

**DUNCAN-  
NORTH  
COWICHAN  
CITIZENS'  
ASSEMBLY**

dnc-cama.ca



**Welcome back** | Please sit at any table

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# Acknowledgement of territory...



# Our timeline



# What's ahead

## Apr 1

Review study with regard to your questions

Identify unresolved issues and concerns

Prepare for public meeting

## Apr 6

Hear from Cowichan Tribes and review feedback from public meeting

Develop status quo and amalgamation scenario

Assess support for either option

Consider supporting measures

## Apr 22

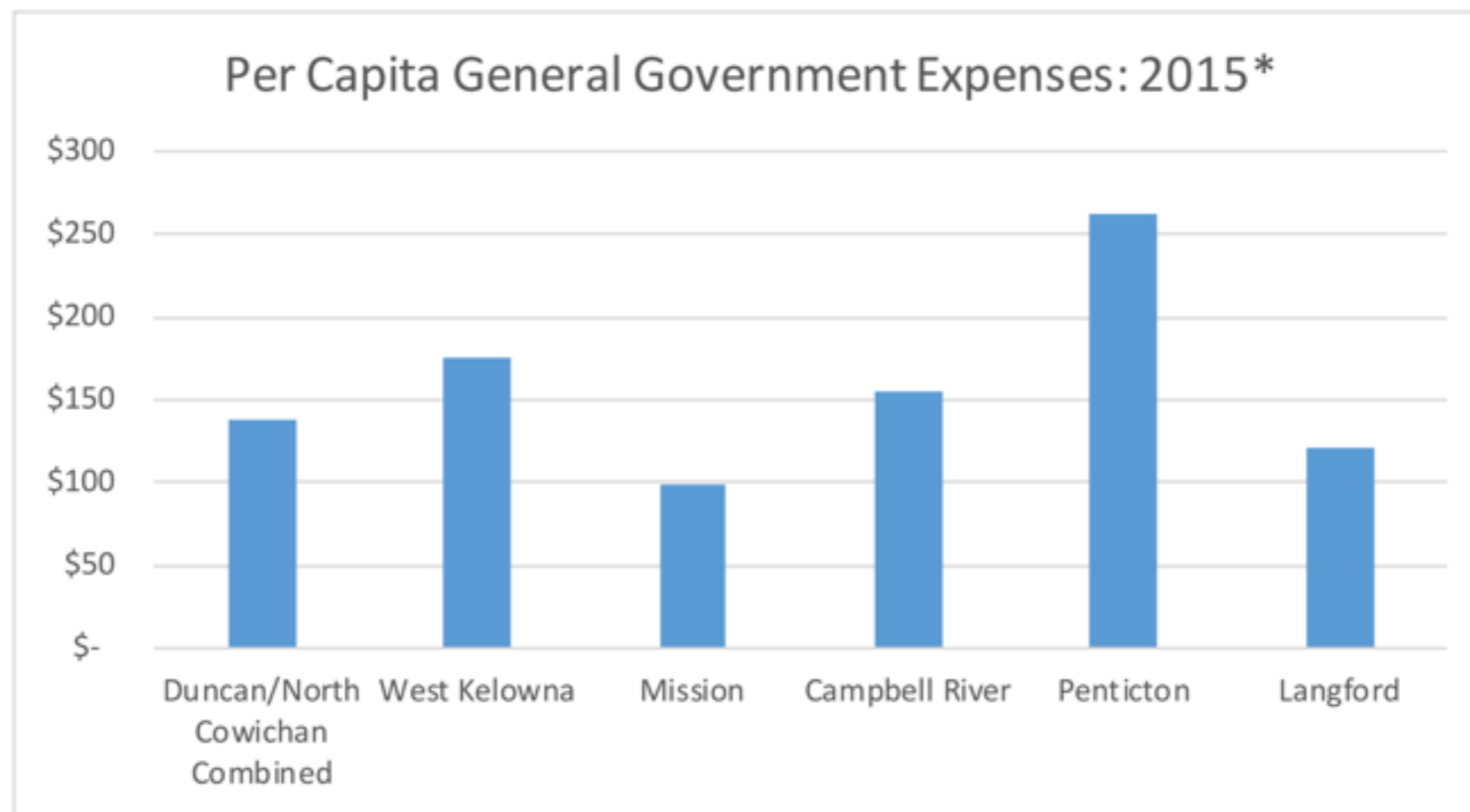
Adopt a direction

Draft recommendations

Prepare report

## What we have learned

Duncan and North Cowichan together spend what comparably-sized municipalities spend



## What we have learned

Initial estimates suggest that any potential savings from amalgamation would be minimal

There would also be modest one-time transition costs; ie, legal, labour, systems integration, etc.

