



WHISTLER

REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: April 20, 2021

REPORT: 21-048

FROM: Corporate and Community Services

FILE: 2315, 2316, 2317

SUBJECT: 2021 PROPERTY TAX AND UTILITY RATE BYLAWS

COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Corporate and Community Services be endorsed.

RECOMMENDATION

That Council consider giving first, second, and third readings to the following bylaws:

- “Tax Rates Bylaw No. 2315, 2021”;
- “Water Tax Bylaw No. 2316, 2021”; and
- “Sewer Tax Bylaw No. 2317, 2021”.

REFERENCES

- Tax Rates Bylaw No. 2315, 2021 (Not attached)
- Water Tax Bylaw No. 2316, 2021 (Not attached)
- Sewer Tax Bylaw No. 2317, 2021 (Not attached)

PURPOSE OF REPORT

The purpose of this Report is to seek Council's consideration of the first three readings of the 2021 property tax rate bylaw, as well as the sewer and water parcel tax bylaws.

DISCUSSION

Municipal Property Taxes

Section 197(1) of the *Community Charter* requires municipalities to establish property tax rates for the current year after the adoption of the five-year financial plan, and before May 15. This legislation empowers Council to establish tax rates based on:

- 1) the municipality's annual budget, and
- 2) assessment information provided by BC Assessment.

2021 Five-Year Financial Plan

Before adopting the annual property tax bylaw, the *Community Charter* requires that municipal governments consider financial objectives and policies set out in the five-year financial plan bylaw, including the proportion of total revenue to be raised from each funding sources and the distribution of property taxes among the property classes. The “Five-Year Financial Plan 2021-2025 Bylaw No. 2306, 2021” was adopted by Council on January 19, 2021.

As part of the budget open house in November 2020, an increase in 2021 municipal tax revenue of 4.89% was proposed. In light of additional revenue sources in the form of new government grants, coupled with the financial uncertainties impacting many residents and local businesses due to the ongoing COVID-19 pandemic, the 2021 municipal tax revenue requirement was lowered to 1.08%.

2021 Property Assessments

BC Assessment provides assessment values that reflect market conditions as of July 1, 2020. The assessed value of land and improvements, as well as the classification of property into different property classes, was reported to the Resort Municipality of Whistler (RMOW) on BC Assessment's Revised Roll date of March 31, 2021. Assessment totals for the community are comprised of both market and non-market change values. Market value changes reflect the change in value of existing properties from year to year, whereas non-market changes reflect the value of new development, property shifts between assessment class, subdivisions or amalgamations, and any change in exemption status from taxable to non-taxable, or vice versa.

The total 2021 assessment base (including non-market changes) has increased in Whistler by approximately \$252 million or 1.3% compared to 2020. Total non-market change for 2021 is approximately \$114 million, which is consistent with the \$115 million in 2020.

The impact of the change in total planned municipal tax collections and the resulting property tax rate on the amount of tax payable will vary based on a property's assessed value. Properties with an increase in assessed value greater than the average change for the community will likely see an increase in their tax payable. On the other hand, properties with a change in assessed value lower than the average, will likely see a decrease in their tax payable. In Whistler, the average change in assessed value for Class 1 Residential properties was a 2.1% increase, whereas Class 6 Businesses properties was a 12.3% decrease.

Other Government Agencies Property Taxes

Municipalities are required to collect taxes for general municipal purposes as well as on behalf of the Provincial government, regional taxing authorities and other agencies. These latter tax rates and amounts are neither budgeted nor controlled by Council and comprise approximately 40% of all property value taxes collected by the RMOW. The amounts levied for school, hospital, regional district and BC Assessment purposes are remitted to the respective government agency and are not municipal revenue.

Sewer, Water and Solid Waste Charges

Water and sewer parcel taxes are flat rate taxes levied on every property within 100 meters of service. User fees are levied for use of the water, sewer and solid waste systems and vary according to use. There is no increase to the water or sewer parcel tax and user fees this year, and no increase in the solid waste user fees. Water, sewer and solid waste user fees for most residential properties are included on the property tax notice.

OTHER POLICY CONSIDERATIONS

Community Charter section 197(1) requires the adoption of the annual property tax bylaws before May 15 each year in order to levy property taxes for the year.

BUDGET CONSIDERATIONS

Property tax rates for the RMOW's municipal taxes, as well as the water and sewer parcel taxes, set out in the above-noted bylaws were calculated to meet the budgeted revenue requirements

captured in the 2021 Five Year Financial Plan. Please note that the user fees from water, sewer and solid waste remain unchanged from 2020, and the related bylaws remain in effect.

Property tax rates for the Squamish Lillooet Regional District and Sea to Sky Regional Hospital District have no impact on the RMOW's Financial Plan.

COMMUNITY ENGAGEMENT AND CONSULTATION

Property and parcel tax revenue requirements were part of the community consultation process that informed the Five-Year Financial Plan.

SUMMARY

The Bylaws referenced herein detail the annual tax rates and user fees required to raise municipal revenue from each source as provided within the 2021 Fiver Year Financial Plan. Provincial legislation directs that property tax rates are calculated based on the budgeted tax revenue required to provide municipal services and the assessed value and class of properties as determined by BC Assessment. These rates also include the amounts to be collected for the year by the municipality to meet its taxing obligations to the Regional District and the Hospital District.

Respectfully submitted,

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for

Carlee Price
DIRECTOR OF FINANCE
for

Ted Battiston
GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES