



WHISTLER

REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: March 26, 2019

REPORT: 19-044

FROM: Corporate and Community Services

FILE: 4530

SUBJECT: FIVE-YEAR FINANCIAL PLAN 2019-2023 BYLAW NO. 2225, 2019

COMMENT/RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

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

RECOMMENDATION

That Council include Project P074 Millar Creek Lands, attached as Appendix “A” to Administrative Report to Council No. 19-044, in the 2019 Proposed Projects Listing, Appendix “A” of Report 19-028; and

That Council consider giving first, second and third readings to the “Five-Year Financial Plan 2019-2023 Bylaw No. 2225, 2019”.

REFERENCES

Appendix “A” – Project P074 Millar Creek Lands
Five-Year Financial Plan 2019-2023 Bylaw No. 2225, 2019 (not attached).

PURPOSE

The Five-Year Financial Plan 2019-2023 sets out the proposed revenue sources and expenditures for the municipality for the period January 1, 2019 to December 31, 2023.

DISCUSSION

Project P074 was included in an earlier draft of the projects list but was excluded from Budget Guidelines Appendix “A”. It was, and remains the intent of the Resort Experience team to move ahead with the project, whose objective is to explore options to potentially secure future parkland along Millar Creek. The budget for this project is \$20,000 and its addition does not meaningfully effect the Budget Guidelines on which this Five Year Financial Plan has been built.

The *Community Charter* requires municipalities to approve a five-year financial plan bylaw each year prior to the adoption of the annual property tax bylaw before May 15, 2019. The attached bylaw and schedules reflect the following guidelines as presented at the March 12, 2019 Regular Council Meeting:

1. To implement a 2.9 per cent increase to property value taxes in 2019;
2. To implement a 2.0 per cent increase to sewer parcel taxes and user fees in 2019 (excluding property count changes);
3. To implement a 2.0 per cent increase to water parcel taxes and user fees in 2019 (excluding property count changes);
4. To implement a 3.6 per cent increase solid waste parcel taxes and fees in 2019 (excluding property count changes); and

5. To include the project amounts as described in Appendix "A" to Administrative Report to Council No. 19-028.

OTHER POLICY CONSIDERATIONS

Section 165 of the *Community Charter* requires municipalities to prepare a five-year financial plan to be adopted annually by bylaw. Once adopted, the plan is in effect until it is amended, and may be amended by bylaw at any time.

Section 165 (3.1) 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 Bylaw.

COMMUNITY ENGAGEMENT AND CONSULTATIONSUMMARY

Community engagement and consultation is an ongoing process throughout the year and includes the Community Life Survey, the Festivals, Events and Animation Oversight Committee, public meetings, and online information.

Engagement and consultation specifically focused on financial planning has taken place at a separate public meeting.

On February 4, 2019 a public open house was held for community members to view budget information, provide comments and ask questions of staff and Council. This provided an opportunity to hear about community planning, proposed projects and changes proposed for the 2019 operating budget.

An Administrative Report advising Council of the proposed budget guidelines for 2019 and to obtain a Council resolution for the guidelines to be used when preparing the 2019-2023 Five-Year Financial Plan was presented at the Regular Council Meeting held on March 12, 2019.

All presentations are available to the public on the budget pages of the municipal website.

SUMMARY

The Financial Plan Bylaw sets out the proposed revenues, expenditures and transfers for the years 2019 through 2023, and must be adopted prior to adoption of the Property Tax Bylaw and before May 15, 2019. This Bylaw is being presented to Council for consideration of the first three readings prior to adoption.

Respectfully submitted,

Carlee Price
DIRECTOR OF FINANCE

for
Ted Battiston
GENERAL MANAGER OF CORPORATE AND COMMUNITY SERVICES

RESORT MUNICIPALITY OF WHISTLER

FIVE-YEAR FINANCIAL PLAN 2019-2023 BYLAW NO. 2225, 2019

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR 2019-2023

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 2019 to 2023;

NOW THEREFORE, the Municipal Council of the Resort Municipality of Whistler ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as the “Five-Year Financial Plan 2019-2023 Bylaw No. 2225, 2019”.
2. That Council adopt the Five-Year Financial Plan for the years 2019-2023 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 26th day of March, 2019.

ADOPTED this __ day of _____, ____.

Jack Crompton,
Mayor

Wendy Faris,
Acting Municipal Clerk

I HEREBY CERTIFY that this is a true copy of
“Five-Year Financial Plan 2019-2023 Bylaw No.
2225, 2019”.

