



WHISTLER

REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: December 17, 2019

REPORT: 19-167

FROM: Corporate and Community Services

FILE: 4530

SUBJECT: FIVE-YEAR FINANCIAL PLAN 2020-2024 BYLAW NO. 2258, 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 consider giving first, second and third readings to the “Five-Year Financial Plan 2020-2024 Bylaw No. 2258, 2019”.

REFERENCES

“Five-Year Financial Plan 2020-2024 Bylaw No. 2258, 2019” (Not attached)

PURPOSE

The Five-Year Financial Plan 2020-2024 sets out the proposed revenue sources and expenditures for the municipality for the period January 1, 2020 to December 31, 2024.

DISCUSSION

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, 2020. The attached bylaw and schedules reflect the following guidelines as adopted at the December 3, 2019 Regular Council Meeting:

1. To implement a 2.8 per cent increase to property value taxes in 2020;
2. To implement a 2.0 per cent increase to sewer parcel taxes and user fees in 2020;
3. To implement a 2.0 per cent increase to water parcel taxes and user fees in 2020;
4. To implement a 20 per cent increase solid waste parcel taxes and fees in 2020; and
5. To include the project amounts as described in Appendix “A” to Administrative Report to Council No. 19-156 with the exception that project P-075 be amended to be fully funded from the RMI reserve.

During the budget preparation process staff has worked to find methods to deliver expected service levels efficiently, in an environment of generally rising costs and volumes of purchased goods and services. Reasonable changes have been made to expectations for non-tax revenue sources such as parking and building permit fees. Strong economic activity in the resort has endured and indexed fees for municipal facilities give staff a degree of visibility. These revenue increases reduce the weight borne by property taxes for meeting the financial needs of a growing community. Expected expenditures for 2020 include reserve contributions that are up relative to last year with the exception of the General Operating Reserve Contribution. Reductions in contributions to this reserve are the result of, and offset

by, operating projects whose nature now dictates that the project expenditures are better situated in the operating budget. Reserve contributions are meant to ensure that the future capital maintenance requirements of existing fixed infrastructure can be met, and that the RMOW is financially prepared for potential opportunities, or for unexpected operating interruptions

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 CONSULTATION SUMMARY

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.

On November 12, 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 2020 operating budget. Written feedback was collected at the event, and in the weeks that followed through both email and the post. Suggestions for improving projects were the most common type of comment, and the washrooms (P075) and Bayly Park (P051) most referenced. On balance the feedback received was positive and constructive.

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 2020 through 2024. Consistent with the Community Charter, this Bylaw guides all municipal operating and capital spending across the organization. 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 2020-2024 BYLAW NO. 2258, 2019

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR 2020-2024

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 2020 to 2024;

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 2020-2024 Bylaw No. 2258, 2019”.
2. That Council adopt the Five-Year Financial Plan for the years 2020-2024 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 _____, 2019.

ADOPTED this __ day of _____, 2020.

Jack Crompton,
Mayor

Alba Banman,
Municipal Clerk

I HEREBY CERTIFY that this is a true copy
of “Five-Year Financial Plan 2020-2024
Bylaw No. 2258, 2019”.

Alba Banman,
Municipal Clerk

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2020 - 2024
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2258, 2019
SCHEDULE A**

