of your taxes is still used for their upkeep. If you do not have school-aged children, you still pay education taxes.

How are house values assessed?

The [Municipal Property Assessment Corporation](#) (MPAC) assesses all properties in Ontario. The assessed value is based on valid property sales in your community. This method of assessment is called the Current Value Assessment. Visit MPAC's website for more information.

How is my tax bill calculated?

Your tax bill is determined by multiplying your assessment by the tax rates determined by the Town, Region of York and the Province of Ontario (education).

What are the Strong Mayor Powers?

Strong mayor powers, granted by the Province, provide additional authority to the head of council in specific municipalities. These include appointing a chief administrative officer, hiring municipal division heads, reorganizing the municipality's structure, vetoing council decisions, and managing the budget. The aim is to support provincial priorities like housing and infrastructure development.

In Stouffville, these powers took effect in October 2023. Mayor Lovatt delegated most powers back to the Council and CAO, retaining the power to propose the annual budget, which cannot be delegated.