



VANCOUVER **2023**
BUDGET

DRAFT CURRENT STATE BUDGET

Information package

shapeyourcity.ca/budget

WHY SHOULD YOU CARE ABOUT THE CITY'S BUDGET?

The City's annual budget funds many of the important services, programs and public places that are enjoyed by those who live or work in, or visit Vancouver. Whether you own or operate a business, are raising a family, living on your own, or need extra support such as housing or childcare, the City's budget provides essential services and funds other programs such as arts and culture that make Vancouver such a great city.

HOW TO PARTICIPATE

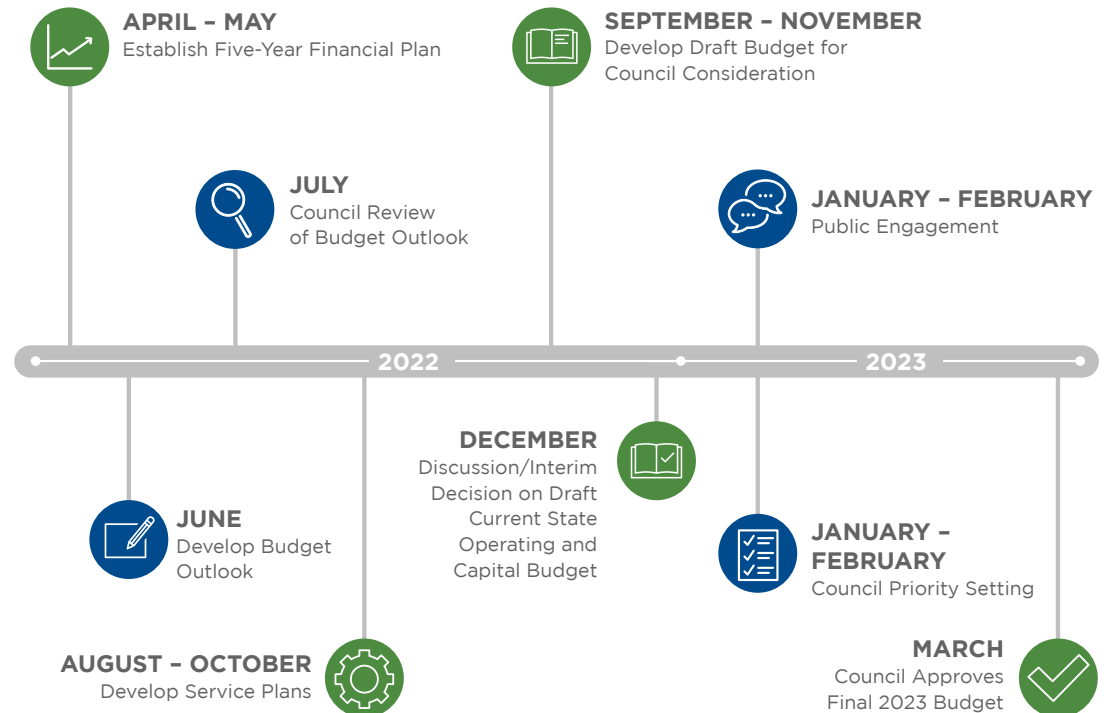
There are several ways you can be involved:

- Review the [2023 Draft Current State Operating Budget](#) to learn more about the City's budget planning process
- Complete our comment form (closes January 24)
- Provide feedback via 3-1-1 (closes January 24)
- [Register to speak](#) at the March City Council meeting by phone or in person
- [Contact Mayor and Council](#) directly to provide feedback
- Share these opportunities with your networks

Your feedback will be gathered into a public report that will help inform City Council's decision on the final 2023 Budget in early March.

TIMELINE

Because of the 2022 municipal election, the timeline for the 2023 budget is different from a regular cycle to give the newly elected Council time to consider the budget. Public engagement will take place in early 2023.



