

2016 ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016





ABOUT THIS REPORT

District of West Vancouver
British Columbia, Canada

Annual Report
for the year ended
December 31, 2016

Designed and prepared by the
Communications Department

Produced by the Financial Services Division
May 2017

The report is printed on post-consumer
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AWARD FOR FINANCIAL REPORTING



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to
District of West Vancouver
British Columbia

For its Annual
Financial Report
for the Year Ended

December 31, 2015

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of West Vancouver for its annual financial report for the fiscal year ended December 31, 2015.

In order to be awarded a Canadian Award for Financial Reporting, a government must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements and we are submitting it to the GFOA.

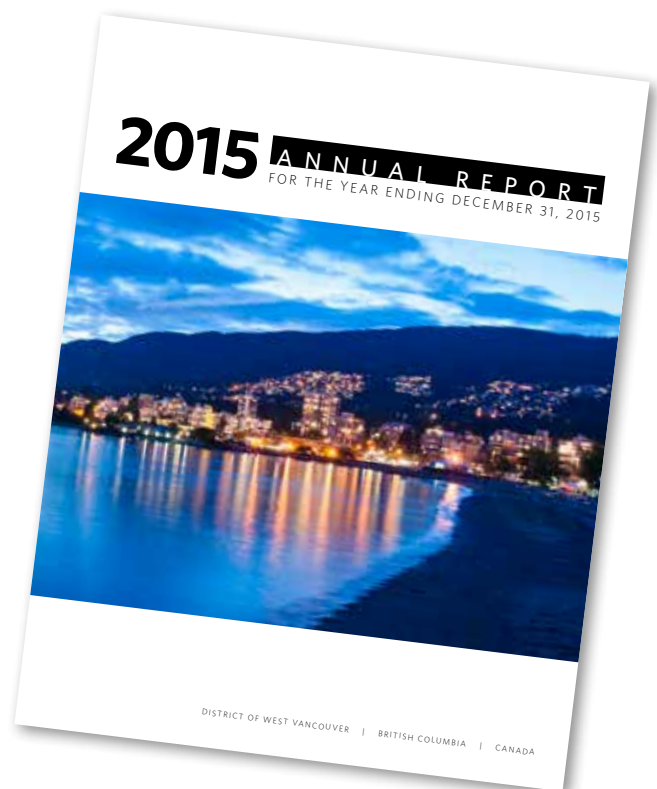




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OUR VISION

West Vancouver will **inspire excellence** and lead by example.

Collaborative government and a spirit of **personal civic commitment** will power the **innovations** that shape our **shared future**.

The **strength** of this relationship will secure our treasured quality of life and will be the measure of our **success as a community**.

OUR MISSION

We champion the opportunities that demonstrate our deep commitment to:

- foster a sense of shared and individual responsibility for community well being, inclusion, social unity, and respect for our full heritage,
- protect, restore, and defend our natural environment; legislate efforts to effect positive change,
- encourage diversity in housing, land use, and innovative infrastructure within our distinct neighbourhoods to meet changing needs,
- enrich community vitality, health, and understanding through integrating arts, learning, inter-cultural experiences, and physical activity into our daily lives,
- maximize the potential of our economic base and services, and balancing the effective long-term use of resources for current and future generations.

District of West Vancouver at a Glance*

LAND AREA

- 87.4 square kilometres

POPULATION

- 42,470 residents
(2016 Census Canada)
- 13.83% are 0-14 years old
(2016 Census Canada)
- 58.36% are 15-64 years old
(2016 Census Canada)
- 27.81% are 65+
(2016 Census Canada)
- 5,472 businesses
(District of West Vancouver)
- 16,935 households
(2016 Census)

MUNICIPAL FACTS

- 736 permanent employees
- \$141 million operating budget
- \$45 million capital budget

* sources are indicated in brackets

MESSAGE FROM THE MAYOR

In 2016, Council moved forward with its key priorities: Ambleside Waterfront & Town Centre, Built Form, Housing & Neighbourhood Character, Fiscal Sustainability & Municipal Services, Natural Environment & Climate Action, Official Community Plan Review, Arts, Culture & Heritage, Police Services & Municipal Hall Project and Traffic & Transportation. The last was added later in 2016 in response to growing concerns from residents about their ability to get to and from their workplaces, schools and homes efficiently.

By prioritizing these areas, in 2016 we continued to strengthen our fiscal planning and improve our long-term fiscal position, to respond to emerging community service needs, to find balances between differing desires for how neighbourhoods should look and feel, to protect our natural assets and to enhance our community's vibrancy through arts and culture offerings. Our police and fire services provided excellent protection to residents, and our residents continued to enjoy the very best in library services, community recreation and festivals.

We also saw significant progress on the Police Services & Municipal Hall Project, which will open in 2017 and provide the West Vancouver Police Department with a modern building built to a post-disaster standard, allowing them to keep our community safe and to fulfill their crucial role as first responders in large-scale crisis or natural disaster.

Competing demands for limited resources means that Council must, and does, make all its decisions through the lens of sound fiscal policy. It is my commitment to you that we will always maximize the efficiency and impact of every tax dollar spent.

It is an honour and a privilege to serve as your Mayor. Working with Council, staff and with you, we will continue the good work completed last year into 2017.

Mayor Michael Smith
District of West Vancouver



Michael Smith | Mayor of West Vancouver



2016-18 Council: Craig Cameron, Peter Lambur, Mary-Ann Booth, Mayor Michael Smith, Christine Cassidy, Bill Soprovich & Nora Gambioli.

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

I am pleased to present the 2016 Annual Report on behalf of the District of West Vancouver.

The detailed and audited numbers in this report represent a summary of our 2016 financial activities, and offer a clear picture of the District's financial position at the end of 2016. This report has been prepared in accordance with Canadian Generally Accepted Accounting Principles as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Other parts of this report offer details of our operations, how we responded to Council priorities and our accomplishments in the execution of our work plans. Taken together, these numbers and details show that 2016 was a year of many successes. These are attributable to the efforts of Mayor and Council, citizen working groups and committees, community volunteers and our staff.

Council priorities, in combination with the Community Strategic Plan, are the primary drivers of our work. Council's eight priorities are: Ambleside: Waterfront & Town Centre, Built Form, Housing & Neighbourhood Character, Fiscal Sustainability & Municipal Services, Natural Environment & Climate Action, Official Community Plan Review, Arts, Culture & Heritage, Police Services & Municipal Hall Project, and Traffic and Transportation.

The District of West Vancouver continues to be one of the best places in the world to live, but a host of regional pressures are impacting the urban landscape. Rapidly rising real estate prices, movement of people and goods through the region, land use, neighborhood liveability, community economic resiliency and climate change are pressures that require policy responses from all levels of government, including municipal governments. To be able to respond well, the District of West Vancouver's long-term fiscal position will need to be strengthened, as municipal governments are responsible for maintaining a vastly disproportionate share of Canada's infrastructure.

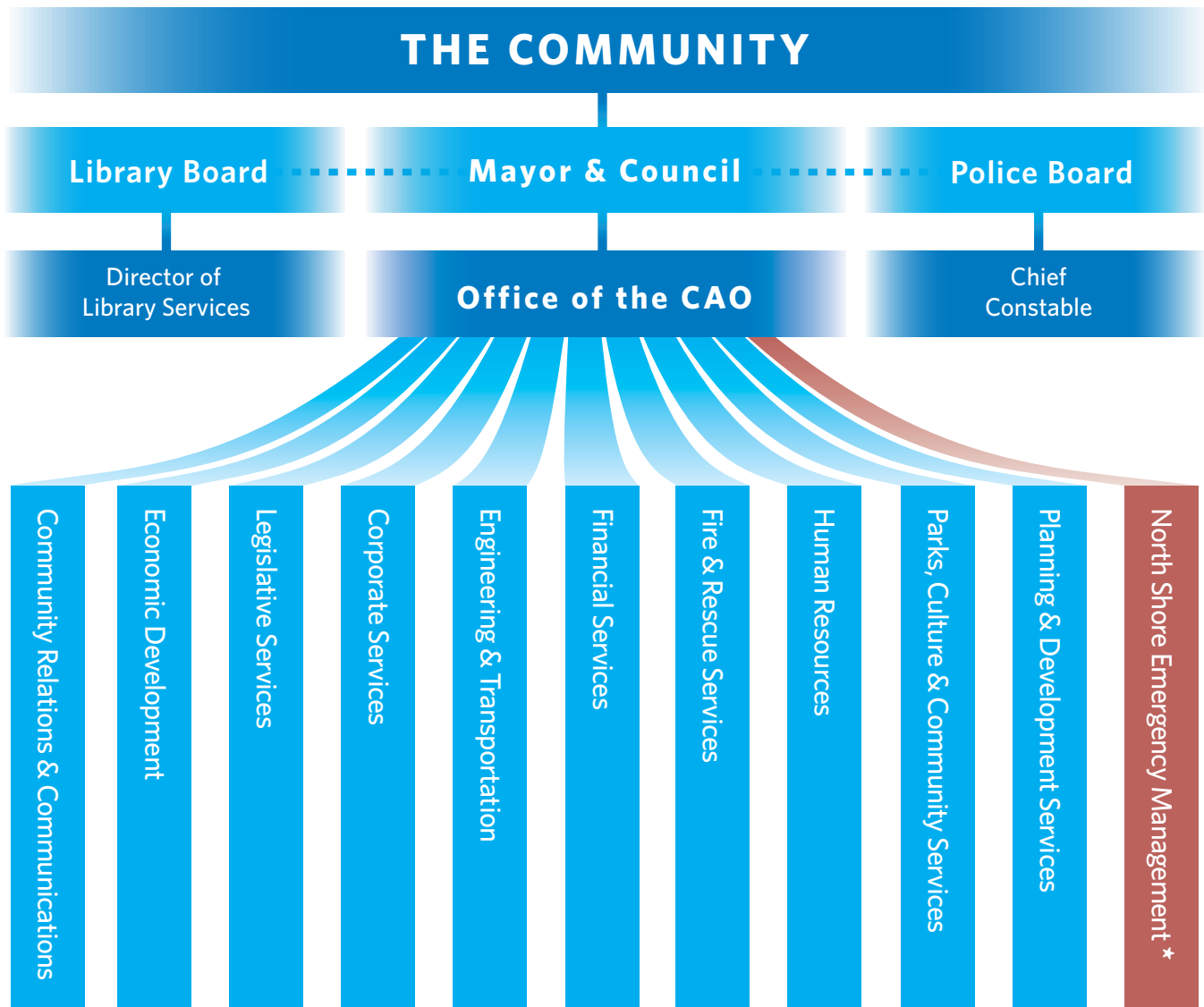
A very sad note last year was the passing of Councillor Michael Lewis in August. Councillor Lewis served the residents of West Vancouver with integrity, vision and commitment, and our community is stronger for his service.

Sincerely,
Nina Leemhuis



Nina Leemhuis | Chief Administrative Officer

EXECUTIVE TEAM



* North Shore Emergency Management (NSEM) is an inter-municipal agency providing emergency management services for the District of West Vancouver, City of North Vancouver and District of North Vancouver.

- Nina Leemhuis** Chief Administrative Officer
- Jeff McDonald** Director of Community Relations & Communications
- Sheila Scholes** Legislative Services Municipal Clerk
- Mark Chan** Director of Corporate Services
- Raymond Fung** Director of Engineering & Transportation
- Isabel Gordon** Director of Financial Services
- Randy Heath** Chief of Fire & Rescue Services
- Lauren Hughes** Director of Human Resources
- Jenny Benedict** Director of Library Services
- Anne Mooi** Director of Parks, Culture & Community Services
- Jim Bailey** Director of Planning & Development Services
- Len Goerke** Police Chief Constable

OFFICE OF THE CAO

The Office of the Chief Administrative Officer leads, coordinates and provides oversight for all District divisions to ensure the District is accomplishing Council's priorities, goals of the community and the District's vision and mission.

The Chief Administrative Officer (CAO) takes direction from Mayor and Council in their roles as governors of the District of West Vancouver. The CAO serves as a link between Council, which sets priorities, and the executive committee, which implements them. The CAO keeps Mayor and Council informed of corporate policies, plans and financial information, and provides them with analysis, options and recommendations. As administrative head of the District, the CAO provides leadership and direction to executive committee members on development and execution of divisional and departmental work plans, while creating the working environment and procedures to allow the executive committee to successfully fulfill their roles. The CAO personally represents the District at all levels in the community, maintains relationships with community groups and agencies, and manages the District's interests on intergovernmental issues.



Nina Leemhuis | Chief Administrative Officer

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- provided oversight across divisions for the Ambleside Waterfront Concept Plan public engagement and implementation phase

Built Form, Housing & Neighbourhood Character

- supported the implementation of community-driven solutions to protect and enhance neighbourhood character

Fiscal Sustainability & Municipal Services

- supported the further refinement and review of the 20-year Capital Asset Management Plan
- provided oversight to the operational programs and services review

Natural Environment & Climate Action

- supported the Community Energy & Emissions Plan working group in developing a plan for the municipality to address greenhouse gas emissions, energy and transportation use and energy security

Official Community Plan Review

- oversaw the planning for phases of public consultation that will guide the renewal of the OCP with the goal of creating a more robust policy framework to guide future planning decisions

Arts, Culture & Heritage

- supported work with key arts and culture stakeholders and community residents to develop a detailed five-year Arts & Culture Strategic Plan with extensive community input

Police Services & Municipal Hall Project

- provided oversight to the overall project
- supported area residents and staff with timely information as construction moved into a more intensive phase

2016 OPERATIONAL ACCOMPLISHMENTS

- sharpened our focus on customer service in all aspects of District services and operations
- implemented the newly drafted community engagement policy to ensure citizens inform Council decisions and staff by participating more fully in District projects and plans
- continued to improve emergency preparedness and resiliency for all divisions
- established an office responsible for creation of an economic development strategy

COMMUNITY RELATIONS & COMMUNICATIONS

The Community Relations & Communications Division creates and administers an integrated communications structure which keeps residents informed of District projects, policies, services and events.

Working with and in service of other District divisions, Community Relations identifies and responds to residents' questions and concerns with the goal of providing them with current information and excellent municipal services. Community Relations acts as a liaison between individuals, businesses and organizations and District departments and staff.

Communications keep residents and stakeholders informed and aware by planning and maintaining District websites and social media channels and by producing printed marketing materials. Communications provides information to print, television, radio and online media and responds to media requests for information and interviews. This department provides graphic design services in support of District community engagement, marketing, events and advertising.

This division is also responsible for District preparedness for communications during emergencies and is responsible for the majority of internal staff communications and engagement in support of excellence in service delivery.



Jeff McDonald | Director of Community Relations & Communications

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- provided comprehensive community engagement and support for the Ambleside Waterfront Concept Plan

Built Form, Housing & Neighbourhood Character

- provided comprehensive community engagement and communications support for the interim tree bylaw

Fiscal Sustainability & Municipal Services

- produced key financial documents and online information pieces to build residents' understanding of District budget and finances

Natural Environment & Climate Action

- provided communications support for the Community Energy & Emissions Plan working group, foreshore preservation and development of tree bylaws for District lands

Arts, Culture & Heritage

- provided communications support for community engagement and development of the Arts & Culture Strategy

Police Services & Municipal Hall Project

- kept area residents informed as the project moved into new construction phases

2016 OPERATIONAL ACCOMPLISHMENTS

- improved communications and community relations mechanisms to inform residents of impending service changes and infrastructure projects to minimize disruptions
- drafted and implemented a new policy to enhance community engagement and outreach
- completed a visual refresh of westvancouver.ca
- launched westvancouver.ca on a mobile-friendly platform
- assisted with an employee engagement survey leading to an internal communications strategy
- continued to build District-wide crisis communications capacity
- launched a District e-newsletter to provide key information to community members and groups
- provided staff support for the Community Engagement Committee
- provided communications support for the 2016 by-election to fill a vacant Council seat



This division supports legislative matters and decisions of Council and its committees, while providing a communications link between Council, departments and the public through the provision of services related to legislation, and statutory process and procedures. The division records the official minutes of Council business, manages the bylaw process and bylaw and document certification, administers and maintains corporate policies, and executes legal documents on the District's behalf. Legislative Services also manages compliance with the Freedom of Information and Protection of Privacy Act and continues ongoing development and maintenance of the corporate records and information management program to ensure appropriate access to and protection of records and information maintained by the District. The division also conducts all legislated elector approval processes, by-elections and general local and school district elections.

2016 OPERATIONAL ACCOMPLISHMENTS

- performed statutory and other requirements for council meetings, town hall meetings, board of variance and public hearings and statutory notifications
- administered the Freedom of Information and Protection of Privacy Act including processing an unprecedented volume of FIPPA requests
- initiated development of updated corporate records / information management training, and processed an unprecedented volume of non-FIPPA internal and external requests
- managed corporate agreement and bylaw processing
- with Communications, redesigned statutory notices
- began next phases for a corporate policy review
- continued to develop and implement best practices regarding corporate administrative requirements
- conducted the annual recruitment process for volunteers for boards and committees, and additional recruitments throughout the year
- conducted a by-election for the office of Councillor (one vacancy)

CORPORATE SERVICES

The Corporate Services Division provides support services to the organization, and is responsible for Facilities & Asset Management, Municipal Lands, Information Technology Services, Bylaw & Licensing Services, Corporate Emergency Planning, First Nations and Legal Services.

Facilities & Asset Management provides a pan-organizational approach to facilities and asset maintenance, replacement and renewal. The Lands Department administers municipally-owned land and municipal property transactions. Information Technology Services (ITS) manages the computer equipment, applications and technology infrastructure, telephone systems and wide-area network linking municipal facilities. Bylaw & Licensing Services provides education and enforcement for municipal bylaws, rules and regulations designed to keep citizens safe. Emergency Planning works with the tri-municipal North Shore Emergency Management to oversee District plan development, capital improvements and training to move our community towards greater disaster resilience. The division also acts as the municipality's liaison to the Squamish Nation and oversees legal services.



Mark Chan | Director of Corporate Services

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- collaborated with Planning & Development Services on municipal land initiatives for the Ambleside Waterfront Plan
- coordinated the deconstruction and removal of five vacant District-owned houses on the Ambleside waterfront to enable the creation of new public waterfront park land; continued planning toward acquisition of two remaining Argyle Avenue waterfront lots

Fiscal Sustainability & Municipal Services

- continued negotiations with Squamish Nation on a master servicing agreement
- collaborated with Finance on the District's asset inventory and review of existing assets

Natural Environment & Climate Action

- presented oral and written submissions to the National Energy Board as intervenor in the Trans Mountain Pipeline Expansion Project and to the Ministerial Panel
- represented the District in discussions with the provincial government, Canadian Coast Guard and other governmental agencies on oil spill preparedness and response

Official Community Plan Review

- collaborated with Planning & Development Services with respect to District-owned lands within the scope of the Official Community Plan review

Police Services & Municipal Hall Project

- completed tendering, managed construction and continued planning for the completion and move into the new facility

2016 OPERATIONAL ACCOMPLISHMENTS

- acquired a Hollyburn Ridge lot pursuant to District policy to further increase park land in the Upper Lands
- entered into a licence agreement with EcoUrbia to enable an urban farm in West Vancouver
- expanded District services by adding online booking of inspections for permits and online applications for mechanical improvements
- provided support for technology infrastructure for the North Shore Recycling Program
- upgraded free public wifi services in District facilities

ENGINEERING & TRANSPORTATION

The Engineering & Transportation Division comprises four departments: Roads & Transportation, Utilities, Engineering Services and Transit. The Water, Sewer and Solid Waste Utilities and Transit are funded by specific funds, while the other services are funded by the General Fund.

The Roads & Transportation Department ensures the safe and efficient movement of people, goods and services within West Vancouver. Functions include providing technical expertise for municipal infrastructure projects, road maintenance, traffic operations and signage. The Engineering Services Department provides Geographical Information Systems (GIS) and mapping services for the District and public. Functions also include maintenance of fleet and equipment and Operations Centre support such as Dispatch and the Maintenance Management System.

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- established a Parking Task Force with the Ambleside and Dundarave Business Improvement Area (ADBIA)
- implemented extension of the Spirit Trail according to the Ambleside Waterfront Concept Plan

Built Form, Housing & Neighbourhood Character

- supported the Planning Department in a review of Sewell's Landing and other major land development applications and participated in the Marine Drive Context Study
- provided input to adoption of a new Boulevards Bylaw

Fiscal Sustainability & Municipal Services

- continued implementing MaintenanceConnection as the District's Maintenance Management System software, including creation of dashboard views to monitor the status of outstanding work orders

Natural Environment & Climate Action

- implemented LED replacements on Marine Drive from Pound Road to 15th Street and from 16th to 19th Street
- implemented phase four of the Cycling Network Implementation Plan
- began to develop the Shoreline Management Plan
- adopted the Community Energy and Emissions Plan for the District

Official Community Plan Review

- supported Planning in review of OCP sections related to transportation policies

Police Services & Municipal Hall Project

- supported Facilities through the construction phase of the project relative to servicing requirements and the traffic management plan review

2016 OPERATIONAL ACCOMPLISHMENTS

- completed improvements at the 24th Street railway crossing in consultation with Transport Canada and CN Rail



Raymond Fung |
Director of Engineering & Transportation

FINANCIAL SERVICES

The Financial Services Division supports business operations by providing financial guidance and advice to ensure strong fiscal management.

