



District of West Vancouver

Five-Year Financial Plan Bylaw No. 5236, 2023

Effective Date: April 3, 2023

District of West Vancouver

Five-Year Financial Plan Bylaw No. 5236, 2023

Table of Contents

Part 1	Citation.....	1
Part 2	Severability	1
Part 3	Previous Bylaw Repeal	1
Part 4	Five-Year Financial Plan Bylaw Interpretation	2
	Schedule A – Consolidated Five-Year Financial Plan for Years 2023-2027	3
	Schedule B – Revenue/Tax Distribution: Objectives and Policies	5

District of West Vancouver

Five-Year Financial Plan Bylaw No. 5236, 2023

A bylaw to approve the Five-Year Financial plan for the years 2023-2027.

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 period 2023-2027 inclusive;

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. 5236, 2023.

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 Previous Bylaw Repeal

- 3.1 Five-Year Financial Plan Bylaw No. 5185, 2022 (adopted on April 11, 2022) and the following amendment bylaw are hereby repealed:

Amendment Bylaw

Effective Date

Bylaw No. 5219, 2022

September 28, 2022

Part 4 Five-Year Financial Plan Bylaw Interpretation

4.1 Property Tax Distribution

A 2.14% increase will be applied equally to all property classes. In support of the approved Asset Levy, an additional 2.00% increase will be applied to property classes 1 and 6, for a total of 4.14% increase to those classes.

4.2 Five-Year Financial Plan

The Council hereby adopts the Five-Year Financial Plan for the years 2023-2027 inclusive, for each year of the plan, as set out in Schedules A and B, attached to this bylaw and forming a part thereof, as follows:

Schedule A – Consolidated Five-Year Financial Plan for Years 2023-2027

Schedule B – Revenue/Tax Distribution: Objectives and Policies

Schedules

Schedule A – Consolidated Five-Year Financial Plan for Years 2023-2027

Schedule B – Revenue/Tax Distribution: Objectives and Policies

READ A FIRST TIME on March 27, 2023

READ A SECOND TIME on March 27, 2023

READ A THIRD TIME on March 27, 2023

ADOPTED by the Council on April 3, 2023.

[Original signed by Mayor]

Mayor

[Original signed by Corporate Officer]

Corporate Officer

Schedule A – Consolidated Five-Year Financial Plan for Years 2023-2027

	Five-Year Financial Plan (\$000s)				
	2023	2024	2025	2026	2027
REVENUE					
General Taxation	89,229	95,239	99,776	104,445	109,253
Parcel Taxes	6	6	6	6	6
Fees and Charges	68,000	72,763	76,915	83,275	88,491
Licences and Permits	7,417	7,565	7,717	7,871	8,029
Other Revenue	18,497	18,776	18,833	19,097	19,354
Government Grants	9,234	1,055	1,076	1,098	1,120
External Contributions & Partnerships	559	137	137	105	105
Land Sales	250	250	250	250	250
Transit Reimbursement	21,486	22,375	23,144	23,942	24,768
Business Improvement Area Levy	500	500	500	500	500
Levies Other Governments	78,750	83,000	87,000	91,000	96,000
	293,928	301,666	315,354	331,589	347,875
Transfers from Reserves					
Asset Reserves	21,249	25,813	17,201	17,242	11,481
Community Amenity Contributions	800	-	-	-	-
Endowment Fund	1,324	1,324	1,324	1,324	1,324
Other Reserves	12,194	7,003	6,504	6,616	5,737
Development Cost Charges	335	1,050	600	875	150
Water Reserves	19,728	26,125	11,424	11,316	11,161
Sewer Reserves	30,446	17,230	16,354	14,892	12,891
Solid Waste Reserve	1,396	1,130	1,102	1,169	1,272
Cemetery Development Reserve	172	450	99	50	50
Golf Development Fund	220	1,170	80	(0)	0
Prior Year Committed Funds	24,519	-	-	-	-
Provisional Reserve Transfers	43,481	43,537	44,730	46,884	55,966
	155,864	124,833	99,419	100,368	100,031
	449,792	426,498	414,772	431,956	447,906

