



District of West Vancouver

5 Year Financial Plan
Bylaw No. 4592, 2009

Effective Date –

District of West Vancouver

5 Year Financial Plan Bylaw No. 4592, 2009

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District of West Vancouver

5 Year Financial Plan Bylaw No. 4592, 2009

A bylaw to approve the 5 Year Financial Plan for the
years 2009 – 2013 inclusive.

WHEREAS pursuant to the provisions of the *Local Government Act*, the
Municipal Council caused to be prepared a 5 Year Financial Plan for the period
2009 – 2013 inclusive;

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.

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 Previous Bylaw Repeal

3.1 5 Year Financial Plan Bylaw No. 4549, 2008 (adopted on April 14, 2008)
and the following amendment bylaws (if applicable) are hereby repealed:

Part 4 5 Year Financial Plan for the Years 2009 - 2013

4.1 Property Tax Distribution Policy

The same rate of % increase will be applied to all property classes, subject to a high-level consideration of significant changes to existing class rate multiples.

4.2 Five Year Financial Plan

The Council does hereby adopt the 5 Year Financial Plan for the years 2009 – 2013 inclusive, for each year of the plan, as set out in Schedules A, B, C and D attached to this Bylaw and forming a part thereof, as follows:

Schedule A – General Operations

Schedule B – General Capital

Schedule C – Utilities, Cemetery, Solid Waste, Golf and Transit

Schedule D - Revenue/Tax Distribution, Objectives & Policies

Schedules

Schedule A – General Operations

Schedule B – General Capital

Schedule C – Utilities, Cemetery, Solid Waste, Golf and Transit

Schedule D - Revenue/Tax Distribution, Objectives & Policies

READ A FIRST TIME on March 23, 2009

READ A SECOND TIME on March 23, 2009

READ A THIRD TIME on

ADOPTED by the Council on

Mayor

Municipal Clerk

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**DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
GENERAL OPERATIONS
Schedule "A" to Bylaw No. 4592**

5 Year Financial Plan					
	2009	2010	2011	2012	2013
REVENUE					
Property Taxes	52,188,259	55,150,955	57,641,683	59,525,195	61,237,737
Fees and Charges	11,745,177	11,899,394	12,184,312	12,477,677	12,779,796
Licences and Permits	2,955,300	2,970,046	3,000,837	3,032,716	3,055,310
Other Revenue	5,728,070	5,611,828	5,646,462	5,731,995	5,768,454
Government Grants	1,485,245	1,524,325	1,563,610	1,602,462	1,641,490
Surplus & Reserve Transfers	565,480	212,300	212,300	212,300	212,300
	74,667,531	77,368,848	80,249,204	82,582,345	84,695,087
Levies, Other Governments	53,000,000	55,000,000	58,000,000	61,000,000	64,000,000
	127,667,531	132,368,848	138,249,204	143,582,345	148,695,087
EXPENDITURE					
Administration	3,898,530	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	4,158,946	4,323,739	4,484,719	4,612,559	4,732,461
Police Services	12,182,061	12,789,134	13,323,522	13,732,633	14,110,684
Fire & Rescue Services	11,901,604	12,526,981	13,073,636	13,486,713	13,866,344
Engineering & Transportation	3,584,708	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
	60,068,754	62,766,612	65,279,100	67,230,074	69,041,675
Property & Liability Insur	1,124,000	1,146,480	1,169,410	1,192,798	1,216,654
Principal on Debt					
Interest on Debt	1,460,400	1,350,812	1,390,646	1,429,220	1,401,195
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
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
	74,667,531	77,368,848	80,249,204	82,582,345	84,695,087
Levies, Other Governments	53,000,000	55,000,000	58,000,000	61,000,000	64,000,000
	127,667,531	132,368,848	138,249,204	143,582,345	148,695,087
EXCESS OF REVENUE					
	-	-	-	-	-

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DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
GENERAL CAPITAL
Schedule "B" to Bylaw No. 4592

5 Year Financial Plan					
	2009	2010	2011	2012	2013
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	5,640,000	9,600,000	1,650,000	3,150,000	3,150,000
	24,344,198	21,115,000	10,235,000	21,050,000	21,350,000
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 Redev Proceeds	3,000,000	-	-	9,000,000	-
Amenity Contributions	1,000,000	2,500,000	-	-	-
Grants & Partnerships	4,445,800	7,450,000	500,000	2,500,000	2,500,000
Other Reserves/Surplus	500,000	-	-	-	-
	24,344,198	21,115,000	10,235,000	21,050,000	21,350,000

