



District of West Vancouver

5 Year Financial Plan

Bylaw No. 4671, 2011

Effective Date:

5 Year Financial Plan Bylaw No. 4671, 2011

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District of West Vancouver

5 Year Financial Plan Bylaw No. 4671, 2011

A bylaw to approve the 5 Year Financial Plan for the years 2011 - 2015

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 2011 – 2015 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. 4671, 2011.

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 5 Year Financial Plan Bylaw No. 4631, 2010 (adopted on February 10, 2010) and Amendment Bylaw No. 4664, 2010 are hereby repealed.

Part 4 5 Year Financial Plan for the Years 2011 - 2015

- 4.1 Property Tax Distribution Policy
The same rate of 1.1% 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 2011 – 2015 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

Part 5 Offence and Penalty

- 5.1 Every person who violates a provision of this bylaw, or who consents, allows or permits an act or thing to be done in violation of a provision of this bylaw, or who neglects to or refrains from doing anything required to be done by a provision of this bylaw, is guilty of an offence and is liable to the penalties imposed under this bylaw, and is guilty of a separate offence each day that a violation continues to exist.
- 5.2 Every person who commits an offence is liable on summary conviction to a fine or to imprisonment, or to both a fine and imprisonment, not exceeding the maximum allowed by the Offence Act.

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 January 10, 2011

READ A SECOND TIME on January 10, 2011

READ A THIRD TIME on January 24, 2011

ADOPTED by the Council on

Mayor

Municipal Clerk

Schedule A – General Operations

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
GENERAL OPERATIONS
 Schedule "A" to Bylaw No. 4671

	5 Year Financial Plan				
	2011	2012	2013	2014	2015
REVENUE					
Property Taxes	54,181,693	56,577,919	58,722,847	60,943,709	63,271,736
Fees and Charges	12,518,773	12,768,788	13,017,072	13,270,322	13,528,635
Licences and Permits	3,497,540	3,567,491	3,638,841	3,711,617	3,785,850
Other Revenue	4,993,152	5,189,192	5,302,133	5,392,041	5,484,984
Government Grants	1,072,695	1,072,695	1,072,695	1,072,695	1,072,695
Surplus & Reserve Transfers	617,300	617,300	617,300	617,300	617,300
	76,881,153	79,793,385	82,370,888	85,007,684	87,761,200
Levies, Other Governments	55,000,000	58,000,000	61,000,000	64,000,000	67,000,000
	131,881,153	137,793,385	143,370,888	149,007,684	154,761,200
EXPENDITURE					
Administration	2,345,818	2,411,421	2,490,593	2,572,502	2,656,871
Community Engagement	2,102,272	2,153,151	2,220,030	2,289,133	2,360,251
HR & Payroll Services	1,300,690	1,339,798	1,387,413	1,436,756	1,487,640
Financial Services	4,607,747	4,728,107	4,881,922	5,041,019	5,204,875
Police Services	12,984,825	13,365,894	13,833,601	14,318,124	14,817,666
Fire & Rescue Services	12,822,761	13,222,343	13,703,240	14,201,814	14,716,116
Engineering & Transportation	3,291,157	3,375,964	3,484,879	3,597,513	3,713,501
Planning, Lands & Permits	4,037,241	4,155,645	4,301,001	4,451,582	4,606,829
Parks & Community Services	17,199,122	17,655,968	18,236,306	18,836,710	19,455,166
Library Services	4,141,966	4,255,436	4,398,017	4,545,590	4,697,642
	64,833,599	66,663,727	68,937,002	71,290,743	73,716,557
Legal	250,186	255,190	260,294	265,499	270,809
Property & Liability Insur	1,055,000	1,076,100	1,097,622	1,119,574	1,141,966
Principal on Debt					
Interest on Debt	1,161,320	1,161,320	1,138,922	1,094,820	1,094,820
Other Fiscal Services					
Grants in Aid	369,700	369,700	369,700	369,700	369,700
Initiatives	540,000	540,000	540,000	540,000	540,000
Third Party Works	978,200	978,200	978,200	978,200	978,200
Transfers to Reserves:					
Capital Facility Reserve	1,140,000	1,240,000	1,240,000	1,240,000	1,240,000
Infrastructure Fund	6,044,000	7,000,000	7,300,000	7,600,000	7,900,000
Other Transfers	509,148	509,148	509,148	509,148	509,148
	76,881,153	79,793,385	82,370,888	85,007,684	87,761,200
Levies, Other Governments	55,000,000	58,000,000	61,000,000	64,000,000	67,000,000
	131,881,153	137,793,385	143,370,888	149,007,684	154,761,200
EXCESS OF REVENUE					
	-	-	-	-	-

