



The Corporation of **THE CITY OF NORTH VANCOUVER**
FINANCE DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Larry Sawrenko, Chief Financial Officer

Subject: 2025-2029 FINANCIAL PLAN BYLAW

Date: March 19, 2025 File No: 05-1700-03-0001/2025

The following is a suggested recommendation only. Refer to Council Minutes for adopted resolution.

RECOMMENDATION

PURSUANT to the report of the Chief Financial Officer, dated March 19, 2025, entitled “2025-2029 Financial Plan Bylaw”:

THAT “Financial Plan for the Years 2025 to 2029 Bylaw, 2025, No. 9107” be considered.

ATTACHMENTS

1. “Financial Plan for the Years 2025 to 2029 Bylaw, 2025, No. 9107” (CityDocs [2643525](#))

SUMMARY

The *Community Charter* requires Financial Plans to set out municipal objectives and policies in relation to the distribution of property taxes among the property classes that are subject to taxation. This report recommends adoption of a complete 2025-2029 Financial Plan Bylaw that incorporates Council's prior endorsements for further consideration.

BACKGROUND

The *Community Charter* requires the preparation and adoption of a Financial Plan covering five years prior to May 15 each year. The proposed 2025-2029 Financial Plan Bylaw (Attachment 1) includes several expenditures, all of which were endorsed by Council on March 3, 2025. The proposed bylaw also includes the expenditures for “Atmospheric River Repair and Restoration” that were supported by Council at its meeting

on March 10, 2025. All the above expenditures are summarized in Schedule 1, Part 1 of the draft Financial Plan Bylaw. Expenditures for 2025 total \$360.5 million and are presented below:

	2024	2025	Increase/ (Decrease)
Operating Budget	\$102.3	\$109.9	\$7.6
Capital Plan	141.4	86.6	(54.8)
Shipyards Budget	2.5	2.7	0.2
Water Budget	19.0	21.5	2.5
Sewerage and Drainage Budget	25.5	36.1	10.6
Solid Waste Budget	4.2	4.4	0.2
Cemetery Budget	0.6	0.6	-
Collection for Other Organizations	59.9	61.6	1.7
Other Items	38.4	37.1	(1.3)
Total	\$ 393.8M	\$ 360.5M	(\$33.3M)

Council endorsed a 2025 tax rate increase of 5.95% to fund the 2025-2029 Financial Plan and, on March 31, 2025, endorsed an across the board property tax increase for each property class.

DISCUSSION

The *Community Charter* requires Financial Plan Bylaws to include some additional disclosures, as described below:

1. Revenue Proportions by Funding Source

- Property Taxes are CNV's major source of revenue, accounting for 55% of total revenues, which is no change from 2024. The 2025-2029 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 Metro Vancouver costs. CNV will continue to look for ways to reduce the overall percentage of revenue that comes from property tax consistent with statements in the 2014 Official Community Plan but, for the purposes of this plan, no new material user fees are assumed.

2. Distribution of Property Taxes among the Property Classes

- It is the goal of CNV's Long Term Property Tax Strategy that CNV's business to residential tax rate ratio be at or below the median for the region. CNV's ratio has been near the regional median for the past few years and the Financial Plan assumes no material changes to the current tax distribution.

3. Use of Permissive Tax Exemptions ("PTE's")

- The *Community Charter* gives Council the authority to exempt certain lands and/or improvements in the City from municipal taxation. The *Community Charter* requires that a PTE policy statement be included in the Financial

Plan. The summary statement included in the draft Bylaw reflects the current PTE Policy approved by Council.

FINANCIAL IMPLICATIONS

Financial implications have been addressed in detail during the financial planning process and throughout this report.

INTER-DEPARTMENTAL IMPLICATIONS

The 2025-2029 Financial Plan Bylaw is a reflection of CNV's policies and the work plans of all CNV departments. In developing this Bylaw, Finance staff rely on their close working relationship with staff in other departments and CNV's shared-cost agencies.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

The preparation and approval of a Financial Plan Bylaw is consistent with the requirements of the *Community Charter*, CNV's 2014 Official Community Plan, CNV's PTE Policy, and Council's recent endorsements.

RESPECTFULLY SUBMITTED:



Larry Sawrenko
Chief Financial Officer

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 9107

Financial Plan for the Years 2025 to 2029

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 2025 to 2029 Bylaw, 2025, No. 9107”**.
2. Schedule “A” attached hereto is the Financial Plan of The Corporation of the City of North Vancouver for the period commencing January 1, 2025, and ending December 31, 2029.