Visit shapeyourcity.ca/budget to get involved

GET TO KNOW THE 2023 DRAFT CURRENT STATE BUDGET

The 2023 Draft Current State Budget:

- Is a starting point for discussion and engagement with Council
- Will help align the multi-year planning with the new Council's priorities
- May be changed or revised by Council and Boards before being finalized in the spring

It contains two main parts: the Capital Budget and the Operating Budget.

WHAT IS THE CAPITAL BUDGET?

The capital budget is used to maintain, improve or build new buildings, services and other City assets – things like recreation centres, parks, fire halls, bridges and roads. Because these are large projects which can take several years, the capital costs included in each annual budget are linked to a four-year capital plan, approved by Council and voted on by the public every municipal election. Capital projects are partly funded by government grants and contributions from property developers (development cost levies).

WHAT IS THE OPERATING BUDGET?

The operating budget is the yearly budget that funds the services and programs residents and businesses use every day. This includes things like fire and rescue services, roads and planning, water and sewer, garbage and recycling pick up, social housing and childcare, libraries and civic theatres. The two main sources of funding for the operating budget are property taxes and utility fees.

On December 6, 2022, City Council voted to approve the Capital Operating Budget. Council will approve the final budget, including the operating budget and property tax rates, in March 2023.

2023 DRAFT OPERATING BUDGET (\$1.9B)

The 2023 Draft Current State Operating Budget provides information on what is required to maintain the City's current level of service and resources and fund the fixed costs that will increase in 2023.

It outlines potential revenue and expense changes, for a total 2023 Draft Operating Budget of \$1.9 billion, which is an increase of 9.5% or \$166 million from the 2022 Budget. In 2023, the Empty Homes Tax will be included in the budget for the first time; estimated at \$44 million, it can only be used to fund new initiatives to support affordable housing and potential initiatives brought forward to Council for approval.

BALANCING THE BUDGET

To make sure there is a balanced budget in 2023, which by law the City must do, City Council may need to decide where to spend less. The City has a number of financial tools that can be used to balance the budget.

- Increase residential property taxes
- Increase business/commercial property taxes
- Increase user fees for City services that already have fees (e.g. permits)
- Introduce new user fees for some City services that currently have no fees
- Reduce the number/type of services the City offers (i.e. no longer offer some services)
- Continue to offer the same services but not to the same level, for example reduced hours

