

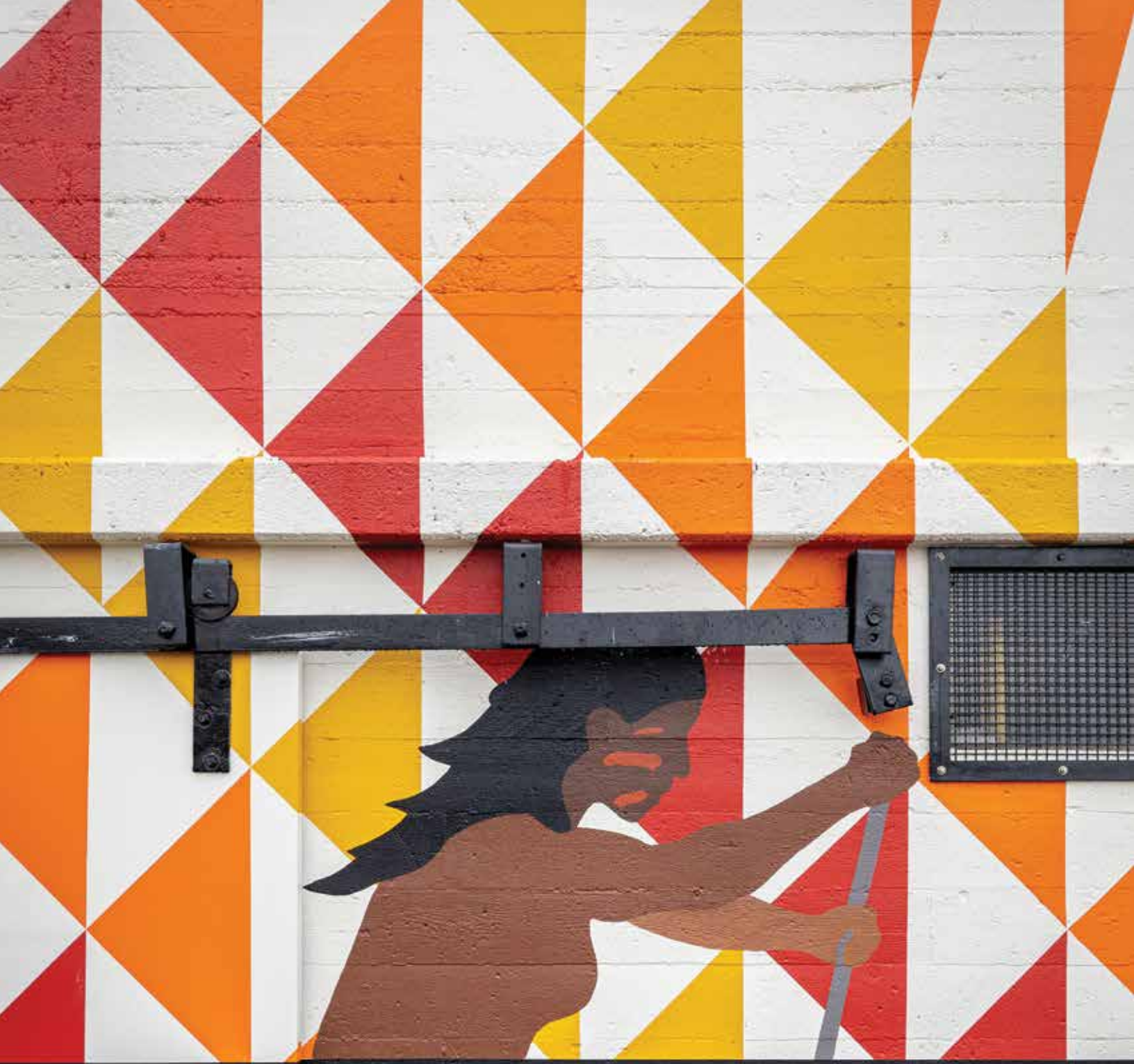
CITY OF NORTH VANCOUVER | BRITISH COLUMBIA

# ANNUAL REPORT 2023

FOR THE YEAR ENDED DECEMBER 31, 2023

city  
of north  
vancouver





*Blanketing the City by Debra Sparrow, Chief Janice George, Willard 'Buddy' Joseph, and Angela George*

**Sḵw̱x̱wú7mesh (Squamish Nation) and səliłwətał (Tseil-Waututh Nation)**

We respectfully acknowledge that we live and work on the traditional and unceded territories of the Sḵw̱x̱wú7mesh (Squamish) and səliłwətał (Tseil-Waututh) Nations. The City of North Vancouver is committed to Reconciliation with these Nations, who have lived on these lands since time immemorial.



**Sḵw̱x̱wú7mesh  
Úxwumixw**

Squamish Nation



Tseil-Waututh Nation  
PEOPLE OF THE INLET

# ANNUAL REPORT 2023

FOR THE YEAR ENDED DECEMBER 31, 2023

*Prepared by the City of North Vancouver Finance and Office of the Deputy Chief Administrative Office Departments.*

## TABLE OF CONTENTS

### **Section 1. Context & Accomplishments**

Introduction	1
Reflections from Mayor Linda Buchanan	2
City Council	3
Greetings from the Chief Administrative Officer	5
Council Strategic Plan: 2022–2026	6
Corporate Business Plan 2023	7
2023 Accomplishments	9
Looking Ahead to 2024	27
City Structure	32
Department Overviews	34
Partner Agencies	35

### **Section 2. Statistical**

Letter from the CFO	37
Financial Statement Discussion and Analysis	38
5-year Revenues by Source	41
5-year Expense by Function	42
5-year Expense by Object	43
5-year Surplus & Accumulated Surplus	43
5-year Additions to Tangible Capital Assets	44
5-year Taxes, Major Levies & Other Collections	44
5-year Assessed General Taxable Values	45
2023 Principal Corporate Taxpayers	45
2023 Permissive Tax Exemptions	46
2023 Grants Received	47
5-year Comparison of Population Estimates	49
City Population by Age Group	49
Immigration in the City	50
5-year New Construction	50
Total Number of Businesses	51
Dwelling Types	51
Housing Tenure	51

### **Section 3. Financial**

Statement of Management Responsibility, Chief Financial Officer	53
Independent Auditor's Report	54
Consolidated Statement of Financial Position	57
Consolidated Statement of Operations	58
Consolidated Statement of Changes in Net Financial Assets	59
Consolidated Statement of Cash Flows	60
Notes to Consolidated Financial Statements	61
Unaudited Schedules A & B	81
Declaration of Disqualifications	82



THE CORPORATION OF THE CITY OF NORTH VANCOUVER  
CONTEXT & ACCOMPLISHMENTS

# INTRODUCTION

Welcome to the annual review of our accomplishments and outcomes as an organization.

We are a compact, yet mighty municipal leader— measuring 12 square kilometres—punching well above our weight class with a forward-thinking, active community on the leading edge of city building in the region.

We are also a City committed to leading with purpose.

Council's Strategic Plan is the City's North Star, prioritizing what our elected leaders want to achieve over the next four years to help propel our vision of being the 'Healthiest Small City in the World'. These priorities connect to every City resident and business owner now and into the future.

There is nothing more important than the health of our community be it physical, social, economic, or environmental.

To learn more about the City of North Vancouver, please visit our website at [cnv.org](http://cnv.org).

# REFLECTIONS FROM THE MAYOR



## Mayor Linda Buchanan

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On behalf of Council, it is with great excitement that I present the 2023 Annual Municipal Report for the City of North Vancouver. As Mayor, I am delighted to share the accomplishments and vision behind the 'Healthiest Small City in the World.' Over the past year, we have witnessed remarkable achievements in various aspects of city life, from sustainable development initiatives to enhanced community engagement programs. These successes reflect our commitment to creating a livable, inclusive, and thriving city for all.

In this report, you will find detailed insights into our city's economic growth, infrastructure advancements, environmental stewardship efforts, and social programs. Additionally, we will highlight key projects, partnerships, and events that have contributed significantly to our collective wellbeing and prosperity.

I am particularly proud that over the last year, we opened a new and fully accessible North Vancouver Lawn Bowling facility, made significant progress with the Harry Jerome Community Recreation Centre redevelopment, started

Mickey McDougall Community Recreation Centre upgrades, the future home for Flicka Gymnastics, and broke ground on the Mahon Park Childcare Centre and Fieldhouse. In Lower Lonsdale, we broke ground on the first respite care facility for seniors and their family and started the first phase of the North Shore Neighbourhood House redevelopment. All of these facilities represent important investments in recreation and services. Delivering community infrastructure that supports health and wellbeing of all people is a priority that you will see reflected in the work we have done over the past year.

Whether we are celebrating an expansion of our urban tree canopy, programming the Shipyards with family-friendly activities, expanding active transportation options, or building new homes for people, our City is always looking to build upon our successes and amplify what we love about our community.

As we look back, we also look forward to the year ahead with optimism and determination. The challenges we face are opportunities for innovation and collaboration, driving us to build a better future for generations to come.

I extend my sincere gratitude to residents, community leaders, volunteers, and our dedicated city staff whose collective passion and dedication continue to shape the City of North Vancouver into a model of excellence. Together, let us continue to work hand in hand, embracing diversity, fostering sustainability, and creating a city that we can all be proud to call home.

Sincerely,

A handwritten signature in black ink that reads "Linda C. Buchanan". The signature is written in a cursive style.

Mayor Linda Buchanan  
City of North Vancouver

# CITY COUNCIL

City Council is the governing body for the City of North Vancouver. Council is comprised of the Mayor and six Councillors, elected to a four-year term. The current Council was elected on October 15, 2022.

Council is responsible for providing leadership to address the existing and future needs of the City. Council achieves these needs by establishing policies, bylaws and strategic priorities that benefit the City, prioritizing programs and services that are fiscally responsible and maximize overall value for community members.

Council delegates operational responsibility to the Chief Administrative Officer, who ensures Council's priorities are met.



*(L-R) Councillors Angela Girard, Shervin Shahriari, Tony Valente, Mayor Linda Buchanan, Councillors Jessica McIlroy, Don Bell and Holly Back*



WELCOME  
CENTRE

PHOTO: Rendering of the new Harry Jerome Community Recreation Centre



# GREETINGS FROM THE CAO



## Leanne McCarthy

---

Every year the City's Annual Municipal Report offers an opportunity for our staff to reflect back on the year's achievements and to redouble our efforts to provide excellent services to the residents and business owners of our City.

Among the 2023 highlights you'll read about a number of ambitious capital projects, many of which are nearing completion in the year to come.

The new Harry Jerome Community Recreation Centre and Silver Harbour Seniors' Activity Centre became more tangible as we saw the concrete and iron beams underpinning this structure begin to take shape late last year. Hardworking public infrastructure like parks, trails, recreation centres, and childcare centres are the foundation of a healthy and resilient community. It is critical we manage these assets – maintaining and replacing aging infrastructure while also investing in new systems to meet our community's current and future needs.

Less visible but no less important were 2023 updates to the City's civic infrastructure – improving how we deliver essential services. From expanding our business licensing services to continuing to streamline our building permitting program and from planning for emergencies like heat events or floods to creating a one-stop desk for all in-person queries and services, we focused on being more prepared, more efficient, and more customer-focused.

Finally, some of our greatest challenges as a city, region and province persisted in what was the first full year of operations post-pandemic – housing needs, climate adaptation and transportation remain priorities.

In 2023, we leveraged our partnerships and those levers we have as local government to prepare for these complex challenges. Staff worked with community and technical experts to develop future-facing strategies including how to foster and expand the urban forest, improve how we move through the City (walk, bike, roll and drive), support community service organizations, and promote inclusion, diversity and community wellbeing.

There is much more to do and we have an ambitious year ahead. Our hardworking staff will continue to be guided by the roadmap provided by Council's Strategic Plan, and our commitment to putting those we serve at the centre of everything we do.

A handwritten signature in black ink that reads "L McCarthy".

Leanne McCarthy  
*Chief Administrative Officer*

# COUNCIL STRATEGIC PLAN

## 2022–2026

The 2022-2026 Council Strategic Plan encompasses the shared vision of a vibrant, resilient and prosperous community while prioritizing the wellbeing of residents. The following key priorities, focused on housing, environmental stewardship, transportation, economic growth and vibrant public spaces will guide the City's efforts over the next four years.

### COUNCIL'S VISION & PRIORITIES

'The Healthiest Small City in the World'

#### A CITY FOR PEOPLE

An equitable, accessible and healthy community that is inclusive, welcoming and safe.

#### A VIBRANT CITY

Dynamic public spaces and places that provide for connection and celebration of residents' culture and history.

#### A RESILIENT CITY

Leads the way in climate action and is a steward of the environment for future generations.

#### A CONNECTED CITY

Active and sustainable ways for people and goods to move safely and efficiently.

#### A PROSPEROUS CITY

A diverse economy where new and existing businesses can grow and thrive.

# CORPORATE BUSINESS PLAN

The City's [Corporate Business Plan](#) builds upon and complements [Mayor and Council's Strategic Plan](#) developed in 2023. Together, these two plans will guide us as we work to achieve Council's vision of making our community the 'Healthiest Small City in the World'.

The Corporate Business Plan is our annual action plan that aligns to our 5-year [Financial Plan](#). It is used by our Leadership Team to support Council's strategic priorities while ensuring our organization has the capabilities needed to advance Council's strategic priorities and deliver our core services and programs.

Our Corporate Business Plan is organized around Council's priorities and the City's four organizational development goals. These high-level priorities and goals support and guide the work the City does every day. Over the course of the next year, a Performance Measurement Framework will be developed so the City can further measure performance, identify areas for improvement, adjust to changing environments and circumstances and continue to make informed decisions.





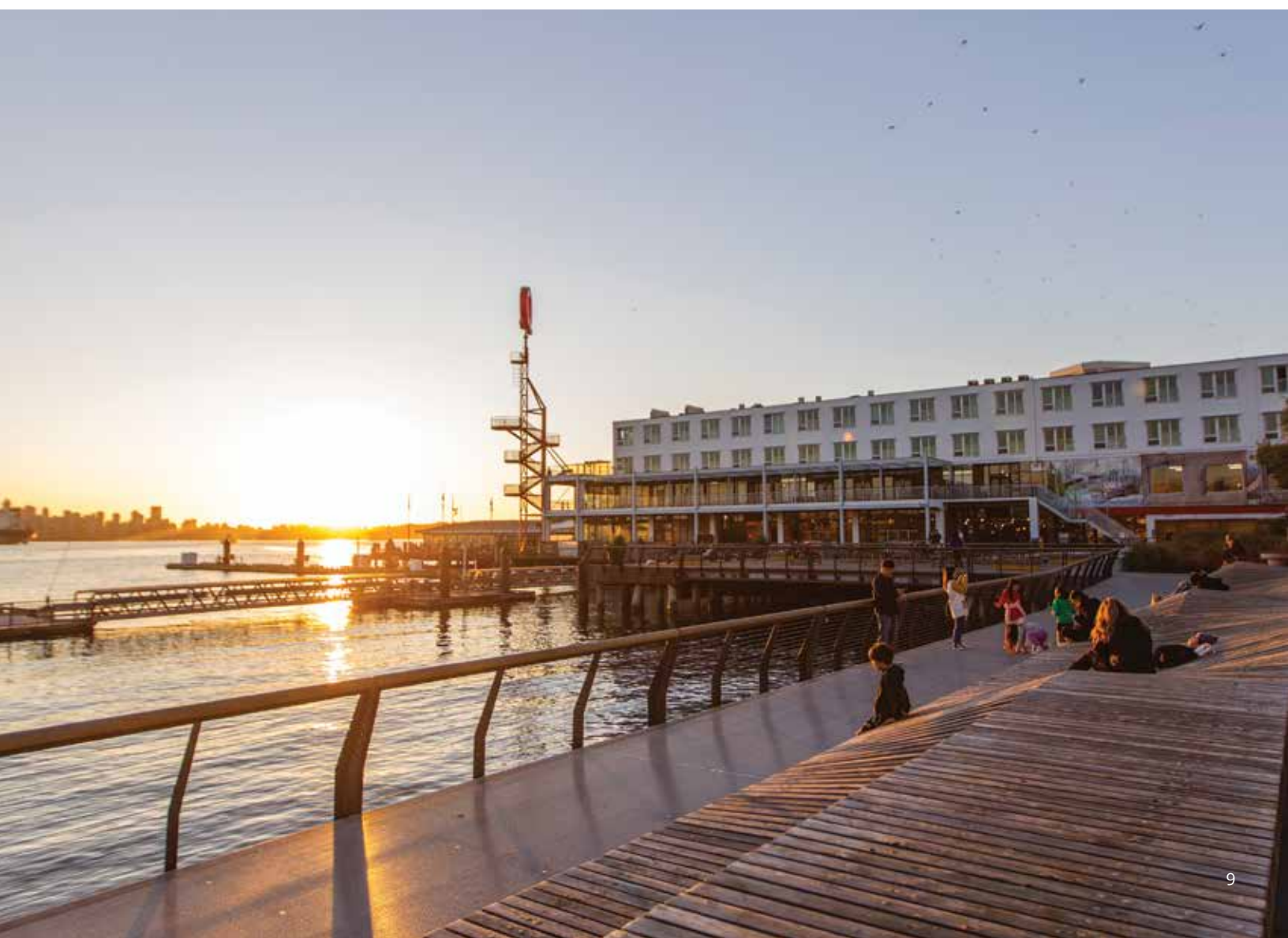
*PHOTO: Rendering of the new Mahon Childcare Centre*

# THE YEAR IN REVIEW

## 2023 ACCOMPLISHMENTS

Each year we revisit our annual actions and report back to Council and the community on our progress, as part of our Annual Municipal Reporting process. We have provided a general status update on each initiative in the 2023 Annual Municipal Report, together with one of four assigned ratings as defined below.

