

Fire Service – Questions asked and answered:

Revised on **February 13, 2024**

Please note that changes and additions are in **red text**. New questions and answers are at the end of the document.

1. How does the approval process work:

- The approval process is called a Petition.
- The Petition is mailed to the registered owner of the property only.
- All mailing is by Canada Post
- Responses can be mailed back to the CSRD.
- Alternatively, a completed copy of the Petition can be scanned as a pdf file or photographed as a jpeg file and then emailed to the CSRD at an email address provided in the Petition package.
- **The response window has been extended to 60 days in response to public input. This is double the standard of 30 days.**
- The CSRD will provide full details of the Petition process prior to an eventual Petition. For the most current information please see:

<https://kickinghorseresort.com/wp-content/uploads/2024/01/KHMR-Fire-Petition-FAQ-Jan-30-2024-for-distribution.pdf>

2. How is the Petition result calculated?

- Success, referred to as “Sufficiency” is established when at least 50% of the registered owners, who represent at least 50% of the net taxable value within the proposed Service Area, respond to the Petition in favour of establishing the Fire Service.

3. How does a property owned by a Corporation vote?

- The Petition will be mailed to the registered address of the Corporation or Number Company
- The response must include a document listing the names of all Directors and Officers and indicate who have signing authority for the Corporation.
- The majority of the Directors and Officers must sign the Petition for the property’s completed Petition to be considered valid.

4. Can non BC Residents vote?

- Only BC Residents can vote in elections.
- This process is a Petition and is not an election.
- Therefore, non BC Residents can complete the Petition.

5. How is a vote that is not cast accounted for?

- If a vote is not cast – either at all or after the Petition closes – the only potential effect on the result is the need for the total vote to meet or exceed 50% of the registered owner. See Point #2 above.

6. What level of fire protection will the Fire Service provide?

- For dwellings the Fire Service will provide a Fire Underwriter Service (FUS) grade of 3A
- For commercial properties the Fire Service will provide a Public Fire Protection Classification of 7.
- Note that the ratings will come into place over time as the level of volunteer training increases and may take up to 3 years.

7. *Will my insurance premiums be reduced? The updates in re were provided by a KHMR Homeowner who is also an insurance professional.*

- In all cases the registered property owner should consult with their own Insurance provider to answer this question.
- Anecdotally the answer to this question is yes for all buildings.
- All property insurance premium pricing is based on the fire protection classification. This factor is part of the pricing calculation for all properties whether they are single family, a strata corporation, individual strata units, or commercial property. The better the fire classification, the more discounted the insurance premium.
- While there is more weight given to fire protection classification for stand alone buildings, it is still a key rating factor for all buildings, including sprinklered ones. Sprinklered buildings do reduce the cost of insurance. It is important to understand that sprinklers can only put out a fire which starts in the inside of a building. They have no suppression affect on a fire which starts on the outside i.e. a balcony or deck.
- In Palliser Lodge, if a sprinkler head goes off and activates the building Fire Alarm system, the Fire Department is the only one who can turn off the alarm system.
- We cannot predict future rates for insurance premiums, but it is a fact that buildings located in a fire protected territory will have a lower premium than buildings which are not
- Insurance is increasingly hard to obtain for properties that are not within a fire protection area.

8. *What is the total annual operating budget and what is the assessed cost to registered property owners?*

- The annual operating budget was **initially estimated as \$200,000.**
- The budget is the lowest budget within the 13 CSRD Fire Services.
- An example is Apex Ski Resort, where the operating budget is \$400,000~
- **The CSRD have revised the projected budget, which has been reviewed and approved by their Administration. That review called for a conservative approach on a fire truck purchase and assumed a new truck in 2027 at an estimated \$800,000 financed over 10 years. Operationally the CSRD are still focused on buying a used truck, however there are times when suitable used trucks are not available. A new vehicle would be considered as a worst scenario.**
- The final operating budget values by year:

2025	\$203,660 or \$0.64 / \$1,000
2026	\$206,460 or \$0.65 / \$1,000
2027	\$211,940 or \$0.66 / \$1,000 (Fire Truck purchased)
2028	\$225,662 or \$0.70 / \$1,000 (Impacted by Fire Truck loan payments)
2029	\$247,484 or \$0.77 / \$1,000 (Expected 1 st year of full service levels / FUS rating)

- The Residential tax value is **confirmed** as \$0.64 / \$1,000 in assessed value.
- The maximum tax value was first proposed at \$1.50 / \$1,000, was reduced in response to public feedback to \$1.35 / \$1,000 and has now been **finalized** at \$1.10 / \$1,000

9. How is the assessed cost established for commercial properties?

- The cost to commercial properties is established by the Provincial Government and not by the CSRD.
- The Provincial Government multiplier for commercial properties is currently 2.45:1.
- The cost per \$1,000 of assessed value for commercial properties is therefore **\$1.57**.

