

2017

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2017



ABOUT THIS REPORT

District of West Vancouver
British Columbia, Canada

Annual Report
for the year ended
December 31, 2017

designed and prepared by the Community
Relations & Communications Division

produced by the Financial Services Division
May 2018

This report is printed on 10% post-consumer
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AWARD FOR FINANCIAL REPORTING



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**District of West Vancouver
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of West Vancouver for its annual financial report for the fiscal year ended December 31, 2016.

In order to be awarded a Canadian Award for Financial Reporting, a government must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements and we are submitting it to the GFOA.

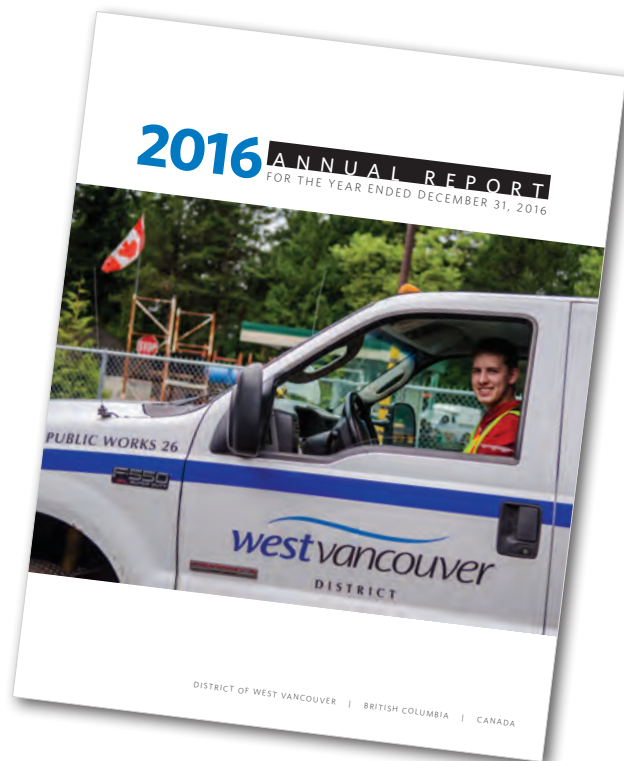




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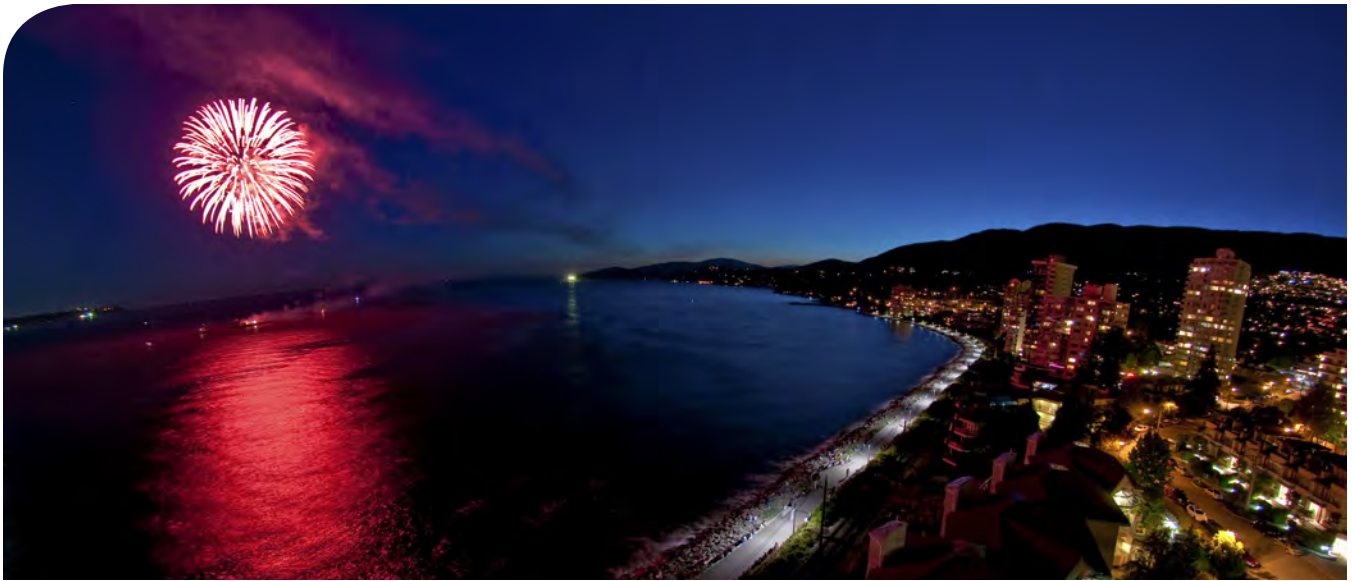
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OUR VISION

West Vancouver will *inspire excellence* and lead by example.

Collaborative government and a spirit of personal civic commitment will power the innovations that shape our shared future.

The strength of this relationship will secure our treasured quality of life and will be the measure of our success as a community.

OUR MISSION

We champion the opportunities that demonstrate our deep commitment to:

- Foster a sense of shared and individual responsibility for community well being, inclusion, social unity, and respect for our full heritage.
- Protect, restore, and defend our natural environment; legislate efforts to effect positive change.
- Encourage diversity in housing, land use, and innovative infrastructure within our distinct neighbourhoods to meet changing needs.
- Enrich community vitality, health, and understanding through integrating arts, learning, inter-cultural experiences, and physical activity into our daily lives.
- Maximize the potential of our economic base and services, and balancing the effective long-term use of resources for current and future generations.

District of West Vancouver at a Glance*

LAND AREA

- 87.4 square kilometres

POPULATION (2016 Census Canada)

- 42,470 residents
- 13.83% are 0-14 years old
- 58.36% are 15-64 years old
- 27.81% are 65+ years old
- 16,935 households
- 5,967 businesses (District of West Vancouver)

MUNICIPAL FACTS

- 760 permanent employees
- \$147 million operating budget
- \$55 million capital budget

* sources are portrayed in brackets

MESSAGE FROM THE MAYOR

Council continued making progress on its key priorities in 2017: Ambleside Waterfront & Town Centre; Built Form, Housing & Neighbourhood Character; Fiscal Sustainability & Municipal Services; Natural Environment & Climate Action; Official Community Plan Review; Arts, Culture & Heritage; Police Services & Municipal Hall Project and Traffic & Transportation.

October 30, 2017 was a landmark day in West Vancouver, as we officially opened the new Police Services building and a new wing for Municipal Hall. As well as allowing day-to-day operational and service improvements for West Vancouver Police, the new building is seismically-sound and will ensure that police officers and municipal staff are fully able to respond and keep residents safe, every day and also in the wake of a major disaster.

After introducing an asset management levy and asset reserve in 2016, we continued to improve our long-term fiscal position and close the infrastructure funding gap. At the same time, we continued to provide residents with the best in programs and services, respond to emerging community service needs, find a balance between differing opinions for how neighbourhoods should look and feel, protect our natural assets and enhance community vibrancy through arts and culture programming. Our police and fire services provided excellent protection to residents, and our residents continued to enjoy the very best in library services, community recreation and festivals. I thank District staff for their professionalism and commitment with which they deliver on Council's priorities and serve our residents.

Competing demands for limited resources means that Council must, and does, make all its decisions through the lens of sound fiscal policy. It is my commitment to you that we will always maximize the efficiency and impact of every tax dollar spent.

It is an honour and a privilege to serve as your Mayor. Working with Council, staff and with you, we will continue to build a resilient and inclusive West Vancouver.



Mayor Michael Smith



Michael Smith | Mayor of West Vancouver



2016-18 COUNCIL: Peter Lambur, Christine Cassidy, Bill Soprovich, Nora Gambioli, Mayor Michael Smith, Mary-Ann Booth & Craig Cameron

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

On behalf of the District of West Vancouver, it is my pleasure to present the 2017 Annual Report.

The detailed and audited numbers in this report clearly describe our 2017 financial activities and offer a detailed picture of the District's financial position at year-end. This report has been prepared in accordance with Canadian Generally Accepted Accounting Principles as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Other parts of this report offer details of daily operations, progress made on Council's priorities and our accomplishments in our work plans. Together, this information shows that 2017 was a year of significant progress on many fronts.

Council priorities, in combination with the Community Strategic Plan, are the primary drivers of our work. Council's priorities are Ambleside; Waterfront & Town Centre; Built Form, Housing & Neighbourhood Character; Fiscal Sustainability & Municipal Services; Natural Environment & Climate Action; Official Community Plan Review; Arts, Culture & Heritage; Police Services & Municipal Hall Project and Traffic and Transportation.

The District of West Vancouver continues to be one of the best places in the world to live, but we are increasingly faced with forces affecting the Metro Vancouver region. The District of West Vancouver's long-term fiscal position will need to be strengthened if we are to continue to build a resilient community. Rising land values, the ability to move people in and out of West Vancouver, strengthening our local economy, neighbourhood liveability and climate change are all issues that require response from all levels of government, including municipal government.

I am very proud of our dedicated and professional staff, who strive to serve this community with the very best in programs and services.

I would also like to take this opportunity to thank the many citizens who are engaged and involved in our community and provided input on the budget process and our many initiatives. Your contributions ensure that community aspirations and values are reflected in our work.

Sincerely,

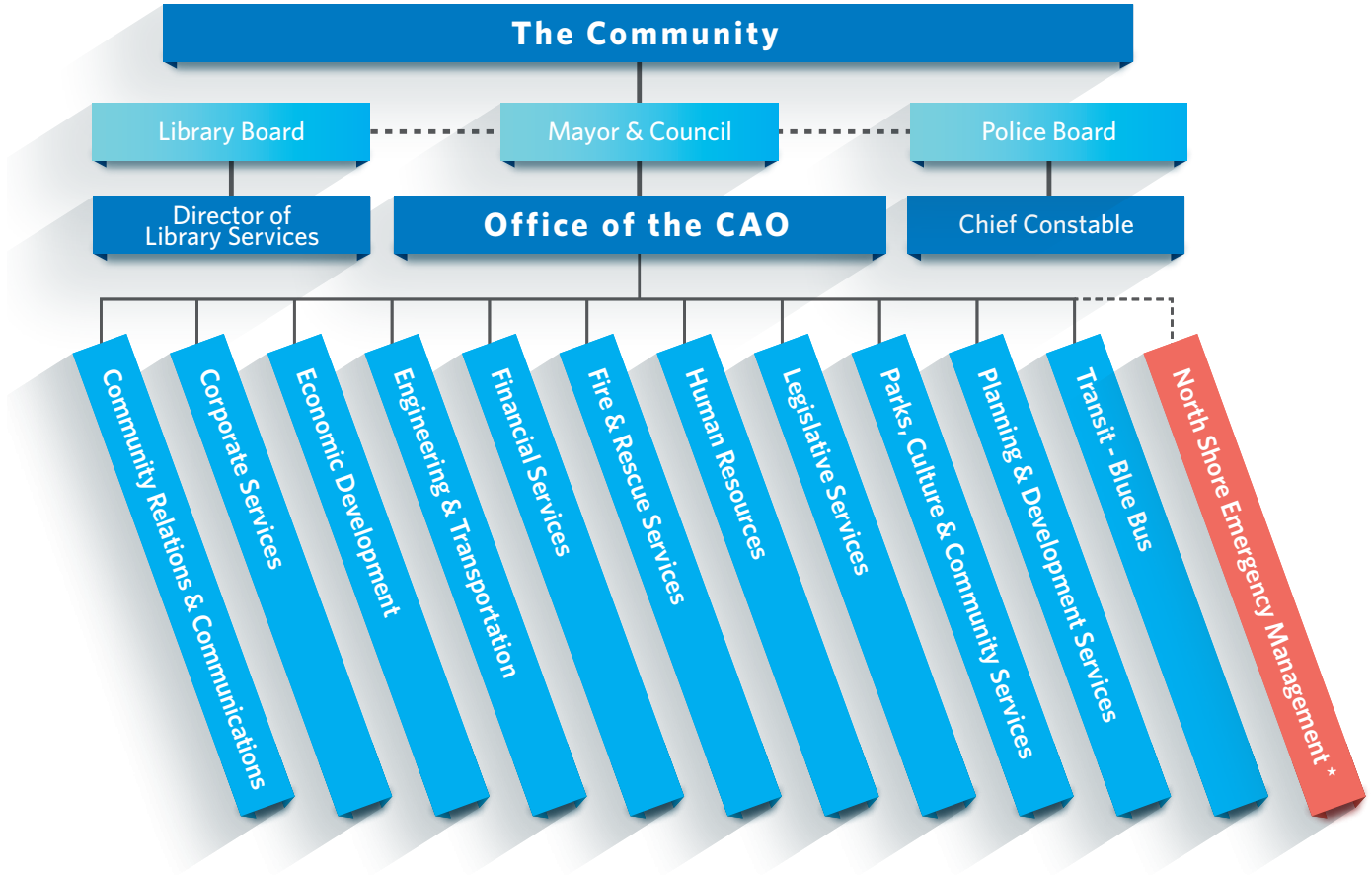


Nina Leemhuis



Nina Leemhuis | Chief Administrative Officer

EXECUTIVE TEAM



* North Shore Emergency Management (NSEM) is an inter-municipal agency providing emergency management services for the District of West Vancouver, City of North Vancouver and District of North Vancouver.

- Nina Leemhuis** Chief Administrative Officer
- Donna Powers** Director of Community Relations & Communications
- Mark Chan** Director of Corporate Services
- Raymond Fung** Director of Engineering & Transportation
- Isabel Gordon** Director of Financial Services
- Randy Heath** Chief of Fire & Rescue Services
- Lauren Hughes** Director of Human Resources
- Sheila Scholes** Manager of Legislative Services / Municipal Clerk
- Jenny Benedict** Director of Library Services
- Anne Mooi** Director of Parks, Culture & Community Services
- Jim Bailey** Director of Planning & Development Services
- Len Goerke** Police Chief Constable

OFFICE OF THE CAO

The Office of the Chief Administrative Officer leads, coordinates and provides oversight for all District divisions to ensure the District is accomplishing Council's priorities, goals of the community and the District's vision and mission.

The Chief Administrative Officer (CAO) takes direction from Mayor and Council in their roles as governors of the District of West Vancouver. The CAO serves as a link between Council, which sets priorities, and the executive committee, which implements them. The CAO keeps Mayor and Council informed of corporate policies, plans and financial information, and provides them with analysis, options and recommendations. As administrative head of the District, the CAO provides leadership and direction to executive committee members on development and execution of divisional and departmental work plans, while creating the working environment and procedures to allow the executive committee to successfully fulfill their roles. The CAO personally represents the District at all levels in the community, maintains relationships with community groups and agencies, and manages the District's interests on intergovernmental issues.



Nina Leemhuis | Chief Administrative Officer

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- guided the implementation of the Ambleside Waterfront Plan and provided support for the newly-established Ambleside Dundarave Business Improvement Association (ADBIA)

Built Form, Housing & Neighbourhood Character

- oversaw development of options and recommendations for housing & neighbourhood character issues

Fiscal Sustainability & Municipal Services

- guided creation of mechanisms for building on fiscal sustainability measures and asset management plans

Natural Environment & Climate Action

- provided leadership and direction on implementing corporate and community plans for reducing environmental footprints and creating sustainable operations

Official Community Plan (OCP) Review

- oversaw public consultation, information gathering and analysis for the OCP review and update

Arts, Culture & Heritage

- provided oversight to the development of the Arts & Culture Strategy with extensive community input

Police Services & Municipal Hall Project

- oversaw final phases of construction and directed District departments on an occupancy plan and launch

Traffic & Transportation

- oversaw partnerships with other levels of government, including TransLink, to address congestion, improve transit efficiency and improve transportation connections on the North Shore

2017 OPERATIONAL ACCOMPLISHMENTS

- continued to build and foster a service-oriented culture within all District divisions and operations
- led and directed improvements in emergency preparedness, response and resiliency for all divisions
- built and embedded community consultation processes so that citizen input informs Council and staff decisions
- oversaw a general policy review with a goal of updating existing policies to reflect current state
- directed the development of work plans for all divisions to reflect and execute Council priorities
- led the continuing creation of an economic development strategy
- oversaw development and implementation of enhanced internal communications strategy and employee engagement practices

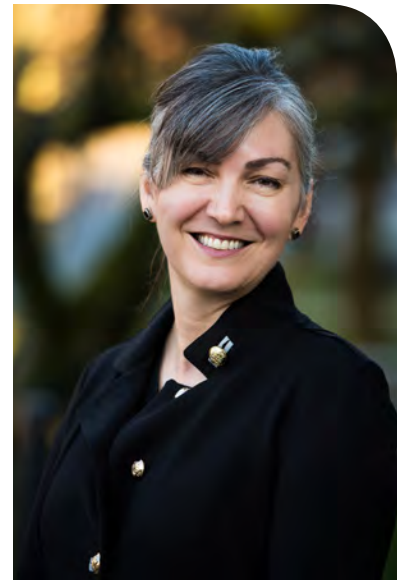
COMMUNITY RELATIONS & COMMUNICATIONS

The Community Relations & Communications Division creates and administers an integrated communications structure which keeps residents informed of District projects, policies, services and events.

Working with other District divisions, Community Relations identifies and responds to residents' questions and concerns with the goal of providing them with current information and excellent municipal services. Community Relations acts as a liaison between individuals, businesses and organizations and District staff.

Using current best practices, Communications keeps residents and stakeholders informed by planning and administering a suite of District websites and social media channels and by producing printed materials. Communications provides information to print, television, radio and online media and responds to media requests for information and interviews. This department provides graphic design services in support of District community engagement, marketing, events, advertising, online tools and sign plans.

This division is also responsible for communications during emergencies and for the majority of internal staff communications and engagement in support of service delivery excellence.



Donna Powers | Director of Community Relations & Communications

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- provided support for the phased implementation of the Ambleside Waterfront Plan
- supported community engagement for the Ambleside Town Centre Plan

Built Form, Housing & Neighbourhood Character

- provided comprehensive community engagement and communications for the Interim Tree Bylaw Working Group

Fiscal Sustainability & Municipal Services

- produced key financial documents and online information pieces to build residents' understanding of District budget and finances

Natural Environment & Climate Action

- supported implementation of the Community Energy & Emissions Plan, foreshore preservation projects and trails plan
- supported Horseshoe Bay Park revitalization project community engagement

Official Community Plan Review

- supported the community engagement process as public input was gathered for various phases of the review

Arts, Culture & Heritage

- provided communications support for community engagement and development of the Arts & Culture Strategy

Police Services & Municipal Hall Project

- kept area residents informed as the project moved into final construction phases, participated in corporate branding of the building and assisted with coordinating an opening event

2017 OPERATIONAL ACCOMPLISHMENTS

- improved mechanisms to inform residents of impending service changes and infrastructure projects to minimize disruptions
- implemented new staff engagement and communication tactics and augmented existing ones
- supported development and management of a new website for West Vancouver Museum
- provided staff support for and participated in the Community Engagement Committee
- assisted with development of a mobile application to enhance service to residents
- increased communications support for North Shore Emergency Management

CORPORATE SERVICES

The Corporate Services Division provides support services to the organization, and is responsible for Facilities Management, Municipal Lands, Information Technology Services, Bylaw & Licensing Services, Corporate Emergency Planning, Legal Services and the division also acts as the municipality's liaison to the Squamish Nation.

Facilities Management provides a pan-organizational approach to facility maintenance, replacement and renewal. The Lands Department administers municipally-owned land and municipal property transactions. Information Technology Services manages computer equipment, applications and technology infrastructure, telephone systems and the wide-area network linking municipal facilities. Bylaw & Licensing Services provides education and enforcement for municipal bylaws, rules and regulations designed to keep citizens safe. Emergency Planning works with the tri-municipal North Shore Emergency Management to oversee District plan development, capital improvements and training to move our community towards greater disaster resilience.