The Finance Department is responsible for accounting, reporting, budgeting and forecasting functions as well as revenue collection, cash management and investments. It also supports the strategic planning and decision-making process by identifying financial implications, assessing and mitigating risk.

The Taxes & Utilities Department is responsible for rate-setting, utility and tax billing and collection.

The Purchasing Department provides contracting, procurement and risk management services.

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- developed and implemented a successful funding strategy for improvements as part of the Ambleside Waterfront Concept Plan
- supported the process for formation of the Ambleside and Dundarave Business Improvement Association (ADBIA)

Fiscal Sustainability & Municipal Services

- completed new asset policy and guidelines for asset accounting and management
- implemented an asset levy funding model to support the District's infrastructure investment
- established an asset management cross-departmental staff group to review District assets and make recommendations for asset shedding
- began phase two of the District's Fiscal Sustainability Review
- working with the KPI Task Group, supported the development of a Key Performance Indicators (KPI) framework and measures for implementation
- working with the Reserves and Investment Task Group, supported a review of the District's reserves and investments and developed recommendations for changes to policies and procedures
- received the Government Finance Officers Association's Distinguished Budget Presentation Award and the Canadian Award for Financial Reporting
- received the Most Fiscally Responsible Municipality by NAIOP-Vancouver Chapter for keeping an annual average inflation rate of 1.49 per cent for development fees over the past 16 years

Natural Environment & Climate Action

- working with Engineering & Transportation, supported District participation in the Municipal Natural Assets Project, a Canada-wide demonstration project for natural asset enhancement

Arts, Culture & Heritage

- supported development of new Public Art Reserve Fund

Police Services & Municipal Hall Project

- completed borrowing approvals and successfully obtained \$23 million of the required \$28.7 million to complete the project

2016 OPERATIONAL ACCOMPLISHMENTS

- successfully transitioned accounts payable to scanned invoices resulting in significant time saving and better records availability
- working with Information Technology Services, completed the JDE Health Check to identify ways to functionally improve the District's Enterprise Resource Planning system
- completed a Request For Proposals process for audit services, resulting in the appointment of the firm of BDO Canada LLP as the District's external auditor
- underwent Canada Revenue Agency GST audit with minor findings
- implemented the Business Improvement Association levy collection process



Isabel Gordon | Director of Financial Services

FIRE & RESCUE SERVICES

The mission of Fire & Rescue Services is to prevent or minimize the impacts of emergency incidents through:

- provision of exceptional public safety by delivering prompt and effective response to fire, rescue and medical emergencies
- ensuring the protection of life, property and the environment
- delivery of fire prevention and education services to the public
- enforcement of regulations including Fire and Building codes, as well as Municipal bylaws

Fire & Rescue Services is comprised of six functions: Administration, Emergency Response, Fire Prevention, Public Education, Mechanical and Training.

Fire & Rescue Services works jointly with both the City and District of North Vancouver fire departments to provide shared services across the North Shore with the goals of:

- improving fire and rescue service levels to residents, businesses and industry
- improving the safety of responders at mutual aid incidents
- improving resource coordination between the three departments



Randy Heath | Fire Chief

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Fiscal Sustainability & Municipal Services

- provided financial reporting and analysis of departmental revenue, expenditures and key performance indicators

Official Community Plan Review

- investigated opportunities for a dedicated fifth fire hall and fire training ground

2016 OPERATIONAL ACCOMPLISHMENTS

- continued to refine training records and asset management systems and processes
- completed the review process of the Standards of Cover & Fire Services report
- completed phase two of the Self-Contained Breathing Apparatus (SCBA) upgrade and Turnout Gear replacement program to comply with industry standards
- completed approximately 1,500 fire inspections
- initiated officer development training for eight new officer pool members
- drafted a Memorandum Of Understanding for Cooperative Fire/Rescue Services on the North Shore
- procured a required replacement fire truck with delivery in early 2017
- defined and created a new Fire Safety Plan and Pre-Incident Plan program for occupancies identified under the BC Fire Code
- signed an agreement with BC Ambulance for the ability to respond and treat opioid-based overdoses
- initiated the Next Generation Radio Program (NGRP) rollout
- aligned medical responses across the North Shore fire departments
- completed the Vancouver Marine Fire Response Service Agreement

HUMAN RESOURCES

Human Resources provides direct, operational and strategic support to District divisions for all human resource activities and all employees. The division is responsible for employee and labour relations activities (including bargaining of six collective agreements), training; leadership development and succession planning, recruitment and selection, payroll and benefits administration, disability, health and safety programs, and employee recognition and engagement programs. Human Resources both leads and is part of many organization-wide initiatives that build organizational culture, find efficiencies, reduce costs and, most importantly, recognize and support employees.

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

As a division that provides support and service to all other District divisions, Human Resources' accomplishments and support for Council priorities is intrinsically reflected in the accomplishments of all other divisions.

2016 OPERATIONAL ACCOMPLISHMENTS

- implemented a new benefit carrier for streamlining administration of benefits with cost savings to the District
- conducted a District-wide Employee Engagement Survey in conjunction with Communications and took steps to address recommendations from the results
- successfully negotiated a new collective agreement with West Vancouver Blue Bus
- conducted an exempt compensation survey to ensure compensation practices are consistent with market conditions
- expanded the corporate training program by providing staff with opportunities to acquire additional skills to deliver exceptional customer services to residents



Lauren Hughes | Director of Human Resources

PARKS, CULTURE & COMMUNITY SERVICES

Parks, Culture & Community Services provides a broad continuum of services and programs.

The Parks Department manages approximately 140 parks, natural areas, sports amenities, playgrounds, play courts, beaches, Centennial Seawalk, over 130 kilometres of trails, Ambleside Par 3 and Gleneagles golf courses and Capilano View Cemetery.

The Cultural Services Department offers exhibitions at the Ferry Building Gallery and West Vancouver Museum, and cultural and educational programs at various District locations. This department oversees public art and collections and offers visual arts programming and events. Art education programs are offered in conjunction with West Vancouver schools through classroom programs, student exhibitions and gallery tours.

The Community Services Department offers health, fitness and leisure programs at the West Vancouver Community Centre, Aquatic Centre, Gleneagles Community Centre, Ice Arena, Seniors' Activity Centre and Ambleside Youth Centre. The department oversees Access & Inclusion, the West Vancouver Child & Family Hub, specialized leisure services, the Community Grants Program, child care and family services and youth and seniors' outreach services. Special Events & Filming facilitates over 60 special events and issues more than 50 film permits annually.



Anne Mooi | Director of Parks & Community Services

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- substantially completed phase one of the Ambleside Waterfront Plan
- opened the Ambleside Skatepark
- completed phase two of the Ambleside Playground
- completed a 2016 dashboard with key performance indicators for the KPI Task Group

Natural Environment & Climate Action

- initiated the Trails Plan development process
- continued to implement the Invasive Plant Strategy and to dedicate parks as per the Parks Master Plan

Arts, Culture & Heritage

- with the Finance Division, developed the Public Art Reserve Fund
- completed an economic impact study for the Harmony Arts Festival
- assembled a steering committee to guide development of the Arts & Culture Strategy

2016 OPERATIONAL ACCOMPLISHMENTS

- completed Orchill Road parking lot improvements, the Eagle Harbour south field irrigation and drainage replacement, an inventory of District-managed trails, and the Municipal Alcohol Policy for District parks
- in consultation with the community, completed the development of a Sports and Active Recreation Policy
- implemented ePACT, an online communication tool for parents to securely and electronically share contact and medical data about their children in day camps
- began the process to draft a new Child Care Plan to reflect current needs
- entered into year two of a Healthy Communities Partnership with Vancouver Coastal Health, with priority projects identified that respond to current needs
- hosted 1,000 people at the North Shore Seniors' Health Expo seminars on seniors' issues
- launched the tri-municipal Dementia-Friendly North Shore to enhance our age-friendly communities
- improved access to programs for seniors with the purchase of the Activity Connector, a small vehicle with a fold-out wheelchair ramp
- completed consultation on future youth space and resource needs
- developed and hosted a newly formatted Community Awards presentation and reception

PLANNING & DEVELOPMENT SERVICES

The Planning & Development Services Division works with residents, stakeholders and Council to guide change and help shape a sustainable future for our community.

Community Planning and Sustainability develops long-range plans and policies to meet housing needs, protect the environment, address climate action, and fulfill other community land use objectives.

Urban Design and Current Planning processes rezoning applications, development permits and Official Community Plan amendments, and prepares guidelines and policies that shape our built environment.

Land Development reviews and approves engineering and utility services requirements for new development, and ensures that environmental and creek protection measures are implemented.

Permits & Inspections reviews and issues building, electrical, plumbing and signage permits, and provides inspection to ensure compliance and safety.



Jim Bailey | Director of Planning & Development Services

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- led an inter-divisional staff team and public engagement culminating in Council endorsement of the Ambleside Waterfront Plan

Built Form, Housing & Neighbourhood Character

- adopted an interim tree bylaw and established a working group to guide preparation of a permanent bylaw
- provided Council with strategies to address housing affordability and diversity for consideration through the Official Community Plan review
- continued to address neighbourhood character through zoning bylaw changes regarding lot consolidations, fence heights and landscaping and on all development and development variance permits
- refined the process related to the review of proposal for use of District boulevards

Fiscal Sustainability & Municipal Services

- examined services provided and fees & charges to address adequate and equitable cost recovery

Natural Environment & Climate Action

- became the lead division supporting the Community Energy & Emissions Plan (CEEP) Working Group

Official Community Plan (OCP) Review

- confirmed the OCP work plan and process, consisting of updating policies based on working group reports, and generating new policy through various plans and studies
- presented Council with demographic, housing and employment projections and strategies to address housing affordability and diversity to consider through the review
- supported regeneration in Horseshoe Bay through consideration of the Sewell's Marina redevelopment and through collaboration of new streetscape guidelines
- established an overall process to advance preparation of an area development plan for Cypress Village

Arts, Culture & Heritage

- integrated Arts, Culture & Heritage into the Ambleside Waterfront Concept Plan

Police Services & Municipal Hall Project

- reviewed plans and issued building permits

2016 OPERATIONAL ACCOMPLISHMENTS

- enhanced permitting process and coordination with land development functions, helping to reduce overall permit processing times
- moved forward with regional coordination initiatives including North Shore Advisory Committee on Disability Issues, Regional Planning Advisory Committee, Regional Permit & Licences Committee and Lower Mainland Technical Committee

POLICE SERVICES

The Police Department is governed by, and reports to, the West Vancouver Police Board. The Mayor is the Chair of the Police Board.

The mission of the West Vancouver Police Department (WVPD) is *Making West Vancouver safe today and safer tomorrow.*

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Police Services & Municipal Hall Project

- continued to work with the project design team in planning the new Police Services building and began planning for the migration of Information Technology (IT) infrastructure

2016 OPERATIONAL ACCOMPLISHMENTS

- accomplished 90 per cent of our 2016 initiatives in support of the WVPD 2016-2019 Strategic Plan
- completed an IT assessment and developed an IT plan in support of current operations and in anticipation of the move to the new Police Services building
- hired a professional accountant to manage WVPD's finance and corporate services
- civilianized the records management position allowing the reassignment of a sworn member to traffic duties
- fully implemented the new North Shore Domestic Violence Unit
- conducted a citizen satisfaction survey to identify opportunities for improving our service delivery, with results reported to the board in January 2017
- conducted an internal work environment survey with results revealing a marked improvement in staff engagement and satisfaction
- continued employee health and wellness programs wherein 67 per cent of staff participated in WVPD's annual health assessments
- trained all staff in a Road to Mental Readiness program



Len Goerke | Chief Constable

WEST VANCOUVER MEMORIAL LIBRARY

The West Vancouver Memorial Library (WVML) is governed by the BC Library Act and managed by the Council-appointed West Vancouver Memorial Library Board.

Our Mission: Open and welcoming to all, our Library connects people with information, the world of imagination and each other.

Our Vision: Where wonder sparks, possibilities emerge, and minds thrive. Our Library inspires people to grow in a dynamic world.

2016 ACCOMPLISHMENTS

Support 21st Century Learning

- launched an electronic resource subscription to support development of digital skills
- piloted a digital badging project in conjunction with expanded Summer Reading Club activities
- completed adult learning and personal enrichment service model reviews

Deepen and Extend Community Collaborations

- expanded our relationship with West Vancouver schools through executing the WVML Library card project in elementary schools and delivering the Research to Remember program
- completed a community engagement policy and staff toolkit
- developed a project plan for emerging physical space needs consultation
- conducted community technology consultations and completed a Community Technology Profile and Community Technology Roadmap

Sustain and Enhance our Physical Space

- started West Wing exterior and interior renovations to address envelope integrity, structural stability, accessibility, systems renewal and reallocation of program functions
- planned technology spaces for computer training
- installed a managed fibre optic wireless network connection

Develop and Integrate our Digital Platform

- increased the selection and availability of e-books and e-audiobooks
- developed a new collection policy to reflect digital and physical collections
- expanded and improved mobile website functionality



Jenny Benedict | Director of Library Services

ENGINEERING UTILITY FUNDS

The Water Utility provides a safe and continuous supply of drinking water to residents by constructing and maintaining water mains, valves, reservoirs and pump stations. This utility includes the operation of the District's state-of-the-art Eagle Lake and Montizambert Creek membrane filtration facilities. The District also supplements its own water sources by purchasing bulk treated water from Metro Vancouver.

The Sewer & Drainage Utility provides sanitary sewer and storm drainage services by constructing and maintaining pipes, manholes, culverts and sewage lift stations, and by operating the Citrus Wynd Wastewater Treatment Plant.

The Solid Waste Utility is responsible for collecting and processing household garbage, yard trimmings, the Green Can and recyclables. In 2016, the utility also became responsible for funding garbage and recycling services within municipal facilities and parks.



Raymond Fung |
Director of Engineering & Transportation

2016 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- supported redevelopment of Ambleside through rehabilitation of water, and sanitary and storm drainage infrastructure

Built Form, Housing & Neighbourhood Character

- supported Planning and Development Services in the review of applications for new development related to water, sanitary and storm, and solid waste servicing including Sewell's Landing, Cypress Village, and Rodgers Creek Area 6

Fiscal Sustainability & Municipal Services

- completed Master Water and Sewer Servicing Studies
- completed Annual Water and Sewer System Capital Replacement/Renewal programs
- continued to work toward compliance with action items in Metro Vancouver's Integrated Liquid Waste Resource Management Plan (ILRWMP), including an Inflow and Infiltration (I&I) Management Program
- completed an Integrated Stormwater Management Plan for Brothers, Vinson and Hadden Creeks
- provided assistance with the design of the Five Creeks Stormwater Diversion Project
- transitioned all public realm (parks, streetscapes, and civic buildings) solid waste functions to the Solid Waste Utility
- transitioned administration of the joint North Shore recycling contract to the District as a shared tri-municipal service
- began localized solid waste diversion programming within the District
- introduced separated dog waste collection at selected high-use park locations

Natural Environment & Climate Action

- provided enhanced water conservation outreach to residents
- provided assistance on cross-departmental collaboration that supports environmental and sustainability projects

Police Services & Municipal Hall Project

- provided support for the construction phase of the project with respect to servicing requirements for water, sanitary sewer and stormwater management servicing

2016

DISTRICT OF WEST VANCOUVER
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2016



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REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

Your Worship and Members of Council:

I am pleased to present the Annual Report for the District of West Vancouver (the District) for the year ended December 31, 2016.

The preparation and presentation of the annual financial statements, and of related information in the 2016 Annual Report, are the responsibility of the District's Financial Services Division. These consolidated financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

The District continues to maintain and to improve upon its comprehensive system of internal controls to safeguard District assets and to provide reliable financial information. The system is regularly evaluated and revised to ensure that these controls are operating as intended. Achievements in this area in 2016 include a new Asset Management Policy, Task Group reviews of Key Performance Indicators, Reserves and Investment Procedures, and the continued publication of quarterly financial reports.

The Notes to the Consolidated Financial Statements are an integral part of the District's financial information and, as such, I encourage you to read them thoroughly. The notes describe the District's accounting policies and provide full disclosure of the more significant financial statement items, commitments and contingencies.

The District's independent auditors, BDO Canada LLP, have been engaged to express an opinion as to whether these financial statements present fairly, in all material respects, the District's financial position, financial activities and cash flows in accordance with Canadian generally accepted accounting principles. BDO Canada LLP has been given unrestricted access to all financial and other records of the District. Their opinion, which follows, is based on procedures that they consider sufficient to support their audit opinion.

FINANCIAL OVERVIEW

The District's overall financial position improved in 2016 as evidenced by a \$15.7 million increase to the year-end accumulated surplus balance (2016: \$496.2 million; 2015: \$480.5 million).

Net financial assets is an indicator of the amount of past revenues available to pay for future transactions and events and is calculated as the value of the District's financial assets less liabilities. The District's net financial asset balance at the 2016 year-end, \$25.4 million, is a \$6 million increase over the 2015 year-end balance (\$19.4 million), which is an additional indicator of improved financial position.

The District's non-financial assets totalled \$470.8 million at the 2016 year-end, an increase of \$9.7 million over the prior year. The increase is, for the most part, the result of capital asset additions during the year and is offset by disposals as well as amortization expense.

Operational revenues totalled \$152.4 million in 2016, which is an increase of \$10.1 million over 2015. This increase was attributable to the establishment of the asset levy, which added \$3.0 million to District tax collection, and to an additional \$4.1 million collected in fees and charges. Permit revenue and Third Party Works also continued to be strong. For 2016, on a consolidated basis, there was an excess of operational revenues over operational expenses in the amount of \$7.1 million.

The District's cash balance at year-end was \$60.0 million, an increase of \$58.6 million over 2015. This was partially the result of borrowing, as \$12.4 million of funds borrowed for the Police Services & Municipal Hall project remained unspent at year-end. These funds will be expended in 2017. A Letter of Credit of \$10.4 million, related to the sale of the 1300 Block Marine Drive, was also converted to cash, and Amenity Contributions of \$8.5 million also contributed to the cash balance.



Isabel Gordon | Director of Financial Services

The net book value of Tangible Capital Assets, shown on the District's Statement of Financial Position, totalled \$469.0 million at December 31, 2016. The total cost of these assets, which represents the District's investment in infrastructure, facilities and other capital assets over time, is \$761.9 million, which is an increase of \$15.4 million over 2015.

Accumulated amortization totalled \$287.1 million at December 31, 2015, of which \$5.8 million was expensed in 2016.

BUDGET VARIANCES

Consolidated revenues exceeded budget by \$9.2 million in 2016.

- Community amenity contributions received totaling \$8.5 million were not included in the budget.
- Development fees exceeded budget by \$2.1 million.
- Development Cost Charges and Transit Re-imburements were slightly lower than budget. However, Transit Re-imburements were essentially equal to Transit Expenditures.

In 2016, consolidated expenses exceeded budget by \$779 thousand. This is a significant improvement over 2015, where expenditures exceeded budget by almost \$3 million.

- The only significant expenditure variance was in the Water Utility, where unanticipated purchases of water from the GVRD of \$1.0 million resulted from challenges in reacting to weather conditions and managing Eagle Lake production.

RESERVES

The District's reserve balances increased from \$48.4 million to \$74.1 million, an increase of \$25.7 million. Although \$12.4 million of this is a temporary increase only, due to holding the borrowed funds which will be spent in 2017 on the Police Services & Municipal Hall project, the remaining \$13.3 million represents a more permanent increase in both Amenity contributions and in the Asset reserves, which will help the District to create and maintain future assets.

In conclusion, I would like to acknowledge the members of the Finance Committee and of both the Key Performance Indicators, and the Reserves and Investments Task Groups, for their contributions to the development of new and innovative Finance policies and procedures for the District.

And, finally, I would like to thank all the municipal staff and staff in the Financial Services Division in particular, for their diligence and support in managing the financial affairs of the municipality. The goal of fiscal sustainability is not one that Finance alone can achieve, but depends on contributions from all.

