

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 and Director of Finance
Subject: 2021-2030 REVISED FINANCIAL PLAN
Date: October 6, 2021 File No: 05-1715-20-0020/2021

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

RECOMMENDATION

PURSUANT to the report of the Chief Financial Officer and Director of Finance, dated October 6, 2021, entitled "2021 - 2030 Revised Financial Plan":

THAT the amendments to the 2021-2030 Capital Plan for "Harry Jerome Community Recreation Centre" (Project #45232), "Silver Harbour" (Project #45293) and "Lawn Bowling" (Project #45292) be endorsed;

AND THAT "Financial Plan for the Years 2021 to 2030 Bylaw, 2021, No. 8822, Amendment Bylaw, 2021, No. 8881" (Revised Financial Plan) be considered.

ATTACHMENTS

1. 2021-2030 Capital Plan Revised Project Sheets (CityDocs# [2099933](#))
2. Lawn Bowling Clubhouse Funding Request (CityDocs# [2102958](#))
3. "Financial Plan for the Years 2021 to 2030 Bylaw, 2021, No. 8822, Amendment Bylaw, 2021, No. 8881" (CityDocs# [2100341](#))

SUMMARY

This report provides high level commentary on activities that have transpired within the program budget since the preparation of the 2021 - 2030 Financial Plan and proposes funding reallocations.

BACKGROUND

The Community Charter requires the preparation and adoption of a Financial Plan covering at least five years relative to the operating funds of the municipality. On April 12, 2021, Council considered and adopted the City's 2021 - 2030 Financial Plan, which combines ten years of operational program funding and project funding. Expenditures for items not included in the plan are unlawful, but amendments to the Financial Plan are allowed, by bylaw, at any time.

DISCUSSION

The report provides a review of program operations and a summary of the changes in revenues and expenditures that staff have identified, and which staff are recommending be re-allocated in the proposed Revised Financial Plan.

1. Review of Program Operations

A review of operations and the production of a Revised Financial Plan (commonly called the "Revised Budget") has been a standard procedure for the City for many years. As a management tool, the Revised Financial Plan allows the City to make maximum use of available funds. By budgeting conservatively, particularly for Year One of the Financial Plan, the City ensures that funds will be allocated efficiently to meet normal operational requirements. If revenues are greater (or expenses are less) than conservative expectations, or if unexpected or unpredicted new revenues become available, the Revised Financial Plan has then been used to re-allocate these funds, so that this extra funding is put to use rather than simply building up a financial surplus. This practice forms a key part of the City's financial strategy of funding programs and projects on a priority basis only when funds are available to do so.

All Financial Plans are based on estimates or predictions of revenues and expenditures, including budgeted departmental savings due to vacancies and other planned efficiencies. New information is constantly emerging and it is common for unforeseen or unpredicted events to manifest themselves. Staff have reviewed the City's program revenues and expenditures and are recommending a few reallocations within the operating budget. The review included an analysis of the major non-tax revenue sources such as parking revenue, investment income, permits and fees, business licenses and by-law enforcement.

2. 2021 Revised Financial Plan – Operating Items

2021 Revised Budget items

¹ Temporary Staffing – Finance	\$210,000
² Temporary Staffing – Engineering Development	173,900
³ Tree Bylaw Implementation	100,000
⁴ Transfer to Reserve for Future Expenditures - NVRC	51,000
	<hr/>
	\$534,900

Funding Sources

⁵ 2020 Surpluses Returned to the City	329,600
⁶ 2021 Staff Savings	205,300
	<hr/>
	\$534,900

¹Temporary Staffing – Finance - \$210,000

Funding for a 2 year Temporary Full Time Budget Analyst I is being requested to support the advancement of recommendations of the recently completed organizational financial management assessment and enhance the Finance department's capacity for financial analysis.

²Temporary Staffing – Engineering Development - \$173,900

Development Services has two expiring temporary positions, a Technical Assistant and a Development Technician 2. These positions support planning, subdivision, and building applications as well as oversee the street use and asset delivery related to developments.

Temporary funding for these positions has been in place for a number of years and has been funded by extraordinary permit revenue. The positions were created to alleviate pressure on regular full-time staff resources as the City experienced increased development activity. The funding allocated to the positions will be depleted by December 31, 2021, and the \$173,900 will extend this date to December 31, 2022.

Since the positions were created, development applications have been increasing in complexity, and there has been a demonstrated ongoing need for the positions. Therefore, it is anticipated that both of these positions will be requested as New Items in the 2021 Financial Plan.

