

Frequently asked questions

Budget 2022

Updated: November 18, 2021

Q: Why is there a proposed increase to the property tax rate for 2022?

A: In 2021, RMOW Council agreed to increase the amount of General Municipal Tax collected in Whistler by 1.08 per cent compared to the prior year in recognition of the financial pressures COVID-19 placed on many in the community. The financial obligations of the municipality actually grew by more than 1.08 per cent last year. The difference was funded by: reduced contribution to asset reserves; support from provincial and federal grants related to COVID; and delaying planned project spending. The delayed project spending and reduced contributions to asset reserves affects the long term performance and reliability of RMOW's assets (infrastructure such as sewers, water and buildings such as Meadow Park Sports Centre) which means limiting tax increases to 1% going forward is not sustainable.

Q: How much more will I end up paying in property tax in 2022 if this budget is approved?

A: There are many factors that affect property tax bills including the requirement for the RMOW to collect taxes for other provincial bodies. These rates have not yet been set by those bodies and could affect overall tax bills if those rates increase outside of the RMOW's own tax breaks.

- **WHA property**
Likely no change or a decrease in the total amount of RMOW property taxes paid due to the assessed value of other properties in Whistler seeing a higher increase.
- **Property assessed at \$1.5 million****
Increase of an estimated \$155 in RMOW property taxes
- **Property assessed at \$4 million****
Increase of an estimated \$415 in RMOW property taxes

**Note: This assumes a property that has increased in value the same percentage as similar properties in the neighbourhood. The amount of property tax could increase more for property that saw a higher increase in value compared to similar properties. The amount of property tax paid could also decrease if the property saw a smaller increase in value or a decrease in value compared to similar properties in the neighbourhood.

Q: Was anything done to try to reduce costs at the RMOW so there wouldn't be a tax increase?

A: Department budgeting and project planning undergoes a structured process each year at the RMOW when setting the budget for the next year. This process pays special attention to any increases to the department's budget and the reasoning for that increase (ie. increase due to the cost of delivering a service due to increase in supplier or fuel costs.)

The CAO and General Managers and Director of Finance review each department budget and look to eliminate unnecessary cost increases. In 2022, RMOW staff delayed spending for non-urgent projects and programs. The reality is that an increase to Whistler's full-time population and full-time

population equivalent continue to drive the demand for the RMOW's services which in turn requires more financial resources to deliver those services to more people.

The full-time population of Whistler has increased in the past decade from 9,702 in 2009 to 13,948 in 2020. And the total population equivalent (the number of visitors at any given time plus permanent residents) has increased from 26,057 in 2009 to 36,426 in 2019 (pre-COVID).

This increase in population and population equivalent has led to an increase in demand for municipal services such as Planning and Building related permits and parking while increasing the use and impact on parks, trails and recreation offerings. The RMOW is also required to provide a wider variety of service to the community such as; three stream waste collection, asset management planning and development of a summer parks experience plan to manage increasing numbers of park visitors. Additional staff are required to deliver those new services and to avoid lengthy delays in processing times.

Because the RMOW under contributed to its reserve accounts in 2021 as a way to "bridge the gap" between operating revenues and spending in 2021 and non-tax revenues were negatively affected by the COVID19 pandemic (parking, admissions, programs) tax rates do need to increase in 2022 to pay for the services the RMOW delivers without depleting the reserve (or "savings") accounts that help the municipality be resilient against unexpected events such as COVID-19, pay for unexpected costs such as infrastructure or equipment failure and avoid large increases to property taxes in the future if the reserve accounts do not have a healthy balance that can weather those events.

Q: Why aren't RMOW staff taking a pay cut?

A: The RMOW employs both union and non-union staff to deliver its services. The RMOW has contractual legally binding employment agreements with all of our employees. Some are covered by the employee handbook which sets out terms and conditions of employment for non-union positions and other are covered by Collective Agreements – CUPE and Whistler Professional Firefighters Association. Pay rates and associated increases are defined for each group in the applicable agreement.

Changes to pay rates in the Employee Handbook would require both the RMOW and the non-union employees to agree to any changes. The unions representing employees would have to agree to any wage changes as well.

Employee handbook wages are set in relation to a parity framework with positions compared to a specified group of municipalities. CUPE are set in line with comparison CUPE positions and Whistler Professional Firefighters Association in line with the IAFF rates of pay.

Council ratifies both the non-union and union general wages increases. The most recent term of increases was 2020 and 2021. The wage increases for 2020 and 2021 follow the pattern for CUPE agreements in the lower mainland, Squamish and Pemberton.

