



# 2023 BUDGET SUMMARY

## GENERAL FUND BUDGET

The 2023 Preliminary Budget is developed with the objective of delivering and improving core services to the residents and businesses of the District of West Vancouver (the District). While the recovery from the COVID-19 pandemic continues, the District's community priorities and cost pressures will have greater influence on the budget preparation process. With the highest inflation rate seen in decades, climate change, and supply chain disruptions, the District will continue its financial prudence and focus on maintaining financial strength and stability while fulfilling its mandate to serve the needs of the community.

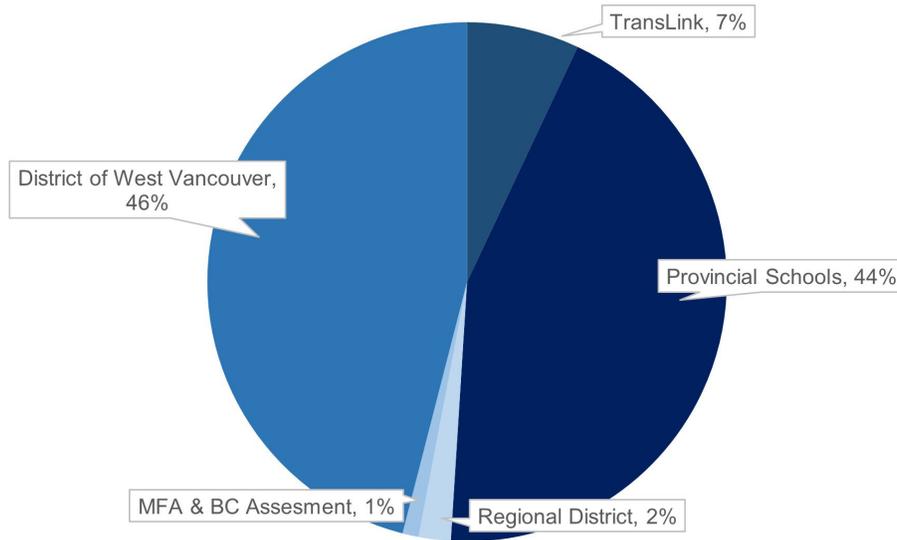
The proposed 2023 Preliminary Budget and Five-Year Financial Plan take into consideration economic uncertainty in the year ahead. The budget includes measures to resume programs and services to pre-COVID-19 levels and aims to reduce costs through curbing discretionary spending while prioritizing budget needs. An overall 6.07% increase in the tax levy (4.57% Operating Tax Levy, 1.00% Asset Levy and 0.50% Environmental Levy) is required to balance the preliminary budget.

The District revenue sources are generated mainly from property taxes followed by fees and charges. The limited funding sources are also reflected in the breakdown of the tax base, with 97% being residential class, and 3% being business class. The District does not have industrial properties like other municipalities do, and therefore does not have this major source of tax revenue.

The property tax bill also includes amounts collected on behalf of other taxing authorities. In 2022, your tax bill was allocated as illustrated in the two following graphs; "Property Tax Bill Allocation" and "Municipal Portion of Tax Bill."