³Tree Bylaw - \$100,000

A tree protection bylaw and program would establish clear regulations regarding cutting, removal and other modifications to trees on private property in the City in line with best practices in urban forest and tree canopy management. Staff are currently preparing a bylaw and program for Council consideration before the end of 2021. Development of this bylaw and program is a first step towards realizing a more comprehensive city-wide urban forest management strategy. Funding is being requested to ensure sufficient resources are available to support initial program administration, enforcement and outreach upon Council adoption.

⁴Transfer to Reserve for Future Expenditures- NVRC - \$51,000

Staff are recommending that \$51,000 be transferred to an operating reserve to be used for future unforeseen expenditures relating to impacts of the new Harry Jerome Recreation Centre on the North Vancouver Recreation & Culture Commission (NVRC).

⁵2020 Surpluses Returned to City - \$329,600

Earlier this year, the NVRC and Library have returned funding to the City.

North Vancouver Recreation & Culture Commission	\$284,700
North Vancouver City Library	44,900
Total	<u>\$329,600</u>

The surplus related to the NVRC was mainly due to greater than budgeted revenues due to newly added programs as a result of increased demand. Various other revenues, such as investment income and insurance proceeds, also had favourable variances in the year. The Library Surplus primarily occurred due to staff vacancies. Staff are recommending that the returned surpluses be used to fund the Revised Financial Plan.

⁶2021 Staff Savings - \$205,300

In efforts to be conservative, the City has gradually been moving towards budgeting for positions at the highest step of the applicable pay band. As natural turnover occurs and positions are replaced with new staff at lower steps, positive variances are expected to occur. An amount is budgeted within each department for these anticipated step savings and these savings are those over and above the citywide target.

3. 2021 Revised Financial Plan – Capital Items

2021 Revised Budget items

⁵ Harry Jerome CRC - New (Project #45232)	\$7,650,400
⁶ Silver Harbour (Project #45293)	380,000
⁷ Lawn Bowling (Project #45292)	280,000
⁸ Harry Jerome CRC - Replenishment (Project #45232)	763,000
	<u>\$9,073,400</u>

Funding Sources

⁹ Civic Amenity - Harry Jerome Fund	\$9,073,400
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⁵Harry Jerome Community Recreation Centre - New - \$7,650,400 and ⁶Silver Harbour - \$380,000

Funding is being requested to enable advancement of the Site Preparation and Excavation tendering process to shorten the project schedule, as well as reduce escalation and general conditions cost. The contract relating to this tender will not, however, be awarded until full project funding is in place.

Council approval will be sought in mid-February 2022 to advance full tendering and construction funding based on a Class A cost estimate.

For further information, please refer to the report of the Acting Director, Strategic & Corporate Services, dated October 6, 2021, entitled "Harry Jerome Community Recreation Centre – Project Updates & Next Steps".

⁷Lawn Bowling – \$280,000

The North Vancouver Lawn Bowling clubhouse has been redesigned at reduced scope from the original design in 2018. A Class A estimate has been obtained and identifies a shortfall in available funding for this project. Further scope reductions of the Clubhouse are not recommended as the basic functional program will not be delivered.

For further information, please refer to **Attachment 2**.

⁸Harry Jerome Community Recreation Centre – Replenishment - \$763,000

The following resolution was carried by Council at the July 19, 2021, regular Council meeting:

THAT the transfer of \$420,000 from "Harry Jerome Community Recreation Centre" (Project #45232) to Mickey McDougall (Project #45338) be approved and the funding returned to the "Harry Jerome Community Recreation Centre" project as part of the 2021 Revised Financial Plan process;

THAT should any of the above amounts remain unexpended as at December 31, 2024, the unexpended balance shall be returned to the credit of the Civic Amenity – Harry Jerome Fund.

The following resolution was approved at the Regular Council meeting held on April 12, 2021:

THAT (Funding Appropriation #2117) an amount of \$343,000 be appropriated from the Harry Jerome Community Recreation Centre project budget for the purpose of funding the Lawn Bowling - Clubhouse project;

AND THAT should any of the above amounts remain unexpended as at December 31, 2024, the unexpended balance shall be returned to the credit of said Fund.

The inclusion of these items in the Revised Financial Plan will replace the appropriated funds and make whole the Harry Jerome Community Recreation Centre provision included in the 2021 – 2030 Capital Plan.

