OPEN MEETING OF FINANCE AND AUDIT STANDING COMMITTEE

2:00 pm
Tuesday, July 28, 2026
Microsoft Teams Meeting
Committee Room - 355 West Queens Road, North Vancouver

Committee: Mayor Mike Little, Chair
Councillor Betty Forbes
Councillor Herman Mah

Other Attendees: Mike Fox, Chief Administrative Officer
Rick Danyluk, General Manager, Finance and CFO
Elio Iorio, Manager, Financial Services
Jaskaran Gill, Manager, Financial Planning and Reporting
Claire Prescott, Accounting Officer, Strategic Initiatives
Saira Walker, General Manager, Corporate Services
Peter Cohen, General Manager, Engineering Infrastructure Services
Nicola Chevallier, General Manager, Engineering Public Works
Vivian Trang, Project Manager, Engineering, Planning, and Design
Jim Piercy, Section Manager, Utilities Technical Services
Genevieve Lanz, Director, Legislative Services and Corporate Officer
Rhonda Schell, Deputy Corporate Officer
Kaitlin Hebron, Confidential Council Clerk

Other Guests:

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1. Adoption of the Agenda

July 28, 2026 Open Meeting Agenda

Recommendation:
THAT the agenda for the July 28, 2026 Open Meeting of the District of North Vancouver Finance and Audit Standing Committee be adopted as circulated, including the addition of any items listed in the agenda addendum.

2. Adoption of the Minutes p. 03

Recommendation:
THAT the Minutes of the Finance and Audit Standing Committee Open Meeting held June 3, 2026 be adopted.

3. **State of Assets Report (SOAR)** – Vivian Trang / Andrew Zhou p. 07

Recommendation:
THAT the July 28, 2026 report entitled “State of Assets Report (SOAR)” is received for information.

4. **Utility Rates and Major Initiatives** – Elio Iorio / Nicola Chevallier / Jim Piercy p. 73

Recommendation:
THAT the presentation entitled "Utility Rates and Major Initiatives" is received for information.

5. Independent Review of Council Remuneration and Benefits – Rick Danyluk / Saira Walker **p. 87**

Recommendation:
THAT the Finance and Audit Standing Committee recommend to Council:

THAT the 2027 Council Remuneration report be approved.

6. Appointment of External Auditor – Jas Gill **p. 125**

Recommendation:
THAT the Finance and Audit Standing Committee recommend to Council:

THAT Council appoint BDO Canada LLP as the external auditor for The Corporation of the District of North Vancouver, including the North Vancouver Recreation & Culture Commission, North Vancouver District Public Library and North Shore Emergency Management, pursuant to Section 169 of the Community Charter.

AND THAT this appointment be for an initial five-year term, subject to an annual review and re-appointment by Council.

7. 2026 Tax and Utility Collections – Elio Iorio **p. 133**

Recommendation:
THAT the Finance and Audit Standing Committee receive this report for information.

8. Financial Policy Updates – Claire Prescott **p. 139**

Purpose:
To advise the Committee that Finance Staff have completed two draft financial governance policies which are currently being reviewed by the Senior Leadership Team for feedback and concurrence:

Budget and Financial Management Policy
Budget Carryover Policy

Regular / Information Reports:

9. Treasury Report – Q2, 2026 – Elio Iorio **p. 141**

Recommendation:
THAT the report entitled "Treasury Report – Q2, 2026" dated July 21, 2026, is received for information.

DISTRICT OF NORTH VANCOUVER
OPEN FINANCE & AUDIT COMMITTEE

Minutes of the Finance and Audit Committee Meeting for the District of North Vancouver held at 9:01 a.m. on Wednesday, June 3, 2026. The meeting was held in a hybrid format in the Committee Room at 355 West Queens Road, with participants participating both in-person and virtually via video conference.