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DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
OTHER FUNDS
Schedule "C" to Bylaw No. 4592

5 Year Financial Plan					
	2009	2010	2011	2012	2013
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	-	-	-	-	-
	9,674,100	8,862,600	7,907,500	8,269,600	8,649,800
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
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)
	9,674,100	8,862,600	7,907,500	8,269,600	8,649,800
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
Transfer from (to) surplus	(328,710)	(50,498)	42,862	100,516	(174,159)
Transfer from (to) Reserves	-	-	-	-	-
	7,947,250	8,540,500	8,961,500	9,359,900	9,439,600
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
Capital Program	1,380,000	1,430,000	1,500,000	1,500,000	1,500,000
	7,947,250	8,540,500	8,961,500	9,359,900	9,439,600

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
OTHER FUNDS (continued)
Schedule "C" to Bylaw No. 4592 (continued)

	5 Year Financial Plan				
	2009	2010	2011	2012	2013
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	1,042,600	1,089,700	1,133,400	1,195,100	1,296,600
Recycling Coll & Processing	1,208,500	1,343,200	1,298,400	1,350,200	1,426,500
Capital Program	65,500	-	-	-	-
Rate Stabilization	(221,000)	(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	850,000	-	-	-	-
Transfer From Dev Fund	-	-	-	-	-
	<u>2,257,400</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	994,300	95,000	95,000	100,000	100,000
Debt Service	-	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	-	145,278	114,020	231,088	356,093
	<u>2,257,400</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
5 YEAR FINANCIAL PLAN
OTHER FUNDS (continued)
Schedule "C" to Bylaw No. 4592 (continued)

5 Year Financial Plan					
	2009	2010	2011	2012	2013
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
	13,079,800	13,671,700	14,051,000	14,449,800	14,844,100

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**REVENUE/TAX DISTRIBUTION
OBJECTIVES & POLICIES
5 Year Financial Plan Bylaw No. 4592, 2009
Schedule D**

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

- the proportion of total revenue that comes from each of the main funding sources (property taxes, parcel taxes, fees, other sources, proceeds of debt)
- the distribution of property taxes among the property classes
- the use of permissive tax exemptions

as well as a discussion of the relative tax rates for each property class.

This disclosure requirement, some of which is included in the District's comprehensive budget document, is organized and attached as follows:

Fund Structure

This presents schematically the Funds framework under which the District segregates specific stand-alone business units (each with its own revenue structure) from the General Fund wherein property tax rates are established.

Revenue Policies

Trends in general revenues, and their proportions to total revenue are shown graphically, and revenue objectives and policies are described.

Property Taxation Policies

Trends in property taxation, and the proportion that each class contributes to total tax revenues are shown graphically. Property tax objectives and policies are described, as well as policies relating to the granting of permissive tax exemptions.

