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A CLOSER LOOK AT REVENUE

	2023	2022
Property Taxes	\$23,720,005	\$21,322,163
Parcel Taxes	\$1,685,002	\$1,565,331
Grants in Lieu	\$776,127	\$712,002
Fees & Charges	\$5,098,397	\$4,703,497
Prov. Grants	\$13,012,066	\$7,300,137
Other Grants/Transfers	\$8,752,872	\$7,515,779
TOTAL	\$53,044,469	\$43,118,909

THIS DOCUMENT REFLECTS
THE NUMBERS IN THE DRAFT
FIVE-YEAR FINANCIAL PLAN AS
ADOPTED ON MAR.17, 2023

THE BIG PICTURE

Overall in 2023 there is a proposed 11.3% increase in total taxes collected; however, the 2% increase in new assessment will lessen the overall impact for our shared services to a proposed increase of 9.3% or \$30 on the average residential property valued at \$536,000.



2023 Capital Budget:
\$17,039,712

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

- Fairmont Flood & Debris Flow Mitigation - Cold Spring Creek Upgrades (98.5% grant funded)
- Organics Composting Facilities - Elk Valley, Central and Columbia Valley Subregions (67% grant funded)
- Radium Hot Springs Transfer Station Construction
- Hosmer Fire - planning for construction of new fire hall (100% funded)
- Edgewater Connectivity Project - Phase 1 (100% funded)
- East Side Water Service - Fill mains/controls upgrade/filtration system

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 2023, RDEK jurisdictions saw a range of assessment changes - from an increase of 12% for the Village of Canal Flats to an increase of 20.3% for the City of Kimberley. Overall, municipal assessments increased on average 16% and Electoral Area assessments increased 17.5%. Assessments for the RDEK as a whole increased 16.6%.

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



A typical residential taxpayer* in Electoral Area A will notice a \$41 INCREASE in their RDEK taxes this year.

Highlights:

- Electoral Area A Elk Valley Tax Sharing Projects:
 - Tourism Strategy Action Projects \$72,925
 - Access Guardian Contribution \$19,750
 - New Hosmer Firehall (2023 – 2024) \$2.5 million
- \$92 average residential property increase for Hosmer Fire Service to fund full year of new assistant fire chief position, inflationary costs and lower surplus from prior year. Grant funded equipment \$56,630.
- New Hosmer Fire Hall to be constructed with estimated budget of \$4 million (\$2.5 million from EV Mine Tax Sharing and \$1.5 million from Community Works Fund).
- Area A Septage negative tax decreased significantly due to reduced revenues, resulting in higher overall tax increase for Area A.
- No taxation for Area A Flood. Monitoring for Hill Road and Morrissey Meadows offsetting.
- \$48 average residential property increase for Upper Elk Valley Fire Service with reduction in EV Tax Sharing tax mitigation grant.
- \$109 average residential property increase for Fernie Rural Fire for 4% increase in fire service contract cost and \$90,000 increase to equipment reserves to help fund share of future fire apparatus.
- Discretionary Grants in Aid funds reduced to \$23,830 in 2023 to mitigate taxation increase.

Area



A typical residential taxpayer* in Electoral Area B will notice a \$21 INCREASE in their RDEK taxes this year.

Highlights:

