



2022 BUDGET SUMMARY

Each year the municipality must create a budget that pays for the services provided by the District of West Vancouver, including police, fire & rescue, bylaw enforcement, parks, community centres, the library, festivals and cultural programs, and much more. The budget must also fund the capital expenses, including, for example, public facilities and roadwork. Only the services most needed by our residents are maintained and improved where necessary.

Like any household or business, the municipality is challenged with increased costs when developing the annual budget. Unlike households or businesses, local governments must balance the budget and are not permitted to run a deficit.

Also, each year, all non-taxation sources of funding are reviewed for further opportunities before resorting to taxation. In 2021, a complete budget review was undertaken to ensure that all revenue and expenditure items were realistic and required.

PROPOSED 2022 TAX INCREASE

The General Fund Budget, also known as the operating budget, is where the property tax level is determined. An Asset Levy and an Environmental Levy are also proposed, for a total proposed tax rate increase of 3.79%.

GENERAL FUND BUDGET

The 2022 year will continue to be difficult for the District of West Vancouver financially, because of ongoing challenges as we recover from the COVID-19 pandemic, deal with the impacts of climate change, face rising costs for services and materials, and address asset maintenance that has been deferred because of lack of resources or put on hold due to the COVID-19 pandemic.

The proposed 2022 general fund budget of \$124 million includes an additional \$1.4 million to maintain existing services. This is the minimum amount required to respond to rising costs, recover from the COVID-19 pandemic, and deliver Council's 2021–2022 Strategic Plan.

The operational budget portion of the property tax increase is 1.79%, which is well below the rate of inflation.

2022 BUDGET BACKGROUND

In 2021, the operating budget was conservative as a result of uncertainty around the impact of the ongoing pandemic, so it was assumed that operations would be similar to 2020. However, for 2022, the District is expecting to resume most services and programs and the budget has been built to reflect this.

Efficiencies that have been implemented during the past two years for finding new ways of delivering service during the pandemic will continue.

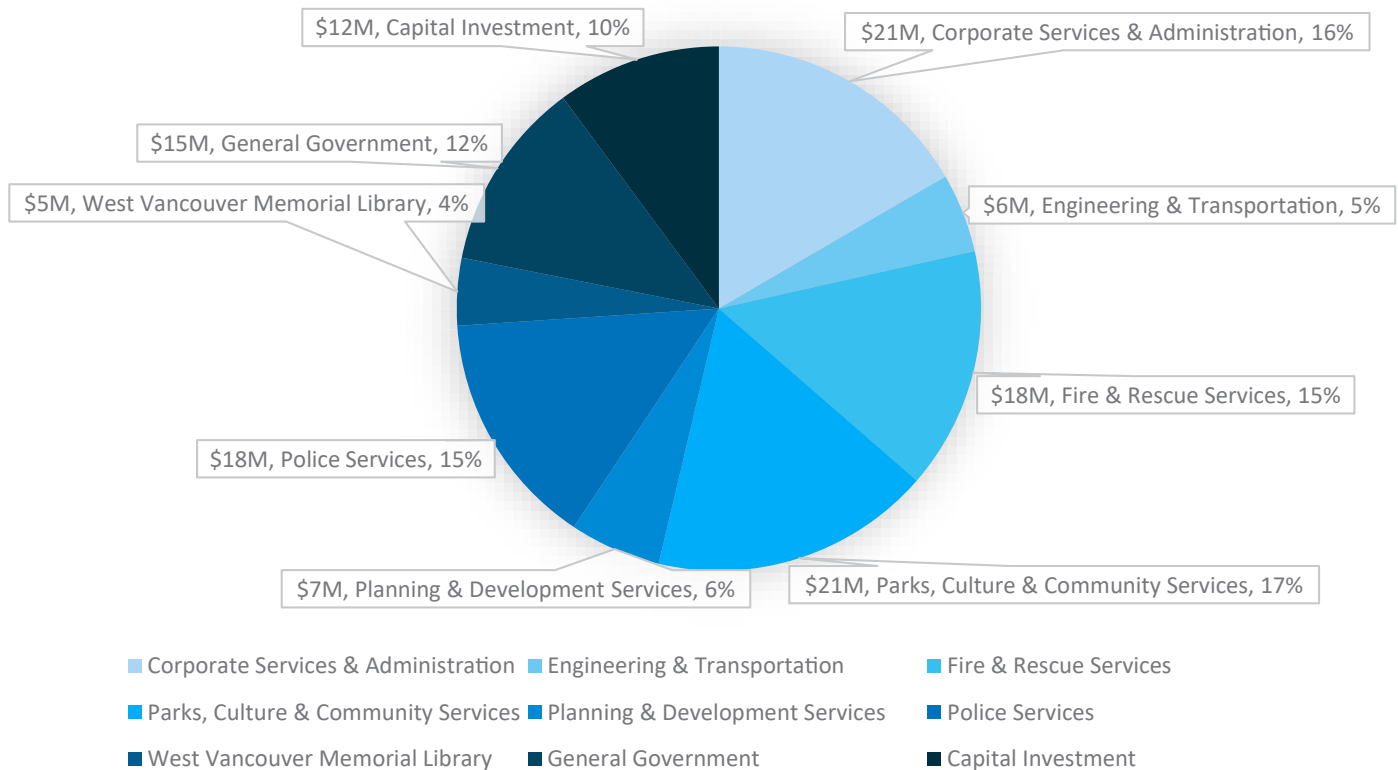
Please note that the 2022 preliminary budget was revised from December 2021 to January 2022 to account for operational adjustments in accordance with provincial public health orders. There was no change to the proposed operating tax levy increase. As these revisions were made after publication of the 2022 Preliminary Financial Plan, they are not reflected in the publication.

