



COUNCIL AGENDA
Date: October 19, 2020 Item: 5.



DISTRICT OF WEST VANCOUVER
750 17TH STREET, WEST VANCOUVER BC V7V 3T3

5.

COUNCIL REPORT

Date:	October 2, 2020
From:	Isabel Gordon, Director, Financial Services
Subject:	Proposed 2020-2024 Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 (regarding 2020 Budget Amendment)
File:	08-1610-20-5091

RECOMMENDATION

THAT as described in the report dated October 2, 2020 regarding 2020 Budget Amendment:

1. proposed “2020-2024 Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 (regarding 2020 Budget Amendment)” be read a first, second, and third time; and
2. the transfer of \$2,192,478 from the Provision for Reserve Expenditures to fund 2020 capital projects, be approved.

1.0 Purpose

This report is to seek Council's approval of proposed 2020-2024 Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 (regarding 2020 Budget Amendment) (attached as **Appendix B**), and for the funding of additional capital items.

2.0 Executive Summary

Staff are proposing to amend Five-Year Financial Plan Bylaw No. 5075, 2020 in order to reflect a net increase in General Fund operating revenues and expenditures of \$2,416,829 (details provided in **Appendix A**), and to reflect Council's direction to move funding from reserves to fund additional 2020 capital projects.

3.0 Legislation

Section 165 of the *Community Charter* requires that all District spending be authorized by bylaw. Staff are required to prepare a Five-Year Financial Plan bylaw for the District of West Vancouver each year. The bylaw must be adopted prior to the adoption of the annual tax rate bylaw. Under section 165(2) of the *Community Charter*, the financial plan may be amended by bylaw at any time.

4.0 Official Community Plan

Due to the COVID-19 pandemic, the current year has required extraordinary adjustments and changes to the District's operational, capital and financial plans. Nevertheless, the District has continued to carry forward, to the best of our ability, with as many of Council's strategic goals as possible. While remaining consistent with the objectives identified in the District's Official Community Plan, staff have continued to provide a full suite of municipal services, making modifications as necessary to fulfill public health and safety requirements, and to adjust to greatly reduced revenues.

Implementation of proposed Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 will enable this work to be carried on in 2020, and lay the groundwork for further adjustments which may be needed in the 2021-2025 Financial Plan.

5.0 Financial Implications

Financial implications are discussed throughout the report.

6.0 Background

The Five-Year Financial Plan provides a budgetary framework for the District of West Vancouver to plan and manage its resources, revenues and expenditures in order to best serve the community.

The adoption of the financial plan prior to the adoption of the annual tax rates bylaw is a requirement of the *Community Charter*; the calculation of revenues and expenditures in the financial plan justifies the collection of taxes. Tax rates can be set and taxes collected only once per calendar year, thus it is incumbent on the municipality to be cautious and conservative when creating the financial plan.

However, since there can be unpredicted changes in both revenues and expenses, it is best practice to review these mid-year, and, if justified, amend the financial plan accordingly. In 2020, unexpected changes have become the norm, and the budget adjustment is needed not only to adjust to those changes that have taken place, but also to update the community on the current state of the District's finances.

6.1 Previous Decisions

At the April 27, 2020 Council meeting, Council passed the following motion: *THAT proposed "Five-Year Financial Plan Bylaw No. 5075, 2020" be adopted.*

This Financial Plan, referred to in other documents as "Budget 2", replaced the originally proposed 2020-2024 financial plan by providing for significant adjustments in both revenues and expenditures, which were required to respond to the public health emergency caused by the COVID-19 pandemic. This was done over a short period of time in March 2020, during a period of

great uncertainty. Scenario planning was done, and staff recommended that a budget which provided for as much flexibility under uncertainty as possible be adopted. Based on the scenario assumptions at the time, staff recommended that operational revenue budgets be reduced by \$12M, operational expenditure budgets be reduced by \$5M, and that the difference of \$7M be made up from funding which would ordinarily have been used to fund the District's capital replacement requirements. This proposed budget was supported by Council, and became the Five-Year Financial Plan Bylaw No. 5075, 2020.

The current budget amendment builds on that adjusted budget, and reflects the financial results obtained in the first eight months of the year (January to August 2020). Six of those eight months occurred during the COVID-19 pandemic. The budget amendment reflects everything that has been learned regarding delivery of municipal services in that time, and also reflects the fact that considerable uncertainty remains a significant factor in the budgetary forecast.

6.2 Finance Committee Review

At the September 30, 2020 Finance Committee meeting, Committee members reviewed the Proposed 2020-2024 Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 (regarding 2020 Budget Amendment) and passed the following motion:

THAT the "Proposed 2020-2024 Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020 (regarding 2020 Budget Amendment)" be forwarded to Council with the Finance Committee's recommendation for approval.