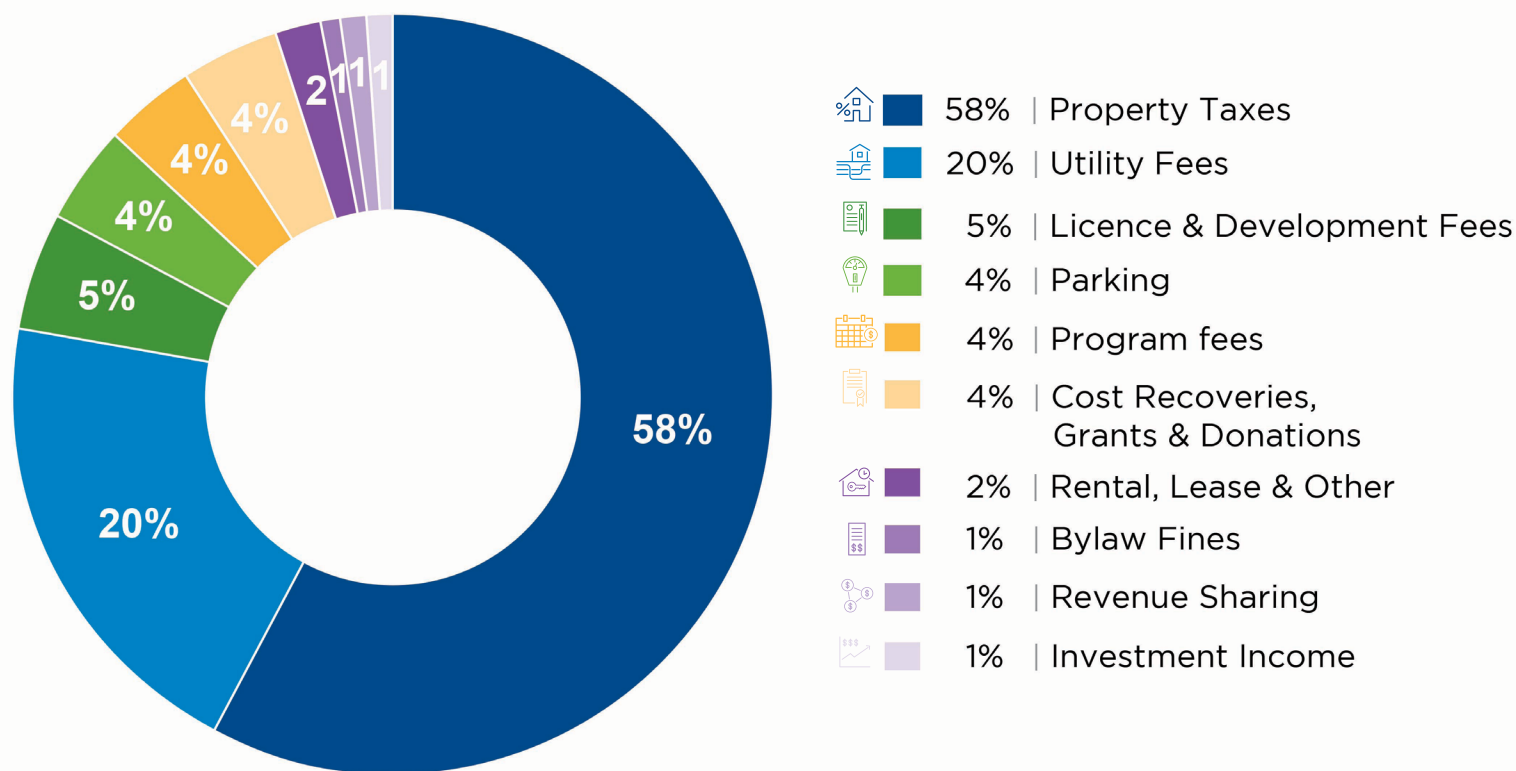


KEY 2023 BUDGET CONSIDERATIONS

- Inflation & rising costs
- Global supply chain disruptions
- Increase of CPI (the consumer price index)
- High demands on City Services due to the COVID-19 pandemic and the ongoing overdose crisis
- Increase of funding for VPD services including the 2021 budget appeal



2023 Operating Revenues (\$1,914 million)



The City generates revenue from several sources including property tax, utilities, licence and development fees, other user fees, parking and investment income. Revenue changes outlined in the 2023 Draft Current State Budget reflect rate changes as well as changes in volume or usage.

TAXES AT A GLANCE


Based on a 5.0% property tax increase for 2023

A property tax increase for next year is needed just to keep the City running.


Property tax and fee increases will be needed in 2023 to maintain existing services. A property tax increase of 5% would be required to balance the Current State budget, with 1% for additional infrastructure renewal, 2% for increased funding for VPD services including the 2021 budget appeal, and 2% increased funding across City services and risks around uncertain costs for the whole city.

The final property tax rate will be determined by Council by the end of March 2023 in order to meet the property tax billing cycle.

Estimated 2023 Annual Tax Bill – Examples




Median Residential Strata Unit
Assessed at \$759,000
\$1,218
↑ \$58 over 2022



Median Single-family Home
Assessed at \$1,997,000
\$3,204
↑ \$153 over 2022



Median Overall Residential Unit
Assessed at \$1,301,000
\$2,087
↑ \$99 over 2022



Median Business Property
Assessed at \$1,098,700
\$5,385
↑ \$256 over 2022

2023 Increases - City Property Tax, Fees and Charges

Property Tax Increase	5.0%
Utility Fees (combined)	7.9%
Water	3.0%
Sewer	15.0%
Solid Waste	5.9%
Median single-family home combined municipal property tax and utility fees	6.1%

2023 Increases – All Other Fees

Neighbourhood Energy Utility (NEU)	3.2%
Recreation user fees	3.0%
Most business licence fees	5.2%
Most permit fees	5.0%

EXAMPLES OF PUBLIC SERVICES WITH FEES

Property taxes are an important source of revenue for the City, but Vancouver also relies on other forms of revenue to fund the operating budget, such as program fees and development fees.

