



**RESORT MUNICIPALITY OF WHISTLER**

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## STAFF REPORT TO COUNCIL

**PRESENTED:** January 10, 2023 **REPORT:** 23-004  
**FROM:** Finance **FILE:** 4530  
**SUBJECT:** FIVE-YEAR FINANCIAL PLAN 2023 – 2027 BYLAW NO. 2379, 2023

### COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

**That** the recommendation of the General Manager of Corporate and Community Services be endorsed.

### RECOMMENDATION

**That** Council consider giving first, second and third readings to the “Five-Year Financial Plan 2023-2027 Bylaw No. 2379, 2023”.

### PURPOSE OF REPORT

The Five-Year Financial Plan 2023-2027 (Plan) sets out the proposed revenue sources and expenditures for the municipality for the period January 1, 2023 to December 31, 2027.

Information Report  Administrative Report (Decision or Direction)

### DISCUSSION

#### **Background**

The *Community Charter* requires municipalities to prepare a five-year financial plan to be adopted annually by bylaw prior to the adoption of the annual property tax bylaw (due before May 15 each year). Once adopted, the Plan is in effect until it is replaced or amended, and may be amended by bylaw at any time.

The Five-Year Financial Plan 2023-2027 Bylaw No. 2379, 2023 and schedules (Financial Plan Bylaw) is included in the Council Package and reflects the following guidelines as adopted at the December 20, 2022 Regular Council Meeting:

1. To implement a 8.4 per cent increase to property value taxes in 2023;
2. To implement a 5.0 per cent increase to sewer parcel taxes and user fees in 2023;
3. To implement a 4.0 per cent increase to solid waste parcel taxes and fees in 2023;
4. To implement a 3.0 per cent increase to water parcel taxes and user fees in 2023; and further
5. To include the project amounts as described in Appendix A and attached to Administrative Report to Council No. 22-156.

Section 165 (3.1) of the *Community Charter* requires additional disclosure regarding the proportion of revenues from each source and the objectives and policies in relation to the distribution of property value taxes among the different classes. This information is provided in Schedule C of the Financial Plan Bylaw.

The municipality continues to pursue revenue diversification to minimize the overall percentage of revenue raised from property taxes wherever possible. The objective is to maintain a reasonably-sized tax requisition by maximizing other revenue sources, lowering the cost of municipal services and shifting the burden to user fees and charges where feasible.

### **Analysis**

A solid post-pandemic recovery took hold in the community in 2022. Visitation returned to 2019-type levels, with international visitors representing a more normal proportion of what had become a largely regional visitor base. Yet it wasn't quite business as usual as labour shortages meant that many businesses were forced to operate at limited capacity despite strong demand. Likewise, the Resort Municipality of Whistler (RMOW) struggled to fill vacant roles more so than is typical. Supply chains too, remained in flux for much of the year, with lengthy delivery times for some parts and products and higher prices for most.

These two factors (labour shortage and constrained availability of purchased goods) proved challenging in 2022 and have become key drivers for year-to-year changes in budgets for 2023. Prices for everything, from wages to pool chemicals to vehicles have increased noticeably in the year. Canada CPI (one widely-quoted inflation indicator) peaked at +8.1% in June. While the rate of inflation is more recently showing some signs of slowing, it's important to note that this does not mean that prices are going down, only that they are going up more slowly than they once were. Higher prices are here to stay and the RMOW, like all organizations, must plan accordingly. So a higher than typical increase in the overall tax requisition is necessary for 2023 in order to continue to deliver the level of services that the community expects.

Another key element of this year's Plan is a recommitment to reserve contributions. Reserve contributions are vital to long term asset health and are also a key means by which residents in the community in any given year are appropriately charged for the value of the asset deterioration that takes place during that same year. These contributions were deliberately constrained in budget years 2020 - 2022 as a means to help provide financial support to the community. Yet the RMOW's commitments – to be fiscally responsible and to be effective stewards of shared community assets – did not lapse during this period. And so the time has come to move reserve contributions back toward appropriate levels. The process of moving reserve contributions back to levels that would have been achieved absent the three-years of pandemic-related constraint is expected to take five years. Planned contributions in this five-year period don't yet take into account the effects of higher prices on the replacement value of assets. So there will remain work to be done beyond 2027 as well.

As is the case every year, this Plan captures the RMOW's understanding of the "most likely" path forward. Should the operating environment or actual outcomes diverge materially from those described in this Plan, an amendment to the plan may become necessary.

Part of the organization's commitment to transparency and accountability is to be alert to emerging differences between budgets and actual outcomes and to engage with Council and the community with updates as and when necessary.