Mark Chan | Director of Corporate Services

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- developed a strategy to finance the acquisition of the final two remaining Argyle Avenue waterfront lots

Built Form, Housing & Neighbourhood Character

- facilitated additional housing supply for new developments through the disposition of underutilized District-owned road allowances
- collaborated with Planning on the Cypress Village planning process
- began implementation of new Construction Standards Program with a dedicated bylaw officer

Fiscal Sustainability & Municipal Services

- achieved significant progress on Squamish Nation Servicing Agreement negotiations

Natural Environment & Climate Action

- adopted Corporate Energy & Emissions Plan and began implementation

Official Community Plan (OCP) Review

- collaborated with Planning with respect to District-owned lands within scope of OCP Review

Police Services & Municipal Hall Project

- successfully completed, relocated and opened the new Police Services & Municipal Hall building, including the new Municipal Services Centre, to serve the public more efficiently

2017 OPERATIONAL ACCOMPLISHMENTS

- created new Financial Dashboard to enhance access to business intelligence data
- significantly enhanced staff emergency preparedness and training through numerous initiatives and worked at a much closer level with both the North Vancouver City and District on emergency planning
- responded to several major legal actions brought against the District, including the CN Seawalk legal actions
- provided First Nations training for all exempt staff
- installed fibre optic connectivity to the West Vancouver Memorial Library, West Vancouver Community Centre, Seniors' Activity Centre, Ice Arena, West Vancouver Museum and Fire Hall No. 1 to improve service and achieve cost savings

ENGINEERING & TRANSPORTATION

The Engineering & Transportation Division comprises three departments: Roads & Transportation, Utilities and Engineering Services. The Water, Sewer and Solid Waste Utilities are funded by utility fees, while the other services are funded by the General Fund.

Roads & Transportation ensures the safe and efficient movement of people, goods and services within West Vancouver. Functions include providing technical expertise and supervision for municipal infrastructure projects, road maintenance, traffic operations and signage. Engineering Services provides Geographical Information Systems (GIS) and mapping services for the District and public. Functions also include maintenance of fleet and equipment and Operations Centre support such as Dispatch and the Maintenance Management System.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- liaised with Ambleside Dundarave Business Improvement Association's (ADBIA) Parking Task Force to better understand business needs related to parking supply
- initiated studies related to an Ambleside parking customer intercept survey and parkade options in Ambleside
- liaised with ADBIA's Wayfinding Study
- liaised with developer on construction of streetscape improvements on the south side of Marine Drive in the 1300 block and on 14th Street between Bellevue Avenue and Marine Drive

Built Form, Housing & Neighbourhood Character

- provided input to Planning in relation to the Cypress Village Area Development Plan

Natural Environment & Climate Action

- constructed a section of Spirit Trail from Exit 0 through Raleigh Street to Chatham Street
- implemented a public recycling pilot project in Horseshoe Bay in collaboration with Parks

Official Community Plan (OCP) Review

- supported Planning in a review of OCP sections related to transportation policies

Police Services & Municipal Hall Project

- supported Facilities with streetscape improvements of roads adjacent to the Police Services & Municipal Hall building



Raymond Fung |
Director of Engineering & Transportation



Traffic & Transportation

- participated in a multi-jurisdictional briefing to review and coordinate winter maintenance efforts across the region by various agencies including Ministry of Transportation & Infrastructure and TransLink
- represented the District on the North Shore Staff Transportation Committee
- partnered with the West Vancouver Community Centres Society to present a Forum for Dialogue and Learning titled *Stop or Go: Addressing the North Shore's Traffic Challenges* on April 18, 2017
- completed the Pedestrian Network Plan, which was adopted by Council
- implemented bus service improvements associated with Phase 1 of the Mayors' Transit Investment Plan
- participated with TransLink on the B-Line transit service planning for the Marine Drive to Main Street corridor from Dundarave to Phibbs Exchange
- supported resolution of North Vancouver City and District regarding expedited accident clearing on provincial highways and bridges at the Union of BC Municipalities
- participated in the North Shore Area Traffic Operational and Safety Review led by ICBC
- completed installation of TransLink wayfinding signage at bus stops in West Vancouver
- partnered with the Western Residents' Association to present an *Engaging Our Future Forum on Traffic Calming and Safety*
- represented the District's interests on TransLink's Roads and Transportation Advisory Committee
- continued the partnership with West Vancouver Schools through the School Traffic Safety Advisory Committee
- continued interdepartmental collaboration through the District's Traffic Safety Committee

2017 OPERATIONAL ACCOMPLISHMENTS

- implemented improvements in Horseshoe Bay village further to the adopted Streetscape Design Guidelines

FINANCIAL SERVICES

The Financial Services Division supports the District's service delivery operations by providing financial planning, financial management, risk management and advice to staff and Council to ensure strong fiscal management.

Financial Services is responsible for accounting, reporting, budgeting and forecasting functions as well as revenue collection, cash management and investments. It also supports the strategic planning and decision making process of the District by identifying financial implications and assessing and mitigating risk.

Taxes & Utilities is responsible for rate setting, utility and tax billing and utility and tax collection.

Purchasing provides contracting, procurement, insurance and risk management services.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Built Form, Housing & Neighbourhood Character

- established Affordable Housing Reserve

Fiscal Sustainability & Municipal Services

- updated Sponsorships, Partnerships and Naming Rights Policy
- established review process for low use, poor condition assets, and created asset plans for those assets
- continued build-up of asset levy to required level
- working with Engineering, analyzed utility rates and re-established rate structure with new rate blocks
- coordinated establishment of corporate key performance indicators program
- completed restructuring of Endowment Fund Reserve
- established Land Fund Reserve
- working with Parks, Culture & Community Services, established Framework for Evaluating Community Group Proposals

Natural Environment & Climate Action

- completed Community Lifecycle Infrastructure Costing project
- completed scope for a District Natural Capital Assets Inventory

Arts, Culture & Heritage

- supported development of new funding mechanisms for public art

Police Services & Municipal Hall Project

- completed project borrowing of \$28.7 million through the Municipal Finance Authority of BC
- provided support to and monitoring of project, which was completed on-time and on-budget
- provided purchasing, logistics, and risk management support to project

2017 OPERATIONAL ACCOMPLISHMENTS

- working with Permits and Bylaws staff, established Municipal Services Centre
- completed development and incorporation of divisional key performance indicators into 2017-2022 Five-Year Financial Plan
- received Distinguished Budget Presentation Award for 2017 Budget
- received Canadian Award for Financial Reporting for 2016 Annual Report



Isabel Gordon | Director of Financial Services

FIRE & RESCUE SERVICES

The mission of Fire & Rescue Services is to prevent or minimize the impacts of emergency incidents through:

- provision of exceptional public safety by delivering prompt and effective response to fire, rescue and medical emergencies
- ensuring the protection of life, property and the environment
- delivery of fire prevention and education services to the public
- enforcement of regulations including Fire and Building codes as well as municipal bylaws

Fire & Rescue Services comprises six functions: administration, emergency response, fire prevention, public education, fire equipment maintenance and fire training.

Fire & Rescue works jointly with both the City and District of North Vancouver fire departments to provide shared services across the North Shore with the goals of:

- improving fire and rescue service levels to residents, businesses and industry
- improving the safety of responders at mutual aid incidents
- improving resource coordination between the three departments



Randy Heath | Fire Chief

2017 OPERATIONAL ACCOMPLISHMENTS

- completed records management system upgrade
- continued to develop and deliver innovative fire and life safety public education presentations
- completed annual Commercial Vehicle Inspections Program, pump, aerial ladder and ground ladder testing to comply with industry and legislative standards
- continued to align and refine cooperative initiatives through shared services with the City of North Vancouver and District of North Vancouver fire departments
- completed 2017 joint North Shore, tri-municipal recruitment process and work to align joint training initiatives where applicable
- finalized Memorandum of Understanding for Cooperative Fire/Rescue Services on the North Shore
- completed mental health training for all West Vancouver Fire & Rescue critical incident instructors
- implemented a required Fire Safety Plan Program involving new construction or demolition
- completed an Officers' Development Program, certifying 10 officer qualified staff
- North Shore fire departments jointly implemented Naloxone training and response protocols for opiate based overdoses
- implemented Entonox Pilot Project across the North Shore for those injured in remote areas
- completed staff scheduling and payroll software upgrade
- implemented training records management software to ensure all legislative requirements continue to be met
- internal recognition awards were presented to eight firefighters for Actions Above and Beyond
- scheduled completion of E-Comm Next Generation Radio transition by end of 2017; this initiative ensures full interoperability amongst all emergency services
- completed all required fire inspections
- implemented an asset management system

HUMAN RESOURCES

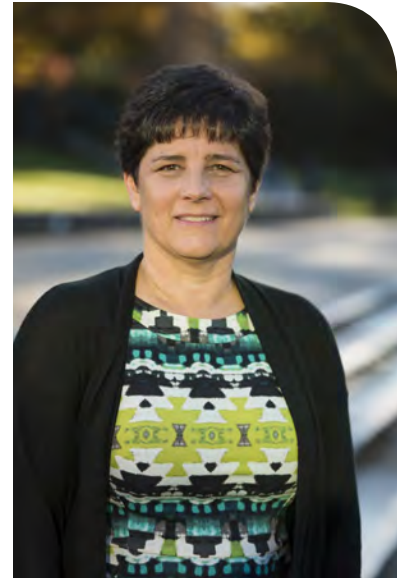
Human Resources provides direct, operational and strategic support to District divisions for all human resource activities and all employees. The division is responsible for employee and labour relations activities including bargaining of six collective agreements, training, leadership development and succession planning, recruitment and selection, payroll and benefits administration, disability, health and safety programs, and employee recognition and engagement programs. Human Resources both leads and is part of many organization-wide initiatives that build organizational culture, find efficiencies, reduce costs and, most importantly, recognize and support employees.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

- as a division that provides support and service to all other District divisions, Human Resources accomplishments and support for Council priorities is intrinsically reflected in the accomplishments of all other divisions

2017 OPERATIONAL ACCOMPLISHMENTS

- successfully reached a new collective agreement with the West Vancouver Municipal Employees Association
- evaluated options for implementation of a Human Resource Information System
- reviewed current practices for recruitment and explored opportunities to streamline the full cycle recruitment process



Lauren Hughes | Director of Human Resources

LEGISLATIVE SERVICES

The Legislative Services Division supports legislative matters, Council and its committees, and provides a communications link between Council, departments and the public through the provision of services related to legislation, and statutory process and procedures. The division records the official minutes of Council business, manages the bylaw process, document certification, corporate policies, and executes legal documents on the District's behalf. Legislative Services also manages compliance with the *Freedom of Information and Protection of Privacy Act* (FIPPA) and continues ongoing development and maintenance of the corporate records and information management program, including archival records, to ensure appropriate access to and protection of records and information maintained by the District. The division also conducts all legislated elector approval processes, by-elections and general local and school elections.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

- provided legislative and other support for Council priorities wherever required

2017 OPERATIONAL ACCOMPLISHMENTS

- performed statutory and other requirements for council meetings, public hearings, board of variance hearings and statutory notifications
- administered the *Freedom of Information and Protection of Privacy Act* including processing FIPPA requests
- continued to develop updates for records and information management best practices, and continued development of updated corporate records/information management training
- processed non-FIPPA internal and external information requests
- provided local government information sessions for students
- coordinated training on FIPPA privacy legislation requirements
- managed corporate agreement, bylaw and policy processing
- continued corporate policy review
- continued to review corporate administrative requirements and provide recommendations for update and implementation
- conducted recruitment for board and committee volunteers



WEST VANCOUVER MEMORIAL LIBRARY

The West Vancouver Memorial Library (WVML) is governed by the BC Library Act and managed by the Council-appointed West Vancouver Memorial Library Board.

Our Mission: Open and welcoming to all, our Library connects people with information, the world of imagination and each other.

Our Vision: Where wonder sparks, possibilities emerge, and minds thrive.
Our Library inspires people to grow in a dynamic world.

2017 ACCOMPLISHMENTS

Support 21st Century Learning

- developed community awareness of Honouring Reconciliation through the Perspectives on Our Shared History panel discussion, Reading Circles, film series, and the educational display from the Truth and Reconciliation Commission
- launched badging activities and reading challenges with the Summer Reading Clubs
- expanded youth computational thinking and self-directed programming, and skill-building activities and kits
- created leveled technology skills curriculum, incorporating group and self-directed learning

Deepen and Extend Community Collaborations

- expanded West Vancouver Memorial Library card project to West Vancouver secondary schools
- partnered with North Shore agencies to host the Access4All Fair to promote values and awareness of access and inclusion
- collaborated with community partners to determine library service needs of newcomers upgrading their credentials and people living with dementia
- conducted the research phase for the 2018-2038 Library Long-Term Infrastructure Strategy

Sustain and Enhance our Physical Space

- opened the updated West Wing interior
- completed the new accessibility ramp
- initiated construction on the Technology Learning Lab
- renovated interior spaces for the McDonald Creek Community Meeting Room and Quiet Study Room
- implemented new processes for selecting and withdrawing physical materials

Develop and Integrate our Digital Platform

- increased the selection and availability of ebooks and e-audiobooks
- researched and planned the implementation of digital tools that support the self-directed and group technology curriculum



Jenny Benedict | Director of Library Services

PARKS, CULTURE & COMMUNITY SERVICES

The Parks, Culture & Community Services (PCCS) Division provides a broad continuum of services and programs.

Parks manages over 140 parks, as well as natural areas, sports amenities, playgrounds, play courts, beaches, the Centennial Seawalk, over 135 kilometres of trails, Ambleside Par 3 Golf Course, Gleneagles Golf Course, Capilano View Cemetery and the environmental stewardship of District-owned lands including the marine foreshore.

Cultural Services offers exhibitions at the Ferry Building Gallery and the West Vancouver Museum, and cultural and educational programs at various District locations. This department oversees public art and collections and offers visual arts programming and events. Art education programs are offered in conjunction with West Vancouver Schools through classroom programs, student exhibitions and gallery tours. Special Events & Filming, which became part of the Cultural Services Department in 2017, facilitates over 55 special events and issues more than 90 film permits annually.

Community Services offers health, fitness and leisure programs at the West Vancouver Community Centre, Aquatic Centre, Gleneagles Community Centre, Ice Arena, Seniors' Activity Centre (SAC) and Ambleside Youth Centre. This department also oversees Access & Inclusion, the West Vancouver Child & Family Hub, specialized leisure services, the Community Grants Program, child care and family services and youth and seniors' outreach services.



Anne Mooi | Director of Parks & Community Services

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- implemented first phase and initiated second phase of Ambleside Waterfront Concept Plan
- completed Ambleside Playground revitalization
- moved location of Farmers Market to Ambleside Park

Fiscal Sustainability & Municipal Services

- developed a Framework for Evaluating Community Group Proposals for new, upgraded or enhanced facilities, infrastructure and equipment
- updated District's Sponsorships, Partnerships and Naming Rights Policy

Natural Environment & Climate Action

- draft plan for Trails on Public Land for public review completed
- District Environmental Manager portfolio transferred to Parks
- continued to implement Parks Master Plan initiatives, including dedication of Plateau Park
- developed recycling program in Horseshoe Bay Park in collaboration with Engineering
- initiated Horseshoe Bay Park revitalization process with community input
- continued sustainable natural resource management practices for the Gleneagles Golf Course by following recommendations from the Audubon Society



Arts, Culture & Heritage

- completed Arts & Culture Strategy consultation
- Cultural Services integrated into PCCS Division
- implemented phase two of the economic impact study for Harmony Arts Festival
- in collaboration with the Public Art Advisory Committee, developed strategies to enhance the Public Art Reserve Fund

2017 OPERATIONAL ACCOMPLISHMENTS

- launched new versions of the website to support the Leisure Guide with the ActiveNet software
- completed review of Community Grants Framework Policy
- launched the Child Care Services Working Group to review and update the Five-Year Child Care Plan
- piloted the Summer Playground Series in partnership with Red Fox Healthy Living Society
- implemented the new Recreation Access Program
- hosted second annual Seniors' Health Expo
- developed the Dementia-friendly North Shore Action Plan
- piloted the summer swim dock at Dundarave Beach
- worked closely with West Vancouver Foundation on the Vital Signs Advisory Committee
- hosted the province-wide Proud 2 Be conference at Gleneagles Community Centre and Clubhouse
- updated the District Blueprint for Social Responsibility and Change
- installed nets for safety around the third tee at Gleneagles Golf Course
- completed study to determine alternative water sources for irrigation needs at the Gleneagles Golf Course
- continued with weeds removal program supported by the Gleneagles Golf Club Society
- Gleneagles Clubhouse is now available for rental by the community through Community Services
- completed 100 additional in-ground burial lots at Capilano View Cemetery
- continued with headstone lifting and Y-section renovation to ensure the safety and overall appearance of the cemetery is maintained to a high standard
- completed preliminary costing and design plan for cemetery expansion for the next 20 years

PLANNING & DEVELOPMENT SERVICES

The Planning & Development Services Division works with residents, stakeholders and Council to guide change and help shape a sustainable future for our community. Community Planning & Sustainability develops long-range plans and policies to meet housing needs, protect the environment, address climate action, and fulfill other community land-use objectives. Urban Design & Current Planning processes rezoning applications, development permits, and OCP amendments, and prepares guidelines and policies that shape the look and feel of our built environment and public realm. Neighbourhood & Development Policy updates and improves community character and development related bylaws and policies on an ongoing basis to ensure they are reflective of the changing needs of the community. Land Development reviews and approves engineering and utility services requirements related to new development, and ensures that environmental and creek protection measures for development are implemented. Management of both private property and public tree permitting is handled by this division. Permits & Inspections reviews and issues building, electrical, plumbing and signage permits, and provides inspection services to ensure compliance and safety.



Jim Bailey | Director of Planning & Development Services

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Ambleside: Waterfront & Town Centre

- confirmed the Ambleside Town Centre process and formed the Ambleside Town Centre Engagement Team comprised of public stakeholders
- began Ambleside Town Centre engagement with November launch event hosted by the West Vancouver Community Centres Society
- continued to review development projects that support Ambleside revitalization
- supported Parks in ongoing implementation of the Waterfront Concept Plan

Built Form, Housing & Neighbourhood Character

- formed the Interim Tree Bylaw Working Group, confirmed work plan and process and completed public consultation
- consulted the community on strategies to address housing affordability and diversity as part of the Official Community Plan review
- initiated work on review and update of District regulations related to watercourses and flood construction levels

Fiscal Sustainability & Municipal Services

- continued to work on fees and charges to address adequate cost recovery
- monitored and assessed impacts of provincial/federal legislation and policy changes on development and permit applications

Natural Environment & Climate Action

- commenced implementation of the Community Energy & Emissions Plan
- recognized by the Community Energy Association for excellence in Climate and Energy Action
- reviewed opportunities created by the Building Act in preparation for 2018 implementation of the BC Energy Step Code
- supported ongoing initiative to nominate Howe Sound as a United Nations Educational, Scientific and Cultural Organization (UNESCO) biosphere region



Official Community Plan (OCP) Review

- engaged the community on their objectives, ideas, and directions for a revised OCP
- 2017 engagement included over 60 events and meetings and seven separate community surveys, reaching a total of 3,000 instances of engagement, providing comprehensive input to support the preparation of a proposed OCP for the community to consider in 2018
- Marine Drive Local Area Plan and Design Guidelines adopted by Council
- continued to review development projects that support regeneration in Horseshoe Bay
- advanced the planning process for Cypress Village

Arts, Culture & Heritage

- integrated Arts, Culture & Heritage into the OCP review

Police Services & Municipal Hall Project

- conducted inspections and issued building and other permits advancing the Police Services & Municipal Hall Project

Traffic & Transportation

- integrated land use and transportation planning through the OCP review
- implemented components of the Community Energy & Emissions Plan, including strategic directions around transportation and land use
- supported ongoing regional consideration of improved North Shore Transit Service

2017 OPERATIONAL ACCOMPLISHMENTS

- enhanced permitting process and coordination with land development functions, helping to reduce overall permit processing times
- moved forward with regional coordination initiatives: North Shore Advisory Committee on Disability Issues, Regional Planning Advisory Committee, Regional Permit & Licences Committee and Lower Mainland Technical Committee

POLICE SERVICES

The West Vancouver Police Department (WVPD) is governed by, and reports to, the West Vancouver Police Board. The Mayor is the Chair of the Police Board. The WVPD's jurisdiction includes the District of West Vancouver and the Xwemelch'stn Uxwumixw.

The mission of the WVPD is *Making West Vancouver safe today and safer tomorrow*. To guide us in this mission is our 2016–2019 Strategic Plan. Its purpose is to outline a clear credible framework to achieve our goals, focus the skills, energy and professionalism of our staff on a common set of objectives, initiatives and outcomes, and solidify WVPD's commitment to transparency, accountability and performance measurement.