- \$102 average residential property increase for Jaffray Fire Service to fund full year of new assistant fire chief position, inflationary costs and lower surplus from prior year. Grant funded equipment \$93,545.
- \$135 average residential property increase for Baynes Lake Fire Service to fund full year of new assistant fire chief position, inflationary costs and lower surplus from prior year. Grant funded equipment \$77,342.
- \$64 average residential property increase for Elko Lake Fire Service to fund full year of new assistant fire chief position, inflationary costs and lower surplus from prior year. Grant funded equipment \$77,253. Plans to build new bay and washrooms in 2024.
- \$5 average residential property increase for Area B Parks. Dangerous tree removal at Rosen Lake Public Access. Working with Tourism Fernie to review feasibility/partnership scenarios for boat take out site on Elk River near Elko.
- \$5,500 tax increase to maintain average level for Discretionary Grant in Aid funding.
- No tax increase for Elko Water in 2023/24 but expected increase in 2025. \$8 per month user fee increase in each year 2023 to 2027 to fund inflationary costs and increased reserve contributions starting in 2025 for asset management.
- \$92 parcel tax decrease for Tie Lake Water Control Service due to debt for dam/weir project being paid off in 2022. Increasing reserve contributions by \$3,500 starting in 2023.
- \$34 increase on average residential property for Rosen Lake Water Level Control due to mandated dam consequence rating assessment and to repair sloughing in the dam at the culvert outlet. The increase assumes applications for grant funding of \$19,350 will be successful.
- No tax increase for Area B Economic Development. \$165,000 consulting/professional or project fees available for South Country Aquifer/Elko Sinkholes project.

* Based on the average \$536,000 residential assessment

For more information, contact the RDEK at 1-888-478-7335 or hronnquist@rdek.bc.ca

ELECTORAL AREA HIGHLIGHTS CONTINUED

Area



A typical residential taxpayer* in Electoral Area C will notice a \$11 INCREASE in their RDEK taxes this year.

Highlights:

- Parcel tax for Moyie Water 2006 debt increases \$1,628 = \$21.90 per parcel due to debenture renewal in 2022 at higher interest rate. Debenture matures spring 2026. Frontage tax decrease of \$3,000 in 2023 = decrease of \$35.72 on average property. User fee increases of \$4 per month each year 2023/24 and \$8 per month each year 2025 – 2027. Operating surplus decreased significantly in 2022, due to repairs. Increasing contributions to reserves in 2026/27.
- \$14 average residential property increase for Cranbrook Rural Fire Service to fund contracted fire services increase.
- \$4 average residential property increase for Cranbrook Public Library Service to fund 20% share of 2023 operational budget.
- \$4 decrease on average residential property for Discretionary Grants in Aid and \$2 decrease on average residential for Area C Economic Development to help offset other tax increases in the Electoral Area.

Area



A typical residential taxpayer* in Electoral Area E will notice a \$19 INCREASE in their RDEK taxes this year.

Highlights:

- \$17.67 parcel tax increase (\$12,000) for Wasa/Ta Ta Creek, Skookumchuk Mosquito Control to replenish and increase treatment stock after higher than normal mosquito activity in 2022. Funding 2022 deficit of \$13,757 from operating reserve fund. Smaller increase in 2024 to bring reserve back to target level of \$150,000.
- No tax increase for Lazy Lake Water Level Control in 2023 with assistance from Discretionary Grant in Aid of \$4,157, however, increases are expected in 2024.
- Tax decrease of \$11 per parcel for Wasa Recreation Contribution Service. Grants to recipient Wasa organizations increasing to a total of \$20,000 in 2023.
- Fuel reduction project at Cherry Creek Falls Regional Park (grant funded). Erosion control at upper parking area and parking delineators at St. Mary Lake Regional Park.

Area



A typical residential taxpayer* in Electoral Area F will notice a \$70 INCREASE in their RDEK taxes this year.

Highlights:

- No taxation increase for Fairmont Flood & Landslide Service. \$20 decrease on average residential property due to increased taxable properties. \$9.6 million Cold Spring Creek mitigation project construction to be mostly completed in 2023 (98.5% grant funded). \$195,000 short term borrowing in 2023 for ineligible/matching costs related to the project. Consulting and professional fees increase for update to 2013 Fairmont Creek Hazard Risk Assessment (applying for grant to mitigate cost).
- No tax increase for Area F Cemeteries in 2023; completion of Windermere Cemetery Columbarium project expected.
- \$1 decrease in taxation on the average residential property for Discretionary Grants in Aid due to slight reduction in grant funding available.
- \$4 average residential property increase for Windermere Fire Service to fund full year of new assistant fire chief position and inflationary costs. Grant funded equipment \$84,637. Increasing equipment reserve contributions by \$45,000 to prepare for large increased cost of fire apparatus in future.