Schedule B – General Capital

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
GENERAL CAPITAL
 Schedule "B" to Bylaw No. 4671

	5 Year Financial Plan				
	2011	2012	2013	2014	2015
CAPITAL EXPENDITURES					
Infrastructure Program	7,156,222	7,000,000	7,300,000	7,600,000	7,900,000
Transportation Projects	4,370,000	2,010,000	2,169,000	2,108,000	2,064,000
Parks, Recreation & Culture	5,338,000	3,850,000	1,450,000	-	-
Other Civic Facilities	75,000	200,000	-	-	-
Other Projects	-	-	-	-	-
	16,939,222	13,060,000	10,919,000	9,708,000	9,964,000
REVENUE SOURCES					
Transfers From Reserves:					
Infrastructure Fund	6,916,122	7,000,000	7,300,000	7,600,000	7,900,000
Endowment Fund	-	3,300,000	-	-	-
Capital Facility Reserve	1,898,000	1,000,000	1,150,000	250,000	250,000
Dev Cost Charges	1,333,900	500,000	500,000	500,000	500,000
Long-Term Debt	-	-	-	-	-
Amenity Contributions	470,000	-	1,000,000	-	-
Grants & Partnerships	6,191,100	1,260,000	969,000	1,358,000	1,314,000
Other Reserves/Surplus	130,100	-	-	-	-
	16,939,222	13,060,000	10,919,000	9,708,000	9,964,000

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

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
OTHER FUNDS
Schedule "C" to Bylaw No. 4671

5 Year Financial Plan					
	2011	2012	2013	2014	2015
WATER UTILITY					
Revenue					
User Fees	9,134,200	10,321,700	11,663,500	13,179,800	14,893,100
Meter Rental Charges	580,000	580,000	580,000	580,000	580,000
Micro Power Generation	35,000	35,000	35,000	35,000	35,000
Debt Proceeds	300,000	-	-	-	-
Sundry	28,000	-	-	-	-
Government Grants	1,113,700	-	-	-	-
	<u>11,190,900</u>	<u>10,936,700</u>	<u>12,278,500</u>	<u>13,794,800</u>	<u>15,508,100</u>
Expenditure					
Water Purchases	2,993,200	3,217,600	3,561,800	3,793,200	4,020,600
System Operating	3,336,300	3,419,800	3,505,200	3,592,800	3,682,700
System Replacements	1,628,000	2,200,000	2,800,000	3,400,000	3,900,000
Montizambert Plant	1,645,000	-	-	-	-
Eagle Lake Capital	300,000	-	-	-	-
Principal on Debt	1,871,400	2,130,700	2,135,700	2,140,700	2,140,700
Interest on Debt	(583,000)	(31,400)	275,800	868,100	1,764,100
Transfer to (from) Surplus	(583,000)	(31,400)	275,800	868,100	1,764,100
	<u>11,190,900</u>	<u>10,936,700</u>	<u>12,278,500</u>	<u>13,794,800</u>	<u>15,508,100</u>
SEWER UTILITY					
Revenue					
User Fees	9,598,200	10,654,000	11,825,900	13,126,800	14,570,700
Development Cost Charges	400,000	400,000	400,000	400,000	400,000
Government Grants	1,106,600	-	-	-	-
	<u>11,104,800</u>	<u>11,054,000</u>	<u>12,225,900</u>	<u>13,526,800</u>	<u>14,970,700</u>
Expenditure					
GVSDD Levy	5,389,500	5,712,900	6,027,100	6,328,500	6,644,900
Administration Charge	150,000	153,800	157,600	161,500	165,600
Sanitary Operating	1,125,500	1,153,600	1,182,500	1,212,000	1,242,300
Storm Operating	839,400	860,400	881,900	904,000	926,600
Capital Program	3,631,600	2,600,000	3,300,000	4,000,000	4,700,000
Transfer to surplus	(31,200)	573,300	676,800	920,800	1,291,300
	<u>11,104,800</u>	<u>11,054,000</u>	<u>12,225,900</u>	<u>13,526,800</u>	<u>14,970,700</u>

