

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2020 December 02

FROM: DIRECTOR FINANCE

FILE: 7000-01

SUBJECT: 2021 SUPPLEMENTARY UTILITY FEE DECLARATION PROGRAM

PURPOSE: To provide an update on the 2021 Supplementary Utility Fee Declaration Program.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council receive this report for information.

REPORT**1.0 INTRODUCTION**

On 2020 July 07, a report was provided to Council outlining the 2021 Supplementary Utility Fee and House Rental Licence Fee Program. As per the report, for 2021, letters were sent out in early September 2020 to all single family and two family dwellings identifying their 2020 declaration responses. If the property owners identified there was a secondary suite within their property and the secondary suite was rented out, a supplementary utility fee would be charged. If their rental status had changed, property owners were asked to complete a new declaration form. If their rental status had not changed from their 2020 declaration, no form was required to be sent back to the City and property owners will be billed for 2021 fees based on their 2020 declaration responses.

If there is a new property or a declaration form was not received by the City from a property owner for 2020, then a full declaration form was required to be filled out. New declarations and declarations of a change in status for 2021 were due back by 2020 November 30. If there is no declaration on file from the 2020 declaration process and no form is received for the 2021 declaration process by the November 30 deadline, then the respective properties are subject to the following fines: \$500 in accordance with the Waterworks Bylaw and \$500 for the Sewer Fund Bylaw, for a total fine of \$1,000. Guidance and reference materials were provided on the City's website throughout the declaration process.

2.0 POLICY SECTION

Goal

- A Thriving Organization
 - Financial viability –
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

3.0 BACKGROUND

For the 2020 supplementary utility fee declaration process, 6,819 properties in total were billed in January for a supplementary utility fee. Following adjustments throughout the year, that figure now stands at 7,438 (SFD – 6,610, TFD – 828), generating revenue of approximately \$3.8M (\$1.9M for the Waterworks Utility and \$1.9M for the Sanitary Sewer Fund). For the 2021 supplementary utility fee declaration process, declarations were issued to 3,635 properties where a declaration had not been previously returned through the 2020 declaration process. Declarations were also issued for 56 newly constructed properties, meaning that the City was expecting a response from 3,691 properties in total. Continuing throughout the year, additional declarations will be issued to new homeowners as a result of title transfers.

4.0 2021 DECLARATION STATUS

The City has received back 2,100 completed declarations. Of these, 433 property owners indicated that they will rent out their suite in 2021. Property owners at 1,667 properties indicated that there is no rental activity. This leave 1,591 properties for which a declaration remains outstanding.

Home Owners failing to submit a declaration as instructed, or found to have submitted a false or misleading declaration, are subject to the following fines: \$500 in accordance with the Burnaby Waterworks Regulation Bylaw 1953 and \$500 in accordance to the Sewer Charge Bylaw 1961, for a total fine of \$1,000. The Licence Office, which is managing enforcement of the supplementary utility fee program, will write to all those having failed to return the declaration for one last time in mid-December 2020. Those still failing to submit a declaration by 2021 January 8 will then be issued violation notices. At this time, it is planned that only one owner per household will be issued with a combined notice of \$1,000, however the Licence Office will reserve the right to issue notices to all owners of a property if suitable action is not taken in the time specified by the Licence Office to bring the property into compliance.

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5.0 2021 SUPPLEMENTARY UTILITY FEES

The 2021 Supplementary Utility Fees are as follows (pending final adoption of Utility bylaws for 2021):

	<i>Single Family Dwelling</i>	<i>Twin Family Dwelling</i>
<i>Waterworks Utility Supplementary Utility Fee</i>	\$297.83	\$223.35
<i>Sanitary Sewer Fund Supplementary Utility Fee</i>	\$281.65	\$210.71
<i>Combined Supplementary Utility Fees</i>	\$579.48	\$434.06

For 2021, combined revenue from supplementary utility fees is estimated at just under \$4.2M (\$2.1M for the Waterworks Utility and \$2.1M for the Sanitary Sewer Fund) after discounts for on time payment.

6.0 RECOMMENDATION

It is recommended that the Financial Management Committee receive this report for information.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

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Copied to: City Manager
Director Public Safety and Community Services
Director Engineering