



## WHAT'S INSIDE:

CAPITAL BUDGET.....	2
REVENUE COMPARISON WITH 2020 .....	2
IMPACTS ON ELECTORAL AREAS A,B,C,E .....	3
IMPACTS ON ELECTORAL AREAS F, G .....	4
IMPACTS ON MUNICIPALITIES.....	5



# A CLOSER **LOOK** AT REVENUE

	<u>2021</u>	<u>2020</u>
Property Taxes	\$19,837,121	\$19,180,863
Parcel Taxes	\$1,533,786	\$1,422,065
Grants in Lieu	\$679,427	\$819,427
Fees & Charges	\$4,041,419	\$4,319,303
Prov. Grants	\$9,294,859	\$5,805,620
Other Grants/Transfers	\$8,636,918	\$7,947,929

## THE **BIG** PICTURE

**THIS DOCUMENT  
REFLECTS THE NUMBERS  
IN THE DRAFT FIVE-YEAR  
FINANCIAL PLAN AS  
ADOPTED ON MAR 5, 2021**

Overall in 2021, there is a proposed 3.7% increase in total taxes collected, of which 3.9% is for shared services. The 1.6% increase in new assessment will lessen the overall impact for our shared services to a proposed increase of 2.4%.



## 2021 CAPITAL BUDGET: **\$14,363,770**



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 7.0% and Electoral Area assessments increased 5.1%. Assessments for the RDEK as a whole increased 6.2%.

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 **4.1% DECREASE (\$10\*)** 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.
- 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 **0.1% INCREASE (\$0\*)** 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 **3.4% DECREASE (-\$12\*)** 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

Area



The average residential taxpayer in Electoral Area F will notice a **6.9% INCREASE (\$28\*)** in their taxes this year.

## Highlights:

- Taxation for Fairmont Flood & Landslide increasing to a maximum of \$77,307 in 2021. An Director Consent process will be carried out in 2021 to increase taxes up to approximately \$280,000 in 2025 (estimated). There will be additional community information meetings in 2021 regarding the process and overall project. This is expected to be amended in April to include changes related to the \$10M ADMS grant.
- Short term borrowing of \$131,000 for Phase 1 of the Cold Spring Creek Project due to the operating shortfall in 2020 due to extensive debris flood events and long-term borrowing of \$265,000. This is expected to be amended in April to include changes related to the \$10M ADMS grant.
- Parcel tax increase of \$16.1% 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 and watermain upgrades for \$197,000.
- 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.
- 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 7.0%.
- There will be an increase in the Fairmont Cemetery grant to \$6,000 in 2021 and a long term grant of \$5,000 per year from 2022 on.
- No tax increase for Windermere Fire, Fairmont Fire Services, Invermere Rural Fire, or Wilmer/Toby Benches Fire Services.
- 2.8% tax decrease for Panorama Fire Service.

Area



The average residential taxpayer in Electoral Area G will notice a **6.1% INCREASE (\$23\*)** in their taxes this year.

## Highlights:

- No parcel tax increases, but there will be a utility fee increase of \$1.50/month for residential and \$1/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 utility 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 2.6%  
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 Central Emergency Program and assessment shifts will result in a slight overall average increase for the RDEK portion of Kimberley residents' tax bills, while Cranbrook will see a slight decrease. There will be no increases for the Central Solid Waste Service. There will be no tax impact for construction of an organics facility with funding coming from the recycling reserve.

**3.1% INCREASE - KIMBERLEY (\$6\*)**

**1.0% DECREASE - CRANBROOK (-\$2\*)**

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.

**4.1% INCREASE - FERNIE (\$10\*)**

**2.7% INCREASE - SPARWOOD (\$7\*)**

**2.0% INCREASE - ELKFORD (\$6\*)**

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.

**7.2% INCREASE - CANAL FLATS (\$22\*)**

**2.7% INCREASE - INVERMERE (\$9\*)**

**4.0% INCREASE - RADIUM (\$13\*)**

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 2.0% IN THEIR  
CONTRIBUTION FOR  
RDEK SERVICES**



## *Questions or comments?*

To download the full Five-Year Financial Plan, contact the RDEK or visit the Financial Services Department page on:

[WWW.RDEK.BC.CA](http://WWW.RDEK.BC.CA)

We are happy to answer any questions you may have.