The three goals we have adopted to guide our decisions and actions as we work to achieve our mission and live our values are:

1. Enhance community safety
2. Promote operational excellence
3. Improve organizational practices

Because circumstances are always changing in the profession of policing, our plan was built to be flexible. Annual business plans allow us to react quickly to the changing needs of the communities we serve while providing exceptional service and staying at the forefront of policing and public safety.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Police Services & Municipal Hall Project

- completed the move of all services and operations to the new Police Services Building (PSB)

2017 OPERATIONAL ACCOMPLISHMENTS

- accomplished approximately 65 per cent of 2017 initiatives in support of the WVPD 2016–2019 Strategic Plan
- enhanced service delivery by incorporating the top three issues identified by West Vancouver residents in the 2016 citizen satisfaction survey into the Strategic Plan:
 1. traffic
 2. impaired driving
 3. property crime
- further supported employee health, wellness and engagement via various initiatives
- migrated to the new E-Comm radio network including safety enhancements to cell phone and radio effectiveness in the new PSB



Len Goerke | Chief Constable

ENGINEERING UTILITY FUNDS

The Water Utility provides for a safe and continuous supply of drinking water to residents by constructing and maintaining water mains, valves, reservoirs and pump stations. This utility includes the operation of the District's state-of-the-art Eagle Lake and Montizambert Creek membrane filtration facilities. The District supplements its own water sources by purchasing bulk treated water from Metro Vancouver.

The Sewer & Drainage Utility provides sanitary sewer and storm drainage services by constructing and maintaining pipes, manholes, culverts and sewage lift stations, and by operating the Citrus Wynd Wastewater Treatment Plant.

The Solid Waste Utility is responsible for collecting and processing household garbage, yard trimmings, the Green Can and recyclables. Since 2016, the utility has also been responsible for funding garbage and recycling services within municipal facilities and parks.

2017 ACCOMPLISHMENTS TO SUPPORT COUNCIL PRIORITIES

Built Form, Housing & Neighbourhood Character

- supported Planning in the review of applications for new development in consideration of solid waste, sanitary and storm, and water servicing, including Area 6 of the Rodgers Creek Area Development Plan

Fiscal Sustainability & Municipal Services

- implemented long-term replacement planning for water assets further to deficiencies, system improvements and upgrades as identified in the Water Master Servicing Study
- completed Annual Sewer and Water System Capital Replacement/Renewal programs
- initiated the development of District Engineering Design Guidelines in conjunction with Land Development, Engineering and Roads & Transportation
- engaged consultant to review the economic and conservation assumptions, fiscal policies, and incorporation of the reserve policy and the 2010 Asset Management Plan to verify and fine-tune the original water, and sewer and drainage financial rate setting model
- reduced ratepayer fees to reflect the current five-year financial forecast for the Solid Waste Utility
- introduced mandatory recycling and mandatory organics diversion for all sectors
- introduced new requirements for solid waste diversion reporting at demolition sites
- conducted the procurement process for a new garbage and organics collection contract
- continued to implement localized solid waste diversion programming within the District
- began a one-year recycling pilot project in the Horseshoe Bay business district

Natural Environment & Climate Action

- provided assistance on cross-departmental collaborations that support environmental and sustainability projects



Raymond Fung |
Director of Engineering & Transportation

2017

DISTRICT OF WEST VANCOUVER
ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2017



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REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

Your Worship and Members of Council:

I am pleased to present the Annual Financial Report for the District of West Vancouver (District) for the year ended December 31, 2017.

The preparation and presentation of the annual financial statements, and of related information in the 2017 Annual Report, are the responsibility of the District's Financial Services Division. These consolidated financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles (GAAP) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

The District continues to maintain and to improve upon its comprehensive system of internal controls to safeguard District assets and to provide reliable financial information. The system is regularly evaluated and revised to ensure that these controls are operating as intended. Achievements in this area in 2017 include the establishment of new Land and Affordable Housing funds, establishment of a new framework for evaluating community-proposed assets, a new sponsorship and naming rights policy, the establishment of a corporate KPI program, restructuring of the utility rates and the continued publication of quarterly financial reports.

The Notes to the Consolidated Financial Statements are an integral part of the District's financial information and, as such, I encourage you to read them thoroughly. The notes describe the District's accounting policies and provide full disclosure of the more significant financial statement items, commitments and contingencies.

The District's independent auditors, BDO Canada LLP, have been engaged to express an opinion as to whether these financial statements present fairly, in all material respects, the District's financial position, financial activities and cash flows in accordance with Canadian generally accepted accounting principles. BDO Canada LLP has been given unrestricted access to all financial and other records of the District. Their opinion, which follows, is based on procedures that they consider sufficient to support their audit opinion.

FINANCIAL OVERVIEW

The District's overall financial position continues to improve in 2017 as evidenced by a \$23.2 million increase to the year-end accumulated surplus balance (2017: \$523.8 million; 2016: \$500.6 million).

The District's net financial asset balance at the 2017 year-end, \$23.0 million, is a \$2.5 million decrease over the 2016 year-end balance (\$25.5 million), which is an indication that the District should look carefully, in future, at strengthening its availability of financial resources. Like many of its residents, the District is land rich, but cash poor. This may lead to a need to borrow funds for future major capital replacement projects, or to seek new strategies designed to build up financial assets.

The District's non-financial assets totalled \$500.8 million at the 2017 year-end, an increase of \$25.7 million over the prior year. The increase is attributable primarily to the addition of the new Police Services & Municipal Hall building.

Operational revenues totalled \$165.6 million in 2017, which is an increase of \$12.8 million over 2016. This was attributable to the increases approved for general taxation and the asset levy, which added \$3.3 million to District tax collection, and to an additional \$2.0 million collected in fees and charges, primarily due to the approved increases to utility rates. Along with these increases, contributions to capital increased by \$7.1 million, due to significant works created due to development in Rogers Area 6, along with a provincial contribution of \$4.1 million for a new sewer lift station at Ambleside. Permit revenues fell off by \$887 thousand from 2016 levels, which may indicate a trend to lower construction activity extending into 2018.



Isabel Gordon | Director of Financial Services

The District's cash balance at year-end was \$80.4 million, an increase of \$20.3 million over 2016. This was due to moving funds out of investments and into a new high interest savings account created by the Municipal Finance Authority. Return on investments continues to be a concern, as investment revenues declined by \$370 thousand, primarily due to low interest rates. Combined cash and investments changed by only \$8.4 million, due to Amenity Contributions of \$8.3 million which contributed to the cash balance.

The net book value of Tangible Capital Assets, shown on the District's Statement of Financial Position, totalled \$494.4 million at December 31, 2017. The total cost of these assets, which represents the District's investment in infrastructure, facilities and other capital assets over time, is \$798.7 million, which is an increase of \$36.8 million over 2016, again, primarily due to the addition of the new Police Services & Municipal Hall building.

Accumulated amortization totalled \$304.3 million at December 31, 2017, of which \$11.4 million was expensed in 2017.

BUDGET VARIANCE

Consolidated revenues exceeded budget by \$16.3 million in 2017.

- Community amenity contributions received totaling \$8.3 million were not included in the budget.
- Contributions to capital exceeded budget by \$7.2 million.

In 2017, consolidated expenses exceeded budget by \$859 thousand. This was comparable to the 2016 average, which was \$779 thousand.

Engineering operations experienced overages due to the need to react to severe winter road conditions. These overages were managed using a contingency account, but, if severe and unusual weather conditions become the norm, budgets in this area will need to be increased. The Water Utility also continues to face challenges in reacting to weather conditions and managing Eagle Lake production, resulting in unanticipated purchases of water from Metro Vancouver, leading to a budget variance of \$854 thousand.

RESERVES

The District's reserve balances increased from \$74.2 million to \$76 million, an increase of \$1.8 million. The funds held for the Police Services & Municipal Hall Project were reduced by \$11.6 million, but this decrease was offset by increases to the amenity funds reserve (\$7.7 million), the asset reserves (\$2.3 million) and the sewer capital reserve (\$3.3 million).

In conclusion, I would like to acknowledge the members of the Finance Committee for their contributions to the development of new and innovative Finance policies and procedures for the District.

And, finally, I would like to thank all the municipal staff and staff in the Financial Services Division in particular, for their diligence and support in managing the financial affairs of the municipality. The goal of fiscal sustainability is not one that Finance alone can achieve, but depends on contributions from all.

Sincerely,
Isabel Gordon, MBA, CPA, CA
Director of Financial Services

April 27, 2018



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Mayor and Council of the Corporation of the District of West Vancouver

We have audited the accompanying financial statements of the Corporation of the District of West Vancouver, which comprise the Statement of Financial Position as at December 31, 2017, and the Statements of Operations, Change in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly in all material respects, the financial position of the Corporation of the District of West Vancouver as at December 31, 2017 and its results of operations, change in net financial assets and cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 19 to the financial statements, which explains that certain comparative information for the year ended December 31, 2016 has been restated.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 28, 2018

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2017

	2017	2016 (Note 19)
FINANCIAL ASSETS		
Cash	80,487,128	60,208,313
Investments (Note 3)	54,604,435	66,447,198
Accounts Receivable		
Property Taxes	1,948,964	1,468,336
Other	16,390,760	19,302,205
Due from Other Governments	4,669,187	2,305,255
Other Assets	21,243	21,267
	158,121,717	149,752,573
LIABILITIES		
Accounts Payable and Accrued Liabilities	17,551,143	19,323,648
Employee Future Benefits Payable (Note 4)	5,096,885	5,063,844
Deferred Revenue and Deposits (Note 5)	54,934,116	47,333,895
Deferred Development Cost Charges (Note 6)	23,294,504	22,775,305
Debt (Note 7)	34,232,385	29,677,716
	135,109,033	124,174,408
NET FINANCIAL ASSETS	23,012,685	25,578,165
NON-FINANCIAL ASSETS		
Inventories	728,155	668,989
Prepaid Expenses	1,060,606	1,022,185
Tangible Capital Assets (Schedules 2 and 3)	494,463,645	469,061,864
Restricted Investments (Note 3)	4,560,688	4,288,812
	500,813,094	475,041,850
ACCUMULATED SURPLUS (Note 8)	523,825,778	500,620,016

See accompanying notes to the Consolidated Financial Statements.

Commitments and Contingencies (Note 10).

Long Term Leases (Note 11).



Isabel Gordon, MBA, CPA, CA
Director, Financial Services



Michael Smith
Mayor

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2017

	2017 Budget (Note 15)	2017 Actual	2016 Actual
REVENUE			
General Taxation (Note 12)	68,034,723	68,201,793	64,868,171
Fees & Charges	52,622,360	51,855,988	49,882,006
Licences & Permits	7,533,823	8,424,514	9,312,062
Other Revenue	4,168,575	4,711,635	4,584,734
Government Grants	1,173,847	1,135,528	1,108,528
Transit Reimbursements	17,205,607	17,568,872	15,570,825
Development Cost Charges	1,006,000	291,112	818,130
Other Contributions for Capital	1,824,958	9,812,476	2,459,432
Third Party Works	2,101,180	2,384,283	2,541,705
Interest Earned on Investments	1,500,000	1,307,355	1,677,143
	157,171,072	165,693,556	152,822,736
Community Amenities Received from Developers (Note 14)	-	8,349,801	8,501,550
Gain on Sale of Land	500,000	6,237	50,154
	157,671,072	174,049,594	161,374,441
EXPENSES			
General Government	22,069,019	22,185,107	19,912,619
Public Safety	34,508,159	33,789,685	33,034,754
Engineering & Transportation	10,002,965	10,762,013	9,909,288
Planning, Lands & Permits	5,208,759	4,937,908	4,607,403
Recreation & Library	28,733,181	28,768,965	29,559,576
Water Utility	11,125,909	11,980,236	11,678,390
Sewer Utility	13,045,368	12,825,750	13,059,933
Solid Waste	6,354,500	6,234,694	6,170,277
Cemetery	761,128	683,324	731,747
Golf	969,696	1,024,966	1,002,154
Transit	17,205,607	17,570,414	15,571,302
Library Foundation	-	80,770	68,353
	149,984,291	150,843,832	145,305,795
ANNUAL SURPLUS	7,686,781	23,205,762	16,068,645
Accumulated Surplus, Beginning of Year	496,197,915	500,620,016	484,551,371
ACCUMULATED SURPLUS, END OF YEAR	503,884,696	523,825,778	500,620,016

See accompanying notes to the Consolidated Financial Statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBT)

For the year ended December 31, 2017

	2017 Budget	2017 Actual	2016 Actual
ANNUAL SURPLUS	7,686,781	23,205,762	16,068,645
CHANGES IN TANGIBLE CAPITAL ASSETS			
Acquisitions of Tangible Capital Assets	(54,291,812)	(35,921,409)	(26,361,512)
Contributed Tangible Capital Assets	-	(3,704,637)	(624,000)
Amortization Expense	13,722,594	13,722,594	13,439,106
Loss on Disposal of Tangible Capital Assets	501,672	501,672	3,994,416
	(40,067,546)	(25,401,780)	(9,551,990)
CHANGES IN OTHER NON-FINANCIAL ASSETS			
Acquisition of Inventories	-	(728,155)	(668,989)
Acquisition of Prepaid Expenses	-	(1,060,606)	(1,022,185)
Use of Inventories	-	668,989	719,838
Use of Prepaid Expenses	-	1,022,185	894,455
Restricted Investment	-	(271,876)	(380,720)
	-	(369,463)	(457,602)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(32,380,765)	(2,565,481)	6,059,054
Net Financial Assets, Beginning of Year	25,444,877	25,578,165	19,519,111
NET FINANCIAL ASSETS (DEBT), END OF YEAR	(6,935,888)	23,012,685	25,578,165

See accompanying notes to the Consolidated Financial Statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2017

	2017	2016
OPERATING TRANSACTIONS		
Annual Surplus	23,205,762	16,068,645
Non-Cash Items Included in Annual Surplus		
Amortization Expense	13,722,594	13,439,106
Loss on Disposal of Tangible Capital Assets	501,672	3,994,416
Development Cost Charge Revenue Recognized	(291,112)	(818,130)
Contributed Tangible Capital Assets	(3,704,637)	(624,000)
Actuarial Adjustment Recognized on Debt	(201,800)	(174,991)
Changes in Other Non-Cash Working Capital	5,830,055	19,916,237
	39,062,533	51,801,284
CAPITAL TRANSACTIONS		
Proceeds from Sale of Tangible Capital Assets	-	-
Acquisitions of Tangible Capital Assets	(35,921,409)	(26,361,514)
	(35,921,409)	(26,361,514)
FINANCING TRANSACTIONS		
Development Cost Charges Received, including Interest	810,311	1,198,952
Debt Proceeds Received	5,694,123	23,022,377
Debt Principal Repaid	(937,650)	(491,677)
	5,566,784	23,729,652
INVESTING TRANSACTIONS		
Net Decrease (Increase) in Investments	11,570,907	9,463,456
	11,570,907	9,463,456
INCREASE IN CASH	20,278,815	58,632,878
Cash, Beginning of Year	60,208,313	1,575,435
CASH, END OF YEAR	80,487,128	60,208,313

See accompanying notes to the Consolidated Financial Statements.

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 1: SEGMENT INFORMATION—REVENUES BY TYPE AND EXPENSES BY OBJECT

For the year ended December 31, 2017

	GENERAL FUND						Total
	General Government	Public Safety	Engineering and Transportation	Planning and Development Services	Recreation and Library	Unallocated	
REVENUE							
General Taxation (Note 12)	513,082	-	-	-	-	67,688,711	68,201,793
Fees and Charges	93,786	743,947	477,611	-	11,324,254	2,565,798	15,205,395
Licences and Permits	-	1,433,093	196,226	6,594,773	200,423	-	8,424,514
Other Revenue	2,290,964	163,860	51,650	124,660	142,884	1,768,374	4,542,392
Government Grants	495	746,379	89	-	206,422	182,143	1,135,528
Transit Reimbursements	-	-	-	-	-	-	-
Development Cost Charges	-	-	-	-	291,112	-	291,112
Other Contributions for Capital	57,863	56,485	204,670	-	263,539	-	582,557
Third Party Works	-	-	2,384,283	-	-	-	2,384,283
Interest Earned on Investments	5,838	-	-	-	-	963,250	969,088
Community Amenities Received from Developer	-	-	-	-	-	8,349,801	8,349,801
Gain on Sale of Land	6,237	-	-	-	-	-	6,237
	2,968,264	3,143,764	3,314,529	6,719,433	12,428,633	81,518,078	110,092,701
EXPENSES							
Salaries and Benefits	10,500,089	27,902,672	2,887,800	4,395,119	18,182,730	-	63,868,411
Supplies and Other Expenses	5,316,940	4,070,330	1,515,099	416,301	5,346,595	-	16,665,263
Professional and Consulting	438,342	43,474	11,610	85,143	165,224	-	743,794
Recoveries and Allocations	(240,356)	37,690	286,765	3,252	219,023	-	306,374
Legal	859,241	9,482	-	19,548	-	-	888,270
Grants in Aid	500,000	-	-	-	435,099	-	935,099
Property and Liability Insurance	864,688	-	-	-	-	-	864,688
Tangible Capital Asset Maintenance	1,432,618	1,024,102	1,179,428	-	872,945	-	4,509,093
Tangible Capital Asset Amortization	874,506	566,915	2,326,287	18,545	3,534,329	-	7,320,582
Net Loss on Sale of Tangible Capital Asset	-	135,020	170,359	-	13,019	-	318,398
Interest and Other Bank Charges	923,611	-	-	-	-	-	923,611
Interest on Long Term Debt	715,428	-	-	-	-	-	715,428
Third Party Works	-	-	2,384,665	-	-	-	2,384,665
	22,185,107	33,789,685	10,762,013	4,937,908	28,768,965	-	100,443,677
ANNUAL SURPLUS/(DEFICIT)	(19,216,843)	(30,645,921)	(7,447,484)	1,781,526	(16,340,332)	81,518,078	9,649,023

WATER UTILITY FUND	SEWER UTILITY FUND	SOLID WASTE FUND	CEMETERY FUND	GOLF FUND	TRANSIT BLUE BUS	LIBRARY FOUNDATION	2017	2016
-	-	-	-	-	-	-	68,201,793	64,868,171
13,494,923	14,608,093	6,701,518	916,270	929,788	-	-	51,855,988	49,882,006
-	-	-	-	-	-	-	8,424,514	9,312,062
-	-	-	45,804	-	-	123,439	4,711,635	4,584,734
-	-	-	-	-	-	-	1,135,528	1,108,528
-	-	-	-	-	17,568,872	-	17,568,872	15,570,825
-	-	-	-	-	-	-	291,112	818,130
2,583,721	6,636,638	-	5,618	3,943	-	-	9,812,476	2,459,432
-	-	-	-	-	-	-	2,384,283	2,541,705
15,570	-	-	-	-	-	322,697	1,307,355	1,677,143
-	-	-	-	-	-	-	8,349,801	8,501,550
-	-	-	-	-	-	-	6,237	50,154
16,094,214	21,244,731	6,701,518	967,692	933,731	17,568,872	446,136	174,049,594	161,374,441
1,926,351	1,473,043	326,526	397,186	393,458	12,592,429	-	80,977,405	79,594,709
5,700,479	6,618,357	5,346,485	145,911	383,280	4,763,801	52,015	39,675,592	37,445,799
29,588	-	12,700	3,187	-	31,346	22,691	843,306	824,425
461,294	248,481	548,984	35,385	110,311	167,231	-	1,878,060	278,302
-	-	-	2,767	-	15,607	4,964	911,608	624,508
-	-	-	-	-	-	-	935,099	878,463
-	-	-	-	-	-	1,100	865,788	1,070,805
392,987	1,251,509	-	-	-	-	-	6,153,589	3,387,018
2,972,791	3,225,707	-	88,010	115,504	-	-	13,722,594	13,439,106
141,331	8,652	-	10,878	22,413	-	-	501,672	3,994,416
-	-	-	-	-	-	-	923,611	472,981
355,414	-	-	-	-	-	-	1,070,843	808,626
-	-	-	-	-	-	-	2,384,665	2,486,637
11,980,236	12,825,750	6,234,694	683,324	1,024,966	17,570,414	80,770	150,843,832	145,305,795
4,113,978	8,418,981	466,824	284,367	(91,235)	(1,542)	365,367	23,205,762	16,068,646

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 2: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE

For the year ended December 31, 2017

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	138,131,604	28,732,188	86,294,616	7,769,152
Add: Additions	529,393	474,666	37,242,840	358,568
Less: Disposals	-	(2,914)	-	(125,398)
Closing Balance	138,660,997	29,203,939	123,537,456	8,002,322
ACCUMULATED AMORTIZATION				
Opening Balance	-	15,846,077	30,315,528	4,050,300
Add: Amortization	-	1,029,731	2,920,802	651,055
Less: Accumulated Amortization on Disposals	-	(2,914)	-	(55,677)
Closing Balance	-	16,872,894	33,236,330	4,645,678
NET BOOK VALUE, YEAR END 2017	138,660,997	12,331,045	90,301,126	3,356,644

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories.