7.0 Analysis

7.1 Discussion

The proposed budget revision in 2020 provides an opportunity to review how the District is managing under COVID-19 uncertainty, and to adjust costs accordingly.

The 2020-2024 Financial Plan assumed that:

- Non-tax revenues for development permits, investments, rentals, leases and recreation services would be very much reduced
- Facility closures would be required until at least September 2020
- Costs to restart services, if they could be restarted, would be increased
- Tax revenues might be affected

Budget 2 was created to accommodate all of these potential scenarios, and also provided a COVID-19 contingency fund so that there would be some

funds to meet additional requirements that might be imposed by public health authorities, WorkSafeBC and the District's own municipal due diligence strategies. In addition, the COVID-19 contingency fund was seen as a source for funding future unexpected costs that might arise.

In the months since Budget 2 was passed, the following adjustments have been made:

- Recreation and Library programs, facilities and service delivery processes have been modified for remote, in home, outdoor and/or "indoor-with-security-measures" delivery, at minimal additional cost, or with costs offset by increased revenues
- While full refunds were provided for all recreation program registrations in Spring, Fall registrations are now open and seeing strong participation from the community
- Tax collection has been higher than anticipated (staff were waiting for the tax collection to complete on September 30 when business class taxes are due)
- Engineering revenues have exceeded budget
- Permit revenues have exceeded budget
- Fire permit and plan review revenues have exceeded budget
- Rental revenues have remained strong
- Over ninety per cent of District Hall staff are now working either partially or full-time at home
- Electronic meetings have become the norm
- Purchasing cards have been suspended in most areas of the District's operations, and all discretionary purchases have been curtailed
- A small portion of certain operational support costs (budget for which had been eliminated) have been re-instated. These include office supplies, memberships, training, maintenance, casual and temporary staff budgets
- Labour budgets have been adjusted to cover overtime costs
- Projects which were already underway, and could not be abandoned without considerable loss of investment, were maintained. These included the Council Strategic Planning process, the CAO and Director of Engineering recruitments, the Dundarave Streetscape project, the Flood Construction Analysis and engineering slope assessments

The financial adjustments resulting from these changes, in addition to some required capital adjustments are reflected in **Appendix A**.

In addition, staff have managed to restart a number of programs without requiring the allocation of additional funds. A dedicated restart working group reviewed each program proposed for restart, to ensure that the financial implications were well understood, and that all safety requirements could be met. Restarted and newly initiated programs include:

1. Playgrounds reopening
2. Park Ranger Program
3. Beach Guarding Reopening
4. Golf Reopening Stage 2
5. Increase Garbage and Litter Collection in Parks
6. Community Services Initial Outdoor and Online Program Restart
7. Special Event Initiatives - Canada Day Celebration
8. Grass Sport Fields and Artificial Turf Gradual Opening
9. Wedding Permits
10. Reopen Gleneagles Proshop for Merchandise Sales
11. Reopening Plan for Community Services and Cultural Facilities
12. Harmony Eats - Restaurants in Millennium Park
13. Painters Landing Program
14. Library - temporary rooftop patio
15. Reopening Silk Purse Arts Centre by West Vancouver Community Arts Council
16. Reopening Silk Purse Art Studio for Artmania Summer Camps
17. Opening of the Main Pool
18. Increased Park Washroom Cleaning and Maintenance
19. Increased Vehicle Usage
20. Music Box: Opening to Community Group Usage
21. Archives reopening
22. Gleneagles Clubhouse - allowing limited rentals

The proposed Financial Plan also incorporates two additional changes which should be mentioned. The situation created by the required COVID-19 pandemic response has caused a massive shift in the way work is being done by District staff. Working from home, from cars and from other remote locations has become the norm. While working in this way is more challenging to manage, productivity has remained strong, and, in many cases, gone up. Senior staff are taking the opportunity to review how work is organized, how business processes can be improved, and how staffing should be undertaken in future. Where there are vacancies, and these vacancies have remained unfilled for some time, staff are reconsidering how the workload can be distributed. Due to one vacancy in Planning, work has been reorganized to create a new FTE, the Junior Land Development Engineer, without any increase to budget.

Through the budget revision process, \$1.471 million has been identified which can be used to support this new way of working which is heavily dependant on technology; staff have recommended that \$500,000 of this funding be re-allocated to support the District's technology strategy. The remaining funds (\$970,000) have been recommended to be added to the COVID-19 emergency fund because

uncertainty around how the pandemic may progress is still very high. If these funds are not spent, they will be carried forward to 2021 so that COVID-19 emergency funds will continue to be available.