Sincerely,
Isabel Gordon, MBA, CPA, CA
Director of Financial Services

May 2, 2017



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vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Mayor and Council of the District of West Vancouver

We have audited the accompanying financial statements of the District of West Vancouver, which comprise the Statement of Financial Position as at December 31, 2016, and the Statements of Operations, Changes in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the District of West Vancouver as at December 31, 2016, and its results of operations, change in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The financial statements of the Corporation of the District of West Vancouver for the year ended December 31, 2015 were audited by another firm of Chartered Professional Accountants who expressed an unmodified opinion on those financial statements on June 6, 2016.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 1, 2017

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash	60,072,476	1,428,327
Investments (Note 3)	66,447,198	76,291,378
Accounts Receivable		
Property Taxes	1,468,336	1,604,410
Other (Note 4)	19,296,886	27,175,808
Due from Other Governments	2,305,255	3,151,597
Other Assets	21,243	23,341
	149,611,394	109,674,861
LIABILITIES		
Accounts Payable and Accrued Liabilities	19,315,757	15,370,380
Employee Future Benefits Payable (Note 5)	5,063,844	4,754,579
Deferred Revenue and Deposits (Note 6)	47,333,895	40,462,140
Deferred Development Cost Charges (Note 7)	22,775,305	22,394,482
Debt (Note 8)	29,677,716	7,322,009
	124,166,517	90,303,591
NET FINANCIAL ASSETS	25,444,877	19,371,270
NON-FINANCIAL ASSETS		
Inventories	668,989	719,838
Prepaid Expenses	1,022,185	894,455
Tangible Capital Assets (Schedules 2 and 3)	469,061,864	459,509,876
	470,753,038	461,124,168
ACCUMULATED SURPLUS (Note 9)	496,197,915	480,495,438

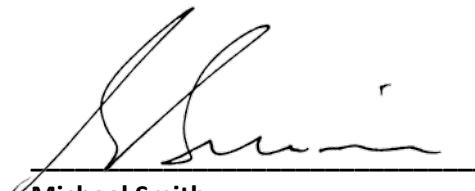
See accompanying notes to the Financial Statements.

Commitments and Contingencies (Note 11).

Long Term Leases (Note 12).



Isabel Gordon, MBA, CPA, CA
Director of Financial Services



Michael Smith
Mayor

FINANCIAL STATEMENTS

STATEMENT OF OPERATIONS

For the year ended December 31, 2016

	2016 Budget (See Note 16)	2016 Actual	2015 Actual
REVENUE			
General Taxation (Note 13)	64,874,334	64,868,171	59,221,604
Fees & Charges	50,396,488	50,124,702	46,007,740
Licenses & Permits	7,176,821	9,312,062	8,887,084
Other Revenue	4,135,734	4,378,753	4,042,606
Government Grants	1,002,835	1,108,528	1,281,357
Transit Reimbursements	16,472,900	15,570,825	16,031,315
Development Cost Charges	1,298,716	818,130	579,149
Other Contributions for Capital	2,473,336	2,459,432	3,228,905
Third Party Works	2,175,400	2,541,705	1,677,302
Interest Earned on Investments	1,500,000	1,205,907	1,340,879
	151,506,563	152,388,215	142,297,942
Community Amenities Received from Developers (Note 15)	-	8,501,550	-
Gain on Sale of Land	150,000	50,154	21,637,168
	151,656,563	160,939,919	163,935,110
EXPENSES			
General Government	19,623,946	19,912,619	17,643,373
Public Safety	33,070,185	33,034,754	31,602,139
Engineering & Transportation	9,416,581	9,909,288	9,559,970
Planning, Lands & Permits	4,366,331	4,607,403	4,411,504
Recreation & Library	29,530,405	29,559,576	27,605,251
Water Utility	10,659,996	11,678,390	11,653,132
Sewer Utility	13,061,648	13,059,933	12,963,786
Solid Waste	6,476,300	6,170,277	3,811,984
Cemetery	760,046	731,747	718,439
Golf	1,019,933	1,002,154	981,676
Transit	16,472,900	15,571,302	16,031,316
	144,458,271	145,237,442	136,982,570
ANNUAL SURPLUS	7,198,292	15,702,477	26,952,540
Accumulated Surplus, Beginning of Year	480,495,438	480,495,438	453,542,898
ACCUMULATED SURPLUS, END OF YEAR	487,693,730	496,197,915	480,495,438

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31, 2016

	2016 Budget (See Note 16)	2016 Actual	2015 Actual
ANNUAL SURPLUS	7,198,292	15,702,477	26,952,541
CHANGES IN TANGIBLE CAPITAL ASSETS			
Acquisitions of Tangible Capital Assets	(30,905,940)	(26,361,512)	(26,709,994)
Contributed Tangible Capital Assets	-	(624,000)	(518,263)
Amortization Expense	13,439,106	13,439,106	13,647,136
Loss on Disposal of Tangible Capital Assets	3,994,416	3,994,416	1,077,445
	(13,472,418)	(9,551,989)	(12,503,676)
CHANGES IN OTHER NON-FINANCIAL ASSETS			
Acquisition of Inventories	-	(668,989)	(719,838)
Acquisition of Prepaid Expenses	-	(1,022,185)	(894,455)
Use of Inventories	-	719,838	802,325
Use of Prepaid Expenses	-	894,455	488,468
	-	(76,882)	(323,500)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(6,274,126)	6,073,607	14,125,365
Net Financial Assets, Beginning of Year	19,371,270	19,371,270	5,245,905
NET FINANCIAL ASSETS, END OF YEAR	13,097,144	25,444,877	19,371,270

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the year ended December 31, 2016

	2016	2015
OPERATING TRANSACTIONS		
Annual Surplus	15,702,477	26,952,541
Non-Cash Items Included in Annual Surplus		
Amortization Expense	13,439,106	13,647,136
Loss on Disposal of Tangible Capital Assets	3,994,416	1,077,445
Development Cost Charge Revenue Recognized	(818,130)	(579,149)
Contributed Tangible Capital Assets	(624,000)	(518,263)
Actuarial Adjustment Recognized on Debt	(174,991)	(153,423)
Changes in Other Non-Cash Working Capital	19,912,952	(17,762,485)
	51,431,831	22,663,802
CAPITAL TRANSACTIONS		
Acquisitions of Tangible Capital Assets	(26,361,512)	(26,709,994)
	(26,361,512)	(26,709,994)
FINANCING TRANSACTIONS		
Development Cost Charges Received, including Interest	1,198,952	1,578,355
Debt Proceeds Received	23,022,377	-
Debt Principal Repaid	(491,677)	(484,365)
	23,729,652	1,093,990
INVESTING TRANSACTIONS		
Net decrease in investments	9,844,180	2,155,575
	9,844,180	2,155,575
INCREASE/(DECREASE) IN CASH	58,644,151	(796,627)
Cash, Beginning of Year	1,428,327	2,224,954
CASH, END OF YEAR	60,072,476	1,428,327

See accompanying notes to the Financial Statements.

FINANCIAL STATEMENTS

SCHEDULE 1: SEGMENT INFORMATION—REVENUES BY TYPE AND EXPENSES BY OBJECT

For the year ended December 31, 2016

	GENERAL FUND					Unallocated
	General Government	Public Safety	Engineering, Environment and Transportation	Planning and Development Services	Recreation and Library	
REVENUE						
General Taxation (Note 12)	(0)	-	-	-	-	64,868,171
Fees and Charges	105,461	746,179	522,237	-	11,591,649	2,539,927
Licenses and Permits	-	1,414,007	86,759	7,756,396	54,900	-
Other Revenue	2,064,720	165,241	169,462	148,754	170,335	1,622,420
Government Grants	(1,153)	727,678	60	-	201,468	180,475
Transit Reimbursements	-	-	-	-	-	-
Development Cost Charges	-	-	-	-	818,130	-
Other Contributions for Capital	-	18,830	294,437	-	1,085,670	-
Third Party Works	-	-	2,491,634	-	50,071	-
Interest Earned on Investments	5,184	-	-	-	-	1,037,669
Community Amenities Received from Developer	-	-	-	-	-	8,501,550
Gain on Sale of Land	-	-	-	-	-	50,154
	2,174,212	3,071,935	3,564,588	7,905,150	13,972,223	78,800,366
EXPENSES						
Salaries and Benefits	10,059,652	28,626,028	2,870,874	4,146,403	17,945,354	-
Supplies and Other Expenses	4,993,493	3,901,039	1,438,985	376,234	4,953,222	-
Professional and Consulting	574,033	173,194	16,711	-	18,296	-
Recoveries and Allocations	(99,554)	(1,624,842)	361,315	1,694	199,610	-
Legal	491,024	35,986	5,261	60,225	-	-
Grants in Aid	500,000	-	-	-	378,463	-
Property and Liability Insurance	1,069,705	-	-	-	-	-
Tangible Capital Asset Maintenance	408,744	188,926	140,891	-	1,096,179	-
Tangible Capital Asset Amortization	421,291	683,662	2,290,981	22,785	3,679,485	-
Net Loss on Sale of Tangible Capital Asset	602,243	1,050,762	297,633	63	1,288,966	-
Interest and Other Bank Charges	472,981	-	-	-	-	-
Interest on Long Term Debt	419,007	-	-	-	-	-
Third Party Works	-	-	2,486,637	-	-	-
	19,912,619	33,034,754	9,909,288	4,607,403	29,559,576	-
ANNUAL SURPLUS/(DEFICIT)	(17,738,406)	(29,962,818)	(6,344,700)	3,297,747	(15,587,353)	78,800,366

Total	WATER UTILITY FUND	SEWER UTILITY FUND	SOLID WASTE FUND	CEMETERY FUND	GOLF FUND	TRANSIT BLUE BUS	2016	2015
64,868,171	-	-	-	-	-	-	64,868,171	59,221,604
15,505,452	12,066,952	13,278,604	7,089,968	1,203,443	980,283	-	50,124,702	46,007,740
9,312,062	-	-	-	-	-	-	9,312,062	8,887,084
4,340,932	-	-	-	37,821	-	-	4,378,753	4,042,606
1,108,528	-	-	-	-	-	-	1,108,528	1,281,357
-	-	-	-	-	-	15,570,825	15,570,825	16,031,315
818,130	-	-	-	-	-	-	818,130	579,149
1,398,937	545,584	514,911	-	-	-	-	2,459,432	3,228,905
2,541,705	-	-	-	-	-	-	2,541,705	1,677,302
1,042,853	163,054	-	-	-	-	-	1,205,907	1,340,879
8,501,550	-	-	-	-	-	-	8,501,550	-
50,154	-	-	-	-	-	-	50,154	21,637,168
109,488,474	12,775,591	13,793,515	7,089,968	1,241,264	980,283	15,570,825	160,939,919	163,935,110
63,648,312	1,813,318	1,411,649	283,294	428,264	373,163	11,636,709	79,594,709	77,501,643
15,662,974	5,679,914	6,462,699	5,293,371	168,476	377,624	3,751,506	37,396,565	35,310,520
782,233	-	-	20,000	2,920	-	1,253	806,406	724,608
(1,161,778)	417,701	143,362	573,612	39,183	107,413	158,810	278,302	1,173,577
592,495	842	7,474	-	673	-	23,025	624,508	374,359
878,463	-	-	-	-	-	-	878,463	380,096
1,069,705	-	-	-	-	-	-	1,069,705	1,078,050
1,834,740	422,785	1,114,581	-	14,912	-	-	3,387,018	3,234,329
7,098,204	2,757,554	3,393,163	-	77,320	112,864	-	13,439,106	13,647,136
3,239,667	196,656	527,004	-	-	31,090	-	3,994,416	1,077,445
472,981	-	-	-	-	-	-	472,981	426,541
419,007	389,619	-	-	-	-	-	808,626	411,187
2,486,637	-	-	-	-	-	-	2,486,637	1,643,078
97,023,639	11,678,390	13,059,933	6,170,277	731,747	1,002,154	15,571,302	145,237,442	136,982,569
12,464,835	1,097,201	733,582	919,691	509,517	(21,871)	(477)	15,702,477	26,952,541

FINANCIAL STATEMENTS

SCHEDULE 2: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE

For the year ended December 31, 2016

For the year ended December 31, 2016

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	137,049,172	27,752,942	85,614,514	15,103,225
Add: Additions	1,082,493	1,397,001	1,202,574	592,172
Less: Disposals	(63)	(417,755)	(522,472)	(7,926,245)
Closing Balance	138,131,603	28,732,188	86,294,616	7,769,152
ACCUMULATED AMORTIZATION				
Opening Balance	-	15,177,033	28,272,133	8,149,445
Add: Amortization	-	1,000,281	2,256,846	1,173,077
Less: Accumulated Amortization on Disposals	-	(331,236)	(213,451)	(5,272,223)
Closing Balance	-	15,846,078	30,315,528	4,050,300
NET BOOK VALUE, YEAR END 2016	138,131,603	12,886,110	55,979,088	3,718,852

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories. Contributed tangible capital assets of \$624,000 (2015 - \$518,263) have been recognized during the year. These assets are comprised of developer contributed land and water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2016 Total
	Transportation Infrastructure	Water	Sanitary Sewer		
14,555,304	90,893,081	143,754,947	222,547,037	9,338,311	746,608,533
1,067,614	3,135,493	3,983,115	1,901,558	12,623,492 ¹	26,985,512
(839,881)	(590,569)	(619,378)	(714,036)	-	(11,630,399)
14,783,036	93,438,005	147,118,684	223,734,559	21,961,803	761,963,646
9,062,082	34,781,376	58,441,910	133,214,681	-	287,098,660
1,050,602	1,921,148	2,707,237	3,329,915	-	13,439,106
(737,982)	(458,627)	(430,366)	(192,099)	-	(7,635,984)
9,374,702	36,243,897	60,718,781	136,352,496	-	292,901,782
5,408,334	57,194,108	86,399,903	87,382,063	21,961,803	469,061,864

FINANCIAL STATEMENTS

SCHEDULE 3: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE (Prior Year)

For the year ended December 31, 2015

For the year ended December 31, 2015

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	130,394,827	26,275,315	85,492,495	14,356,201
Add: Additions	6,709,757	1,713,990	1,265,810	2,334,109
Less: Disposals	(55,410)	(236,363)	(1,143,791)	(1,587,085)
Closing Balance	137,049,173	27,752,942	85,614,514	15,103,225
ACCUMULATED AMORTIZATION				
Opening Balance	-	14,429,425	27,089,981	8,163,275
Add: Amortization	-	941,202	2,188,855	1,451,376
Less: Accumulated Amortization on Disposals	-	(193,596)	(1,006,703)	(1,465,206)
Closing Balance	-	15,177,032	28,272,133	8,149,445
NET BOOK VALUE, YEAR END 2015	137,049,173	12,575,910	57,342,382	6,953,780

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories.

Contributed tangible capital assets of \$518,263 (2014 - \$4,059,390) have been recognized during the year. These assets are comprised of developer contributed land and water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2015 Total
	Transportation Infrastructure	Water	Sanitary Sewer		
14,265,794	86,235,880	141,005,477	220,888,581	6,283,455	725,198,025
1,371,244	5,385,009	3,366,331	2,027,152	3,054,856 ¹	27,228,257
(1,081,734)	(727,808)	(616,861)	(368,695)	-	(5,817,747)
14,555,304	90,893,081	143,754,947	222,547,037	9,338,311	746,608,535
8,967,291	33,468,175	56,271,930	129,801,748	-	278,191,825
1,148,860	1,817,112	2,561,639	3,538,093	-	13,647,136
(1,054,068)	(503,911)	(391,659)	(125,159)	-	(4,740,302)
9,062,082	34,781,376	58,441,910	133,214,681	-	287,098,659
5,493,222	56,111,705	85,313,037	89,332,356	9,338,311	459,509,876

FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended December 31, 2016

1. OPERATIONS

The District of West Vancouver (the “District”) was incorporated in 1912 under the Local Government Act of British Columbia. The District’s principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada.

The significant accounting policies are summarized below:

(a) Basis of Presentation

The financial statements include the assets, liabilities, revenues, expenses and changes in the financial position of the District, including the West Vancouver Memorial Library and the West Vancouver Police Department.

(b) Basis of Accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and are measurable. Expenses are recognized as they are incurred and are measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Revenue Recognition

(I) TAXATION

Annual levies for non-optional District services and general administrative services are recorded as General Taxation in the year to which they relate. Levies imposed by other taxing authorities are not included in these financial statements.

(II) LONG-TERM PREPAID LEASE

Prepaid lease payments received by the District are included on the Statement of Financial Position as Deferred Revenue and Deposits. Revenue is recognized on a straight line basis over the term of the lease.

(III) DEFERRED REVENUE AND DEPOSITS

Deferred revenue consists of prepaid property taxes, prepaid business licenses and fees. The District recognizes these revenues in the year the related services are performed and earned.

(d) Non-Financial Assets

Non-financial assets are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life extending beyond the current year and are not intended for sale in the ordinary course of operations.

Intangible assets, such as water rights and mineral resources, are not recorded in the financial statements.

(I) TANGIBLE CAPITAL ASSETS (SCHEDULE 2 AND 3)

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the assets. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful life as follows:

Type	Major Asset Category	Useful Life Range (Years)
general	land	n/a
	land improvements	10 - 50
	buildings	30 - 100
	machinery, furniture & equipment	4 - 15
	vehicles	5 - 15
infrastructure	streets	10 - 100
	water	10 - 100
	sewer	10 - 100

Amortization is charged over the asset's useful life, commencing when the asset is put into use. Assets under construction are not amortized until the asset is available for use.

The District owns a number of works of art and historical treasures including sculptures, paintings and reproductions, mosaics, totem poles and monuments. These works of art have an approximate market value of \$2.5 million. These assets are not included as part of the tangible capital assets.

Contributed tangible capital assets are recognized at fair market value at the date of contribution and are also recognized as revenue. Where an estimate of fair market value cannot be made, the tangible capital asset is recognized at nominal value. Land is the only category where nominal values are assigned.

(II) INVENTORY

Inventories are recorded at the lower of cost and net realizable value. Cost is determined using the weighted average cost basis.

(e) Employee Future Benefits

The District and its employees make contributions to the Municipal Pension Plan ("Plan"). The District's contributions are considered expenses as incurred.

Post-employment benefits also accrue to the District's employees. The liabilities related to these benefits are actuarially determined, based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(f) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, revenues, expenses and contingent liabilities. Significant areas requiring the use of estimates include: 1) employee future benefits payable 2) provisions for contingencies and 3) the useful lives of Tangible Capital Assets. If actual results differ, adjustments are reflected on subsequent financial statements.

(g) Debt

Debt is recorded net of principal repayments and actuarial adjustments.

(h) Investments

Investments in the Municipal Finance Authority (MFA) Money Market Fund and Short Term Bond Fund are recorded at market value, which approximates cost.

(i) Development Cost Charge Revenue

Development cost charges are restricted by legislation or by agreement with external parties to expenditures on capital infrastructure. These amounts are deferred upon receipt and are recognized as revenue when the expenditures are incurred in accordance with the restrictions.

(j) Government Transfers

Unrestricted government transfers are recognized as revenue in the year in which the transfer is authorized by the issuing government, and when any eligibility criteria has been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulation liabilities are met.

(k) Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information. The District has provided definitions of segments used by the District as well as financial information in segment format (Schedule 1).

(l) Contaminated Sites

A liability for remediation of a contaminated site is recognized at the financial statement date when an environmental standard exists, contamination exceeds the standard, and it is expected that future economic benefits will be given up and the liability can be reasonably estimated.

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2016

3. INVESTMENTS

	2016	2015
Municipal Finance Authority		
Money Market Fund	4,048,019	4,422,853
Bond Fund	55,449,386	64,524,259
Intermediate Fund	7,692,350	8,118,659
	67,189,755	77,065,771
Cemetery Care Fund	5,428,668	5,098,903
Less: Trust funds (Note 17)	(6,171,225)	(5,873,296)
	66,447,198	76,291,378

Interest earned by investments for the year ended December 31, 2016, totalled \$1,378,473 (2015 - \$1,918,805).

Working capital was not invested with the Municipal Finance Authority in 2016 due to projected low investment earnings.

4. ACCOUNTS RECEIVABLE - OTHER

Includes \$4,623,871 receivable from the sale of the 1300 block of Marine Drive for \$21,036,796. The balance is due December 31, 2017. In 2015, the receivable balance relating to this sale was \$15,073,871.

5. EMPLOYEE FUTURE BENEFITS PAYABLE

Employees are entitled to earned benefits related to non-vested sick leave, vacation at retirement and retirement allowances. Employees may also defer sick leave gratuity payments.

