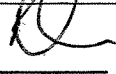



COUNCIL AGENDA/INFORMATION		
<input type="checkbox"/> Closed	Date: _____	Item # _____
<input checked="" type="checkbox"/> Reg. Council	Date: <u>Dec. 14, 09</u>	Item # <u>16</u>
<input type="checkbox"/> Supplemental	Date: _____	Item # _____

Dec. 14, 09

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Director	CAO

16
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DISTRICT OF WEST VANCOUVER
750 – 17TH STREET, WEST VANCOUVER, BC V7V 3T3

COUNCIL REPORT

Date: November 26, 2009

File: 1610-20-4624

From: Richard Laing, Director of Finance

Subject: **2009 Budget Amendment Bylaw**

RECOMMENDED THAT: “5 Year Financial Plan Bylaw No. 4592, 2009, Amendment Bylaw No. 4624, 2009” be introduced and read a first, second and third time.

Purpose

This report follows up on the operating results presented in the Mid-Year Review to June 30, 2009, as well as subsequent important transactions and Council Resolutions, and proposes a Budget Amendment Bylaw to incorporate certain expenditure items not previously provided for.

Background

The Mid-Year Operating Review to June 30, 2009 was completed at the end of July and posted to the District web site shortly thereafter.

Within our cycle of quarterly reviews of financial and business plan targets, the particular focus of the Mid-Year Review is to identify issues, as appropriate, for resolution prior to the end of the year. The 2009 review presented a number of financial challenges, identified areas of risk for ongoing monitoring, and proposed that additional resources of \$280,900 be provided to the 2009 budget by way of a Budget Amendment Bylaw.

The significant financial challenges were summarized as follows:

- A projected overexpenditure of approximately \$130,000 in Engineering & Transportation, due to costs associated with the extreme weather events of last winter;
- A projected shortfall of \$215,000 in building permit revenues, due to reduced building activity; and

- A projected net overexpenditure in a number of non-departmental areas of approximately \$48,000.

The projected year-end financial impact of the above items, after offsetting positive variances in a wide number of other operating areas, accounts for the \$280,900 of additional resources sought by the Mid-Year Review.

Updated Background

Subsequent to publication of the Mid-Year Review, staff have, with the encouragement of Council, continued to review challenging operating areas. A Third Quarter Review was conducted within a context of resolving the financial issues identified earlier, in order to absorb the \$280,900 either through efficiencies/reductions in other operating areas, or through the identification of new projections that may be more favourable now that there is greater certainty of actual results. In particular, filling of vacant staff positions has been delayed wherever possible.

In addition to this extended review, the following new matters, not provided for in the 2009 budget, have been authorized by Council:

- 2010 Olympics venue city status and activity planning, made possible by a very significant community fund-raising effort;
- Signing of a new Solid Waste contract;
- Accelerated construction schedule to McGavin Field to facilitate Olympics bus parking;
- Increase in budget to the Gleneagles Golf building; and
- Approval of three large capital projects under federal/provincial stimulus programs
(Ambleside Park artificial turf, water treatment facilities at Montizambert Creek, and sewer line grouting in Ambleside)

Analysis

The extended operating review was successful in eliminating the need for net additional resources to the General Operating budget. However, certain reallocations and adjustments require the authority of an amended budget bylaw:

- Fees & Charges revenues, related to Cultural Services programming, are projected to exceed budget by \$126,000 – recognition of these revenues will offset an overexpenditure noted below.