- COMPLETED
- ONGOING AND ON TRACK
- ONGOING AND LAGGING
- NOT STARTED





BlueShore  
FINANCIAL

13th St E

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ENGINE 9

HT-9208

DR. KAREN  
MACKENZIE

# A SAFE + SECURE COMMUNITY



**We provide a safe and secure community where homes and businesses are well protected, personal information is secured, and the City is prepared to respond to and recover from emergencies and disasters.**

- **Enhance the City's Emergency Preparedness Program**

In collaboration with partner North Shore Emergency Management, the City of North Vancouver (CNV) completed a range of updates and improvements including: completion of the North Shore Disaster Resilience Assessment (DCRA); advancing an evacuation annex for the Cleveland Dam Emergency Response Plan; and developing a new Emergency Operations staffing and training model for implementation in 2024. CNV was also actively involved in the North Shore Extreme Heat Mapping and Vulnerability Project with District of North Vancouver, District of West Vancouver, Sḵwx̱wú7mesh Úxwumixw (Squamish Nation) and səlilwətał (Tsleil-Waututh Nation) to update our extreme heat response plan.

- **Create the Public Safety Committee's Priority Action Plan**

In 2023, the City refreshed the Public Safety Committee's Terms of Reference and completed a list of key items and initiatives, as well as contributing to the Community Wellbeing Strategy. In 2024, The City will continue to work towards establishing an external Community Safety Strategy that aligns with CNV's strategic plan and Official Community Plan and fits within the framework of CNV's suite of strategies and plans that holistically support CNV's policy framework.

- **Enhance The City's Existing Protection of Privacy System Through Development of a New Program**

In 2023, CNV created the Privacy Management Program Framework to establish the City's baseline for protection, privacy and disclosure and identified areas for improvement. The Preliminary Privacy Impact Assessment was revised and the Privacy Impact Assessment templates were created in accordance to the FOIPPA. In 2024, the City plans to design and implement an organization wide Privacy Management Program. This program will be used to set expectations on how to protect, document, and secure personal information, while balancing the government's accountability to the public for access to information.

- **Ensure City Staff Preparedness for Active Threat Events**

An active threat is an emergency event in which an individual with a weapon poses an immediate danger to safety, in this case at City worksites. CNV completed a guide to help prepare for Active Threats and conducted staff training and tabletop exercises.





PHOTO: The North Vancouver Lawn Bowling Facility.

Opposite page: Ground breaking for the new Mahon Park Childcare Centre and Fieldhouse.



# A HEALTHY + WELCOMING COMMUNITY

We provide an inclusive environment where diversity is respected and celebrated, and community members are supported and connected.



**Advance and deliver community recreational and amenity facilities including:**

- **Harry Jerome Community Recreation Centre/Silver Harbour Seniors' Activity Centre Project Milestones**

At the end of 2023, Harry Jerome Community Recreation Centre/Silver Harbour Seniors' Activity Centre's concrete structure is completed to above ground. The construction continues as the above ground structure and building envelope are underway. Civil, mechanical and electrical infrastructure is being installed. BC Hydro and telecommunications infrastructure on East 23rd Street is underway and will be completed in early 2024.

- **North Vancouver Lawn Bowling Facility**

CNV has completed construction of the new clubhouse for the North Vancouver Lawn Bowling Club. The new facility is a modern, fully accessible, efficient single story building that includes a space for gatherings and will serve all ages, abilities and backgrounds. The clubhouse has been designed with simplicity and flexibility in mind and is adaptable for a variety of community uses with a catering kitchen, washrooms, lockers and storage.

- **Mickey McDougall Community Recreation Centre Upgrades**

In 2023, work progressed on the redesign and planning for the improvements to the Mickey McDougall building. These upgrades are focused on energy improvement, accessibility upgrades, life-safety systems, replacement of critical building equipment and general building maintenance. These improvements will also support the use of the building by Flicka Gymnastics.

- **Construction of Mahon Park Childcare Centre and Fieldhouse**

By the end of 2023, the demolition and excavation of the existing fieldhouse as well as vegetation and tree removals commenced. Construction of the new childcare centre and fieldhouse facility is underway. The construction is scheduled to be completed by the end of 2024 and will open early 2025.

- **Adopt a Community Wellbeing Strategy – 10-year Action Plan**

In 2023, Staff presented a revised draft of the Community Wellbeing Strategy to Council and received support. Plans are to present to Council for consideration of final adoption in mid-2024. Implementation of this 10-year action plan will start later in 2024.

- **Advance non-market housing to provide subsidized housing with on-site support for single adult families, seniors, people with disabilities, people with mental-health challenges, and individuals at risk of or experiencing poverty and/or homelessness.**

In 2023, the strengthening Communities Services Grant provided support to our community. CNV also worked to offer an enhanced shower program and further support the Solutions Navigators Program. CNV worked with the Province to support residents displaced by a fire.



- **Adopt a North Shore Poverty Reduction Strategy**

In April 2023, Council adopted the first Poverty Reduction Strategy for the North Shore. CNV worked with the District of West Vancouver, the District of North Vancouver, the Skw̓xwu7mesh (Squamish) and səilwətał (Tsleil-Waututh) Nations to create the strategy. Notable is the Solutions Navigators program, run by the North Shore Neighbourhood House – a new resource to support folks cycling out of poverty with issues ranging from housing, food, basic needs and the multitude of barriers when trying to access services.

- **Undertake a supportive funding review to align all forms of supportive or community-based funding (community grants, core funding, permissive tax exemptions and numerous other grants) that the City provides with appropriate strategies, objectives and priorities.**

In 2023, a Supportive Funding Review RFP was issued and a consultant was engaged. In 2024, the goal is to complete the review and bring forward recommended actions to Council.



# A CONNECTED + ACCESSIBLE COMMUNITY



We build and maintain roads, streets, sidewalks and pathways that are well-connected and integrated to enable the safe and efficient movement of people and goods by various modes throughout the City and beyond.

- **Begin Construction on the Casano-Loutet Bridge – a New Pedestrian and Cycling Overpass Over Highway 1, Linking the Loutet and Cedar Village Neighbourhoods**

The project is now fully funded with support from the Province of BC and TransLink, and will move to the tender phase in 2024. The project is anticipated to start construction late 2024 or early 2025, and will take approximately 10 months to complete. The Casano-Loutet overpass will provide an important connection between local communities, a safe transportation route for pedestrians and cyclists, as well as a safe route for many local students.

- **Improve the Comfort and Safety of all Roadway Users in Priority Locations Throughout the City**

In 2023, CNV built missing links in the City's sidewalk and mobility networks. Several sidewalks, mobility lanes, pedestrian crossings, and traffic signals were implemented and completed to improve safety.

- **Implement Aspects of The Mobility Strategy – a 10-year Plan that Guides the City in this Area Over the Long Term**

This work has included some of the following initiatives, including: Planning for rapid transit expansion; Enhancing existing transit service; Reviewing parking policies and practices; continuous safe and active school travel planning, Advancing shared mobility and micromobility options.

- By the end of 2023, the TransLink funded Bus Service Reliability project at Cotton/Low Level Road/Kennard intersection was completed on time and on budget. This project included a complex redesign of the intersection to create a continuous eastbound bus lane and eastbound mobility lane.
- The North Shore Bus Rapid Transit project through TransLink was prioritized through the TransLink 10-year funding strategy.





# A VIBRANT COMMUNITY

We create public spaces that are vibrant and exciting and give people the opportunity to gather, grow and connect through positive experiences.



- Refresh the Long-term Plan for The Shipyard's Programming

In 2023, CNV completed the Request for Expressions of Interest from consultants to support the development of a Request for Proposal. The purpose is to build awareness amongst global leaders in dynamic urban place making and economic development in CNV's project to articulate an agreed business model and programming direction for the future of the City's Shipyards amenity areas.

- Develop Phase 2 of the Dog-Friendly Plan

In 2023, a draft plan was created and is nearing completion. In 2024, Staff anticipate presenting the plan to Council for consideration, with action items being implemented thereafter.





# AN ENVIRONMENTALLY RESPONSIBLE COMMUNITY



We protect our environmental assets, address climate change through policies and actions, and steadily reduce the impact of municipal operations on the natural environment.

- **Adopt Urban Forest Plan**

In 2023, CNV engaged a consultant to support technical work and engaged the community for the development of the [Urban Forest Plan](#). In 2024, CNV anticipates developing an action plan that aligns to the [Financial Plan](#) and creating metrics and a rhythm of reporting to Council on achievements against the plan.

- **Adopt Climate and Environment Strategy (10-year Plan)**

In 2023, a revised draft of the [Climate and Environment Strategy](#) was presented to Council. CNV then commenced engagement with First Nations. In 2024, the final Climate and Environment Strategy will be brought forward to Council. CNV will also develop an action plan aligned with the [Financial Plan](#) and create metrics and rhythm of reporting to Council on achievements against the strategy.

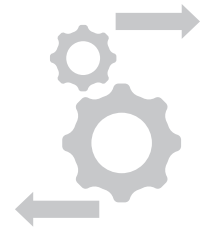
- **Support Lonsdale Energy Corporation Plans for Decarbonization**

In 2023, Lonsdale Energy Corporation delivered a presentation to CNV staff on the benefits of LEC's district energy system, its GHG reduction goals and goals to build awareness and diminish resistance. Staff also supported LEC in the negotiation of a new financing facility and, in 2024, CNV will continue to support LEC's sewer waste heat recovery plant construction and coordination with hydro works in the area.



# A FUNCTIONAL COMMUNITY

We provide plans, policies, bylaws and the organizational capacity to protect and enhance the look, feel and utility of the community.



- **Continue with the Development Application Process Review and Implementation**

In 2023, in order to support the Development Application Process Review, CNV prepared a journey mapping process and identified IPS Technology upgrades. CNV also engaged a Consultant to update the Subdivision and Development Control Bylaw. By the end of 2024, CNV anticipates recommending potential software and data protocols to support the new OCP, zoning, and building permit integrations, as well as complete the update of the Subdivision Control Bylaw and associated street standards.

- **Access Improvements to City Hall Online and In-person Services**

In 2023, CNV fully reopened the 13th and 14th Street entrances to allow direct access to City Hall. CNV created a one-stop desk for all in-person queries and services at one location. CNV also improved in-person access to Council Chambers on Council nights. Online service improvements included software systems upgrades, integration between systems, electronic document submission processes and updates to forms.

- **Undertake Zoning Bylaw Update**

In 2023, Staff completed public engagement and a best practices review for new zoning and development permit tools. By mid-2024, they anticipate preparing and delivering to Council new zoning and development permit bylaws and design guidelines.





# A PROSPEROUS COMMUNITY

We encourage a prosperous and thriving economy by attracting new businesses and supporting existing businesses.



- **Develop a Plan for Central Lonsdale to Enhance Esthetics, Walkability, Vibrancy, History and Commercial Activity**

In 2023, with the help from external experts, CNV created a baseline assessment of Central Lonsdale Avenue, which included analysis of: commercial and residential composition; public realm and amenities; transportation and mobility. In 2024, an RFP will be issued to engage external expertise to conduct extensive public engagement, prepare a comprehensive roadmap and overall streetscape design for the area. In 2023, a study on best practices was completed and presented to Council. Funds from the Growing Communities Fund have been allocated to the project. A dedicated Project Manager has been hired.

- **Adopt an Economic Strategy (10-year Plan)**

In 2021, extensive research and engagement with the business community and partners was completed by external consultants to gather data and insights to build the Strategy framework. Public input was solicited through an open “Let’s Talk” campaign promoted through social media and other public outreach channels. A targeted survey was also issued to City Business Licence holders in the summer of 2021, which focused on identifying key challenges and opportunities for local business growth and prosperity, as well as gathering feedback on City services provided to the business community. Feedback from CNV teams and sector-focused business groups was used to refine the pathways and proposed tactics within the draft Strategy, which was then presented to Council in July 2023. Since then, discussions were held with representatives of the business community to review the final strategy. The final strategy was adopted by Council in early 2024.



- **Modernize the Business Licensing Process to Make it Easier for Businesses and Individuals to Start, Maintain and Expand their Business**

In 2023, a new model for business licence applications was being developed together with a modernized Business Licence Bylaw. The improvements are intended to make it easier for business owners to complete the business licensing process. Following a procurement process, a contract was also issued to build a directory for local businesses to facilitate public awareness of, and access to local businesses.





SIR JOHN FRANKLIN

THE SHIPYARDS

Coast Guard  
Gardie  
cutter

# A FISCALLY RESPONSIBLE ORGANIZATION



We are a leader in promoting transparent fiscal sustainability and accountability.

- **Complete Asset Management Planning for Resilient Infrastructure (Sewer & Drainage, Water, Bridges and Roads)**

In 2023, CNV integrated Asset Management Planning (AMP) into its approved utility budgets to secure long-term resilience of the asset systems and services they provide. In 2024, Staff anticipate seeking Council's approval of utility AMPs and commencing draft AMPs for bridges, roads, lights and signals, civic facilities and large park assets such as artificial turf fields and playgrounds.

- **Improve the Financial Planning Public Engagement Process for Budgeting to Provide More Opportunities for the Community to Share their Ideas and Point of View to Inform Decisions**

In 2023, the [Financial Plan](#) was improved with a publicly facing document that was simple and easy to read. The public input period was extended and was bolstered by a social media campaign. CNV received over 30 written responses, which were summarized in slides and presented to Council.

- **Continue to Advance the Development of a New Financial Framework that Improves the Relevance, Reliability and Timeliness of the City's Financial Reporting and Supports Quality Financial Decision-Making**

CNV's annual operating budget was analyzed and quarterly budget distributions were improved. Additional accruals have been added to the quarterly financial close process to improve relevance of financial reports. Senior leadership financial reporting and variance review sessions were restructured in 2023 to improve relevance of information presented. A new financial policy was approved by Council in 2023 that improves the governance of funding re-allocations between projects. Additional financial statement discussion and analysis information was added to the 2023 Annual Municipal Report.

- **Complete a Consolidated Fee Bylaw to Improve the Visibility of, and Transparency Behind, the City of North Vancouver's Fees**

All CNV revenue items were categorized by the type of revenue and fee approving documentation was cataloged. Fees for specific review (typically fees generating higher amounts of revenue) were identified as areas for further 2023 analysis. Recommendations for fees and charges were developed and approved by Council in late 2023. This work enabled the proposed 2024 tax rate to be lower than what it would have otherwise been. In Q4 2023, the next phase of the project, to develop of a Consolidated Fees and Charges Bylaw, was underway.