Contributed tangible capital assets of \$3,705,000 (2016 - \$624,000) have been recognized during the year. These assets are comprised of developer contributed water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2017 Total
	Transportation Infrastructure	Water	Sanitary Sewer		
14,783,036	93,438,005	147,118,684	223,734,559	21,961,802	761,963,646
2,074,912	3,155,192	4,211,872	4,559,791	(12,981,187) ¹	39,626,047
(1,293,844)	(388,400)	(654,081)	(330,504)	-	(2,795,141)
15,564,105	96,204,797	150,676,475	227,963,846	8,980,615	798,794,552
9,374,702	36,243,897	60,718,781	136,352,496	-	292,901,781
1,092,338	1,976,700	2,911,682	3,140,285	-	13,722,594
(1,143,803)	(256,466)	(512,750)	(321,858)	-	(2,293,469)
9,323,237	37,964,131	63,117,713	139,170,923	-	304,330,906
6,240,867	58,240,666	87,558,762	88,792,923	8,980,615	494,463,645

CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE 3: TANGIBLE CAPITAL ASSET CONTINUITY SCHEDULE (Prior Year)

For the year ended December 31, 2016

	Land	Land Improvements	Buildings	Machinery, Furniture, & Equipment
COST				
Opening Balance (Note 2)	137,049,173	27,752,942	85,614,514	15,103,225
Add: Additions	1,082,493	1,397,001	1,202,574	592,172
Less: Disposals	(63)	(417,755)	(522,472)	(7,926,245)
Closing Balance	138,131,604	28,732,188	86,294,616	7,769,152
ACCUMULATED AMORTIZATION				
Opening Balance	-	15,177,032	28,272,133	8,149,445
Add: Amortization	-	1,000,281	2,256,846	1,173,077
Less: Accumulated Amortization on Disposals	-	(331,236)	(213,451)	(5,272,223)
Closing Balance	-	15,846,077	30,315,528	4,050,300
NET BOOK VALUE, YEAR END 2016	138,131,604	12,886,111	55,979,088	3,718,852

¹ Additions to Assets Under Construction are shown net of transfers to other Tangible Capital Asset categories.

Contributed tangible capital assets of \$624,000 (2015 - \$518,263) have been recognized during the year. These assets are comprised of developer contributed land and water & sewer infrastructure.

Vehicles	Infrastructure			Assets Under Construction	2016 Total
	Transportation Infrastructure	Water	Sanitary Sewer		
14,555,304	90,893,081	143,754,947	222,547,037	9,338,311	746,608,533
1,067,614	3,135,493	3,983,115	1,901,558	12,623,491 ¹	26,985,512
(839,881)	(590,569)	(619,378)	(714,036)	-	(11,630,399)
14,783,036	93,438,005	147,118,684	223,734,559	21,961,802	761,963,646
9,062,082	34,781,376	58,441,910	133,214,681	-	287,098,660
1,050,602	1,921,148	2,707,237	3,329,915	-	13,439,106
(737,982)	(458,627)	(430,366)	(192,099)	-	(7,635,984)
9,374,702	36,243,897	60,718,781	136,352,496	-	292,901,782
5,408,334	57,194,108	86,399,903	87,382,063	21,961,802	469,061,864

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2017

1. OPERATIONS

The District of West Vancouver (District) was incorporated in 1912 and is subject to the provisions of *Local Government Act* and *Community Charter of British Columbia*. The District’s principal activity is the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sanitary services.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with Canadian public sector accounting standards (PSAS) as prescribed by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The significant accounting policies are summarized below:

(a) Basis of Presentation

The financial statements include the assets, liabilities, revenues, expenses and changes in the financial position of the District, including controlled entities, the West Vancouver Municipal Library, the West Vancouver Memorial Library Foundation (Library Foundation) and the West Vancouver Police Department.

(b) Basis of Accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and are measurable. Expenses are recognized as they are incurred and are measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Revenue Recognition

(I) TAXATION

Annual levies for non-optional District services and general administrative services are recorded as General Taxation in the year to which they relate. Levies imposed by other taxing authorities are not included in these financial statements.

(II) LONG-TERM PREPAID LEASE

Prepaid lease payments received by the District are included on the Statement of Financial Position as Deferred Revenue and Deposits. Revenue is recognized on a straight line basis over the term of the lease.

(III) DEFERRED REVENUE AND DEPOSITS

Deferred revenue consists of prepaid property taxes, prepaid business licenses and fees. The District recognizes these revenues in the year the related services are performed and earned.

(d) Non-Financial Assets

Non-financial assets excluding restricted investments are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life extending beyond the current year and are not intended for sale in the ordinary course of operations. Intangible assets, such as water rights and mineral resources, are not recorded in the financial statements.

(I) TANGIBLE CAPITAL ASSETS (SCHEDULE 2 AND 3)

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the assets. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful life as follows:

TYPE	MAJOR ASSET CATEGORY	USEFUL LIFE RANGE (YEARS)
general	land	n/a
	land improvements	10-50
	buildings	30-100
	machinery, furniture & equipment	4-15
	vehicles	5-15
infrastructure	streets	10-100
	water	10-100
	sewer	10-100

Amortization is charged over the asset's useful life, commencing when the asset is put into use. Assets under construction are not amortized until the asset is available for use.

The District owns a number of works of art and historical treasures including sculptures, paintings and reproductions, mosaics, totem poles and monuments. These works of art have an approximate market value of \$2.5 million. These assets are not included as part of the tangible capital assets.

Contributed tangible capital assets are recognized at fair market value at the date of contribution and are also recognized as revenue. Where an estimate of fair market value cannot be made, the tangible capital asset is recognized at nominal value. Land is the only category where nominal values are assigned.

(II) INVENTORY

Inventories are recorded at the lower of cost and net realizable value. Cost is determined using the weighted average cost basis.

(III) RESTRICTED INVESTMENTS

Restricted investments represent long-term investments held by the Library Foundation. Although there is the ability to sell these investments they have been presented in these financial statements in the category of Non-Financial Assets. This is because of the requirement that the investments be held in perpetuity and that only related investment earnings can be expended.

(e) Employee Future Benefits

The District and its employees make contributions to the Municipal Pension Plan. The District's contributions are considered expenses as incurred.

Post-employment benefits also accrue to the District's employees. The liabilities related to these benefits are actuarially determined, based on services and best estimates of retirement ages and expected future salary and wage increases. The liabilities under these benefits plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(f) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the recorded amounts of assets, liabilities, revenues, expenses and contingent liabilities. Significant areas requiring the use of estimates include: 1) employee future benefits payable 2) provisions for contingencies and 3) the useful lives of Tangible Capital Assets. If actual results differ, adjustments are reflected on subsequent financial statements.

(g) Debt

Debt is recorded net of principal repayments and actuarial adjustments.

(h) Investments

Investments in the MFA Money Market Fund, Short Term Bond Fund and Restricted Investments are recorded at market value, which approximates cost.

(i) Development Cost Charge Revenue

Development cost charges are restricted by legislation or by agreement with external parties to expenditures on capital infrastructure. These amounts are deferred upon receipt and are recognized as revenue when the expenditures are incurred in accordance with the restrictions.

(j) Government Transfers

Unrestricted government transfers are recognized as revenue in the year in which the transfer is authorized by the issuing government, and when any eligibility criteria has been met. Restricted government transfers, in the way of grants or other transfers, are recognized as revenue in the year in which any stipulation liabilities are met.

(k) Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information. The District has provided definitions of segments used by the District as well as financial information in segment format (Schedule 1).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

(I) Contaminated Sites

A liability for remediation of a contaminated site is recognized at the financial statement date when an environmental standard exists, contamination exceeds the standard, and it is expected that future economic benefits will be given up and the liability can be reasonably estimated.

3. INVESTMENTS

	2017	2016
Municipal Finance Authority of BC		
Money Market Fund	9,853	4,048,019
Bond Fund	55,587,622	55,449,386
Intermediate Fund	27,561	7,692,350
	55,625,036	67,189,755
Cemetery Care Fund	5,440,854	5,428,668
Less: Trust Funds (Note 16)	(6,461,456)	(6,171,225)
	54,604,435	66,447,198

Interest earned by investments for the year ended December 31, 2017 totalled \$1,133,411 (2016: \$1,378,473).

District of West Vancouver has decided subsequent to year end to move MFA investment from Money Market Fund and Intermediate Fund to CIBC High Interest Saving account with the intention to gain higher interest income at lower risk.

The Library Foundation Restricted Investments are invested in mutual and pooled funds:

	2017	2016
Leith Wheeler Fixed Income Fund	2,096,125	1,762,922
Leith Wheeler International Fund	492,213	507,208
Leith Wheeler Money Market Fund	47,130	29,973
Leith Wheeler U.S. Equity Fund	503,349	497,997
Leith Wheeler Canadian Equity Fund Series B	1,421,871	1,490,712
	4,560,688	4,288,812

4. EMPLOYEE FUTURE BENEFITS PAYABLE

Employees are entitled to earned benefits related to non-vested sick leave, vacation at retirement and retirement allowances. Employees may also defer sick leave gratuity payments.

The liabilities reported in the financial statements are based on an actuarial valuation as at December 31, 2016 that have been extrapolated to December 31, 2017.

The significant actuarial valuation assumptions adopted in measuring the District's accrued benefit liabilities for post-employment benefits are as follows:

	2017	2016
Discount rate	2.90%	3.40%
Expected future inflation rate	2.50%	2.50%
Expected wage increases	2.58% to 4.63%	2.58% to 4.63%
Estimated average remaining service life	11 years	11 years

Employee future benefits payable, as at December 31, are as follows:

	2017	2016
Non-vested sick leave	2,149,300	1,958,000
Vacation at retirement	808,000	746,600
Retirement allowance	2,106,300	1,975,400
Sick leave gratuity pay	878,800	886,800
	5,942,400	5,566,800
Unamortized actuarial (loss)/gain	(845,515)	(502,956)
	5,096,885	5,063,844

The continuity of the District's employee future benefits payable is as follows:

	2017	2016
Accrued benefit obligation, beginning of year	5,566,800	4,843,100
Current service costs	494,000	430,500
Interest costs	196,900	162,300
Plan amendments	(137,100)	-
Actual benefits paid	(705,675)	(290,520)
Actuarial (gain)/loss arising in the period	527,475	421,420
Accrued benefit obligation, end of year	5,942,400	5,566,800
Unamortized actuarial (loss)/gain	(845,515)	(502,956)
	5,096,885	5,063,844

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

5. DEFERRED REVENUE AND DEPOSITS

	2017	2016
Long-term prepaid lease	13,792,241	13,908,241
Prepaid taxes	6,789,134	6,670,988
Deposits	28,559,216	21,386,401
Memberships, fees & other revenues	5,793,525	5,387,265
	54,934,116	47,333,895

Deferred Revenue and Deposits are short term in nature, with the exception of the Long-Term Prepaid Lease, which will be recognized as revenue over the 125-year term of the lease (Note 11 (d)).

6. DEFERRED DEVELOPMENT COST CHARGES

These funds are restricted by bylaw to the purposes for which they were collected from developers. Separate accounts hold funds that are to be used for underground wiring, waterworks infrastructure, drainage, roads and parks and open space projects in specific areas. Expenditures require budgetary authorization within the purposes authorized in the establishing bylaws. The deferred development cost charges are the District's only restricted revenues. There were no developments for which deferred development charges were waived or reduced in 2017.

Continuity of Deferred Development Cost Charges:

	Opening Balances	Current Year Receipts	Interest Earned	Amounts Spent	Closing Balance
General Fund					
Highways	6,005,999	15,984	51,722	-	6,073,705
Underground wiring	1,528,421	14,504	13,207	-	1,556,132
Parks and open space	10,243,639	535,686	21,347	(291,115)	10,509,557
	17,778,059	566,174	86,276	(291,115)	18,139,394
Water Utility Fund	1,019,518	37,666	8,923	-	1,066,107
Sewer Utility Fund	3,977,728	76,738	34,537	-	4,089,003
	22,775,305	680,578	129,736	(291,115)	23,294,504

7. DEBT

The rates of interest on the principal amount of the MFA debentures vary between 2.60% and 4.90% per annum. The District issues debt instruments through the MFA, pursuant to security-issuing bylaws under authority of the Community Charter, to finance certain capital expenditures.

Outstanding debt:

	2017	2016
Various Infrastructure Loans*	35,371,839	34,622,377
Repayments and Actuarial Adjustments	(1,139,454)	(4,944,661)
	34,232,385	29,677,716

*Includes borrowing proceeds for new public safety building construction.

Repayments of debt required in the next five years and thereafter are as follows:

	Interest	Principal & Actuarial	Total
2018	1,274,427	1,222,404	2,496,831
2019	1,274,427	1,267,169	2,541,596
2020	1,274,427	1,313,586	2,588,013
2021	1,274,427	1,361,716	2,636,143
2022	1,274,427	1,411,623	2,686,050
2023–2046	19,475,520	27,655,887	47,131,407
	25,847,655	34,232,385	60,080,040

8. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2017	2016
Unappropriated Deficit	(18,802,718)	(19,059,603)
Reserve Funds—Cash (Note 9)	76,009,145	74,182,196
Investment in Non-Financial Assets	466,619,351	445,497,423
	523,825,778	500,620,016

The unappropriated deficit is the amount of accumulated surplus remaining after deducting the various appropriated surplus balances and the investment in non-financial assets.

Reserve funds represent a portion of the accumulated surplus that has been set aside by Council for specified purposes. In the normal course of operations, these funds will be used to finance the services or the capital projects for which they have been appropriated.

Investment in non-financial assets represents the net book value of the District's non-financial assets including the Library Foundation's non-financial assets less any capital debt. In the normal course of operations, non-financial assets excluding Library Foundation Restricted Investments, will be used to provide services, and debt will be repaid by future tax revenues.

9. RESERVE FUNDS

Individual statutory and non-statutory reserve funds have restrictions and conditions as follows:

Statutory Reserves

(a) Endowment Fund

The Endowment Fund is subject to a minimum threshold as established in District's Endowment Fund Bylaw and adjusted annually for inflation using the annual Provincial Consumer Price Index. The amount of the threshold at December 31, 2017 was \$23,517,599 (2016: \$22,947,141). The balance in the fund at December 31, 2017, was \$30,763,735 (2016: \$31,880,819). On January 8, 2018 Council amended the Endowment Fund to set the threshold value at \$18,000,000. The reserve may be used to pay for the acquisition or construction of major capital projects or the reduction of municipal debt incurred for acquisition or construction of major capital projects.

(b) Youth Activity Reserve Fund

This fund is subject to a minimum threshold as established in the District Youth Activity Fund Bylaw and adjusted annually for inflation using the annual Provincial Consumer Price Index. This fund is used for capital projects or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

programs undertaken by the District or community groups for the benefit of youth in the community. The amount of the threshold at December 31, 2017 was \$537,490 (2016: \$521,329). The balance in the fund December 31, 2017 is \$555,062 (2016: \$550,329).

(c) Public Arts Reserve Fund

This fund was established in 2016 and is used for the purpose of creation, maintenance, and preservation of public art in the District of West Vancouver and furthering the goals of the District's public art program.

(d) Capital Facilities Reserve

The Capital Facilities Reserve is to be used for creation and maintenance of facilities to deliver municipal services; planning works for designing or enhancing District owned/occupied buildings; and acquisition of land and improvements for use in delivering services in the District.

(e) Capital Infrastructure Reserve

This fund is designated for ongoing maintenance and replacements of existing infrastructure.

(f) Capital Equipment Reserve

This fund is to be used for heavy equipment, general equipment and information technology and communications equipment.

(g) Water Reserve Fund

This fund may be used to finance the acquisition or construction of water system works, repay debt and interest, and contribute to the stabilization of District water rates.

(h) Sewer & Drainage Reserve Fund

This fund is intended to be used for infrastructure capital expenditures related to sewer and drainage, or to reduce outstanding debt.

Non-Statutory Reserves

(a) Amenity Contributions Fund

Developer contributions received by the District, for the purpose of improving the quality of life in the community, are held in the Amenity Contributions Reserve. The funds may be secured under the *Local Government Act*, as a term of the sale of District-owned land or by other means, and fall within a broad range of categories.

(b) Operating Reserves

Operating Reserves are intended for one-time operating expenditures that may occur from time to time, and may be expended within general budgetary authority.

(c) Capital Reserves

These reserves are designated for the periodic replacement of specified assets or retirement of debt.

(d) Borrowed Funds: Police Services & Municipal Hall building

This fund holds unused MFA debt proceeds for the new public safety building. The building is close to completion at the end of 2017.

(e) Operational Reserve

Operational Asset Reserve is to be used for items that may not be capital in nature but still require replacement on a periodic basis.

(f) Solid Waste Reserve

Net revenues/expenses from solid waste operations are transferred to/from this fund annually. This reserve is used as a contingency for landfill remediation and rate stabilization should solid waste collection costs increase.

(g) Golf Development Reserve

Net revenues/expenses from golf operations are transferred to/from this fund annually. These funds are designated for golf course development generally, and may be expended within general budgetary authority.

(h) Cemetery Development Reserve

Net revenues/expenses from cemetery operations are transferred to/from this fund annually. These funds are for cemetery development generally, and may be expended within general budgetary authority.

Continuity of Reserve Funds is as follows:

	Opening Balance	Revenues & Transfers	Interest Earned	Expense & Transfers	Closing Balance
General Fund					
Endowment Fund*	31,880,818	5,007,312	248,422	(6,372,817)	30,763,735
Youth Activity Reserve Fund *	550,330	–	4,732	–	555,062
Public Arts Reserve Fund*	25,545	50,000	435	–	75,980
Amenity Contributions Fund	14,060,175	18,354,120	153,419	(10,795,547)	21,772,167
Operating Reserves	3,305,657	2,108,581	–	(1,861,799)	3,552,439
Capital Reserves	1,686,175	335,736	13,369	(22,087)	2,013,193
Borrowed Funds: <i>Police Services & Municipal Hall building</i>	12,396,466	5,637,182	–	(17,291,562)	742,086
Capital Facilities Reserve*	1,242,364	7,145,523	17,349	(5,595,643)	2,809,593
Capital Infrastructure Reserve*	2,697,318	5,305,800	26,928	(4,438,030)	3,592,016
Capital Equipment Reserve*	573,883	5,488,730	7,424	(4,909,894)	1,160,143
Operational Reserve	954,115	2,135,791	5,095	(2,859,041)	235,960
Total General Fund	69,372,846	51,568,775	477,173	(54,146,420)	67,272,374
Other Funds					
Water Reserve Fund*	202,640	–	883	–	203,523
Sewer & Drainage Reserve Fund*	451,808	3,384,649	3,886	–	3,840,343
Solid Waste Reserve Fund	2,478,536	416,824	–	–	2,895,360
Golf Development Reserve	6,603	–	56	–	6,659
Cemetery Development Reserve	1,669,762	106,764	14,360	–	1,790,886
Total Other Funds	4,809,349	3,908,237	19,185	–	8,736,771
Total Reserve Funds	74,182,195	55,477,012	496,358	(54,146,420)	76,009,145

* Statutory Reserve

10. COMMITMENTS AND CONTINGENCIES

(a) Legal Actions

The District is currently involved in certain legal actions. Financial implications of potential claims against the District, resulting from such litigation, and that are not covered by insurance, are accrued to the extent that amounts can be reasonably estimated. Otherwise, such claims are recognized in the year in which a definitive obligation is determined. One such action is that CN Acquisition Limited has commenced legal proceedings against the District claiming that use of the Centennial Seawalk constitutes illegal trespass. The District is opposing CN's legal action. The outcome of this action is not determinable and no reasonable estimate of potential liability can be made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

(b) Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 894 contributors from the District.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The district paid \$6,991,390 (2016: \$6,586,828) for employer contributions while employees contributed \$5,636,589 (2016: \$5,313,631) to the plan in fiscal 2017.