There are few obvious efficiencies that would generate meaningful savings for taxpayers

A combined municipal government would still serve ~35,000 residents and still need existing infrastructure and provide existing services

## What we have learned

The impact on property taxes would be determined by a future council

At current rates harmonizing residential property taxes could potentially result in many property owners saving up to \$20 a year or paying up to \$100 a year more, based on an average home valuation of \$240,000 in Duncan and \$310,000 in North Cowichan.

Business property taxes could potentially fall by \$600 for Duncan business properties valued at an average of \$490,000, and increase approximately \$1000 for North Cowichan business properties valued at an average of \$760,000



## What we have learned

Greater service integration is an alternative to amalgamation

Regional districts like the CVRD are important structures through which municipalities can collaborate to coordinate services and share costs

Municipalities can also directly share services and costs, like water, roads and recreation





## What we have learned

A single municipal council could bring greater consistency to planning, area priorities and policies

Bylaw harmonization and coordinated land use planning could bring benefits to businesses and residents

A single municipality could speak with one voice to the province



## What we have learned

Regardless of the governance structure, community identity and voice is vitally important

Community engagement should be enhanced and the distinct communities that make up the Cowichan Valley are a much loved asset

## What we have learned

Amalgamation is not a panacea

There are many issues that are unaffected by municipal structure

Whether amalgamated or separate, future municipal councils can still be either more or less responsive, effective and efficient.

The real question is whether the two communities want to make decisions about their future together



Government

Planning and development

Public works and engineering

Protective services

One-time expenses

Annual savings and expenses



One-time expenses

Public Works and Engineering One-Time Expenses	Allowance (Low)	Allowance (High)
Coordination of Asset Management	\$50,000	\$100,000
Infrastructure Modelling Integration	\$100,000	\$200,000
Harmonized Public Works/Eng. Bylaws	\$75,000	\$100,000
<b>Total</b>	<b>\$225,000</b>	<b>\$400,000</b>
General Government One-Time Expenses	Allowance (Low)	Allowance (High)
Referendum	\$0	\$80,000
Amalgamation Implementation Plan	\$50,000	\$100,000
Communications Planning	\$50,000	\$75,000
General Gov. Policy/Bylaw Harmonization	\$50,000	\$75,000
Renegotiation of Leases, Contracts, Agree.	\$50,000	\$75,000
Naming, Branding, Logo, Letterhead	\$50,000	\$150,000
Signage	\$300,000	\$600,000
Integration of Records, IT, Finance	\$100,000	\$400,000
Labour Relations	TBD	TBD
<b>Total</b>	<b>\$650,000+</b>	<b>\$1,555,000+</b>
Protective Services One-Time Expenses	Allowance (Low)	Allowance (High)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>
Planning and Development One-Time Expenses	Allowance (Low)	Allowance (High)
Integration of OCPs, Zoning Bylaws, etc.	\$200,000	\$300,000
Local Area Planning Initiatives	\$400,000	\$800,000
<b>Total</b>	<b>\$600,000</b>	<b>\$1,100,000</b>
Cumulative One-Time Expenses	Allowance (Low)	Allowance (High)
<b>Total</b>	<b>\$1,475,000+</b>	<b>\$2,955,000+</b>

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<b>Total</b>	<b>\$1,475,000+</b>	<b>\$2,955,000+</b>

