



## INFORMATION SHEET

### 2019 Budget Highlights

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#### **What are City Council's spending priorities for 2019?**

Council sets priorities that guide decisions about spending. The budget sets out how much money is required to achieve those priorities and outlines where that money will come from. Council prioritizes projects and services and decides what needs to be accomplished in the year, balanced against what those services cost the taxpayer each year. In 2018 a number of projects were put on hold due to the amalgamation discussion. In 2019 the focus is forging ahead with necessary capital infrastructure projects and increasing human resources to accommodate the growth and increased vitality in the City.

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#### **TAX INCREASE**

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#### **What is the proposed tax increase for 2019?**

City Council is currently considering a tax increase of 3.07%.

Inflation will usually require approximately 2% increase, just to keep paying the expenses the City must pay for general maintenance budgets. A significant amount of asset management planning goes into the maintenance of City infrastructure. If taxes are not increased each year to account for inflation, the result would have to be a reduction in maintenance budgets or a deferral of major capital works. This could result in the failure of an asset (equipment or municipal building) which then would require a higher future tax to pay for emergency repairs or replacement. Eventually the deferred major capital works must also be done, which would again result in a higher future tax hike to do the works that should have already been done.

The City of Duncan collects approximately 4.3 million in property taxes and Police Bridging Capital levy. A 3.07% increase provides an additional \$132,000 to help pay for inflation and increased services.

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## MAJOR HIGHLIGHTS

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### What are the major changes in the 2019 budget compared to 2018?

The proposed 3.07% increase is comprised of the following changes:

	\$ Increase (Decrease)	% Increase (Decrease)
<b>Revenues</b>		
Fire Protection revenues	15,751	0.40%
Leased land rental revenues	6,712	0.20%
Term deposit interest	5,700	0.13%
<b>Expenses</b>		
Council pay, travel, conferences	13,807	0.34%
City Hall Salaries	21,000	0.50%
Computer services	6,100	0.20%
Recoveries from Water/Sewer	(3,989)	(0.10%)
Fire Department operating expenses	38,126	0.90%
Day Patrols	13,000	0.30%
PW admin and engineering	80,284	1.90%
Recoveries from Water/Sewer	(61,293)	(1.50%)
Road maintenance	(11,434)	(0.30%)
Parking Patrols	6,500	0.20%
Homeless encampment costs	7,000	0.20%
Planning salaries	20,601	0.51%
Grants in aid and annual grants	(5,800)	(0.13%)
Regional Library	6,277	0.20%

Transfer to machinery & equipment reserve	15,419	0.40%
Accumulation of various items under 5,000		0.18%
Total increase to taxation required		3.07%

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## **NEXT STEPS**

Results of public consultation will be brought back to a Committee of the Whole meeting on March 4, 2019. Council will consider these results and set tax rates at this meeting.

Once the final property tax rates have been approved by City Council, property tax notices will be prepared in May. Notices will arrive in your mailbox after the Victoria Day long weekend in May. The due date is the first business day in July.

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## **WHO TO CONTACT**

For further information about property taxes, please contact City Hall in-person at 200 Craig Street, by phone (250-746-6126) or by email ([finance@duncan.ca](mailto:finance@duncan.ca)).

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