The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

11. LONG-TERM LEASES

The District has entered into agreements related to the lease of District property, for periods from 30 to 125 years. Lease proceeds are recognized based on the terms of the specific leases which are as follows:

(a) 14th Street: Duchess to Esquimalt, Ambleview Place Housing Co-operative

Included in Other Trust Funds (Note 16) are lease payments received related to District-owned land. These amounts will not be available to the District until the end of the lease period, February 28, 2047. Upon expiration of the lease, the District has committed to pay to the lessee an amount equal to the sum of the then value of the principal shares held by the members of the co-operative. This payment is anticipated to be less than the cumulative deferred proceeds at the termination of the lease.

The premises will revert to the District upon the expiration of the term.

Proceeds are to be received in annual amounts varying from \$5,040 to \$20,160 (currently \$11,760) until the year 2047. At December 31, 2017, the cumulative amount deferred totalled \$364,456 (2016: \$349,589).

(b) 320 Taylor Way

The District receives annual lease proceeds of \$125,000 (plus an adjustment for inflation starting in 1999) to the year 2087. The net proceeds are transferred to the Endowment Fund.

(c) Community Centre

The District leases 19,529 square feet of custom-designed space at the West Vancouver Community Centre under a long-term lease agreement to Vancouver Coastal Health Authority. The lease commenced May 1, 2009, with the following terms:

Term: 30 years, with one 10-year renewal option

Annual rentals are as follows:

Years 1-10: \$629,810 or \$32.25 per square foot

Years 11-20: \$744,250 or \$38.11 per square foot

Years 21-30: \$995,002 or \$50.95 per square foot

plus a proportionate share of defined operating and maintenance costs.

Certain other spaces in the West Vancouver Community Centre are covered by commercial third party rental and leasing agreements with varying terms.

(d) Wetmore Lands

In 2011, the District entered into an agreement with Pacific Arbour Retirement Communities to develop land at the northwest corner of Marine Drive and 22nd Street, known as the Wetmore Lands. Under the agreement, Pacific Arbour prepaid \$14.5 million for a 125-year lease of the property and paid the District \$500,000 towards the development of the park adjacent to the property. The lease proceeds were received in 2011, at the conclusion of a public consultation process, and after rezoning and development approvals had been obtained.

12. TAXATION AND UTILITY USER FEE REVENUES

	2017 Budget	2017 Actual	2016 Actual
Collection For District Purposes			
General Taxation	66,620,790	66,795,962	63,453,955
Payments in Lieu of Taxes	884,773	886,168	884,831
Specified Area Levies	529,160	519,663	529,385
	68,034,723	68,201,793	64,868,171
Recycling Fees & Charges	4,369,130	4,405,860	3,620,552
Solid Waste Disposal Fees	2,268,900	2,295,658	3,469,416
Water Utility Fees	13,461,000	13,494,923	12,066,952
Sewer Utility Fees	15,639,500	14,608,093	13,278,604
	103,773,253	103,006,327	97,303,695
Collection for Other Agencies			
The following amounts collected on behalf of other taxing authorities are not included on the District's Statement of Operations:			
Province of BC School Taxes			
Residential		41,647,833	38,933,048
Non-residential		6,513,384	6,145,096
		48,161,217	45,078,144
Regional Transit		12,861,025	11,674,194
BC Assessment Authority		2,380,938	2,232,486
Metro Vancouver		2,283,502	2,103,209
Municipal Finance Authority		10,784	8,100
		65,697,466	61,096,133

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

13. SEGMENTED REPORTING

The District is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the activities are organized and reported by Fund. These Funds include General, Water, Sewer, Solid Waste, Cemetery and Golf. The Funds were created to attain certain objectives in accordance with special regulations, restrictions or limitations.

The following are the activities/services provided by each of the segments reported on:

General Fund

GENERAL GOVERNMENT

Finance and Administration functions of the District include: Support to Council, Legislative Services, Communications & Community Relations, Emergency Program, Human Resources, Payroll Services, Taxes & Utilities, Information Technology, Purchasing & Risk Management and Facilities & Asset Management.

PUBLIC SAFETY

Bylaws and law enforcement and protection of persons and property by Police, Fire & Rescue and Bylaw Services.

ENGINEERING & TRANSPORTATION

Maintenance of streets, roads and sidewalks; street and traffic signs; signals and lighting; snow removal and sanding.

PLANNING, LANDS & PERMITS

Community and land use planning; development issues including the processing of rezoning applications, development permits and development variances; building permit review and inspections.

RECREATION & LIBRARY

Development and maintenance of the District's open spaces, parks, and other landscaped areas; maintenance and operation of recreational facilities; development and provision of recreational programs and operation of the West Vancouver Memorial Library; cultural programs and special events.

Water Utility Fund

Operation of the local membrane filtration facilities at Eagle Lake and at Montizambert Creek, and distribution of water from both Eagle Lake and Metro Vancouver to residents.

Sewer Utility Fund

Provision of sanitary sewer collection and storm drainage management includes the provision of, and maintenance of: pipes, manholes, culverts and sewage lift stations. Sewage treatment is provided by Metro Vancouver.

Solid Waste Fund

Administration of contracted services for the collection and disposal of the following: household garbage, yard trimmings and recyclables.

Cemetery Fund

Operation of the Capilano View Cemetery.

Golf Fund

Operation of the Ambleside Par 3 Golf Course and of the Gleneagles Golf Course.

Transit Blue Bus

Operation of the Blue Bus transit services are contracted to the District, and are completely funded by TransLink.

Library Foundation

Operation and administration of the West Vancouver Memorial Library Foundation.

Schedule 1, *Segment Information: Revenues by Type and Expenses by Object*, presents revenues and expenses for each of the segments noted above. Only direct revenues and expenses are reflected within individual segments. Other revenues (notably property taxation) and expenses not directly arising within specific segments have been shown separately as Unallocated.

14. COMMUNITY AMENITY CONTRIBUTIONS

During 2017, three amenity contribution payments were received. These funds will be used for provision of affordable housing, community assets, and improvements and streetscape enhancements.

Bylaw & description	Amount
Bylaw 4769, 2013: 1300 Block Marine	5,872,301
Bylaw 4569, 2008: Rodgers Creek Area 6	2,440,000
Bylaw 4927, 2017: 6457 Bruce Street	37,500
	8,349,801

15. 2017 BUDGET ADJUSTMENTS

The budget amounts presented throughout these financial statements are based on the Budget (referred to as the Financial Plan in the legislation) approved by Council April 3, 2017, with the exception of the budgets for tangible capital asset related expenses (maintenance, amortization, write-downs and loss on disposal). The budgets for the tangible capital asset expenses are deemed to be equal to actual expenses. This exception was made in order to improve the comparability of the budget amounts with the actual amounts given that these items are non-cash and accordingly are not required to be funded under the legislation.

The table below shows the adjustments made to the 2017 Budget values with the addition of the budgets for tangible capital asset expenses. The adjusted budget values are then comparable to the 2017 actual values, and are the budget values shown in the Statement of Operations and the Statement of Net Financial Assets.

	Financial Plan	2017 Budget adjustment for TCA	As presented on Financial Statements
Statement of Operations			
Revenues	157,671,072	–	157,671,072
Expenses			
General Government	19,761,894	2,307,124	22,069,018
Public Safety	32,782,122	1,726,037	34,508,159
Engineering & Transportation	6,326,892	3,676,073	10,002,965
Planning, Lands & Permits	5,190,214	18,545	5,208,759
Recreation & Library	24,312,888	4,420,294	28,733,181
Water Utility	7,618,800	3,507,109	11,125,909
Sewer Utility	8,559,500	4,485,868	13,045,368
Solid Waste	6,354,500	–	6,354,500
Cemetery	662,240	98,888	761,128
Golf	831,779	137,917	969,696
Transit Blue Bus	17,205,607	–	17,205,607
	129,606,436	20,377,855	149,984,291
Annual Surplus	28,064,636	(20,377,855)	7,686,781

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *continued*

For the Year Ended December 31, 2017

16. TRUST FUNDS

The Cemetery Care Fund is restricted by legislation as to principal amount; interest earnings are available for ongoing maintenance of cemetery grounds as required. Other Trust Funds include funds for various seniors' clubs, community projects and library bequests. The District excludes trusts it administers from consolidated financial statements.

	2017	2016
Cemetery Care Trust Fund		
Balance, Opening	5,428,668	5,098,903
Additions During Year	-	-
Contributions Received	233,861	329,765
Interest Earned	33,617	37,821
	5,696,146	5,466,489
Transfer to Cemetery Operations	(33,617)	(37,821)
Balance, Closing	5,662,529	5,428,668
Other Trust Funds	798,927	742,557
	6,461,456	6,171,225

17. MEMBERSHIP IN E-COMM EMERGENCY COMMUNICATIONS FOR BRITISH COLUMBIA INCORPORATED (E-Comm)

The District is a member of E-Comm, an organization comprised predominantly of member municipalities, for the purpose of providing emergency and dispatch services. The District is represented on the Board and, as a Class A shareholder, has voting rights should the organization want to incur debt. The E-Comm facility was constructed using debt as a financing mechanism. Members are liable for their proportionate share of that debt with debt being repaid by members through annual fees charged by E-Comm. Should E-Comm dissolve, members would be liable for a proportionate share of any residual debt. Alternatively, should a member choose to opt out of E-Comm, they would be liable for a proportionate share of the debt at the time of withdrawal. The District holds two Class A shares, and one Class B share.

18. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

19. CHANGE IN ACCOUNTING POLICY

During 2017 the District re-evaluated the control it held over West Vancouver Memorial Library Foundation and determined that it did have the ability to control appointment of directors and thereby ultimately control the Library Foundation. PSAS requires that controlled entities be consolidated into the operations of the government. Moreover, the District determined that this control has existed since establishment of the Library Foundation and therefore the comparative figures should also be adjusted. These financial statements have been retroactively restated to consolidate the Library Foundation. The table below outlines the impact this had on the comparative figures presented:

	2016 Consolidated	2016 Reported
Beginning accumulated surplus	484,551,371	480,495,438
Revenue	161,374,441	160,939,919
Expense	145,305,795	145,237,442
Annual surplus	16,068,645	15,702,477
Closing accumulated surplus	500,620,016	496,197,915
Non-financial assets	475,041,850	470,753,038

2017

FIVE-YEAR FINANCIAL & STATISTICAL REVIEW SUPPLEMENTARY INFORMATION YEAR ENDED DECEMBER 31, 2017



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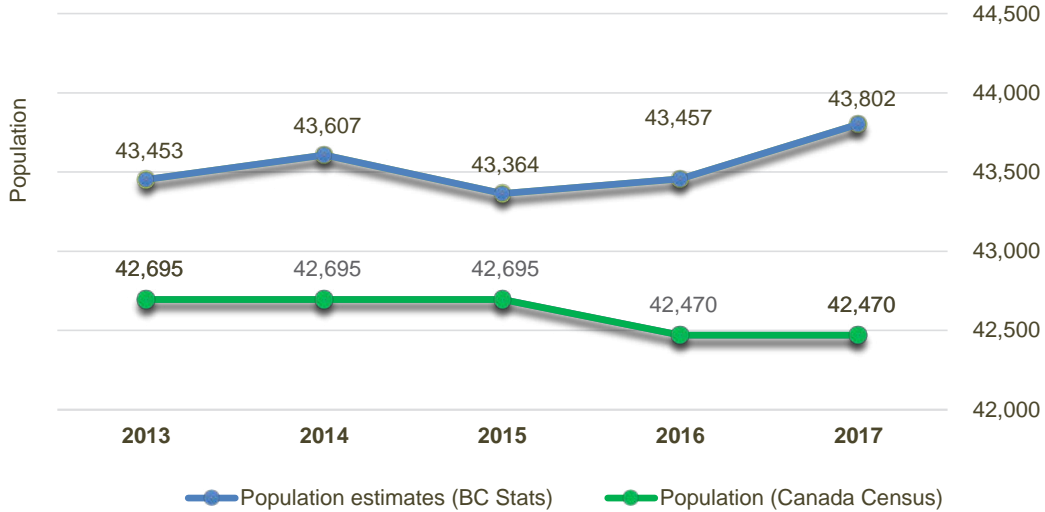
SUPPLEMENTARY INFORMATION

GROWTH & ECONOMIC INDICATORS

Five-Year Financial & Statistical Review

West Vancouver Population Estimates

Source: BC Stats (2013-2017); Canada Census (2011 & 2016)



Population statistics are provided by the 2011 and 2016 federal census. In years when no census takes place, BC Stats, a provincial agency, provides population estimates, which are replaced every five years by the census. Based on comparing the 2011 census to the 2016 census, the population in West Vancouver has decreased by 225 persons in the most recent five-year census period.

Business Licences

Source: District of West Vancouver, Corporate Services



The number of business licences to operate in West Vancouver has increased by 1,152 since 2013.

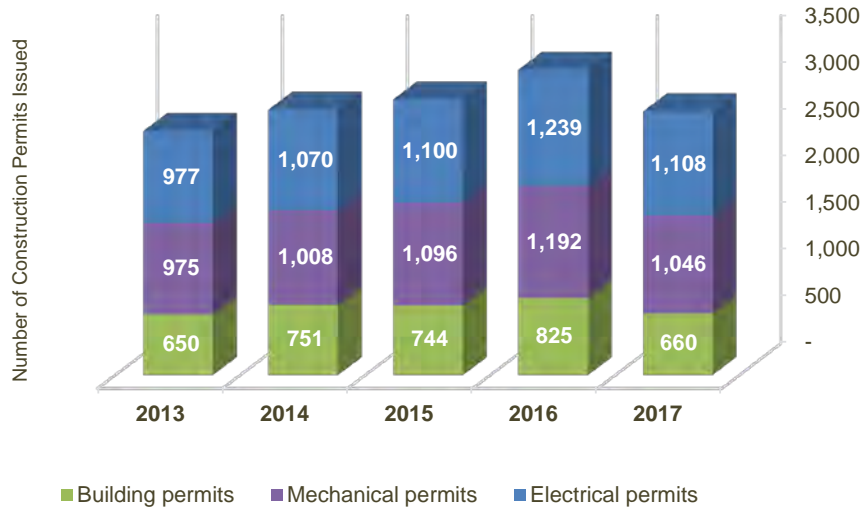
SUPPLEMENTARY INFORMATION

GROWTH & ECONOMIC INDICATORS *continued*

Five-Year Financial & Statistical Review

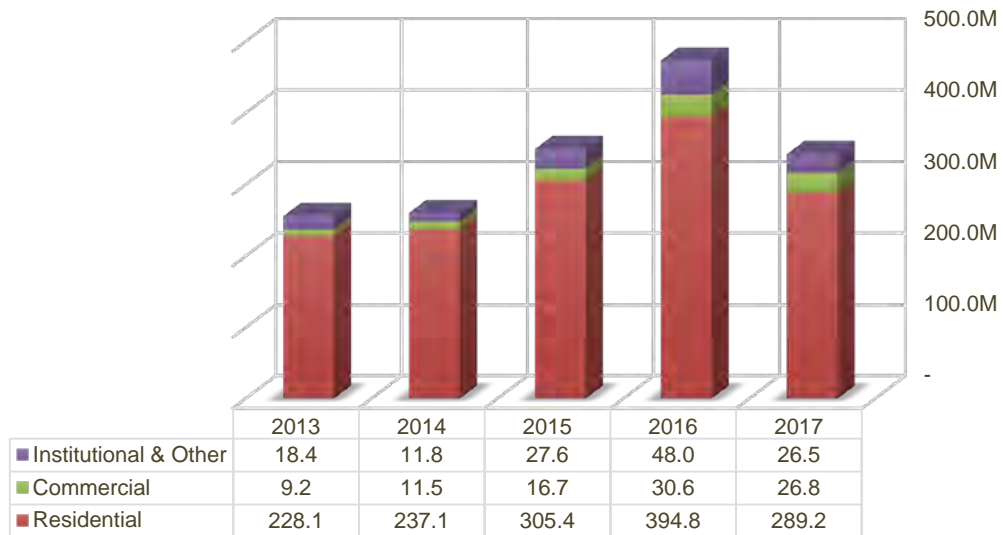
Construction Permits

Source: District of West Vancouver Building Department



Building Permits - Construction Value

Source: District of West Vancouver Building Department



Construction activity trended down in West Vancouver in 2017. The majority of building permits issued in 2017 were for residential single family construction. Of the 660 building permits issued in 2017, 537 were for demolition, alterations or additions and new construction of single family homes; 1 permit was issued for construction of multi-residential. The remaining 122 permits issued were for commercial, government and institutional buildings, and swimming pools and hot tubs.

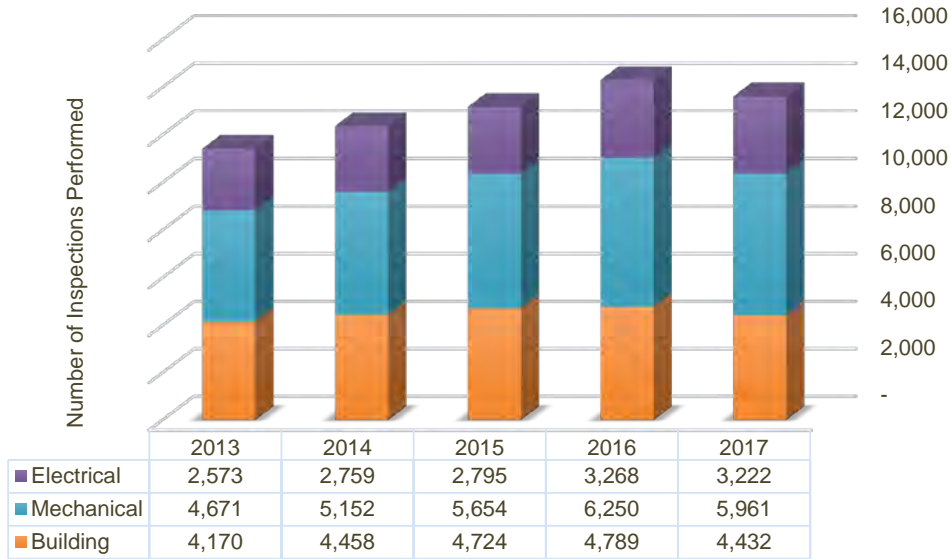
SUPPLEMENTARY INFORMATION

GROWTH & ECONOMIC INDICATORS *continued*

Five-Year Financial & Statistical Review

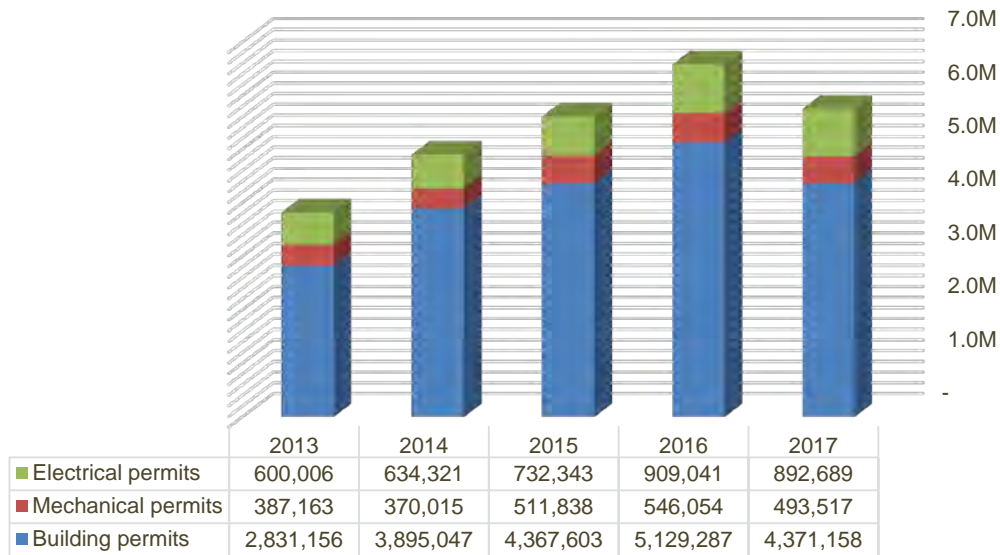
Number of Inspections

Source: District of West Vancouver Building Department



Permit Fee Revenue

Source: District of West Vancouver, Financial Services



Permit fee revenues and the number of inspections performed in 2017 decreased slightly, in conjunction with decreased construction activity. As illustrated in the graph above, building permit revenues generate the majority of permit revenue. Building permit revenues are based on construction value.

