



## City Council News **May 23, 2018**

### Contributing to your community

It's property tax time again, and City residents should have already received their property tax notices. Since property taxes are paid as a lump sum there can be "sticker shock" when this tax bill shows up, especially if residents do not have a savings plan to cover this annual bill.

Despite having to raise property taxes over the past four years in order to achieve our City's fiscal sustainability targets, Quesnel still has one of the lowest residential municipal tax rates in the Province. But, that's only one line item on your property tax bill (General – Residential). If you look at your property tax notice you'll see a whole list of specific taxes that make up your total bill: School, Airport, Capital Reinvestment Plan, Hospital, Regional District, North Cariboo Recreation, Transit, BC Assessment, MFA (Municipal Finance Authority).

Some areas of the City will also have an additional charge for a specific function or service; a water or sewer parcel tax for example.

The specifically named taxes and charges are targeted funds that, by law, must be used for the stated purpose. For example, the tax for the Capital Reinvestment Plan goes into the City's Capital Reinvestment Reserve to fund present and future road and sidewalk capital replacement projects. The Hospital Tax is collected by the Cariboo Chilcotin Regional Hospital District and is used to contribute 40% toward major and minor capital expenses in our region's hospitals (this tax also funded the doctor recruitment initiative). The North Cariboo Recreation Tax funds our public recreation facilities and helps subsidize programs at those facilities (Cariboo Regional District residents who do not pay this tax must pay an incremental annual fee to use these facilities).

The largest portion of the general municipal tax that's levied against each property in the City (based on its assessed value) goes to protective services, policing in particular (24%). The next largest cost is Public Works (17%); that is, the general costs associated with the upkeep and maintenance of the community, including all our beautification efforts. Funding current capital projects and saving for future ones (i.e. putting money into a general capital reserve for planned capital investments) represents 16% of the total general tax bill. "General Government" is the fourth largest cost centre (13%); this includes all the costs associated with the administration of the City.

The average monthly municipal cost per household of the General Residential Tax is \$82. When monthly water and sewer utility fees are added we contribute \$129/month or about \$4.30/day toward all the direct municipal services we receive and for the general maintenance and upkeep of the City we all live in.

We get a lot of value for \$4.30/day (on an averaged basis, higher assessed value households will pay more, lower than average will pay less): fire protection, police services, snow removal, garbage pick-up and landfilling, water, sewer, road and sidewalk cleaning and maintenance, repair and maintenance of infrastructure, parks, playgrounds, beautification initiatives, cultural programs, and planning for the City's overall sustainability (including economic development).

Divide the daily charge for all of these services by the number of people living in your residence and the value proposition of your property taxes increases proportionally (e.g. \$1.13/person for a four person household).

The bottom line is that while there may be some sticker shock associated with our annual municipal property tax notice, we get a lot of value from our financial contribution to the community we live in.

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