	Five-Year Financial Plan (\$000s)				
	2023	2024	2025	2026	2027
EXPENDITURE					
General Government	36,202	32,400	32,720	33,682	33,681
Public Safety	40,812	42,668	44,249	45,891	47,597
Engineering and Transportation	6,694	6,915	7,109	7,309	7,517
Planning and Development Services	7,196	7,531	7,815	8,111	8,418
Recreation and Library	27,304	28,483	29,496	30,546	31,636
<i>Parks and Community Services</i>	21,937	22,873	23,678	24,513	25,379
<i>Library Services</i>	5,367	5,611	5,818	6,033	6,257
General Fund Capital	23,399	27,000	17,938	18,222	11,736
General Fund Prior Year Approved Work in Progress	24,519	-	-	-	-
General Fund Provision for Reserve Expenditures	40,082	41,104	42,598	45,029	54,481
Cemetery	3,462	3,048	2,719	2,802	2,947
Golf	2,436	3,169	1,814	1,343	837
Transit	21,486	22,375	23,144	23,942	24,768
Water	38,074	46,400	33,179	37,216	37,973
Sewer	56,586	46,394	48,934	49,615	49,921
Solid Waste	5,712	5,879	6,118	6,397	6,657
Business Improvement Area Levy	500	500	500	500	500
Levies Other Governments	78,750	83,000	87,000	91,000	96,000
	<u>413,213</u>	<u>396,867</u>	<u>385,334</u>	<u>401,605</u>	<u>414,669</u>
Debt Service					
Debt Principal	1,036	1,036	737	643	643
Debt Interest	1,054	987	919	810	810
	<u>2,091</u>	<u>2,023</u>	<u>1,656</u>	<u>1,453</u>	<u>1,453</u>
Transfers to Reserves					
Asset Reserves	14,552	16,228	17,066	17,904	18,742
Endowment Fund	463	463	472	481	491
Land Reserve	81	73	67	60	53
Water Reserves	2,641	2,152	1,900	1,121	2,376
Sewer Reserves	1,126	584	(96)	448	709
Cemetery Development Reserve	148	185	195	207	219
Golf Development Fund	17	250	297	385	489
Other Transfers	15,461	7,673	7,881	8,292	8,705
	<u>34,488</u>	<u>27,608</u>	<u>27,782</u>	<u>28,899</u>	<u>31,784</u>
	449,792	426,498	414,772	431,956	447,906
SURPLUS/SHORTFALL	-	-	-	-	-

Schedule B – Revenue/Tax Distribution: Objectives and Policies

The *Community Charter* requires, as part of the consideration and adoption of the five-year financial plan, the disclosure of municipal objectives and policies regarding each of the following:

- the proportion of total revenue proposed to come from property taxes, parcel taxes, fees, other sources and proceeds of debt;
- the distribution of property taxes among the property classes; and
- the use of permissive tax exemptions.

The District of West Vancouver's financial planning objectives and policies can be summarized as:

- user pay is a focus within the District and is maximized where appropriate;
- erosion of the assessment base through permissive exemptions is minimized wherever possible;
- although property taxation is by far the largest proportion of ongoing revenues, annual rate increases are a revenue of last resort in order to balance budgets; and
- in order to encourage small business, business property tax class multiples in West Vancouver shall remain among the lowest in Metro Vancouver.

Fund Structure

West Vancouver's financial framework is organized around several high-level functional units, called 'funds'. Each fund is a stand-alone business entity that engages in specific service activities and has its own revenues, expenditures, reserves, and capital program. Each fund also has its own approach to budgeting and rate setting.

The General Fund encompasses all activities not assigned to a specific stand-alone fund. The General Fund has a diverse range of operating and capital activities which include General Government; Public Safety; Engineering and Transportation; Planning and Development Services; and Recreation and Library. It is within this fund that property tax rates are determined as they are the most significant revenue source for the provision of services.

Utility funds comprise the Water Utility, the Sewer and Drainage Utility and the Solid Waste Funds. The Water Utility Fund supplies all residents with potable water on a metered user-pay basis. The Sewer and Drainage Utility Fund provides for the collection and treatment of liquid waste on a user-pay basis. The

Solid Waste Fund administers the garbage and organics contracts on a user-pay basis.

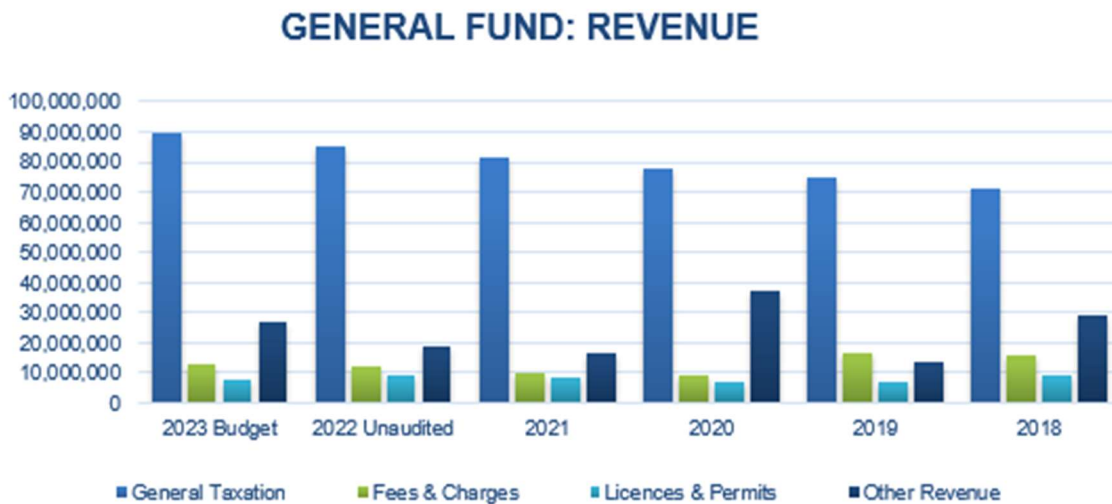
Other stand-alone funds include the Cemetery Fund, the Golf Fund, and the Blue Bus Transit operation.

