



Regional District of
East Kootenay

SUMMARIZING *the* BUDGET

The Regional District of East Kootenay,
its 2021 Financial Plan &
how it impacts you.

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A CLOSER **LOOK** AT REVENUE

	<u>2021</u>	<u>2020</u>
Property Taxes	\$19,975,239	\$19,180,863
Parcel Taxes	\$1,513,786	\$1,422,065
Grants in Lieu	\$996,427	\$819,427
Fees & Charges	\$4,041,419	\$4,319,303
Prov. Grants	\$7,859,699	\$5,805,620
Other Grants/Transfers	\$9,051,498	\$7,947,929

**THIS DOCUMENT REFLECTS
THE NUMBERS IN THE DRAFT
FIVE-YEAR FINANCIAL PLAN AS
PRESENTED ON FEB.11, 2021**

THE **BIG** PICTURE

Overall in 2021, there is a proposed 4.8% increase in total taxes collected; however, the 1.6% increase in new assessment will lessen the overall impact for our shared services to a proposed increase of 3.2%.



2021 CAPITAL BUDGET: **\$13,015,247**



Some of the larger capital projects in the coming year include:

- Windermere Water - Upgrade distribution system
- Central Solid Waste - New cell
- Area A Flood Control - Hill Road Dike
- Fairmont Flood & Debris Flow Mitigation - Phase 2 completion and Cold Spring Creek Upgrades
- South Country Aquifer / Elko Sinkholes Project (grant dependent)
- Hosmer Fire - Construct two fire bays and renovate existing building hall (Elk Valley Tax Sharing Grant)
- Organics Composting Facilities - Elk Valley, Central and Columbia Valley Subregions

HOW ASSESSMENT VALUES FACTOR IN

Changes in the total tax collected are only one factor affecting tax increases or decreases. The change in total assessed value for a municipality or electoral area in relation to the average change in assessment are another factor.



In 2021, RDEK jurisdictions saw a range of assessment changes - from an increase of 1% for Electoral Area E to an increase of 11.1% for the City of Kimberley. Overall, municipal assessments increased on average 7.2% and Electoral Area assessments increased 5.4%. Assessments for the RDEK as a whole increased 5.5%.

Jurisdictions (and individual properties) with larger-than-average assessment increases will attract a larger proportion of the tax requisition, while those with lower assessment increases will benefit from a reduced share.

ELECTORAL AREA HIGHLIGHTS

The proposed increases in each of these sections relate to the "RDEK" line item on your tax notice (*not* the full notice which includes provincial tax, school tax, etc).

Area



The average residential taxpayer in Electoral Area A will notice a **0.8% INCREASE (\$2*)** in their RDEK taxes this year.

Highlights:

- Completion of Hill Road Dike Project - \$1,054,722 (75% funded from UBCM Community Emergency Preparedness Fund grant).
- Reserve contributions for future asset management of the dike will start in 2022.
- 1% tax increase for the Hosmer Fire Service and Upper Elk Valley Fire Service
- \$500,000 has been allocated for construction of two bays and renovations at the Hosmer Fire Hall - which will be 100% funded by an Elk Valley Tax Sharing grant.
- An estimated 7.1% increase for Fernie Rural Fire Protection Service.
- A \$450,000 grant will be given to the City of Fernie for future construction/renovations to its Fire Hall. The funding comes from an Elk Valley Tax Sharing grant.
- Area A Flood Control taxation continues to be offset by a negative tax in Area A Septage, with reductions in tax proceeds expected starting in 2022.
- \$840,000 has been allocated from the Electoral Area portion of the Elk Valley Tax Sharing Agreement for the Lynch Road Intersection Project.



Area



The average residential taxpayer in Electoral Area C will notice a **0.2% DECREASE (-\$1*)** in their taxes this year.