# AN OPEN + ENGAGED ORGANIZATION



We are actively and consistently engaging our residents and stakeholders using a variety of platforms on City projects, programs, services and infrastructure.

- **Complete Public Engagement Framework**

In 2023, CNV engaged with the community, staff, and Council to inform on how the framework will provide consistency when engaging with the community, increase opportunities for public participation and equip staff with the tools they need to build upon and improve our current approaches. In September, a progress report was also delivered to Council. In spring 2024, further consultation will take place with advisory committees and community members. By the end of 2024, the goal is to complete the Community Engagement Framework and present it to Council for consideration.

- **Create Monuments and Memorials Policy**

In 2023, CNV presented a framework to guide the Monuments and Memorials Policy to Council. In 2024, staff anticipate reporting back to Council with the complete draft policy for consideration.

- **Commence Work on Memorial for Victims of Flight PS752**

In 2023, CNV reported to Council on location selection criteria. In early 2024, a site for the memorial was announced. Staff are working on the design and implementation with the steering committee in 2024.



# A COOPERATIVE + COLLABORATIVE ORGANIZATION



We work with a wide range of partners to continually improve the delivery of programs, services and infrastructure within the City.

- **Celebrate and Support Sk̓wx̓wú7mesh Úxwumixw (Squamish Nation)**

In July 2023 the Wa Iyím ta Sk̓wx̓wú7mesh (Squamish Strong) Protocol Agreement with Squamish Nation was signed.

- **Continue to Strengthen Working Relationship with sə̓lilwətał (Tsleil-Waututh) Nation**

In 2023, the City supported Tsleil-Waututh Nation's Whey-ah-Wichen Canoe Festival.

- **Complete Information Technology Master Plan**

A consultant was hired and, through a collaborative engagement process with staff, a draft five year roadmap was developed.

- **Create a Respectful Communication Policy**

On October 16, 2023, the Respectful Communication Policy was approved by Council. A detailed process for implementation, records management and training was completed before year end.

- **Establish a Council Code of Conduct**

On December 4, 2023, Council approved the Council Code of Conduct. The Code of Conduct sets out shared expectations for conduct and behavior to ensure that the duties and obligations of Council are performed with the highest ethical standards.

- **Establish External Community Safety Committee**

A draft Terms of Reference and supporting report have been completed for the now-titled Community Safety Advisory Committee.

# A DYNAMIC ORGANIZATION



We are recognized as a top, innovative employer where there is a well-established culture of learning and continuous improvement.

- **Create a People Plan for the Organization to Align our People Capacity and Capabilities with Strategic and Corporate Priorities to Ensure we are Guided by Council's Strategic Plan**

The People and Resource Planning Framework was introduced as a pilot for 2023. In 2024, staff will review the pilot, amend the tools and framework accordingly and roll-out the next phase to managers.

- **Develop an Equity, Diversity and Inclusion Framework to Build an Inclusive Community for all City Residents and Staff**

CNV implemented a new organizational design in 2023 and hired a new DEI Leader within its People & Culture Department. Work on the new Equity, Diversity and inclusion framework has started. Staff anticipate having developed the DEI framework and approved action plan priorities by the beginning of summer 2024. Thereafter, CNV will proceed by implementing key actions identified in the plan.



# 2024 LOOK AHEAD

Many of the actions at the city span over a number of years. The following are additional actions added to the 2024 workplan that align with the Council's strategic priorities and CNV's organization priorities.



## A CITY FOR PEOPLE

**A City for People is welcoming, inclusive, safe and accessible and supports the health and wellbeing of all.**

- **Indigenous Relations:** Develop and implement initiatives to advance Reconciliation that will support CNV's relationships with the Skwxwú7mesh (Squamish) and səliwətaʔ (Tseil-Waututh) Nations
- **Public Realm Accessibility Improvements:** Build new curb let downs in priority areas to provide barrier-free access to shopping, transit, schools and hospitals
- **Housing Needs Report:** Collect data, analyze trends and prepare a Housing Needs Report that describes current and projected housing needs as required through legislation by the Province of BC



## A RESILIENT CITY

**A Resilient City leads the way in climate action and acts as a steward of the environment for future generations.**

- **Storm Water Management:** Include more rain gardens within streetscapes
- **Living Tree Program:** Planting of new street trees



## A CONNECTED CITY

**A Connected City provides active and sustainable ways for people and goods to move to, from, and within the City safety and efficiently.**

- **Mobility Network:** Continue delivery of the Priority Mobility Network focusing on increasing the number mobility lanes (in kilometers), as well as providing more education, communication and engagement around them
- **Lonsdale Highway Overpass Mobility Improvements:** Collaborate with Ministry of Transportation & Infrastructure to design improvements to accessibility and comfort for pedestrians, cyclists and wheelchair users using the Highway 1 overpass at Lonsdale









# A PROSPEROUS CITY

A Prosperous City supports a diverse economy by creating an environment where new and existing businesses can grow and thrive.

- **Health and Life Sciences Cluster:** Identify recommendations to grow a Health and Life Sciences cluster in central Lonsdale
- **Strategic Land Stewardship Model:** Develop a list of target acquisition sites and identify CNV properties for disposition/development/public use to advance the Strategic Land Stewardship Model



# A VIBRANT CITY

A Vibrant City is where dynamic public spaces and places provide opportunities for connection and enable residents to engage with their community, and celebrate their culture and history.

- **City-wide Parks Comprehensive Plan Update:** Initiate the new Comprehensive Plan that will assess the current state of parks, greenways routes, recreation facilities and natural areas, assess the community needs and determine the future vision and service levels to direct future capital investment and decision making around park amenities
- **Kings Mill Walk Park Master Plan:** Commence construction of the Kings Mill Walk Park in collaboration with the Harbourside Waterfront neighbourhood developer



# A FISCALLY RESPONSIBLE ORGANIZATION

We are a leader in promoting transparent fiscal sustainability and accountability.

- **Key Performance Indicators:** Develop new key performance indicators for Council's strategic priorities.
- **Work Planning:** Revise the [Corporate Business Plan](#) and work planning development processes to improve integration with financial planning and people planning
- **DCCs and ACCs:** Update CNV's tools for financing growth







# A DYNAMIC ORGANIZATION

We are recognized as a top, innovative employer where there is a well-established culture of performance, accountability, learning and continuous improvement.

- **Business Support & Transformation:** Establish a new business support and transformation function to support continuous improvements, organization development, modernization and customer service
- **Leadership Development Framework:** Implement a new Leadership Development Framework and program to support Leaders at all levels of the organization



# AN OPEN + ENGAGED ORGANIZATION

We are actively and consistently engaging our residents, partnerships and interest holders on City projects, programs, services and supports. We are committed to providing timely, transparent, accessible information to the public about City policies and services.

- **Strategic Communications:** Move to a more metrics based approach in the provision of ongoing project and communications support



# A COOPERATIVE & COLLABORATIVE ORGANIZATION

We work with a wide range of partners to continually improve the delivery of programs, services and infrastructure within the City of North Vancouver

- **Complete Information Technology Master Plan:** Incorporate the draft 5-year roadmap and other deliverables into CNV's 2024 and future workplans
- **Establish External Community Safety Advisory Committee:** Present the draft Terms of Reference to Council for consideration in mid-2024, and launch the committee



# CITY STRUCTURE

## MAYOR & COUNCIL

### CHIEF ADMINISTRATIVE OFFICE

Leanne McCarthy, Chief Administrative Officer (CAO)

INFORMATION  
TECHNOLOGY  
AND DATA



### MAJOR CITY AGENCIES





Europe Lock & Key  
983-2511

ENGRAVING  
& TROPHIES  
MEDALS  
LAQUES  
SCISSORS

RECY

# DEPARTMENT OVERVIEWS

## Office of the Chief Administrative Officer

The Chief Administrative Officer (CAO) is appointed by and reports to City Council. The CAO is accountable for all aspects of City operations. The CAO ensures Council direction is acted upon and short and long-term corporate objectives are identified and achieved. This Department also oversees information technology.

## Office of the Deputy Chief Administrative Officer

The Deputy CAO oversees major civic development projects such as the new Harry Jerome Community Recreation Centre. The Deputy CAO also oversees the City's Strategic and Corporate Services department, ensuring the delivery of critical support services such as corporate communications, legislative services and corporate business planning.

## People and Culture

People and Culture is responsible for human resources, organizational development and policies and programs supporting a dynamic, inclusive and healthy workplace and workforce.

## Engineering, Parks and Environment

The Engineering, Parks and Environment Department is responsible for our streets, utilities, parks and open spaces. The department also delivers on established Council policy related to critical issues such as mobility, climate and environment.

## Financial Services

The Finance Department's mandate is to provide financial advice and support to Council, as well as financial information and leadership to City departments, and transparent and understandable reporting to the public, delivering to all clear, reliable and relevant financial information. The department strives to safeguard City assets, manage the City's risks and plan for the City's long-term fiscal sustainability.

## Planning and Development

The Planning and Development Department helps Council establish a community vision with long-range goals and objectives through the Official Community Plan (OCP). The department supports policy development, creates and monitors various plans and strategies and regulates development and construction activity.

## Public Safety

The Public Safety Department is dedicated to protecting people and property and working with external partners like North Vancouver RCMP and North Shore Emergency Management (NSEM), the Public Safety Department – which includes North Vancouver City Fire Department and our Bylaws division, ensuring the community's safety through various programs and initiatives. This collaboration allows for a comprehensive approach to public safety so citizens of the City of North Vancouver feel secure and protected.

# PARTNER AGENCIES

The City works with many local public-sector agencies to deliver programs and services as partners.



## Lonsdale Energy Corporation (LEC)

The Lonsdale Energy Corporation owns and operates a district energy system that delivers heat to residential and commercial buildings in the Lonsdale area through a series of small heating plants. LEC is wholly-owned by the City, but operates as a separate company. The City's role is that of governance and rate regulator to ensure LEC customers receive dependable, clean and competitively-priced energy heating. The City also provides funding in the form of equity investments and loans.



## Museum & Archives of North Vancouver (MONOVA)

Museum & Archives of North Vancouver oversees cultural, archival and museum collections and operates a museum in Lower Lonsdale and archives in Lynn Valley. MONOVA is governed by a Commission appointed by the City and District of North Vancouver Councils. MONOVA's operational and capital expenses are cost-shared between the City of North Vancouver and the District of North Vancouver.



## North Shore Emergency Management (NSEM)

North Shore Emergency Management is an inter-municipal agency that works in partnership with the City and Districts of North and West Vancouver to plan, coordinate and test emergency and disaster response services. NSEM's ongoing operation is cost-shared by the three municipalities. The Provincial Emergency Program provides financial support in response to specific events.



## North Vancouver City Library (NVCL)

The North Vancouver City Library supports lifelong learning and community development by offering free and equitable access to information and ideas. The Library is governed by a Board of Trustees appointed by Council. The City provides most of the Library's funding, but some comes from other sources, including the Provincial Government.



## North Vancouver Recreation and Culture (NVRC)

North Vancouver Recreation and Culture operates eleven community recreation centres, the North Vancouver Tennis Centre and Centennial Theatre, and manages room and venue bookings for facilities, fields and outdoor spaces on behalf of the City and District of North Vancouver. NVRC is governed by a Commission appointed by the City of North Vancouver and the District of North Vancouver Councils. NVRC's operational and capital expenses are cost-shared between the two municipalities.



## North Vancouver Royal Canadian Mounted Police (RCMP)

The North Vancouver RCMP detachment serves the City of North Vancouver and the District of North Vancouver, and plays an integral role in the protection of North Vancouver residents and their property through crime prevention and detection, emergency response and victim services. Funding for the North Vancouver RCMP is cost-shared between the two municipalities.



THE CORPORATION OF THE CITY OF NORTH VANCOUVER  
STATISTICAL INFORMATION



# LETTER FROM THE CFO



## Larry Sawrenko

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I am pleased to submit the City of North Vancouver's Annual Municipal Report for the year ended December 31, 2023 as required by Sections 98 and 167 of the Community Charter. The purpose of this report is to present the consolidated financial statements and to provide readers with a clear understanding of the operations and financial position of the Corporation of the City of North Vancouver (CNV) for 2023.

The report includes CNV's 2023 audited financial statements, which includes all the funds of CNV, the North Vancouver City Library, CNV's proportionate share of the North Vancouver Recreation Commission and North Vancouver Museum & Archives Commission and CNV's investment in Lonsdale Energy Corporation, a wholly-owned government business enterprise. CNV has agreements with the District of North Vancouver for the operation of the North Vancouver Recreation Commission and the North Vancouver Museum & Archives as well as a cost sharing agreement for the North Vancouver RCMP detachment.

Preparation of the consolidated financial statements is the responsibility of management and is in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (PSAB). BDO Canada LLP (BDO) was appointed as CNV's independent auditors and was responsible for obtaining reasonable assurance that CNV's consolidated financial statements as a whole were free from material misstatement and for issuing an auditor's report with an opinion. BDO expressed the unqualified audit opinion that the "consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2023, and its consolidated results of operations, its changes in consolidated net financial assets, its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards."

I would like to thank staff throughout the organization and CNV's outside agencies for working collaboratively with CNV's Finance team to provide sound financial management to the organization over the past year. I look forward to continuing this collaboration as we continue to develop and advance CNV's financial processes to meet the challenges and opportunities ahead.

A handwritten signature in black ink, appearing to read 'Larry Sawrenko', written in a cursive style.

Larry Sawrenko  
*Chief Financial Officer*  
*June 4, 2024*

# FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

## Introduction

The following Financial Statement Discussion & Analysis should be read in conjunction with the 2023 Consolidated Financial Statements of the Corporation of the City of North Vancouver (CNV). This report provides additional analysis into CNV's financial results and discussion regarding the major events, risks and uncertainties in the past year. The preparation of the Consolidated Financial Statements and Financial Statement Discussion and Analysis are the responsibility of management.

## Financial Overview

In 2023, CNV progressed and completed over 40 initiatives to advance Council's 2022-2026 Strategic Plan amidst economic challenges and opportunities experienced in the City and broader Greater Vancouver region. Development and construction activity levels remained elevated driven by high demand for housing, commercial development and infrastructure projects. This activity was accompanied by the continued challenges of a tight labour market and cost escalations for construction costs and contracts. To combat continued elevated inflation, the Bank of Canada continued to increase monetary policy interest rates, which held steady to the end of 2023 and resulted in strong interest revenues for CNV. CNV was also the recipient of \$11M in the form of an unanticipated Growing Communities Fund (GCF) grant, a one-time grant from the Province of BC, that will support investments in community infrastructure and amenities. Although CNV was challenged with managing resources in a period of uncertainty in 2023, CNV delivered core services and progressed its initiatives and planned major capital projects, including the construction of the new Harry Jerome Community Recreation Centre (HJCRC), the largest financial capital project undertaken by CNV in its history.

The outlook for 2024 remains promising amid economic uncertainties. The Bank of Canada's currently restrictive monetary policy is moderating inflationary pressures and, to date, is not triggering a recession. Population, both in Canada and locally, continues to grow, supporting overall economic growth. Pressure on the housing stock remains, keeping senior government's attention very focused on the delivery of additional housing. The BC government's announced changes to provincial housing legislation, including changes to development financing charges, are being worked through but for now add uncertainty to CNV's ability to fund certain capital projects. At the regional level, it was recently revealed that Metro Vancouver's North Shore Wastewater Treatment Plant project would be much more expensive to complete than previously estimated. On the other hand, TransLink recently announced that Bus Rapid Transit to the North Shore is a priority project. Although currently unfunded, this project opens up opportunities to improve mobility in the City and support the overall economy.

In the face of evolving opportunities and challenges, CNV has taken steps to maintain effective long-term financial planning, financial management policies, and maintenance of reserves to fund capital programs and cover unplanned expenditures, as well as ongoing balanced budgets. Overall, CNV is in a strong financial position and is expected to continue to be able to deliver valuable core services and advance Council's 2022-2026 Strategic Plan on a financially sustainable basis well into the future.