Planned project spending for the five years covered by this Plan totals \$155.7 million after anticipated grant funding. The primary focus of this spending is asset renewal, with \$69.7 million of this amount dedicated to the water and sewer systems, many segments and components of which are now at an advanced age. Another \$54.2 million across five years has been earmarked for renewal and replacement of general municipal assets including upkeep for buildings and roads among other planned investments. Many dozens of other works will advance initiatives as diverse as climate mitigation, ensuring continued vibrancy in our parks, and introducing improvements to existing infrastructure that serve the changing needs of the community.

The five year operating budget aims to deliver greater volumes of services to the community. Some of these changes come in direct response to increasing demand and the community's concerns about service levels. These include among other things:

- Increased Valley Trail snow clearing as a means to support active transportation objectives
- Increased sanitary and maintenance service in the parks, a direct response to the fact that park visitation numbers are up significantly from pre-pandemic levels

Some changes to planned service delivery reflect the increasingly complex environment in which the RMOW operates. These include, among other things:

- Spending to digitize Building Department processes and move away from paper files
- Expanded Planning staff focused on delivering affordable housing, generational improvements to local parks and redoubling focus on smart community development

Throughout the budget process, the service delivery model and its associated costs are considered and adjusted where appropriate. This happens in consultation among RMOW staff including senior management; with Mayor and Council; and with the community. The budget presented includes best efforts at efficient and cost-effective service delivery across the five-year planning horizon.

The Financial Plan Bylaw includes a series of schedules, including:

*Schedule A - Operating Summary*

- Collects revenues and expenditures into key categories for each of the General, Water, Sewer, and Solid Waste Funds
- Shows transfers to (from) statutory reserves that accompany planned operating activities

*Schedule B - Project Summary*

- Captures planned project expenditures for each of the General, Water, Sewer, and Solid Waste funds, and
- Associated third-party funding which includes grants and anticipated repayments from third parties
- Resulting Transfers from (to) reserves

*Schedule C - Supplementary Information*

- Summarizes funding sources for 2023 including property tax, parcel taxes, fees and other grants.
- Outlines property tax requisition between property classes

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## POLICY CONSIDERATIONS

### Relevant Council Authority/Previous Decisions

On December 20, 2022 Council directed the preparation of the Five Year Plan on the basis of the guidelines presented in [Administrative Report 22-156](#).

### Corporate Plan

The RMOW Corporate Plan is updated annually and articulates strategic direction for the organization. This section identifies how this report links to the plan.

### Council Focus Areas

Community Balance

*Effectively **balance resort and community needs** through deliberate planning, partnerships and investment*

Climate Action

*Provide leadership to **accelerate climate action and environmental performance** across the community*

Housing

*Advance strategic and innovative initiatives to enable and **deliver additional employee housing***

Pandemic Recovery

*Leadership and support for **community and tourism recovery and sustainability** – priority focuses are where recovery needs intersect with other Council focus areas*

Not Applicable

### Community Vision and Official Community Plan

The Official Community Plan (OCP) is the RMOW's most important guiding document that sets the community vision and long-term community direction. This section identifies how this report applies to the OCP.

OCP Goal 6.1 “Provide effective and appropriate municipal infrastructure (including facilities and amenities) that minimize taxpayer costs, and consider allocating the value of infrastructure replacement to future years.”

OCP Goal 6.3 “Implement and monitor the Five-Year Financial Plan” speaks to the importance of ensuring that the budget considers the OCP and also broad economic indicators, as has been done.

OCP Goal 6.4 “Reduce reliance on property taxes” speaks to the importance of non-tax revenue streams, which in the case of the coming fiscal year are expected to contribute nearly \$1.4 million in additional revenue to offset municipal expenditures.

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## BUDGET CONSIDERATIONS

The preparation of the five year financial plan is entirely funded from within existing Finance department operating budgets, and other budget considerations are outlined in the sections above.

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## LÍLWAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Líl'wat People, known in their language as *L'il'wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumixw* to: create an enduring relationship; establish collaborative processes for Crown land planning; achieve mutual objectives; and enable participation in Whistler's resort economy.

There are no specific considerations in this report.

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## COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

Inform     Consult     Involve     Collaborate     Empower

Extensive community engagement is integral to the RMOW's annual budget process. A Community Open House was held on December 1, 2022 which welcomed members of the public to a session at the Whistler Public Library. The session was livestreamed to Facebook and a recording uploaded to the municipal website. Materials describing the planned spending captured in the Plan were also available on this website.

