

# AGENDA

## *SPECIAL MEETING OF COUNCIL*

**Monday, March 9, 2020**

**7:00 p.m.**

**Council Chambers, Municipal Hall**

**355 West Queens Road,**

**North Vancouver, BC**

**Council Members:**

Mayor Mike Little

Councillor Jordan Back

Councillor Mathew Bond

Councillor Megan Curren

Councillor Betty Forbes

Councillor Jim Hanson

Councillor Lisa Muri



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## SPECIAL MEETING OF COUNCIL

7:00 p.m.  
Monday, March 9, 2020  
Council Chambers, Municipal Hall,  
355 West Queens Road, North Vancouver

### AGENDA

#### BROADCAST OF MEETING

- Online at <http://app.dnv.org/councillive/>

#### 1. REPORTS FROM COUNCIL OR STAFF

**1.1. Bylaw 8418: Reserve Funds Bylaw**  
File No. 05.1925/Reserves General

p. 7-32

Report Manager – Business Planning and Decision Support, February 25, 2020  
Attachment 1: Bylaw 8418  
Attachment 2: Staff Report Dated February 12, 2020

*Recommendation:*

THAT "Reserve Funds Bylaw 8418, 2020" is given FIRST, SECOND and THIRD Readings.

**1.2. Bylaw 8435: Financial Plan Approval Bylaw**  
File No.

*Recommendation:*

THAT "2020-2024 Financial Plan Approval Bylaw 8435, 2020" is given FIRST, SECOND and THIRD Readings.

Materials to be circulated via agenda addendum.

#### 2. ADJOURNMENT

*Recommendation:*

That the March 9, 2020 Special Meeting of Council for the District of North Vancouver is adjourned.


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## REPORTS

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Dept. Manager	 Director	 CAO
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## The District of North Vancouver REPORT TO COUNCIL

February 25, 2020

File: 05.1925/Reserves General

Tracking Number: RCA -

**AUTHOR:** Rick Danyluk, Manager Business Planning and Decision Support

**SUBJECT:** Reserve Funds Bylaw

**RECOMMENDATION:**

THAT Bylaw 8418 cited as the "Reserve Funds Bylaw 8418, 2020" is given FIRST, SECOND, and THIRD reading.

**REASON FOR REPORT:**

To adopt the proposed Reserve Funds Bylaw in advance of the 2020-2024 Financial Plan.


**SUMMARY:**

Staff proposed a new Reserve Funds Bylaw on February 24 to harmonize and provide a clear purpose for the reserve funds, align the reserve funds with priorities and long term plans, and establish a regular review process to ensure they remain aligned and can be used to support the long-term financial plan.



Rick Danyluk, Manager Business Planning and Decision Support

Attachments: February 24 staff report and presentation, Reserve Funds Bylaw 8418, 2020

<b>REVIEWED WITH:</b>	<b>REVIEWED WITH:</b>	<b>REVIEWED WITH:</b>	<b>REVIEWED WITH:</b>
<input type="checkbox"/> Sustainable Community Development	<input type="checkbox"/> Clerk's Office	External Agencies:	Advisory Committees:
<input type="checkbox"/> Development Services	<input type="checkbox"/> Corporate Services	<input type="checkbox"/> Library Board	<input type="checkbox"/> _____
<input type="checkbox"/> Utilities	<input type="checkbox"/> Communications	<input type="checkbox"/> NS Health	<input type="checkbox"/> _____
<input type="checkbox"/> Engineering Operations	<input type="checkbox"/> Finance	<input type="checkbox"/> RCMP	<input type="checkbox"/> _____
<input type="checkbox"/> Parks & Environment	<input type="checkbox"/> Fire Services	<input type="checkbox"/> Recreation Commission	
<input type="checkbox"/> Economic Development	<input type="checkbox"/> Human resources	<input type="checkbox"/> Other: _____	
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**The Corporation of the District of North Vancouver****Bylaw 8418**

A bylaw to establish reserve funds for specific purposes

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The Council for The Corporation of the District of North Vancouver enacts as follows:

**Citation**

1. This bylaw may be cited as "Reserve Funds Bylaw 8418, 2020".

**Establishment of Reserve Funds**

2. Reserve funds are established as named and for the purposes listed in Schedule A as attached to this bylaw. This bylaw will be reviewed on an annual basis to ensure the reserve funds remain aligned with community priorities and projected fund balances support the Long-term Financial Plan.

**Definitions**

3. In this bylaw:

"Capital" means new capital, capital upgrades, capital maintenance and renewal capital;

"New Capital" means the acquisition of additional assets, or capacity increase of existing assets by purchasing, construction or contribution. New capital is typically supported when projected demand exceeds current capacity or a new service is being introduced. Normally it will result in additional operating and maintenance costs;

"Capital Upgrades" means projects that improve the service potential of an existing asset. Upgrades bring an asset to its target functional condition and include works performed to meet new regulations and climate adaptation measures;

"Capital Maintenance" means works to upkeep existing assets to fully realize the original anticipated service potential. Capital maintenance does not extend asset life, nor does it add to the asset's value. However, a lack of maintenance may reduce the asset's life and value;

"Renewal Capital" means projects that return the service capability of an existing asset to its original level. Replacements of existing assets limited to 'like for like' or to modern equivalents are generally considered renewal;

