



REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: April 10, 2018

REPORT: 18-037

FROM: Corporate and Community Services

FILE: 4530

SUBJECT: FIVE-YEAR FINANCIAL PLAN 2018-2022 BYLAW

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 2018-2022 Bylaw No. 2176, 2018”.

REFERENCES

None.

PURPOSE

The Five-Year Financial Plan 2018-2022 sets out the proposed revenue sources and expenditures for the municipality for the period January 1, 2018 to December 31, 2022.

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, 2018. The attached bylaw and schedules reflect the following guidelines as presented at the March 6, 2018 Regular Council Meeting:

1. To implement a 2.25 per cent increase to property value taxes in 2018 (excluding non-market and property count changes);
2. To implement a 1.1 per cent increase to sewer parcel taxes and user fees in 2018 (excluding property count changes);
3. To implement a 4.5 per cent increase solid waste parcel taxes and fees in 2018 (excluding property count changes); and
4. To include the project amounts as described in Appendix “A” to Administrative Report to Council No. 18-020.

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, FE&A 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 22, 2018 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 2018 operating budget.

An Administrative Report advising Council of the proposed budget guidelines for 2018 and to obtain a Council resolution for the guidelines to be used when preparing the 2018-2022 Five-Year Financial Plan was presented at the Regular Council Meeting held on March 6, 2018.

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 2018 through 2022 and must be adopted prior to adoption of the Property Tax Bylaw and before May 15, 2018. This Bylaw is being presented to Council for consideration of the first three readings prior to adoption.

Respectfully submitted,

Ken Roggeman
DIRECTOR OF FINANCE
for
Norm McPhail
GENERAL MANAGER OF CORPORATE AND COMMUNITY SERVICES

RESORT MUNICIPALITY OF WHISTLER

FIVE-YEAR FINANCIAL PLAN 2018-2022 BYLAW NO. 2176, 2018

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR 2018-2022

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 2018 to 2022;

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 2018-2022 Bylaw No. 2176, 2018".
2. That Council adopt the Five-Year Financial Plan for the years 2018-2022 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 10th day of April, 2018

ADOPTED this 24th day of April, 2018.

Nancy Wilhelm-Morden,
Mayor

Brooke Browning,
Municipal Clerk

I HEREBY CERTIFY that this is a true copy of "Five-Year Financial Plan 2018-2022 Bylaw No. 2176, 2018".

Brooke Browning,
Municipal Clerk

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2018 - 2022
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2176, 2018
SCHEDULE A**

	2018	2019	2020	2021	2022
REVENUE					
General Fund					
Property Taxes	38,076,411	38,933,130	39,809,125	40,704,831	41,620,689
Other Property Tax	1,002,567	1,006,728	1,012,418	1,018,183	1,024,025
Government Grants	747,782	747,782	747,782	747,782	747,782
Fees and Charges	10,797,111	11,093,677	11,396,174	11,704,722	12,019,440
Investment Income	1,534,566	1,506,404	1,455,146	1,573,807	1,867,302
RMI Grant	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
2% MRDT	7,153,332	7,224,866	7,297,114	7,370,085	7,443,786
Works and Service Charges	520,951	520,951	520,951	520,951	520,951
Water Fund					
Parcel Taxes	3,889,402	3,960,281	3,992,818	4,025,621	4,058,691
Fees and Charges	2,956,397	3,009,010	3,032,637	3,056,451	3,080,452
Works and Service Charges	39,653	39,653	39,653	39,653	39,653
Sewer Fund					
Parcel Taxes	4,088,852	4,130,492	4,172,576	4,215,108	4,258,094
Fees and Charges	3,777,805	3,816,903	3,856,409	3,896,328	3,936,665
Works and Service Charges	188,697	188,697	188,697	188,697	188,697
Solid Waste Fund					
Parcel Taxes	-	-	-	-	-
Fees and Charges	5,721,632	5,872,144	6,038,826	6,209,706	6,384,890
Government Grants	470,000	470,000	470,000	470,000	470,000
	87,465,157	89,020,717	90,530,328	92,241,925	94,161,117
EXPENDITURE					
General Fund					
Payroll and Goods & Services	51,272,821	52,293,412	53,341,394	54,409,287	55,497,471
Debt Interest & Principal	680,569	239,299	239,301	239,301	239,301
Residents & Partners	5,177,677	5,236,796	5,296,720	5,357,462	5,419,035
Contingency	617,078	629,773	642,791	656,060	669,584
Water Fund					
Payroll and Goods & Services	1,690,870	1,740,650	1,791,425	1,843,216	1,896,042
Debt Interest & Principal	-	-	-	-	-
Sewer Fund					
Payroll and Goods & Services	2,930,306	3,008,313	3,087,912	3,169,136	3,252,017
Debt Interest & Principal	1,376,486	1,376,486	1,376,486	1,376,486	1,376,486
Solid Waste Fund					
Payroll and Goods & Services	5,813,816	5,934,892	6,058,390	6,184,358	6,312,845
Debt Interest & Principal	510,490	510,490	510,490	510,490	510,490
	70,070,112	70,970,110	72,344,909	73,745,796	75,173,271