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
OTHER FUNDS (continued)
Schedule "C" to Bylaw No. 4671 (continued)

5 Year Financial Plan					
	2011	2012	2013	2014	2015
CEMETERY					
Revenue					
User Fees	806,800	908,100	968,100	1,008,100	1,008,100
Interest Revenue	160,400	160,400	160,400	160,400	160,400
Transfer from Dev Fund	501,200	352,500	-	-	199,200
	<u>1,468,400</u>	<u>1,421,000</u>	<u>1,128,500</u>	<u>1,168,500</u>	<u>1,367,700</u>
Expenditure					
Operations	452,000	461,000	470,200	479,600	489,200
Sales and Use Costs	101,900	103,900	106,000	108,100	110,300
Admin Fee to General	178,500	182,100	185,700	189,400	193,200
Capital Improvements	736,000	674,000	200,000	75,000	575,000
Transfer to Dev Fund	-	-	166,600	316,400	-
	<u>1,468,400</u>	<u>1,421,000</u>	<u>1,128,500</u>	<u>1,168,500</u>	<u>1,367,700</u>
SOLID WASTE					
Revenue					
User Fees Revenue	<u>3,523,300</u>	<u>3,748,200</u>	<u>3,982,400</u>	<u>4,232,000</u>	<u>4,497,900</u>
Expenditure					
Garbage Coll & Disposal	2,321,200	2,290,200	2,384,400	2,553,500	2,705,300
Recycling Coll & Processing	1,589,100	1,635,000	1,674,200	1,707,700	1,742,000
Capital Program	-	-	-	-	-
Rate Stabilization	(387,000)	(177,000)	(76,200)	(29,200)	50,600
	<u>3,523,300</u>	<u>3,748,200</u>	<u>3,982,400</u>	<u>4,232,000</u>	<u>4,497,900</u>
GOLF					
Revenue					
Golf Fees	1,264,400	1,413,404	1,421,174	1,555,133	1,563,700
Clubhouse Rentals	50,000	50,000	80,820	96,000	96,000
Transfer From Dev Fund	-	-	-	-	-
	<u>1,314,400</u>	<u>1,463,404</u>	<u>1,501,994</u>	<u>1,651,133</u>	<u>1,659,700</u>
Expenditure					
Proshop & Management	256,000	261,120	266,342	271,669	277,103
Operations & Maintenance	728,900	743,478	758,348	773,515	788,985
Capital Program	97,000	109,800	131,022	186,000	162,000
Debt Service	55,000	127,107	124,360	121,504	118,533
Admin Fee to General	127,500	130,100	132,700	135,400	138,100
Transfer to Dev Fund	50,000	91,799	89,222	163,045	174,979
	<u>1,314,400</u>	<u>1,463,404</u>	<u>1,501,994</u>	<u>1,651,133</u>	<u>1,659,700</u>

DISTRICT OF WEST VANCOUVER
5 YEAR FINANCIAL PLAN
OTHER FUNDS (continued)
Schedule "C" to Bylaw No. 4671 (continued)

