

Virtual 2022 Budget Information Meeting

Wednesday, January 26, 2022, 5-6 p.m.

20 members of the public in attendance

Q: When property assessments are appealed – to the province’s Property Assessment Appeal Board – does this have any impact on the District’s budget process?

A: In the case when a property assessment is appealed and a reduction is put in place by the appeal board this has the effect of adjusting the relative position of the property compared to the other properties. The overall amount of taxes that the District is required to collect based on this budget is not affected by the assessed values of the properties. The assessed values of the properties are used to establish what share of that overall amount is paid by that specific property. The appeal board might adjust the position of the property in which case taxes would “shift” off that property and “shift” onto other properties, but this effect is outside the District’s control.

Q: What are the main drivers for the increases in the utilities costs?

A: There is one major driver for utility rates and that is the North Shore Waste Water treatment plant. It will be very costly for the North Shore. The costs are built in to the utility rates. Along with that, there are other issues – with COVID, the amount of refuse in the parks has increased exponentially. Prior to the pandemic, trash bins in the parks were picked up twice a week, since the pandemic, trash is being picked up every day, sometimes twice a day. Water costs are fairly stable. Most of the water comes from the Regional District and is managed as one system. The sewer costs are North Shore specific and due to the low population, the costs are high per household. Basically, a very expensive treatment plant, required by Federal regulations, must be paid for by a small number of households

Q: In 2020 (first year of COVID) the District budgeted for a \$7 million surplus, but actually generated a \$49 million surplus. How was the extra \$42 million utilized or allocated? What was the District’s 2021 surplus or deficit versus the budgeted surplus or deficit?

A: The District never budgets for a surplus; the budget is always balanced. However, that does not mean that unbudgeted revenues and unbudgeted expenditure savings cannot be realized, and if these do happen, then a surplus will be created. The chart below, which was part of the presentation on the District’s 2020 Annual Report, shows this happening in 2020:

Statement of Operations (000's)

REVENUE over budget	
Development Cost Charges (DCC)	\$733
Contribution for Capital	\$6,843
Government Grants	\$5,125
Interest Earned on Investments	\$1,643
Others	\$2,800
	<u>\$17,144</u>
EXPENSES under budget	
General Government	\$5,249
Public Safety	\$787
Engineering & Transportation	(\$1,272)
Planning & Recreation	\$830
Utilities & Other	\$4,488
	<u>\$10,082</u>
OPERATIONAL SURPLUS over budget	<u>\$27,226</u>
GENERAL SURPLUS made up of:	
Amenity Contributions	\$15,140
Operational	\$27,226
GENERAL SURPLUS over budget	<u>\$42,366</u>

2020 ANNUAL REPORT



The \$42M surplus was composed of \$15M in CACs, \$17M in unanticipated revenues, and \$10M in expenditure savings. The CACs were placed in the CAC reserve, and the \$5M grant from the Province, which was for COVID-19 Restart programs, was carried forward into 2021. The balance of the funds reduced the District's Unappropriated Deficit (for more details on this, please see Note 9 "Accumulated Surplus" in the 2020 Financial Statements, page 42 of the 2022 Annual Report):

[2020 Annual Report](#)

The finance team has not completed the 2021 year-end work. That will be completed in the next two months, then it will be audited and then we will publish our 2021 Annual Report, which will include a surplus analysis similar to the one provided for 2020.

Q: Kindly elaborate on the nature of strategic investments of \$1.2 M and asset preservation of \$6.9 M (referring to the Capital Budget).

A: Finance staff shared two lists regarding the strategic investments (such as police call centre, demolition of the Ambleside equipment storage and pump house, digital evidence management system, various Senior's Activity Centre renovations, trail

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maintenance and the indigenous signage program) and the asset preservation list which contain phase 1 and phase 2 numbers. The list contains items such as Fire Hall #2, Fire Hall #3, the Community Centre, the Whytecliff Park Concession and washroom and so on. All of the District assets require some level of investment. The District is short around \$4 M to make the investments to keep the assets at the optimal level (see slide page 12 of the budget presentation). Critical projects are being funded.

[2022 Budget PowerPoint Presentation](#)

2022 General Fund Capital Requests – Strategic Investment

DISTRICT OF WEST VANCOUVER 2022 GENERAL FUND CAPITAL REQUESTS - Strategic Investment

	2022 Proposed Amount Funded	Capital Facilities Fund	Capital Infrastructure Reserve Fund	Capital Equipment Reserve Fund	External Sources / Donations
Corporate Services	728,500	210,000		350,000	168,500
Application Software Upkeep & Enhancements	350,000			350,000	
Demolition of Ambleside Equipment Storage and Pump House	180,000	180,000			
Seniors' Activity Centre (SAC) Café Terrace Renovation	65,000				65,000
Seniors' Activity Centre (SAC) Fabric Arts Renovation	62,500				62,500
Seniors' Activity Centre (SAC) Learning Studio Renovation	41,000				41,000
Police Community Services and Freedom of Information (FOI) Office Renovation	30,000	30,000			
Parks, Culture & Community Services	273,500		185,000	88,500	
Trail Partnership With Recreational Trail Groups	185,000		185,000		
Special Event Equipment Replacement	78,500			78,500	
Indigenous Signage	10,000			10,000	
Police Services	150,000			150,000	
E-Comm Transition to Transit Police Call Center	100,000			100,000	
Digital Evidence Management System Build-up	50,000			50,000	
Grand Total	1,152,000	210,000	185,000	588,500	168,500

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