	2020	2021	2022	2023	2024
REVENUE					
General Fund					
Property Taxes	40,279,453	41,789,932	43,357,055	44,982,945	46,669,805
Other Property Tax	1,038,450	1,061,815	1,085,706	1,110,134	1,135,112
Government Grants	704,742	705,000	710,000	715,000	715,000
Fees and Charges	12,545,859	12,796,776	13,052,712	13,313,766	13,580,041
Investment Income	2,430,590	2,500,590	2,610,590	2,760,590	2,930,590
RMI Grant	7,500,000	6,900,000	6,900,000	6,900,000	6,900,000
MRDT	10,000,000	10,000,000	10,275,000	10,634,625	10,868,587
Works and Service Charges	452,000	475,000	475,000	475,000	475,000
Water Fund					
Parcel Taxes	4,046,253	4,127,178	4,209,722	4,293,916	4,379,794
Fees and Charges	3,077,667	3,139,220	3,202,005	3,266,045	3,331,366
Works and Service Charges	50,000	50,000	50,000	50,000	50,000
Sewer Fund					
Parcel Taxes	4,269,708	4,355,102	4,442,204	4,531,048	4,621,669
Fees and Charges	3,973,508	4,052,978	4,134,038	4,216,718	4,301,053
Works and Service Charges	160,000	175,000	175,000	175,000	175,000
Solid Waste Fund					
Fees and Charges	5,933,108	6,051,770	6,172,806	6,296,262	6,422,187
Government Grants	554,096	550,000	500,000	525,000	550,000
	97,015,434	98,730,363	101,351,836	104,246,049	107,105,204
EXPENDITURE					
General Fund					
Payroll and Goods & Services	54,880,686	56,966,152	59,130,866	61,377,839	63,710,197
Debt Interest & Principal	237,817	237,817	237,817	237,817	237,817
Residents & Partners	8,191,600	8,191,600	8,416,869	8,711,459	8,903,112
Contingency	565,728	602,310	623,345	645,148	667,747
Water Fund					
Payroll and Goods & Services	1,992,331	2,032,177	2,072,821	2,114,277	2,156,563
Debt Interest & Principal	-	-	-	-	-
Sewer Fund					
Payroll and Goods & Services	2,546,392	2,597,320	2,649,266	2,702,252	2,756,297
Debt Interest & Principal	1,038,986	1,038,986	878,986	878,986	878,986
Solid Waste Fund					
Payroll and Goods & Services	5,248,939	5,327,673	5,407,588	5,488,702	5,571,033
Debt Interest & Principal	472,255	472,255	472,255	472,255	472,255
	75,174,734	77,466,290	79,889,813	82,628,735	85,354,005

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2020 - 2024
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2258, 2019
SCHEDULE A Cont'd**

	2020	2021	2022	2023	2024
TRANSFERS TO (FROM)					
OTHER FUNDS / RESERVES					
Interest Paid to Reserves	2,075,000	2,251,065	2,348,489	2,484,978	2,637,978
Recreation Works Charges Reserve	250,000	245,000	260,000	260,000	260,000
Transportation Works Charges Reserve	200,000	175,000	200,000	210,000	220,000
Employee Housing Charges Reserve	2,000	5,000	5,000	5,000	5,000
RMI Reserve	3,270,412	2,250,000	1,950,000	1,050,000	1,050,000
MRDT Reserve	(133,095)	315,000	285,000	410,720	(82,000)
General Capital Reserve	5,637,031	5,947,068	6,274,156	6,619,235	6,983,293
Parking Reserve	-	-	-	-	-
Parkland and ESA Reserve	-	-	-	-	-
Vehicle Replacement Reserve	1,028,214	1,077,476	1,028,612	1,138,723	1,129,852
General Operating Surplus (Deficit)	-	-	-	-	-
General Operating Reserve	1,261,430	1,111,430	1,118,450	1,339,503	1,339,503
Water Works Charges Reserve	50,000	50,000	50,000	50,000	50,000
Water Capital Reserve	3,653,349	3,408,125	3,459,247	3,511,136	3,563,803
Water Operating Reserve	71,714	72,789	73,881	74,989	76,114
Water Operating Surplus (Deficit)	-	-	-	-	-
Sewer Works Charges Reserve	160,000	175,000	175,000	175,000	175,000
Sewer Capital Reserve	2,525,923	2,410,500	2,446,658	2,483,357	2,520,608
Sewer Operating Reserve	603,195	603,195	603,195	603,195	603,195
Sewer Operating Surplus (Deficit)	-	-	-	-	-
Solid Waste Capital Reserve	1,213,814	1,197,540	1,215,503	1,233,736	1,252,242
Solid Waste Operating Reserve	(28,286)	(30,115)	(31,167)	(32,257)	(33,387)
Solid Waste Surplus (Deficit)	-	-	-	-	-
	21,840,700	21,264,072	21,462,023	21,617,314	21,751,199
REVENUE LESS EXPENDITURE AND TRANSFERS	0	0	0	0	0

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2020 - 2024
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2258, 2019
SCHEDULE B**