## 1. Consolidated Statement of Financial Position

This statement reports CNV's financial and non-financial assets, liabilities, net financial assets and accumulated surplus as at December 31, 2023. Net financial assets and accumulated surplus are key measures that help report the cumulative impact of past transactions and events on CNV's financial position at the end of 2023.

Financial assets represent CNV's ability to repay existing liabilities and/or fund future projects. Financial assets increased modestly by \$3.3M or 0.9% from \$351.3M in 2022 to \$354.6M in 2023. The modest increase in 2023 was a result of (1) 2023 revenues exceeding expenses, creating an annual surplus, partially offset by (2) usage of cash to fund CNV's capital program. As at December 31, 2023, CNV's financial assets continue to be adequate.

Liabilities represent present obligations arising from past transactions or events that will be settled in the future and require an outflow of economic resources. Liabilities increased by \$17.4M or 11.4% from \$152.4M in 2022 to \$169.8M in 2023. This increase is mainly due to increases in amounts payable to suppliers relating to the construction of the new HJCRC. Deferred revenue also increased as funds were received to fund 3rd party construction projects to be undertaken in future years.

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(\$ in thousands)	2023	2022	Change
Financial Assets	\$ 354,577	\$ 351,311	\$ 3,266
Liabilities	\$ 169,769	\$ 152,384	\$ 17,385
<b>Net Financial Assets</b>	<b>\$ 184,808</b>	<b>\$ 198,927</b>	<b>\$ (14,119)</b>
Inventories & Prepaid Expenses	\$ 4,294	\$ 3,702	\$ 592
Equity in Tangible Capital Assets	\$ 528,021	\$ 479,130	\$ 48,891
<b>Non-Financial Assets</b>	<b>\$ 532,315</b>	<b>\$ 482,832</b>	<b>\$ 49,483</b>
Accumulated Surplus	\$ 717,123	\$ 681,759	\$ 35,364

Net financial assets is the difference between financial assets and liabilities. CNV's net financial assets at the end of 2023 were \$184.8M, a decrease of \$14.1M or 7.1% compared to the end of 2022. Although liabilities increased more than financial assets as described above, CNV's net financial assets and liquidity remains reasonable.

Non-financial assets are comprised of the net book value of tangible capital assets, inventories and prepaid expenses and are not a source of funding for future operations. As a direct result of the increased capital expenditures for major projects such as the new HJCRC, new North Vancouver Lawn Bowling Clubhouse and Greens and Esplanade Complete Streets project, non-financial assets increased in 2023 by \$49.5M or 10.3%.

Accumulated surplus is the difference between total assets and total liabilities and consists of net financial assets and non-financial assets. It is an indicator of financial health and represents the net economic resources accumulated by CNV since its inception. During 2023, CNV's total accumulated surplus increased by \$35.4M or 5.2% to \$717.1M as it continues to invest into the community.

## 2. Consolidated Statement of Operations

This statement reports the changes in economic resources and accumulated surplus compared to budget and the prior year. Annual revenues exceeded annual expenses for 2023 resulting in a surplus of \$35.4M, which is lower than the 2022 surplus of \$51.1M by \$15.7M or 30.7%.

### CONSOLIDATED STATEMENT OF OPERATIONS

(\$ in thousands)	2023	2022	Change
Revenues	\$ 186,061	\$ 188,575	\$ (2,514)
Expenses	\$ 150,697	\$ 137,432	\$ 13,265
<b>Annual Surplus</b>	<b>\$ 35,364</b>	<b>\$ 51,143</b>	<b>\$ (15,779)</b>

### Revenues

#### Compared to 2022

Consolidated revenues decreased by \$2.5M or 1.3% from \$188.6M in 2022 to \$186.1M in 2023. The decrease is primarily due to significant developer contributions received in the prior year, which were not realized in 2023. Developer contributions primarily come in the form of community amenity contributions and density sales and fluctuate annually depending on timing, development activity in the City and other economic factors. Overall for 2023, a \$33.4M decrease in developer contributions was experienced compared to the prior year. However this was partially offset by increases to other revenues such as higher grant revenues of \$14.9M (primarily relating to the GCF but also other grants), higher interest income on investments and savings accounts of \$7.1M, higher property taxes and other levies of \$4.3M, and increases in revenues for services of \$2.9M.

### CONSOLIDATED REVENUES BY SOURCE

(\$ in thousands)	2023 Budget	2023	2022
Property Value Tax	\$ 75,705	\$76,274	\$72,159
Other Levies	4,143	4,188	4,002
Licences & Permits	5,436	7,898	7,165
Fines & Fees	5,876	6,854	6,236
Rent	2,696	3,873	3,689
Interest, Dividends & Penalties	4,759	15,156	8,075
Sale of Services	36,079	36,819	33,908
Rebate & Recoveries	85	203	165
Grants & Other	8,280	28,099	13,199
Developer Contributions & Other Transfers	308	5,948	40,907
Gain (Loss) on Disposition of Assets	-	746	(1,143)
Lonsdale Energy Corp. Income	-	3	213
<b>Total Revenue</b>	<b>\$143,367</b>	<b>\$186,061</b>	<b>\$188,575</b>

#### Compared to Budget

Consolidated revenues exceeded budget by \$42.7M. Unanticipated receipts of grants of \$19.8M and developer contributions and other transfers of \$5.6M drove the favourable variance. In addition, interest, dividends and penalties revenues were \$10.4M higher than budget as a result of continued elevated interest rates. Licences and permits revenues were \$2.5M higher than budget given construction and development activity in the city.

## Expenses

### Compared to 2022

Consolidated expenses include costs for labour, the purchase of goods and services and the depreciation of tangible capital assets. Total expenses in 2023 of \$150.7M exceeded expenses in 2022 of \$137.4M by \$13.3M or 9.7%. Increases in expenses were mainly driven by inflation and collective bargaining agreements. Expense increases were also driven by increased public safety costs resulting from a new RCMP collective agreement, as well as increased Greater Vancouver Sewerage & Drainage District and Greater Vancouver Water District charges.

### CONSOLIDATED EXPENSES BY FUNCTION

(\$ in thousands)	2023 Budget	2023	2022
General Government	\$25,523	\$28,197	\$26,326
Transportation & Transit	7,774	10,749	10,771
Health, Social Services & Housing	3,069	2,984	2,796
Development Services	8,760	9,604	7,716
Protective Services	31,676	32,844	28,248
Parks, Recreation & Culture	35,811	37,143	34,396
Water Utilities	12,053	12,378	11,724
Sewer Utilities	12,514	13,054	12,201
Solid Waste	4,098	3,744	3,254
<b>Total Expenses</b>	<b>\$141,278</b>	<b>\$150,697</b>	<b>\$137,432</b>

### Compared to Budget

Consolidated expenses for 2023 were higher than budget by \$9.4M, mainly due to collective bargaining agreements. Higher costs were also incurred due to inflation and cost escalations for contracted services, and materials and supplies, including Greater Vancouver Sewer & Drainage District and Greater Vancouver Water District costs.

## 3. Consolidated Statement of Change in Net Financial Assets

This statement is a measure of whether the revenues raised in 2023 were sufficient to cover spending for the year. The statement begins with the annual 2023 surplus from the consolidated statement of operations and adjusts for transactions relating to the acquisition of tangible capital assets and non-cash transactions, such as depreciation, as well as the acquisition and use of inventories and prepaid expenses. CNV's net financial assets decreased by \$14.1M in 2023 due to higher planned capital expenditures of \$63.9M compared to \$35.7M in 2022.

## 4. Consolidated Statement of Cash Flows

This statement identifies where cash came from and how it was used, and provides detail on changes in cash and cash equivalents since the last reporting period. The statement reports cash flows classified as operating transactions, capital transactions, investing transactions and financing transactions.

Overall, CNV's cash and cash equivalents increased by \$36.1M from \$201.3M to \$237.4M. Cash was primarily used in the capital program (\$62.9M) and was partially offset by increases from investment activities (\$34.2M), as portfolio investments matured and were reinvested into high interest savings accounts.

## Conclusion

CNV's solid 2023 financial results continue to reflect Council and staff's commitment to sound financial management and provide ongoing advancement of Council's priorities. These results also reflect Community Charter requirements to manage within a balanced budget framework. CNV's favourable financial position is based on a commitment to these goals and reflects each department and partner agencies' cooperation and participation in financial management.

## 5-YEAR CONSOLIDATED REVENUES BY SOURCE

(\$ in thousands)	2023	2022	2021	2020	2019
Property Value Tax	\$ 76,274	\$ 72,159	\$ 69,056	\$ 65,928	\$ 62,521
Other Levies	4,188	4,002	3,814	3,571	3,204
Licences & Permits	7,898	7,165	6,441	4,949	4,856
Fines & Fees	6,854	6,236	4,678	4,799	5,157
Rent	3,873	3,689	3,368	1,874	2,191
Interest, Dividends & Penalties	15,156	8,075	5,589	6,059	6,477
Sale of Services	36,819	33,908	29,672	26,331	29,896
Rebate & Recoveries	203	165	185	638	58
Grants & Other	28,099	13,199	12,729	19,430	11,276
Developer Contributions & Other Transfers	5,948	40,907	8,200	25,063	5,203
Gain (Loss) on Disposition of Assets	746	(1,143)	(714)	(823)	(427)
Lonsdale Energy Corp. Income	3	213	666	1,238	595
<b>Total</b>	<b>\$ 186,061</b>	<b>\$ 188,575</b>	<b>\$ 143,684</b>	<b>\$ 159,057</b>	<b>\$ 131,007</b>

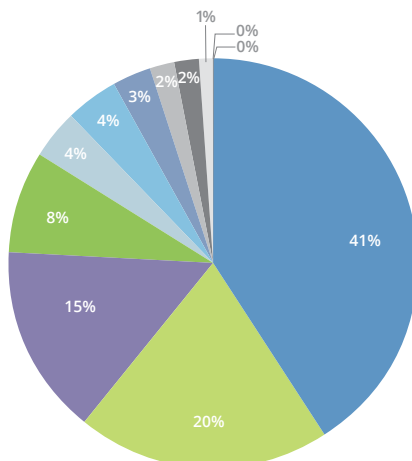
Source: City of North Vancouver Finance Department

DID  
YOU  
KNOW

Over the past five years, consolidated revenues have steadily increased, with the exception of 2021 during the COVID-19 pandemic.

Less than half of the City's revenues come from property value taxes, with the majority coming from other sources such as user fees, rents and investment income.

## 2023 PERCENTAGE OF CONSOLIDATED REVENUES BY SOURCE



\*Amounts, although positive, round down to zero

Source: City of North Vancouver Finance Department

## 5-YEAR CONSOLIDATED EXPENSES BY FUNCTION

(\$ in thousands)	2023	2022*	2021	2020	2019
General Government	\$ 28,197	\$ 26,326	\$ 23,211	\$ 22,078	\$ 19,818
Transportation & Transit	10,749	10,771	8,866	8,317	8,279
Health, Social Services & Housing	2,984	2,796	2,724	2,764	2,685
Development Services	9,604	7,716	7,494	5,406	6,340
Protective Services	32,844	28,248	28,139	27,229	27,259
Parks, Recreation & Culture	37,143	34,396	30,665	28,084	30,210
Water Utilities	12,378	11,724	10,871	9,719	9,964
Sewer Utilities	13,054	12,201	11,767	10,538	9,598
Solid Waste	3,744	3,254	3,163	3,951	4,226
<b>Total</b>	<b>\$ 150,697</b>	<b>\$ 137,432</b>	<b>\$ 126,900</b>	<b>\$ 118,087</b>	<b>\$ 118,379</b>

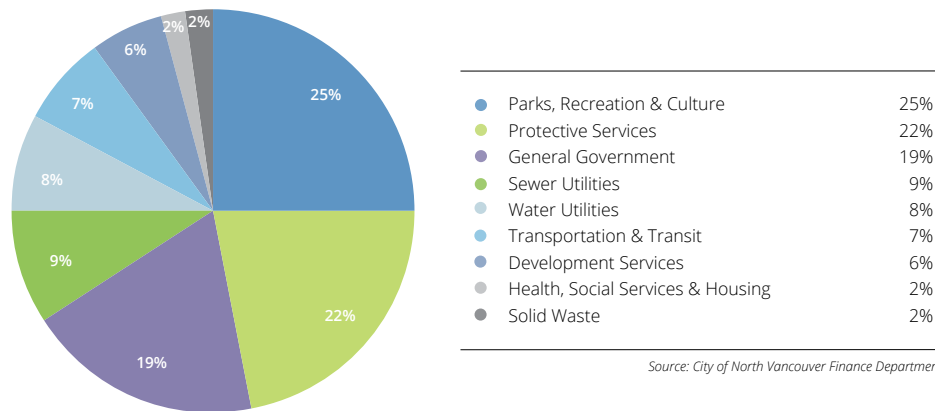
\*Certain prior year amounts have been restated as part of the current year's financial statements.

Source: City of North Vancouver Finance Department

# DID YOU KNOW

Consolidated expenses have increased over the last 5 years as approved in CNV's Financial Plan. Overall, CNV generates revenues in excess of expenses in order to fund its capital spending, ensuring financial sustainability.

## 2023 PERCENTAGE OF CONSOLIDATED EXPENSES BY FUNCTION



Source: City of North Vancouver Finance Department

## 5-YEAR CONSOLIDATED EXPENSES BY OBJECT

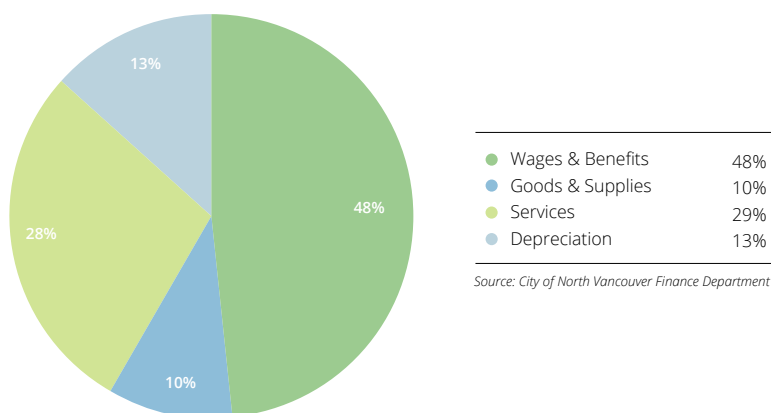
(\$ in thousands)	2023	2022*	2021	2020	2019
Wages & Benefits	\$ 74,610	\$ 66,046	\$ 62,016	\$ 57,009	\$ 60,081
Goods & Supplies	14,720	14,198	13,179	12,098	11,870
Services	44,407	39,126	34,606	32,567	31,078
Depreciation	16,960	18,062	17,099	16,413	15,350
<b>Total</b>	<b>\$ 150,697</b>	<b>\$ 137,432</b>	<b>\$ 126,900</b>	<b>\$ 118,087</b>	<b>\$ 118,379</b>

\*Certain prior year amounts have been restated as part of the current year's financial statements.

Source: City of North Vancouver Finance Department



## 2023 PERCENTAGE OF CONSOLIDATED EXPENSES BY OBJECT

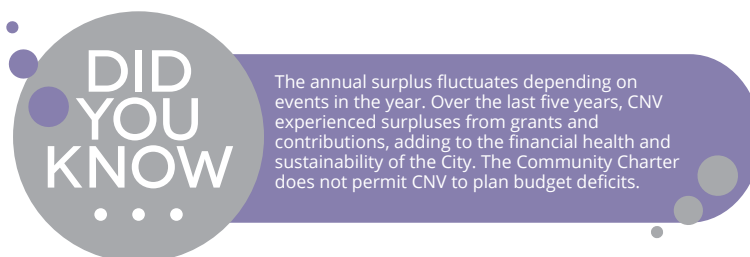


## 5-YEAR SURPLUS & ACCUMULATED SURPLUS

(\$ in thousands)	2023	2022*	2021	2020	2019
Surplus	\$ 35,364	\$ 51,143	\$ 16,784	\$ 40,971	\$ 12,628
Accumulated Surplus	\$ 717,123	\$ 681,759	\$ 633,109	\$ 616,325	\$ 575,354

\*Certain prior year amounts have been restated as part of the current year's financial statements.