** Based on the average \$536,000 residential assessment*

ELECTORAL AREA **HIGHLIGHTS** CONTINUED

Area F Highlights (continued):

- \$23 average residential property increase for Fairmont and Columbia Ridge Fire Services to fund full year of new assistant fire chief position, inflationary costs and lower surplus from the prior year. Grant funded equipment \$77,929. \$40,000 compressor for breathing apparatus replacement in 2023, funded from equipment reserves. Increasing equipment reserve contributions by \$13,000 to prepare for large increased cost of fire apparatus in future.
- No increase in taxation for 2023 for Panorama Fire Service. Funding full year of new assistant fire chief position and inflationary costs with higher surplus from the prior year. Grant funded equipment \$62,581.
- \$33 average residential property increase for Invermere Rural Fire Service to fund increase in fire service contract (District of Invermere), and share of equipment replacement.
- \$25 average residential property increase for Wilmer/Toby Benches Fire Service to fund increase in fire service contract (District of Invermere), inflationary pressures and share of equipment replacement.
- No change in taxation for Timber Ridge Water. Water main upgrades budgeted at \$185,112 to take place in 2023. Debenture matures in 2026.
- \$134 parcel tax increase for Holland Creek Water to fund inflationary costs, increased bulk water charges and lower surplus from prior year. \$100,000 for water meter replacement in 2023, funded from capital reserve.
- \$295 parcel tax increase for Rushmere Water to fund operating costs and lower surplus from prior year. User fee increase of \$10 per month in each year 2023 and 2024. Increasing reserve contributions 2024 to 2027 for asset management.
- No taxation for Eastside Water System. Consumption rate increase of \$0.13/m³ for residential users each year 2023 – 2027 to fund inflationary costs and reserves for asset management. \$1.36 million in capital projects for watermain and prv projects and filtration train rebuild with \$157,682 funded from grants and the remainder from the capital reserve.
- \$71 parcel tax increase for Holland Creek Sewer to fund inflationary costs, increased bulk sewer charges and increased reserve contributions for asset management. Residential fee increases of \$0.50 per month in each year 2023 – 2027. Commercial user fee increase of \$200 per month starting in 2024.
- No tax increase for Baltac Sewer. Continuing to contribute \$10,000 per year to operating reserve to allow phase in of expected interest rate increase when the debenture renews in 2026.

Area



A typical residential taxpayer* in Electoral Area E will notice a **\$44 INCREASE in their RDEK taxes this year.**

Highlights:

- \$5 average residential property increase for Edgewater Fire Service to fund full year of new assistant fire chief position, inflationary costs and lower surplus from the prior year. Grant funded equipment \$61,035. The concrete floor in Bay 3 of the Fire Hall will be replaced in the spring through insurance, earthwork and compaction to be paid by the fire service.
- \$25 average residential property increase for Wilmer/Toby Benches Fire Service to fund increase in fire service contract (District of Invermere) and share of equipment replacement.
- Estimated \$8 average residential property increase for Radium Resort/Dry Gulch Fire Service to fund increase in fire service contract (Village of Radium Hot Springs). Discussion regarding service share of equipment replacement to take place.
- Estimated \$77 average residential property increase for Brownsville Fire Service to fund increase in fire service contract (Village of Radium Hot Springs). Discussion regarding service share of equipment replacement to take place.