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2018 - 2022
CONSOLIDATED OPERATING SUMMARY**

**BYLAW 2176, 2018
SCHEDULE A Cont'd .E A Cont'd**

	2018	2019	2020	2021	2021
TRANSFERS TO (FROM)					
OTHER FUNDS / RESERVES					
Interest Paid to Reserves	1,318,719	1,101,902	1,064,839	1,096,294	1,288,633
Recreation Works Charges Reser	277,950	277,950	277,950	277,950	277,950
Transportation Works Charges Re	211,532	211,532	211,532	211,532	211,532
Employee Housing Charges Rese	31,469	31,469	31,469	31,469	31,469
RMI Reserve	2,253,100	2,253,100	2,253,100	2,253,100	2,253,100
2% MRDT Reserve	153,380	187,203	221,364	255,867	290,715
General Capital Reserve	4,380,590	4,783,247	4,653,586	4,653,551	4,653,551
Vehicle Replacement Reserve	932,506	999,222	999,222	999,222	999,222
General Operating Surplus (Defic	(108,000)	(0)	0	0	(0)
General Operating Reserve	1,545,507	1,726,103	1,968,710	2,188,848	2,428,836
Water Works Charges Reserve	39,653	39,653	39,653	39,653	39,653
Water Capital Reserve	3,089,414	3,100,000	3,100,000	3,100,000	3,100,000
Water Operating Reserve	452,376	499,043	487,643	475,343	462,121
Water Operating Surplus (Deficit	(0)	(0)	0	0	(0)
Sewer Works Charges Reserve	188,697	188,697	188,697	188,697	188,697
Sewer Capital Reserve	1,962,856	1,962,856	1,962,856	1,962,856	1,962,856
Sewer Operating Reserve	346,109	341,219	335,436	328,734	321,086
Sewer Operating Surplus (Deficit	0	(0)	(0)	0	0
Solid Waste Capital Reserve	377,326	396,996	415,656	435,767	457,663
Solid Waste Operating Reserve	(58,138)	(49,583)	(26,294)	(2,753)	20,764
Solid Waste Surplus (Deficit)	(0)	0	(0)	(0)	(0)
	17,395,046	18,050,608	18,185,419	18,496,130	18,987,847
REVENUE LESS EXPENDITURE AND TRANSFERS					
	0	0	0	0	0

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2018 - 2022
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2176, 2018
SCHEDULE B**

	2018	2019	2020	2021	2022
REVENUE AND OTHER SOURCES OF FUNDING					
General Fund					
Government Grants	773,105	593,847	546,134	537,826	510,347
Contribution from Developers	-	-	-	-	-
Equipment disposal proceeds	640,075	100,000	100,000	100,000	100,000
WHA construction loan	2,700,000	-	-	-	-
Other Contributions	342,404	363,505	5,928	10,163	-
WCSS loan payments	38,000	50,000	50,000	50,000	50,000
Water Fund					
Government Grants	557,500	12,500	-	-	-
Other Contributions	9,459	11,949	34,215	10,910	6,468
Sewer Fund					
Government Grants	800,000	700,000	-	-	-
Solid Waste Fund					
Government Grants	-	-	-	-	-
	5,860,543	1,831,800	736,278	708,899	666,815
EXPENDITURE					
General Fund					
Non-capital Expenditure	5,911,755	964,426	746,314	535,216	481,881
Infrastructure Maintenance	10,760,653	8,482,792	5,557,534	5,053,855	3,735,702
Capital Expenditure	12,217,805	5,486,805	2,518,486	2,279,665	545,330
WCSS loan	1,000,000	-	-	-	-
Water Fund					
Non-capital Expenditure	230,500	150,000	110,000	110,000	80,000
Infrastructure Maintenance	3,343,000	785,000	1,865,000	925,000	475,000
Capital Expenditure	1,150,000	670,000	2,615,000	285,000	-
Sewer Fund					
Non-capital Expenditure	540,000	415,000	350,000	350,000	300,000
Infrastructure Maintenance	2,735,000	1,670,000	2,340,000	1,485,000	340,000
Capital Expenditure	3,057,000	2,340,000	5,655,000	3,140,000	727,500
Solid Waste Fund					
Non-capital Expenditure	70,000	30,000	30,000	30,000	30,000
Infrastructure Maintenance	250,000	170,000	150,000	150,000	-
Capital Expenditure	75,000	75,000	50,000	-	-
All Funds					
Depreciation	11,840,893	12,012,329	12,229,099	12,343,192	12,368,649
	53,181,607	33,251,353	34,216,434	26,686,928	19,084,061