⁹Civic Amenity – Harry Jerome Fund - \$9,073,400

The Civic Amenity – Harry Jerome Fund is specifically dedicated to fund the Harry Jerome Recreation Centre and Lands capital projects. In 2013, Council approved a 1% tax rate increase to be set aside for the Harry Jerome Recreation Centre project. This increase provided \$400,000 in annual funding for this purpose. Council approved similar

increases in following years bringing the annual amount set aside for the Harry Jerome Recreation Project to \$2.6 million. Other funding dedicated to the renewal of the Harry Jerome Recreation Centre include the density transfer from 1441 St. Georges Avenue, the community benefit contribution from 150 E 8th Street as well as lease revenues from the Harry Jerome Neighbourhood Lands. Current dedicated available funding is \$65.1M.

FINANCIAL IMPLICATIONS

The bylaw recommended for adoption in this report incorporates the adjustments discussed in this report.

INTER-DEPARTMENTAL IMPLICATIONS

This report has been reviewed by the City's Leadership Team.

STRATEGIC PLAN, OCP OR POLICY IMPLICATIONS

The 10-year Financial Plan is an integral piece of the planning framework included in the Council Strategic Plan.

RESPECTFULLY SUBMITTED:



Larry Sawrenko
Director of Finance




Harry Jerome Community Recreation Centre Strategic & Corporate Services		2021 - 2030 Project Plan										
Project Name:	Dianna Foldi	Project Type:										
Department:		Dedicated Funds										
Project Manager:		Date: 22-Jul-21										
Description:	A new community recreation centre to replace the existing HJRC. A revision to the Project Plan 2021-2030 is required in order to undertake demolition and excavation scope of work and award of Public Art contract for the new Harry Jerome Community Recreation Centre (HJRC) in advance of the major building tender. Funding allocation is based on the Class B estimate dated March 2021.											
Purpose:	The work is required in order to avoid unnecessary construction escalation costs and to assist in overall construction sequencing.											
Alignment With Official Community Plan:	Replacement/renewal of the facilities at Harry Jerome addresses the OCP's Leisure and Culture Goal 10.5.5: To operate, maintain, increase, improve and encourage the provision of cultural and recreational facilities" and Infrastructure Management Goal 11.7.4 "To maintain structures to optimize the useful life of our infrastructure and replace it when necessary to maintain reliable service"											
Strategic Plan : Use percentages to allocate the project across the 5 strategic priorities	A City for People	A Livable City	A Vibrant City	A Connected City	A Prosperous City	Total						
	30%	30%	30%	5%	5%	100%						
Service Levels: Impact on the service levels to the public as a result of the project	Notes: 'A new HJRC will allow the community to participate in wellness and recreation programs for many years, leading to improved wellness, level of service standard is achieved.											
COVID-19 Adaptation: How significantly this project assists residents, local businesses and/or vulnerable populations under COVID-19	Notes: Services provided by Harry Jerome Community Recreation Centre supports community members.											
Risk Assessment: Impact of the project not proceeding to public health and/or occupational health and safety	Notes: HJRC existing facility has reached end of life. Increased operational and maintenance costs for existing facilities, with distinct possibility of decline in service / closure of facility within 5 years.											
External Funding: If applicable, specify funding agency/program	Specify Funding Agency/Program: N/A											
GHG Implications: Discuss GHG considerations for all projects. Provide figures for Fleet, Facilities and any project with readily available information.	Short term GHG emissions associated with construction of a new facility. Once complete, the new facility is anticipated to have a 50-60% reduction in GHG's over the existing facility. Director Approval: (to be entered after Draft Project Plan goes to DT)											
Funding Requirements	2011-2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	TOTAL
City Funding (Fund Appropriation)	\$ 12,250,000	\$ 14,077,045	\$ 148,910,150	\$ 10,027,880	\$ 1,502,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,517,097
External Funding/Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Expenditures	\$ 12,250,000	\$ 14,077,045	\$ 148,910,150	\$ 10,027,880	\$ 1,502,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,517,097
Overhead Staffing (Engineering/Facilities) Specify as a percentage of funds appropriated		0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
Impact on Operations/Maintenance (Incremental to 2020 Base Year Operating Budget)												
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenses net of recoveries (Include staffing)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total												
Staffing (FTE)												
Regular	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	-
Temporary	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	2,5000	-
Total Staffing												

* Prior to creating new on-going programs, please contact the Manager, Financial Planning. For on-going programs and maintenance & replacement projects, please attach a list of the projects and funding (appropriation) requirements.