"Climate Adaptation" means initiatives or actions in response to actual or projected

changes in climate that reduce the effects of climate change on built, natural, and social systems and take advantage of potential opportunities. Examples include: modifying building codes to account for future climatic conditions, constructing new buildings at higher levels to prevent damage from flooding events, building dykes and berms to account for rising sea, creek and river levels, increasing the resiliency of municipal infrastructure to handle severe storms, providing heat refuges during heat waves, and planting drought- and flood-tolerant tree species;

“Climate Mitigation” means reducing greenhouse gas emissions using policy, regulatory, and project-based measures. Also refers to measures that enable natural systems to naturally sequester greenhouse gases (e.g., preventing forested areas from being developed into to urban cities). These actions prevent future climate change from happening so that fewer adaptation measures are needed by local municipalities. Examples include: renewable energy programs, energy efficiency frameworks, and land-use policies;

“District” means the District of North Vancouver;

“Innovation Projects” means projects that use new methods, ideas or ways of doing something to create something of value for the community. Projects may include introducing something new, making operations more safe and reliable, or building on past project successes. Projects generating a positive return on investment will be used to secure funding for further project development;

“Social Housing” means housing that a government or non-profit housing partner owns and operates including Supportive Housing, Low Income Households and Low-to-Moderate Income Households. Additional Social Housing eligibility criteria may include different classes of persons with special needs such as seniors, families, youth, students, and people with accessibility challenges, or others needing shelter subsidies.

## **Transfers**

4. The sum of \$3,850,000 from the Local Improvement Fund be transferred to the Transportation and Mobility reserve fund in this bylaw.
5. The sum of \$200,000 from the New Capital and Innovation Fund, and all money returned or accrued to this fund, be transferred to the Transportation and Mobility reserve fund in this bylaw.
6. The sum of \$3,590,000 from the Recreation reserve, and all money returned or accrued to this fund, be transferred to the Community Health and Safety reserve fund in this bylaw.
7. The sum of \$1,950,000 from the Protective Services reserve, and all money returned or accrued to this fund, be transferred to the Community Health and Safety reserve

fund in this bylaw.

**Severability**

8. If any section, subsection, paragraph, clause or phrase of this bylaw is for any reason held to be invalid by the decision of a court of competent jurisdiction, such decision does not affect the validity of the remaining portions of this bylaw.

**READ a first time**

**READ a second time**

**READ a third time**

**ADOPTED**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk

Certified a true copy

\_\_\_\_\_  
Municipal Clerk

### Schedule A to Bylaw 8418

No.	Reserve Fund Name	Reserve Fund Purpose
<b>Existing Capital</b>		
1	Infrastructure	To accumulate funding for capital renewal, upgrade, and maintenance projects including transportation, parks, buildings, library, and technology assets. This reserve will also be used to repay debt and the interest on such debt incurred in order to finance the replacement of major capital assets.
2	Utilities -Water	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing water assets. This reserve will also be used to smooth ratepayer impacts from increases to regional (GVWD) water charges.
3	Utilities - Sewer	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing sewer assets. . This reserve will also be used to smooth ratepayer impacts from increases to regional (GVS&DD) liquid waste charges.
4	Utilities - Drainage	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing drainage assets.
4	Utilities - Solid Waste	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing solid waste assets. This reserve will also be used to smooth ratepayer impacts from increases to regional solid waste charges.
5	Vehicles and Equipment	To accumulate funding for the replacement of existing vehicles and equipment included in the District's fleet.
<b>New Capital, Initiatives and Growth</b>		
6	Transportation and Mobility	To accumulate funding for transportation and mobility capital projects.
7	Community Health and Safety	To accumulate funding for recreation, parks, culture, and safety capital projects and initiatives.
8	Climate and Innovation	To accumulate funding for climate mitigation initiatives that promote greenhouse gas reduction, energy conservation,



<b>No.</b>	<b>Reserve Fund Name</b>	<b>Reserve Fund Purpose</b>
		carbon neutrality and ecological improvements. Innovation projects are also funded here.
9	Other New Capital	To accumulate funding in the future for other new capital
10	Development Cost Charges (DCC's) - Roads	To accumulate development cost charges for road capital projects including pedestrian/bike corridor improvements, sidewalk, boulevard and street improvements, bike lanes, and intersection and traffic signal upgrades.
11	Development Cost Charges (DCC's) – Sanitary Sewers	To accumulate development cost charges for sanitary sewer capital projects including upgrades to existing sewers in centres, sewage lift station and sanitary sewer upgrading programs located outside the centres.
12	Development Cost Charges (DCC's) – Water	To accumulate development cost charges for water capital projects including water main upgrades, pressure regulating valve stations upgrades, water pumping stations upgrading and water reservoirs.
13	Development Cost Charges (DCC's) – Drainage	To accumulate development cost charges for drainage capital projects including upsizing storm sewers and culverts, creek works, and flood and debris hazard mitigation.
14	Development Cost Charges (DCC's) – Parks	To accumulate development cost charges for park capital projects including acquiring and developing parkland for parks, trails, linear parks and sports fields.
15	Other Development Charges	To accumulate other development charges , such as those arising under First Nation service agreements, for capital projects.
16	Community Amenity Contributions (CAC's)	To accumulate community amenity contributions for amenity projects including community facilities, facility improvements, child care facilities, seniors care facilities, social housing, heritage conservation, public art, parkland or park improvements, pedestrian linkages, cycling linkages, other transportation amenities, streetscapes, public plaza or other public realm linkages, environmental or sustainability measures.