Here's a snapshot of some of the City services that have user fees. These are services that the public pay for only if they opt to use them. Note that some of these examples are funded by a combination of user fees and other revenue streams e.g. property taxes.

Civic theatres

Arenas

Recreation

e.g. fitness centres, golf

**Facility rentals at
libraries**

**Community centre
programs**

Swimming pools

**Business licences
and permits**

Cemetery services

Attractions

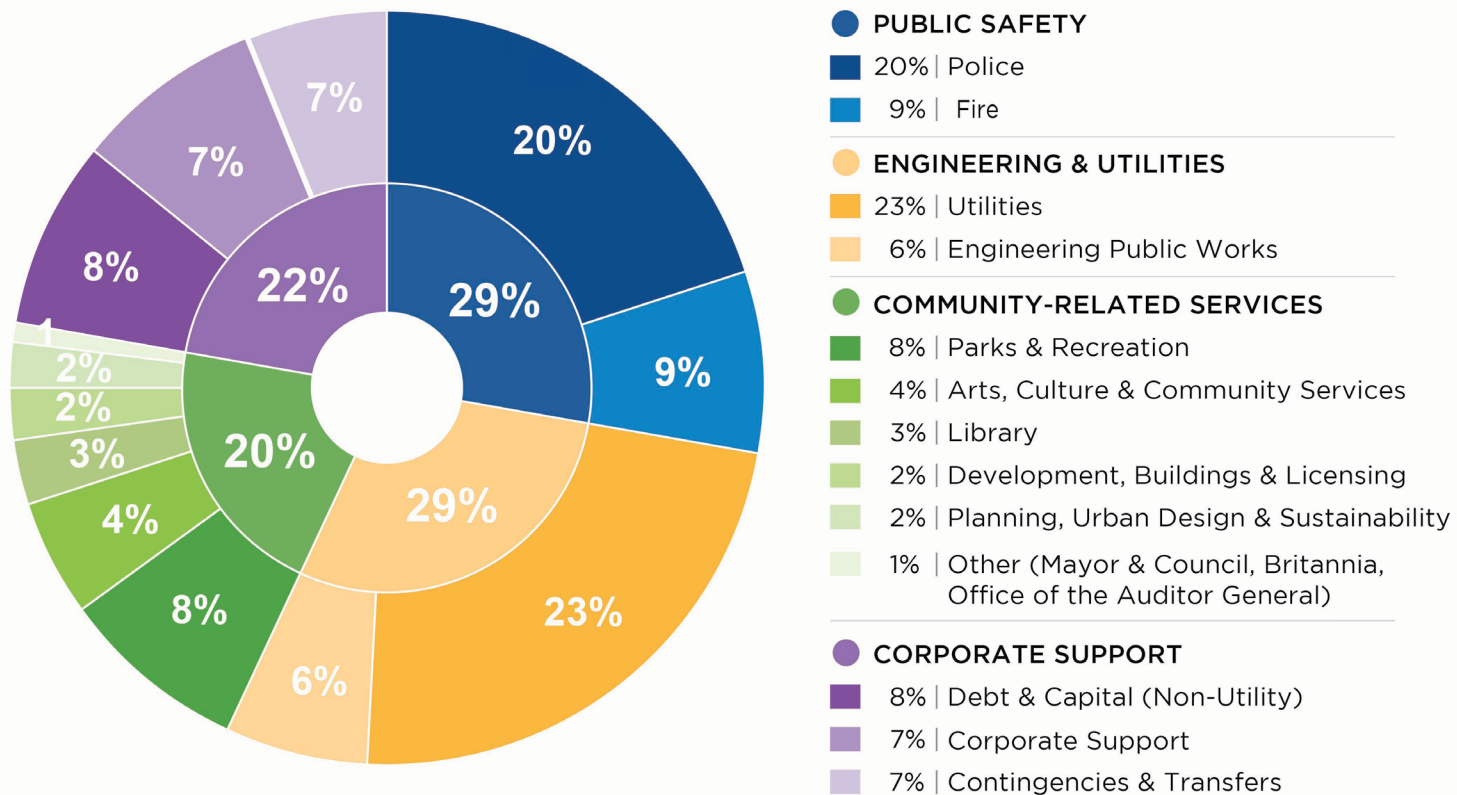
e.g. Stanley Park train,
Bloedel Conservatory,
Van Dusen Gardens

