



The Corporation of **THE CITY OF NORTH VANCOUVER**
FINANCE & ECONOMIC DEVELOPMENT DEPARTMENT

REPORT

To: Mayor Linda Buchanan and Members of Council

From: Larry Sawrenko, Chief Financial Officer

Subject: 2026-2030 REVISED FINANCIAL PLAN

Date: March 25, 2026 File No: 05-1715-20-0020/2026

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 25, 2026, entitled “2026-2030 Revised Financial Plan”:

THAT the amendments to the 2026-2030 Financial Plan to transfer additional Property Value Tax revenue of \$905,000, due to favorable BC Assessment non-market change, to a non-statutory reserve be endorsed;

AND THAT “Financial Plan for the Years 2026 to 2030 Bylaw, 2026, No. 9149, Amendment Bylaw, 2026, No. 9161” (Revised Financial Plan) be considered for readings.

ATTACHMENTS

1. “Financial Plan for the Years 2026 to 2030 Bylaw, 2026, No. 9149, Amendment Bylaw, 2026, No. 9161” (CityDocs [2790998](#))

SUMMARY

In December 2025, Council endorsed a 2026 baseline tax rate increase of 0.92% for operating programs and 2% for capital to fund the 2026-2030 Financial Plan. This report proposes amendments to the 2026-2030 Financial Plan in order to allocate additional revenue from updated increase assessed property values relating to unexpected non-market growth to a non-statutory reserve. The reserve would be set aside and used to offset future tax increases in years where non-market growth is weak.

BACKGROUND

The *Community Charter* requires CNV to prepare and adopt a 5-year Financial Plan. Expenditures for items not included in the plan are unlawful, but amendments to the Financial Plan are allowed, by bylaw, at any time.

On February 2, 2026, Council endorsed a 2026 baseline tax rate increase of 0.92% for operating programs and 2% for capital to fund the 2026-2030 Financial Plan. That baseline tax rate increase, in combination with property tax revenue from anticipated growth in assessed values from new construction, renovations, subdivisions etc. (ie non-market growth) created an overall annual increase in property value tax from \$87.5M (2025) to \$90.5M (2026), a change of \$2.97M, as needed to fund the 2026-2030 Financial Plan.

DISCUSSION

In the preparation of any future oriented financial plan, use of estimates and projections are required. The 2026-2030 Financial Plan adopted by Council on February 2, 2026 was created prior to the Assessment Roll being finalized by BC Assessment. One of the Assessment Roll estimates made to prepare the 2026-2030 Financial Plan relates to non-market growth, where a 5-year average was used.

BC Assessment provided CNV with a Revised Assessment Roll on April 1, 2026. The non-market growth in CNV's Revised Assessment Roll for 2026 was considerably higher than the 5-year average, which was not anticipated during the preparation of CNV's 2026-2030 Financial Plan given the current state of the real estate development market in Metro Vancouver.

Staff have now recalculated the Property Value Tax for the 2026 year of the 2026-2030 Financial Plan in order to incorporate information from the Revised Roll, holding all else constant. It is proposed that additional Property Value Tax revenue from the higher than anticipated non-market growth be allocated to a non-statutory reserve. Funds in this reserve would be set aside to provide a source of funds to moderate or smooth in any property tax increases needed in future years, safeguarding from future low non-market growth still anticipated given the current state of development activity seen in the city and the region.

See **Attachment #1** for the full detailed revised 2026-2030 Financial Plan. Changes are summarized in the table below:

2026 Financial Plan (\$000's)	2026 February 2	2026 March 25	Increase/ (Decrease)
Revenue			
Property Value Tax	90,466	91,371	905
Levies (Storm and ECO)	6,649	6,649	-
Revenue from Fees and Services	68,959	68,959	-
Revenue from Other Revenue	4,732	4,732	-
Transfers	173,991	173,991	-
Total Revenue	344,797	345,702	905
Expenditures			
Operating Expenditures	177,245	177,245	-
Capital Expenditures	67,901	67,901	-
Transfers to Reserves	19,779	20,684	905
Other Transfers	79,872	79,872	-
Total Expenditures	344,797	345,702	905

Staff are expecting the tax rates from Other Taxing Authorities (ie Translink, School Tax, etc.) in April. CNV's Tax Rates Bylaw will then be presented to Council for consideration in advance of the Province's May 15th deadline. Property Tax Bills are anticipated to be issued before the end of May 2026.

FINANCIAL IMPLICATIONS

The bylaw recommended for adoption in this report (**Attachment #1**) incorporates the adjustments discussed in this report.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

The Revised 2026-2030 Financial Plan has been prepared to support the delivery of Council's 2022-2026 Strategic Plan.

RESPECTFULLY SUBMITTED:



Larry Sawrenko
 Chief Financial Officer

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 9161

Financial Plan for the Years 2026 to 2030

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 2026 to 2030 Bylaw, 2026, No. 9149, Amendment Bylaw, 2026, No. 9161” (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, 2026, and ending December 31, 2030.