- Provincial grants will exceed budget by \$105,310, relating to the accelerated traffic fines revenue sharing program.
- Building and other permits are projected to fall short of budget by \$45,000 (reflecting stronger building activity in the third quarter, and improving from a previously projected shortfall of \$215,000).
- Other sundry revenues are projected to exceed budget by at least \$18,465 – a nominal estimate that balances all the operating issues identified.
- 2010 Olympics community fundraising, not previously budgeted, is estimated at \$2,350,000 – this amount is offset by an equal expenditure estimate.
- Administration expenditures (relating to Cultural Services programming, as well as creation of a Corporate Projects staff position) are projected to exceed budget by \$137,775 – offset by additional programming revenues noted above.
- Finance has deferred the hiring of the Asset Management Manager, as well as deferring replacement of a senior buyer in purchasing, for a net savings of \$94,000.
- The Fire Prevention function requires an increase of \$126,000, relating to an error in the 2009 labour model
- Police are projected to be a minimum of \$95,000 under budget due to staffing vacancies.
- Engineering & Transportation is projected to be \$130,000 over budget, due to costs associated with the extreme weather events of last winter.

All of the above **General Operating** matters, while requiring recognition in an amended budget, net out to zero and therefore do not require an additional transfer from surplus.

In **Solid Waste**, the new garbage contract requires budget adjustments as follows:

- Increase the garbage pickup budget by \$63,200
- Increase recycling pickup budget by \$329,400
- Provide an offsetting contribution from the Stabilization Reserve of \$392,600

Capital budget adjustments are required as follows:

- Establish McGavin Field as a new project for 2009 at \$236,250, with funding provided by the Amenity Contribution Reserve. In 2010, \$184,405 will be recovered and returned to that reserve.
- The Gleneagles Golf facility budget is increased by \$475,000, with funds provided from increased borrowings. The full project remains viable from within golf operations.

The three large projects approved under the federal/provincial infrastructure program (Ambleside artificial turf, sewer main grouting in Ambleside, and the water treatment facility at Montizambert Creek) are not included herein, as the projects do not begin until 2010.

Budget Amendment Bylaw

In most years, variances from budget have been incorporated at year end into a comprehensive budget amendment bylaw reflecting audited year-end amounts. The net variances were either minor in nature, and/or resulted in a net contribution to surplus.

The adjustments identified in this report, including new projects authorized by Council, are significant and thus require bylaw authority prior to the end of the year. The attached "5 Year Financial Plan Bylaw No. 4592, 2009, Amendment Bylaw No. 4624, 2009" incorporates those adjustments, and is recommended to Council for consideration.



Richard Laing, C.A.

Director of Finance



District of West Vancouver

5 Year Financial Plan
Bylaw No. 4592, 2009
Amendment Bylaw No. 4624, 2009

Effective Date –

5 Year Financial Plan Bylaw No. 4592, 2009 Amendment Bylaw No. 4624, 2009

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District of West Vancouver

5 Year Financial Plan Bylaw No. 4592, 2009 Amendment Bylaw No. 4624, 2009

A bylaw to amend the 5 Year Financial Plan for the years 2009 - 2013

WHEREAS the Council of The Corporation of the District of West Vancouver; caused to be prepared a 5 Year Financial Plan for the years 2009 – 2013 inclusive;

AND WHEREAS the said Plan was approved by “5 Year Financial Plan Bylaw 4592, 2009”, adopted on April 6, 2009

AND WHEREAS it is deemed advisable and expedient that the 5 Year Financial Plan be now amended;

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

Part 1 Citation

- 1.1 This bylaw may be cited as “5 Year Financial Plan Bylaw No. 4592, 2009, Amendment Bylaw No. 4624, 2009”.

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, subsequent, paragraph, subparagraph, clause or phrase.

Part 3 5 Year Financial Plan Amendment

- 3.1 The 5 Year Financial Plan for the years 2009 – 2013 is hereby amended by replacing the existing Schedules A, B and C to Bylaw No. 4592, 2009 with the amended Schedules A, B and C attached hereto.