The RMOW launched an online engagement tool in 2021 that was used again to collect feedback and ideas related to the 2023 budget. This tool allows community members to pose questions and share ideas related to the draft budget. From December 1 to 16, 28 ideas were shared publicly and 21 questions posted with associated staff responses. This is an increase from response levels last year, and reflects improvements in the manner in which RMOW reached out to the community, including the introduction of paid social media outreach. The RMOW has committed to ongoing refinements in its community engagement practices based on tools that are available in the market and are successfully used in other communities, and based their effectiveness in engaging with Whistler stakeholders.

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## REFERENCES

"Five-Year Financial Plan 2023-2027 Bylaw No. 2379, 2023" (Included in Council Package)

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## SUMMARY

The Financial Plan Bylaw sets out the proposed revenues, expenditures and transfers for the years 2023 through 2027. Consistent with the *Community Charter*, this Financial Plan Bylaw guides all municipal operating and capital spending across the organization. This Financial Plan Bylaw is being

presented to Council for consideration of the first three readings.

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**SIGN-OFFS**

**Written by:**

Carlee Price,  
Director of Finance

**Reviewed by:**

Ted Battiston,  
General Manager of Corporate and Community  
Services

Jessie Gresley-Jones,  
Acting Chief Administrative Officer and General  
Manager of Resort Experience

**RESORT MUNICIPALITY OF WHISTLER**

**FIVE-YEAR FINANCIAL PLAN 2023-2027 BYLAW NO. 2379, 2023**

**A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR 2023-2027**

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**WHEREAS** the Council must have a financial plan pursuant to Section 165 of the *Community Charter*;

**AND WHEREAS** the Council deems it necessary and appropriate to adopt a five-year financial plan for the years 2023 to 2027;

**NOW THEREFORE**, the Council of the Resort Municipality of Whistler, in open meeting assembled, **ENACTS AS FOLLOWS**:

**CITATION**

1. This Bylaw may be cited for all purposes as the “Five-Year Financial Plan 2023-2027 Bylaw No. 2379, 2023”.

**FINANCIAL PLAN**

2. That Council adopt the five-year financial plan for the years 2023-2027 inclusive, for each year of the plan, as set out in Schedules A, B and C attached hereto and forming a part of this Bylaw as follows:

Schedule A – Consolidated Operating Summary  
Schedule B – Consolidated Project Summary  
Schedule C – Supplementary Information

GIVEN FIRST, SECOND, and THIRD READINGS this \_\_\_ day of \_\_\_\_\_, 2023.

ADOPTED this \_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Jack Crompton,  
Mayor

\_\_\_\_\_  
Pauline Lysaght,  
Corporate Officer

I HEREBY CERTIFY that this is a true copy of "Five-Year Financial Plan 2023-2027 Bylaw No. 2379, 2023".

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**RESORT MUNICIPALITY OF WHISTLER  
FIVE-YEAR FINANCIAL PLAN 2023 - 2027  
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2379, 2023  
SCHEDULE A**

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>REVENUE</b>					
<b>General Fund</b>					
Property Taxes	47,501,567	50,826,677	54,384,544	57,647,617	60,529,998
Other Property Tax	1,116,000	1,194,120	1,277,708	1,367,148	1,462,848
Government Grants	1,185,962	1,190,962	1,195,962	1,200,962	1,205,962
Fees and Charges	16,024,327	16,505,057	17,000,209	17,510,215	18,035,521
Investment Income	2,732,718	2,596,082	2,466,278	2,342,964	2,225,816
RMI Grant	5,351,487	5,351,487	5,351,487	5,351,487	5,351,487
MRDT	12,884,008	13,399,368	13,935,343	14,492,757	15,072,467
Works and Service Charges	480,000	470,000	460,000	450,000	440,000
<b>Water Fund</b>					
Parcel Taxes	4,403,489	4,535,594	4,671,662	4,811,812	4,956,166
Fees and Charges	3,493,904	3,598,721	3,706,683	3,817,883	3,932,420
Works and Service Charges	35,000	30,000	30,000	30,000	30,000
<b>Sewer Fund</b>					
Parcel Taxes	4,640,758	4,872,796	5,116,436	5,372,257	5,640,870
Fees and Charges	4,721,846	4,957,938	5,205,835	5,466,127	5,739,433
Works and Service Charges	190,000	185,000	180,000	175,000	170,000
<b>Solid Waste Fund</b>					
Fees and Charges	7,480,534	7,779,755	8,090,946	8,414,583	8,751,167
Government Grants	375,491	380,491	385,491	390,491	395,491
	<b>112,617,091</b>	<b>117,874,049</b>	<b>123,458,583</b>	<b>128,841,303</b>	<b>133,939,646</b>
<b>EXPENDITURE</b>					
<b>General Fund</b>					
Payroll and Goods & Services	62,079,947	65,649,544	69,260,269	72,550,132	75,452,137
Debt Interest & Principal	226,505	226,505	226,505	226,505	226,505
Residents & Partners	8,762,098	9,112,582	9,477,085	9,856,169	10,250,415
Contingency	250,000	288,245	303,275	316,857	329,060
<b>Water Fund</b>					
Payroll and Goods & Services	3,464,791	3,603,383	3,729,501	3,841,386	3,947,024
Debt Interest & Principal	-	-	-	-	-
<b>Sewer Fund</b>					
Payroll and Goods & Services	6,264,720	6,515,309	6,743,345	6,945,645	7,136,650
Debt Interest & Principal	1,273,741	1,273,741	1,273,741	1,273,741	1,273,741
<b>Solid Waste Fund</b>					
Payroll and Goods & Services	6,273,808	6,587,498	6,916,873	7,193,548	7,481,290
Debt Interest & Principal	522,916	522,916	522,916	522,916	522,916
	<b>89,118,526</b>	<b>93,779,723</b>	<b>98,453,510</b>	<b>102,726,899</b>	<b>106,619,739</b>



