

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8978

Financial Plan for the Years 2023 to 2027

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 2023 to 2027 Bylaw, 2023, No. 8962, Amendment Bylaw, 2023, No. 8978**” (Revised Financial Plan).
2. Schedule “A” attached hereto is the Financial Plan of The Corporation of the City of North Vancouver for the period commencing January 1, 2023, and ending December 31, 2027.

READ a first time on the 25th day of September, 2023.

READ a second time on the 25th day of September, 2023.

READ a third time on the 25th day of September, 2023.

ADOPTED on the 10th day of October, 2023.

“Linda C. Buchanan”

MAYOR

“Karla D. Graham”

CORPORATE OFFICER

**SCHEDULE "A" TO BYLAW NO. 8978
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2023 – 2027**

(1) 2023 – 2027 Financial Plan (000's)

For the year ended December 31	2023	2024	2025	2026	2027
Revenue					
Property Value Tax	75,715	78,124	80,605	83,153	85,772
Levies (Storm and Eco)	4,143	4,447	4,773	5,171	5,533
Revenue from Fees and Services	49,976	53,142	56,556	60,286	63,466
Revenue from Other Sources	14,915	3,804	3,842	3,880	3,919
	144,749	139,517	145,776	152,490	158,690
Transfers					
Collections for Other Governments	57,415	58,563	59,734	60,929	62,148
Transfer from Reserves	65,116	83,621	51,462	45,845	42,754
External Contributions	28,719	5,328	3,822	3,120	3,751
Transfer from Capital Assets	17,700	18,054	163,415	18,783	19,159
	168,950	165,566	278,433	128,677	127,813
Total Revenues	313,699	305,083	424,209	281,167	286,503
Expenditures					
Operating Expenses					
General Government	27,607	28,297	29,004	29,729	30,472
Transportation and Transit	8,344	8,552	8,766	8,985	9,210
Health, Social Services, Housing	4,000	4,100	4,203	4,308	4,416
Development Services	8,307	8,515	8,728	8,946	9,170
Protective Services	31,247	32,029	32,830	33,651	34,492
Parks, Recreation and Culture	26,489	27,151	27,830	28,526	29,239
Water	12,053	18,246	20,861	20,697	22,523
Sewer	12,514	18,871	22,788	24,862	26,655
Solid Waste	4,098	4,210	4,327	4,446	4,570
	134,658	149,971	159,337	164,150	170,747
Capital Expenditures	79,513	64,316	27,547	23,055	20,895
Transfers					
Collections for Other Governments	57,415	58,563	59,734	60,929	62,148
Equity	19,525	18,819	19,289	19,771	20,265
Reserves	22,588	9,414	45,302	13,262	12,448
Debt Servicing	0	4,000	113,000	0	0
	99,528	90,796	237,325	93,962	94,861
Total Expenditures	313,699	305,083	424,209	281,167	286,503

**SCHEDULE "A" TO BYLAW NO. 8978
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2023 – 2027**

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

	(\$000's)									
	2023	%	2024	%	2025	%	2026	%	2027	%
Property Value Tax	75,715	52	78,124	56	80,605	55	83,153	55	85,772	54
Levies (Storm and Eco)	4,143	3	4,447	3	4,773	3	5,171	3	5,533	4
Revenue from Fees and Services	49,976	35	53,142	38	56,556	39	60,286	39	63,466	40
Revenue from Other Sources	14,915	10	3,804	3	3,842	3	3,880	3	3,919	2
Total Revenues	144,749	100	139,517	100	145,776	100	152,490	100	158,690	100

Background: Property Taxes are CNV’s major source of revenue. CNV’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, CNV charges user fees for services, however this is not possible for many services. The 2023-2027 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 %	
		2022	2023
1	Residential	56.38%	56.79%
2	Utilities	0.49%	0.45%
3	Major Industry – Capped	10.70%	10.53%
4	Major Industry – Non capped	0.62%	0.61%
5	Light Industry	1.02%	0.94%
6	Business	30.74%	30.63%
8	Recreation/Non-Profit	0.05%	0.05%

Background: In 2008 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 CNV’s tax rates and tax rate multiples to a competitive position within the Metro Vancouver Region, while maintaining principles of fairness and equity. As CNV’s tax rates and tax rate multiples are now competitive within the region, Council endorsed an across the board tax rate increase for 2023.

Policy: CNV 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.

**SCHEDULE “A” TO BYLAW NO. 8978
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2023 – 2027**

(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: CNV 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 CNV's goals and objectives.