Wendy Faris,
Acting Municipal Clerk

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2019 - 2023
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2225, 2019
SCHEDULE A**

	2019	2020	2021	2022	2023
REVENUE					
General Fund					
Property Taxes	39,180,627	40,062,191	40,963,590	41,885,271	42,827,690
Other Property Tax	1,008,200	1,030,885	1,054,079	1,077,796	1,102,047
Government Grants	688,906	700,000	705,000	710,000	715,000
Fees and Charges	11,943,016	12,181,876	12,425,514	12,674,024	12,927,505
Investment Income	2,273,900	2,383,900	2,493,900	2,603,900	2,713,900
RMI Grant	6,940,000	6,900,000	6,900,000	6,900,000	6,900,000
2% MRDT	11,300,000	11,300,000	11,300,000	11,300,000	11,300,000
Works and Service Charges	606,107	600,000	600,000	600,000	600,000
Water Fund					
Parcel Taxes	3,966,915	4,046,253	4,127,178	4,209,722	4,293,916
Fees and Charges	3,017,812	3,078,168	3,139,732	3,202,526	3,266,577
Works and Service Charges	47,500	50,000	50,000	50,000	50,000
Sewer Fund					
Parcel Taxes	4,189,416	4,273,204	4,358,668	4,445,842	4,534,759
Fees and Charges	3,873,417	3,950,885	4,029,903	4,110,501	4,192,711
Works and Service Charges	198,770	200,000	200,000	200,000	200,000
Solid Waste Fund					
Fees and Charges	5,898,154	6,016,117	6,136,439	6,259,168	6,384,352
Government Grants	481,000	480,000	485,000	490,000	495,000
	95,613,740	97,253,480	98,969,005	100,718,751	102,503,455
EXPENDITURE					
General Fund					
Payroll and Goods & Services	53,396,486	55,425,553	57,531,724	59,717,929	61,987,210
Debt Interest & Principal	239,299	239,299	239,299	239,299	239,299
Residents & Partners	6,805,650	7,113,650	7,173,650	7,233,650	7,293,650
Contingency	647,172	658,331	680,954	704,401	728,702
Water Fund					
Payroll and Goods & Services	1,894,138	1,922,550	1,951,388	1,980,659	2,010,369
Debt Interest & Principal	-	-	-	-	-
Sewer Fund					
Payroll and Goods & Services	2,813,851	2,856,059	2,898,900	2,942,383	2,986,519
Debt Interest & Principal	1,370,453	1,370,453	1,370,453	1,210,453	1,210,453
Solid Waste Fund					
Payroll and Goods & Services	5,545,774	5,628,961	5,713,395	5,799,096	5,886,082
Debt Interest & Principal	472,255	472,255	472,255	472,255	472,255
	73,185,078	75,687,110	78,032,018	80,300,125	82,814,540

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2019 - 2023
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2225, 2019
SCHEDULE A Cont'd**

	2019	2020	2021	2022	2023
TRANSFERS TO (FROM)					
OTHER FUNDS / RESERVES					
Interest Paid to Reserves	2,000,000	2,146,090	2,245,044	2,342,468	2,442,957
Recreation Works Charges Reserve	305,350	300,000	300,000	300,000	300,000
Transportation Works Charges Reserve	260,257	250,000	250,000	250,000	250,000
Employee Housing Charges Reserve	790,500	45,000	45,000	45,000	45,000
RMI Reserve	2,747,590	2,475,000	2,250,000	1,950,000	1,050,000
2% MRDT Reserve	1,865,656	1,350,000	915,000	425,000	318,000
General Capital Reserve	4,716,967	4,787,722	4,859,537	4,932,430	5,006,417
Vehicle Replacement Reserve	992,582	1,240,000	1,000,000	1,000,000	1,000,000
General Operating Reserve	1,454,860	1,575,000	1,575,000	1,575,000	1,575,000
Water Works Charges Reserve	47,500	50,000	50,000	50,000	50,000
Water Capital Reserve	3,180,586	3,228,295	3,276,719	3,325,870	3,375,758
Water Operating Reserve	573,375	581,976	590,706	599,566	608,560
Sewer Works Charges Reserve	198,770	200,000	200,000	200,000	200,000
Sewer Capital Reserve	2,016,569	2,046,818	2,077,520	2,108,683	2,140,313
Sewer Operating Reserve	448,568	448,568	448,568	448,568	448,568
Solid Waste Capital Reserve	861,890	874,818	887,941	901,260	914,779
Solid Waste Operating Reserve	(32,359)	(32,917)	(34,048)	(35,220)	(36,435)
	22,428,662	21,566,370	20,936,987	20,418,625	19,688,916
REVENUE LESS EXPENDITURE AND TRANSFERS	0	0	0	0	0

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2019 - 2023
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2225, 2019
SCHEDULE B**