**Approximate low end one-time amalgamation costs:**

$1,500,000 / 35,000 \text{ people} = \$43 \text{ one-time expenses}$

**Approximate high end one-time amalgamation costs:**

$3,000,000 / 35,000 \text{ people} = \$86 \text{ one-time expenses}$

Annual savings and expenses

	Scenario 1 Variance from 2016 Consolidated General Fund*	Scenario 2 Variance from 2016 Consolidated General Fund*
General Gov't	(\$140,000)	(\$580,000)
Planning & Dev't	-	(\$100,000)
Public Works/Eng	-	(\$150,000)
Policing (8 or 12 FTE)	\$1,370,000	\$2,060,000
Fire Protection	\$0	\$600,000
Env. Health	-	-
Parks and Rec	-	-
Small Community Grant (Eliminated)	\$510,000	\$510,000
<b>Net Additional Revenue Req'd*</b>	<b>\$1,740,000</b>	<b>\$2,340,000</b>

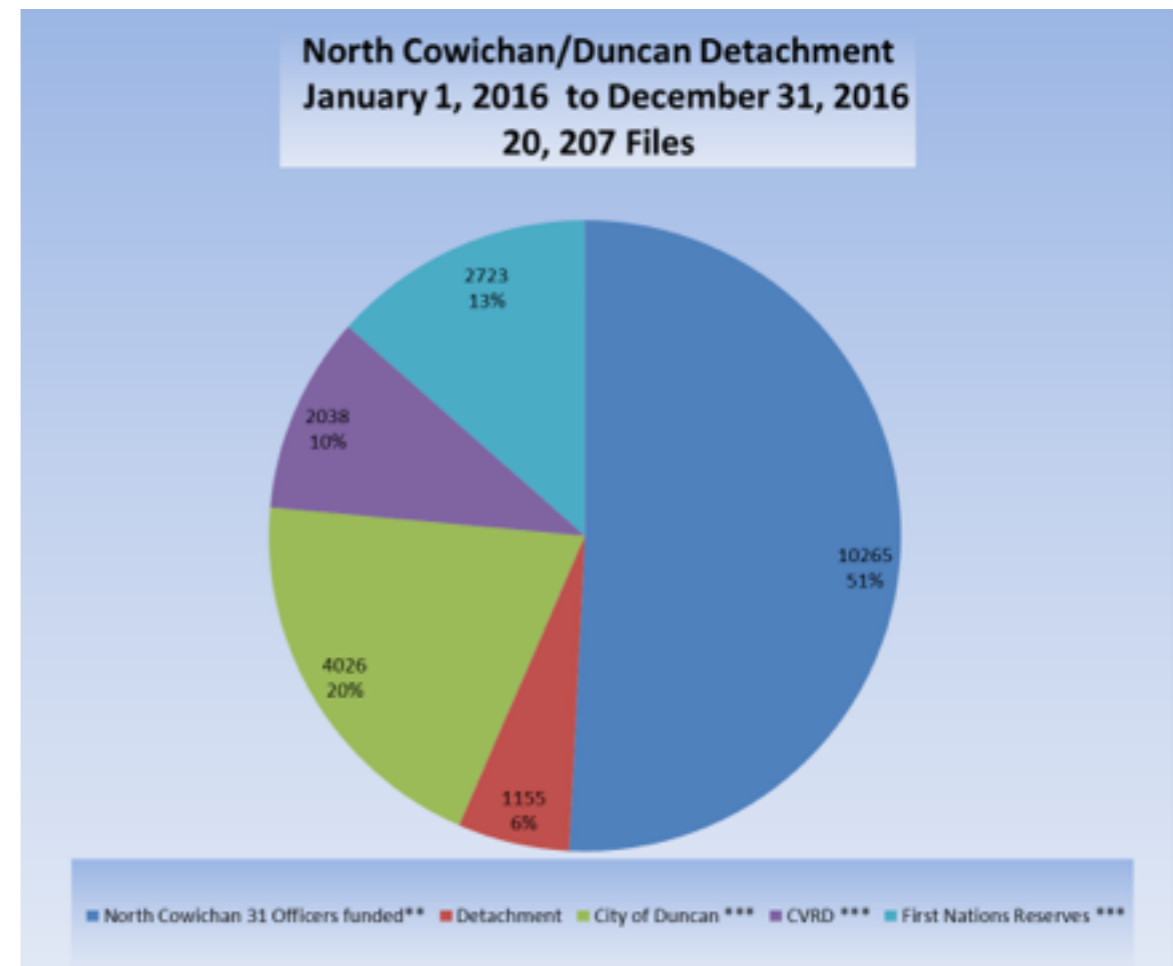
\*Estimates assume the elimination of the Duncan Provincial Police Tax (\$280,000) and Police Bridging Capital Levy (\$770,000)