Project Name: Silver Harbour Seniors Activity Centre Department: Strategic & Corporate Services		2021 - 2030 Project Plan																					
Project Manager: Dianna Foldi		Date: 14-Jul-20		Project Type: Dedicated Funds																			
Description: Relocation of the Silver Harbour Seniors Activity Centre to a new location on the HJCR site. The Silver Harbour facility will be a stand-alone facility on the HJCR site north of 23rd Street. Revisions to the 2021 Project Plan are required to fund a portion of costs related to the demolition and excavation scope of work and award of Public Art contract for the new Harry Jerome Community Recreation Centre (HJCR) in advance of the major building tender. Funding allocation is based on the Class B estimate dated March 2021.		The work is required in order to avoid unnecessary construction escalation costs and to assist in overall construction sequencing.																					
Purpose: Enabling the redevelopment of the HJ Precinct and relocation of Silver Harbour supports the goals and objectives of the Land Use and Community Well-being chapters within the OCP.																							
Alignment With Official Community Plan:																							
Strategic Plan : Use percentages to allocate the project across the 5 strategic priorities		A City for People		A Livable City		A Vibrant City		A Connected City		A Prosperous City		Total											
		35%		30%		35%						100%											
Service Levels: Impact on the service levels to the public as a result of the project		Notes:																					
COVID-19 Adaptation: How significantly this project assists residents, local businesses and/or vulnerable populations under COVID-19		Notes:																					
Risk Assessment: Impact of the project not proceeding to public health and/or occupational health and safety		Notes: Silver Harbour will remain in existing aged facility. Area available for redevelopment within the HJ Precinct will be reduced along with revenue. Plans will have to be adjusted accordingly.																					
External Funding: If applicable, specify funding agency/program		Specify Funding Agency/Program:																					
GHG Implications: Discuss GHG considerations for all projects. Provide figures for Fleet, Facilities and any project with readily available information.		Notes: Minimal GHG implications with new construction. New facility designed with reduced GHG emissions over existing aging facility (to be entered after Draft Project Plan goes to DT)																					
		2021 Budget		2022 Budget		2023 Budget		2024 Budget		2025 Budget		2026 Budget		2027 Budget		2028 Budget		2029 Budget		2030 Budget		TOTAL	
Funding Requirements		\$ 3,000,000		\$ 18,718,891		\$ 1,374,053		\$ 170,883		\$ 82,532		\$ -		\$ -		\$ -		\$ -		\$ -		\$ 20,726,359	
City Funding (Fund Appropriation)		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
External Funding/Contributions		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total Project Expenditures		\$ 3,000,000		\$ 18,718,891		\$ 1,374,053		\$ 170,883		\$ 82,532		\$ -		\$ -		\$ -		\$ -		\$ -		\$ 20,726,359	
Overhead Staffing (Engineering/Facilities)		0%		0%		0%		1%		0%		0%		0%		0%		0%		0%		0%	
Specify as a percentage of funds appropriated																							
Impact on Operations/Maintenance (Incremental to 2020 Base Year Operating Budget)		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Revenues		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Expenses net of recoveries (Include staffing)		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Staffing (FTE)		-		-		-		-		-		-		-		-		-		-		-	
Regular		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		-	
Temporary		-		-		-		-		-		-		-		-		-		-		-	
Total Staffing		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		1,2500		-	

* Prior to creating new on-going programs, please contact the Manager, Financial Planning. For on-going programs and maintenance & replacement projects, please attach a list of the projects and funding (appropriation) requirements.



 Department Manager	 Director	 CAO
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The Corporation of **THE CITY OF NORTH VANCOUVER**
STRATEGIC & CORPORATE SERVICES DEPARTMENT

INFORMATION REPORT

To: Mayor Linda Buchanan and Members of Council

From: Dianna Foldi, Senior Project Manager, Strategic Initiatives

Subject: LAWN BOWLING CLUBHOUSE FUNDING REQUEST

Date: October 12, 2021 File No: 02-0800-30-0026/1

SUMMARY

The purpose of this report is to provide additional information for the request for additional funds in the amount of \$280,000 as part of the 2021-2030 Revised Financial Plan in order to complete the final portion of the North Vancouver Lawn Bowling project – the NVLB Clubhouse.