CITY SERVICES DELIVERED

There are more than 80 public services that are funded through the budget, from public safety (fire and police) to engineering public works like sewer and water, to community services such as parks and recreation, arts and culture, libraries, social services, and planning and development. You can read all about them in the annual service plans in the [2023 City Services document](#).

Arts, Culture and Community Services <ul style="list-style-type: none"> Cemetery Services Cultural Services Housing and Homelessness Services Non Market Housing Development & Operations NPO lease management Social Operations Social Policy and Projects Vancouver Civic Theatres 	City Clerk's Office <ul style="list-style-type: none"> Access to Information and Privacy Board of Variance Business and Election Services City of Vancouver Archives External Relations and Protocol Legislative Operations 	City Manager's Office <ul style="list-style-type: none"> Business Planning and Project Support Civic Engagement and Communications Equity Office Indigenous Relations Intergovernmental Relations and Strategic Partnerships Internal Audit Sport Hosting Vancouver 	Development, Buildings and Licensing <ul style="list-style-type: none"> Animal Services Business and Vehicle for Hire Licensing Permit and Plan Reviews; Compliance and Enforcement Inspections 	Engineering – Public Works <ul style="list-style-type: none"> Creation, activation and use of public space Curbside Vehicle Management Engineering development services and land survey Fleet and Manufacturing Services Kent Yard Services Street cleaning Street infrastructure and maintenance Transportation planning, design and management 	Engineering – Utilities <ul style="list-style-type: none"> False Creek Neighbourhood Energy Utility (NEU) Garbage and green bin collection Integrated Watershed Planning Non-City utility management Sewer and drainage utility management Transfer station, recycling centres and landfill Waterworks utility management Zero Waste
Finance, Risk and Supply Chain Management <ul style="list-style-type: none"> Corporate Risk Management Financial Planning and Analysis Financial Services Long-term Financial Strategy Strategic Planning and Program Management Supply Chain Management Treasury 	Human Resources <ul style="list-style-type: none"> Compensation and Benefits HR Business Partnerships and Labour Relations Organizational Health and Wellness Talent Management and Organizational Development 	Office of the Chief Safety Officer <ul style="list-style-type: none"> City Protective Services Vancouver Emergency Management Agency (VEMA) Workplace Safety 	Planning, Urban Design and Sustainability <ul style="list-style-type: none"> Affordable housing City-wide and community planning Current Planning and Regulation Policy Economic Planning and Development Contributions Sustainability 	Real Estate and Facilities Management <ul style="list-style-type: none"> Environmental Services Facilities Planning, Development and Management Real Estate Services 	Technology Services <ul style="list-style-type: none"> 3-1-1 Contact Centre Application Development and Support Client Services Digital Platforms Enterprise Data and Analytics Enterprise Technology Program and Portfolio Management
	Vancouver Public Library <ul style="list-style-type: none"> Collections and resources Information technology access Library public space Public programming Reference and information services 	Vancouver Board of Parks and Recreation <ul style="list-style-type: none"> Business services Decolonization, Arts and Culture Parks and green spaces Recreation services 	Vancouver Fire and Rescue Services <ul style="list-style-type: none"> Community Safety and Risk Reduction Fire suppression and special teams Medical response 	Vancouver Police Department <ul style="list-style-type: none"> Police services 	
				Legal Services <ul style="list-style-type: none"> Legal services 	