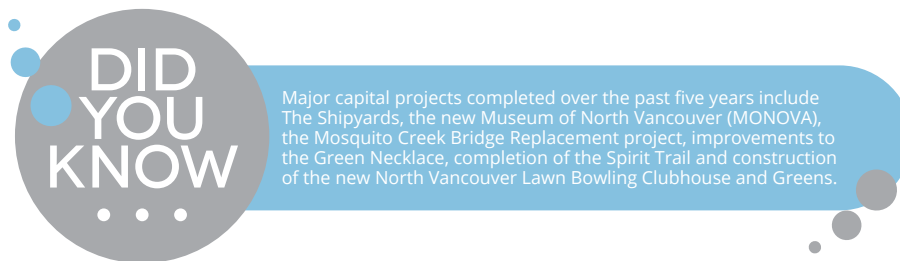
Source: City of North Vancouver Finance Department



## 5-YEAR ADDITIONS TO TANGIBLE CAPITAL ASSETS

(\$ in thousands)	2023	2022	2021	2020	2019
Land	\$ -	\$ 1,320	\$ 1,000	\$ 5,000	\$ -
Land Improvements	12	50	11	6,256	12,753
Parks	5,387	3,160	149	5,469	657
Buildings	3,352	121	7,897	15,108	1,262
Machinery & Equipment	753	3,243	1,134	2,007	1,232
Vehicles	3,314	1,474	1,391	810	899
Infrastructure	5,726	27,773	7,990	5,634	7,913
Library Materials	233	218	236	180	233
Work in Progress	47,256	(145)	71,357	57,677	49,339
<b>Total</b>	<b>\$ 66,033</b>	<b>\$ 37,214</b>	<b>\$ 91,165</b>	<b>\$ 98,141</b>	<b>\$ 74,288</b>

Source: City of North Vancouver Finance Department



## 5-YEAR TAXES, MAJOR LEVIES & OTHER COLLECTIONS

(\$ in thousands)	2023	2022	2021	2020	2019
Property Value Tax	\$ 76,274	\$ 72,159	\$ 69,056	\$ 65,928	\$ 62,521
Water Utility Fees	15,461	14,693	12,804	11,495	11,694
Sewer Utility Fees	13,583	12,122	10,790	9,668	9,232
Solid Waste Utility Fees	2,158	2,004	1,787	2,185	2,946
Collections for Other	57,302	55,106	55,968	41,380	51,453
<b>Total</b>	<b>\$ 164,778</b>	<b>\$ 156,084</b>	<b>\$ 150,405</b>	<b>\$ 130,656</b>	<b>\$ 137,846</b>

Source: City of North Vancouver Finance Department





## 5-YEAR ASSESSED GENERAL TAXABLE VALUES

(\$ in thousands)	2023	2022	2021	2020	2019
Land	\$ 26,571,549	\$ 24,072,132	\$ 20,761,274	\$ 19,960,969	\$ 21,366,438
Improvements	6,582,041	6,219,141	5,738,106	5,476,272	5,159,021
<b>Total</b>	<b>\$ 33,153,590</b>	<b>\$ 30,291,273</b>	<b>\$ 26,499,380</b>	<b>\$ 25,437,241</b>	<b>\$ 26,525,459</b>

Source: City of North Vancouver Finance Department

## 2023 PRINCIPAL CORPORATE TAXPAYERS

Owner	Property Class	2023 Gross Taxes
G3 Terminal Vancouver Ltd.	Major Industry, Business and Other	\$ 4,003,922
Neptune Bulk Terminals Ltd.	Major Industry, Light Industry, Business and Other	2,966,464
Richardson International Ltd.	Major Industry, Light Industry	1,558,270
Cargill Ltd.	Major Industry	1,081,299
BCIMC Realty Corporation	Business and Other	935,670
North Shore Studios Management	Light Industry, Business and Other	898,121
ICBC - (Grant- In- Lieu)	Business and Other	836,054
P & T Shopping Centre Holdings	Business and Other	746,813
221 West Esplanade Co. Ltd.	Business and Other	699,025
Onni 1308 Lonsdale Ave Holdings	Business and Other	657,018
<b>Total</b>		<b>\$ 14,382,654</b>

Source: City of North Vancouver Finance Department

Every year the City receives applications from non-profit organizations that own land and qualify for tax exemption under the requirements of Provincial legislation. In 2023, the following non-profit organizations qualified:

## 2023 PERMISSIVE TAX EXEMPTIONS

ORGANIZATION	TAXES EXEMPT
Anavets Senior Citizens Housing	\$ 13,077
Army, Navy Air Force Veterans in Canada	20,015
BC Photography and Media Arts Society	78,829
Canadian Mental Health Association	4,004
Catalyst	24,320
Chesterfield House Society - Marineview Housing Society	3,401
Community Living Society	6,354
Corporation of City of North Vancouver	90,780
Family Services North Shore	19,896
Fraternal Order of Eagles, North West Aerie 2638	31,712
Girl Guides of Canada	79,922
Hollyburn Family Services Society	6,538
Holy Trinity Catholic Church	4,168
Hyad Housing for Young Adults with Disabilities	2,718
Intellectual Disabilities (North & West Vancouver) Society	2,912
King's Temple Missionary Society	2,265
Kiwanis North Shore Housing Society	56,016
Lighthouse Harbour Ministries	7,328
Lonsdale Creek Daycare Society	14,542
Lookout Emergency Aid Society, NS Shelter	17,683
Marineview Housing Society	8,143
Navy League of Canada	19,803
North Shore Alliance Church	21,526
North Shore Bethel Christian Mennonite Brethren Church	2,614
North Shore Disability Resource	3,402
North Shore Multicultural Society	58,682
North Shore Neighbourhood House	41,888
North Vancouver Chamber of Commerce	8,101
North Vancouver Community Arts Council	17,570
North Vancouver Lawn Bowling Club	63,911
North Vancouver Museum and Archives Commission	102,558
North Vancouver Royal Canadian Legion	23,290
Parish of St. Agnes Anglican Church	857
Parish of St. John The Evangelist Anglican Church	19,243
Presentation House Cultural Society	47,133
Salvation Army North Vancouver Community Church	10,936
Silver Harbour Centre	70,049
St Leonard's Society of North Vancouver	2,956
St. Andrew's & St. Stephen's Presbyterian Church	5,508
St. Andrew's United Church	3,462
St. Edmund's Parish	6,741
The Cascadia Society for Social Working	12,691
The Way Church	4,991
Vancouver Coastal Health Authority	29,412
Young Women's Christian Association	2,278
<b>Total</b>	<b>\$ 1,074,225</b>

Source: City of North Vancouver Finance Department

The City applies for grants to support a variety of programs and services that benefit the community and take the financial burden off of taxpayers. In 2023 the City received the following grant payments:

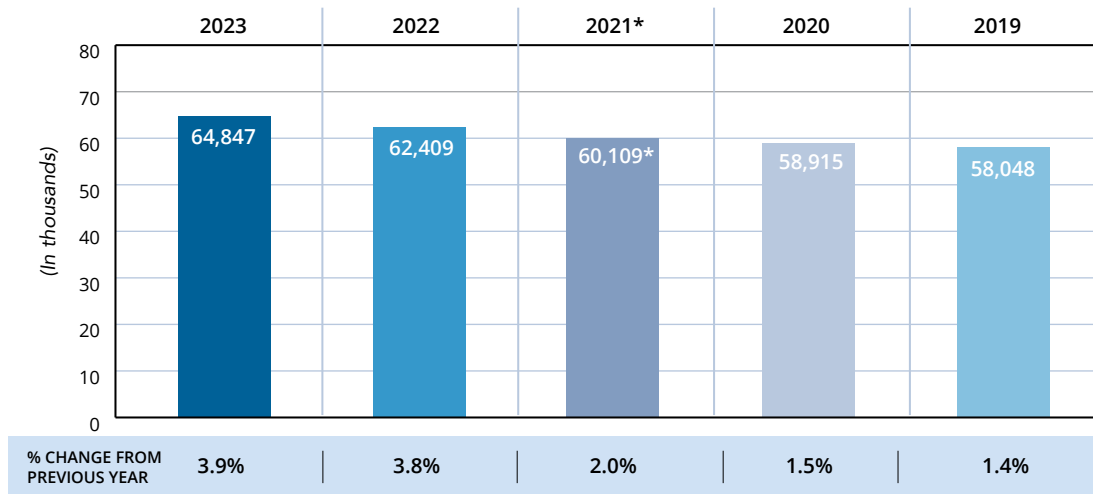
## 2023 GRANTS RECEIVED

SOURCE	DESCRIPTION	AMOUNT
Ministry of Municipal Affairs	Growing Communities Fund	\$10,986,000
TransLink	Esplanade Complete Streets	3,634,000
TransLink	Maintenance and Rehabilitation of Major Road Structures	791,000
UBCM	North Shore Unsheltered Homeless COVID-19 Temporary Supports	761,455
Western Economic Diversification Canada	Esplanade Corridor Upgrade	500,000
Ministry of Municipal Affairs	Library Service Enhancement	375,713
UBCM	Transition to Next Generation 911	272,500
Ministry of Education and Child Care	Mahon Park Childcare	264,610
UBCM	Paving Projects	233,537
Western Economic Diversification Canada	Mahon Skate Park	211,178
TransLink	New Traffic Signals	188,000
Minister of Natural Resources	Urban Forestry Management Strategy and Public Engagement	150,000
TransLink	Cotton Road Bridge Replacement at Lynn Creek	126,501
Ministry of Municipal Affairs	Library Operations	104,468
Ministry of Municipal Affairs	Memorial to Remember Victims of UIA Flight 752	100,000
BC Arts Council	Expanded Arts and Culture Resiliency	93,555
ICBC	Esplanade Bike Lanes	80,000
UBCM	FireSmart Education & Greenwood Park Interface Fuel Management Treatments	47,734
BC Hydro	Heat Pump	29,938
TransLink	St. Andrew's Bike Route	24,819
BC Arts Council	NVMA Operations	23,000
BC Hydro	EV Charging Stations	20,000
Global Affairs Canada	FDI Tool and Material Development	12,250
Ministry of Municipal Affairs	Library OneCard	11,875
ICBC	St Andrew's Speed Humps	10,000
Tree Canada Foundation	Park Tree Planting	6,881
Ministry of Municipal Affairs	Library Sharing Materials	5,069
Ministry of Municipal Affairs	Library Collections, Programs, and Services	4,500
BC Healthy Communities Society	Strengthening Community Connections and the Natural Environment	4,000
ICBC	Community Policing Volunteer Program	2,000
<b>Total</b>		<b>\$19,074,583</b>

Source: City of North Vancouver Finance Department



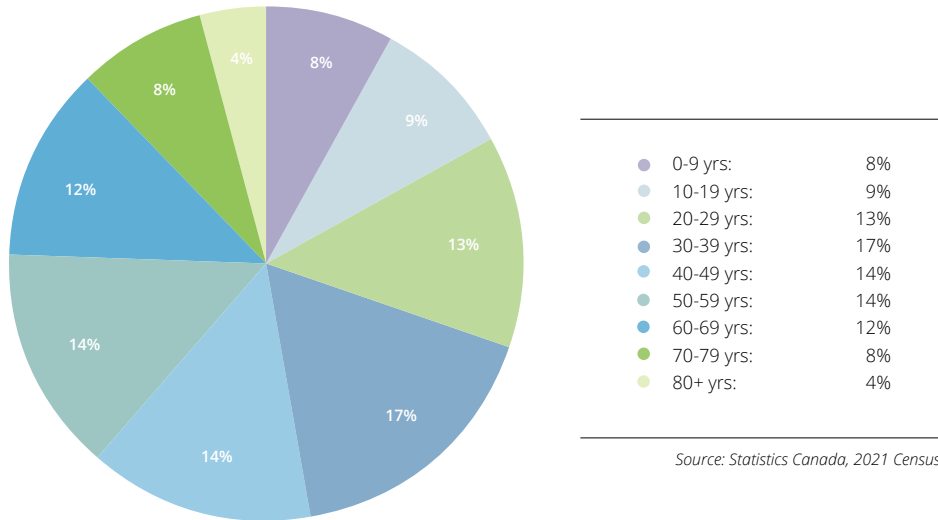
## 5-YEAR COMPARISON OF POPULATION ESTIMATES



\* Provincial estimates are higher than Statistics Canada census data.

Source: BC Ministry of Citizens' Services

## CITY POPULATION BY AGE GROUP



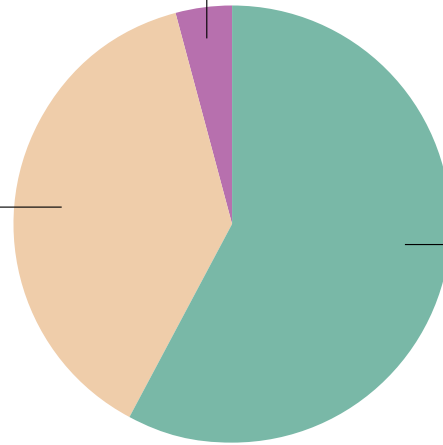
Source: Statistics Canada, 2021 Census

**IMMIGRATION IN THE CITY**

• 85% of City Residents are Canadian Citizens

• **4% Non-permanent Residents**  
 (includes anyone from another country with a usual place of residence in Canada, and who has a work or study permit or who has claimed refugee status)

• **38% Immigrants**  
 (includes anyone who is or who has ever been a landed immigrant or a permanent resident)



• **58% Non-immigrants**  
 (includes anyone who is a Canadian citizen by birth)

Source: Statistics Canada, 2021 Census

**DID YOU KNOW**

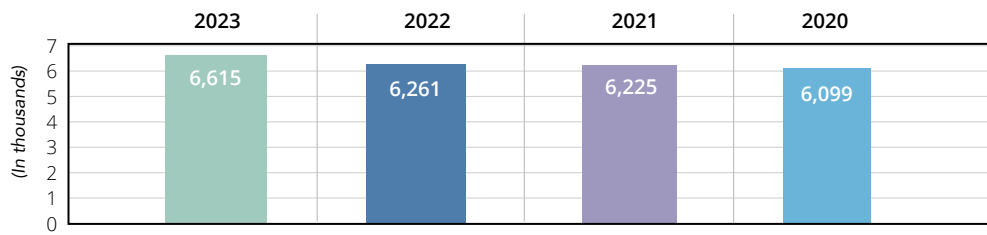
Over the past five years, CNV has added over 2,900 new housing units to the community.