<b>No.</b>	<b>Reserve Fund Name</b>	<b>Reserve Fund Purpose</b>
17	Local Improvement	To finance the residents share of Local Area Service Works.
18	Tax Growth	To accumulate growth in property tax revenue to smooth future impacts on services, including ongoing costs related to new assets and increased demand on services. Any projected surplus over a five-year period may be reallocated to new capital priorities.
<b>Lands and Housing</b>		
19	Land	To accumulate proceeds from the sale of land and improvements to acquire land and improvements or pay any debt remaining in relation to the sale of land and improvements.
20	Land Income	To accumulate income earned from real property for the purpose of planning, acquiring, and disposing of land and improvements as well as servicing and other activities which improve land value.
21	Parkland	To accumulate proceeds received from the sale of parkland for the purpose of acquiring parkland
22	Housing	To accumulate funding for the District's share of social housing projects. Other reserve funds in this bylaw may also be used to support housing projects, including Land, Land Income and Community Amenity Contributions.

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## The District of North Vancouver INFORMATION REPORT TO COUNCIL

February 12, 2020

File:

Tracking Number: RCA -

**AUTHOR:** Rick Danyluk, Manager Business Planning and Decision Support

**SUBJECT:** Reserve Funds Bylaw 8418

**RECOMMENDATION:**

That this report be received for information.

**REASON FOR REPORT:**

To seek feedback and direction on Reserve Funds Bylaw 8418 so it can be brought back for adoption along with the 2020 – 2024 Financial Plan Bylaw in March.

**SUMMARY:**

Since adoption of the Official Community Plan (OCP) the District has been following a number of best practices in financial planning which are embedded in the OCP, financial plans and Asset Management Strategy. The new reserve bylaw supports these best practices and provides one of the foundations for sustainable financial planning.

Staff reviewed existing reserve funds and identified an opportunity to consolidate and realign them into a single bylaw to realize the following benefits:

1. Harmonize and provide a clear understanding of the purpose of the reserves
2. Re-align reserve funds to support Council directions and long term plans
3. Establish a regular review of reserves through the financial planning process to confirm appropriate contributions and minimum and optimum reserve fund levels

**BACKGROUND:**

Reserve funds have not been reviewed since before the adoption of the OCP. Staff initiated a review in 2018. A first draft of an updated reserve funds bylaw was presented at a Council workshop last November. Under this bylaw all capital, growth, land and housing reserves become statutory reserves. Operating and risk management reserves must be more thoroughly reviewed before these funds are considered for inclusion in the bylaw.

**EXISTING POLICY:**

The District has a number of reserve funds which are now proposed to be repealed, terminated, and or established in the new reserve funds bylaw. Changes impacting existing bylaws are noted below. A supporting reserve policy will be created and reviewed with the Finance and Audit Committee in the spring of 2020. The reserve bylaw defines the purpose of the reserves and the policy will add additional information including funding sources and a rationale for minimum and optimal reserve levels.

Existing bylaws / funds	Changes
Land Opportunity Fund Bylaw 7706	This bylaw will be repealed and replaced by the new "Land Sale and Acquisition" reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Infrastructure Replacement Reserve Fund Bylaw 7707	This bylaw will be repealed and replaced by the new "Infrastructure" reserve fund which will be established under the proposed new Reserve Funds Bylaw.
New Capital and Innovation Reserve Fund Bylaw 7706	This bylaw will be repealed and replaced by three new reserve funds: Transportation and Mobility, Community Health and Safety, and Climate and Innovation each of which will be established under the proposed new Reserve Funds Bylaw. All of the funds currently in the New Capital and Innovation Reserve will be transferred to the Transportation and Mobility reserve fund.
Trails and Traffic Management Reserve Bylaw 7780	The reserve will be terminated at the end of 2020 following the allocation of remaining funds in the financial plan. The financial plan will reflect the transfer / allocation of the funds to the Transportation and Mobility reserve fund for presentation purposes.
Parkland Acquisition Reserve Bylaw 6157	This bylaw will be repealed and replaced by the new Parkland Acquisition reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Public Art Program Reserve Bylaw 7156	This bylaw will be repealed and replaced by the new Community Amenity Contribution (CAC's) reserve fund which will be established under the proposed new Reserve Funds Bylaw.
Development Cost Charges (DCC's)	The proposed new Reserve Funds Bylaw establishes reserve funds for each category of DCCs, including reserves for road DCCs, sanitary sewer DCCs, water DCCs, drainage DCCs, parks DCCs and other development charges.
Local Improvement Reserve Bylaw 1606	This bylaw will be repealed and replaced by the new Local Improvement reserve fund which will be

	established under the proposed new Reserve Funds Bylaw. The total amount in the fund is no longer required and will be reduced to \$250k from \$4.1 million. The balance of the funds will be transferred to the Transportation and Mobility reserve fund.
Recreation and Protective Services Reserves (established through the financial plan)	These reserves accumulated surplus from Recreation and Protective Services operations. The reserves will be terminated and remaining funds (\$5.5 million) will be transferred to the Community Health and Safety reserve fund which will be established under the proposed new Reserve Funds Bylaw.