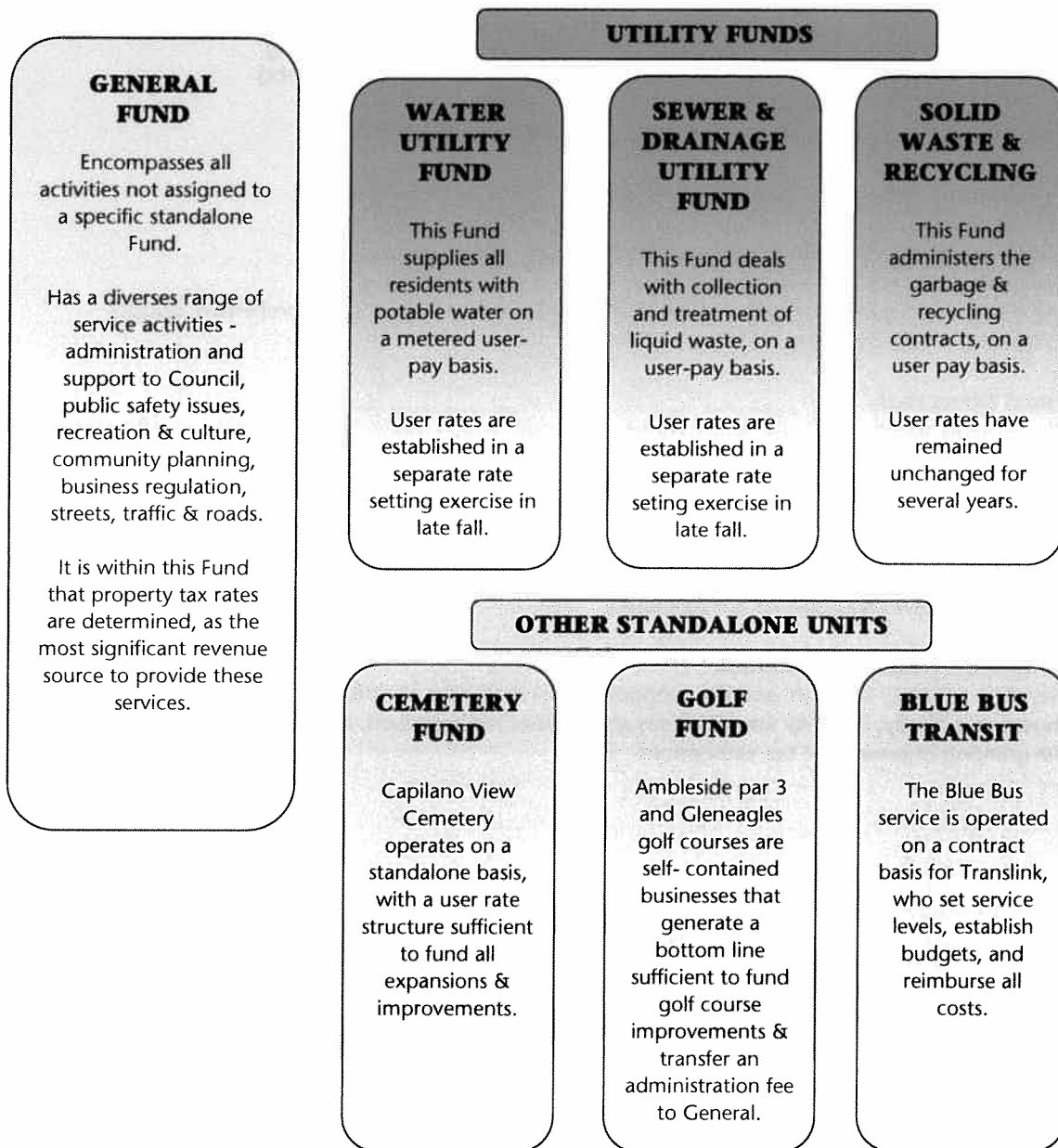
In summary -

- user pay is a focus, and is maximized where appropriate
- erosion of the assessment base through permissive exemptions is minimized
- 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
- business property tax class multiples are the lowest in the region, in order to encourage small business