Schedules

Schedule A – Amended Schedule “A” to Bylaw No. 4592, 2009
Schedule B – Amended Schedule “B” to Bylaw No. 4592, 2009
Schedule C – Amended Schedule “C” to Bylaw No. 4592, 2009

READ A FIRST TIME on

READ A SECOND TIME on

READ A THIRD TIME on

ADOPTED by the Council on

Mayor

Municipal Clerk

Schedule A – General Operations

DISTRICT OF WEST VANCOUVER
AMENDED 5 YEAR FINANCIAL PLAN
GENERAL OPERATIONS
Schedule "A" to Bylaw No. 4624

	5 Year Financial Plan				
	2009	2010	2011	2012	2013
Amended					
REVENUE					
Property Taxes	52,188,259	55,150,955	57,641,683	59,525,195	61,237,737
Fees and Charges	11,871,177	11,899,394	12,184,312	12,477,677	12,779,796
Licences and Permits	2,910,300	2,970,046	3,000,837	3,032,716	3,055,310
Other Revenue	5,746,535	5,611,828	5,646,462	5,731,995	5,768,454
Government Grants	1,590,555	1,524,325	1,563,610	1,602,462	1,641,490
2010 Olympics Fundraising	2,350,000				
Surplus & Reserve Transfers	565,480	212,300	212,300	212,300	212,300
	<u>77,222,306</u>	<u>77,368,848</u>	<u>80,249,204</u>	<u>82,582,345</u>	<u>84,695,087</u>
Levies, Other Governments	53,000,000	55,000,000	58,000,000	61,000,000	64,000,000
	<u>130,222,306</u>	<u>132,368,848</u>	<u>138,249,204</u>	<u>143,582,345</u>	<u>148,695,087</u>
EXPENDITURE					
Administration	4,036,305	4,046,987	4,191,109	4,309,032	4,419,096
HR & Payroll Services	1,088,090	1,137,663	1,185,806	1,222,521	1,256,394
Financial Services	4,064,946	4,323,739	4,484,719	4,612,559	4,732,461
Police Services	12,087,061	12,789,134	13,323,522	13,732,633	14,110,684
Fire & Rescue Services	12,027,604	12,526,981	13,073,636	13,486,713	13,866,344
Engineering & Transportation	3,714,708	3,713,902	3,840,671	3,944,359	4,042,727
Planning, Lands & Permits	3,450,091	3,603,273	3,755,030	3,870,931	3,977,925
Parks & Community Services	15,943,380	16,602,090	17,244,375	17,748,101	18,218,203
Library Services	3,861,344	4,022,843	4,180,232	4,303,225	4,417,841
	<u>60,273,529</u>	<u>62,766,612</u>	<u>65,279,100</u>	<u>67,230,074</u>	<u>69,041,675</u>
Property & Liability Insur	1,124,000	1,146,480	1,169,410	1,192,798	1,216,654
Principal on Debt	1,460,400	1,350,812	1,390,646	1,429,220	1,401,195
Interest on Debt					
Other Fiscal Services					
Legal	250,186	255,190	260,294	265,499	270,809
Grants in Aid	348,400	348,400	348,400	348,400	348,400
Special Projects	514,437	100,000	100,000	100,000	100,000
2010 Olympics Venue City	2,350,000				
Third Party Works	1,408,400	1,408,400	1,408,400	1,408,400	1,408,400
Transfers to Reserves:					
Capital Facility Reserve	1,240,000	1,240,000	1,240,000	1,240,000	1,240,000
Infrastructure Fund	7,785,000	8,285,000	8,585,000	8,900,000	9,200,000
Other Transfers	467,954	467,954	467,954	467,954	467,954
	<u>77,222,306</u>	<u>77,368,848</u>	<u>80,249,204</u>	<u>82,582,345</u>	<u>84,695,087</u>
Levies, Other Governments	53,000,000	55,000,000	58,000,000	61,000,000	64,000,000
	<u>130,222,306</u>	<u>132,368,848</u>	<u>138,249,204</u>	<u>143,582,345</u>	<u>148,695,087</u>
EXCESS OF REVENUE					

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Schedule B – General Capital