The liabilities reported in the financial statements are based on an actuarial valuation as at December 31, 2016. The significant actuarial valuation assumptions adopted in measuring the District's accrued benefit liabilities for post-employment benefits are as follows:

	2016	2015
Discount rate	3.40%	3.20%
Expected future inflation rate	2.50%	2.50%
Expected wage increases	2.58% to 4.63%	2.58% to 4.63%
Estimated average remaining service life	11 years	11 years

Employee future benefits payable, as at December 31, are as follows:

	2016	2015
Non-vested Sick Leave	1,958,000	2,010,600
Vacation at Retirement	746,600	757,800
Retirement Allowance	1,975,400	1,073,200
Sick Leave Gratuity Pay	886,800	1,001,500
	5,566,800	4,843,100
Unamortized Actuarial (Loss)/Gain	(502,956)	(88,521)
	5,063,844	4,754,579

The continuity of the District's employee future benefits payable is as follows:

	2016	2015
Accrued Benefit Obligation, Beginning of Year	4,843,100	4,724,600
Current Service Costs	430,500	423,000
Interest Costs	162,300	153,100
Actual Benefits Paid	(290,520)	(514,084)
Actuarial Loss/(Gain) Arising in the Period	421,420	56,484
Accrued Benefit Obligation, End of Year	5,566,800	4,843,100
Unamortized Actuarial (Loss)/Gain	(502,956)	(88,521)
	5,063,844	4,754,579

6. DEFERRED REVENUE AND DEPOSITS

	2016	2015
Long-Term Prepaid Lease	13,908,241	14,024,241
Prepaid Taxes	6,670,988	6,617,628
Deposits	21,367,401	15,019,096
Memberships, Fees & Other Revenues	5,387,265	4,801,177
	47,333,895	40,462,140

Deferred Revenue and Deposits are short term in nature, with the exception of the Long-Term Prepaid Lease, which will be recognized as revenue over the 125-year term of the lease (Note 12 (d)).

7. DEFERRED DEVELOPMENT COST CHARGES

These funds are restricted by bylaw to the purposes for which they were collected from developers. Separate accounts hold funds that are to be used for underground wiring, waterworks infrastructure, drainage, roads and parks and open space projects in specific areas. Expenditures require budgetary authorization within the purposes authorized in the establishing bylaws. The deferred development cost charges are the District's only restricted revenues. There were no developments for which deferred development charges were waived or reduced in 2016.

Continuity of Deferred Development Cost Charges:

	Opening Balances	Current Year Receipts	Interest Earned	Amounts Spent	Closing Balance
General Fund					
highways	5,878,823	49,250	77,926	-	6,005,999
underground wiring	1,490,010	18,620	19,791	-	1,528,421
parks and open space	10,294,323	632,784	134,662	(818,130)	10,243,639
	17,663,156	700,654	232,379	(818,130)	17,778,059
Water Utility Fund	903,293	103,618	12,607	-	1,019,518
Sewer Utility Fund	3,828,033	98,515	51,180	-	3,977,728
	22,394,482	902,787	296,166	(818,130)	22,775,305

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2016

8. DEBT

The rates of interest on the principal amount of the Municipal Finance Authority debentures vary between 2.10 per cent and 5.85 per cent per annum.

The District issues debt instruments through the Municipal Finance Authority, pursuant to security-issuing bylaws under authority of the Community Charter, to finance certain capital expenditures.

Outstanding Debt	2016	2015
Various Infrastructure Loans*	34,622,377	11,600,000
Repayments and Actuarial Adjustments	(4,944,661)	(4,277,991)
	<u>29,677,716</u>	<u>7,322,009</u>

*Includes borrowing proceeds for Police Services Municipal Hall Building construction.

Repayments of debt required in the next five years and thereafter are as follows:

	Interest	Principal & Actuarial	Total
2017	1,163,192	1,139,454	2,302,646
2018	1,114,992	1,102,718	2,217,710
2019	1,114,992	1,143,892	2,258,884
2020	1,114,992	1,186,611	2,301,602
2021	1,114,992	1,230,931	2,345,923
2022 - 2046	16,684,344	23,874,110	40,558,454
	<u>22,307,503</u>	<u>29,677,716</u>	<u>51,985,219</u>

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2016	2015
Unappropriated Deficit	(19,059,603)	(21,756,355)
Reserve Funds - (Note 10)	74,182,196	48,449,633
Investment in Non-Financial Assets	441,075,322	453,802,160
	<u>496,197,915</u>	<u>480,495,438</u>

The unappropriated deficit is the amount of accumulated surplus remaining after deducting the various appropriated surplus balances and the investment in non-financial assets.

Reserve funds represent a portion of the accumulated surplus that has been set aside by Council for specified purposes. In the normal course of operations, these funds will be used to finance the services or the capital projects for which they have been appropriated.

Investment in non-financial assets represents the net book value of the District's non-financial assets, less any related debt. In the normal course of operations, non-financial assets will be used to provide services, and debt will be repaid by future tax revenues.

10. RESERVE FUNDS

Individual statutory and non-statutory reserve funds have restrictions and conditions as follows:

Statutory Reserves

(A) ENDOWMENT FUND

The Endowment Fund is subject to a minimum threshold as established in the District's Endowment Fund Bylaw and adjusted annually for inflation using the annual Provincial Consumer Price Index. The amount of the threshold at December 31, 2016 is \$22,947,141 (2015 - \$22,119,056). The balance in the fund at December 31, 2016, is \$31,880,819 (2015 - \$32,592,989). Net proceeds from the disposition of surplus lands are transferred into the reserve. The reserve can be used for capital projects, the acquisition of real property or to reduce outstanding debt. Currently, the reserve is earmarked for major projects in the District's Long-Term Capital Plan. Expenses related to the development, servicing and marketing of surplus lands and proceeds from the disposition of surplus lands are transferred to the Endowment Fund.

(B) YOUTH ACTIVITY RESERVE FUND

This fund is subject to a minimum threshold as established in the District Youth Activity Fund Bylaw and adjusted annually for inflation using the annual Provincial Consumer Price Index. This fund is used for capital projects or programs undertaken by the District or Community Groups for the benefit of youth in the community. The amount of the threshold at December 31, 2016 was \$521,329 (2015 - \$500,127). The balance in the fund December 31, 2016 is \$550,329 (2015 - \$543,160).

(C) PUBLIC ARTS RESERVE FUND

This fund was established in 2016 and is used for the purpose of creation, maintenance, and preservation of public art in the District of West Vancouver and furthering the goals of the District's public art program.

(D) CAPITAL FACILITIES RESERVE

The Capital Facilities Reserve is to be used for creation and maintenance of facilities to deliver municipal services; planning works for designing or enhancing District owned/occupied buildings; and acquisition of land and improvements for use in delivering services in the District.

(E) CAPITAL INFRASTRUCTURE RESERVE

This fund is designated for ongoing maintenance and replacement of existing infrastructure.

(F) CAPITAL EQUIPMENT RESERVE

This fund is to be used for heavy equipment, general equipment and information technology and communications equipment.

(G) WATER RESERVE FUND

This fund may be used to finance the acquisition or construction of water system works, repay debt and interest and contribute to the stabilization of District water rates.

(H) SEWER & DRAINAGE RESERVE FUND

This fund is intended to be used for infrastructure capital expenditures related to sewer and drainage, or to reduce outstanding debt.

Non-Statutory Reserves

(A) AMENITY CONTRIBUTIONS FUND

Developer contributions received by the District, for the purpose of improving the quality of life in the community, accumulate in the Amenity Contributions Reserve. The funds may be secured under the Local Government Act, as a term of the sale of District-owned land or by other means, and fall within a broad range of categories.

(B) OPERATING RESERVES

Operating reserves are intended for one-time operating expenditures that may occur from time to time, and may be expended within general budgetary authority.

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2016

(C) CAPITAL RESERVES

These reserves are designated for the periodic replacement of specified assets or retirement of debt.

(D) BORROWED FUNDS - POLICE SERVICES MUNICIPAL HALL BUILDING

This fund holds unused Municipal Finance Authority debt proceeds for the Police Services Municipal Hall Building. The building is expected to be completed in 2017.

(E) OPERATIONAL RESERVE

The operational reserve is to be used for items that may not be capital in nature but still require replacement on a periodic basis.

(F) SOLID WASTE RESERVE

Net revenues/expenses from solid waste operations are transferred to/from this fund annually. This reserve is used as a contingency for landfill remediation and rate stabilization should solid waste collection costs increase.

(G) GOLF DEVELOPMENT RESERVE

Net revenues/expenses from golf operations are transferred to/from this fund annually. These funds are designated for golf course development generally, and may be expended within general budgetary authority.

(H) CEMETERY DEVELOPMENT RESERVE

Net revenues/expenses from cemetery operations are transferred to/from this fund annually. These funds are for cemetery development generally, and may be expended within general budgetary authority.

Continuity of Reserve Funds is as follows:

	Opening balance	Revenues & transfers	Interest earned	Expenditures & transfers	Closing balance
General Fund					
Endowment Fund *	32,592,989	10,836,079	378,536	(11,926,786)	31,880,818
Youth Activity Reserve Fund *	543,160	-	7,170	-	550,330
Public Arts Reserve Fund *	-	25,454	-	-	25,454
Amenity Contributions Fund	6,541,251	8,501,550	135,078	(1,117,704)	14,060,175
Operating Reserves	2,175,223	2,497,720	7,170	(798,581)	3,881,532
Capital Reserves	838,948	314,879	7,108	(50,543)	1,110,392
Borrowed Funds - Police Services Municipal Hall Building	-	23,022,377	-	(10,625,911)	12,396,466
<u>Asset Reserves</u>					
Capital Facilities Reserve *	518,615	2,366,000	11,546	(1,653,797)	1,242,364
Capital Infrastructure Reserve *	1,077,212	4,756,538	24,749	(3,161,181)	2,697,318
Capital Equipment Reserve*	0	2,578,000	3,763	(2,007,880)	573,883
Operational Reserve	600,000	850,000	10,190	(506,075)	954,115
Total General Fund	44,887,398	55,748,597	585,310	(31,848,458)	69,372,847
Water Reserve Fund *	200,000	-	2,640	-	202,640
Sewer & Drainage Reserve Fund*	445,922	-	5,886	-	451,808
Solid Waste Reserve Fund	1,608,945	869,591	-	-	2,478,536
Golf Development Reserve	6,517	-	86	-	6,603
Cemetery Development Reserve	1,300,851	351,740	17,171	-	1,669,762
Total Reserve Funds	48,449,633	56,969,928	611,093	(31,848,458)	74,182,196

* Statutory Reserve

11. COMMITMENTS AND CONTINGENCIES

(a) Legal Actions

The District is currently involved in certain legal actions. Financial implications of potential claims against the District, resulting from such litigation, and that are not covered by insurance, are accrued to the extent that amounts can be reasonably estimated. Otherwise, such claims are recognized in the year in which a definitive obligation is determined.

One such action is that CN Acquisition Limited has commenced legal proceedings against the District claiming that use of the Centennial Seawalk constitutes illegal trespassing. The District is opposing CN's legal action, the outcome of this action is not determinable, and no reasonable estimate of potential liability can be made.

(b) Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan, a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the Plan has about 309,478 active, inactive and retired members. During the fiscal year, 6,193 members retired, bringing the total of retired members to 84,777. Active members include approximately 842 contributors from the District.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2018, with results available in 2019.

The District paid \$6,586,828 (2015 - \$6,471,647) for employer contributions while employees contributed \$5,313,631 (2015 - \$5,239,627) for employee contributions to the Plan.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets, and cost to individual employers participating in the Plan.

12. LONG-TERM LEASES

The District has entered into agreements related to the lease of District property, for periods from 30 to 125 years. Lease proceeds are recognized based on the terms of the specific leases which are as follows:

(a) 14th Street - Duchess to Esquimalt, Amblevue Place Housing Co-Operative

Included in Other Trust Funds (Note 17) are lease payments received related to District-owned land. These amounts will not be available to the District until the end of the lease period, February 28, 2047. Upon expiration of the lease, the District has committed to pay to the lessee an amount equal to the sum of the then value of the principal shares held by the members of the co-operative. This payment is anticipated to be less than the cumulative deferred proceeds at the termination of the lease.

The premises will revert to the District upon the expiration of the term.

Proceeds are to be received in annual amounts varying from \$5,040 to \$20,160 (currently \$7,560) until the year 2047. At December 31, 2016, the cumulative amount deferred totalled \$349,589 (2015 - \$338,994).

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2016

(b) 320 Taylor Way

The District receives annual lease proceeds of \$125,000 (plus an adjustment for inflation starting in 1999) to the year 2087. The net proceeds are transferred to the Endowment Fund.

(c) Community Centre

The District leases 19,529 square feet of custom designed space at the West Vancouver Community Centre under a long-term lease agreement to Vancouver Coastal Health Authority. The lease commenced May 1, 2009 with the following terms:

Term - 30 years, with one 10 year renewal option

Annual rentals are as follows:

Years 1 to 10 - \$629,810 or \$32.25 per square foot

Years 11 - 20 - \$744,250 or \$38.11 per square foot

Years 21 - 30 - \$995,002 or \$50.95 per square foot

plus a proportionate share of defined operating and maintenance costs.

Certain other spaces in the West Vancouver Community Centre are covered by commercial third party rental and leasing agreements with varying terms.

(d) Wetmore Lands

In 2011, the District entered into an agreement with Pacific Arbour Retirement Communities to develop land at the northwest corner of Marine Drive and 22nd Street, known as the Wetmore Lands. Under the agreement, Pacific Arbour prepaid \$14.5 million for a 125-year lease of the property and paid the District \$500,000 towards the development of the park adjacent to the property. The lease proceeds were received in 2011, at the conclusion of a public consultation process, and after rezoning and development approvals had been obtained.

13. TAXATION AND UTILITY USER FEE REVENUES

	2016	2016	2015
	Budget	Actual	Actual
Collection for District Purposes			
General Taxation	63,461,561	63,453,955	58,308,592
Payments in Lieu of Taxes	884,773	884,831	883,567
Specified Area Levies	528,000	529,385	29,444
	64,874,334	64,868,171	59,221,604
Recycling Fees & Charges	3,458,150	3,620,552	2,213,953
Solid Waste Disposal Fees	3,416,100	3,469,416	2,540,879
Water Utility Fees	12,789,500	12,066,952	12,421,591
Sewer Utility Fees	14,217,700	13,278,604	11,847,944
	98,755,784	97,303,695	88,245,970

Collection for Other Agencies

The following amounts collected on behalf of other taxing authorities are not included on the District's Statement of Operations:

	2016	2015
	Actual	Actual
Province of BC School Taxes		
Residential	38,933,048	36,261,889
Non-residential	6,145,096	6,234,792
	45,078,144	42,496,671
Regional Transit	11,674,194	11,489,386
BC Assessment Authority	2,232,486	2,079,350
Regional District	2,103,209	1,920,637
Municipal Finance Authority	8,100	6,884
	61,096,133	57,992,928

14. SEGMENTED REPORTING

The District is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the activities are organized and reported by Fund. These Funds include General, Water, Sewer, Solid Waste, Cemetery and Golf. The Funds were created to attain certain objectives in accordance with special regulations, restrictions or limitations.

The following are the activities/services provided by each of the segments reported on:

GENERAL FUND

GENERAL GOVERNMENT

Finance and administration functions of the District include: support to Council, Legislative Services, Communications, Emergency Program, Human Resources, Payroll Services, Taxes and Utilities, Information Technology, Purchasing and Risk Management and Facilities and Asset Management.

PUBLIC SAFETY

Bylaws and law enforcement and protection of persons and property by Police, Fire & Rescue and Bylaw Services.

ENGINEERING, ENVIRONMENT & TRANSPORTATION

Maintenance of streets, roads and sidewalks; street and traffic signs; signals and lighting; snow removal and sanding; environmental services; foreshore protection; climate change initiatives; community energy planning.

PLANNING, LANDS & PERMITS

Community and land use planning; development issues, including the processing of rezoning applications, development permits and development variances; building permit review and inspections.

RECREATION & LIBRARY

Development and maintenance of the District's open spaces, parks, and other landscaped areas; maintenance and operation of recreational facilities; development and provision of recreational programs and operation of the West Vancouver Memorial Library; cultural programs and special events.

WATER UTILITY FUND

Operation of the local membrane filtration facilities at Eagle Lake and at Montizambert Creek, and distribution of water from both Eagle Lake and Metro Vancouver to residents.

SEWER UTILITY FUND

Provision of sanitary sewer collection and storm drainage management includes the provision of, and maintenance of: pipes, manholes, culverts and sewage lift stations. Sewage treatment is provided by Metro Vancouver.

NOTES TO FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2016

SOLID WASTE FUND

Administration of contracted services for the collection and disposal of the following: household garbage, yard trimmings and recyclables.

CEMETERY FUND

Operation of the Capilano View Cemetery.

GOLF FUND

Operation of the Ambleside Par 3 Golf Course and of the Gleneagles Golf Course.

TRANSIT BLUE BUS

Operation of the Blue Bus transit services are contracted to the District, and are completely funded by TransLink.

Schedule 1, "Segment Information - Revenues by Type and Expenses by Object," presents revenues and expenses for each of the segments noted above. Only direct revenues and expenses are reflected within individual segments. Other revenues (notably property taxation) and expenses not directly arising within specific segments have been shown separately as "Unallocated."

15. COMMUNITY AMENITY CONTRIBUTIONS

During 2016, two amenity contribution payments were received. These funds will be used for provision of affordable housing, community assets, and improvements and streetscape enhancements in Horseshoe Bay.

Bylaw & Description	Amount
Bylaw 4899, 2016 - Horseshoe Bay	8,403,300
Bylaw 4821, 2014 - 6475 Pitt Street	98,250
	<u>8,501,550</u>

16. 2016 BUDGET ADJUSTMENTS

The budget amounts presented throughout these financial statements are based on the Budget (referred to as the Financial Plan in the legislation) approved by Council on April 4, 2016, with the exception of the budgets for tangible capital asset related expenses (maintenance, amortization, write-downs and loss on disposal). The budgets for the tangible capital asset expenses are deemed to be equal to actual expenses. This exception was made in order to improve the comparability of the budget amounts with the actual amounts given that these items are non-cash and accordingly are not required to be funded under the legislation. The table below shows the adjustments made to the 2016 Budget values with the addition of the budgets for tangible capital asset expenses. The Adjusted Budget values are then comparable to the 2016 actual values, and are the budget values shown in the Statement of Operations and the Statement of Net Debt.

	Financial Plan	2016 Budget Adjustment for TCA ¹	As Presented on Financial Statements
Statement of Operations			
Revenues	151,656,563	-	151,656,563
Expenses			
General Government	18,191,668	1,432,278	19,623,946
Public Safety	31,146,835	1,923,350	33,070,185
Engineering & Transportation	6,687,076	2,729,505	9,416,581
Planning, Lands & Permits	4,343,484	22,847	4,366,331
Recreation & Library	23,465,775	6,064,630	29,530,405
Water Utility	7,283,000	3,376,996	10,659,996

	Financial Plan	2016 Budget Adjustment for TCA ¹	As Presented on Financial Statements
Sewer Utility	8,026,900	5,034,748	13,061,648
Solid Waste	6,476,300	-	6,476,300
Cemetery	667,814	92,232	760,046
Golf	875,979	143,954	1,019,933
Transit	16,472,900	-	16,472,900
	123,637,731	20,820,540	144,458,271
Annual Surplus	28,018,832	(20,820,540)	7,198,292

¹Tangible Capital Asset expenses including maintenance, amortization, write-downs and loss on disposals.

17. TRUST FUNDS

The Cemetery Care Trust Fund is restricted by legislation as to principal amount; interest earnings are available for ongoing maintenance of cemetery grounds as required. Other Trust Funds include funds for various seniors' clubs, community projects and library bequests. The District excludes trusts it administers from consolidated financial statements.

	2016	2015
Cemetery Care Trust Fund		
Balance, Opening	5,098,903	4,849,943
Additions During Year		
Contributions Received	329,765	248,960
Interest Earned	37,821	114,909
	5,466,489	5,213,812
Transfer to Cemetery Operations	(37,821)	(114,909)
Balance, Closing	5,428,668	5,098,903
Other Trust Funds	742,557	774,393
	6,171,225	5,873,296

18. MEMBERSHIP IN EMERGENCY COMMUNICATIONS FOR BRITISH COLUMBIA INCORPORATED (E-Comm)

The District is a member of E-Comm, an organization comprised predominantly of member municipalities, for the purpose of providing emergency and dispatch services. The District is represented on the Board and, as a Class A shareholder, with voting rights should the organization want to incur debt.

The E-Comm facility was constructed using debt as a financing mechanism. Members are liable for their proportionate share of that debt with debt being repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, members would be liable for a proportionate share of any residual debt. Alternatively, should a member choose to opt out of E-Comm, they would be liable for a proportionate share of the debt at the time of withdrawal. The District holds two Class A shares, and one Class B share.

19. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

2016 FIVE-YEAR FINANCIAL & STATISTICAL REVIEW **SUPPLEMENTARY INFORMATION** YEAR ENDED DECEMBER 31, 2016

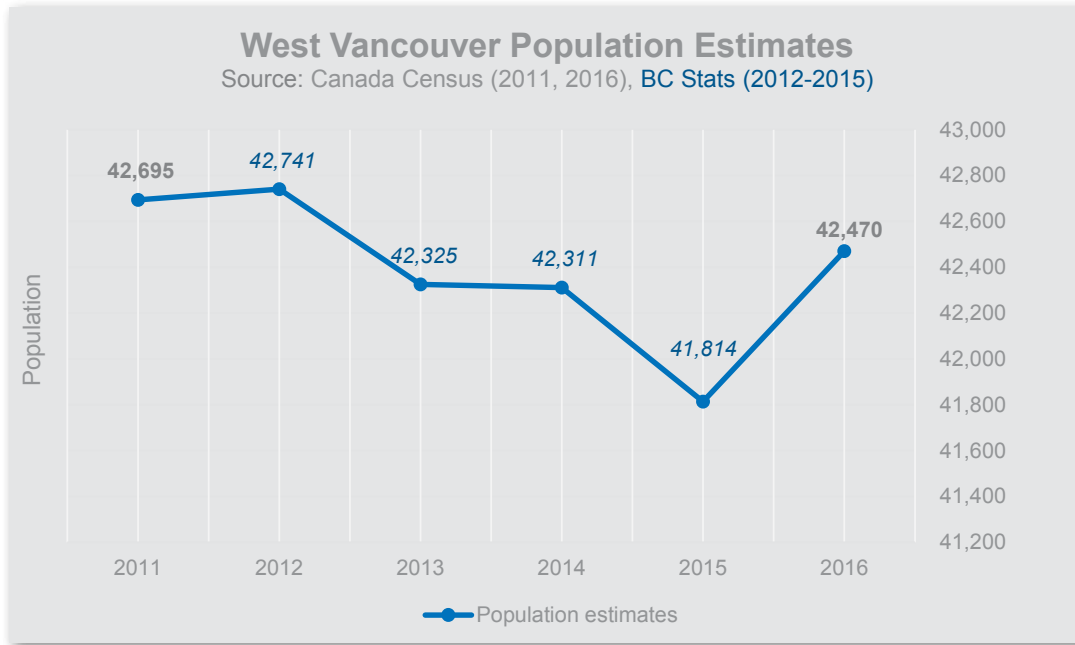


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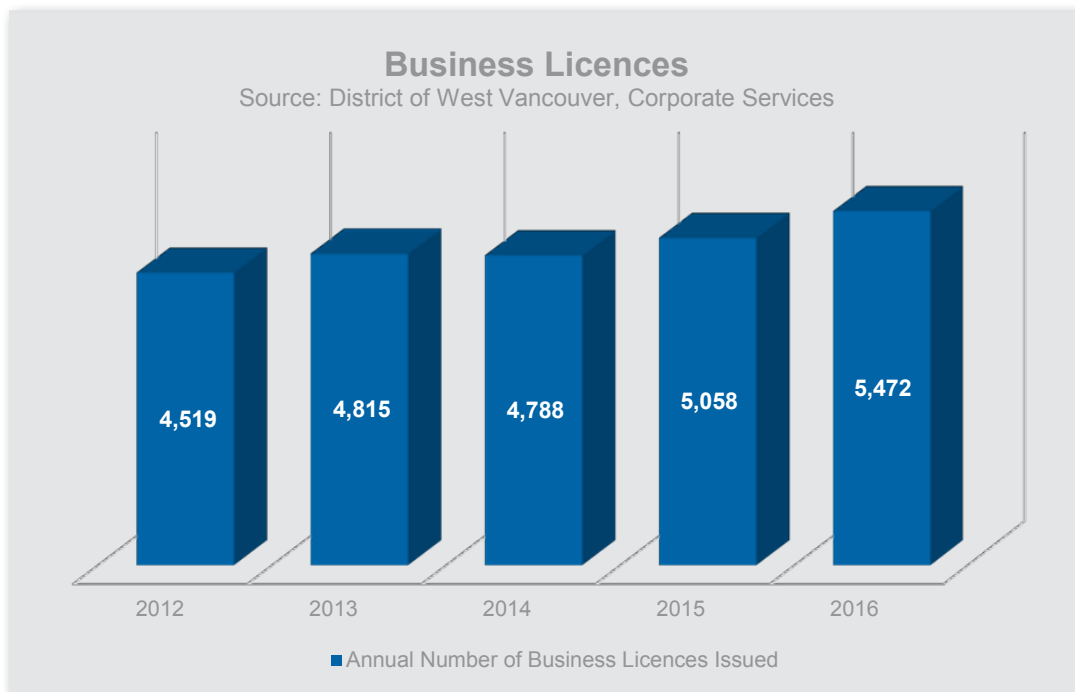
SUPPLEMENTARY INFORMATION

GROWTH INDICATORS

Five-Year Financial and Statistical Review



Population statistics are provided by the 2011 and 2016 federal census. In years when no census takes place, BC Stats, a provincial agency, provides population estimates, which are replaced every five years by the census. Based on comparing the 2011 census to the 2016 census, the population in West Vancouver has reduced by 225 persons in the most recent five-year period.

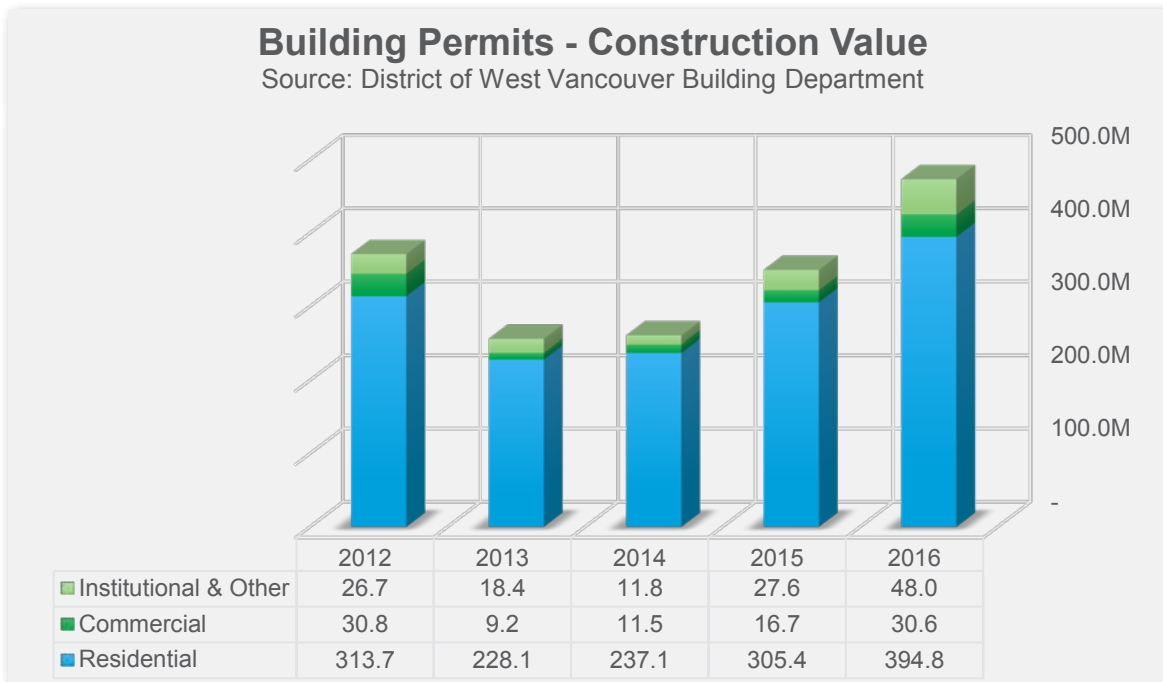
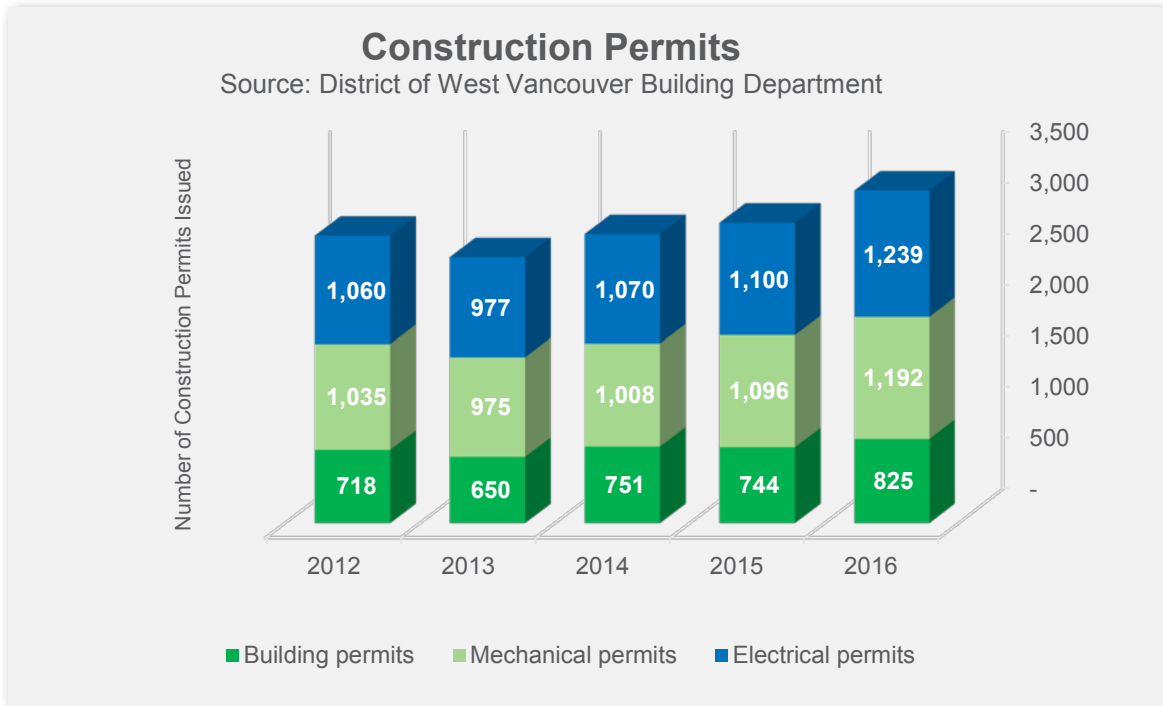


The number of business licences to operate in West Vancouver has increased by 953 since 2012.

SUPPLEMENTARY INFORMATION

GROWTH INDICATORS *continued*

Five-Year Financial and Statistical Review

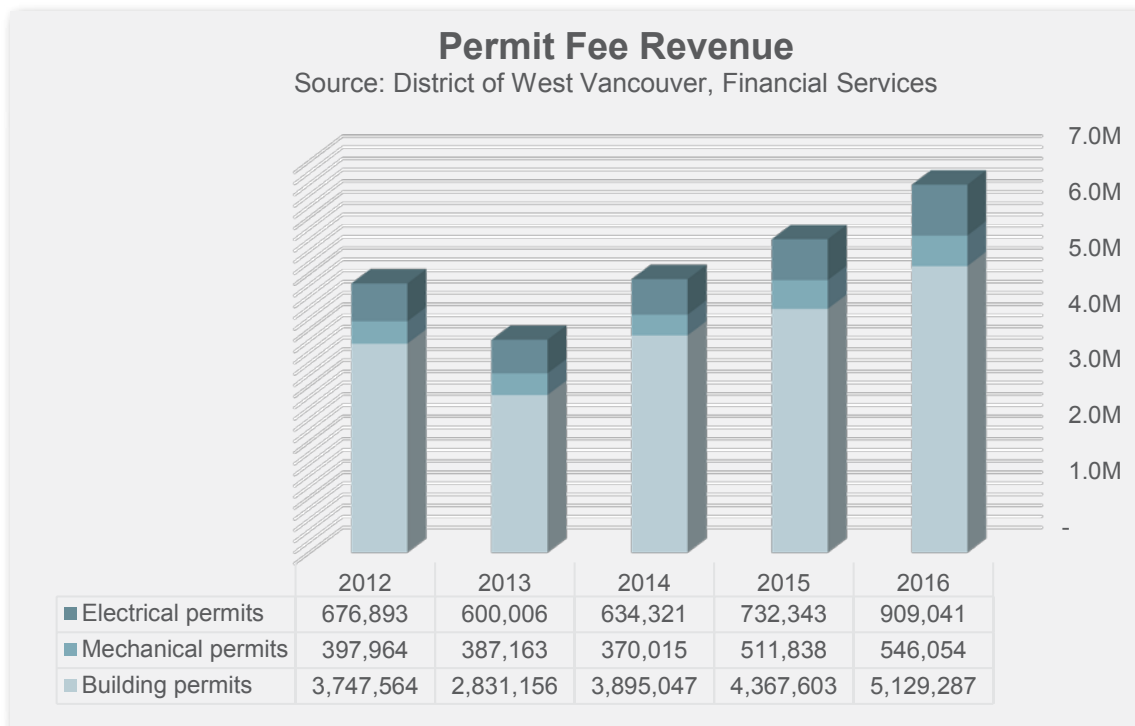


Construction activity has remained strong in West Vancouver and the lower mainland over the past five years. The majority of building permits issued in 2016 were for residential single family construction. Of the 825 building permits issued in 2016, 642 were for demolition, alterations or additions and new construction of single family homes; two permits were issued for construction of an apartment building and two permits for a mixed residential, commercial building; the remaining 179 permits issued were for commercial, government and institutional buildings and swimming pools and hot tubs.

SUPPLEMENTARY INFORMATION

GROWTH INDICATORS *continued*

Five-Year Financial and Statistical Review

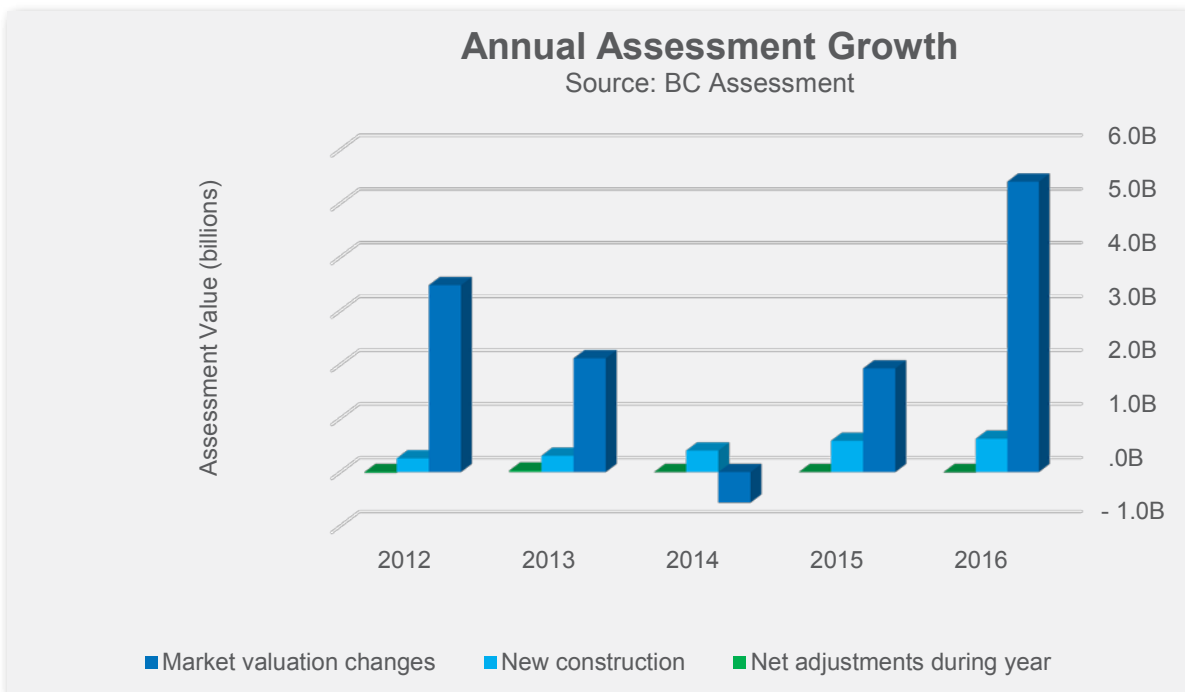
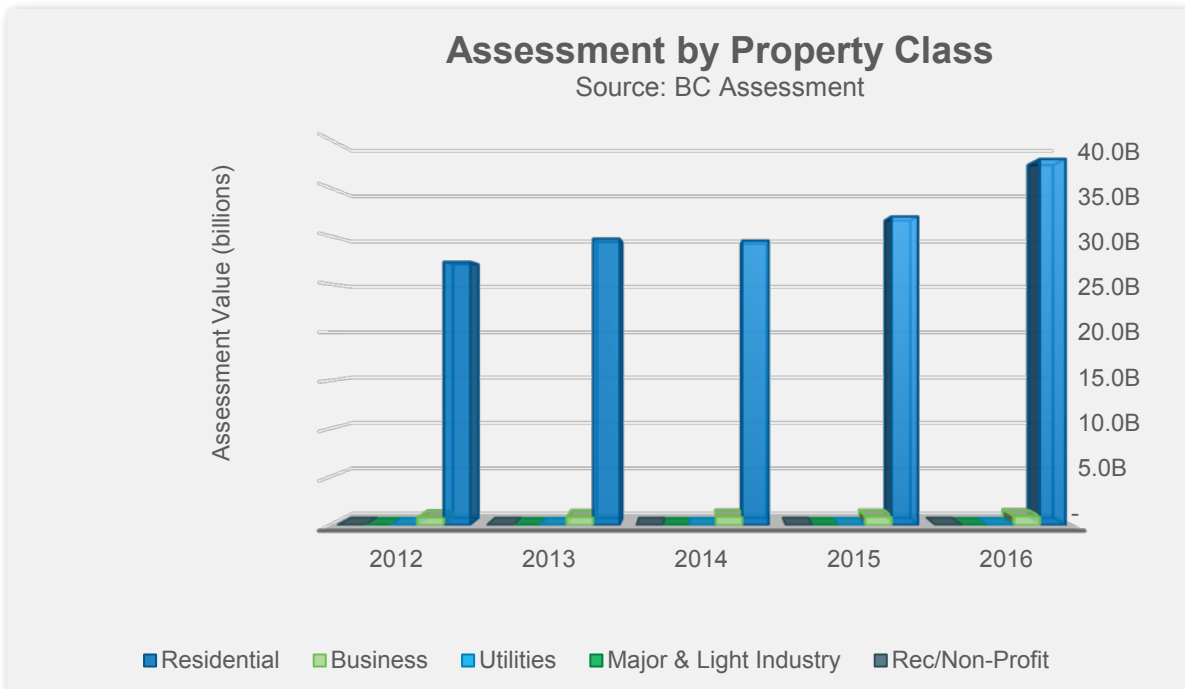


Permit fee revenues and the number of inspections performed have experienced a steady increase over the past five years in conjunction with increased construction activity. As illustrated in the graph above, building permit revenues generate the majority of permit revenue. Building permit revenues are based on construction value.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION

Five-Year Financial and Statistical Review

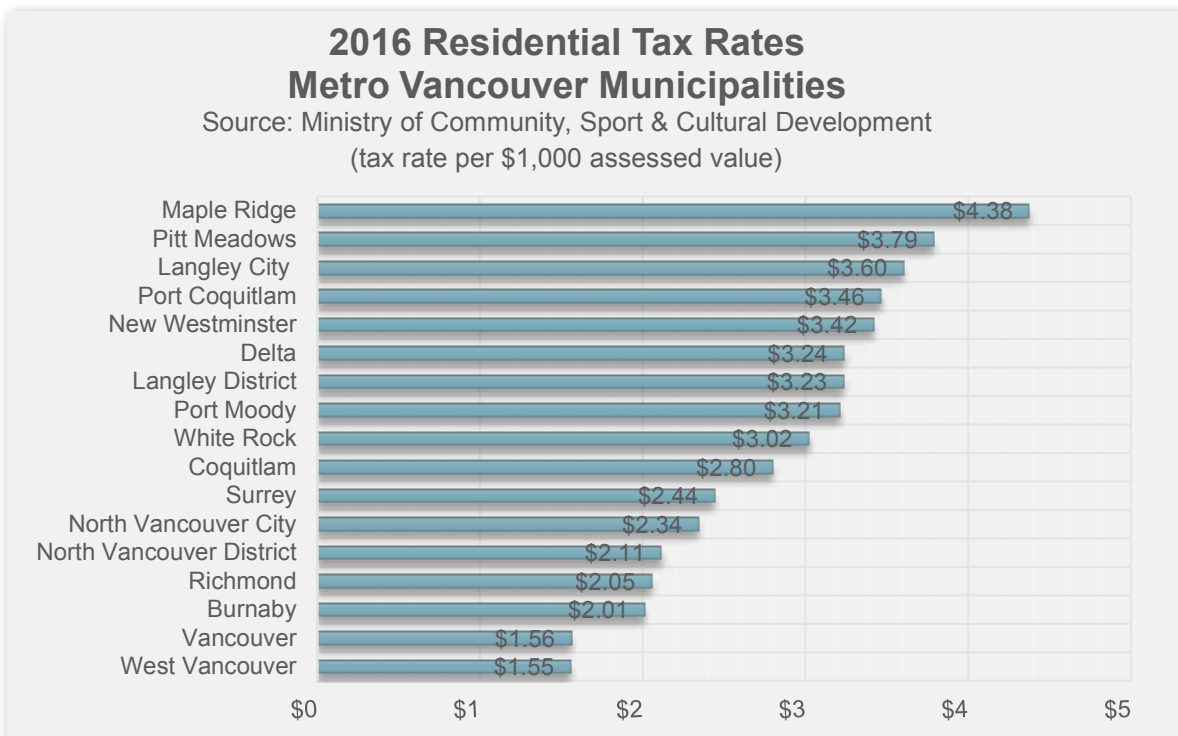
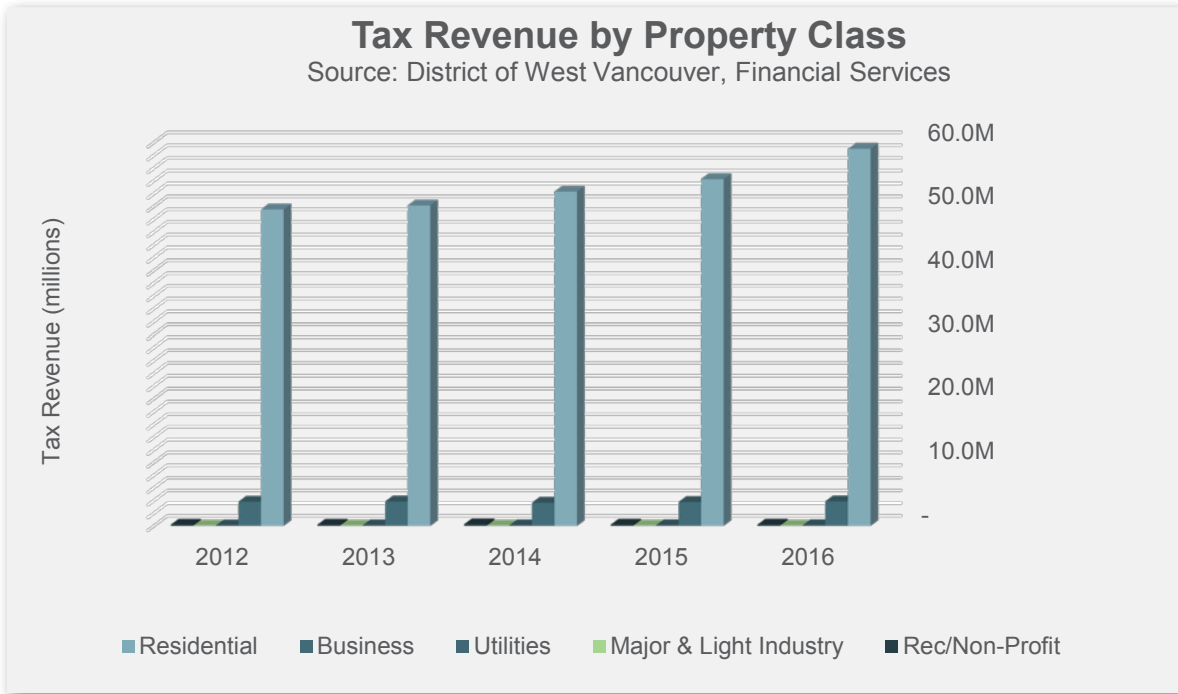


The District of West Vancouver relies primarily on the residential class for taxation revenue. There is a very small business community and virtually no industry, utility or recreation class property in West Vancouver. The annual change in assessed values has been primarily driven by market valuation changes and, to a lesser degree, by new construction. Market valuation changes do not result in additional taxation revenue, but do cause the tax burden to shift to properties that experience the highest increase in value.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION *continued*

Five-Year Financial and Statistical Review

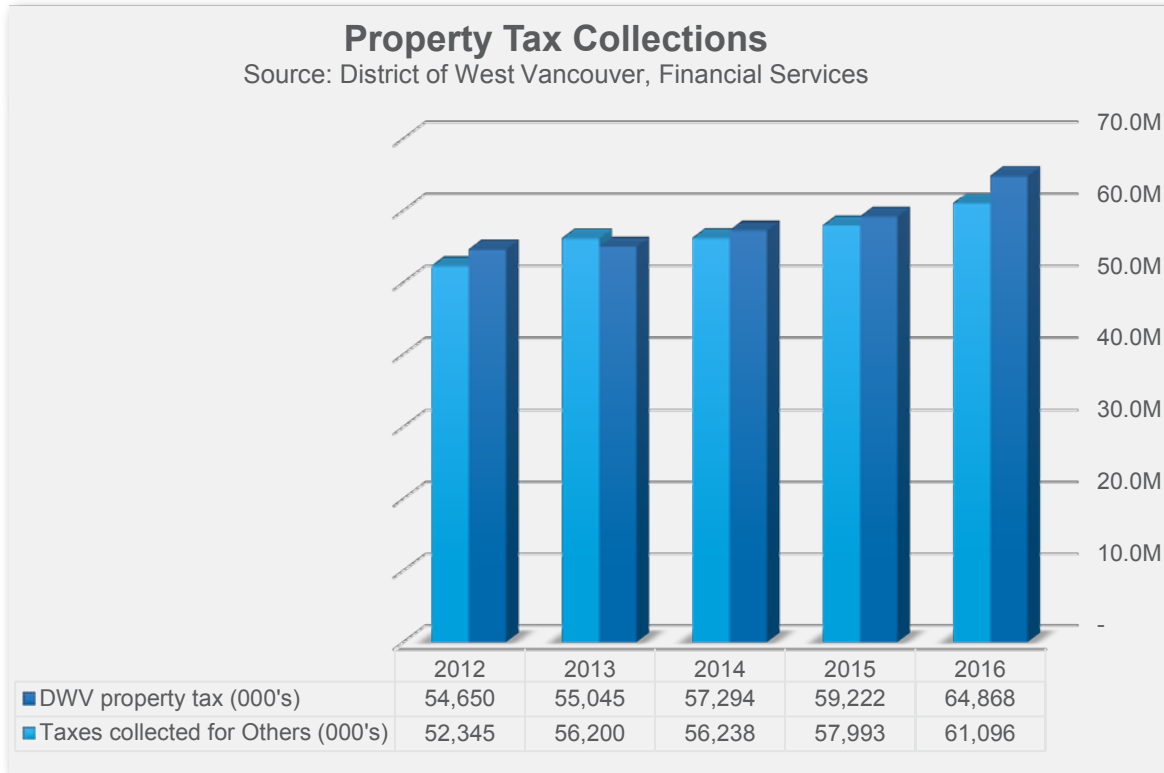


The residential class accounted for approximately 93 per cent of property tax revenue collected in 2016. The business class accounted for most of the remaining 7 per cent. Utilities and recreation class properties contribute less than 0.1 per cent of all property tax revenue. As illustrated above, the District of West Vancouver had the lowest municipal tax rate per \$1,000 assessed value for residential class properties in 2016. Property assessments were also higher when compared to other Metro Vancouver municipalities.

SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION *continued*

Five-Year Financial and Statistical Review



Approximately one-half of taxes collected from residents are on behalf of other taxing authorities. Provincial legislation requires municipalities to collect taxes levied for Provincial School Tax, Regional Transit, BC Assessment Authority, the Regional District and Municipal Finance Authority. The taxes collected are remitted to the respective taxing authorities on a flow-through basis.

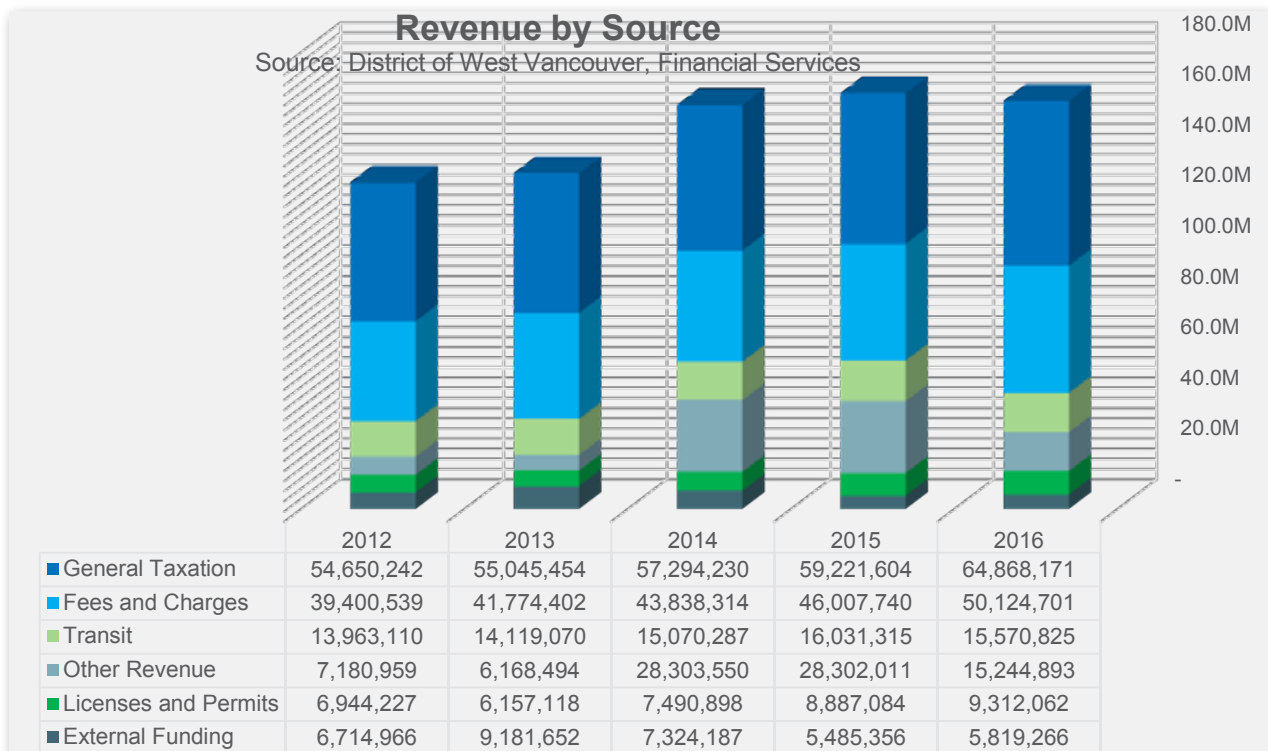
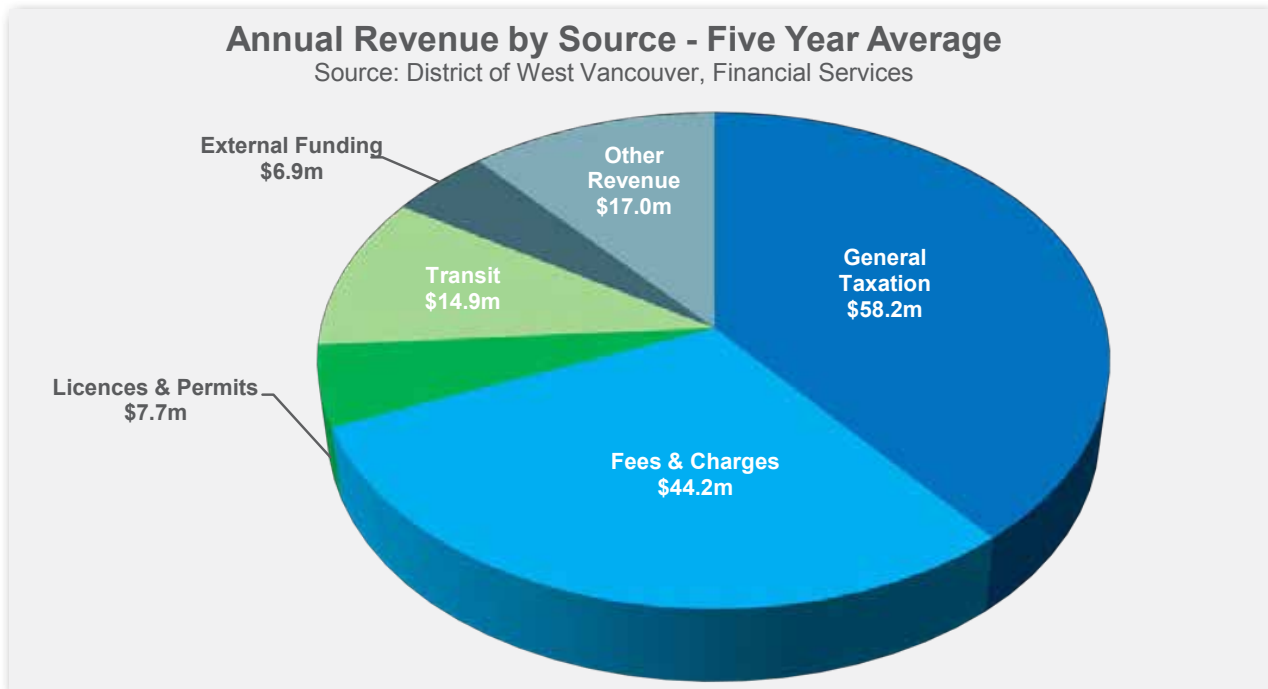
RESIDENTIAL PROPERTIES IN DETAIL	2012	2013	2014	2015	2016
Number of Folios	16,176	16,174	16,168	16,222	16,372
% of total folios	95.72%	95.70%	96.24%	96.29%	97.18%
% of total assessments	96.93%	97.01%	96.92%	97.12%	97.45%
% of total taxation revenues	92.25%	92.54%	92.73%	92.80%	92.99%

PRINCIPAL CORPORATE TAXPAYERS		
Park Royal Shopping Centre Holdings Limited	shopping centre	\$675,827
British Pacific Properties Limited	undeveloped upper lands	\$374,554
BC Transportation Financing Authority	BC transportation	\$207,036
Marine Drive BT Holdings Limited	marina	\$187,106
Hollyburn Properties Limited	high-rise buildings	\$152,172
Caulfeild Village Shopping Centre	shopping centre	\$147,478
GH West Van Holdings Limited	Fresh St. Market	\$115,823
449691 B.C. Limited	retail/business complexes	\$109,763
Austeville Properties Limited	high-rise building	\$94,042
Onni Taylor Way Properties Limited	multi-family residential	\$83,915
Hollyburn Country Club	recreational facility	\$81,913
Capilano Golf & Country Club	recreational facility	\$78,697
Wall Financial Corporation	high-rise building	\$81,103
K.A. Ray Limited	retail/residential strata	\$76,069
Hollyburn Medical Centre	medical facility	\$74,566

SUPPLEMENTARY INFORMATION

REVENUES

Five-Year Financial and Statistical Review

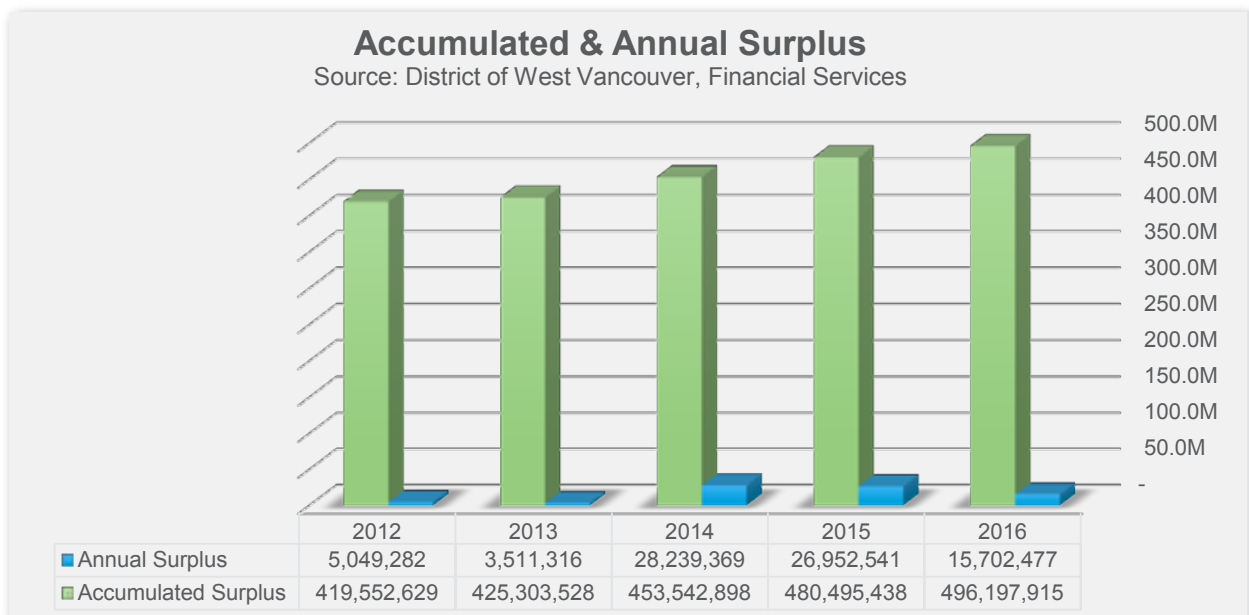
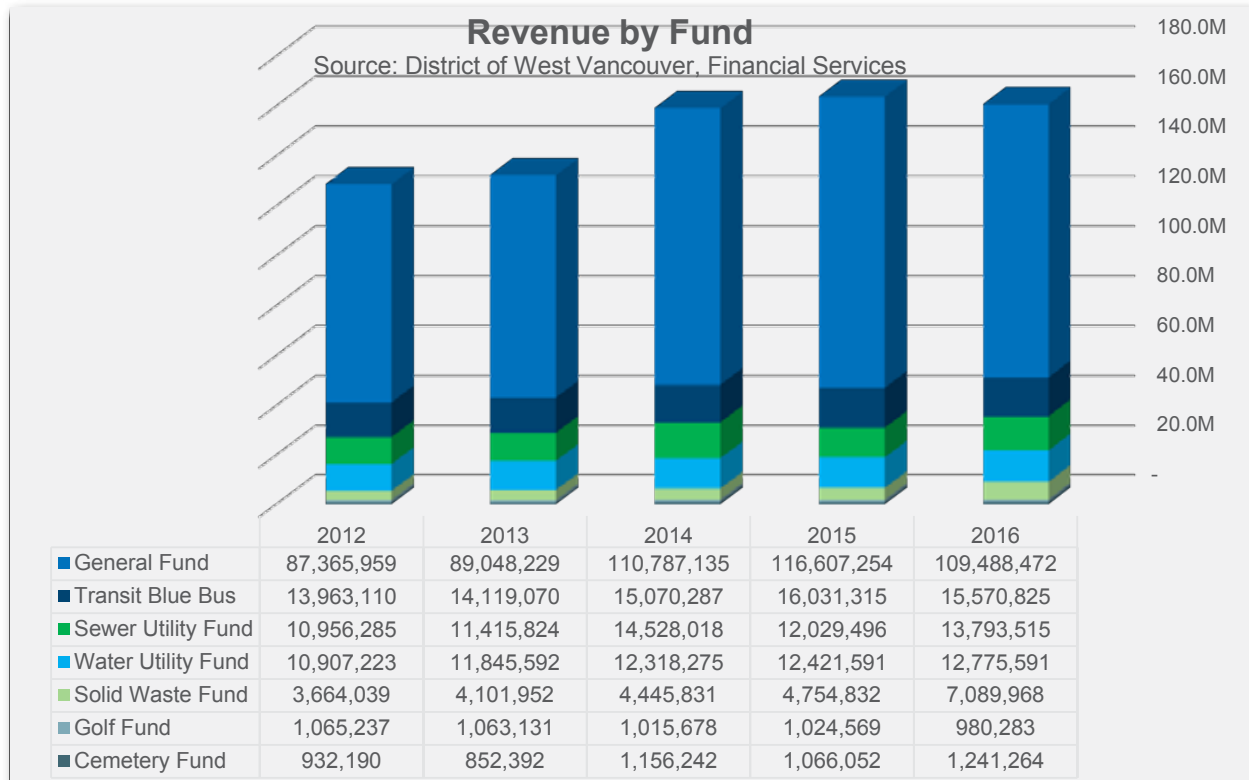


General Taxation and Fees & Charges represent 71.4 per cent of revenue generated to pay for services provided by the District of West Vancouver. Fees and charges revenue is comprised largely of user fees for Water, Sewer, Solid Waste and Recreation services. Transit revenue equivalent to expenditures incurred to operate the West Vancouver Blue Bus service is received from the BC Transit Authority. Other revenue includes rentals and leases of real property, government grants, interest earned on investments and gains on sale of real property.

