

2019 BUDGET HIGHLIGHTS

OPERATING BUDGET

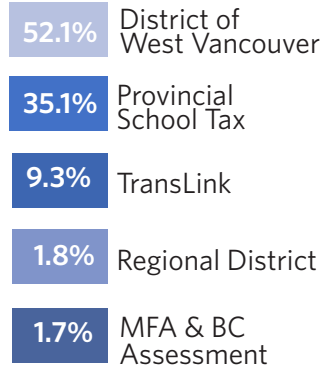
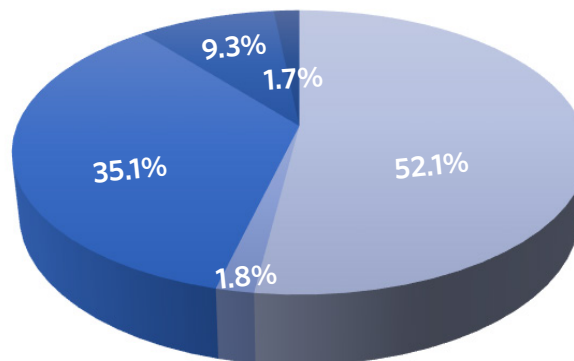
The proposed \$100.2 million operating budget has been developed to maintain and improve District services. The proposed operating budget includes a \$3.5 million tax levy increase, which equates to a proposed operational levy increase of 2.9 per cent and an asset levy increase of 2.16 per cent. The increase is driven by contractual costs, energy costs, environmental factors and new investments needed to ensure the services most valued by our residents are improved.

The District's current funding sources are quite limited. The majority of funding is through property taxes, and then fees and charges. Each year, all non-taxation sources of funding are reviewed for further opportunities before resorting to taxation. The District is limited in the diversification of its tax base, with 91 per cent of properties falling into the residential class. The remaining percentage of properties are in the business class; there are no industrial properties, which are a major source of tax revenue in other municipalities.

The total amount of your property tax bill also includes amounts collected on behalf of other taxing authorities. In 2018, your tax bill was allocated this way.

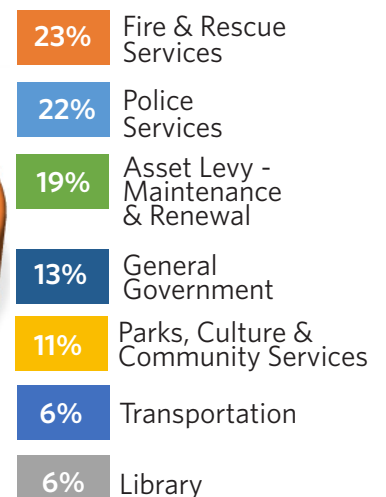
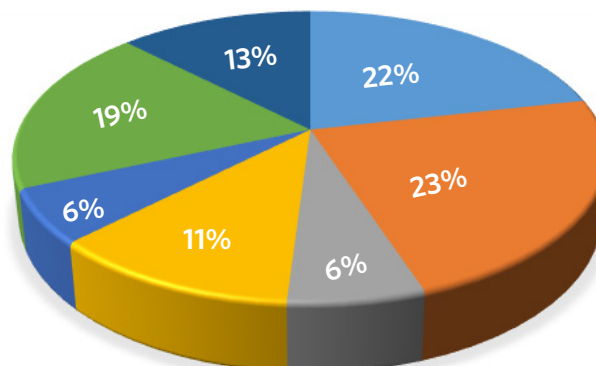
In 2019, these proportions will shift as the Additional School Tax, estimated at \$29.8 million, will be added to the other levies.

PROPERTY TAX BILL ALLOCATION



The property taxes collected by the District are used to directly fund the delivery of the services. In 2018, the tax dollars for the District were allocated this way.

MUNICIPAL PORTION OF TAX BILL



CAPITAL BUDGET

Capital expenditures planned in 2019 total \$26.9 million. The majority of the spending — \$25.2 million — is for maintaining and replacing existing assets that the District owns. Investments in new assets total \$1.4 million, and \$300,000 is being proposed as a contribution to non-District assets that benefit the community.