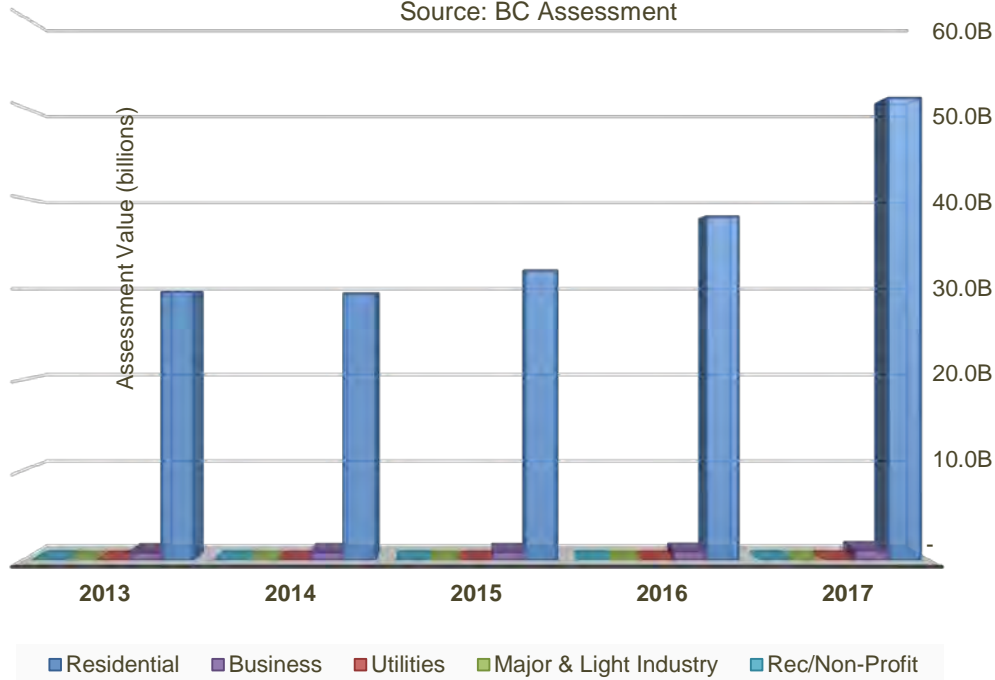
SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION

Five-Year Financial & Statistical Review

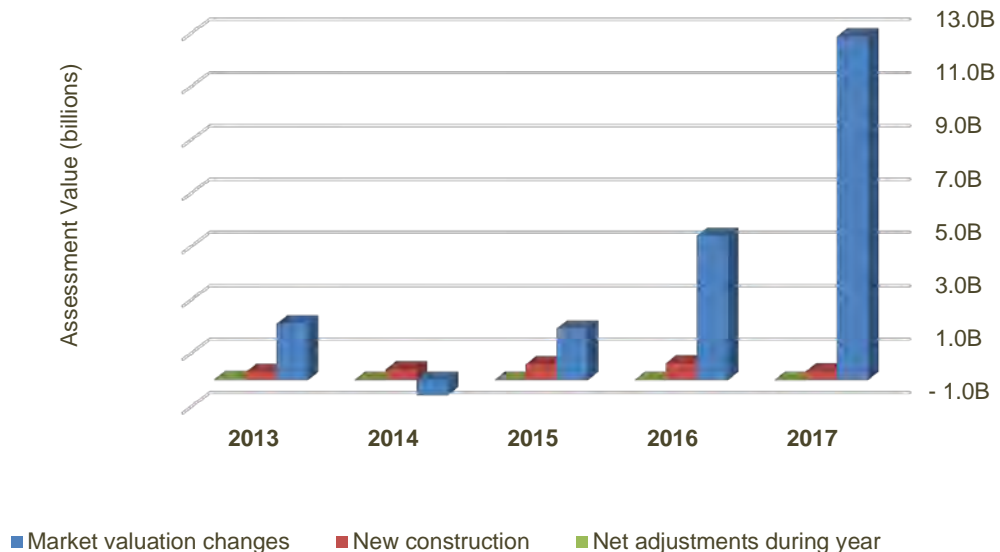
Assessment by Property Class

Source: BC Assessment



Annual Assessment Growth

Source: BC Assessment



The District of West Vancouver relies primarily on the residential class for taxation revenue. There is a relatively small amount of business property, and virtually no industry, utility or recreational class property in West Vancouver. The annual change in assessed values has been primarily driven by market valuation changes and to a lesser degree by new construction. Market valuation changes do not result in additional taxation revenue, but do cause the tax burden to shift to properties that experience the highest increase in value.

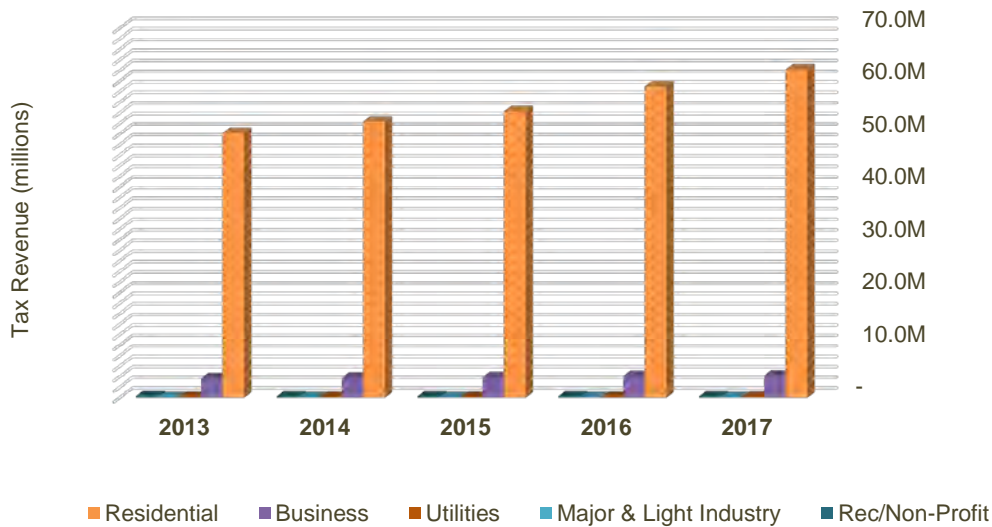
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ASSESSMENT & TAXATION *continued*

Five-Year Financial & Statistical Review

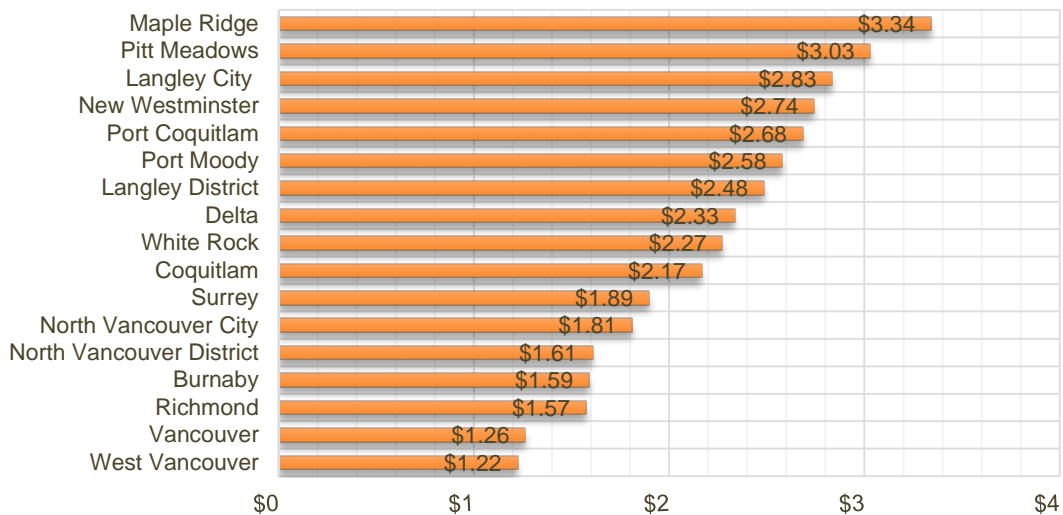
Tax Revenue by Property Class

Source: District of West Vancouver, Financial Services



2017 Residential Tax Rates Metro Vancouver Municipalities

Source: Ministry of Community, Sport & Cultural Development
(tax rate per \$1,000 assessed value)



The residential class accounted for approximately 93% of property tax revenue collected in 2017. The business class accounted for most of the remaining 7%. Utilities and recreation class properties contribute less than 0.1% of all property tax revenue. As illustrated above, the District of West Vancouver had the lowest municipal tax rate in the region for residential class properties in 2017. Property assessments were also higher when compared to other Metro Vancouver municipalities.

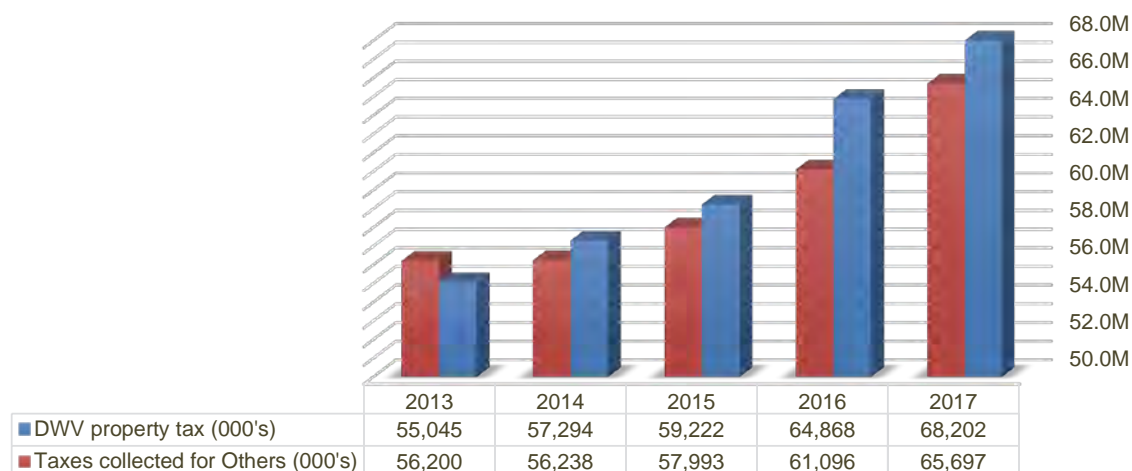
SUPPLEMENTARY INFORMATION

ASSESSMENT & TAXATION *continued*

Five-Year Financial & Statistical Review

Property Tax Collections

Source: District of West Vancouver, Financial Services



Approximately one half of taxes collected from residents are on behalf of other taxing authorities. Provincial legislation requires municipalities to collect taxes levied for Provincial School Tax, Regional Transit, BC Assessment Authority, the Regional District and Municipal Finance Authority. The taxes collected are remitted to the respective taxing authorities on a flow-through basis.

RESIDENTIAL PROPERTIES IN DETAIL	2013	2014	2015	2016	2017
Number of Folios	16,174	16,168	16,222	16,372	16,380
% of total folios	95.70%	96.24%	96.29%	97.18%	95.71%
% of total assessments	97.01%	96.92%	97.12%	97.45%	97.73%
% of total taxation revenues	92.54%	92.73%	92.80%	92.99%	93.15%

PRINCIPAL CORPORATE TAXPAYERS

Park Royal Shopping Centre Holdings Limited	shopping centre	\$586,230
Marine Drive BT Holdings Limited	marina	\$225,764
BC Transportation Financing Authority	BC transportation	\$179,341
British Pacific Properties Limited	undeveloped upper lands	\$159,610
Hollyburn Properties Limited	high-rise buildings	\$147,169
Caulfeild Village Shopping Centre	shopping centre	\$146,298
GH West Van Holdings Limited	Fresh St. Market	\$135,050
449691 B.C. Limited	retail/business complexes	\$123,344
Onni Taylor Way Properties Limited	multi-family residential	\$105,623
Austeville Properties Limited	high-rise building	\$93,376
Capilano Golf & Country Club	recreational facility	\$79,273
K.A. Ray Limited	retail/residential strata	\$78,332
Hollyburn Country Club	recreational facility	\$78,256
Wall Financial Corporation	high-rise building	\$73,938
TML Marina Lands LTD	marina	\$72,465

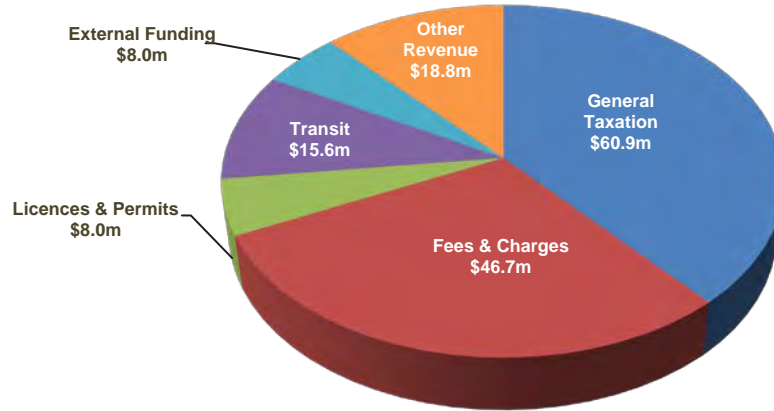
SUPPLEMENTARY INFORMATION

REVENUES

Five-Year Financial & Statistical Review

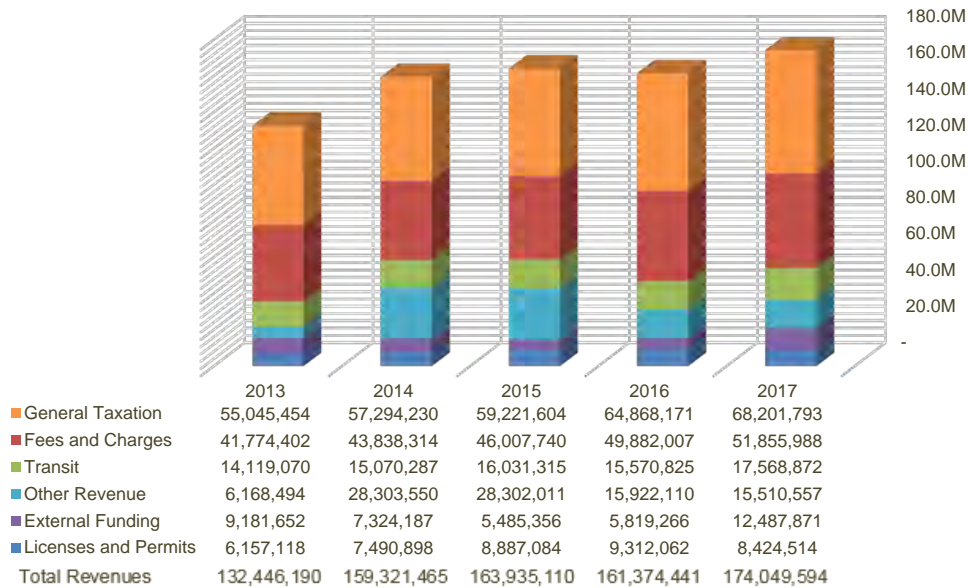
Annual Revenue by Source - Five Year Average

Source: District of West Vancouver, Financial Services



Revenue by Source

Source: District of West Vancouver, Financial Services



General Taxation and Fees & Charges represent 69% of revenue generated to pay for services provided by the District of West Vancouver. Fees and charges revenue is made up of user fees for Water, Sewer, Solid Waste and Recreation services. Transit revenue equivalent to expenditures incurred to operate the West Vancouver Blue Bus service is received from the BC Transit Authority. Other revenue includes rentals and leases of real property, government grants, interest earned on investments and gains on sale of real property.

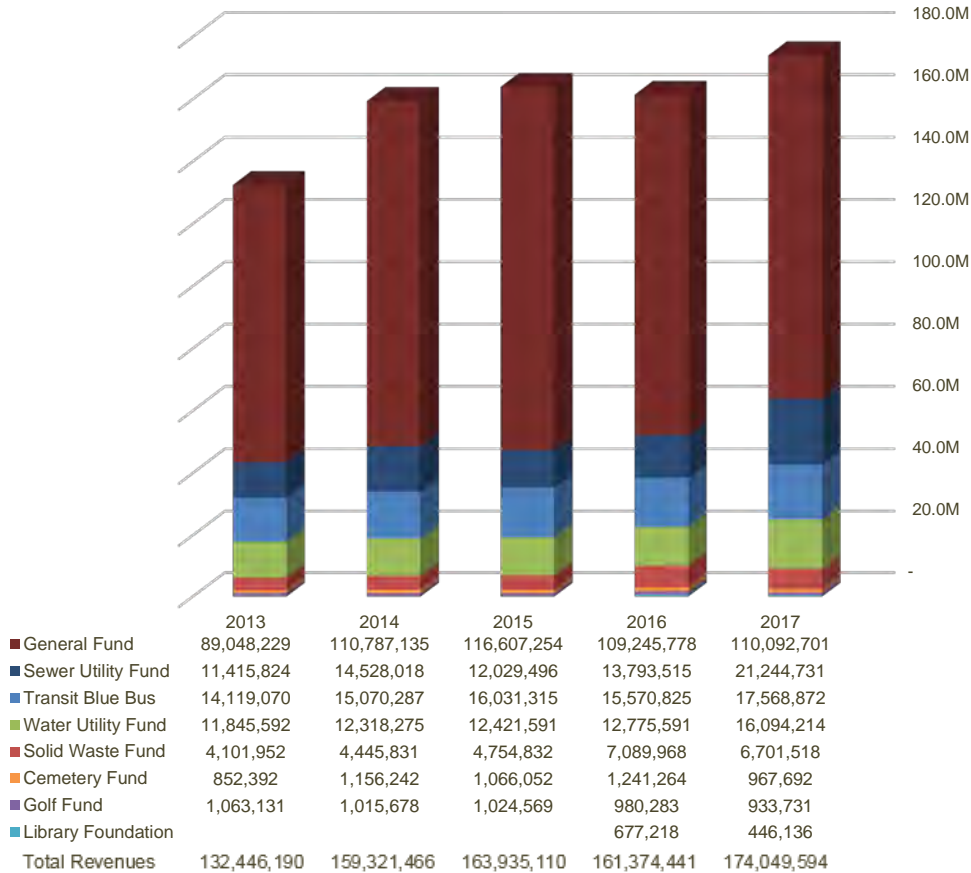
SUPPLEMENTARY INFORMATION

REVENUES *continued*

Five-Year Financial & Statistical Review

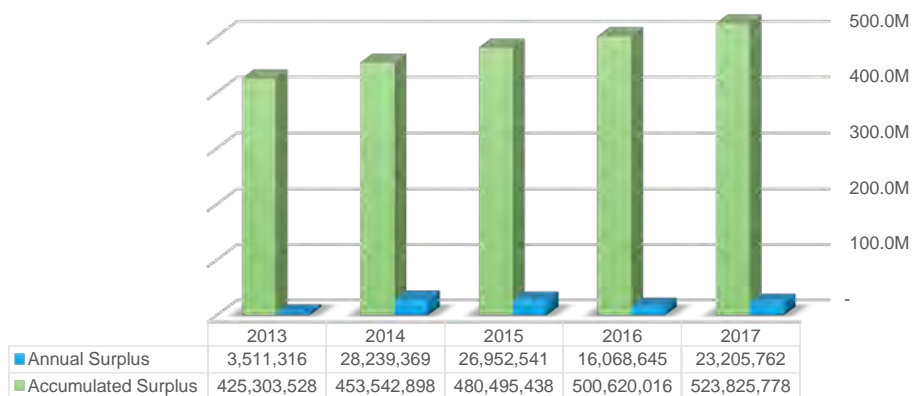
Revenue by Fund

Source: District of West Vancouver, Financial Services



Accumulated & Annual Surplus

Source: District of West Vancouver, Financial Services



Accumulated surplus represents the net recognized economic resources of the organization at the date of the financial statements. This measure shows the net economic position from all years operations at a point in time. The annual surplus measures whether a municipality has maintained its net assets in a year. Land sales and community amenity contributions increased surplus amounts during 2014 through 2017.