5 Year Financial Plan					
	2011	2012	2013	2014	2015
TRANSIT					
Revenue					
Transit Reimbursement	13,875,000	14,309,500	15,140,500	15,800,900	16,577,000
Expenditure					
Operations	8,111,000	8,300,700	8,800,700	9,250,100	9,700,600
Maintenance	4,878,000	5,022,500	5,323,900	5,500,600	5,775,600
Administration	886,000	986,300	1,015,900	1,050,200	1,100,800
	<u>13,875,000</u>	<u>14,309,500</u>	<u>15,140,500</u>	<u>15,800,900</u>	<u>16,577,000</u>

Schedule D – Revenue/Tax Distribution, Objectives & Policies

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REVENUE/TAX DISTRIBUTION OBJECTIVES & POLICIES 5 Year Financial Plan Bylaw No. 4671, 2011 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

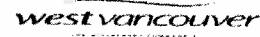
Trends in general revenues, and their proportions to total revenue are shown graphically, and revenue objectives and policies are described.

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.

As a result:

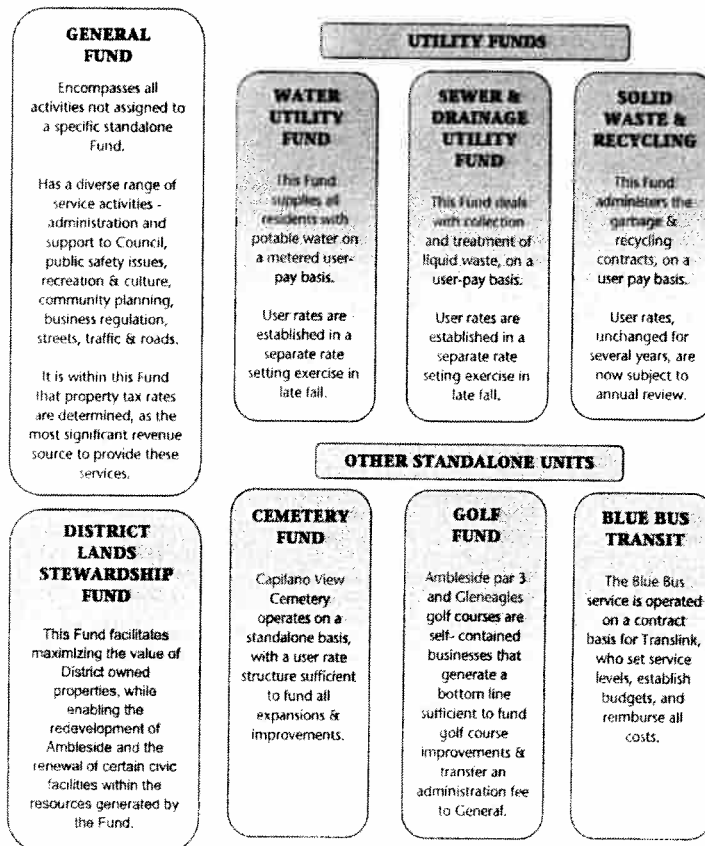
- user pay is a focus, and is maximized where appropriate
- erosion of the assessment base through permissive exemptions is minimized
- although property taxation is by far the largest proportion of ongoing revenues, annual rate increases are a "revenue of last resort" in order to balance budgets
- business 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.