**5-YEAR NEW CONSTRUCTION**

(Construction Value \$ in thousands)	2023	2022	2021	2020	2019
Number of Permits	276	378	394	351	467
Number of Housing Units	1,186	461	435	607	279
Construction Value	\$ 679,818	\$ 329,137	\$ 207,604	\$ 183,650	\$ 199,941

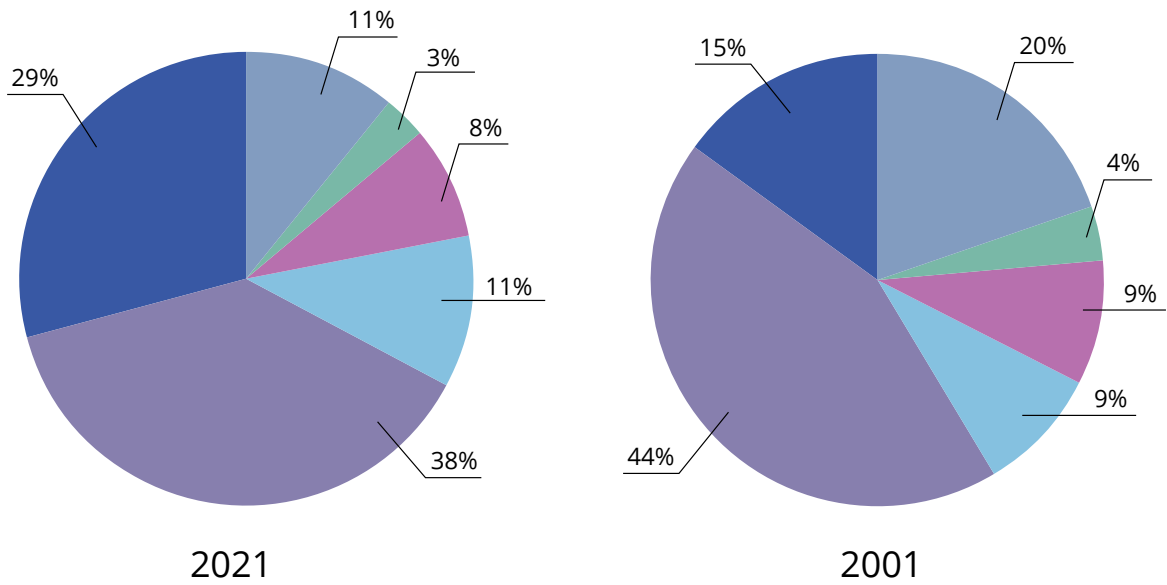
Source: City of North Vancouver Finance Department

## TOTAL NUMBER OF BUSINESSES



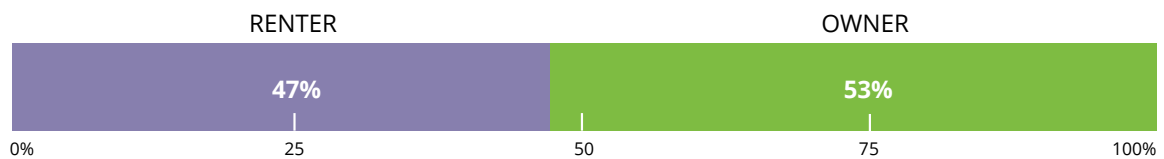
Source: City of North Vancouver Real Estate, Facilities & Economic Development Department

## DWELLING TYPES 2001-2021



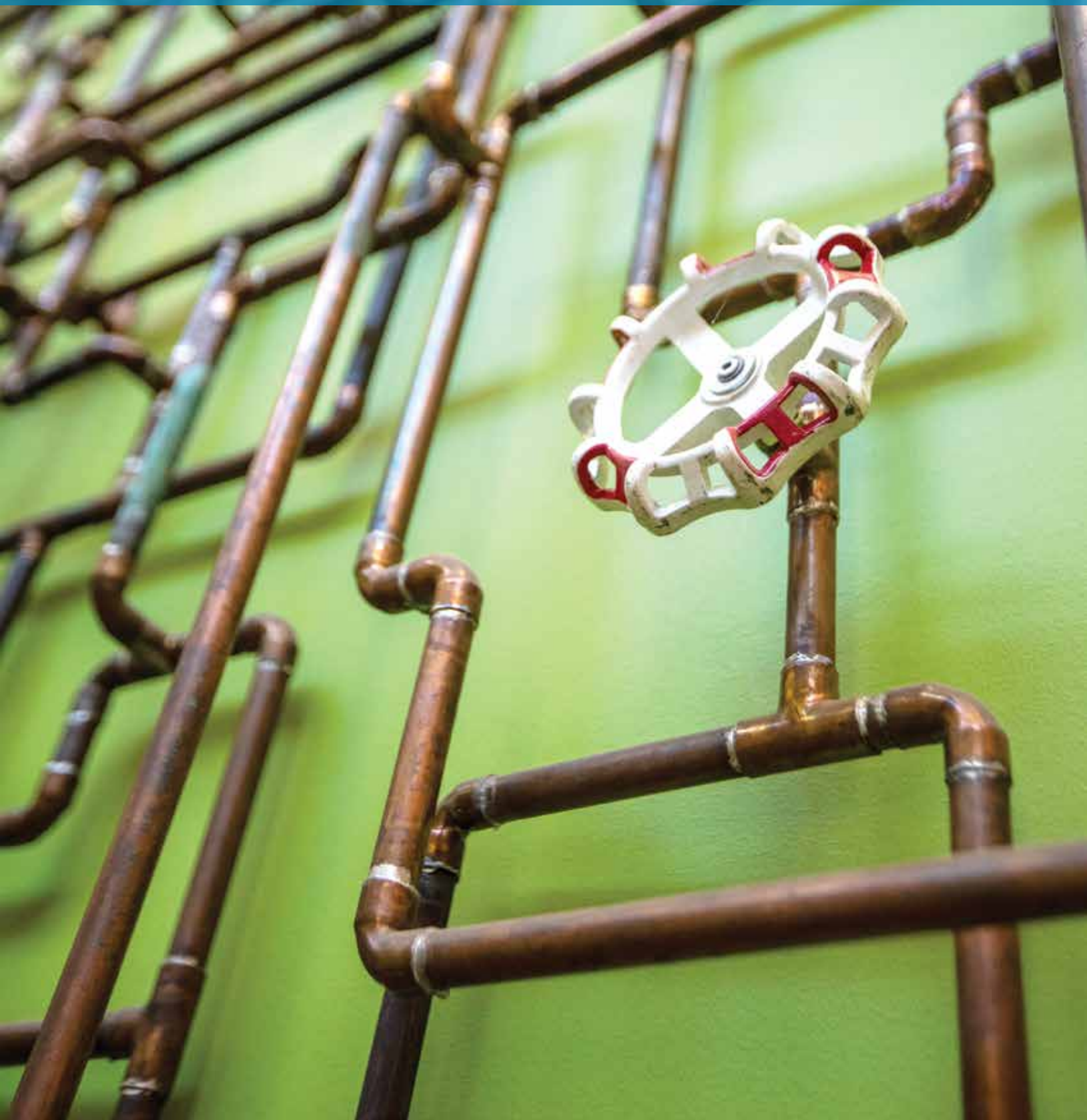
Source: Statistics Canada, 2021 and 2001 Census

## HOUSING TENURE



Source: Statistics Canada, 2021 Census

THE CORPORATION OF THE CITY OF NORTH VANCOUVER  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023





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## Statement of Management Responsibility

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The Council of the Corporation of the City of North Vancouver (“CNV”) has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of CNV. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of financial statements.

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Council annually reviews and accepts the consolidated financial statements.

CNV's independent auditors, BDO Canada LLP, are engaged to express an opinion as to whether CNV's consolidated financial statements present fairly in all material respects the financial position of CNV as at December 31, 2023, and the results of operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.



Larry Sawrenko

Chief Financial Officer

May 6, 2024



Tel: 604 688 5421  
Fax: 604 688 5132  
vancouver@bdo.ca  
www.bdo.ca

BDO Canada LLP  
Unit 1100 - Royal Centre  
1055 West Georgia Street  
Vancouver, BC V6E 3P3 Canada

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## Independent Auditor's Report

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To the Mayor and Council of The Corporation of the City of North Vancouver

### Opinion

We have audited the consolidated financial statements of the Corporation of the City of North Vancouver and its controlled entities (the "City"), which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statement of operations, the consolidated statement of changes in net financial assets and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2023, and its consolidated results of operations, its changes in consolidated net financial assets, its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Unaudited Information

We have not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Schedules A and B of the City's consolidated financial statements.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the City audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
May 8, 2024



**The Corporation of the City of North Vancouver  
Consolidated Statement of Financial Position  
As at December 31, 2023 with comparative figures for 2022  
(in thousands of dollars)**

	<b>2023</b>	<b>2022</b>
		Restated (note 16)
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 237,385	\$ 201,296
Investments (note 3)	62,054	96,217
Investment in Lonsdale Energy Corp. (note 4)	4,829	4,826
Due from other governments	7,731	5,087
Accounts receivable	8,773	10,242
Loan to Lonsdale Energy Corp. (note 5)	26,623	26,653
Interest receivable	7,182	6,990
	<u>354,577</u>	<u>351,311</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	30,356	22,199
Deferred revenue	38,961	37,607
Deferred lease revenue (note 13)	48,911	49,421
Deferred development cost charges	27,815	21,824
Employee future benefits (note 6)	8,334	8,496
Advances and other liabilities	12,650	10,188
Asset retirement obligations (note 8)	2,742	2,649
	<u>169,769</u>	<u>152,384</u>
<b>NET FINANCIAL ASSETS</b>	<u>184,808</u>	<u>198,927</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 7)	528,021	479,130
Inventories	978	948
Prepaid expenses	3,316	2,754
	<u>532,315</u>	<u>482,832</u>
<b>ACCUMULATED SURPLUS</b> (note 9)	<u>\$ 717,123</u>	<u>\$ 681,759</u>

Commitments and contingencies (note 10)

See accompanying notes to the consolidated financial statements



Larry Sawrenko  
Chief Financial Officer

**The Corporation of the City of North Vancouver**  
**Consolidated Statement of Operations**  
**Year ended December 31, 2023 with comparative figures for 2022**  
**(in thousands of dollars)**

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Budget</b>		<b>Restated (note 16)</b>
	(notes 2(i) and 15)		
<b>REVENUE</b>			
Property value tax (note 10 (a))	\$ 75,705	\$ 76,274	\$ 72,159
Other levies	4,143	4,188	4,002
Licences and permits	5,436	7,898	7,165
Fines and fees	5,876	6,854	6,236
Rent	2,696	3,873	3,689
Interest, dividends and penalties	4,759	15,156	8,075
Sale of services	36,079	36,819	33,908
Rebate and recoveries	85	203	165
Grants and other	8,280	28,099	13,199
Developer contributions and other transfers	308	5,948	40,907
Gain (Loss) on disposition of assets		746	(1,143)
Lonsdale Energy Corp. income (note 4)		3	213
	<u>143,367</u>	<u>186,061</u>	<u>188,575</u>
<b>EXPENSES</b>			
General government	25,523	28,197	26,326
Transportation and transit	7,774	10,749	10,771
Health, social services and housing	3,069	2,984	2,796
Development services	8,760	9,604	7,716
Protective services	31,676	32,844	28,248
Parks, recreation and culture	35,811	37,143	34,396
Water utilities	12,053	12,378	11,724
Sewer utilities	12,514	13,054	12,201
Solid waste	4,098	3,744	3,254
	<u>141,278</u>	<u>150,697</u>	<u>137,432</u>
Total expenses (note 12)			
Annual surplus	2,089	35,364	51,143
Accumulated surplus beginning of year	<u>681,759</u>	<u>681,759</u>	<u>630,616</u>
Accumulated surplus end of year	<u>\$ 683,848</u>	<u>\$ 717,123</u>	<u>\$ 681,759</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year ended December 31, 2023 with comparative figures for 2022**  
**(in thousands of dollars)**

	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>Budget</b>		<b>Restated (note 16)</b>
	(notes 2(i) and 15)		
Annual surplus	\$ 2,089	\$ 35,364	\$ 51,143
Acquisition of tangible capital assets	(76,443)	(63,940)	(35,674)
Non-cash developer contributed assets	-	(2,094)	(1,540)
Proceeds on sale of tangible capital assets	-	1,029	120
Depreciation of tangible capital assets	17,700	16,860	17,975
Loss on disposition of tangible capital assets	-	(746)	1,143
	<u>(58,743)</u>	<u>(48,891)</u>	<u>(17,976)</u>
Acquisition of inventories	-	(1,336)	(1,173)
Acquisition of prepaid expenses	-	(3,356)	(3,741)
Use of inventories	-	1,306	971
Use of prepaid expenses	-	2,794	2,531
	<u>-</u>	<u>(592)</u>	<u>(1,412)</u>
Increase (decrease) in net financial assets	(56,654)	(14,119)	31,755
Net financial assets, beginning of year	<u>198,927</u>	<u>198,927</u>	<u>167,172</u>
Net financial assets, end of year	<u>\$ 142,273</u>	<u>\$ 184,808</u>	<u>\$ 198,927</u>

See accompanying notes to the consolidated financial statements

**The Corporation of the City of North Vancouver**  
**Consolidated Statement of Cash Flows**  
**Year ended December 31, 2023 with comparative figures for 2022**  
**(in thousands of dollars)**

	<u>2023</u>	<u>2022</u>
		Restated (note 16)
<b>Cash provided by (used for):</b>		
<b>Operating Transactions</b>		
Annual surplus	\$ 35,364	\$ 51,143
Items not involving cash:		
Depreciation expense	16,860	17,975
Accretion expense	93	89
Gain (Loss) on disposal of tangible capital assets	(746)	1,143
Non-cash developer contributed assets	(2,094)	(1,540)
Lonsdale Energy Corp. income	(3)	(213)
Changes in non-cash operating items:		
Increase in due from other governments	(2,644)	(1,125)
Decrease in accounts receivable	1,469	1,229
Change in loan to Lonsdale Energy Corp.	30	390
Decrease (increase) in interest receivable	(192)	1,730
Increase (decrease) in accounts payable and accrued liabilities	8,157	(481)
Increase in deferred revenue	1,354	3,349
Decrease in deferred lease revenue	(510)	(509)
Increase (decrease) in deferred development cost charges	5,991	(248)
Increase (decrease) in accrued employee future benefits	(162)	110
Increase in advances and other liabilities	2,462	111
Increase in inventories	(30)	(202)
Increase in prepaid expenses	(562)	(1,210)
	<u>64,837</u>	<u>71,741</u>
<b>Capital Transactions</b>		
Cash used to acquire tangible capital assets	(63,940)	(35,674)
Proceeds from sale of tangible capital assets	<u>1,029</u>	<u>120</u>
	(62,911)	(35,554)
<b>Investing Transactions</b>		
Decrease in investments	<u>34,163</u>	<u>40,423</u>
	34,163	40,423
<b>Financing Transactions</b>		
Repayment of long-term debt	<u>-</u>	<u>(237)</u>
Increase in cash and cash equivalents	36,089	76,373
Cash and cash equivalents, beginning of year	<u>201,296</u>	<u>124,923</u>
Cash and cash equivalents, end of year	<u>\$ 237,385</u>	<u>\$ 201,296</u>

See accompanying notes to the consolidated financial statements



**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**1. OPERATIONS**

The City of North Vancouver (“CNV”) was incorporated in 1907 and operates under the provisions of the Community Charter and the Local Government Act of British Columbia. The City’s principal activity is the provision of local government services to residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water and sanitary services.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of CNV have been prepared in accordance with Canadian public sector accounting standards, as prescribed by the Public Sector Accounting Board (“PSAB”). The significant accounting policies are summarized below:

**(a) Basis of Presentation**

The consolidated financial statements include the accounts of all the funds of CNV, the accounts of the North Vancouver City Library, which is controlled by CNV, CNV’s 33.94% proportionate share of the operations of the North Vancouver Recreation Commission, and CNV’s 50% proportionate share of the operations of the North Vancouver Museum and Archives Commission. CNV’s investment in Lonsdale Energy Corporation (“LEC”), a wholly owned government business enterprise, is accounted for using the modified equity method.

CNV has an agreement with the District of North Vancouver in the operation and management of the North Vancouver Recreation Commission, and CNV includes its proportionate share in CNV’s consolidated financial statements. The current agreement specifies that the operating costs shall be paid 33.94% (2022 – 33.94%) by CNV and 66.06% (2022 – 66.06%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

CNV also has an agreement with the District of North Vancouver in the operation and management of the North Vancouver Museum and Archives Commission, and CNV includes its proportionate share in CNV’s consolidated financial statements. The current agreement specifies that the operating costs shall be paid 50% (2022 – 50%) by CNV and 50% (2022 – 50%) by the District of North Vancouver. Each municipality is responsible for its own facilities and pays 100% of all capital costs relating to improvement, expansion and replacement of buildings or facility equipment.

**(b) Basis of Accounting**

Revenue is recorded on an accrual basis and recognized when earned. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) Revenue Recognition**

Taxes are recognized as revenue in the year that the taxes are authorized, the taxable event occurs and they are considered collectible. Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Levies imposed for Regional District services and other taxing authorities are not included.

Lease revenue is recognized on a straight-line basis over the term of the lease.

Charges for sewer, water and solid waste usage are recorded as user fees. Connection fees revenues are recognized when the connection has been established.

Sale of service and other revenue are recognized on an accrual basis.

**(d) Deferred Revenue**

Deferred revenue consists of prepaid property taxes, prepaid business licenses, and fees paid in advance for services yet to be provided.

**(e) Deferred Lease Revenue**

Deferred lease revenue consists of funds collected in advance of rental periods for long-term prepaid leases, which will be recognized as revenue on a straight-line basis over the term of the lease.