FUND STRUCTURE

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

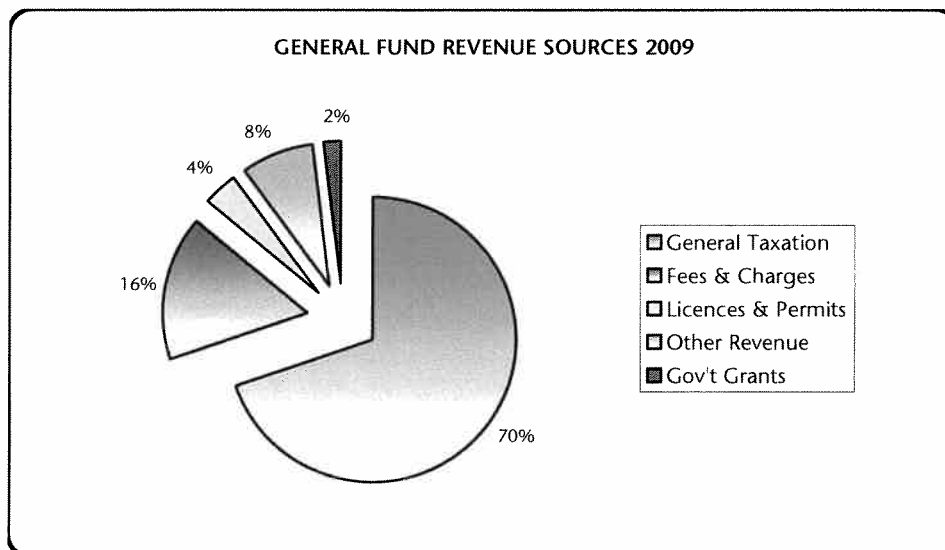
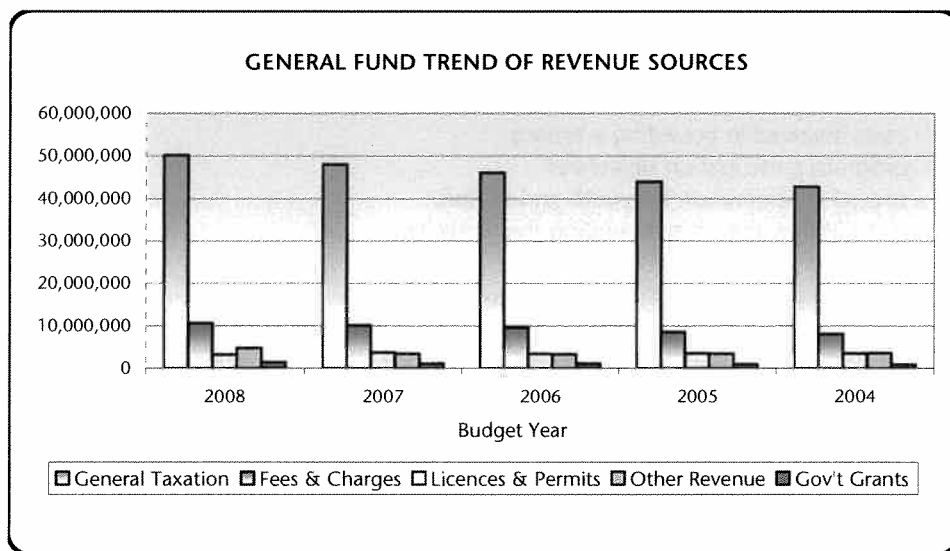
Following is a schematic representation of that framework:



REVENUE POLICIES

The following charts indicate graphically the trend and relative proportion of each of the District's ongoing general revenue sources - funding sources for the annual capital program are not presented here.

The significance of property taxation to the District's operations is immediately apparent, as is the relative stability of the proportions.



REVENUE POLICIES

(Continued)

All revenue sources are reviewed annually for potential rate adjustments.

In the case of sewer, water and solid waste utilities, annual user rates are established sufficient to cover all costs (operating, capital, debt service) of those stand-alone utilities.

In the case of other stand-alone business units, such as golf and cemetery, user rate structures are established sufficient to cover all current costs and to also provide development funds for future planned capital replacements/expansions.

Fees and charges in the General Fund are reviewed annually within the context of:

- costs involved in providing a service
- program participation objectives
- special consideration for youth and seniors
- competitive rates in surrounding municipalities
- overall target recovery rates
- ensuring that new development pays its own way

Increasing application of user pay principles are in accordance with recommendations of the Fiscal Sustainability Task Force.

