

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8918

Financial Plan for the Years 2022 to 2026

The Council of The Corporation of the City of North Vancouver, in open meeting assembled, enacts as follows:

1. This Bylaw shall be known and cited for all purposes as “**Financial Plan for the Years 2022 to 2026 Bylaw, 2022, No. 8918**”.
2. Schedule “A” attached hereto is the Financial Plan of The Corporation of the City of North Vancouver for the period commencing January 1, 2022, and ending December 31, 2026.

READ a first time on the 4th day of April, 2022.

READ a second time on the 4th day of April, 2022.

READ a third time on the 4th day of April, 2022.

ADOPTED on the 11th day of April, 2022.

“Linda C. Buchanan”

MAYOR

“Karla D. Graham”

CORPORATE OFFICER

**SCHEDULE "A" TO BYLAW NO. 8918
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2022 – 2026**

(1) 2022 – 2026 Financial Plan (\$000's)

For the year ended December 31	2022	2023	2024	2025	2026
Revenue					
Property Value Tax	72,040	74,281	76,587	78,957	81,391
Levies (Storm and Eco)	3,940	4,137	4,344	4,532	4,698
Revenue from Fees and Services	42,504	45,190	47,926	50,894	53,952
Revenue from Other Sources	3,707	3,586	3,622	3,658	3,695
	122,191	127,194	132,479	138,041	143,736
Transfers					
Collections for Other Governments	57,308	58,454	59,623	60,815	62,031
Transfer from Reserves	105,967	52,633	59,292	164,151	40,873
Proceeds from Debt	109,000	0	0	0	46,799
External Contributions	19,014	5,351	6,143	2,074	7,987
Transfer from Capital Assets	17,400	17,748	18,103	18,465	18,834
	308,689	134,186	143,161	245,505	176,524
Total Revenues	430,880	261,380	275,640	383,546	320,260
Expenditures					
Operating Expenses					
General Government	23,580	24,169	24,773	25,392	26,027
Transportation and Transit	7,787	7,981	8,181	8,386	8,596
Health, Social Services, Housing	3,347	3,431	3,517	3,605	3,695
Development Services	7,103	7,281	7,463	7,650	7,841
Protective Services	30,072	30,824	31,595	32,385	33,195
Parks, Recreation and Culture	25,741	26,384	27,044	27,720	28,413
Water	11,262	16,987	17,225	18,200	18,944
Sewer	11,657	17,908	20,983	23,546	25,082
Solid Waste	3,850	3,914	4,023	4,135	4,250
	124,399	138,879	144,804	151,019	156,043
Capital Expenditures	217,998	33,585	41,294	32,022	24,922
Transfers					
Collections for Other Governments	57,308	58,454	59,623	60,815	62,031
Equity	17,243	16,612	17,027	17,453	17,889
Reserves	13,307	12,600	11,642	12,612	59,375
Debt Servicing	625	1,250	1,250	109,625	0
	88,483	88,916	89,542	200,505	139,295
Total Expenses	430,880	261,380	275,640	383,546	320,260

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(2) Revenue Proportions by Funding Source
(Excluding Transfers)

	(\$000's)									
	2022	%	2023	%	2024	%	2025	%	2026	%
Property Value Tax	72,040	59	74,281	58	76,587	58	78,957	57	81,391	57
Levies (Storm and Eco)	3,940	3	4,137	3	4,344	3	4,532	3	4,698	3
Revenue from Fees and Services	42,504	35	45,190	36	47,926	36	50,894	37	53,952	37
Revenue from Other Sources	3,707	3	3,586	3	3,622	3	3,658	3	3,695	3
Total Revenues	122,191	100	127,194	100	132,479	100	138,041	100	143,736	100

Background: Property Taxes are the City's major source of revenue. The City's reliance on property tax as a source of revenue has increased gradually over the past several years. This trend is partially due to the lack of access to other types of revenues. Where feasible, the City charges user fees for services, however this is not possible for many services. The 2022-2026 Financial Plan projects the percentage of revenue coming from property taxes to decrease gradually, due to the assumptions in place surrounding growth of revenue from Fees and Services, particularly within Utilities where rate increases need to account for significant future costs from Metro Vancouver.

Policy: The City will continue to look for ways to reduce the overall percentage of revenue that comes from property tax, by pursuing alternate revenue sources, and remains committed to charging user fees for services where feasible.

(3) Distribution of Property Taxes among the Property Classes

Property Class and Description		Tax Allocation %	
		2021	2022
1	Residential	56.27%	56.36%
2	Utilities	0.55%	0.49%
4	Major Industry - Capped	10.38%	10.69%
4	Major Industry - Non capped	0.60%	0.62%
5	Light Industry	0.93%	1.02%
6	Business	31.23%	30.77%
8	Recreation/Non-Profit	0.04%	0.05%

Background: In 2008 City Council adopted a Long Term Property Tax Strategy to shift taxes from the business and light industrial tax classes to the residential tax class. The goal of this strategy was to move the City's tax rates and tax rate multiples to a competitive position within the Metro Vancouver Region, while maintaining principles of fairness and equity. The City's tax rates and tax rate multiples are now competitive within the region.

Policy: The City will continue to distribute property taxes among the various property classes to keep tax rates and tax rate multiples competitive within the Metro Vancouver Region, while maintaining the principles of fairness and equity.

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(4) Use of Permissive Tax Exemptions

Background: Council currently allows permissive tax exemptions to organizations within the City, in accordance with eligibility criteria defined under the Community Charter. This criteria shows various types of institutions as eligible, including religious institutions, providers of social housing, and not for profit societies and service organizations.

Policy: The City has adopted a policy that includes a set of criteria for approving permissive tax exemptions. This criteria links taxation exemptions to desired community needs and outcomes. Applications are also assessed on whether or not uses are available to a significant portion of community residents, if there is ongoing involvement of community volunteers, if benefiting organizations have competent management, and if funding comes from multiple sources. Council also carefully considers the total amount of permissive tax exemptions granted each year when reviewing the annual Property Tax Exemption bylaw, giving consideration to the equity of shifting the exempted tax burden to other property owners in the City.

All existing permissive tax exemptions are reviewed each year and staff continue to work with all organizations who receive a Permissive Tax Exemption to ensure that their services align with the goals and objectives of the City.