Committee:	Mayor Mike Little, Chair Councillor Betty Forbes Councillor Herman Mah
Other Attendees:	Mike Fox, Chief Administrative Officer Rick Danyluk, General Manager, Finance and Chief Financial Officer Rhonda Schell, Deputy Corporate Officer Elio Iorio, Manager, Financial Services Claire Prescott, Accounting Officer, Strategic Initiatives Kaitlin Hebron, Confidential Council Clerk

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1. Adoption of the Agenda

MOVED by Councillor FORBES
SECONDED by Councillor MAH
THAT the agenda for the June 3, 2026 Open Meeting of the District of North Vancouver Finance and Audit Standing Committee be adopted as circulated.

CARRIED

2. Adoption of Minutes

MOVED by Councillor FORBES
SECONDED by Councillor MAH
THAT minutes of the Finance and Audit Standing Committee Open Meeting held March 12, 2026 are adopted.

CARRIED

MOVED by Councillor FORBES
SECONDED by Councillor MAH
THAT minutes of the Finance and Audit Standing Committee Open Meeting held April 24, 2026 are adopted.

CARRIED

3. User Fee Policy Update

Rick Danyluk, General Manager, Finance and Chief Financial Officer, noted that the policy has been under development for several years and formalizes the current approach to user fees, service delivery, and cost recovery targets, Mr. Danyluk advised that the guiding principles have been developed to align with existing policies, and that a separate process related to outdoor sports is underway and will be aligned with the draft policy by the fall.

MOVED by Councillor MAH
SECONDED by Councillor FORBES
THAT the report entitled "User Fee Policy Update" dated May 26, 2026 is received by the Finance and Audit Standing Committee for information and feedback.

AND THAT staff return in September with a final version of the policy for approval.

CARRIED

4. Use of Purchasing Cards Policy Update

Rick Danyluk, General Manager, Finance and Chief Financial Officer, stated that the proposed amendment is a housekeeping change intended to clarify the purpose of the policy and clearly identify which staff are authorized to access and use purchasing cards. Mr. Danyluk further advised that potential anomalies arising from the policy would need to be reviewed with North Shore Emergency Management (NSEM) to clarify how the policy would be applied.

MOVED by Mayor LITTLE
SECONDED by Councillor FORBES
THAT Administrative Policy Use of Purchasing Cards be updated to include a "purpose" statement and to clarify that purchasing cards (P-Cards) generally are restricted for issuance to permanent, full-time employees only.

CARRIED

5. 2027 Budget Outlook

Rick Danyluk, General Manager, Finance and Chief Financial Officer, presented an update on the District's financial outlook. He advised that, since Council approved the five-year financial plan in April, several developments have increased projected cost pressures, resulting in an estimated 2027 tax increase of between 6.5% and 9%. Mr. Danyluk noted that many of these pressures are outside of the District's direct control.

Mr. Danyluk emphasized the importance of Council providing direction on key policy matters, including service levels, affordability, borrowing, and related priorities, as staff continue development of the 2027 budget. He explained that the presentation focused on the first five years of the long-range financial outlook and highlighted the impacts on the municipal tax levy, excluding Metro Vancouver charges.

Mr. Danyluk further advised that staff would return to Council on June 29, 2026, with additional information regarding major financial trends, Metro Vancouver impacts, senior government policy changes, and service area definitions. He also noted that staff had begun monitoring the implications of recent Provincial Sales Tax (PST) changes.

The Committee expressed concern with the projected tax increase range of 6.5% to 9% and noted that these discussions will ultimately need to be undertaken by the next Council as part of future budget deliberations.

6. 10-year Rolling Financial Plan

Rick Danyluk, General Manager, Finance and Chief Financial Officer, advised that the 10-Year Rolling Financial Plan serves as the District's long-term financial roadmap for achieving the objectives of the Official Community Plan. The framework enables Council to assess alternative scenarios and make informed decisions regarding the balance between service levels, infrastructure requirements, and available funding over the next ten years. Mr. Danyluk emphasized the significance of the forthcoming State of Assets report and the need to maintain the 1.5% infrastructure levy, review borrowing capacity, and ensure the District enters the next Council term with a fully funded 10-year plan. He noted that achieving long-term financial sustainability may require consideration of measures such as adjustments to user fees and charges, reassessment of service demand and service levels, updates to the capital plan, and review of property tax and utility rate targets.