In addition to ongoing annual maintenance in transportation infrastructure, parks, sports fields, equipment and IT infrastructure, significant projects planned in 2019 include major facilities renewal projects at Municipal Hall and the acquisition of a new fire truck. There is one project that the District does not own and it is identified in the capital plan as important to the community. This is the cost of building a new track and artificial turf field for West Vancouver Secondary School.

The asset levy funding is used exclusively for asset maintenance. Community amenity funds and grants are used for all other asset contributions.

ASSET MANAGEMENT

The District currently owns close to \$1 billion in assets (estimated replacement costs) and over the next 20 years virtually all of these assets will require capital investment to maintain their performance. The estimated cost of maintaining the general fund assets is \$291 million over the next 20 years, which, on average, requires an ongoing \$14.5 million investment per year. The current asset levy amount is \$13 million, which is insufficient to support the infrastructure needs.

The asset levy requirement will change as the District better identifies maintenance on major components/systems and addresses climate change impacts on assets such as roads. Also, there is a compounding effect of not funding required maintenance in past years, resulting in higher costs to prevent assets from failing. For 2019, the asset investment gap equals \$1.5 million.

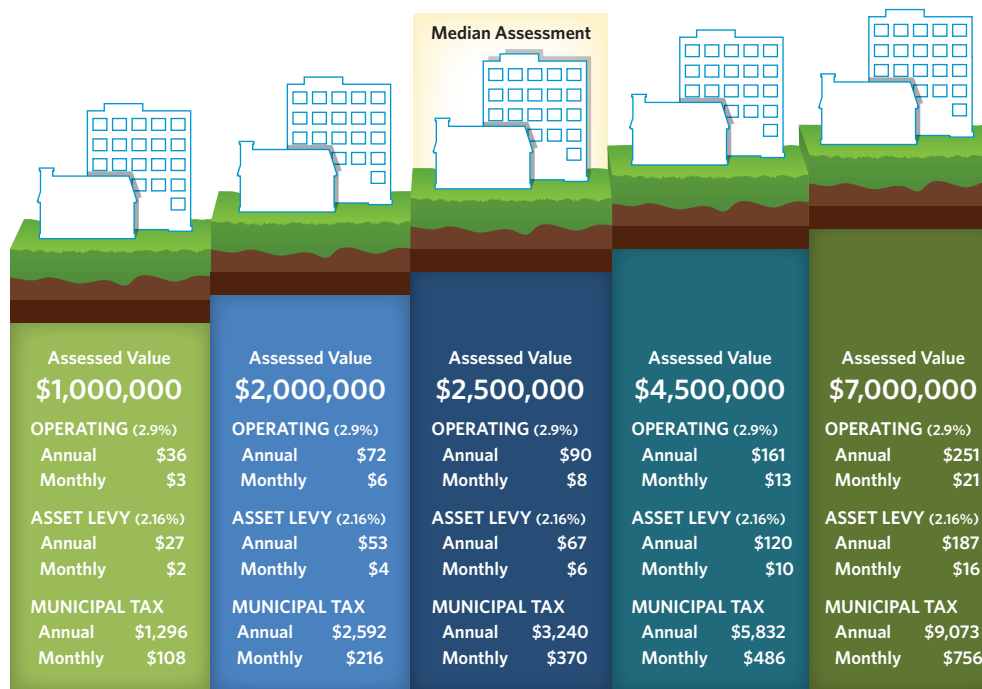
The proposed recommendation is to close the gap in 2019, which would require an asset levy increase of 2.16 per cent.

WHAT DOES THIS MEAN TO YOU?

Staff are proposing an operational levy increase of 2.9 per cent and an asset levy increase of 2.16 per cent for 2019. The increases together amount to an extra \$157 for the median household assessed at \$2.5 million.

OPERATIONAL LEVY	\$90	2.9%
ASSET LEVY	\$67	2.16%
TOTAL TAX INCREASE	\$157	5.06%

The illustration on the right summarizes the impact of proposed tax increases to property owners based on assessed value.



TAKE THE SURVEY

The District of West Vancouver is prioritizing capital projects for 2019 and your feedback is important. We invite you to review the list of projects in need of funding and let us know which projects are priorities for the community.

This survey is an important tool for the municipality to receive input from residents. The deadline to provide your feedback is Friday, February 22, 2019, at 4 p.m. Take the survey at westvancouver1TE.ca/budget.