Highlights:

- 3.2% tax increase for Cranbrook Rural Fire Protection Service.
- \$6,500 contribution for 3D printer at the Cranbrook Public Library through a BC Hydro Aberfeldie Dam Grant.
- \$2,000 reduction in frontage tax for Moyie Water resulting in an average decrease of \$23.
- The City of Kimberley will receive \$18,000 per year in 2021 to 2025 from the Electoral Area C Discretionary Grant in Aid account for the Rails to Trails pathway.

** Based on the average \$379,000 residential assessment*

Area



The average residential taxpayer in Electoral Area B will notice a **2.3% INCREASE (\$7*)** in their RDEK taxes this year.

Highlights:

- 1% tax increase for Elko Fire Service with plans to build a new bay and add washrooms in 2025.
- 1% tax increase in Jaffray Fire Service and a 4.4% increase in the Baynes Lake Fire Service.
- \$4/month user fee increases in 2022, 2023 & 2024 in Elko Water to support maintenance and asset management.
- \$10,500 tax increase for Electoral Area B Parks. The RDEK is applying for a \$7,500 grant to add swim buoys and lines for Waldo Cove Park.
- 3 new lights are being installed in 2021 in Area B and there will be a 14% decrease in taxation in the Area B Intersection Lighting Service.
- A tax increase of \$46,000 in 2021 and \$31,400 in 2022 in the Electoral Area B Economic Development Service to fund the South Country Aquifer /Elko Sinkhole Project ineligible costs. The total project is estimated at \$1.35 million (pending a \$1.2 million grant approval).



Area



The average residential taxpayer in Electoral Area E will notice a **4.1% DECREASE (-\$14*)** in their taxes this year.

Highlights:

- Regular maintenance of Electoral Area E Parks including \$9,000 for the St. Mary Lake Boat Launch.
- No increase in the Wasa, Ta Ta Creek, Skookumchuck Mosquito Control Parcel Tax.
- Completion of a new culvert for Lazy Lake Water Level Control, with the addition of a one-time grant of \$2,078 from the Electoral Area E Discretionary Grant in Aid account.
- There will be no increase in parcel tax for Lazy Lake Water Level Control in 2021; however, an increase is expected starting in 2022.
- The City of Kimberley will receive \$2,000 per year from 2021 to 2025 will be allocated from the Electoral Area E Discretionary Grant in Aid account for the Rails to Trails pathway.

ELECTORAL AREA HIGHLIGHTS CONTINUED



The average residential taxpayer in Electoral Area F will notice a **6.6% INCREASE (\$26*)** in their taxes this year.

Highlights:

- Taxation for Fairmont Flood & Landslide increasing to a maximum of \$77,500 in 2021. An elector assent process will be carried out in 2021 to increase taxes up to approximately \$387,000 in 2025 (estimated). There will be additional community information meetings in 2021 regarding the assent process and overall project.
- Short term borrowing of \$242,000 for Phase 1 of the Cold Spring Creek Project due to the perating shortfall in 2020 due to extensive debris flood events.
- Parcel tax increase of \$4.4% for Holland Creek Sewer and \$5.7% for Holland Creek Water.
- \$1.8 million in distribution system upgrades for the Windermere Water System in 2021.
 - The water treatment parcel tax is estimated at \$227 per parcel 2021-2025 (elector assent was for \$550/parcel).
 - The frontage tax remains at an average cost of \$244/parcel.
- Timber Ridge's debenture is renewing in 2021 for a final 5 years.
- A tax decrease of \$15,000 (\$341/parcel) for Rushmere Water Service due to debenture renewal with lower interest rates.
- Water fees increasing by \$2/month in each year 2022-2025 for the Eastside Lake Windermere Water Service to fund asset management reserves.
- There will be a \$485,000 project for pressure reducing station upgrades or watermain upgrades (2/3 grant funded).
- Removal and installation of new playground for Windermere Beach - \$35,000 (pending a \$10,000 grant. \$25,000 to be funded from capital reserve).
- Area F Parks increase of 7.25%.
- Increase in the Fairmont Cemetery grant to \$6,000 in 2021, with the long term grant of \$5,000 per year from 2022 on.
- No tax increase for Windermere Fire or Fairmont Fire Services.
- 2.8% tax decrease for Panorama Fire Service.
- No tax increase for Invermere Rural Fire Service.
- 1.8% tax increase for Wilmer / Toby Benches Fire Service.