**ANALYSIS:**

In preparing this report, staff reviewed Government Finance Officer Association (GFOA) best practices, local municipal practices and the District's existing reserve funds and bylaws. The review identified an opportunity to consolidate and restructure the reserves into a single bylaw to realize the following benefits:

- Provide a clear understanding of the purpose of the reserves in a single bylaw
- Harmonize the reserve funds
- Re-align reserve funds to support Council directions and long term plans
- Establish a regular review of reserves to confirm appropriate contributions, and minimum and optimum reserve levels

Reserves are like savings accounts, used to accumulate funds from current revenues or other sources over time to fund future investments and to mitigate risks. Reserves are one of the foundations for sustainable financial planning and the District maintains four types:

- Operating reserves to mitigate risk and enable an appropriate response to adverse events
- Renewal capital reserves to enable the District to maintain existing assets in a state of good repair
- Land and housing reserves to preserve the value of the District's lands and support investments in social and supportive housing
- New capital and growth management (development) reserves to support investments in transportation and mobility, community health and safety, climate mitigation and innovation and to fund financial impacts as the community grows.

The proposed bylaw includes a complete list of the District's capital, growth, land and housing reserves. Opening balances are estimated and reflect Council priorities included in the 2020 to 2024 Draft Financial Plan and adhere to applicable legislation.

Reserve funds have trended upwards over the last few years. While estimated opening balances are \$140.0 million in 2020 (\$131.1 million 2019) this trend will change in the near term as capital plan appropriations exceed reserve fund contributions over the next five



years. Fund balances vary depending upon scope and timing of capital, development activity, risk assessments and adjustments made through the budget process. Prudence requires minimum levels be maintained to ensure the organization's capacity to react to unforeseen events and sustain levels of service to the community. Projected ending balances are likely understated as surplus from completed projects (~5% of capital plan appropriations) are not reflected.

**Table A: Capital Reserve Fund Balances (000s)**

	Total	Existing Capital	Land and Housing	New Capital	Develop
<b>Available funds</b>					
Opening balances Jan 1, 2020	\$ 139,980	\$ 75,630	\$ 10,160	\$ 12,980	\$ 41,210
Contributions to reserves	281,007	216,172	12,642	17,736	34,457
	\$ 420,987	\$ 291,802	\$ 22,802	\$ 30,716	\$ 75,667
<b>Use of funds</b>					
Capital plan appropriations	\$ 335,269	\$ 241,939	\$ 11,445	\$ 26,536	\$ 55,349
Debt repayments	8,285	8,285	-	-	-
	\$ 343,554	\$ 250,224	\$ 11,445	\$ 26,536	\$ 55,349
Ending balances Dec 31, 2024	\$ 77,433	\$ 41,578	\$ 11,357	\$ 4,180	\$ 20,318

**Timing/Approval Process:**

The Reserve Funds Bylaw is reflected in the 2020 to 2024 Draft Financial Plan and its adoption supports appropriations included in the financial plan. It's recommended that the new bylaw be adopted at the same time as the financial plan bylaw.

**Concurrence:**

This bylaw has been reviewed with the Engineering, Development and Legal Services. The draft bylaw was reviewed with Council at a public meeting last November.

**Financial Impacts:**

Establishing a single reserve bylaw clearly establishes the purpose of the District's reserve funds and establishes ongoing funding sources for priority investments. The bylaw provides a foundation for sustainable financial planning and a structure for adjustments as resources are aligned with the long term vision for the community.

Details of the District's reserves are shown in Table B (attached). Ongoing contributions to renewal capital reserves is \$41 million in 2020 reaching \$44 million by 2024 and for new capital is \$2.4 million in 2020 reaching \$4.6 million by 2024. Contributions to land and housing reserves vary based on land income and are \$2.8 million in 2020 and end at \$2.4 million in 2024. Council direction through financial plan amendments provide opportunity for further adjustments to these contributions.

**Liability/Risk:**

Clearly defining the purpose of reserve funds reduces financial risk, supports transparency in the District's finances and provides opportunities for more meaningful engagement with the community. The operating and risk management reserves included in the District's financial

statements are currently excluded from the reserves bylaw pending a more thorough review of the District's risk profile including both community and corporate risks.

**Social Policy Implications:**

The reserve bylaw establishes reserve funds supporting priority investments in child care and seniors care (CAC's and lands) and social and supportive housing (CAC's, housing, and lands), as well as ongoing funding sources for new investments in transportation and mobility and community health and safety.

**Environmental Impact:**

The reserve bylaw establishes a reserve fund for climate mitigation measures that promote greenhouse gas reduction, energy conservation, carbon neutrality and ecological improvements. Renewal capital reserves include climate adaptation measures for existing assets.

**Public Input:**

The draft reserve bylaw was presented to Council at a public workshop last November and has been discussed through financial plan workshops on the capital plan in December and January. Public input on the financial plan will be received up until February 24 and there will be future opportunities for input through financial plan amendments in the spring and fall.

**Conclusion:**

The proposed reserve bylaw defines the purpose of the reserve funds, re-aligns funds to support Council directions and long term plans, and establishes a regular review to confirm appropriate contributions and minimum and optimum reserve fund levels.

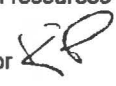
**Options:**

Option 1. Adopt Reserve Funds Bylaw 8418

Option 2. Do not adopt the new bylaw, restate the Financial Plan to reflect existing bylaws.