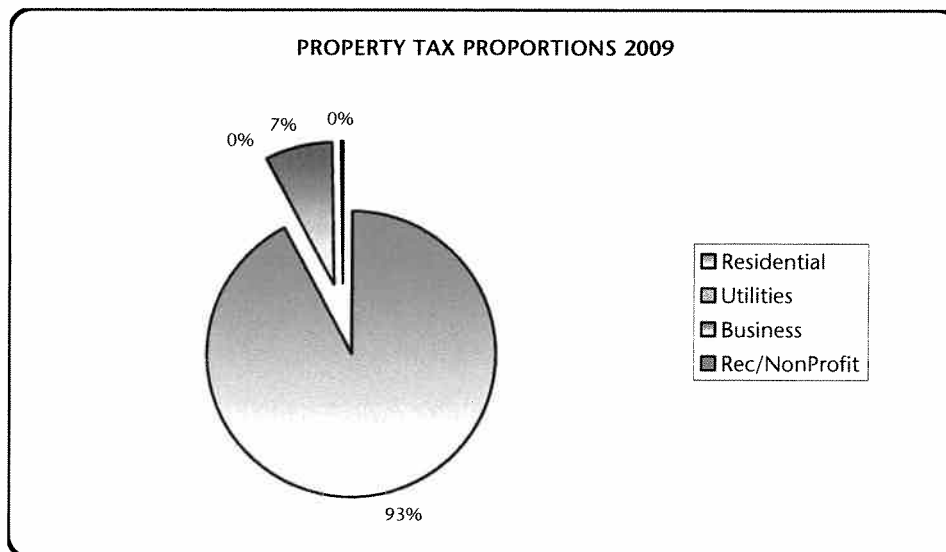
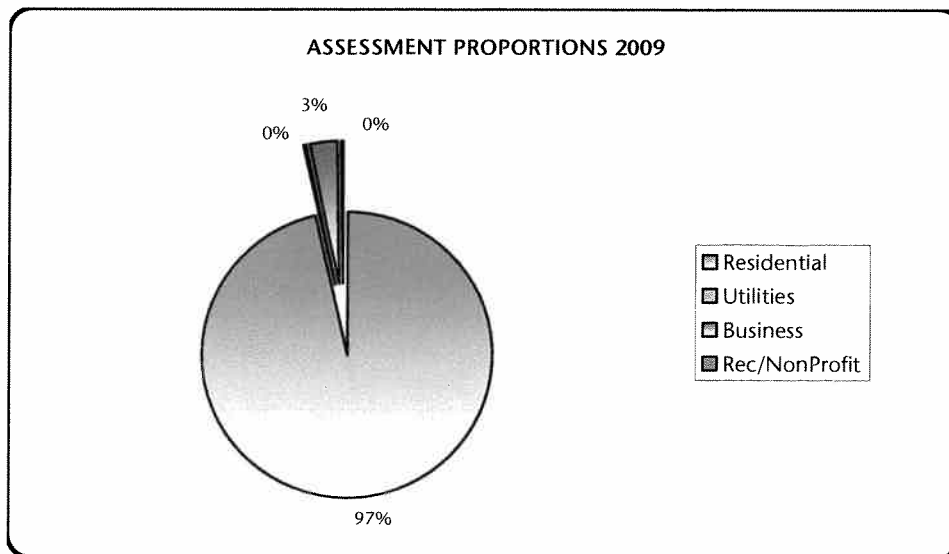
In addition, grants and other contributions are pursued wherever available, and partnerships are leveraged wherever possible.

Property tax increases are a "revenue of last resort", after all other revenue sources have been maximized, in order to balance budgets.

PROPERTY TAXATION POLICIES

Property taxation is by far the District's most significant revenue source.

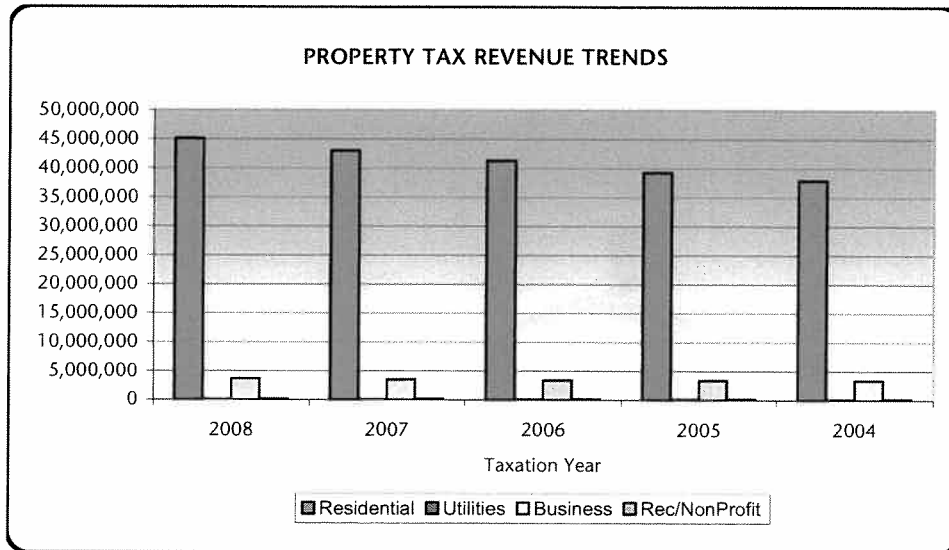
Assessed values of property, in each of four categories, drive taxation revenues. The following charts graphically portray the distribution of property types, both as to proportion of total assessment and contribution to total taxation revenues, and on the following page is a chart showing a five year trend in property tax revenues.



PROPERTY TAXATION POLICIES

(Continued)

Five year trend of property tax revenues - residential taxation being the most significant of the four categories at 93% of the 2009 total.



The *Community Charter* makes provision for exempting from taxation certain categories of property, at Council's discretion. In West Vancouver, such exemptions have been tightly controlled in order to constrain erosion of the assessment base.