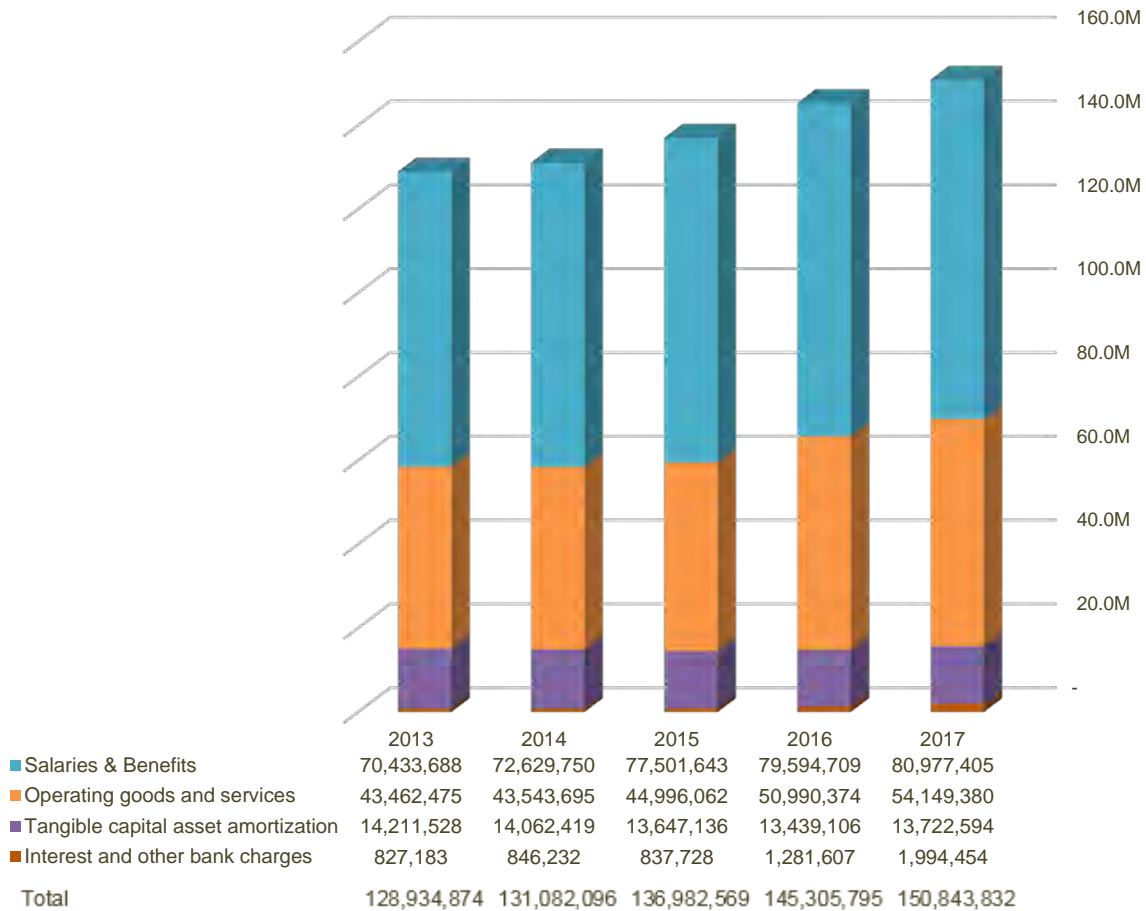
SUPPLEMENTARY INFORMATION

EXPENSES

Five-Year Financial & Statistical Review

Expense by Object

Source: District of West Vancouver, Financial Services



Salaries and benefits represent 54% of total expenditures. Salary costs are largely driven by the level of services provided and collective agreement provisions. The municipality administers separate collective agreements for Fire, Police and other municipal services. The District has taken on more staff over the past five years to supply additional program services, the cost of these staff is partially offset by increased non tax revenue. The annual increase in wages has averaged 2-2.5% for the past five years. The largest impact on non-salary operational goods and services costs come from inflation, level of service provided, and US dollar exchange rates.

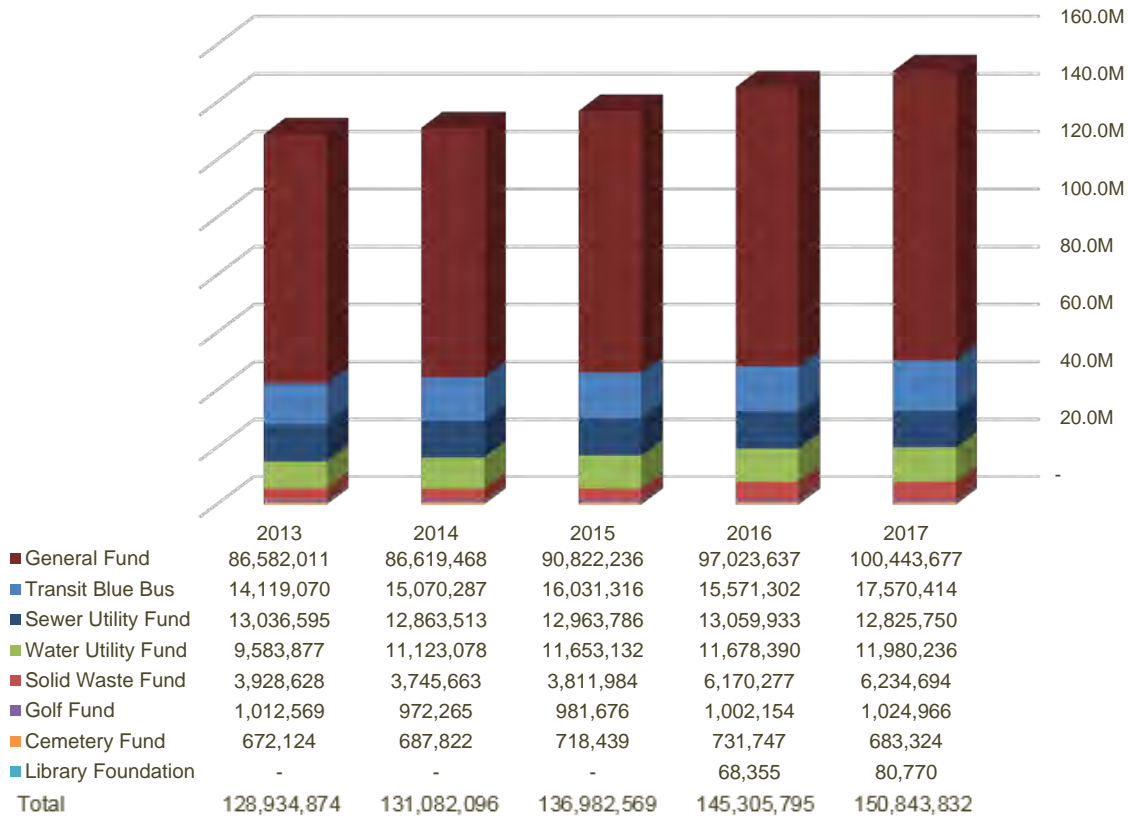
SUPPLEMENTARY INFORMATION

EXPENSES *continued*

Five-Year Financial & Statistical Review

Expense by Fund

Source: District of West Vancouver, Financial Services



The District has incurred significantly more expense in the past five years, due primarily to hiring additional staff to meet public demand for service in public safety, public work, recreation and library programs. Increase in fees and charges and other revenue funded almost one-half of this increase, taxation revenue increase funded the balance.

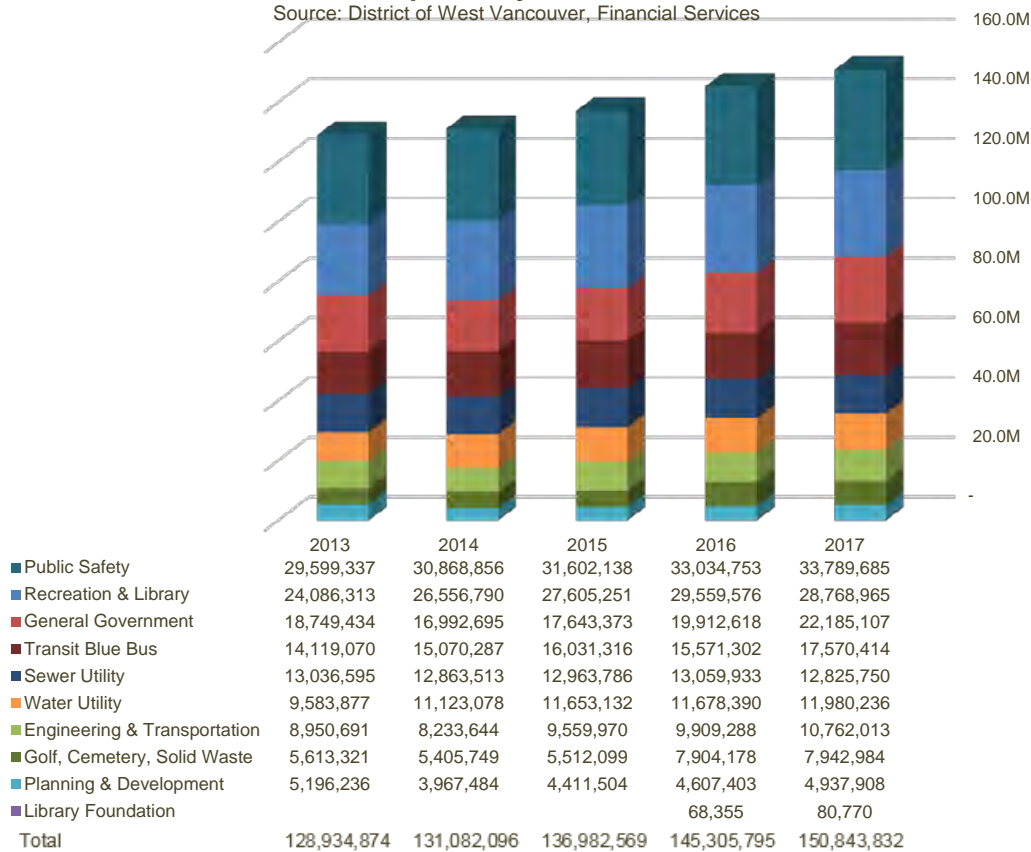
SUPPLEMENTARY INFORMATION

EXPENSES *continued*

Five-Year Financial & Statistical Review

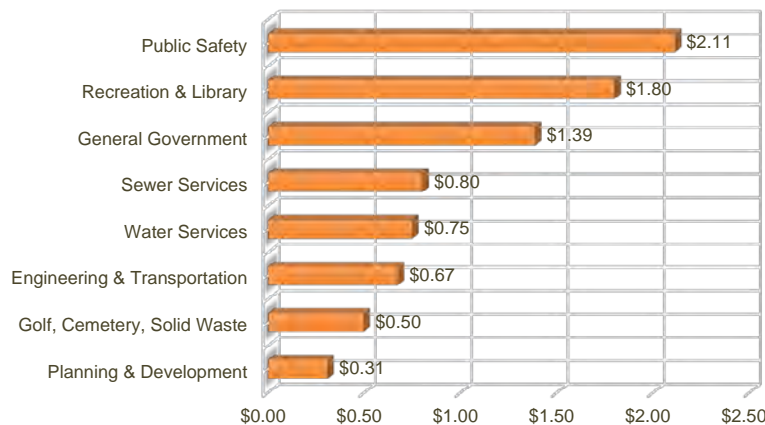
Expense by Function

Source: District of West Vancouver, Financial Services



2017 Cost of Providing Services (per resident, per day)

Source: District of West Vancouver, Financial Services



In 2017, Public Safety and Recreation & Library services represented 41% of all expenditures for the District. West Vancouver residents place high value on public safety which includes Police, Fire & Rescue and Bylaw Services. The cost of providing public safety to residents is \$2.11 per-day per-resident. The total cost of all services received by residents on a per day per-resident basis is \$8.33.

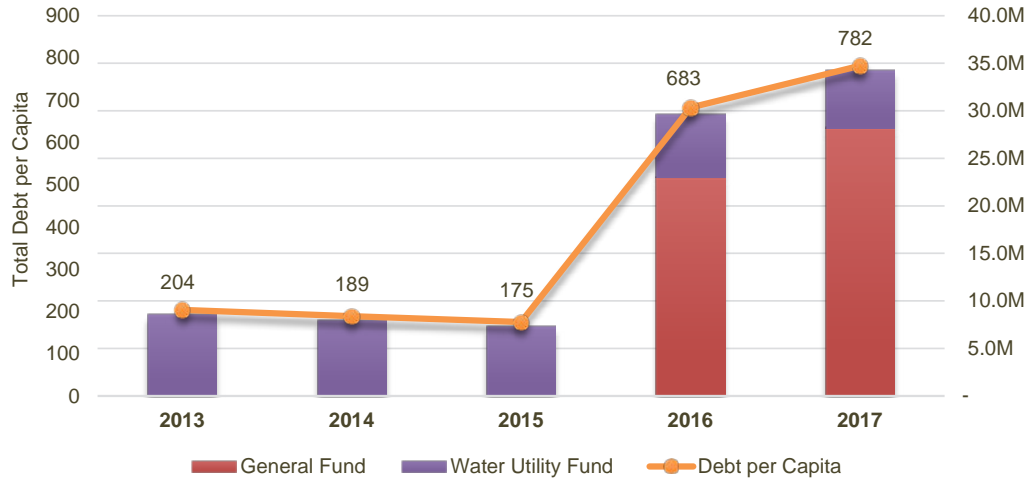
SUPPLEMENTARY INFORMATION

DEBT & DEBT SERVICE

Five-Year Financial & Statistical Review

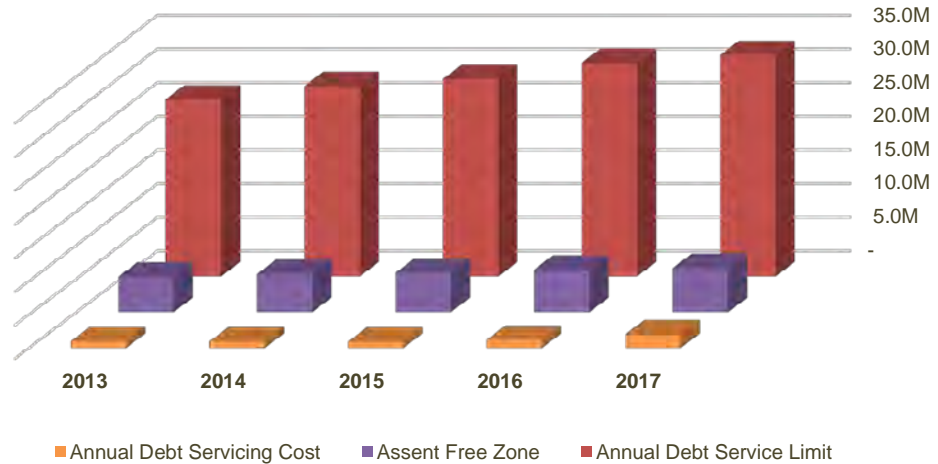
Total Debt & Debt per Capita

Source: District of West Vancouver, Financial Services



Debt Service Limits

Source: District of West Vancouver, Financial Services



West Vancouver has historically taken a conservative approach to debt, borrowing mainly for revitalization projects in Ambleside and Dunderave, water utility infrastructure improvements and more recently for the Police Services & Municipal Hall building (2017). Debt payments for the Police Services & Municipal Hall building are funded by the Endowment fund. Debt servicing costs represent annual debt interest and principle payments.

In the chart above, the annual debt service limit represents the maximum amount of debt servicing costs the District of West Vancouver can legally take on, based on annual revenues. The assent free zone represents the amount of debt servicing costs that can be incurred without elector referendum.

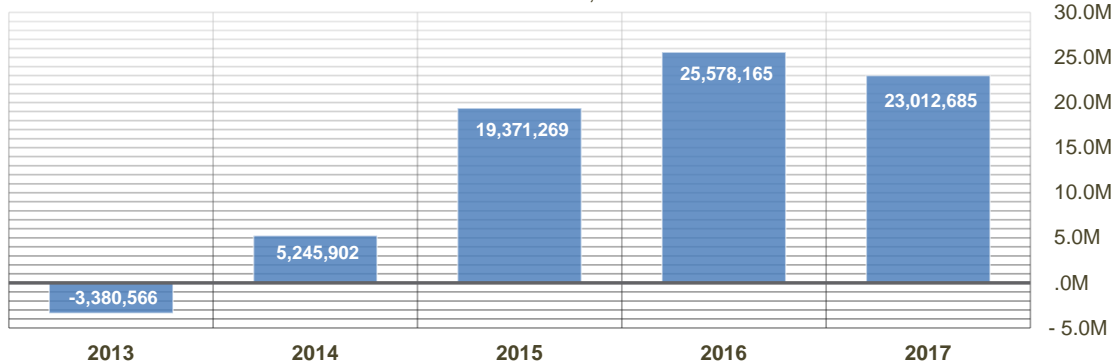
SUPPLEMENTARY INFORMATION

NET ASSETS (DEBT), SURPLUS, RESERVES & DEVELOPMENT COST CHARGES

Five-Year Financial & Statistical Review

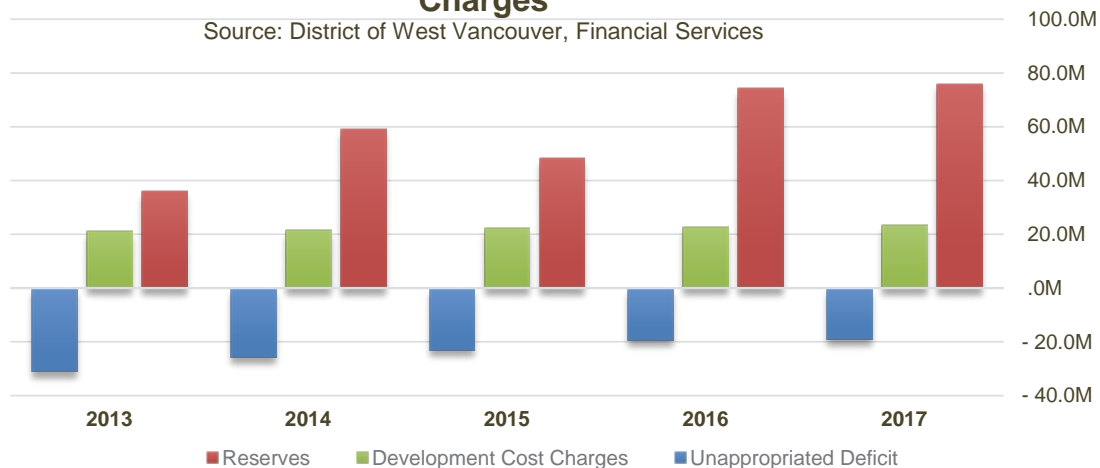
Net Financial Assets

Source: District of West Vancouver, Financial Services



Consolidated Surplus, Reserves and Development Cost Charges

Source: District of West Vancouver, Financial Services



The net financial assets measure is an indicator of the amount of past revenues available to pay for future transactions and events, and is calculated as the value of the District's financial assets less liabilities. The District's net financial asset balance of \$23 million at the 2017 year end reflects a \$2.5 million decrease over the 2016 year end balance.

Reserves consist of statutory and nonstatutory reserves. As of the end of 2017, statutory reserves are comprised of:

- Capital Facilities Reserve
- Capital Equipment Reserve
- Capital Infrastructure Reserve
- Endowment Reserve
- Public Arts Reserve Fund
- Sewer & Drainage Reserve Fund
- Water Reserve Fund
- Youth Activity Reserve

Statutory reserve ending balances for 2017 total \$43 million and represent 56% of the total reserves balance of \$76 million. The remaining 44% is comprised of community amenity contributions received, various operating and capital reserves, tied to a specific function, and the Cemetery Development Fund. The unappropriated deficit represents internal borrowing undertaken to finance the construction of the West Vancouver Community Centre, Eagle Lake Water Treatment Facility and the Gleneagles Clubhouse Building.