10. Why are homeowners required to vote on and approve a maximum property tax rate of **\$1.10 / \$1,000?**

- In response to your input the maximum tax rate has been **reduced from \$1.50 to \$1.35, and has been finalized at \$1.10**
- The maximum tax rate is set conservatively to ensure there is adequate future funding for the service.
- The tax rate can only be increased by up to 25% every five years so there is needs to be an initial value that will ensure the service remains viable. This guards against market instability where property values may decrease, requiring the tax rate to increase. What we have typically seen is market values of properties increase which results in the actual tax rate going down. The cost of providing the service stays relatively the same with an inflationary increase, but the *tax rate* fluctuates with the assessed values of properties requiring the CSRD to take a conservative approach to setting the maximum. None of the CSRD fire services come close to the maximum, as we continue to see assessments increase, with the actual tax rate decreasing.

11. Clarify why the maximum tax rate is required?

- The maximum tax rate would be in place to protect the fire service from the risk of a dramatic drop in property values.
- Here is the table of assessed property values from 2023 showing the **initially proposed** \$0.62 / \$1000 tax rate proposed by the CSRD:

Current		
Property	Assessed (\$)	@ \$0.62
Aspens	31,925,335	\$ 19,794
Cache Estates	20,069,000	\$ 12,443
Cache Lodges	5,203,800	\$ 7,905
Cache Residences	30,036,000	\$ 18,622
Cedar Creek Estates	29,021,000	\$ 17,993
Dogtooth	22,554,000	\$ 13,983
Palliser Lodge	18,257,000	\$ 11,319
Purcell Woods	33,975,000	\$ 21,065
Selkirk Resort Homes	17,617,000	\$ 10,923
Whispering Pines	18,340,000	\$ 11,371
Glacier Lodge	23,464,400	\$ 14,548
Glacier Commercial	1,143,200	\$ 1,737
Mountaineer Lodge	19,725,800	\$ 12,230
Mountaineer Commercial	214,700	\$ 326
Cedars	16,907,000	\$ 10,482
Property sub total	288,453,235	\$184,740
Property	Assessed (\$)	@ \$0.62
Block D (P. trail)	2,660,000	\$ 1,649
Block E (P. trail)	580,000	\$ 360
Block F (P. trail)	432,000	\$ 268
Cedars Land	360,000	\$ 223
Selkirk Land	382,000	\$ 237
Forest Trails	934,000	\$ 579
Hector Trail Block A	75,000	\$ 114
Lot 1 Plan NEP 91151	88,500	\$ 134
KH Resort	10,319,300	\$ 22,393
Resort sub total	15,830,800	\$ 25,957
Total	304,284,035	210,697

- As shown in the next table to reach the **initially proposed** maximum tax value of \$1.35 / 1000 the property assessment would have to drop by an estimated 54%.

Current @ -54%		
Property	Assessed (\$)	@ \$1.35
Aspens	14,685,654	\$ 19,826
Cache Estates	9,231,740	\$ 12,463
Cache Lodges	2,393,748	\$ 7,917
Cache Residences	13,816,560	\$ 18,652
Cedar Creek Estates	13,349,660	\$ 18,022
Dogtooth	10,374,840	\$ 14,006
Palliser Lodge	8,398,220	\$ 11,338
Purcell Woods	15,628,500	\$ 21,098
Selkirk Resort Homes	8,103,820	\$ 10,940
Whispering Pines	8,436,400	\$ 11,389
Glacier Lodge	10,793,624	\$ 14,571
Glacier Commercial	525,872	\$ 1,739
Mountaineer Lodge	9,073,868	\$ 12,250
Mountaineer Commercial	98,762	\$ 327
Cedars	7,777,220	\$ 10,499
Property sub total	132,688,488	\$185,038
Property	Assessed (\$)	@ \$1.35
Block D (P. trail)	1,223,600	\$ 1,652
Block E (P. trail)	266,800	\$ 360
Block F (P. trail)	198,720	\$ 268
Cedars Land	165,600	\$ 224
Selkirk Land	175,720	\$ 237
Forest Trails	429,640	\$ 580
Hector Trail Block A	34,500	\$ 114
Lot 1 Plan NEP 91151	40,710	\$ 135
KH Resort	4,746,878	\$ 22,429
Resort sub total	7,282,168	\$ 25,999
Total	139,970,656	211,037