The average residential taxpayer in Electoral Area G will notice a **5.8% INCREASE (\$22*)** in their taxes this year.

Highlights:

- No parcel tax increases, but there will be a utlity fee increase of \$1/month for residential and \$0.75/month for Valley's Edge Park in each year 2021-2025 to fund operations and asset management for Edgewater Sewer.
- In the Edgewater Water Service, there will be no parcel tax increases, but there will be a utlity fee increase of \$3/month and consumption increases of \$0.10 per cubic metre in each year 2021-2023 to rebuild reserves depleted by the Lake Baptiste Dam Upgrade Project completed in 2019.
- No taxation increase, but a user fee increase of \$2/month and a consumption increase of \$0.20 per cubic metre in each year 2021-2024 to fund increasing operating costs for Spur Valley Water.
- \$4,750 tax increase for Area G Economic Development for wages and administration costs of the Edgewater Connectivity Project (The \$734,000 project is 100% funded in 2021-2023).
- No tax increase for Edgewater Fire Service.

**OVERALL IN
2021, RESIDENTS
WILL NOTICE
AN AVERAGE
INCREASE OF 2.9%
IN THE ELECTORAL
AREAS FOR
SHARED SERVICES**

** Based on the average \$379,000 residential assessment*

MUNICIPAL HIGHLIGHTS

** Based on the average \$379,000 residential assessment*

CENTRAL (Cranbrook/ Kimberley)

Slight increases in Solid Waste and Central Emergency Program are contributing to an overall average increase for the RDEK portion of Kimberley residents' tax bills, while Cranbrook will see a slight decrease.

2.4% INCREASE - KIMBERLEY (\$5*)

1.5% DECREASE - CRANBROOK (-\$3*)

RDEK Services Cranbrook/Kimberley participate in (not limited to):
911, Emergency Program, Solid Waste & Recycling, Planning, Invasive Plant Program, Regional Parks, General Administration

ELK VALLEY (Elkford, Fernie, Spwd)

Increases in the Elk Valley are related mostly to the solid waste service, including an expansion in the hours at the Elkford Transfer Station and construction of an organics facility.

9.0% INCREASE - FERNIE (\$21*)

7.2% INCREASE - SPARWOOD (\$18*)

7.4% INCREASE - ELKFORD (\$16*)

RDEK Services EV municipalities participate in: 911, Emergency Program, Solid Waste/Recycling, Planning, Invasive Plant Program, Regional Parks, Transit, Airport, Victims Services, General Administration

COLUMBIA VALLEY (Invermere, Radium, Canal Flats)

Municipal residential taxes in the Columbia Valley Subregion will be impacted by service increases in Solid Waste (for an RDEK operated Transfer Station in Invermere and construction of an organics facility), Economic Development, Transit, Recreation, Libraries, and Westside Legacy Trail.

6.5% INCREASE - CANAL FLATS (\$20*)

2.4% INCREASE - INVERMERE (\$8*)

3.8% INCREASE - RADIUM (\$12*)

RDEK Services CV municipalities participate in: 911, Emerg Pgms, Solid Waste/Recycling, Planning, Invasive Plant Pgm, Regional Parks, Transit, Broadband (*Inv/Radium only*), General Admin

**OVERALL IN 2021,
MUNICIPAL RESIDENTS
WILL NOTICE AN
AVERAGE INCREASE
OF 3.6% IN THEIR
CONTRIBUTION FOR
RDEK SERVICES**



Share your thoughts

To make a comment or download the full
DRAFT Five-Year Financial Plan, contact the RDEK or visit:

[ENGAGE.RDEK.BC.CA](https://engage.rdek.bc.ca)

Deadline to comment is 9:00 am, March 1, 2021.