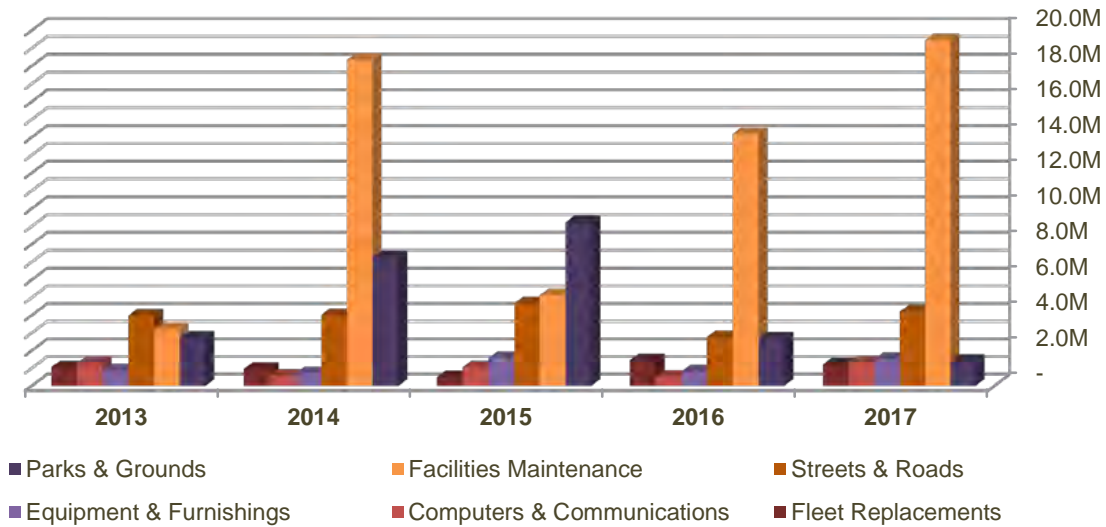
SUPPLEMENTARY INFORMATION

INFRASTRUCTURE & CAPITAL PROGRAMS

Five-Year Financial & Statistical Review

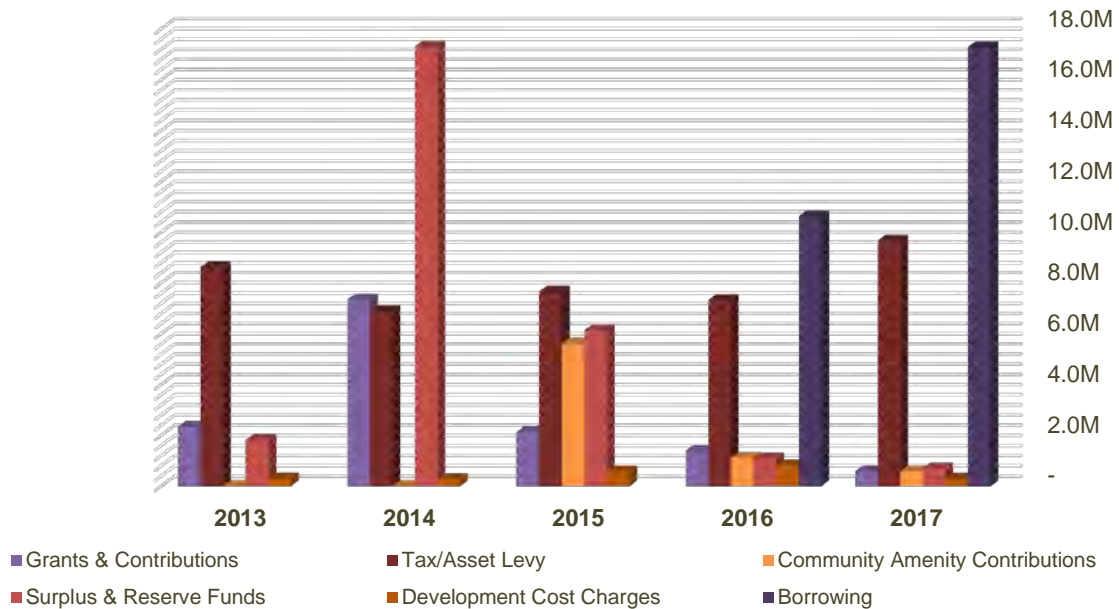
General Fund Capital Expenditures by Program

Source: District of West Vancouver, Financial Services



General Fund Capital Funding Sources

Source: District of West Vancouver, Financial Services



The 2017 capital program expenditures for the General Fund totalled \$29 million. Significant expenditures in the Parks & Grounds program in 2014 and 2015 included acquisition costs for properties acquired to expand Ambleside Park, funded from Community Amenity Contributions and Surplus & Reserve Funds and developer-contributed park land in the Upper Lands. The spike in the 2014 Facilities and Maintenance program expenditures was a consequence of the acquisition of the Vancouver Coastal Health property on Gordon Street, which was funded from Reserves. The 2015 and 2016 Facilities Maintenance Program included construction costs for the new Police Services & Municipal Hall building which was completed in 2017. Expenditures for this project were funded primarily through borrowing.

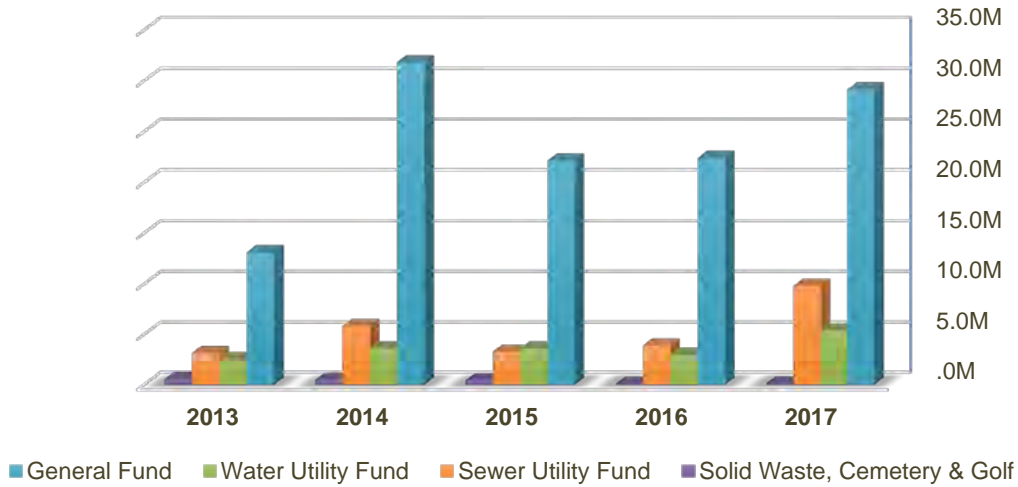
SUPPLEMENTARY INFORMATION

INFRASTRUCTURE & CAPITAL PROGRAMS *continued*

Five-Year Financial & Statistical Review

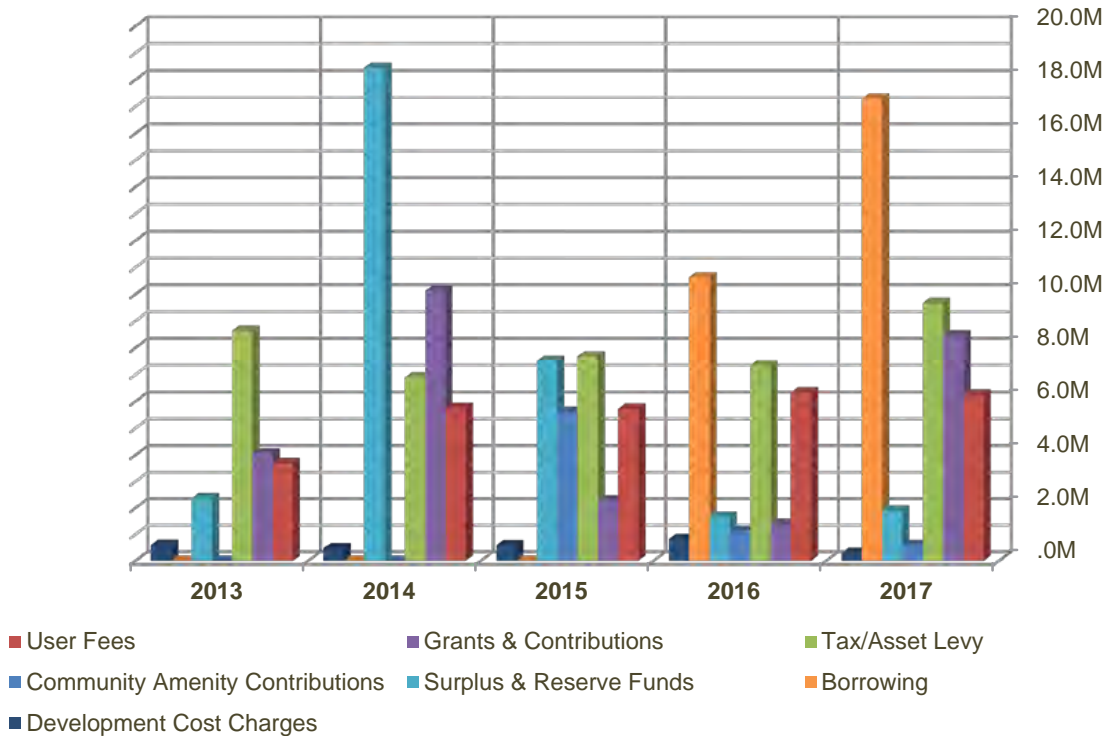
Capital Expenditures by Fund

Source: District of West Vancouver, Financial Services



Capital Funding Sources

Source: District of West Vancouver, Financial Services



Capital expenditures for all funds totalled \$44 million in 2017. In 2017, the Asset Levy accounts for \$3 million of tax revenue. Asset Levy proceeds are transferred into a reserve fund and are used for future assets maintenance and replacement.

SUPPLEMENTARY INFORMATION

PERMISSIVE TAX EXEMPTIONS

Five-Year Financial & Statistical Review

<u>Address/Owner</u>	<u>Lot</u>	<u>Class</u>	<u>Assessed Value</u>	<u>Municipal Taxation</u>	<u>Other Jurisdictions</u>	<u>Total</u>
Kiwanis Senior's Housing Society:						
975 21st Street	Lot A	1-Res	\$41,704,000	\$50,929	\$47,046	\$97,975
959 21st Street	Lot 1	1-Res	\$20,217,000	\$24,689	\$22,807	\$47,496
2151 Gordon Avenue	Lot 2	1-Res	\$23,765,000	\$29,022	\$26,809	\$55,831
Royal Canadian Legion:						
580 18th Street	N/A	8-Rec	\$738,600	\$3,115	\$833	\$3,948
Land surrounding fourteen places of public worship and necessary ancillary buildings:						
Christ the Redeemer Parish <i>595 Keith Road</i>	N/A	8-Non Profit	\$2,053,000	\$4,264	\$2,316	\$6,580
First Church of Christ, Scientist <i>714 20th Street</i>	N/A	8-Non Profit	\$692,000	\$2,918	\$782	\$3,700
North Shore Jewish Congregation <i>1305 Taylor Way</i>	N/A	8-Non Profit	\$1,165,000	\$4,914	\$1,314	\$6,228
North Shore Unitarian <i>370 Mathers Avenue</i>	N/A	8-Non Profit	\$2,774,000	\$11,700	\$3,130	\$14,830
Parish of St. Christopher's <i>1068 Inglewood Avenue</i>	N/A	8-Non Profit	\$2,663,000	\$11,232	\$3,004	\$14,236
Parish of St. Stephens <i>885 22nd Street</i>	N/A	8-Non Profit	\$1,466,000	\$6,183	\$1,654	\$7,837
Park Royal Congregation of Jehovah's Witnesses <i>1335 3rd Street</i>	N/A	8-Non Profit	\$2,596,000	\$10,949	\$2,929	\$13,878
St. Anthony's Church <i>2347 Inglewood Avenue</i>	N/A	8-Non Profit	\$5,100,000	\$21,511	\$5,753	\$27,264
St. David's United Church <i>1525 Taylor Way</i>	N/A	8-Non Profit	\$1,803,000	\$7,605	\$2,034	\$9,639
St. Francis-in-the-Wood Anglican Church <i>4773 South Picadilly Road</i>	N/A	8-Non Profit	\$2,198,000	\$9,270	\$2,480	\$11,750
St. Monica's Anglican <i>6404 Wellington Avenue</i>	N/A	8-Non Profit	\$882,000	\$3,720	\$995	\$4,715
West Vancouver Baptist Church <i>450 Mathers Avenue</i>	N/A	8-Non Profit	\$5,719,000	\$24,122	\$6,451	\$30,573
West Vancouver Presbyterian Church <i>2893 Marine Drive</i>	N/A	8-Non Profit	\$2,468,000	\$10,410	\$2,784	\$13,194
West Vancouver United Church <i>2062 Esquimalt Avenue</i>	N/A	8-Non Profit	\$6,786,000	\$28,622	\$7,655	\$36,277
			\$265,175	\$140,776	\$405,951	

The *Community Charter* makes provisions for exempting, at Council's discretion, certain categories of property from taxation. In West Vancouver, such exemptions have been tightly controlled in order to constrain erosion of the assessment base. Current practice only allows for exemptions for senior citizen housing projects built with provincial assistance that do not fall within the exemption provisions of section 224(2)(h) of the *Community Charter*, for the Royal Canadian Legion, and for land surrounding buildings for public worship and other necessary ancillary buildings.

CORPORATE SUSTAINABILITY INDICATORS

2017 SUMMARY

Five-Year Financial and Statistical Review

Council adopted the *Corporate Energy & Emissions Plan* in 2016. Reporting on key elements helps track progress and support actions to improve sustainability.

The environmental impacts from the District of West Vancouver's (DWV) operations are, in large part, related to the operation of buildings, infrastructure, vehicles and equipment.

OPERATIONAL CONSUMPTION	2017	2016
total vehicle and equipment fuel use		
diesel (L)	211,621	231,295
gasoline (L)	357,395	328,393 ¹

¹updated from 2016 to include staff vehicle fuel use

garbage produced from all DWV-run building operations (kg) applies to leased buildings operated, but not owned, by DWV	170,638	197,670
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total natural gas for building operations (GJ)	35,168	31,442 ²
total electricity use for buildings and infrastructure (kWh)	11,714,317	12,118,587 ³

²changed from 2016 based on lease space adjustment | ³changed from 2016 based on lease space adjustment and BC Hydro updates

REPORTED GREENHOUSE GASES

As part of the requirements for the provincial Climate Action Charter, the District reports on corporate greenhouse gas emissions (GHGs) annually. By definition, the scope of this reporting only includes services traditionally provided by a municipality, though these include the majority of emissions from the District's operations.

REPORTED GREENHOUSE GASES	2017	2016
total natural gas for building operations (GJ)	1,756	1,561
total electricity use for buildings and infrastructure (kWh)	1,626	1,923 ⁴

⁴recalculated based on new 2016 data

OUR BLUE DOT CAMPAIGN COMMITMENT

SUMMARY OF ACTIONS

Five-Year Financial and Statistical Review

On July 20, 2015, The District of West Vancouver (District) signed onto the Blue Dot Campaign, a declaration recognizing the right to a healthy environment. This campaign was initiated by the David Suzuki Foundation with the ultimate goal of entrenching basic environmental rights in the Canadian constitution. To date, 149 Canadian municipalities have joined the campaign.

The key aspects identified in the Blue Dot Campaign are:

- 1) the right to breathe clean air
- 2) the right to drink clean water
- 3) the right to consume safe food
- 4) the right to access nature
- 5) the right to know about pollutants and contaminants released into the environment
- 6) the right to participate in decision making that will affect the environment

The District has and continues to participate and/or support efforts that relate to these areas either directly or through membership in the Metro Vancouver Region. A high-level summary of efforts by the District is summarized below.

1) THE RIGHT TO BREATHE CLEAN AIR

- Metro Vancouver's Air Quality and Climate Change group measures air quality continuously using a network of air quality monitoring stations. When conditions warrant, air quality advisories are issued. An overall approach to air quality exists in the *Integrated Air Quality and Greenhouse Gas Management Plan* developed in October 2011.
- An interim bylaw to limit the removal of large trees was passed by the District in 2016 and a working group of residents is currently reviewing existing tree policy.
- The District's *Strategic Transportation Plan* supports shifting transportation from single occupant driving to lower carbon and less polluting modes of travel.
- The District's *Community Energy & Emissions Plan* includes monitoring and reporting.

2) THE RIGHT TO DRINK CLEAN WATER

All of the District's drinking water originates from the North Shore's mountains with almost 50% supplied by two drinking water treatment plants in West Vancouver and the balance supplied by Metro Vancouver. Specific measures related to providing clean drinking water are:

- Domestic water is treated as per requirements in the provincial government's *Drinking Water Protection Act*.
- Conservation measures undertaken by the District help conserve the drinking water supply.

3) THE RIGHT TO CONSUME SAFE FOOD

While food safety does not fall under the jurisdiction of municipal governments, the District participates in:

- the *North Shore Community Food Charter* (2013), which outlines a vision and principles around an integrated food system for the North Shore
- the *Healthy Communities Partnership/Memorandum of Understanding* with Vancouver Coastal Health (2015) supports healthy built environments including local food systems
- the North Shore Table Matters Network, a group of organizations working together to connect grassroots action to policy work and organizational change (this group prepared the *North Shore Community Food Charter*). Encourage and support local farming by providing space for Farmers' Markets and food preservation workshops.

4) THE RIGHT TO ACCESS NATURE

West Vancouver has 140 parks distributed throughout the municipality and supports the enhancement of natural spaces.

The *Parks Master Plan* was developed in 2012 with input from the community and sets the direction for the management, protection, and enhancement of West Vancouver's parks and open spaces.

- In 2014 a significant amount of forest land was dedicated to create Whyte Lake Park.
- The *Access and Inclusion Policy* (2009) speaks to implementing, maintaining and enhancing accessibility on District property.
- The *Upper Lands Working Group* produced a report with core values that included: enhancing recreation opportunities and the lifestyle and heritage associated with outdoor living.
- Council adopted the trails plan which provides guidance for decisions about trails in West Vancouver and a framework for moving forward on several trails-related topics that were identified by the community.

5) THE RIGHT TO KNOW ABOUT POLLUTANTS & CONTAMINANTS RELEASED INTO THE ENVIRONMENT

The District's *Pesticide Use Control Bylaw #4377*, 2004 restricts the use of pesticides for cosmetic purposes. This Bylaw was adopted in 2004 and updated in 2015 and 2018.

- The District's current and long-standing practice is not to use pesticides for cosmetic purposes on sports fields, lawns, flowerbeds or street trees.
- The Gleneagles Golf Course and Ambleside Par 3 Golf Course use pesticides only when necessary and on a limited basis to control fungal disease on greens and tees. The golf courses continue to implement integrated pest management practices to limit pesticide use. The District of West Vancouver's Gleneagles Golf Course has been given Audubon International's designation as a *Certified Audubon Cooperative Sanctuary*. Only 14 golf courses in British Columbia have the designation, which requires a golf course to demonstrate that it maintains high environmental standards in environmental planning, wildlife and habitat management, reduced use of chemicals, water conservation and more.
- The use of pesticides to control invasive plants is only done when other control methods are not effective, feasible or are considered to be more harmful to the environment than the use of pesticides. To date the only invasive plant that has been chemically treated in the District of West Vancouver on public land is knotweed. The treated knotweed sites are well signed in advance and post-treatment.
- The *Watercourse Protection Bylaw* speaks to remedies if a prohibited substance enters a watercourse.
- Water management plans are currently being developed for parks and sports fields.

6) THE RIGHT TO PARTICIPATE IN DECISION MAKING THAT WILL AFFECT THE ENVIRONMENT

The District undertakes consultation with its residents and often engages local stewardship groups to gain input on developing and implementing environmental plans.

- Current stewardship groups include Lighthouse Park Preservation Society, West Vancouver Streamkeeper Society, Old Growth Conservancy Society as well as a variety of smaller groups and interests that the District works with to enhance and protect the environment.
- The *Official Community Plan* review underway involves extensive community engagement and will have significant environmental implications.
- The *Local Government Act* which governs BC municipalities advises local governments to conduct business transparently and consult with the community on Official Community Plans.
- The District's *Community Energy & Emissions Plan* includes monitoring, reporting, and various engagement and outreach initiatives.
- Citizens are provided with an opportunity to guide and participate in waste management practices to the highest standard at facilities, in parks and at events.



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