7. Treasury Report – Q1, 2026

Elio Iorio, Manager, Financial Services, advised that the District completed its borrowing through the Municipal Finance Authority (MFA) receiving $27.8 million for the Argyle Secondary School artificial turf field and Maplewood Fire and Rescue Centre. Mr. Iorio noted that the MFA has changed its borrowing structure to align terms with bond maturities, resulting in a 20-year rate of 4.82%, which will increase interest costs by approximately $1.5 million over the term and require earlier repayment starting with an initial $669,000 interest payment. Mr. Iorio stated that despite this change, the District remains within its approved borrowing range and aligned with its long-term financial strategy, with the updated costs to be included in a financial plan amendment and further review of the debt policy.

8. Donation Policy Update

Claire Prescott, Accounting Officer, Strategic Initiatives, advised that the draft Donation Policy is returning from the previous meeting with consultation underway across District departments and partner agencies including Parks, Library, and the North Vancouver Recreation and Culture Commission. Ms. Prescott noted that the Library is currently updating its own resource development and donation policy and maintains an existing relationship with the North Shore Community Foundation, with opportunities to further explore a broader

District relationship. Ms. Prescott stated staff are seeking approval to proceed with the proposed improvements to the District website and consolidate information on donation opportunities.

MOVED by Mayor LITTLE
SECONDED by Councillor MAH
THAT the report entitled "Draft Donation Policy" dated April 15, 2026 is received by the Finance and Audit Standing Committee for information and feedback.

AND THAT a final version of the Donation Policy be brought back to the Committee for consideration and recommendation to Council for approval at a subsequent meeting.

CARRIED

9. Financial Report – Q1, 2026

Rick Danyluk, General Manager, Finance and Chief Financial Officer, advised that the organization remained financially on track through Q1 with budget adjustments performing as planned and operations continuing within the approved framework. Mr. Danyluk noted the forecast indicates a tight position close to budget with approximately $9 million in adjustments and cost reductions supporting continued operations. Mr. Danyluk stated there remains significant uncertainty, but the systems in place are improving and forecasting accuracy is expected to strengthen throughout Q2 and Q3.

MOVED by Mayor LITTLE
SECONDED by Councillor MAH
THAT the report entitled "Financial Report – Q1, 2026" dated May 26, 2026 is received by the Finance and Audit Standing Committee for information.

CARRIED

10. Adjournment

MOVED by Councillor FORBES
SECONDED by Mayor LITTLE
THAT the June 3, 2026 meeting of the Finance and Audit Committee is adjourned.

CARRIED
(10:50 a.m.)

CERTIFIED CORRECT:

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Chair Committee Clerk

AGENDA INFORMATION	
❒ Council Workshop	Date:
☒ Finance & Audit	Date: July 28, 2026
❒ Advisory Oversight	Date:
❒ Other:	Date:

	PC	MF
Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COMMITTEE

July 22, 2026
File:

AUTHORS: Vivian Trang, Project Manager, Engineering, Planning and Design
Andrew Zhou, Section Manager Asset Management and Capital Planning

SUBJECT: State of Assets Report (SOAR)

RECOMMENDATION:
THAT the Finance and Audit Standing Committee recommend to Council:

> THAT the July 28, 2026 report entitled "State of Assets Report (SOAR)" is received for information.

REASON FOR REPORT:
Stewardship of public assets is one of Council's core responsibilities under Section 7 of the Community Charter. This report presents the 2026 State of Assets Report, the District's annual update on the condition of its infrastructure. The report provides Council, staff, and the community with a common understanding of the assets that support local services, their condition, and the funding required to sustain them, informing renewal funding and service-level decisions through the Financial Plan and the 10-Year Rolling Financial Plan.

