



REPORT | ADMINISTRATIVE REPORT TO COUNCIL

PRESENTED: April 15, 2014

REPORT: 14-037

FROM: Corporate and Community Services

FILE: 4530

SUBJECT: FIVE-YEAR FINANCIAL PLAN 2014-2018

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 2014-2018 Bylaw No. 2050, 2014

REFERENCES

None.

PURPOSE OF REPORT

The Five-Year Financial Plan 2014-2018 sets out the proposed revenue sources and expenditures for the municipality for the period January 1, 2014 to December 31, 2018.

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. The attached bylaw and schedules reflect council's direction of no increase to existing property taxes and utility fee revenues, contingency funds and projects as set out at the regular council meeting held on April 1, 2014.

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

Community engagement and consultation is an ongoing process throughout the year and includes the Community Life Survey, FE&A Oversight Committee, public meetings and printed material and online information.

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

On February 25, 2014 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 review the draft budget, including project and operating budgets, and recommended changes to service levels.

A presentation was made at the regular council meeting held on April 1, 2014 advising council of the proposed budget guidelines for 2014 and Council passed a resolution on the guidelines to be used when preparing the 2014-2018 Five-Year Financial Plan.

All presentations, including videos, are available to the public on the municipal website. Comments may be provided by emailing budget@whistler.ca

SUMMARY

The financial plan bylaw sets out the proposed revenues, expenditures and transfers for the years 2014 through 2018 and must be adopted prior to the adoption of the property tax bylaw before May 15, 2014. 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, CORPORATE AND COMMUNITY SERVICES

RESORT MUNICIPALITY OF WHISTLER

FIVE-YEAR FINANCIAL PLAN 2014-2018 BYLAW NO. 2050, 2014

A BYLAW TO ADOPT A FIVE-YEAR FINANCIAL PLAN FOR 2014-2018

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 2014 to 2018;

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 2014-2018 Bylaw No. 2050, 2014".
2. That Council adopt the Five-Year Financial Plan for the years 2014-2018 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 _____, _____.

ADOPTED this __ day of _____, _____.

Nancy Wilhelm-Morden
Mayor

Shannon Story,
Corporate Officer

I HEREBY CERTIFY that this is a true copy of "Five-Year Financial Plan 2014-2018 Bylaw No. 2050, 2014".

Shannon Story,
Corporate Officer

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018**

**BYLAW 2050, 2014
SCHEDULE A**

	2014	2015	2016	2017	2018
REVENUE					
General Fund					
Property Taxes	34,126,213	34,825,800	35,574,555	36,232,684	36,975,454
Other Property Tax	1,121,573	1,123,026	1,124,588	1,125,928	1,125,928
Government Grants	790,544	790,544	790,544	790,544	790,544
Fees and Charges	9,516,221	9,601,637	9,830,053	10,022,008	10,129,179
Investment Income	1,469,533	1,393,432	1,522,279	1,583,266	1,712,598
RMI Grant	9,373,190	7,530,255	7,605,558	7,681,613	7,758,429
2% MRDT	3,765,128	3,802,779	3,840,807	3,879,215	3,918,007
Works and Service Charges	224,283	224,283	224,283	224,283	224,283
Water Fund					
Parcel Taxes	3,727,264	3,754,199	3,779,448	3,808,647	3,834,639
Fees and Charges	2,702,130	2,720,771	2,738,184	2,748,121	2,765,979
Works and Service Charges	21,288	21,288	21,288	21,288	21,288
Sewer Fund					
Parcel Taxes	3,885,005	3,920,076	3,957,340	3,997,608	4,038,306
Fees and Charges	3,467,924	3,499,761	3,533,623	3,570,262	3,607,284
Works and Service Charges	32,863	32,863	32,863	32,863	32,863
Solid Waste Fund					
Parcel Taxes	-	-	-	-	-
Fees and Charges	4,020,482	4,073,935	4,098,412	4,101,372	4,104,332
	78,243,639	77,314,647	78,673,823	79,819,701	81,039,111
EXPENDITURE					
General Fund					
Payroll and Goods & Services	43,978,947	44,497,690	45,263,339	46,135,099	46,912,365
Debt Interest & Principal	637,654	710,365	705,971	701,226	696,657
Residents & Partners	3,091,216	3,119,727	3,148,571	3,177,752	3,207,276
Contingency	530,359	537,201	546,226	556,404	565,393
Water Fund					
Payroll and Goods & Services	2,207,522	2,252,479	2,294,441	2,336,754	2,378,497
Debt Interest & Principal	-	-	-	-	-
Sewer Fund					
Payroll and Goods & Services	2,963,034	3,030,083	3,100,483	3,178,597	3,256,543
Debt Interest & Principal	1,403,786	1,403,786	1,403,786	1,403,786	1,403,786
Solid Waste Fund					
Payroll and Goods & Services	3,886,409	3,939,861	3,964,339	3,989,973	3,991,856
Debt Interest & Principal	838,861	838,861	838,861	647,311	510,490
	59,537,787	60,330,052	61,266,016	62,126,903	62,922,861