- Please note these numbers are estimates only as we do not have access to individual tax assessments and are provided as a general guide.

12. What is the risk of a tax increase?

- See Question 8 for the budget values over the next five years.
- With 13 fire services within the CSRD and decades of experience the CSRD is quite confident in their numbers. Please understand that the CSRD manages fire service in a fiscally conservative and responsible manner and will continue to do so as the fire service develops.

13. What is the impact on the tax rate of increased property values?

- As a general comment tax rates would go down as property values go up.

- The CSRD tries to keep inflationary increases between 2% and 3% per year. Across the Region increased property assessment have outpaced the inflationary increases to operating costs, with fire department budgets not changing as significantly as property values.
- As more properties are developed and added to the assessment “pool” the cost to each property also decreases.
- Here is a table that estimates the impact of a 10% increase in property values. This is an estimate only, however it does demonstrate how increase property values lowers the tax rate:

Current @ +10%		
Property	Assessed (\$)	@ \$0.56
Aspens	35,117,869	\$ 19,792
Cache Estates	22,075,900	\$ 12,442
Cache Lodges	5,724,180	\$ 7,904
Cache Residences	33,039,600	\$ 18,621
Cedar Creek Estates	31,923,100	\$ 17,992
Dogtooth	24,809,400	\$ 13,983
Palliser Lodge	20,082,700	\$ 11,319
Purcell Woods	37,372,500	\$ 21,063
Selkirk Resort Homes	19,378,700	\$ 10,922
Whispering Pines	20,174,000	\$ 11,370
Glacier Lodge	25,810,840	\$ 14,547
Glacier Commercial	1,257,520	\$ 1,736
Mountaineer Lodge	21,698,380	\$ 12,229
Mountaineer Commercial	236,170	\$ 326
Cedars	18,597,700	\$ 10,482
Property sub total	317,298,559	\$184,728
Property	Assessed (\$)	@ \$0.56
Block D (P. trail)	2,926,000	\$ 1,649
Block E (P. trail)	638,000	\$ 360
Block F (P. trail)	475,200	\$ 268
Cedars Land	396,000	\$ 223
Selkirk Land	420,200	\$ 237
Forest Trails	1,027,400	\$ 579
Hector Trail Block A	82,500	\$ 114
Lot 1 Plan NEP 91151	97,350	\$ 134
KH Resort	11,351,230	\$ 22,391
Resort sub total	17,413,880	\$ 25,955
Total	334,712,439	210,683

- Please note these numbers are estimates only as we do not have access to individual tax assessments, and are provided as a general guide.

14. Can service be provided by the Golden Fire Department?

- The Town of Golden will provide interim fire service starting in 2025, once the fire hall is constructed by the resort and equipped by the CSRD. Due to the distance from Golden and response times involved that service does not come with an improved FUS rating.
- The support provided by Golden and Nicholson would be governed by a Mutual Aid Agreement, which provides access to additional personnel and vehicles, including a ladder truck. The ladder truck would be key in a response to one of the larger structures such as the Palliser, Glacier or Mountaineer buildings. The additional personnel and vehicles would be key in a response to a more resources or specialty equipment.
- In order to provide interim coverage from Golden and ongoing mutual support by Golden, a fire service bylaw has to be in place in the resort, allowing the Golden to recover costs for services provided.
- As a long term solution fire service from Golden is not viable, as the Golden fire hall is outside of the maximum 13.5 km limit allowed for by CSRD policy. Distances further than this do not provide insurance reductions or efficient service.
- In the event of a wildfire, resources will be deployed from CSRD departments in the Shuswap and other provincially sourced resources. For example, during the 2023 Bush Creek East fire in the North Shuswap, trucks and firefighters from every department in the CSRD were present.