READ a first time on the 13th day of April, 2026.

READ a second time on the 13th day of April, 2026.

READ a third time on the 13th day of April, 2026.

ADOPTED on the 20th day of April, 2026.

“Linda C. Buchanan”

MAYOR

“Amelia Cifarelli”

CORPORATE OFFICER

**SCHEDULE "A" TO BYLAW NO. 9161
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2026 – 2030**

(1) 2026 – 2030 Financial Plan (\$000's)

2026-2030 Financial Plan (\$000's)

For years ended December 31	2026	2027	2028	2029	2030
Revenue					
Property Value Tax	91,371	93,330	95,914	98,574	101,305
Levies (Storm and Eco)	6,649	7,219	7,837	8,510	9,240
Revenue from Fees and Services	68,959	74,224	80,676	85,741	90,290
Revenue from Other Sources	4,732	4,829	4,929	5,030	5,133
	<u>171,711</u>	<u>179,602</u>	<u>189,356</u>	<u>197,855</u>	<u>205,968</u>
Transfers					
Collections for Other Governments	66,205	67,529	68,880	70,258	71,663
Transfer from Accumulated Surplus	3,543	0	0	0	0
Transfer from Reserves	67,920	48,804	51,778	47,103	42,394
External Contributions	17,773	1,897	3,513	3,229	2,691
Transfer from Capital Assets	18,550	163,921	19,299	19,685	20,079
	<u>173,991</u>	<u>282,151</u>	<u>143,470</u>	<u>140,275</u>	<u>136,827</u>
Total Revenues	345,702	461,753	332,826	338,130	342,795
Expenditures					
Operating Expenses					
General Government	31,519	30,707	30,508	31,408	32,063
Transportation and Transit	10,195	10,440	10,545	10,411	10,652
Health, Social Services, Housing	3,972	3,689	3,871	3,855	4,041
Development Services	11,324	12,522	11,738	11,719	11,898
Protective Services	39,900	40,882	41,889	42,937	44,012
Parks, Recreation and Culture	34,393	32,661	33,393	33,971	34,438
Water	15,227	15,848	16,410	16,901	17,642
Sewer	26,047	29,032	32,535	35,754	36,710
Solid Waste	4,669	4,732	4,795	4,861	4,926
	<u>177,245</u>	<u>180,513</u>	<u>185,684</u>	<u>191,817</u>	<u>196,382</u>
Capital Expenditures	67,901	38,061	47,229	44,376	41,364
Transfers					
Collections for Other Governments	66,205	67,529	68,880	70,258	71,663
Equity	11,045	14,880	15,178	15,482	15,792
Reserves	20,684	50,744	14,275	13,679	15,076
Debt Servicing	2,622	110,026	1,580	2,518	2,518
	<u>100,556</u>	<u>243,179</u>	<u>99,913</u>	<u>101,937</u>	<u>105,049</u>
Total Expenditures	345,702	461,753	332,826	338,130	342,795

**SCHEDULE “A” TO BYLAW NO. 9161
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2026 – 2030**

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

	2026	%	2027	%	2028	%	2029	%	2030	%
Property Value Tax	91,371	53	93,330	52	95,914	51	98,574	50	101,305	49
Levies (Storm and Eco)	6,649	4	7,219	4	7,837	4	8,510	4	9,240	5
Revenue from Fees and Services	68,959	40	74,224	41	80,676	42	85,741	43	90,290	44
Revenue from Other Sources	4,732	3	4,829	3	4,929	3	5,030	3	5,133	2
Total Revenues	171,711	100	179,602	100	189,356	100	197,855	100	205,968	100

Background: Property Taxes are CNV’s primary source of revenue. CNV’s reliance on property tax as a source of revenue has been decreasing gradually over recent years. Where feasible, CNV charges user fees for services, however this is not possible for many services. The 2026 – 2030 Financial Plan forecasts 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

Background: Council adopted a Long-Term Property Tax Strategy in 2008, with the goal 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.

Policy: The policy objectives of CNV’s Long-Term Property Tax Strategy are to equalize the Light Industry tax rate with the Business tax rate and maintain the Business to Residential property tax ratio below the median multiple in the Metro Vancouver region.

CNV uses the four-step conventional method to calculate tax rates annually:

- 1) CNV calculates the base tax rate for each class. The base tax rate is the tax rate required to collect the same tax dollars from the same pool of properties as the prior year, accounting for changes in assessed values.
- 2) CNV then applies the base tax rate to the growth component of the roll to determine the taxes available from the assessed values new to the roll.
- 3) Council’s endorsed tax rate increase is then used to recalculate the tax rates by property class.
- 4) Council then considers tax shifting to achieve the objectives of the Long-Term Property Tax Strategy, while promoting neutrality and consistency/predictability for tax payors, as well as considering the overall competitiveness of CNV’s tax and utility charges in the region.

**SCHEDULE “A” TO BYLAW NO. 9161
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2026 – 2030**

(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 (Policy Number P27) 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 use is 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.