SUMMARY:
The District owns and maintains $4.65 billion in assets that supports services across daily community life, from water, roads, and drainage to recreation centres, parks, the fleet, and wharves. The 2026 State of Assets Report (Attachment 1) describes what the District owns, the services these assets support, their condition, the renewal demand ahead, and the funding position that sustains service over the long term.

District assets are in fair condition overall, with 45% of useful life consumed and an average of 29 years remaining. Renewal pressure is concentrated in buildings, which carry the largest share of poor-condition value and the shortest remaining useful life, and in wharves. Renewal demand rises through the mid-2030s, led by buildings. A second, larger period of renewal begins around the 2060s as the water, sanitary, and drainage mains installed during the post-war period reach the end of their useful lives.

Tax-supported renewal funding currently meets approximately half of the sustainable funding target and is projected to reach 84% by 2035 under the dedicated infrastructure levy. Utility contributions meet about 77% of their target. Strategies are underway to reduce renewal pressures, address future funding needs, and support long-term service sustainability.

BACKGROUND:
The District began setting aside dedicated funding for infrastructure renewal in 2004, an early commitment among BC municipalities. Since then, the District's asset management practice has matured through the Council-approved Asset Management Policy (2014), asset management plans for each asset group, and long-term financial planning through the 10-Year Rolling Financial Plan.

Asset reporting to the Finance and Audit Committee has developed over the past two years:

- 25-04-24 F&A Closed Agenda Package.pdf (page 193) 2025 State of Assets Reporting (SOAR)
- 25-07-23 FA Closed Agenda Package - 2.pdf (page 9) Sustainable Infrastructure Funding (Part 2 of SOAR)

The 2026 report consolidates state of assets reporting into a single annual document, incorporates sustainable infrastructure funding, and introduces report cards for each of the eight major asset groups.

EXISTING POLICY:
Council has delegated the review and approval of Corporate Financial Policies, including the Asset Management Policy, to the Finance and Audit Standing Committee. The Asset Management Policy supports sustainable service delivery, ensuring services and infrastructure are provided sustainably at appropriate service levels, that assets are safeguarded through sound asset management strategies and financial resources, and that legislative requirements are met. Asset management principles are also embedded in the Infrastructure Planning section of the Official Community Plan.

ANALYSIS:
The State of Assets Report is based on the District's asset register and asset management plans, supported by inspection, engineering, and financial records. Condition assessments, useful life assumptions, and renewal forecasts reflect the best available asset information at the time of reporting. Useful life assumptions are used to estimate renewal demand and set the sustainable funding target. Individual renewal projects remain subject to further assessment and Council approval through capital planning.

District assets exist to support service delivery. The report maps the full $4.65 billion replacement value to the seven service areas the District provides. Utilities account for approximately $2.0 billion (43%), transportation $1.2 billion (26%), and parks, recreation, and culture $0.9 billion (20%), together representing about 89% of the asset base. The remaining assets support protective, planning, governance, and social services. This initial service-based view will be refined as service planning develops and provides the asset baseline for the District's 2027 Service and Budget Review, which will assess services, service levels, and costs.

Eight major asset groups are reported in detail. Technology, Library, and Golf assets are included in the total replacement value but are not reported at the same level of detail and are not included in the reported state of assets results. Assessed assets are in fair condition overall, with a weighted-average condition of C. Condition and renewal pressure vary across asset groups:

Table 1: Condition and Renewal Pressure by Asset Group

Asset Group	CRV ($M)	Physical Condition	Useful Life Consumed	Renewal Pressure
Buildings	1,096.0	D	63%	High
Wharves	21.5	D	68%	High
Drainage	870.1	C	62%	Moderate
Water	671.6	B	46%	Moderate
Transportation	1,165.3	B	43%	Low
Sanitary	462.8	B	56%	Low
Parks	261.2	B	60%	Low
Vehicles and Equipment	55.2	B	63%	Low

Two asset groups are rated High for renewal pressure. Buildings carry the largest concentration of renewal need, with approximately 60% of the group's $1.1 billion replacement value in poor or very poor condition. This need is concentrated in a small number of major community facilities representing approximately $455 million, more than half of it in facilities operated by the North Vancouver Recreation and Culture Commission (NVRC). The Strategic Facilities Plan is developing renewal and replacement options for these facilities, supported by interim renewal work that maintains service delivery.