SUPPLEMENTARY INFORMATION

REVENUES *continued*

Five-Year Financial and Statistical Review

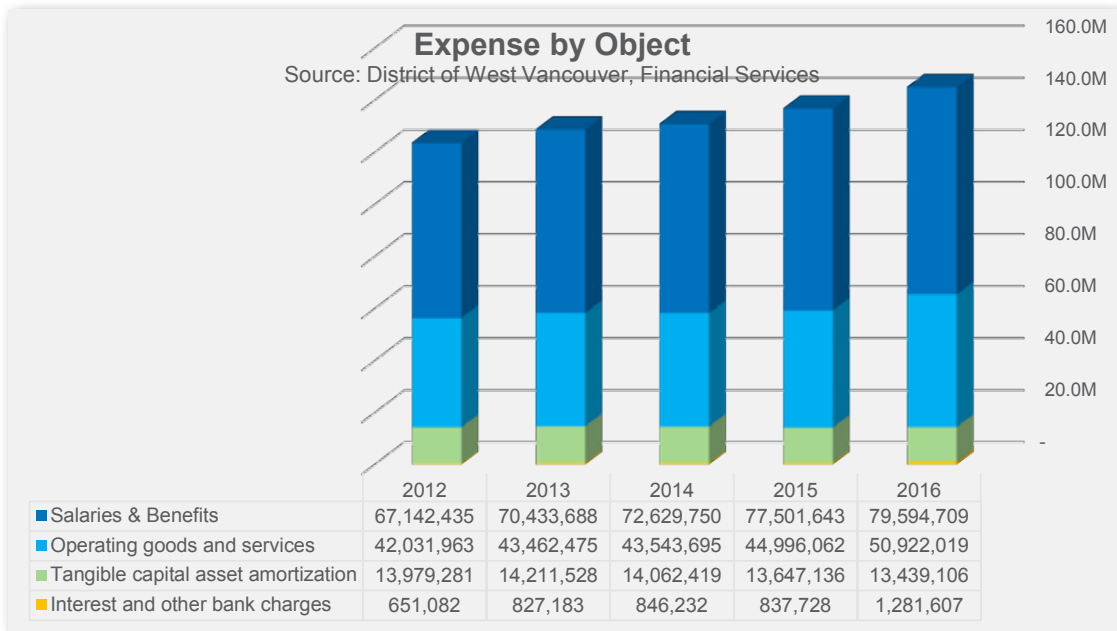


Accumulated surplus represents the net recognized economic resources of the organization at the date of the financial statements. This measure shows the net economic position from all years operations at a point in time. The annual surplus measures whether a municipality has maintained its net assets in a year. Land sales and community amenity contributions increased surplus amounts during 2014 through 2016.

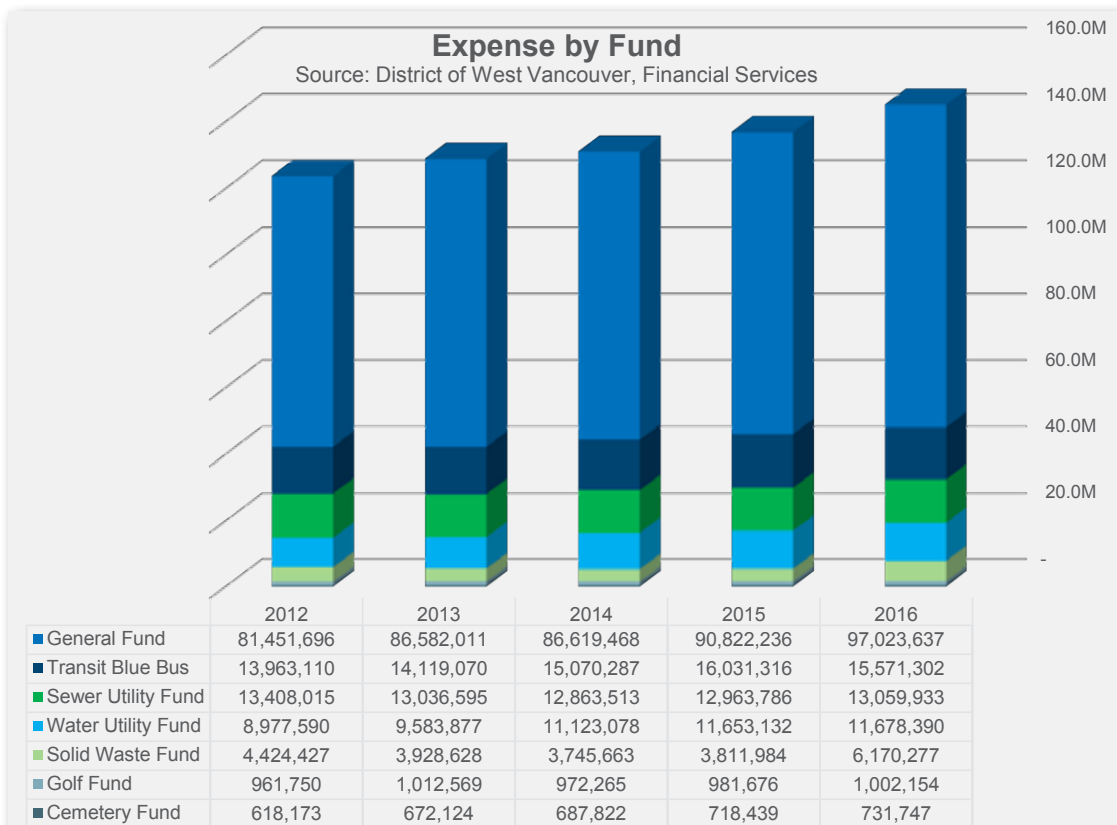
SUPPLEMENTARY INFORMATION

EXPENSES

Five-Year Financial and Statistical Review



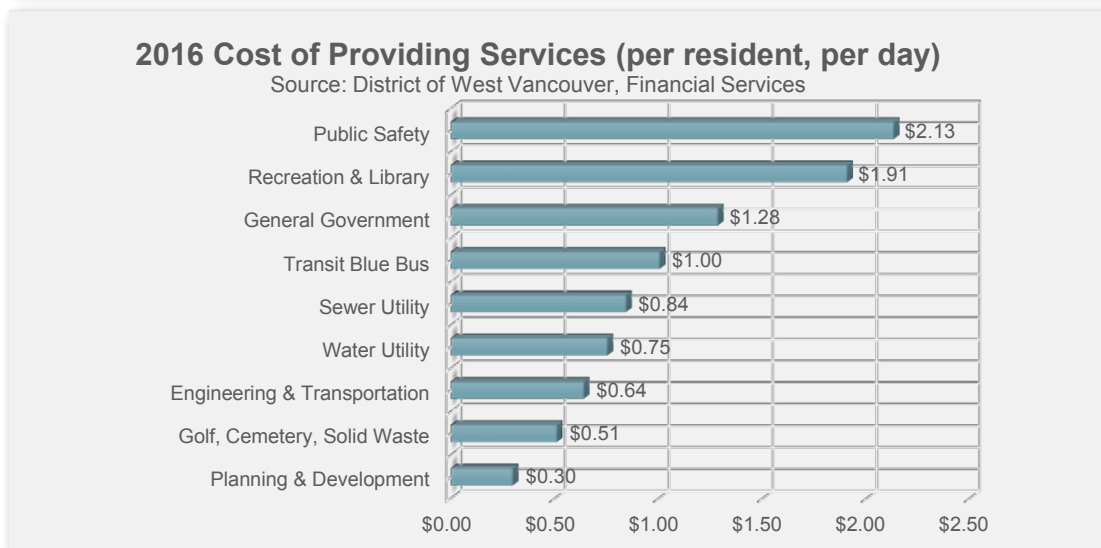
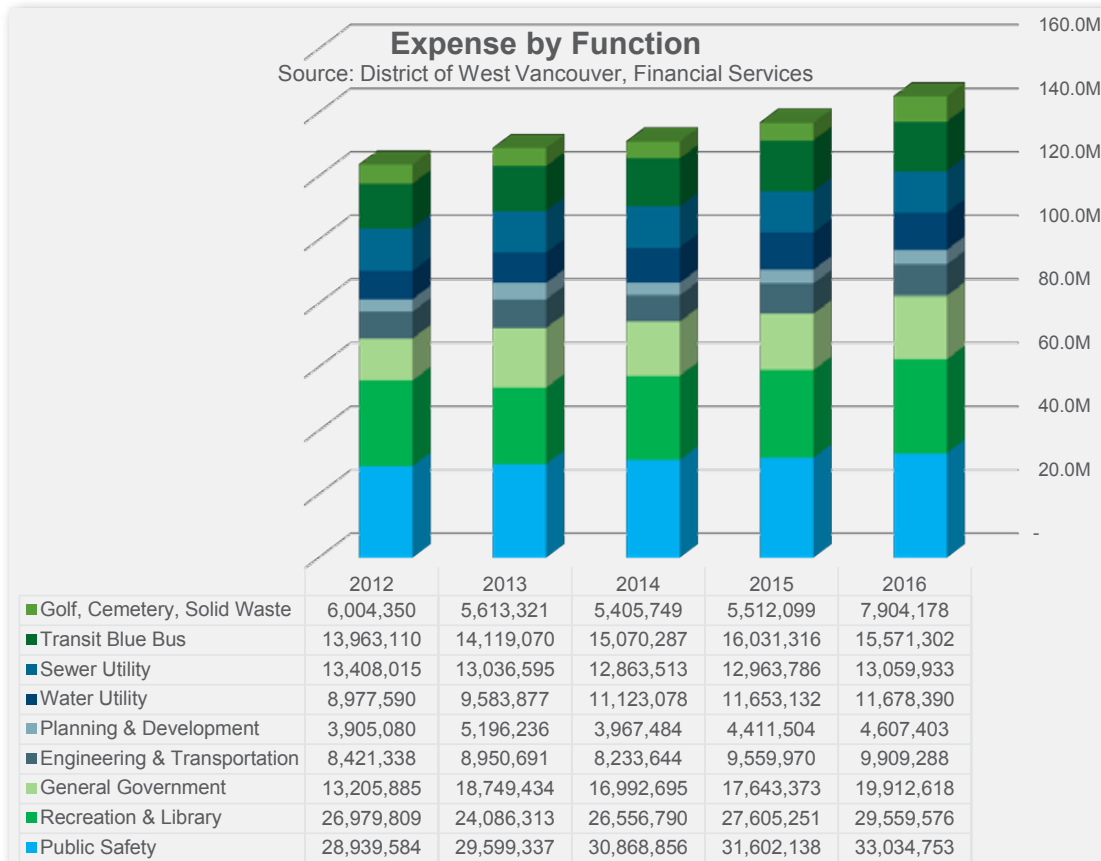
Salaries and benefits represent 55 per cent of total expenditures. Salary costs are largely driven by the level of services provided and collective agreement provisions. The municipality administers separate collective agreements for Fire, Police and other municipal services. The annual increase in wages has averaged 2-2.5 per cent for the past five years. The largest impact on non-salary operational goods and services costs come from inflation, level of service provided, and US dollar exchange rates.



SUPPLEMENTARY INFORMATION

EXPENSES *continued*

Five-Year Financial and Statistical Review

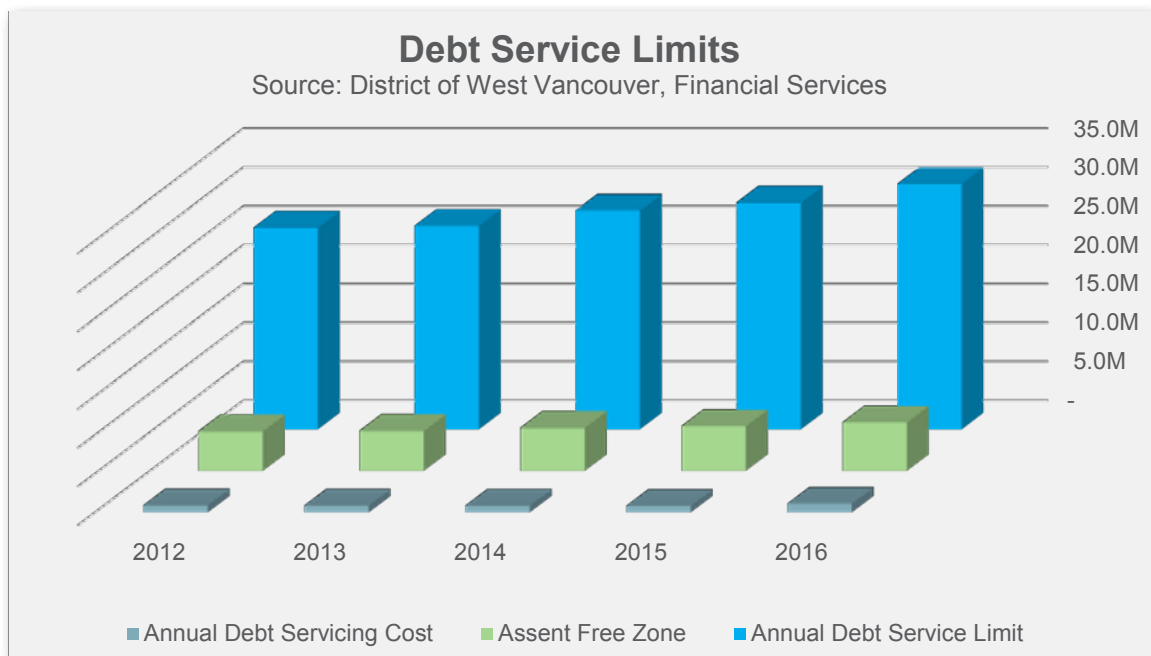
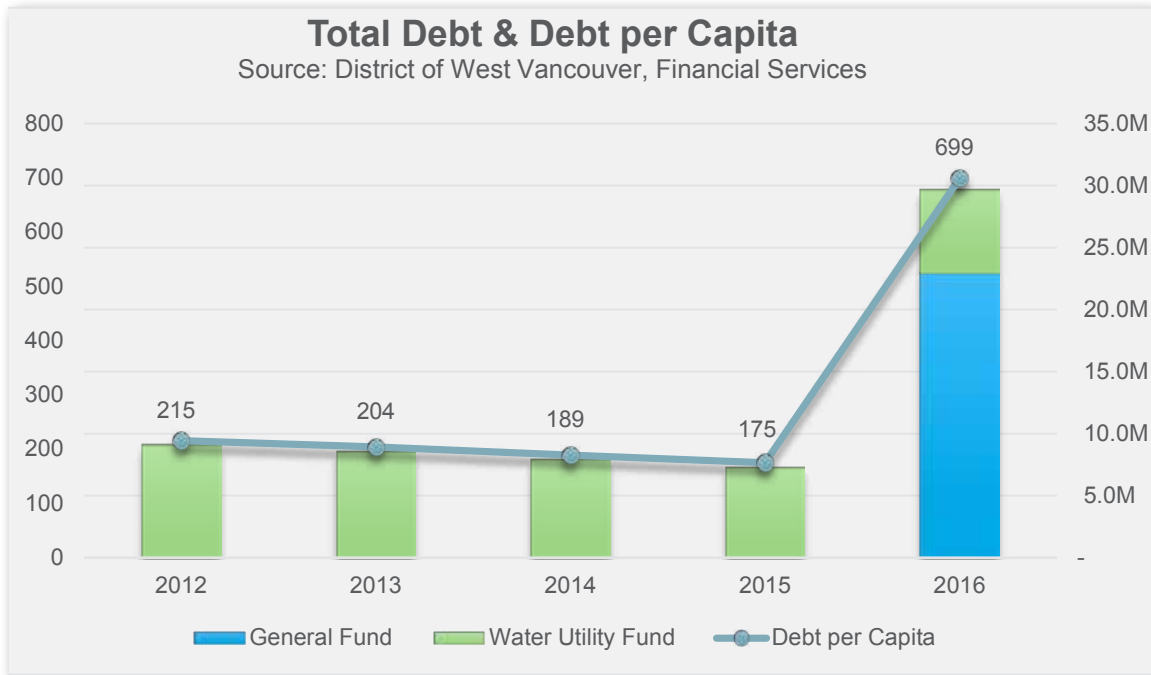


In 2016, Public Safety and Recreation & Library services represented 43 per cent of all expenditures for the District. The Facilities management function was centralized in 2013 and transferred to Corporate Services. This change contributed to the increase in General Government expenditures from 2012 to 2013. Some facilities costs were also transferred from the Recreation & Library and Public Safety areas to General Government in 2013. West Vancouver residents place high value on public safety which includes Police, Fire & Rescue and Bylaw services. The cost of providing public safety to residents is \$2.13 per-day per-resident. The total cost of all services received by residents on a per day per-resident basis is \$9.36.

SUPPLEMENTARY INFORMATION

DEBT AND DEBT SERVICE

Five-Year Financial and Statistical Review



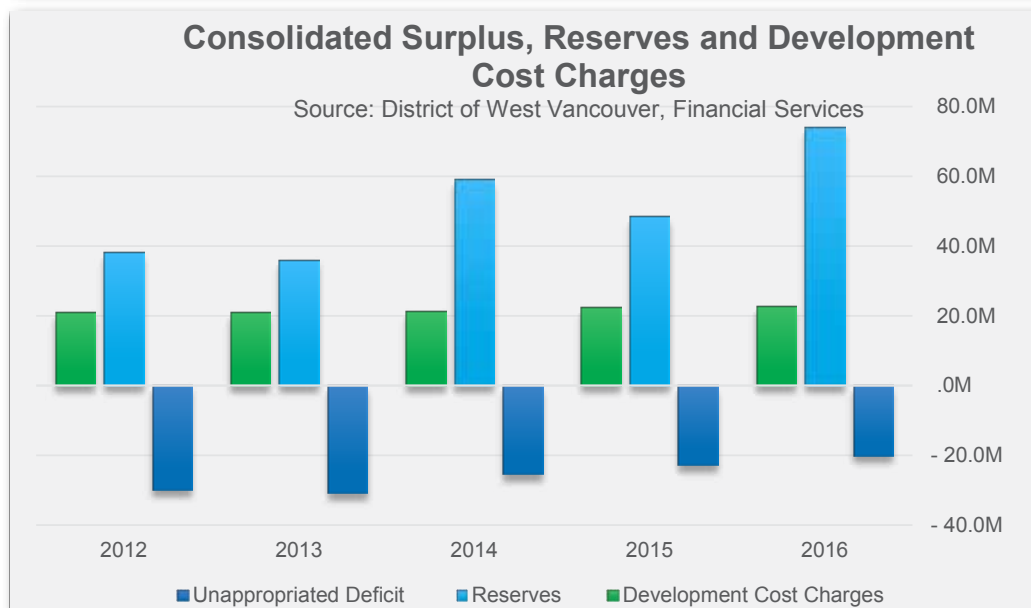
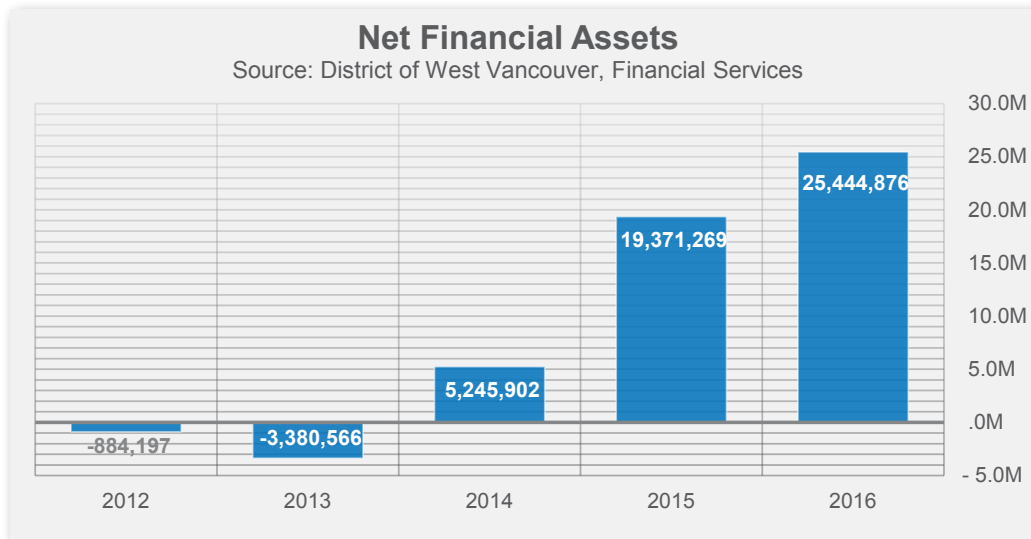
West Vancouver has historically taken a conservative approach to debt, borrowing mainly for revitalization projects in Ambleside and Dundarave, water utility infrastructure improvements and more recently for the Police Services & Municipal Hall building (2016). Debt payments for the Police Services & Municipal Hall building are funded by the Endowment fund. Debt servicing costs represent annual debt interest and principle payments.

In the chart above, the annual debt service limit represents the maximum amount of debt service costs the District of West Vancouver can legally take on, based on annual revenues. The assent free zone represents the amount of debt service costs that can be incurred without elector referendum.

SUPPLEMENTARY INFORMATION

NET ASSETS, SURPLUS, RESERVES AND DEVELOPMENT COST CHARGES

Five-Year Financial and Statistical Review



The net financial assets measure is an indicator of the amount of past revenues available to pay for future transactions and events, and is calculated as the value of the District's financial assets less liabilities. The District's net financial asset balance of \$25.4 million at the 2016 year end reflects a \$6.1 million increase over the 2015 year end balance.