Area G Highlights continued on next page »

** Based on the average \$536,000 residential assessment*

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ELECTORAL AREA **HIGHLIGHTS** CONTINUED

Area G Highlights (continued):

- \$36 parcel tax increase for Edgewater Sewer to fund inflationary costs and lower surplus from prior year. User fee increase of \$1.50 per month for residential and \$1.00 per month for Valley's Edge Park in each year 2023 to 2027 to fund increased reserve contributions for asset management.
- \$27 parcel tax increase for Edgewater Sewer to fund inflationary costs and lower surplus from prior year. Fee increases of \$3 per month plus consumption increase of \$0.10/m³ in each year 2023 – 2027 to fund increased reserve contributions for asset management 2024 – 2027. \$40,000 Lake Baptiste Dam inundation assessment (mandatory) with \$30,000 funded from operational reserve. \$40,000 for Master Plan and Asset Management Plan with applications for partial grant funding.
- No parcel tax increase for Spur Valley Water. User fee increases of \$6 per month plus \$0.20/m³ consumption increase 2023 – 2025 to fund inflationary costs and increase contributions to reserves (2024 – 2026). Installing new well pump in 2023.
- \$19 increase on the average residential assessment for Edgewater Recreation to fund deficit from 2022, higher staff allocation from RDEK related to post office and old credit union buildings, \$2,500 consultant costs to reassess buildings. Contributions to capital reserves starting in 2024.

** Based on the average \$536,000 residential assessment*

**OVERALL IN 2023, RESIDENTS WILL
NOTICE AN AVERAGE INCREASE OF
10.3% IN THE ELECTORAL AREAS FOR
SHARED SERVICES**

REGIONAL **HIGHLIGHT**

We are growing. In order to continue to provide increasing service levels, in 2022 the RDEK Board approved increased staffing resources and a plan for a new larger administration building in Cranbrook. 2023 to 2027 taxation years will each see an increase of 3% to generate funds for the new administration building, expected to be completed within five years.



MUNICIPAL HIGHLIGHTS

** Based on the average \$536,000 residential assessment*

CENTRAL (Cranbrook/Kimberley)

Increases in Solid Waste, Central Emergency Program, E911 and Regional Parks are contributing to an overall average increase for the RDEK portion of municipal tax bills.

9.7% INCREASE - KIMBERLEY (\$21*)

4.3% INCREASE - CRANBROOK (\$10*)

RDEK Services Cranbrook/Kimberley participate in: E911, Emergency Pgms, Solid Waste & Recycling, Planning, Invasive Plant Pgm, Regional Parks, General Admin

ELK VALLEY (Elkford, Fernie, Sparwood)

Increases in the Elk Valley are mostly related to solid waste (including construction of an organics facility and extending hours at the Sparwood transfer station to include Sundays) and building reserves for future rehabilitation of the Elk Valley Airport, along with smaller increases for victim's services, emergency management and transit.

7.8% INCREASE - FERNIE (\$20*)

5.8% INCREASE - SPARWOOD (\$18*)

8.0% INCREASE - ELKFORD (\$22*)

RDEK Services EV municipalities participate in: E911, Emerg Pgms, Solid Waste/Recycling, Planning, Invasive Plant Pgm, Regional Parks, Transit, Airport, Victims Services, General Admin

COLUMBIA VALLEY (Invermere, Radium, Canal Flats)

Municipal residential taxes in the Columbia Valley Subregion will be impacted by service increases in Solid Waste (for RDEK operated transfer stations in Invermere and Radium and construction of an organics facility) and Recreation and slight increases for Economic Development, Transit and Libraries. Invermere and Radium will also see an increase in Columbia Valley Broadband due to higher interest rates.

9.6% INCREASE - CANAL FLATS (\$37*)

12.4% INCREASE - INVERMERE (\$46*)

15.7% INCREASE - RADIUM (\$60*)

RDEK Services CV municipalities participate in: E911, Emerg Pgms, Solid Waste/Recycling, Planning, Invasive Plant Pgm, Regional Parks, Transit, Broadband (Inv/Radium only), General Admin

**OVERALL IN 2023, MUNICIPAL
RESIDENTS WILL NOTICE AN
AVERAGE INCREASE OF 8.1% IN
THEIR CONTRIBUTION FOR RDEK
SERVICES**

KOOTENAY EAST REGIONAL HOSPITAL DISTRICT HIGHLIGHT

KERHD Board approved a 3% tax increase for KERHD in 2023 = \$4 on the average residential assessed at \$467,858 to fund operating costs and Interior Health Capital Projects.