Staff is currently engaged in scenario planning for 2021, and will report to Council with 2021 options later this Fall. However, it should be noted that, while the budget revision shows a surplus, and the situation currently could be described as cautiously optimistic, this situation could deteriorate quickly, and therefore a robust contingency fund is recommended. Also, programs that have been restarted with minimal investment may not be able to continue at that level for a full year without additional support. In addition, required maintenance which has been postponed in 2020 cannot be postponed much longer without putting assets at risk of failure. Assets such as parks, trails, sports fields, roads and machinery supporting these assets require attention, and this will drive up costs in 2021 and beyond.

All of the changes, detailed in the summary of proposed operational amendments in **Appendix A** have been incorporated into the proposed financial plan bylaw amendment to reflect the District's current financial position.

7.2 Sustainability

The changes proposed as part of the mid-year review are mutually offsetting; incremental expenditures (uses of funds) are offset by incremental revenues (sources of funds), preserving the integrity and sustainability of the financial plan. A mid-year financial plan review is a key component of the District's budgeting process, supporting financial sustainability, as well as the achievement of Council's priorities, and making these adjustments is especially important to support sustainable financial operations in 2020.

8.0 Options

8.1 Recommended Option
Council approve the proposed bylaw.

8.2 Considered Options
Council may defer consideration of the proposed bylaw; or request further information or revisions to the proposed bylaw.

9.0 Conclusion

A revision to the 2020-2024 Five-Year Financial Plan bylaw is recommended to adjust for revenues and expenditures based on results to date.

Author:



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Appendices:

Appendix A: Revised Budget Adjustments

Appendix B: Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020

APPENDIX A

Council
Report
Reference

	Budget 2	Budget 2 Revised	Amendment	
Office of the CAO, Community Relations & Communications, Legislative Services				
Revenue	(116,500)	(117,000)	(500)	
Expenses				
Salaries & Benefits	2,826,494	2,842,357	15,863	1
Administration Costs	269,408	299,451	30,043	2
Debt & Sundry	42,900	42,900	0	
Operating Costs	80,500	80,750	250	
	3,219,302	3,265,458	46,156	
Net Adjustments	3,102,802	3,148,458	45,656	
Corporate Services				
Revenue	(6,534,509)	(7,212,245)	(677,736)	3
Expenses				
Salaries & Benefits	5,869,824	5,827,337	(42,487)	4
Administration Costs	1,267,337	1,379,734	112,397	5
Systems Costs	1,805,523	1,805,523	0	
Debt & Sundry	4,011,151	4,039,651	28,500	6
Operating Costs	2,002,632	2,169,951	167,319	7
	14,956,467	15,222,197	265,729	
Net Adjustments	8,421,959	8,009,952	(412,007)	
Engineering & Transportation				
Revenue	(50,967,942)	(51,125,642)	(157,700)	8
Expenses				
Salaries & Benefits	9,945,520	9,872,047	(73,473)	9
Administration Costs	2,940,605	3,178,561	237,956	10
Systems Costs	25,000	25,000	0	
Debt & Sundry	12,285,000	12,285,000	0	
Operating Costs	15,356,572	15,751,906	395,334	10
	40,552,698	41,112,514	559,817	
Net Adjustments	(10,415,244)	(10,013,128)	402,117	
Financial Services				
Revenue	(162,950)	(177,950)	(15,000)	11
Expenses				
Salaries & Benefits	3,037,913	3,045,913	8,000	12
Administration Costs	139,581	152,556	12,975	13
Operating Costs	0	0	0	
	3,177,495	3,198,469	20,975	
Net Adjustments	3,014,545	3,020,519	5,975	

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Fire & Rescue Services

Revenue	(155,500)	(344,500)	(189,000)	14
Expenses				
Salaries & Benefits	16,520,863	16,510,863	(10,000)	15
Administration Costs	696,987	732,201	35,214	16
Operating Costs	275,717	423,348	147,631	17
	<u>17,493,567</u>	<u>17,666,412</u>	<u>172,845</u>	
Net Adjustments	<u>17,338,067</u>	<u>17,321,912</u>	<u>(16,155)</u>	

Human Resources

Revenue	(72,300)	(72,300)	0	
Expenses				
Salaries & Benefits	1,664,457	1,664,457	0	
Administration Costs	178,725	281,999	103,274	18
Operating Costs	0	0	0	
	<u>1,843,182</u>	<u>1,946,456</u>	<u>103,274</u>	
Net Adjustments	<u>1,770,882</u>	<u>1,874,156</u>	<u>103,274</u>	