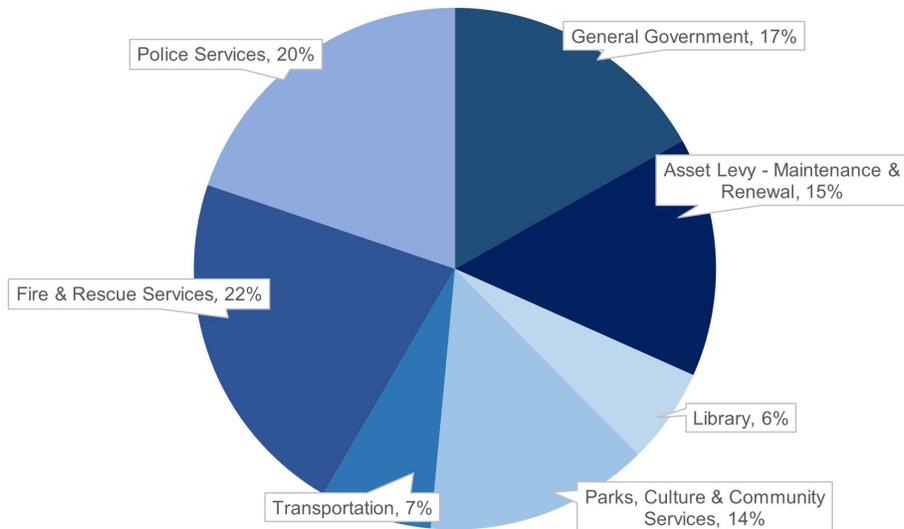
# 2023 BUDGET SUMMARY

## PROPERTY TAX BILL ALLOCATION



■ TransLink    
 ■ Provincial Schools    
 ■ Regional District    
 ■ MFA & BC Assesment    
 ■ District of West Vancouver

## MUNICIPAL PORTION OF TAX BILL



■ General Government    
 ■ Asset Levy - Maintenance & Renewal    
 ■ Library    
 ■ Parks, Culture & Community Services  
■ Transportation    
 ■ Fire & Rescue Services    
 ■ Police Services

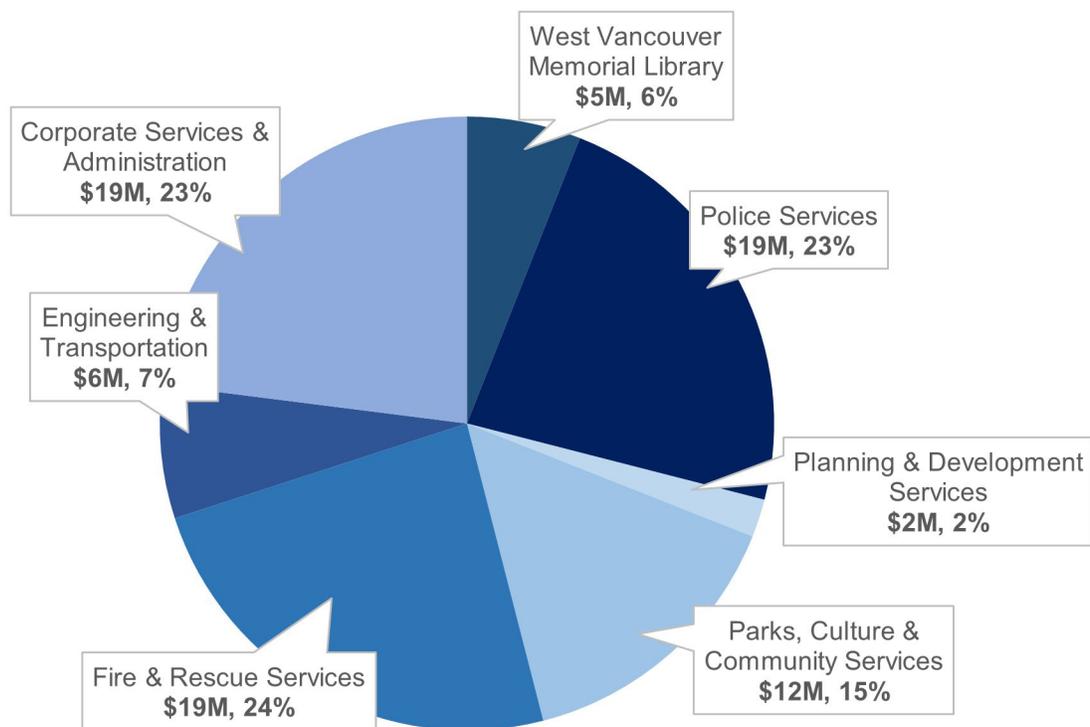
# 2023 BUDGET SUMMARY

## OPERATING LEVY

The General Fund budget is where the property tax level is determined. The proposed 2023 General Fund budget of \$140 million requires additional funding of \$3.8 million, which reflects an Operating Levy increase of 4.57%. The proposed increase will respond to rising costs due to inflation and cost pressures from external agencies, help to resume programs and services to pre-COVID-19 levels, and tackle climate change. Only services most valued by District residents will be maintained and improved where necessary.