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018**

**BYLAW 2050, 2014
SCHEDULE A Cont'd**

	2014	2015	2016	2017	2018
TRANSFERS TO (FROM)					
OTHER FUNDS / RESERVES					
Interest Paid to Reserves	1,447,969	1,396,763	1,401,542	1,483,718	1,584,205
Recreation Works Charges Reserve	118,040	118,040	118,040	118,040	118,040
Transportation Works Charges Reserve	90,480	90,480	90,480	90,480	90,480
Employee Housing Charges Reserve	15,763	15,763	15,763	15,763	15,763
RMI Reserve	4,249,538	2,431,603	2,506,906	2,582,961	2,659,777
2% MRDT Reserve	582,009	591,150	600,334	609,560	618,829
General Capital Reserve	5,065,617	4,980,617	4,950,617	4,916,656	4,907,776
Parking Reserve	-	-	-	-	-
Parkland and ESA Reserve	-	-	-	-	-
Vehicle Replacement Reserve	411,173	667,791	1,090,000	1,089,989	1,199,170
Library	-	-	-	-	-
General Operating Surplus (Deficit)	(0)	0	0	(0)	(0)
General Operating Reserve	785,578	753,346	694,780	851,874	987,769
Water Works Charges Reserve	21,288	21,288	21,288	21,288	21,288
Water Capital Reserve	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Water Operating Reserve	957,734	957,902	958,183	954,582	956,273
Water Operating Surplus (Deficit)	-	0	0	(0)	(0)
Sewer Works Charges Reserve	32,863	32,863	32,863	32,863	32,863
Sewer Capital Reserve	1,900,262	1,900,262	1,900,262	1,900,262	1,900,262
Sewer Operating Reserve	377,541	376,728	376,751	374,762	373,757
Sewer Operating Surplus (Deficit)	(0)	0	(0)	0	0
Solid Waste Capital Reserve	150,000	150,000	150,000	150,000	150,000
Solid Waste Operating Reserve	-	-	-	-	-
Solid Waste Surplus (Deficit)	(0)	0	(0)	0	0
	<u>18,705,853</u>	<u>16,984,596</u>	<u>17,407,806</u>	<u>17,692,798</u>	<u>18,116,251</u>
REVENUE LESS EXPENDITURE AND TRANSFERS					
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018**