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WHAT'S INCLUDED IN THE 2022 BUDGET

The pie chart below illustrates how the 2022 budget will be allocated. Some of these service areas also collect fees and charges that would offset their costs.

2022 BUDGET BY SERVICE AREA



The District budget also supports Council's Strategic Goals. These goals are:

- Significantly expand the diversity and supply of housing, including housing that is more affordable.
- Create vital and vibrant communities.
- Protect our natural environment, reduce our impact on it, and adapt to climate change.
- Improve mobility and reduce congestion for people and goods.
- Deliver municipal services efficiently.
- Enhance the social well-being of our community.

Learn more about Council's strategic goals and objectives at westvancouver.ca/council-priorities.

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ENVIRONMENTAL LEVY

A new Environmental Levy of 1.00% (\$800,000) is proposed to fund programs that support the protection of our natural environment and reduce our impact on it.

Examples of programs that this levy will fund include, in no particular order, rebate incentives for clean energy use, educational programs to reduce waste, improved recycling programs for public facilities and parks, and projects to maintain our natural capital assets.

ASSET LEVY

The Asset Levy is in addition to the operating budget. The levy was introduced in 2016 and has been increased by Council each year since then as part of a strategy to prevent West Vancouver's capital assets from failing, by investing in maintenance at the optimum time.

Over the next 20 years, the municipality will require ongoing investment of \$16.4 million per year to accomplish this.

For 2022, the Asset Levy is proposed to increase by 1%, which equals approximately \$800,000. This would bring the total Asset Levy amount available for capital investment to \$10.3 million.

	Asset Levy % increase	Asset Levy Amount increase	Asset Levy	Operating Budget contribution	Amount available for capital investment	Estimate of required optimal investment	Shortfall
2015	0.00%	\$0.0M	\$0.0M	\$7.4M	\$7.4M	\$13.9M	\$6.5M
2016	5.25%	\$3.1M	\$3.1M	\$7.4M	\$10.4M	\$13.9M	\$3.5M
2017	2.45%	\$1.6M	\$4.6M	\$7.4M	\$12.0M	\$14.1M	\$2.1M
2018	1.56%	\$1.1M	\$5.7M	\$7.4M	\$13.0M	\$14.5M	\$1.5M
2019	1.76%	\$1.5M	\$7.1M	\$7.4M	\$14.5M	\$14.5M	\$0.0M
2020	0.00%	\$0.0M	\$7.1M	\$0.7M	\$7.8M	\$14.5M	\$6.7M
2021	2.50%	\$2.4M	\$9.5M	\$1.2M	\$10.7M	\$16.9M	\$6.2M
2022	1.00%	\$0.8M	\$10.3M	\$2.1M	\$12.4M	\$16.4M	\$4.0M