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2018 - 2022
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2176, 2018
SCHEDULE B Cont'd**

	2018	2019	2020	2021	2022
TRANSFERS (TO) FROM OTHER FUNDS (RESERVES)					
RMI Reserve	4,429,690	3,578,000	543,000	523,000	223,000
2% MRDT Reserve	645,270	537,000	767,000	537,000	537,000
General Capital Reserve	12,614,985	3,746,666	5,527,594	2,568,779	1,742,330
Recreation Works Charges	43,000	-	-	-	-
Parking Reserve	-	-	-	-	-
Parkland Reserve	-	-	-	-	-
Vehicle Replacement Reserve	2,589,925	1,830,000	1,480,000	1,230,000	(100,000)
Library Reserve	74,963	37,378	29,072	49,837	-
General Operating Reserve	4,236,653	2,354,846	2,156,106	1,902,130	1,815,235
Housing Works Charges	-	-	-	-	-
WVLC Surplus	-	-	-	-	-
Transportation Works Charges	2,637,643	1,942,782	217,500	1,710,000	210,000
Water Capital Reserve	3,650,041	1,297,051	5,054,785	1,433,090	395,032
Water Operating Reserve	344,000	293,500	193,500	193,500	163,500
Water Works and Service Charges	-	-	-	-	-
Sewer Capital Reserve	4,942,000	3,170,000	4,745,000	3,000,000	775,000
Sewer Operating Reserve	602,500	395,000	357,500	357,500	307,500
Sewer Works and Service Charges	-	-	-	-	-
Solid Waste Capital Reserve	325,000	245,000	200,000	150,000	-
Solid Waste Operating Reserve	82,500	30,000	30,000	30,000	30,000
	<u>37,218,170</u>	<u>19,457,223</u>	<u>21,301,057</u>	<u>13,684,836</u>	<u>6,098,598</u>
ADJUSTMENTS FOR NON CASH ITEMS AND CHANGES TO NET FINANCIAL ASSETS					
Depreciation	11,840,893	12,012,329	12,229,099	12,343,192	12,368,649
WCSS loan	962,000	(50,000)	(50,000)	(50,000)	(50,000)
WHA construction loan	(2,700,000)	-	-	-	-
	<u>10,102,893</u>	<u>11,962,329</u>	<u>12,179,099</u>	<u>12,293,192</u>	<u>12,318,649</u>
REVENUE AND TRANSFERS LESS EXPENDITURE	-	-	-	-	-

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2018 - 2022
CONSOLIDATED PROJECT SUMMARY**

**BYLAW 2176, 2018
SCHEDULE C**

Proportion of total proceeds proposed to be raised from each funding source in 2018

Funding Source	% of Total Revenue	Dollar value
Property Taxes	42%	39,078,978
Parcel Taxes	9%	7,978,254
Fees and Charges	26%	24,002,245
Investment income	2%	1,534,566
Debt	3%	2,700,000
Government Grants	4%	3,348,387
Transfer taxes	15%	13,653,332
Other	1%	1,029,938
Total	100%	93,325,701

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 2018

Property Class	% of Total Property Taxation	Dollar value, completed roll
Class 1 - Residential	67.20%	25,585,515
Class 2 - Utilities	1.49%	566,717
Class 5 - Light industry	0.12%	46,488
Class 6 - Business other	29.71%	11,313,483
Class 8 - Recreational	1.48%	564,207
Total	100%	38,076,411

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 2018 are estimated to be \$549,816.