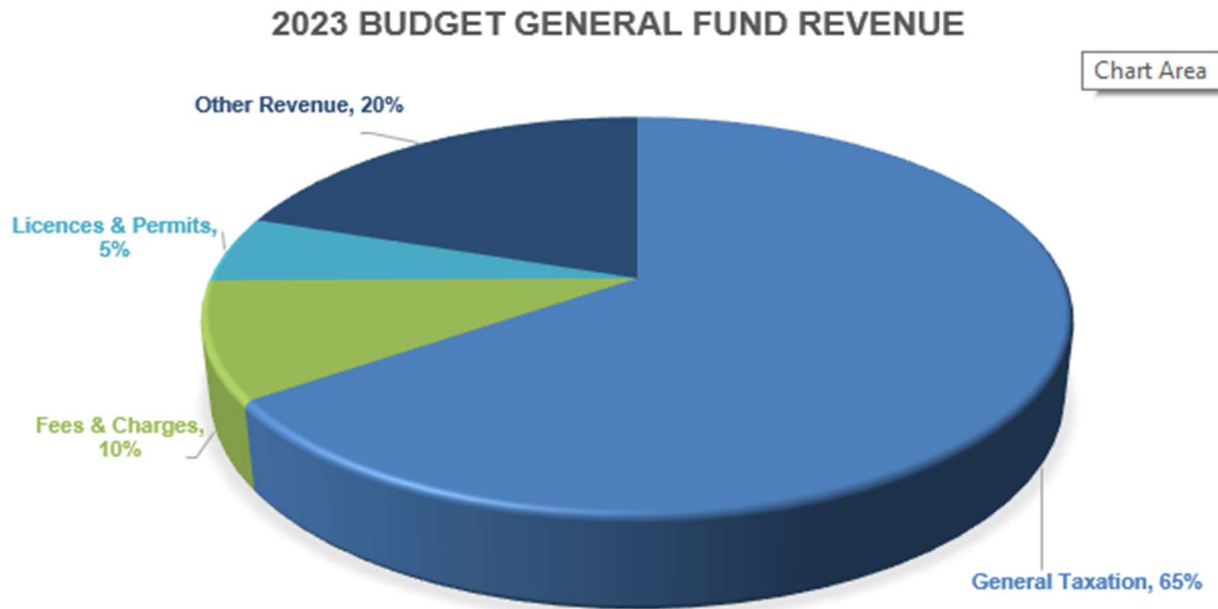
The Capilano View Cemetery also operates on a stand-alone basis, with a user rate structure sufficient to fund all expansions and improvements through the Cemetery Fund.

Ambleside Par 3 and Gleneagles Golf Course are self-contained businesses that ordinarily generate a bottom line sufficient to fund golf course operations from the Golf Fund. The Blue Bus service is operated on a contract basis for TransLink, which sets service levels, establishes budgets, and reimburses all costs.

Revenue Sources

The following charts indicate the trend and relative distribution of each of the District's major ongoing general revenue sources for the General Fund (excluding transfers-in from operating reserves). Funding sources for the annual capital program are not presented here. The significance of property taxation to the District's operations as well as the relative stability of the proportions year over year is illustrated below.





All revenue sources are reviewed annually for potential rate adjustments. In the current budget, expected revenues have been adjusted to reflect a recovery from the pandemic. In the case of sewer, water and solid waste utilities, annual user rates are established to cover all operating, capital, and debt service costs.

Property Taxation

Property taxation is the District's most significant revenue source. Residential properties make up 97% of the assessed values and contribute 94% of the property taxes.

Business properties contribute approximately 6.00% of property taxes with other property types contributing less than 1.00%.

The increase in general taxation since 2015 has been primarily due to the implementation of an Asset Levy for maintenance of the District's capital assets. The current budget incorporates a 2.14% operational tax rate increase, and a 2.00% increase to the Asset Levy.

Permissive Tax Exemptions

The *Community Charter* makes provisions for exempting, at Council's discretion, certain categories of property from taxation. In West Vancouver, such exemptions have been tightly controlled to avoid shifting an additional tax burden onto residential taxpayers.

Current policy allows for exemptions only for:

- property owned by certain non-profit organizations; and

- land and other necessary ancillary structures surrounding buildings for public worship.

Permissive tax exemptions for 2023 were approved by Council in July 2022. The amount of taxation shifted due to permissive exemptions granted in 2023 is estimated at \$376,000.