# North Cowichan/Duncan Detachment Calls for Service

2012: 15,565 files  
2013: 15,741 files  
2014: 16,343 files  
2015: 17,498 files  
2016: 20,207 files

2016 saw a 15% increase in files over 2015





## **North Cowichan Policing Costs**

- Police costs: 90% Municipal, 10% Provincial.
- North Cowichan policing costs total \$5,298,000
- 90% of that cost equals \$4,769,000

## **City of Duncan Population over 5000 (2020)**

- Police costs: \$282,000 (Provincial police tax for communities under 5,000)
- After 2020, Duncan policing costs are expected to total ~\$2m
- After 2020, 70% Municipal, 30% Provincial.
- 70% of the policing costs equals \$1.4m
- \*This does not include any School Liaison, Traffic, GIS/SCU, Police Dog etc.

## Some 'ballpark' observations

Amalgamation is likely to have a maximum one-time cost of \$3m... or \$86 per person

Amalgamation is likely to produce maximum annual savings from efficiencies of approximately \$830,000... or \$24 per person

Policing costs will continue to increase likely requiring an additional \$2m... or \$57 per person

Fire costs could increase a further \$600,000... or \$17 per person

Of course, in practice, low value properties will pay less and high value properties will pay more. Businesses will also share future costs.

# Tax Ratios (2016)

Property Class	Duncan	North Cowichan	Average
Residential	1.00	1.00	1.00
Utilities	8.40	7.87	8.14
Supportive Housing	n/a	1.00	1.00
Major Industry	n/a	6.60	6.60
Light Industry	2.59	4.07	3.33
Business	2.52	2.20	2.36
Managed Forest Land	n/a	4.03	4.03
Rec/Non-Profit	1.00	0.81	0.90
Farm	1.00	0.97	0.99

# Potential Tax Impacts

Residential Property	Current	Scenario 1		Scenario 2	
	2016 Total Taxes & Fees	Total Taxes & Fees	% Change	Total Taxes & Fees	% Change
Duncan \$240,000 Property	\$2,934	\$2,910	(0.8%)	\$2,932	(0.1%)
North Cowichan \$310,000 Property (South End)*	\$3,551	\$3,542	(0.2%)	\$3,570	0.6%
North Cowichan \$310,000 Property (North End)**	\$3,455	\$3,506	1.5%	\$3,535	2.3%

Business Property	2016 Total Taxes & Fees	Total Taxes & Fees	% Change	Total Taxes & Fees	% Change
	Duncan \$490,000 Property	\$13,877	\$13,160	(5.2%)	\$13,265
North Cowichan \$760,000 Property (South End)*	\$16,595	\$17,419	5.0%	\$17,583	6.0%
North Cowichan \$760,000 Property (North End)**	\$19,156	\$20,024	4.5%	\$20,188	5.4%

# Potential additional costs



- Capital project for new detachment



- Future fire protection staffing model?

**How does the technical report affect how you think about amalgamation?**



# Under what circumstances would you support...

... amalgamation?

... the status quo?

... greater service integration?

... boundary changes?

# Maureen Tommy

General Manager, Cowichan Tribes First Nation





# What would successful amalgamation, status quo and service integration look like?

## Describe the likely long-term impact on...

residents

businesses

fiscal sustainability

governance and leadership

services

protective services

planning

environment

local identity

DUNCAN-NORTH COWICHAN CITIZENS' ASSEMBLY Fifth Session April 6, 2017

### What would successful amalgamation look like?

Describe the likely long-term impact on...

Residents Protective services

Businesses Planning and land use

Fiscal sustainability Infrastructure

Governance and leadership Environment

Municipal services Local identity

# Break



**Which scenario would your table be most comfortable endorsing and under what conditions?**



## **Report Structure**

Chair's Note  
Executive Summary  
Process overview

### **Members' Report**

Who we are and what we did  
Our values  
Key issues  
What we learned  
Our recommendation  
Our reasoning  
Important considerations and conditions

### **Appendix**

Member profiles  
Minority reports  
Technical report