The District's buildings are also aging. The median building age is approximately 41 years, at the limit of the current 40-year useful life assumption. Many facilities older than this continue to provide reliable service through component renewal. The useful life assumption is under review, and any changes will be reflected in future renewal forecasts and sustainable funding targets.

Wharves are a small share of total asset value but carry high renewal pressure, with most of their value in poor condition. The District is reviewing each wharf to understand its role in the community, the benefits it provides, and the cost to sustain it over its life. This work will inform future service and renewal planning.

Within the drainage network, culverts are the highest renewal priority, with inspection programs and long-term capital funding in place to support rehabilitation and replacement. A small number of asset classes within otherwise lower-pressure groups also rate High for renewal pressure. These assets are managed through asset management plans and planned renewal programs and, in some cases, at deliberately lower target conditions appropriate to the service they provide.

The renewal forecast shows tax-supported demand increasing through the mid-2030s as buildings reach the end of their assumed useful lives, with utility demand concentrated from mid-century onward, when peak renewal requirements are forecast at several times current contribution levels.

The report also identifies the improvements planned over the next two to three years, including better condition information for buried assets, capturing asset classes not yet in the register such as underground utilities within parks and building sites, incorporating functionality and capacity into assessments, refining service level, useful life, and cost assumptions, and continuing to develop the service view of assets.

Timing/Approval Process:
The report is presented to the Committee on July 28, 2026. Annual State of the Assets reporting will continue to monitor asset condition, renewal demand, funding sufficiency, and improvements to asset information and planning assumptions. The findings will inform future capital planning, the 10-Year Rolling Financial Plan, and discussions with the new Council regarding infrastructure sustainability and renewal funding priorities.

Concurrence:
The report was developed collaboratively by the Engineering Infrastructure Services, Engineering Public Works, Climate Action and Parks, and Finance divisions, and has been reviewed by the Asset Management Steering Committee.

Financial Impacts:
There are no direct financial implications arising from receipt of this report. The findings inform renewal funding priorities through the Capital Plan and the District's 10-Year Rolling Financial Plan.

The 2026 sustainable funding target for tax-supported assets is $47.8 million annually. Current funding of $24.0 million meets approximately 51% of this target and is projected to increase to approximately 84% by 2035 through the dedicated annual infrastructure levy of 1.5%. Despite this progress, a residual funding gap of approximately $10 million annually is projected to remain.