BACKGROUND

The funding for the NVLB Greens, Site Works and Clubhouse was originally appropriated in July 2018 based on an approved design and Class D estimate (+/- 20%). Detailed design of the Greens, Site Works and Clubhouse proceeded in close collaboration with members of the North Vancouver Lawn Bowling (NVLB) Club and with input by external cost consultants. The original budget of \$6.5 M was approved at that time, and cost estimates received prior to construction start in 2019 indicated the funding would not address the full scope of the project. A phased approach was undertaken with priority to construct the Greens and Site works first, while undergoing redesign of the Clubhouse component to reduce costs. The Greens and Site Works was completed in Summer 2021, and the budget for this phase was \$4.6 M. Additional funding (\$343,000 from Harry Jerome project funding and \$146,436.00 from the Phase 1 Safe Restart Grant) to address the Greens and Site Works component of the project was approved by Council on April 12, 2021. This provided \$2,243,000 remaining for the Clubhouse component.

DISCUSSION:

The current reduced scope design has been developed in consultation with NVLB executive, ensuring that it meets their vision and programmatic requirements. It has been redesigned from the previous larger two story building to a modest and efficient single storey facility that includes a large assembly space for gatherings, kitchen, washrooms and storage. The clubhouse has been designed with simplicity and flexibility in mind and is adaptable for a variety of community uses.

The Lawn Bowling Greens and Clubhouse were originally scheduled to be completed as a single project by summer of 2020. The current completion schedule for the clubhouse is anticipated for end of 2022 incurring an 18% cost increase due to construction cost escalation over this extended time frame (6% per year).

The reduced scope clubhouse design and a Class A estimate (+/-5% range) have now been completed. The cost estimate was based on current market conditions indicating an unstable environment with ongoing price escalation due to supply / demand challenges from COVID-19 border and shipping restrictions. These price increases have not adjusted back to previous rates. The construction cost component is approximately \$200k over our previous Class B estimate and the remaining funding of \$2.063M (with \$180,000 previously committed to consultant contracts) is insufficient to allow the tender to proceed. Further scope reductions of the Clubhouse are not recommended as the basic functional program will not be delivered. In order to proceed to construction, a total of an additional \$280,000 is requested to cover costs due to construction cost escalation and associated incidental consultant costs and contingencies.

FINANCIAL IMPLICATIONS:

In August 2018, Council approved \$6,500,000 as part of the overall "Harry Jerome Community Recreation Centre" project for the design and construction of the Greens, Site Works and Clubhouse. This budget amount was based on preliminary Class D cost estimates provided in 2018. Actual and forecast project costs have exceeded the allowable budget due to the impact of COVID-19 restrictions, allocation of majority of off-site servicing and service upgrades to Lawn Bowling as opposed to sharing with a coordinated Mickey McDougall redevelopment, construction cost escalation, and increased contingencies to counter anticipated market volatilities.

Funding for additional Lawn Bowling Club work is not currently included in the 2021-2030 Capital Plan. It is, therefore, being proposed that \$280,000 additional funding is requested as part of the 2021-2030 Revised Financial Plan.

Should any funds remain upon the completion of the project, the unexpended balance shall be returned to the credit of the Civic Amenity Reserve Fund and made available to fund the HJCRC and associated projects.

INTER-DEPARTMENTAL IMPLICATIONS:

This report was prepared with input from the Finance Department. The project will be delivered through the Strategic and Corporate Services Department.

CORPORATE PLAN AND/OR POLICY IMPLICATIONS:

The development and implementation of the Lawn Bowling Greens and Clubhouse supports Council's vision of the Healthiest Small City in the World by supporting and enhancing the health and wellness of our community.

RESPECTFULLY SUBMITTED:

Dianna Foldi

Dianna Foldi
Sr. Project Manager, Strategic Initiatives

THE CORPORATION OF THE CITY OF NORTH VANCOUVER

BYLAW NO. 8881

Financial Plan for the Years 2021 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 2021 to 2030 Bylaw, 2021, No. 8822, Amendment Bylaw, 2021, No. 8881**” (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, 2021, and ending December 31, 2030.

READ a first time on the 18th day of October, 2021.

READ a second time on the 18th day of October, 2021.

READ a third time on the 18th day of October, 2021.

ADOPTED on the 1st day of November, 2021.