The RMOW strives to pay a wage competitive with other municipalities of similar size (Note: Pemberton's population is just over 3,000 and Squamish has a population of just over 20,000. Whistler has a full-time population of nearly 14,000 with a full-time equivalent (full-time residents, part-time residents and visitors on any given day) of just over 36,000 people.) Competitive pay is key to attracting and retaining qualified employees. Like most businesses in Whistler, the RMOW struggles to attract qualified employees, especially those with professional designations and senior-level experience, due to the high cost of housing in our communities which is much higher than most

other municipalities of similar size. The cost of recruitment, onboarding and training is significant. According to ADP Canada, it costs employers an average of \$4,129 and an average of 42 days to fill an open position.

Q: I expect the assessed value of my property has increased significantly, am I going to see a huge increase in my property tax bill?

A: An increase in the assessed value of your home does not automatically mean your property tax bill will increase by the same percentage. (I.e. a 20 per cent increase in your assessed value does not mean an automatic 20 per cent increase in your property tax bill.

The value of your property is decided by an independent provincial agency, the BC Assessment Authority. The BC Assessment Authority determines the value of all homes across B.C. and whether the value has increased or decreased from the prior year. Generally speaking, property owners see a rise in the amount of property tax they pay when the assessed value of their property increases at a faster rate than other homes in their community. The amount of property tax paid can in some cases decrease from year ago amounts if the value of a property decreases compared to the community average.

Q: Property values in Whistler have gone up a lot this past year, doesn't that mean the RMOW is getting a lot more money from property taxes? Why raise property taxes as well?

A: When property taxes rise, this doesn't automatically translate to an increase in the amount of property tax revenue the RMOW collects. Municipalities in B.C. are not allowed to make a profit or run a deficit (go into debt). RMOW staff and Council go through an extensive process each year to determine an appropriate budget to adequately fund the services the municipality delivers. The RMOW calculates the amount of money required in the budget (after grants, user fees, permit fees and other revenue) that it needs to collect through property taxes. In other words, property values can increase but the RMOW only sees an increase in property tax revenues if Council passes a Budget that requires the municipality to collect more property tax revenue than the previous year.

Q: What tax increases have there been in Whistler over the last 15 years?

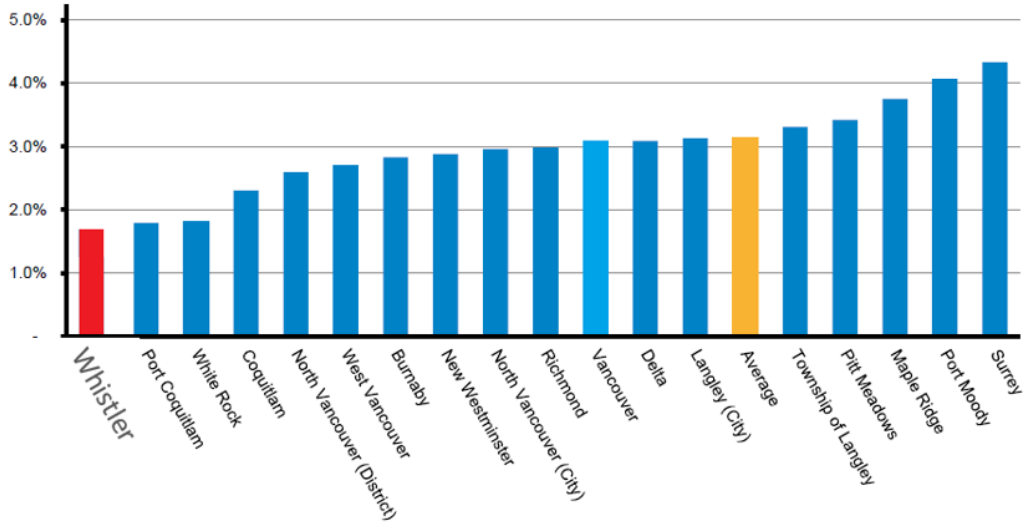
A: RMOW property tax rates 2008-2021:

- 1.08% 2021
- 2.8% 2020
- 2.9% 2019
- 2.25% 2018
- 1.9% 2017
- 1.5% 2016
- 1.7% 2015
- 0% 2012-2014
- 4% 2011
- 7% 2010
- 8% 2009
- 6% 2008

Q: How does Whistler’s tax increase compare to other municipalities?

A: Most municipalities have not yet announced their proposed property tax rate for 2022. However, when you look at a 10 year average for increases in property rates, Whistler falls far below the average with the lowest average property tax rate increases.

Vancouver vs. Metro Vancouver 10-year average property tax increase (2011-2020)



Source: City of Vancouver "Budget 2021 and Five-Year Financial Plan"