

To: Regional and Corporate Services Committee
From: Mike Veenbaas, Director of Financial Services

Date: 2020-01-14
File No: 3920-20

Subject: Sub-Regional Animal Control Service Area Amendment Bylaw

RECOMMENDATION

THAT the Fraser Valley Regional District Board consider giving three readings to the bylaw cited as *Fraser Valley Regional District Sub-Regional Animal Control Service Area Amendment Bylaw No. 1570, 2020*.

STRATEGIC AREA(S) OF FOCUS

Support Healthy & Sustainable Community
Provide Responsive & Effective Public Services

BACKGROUND

The Fraser Valley Regional District established the Sub-Regional Animal Control Service Area in 2012 with the City of Chilliwack. Since that time the service has been expanded to include Abbotsford, Mission, Kent and Harrison. The service is funded through a combination of user fees and property value taxation. While the annual tax requisition is set during the financial planning process, the maximum allowable requisition is noted in the establishing bylaw.

DISCUSSION

As part of the 2020 financial planning process it has been noted that the proposed tax requisition of \$405,040 will be over the maximum allowable in the establishing bylaw. Staff are proposing to increase the maximum to a level of \$450,000 to accommodate the service's budget over the current 5-year financial plan. 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 2020 completed roll net taxable value for the service area is \$66,193,106,831. The proposed rate of \$0.0068 per \$1,000 would calculate a maximum tax requisition of \$450,000 in 2020 with future years' maximum dependent on the annual assessment roll from BC Assessment.

When the service was first established in 2012 the maximum requisition level set in the bylaw was \$300,000 or \$0.025 per \$1,000 of net taxable value. This remained in effect with the inclusion of Abbotsford into the service and the calculated maximum was about \$700,000. In late 2015 when Mission, Kent and Harrison were added, the maximum was changed to a hard cap of \$350,000. The service has seen budget increases in recent years to address greater costs for service provider (BC Commissionaires) fees, internal staffing support, bylaw adjudication membership and a share of overall corporate services overhead recovery allocation. As a result, the maximum noted in the establishing bylaw needs to be amended.

Additionally, the tax allocation model that the Board has directed Staff to use recognizes the dog licence fees collected in each jurisdiction as being an offset of the taxation to be requisitioned from that jurisdiction. In other words, if a member is to be allocated \$100,000 of the tax requisition and \$50,000 is collected from that member's area in dog licence fees, the net tax requisition for the member will be \$50,000. While this has been the practice that Staff have followed and all members have agreed to its use, the bylaw wording doesn't speak to this process and should be updated. As such, the proposed amendment bylaw replaces Section 2) f) with the following:

The gross municipal share is:

<i>City of Abbotsford</i>	<i>44.20% of tax requisition</i>
<i>District of Mission</i>	<i>27.60% of total requisition</i>
<i>City of Chilliwack</i>	<i>25.80% of total requisition</i>
<i>District of Kent</i>	<i>1.90% of total requisition</i>
<i>Village of Harrison Hot Springs</i>	<i>0.5% of total requisition</i>

The net municipal share is:

"Equal to the gross municipal share less the estimated portion of dog licence fees collected in the respective municipal jurisdiction."

The gross municipal share remains the same allocation model as in the current bylaw with the only change being the removal of the connection to the 2011 Canada Census as that was only used when Abbotsford was incorporated into the service.

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 align with current and future tax requisition levels, staff are proposing an amendment to the maximum requisition level that is included in the Popkum Sewer service area establishing bylaw.

COMMENTS BY:

Jennifer Kinneman, Acting Chief Administrative Officer: Reviewed and supported.