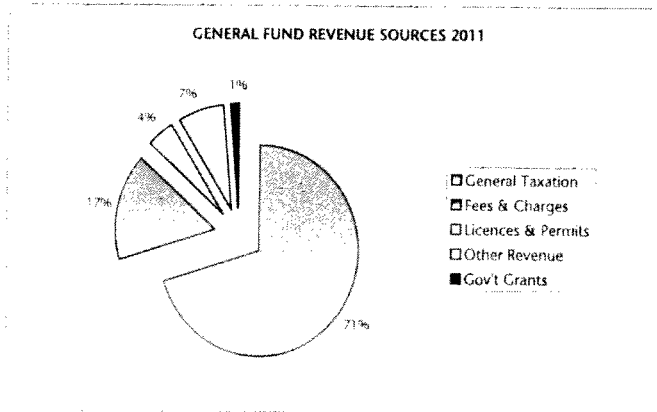
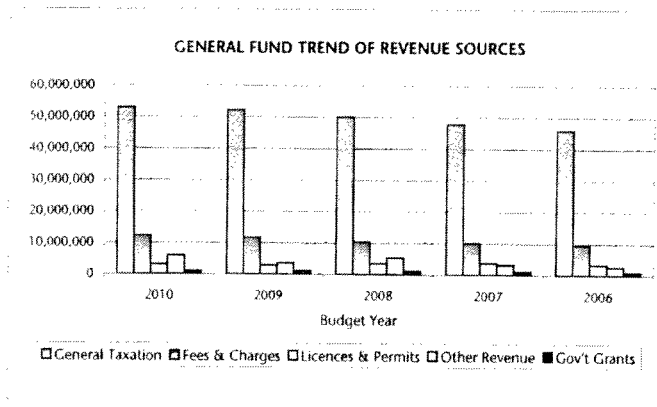
Following is a schematic representation of that framework:





REVENUES

The following charts graphically indicate a five year trend in our main categories of General Fund revenue sources, as well as the relative dollar importance of each source.





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.

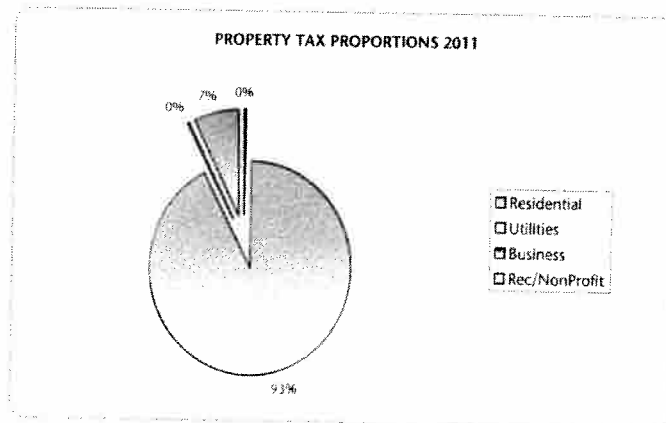
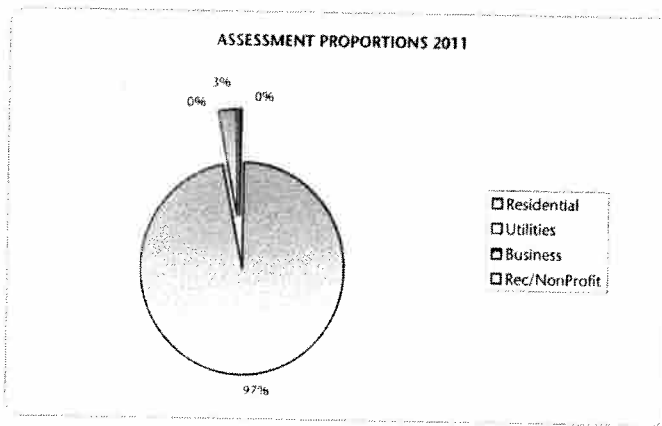
Property tax increases are a "revenue of last resort", after all other revenue sources have been maximized, in order to balance budgets.



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.

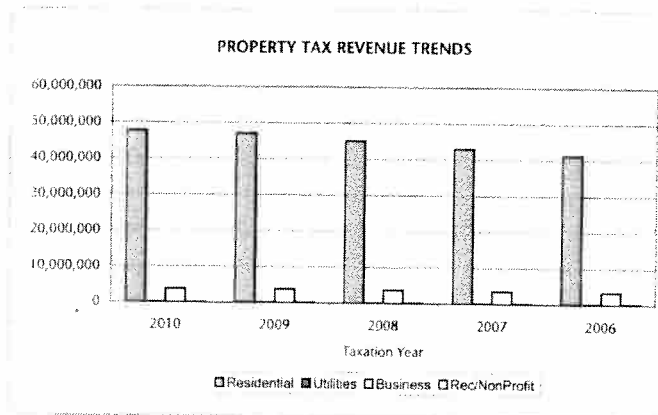




PROPERTY TAXATION POLICIES

(Continued)

Five year trend of property tax revenues - residential taxation being the most significant of the four categories at 93% of the 2010 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 \$260,640 of foregone taxation revenues for 2011.