Rick Danyluk, Manager Business Planning and Decision Support

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<input type="checkbox"/> Economic Development	<input type="checkbox"/> Human resources	<input type="checkbox"/> Other: _____	
	<input type="checkbox"/> ITS		
	<input checked="" type="checkbox"/> Solicitor 		
	<input type="checkbox"/> GIS		

**Table B – Capital Reserve Fund Balances Details (000s)**

	Total	Existing Capital			Land and Housing		New Capital				Development	
		Infrastructure	Fleet and Equipment	Utilities	Land	Housing	Transportation and Mobility	Community Health and Safety	Climate and Innovation	Local Improvement	Development Cost Charges (DCC and Other)	Community Amenity Contributions (CAC's)
<b>Available Funds</b>												
Ending balances December 31, 2019	134,240	34,150	3,890	37,590	4,460	5,700	2,940		200	4,100	24,650	16,560
Transfers	5,740						4,050	5,540		(3,850)		
Opening balances January 1, 2020	139,980	34,150	3,890	37,590	4,460	5,700	6,990	5,540	200	250	24,650	16,560
Contributions to reserve funds:												
2020	62,188	20,885	2,115	18,041	2,301	510	1,818	281	322		4,749	11,165
2021	53,331	21,946	2,110	18,219	2,130	520	2,282	384	422		4,608	709
2022	55,379	23,058	2,146	19,014	1,879	531	2,551	499	522		4,668	512
2023	53,286	24,460	2,182	17,883	1,847	541	2,821	627	622		1,874	428
2024	56,822	25,889	2,211	16,015	1,830	552	3,094	767	722		3,716	2,027
Internal borrowing (1)	-	10,000	(2,000)	(8,000)								
	281,006	126,237	8,763	81,172	9,988	2,654	12,567	2,559	2,611	-	19,615	14,842
	420,986	160,387	12,653	118,762	14,448	8,354	19,557	8,099	2,811	250	44,265	31,402
<b>Use of funds</b>												
Capital plan appropriations												
2020	69,699	28,820	2,938	19,431		3,684	5,305	505	453		7,016	1,547
2021	85,357	36,754	2,430	16,405	3,300	3,114	5,189	6,570	563		6,503	4,529
2022	55,465	27,148	903	14,237		673	2,300		363		6,829	3,012
2023	69,182	34,836	2,548	16,278		674	2,750		363		6,834	4,899
2024	55,723	23,318	1,658	14,392		-	2,000		175		6,654	7,526
Debt repayments												
2020	990	990										
2021	990	990										
2022	990	990										
2023	2,352	2,352										
2024	2,806	2,806										
	343,554	159,005	10,475	80,744	3,300	8,145	17,544	7,075	1,917	-	33,836	21,513
Ending balances December 31, 2024	77,433	1,382	2,178	38,018	11,148	209	2,013	1,024	894	250	10,429	9,889

**Notes:**

1) If required. Ending balances do not reflect surplus typically returned from capital projects (~5%).



**The Corporation of the District of North Vancouver**

**Bylaw 8418**

A bylaw to establish reserve funds for specific purposes

---

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**Citation**

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7. The sum of \$1,950,000 from the Protective Services reserve, and all money returned or accrued to this fund, be transferred to the Community Health and Safety reserve

fund in this bylaw.

**READ** a first time

**READ** a second time

**READ** a third time

**ADOPTED**

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Mayor

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Municipal Clerk

Certified a true copy

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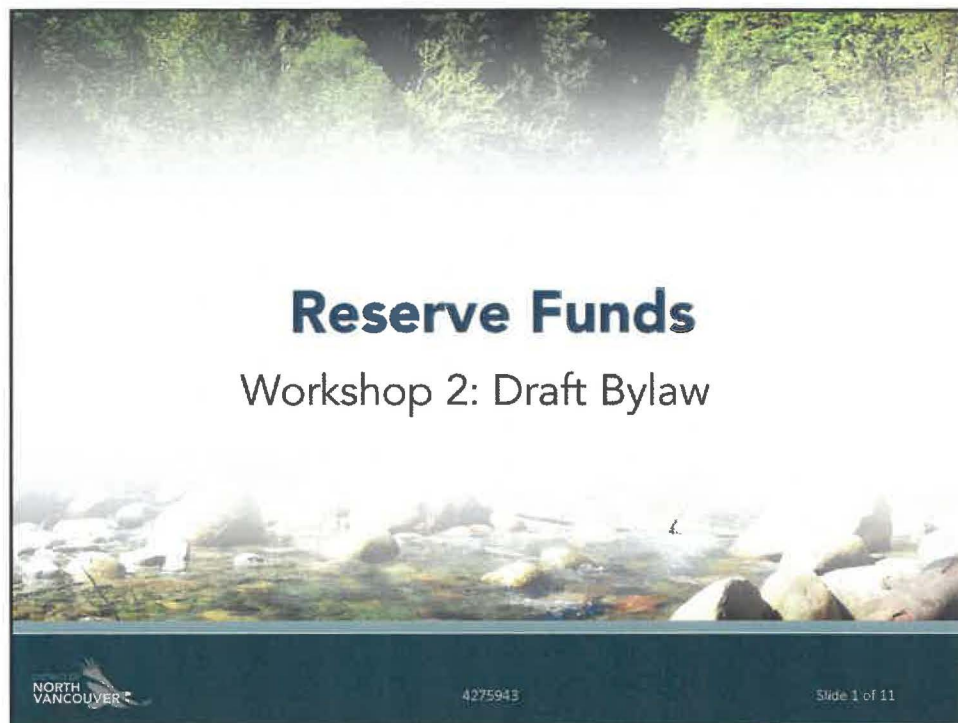
Municipal Clerk