Parks, Culture & Community Services

Revenue	(5,795,519)	(5,359,574)	435,945	19
Expenses				
Salaries & Benefits	13,479,703	11,853,019	(1,626,684)	20
Administration Costs	890,333	975,747	85,414	21
Operating Costs	2,352,001	3,116,103	764,102	22
	<u>16,722,037</u>	<u>15,944,869</u>	<u>(777,168)</u>	
Net Adjustments	<u>10,926,518</u>	<u>10,585,295</u>	<u>(341,223)</u>	

Planning & Development Services

Revenue	(5,124,931)	(6,093,175)	(968,244)	23
Expenses				
Salaries & Benefits	5,268,036	4,955,741	(312,295)	24
Administration Costs	104,641	199,890	95,250	25
Debt & Sundry	0	0	0	
Operating Costs	1,118,460	1,094,104	(24,356)	26
	<u>6,491,137</u>	<u>6,249,735</u>	<u>(241,402)</u>	
Net Adjustments	<u>1,366,205</u>	<u>156,560</u>	<u>(1,209,646)</u>	

Police Services

Revenue	(1,062,214)	(1,062,214)	0	
Expenses				
Salaries & Benefits	13,174,936	13,174,936	0	
Administration Costs	1,762,114	1,762,114	0	
Systems Costs	1,455,413	1,455,413	0	
Operating Costs	240,120	240,120	0	
	<u>16,632,583</u>	<u>16,632,583</u>	<u>0</u>	
Net Adjustments	<u>15,570,369</u>	<u>15,570,369</u>	<u>0</u>	

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Library Services

Revenue	(526,340)	(649,769)	(123,429)	27
Expenses				
Salaries & Benefits	4,097,200	4,015,534	(81,667)	28
Administration Costs	181,544	209,388	27,844	29
Systems Costs	98,000	103,982	5,982	30
Operating Costs	495,850	666,282	170,432	31
	<u>4,872,594</u>	<u>4,995,186</u>	<u>122,591</u>	
Net Adjustments	<u>4,346,254</u>	<u>4,345,416</u>	<u>(838)</u>	

General Government

Revenue	(86,944,988)	(87,239,507)	(294,520)	32
Expenses				
Salaries & Benefits	680,000	885,991	205,991	33
Administration Costs	5,728,885	5,810,134	81,249	34
Debt & Sundry	11,904,947	11,904,947	0	
Operating Costs	(821,200)	(861,641)	(40,441)	35
	<u>17,492,632</u>	<u>17,739,431</u>	<u>246,799</u>	
Net Adjustments	<u>(69,452,356)</u>	<u>(69,500,076)</u>	<u>(47,721)</u>	

Golf

Revenue	(220,075)	(675,020)	(454,945)	36
Expenses				
Salaries & Benefits	198,960	403,210	204,250	37
Administration Costs	(286,107)	(68,782)	217,325	38
Debt & Sundry	99,764	99,764	0	
Operating Costs	207,458	240,828	33,370	39
	<u>220,075</u>	<u>675,020</u>	<u>454,945</u>	
Net Adjustments	<u>0</u>	<u>0</u>	<u>0</u>	

Cemetery

Revenue	(1,663,900)	(1,635,600)	28,300	40
Expenses				
Salaries & Benefits	501,771	501,771	0	
Administration Costs	263,600	273,300	9,700	41
Operating Costs	358,529	320,529	(38,000)	42
	<u>1,123,900</u>	<u>1,095,600</u>	<u>(28,300)</u>	
Net Adjustments	<u>(540,000)</u>	<u>(540,000)</u>	<u>0</u>	

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Transit			
Revenue	(18,291,863)	(18,291,863)	0
Expenses			
Salaries & Benefits	13,593,398	13,593,398	0
Administration Costs	741,400	741,400	0
Operating Costs	3,957,065	3,957,065	0
	18,291,863	18,291,863	0
Net Adjustments	0	0	0

Divisional Operational Budget Increase / (Decrease)	(1,470,568)
Transfer to Asset Reserves	
Technology Support	500,000
Transfer to COVID-19 Fund	970,568

Operational Adjustments – General Fund, Golf and Cemetery

Office of the CAO, Community Relations & Communications and Legislative Services:

1. Increase in the labour budget by \$15,863, consisting of an increase due to vacancy adjustment removals (\$46,678), offset by salary savings due to vacancies.
2. Increase in the administration costs budget by \$30,043 for operating budgets (education and training, office supplies, dues, memberships and subscriptions) previously cut under COVID-19 revision.