Current policy allows for exemptions only as follows:

- for Senior Citizen Housing projects built with provincial assistance that do not fall within the exemption provisions of S 224(2)(h) of the *Charter*
- for non-profit organizations and community care licensed groups leasing portions of school buildings from School District #45
- for land surrounding buildings for public worship and other necessary ancillary buildings

Even so, such exemptions will amount to \$271,847 of foregone taxation revenues for 2009.

PROPERTY TAXATION POLICIES

(Continued)

An additional issue in property taxation policy is the extent to which the business class is taxed at rates greater than the residential class rate. This is commonly called the class rate multiple - a multiple of 3.00, for example, means a tax rate that is 3 times the residential tax rate.

In West Vancouver, that multiple has always been constrained, in order to encourage small business.

A survey of business class property taxation within GVRD municipalities for 2008 (attached) indicates a range of class multiples, from a high of 5.08 to a low of 2.30, with the average being 3.53 and the median at 3.49.

West Vancouver is virtually tied with Langley City for the low (at 2.30 and 2.32).

Annual % tax rate increases are by policy applied equally to all property classes.

**DISTRICT OF WEST VANCOUVER
BUSINESS CLASS PROPERTY TAXATION SURVEY
GVRD MUNICIPALITIES**

2008

	Residential			Business			Tax Multiple
	Assessment	Tax Rate	Tax Dollars	Assessment	Tax Rate	Tax Dollars	
Burnaby	33,492,969,002 80%	2.36510	79,214,218 48%	7,395,187,219 18%	9.42380	69,690,769 42%	3.98
Coquitlam	18,952,534,205 87%	2.72610	51,666,503 57%	2,511,894,700 12%	13.59830	34,157,498 38%	4.99
Delta	15,154,985,400 82%	3.04690	46,175,726 54%	2,433,568,200 13%	9.90820	24,112,281 28%	3.25
Langley City	2,787,532,801 73%	3.44700	9,608,626 54%	898,617,700 24%	7.91400	7,111,661 40%	2.30
Langley District	16,719,418,304 83%	2.74695	45,927,405 61%	2,679,775,900 13%	8.61870	23,096,185 31%	3.14
Maple Ridge	10,508,968,804 92%	3.38080	35,528,722 77%	723,308,452 6%	11.12260	8,045,070 17%	3.29
New Westminster	8,207,532,200 86%	3.48980	28,642,646 60%	1,127,128,102 12%	13.18060	14,856,225 31%	3.78
North Vancouver City	8,664,815,512 83%	2.28015	19,757,079 51%	1,603,593,000 15%	9.36371	15,015,580 39%	4.11
North Vancouver District	20,077,515,202 93%	2.34602	47,102,252 70%	1,320,292,108 6%	8.59964	11,354,037 17%	3.67
Pitt Meadows	2,283,515,000 86%	3.12430	7,134,386 60%	314,005,350 12%	11.47700	3,603,839 30%	3.67
Port Coquitlam	7,436,390,875 85%	3.23670	24,069,367 60%	1,034,619,401 12%	11.62310	12,025,485 30%	3.59
Port Moody	5,397,924,100 92%	2.86480	15,463,973 67%	343,282,004 6%	9.58890	3,291,697 14%	3.35
Richmond	30,944,135,451 78%	2.26887	70,208,224 50%	7,540,961,950 19%	7.92826	59,786,706 42%	3.49
Surrey	58,173,136,206 88%	2.12233	123,462,589 69%	6,980,245,172 11%	6.85779	47,869,055 27%	3.23
Vancouver	129,943,316,330 83%	2.13092	276,898,803 48%	26,364,059,068 17%	10.81610	285,156,302 49%	5.08
West Vancouver	22,102,478,802 96%	2.03990	45,086,848 92%	766,550,000 3%	4.73550	3,629,997 7%	2.32
White Rock	4,307,781,302 95%	3.25306	14,013,471 88%	204,427,801 5%	8.87241	1,813,767 11%	2.73

**WEST VANCOUVER RANKING
GVRD MUNICIPALITIES**

	Residential			Business			Tax Multiple
	Assessment	Tax Rate	Tax Dollars	Assessment	Tax Rate	Tax Dollars	
West Vancouver	22,102,478,802 96%	2.03990	45,086,848 92%	766,550,000 3%	4.73550	3,629,997 7%	2.32

High 5.08
 Median 3.49
 Average 3.53
 Low 2.30