### Schedule A to Bylaw 8418

No.	Reserve Fund Name	Reserve Fund Purpose
<b>Existing Capital</b>		
1	Infrastructure	To accumulate funding for capital renewal, upgrade, and maintenance projects including transportation, parks, buildings, library, and technology assets. This reserve will also be used to repay debt and the interest on such debt incurred in order to finance the replacement of major capital assets.
2	Utilities -Water	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing water assets. This reserve will also be used to smooth ratepayer impacts from increases to regional (GVWD) water charges.
3	Utilities - Sewer	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing sewer assets. . This reserve will also be used to smooth ratepayer impacts from increases to regional (GVS&DD) liquid waste charges.
4	Utilities - Drainage	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing drainage assets.
4	Utilities - Solid Waste	To accumulate funding for capital renewal, upgrade, and maintenance projects for existing solid waste assets. This reserve will also be used to smooth ratepayer impacts from increases to regional solid waste charges.
5	Vehicles and Equipment	To accumulate funding for the replacement of existing vehicles and equipment included in the District's fleet.
<b>New Capital, Initiatives and Growth</b>		
6	Transportation and Mobility	To accumulate funding for transportation and mobility capital projects.
7	Community Health and Safety	To accumulate funding for recreation, parks, culture, and safety capital projects and initiatives.
8	Climate and Innovation	To accumulate funding for climate mitigation initiatives that promote greenhouse gas reduction, energy conservation,


<b>No.</b>	<b>Reserve Fund Name</b>	<b>Reserve Fund Purpose</b>
		carbon neutrality and ecological improvements. Innovation projects are also funded here.
9	Other New Capital	To accumulate funding in the future for other new capital
9	Development Cost Charges (DCC's) - Roads	To accumulate development cost charges for road capital projects including pedestrian/bike corridor improvements, sidewalk, boulevard and street improvements, bike lanes, and intersection and traffic signal upgrades.
10	Development Cost Charges (DCC's) – Sanitary Sewers	To accumulate development cost charges for sanitary sewer capital projects including upgrades to existing sewers in centres, sewage lift station and sanitary sewer upgrading programs located outside the centres.
11	Development Cost Charges (DCC's) – Water	To accumulate development cost charges for water capital projects including water main upgrades, pressure regulating valve stations upgrades, water pumping stations upgrading and water reservoirs.
12	Development Cost Charges (DCC's) – Drainage	To accumulate development cost charges for drainage capital projects including upsizing storm sewers and culverts, creek works, and flood and debris hazard mitigation.
13	Development Cost Charges (DCC's) – Parks	To accumulate development cost charges for park capital projects including acquiring and developing parkland for parks, trails, linear parks and sports fields.
14	Other Development Charges	To accumulate other development charges , such as those arising under First Nation service agreements, for capital projects.
15	Community Amenity Contributions (CAC's)	To accumulate community amenity contributions for amenity projects including community facilities, facility improvements, child care facilities, seniors care facilities, social housing, heritage conservation, public art, parkland or park improvements, pedestrian linkages, cycling linkages, other transportation amenities, streetscapes, public plaza or other public realm linkages, environmental or sustainability measures.

<b>No.</b>	<b>Reserve Fund Name</b>	<b>Reserve Fund Purpose</b>
16	Local Improvement	To finance the residents share of Local Area Service Works.
17	Tax Growth	To accumulate growth in property tax revenue to smooth future impacts on services, including ongoing costs related to new assets and increased demand on services. Any projected surplus over a five-year period may be reallocated to new capital priorities.
<b>Lands and Housing</b>		
18	Land Sale	To accumulate proceeds from the sale of land and improvements to acquire land and improvements or pay any debt remaining in relation to the sale of land and improvements.
19	Land Income	To accumulate income earned from real property for the purpose of planning, acquiring, and disposing of land and improvements as well as servicing and other activities which improve land value.
20	Parkland Acquisition	To accumulate proceeds received from the sale of parkland for the purpose of acquiring parkland
21	Housing	To accumulate funding for the District's share of social housing projects. Other reserve funds in this bylaw may also be used to support housing projects, including Land Sale, Land Income and Community Amenity Contributions.