15. Please clarify the number of properties that the Resort controls and the rates paid?

- The Resort has title over 12 properties.
- Based on current property tax information this represents 3% of total titles and an estimated 5% of assessed value.
- Nine of the titles are bare land for development and will be assessed as residential at \$0.64 / \$1,000.
- Two of the titles are assessed as businesses. The business tax multiplier of 2.45:1 applies to the two titles with an assessment of \$1.57 / \$1,000.
- The Resort itself is assessed as two entities. One portion as a business with the tax multiplier of 2.45:1. The remainder is assessed as Recreation which carries the same rate as Residential.
- Based on this assessment the resort would be contributing 8% of the total fire service operating budget.
- **Please note:**
 - **Neither the Resort nor the CSRD establish the assessed property values or the properties Classification (Residential, Business etc). That is a function of the Province, and cannot be amended or adjusted by a Property owner.**
 - **The numbers provided in this Q+A document are estimates only as we do not have access to individual tax assessments and are provided as a general guide.**

16. Please explain the Resort's capital commitment and what has changed over time?

- In 2020 the Resort's commitment was a \$500,000 cash contribution to the costs of building a standalone fire house. In addition to that a land lease would be provided to the CSRD for 2 -3 acres, plus utility connections.
- At the last estimate the CSRD's cost to build a fire hall was over \$1.5M. Reduce that by the Resort's \$500,000 commitment, this would have still exposed the homeowners to over \$1M of development capital costs.

- The time required to obtain a Crown Grant for the necessary lands and to formalize a lease was estimated as over two years.
- The time and particularly the costs were considered unacceptable and so were not shared by the CSRD or the Resort with the homeowners. Note that the capital costs of a fire hall is often the largest single barrier to new fire services.
- In 2022 the Resort offered to include dedicated space for a fire service within a new multipurpose building, intended to house the Resort's maintenance and operations. The fire service would be provided with two dedicated vehicle bays, including office, washrooms, storage, and training space. In early 2022 the estimated cost for the fire service space within the operations building came in slightly over \$500,000. By year end, with design changes required by the CSRD and more accurate budgets, the cost of the fire service space had increased to \$570,000. This is a very cost effective solution when compared to the standalone costs for a fire hall of \$1.5M+.
- There are three agreements in place between the CSRD and the Resort:
 - A construction agreement, where the Resort will build at the Resort's cost a multipurpose building that includes the dedicated fire service space. In this agreement the CSRD has design approval and an inspection / acceptance clause.
 - A capital contribution agreement. This maximizes the CSRD's exposure to capital construction costs to \$100,000 for any costs over and above the Resort's original \$500,000 commitment. The current fire service budget allows for \$70,000 in capital construction costs. That \$70,000 is within the \$100,000, and not in addition.
 - The agreement also includes a commitment by the Resort to pay into the fire service's budget 1% of any future land sales. As an example, the Cedars Phase 3 development would contribute \$21,500 in 2024.
 - A lease in favour of the CSRD over the dedicated fire service space. The lease term is 20 years with the option for two extensions of 5 years each.
- The 1% from new lot sales ensures that new builds are contributing to the fire service, essentially "buying into" the fire service that was created by the current homeowner group. With each new development the costs to homeowners in the service area would go down as reserves for capital replacement are increased without further taxation.

17. What are the future real estate development plans for the resort?

- Cedars Phase 3. This is the final phase of this development and comprises of 10 duplex units, which will come to market in 2024.
- Selkirk Townhome Phase 2. This is the final phase of this development and comprises of 11 townhomes and is expected to come to market during winter 2024/25.
- Forest Trails is an eight-plex development on Palliser Trail. Comprising of eight buildings, Forest Trails would be a near term development.
- Founders is a mixed density development at the top end of Palliser Trail, on the lands above Whispering Pines. The conceptual plan is a mix of single family lots duplex and town homes.
- A resort center hotel of 120+ rooms.
- All future development require subdivision approval managed by BC's Ministry of Transportation with input from multiple government agencies including the CSRD. Typically, subdivision applications take a minimum of 2 years to complete.
- Beyond Cedars Phase 3 there is a CSRD development moratorium, pending the implementation of a fire service for the resort community.

- No timing is placed on the development of Forest Trails, Founders and the resort center hotel until the question of fire service is resolved. Beyond that future development timing would be tied to market activity.