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WHAT'S INCLUDED IN THE 2022 CAPITAL BUDGET

The preliminary 2022 capital budget indicates a need for \$17.8 million for asset management plans. The majority of this amount is for maintaining and replacing existing municipal assets. A smaller portion is for investments in new assets.

2022 PRELIMINARY CAPITAL BUDGET		
Maintaining and replacing existing assets	Asset preservation	\$6.9M
	Regular asset maintenance	\$9.0M
	Health & safety	\$0.4M
	Subtotal	\$16.3M
Investment in new assets	Strategic investment	\$1.2M
	Innovation	\$0.3M
	Subtotal	\$1.5M
Total		\$17.8M

2022 PRELIMINARY CAPITAL FUNDING	
2022 Asset Levy	\$10.3M
Operating budget contribution	\$2.1M
Development cost charges	\$0.7M
Union of BC Municipalities—Community Works Fund	\$0.8M
Environmental Levy	\$0.2M
External sources	\$0.9M
Subtotal	\$15.0M
Asset Reserves	\$2.8M
Total	\$17.8M

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WHAT DOES THIS MEAN TO YOU?

To accomplish the service delivery, maintenance of public assets, and environmental programs noted above, staff recommend an Operating Levy increase of 1.79%, an Asset Levy increase of 1.00%, and an Environmental Levy of 1.00%. The proposed total tax levy increase of 3.79% is slightly below the rate of inflation, as measured by percentage change in the Consumer Price Index (CPI) for British Columbia of 3.8%¹.

Together, the increases amount to an extra \$247 for the average single-family detached home (SFD) assessed at \$3.7 million, or an extra \$109 for the average strata property assessed at \$1.6 million.

It's important to note that average assessed values are based on preliminary information from BC Assessment, and that individual increases are directly influenced by average property assessments across the community as a whole.

Staff have prepared two other options for consideration. While these options would reduce the financial impact on property owners, they would also reduce the municipality's ability to maintain capital infrastructure and respond to climate change.

PROPOSED *total tax levy increase*

	Proposed increase	Average SFD	Average strata
Operating Levy	1.79%	\$117	\$51
Asset Levy	1.00%	\$65	\$29
Environmental Levy	1.00%	\$65	\$29
Total	3.79%	\$247	\$109

OPTIONS FOR CONSIDERATION *total tax levy increase changes based on Asset Levy and Environment Levy*

	Increase	Average SFD	Average strata
OPTION 1	Operating Levy	1.79%	\$117
	Asset Levy	1.00%	\$65
	Environmental Levy	0.50%	\$33
	Total	3.29%	\$215

	Increase	Average SFD	Average strata
OPTION 2	Operating Levy	1.79%	\$117
	Asset Levy	0.50%	\$33
	Environmental Levy	0.50%	\$33
	Total	2.79%	\$183

¹ CPI for British Columbia, % change from October 2020: <https://www2.gov.bc.ca/assets/gov/data/statistics/economy/cpi/cpidata.pdf>



2022 BUDGET SUMMARY

JOIN US AT AN INFORMATION MEETING

- Tuesday, January 25, 2–3 p.m.—virtual via Zoom
- Wednesday, January 26, 5–6 p.m.—virtual via Zoom

In addition to the information meetings, you can provide your comments online from Monday, December 13 to Friday, January 28 at 4 p.m.

All public input, including public correspondence, comments at information meetings and feedback received online, will be considered by Council as part of the 2022 Budget review process.

Visit westvancouver1TE.ca/budget for more information.