**DISTRICT OF WEST VANCOUVER
 AMENDED 5 YEAR FINANCIAL PLAN
 GENERAL CAPITAL
 Schedule "B" to Bylaw No. 4624**

	5 Year Financial Plan				
	2009	2010	2011	2012	2013
Amended					
CAPITAL EXPENDITURES					
Infrastructure Program	8,513,398	8,285,000	8,585,000	8,900,000	9,200,000
New Recreation Centre	2,780,000	130,000	-	-	-
Major Civic Buildings	3,410,800	100,000	-	9,000,000	9,000,000
Waterfront/Ambleside	4,000,000	3,000,000	-	-	-
Other Projects	5,876,250	9,600,000	1,650,000	3,150,000	3,150,000
	<u>24,580,448</u>	<u>21,115,000</u>	<u>10,235,000</u>	<u>21,050,000</u>	<u>21,350,000</u>
REVENUE SOURCES					
Transfers From Reserves:					
Infrastructure Fund	8,034,075	8,285,000	8,585,000	8,900,000	9,200,000
Endowment Fund	3,225,000	-	-	-	-
Capital Facility Reserve	3,099,323	880,000	650,000	650,000	650,000
Dev Cost Charges	1,040,000	2,000,000	500,000	-	-
Long-Term Debt	-	-	-	-	9,000,000
Site Redevel Proceeds	3,000,000	-	-	9,000,000	-
Amenity Contributions	1,236,250	2,500,000	-	-	-
Grants & Partnerships	4,445,800	7,450,000	500,000	2,500,000	2,500,000
Other Reserves/Surplus	500,000	-	-	-	-
	<u>24,580,448</u>	<u>21,115,000</u>	<u>10,235,000</u>	<u>21,050,000</u>	<u>21,350,000</u>

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Schedule C – Other Funds

DISTRICT OF WEST VANCOUVER
AMENDED 5 YEAR FINANCIAL PLAN
OTHER FUNDS
Schedule "C" to Bylaw No. 4624

5 Year Financial Plan					
	2009	2010	2011	2012	2013
Amended					
WATER UTILITY					
Revenue					
User Fees	6,569,100	6,897,600	7,242,500	7,604,600	7,984,800
Meter Rental Charges	580,000	580,000	580,000	580,000	580,000
Micro Power Generation	85,000	85,000	85,000	85,000	85,000
Debt Proceeds	2,440,000	1,050,000	-	-	-
Development Cost Charges	-	250,000	-	-	-
Government Grants	-	-	-	-	-
	<u>9,674,100</u>	<u>8,862,600</u>	<u>7,907,500</u>	<u>8,269,600</u>	<u>8,649,800</u>
Expenditure					
Water Purchases	2,070,700	2,140,500	2,178,500	2,186,600	2,246,500
System Operating	3,111,200	3,189,000	3,268,700	3,350,400	3,434,200
System Replacements	950,000	1,000,000	1,000,000	1,000,000	1,000,000
Montizambert Filtration	-	-	-	-	-
Eagle Lake Capital	2,440,000	1,300,000	-	-	-
Principal on Debt	858,389	1,668,327	1,927,236	2,181,563	2,181,563
Interest on Debt	-	-	-	-	-
Transfer to (from) Surplus	243,811	(435,227)	(466,936)	(448,963)	(212,463)
	<u>9,674,100</u>	<u>8,862,600</u>	<u>7,907,500</u>	<u>8,269,600</u>	<u>8,649,800</u>
SEWER UTILITY					
Revenue					
User Fees	7,875,960	8,190,998	8,518,638	8,859,384	9,213,759
Development Cost Charges	400,000	400,000	400,000	400,000	400,000
Government Grants	-	-	-	-	-
Transfer from (to) surplus	(328,710)	(50,498)	42,862	100,516	(174,159)
Transfer from (to) Reserves	-	-	-	-	-
	<u>7,947,250</u>	<u>8,540,500</u>	<u>8,961,500</u>	<u>9,359,900</u>	<u>9,439,600</u>
Expenditure					
GVSDD Levy	4,574,600	5,068,000	5,368,000	5,714,000	5,740,000
Administration Charge	150,000	153,800	157,600	161,500	165,500
Sanitary Operating	1,042,350	1,068,400	1,095,200	1,122,600	1,150,700
Storm Operating	800,300	820,300	840,700	861,800	883,400
Ambleside Grouting	-	-	-	-	-
System Replacements	1,380,000	1,430,000	1,500,000	1,500,000	1,500,000
	<u>7,947,250</u>	<u>8,540,500</u>	<u>8,961,500</u>	<u>9,359,900</u>	<u>9,439,600</u>