18. What is the impact of an increase in the overall community assessed value resulting from real estate development.

- As a general comment the tax value would go down as the size of the overall community's property value increases.
- As an example, Cedars Phase 3 at current assessed value would add approximately \$10M to the total assessed value of the community. At the current residential rate of \$0.62 / \$1,000 Cedars Phase 3 would contribute a further \$6,200 to the fire service operating budget. This additional tax revenue is about 3% of the first year budget. Homeowners could expect a small reduction in their contribution with this addition.

19. What are the future plans for mountain development?

- There are future plans for the development of Rudi's Bowl, including an access road, ski trails below the high alpine, a detachable ski lift, and supporting infrastructure.
- The Resort's Controlled Recreation Area was amended over 2017/18 to include Rudi's Bowl, making the terrain available to the Resort.
- The timing for a Rudi's Bowl expansion would be contingent on a fire service being in place. From that point the final planning and government approval process would be a minimum of 2 years.
- The investment required for the Rudi's Bowl development is considerable. To provide for a return on that investment, and for any future development, the bed base at the resort has to increase. In doing so the visitor count would increase providing for future returns.

20. Questions surrounding volunteers

- **Are the volunteers covered by Work Safe BC?** - Yes
- **Are there showers in the fire hall?** – the concept plan does not show showers, but there would be in the final design as required by code.

21. 219 Covenant – Resort Amenity Charge questions

- This Covenant is on title for all properties at the resort.
- The Covenant wording allows the Resort to invoice property owners for fire service costs, raising concerns over the possibility of "double collection".
- On review of the Covenant the Resort Amenities and Services are defined in Section 2 and, as they pertain to fire protection, in section 2(a). There it states that the Resort Amenities and Services include fire protection including a fire hall "until fire protection services are provided to the resort by a governmental authority or body or any other person".
- That language precludes the ability to use the Resort Amenity Charge once the fire service is established. That eliminates the perceived risk of fire service fees from the resort.

22. What are the training standards for the volunteers (and are they as qualified as "professionals")

- The simple answer is that volunteers and professionals are trained to the same standards, the only difference being that professionals are full time paid employees of a fire service.
- The more detailed answer is as follows:
- The CSRD trains our firefighters to exceed the Interior Operations level defined under the British Columbia Structure Firefighter Minimum Training Standards, 2022 edition (BCSFMTS).
 - Interior Operations Firefighters may engage in fire suppression activities within all KHMR structures provided a pre-plan is completed on the large commercial structures. The fire department will be responsible for completing the pre-plan once the fire service is established.

- Training Courses - Basic
 - Safety & Communications, PPE & SCBA, Fire Behaviour, Building Construction, Portable Fire Extinguishers, Fire Streams/Hoses/Appliances, Ground Ladders, Ropes & Knots, Water Supply, Ventilation, Forcible Entry, Emergency Scene Traffic Control, Hazmat Awareness, ICS 100, Gas Safety, Electrical Safety, Fire Control, Search & Rescue, Salvage & Overhaul, and Rapid Intervention Team training.
 - Emergency Vehicle Driving & Apparatus Pump Operator
- Training Courses - Officer/Command
 - Team Leader, Fire Officer level 1, Fire Service Instructor Level 1 & 2, Incident Safety Officer, Strategies & Tactics, ICS 200
- Training Courses – Other
 - There are a number of other courses that delivered depending on need including but not limited to; Live Fire (Exterior & Interior), VEIS, CISM, Fire Investigation, etc...

23. Please provide more information re Sprinklered Buildings and how they benefit from Fire Service

- For detailed response the CSRD would need to know the type of system in use.
- A “dry” system has no water in the system until the sprinkler activates. The pipes are filled with air or nitrogen under pressure when not activated. This is typically the system used in colder climates.
- The other type is a “deluge” system, where the system is full of water. When activated all the sprinkler heads will start to spray water.
- Other systems are designed to allow each sprinkler head to open independently.
- Deluge systems will drain water from the system very quickly.
- In most cases, the water supply for a sprinkler system is designed to supply only a portion of the sprinklers installed on the system. If a large fire occurs, the sprinkler system will need an outside source of water and pressure to function effectively. In that case a fire department pumper truck is connected to the sprinkler fire department connection and a fire hydrant to provide water and pressure.
- Even when the sprinklers are connected to a public water system, a fire pump is required to maintain water volume and pressure throughout the system.