Corporate Services:

3. Increase of \$677,736 in revenues to bring the rental revenue reduced in Budget 2 (\$455,196).
4. Decrease of \$42,487 in the labour budget primarily driven by vacancies in the permanent Bylaw staff. Savings are partially offset by temporary staff salaries paid at lower rates and overtime hours.
5. Increase of \$112,397 in the administration costs budget due to primarily to restart costs at the Community Center.
6. Increase of \$28,500 in the estimated transfers to the surplus and Endowment fund due to higher than anticipated rental revenues.
7. Increase of \$167,319 in the operating costs due to operational changes made to respond to facility closure and restart requirements under COVID-19 circumstances. Facility closures prompted earlier maintenance (\$20,000). Pool maintenance

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increased due to a leak (\$45,000). There were lower than anticipated savings in Hydro and Natural Gas as facilities needed to remain powered for staff (\$56,000). A budget increase was required for restart costs at the Community Centre (\$55,000). Budget increases are partially offset by general savings in Facilities.

Engineering & Transportation:

8. Revenue increase by \$157,700 to reflect revised forecasts in revenues from bus shelter advertising, street occupancies and external recoveries for traffic management work.
9. Decrease of \$73,473 in the labour budget due to interdepartmental recoveries.
10. Increase of \$237,956 in administration costs and \$395,334 in operating costs to accommodate operational pressures in Winter Maintenance, Roads Maintenance and Roads Traffic Maintenance. Operations were scaled back during COVID-19, but could not be completely halted due to requirements to maintain service and safety standard requirements. Unexpected costs contributed to the increase: large number of illegal dumping during COVID-19, Eagle Island dock repair, along with higher than expected complaints regarding shoulder maintenance and paving stone trip hazards by residents.

Financial Services:

11. Increase of \$15,000 in revenues to revise forecasted revenue anticipated from the auction and metal recycling.
12. Increase in labour budget by \$8,000 due to increase in overtime of permanent staff.
13. Increase in administration costs by \$12,975 due to increased costs to support work from home arrangements due to COVID-19 and increases to training and publication budgets.

Fire & Rescue Services:

14. Increase of \$189,000 in revenues due to higher than expected development plan review fees (\$37,000), revenue increase reflecting return to normal inspection levels despite COVID-19 (\$60,000), and receipt of an unbudgeted Wildfire Protection strategy grant (\$30,000).
15. Decrease in labour budget by \$10,000 due to higher sick recovery than projected.
16. Increase of \$35,214 in administration costs mainly due to unavoidable cost of equipment failure (\$27,000) and requirement to maintain public education service levels (\$6,000).
17. Increase of \$147,631 in operating costs to reflect the expense offset for the Wildfire Protection Strategy Grant (\$92,000), unavoidable COVID-19 related expenses that

might not be reimbursable (\$46,000) and an unexpected fire boat contract increase (\$10,000).

Human Resources:

18. Increase of \$103,274 in administration costs to cover executive recruitment costs (\$43,000), and to re-instate the Corporate Training budget previously reduced under Budget 2.

Parks, Culture & Community Services:

19. Decrease of \$435,945 in revenues is a combination of revenue reductions and revenue increases. Revenue reductions include lost revenue from cancelled events and programs under COVID-19 restrictions (\$1,760,000). Revenue increases include those from program restarts and in single admissions following COVID-19 protocol (\$468,000), savings in Parks Department support costs as Golf restart requires less than under the shut down scenario (\$204,000), anticipated grant revenue associated with program delivery costs (\$262,000), internal recovery for higher garbage and litter expenditures due to significant increase in park usage during COVID-19 (\$58,000), and bequests shown as revenue this year and booked as an expense transfer to the Seniors' Activity Center (SAC) bequest reserves (\$308,000).
20. Decrease of \$1,626,684 in labour budget mainly due to closures and program cancellations. Cost reductions include lower salary costs due to COVID-19 layoffs and reductions in program staff and other program specific costs (\$1,910,000). A portion of the casual staff layoff costs was absorbed by General Government budget (\$174,000). Cost increases include those related to restarting programs (\$141,000), grant delivery costs (\$66,000), as well as removal of budgeted vacancy adjustments which no longer apply in light of layoffs (\$192,000), and additional staffing costs to manage increased garbage and litter at parks during COVID-19 (\$82,000).
21. Increase of \$85,414 in administration costs to reflect the transfer to Facilities for extra cleaning involved in opening the main pool.
22. Increase of \$764,102 in operating costs is a combination of cost savings and increases. Savings are expected from facility closures, program and event cancellations (\$262,000 decrease). Increases are budgeted for the following costs: restart programs (\$157,000); washroom cleaning, garbage pick-up and cleaning supplies due to the significant increase in park usage (\$104,000); contracted hazardous and park tree maintenance (\$50,000); COVID-19 response expenses that may be claimable (\$52,000); offsetting correction of project funds to project accounts (\$128,000); grant delivery costs (\$163,000) and year-to-date true up to actuals (\$48,000). Bequests shown as revenue this year were booked as an

expense transfer to the Senior Activities Center (SAC) bequest reserves (\$308,000).