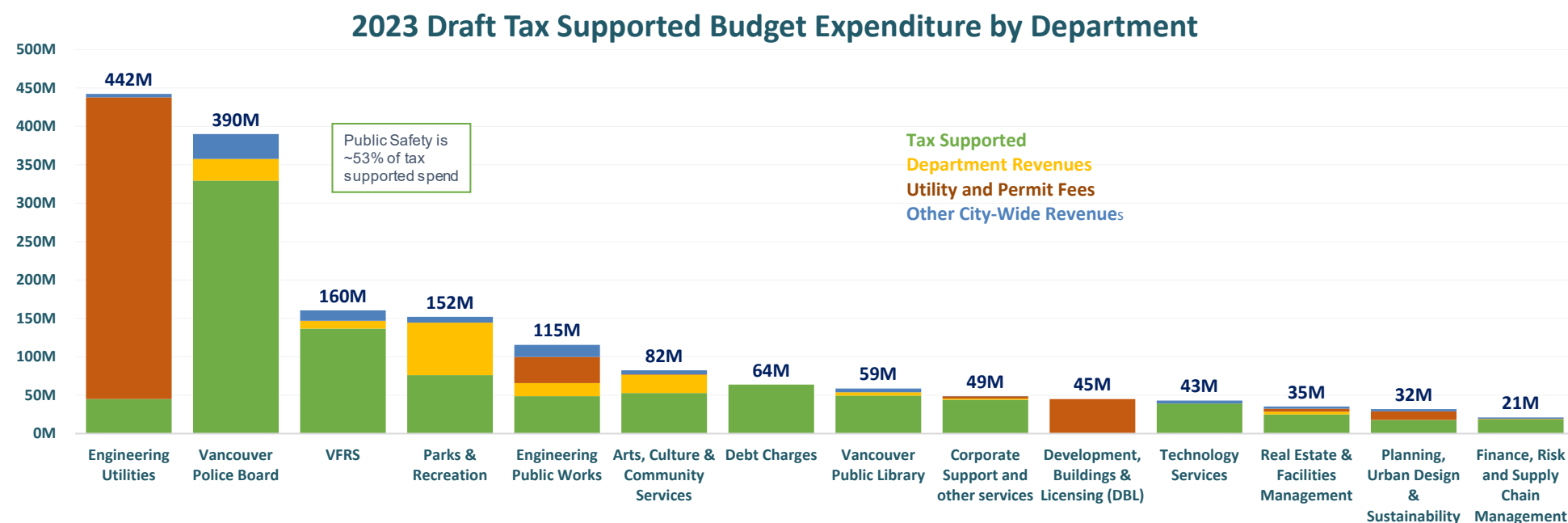
2023 Operating Expenditures, Debt & Transfers by Service Area (\$1,914 million)



2023 DRAFT TAX SUPPORTED BUDGET EXPENDITURE BY DEPARTMENT

This chart explains how the funding works for the City's operating budget.

The two biggest expenditure areas are Public Safety and Engineering & Utilities, comprising more than half of the City's total operating costs. Engineering Utilities are almost fully funded by utility and permit fees. The Vancouver Police Board and Vancouver Fire Rescue Services (VFRS) are largely funded by property taxes.



Notes:

- Other revenues include Citywide revenues such as parking, bylaws fines, investment income, revenue sharing, cost recoveries, etc., Other revenues with direct costs have been allocated to associated departments first, before getting allocated citywide

Visit shapeyourcity.ca/budget to share your feedback

VANCOUVER **2023**
BUDGET

For More Information:

Visit: vancouver.ca

Phone: 3-1-1 TTY: 7-1-1

Outside Vancouver: 604-873-7000

Hỏi chi tiết Obtenga Información

資料查詢 ਜਾਣਕਾਰੀ ਲਵੋ 3-1-1