READ a first time on the 7th day of April, 2025.

READ a second time on the 7th day of April, 2025.

READ a third time on the 7th day of April, 2025.

ADOPTED on the 14th day of April, 2025.

“Linda C. Buchanan”

MAYOR

“Amelia Cifarelli”

CORPORATE OFFICER

**SCHEDULE "A" TO BYLAW NO. 9107
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2025 – 2029**

(1) 2025 – 2029 Financial Plan (\$000's)

2025 - 2029 Financial Plan (\$000's)

For the year ended December 31	2025	2026	2027	2028	2029
Revenue					
Property Value Tax	87,492	90,112	92,934	95,835	98,818
Levies (Storm and Eco)	6,192	6,987	7,904	8,874	9,899
Revenue from Fees and Services	60,520	67,134	75,291	82,461	88,335
Revenue from Other Sources	4,623	4,674	4,725	4,776	4,829
	158,827	168,907	180,854	191,946	201,881
Transfers					
Collections for Other Governments	61,640	62,873	64,130	65,413	66,721
Transfer from Reserves	96,269	62,577	51,132	59,821	41,936
External Contributions	25,643	3,191	4,712	4,444	4,328
Transfer from Capital Assets	18,160	18,523	163,893	19,271	19,656
	201,712	147,165	283,867	148,948	132,640
Total Revenues	360,539	316,072	464,721	340,894	334,521
Expenditures					
Operating Expenses					
General Government	30,836	32,169	33,547	34,972	36,446
Transportation and Transit	9,312	9,498	9,688	9,882	10,080
Health, Social Services, Housing	3,751	3,826	3,903	3,981	4,061
Development Services	10,134	10,337	10,544	10,755	10,970
Protective Services	37,518	38,268	39,033	39,814	40,610
Parks, Recreation and Culture	29,885	30,483	31,093	31,715	32,349
Water	14,335	15,275	15,865	16,448	16,841
Sewer	21,696	26,166	29,766	33,460	37,108
Solid Waste	4,476	4,610	4,748	4,890	5,036
	161,943	170,632	178,187	185,917	193,501
Capital Expenditures	99,362	44,823	40,712	52,610	36,421
Transfers					
Collections for Other Governments	61,640	62,873	64,130	65,413	66,721
Equity	20,349	19,364	19,751	20,146	20,549
Reserves	12,704	15,633	51,816	15,071	14,207
Debt Servicing	4,541	2,746	110,124	1,738	3,122
	99,234	100,616	245,821	102,367	104,600
Total Expenditures	360,539	316,072	464,721	340,894	334,521

**SCHEDULE “A” TO BYLAW NO. 9107
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2025 – 2029**

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

	(\$000's)									
	2025	%	2026	%	2027	%	2028	%	2029	%
Property Value Tax	87,492	55	90,112	53	92,934	51	95,835	50	98,817	49
Levies (Storm and Eco)	6,192	4	6,987	4	7,904	4	8,874	5	9,899	5
Revenue from Fees and Services	60,520	38	67,134	40	75,291	42	82,461	43	88,335	44
Revenue from Other Sources	4,623	3	4,674	3	4,725	3	4,776	2	4,829	2
Total Revenues	158,827	100	168,907	100	180,854	100	191,946	100	201,880	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 2025 – 2029 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: CNV 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

Percentage of Taxes Collected by Property Class		2024 %	2025* %
1	Residential	57.37%	57.78%
2	Utilities	0.43%	0.41%
4	Major Industry	11.09%	10.95%
5	Light Industry	0.95%	0.89%
6	Business And Other	30.12%	29.92%
8	Recreation/Non-Profit	0.04%	0.05%

*2025 estimate based on Completed Roll data

Background: Council adopted a Long Term Property Tax Strategy to shift taxes from the Business and Other and Light Industry tax classes to the Residential tax class. The goal of this strategy was to move CNV’s tax rates and tax rate ratios to a competitive position within the Metro Vancouver Region, while maintaining principles of fairness and equity. As CNV’s tax rates and tax rate ratios are now competitive within the region, Council endorsed an across the board tax rate increase for 2025.

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

**SCHEDULE “A” TO BYLAW NO. 9107
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2025 – 2029**

(4) Use of Permissive Tax Exemptions

Background: Council currently allows Permissive Tax Exemptions to organizations within the City, in accordance with authority provided under the Community Charter. The Community Charter 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 Council’s Strategic plan.