Planning & Development Services

- 23. Revenue increase of \$968,244 from inspection permit and development application revenues (\$1,180,000) due to construction not slowing down as anticipated during COVID-19 combined with a decrease in projected external recoveries due to slow progress in Cypress Village project (budgeted external recovery revenue reduced by \$241,000 as per mid-year result). Revenue also includes a UBCM Grant for the Housing Needs Report (\$30,000).
- 24. Decrease of \$315,295 in labour budget due to suspension of new FTE hires due to COVID-19.
- 25. Increase of \$95,250 in administration costs due to additional office supplies and equipment required in order to work from home and maintain productivity during COVID-19 (24,000), education costs to meet professional development requirements (\$15,000), unavoidable legal fees (\$43,000) and land title search costs (\$12,500).
- 26. Increase of \$125,644 in operating costs is due to costs associated with UBCM Grant for the Housing Needs Report and unavoidable hazard tree work costs.

Library Services

- 27. Increase of \$123,429 in revenues due to anticipated grants and third-party funding.
- 28. Decrease of \$81,667 in labour budget due to reduction in third-party funding for temporary staff salaries (\$24,000) and savings in permanent salaries (\$115,000). These savings are countered by an increase in salary costs due to the Library re-opening earlier than projected (\$58,000).
- 29. Increase of \$27,844 in administration costs due to Library re-opening earlier than projected.
- 30. Increase of \$5,982 in technical support and communication costs due to Library re-opening earlier than projected.
- 31. Increase of \$170,432 in operating costs due to increases in materials, equipment and contracting costs which are 100% third-party funded (\$143,000); increase in other operating costs due to Library re-opening on July 7, 2020 which was earlier than projected.

General Government

32. Increase in revenues by \$294,520 to reflect the higher tax revenue collected (\$245,000) and adjusted anticipated revenue from internal sale of stores inventory (\$50,000).
33. Increase of \$205,991 in labour budget to cover layoff costs in Parks, Culture & Community Services (PCCS) and Library through the COVID-19 contingency fund.
34. This line contains the COVID-19 contingency fund. Increase of \$81,249 in administration costs includes increase in COVID-19 contingency fund to account for claw back of new FTE's budgeted under Budget 1 (\$327,000) and increase in previously under budgeted postage costs (\$33,000). Increases are countered by decreases in COVID-19 fund to cover COVID-19 layoff costs from PCCS and Library (\$206,000) and recovery for executive recruitment costs funded through Wage Contingency Reserve (\$72,000).
35. Decrease of \$40,441 represents a combination of physical inventory adjustment for manufactured road base (\$50,000) and a transfer of \$90,191 funding from the Innovation Fund to fund the following projects:
 1. Mayor & Council Strategic Plan
 2. Dundarave Streetscape Study
 3. Marine Taylor Gateway Project
 4. Urban Design Guidelines
 5. Flood Construction Analysis
 6. Seaview Trail Engineering Rock Slope Assessment
 7. Expired Permits Program
 8. Corporate Index System
 9. Digitization of Board of Variance Records.

Funding for these projects was retained in the budget either due to urgent priorities, or because they were almost completed and it was deemed to be more prudent to complete them than to lose the work already done.

Golf

36. Increase in revenues by \$455,000 due to increase in green fee revenue with Golf restart.
37. Increase of \$204,250 in labour budget due to restart cost associated with Golf Courses.
38. Increase of \$217,325 in administration costs which reflects decrease in annual transfer from the Parks Department to cover Golf expenses due to better than expected Golf revenue.

39. Increase of \$33,370 in operating costs due to Golf shop contract fees tied to increased revenue (\$55,000).

Cemetery

40. Decrease in revenues by \$28,300 due to reduction in interments and services due to COVID-19 protocols.
41. Increase of \$9,700 in administration costs is a combination of Cemetery Bylaw review legal fees (\$12,000) and property mapping (\$8,300) offset with cost reductions following revenue decline (\$10,600).
42. Decrease of \$38,000 in operating costs to offset Care Fund revenues reduction based on deferred interment sales.

Capital Adjustments - External Funding

Grants and contributions of \$2,535,542 have been received for the following projects:

- a) \$31,650 designated donations to the Library book collection;
- b) \$650,000 Major Road Network funding received and brought to the budget for Marine Drive – Ambleside Roadway Improvements.
- c) \$1,852,242 grant under Community, Culture and Recreation program of the Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program (the "IBA-ICIP") for the Ferry Building Restoration Project;
- d) \$1,650 donations by the Seniors Activity Centre Advisory Board received in prior year and brought to the budget for the furniture and fixture replacement.