Each year, all non-taxation sources of funding are reviewed for further opportunities before resorting to taxation. As part of the annual budget process, staff conduct a thorough base budget review to ensure that all revenue and expenditure budgets reflect current realities.

The pie chart below illustrates how the District is allocating the 2023 Budget by division. Net expenditures are revenue less expenditures.



- West Vancouver Memorial Library
- Police Services
- Planning & Development Services
- Parks, Culture & Community Services
- Fire & Rescue Services
- Engineering & Transportation
- Corporate Services & Administration

# 2023 BUDGET SUMMARY

## ASSET LEVY

Over the next 20 years, the majority of District assets will require capital investment to either maintain performance or replace. To prevent assets from failure, the District needs to invest an estimated total cost of \$354 million over the next 20 years, or an average \$17.7 million each year.

The Asset Levy, introduced in 2016, has increased each year following approval by Council. In 2019, combined with the operating budget contribution to capital, \$14.5 million was available to cover optimal capital investment that year. However, due to the COVID-19 pandemic, the District had to put the Asset Levy increase on hold in 2020, and prioritize the allocation of limited operating reserve to operations. Going forward, the District needs to build up the operating budget contribution and increase the Asset Levy in order to reach the optimal investment amount.

The 2023 budget proposes an Asset Levy increase of 1.00% to build up the asset Reserves. This will allow the District to catch up with the deferred maintenance due to the pandemic, and to support the investment in new assets. The proposed increase, which equals approximately \$838,000, will bring the total Asset Levy amount available for capital investment to \$11.2 million.

	Asset Levy % increase	Asset Levy Amount increase	Asset Levy	Operating Budget contribution	Amount available for capital investment	Estimate of required optimal investment	Shortfall
<b>2015</b>	0.00%	\$0.0M	\$0.0M	\$7.4M	\$7.4M	\$13.9M	\$6.5M
<b>2016</b>	5.25%	\$3.1M	\$3.1M	\$7.4M	\$10.4M	\$13.9M	\$3.5M
<b>2017</b>	2.45%	\$1.6M	\$4.6M	\$7.4M	\$12.0M	\$14.1M	\$2.1M
<b>2018</b>	1.56%	\$1.1M	\$5.7M	\$7.4M	\$13.0M	\$14.5M	\$1.5M
<b>2019</b>	1.76%	\$1.5M	\$7.1M	\$7.4M	\$14.5M	\$14.5M	\$0.0M
<b>2020</b>	0.00%	\$0.0M	\$7.1M	\$0.7M	\$7.8M	\$14.5M	\$6.7M
<b>2021</b>	2.50%	\$2.4M	\$9.5M	\$1.2M	\$10.7M	\$16.9M	\$6.2M
<b>2022</b>	1.00%	\$0.8M	\$10.3M	\$2.1M	\$12.4M	\$16.3M	\$3.9M
<b>2023</b>	1.00%	\$0.8M	\$11.2M	\$3.3M	\$14.4M	\$17.7M	\$3.3M

The 2023 preliminary capital budget is based on asset management plans and totals \$23.5 million. The majority of spending will be to preserve, maintain or replace existing assets owned by the District, and a smaller portion will be for investing in new assets. The available capital funding of \$16.7 million falls short of the amount required based on asset management plans and strategic initiatives, but it is anticipated that there will be funds available from projects of prior years which were completed under budget. These funds will be returned to the asset reserves to cover the shortfall.