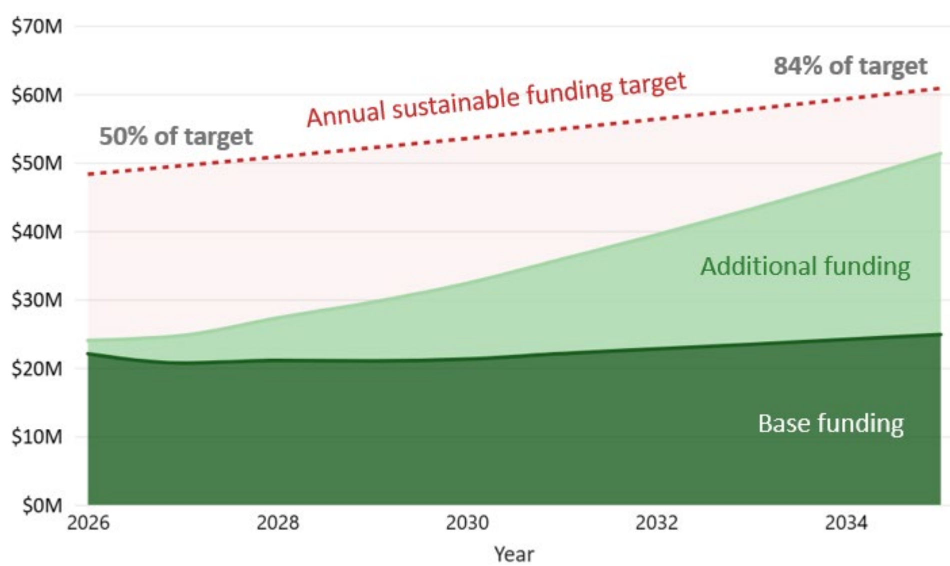
For utility assets, the sustainable funding target is $25.0 million annually, with current funding of $19.4 million meeting approximately 77% of the target. These contributions are funded through water, sanitary, and drainage user rates. As regional water and wastewater charges continue to increase and represent a growing share of utility rates, the District's ability to increase renewal funding while maintaining affordability becomes more constrained.

Table 2: 2026 Sustainable Renewal Funding Position

Asset Group	Sustainable Funding Target ($M)	Current Funding ($M)	Funded %
Buildings	27.4		
Parks	7.3		
Transportation	5.3		
Vehicles and Equipment	4.9		
Wharves, Library and Technology	2.9		
Tax-Supported	**47.8**	**24.0**	**51%**
Drainage	10.9		
Water	8.8		
Sanitary	5.3		
Utility	**25.0**	**19.4**	**77%**

Sustainable funding targets represent the average annual funding required to meet long-term asset renewal needs. Current funding reflects the 2026 Financial Plan.

Figure 1: Tax-Supported Funding Trajectory Against the Sustainable Funding Target



Base funding is the current annual funding available for tax-supported asset renewal, assuming no dedicated infrastructure levy for the future years. Additional funding is the cumulative contribution from the annual 1.5% property tax increase for infrastructure renewal through 2035.

These figures address renewal of existing assets only. The asset baseline also supports the District's broader financial planning, informing the 10-Year Rolling Financial Plan, the 2027 Service and Budget Review, and the strategies being developed to address the District's fiscal position over the next ten years.

To reduce renewal funding gaps and improve long-term infrastructure sustainability, the District is pursuing a range of demand-management, funding, and financing strategies, including:

- Prioritizing facility renewals through the Strategic Facilities Plan and rationalizing or divesting assets where appropriate;
- Extending asset life through improved condition information, lifecycle planning, and coordinated delivery;
- Building utility renewal reserves in advance of future infrastructure demands;
- Using debt strategically to fund long-lived infrastructure assets, including bringing forward a Debt Management Policy that would establish a debt-servicing limit of up to 10% of annual ongoing revenue, while maintaining prudent debt affordability measures and monitoring debt capacity;
- Improving funding capacity and transparency by realizing market value from District assets, including through market-based leasing, keeping pace with development cost charges and pursuing additional non-tax revenue opportunities.

Liability/Risk:
The District's asset management plans incorporate risk assessment when identifying renewal priorities and recommending capital investments. Deferring renewal does not eliminate costs; it typically increases future expenditure requirements and the likelihood of service disruptions, emergency repairs, and asset failure.

Buildings face increasing risks of service interruptions, emergency repairs, and potential facility closures as assets age. Deteriorated wharves can affect public safety and waterfront access, while aging culverts and drainage infrastructure increase the risk of flooding and erosion, particularly as storm events become more frequent and intense and may exceed system capacity. Where renewal cannot be fully funded, Council may be required to consider trade-offs between asset condition, service levels, and affordability. Such decisions, including potential service reductions, asset rationalization, or asset retirement, will be brought forward for Council consideration and direction.