**(f) Deferred Development Cost Charges**

Development cost charges collected to pay for future capital projects are deferred upon receipt and recognized as revenue when the capital costs for which they were collected are incurred.

**(g) Cash and cash equivalents**

Cash and cash equivalents consist of cash, highly liquid pooled high interest savings accounts with the Municipal Finance Authority.

**(h) Investments**

Investments include bank issued notes and bonds and Provincial bonds and debentures maturing after December 31, 2023 and are valued at the lower of cost or market value. Securities are recorded at their cost and written down to reflect losses in value that are other than temporary.

**(i) Budget Figures**

The budget figures are based on the five year financial plan adopted on April 24th, 2023.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(j) Government Transfers**

Unrestricted government transfers are recognized as revenue in the year that the transfer is authorized by the issuing government and any eligibility criteria have been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulations that create liabilities are met.

**(k) Employee Future Benefits**

CNV and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, contributions are expensed as incurred.

Sick leave and post-employment benefits also accrue to CNV's employees. The liabilities related to these benefits are actuarially determined based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

**(l) Long-term Debt**

Long-term debt is recorded in the consolidated financial statements net of sinking fund payments and adjustments.

**(m) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They may have useful lives extending beyond the current year and are not intended for sale in the ordinary course of business.

**(i) Tangible Capital Assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	Straight-line over useful life of each asset unit	10 – 100 years
Parks	Straight-line over useful life of each asset unit	10 – 75 years
Buildings	Straight-line over useful life of each asset unit	10 – 100 years
Machinery & equipment	Straight-line over useful life of each asset unit	3 – 25 years
Vehicles	Straight-line over useful life of each asset unit	6 – 25 years
Infrastructure	Straight-line over useful life of each asset unit	7 – 100 years
Library materials	Straight-line over useful life of each asset unit	2 – 5 years
Work in progress	Not amortized until put into use	

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(m) Non-Financial Assets (continued)**

**(ii) Contributions of Tangible Capital Assets**

Tangible capital assets received as contributions or transfers from developers are recorded at their estimated fair value at the date of receipt and also are recorded as revenue.

**(iii) Works of Art and Historic Assets**

CNV and the Museum and Archives Commission manages and controls various works of art and non-operational historic assets, including buildings, artifacts, paintings and sculptures located at City sites and public display areas.

Works of art and historic assets are not recorded as assets in these consolidated financial statements.

**(iv) Natural Resources**

Horticultural assets such as treed areas, grassy areas and gardens are not recognized as assets in the consolidated financial statements.

**(v) Interest Capitalization**

CNV does not capitalize interest costs associated with the construction of a tangible capital asset.

**(vi) Leased Tangible Capital Assets**

Leases that transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the payments are charged to expenses as incurred.

**(vii) Inventories**

Inventories held for consumption are recorded at the lower of weighted average cost and replacement cost.

**(n) Estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the disclosure of contingent liabilities. Areas requiring significant estimation are post-employment benefits, compensated absences and termination benefits, estimated useful life of tangible capital assets, asset retirement obligations and measurement of contingent liabilities. Actual results could differ from these estimates.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(o) Segment Disclosure**

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information related to expenses. See note 12.

**(p) Contaminated Sites**

A liability for contaminated sites is recognized when a site is not in productive use or an unexpected event has occurred and the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) CNV is directly responsible or accepts responsibility;
- iv) it is expected that future economic benefits will be given up; and
- v) a reasonable estimate of the amount can be made

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

**(q) Asset Retirement Obligations**

On January 1, 2023, CNV adopted public sector accounting standard 3280, Asset Retirement Obligations. This new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets. The standard was adopted on the modified retrospective basis at the date of adoption.

A liability is recognized when, as at the financial reporting date:

- i) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- ii) the past transaction or event giving rise to the liability has occurred;
- iii) it is expected that future economic benefits will be given up; and
- iv) a reasonable estimate of the amount can be made.

The resulting costs have been capitalized into the carrying amount of the related tangible capital assets and are being amortized on the same basis as the related tangible capital asset. Assumptions used in the calculations are reviewed annually.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(r) Financial Instruments**

CNV adopted public sector accounting standard 3450, Financial Instruments, effective January 1, 2023, on a prospective basis. Financial instruments classification is determined upon inception and financial instruments are not reclassified into another measurement category for the duration of the period they are held. Financial assets and financial liabilities, other than hedges, equity instruments quoted in an active market, and financial instruments designated at fair value, are measured at cost or amortized cost upon inception and subsequent to initial recognition. Cash and cash equivalents are measured at cost. Accounts receivable, investments, other receivables, and accounts payable and accrued liabilities are measured at amortized cost using the effective interest rate method to determine interest revenue or expense in the Consolidated Statement of Operations for the period it is earned. Valuation allowances are made when collection is in doubt. Investments include bank issued notes and bonds and provincial bonds and debentures maturing after the current year. Investments are adjusted for any amortization of premiums or discounts. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are included in the carrying value of the related investments.

All financial assets recorded at cost or amortized cost are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Consolidated Statement of Operations. A financial liability or its part is de-recognized when it is extinguished.

**3. INVESTMENTS**

The fair value of investments at December 31, 2023 is \$65,962,000 (2022 - \$98,214,000). CNV's investment portfolio consists of Provincial and Canadian bank bonds with a cost of \$62,054,000 (2022 - \$96,217,000).

Financial instruments maturing between January 2024 to December 2024 range in yield from 2.10% to 3.13% (2023 – 1.05% to 3.11%). Investments maturing from January 2025 to May 2031 range in yield from 1.30% to 7.52%.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**4. INVESTMENT IN LONSDALE ENERGY CORPORATION (“LEC”)**

CNV owns all the issued and outstanding shares of LEC, which was incorporated under the Business Corporations Act (British Columbia) on July 7, 2003. LEC operates a district energy system providing hydronic energy to residential, institutional and commercial buildings in the City of North Vancouver.

Summarized financial information relating to LEC is as follows:

	<u>2023</u>	<u>2022</u>
Cash and accounts receivable	\$ 4,050	\$ 3,002
Plant and equipment	40,969	38,420
Other assets	732	767
Total assets	<u>\$ 45,751</u>	<u>\$ 42,189</u>
Accounts payable and accrued liabilities	\$ 3,678	\$ 2,895
Deferred contributions	8,621	7,815
Debt	28,623	26,653
Total Liabilities	<u>\$ 40,922</u>	<u>\$ 37,363</u>
Shareholder's equity	<u>\$ 4,829</u>	<u>\$ 4,826</u>
Total revenue	\$ 9,713	\$ 9,702
Total expenses	9,710	9,489
Net income	<u>\$ 3</u>	<u>\$ 213</u>

Included in CNV's Consolidated Statement of Financial Position is "Investment in Lonsdale Energy Corp." in the amount of \$4,829,000 (2022 - \$4,826,000) and a loan receivable in the amount of \$26,623,000 (note 5(a)) (2022 - \$26,653,000). Also, included in accounts receivable in CNV's Consolidated Statement of Financial Position are receivables from LEC in the amount of \$1,067,000 (2022 - \$1,122,000).

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**5. LOAN TO LONSDALE ENERGY CORPORATION**

The loan receivable balance of \$26,623,000 (2022 - \$26,653,000) consists of the following interest bearing promissory notes:

On August 1, 2018, CNV converted amounts due from LEC whereby LEC issued a 5 year promissory note to CNV in the amount of \$33,661,966. On July 15, 2019 and November 17, 2021, CNV's Council authorized LEC to borrow an additional \$1,681,000 and \$290,000 respectively. On August 1, 2023, a five-year demand term loan was issued by CNV to borrow a maximum of \$35,632,966. This promissory note replaced and nullified all previous promissory notes issued by CNV to LEC. The loan matures on August 1, 2028 and bears interest at 3.51% per annum. As at December 31, 2023 an amount of \$26,622,804 remains due to CNV. During the year, LEC drew \$1,050,000 (2022 - \$630,000) from this promissory note. After considering the principal payments of \$4,369,162 made to date, the remaining funding available to LEC under the terms of the agreement is \$4,641,000, which LEC expects to draw on for future asset construction.

Interest revenue of \$798,000 (2022 - \$704,000) and dividend revenue of \$45,900 (2022 - \$53,900) has been included in the Consolidated Statement of Operations.

At the maturity date of the loan to LEC, CNV may, at its discretion, extend the terms of the loan in whole or in part or LEC may repay the loan in whole or in part using either internal or external financing.

**6. EMPLOYEE FUTURE BENEFITS**

**(a) Sick and Severance**

Employees of CNV are entitled to payments related to unused sick leave and severance upon retirement or resignation after ten years of service. The amount recorded for these benefits is based on an actuarial valuation done by an independent firm of actuaries using a projected benefit actuarial valuation method pro-rated on services. The most recent actuarial valuation of CNV's future benefits was completed as at December 31, 2023.



**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**6. EMPLOYEE FUTURE BENEFITS (continued)**

**(a) Sick and Severance (continued)**

Information regarding CNV's obligations for these benefits, including 100% of the North Vancouver City Library and its proportionate share of the North Vancouver Recreation Commission and North Vancouver Museum and Archives Commission, is as follows:

	2023	2022
Benefit obligation - beginning of the year	\$ 6,944	\$ 7,906
Add: Current service costs	597	731
Interest on accrued benefit obligation	322	206
Actuarial loss (gain)	1,023	(1,115)
Less: Benefits paid	(928)	(784)
Benefit obligation - end of the year	\$ 7,958	\$ 6,944
Add: Unamortized actuarial gain	376	1,552
Benefit liability - end of the year	<u>\$ 8,334</u>	<u>\$ 8,496</u>

The significant actuarial assumptions adopted in measuring CNV's accrued benefit liability are as follows:

	2023	2022
Discount rates	4.10%	4.50%
Future inflation rates	4.5% for 2024 and 2.5% thereafter	2.00%
Compensation increases, net of inflation	0.00% to 0.50%	2.58% to 4.63%

The unamortized actuarial gain is amortized over a period equal to the employees' average remaining service lifetime of eleven years for CNV (2022 - 11 years).

**(b) Council Retirement Stipend**

Starting 2005, Council Members are entitled to a retirement stipend based on 9.31% of the individual's total indemnity received subsequent to 2002. These amounts are accrued as earned and recorded in accounts payable and accrued liabilities.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**7. TANGIBLE CAPITAL ASSETS**

<b>2023</b>	<b>Land</b>	<b>Land Improvements</b>	<b>Parks</b>	<b>Buildings</b>	<b>Machinery &amp; Equipment</b>	<b>Vehicles</b>	<b>Infrastructure</b>	<b>Library Materials</b>	<b>Work in Progress</b>	<b>Total</b>
<b>Costs</b>										
Balance beginning of year	\$ 46,229	\$ 82,411	\$ 57,695	\$ 149,468	\$ 26,101	\$ 12,718	\$ 277,033	\$ 955	\$ 71,212	\$ 723,822
Additions and Adjustments	-	12	5,387	3,352	753	3,314	5,726	233	47,256	66,033
Disposals	-	-	-	-	-	1,528	101	228	-	1,857
Balance end of year	\$ 46,229	\$ 82,423	\$ 63,082	\$ 152,820	\$ 26,854	\$ 14,504	\$ 282,658	\$ 960	\$ 118,468	\$ 787,998
<b>Accumulated Amortization</b>										
Balance beginning of year	\$ -	\$ 21,509	\$ 20,113	\$ 77,363	\$ 19,476	\$ 6,309	\$ 99,444	\$ 478	\$ -	\$ 244,692
Amortization and Adjustments	-	2,201	2,158	4,496	1,531	917	5,343	214	-	16,860
Disposals	-	-	-	-	-	1,287	60	228	-	1,575
Balance end of year	\$ -	\$ 23,710	\$ 22,271	\$ 81,859	\$ 21,007	\$ 5,939	\$ 104,727	\$ 464	\$ -	\$ 259,977
<b>Net Book Value</b>	<b>\$ 46,229</b>	<b>\$ 58,713</b>	<b>\$ 40,811</b>	<b>\$ 70,961</b>	<b>\$ 5,847</b>	<b>\$ 8,565</b>	<b>\$ 177,931</b>	<b>\$ 496</b>	<b>\$ 118,468</b>	<b>\$ 528,021</b>
<b>2022</b>										
	<b>Land</b>	<b>Land Improvements</b>	<b>Parks</b>	<b>Buildings (restated)</b>	<b>Machinery &amp; Equipment</b>	<b>Vehicles</b>	<b>Infrastructure</b>	<b>Library Materials</b>	<b>Work in Progress</b>	<b>Total</b>
<b>Cost</b>										
Balance beginning of year	\$ 44,909	\$ 82,368	\$ 55,657	\$ 149,690	\$ 24,018	\$ 12,585	\$ 250,762	\$ 942	\$ 71,357	\$ 692,288
Adjustment relating to recognition of Asset Retirement Obligation (note 8)				339						339
Balance beginning of year, restated	\$ 44,909	\$ 82,368	\$ 55,657	\$ 150,029	\$ 24,018	\$ 12,585	\$ 250,762	\$ 942	\$ 71,357	\$ 692,627
Additions	1,320	50	3,160	121	3,243	1,474	27,773	218	(145)	37,214
Disposals	-	7	1,122	682	1,160	1,341	1,502	205	-	6,019
Balance end of year	\$ 46,229	\$ 82,411	\$ 57,695	\$ 149,468	\$ 26,101	\$ 12,718	\$ 277,033	\$ 955	\$ 71,212	\$ 723,822
<b>Accumulated Amortization</b>										
Balance beginning of year	\$ -	\$ 19,083	\$ 19,281	\$ 72,475	\$ 18,134	\$ 6,611	\$ 95,150	\$ 467	\$ -	\$ 231,201
Adjustment relating to recognition of Asset Retirement Obligation (note 8)				272						272
Balance beginning of year, restated	\$ -	\$ 19,083	\$ 19,281	\$ 72,747	\$ 18,134	\$ 6,611	\$ 95,150	\$ 467	\$ -	\$ 231,473
Amortization expense	-	2,433	1,918	4,976	2,502	760	5,170	216	-	17,975
Disposals	-	7	1,086	360	1,160	1,062	876	205	-	4,756
Balance end of year	\$ -	\$ 21,509	\$ 20,113	\$ 77,363	\$ 19,476	\$ 6,309	\$ 99,444	\$ 478	\$ -	\$ 244,692
<b>Net Book Value</b>	<b>\$ 46,229</b>	<b>\$ 60,902</b>	<b>\$ 37,582</b>	<b>\$ 72,105</b>	<b>\$ 6,625</b>	<b>\$ 6,409</b>	<b>\$ 177,589</b>	<b>\$ 477</b>	<b>\$ 71,212</b>	<b>\$ 479,130</b>

**(a) Work in Progress**

Work in progress having a cost of \$118,468,000 (2022 - \$71,212,000) has not been amortized. Amortization of these assets will commence when the asset is in service.

**(b) Developer Contributed Tangible Capital Assets and Other Transfers**

Developer contributed tangible capital assets and other transfers of \$2,094,000 (2022 - \$1,540,000) have been recognized during the year.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**8. ASSET RETIREMENT OBLIGATIONS**

CNV owns several buildings known to have asset retirement obligations at their retirement. Estimated costs have been discounted to the present value using a discount rate of 3.5% per annum.

The transition and recognition of asset retirement obligations involved a change to the buildings tangible capital assets and the restatement of prior year figures (see note 16).