**BYLAW 2050, 2014
SCHEDULE B**

	2014	2015	2016	2017	2018
REVENUE					
General Fund					
Government Grants	621,159	70,820	52,820	52,820	52,820
Contribution from Developers	15,000	-	-	-	-
Equipment disposal proceeds	34,500	163,830	140,000	142,929	146,638
Debt Proceeds	1,769,500	-	-	-	-
Other Contributions	113,654	62,388	13,114	2,336	3,114
Water Fund					
Government Grants	178,000	-	-	-	-
Sewer Fund					
Government Grants	305,088	843,912	-	-	-
Solid Waste Fund					
Government Grants	-	-	-	-	-
	3,036,901	1,140,950	205,934	198,085	202,572
EXPENDITURE					
General Fund					
Non-capital Expenditure	3,773,341	650,000	505,000	470,000	470,000
Infrastructure Maintenance	3,222,350	2,084,380	1,102,250	4,594,600	1,273,280
Capital Expenditure	10,842,507	8,300,703	4,266,183	6,216,126	6,065,843
Water Fund					
Non-capital Expenditure	297,404	601,500	509,500	306,500	299,500
Infrastructure Maintenance	650,000	511,000	662,000	463,000	574,000
Capital Expenditure	1,120,000	7,866,800	3,655,467	698,000	198,000
Sewer Fund					
Non-capital Expenditure	342,500	11,300	17,800	261,400	268,100
Infrastructure Maintenance	200,000	200,000	200,000	200,000	200,000
Capital Expenditure	752,500	2,132,000	336,666	765,000	270,000
Solid Waste Fund					
Non-capital Expenditure	20,000	-	-	-	-
Infrastructure Maintenance	400,000	150,000	150,000	150,000	150,000
Capital Expenditure	385,000	-	700,000	-	700,000
All Funds					
Depreciation	9,794,504	10,051,504	10,417,494	10,596,660	10,750,243
	31,800,106	32,559,187	22,522,360	24,721,286	21,218,966

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018**

**BYLAW 2050, 2014
SCHEDULE B Cont'd**

	2014	2015	2016	2017	2017
TRANSFERS (TO) FROM OTHER FUNDS (RESERVES)					
RMI Reserve	6,852,887	4,728,800	2,520,000	2,575,000	2,700,000
2% MRDT Reserve	740,301	786,000	730,300	863,900	849,800
General Capital Reserve	2,908,701	1,422,364	1,212,051	1,825,684	1,310,684
Recreation Works Charges	(386,959)	36,000	36,000	22,500	24,000
Parking Reserve	(218,076)	-	-	-	-
Parkland Reserve	-	-	-	-	-
Vehicle Replacement Reserve	1,424,203	1,940,709	347,752	1,753,533	1,754,642
Library Reserve	73,952	43,612	56,886	42,664	56,886
General Operating Reserve	2,035,750	1,219,410	547,885	1,449,060	590,900
WVLC Surplus	-	-	-	-	-
Transportation Works Charges	1,853,625	561,150	216,625	2,550,300	319,640
Water Capital Reserve	1,575,000	8,182,800	4,122,467	966,000	577,000
Water Operating Reserve	314,404	796,500	704,500	501,500	494,500
Water Works and Service Charges	-	-	-	-	-
Sewer Capital Reserve	772,412	1,488,088	536,666	965,000	470,000
Sewer Operating Reserve	217,500	11,300	17,800	261,400	268,100
Sewer Works and Service Charges	-	-	-	-	-
Solid Waste Capital Reserve	785,000	150,000	850,000	150,000	850,000
Solid Waste Operating Reserve	20,000	-	-	-	-
	<u>18,968,701</u>	<u>21,366,733</u>	<u>11,898,931</u>	<u>13,926,541</u>	<u>10,266,151</u>
ADD BACK NON CASH ITEMS					
Depreciation	9,794,504	10,051,504	10,417,494	10,596,660	10,750,243
REVENUE AND TRANSFERS LESS EXPENDITURE	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018
SUPPLEMENTARY INFORMATION**

**BYLAW 2050, 2014
SCHEDULE C**

Proportion of total revenue proposed to be raised from each funding source in 2014

Funding Source	% of Total Revenue	Dollar value
Property value taxes	43%	35,247,786
Parcel taxes	9%	7,612,269
Fees	25%	19,985,190
Investment income	2%	1,469,533
Debt	2%	1,769,500
Grants	2%	1,894,791
Transfer taxes	16%	13,138,318
Other	0%	163,154
Total	100%	81,280,540

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 2014

Property Class	% of Total Property Taxation	Dollar value, completed roll
Class 1 - Residential	66.35%	22,643,398.68
Class 2 - Utilities	1.62%	554,468.96
Class 5 - Light industry	0.13%	45,522
Class 6 - Business other	30.32%	10,345,508
Class 8 - Recreational	1.57%	537,316
Total	100%	34,126,213

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.

**RESORT MUNICIPALITY OF WHISTLER
FIVE-YEAR FINANCIAL PLAN 2014 - 2018**

**BYLAW 2050, 2014
SCHEDULE C Cont'd**

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 2014 are estimated to be \$436,332.