**RESORT MUNICIPALITY OF WHISTLER  
 FIVE-YEAR FINANCIAL PLAN 2023 - 2027  
 CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2379, 2023  
 SCHEDULE A (con't)**

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
<b>TRANSFERS TO (FROM )            OTHER FUNDS / RESERVES</b>					
Interest Paid to Reserves	2,459,446	2,336,474	2,219,650	2,108,668	2,003,234
Recreation Works Charges Reserve	270,000	265,000	260,000	255,000	250,000
Transportation Works Charges Rese	210,000	205,000	200,000	195,000	190,000
RMI Reserve	1,834,487	1,746,562	1,656,439	1,564,063	1,469,377
MRDT Reserve	999,815	1,062,314	1,128,100	1,197,333	1,270,179
General Capital Reserve	6,476,828	6,833,054	7,345,533	7,896,447	8,488,681
Vehicle Replacement Reserve	1,200,000	1,301,531	1,487,732	1,617,933	1,717,933
General Operating Reserve	2,506,943	2,506,943	2,506,944	2,579,043	2,676,577
Water Works Charges Reserve	35,000	30,000	30,000	30,000	30,000
Water Capital Reserve	4,226,257	4,353,045	4,483,636	4,618,145	4,756,689
Water Operating Reserve	206,345	177,888	165,207	170,164	184,872
Sewer Works Charges Reserve	190,000	185,000	180,000	175,000	170,000
Sewer Capital Reserve	1,441,882	1,659,423	1,922,924	2,236,737	2,587,651
Sewer Operating Reserve	382,261	382,261	382,261	382,261	382,261
Solid Waste Capital Reserve	1,059,301	1,049,832	1,036,647	1,088,610	1,142,452
Solid Waste Operating Reserve	-	-	-	-	-
	<b>23,498,565</b>	<b>24,094,326</b>	<b>25,005,073</b>	<b>26,114,404</b>	<b>27,319,908</b>
<b>REVENUE LESS EXPENDITURE            AND TRANSFERS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**RESORT MUNICIPALITY OF WHISTLER  
FIVE-YEAR FINANCIAL PLAN 2023 - 2027  
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2379, 2023  
SCHEDULE B**