Balances of the asset retirement obligation are as follows:

2023	Balance at December 31, 2023
Balance beginning of year	\$ 2,649
Accretion expense	93
Balance end of year	\$ 2,742

2022	Balance at December 31, 2022
Balance beginning of year	\$ -
Adjustment relating to recognition of Asset Retirement Obligation	2,560
Opening balance, restated	\$ 2,560
Accretion expense	89
Balance end of year	\$ 2,649

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**9. ACCUMULATED SURPLUS**

	2023	2022
		Restated (note 16)
General funds – general, water and sewer & drainage (a)	\$ 64,868	\$ 55,002
Reserve fund (b)	99,206	124,527
Capital fund (c)	553,049	502,230
Accumulated surplus, end of year	<u>\$ 717,123</u>	<u>\$ 681,759</u>

**(a) General funds – general, water and sewer**

	2023	2022
Appropriated:		
General fund	\$ 23,071	\$ 21,867
Water fund	7,105	4,112
Sewer & Drainage fund	14,220	14,049
Unappropriated:		
General fund	11,688	9,094
Water fund	4,212	3,478
Sewer & Drainage fund	3,743	690
General funds – COVID-19 Safe Restart Grant	829	1,712
	<u>\$ 64,868</u>	<u>\$ 55,002</u>

**(b) Reserve Funds**

	Balance December 31, 2022	Contributions & Transfers	Earnings	Expenditures	Balance December 31, 2023
Machinery and Equipment					
Engineering	\$ 3,220	\$ -	\$ 291	\$ 868	\$ 2,643
Fire	367	233	42	214	428
General	52	-	7	38	21
Computer	96	38	5	96	43
Building	141	-	-	67	74
Local Improvements	802	1	54	2	855
Affordable Housing	10,626	509	618	3,605	8,148
Tax Sale Lands	35,066	-	2,515	796	36,785
Waterworks	4,935	-	336	-	5,271
Parking	6	-	-	-	6
Civic Amenity	64,256	10,435	6,455	53,599	27,547
Justice Administration Accommodation	72	-	-	16	56
Streets DCC	-	1,041	3	1,044	-
Parks DCC	-	121	-	121	-
Lower Lonsdale Amenity	8	-	-	8	-
Lower Lonsdale Legacy	2,672	-	179	88	2,763
Infrastructure	831	-	638	55	1,414
Public Art	635	85	45	36	729
Sustainable Transportation	190	88	14	48	244
Carbon Fund	552	301	45	80	818
Growing Communities Fund	-	10,986	375	-	11,361
Total	<u>\$ 124,527</u>	<u>\$ 23,838</u>	<u>\$ 11,622</u>	<u>\$ 60,781</u>	<u>\$ 99,206</u>

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**9. ACCUMULATED SURPLUS (continued)**

**(c) Capital Fund**

	2023	2022
		Restated (note 16)
Invested in tangible capital assets	\$ 525,280	\$ 476,481
Appropriated capital funds	27,769	25,749
	<u>\$ 553,049</u>	<u>\$ 502,230</u>

**10. COMMITMENTS AND CONTINGENCIES**

**(a) Property Taxes**

CNV is obliged to levy, collect and remit property taxes on behalf of, and to finance the arrears of property taxes of, other bodies as follows:

	2023	2022
Tax collected	\$ 133,575	\$ 127,265
Less collections for and remittances to other bodies:		
Provincial Government - Schools	\$ 42,797	\$ 41,153
Greater Vancouver Regional District	2,187	2,029
Greater Vancouver Transportation Authority	10,214	9,878
British Columbia Assessment Authority	1,595	1,538
Municipal Finance Authority	8	8
BIA Lower Lonsdale Society	500	500
	<u>\$ 57,301</u>	<u>\$ 55,106</u>
Property Value Tax	<u>\$ 76,274</u>	<u>\$ 72,159</u>

**(b) Pension Liability**

CNV and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**10. COMMITMENTS AND CONTINGENCIES (continued)**

**(b) Pension Liability (continued)**

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. CNV paid \$5,143,000 (2022 - \$4,851,000) for employer contributions to the plan in fiscal 2023. The next valuation will be as at December 31, 2024.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

**(c) Contingent Liabilities**

CNV is currently engaged in or party to certain legal actions, assessment appeals and other existing conditions involving uncertainty, which may result in material loss. A reasonable estimate of these future liabilities has been made where possible and is recorded in the financial statements as a liability. Where the outcomes or amounts or losses are uncertain, management has determined that there are no potential material amounts involved.

**(d) E-Comm**

CNV is a member of Emergency Communications for British Columbia, Incorporated ("E-Comm"), an organization comprised predominately of member municipalities, for the purpose of providing emergency dispatch services. CNV is represented on the board and as a class "A" shareholder has voting rights should the organization want to incur additional debt.

The E-Comm facility was constructed using debt as a financing mechanism and members are liable for a proportionate share of that debt. This debt is repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, the members would be liable for a proportionate share of any residual debt. Alternatively, should members choose to opt out of E-Comm, they would be liable for a proportionate share of debt at the time of withdrawal.

CNV holds 2 class "A" shares and one class "B" share.

**(e) Contractual Obligations**

As at December 31, 2023 CNV had entered into various construction contracts for a total outstanding value of \$140,300,000.

**11. TRUST FUNDS**

Certain assets have been conveyed or assigned to CNV to be administered as directed by an agreement or statute. CNV holds the assets for the benefit of, and stands in a fiduciary relationship to, the beneficiary. The Cemetery Trust Fund, totaling \$3,810,000 (2022 - \$3,648,000), which is administered by CNV, has not been included with CNV's accounts.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**12. SEGMENTED INFORMATION**

CNV is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens. Certain functional areas have been combined and separately disclosed in the segmented information. The segments and the services they provide are as follows:

**General Government**

General Government provides the administrative and legislative services that support the various sectors of CNV. Functions include financial planning and reporting, economic development and legislative services.

**Transportation and Transit**

The Transportation and Transit division aims to provide enhanced access to public transit, safe pedestrian and cyclist routes, accessible transportation for people with limited mobility and maintain existing infrastructure. These goals are achieved through street design, traffic signals and signs, street lighting and road maintenance activities.

**Health, Social Services and Housing**

Health, Social Services and Housing encompasses a wide variety of City funded initiatives aimed at supporting the social structure and sustainability of the community. Included are cemetery operations, youth and family support services, seniors programs and homeless prevention initiatives.

**Development Services**

Development Services' focus is community planning, which includes land use guidelines, the management of City owned lands, heritage planning and development of CNV's official community plan.

**Protective Services**

Protective Services is comprised of the North Vancouver RCMP detachment, the North Vancouver City Fire Department and bylaw enforcement. The North Vancouver RCMP detachment plays an integral role in the protection of North Vancouver residents and their property through crime prevention and detection, emergency response and victim services. The North Vancouver City Fire Department is responsible for providing fire suppression service, fire prevention services and fire safety education. Bylaw Services is responsible for the enforcement and education of the City's bylaws and conflict resolution.

**Parks, Recreation and Culture**

Parks, Recreation and Culture provides access to recreation facilities, the operation and maintenance of CNV's many parks and trails, the North Vancouver City Library and CNV's participation in the North Vancouver Museum and Archives and the North Vancouver Recreation and Culture Commission.

**Water Utilities**

The Water Utility, in conjunction with Metro Vancouver, provides safe, clean, reliable water to the residents and businesses of the City of North Vancouver.

**Sewer & Drainage Utilities**

The Sewer & Drainage Utility collects waste water and transports it to trunk water mains and wastewater treatment plants operated by Metro Vancouver. In addition to the collection of wastewater, the Sewer Utility also manages CNV's 150km storm drainage system which diverts rainfall runoff with an emphasis on flood prevention.

**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**12. SEGMENTED INFORMATION (continued)**

**Solid Waste**

The Solid Waste Utility provides curbside garbage, recycling and yard trimmings collection to the residents of the City of North Vancouver.

The Consolidated Statement of Operations by segment and services is as follows:

	Expenses							Annual Surplus (Deficit)
	Revenues	Wages & Benefits	Goods & Supplies	Services	Amortization	Capitalized	Total	
General government	\$ 113,398	\$ 20,268	\$ 5,298	\$ 4,508	\$ 4,052	\$ (5,929)	\$ 28,197	\$ 85,201
Transportation and transit	6,863	3,494	838	10,387	3,784	(7,754)	10,749	(3,886)
Health, social services and housing	469	473	90	2,419	2	-	2,984	(2,515)
Development services	10,654	7,115	36	2,453	-	-	9,604	1,050
Protective services	2,272	21,081	918	10,194	826	(175)	32,844	(30,572)
Parks, recreation and culture	13,054	18,783	1,805	56,558	6,450	(46,453)	37,143	(24,089)
Water utilities	16,663	2,047	8,887	1,864	827	(1,247)	12,378	4,285
Sewer utilities	19,163	2,087	454	11,682	979	(2,148)	13,054	6,109
Solid waste	3,525	1,900	81	1,723	40	-	3,744	(219)
2023	<u>\$ 186,061</u>	<u>\$ 77,248</u>	<u>\$ 18,407</u>	<u>\$ 101,788</u>	<u>\$ 16,960</u>	<u>\$ (63,706)</u>	<u>\$ 150,697</u>	<u>\$ 35,364</u>
2022 (Restated)	<u>\$ 188,575</u>	<u>\$ 68,358</u>	<u>\$ 17,660</u>	<u>\$ 68,797</u>	<u>\$ 18,062</u>	<u>\$ (35,445)</u>	<u>\$ 137,432</u>	<u>\$ 51,143</u>

**13. DEFERRED LEASE REVENUE**

In 2020, CNV entered into an agreement for the Harry Jerome Neighborhood Lands for a lease term of 99 years. Included in deferred revenue is \$48,911,000 (2022 - \$49,421,000) in relation to this lease.

**14. FINANCIAL RISK MANAGEMENT**

CNV has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk. CNV has identified its major risks and ensures that management monitors and controls them.

**(a) Credit risk**

Credit risk is the risk of financial loss to CNV if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from accounts receivable made up of property tax and utilities and other non-property tax related balances.

For property tax and utility balances, outstanding amounts are transferred to the property tax account associated with the invoiced real property at the end of each fiscal year and form all or part of the tax arrears for the property. CNV is required by the Local Government Act to conduct an annual tax sale by offering for sale by public auction each parcel of real property on which taxes are delinquent. Registered charge holders have the full right to redeem the property. To redeem the property, the charge holder must remit the full upset price, plus interest on the purchase price at a rate set by the Province, within one year of the tax sale.

For other account receivable balances, CNV maintains allowances for potential credit losses, with results to date within CNV's expectations. In making estimates in respect of the allowance for doubtful accounts, current economic conditions, historical



**The Corporation of the City of North Vancouver  
Notes to Consolidated Financial Statements  
Year ended December 31, 2023  
(Tabular amounts in thousands of dollars)**

**14. FINANCIAL RISK MANAGEMENT (continued)**

of when to record allowances for past due accounts. The same factors are considered when determining whether to write off amounts charged to the allowance account against amounts receivable.

**(b) Market risk**

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk. The market risks to which CNV is exposed are foreign exchange risks and interest rate risks.

**(i) Foreign exchange risk**

Foreign exchange risk refers to the risk that the fair value of financial instruments, or future cash flows associated with the instruments, will fluctuate in Canadian dollar value due to changes in foreign exchange rates.

The functional currency of CNV is the Canadian dollar. CNV receives some US dollar payments and incurs some US dollar operating and capital costs. These US dollar transactions represent an insignificant volume and value of total overall transactions, resulting in minimal risk.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. CNV manages such risk by adoption of an investment policy and adherence to this policy and the Community Charter. Investments are in pooled funds with the Municipal Finance Authority in a diversified portfolio in accordance with CNV's investment policy, which include preservation of capital, minimization of default and interest rate risk, sufficient liquidity to meet operating and capital requirements, and generation of a stable return on investments. Investments include GICs and High Interest Savings Accounts not subject to market fluctuations. It is management's opinion that CNV is not exposed to significant market risk arising from its financial instruments.

**(c) Liquidity risk**

Liquidity risk is the risk that CNV will not be able to meet its financial obligations as they become due. For its accounts payables, CNV manages liquidity risk by holding assets that can be readily converted into cash and by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to CNV's reputation.

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**15. BUDGET FIGURES**

The budget figures presented in these consolidated financial statements include 100% of the North Vancouver City Library and CNV's proportionate share of the North Vancouver Recreation Commission and North Vancouver Museum and Archives Commission. The financial plan was approved by Council as the Financial Plan for the Years 2023 to 2027 Bylaw, 2023, No. 8962 April 24th, 2023. The table below reconciles the approved budget to the budget figures reported.

	<u>Financial Plan Bylaw</u>
Revenue per Statement of Operations	\$ 143,367
Less:	
Budget adjustments for consolidation	(137)
Transfers from reserve	(2,894)
Interagency funds	<u>(6,573)</u>
	<u>(9,604)</u>
Revenue per Financial Plan Bylaw	<u>\$ 133,763</u>
Expenses per Statement of Operations	141,278
Adjustments:	
Decrease for capital expenditures	(7,918)
Increase for non-capital projects	<u>2,748</u>
Budget adjustments for consolidation	5,123
Decrease for interagency payments	<u>(6,573)</u>
	<u>(6,620)</u>
Expenses per Financial Plan Bylaw	<u>\$ 134,658</u>
Deficit for the year	(895)
Reserves and capital:	
Capital expenditures	(76,443)
Depreciation	17,700
Equity	(19,525)
Transfers from reserves	50,444
External contributions	<u>28,719</u>
Annual budgeted surplus per Financial Plan Bylaw	<u>\$ -</u>

**The Corporation of the City of North Vancouver**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**16. PRIOR PERIOD ADJUSTMENT**

On January 1, 2023, CNV adopted public sector accounting standard 3280, Asset Retirement Obligations. This new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets. The standard was adopted on the modified retrospective basis at the date of adoption.

The impact of the prior period adjustment on the December 31, 2022 comparative amounts is as follows:

	<u>As Previously Reported</u>	<u>Increase / (Decrease)</u>	<u>As Restated</u>
<b>Consolidated Statement of Financial Position</b>			
Asset retirement obligation liability	\$ -	\$ 2,649	\$ 2,649
Tangible capital assets - cost	723,483	339	723,822
Tangible capital assets - accumulated amortization	244,414	278	244,692
Accumulated surplus	684,347	(2,588)	681,759
<b>Consolidated Statement of Operations</b>			
General government expense	26,231	95	26,326
Annual surplus	51,238	(95)	51,143
Accumulated surplus, beginning of year	633,109	(2,493)	630,616
Accumulated surplus, end of year	684,347	(2,588)	681,759
<b>Consolidated Statement of Changes in Net Financial Assets</b>			
Annual surplus	51,238	(95)	51,143
Depreciation of tangible capital assets	17,969	6	17,975
Increase (decrease) in net financial assets	31,844	(89)	31,755
Net financial assets, beginning of year	169,732	(2,560)	167,172
Net financial assets, end of year	201,576	(2,649)	198,927
<b>Consolidated Statement of Cash Flows</b>			
Annual surplus	51,238	(95)	51,143
Depreciation expense	17,969	6	17,975
Accretion expense	-	89	89
<b>Note 9 - Accumulated Surplus</b>			
(c) Capital fund	504,818	(2,588)	502,230
Invested in tangible capital assets	479,069	(2,588)	476,481

**17. COMPARATIVE INFORMATION**

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

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**The Corporation of the City of North Vancouver**  
**Schedule A & B - Unaudited**  
**Year ended December 31, 2023**  
**(Tabular amounts in thousands of dollars)**

**Schedule A: COVID-19 Safe Restart Grant**

	<u>2023</u>
2022 Grant Funding Balance	\$ 1,712
Grant Expenditures:	
Business Continuity	(128)
Community Resiliency & Recovery	(223)
City Services	(521)
Response & Emerging Issues	<u>(11)</u>
2023 Grant Funding Balance, December 31, 2023	<u>\$ 829</u>

**Schedule B: Growing Communities Fund**

	<u>2023</u>
2023 Grant Funding Balance	\$ 10,986
Interest Earned	375
Grant Expenditures	<u>-</u>
2023 Grant Funding Balance, December 31, 2023	<u>\$ 11,361</u>

# DISQUALIFICATIONS

No Councillors were disqualified from holding office in 2023, under the provisions set out in the Community Charter.

A handwritten signature in black ink that reads "Peters". The signature is written in a cursive, flowing style.

Julie Peters  
*Deputy Corporate Officer*





OUR VISION:  
THE HEALTHIEST SMALL CITY  
IN THE WORLD



141 W 14th Street  
North Vancouver, BC V7M 1H9  
T 604.985.7761  
cnv.org | info@cnv.org