“Linda C. Buchanan”

MAYOR

“Karla D. Graham”

CORPORATE OFFICER

**SCHEDULE "A" TO BYLAW NO. 8881
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2021 – 2030**

(1) 2021 – 2030 Financial Plan (000's)

For the year ended December 31	2021	2022	2023	2024	2025	2026-2030
Revenue						
Property Value Tax						
General Property Tax	68,989	71,118	73,305	75,552	77,860	401,160
Levies (Storm and Eco)	3,747	4,060	4,234	4,416	4,577	25,059
Revenue from Fees and Services	38,252	40,476	42,948	45,858	48,987	284,748
Revenue from Other Sources	4,020	3,573	3,609	3,645	3,681	18,590
	115,008	119,227	124,096	129,471	135,105	729,557
Transfers						
Collections for Other Governments	48,449	49,418	50,406	51,414	52,442	267,455
Transfer from Reserves	73,095	199,576	57,975	51,300	40,237	186,437
Proceeds from Debt	0	0	43,000	0	0	0
External Contributions	20,451	4,127	14,402	3,622	7,736	7,339
Transfer from Capital Assets	16,800	17,136	17,479	17,829	18,186	92,750
	158,795	270,257	183,262	124,165	118,601	553,981
Total Revenues	273,803	389,484	307,358	253,636	253,706	1,283,538
Expenditures						
Operating Expenses						
General Government	22,636	23,412	23,997	24,597	25,212	129,210
Transportation and Transit	7,244	7,425	7,611	7,801	7,996	40,980
Health, Social Services, Housing	2,834	2,904	2,977	3,051	3,127	16,025
Development Services	7,020	7,196	7,376	7,560	7,749	39,715
Protective Services	28,743	29,462	30,199	30,954	31,728	162,605
Parks, Recreation and Culture	22,777	23,347	23,931	24,529	25,142	128,855
Water	10,795	14,940	16,095	16,999	17,910	101,269
Sewer	11,090	16,626	18,927	21,543	23,873	137,554
Solid Waste	3,631	3,729	3,757	3,862	3,970	21,589
	116,770	129,041	134,870	140,896	146,707	777,802
Capital Expenditures	78,900	183,087	94,053	30,789	23,333	57,603
Transfers						
Collections for Other Governments	48,449	49,418	50,406	51,414	52,442	267,455
Equity	17,407	17,112	17,540	17,979	18,428	94,445
Reserves	12,277	10,826	10,489	10,779	11,017	77,338
Repayment of Debt	0	0	0	1,779	1,779	8,895
	78,133	77,356	78,435	81,951	83,666	448,133
Total Expenses	273,803	389,484	307,358	253,636	253,706	1,283,538

**SCHEDULE "A" TO BYLAW NO. 8881
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2021 – 2030**

(2) Revenue Proportions by Funding Source

(Excluding Transfers from Reserves and Collections for Other Agencies)

	(000's)									
	2021	%	2022	%	2023	%	2024	%	2025	%
Property Value Tax										
General Property Tax	68,989	60	71,118	60	73,305	59	75,552	58	77,860	58
Levies (Storm and Eco)	3,746	3	4,060	3	4,234	3	4,416	3	4,577	3
Revenue from Fees	38,253	34	40,476	34	42,948	35	45,858	36	48,987	36
Revenue from other Sources	4,020	3	3,573	3	3,609	3	3,645	3	3,681	3
Total Revenues	115,008	100	119,227	100	124,096	100	129,471	100	135,105	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 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. In preparing the 2021 Financial Plan, the City's goal has been to maintain the current percentage of revenue coming from property taxes; however the City continues to rely heavily on this source of revenue to fund a large portion of City services and infrastructure.

Policy: Under Council's direction, 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 %	
		2020	2021
1	Residential	56.36%	56.27%
2	Utilities	0.49%	0.55%
4	Major Industry - Capped	9.90%	10.38%
4	Major Industry - Non capped	0.62%	0.60%
5	Light Industry	0.91%	0.93%
6	Business	31.68%	31.23%
8	Recreation/Non-Profit	0.04%	0.04%

Background: In 2008 City Council adopted a Long Term Property Tax Strategy which will shift taxes from the business and light industrial tax classes, to the residential tax class. The goal of this policy 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.

Policy: The City will continue to review the distribution of property tax among the various property classes and consider other measures as a gauge of success.

**SCHEDULE “A” TO BYLAW NO. 8881
CITY OF NORTH VANCOUVER FINANCIAL PLAN
FOR THE YEARS 2021 – 2030**

(4) Use of Permissive Tax Exemptions

Background: Council currently allows permissive tax exemptions to organizations within the City, based on eligibility criteria as defined under the Community Charter. This includes religious institutions, providers of social housing, not for profit societies and service organizations whose services and programs align with the City’s goals and objectives.

Policy: The City has adopted a policy along with a set of criteria which are based on linking taxation exemptions to desired community outcomes for the services provided. All existing permissive tax exemptions are reviewed each year and staff will 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.

Council will continue to carefully consider the total amount of permissive 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.