DISTRICT OF WEST VANCOUVER
AMENDED 5 YEAR FINANCIAL PLAN
OTHER FUNDS (continued)
Schedule "C" to Bylaw No. 4624 (continued)

	5 Year Financial Plan				
	2009	2010	2011	2012	2013
<i>Amended</i>					
CEMETERY					
Revenue					
User Fees	694,500	729,200	765,700	804,000	844,200
Interest Revenue	98,800	103,700	108,900	114,300	120,000
Transfer from Dev Fund	813,200	552,700	-	-	332,300
	<u>1,606,500</u>	<u>1,385,600</u>	<u>874,600</u>	<u>918,300</u>	<u>1,296,500</u>
Expenditure					
Operations	535,700	551,800	568,400	585,500	603,100
Sales and Use Costs	100,800	103,800	106,900	110,100	113,400
Capital Improvements	970,000	730,000	90,000	80,000	580,000
Transfer to Dev Fund	-	-	109,300	142,700	-
	<u>1,606,500</u>	<u>1,385,600</u>	<u>874,600</u>	<u>918,300</u>	<u>1,296,500</u>
SOLID WASTE					
User Fees Revenue					
	<u>2,095,600</u>	<u>2,203,000</u>	<u>2,251,500</u>	<u>2,301,200</u>	<u>2,352,200</u>
Expenditure					
Garbage Coll & Disposal	1,105,800	1,089,700	1,133,400	1,195,100	1,296,600
Recycling Coll & Processing	1,537,900	1,343,200	1,298,400	1,350,200	1,426,500
Capital Program	65,500	-	-	-	-
Rate Stabilization	(613,600)	(229,900)	(180,300)	(244,100)	(370,900)
	<u>2,095,600</u>	<u>2,203,000</u>	<u>2,251,500</u>	<u>2,301,200</u>	<u>2,352,200</u>
GOLF					
Revenue					
Golf Fees	1,407,400	1,538,571	1,548,618	1,692,930	1,851,146
Debt Proceeds	1,325,000	-	-	-	-
Transfer From Dev Fund	0	-	-	-	-
	<u>2,732,400</u>	<u>1,538,571</u>	<u>1,548,618</u>	<u>1,692,930</u>	<u>1,851,146</u>
Expenditure					
Administration	289,900	298,597	307,555	316,782	326,285
Operations & Maintenance	723,200	744,896	767,243	790,260	813,968
Capital Program	1,469,300	95,000	95,000	100,000	100,000
Debt Service	0	129,800	129,800	129,800	129,800
Transfer to PCS	250,000	125,000	125,000	125,000	125,000
Transfer to Dev Fund	0	145,278	114,020	231,088	356,093
	<u>2,732,400</u>	<u>1,538,571</u>	<u>1,538,618</u>	<u>1,692,930</u>	<u>1,851,146</u>

**DISTRICT OF WEST VANCOUVER
 AMENDED 5 YEAR FINANCIAL PLAN
 OTHER FUNDS (continued)
 Schedule "C" to Bylaw No. 4624 (continued)**

5 Year Financial Plan					
	2009	2010	2011	2012	2013
Amended					
TRANSIT					
Revenue					
Transit Reimbursement	13,079,800	13,671,700	14,051,000	14,449,800	14,844,100
Expenditure					
Operations	7,485,500	7,891,700	8,106,200	8,344,300	8,594,600
Maintenance	4,764,400	4,916,900	5,064,400	5,216,300	5,342,500
Administration	829,900	863,100	880,400	889,200	907,000
	<u>13,079,800</u>	<u>13,671,700</u>	<u>14,051,000</u>	<u>14,449,800</u>	<u>14,844,100</u>

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