	2023	2024	2025	2026	2027
<b>REVENUE AND OTHER SOURCES OF FUNDING</b>					
<b>General Fund</b>					
Government Grants	3,066,130	2,887,759	1,739,186	793,036	1,696,348
Third Party Repayments	10,000,000	-	-	-	-
	13,066,130	2,887,759	1,739,186	793,036	1,696,348
<b>EXPENDITURE</b>					
<b>General Fund</b>					
Non-capital Expenditure	2,600,634	1,618,500	1,631,120	661,832	530,500
Infrastructure Maintenance	13,868,642	17,146,061	9,270,924	5,935,114	7,980,467
Capital Expenditure	11,014,130	6,369,044	5,665,583	3,998,270	3,610,648
<b>Water Fund</b>					
Infrastructure Maintenance	4,093,000	9,380,000	4,400,000	3,875,000	2,800,000
<b>Sewer Fund</b>					
Infrastructure Maintenance	9,866,000	11,325,000	12,140,000	7,395,000	4,425,000
<b>Solid Waste Fund</b>					
Non-capital Expenditure	92,000	35,000	35,000	35,000	35,000
Infrastructure Maintenance	965,000	678,000	578,000	328,000	328,000
Capital Expenditure	180,000	200,000	450,000	200,000	175,000
<b>All Funds</b>					
Depreciation	16,477,381	17,301,250	18,166,313	19,074,628	20,028,360
	59,156,787	64,052,855	52,336,939	41,502,844	39,912,975
<b>TRANSFERS (TO) FROM OTHER FUNDS/RESERVES</b>					
RMI Reserve	6,462,172	3,696,000	150,000	150,000	100,000
MRDT Reserve	1,341,500	809,500	862,000	781,000	777,000
General Capital Reserve	12,538,691	12,704,542	6,784,796	5,941,324	7,850,448
Recreation Works Charges	833,950	1,585,500	1,820,000	22,000	-
Vehicle Replacement Reserve	1,440,000	3,100,000	3,500,000	2,133,000	900,000
Library Reserve	26,530	20,000	15,000	25,000	-
General Operating Reserve	1,774,433	330,304	1,696,644	749,856	797,819
Water Capital Reserve	3,768,000	9,140,000	4,200,000	3,675,000	2,600,000
Water Operating Reserve	325,000	240,000	200,000	200,000	200,000
Sewer Capital Reserve	9,241,000	10,910,000	11,840,000	7,095,000	4,125,000
Sewer Operating Reserve	625,000	415,000	300,000	300,000	300,000
Solid Waste Capital Reserve	1,145,000	878,000	1,028,000	528,000	503,000
Solid Waste Operating Reserve	92,000	35,000	35,000	35,000	35,000
	39,613,276	43,863,846	32,431,440	21,635,180	18,188,267
<b>ADJUSTMENTS FOR NON CASH ITEMS AND CHANGES TO NET FINANCIAL ASSETS</b>					
Depreciation	16,477,381	17,301,250	18,166,313	19,074,628	20,028,360
Third Party Repayments	(10,000,000)	-	-	-	-
	6,477,381	17,301,250	18,166,313	19,074,628	20,028,360
<b>REVENUE AND TRANSFERS LESS EXPENDITURE</b>					
	-	-	-	-	-

**RESORT MUNICIPALITY OF WHISTLER  
FIVE-YEAR FINANCIAL PLAN 2023 - 2027  
SUPPLEMENTARY INFORMATION**

**BYLAW 2379, 2023  
SCHEDULE C**

**Proportion of total proceeds proposed to be raised from each funding source in 2023**

<b>Funding Source</b>	<b>% of Total</b>	<b>Dollar value</b>
Property Taxes	42.94%	48,617,567
Parcel Taxes	7.99%	9,044,247
Fees and Charges	28.64%	32,425,611
Investment income	2.41%	2,732,718
Debt	0.00%	-
Government Grants	1.86%	2,110,953
Transfer taxes	16.11%	18,235,495
Other	0.04%	50,000
<b>Total</b>	<b>100%</b>	<b>113,216,591</b>

The municipality will continue to pursue revenue diversification to minimize the overall percentage of revenue raised from property taxes wherever possible. The objective is to maintain a reasonable tax burden by maximizing other revenue sources, lowering the cost of municipal services and shifting the burden to user fees and charges where feasible.

**Proposed distribution of property tax revenue in 2023**

<b>Property Class</b>	<b>% of Total Property</b>	<b>Dollar value, completed roll</b>
Class 1 - Residential	67.6%	32,106,576
Class 2 - Utilities	1.8%	861,112
Class 5 - Light industry	0.2%	92,336
Class 6 - Business other	28.9%	13,737,081
Class 8 - Recreational	1.5%	704,461
<b>Total</b>	<b>100%</b>	<b>47,501,567</b>

The municipality will continue to set tax rates to ensure tax stability by maintaining a consistent proportionate relationship between classes. The proposed distribution shown above is consistent with the prior year. In order to maintain the current share of taxation between property classes, minor adjustments are made to the tax ratios to account for market based assessment variation between the classes. This policy provides a balanced tax impact among property classes.

**PERMISSIVE EXEMPTIONS**

As permitted by the Community Charter, council has granted exemptions from municipal property taxes for the following general purposes:

*Properties owned or held by a not-for-profit organization whose purpose is to contribute to the well-being of the community with the provision of cultural, social, educational or recreational services.*

Permissive exemptions for municipal property taxes in 2023 are estimated to be \$592,000