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 2010 (attached) indicates a range of class multiples, from a high of 4.69 to a low of 2.09, with the average being 3.30 and the median at 3.32.

West Vancouver has the lowest Business Class Multiple at 2.09.

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

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

2010	Residential			Business			Tax Multiple
	Assessment	Tax Rate	Tax Dollars	Assessment	Tax Rate	Tax Dollars	
Burnaby	34,725,252,350 79%	2.58670	89,821,810 48%	7,798,676,429 18%	10.02960	78,217,605 42%	3.88
Coquitlam	19,022,077,735 87%	3.20770	61,017,119 58%	2,514,447,601 11%	15.03180	37,796,673 36%	4.69
Delta	15,016,808,449 80%	3.42100	51,372,502 54%	2,342,579,052 12%	10.40490	24,374,301 26%	3.04
Langley City	2,763,689,311 72%	3.88440	10,735,275 54%	922,470,100 24%	8.53380	7,872,175 40%	2.20
Langley District	16,298,988,806 32%	3.20230	52,194,252 61%	2,489,046,701 12%	9.12880	22,722,010 26%	2.85
Maple Ridge	10,434,222,626 92%	3.91240	40,822,853 77%	736,220,823 6%	11.74030	8,643,453 16%	3.00
New Westminster	8,537,446,502 87%	3.82410	32,648,049 62%	1,151,418,107 12%	14.27050	16,431,312 31%	3.73
North Vancouver City	9,038,504,325 83%	2.48982	22,504,249 52%	1,727,668,700 16%	9.79800	16,927,698 39%	3.94
North Vancouver District	19,826,002,117 92%	2.60146	51,576,551 71%	1,448,779,926 7%	8.63395	12,508,693 17%	3.32
Pitt Meadows	2,367,469,104 86%	3.59340	8,507,263 62%	336,094,600 12%	12.07500	4,058,342 30%	3.36
Port Coquitlam	7,275,769,304 83%	3.83430	27,897,482 57%	1,139,211,701 13%	13.70920	15,617,681 32%	3.58
Port Moody	5,556,949,522 91%	3.29200	18,293,478 67%	389,391,791 6%	9.83430	3,829,396 14%	2.99
Richmond	32,706,543,753 78%	2.41731	79,061,855 51%	7,441,015,368 18%	8.36391	62,235,983 40%	3.46
Surrey	58,127,351,544 87%	2.46040	143,016,536 68%	7,415,694,982 11%	7.37976	54,726,049 26%	3.00
Vancouver	134,512,778,863 83%	2.14861	289,015,502 51%	26,535,493,401 16%	9.78076	259,537,292 46%	4.55
West Vancouver	20,606,622,232 96%	2.31820	47,770,272 92%	777,786,300 4%	4.83530	3,760,830 7%	2.09
White Rock	4,153,368,906 95%	3.77760	15,697,322 88%	208,752,501 5%	9.30372	1,942,175 11%	2.46

**WEST VANCOUVER RANKING
GVRD MUNICIPALITIES**

West Vancouver	Residential			Business			Tax Multiple
	Assessment	Tax Rate	Tax Dollars	Assessment	Tax Rate	Tax Dollars	
West Vancouver	20,606,622,232 96%	2.31820	47,770,272 92%	777,786,300 4%	4.83530	3,760,830 7%	2.09

High	4.69
Median	3.32
Average	3.30
Low	2.09

CONSENT AGENDA ITEMS

CONSENT AGENDA ITEMS

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