Capital Adjustments - Capital Items

Staff are requesting approval of the transfer of \$2,192,478 to fund 2020 equipment, facilities, grounds and parks, vehicle fleet and water utility capital projects which require funds to be reallocated from the Provision for Reserve Expenditures.

Council has already approved funding for certain capital projects, including the Ferry Building Restoration project, temporary Youth Hub, Public Art installation at the West Vancouver Community Center, Public Art installation at Weston Park/Navvy Jack Park, Public Art installation at the Police Services Building and Safety Fencing Along Marine Drive. The detailed summary is presented below.

APPENDIX A

USE OF FUNDS

**Approved by
Council**

Equipment

Atrium Waiting Area Equipment	12,400	
Meeting Room Webcam and Audio Upgrade	<u>20,000</u>	
	32,400	

Facilities

Ferry Building Restoration	1,350,000	2020-Jul
Youth Hub	<u>200,000</u>	2019-Dec
	1,550,000	

Grounds & Parks

Public Art at West Vancouver Community Centre	100,000	2019-May
Public Art at Weston Park/Navvy Jack Park	100,000	
Public Art at the Municipal Hall	18,500	2019-Sep
Safety Fencing Along Marine Drive	40,000	2020- Mar
Sport Court Replacement	<u>13,228</u>	
	271,728	

Vehicle Fleet

Police Operating Vehicle V006	<u>94,600</u>	
	94,600	

Water Utility

Hollyburn Properties Water Works	<u>243,750</u>	
	<u>243,750</u>	
	<u><u>2,192,478</u></u>	

Transfer from Provision for Reserve Expenditures:

Amenity Contributions	1,701,570	
Capital Equipment Reserve	127,000	
Other Reserves	120,158	
Water Reserve Fund	<u>243,750</u>	
	<u><u>2,192,478</u></u>	

SHORTFALL

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District of West Vancouver

**Five-Year Financial Plan
Bylaw No. 5075, 2020,
Amendment Bylaw No. 5091, 2020**

Effective Date:

District of West Vancouver

**Five-Year Financial Plan Bylaw No. 5075, 2020,
Amendment Bylaw No. 5091, 2020**

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District of West Vancouver

Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020

A bylaw to amend the annual budget for 2020.

WHEREAS the Council of The Corporation of the District of West Vancouver deems it expedient to provide for a Five-Year Financial Plan for the years 2020-2024;

AND WHEREAS the said Plan was approved by "Five-Year Financial Plan Bylaw No. 5075, 2020", adopted on April 27, 2020;

AND WHEREAS it is deemed advisable and expedient that the annual budget for the year 2020 be now further amended;

NOW THEREFORE, the Council of The Corporation of the District of West Vancouver enacts as follows:

Part 1 Citation

- 1.1 This bylaw may be cited as Five-Year Financial Plan Bylaw No. 5075, 2020, Amendment Bylaw No. 5091, 2020.

Part 2 Severability

- 2.1 If a portion of this bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this bylaw is deemed to have been adopted without the severed section, subsection, paragraph, subparagraph, clause or phrase.

Part 3 Budget Amendment

- 3.1 Five-Year Financial Plan Bylaw No. 5075, 2020 (adopted on April 27, 2020) is hereby amended to authorize the following changes in Revenues:

- 3.1.1 General Taxation 2020: increase of \$244,520;
- 3.1.2 Fees and Charges 2020: decrease of \$38,293;
- 3.1.3 Licences and Permits 2020: increase of \$1,305,007;
- 3.1.4 Other Revenue 2020: increase of \$402,397;
- 3.1.5 Government Grants 2020: increase of \$78,538;
- 3.1.6 External Contributions & Partnerships 2020: increase of \$2,535,542;
- 3.1.7 Transfers from Reserves:
 - (a) 2020: increase of \$7,367,470;
 - (b) 2021: increase of \$9,805,418;
 - (c) 2022: increase of \$10,797,133;
 - (d) 2023: increase of \$11,790,444;
 - (e) 2024: increase of \$12,785,360.