Social Policy Implications:
Many of the assets with the greatest renewal needs are community facilities, including recreation centres, libraries, childcare facilities, and spaces that support community and social services. Timely renewal and reinvestment help maintain safe, accessible, and reliable service delivery while preserving community access to programs, services, and public spaces.

Climate and Environment Implications:
Climate change is increasing demands on drainage, flood protection, and creek-crossing infrastructure through more frequent and intense storms, while hotter summers increase

peak water demand and sea-level rise reduces drainage capacity at tidewater outfalls. Climate resilience is being incorporated into condition assessment and renewal planning, and future reports will expand coverage of natural assets and green infrastructure.

Public Input:
Public input was not sought in the preparation of this report. State of assets reporting supports transparency by providing Council and the community with information on the condition renewal needs, and long-term funding requirements of the District's infrastructure.

The findings will help inform public engagement and future discussions regarding service levels, infrastructure investment priorities, and funding options as part of the 2027 Service and Budget Review process.

Conclusion:
The District owns and maintains $4.65 billion in infrastructure that supports essential community services and quality of life. The 2026 State of Assets Report confirms that District assets are generally in fair condition, identifies where renewal pressures are emerging, and quantifies the long-term funding required to sustain services and infrastructure over time.

Council's ongoing investment in infrastructure renewal, including the dedicated annual infrastructure levy, has significantly improved the District's funding position. However, renewal funding gaps remain and will require a combination of asset management, service planning, funding, and financing strategies to address over the long term. These include prioritizing facility renewal, optimizing the District's asset portfolio, improving revenue generation, building reserve capacity, and strategically using debt for long-lived infrastructure assets.

The report establishes an important asset baseline for the 2027 Service and Budget Review and provides a foundation for future discussions regarding service levels, infrastructure investment priorities, and long-term financial sustainability. Annual State of Assets reporting will continue to support transparent decision-making by tracking asset condition, renewal demand, funding sufficiency, and progress toward sustainable service delivery.

Options:
1. THAT the July 28, 2026 report entitled “State of Assets Report (SOAR)” is received for information. (Recommended)

2. THAT the report is received and staff are directed to undertake further analysis or reporting on specific services, asset groups or financial strategies.

Respectfully submitted,

Vivian Trang
Project Manager, Engineering, Planning & Design

Andrew Zhou
Section Manager Asset Management & Capital Planning

Attachment 1: 2026 State of Assets Report
Attachment 2: Supporting Presentation

REVIEWED WITH:

❑ Business and Economic	___	❑ Finance	___	External Agencies:	
❑ Bylaw Services	___	❑ Fire Services	___	❑ Library Board	___
❑ Clerk's Office	___	❑ GIS	___	❑ Museum and Archives	___
❑ Climate and Biodiversity	___	❑ Human Resources	___	❑ NSEM	___
❑ Communications	___	❑ Integrated Planning	___	❑ NS Health	___
❑ Community Planning	___	❑ ITS	___	❑ NVRC	___
❑ Development Engineering	___	❑ Parks	___	❑ RCMP	___
❑ Development Planning	___	❑ Real Estate	___	❑ Other:	___
☒ EIS	NC	❑ Review and Compliance	___		
❑ Environment	___	❑ Solicitor	___		
❑ Facilities	___	❑ Utilities	___		

DISTRICT OF NORTH VANCOUVER

STATE OF ASSETS REPORT 2026

DISTRICT OF
NORTH
VANCOUVER

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Contents

Executive Summary

$4.65B	C – Fair	45%	2 of 8
Current Replacement Value	Average Physical Condition	Useful Life Consumed	Assessed Asset Groups at High Renewal Pressure

The condition of our infrastructure influences both the reliability of the services we provide and the cost of sustaining them over time. This report describes what we own, the condition of our assets, the renewal demand ahead, and the funding required to support service over the long term.

We own and maintain $4.65 billion of assets that support daily community life, including roads and bridges, recreation and operations buildings, water, sanitary and drainage networks, parks, the fleet, and wharves. Overall, our assets are in fair condition, with 45% of useful life consumed and an average of 29 years remaining.

