

RESIDENTIAL PROPERTY TAXES IN SHIRLEY AND OTTER POINT

This is an article in a series of background articles prepared by OPSRRA in conjunction with a review of the Otter Point and Shirley/Jordan River Official Community Plans (OCPs). The OCP reviews give us an opportunity to consider the future of our forests in the context of our community plan.

This article examines the 2009 property assessments that residents in Shirley and Otter Point received in 2010.

Background

Residents and ratepayers in Shirley and Otter Point recently received their residential property tax notice from the provincial Surveyor of Taxes. While paying property taxes is rarely welcomed, the tax notice does provide property owners with an opportunity to consider not only the overall amount that they must pay but also the various organizational tax levies that make up their tax bill.

The process

For residential property owners, the process is fairly straightforward. The B.C. Assessment Authority establishes an annual assessment of the value of the residential or business property, including buildings and other improvements. Each of the organizations or agencies with a legal right to levy a tax on residential and business properties forwards its tax levy to the Surveyor of Taxes, which expresses the levy as a "mill rate" – the amount of tax per \$1,000 in assessed property value – and consolidates all of the separate levies into a single overall tax for each individual property. Information about a potential homeowner grant tax rebate through the provincial government is also provided. A tax notice is then sent to individual residential or business property owners that includes a payment due date and address.

Current assessment

For 2010, the overall mill rate for Shirley residential property owners is 5.4713 or \$5.4713 per \$1,000 of assessed residential property value. The overall mill rate for Otter Point ratepayers is 5.6093 or \$5.6093 per \$1,000 of assessed residential property value.

By way of comparison, in the June 9, 2010 edition of the Sooke News Mirror, Juan de Fuca Electoral Area Regional Director Mike Hicks reported the following mill rates for neighbouring municipalities:

Municipality	Mill Rate
Metchosin	4.80
Central Saanich	5.66

Sidney	5.66
Colwood	5.77
Sooke	6.20
Victoria	6.48
North Saanich *	4.37

* Released after the newspaper article

Surprisingly, the mill rates for residential property owners in "rural, large lot, no sewers, no sidewalks" Shirley and Otter Point are, respectively, approximately 14% and 17% higher than the mill rate in rural Metchosin and even higher in comparison to North Saanich, yet only marginally less than the mill rates in urban municipalities like Sidney, Central Saanich and Colwood. It would be a good time to learn from Metchosin and North Saanich how they have succeeded in keeping their residential property tax so low. One reason could be that Metchosin contracts out many of its municipal services while North Saanich has the highest ratio of business to residential tax rate in the CRD.

Fourteen separate provincial, regional and local property taxes are levied on Otter Point and Shirley residential property owners. The top seven, which account for over 93% of the overall assessment, are:

Tax	Mill Rate	To Fund
School	1.9509	School services provided through the Sooke School District #62
Area H Capital Region District	1.0461	A wide range of regional and local services (planning and development, protection, parks, environment, general government, etc.) provided by the CRD for the Juan de Fuca Electoral Area
Fire Protection	0.7168	Fire protection services in the Otter Point Fire Protection Area by the Otter Point Fire Department (Otter Point)
	0.7541	Fire protection services in the Shirley Fire Protection Area by the Shirley Fire Department (Shirley)
Provincial Rural	0.5200	Road maintenance and snow removal
SEAPARC Arena and Pool	0.5142	Supports operating and capital costs associated with the swimming pool and hockey arena in Sooke

Capital Region Hospital	0.2940	Supports capital costs for health facilities and medical equipment in the CRD area
BC Transit Authority	0.1753	Supports provision of public transit services in Otter Point. (There is no comparable tax in Shirley as there aren't any transit services in Shirley.)

The remaining residential property tax levies, with a combined mill rate of 0.392, or less than 7% of the total, are for:

Tax	To Fund
Library services	Supports the Vancouver Island Regional Library in the Juan de Fuca Electoral Area
RCMP services	Funded through the provincial government
Provincial property assessment services	Supports the B.C. Assessment Authority
Sooke Region Museum	
Parks and recreational service	Provided by the CRD in the Juan de Fuca Electoral Area
Septage removal	By the CRD
Financial services	Provided by the Municipal Financial Authority for local government capital projects

Several things stand out when one looks at the diverse residential property taxes in Otter Point and Shirley, notably:

- That the number of levies/taxes is so high;
- That so few of the tax levying authorities are physically located in Otter Point and Shirley (only the Shirley and Otter Point Fire Departments);
- That so few of the tax levying authorities actually travel to Otter Point and Shirley to provide the specified services (fire departments, road maintenance, police services, some bus services, some CRD services); and
- That so many of the tax levying organizations require Shirley and Otter Point residents to travel significant distances if they want to access or use the services

they help to pay for (CRD planning services, building inspection, school, hospital, library, museum, recreation, etc.).

- The costs to Otter Point and Shirley residents to access services from many of these organizations is much higher if time and travel costs are considered along with the assessed property taxes.

Conclusion

In a democracy, it is up to local taxpayers to make their views known to their elected political representatives as to whether they consider their property taxes reasonable and justifiable in light of the services provided. Unfortunately, doing so with 14 different property tax levies issued by a variety of organizations to provide a very wide range of services is easier said than done.

Perhaps it is time to consider seeking governance and organizational changes that will allow some consolidation of both property taxing authority and service delivery.