- 3.2 Five-Year Financial Plan Bylaw No. 5075, 2020 (adopted on April 27, 2020) is hereby amended to authorize the following changes in Expenditures:

- 3.2.1 General Government 2020: increase of \$1,647,312;
- 3.2.2 Public Safety 2020: increase of \$72,482;
- 3.2.3 Engineering and Transportation 2020: increase of \$590,491;
- 3.2.4 Planning and Development Services 2020: decrease of \$323,452;
- 3.2.5 Recreation and Library 2020: decrease of \$742,796;
- 3.2.6 General Fund Capital:
 - (a) 2020: increase of \$9,903,012;
 - (b) 2021: increase of \$10,383,868;

- (c) 2022: increase of \$11,375,583;
- (d) 2023: increase of \$12,368,894;
- (e) 2024: increase of \$13,363,810;

3.2.7 Cemetery:

- (f) 2020: decrease of \$240,000;
- (g) 2021 through 2024 Provision: decrease of \$334,700;

3.2.8 Golf 2020: increase of \$454,945;

3.2.9 Water Provision 2021 through 2024: decrease of \$243,750;

3.3.0 Transfers to Reserves 2020: increase of \$533,187.

Schedules

Schedule A – Consolidated Five-Year Financial Plan for Years 2020-2024

READ A FIRST TIME on [Date]

READ A SECOND TIME on [Date]

READ A THIRD TIME on [Date]

ADOPTED by the Council on [Date].

Mayor

Corporate Officer

Schedule A – Consolidated Five-Year Financial Plan for Years 2020-2024

	Five-Year Financial Plan \$000's				
	2020	2021	2022	2023	2024
REVENUE					
General Taxation	77,063	80,778	83,104	85,480	87,935
Parcel Taxes	7	6	6	3	0
Fees and Charges	53,214	62,823	65,914	69,142	72,523
Licences and Permits	7,146	7,775	7,892	8,010	8,130
Other Revenue	10,994	13,293	13,413	13,550	13,670
Government Grants	1,325	1,052	1,061	1,061	1,070
External Contributions & Partnerships	3,355	385	390	395	401
Land Sales	2,860	5,000	1,000	1,000	1,000
Transit reimbursement	18,292	18,634	18,982	19,336	19,698
Business Improvement Area Levy	500	500	500	500	500
Levies Other Governments	97,650	103,000	108,000	113,000	119,000
	272,405	293,246	300,262	311,478	323,927
Transfers from Reserves					
Asset Reserves	8,865	17,132	14,819	14,819	13,229
Community Amenity Contributions	1,702	0	0	0	0
Land Reserve	106	0	0	0	0
Endowment Fund	9,674	1,324	1,324	1,324	1,324
Other Reserves	2,389	805	860	650	1,380
Development Cost Charges	1,640	1,011	925	750	138
Water Reserves	6,912	4,126	4,092	4,065	4,043
Sewer Reserves	11,971	6,192	6,274	6,355	6,437
Solid Waste Reserve	2,838	2,130	1,644	1,243	948
Cemetery Development Reserve	641	0	0	0	366
Golf Development Fund	0	0	0	0	0
Prior Year Committed Funds	27,120	0	0	0	0
Provisional Reserve Transfers	52,301	55,602	57,241	58,862	60,896
	126,159	88,323	87,179	88,068	88,759
	398,564	381,569	387,440	399,546	412,686

EXPENDITURE

General Government	28,750	24,730	25,433	25,648	26,297
Public Safety	35,302	36,990	38,180	39,410	40,681
Engineering and Transportation	5,032	5,401	5,532	5,665	5,802
Planning and Development Services	5,897	6,615	6,796	6,982	7,173
Recreation and Library	19,909	26,756	27,471	28,205	28,960
General Fund Capital	103,219	73,140	72,209	73,538	74,390
Cemetery	2,320	2,011	2,201	2,410	2,587
Golf	701	1,036	1,050	1,063	1,077
Transit	18,292	18,634	18,982	19,336	19,698
Water	22,940	20,847	21,250	22,025	22,885
Sewer	32,137	28,290	30,356	32,167	34,305
Solid Waste	7,895	5,540	5,257	5,073	5,006
Business Improvement Area Levy	500	500	500	500	500
Levies Other Governments	97,650	103,000	108,000	113,000	119,000
	380,546	353,490	363,216	375,021	388,361
Debt Service					
Debt Principal	1,027	1,027	1,027	1,027	1,027
Debt Interest	1,274	1,274	1,274	1,274	1,274
	2,302	2,302	2,302	2,302	2,302
Transfers to Reserves					
Asset Reserves	8,328	14,869	14,869	14,869	14,869
Endowment Fund	421	438	447	455	465
Land Reserve	2,710	4,825	850	850	850
Water Reserves	763	936	1,410	1,573	1,680
Sewer Reserves	855	535	290	329	187
Cemetery Development Reserve	0	186	151	172	0
Other Transfers	2,641	3,989	3,906	3,975	3,972
	15,717	25,778	21,923	22,223	22,023
	398,564	381,569	387,440	399,546	412,686
SURPLUS / SHORTFALL	0	0	0	0	0