	2019	2020	2021	2022	2023
REVENUE AND OTHER SOURCES OF FUNDING					
General Fund					
Government Grants	1,903,110	232,000	250,000	92,500	-
Contribution from Developers	-	-	-	-	-
Equipment disposal proceeds	-	-	-	-	-
WHA construction loan	-	(5,000,000)	-	-	-
Other Contributions	200,000	-	-	-	-
WCSS loan payments	50,000	50,000	50,000	50,000	50,000
Water Fund					
Government Grants	558,659	-	-	-	-
Other Contributions	-	-	-	-	-
Sewer Fund					
Government Grants	-	-	-	-	-
Solid Waste Fund					
Government Grants	390,000	-	-	-	-
	3,101,769	(4,718,000)	300,000	142,500	50,000
EXPENDITURE					
General Fund					
Non-capital Expenditure	2,078,375	1,353,198	624,067	734,751	434,476
Infrastructure Maintenance	14,988,055	12,133,200	6,641,300	4,989,600	3,694,200
Capital Expenditure	10,509,368	3,388,060	2,009,520	2,990,228	2,591,054
WCSS loan	-	-	-	-	-
Water Fund					
Non-capital Expenditure	893,500	957,500	1,698,500	1,794,500	390,500
Infrastructure Maintenance	4,604,000	2,515,000	1,405,000	3,025,000	580,000
Capital Expenditure	5,000	120,000	-	-	-
Sewer Fund					
Non-capital Expenditure	785,000	597,000	827,000	817,000	617,000
Infrastructure Maintenance	5,874,000	3,695,000	4,675,000	3,210,000	2,210,000
Capital Expenditure	570,000	3,140,000	520,000	-	-
Solid Waste Fund					
Non-capital Expenditure	105,000	40,000	40,000	40,000	-
Infrastructure Maintenance	455,891	447,428	422,428	332,428	322,428
Capital Expenditure	630,000	150,000	50,000	-	-
All Funds					
Depreciation	12,346,893	12,746,893	13,146,893	13,546,893	13,946,893
	53,845,082	41,283,280	32,059,708	31,480,400	24,786,551

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2019 - 2023
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2225, 2019
SCHEDULE B Cont'd**

	2019	2020	2021	2022	2023
TRANSFERS (TO) FROM OTHER FUNDS (RESERVES)					
RMI Reserve	5,884,780	4,599,480	1,789,480	495,480	369,080
2% MRDT Reserve	1,072,282	701,000	626,000	626,000	620,300
General Capital Reserve	8,705,550	4,328,544	1,500,278	969,779	883,574
Recreation Works Charges	1,156,100	600,000	400,000	600,000	-
Vehicle Replacement Reserve	3,264,813	1,454,916	880,000	2,341,245	1,925,089
Library Reserve	62,000	35,000	60,000	35,000	45,000
General Operating Reserve	2,087,163	1,851,016	1,621,625	1,664,569	1,461,679
Transportation Works Charges	3,240,000	3,072,500	2,147,500	1,890,000	1,415,000
Water Capital Reserve	4,765,341	3,413,125	2,935,000	4,540,000	780,000
Water Operating Reserve	358,500	192,500	183,500	279,500	190,500
Sewer Capital Reserve	6,264,000	6,821,875	5,180,000	3,210,000	2,210,000
Sewer Operating Reserve	785,000	597,000	827,000	817,000	617,000
Solid Waste Capital Reserve	695,891	597,428	472,428	332,428	322,428
Solid Waste Operating Reserve	105,000	40,000	40,000	40,000	-
	<u>38,446,420</u>	<u>28,304,386</u>	<u>18,662,815</u>	<u>17,841,007</u>	<u>10,839,658</u>

ADJUSTMENTS FOR NON CASH ITEMS AND CHANGES TO NET FINANCIAL ASSETS

Depreciation	12,346,893	12,746,893	13,146,893	13,546,893	13,946,893
WCSS loan	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
WHA construction loan	-	5,000,000	-	-	-
	<u>12,296,893</u>	<u>17,696,893</u>	<u>13,096,893</u>	<u>13,496,893</u>	<u>13,896,893</u>

**REVENUE AND TRANSFERS
LESS EXPENDITURE**

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**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2019 - 2023
SUPPLEMENTARY INFORMATION**

**BYLAW 2225, 2019
SCHEDULE C**

Proportion of total proceeds proposed to be raised from each funding source in 2019

Funding Source	% of Total Revenue	Dollar value
Property Taxes	41%	40,188,827
Parcel Taxes	8%	8,156,331
Fees and Charges	26%	25,584,776
Investment income	2%	2,273,900
Debt	0%	-
Government Grants	4%	4,021,675
Transfer taxes	18%	18,240,000
Other	0%	250,000
Total	100%	98,715,509

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 2019

Property Class	% of Total Property Taxation	Dollar value, completed roll
Class 1 - Residential	67.19%	26,327,193
Class 2 - Utilities	1.47%	577,335
Class 5 - Light industry	0.17%	67,006
Class 6 - Business other	29.69%	11,633,076
Class 8 - Recreational	1.47%	576,017
Total	100%	39,180,627

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:

- * Land and improvements surrounding a statutorily exempt building for public worship.
- * 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 2019 are estimated to be \$506,181.