



INFORMATION SHEET

Proposed 2020 Budget Highlights

2020 SPENDING PRIORITIES

What are City Council's spending priorities for 2020?

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 2020 the focus is forging ahead with necessary capital infrastructure projects and increasing safety in the City.

2020 TAX INCREASE

What is the proposed tax increase for 2020?

City Council is currently considering an increase in taxes collected of 2.95%.

Inflation will usually require approximately a 2% increase, just to keep paying 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 higher future taxes to pay for emergency repairs or replacement. Eventually the deferred major capital works must also be done, which would again result in higher future taxes to do the works that should have been done.

The City of Duncan collects approximately \$4.3 million in property taxes and Police Bridging Capital levy. A 2.95% increase provides an additional \$126,000 to help pay for inflation and increased services.

MAJOR HIGHLIGHTS

What are the major changes in the 2020 budget compared to 2019?

The proposed 2.95% increase is comprised of the following changes:

Revenues	\$ Increase (Decrease)	% Increase (Decrease)
Increase to dog licence fees	\$2,000	0.04%
Estimated increase in business licence fees collected	\$3,000	0.07%
Loss of rental income	(\$4,600)	(0.10%)
Projected increase to term deposit interest	\$10,000	0.23%
Increase to Fire Protection revenues	\$25,000	0.58%
Decrease to Fortis BC utility revenue	(\$5,000)	(0.11%)

Removal of Delivery Vehicle program by UBCM	(\$1,300)	(0.03%)
Increase to Provincial Small Communities grant	\$17,000	0.39%
Increase to Building permit fees	\$3,000	0.07%
Expenses		
Increase to number of Council attending AVICC & UBCM	\$7,000	0.15%
City Hall Salaries	\$14,925	0.34%
Computer services	\$4,500	0.10%
Engineering wages (\$30,000 less 80% to water/sewer)	\$6,000	0.15%
Planning wages	\$23,500	0.56%
Planning department vehicle addition to fleet	\$7,000	0.17%
Cost of switching to recycled paper	\$1,500	0.05%
Totem maintenance	\$6,600	0.16%
Postage costs	\$2,700	0.07%
Traffic signal maintenance and testing	\$6,700	0.15%
Homeless encampment costs	\$5,000	0.11%
Increase to Regional Library costs	\$8,785	0.22%
Increase to Cowichan Aquatic Center costs (25,000 increase with 15,000 being paid from prior surplus)	\$10,000	0.23%
Parking patrol expenses	\$3,700	0.08%
Increase to capital project contributions	\$20,000	0.46%
Fire department vehicle operations and maintenance	\$12,000	0.28%
Increase to Police Bridging Capital reserve contribution	\$21,000	0.49%
Accumulation of various items under 5,000	\$14,190	0.32%
Total increase to taxation required	\$126,000	2.95%

NEXT STEPS

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.

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).