

To: CAO for the Electoral Area Services Committee
From: Mike Veenbaas, Director of Financial Services

Date: 2019-11-14
File No: 3920-20

Subject: Yale Water System Service Establishment Amendment - Requisition

RECOMMENDATION

THAT the Fraser Valley Regional District Board consider giving three readings to the bylaw cited as *Fraser Valley Regional District Townsite of Yale Water Supply and Distribution Local Service Area Amendment Bylaw No. 1552, 2019*.

STRATEGIC AREA(S) OF FOCUS

Support Healthy & Sustainable Community
Provide Responsive & Effective Public Services

PRIORITIES

Priority #2 Air & Water Quality

BACKGROUND

The Townsite of Yale Water Supply and Distribution Local Service Area Conversion and Amendment Bylaw was adopted in 1999. The service is funded through a combination of user fees and parcel taxes. While the annual parcel tax requisition is set during the financial planning process, the maximum allowable requisition is noted in the establishing bylaw. For this service that maximum is currently \$25,000

DISCUSSION

As part of the 2020 financial planning process it has been noted that the proposed parcel tax requisition of \$29,160 will be over the maximum allowable in the establishing bylaw. Staff are proposing to increase the maximum by an amount "less than or equal to 25%" as provided under BC Reg 113/2007 which exempts a Board adopted bylaw from Inspector approval under certain parameters.

The current maximum requisition is \$25,000, which increased by 25% would equal an amended maximum requisition of \$31,250. In addition, staff are proposing that the amendment bylaw reflect a rate per \$1,000 calculation as allowed under LGA 339(1)(e) in order to provide the Board with flexibility in setting future tax requisition levels during the financial planning process. The 2019 revised roll net

taxable value for the service area is \$15,326,975. The proposed rate of \$2.03 per \$1,000 would calculate a maximum tax requisition of \$31,113.76 which is less than the 25% maximum allowable increase.

COST

Amendments to service area establishment bylaw requisition limits do not have a direct financial impact as the actual requisition level is set by the Board through the adoption of the annual financial plan bylaw.

CONCLUSION

To be proactive and provide flexibility for tax requisition growth in the Townsite of Yale Water System Service Area, staff are proposing an amendment to the maximum requisition level that is included in the establishing bylaw.

COMMENTS BY:

Tareq Islam, Director of Engineering & Community Services

Reviewed and supported.

Jennifer Kinneman, Acting Chief Administrative Officer

Reviewed and supported.