

AGENDA ADDENDUM

REGULAR MEETING OF COUNCIL

Monday, April 20, 2015

7:00 p.m.

Council Chamber, Municipal Hall

355 West Queens Road,

North Vancouver, BC

Council Members:

Mayor Richard Walton

Councillor Roger Bassam

Councillor Mathew Bond

Councillor Jim Hanson

Councillor Robin Hicks

Councillor Doug MacKay-Dunn

Councillor Lisa Muri



NORTH VANCOUVER
DISTRICT

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AGENDA ADDENDUM

THE FOLLOWING LATE ITEMS ARE ADDED TO THE PUBLISHED AGENDA

9. REPORTS FROM COUNCIL OR STAFF

9.1 Bylaw 8120: Financial Plan Approval Bylaw File No. 05.1715.41/006.000

Replacement page attached (page 50 in agenda package).

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**Schedule "B" to Bylaw 8120
DISTRICT OF NORTH VANCOUVER
2015 REVENUE DISCLOSURE STATEMENT**

Revenue from each Funding Source

The proportion of total revenue to be raised from each funding source in 2015 is shown in the table on the right. Property tax is an indirect tax on wealth and accounts for the greatest proportion of the revenue of the municipality. The system of property taxation is relatively easy to administer and understand. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. Other sources of revenue include government grants and other external contributions. This source of revenue is

difficult to predict and can fluctuate significantly from year to year, as it does in 2015 due to Senior Government grant funding for a significant capital project in 2014.

Revenue Source	% Total	
	2014	2015
Taxation		
Property Value Taxes	43.9%	45.2%
Parcel Taxes	0.0%	0.1%
Sales, Fees and User Charges	38.8%	42.5%
Other Sources	17.3%	7.2%
Proceeds From Borrowing	0.0%	5.0%
TOTAL	100.0%	100.0%

Sales, fees and user charges form the second largest portion of planned revenue. Many municipal services, such as water and sewer usage, can be measured and charged on a user-pay basis. This basis attempts to fairly apportion the value of a municipal service to those who make use of it. Other services (e.g. recreation) which have both a private and community benefit are being funded through a combination of user fees and municipal taxes. Proceeds from borrowing make up the last source of funding and supports the replacement of a community recreation centre.

Property Tax Burden

The property tax burden of each property class is shown in the table on the right. The tax rate increase distribution for 2015 is consistent with the tax strategy approved by Council in 2009 that aims at aligning District tax rates with the average for Metro Vancouver, or the capped rate (if applicable) for all property classes. The strategy assumes some shifting of the tax burden between classes if the tax base for a property class is not sufficient to be corrected by investment alone. It is expected that the competitiveness of the municipality as a place for business will benefit from this policy. Council's approach is based on the principles of equity, fairness and responsiveness to community goals. This has led to the proportional relationship between property classes to remain relatively constant over time. Proportional relationships between property classes can be affected by Council's economic policies, provincially legislated tax incentive programs and new permissive and statutory exemptions.

Property Class	% Property Tax	
	2014	2015
Residential (1)	71.8%	71.9%
Utilities (2)	0.1%	0.2%
Major Industry (4)	9.3%	9.1%
Light Industry (5)	1.0%	1.0%
Business (6)	17.6%	17.6%
Recreation (8)	0.2%	0.2%
TOTAL	100.0%	100.0%

Permissive Tax Exemptions

Permissive tax exemptions were approved in October 2014 and amount to approximately \$448,852 in tax revenue foregone. Council grants permissive tax exemptions based on Section 224 of the Community Charter on "use of property" not on the charitable status of the organization as a whole. Organizations that contribute to the well-being of the citizens of the municipality in improving ones quality of life and effectively enhancing community services are eligible.

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