

To: Regional and Corporate Services Committee
From: Stacey Barker, Director of Regional Services

Date: 2025-07-10
File No: 2320-90

Subject: Municipal Tax Proportions – Animal Control Service

Reviewed by: Jaime Van Nes, Director of Legislative Services/Corporate Officer
Jennifer Kinneman, Chief Administrative Officer

RECOMMENDATION

THAT the Fraser Valley Regional District Board give three readings to the bylaw cited as Fraser Valley Regional District Sub-Regional Animal Control Service Area Amendment Bylaw No. 1797, 2025, which establishes standard assessed property value as the method of taxation;

AND THAT the Fraser Valley Regional District Board direct staff to bring the bylaw back every 5 years for its review of the taxation methodology.

BACKGROUND

The Fraser Valley Regional District (FVRD) provides full animal control services to the Cities of Abbotsford, Chilliwack, and Mission as well as the District of Kent and Village of Harrison Hot Springs. When each of these municipalities joined the program, their subsequent share of the annual net funding was negotiated with the membership at the time of entry. This resulted in a funding model whereby different rates of taxation exist in different municipalities. Many factors have changed since the origin of the current funding model, including anticipated future capital expenditures. These conditions warrant consideration to change how funding is currently allocated.

DISCUSSION

The vast majority of FVRD services that require funding through taxation do so through assessed value of land and improvements as provided annually by BC Assessment. This means that all residents in a service area are taxed at the same rate. The larger municipalities typically have a greater assessment base, so proportionally, they carry more, but the tax rate is equal for all residents. Staff would prefer to use the assessed value method of taxation for the regional animal control program due to its reliability, annual review by BC Assessment, and ease of administration, in comparison to the current approach.

Tables 1 and 2 use information from the 2025 Financial Plan and the most recent 2025 Revised BC Assessment data available. The information is comparing actual 2025 taxation to what taxation would

have been had the proposed methodology been utilized in 2025. The purpose is to give the Board an estimated value of financial impact for the recommended change.

Table 1: Estimated Residential Impact – Assessed Property Value Method Vs Current Method

| Municipality | Current Methodology | | Proposed Methodology | | |
|----------------------|--|------------------------------|--|-----------------------------------|-----------------------------------|
| | 2025 Resid. Tax Rate /\$1,000 Assessment | 2025 Average Residential Tax | Proposed Resid. Tax Rate /\$1,000 Assessment | Proposed Average Residential Tax* | \$ Change Average Residential Tax |
| Abbotsford | 0.00464 | \$4.41 | 0.00516 | \$4.93 | +\$0.52 |
| Chilliwack | 0.00304 | \$2.47 | 0.00516 | \$4.23 | +\$1.76 |
| Harrison Hot Springs | 0.00114 | \$0.89 | 0.00516 | \$3.97 | +\$3.08 |
| Kent | 0.00372 | \$2.81 | 0.00516 | \$3.83 | +\$1.02 |
| Mission | 0.01228 | \$14.08 | 0.00516 | \$5.77 | -\$8.31 |

*The average residential assessed value differs per municipality with Mission the highest and Kent the lowest.

Table 2: Estimated Municipal-Level Impact –Assessed Property Value Method Vs Current Method

| Municipality | Proportional Per Municipality | | | | |
|----------------------|--|------------------------------|-----------------|--------------------------------|--------------------|
| | Current Bylaw with Licence Fees Adjustment | 2025 Financial Plan Taxation | Proposed Method | Taxation Using Proposed Method | \$ Change Per Muni |
| Abbotsford | 47.81% | \$355,196 | 53.2% | \$395,672 | +\$40,476 |
| Chilliwack | 17.65% | \$131,195 | 30% | \$223,183 | +\$91,988 |
| Harrison Hot Springs | 0.21% | \$1,552 | 0.9% | \$7,015 | +\$5,463 |
| Kent | 1.38% | \$10,288 | 1.9% | \$14,271 | +\$3,983 |
| Mission | 32.95% | \$244,879 | 13.9% | \$102,969 | -\$141,910 |

As discussed last month, the application of user data to ascertain distribution of effort per municipality may be applicable in some situations, but staff caution against its use as a means to establish tax distribution for the regional animal control program. While there are various data sets available, they are not all one-to-one comparisons in terms of their effect on staff time and impact on the facility. For example, while staff record the origin of a particular call, they do not record the length of time to resolve the issue. Some may be concluded quickly while another generates months of investigation.

For comparison purposes, a set of data has been provided in Table 3. Staff feel that the number of days a dog stays at the shelter is a good representation of effort. "Impound Days" represents both the number of dogs impounded and how long staff were required to care for them. However, even within this limited representation, the data fluctuates significantly each year data is available. There are also some errors due to lack of information or misreporting that tend to negatively impact Chilliwack due the location of the shelter which staff have attempted to adjust.

Table 3: Impound Days (yearly averages on available data)

| Abbotsford | Chilliwack | Mission | Kent | Harrison |
|------------|------------|---------|------|----------|
|------------|------------|---------|------|----------|

| | | | | | |
|---------------------|-------|-------|-------|------|------|
| Impound Days | 4571 | 2817 | 871 | 258 | 22 |
| Proportion Per Muni | 53.5% | 33.0% | 10.2% | 3.0% | 0.3% |

Staff recommend that they begin to report on animal control statistics on a regular basis for the Board's information and to continue to make improvements to data collection practices for consideration the next time the Board reviews taxation methodology.

COST

Included in the draft bylaw in an increase to total rate tax which occurs from time to time and is a financial housekeeping issue. The draft bylaw deletes the maximum amount and updates it to a maximum property tax rate of \$0.015/1000. This is in keeping with recent updates to other Regional District bylaws.

CONCLUSION

Over the past decade there have been significant changes to the FVRD's regional animal control program as well as expected capital expenditures that have warranted a re-examination of taxation methodology. Staff are recommending an update to the current bylaw that allows for the standard method of taxation based on property assessment.