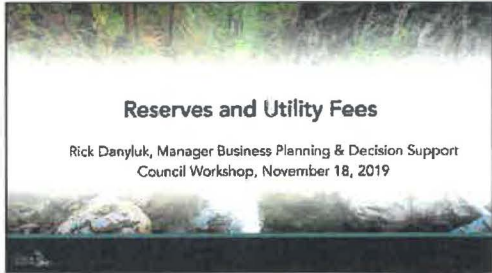


# Reserve Funds

## Workshop 2: Draft Bylaw


 4275943 Slide 1 of 11

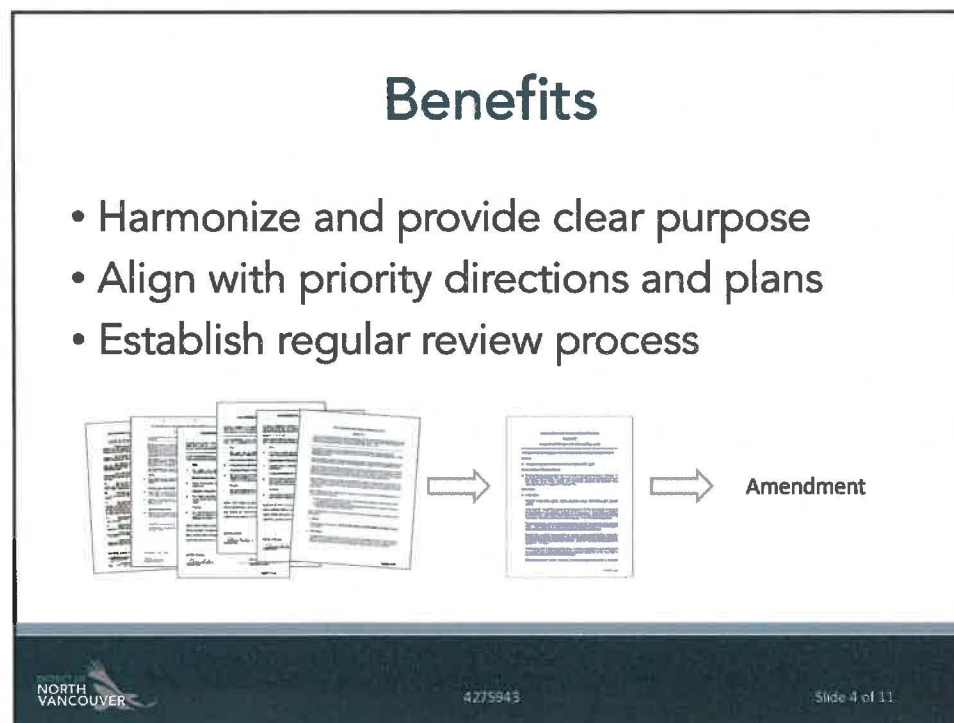
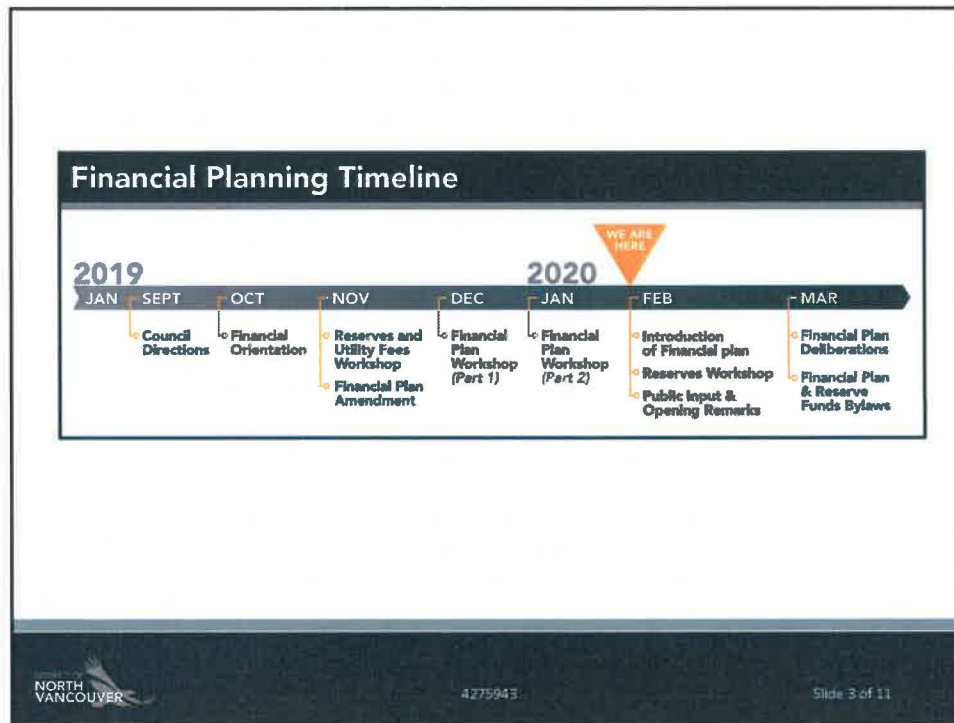
# Council Direction:



**Reserves and Utility Fees**  
Rick Danyluk, Manager Business Planning & Decision Support  
Council Workshop, November 18, 2019

