

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

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

Subject: Popkum Sewer 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 Popkum Sewer Service Area Amendment Bylaw No. 1567, 2020*.

STRATEGIC AREA(S) OF FOCUS

Support Healthy & Sustainable Community
Provide Responsive & Effective Public Services

PRIORITIES

Priority #2 Air & Water Quality

BACKGROUND

The Fraser Valley Regional District established the Popkum Sewer Service Area in 2017. The service is fully funded through a parcel tax. While the annual parcel 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 \$64,900 will be over the maximum allowable in the establishing bylaw. Staff are proposing to increase the maximum to a level of \$130,000 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 \$44,307,100. The proposed rate of \$2.934 per \$1,000 would calculate a maximum tax requisition of \$130,000 in 2020 with future years' maximum dependent on the annual assessment roll from BC Assessment.

The annual requisition for this service has increased since establishment in response to increased development in Popkum and the decision to have one larger sewer service instead of smaller localized services. As the service area was expanded, bringing in more properties, the service area establishment

bylaw was not amended to reflect the need for a higher maximum requisition. This was discovered as part of a review of all service area establishment bylaws and service area requisition budgets.

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.