



It's budget time



Municipal governments have few options to raise the money needed to create and maintain an attractive, livable city. For the most part, we depend on property taxes (or grants in lieu of property taxes) for the bulk of the approximately \$19 million per year it takes to run all of the City's programs and services. In order to balance our budgets each year (which we are required to do by law), City Councils must either raise taxes, cut programs and services, or implement some combination of tax increases and budget cuts.

As a Council, we are focused on making sure property owners get good value for the taxes they pay to the City. While we were forced to cut \$1.2 million out of the City's general operating budget in 2015 and 2016 in order to ensure we could maintain core infrastructure, this was done with minimal impact to residents in the way of service cuts and it resulted in minimal impacts to City employees.

In 2016, Council adopted a three-year tax framework that will continue to underpin the City's 2017 and 2018 budgets. This tax framework involves: freezing industrial taxes at 2015 levels, continue to raise taxes for the City's infrastructure needs (100% of the 2015 and 2016 tax increases went to our infrastructure reserve), put annual surpluses into the capital re-investment reserve, continue to find operational cost savings that have minimal impacts on service and program delivery, and increase general taxation only to cover inflationary pressures.

At this early stage in our planning process it looks as though our tax framework will require the City to collect 3% more in taxation revenue in 2017 than was needed in 2016. This will result in an approximate tax increase of \$35/\$100,000 of assessed value for residential ratepayers and \$104/\$100,000 assessed value for commercial ratepayers. However, the actual tax increase for each property will depend upon what happens with that property's 2017 assessment and any changes the other taxing agencies make (CRD, School, Hospital District, Municipal Finance Authority, BC Assessment, etc.).

Despite the recent and proposed tax increases for residents, the City of Quesnel has, and will continue to have, one of the lowest municipal tax rates in the province.

While taxes will always represent the main source of revenue for the City, Council is also exploring ways to stretch your tax dollars with better planning and by attracting outside sources of funds. This year, the City was able to leverage \$5.7 million in external funding from the provincial and federal governments, the Northern Development Trust, Cariboo-Chilcotin Beetle Action Coalition, and the Rural Dividend Fund. While the bulk of this money went toward the West Quesnel Land Stability Project, these funds are also being used to fund our re-branding project, a new website for the City, accessibility initiatives, marketing and economic development initiatives, and the new downtown accessible washroom.

Council is seeking input into the City's budget (it's your City and your taxes, so it's your budget too!). Please visit the City's website for an overview of the entire budget and provide your feedback to us as we strive to create and maintain a livable city for present and future generations.

www.quesnel.ca/Budget-process.html

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