Reserves consist of statutory and nonstatutory reserves. As of the end of 2016, statutory reserves are comprised of:

Endowment Reserve

Capital Infrastructure Reserve

Capital Facilities Reserve

Capital Equipment Reserve

Public Arts Reserve Fund

Water Reserve Fund

Capital Facilities Reserve

Sewer & Drainage Reserve Fund

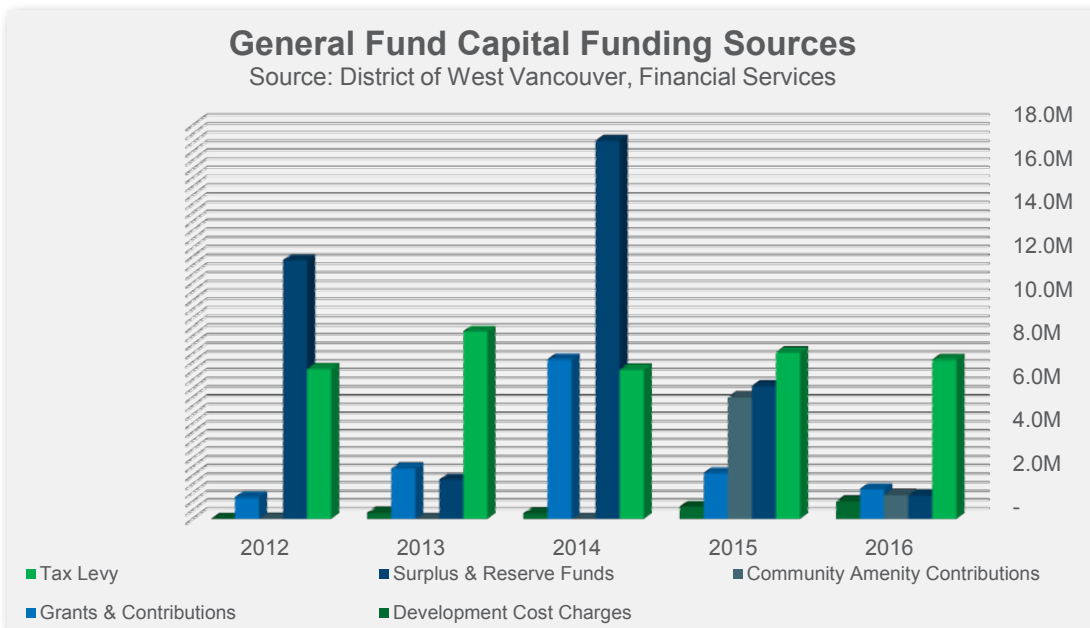
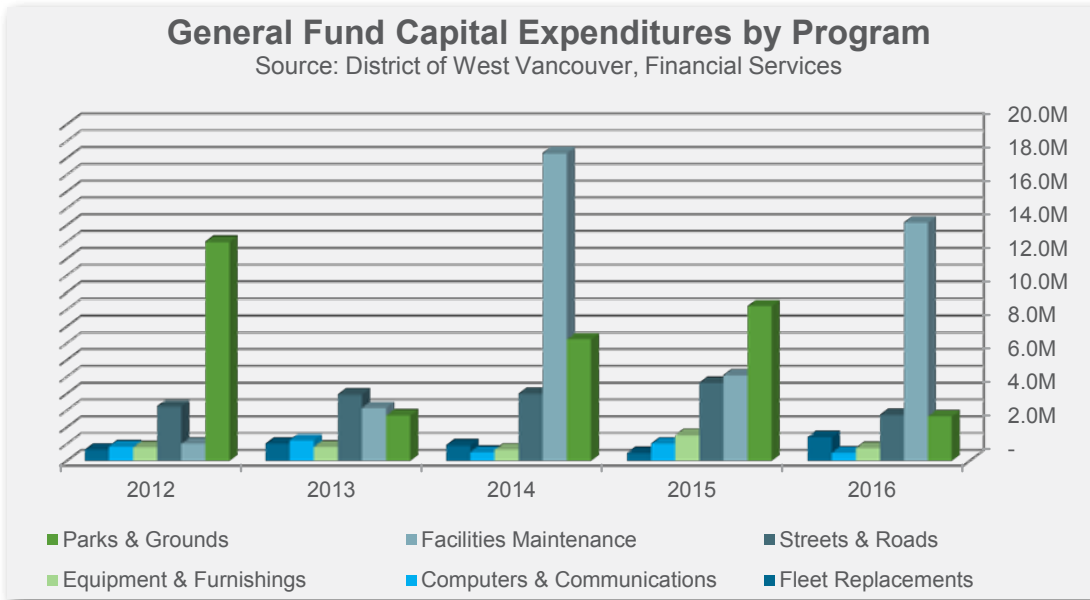
Youth Activity Reserve

Statutory reserve ending balances for 2016 total \$37 million and represent 51 per cent of the total reserves balance of \$74 million. The remaining 49 per cent is comprised of community amenity contributions received, various operating and capital reserves, tied to a specific function, and the Cemetery Development Fund. The unappropriated deficit represents internal borrowing undertaken to finance the construction of the West Vancouver Community Centre, Eagle Lake Water Treatment Facility and the Gleneagles Clubhouse Building.

SUPPLEMENTARY INFORMATION

INFRASTRUCTURE AND CAPITAL PROGRAMS

Five-Year Financial and Statistical Review

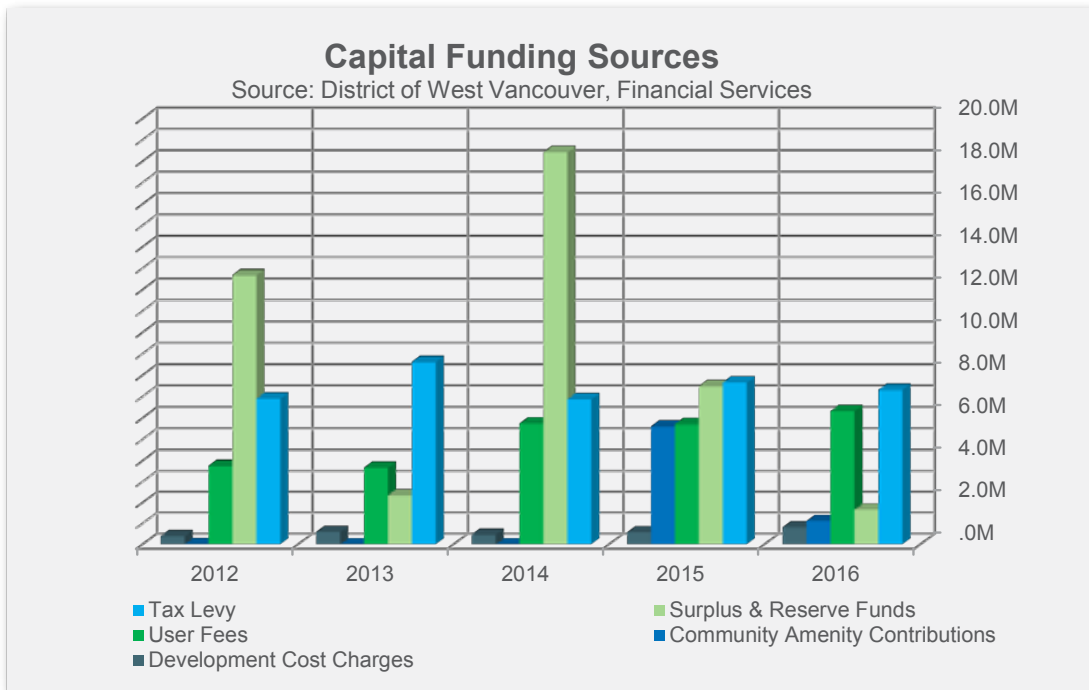
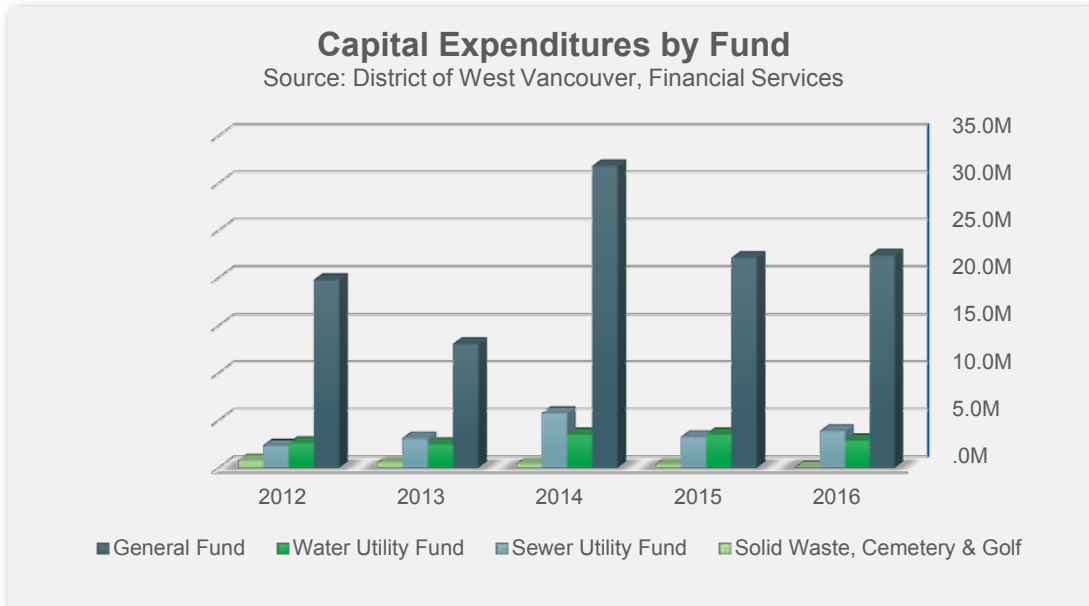


The 2016 capital program expenditures for the General Fund totalled \$22 million. Significant expenditures in the Parks & Grounds program in 2012, 2014 and 2015 included acquisition costs for properties acquired to expand Ambleside Park, funded from Community Amenity Contributions and Surplus & Reserve Funds and developer-contributed park land in the Upper Lands. The 2015 and 2016 Facilities Maintenance Program included construction costs for the new Police Services & Municipal Hall building which is expected to be complete in 2017. Expenditures for this project were funded primarily through borrowing. The spike in the 2014 Facilities and Maintenance program expenditures was a consequence of the acquisition of the Vancouver Coastal Health property on Gordon Street, which was funded from Reserves.

SUPPLEMENTARY INFORMATION

INFRASTRUCTURE AND CAPITAL PROGRAMS *continued*

Five-Year Financial and Statistical Review



Capital expenditures for all funds were \$29 million in 2016. The Police Services & Municipal Hall building accounts for \$10 million of these expenditures. During 2016 an Asset Levy was implemented and accounts for \$3 million of tax revenue. Asset levy proceeds are transferred into a reserve fund and will be used for future asset replacement.

SUPPLEMENTARY INFORMATION

PERMISSIVE TAX EXEMPTIONS

Five-Year Financial and Statistical Review

Address/Owner	Lot	Class	Assessed Value	Municipal Taxation	Other Jurisdictions	Total
Kiwanis Senior's Housing Society:						
975 21st Street	Lot A	1-Res	\$31,638,000	\$49,178	\$44,572	\$93,750
959 21st Street	Lot 1	1-Res	\$16,682,000	\$25,931	\$23,502	\$49,432
2151 Gordon Avenue	Lot 2	1-Res	\$18,093,000	\$28,124	\$25,489	\$53,613
Royal Canadian Legion:						
580 18th Street	N/A	8-Rec	\$615,200	\$2,904	\$2,131	\$5,036
Land surrounding fourteen places of public worship and necessary ancillary buildings:						
Christ the Redeemer Parish <i>595 Keith Road</i>	N/A	8-Non Profit	\$761,000	\$3,593	\$2,637	\$6,230
First Church of Christ, Scientist <i>714 20th Street</i>	N/A	8-Non Profit	\$581,000	\$2,743	\$2,013	\$4,756
North Shore Jewish Congregation <i>1305 Taylor Way</i>	N/A	8-Non Profit	\$830,000	\$3,918	\$2,876	\$6,794
North Shore Unitarian <i>370 Mathers Avenue</i>	N/A	8-Non Profit	\$1,993,000	\$9,409	\$6,905	\$16,314
Parish of St. Christopher's <i>1068 Inglewood Avenue</i>	N/A	8-Non Profit	\$878,000	\$4,145	\$3,042	\$7,187
Parish of St. Stephens <i>885 22nd Street</i>	N/A	8-Non Profit	\$937,000	\$4,423	\$3,246	\$7,669
Park Royal Congregation of Jehovah's Witnesses <i>1335 3rd Street</i>	N/A	8-Non Profit	\$1,865,000	\$8,804	\$6,461	\$15,265
St. Anthony's Church <i>2347 Inglewood Avenue</i>	N/A	8-Non Profit	\$3,261,000	\$15,395	\$11,298	\$26,693
St. David's United Church <i>1525 Taylor Way</i>	N/A	8-Non Profit	\$1,515,000	\$7,152	\$5,249	\$12,401
St. Francis-in-the-Wood Anglican Church <i>4773 South Picadilly Road</i>	N/A	8-Non Profit	\$1,440,000	\$6,798	\$4,989	\$11,787
St. Monica's Anglican <i>6404 Wellington Avenue</i>	N/A	8-Non Profit	\$648,000	\$3,059	\$2,245	\$5,304
West Vancouver Baptist Church <i>450 Mathers Avenue</i>	N/A	8-Non Profit	\$3,206,000	\$15,135	\$11,108	\$26,243
West Vancouver Presbyterian Church <i>2893 Marine Drive</i>	N/A	8-Non Profit	\$1,629,000	\$7,690	\$5,644	\$13,334
West Vancouver United Church <i>2062 Esquimalt Avenue</i>	N/A	8-Non Profit	\$3,930,000	\$18,553	\$13,616	\$32,169
				\$216,954	\$177,023	\$393,977

The *Community Charter* makes provisions for exempting, at Council's discretion, certain categories of property from taxation. In West Vancouver, such exemptions have been tightly controlled in order to constrain erosion of the assessment base. Current practice only allows for exemptions for senior citizen housing projects built with provincial assistance that do not fall within the exemption provisions of section 224(2)(h) of the *Community Charter*, for the Royal Canadian Legion, and for land surrounding buildings for public worship and other necessary ancillary buildings.

CORPORATE SUSTAINABILITY INDICATORS

2016 SUMMARY

Five-Year Financial and Statistical Review

Council adopted Corporate Energy and Emissions Plan in 2016. Reporting on key elements helps track progress and support actions to improve sustainability.

The environmental impacts from the District of West Vancouver's operations are, in large part, related to the operation of buildings, infrastructure, vehicles and equipment.

OPERATIONAL CONSUMPTION

	Total
Natural gas for building operations	30,412 GJ
Electricity	12,212,332 kWh
Vehicle and equipment fuel	
Gasoline	300,165 L
Diesel	231,029 L
Garbage produced from DWV building operations	197,670 kg

REPORTED GREENHOUSE GASES

As part of the requirements for the provincial Climate Action Charter, the District reports on corporate greenhouse gas emissions (GHGs) annually. By definition, the scope of this reporting only includes services traditionally provided by a municipality, though these include the majority of emissions from the District's operations.

	Tonnes
GHGs from building and infrastructure operation	1,520
GHGs from fleet, equipment, and contracted emissions	1,750

WEST VANCOUVER'S BLUE DOT CAMPAIGN COMMITMENT

SUMMARY OF ACTIONS

Five-Year Financial and Statistical Review

On July 20, 2015, The District of West Vancouver (the District) signed onto the Blue Dot Campaign, a declaration recognizing the right to a healthy environment. This campaign was initiated by the David Suzuki Foundation with the ultimate goal of entrenching basic environmental rights in the Canadian constitution. To date, 149 Canadian municipalities have joined the campaign.

The key aspects identified in the Blue Dot Campaign are:

- 1. The right to breathe clean air**
- 2. The right to drink clean water**
- 3. The right to consume safe food**
- 4. The right to access nature**
- 5. The right to know about pollutants and contaminants released into the environment**
- 6. The right to participate in decision-making that will affect the environment**

The District has and continues to participate and/or support efforts that relate to these areas either directly or through membership in the Metro Vancouver Region. A high-level summary of efforts by the District is summarized below.

1. The right to breathe clean air

- Metro Vancouver's Air Quality and Climate Change group measures air quality continuously using a network of air quality monitoring stations. When conditions warrant, air quality advisories are issued. An overall approach to air quality exists in the Integrated Air Quality and Greenhouse Gas Management Plan developed in October 2011.
- An interim bylaw to limit the removal of large trees on private land was passed by the District in 2016.
- The District's Strategic Transportation Plan supports shifting transportation from single occupant driving to lower carbon and less polluting modes of travel.
- The District's Community Energy and Emissions Plan includes monitoring and reporting.

2. The right to drink clean water

All of the District's drinking water originates from the North Shore's mountains with almost 50 per cent supplied by two drinking water treatment plants in West Vancouver and the balance supplied by Metro Vancouver. The District undertakes a number of specific measures related to providing clean drinking water.

- Domestic water is treated as per requirements in the provincial government's Drinking Water Protection Act.
- Conservation measures undertaken by the District help conserve the drinking water supply.

SUMMARY OF ACTIONS RELATED TO BLUE DOT CAMPAIGN COMMITMENT *continued*

Five-Year Financial and Statistical Review

3. The right to consume safe food

While food safety does not fall under the jurisdiction of municipal governments, the District does participate in local food safety initiatives.

- North Shore Community Food Charter (2013)—outlines a vision and principles around an integrated food system for the North Shore.
- Healthy Communities Partnership/Memorandum of Understanding with Vancouver Coastal Health (2015)—supports healthy built environments including local food systems.
- North Shore Table Matters Network—a group of organizations working together to connect grassroots action to policy work and organizational change (this group prepared the North Shore Community Food Charter)—the Network encourages and supports local farming by providing space for Farmers' Markets and food preservation workshops.

4. The right to access nature

West Vancouver has approximately 140 parks distributed throughout the municipality and supports the enhancement of natural spaces with initiatives, policies and bylaws.

- The Parks Master Plan was developed in 2012 with input from the community and sets the direction for the management, protection and enhancement of West Vancouver's parks and open spaces.
- In 2014, a significant amount of forest land was dedicated to create Whyte Lake Park.
- The Access and Inclusion Policy (2009) speaks to implementing, maintaining and enhancing accessibility on District property.
- The Upper Lands Working Group produced a report with core values that included enhancing recreation opportunities and the lifestyle and heritage associated with outdoor living.
- The Parks Regulation Bylaw speaks to the protection of parks.

5. The right to know about pollutants and contaminants released into the environment

- The District's Pesticide Use Control Bylaw, No. 4377, 2004 restricts the use of pesticides for cosmetic purposes. This Bylaw was adopted in 2004 and updated in 2015.
- The District's current and long-standing practice is not to use pesticides for cosmetic purposes on sports fields, lawns, flowerbeds or street trees.
- The Gleneagles Golf Course and Ambleside Par 3 Golf Course use pesticides only when necessary and on a limited basis to control fungal disease on greens and tees. The golf courses continue to implement integrated pest management practices to limit pesticide use. The Gleneagles Golf Course has been given Audubon International's designation as a Certified Audubon Cooperative Sanctuary. Only 14 golf courses in British Columbia have the designation, which requires a golf course to demonstrate that it maintains high environmental standards in environmental planning, wildlife and habitat management, reduced use of chemicals, water conservation and more.
- The use of pesticides to control invasive plants is only done when other control methods are not effective, feasible or are considered to be more harmful to the environment than the use of pesticides. To date, the only invasive plant that has been chemically treated in the District of West Vancouver on public land is knotweed. The treated knotweed sites are well-signed in advance and post-treatment.
- The Watercourse Protection Bylaw speaks to remedies if a prohibited substance enters a watercourse.

SUMMARY OF ACTIONS RELATED TO BLUE DOT CAMPAIGN COMMITMENT *continued*

Five-Year Financial and Statistical Review

6. The right to participate in decision-making that will affect the environment

The District undertakes consultation with its residents and often engages local stewardship groups to gain input on developing and implementing environmental plans.

- Current stewardship groups include Lighthouse Park Preservation Society, West Vancouver Streamkeeper Society, Old Growth Conservancy Society, and a variety of smaller groups and interests that the District works with to protect and enhance the environment.
- The current Official Community Plan review, which is underway, will have significant environmental implications and will involve extensive community engagement.
- The Local Government Act, which governs BC municipalities, advises local governments to conduct business transparently and consult with the community on Official Community Plans.
- The District's Community Energy and Emissions Plan includes monitoring, reporting, and various engagement and outreach initiatives.
- Citizens are provided with an opportunity to guide and participate in waste management practices to the highest standard at facilities, in parks and at events.