**Staff to draft final version of proposed reserve bylaw and bring back to Council for adoption**

 4275943 Slide 2 of 11

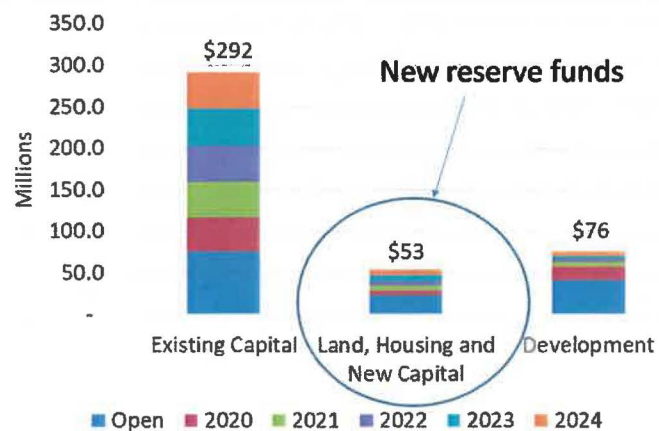




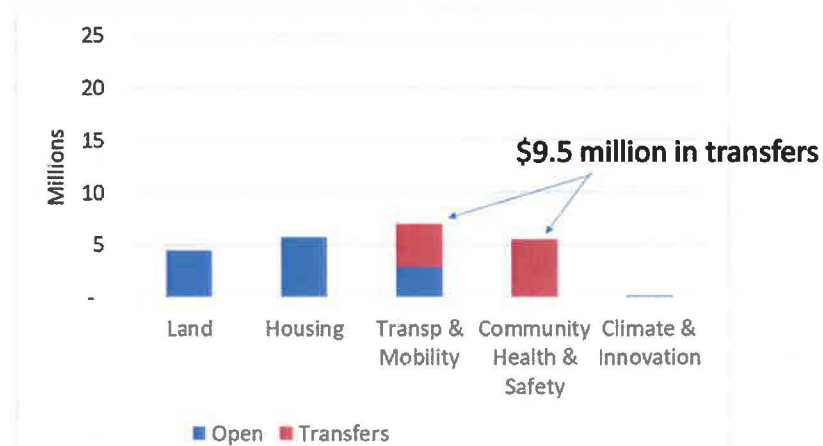
## Changes

- Remove operating and risk category
- Focus on purpose
- Separate funds
- Add definitions

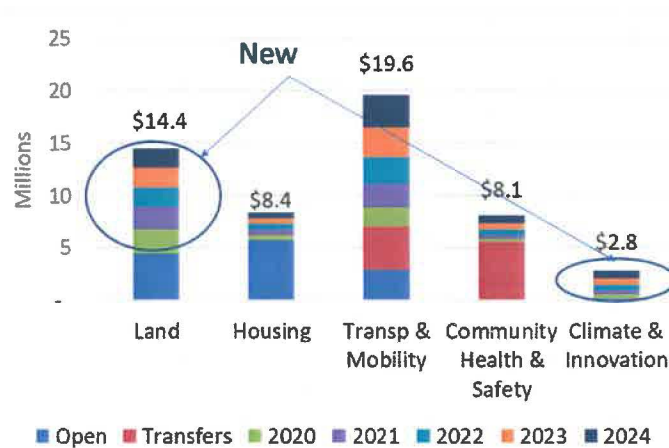
## Available funding



## Available funding



## Available funding



## Five-year financial plan



- Transportation and mobility reserve, \$19.6 million available



- Housing and land reserves, \$22.8 million available

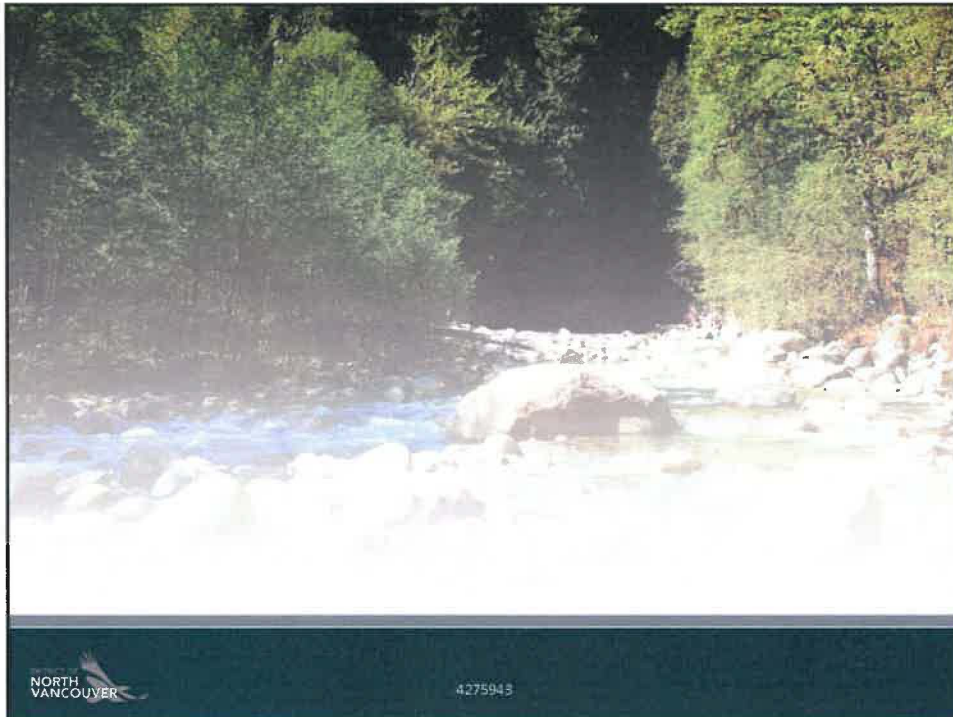


- Climate and innovation reserve, \$2.8 million available



## Next steps

- Housekeeping changes to bylaw and financial plan
- Three readings March 9, adoption March 23
- Supporting reserve policy to Finance and Audit Committee (April)



**Bylaw 8435: Financial Plan Bylaw**

Materials to be circulated via agenda addendum.

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