	2020	2021	2022	2023	2024
REVENUE AND OTHER SOURCES OF FUNDING					
General Fund					
Government Grants	1,121,500	300,000	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	-	-	-	-	-
Other Contributions	-	-	-	-	-
Sewer Fund					
Government Grants	-	-	-	-	-
Solid Waste Fund					
Government Grants	335,000	-	-	-	-
	(3,293,500)	350,000	142,500	50,000	50,000
EXPENDITURE					
General Fund					
Non-capital Expenditure	1,810,020	683,200	525,200	140,000	55,000
Infrastructure Maintenance	15,611,404	9,584,406	7,121,256	6,198,356	4,253,507
Capital Expenditure	10,584,775	3,685,145	3,558,137	2,657,615	1,979,600
WCSS loan	-	-	-	-	-
Water Fund					
Non-capital Expenditure	1,137,500	1,822,500	1,857,500	1,812,500	457,500
Infrastructure Maintenance	3,190,000	2,960,000	2,385,000	8,830,000	620,000
Capital Expenditure	186,350	113,850	1,000,000	1,000,000	-
Sewer Fund					
Non-capital Expenditure	762,000	842,000	832,000	582,000	582,000
Infrastructure Maintenance	5,629,500	10,022,500	3,321,000	2,480,000	2,815,000
Capital Expenditure	678,650	576,150	-	-	-
Solid Waste Fund					
Non-capital Expenditure	110,000	110,000	110,000	110,000	110,000
Infrastructure Maintenance	480,000	325,000	350,000	575,000	185,000
Capital Expenditure	1,130,000	10,000	10,000	10,000	10,000
All Funds					
Depreciation	13,249,083	13,649,083	14,049,083	14,449,083	14,849,083
	54,559,282	44,383,834	35,119,176	38,844,554	25,916,690

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2020 - 2024
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2258, 2019
SCHEDULE B Cont'd**

	2020	2021	2022	2023	2024
TRANSFERS (TO) FROM OTHER FUNDS (RESERVES)					
RMI Reserve	10,190,963	2,459,250	764,500	464,500	249,500
MRDT Reserve	865,050	643,000	608,900	581,800	575,500
General Capital Reserve	6,056,170	4,385,951	2,651,641	3,081,273	1,904,092
Recreation Works Charges	366,100	600,000	400,000	600,000	-
Vehicle Replacement Reserve	3,206,945	880,000	2,341,246	1,925,090	1,350,000
Library Reserve	64,000	60,000	50,000	45,000	-
General Operating Reserve	2,273,969	1,642,046	1,388,300	1,025,800	961,500
Transportation Works Charges	3,361,500	3,282,500	2,907,500	1,272,500	1,247,500
Water Capital Reserve	4,156,350	4,588,850	4,900,000	11,390,000	830,000
Water Operating Reserve	357,500	307,500	342,500	252,500	247,500
Sewer Capital Reserve	6,308,150	10,598,650	3,321,000	2,480,000	2,815,000
Sewer Operating Reserve	762,000	842,000	832,000	582,000	582,000
Solid Waste Capital Reserve	1,575,000	35,000	360,000	585,000	195,000
Solid Waste Operating Reserve	110,000	110,000	110,000	110,000	110,000
	<u>39,653,699</u>	<u>30,434,751</u>	<u>20,977,593</u>	<u>24,395,471</u>	<u>11,067,606</u>

ADJUSTMENTS FOR NON CASH ITEMS AND CHANGES TO NET FINANCIAL ASSETS

Depreciation	13,249,083	13,649,083	14,049,083	14,449,083	14,849,083
WCSS loan	(50,000)	(50,000)	(50,000)	(50,000)	(49,999)
WHA construction loan	5,000,000	-	-	-	-
	<u>18,199,083</u>	<u>13,599,083</u>	<u>13,999,083</u>	<u>14,399,083</u>	<u>14,799,084</u>

**REVENUE AND TRANSFERS
LESS EXPENDITURE**

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**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2020 - 2024
SUPPLEMENTARY INFORMATION**

**BYLAW 2258, 2019
SCHEDULE C**

Proportion of total proceeds proposed to be raised from each funding source in 2020

Funding Source	% of Total Revenue	Dollar value
Property Taxes	41.85%	41,317,903
Parcel Taxes	8.42%	8,315,961
Fees and Charges	26.53%	26,192,142
Investment income	2.46%	2,430,590
Debt	0.00%	-
Government Grants	2.75%	2,715,338
Transfer taxes	17.73%	17,500,000
Other	0.25%	250,000
Total	100%	98,721,934

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 2020

Property Class	% of Total Property Taxation	Dollar value, completed roll
Class 1 - Residential	67.20%	27,765,631
Class 2 - Utilities	1.45%	599,110
Class 5 - Light industry	0.15%	61,977
Class 6 - Business other	29.70%	12,271,417
Class 8 - Recreational	1.50%	619,769
Total	100%	41,317,903

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 2020 are estimated to be \$517,512