# 2023 BUDGET SUMMARY

2023 CAPITAL REQUESTS			
Maintaining and replacing existing assets	Asset Preservation	\$10.5M	45%
	Regular Asset Maintenance	\$8.9M	38%
	Health & Safety	\$1.1M	5%
	<b>Subtotal</b>	<b>\$20.5M</b>	<b>87%</b>
Investment in new assets	Strategic Investment	\$2.8M	12%
	Innovation	\$0.2M	1%
	<b>Subtotal</b>	<b>\$3.0M</b>	<b>13%</b>
<b>Total</b>		<b>\$23.5M</b>	<b>100%</b>

2023 CAPITAL FUNDING			
Asset Reserves	2023 Asset Levy	\$11.2M	48%
	2023 Operating Budget Contribution	\$3.3M	14%
	Funding from Prior Years	\$6.8M	29%
	<b>Subtotal</b>	<b>\$21.3M</b>	<b>91%</b>
Other Reserves & External Funding	Environmental Reserve	\$0.5M	2%
	External Sources	\$0.6M	2%
	Development Cost Charges	\$0.3M	1%
	CAC-Community Serving	\$0.8M	3%
	<b>Subtotal</b>	<b>\$2.2M</b>	<b>9%</b>
<b>Total</b>		<b>\$23.5M</b>	<b>100%</b>

## ENVIRONMENTAL LEVY

An increase of 0.50% to the Environmental Levy is proposed to increase funding for programs that support the protection of the natural environment as well as climate change response, mitigation, and adaptation. Examples of programs that this levy will fund include rebate incentives for clean energy use, educational and outreach programs to reduce community and corporate waste, further development of recycling programs for District facilities and parks, and natural capital asset management.

# 2023 BUDGET SUMMARY

## WHAT DOES THIS MEAN TO YOU?

Staff are proposing an Operational Levy increase of 4.57%, an Asset Levy increase of 1.00%, and an Environmental Levy increase of 0.50%. The total proposed tax levy increase of 6.07% is below the rate of inflation, as measured by the percentage change in the Consumer Price Index (CPI) for British Columbia of 7.2%<sup>1</sup>.

The total tax increases amount to an extra \$350 for the average single-family detached home (SFD) assessed at \$3.76 million and an extra \$158 for the average strata property assessed at \$1.70 million. The average assessed values are based on the completed roll from BC Assessment.

### PROPOSED total tax levy increase

	Proposed increase	Average SFD	Average strata
Operating Levy	4.57%	\$263	\$119
Asset Levy	1.00%	\$ 58	\$ 26
Environmental Levy	0.50%	\$ 29	\$ 13
Total tax increase	6.07%	\$350	\$158

## WE WOULD LIKE TO HEAR FROM YOU!

Your comments are important to us.

You may provide feedback online at [westvancouver17E.ca/budget](https://westvancouver17E.ca/budget) from Wednesday, January 18, 2023 to Friday February 3, 2023 at 4 p.m.

All input received will be submitted to Council as part of the 2023 Budget review.

## ATTEND AN INFORMATION MEETING TO LEARN HOW THE 2023 BUDGET WILL SUPPORT COUNCIL'S STRATEGIC GOALS:

Join us at budget information meetings:

- 1. Tuesday, January 24, 2023, 2–3 p.m.**  
*Seniors' Activity Centre, Marine Room, 695 21st Street*
- 2. Tuesday, January 24, 2023, 6–7 p.m.**  
*West Vancouver Community Centre, Cedar Room, 2121 Marine Drive*
- 3. Thursday, January 26, 2023, 1–2 p.m.**  
*virtual via Zoom*

For more information regarding the 2023 budget, please visit [westvancouver17E.ca/budget](https://westvancouver17E.ca/budget).

<sup>1</sup> CPI for British Columbia, % change from November 2022: <https://www2.gov.bc.ca/assets/gov/data/statistics/economy/cpi/cpidata.pdf>