These assets exist to support service delivery. Utility networks, transportation, and parks, recreation and culture facilities account for approximately 89% of total asset value, with the remainder supporting protective, planning, governance, and social services. This service view of assets helps connect infrastructure investment, service levels, and long-term financial sustainability.

Water, sanitary, and drainage networks remain in good to fair condition relative to their age, supported by ongoing rehabilitation. Roads, bridges, park assets, and the fleet are also in good condition. Buildings and wharves are the primary exceptions.

Buildings carry the greatest renewal need and the shortest remaining useful life of any major asset group. Approximately 60% of building value is in poor or very poor condition, with most of this need concentrated in a small number of major community facilities. Facility assessments also identify buildings that fall below target for functionality and capacity. The Strategic Facilities Plan is prioritizing investment and developing renewal and replacement options, while interim renewal work maintains service delivery. Wharves, small in value but high in renewal pressure, are being assessed to guide future service and potential cost-avoidance decisions. Culverts remain a key renewal priority within the drainage network, with inspection programs and long-term funding in place to support renewals.

Our renewal profile reflects how the District was built. Much of our infrastructure was delivered between the 1950s and 1970s, and a comparable share now reaches the end of its planned life over the same period. This concentrated renewal demand is a pattern shared across municipalities that experienced significant growth during the Post-War Boom era following World War II.

The renewal forecast shows this demand arriving in two waves. Tax-supported renewal demand increases through the mid-2030s, driven primarily by buildings. Utility renewal demand remains relatively stable until around the 2060s, when water, sanitary, and drainage mains installed during earlier growth periods reach the end of their useful lives.

Renewal funding has increased steadily over time through contributions to reserves and ongoing investment in asset renewal. Council has supported this approach through a dedicated infrastructure levy since 2004, including annual 1.5% increases from 2026 through 2035. Tax-supported funding currently meets approximately half of the sustainable funding target and is projected to reach 84% by 2035. Utility renewal contributions meet approximately 77% of their sustainable funding target. Building utility funding capacity ahead of the demand forecast for the 2060s remains a key challenge, particularly as regional water and wastewater charges consume a growing share of utility rates.

Renewal funding gaps remain and will require a combination of asset management, service planning, funding, and financing strategies to address over the long term. Where funding does not yet meet sustainable levels, renewal priorities are managed through asset management plans based on condition, service impacts, and risk. To reduce renewal pressures and improve long-term infrastructure sustainability, we are pursuing the following strategies:

- Prioritizing facility renewals through the Strategic Facilities Plan and rationalizing or divesting assets where appropriate;
- Extending asset life through improved condition information, lifecycle planning, and coordinated delivery;
- Building utility renewal reserves in advance of future infrastructure demands;
- Using debt strategically to fund long-lived infrastructure assets, including bringing forward a Debt Management Policy that would establish a debt-servicing limit of up to 10% of annual ongoing revenue, while maintaining prudent debt affordability measures and monitoring debt capacity.
- Improving funding capacity and transparency by realizing market value from District assets, including through market-based leasing, keeping pace with development cost charges and pursuing additional non-tax revenue opportunities.

Our asset management practice continues to mature as asset information improves and service planning develops. This report helps connect services, assets, and long-term financial planning to support sustainable decision-making.

Introduction

The District of North Vancouver is a vibrant community framed by our mountain backdrop, forests, streams, and shorelines. The infrastructure we own delivers the services residents, businesses, and visitors rely on every day, from safe drinking water and clean streets to recreation facilities, parks, and drainage. These assets support the environmental, social, and economic wellbeing of our community, and sustaining the services they deliver begins with understanding the condition they are in.

This State of Assets Report describes that condition. It is a snapshot of our infrastructure at a current replacement value of $4.65 billion. It sets out what we own, what it would cost to replace, how much useful life remains, and where renewal is most pressing.

Purpose

Stewardship of public assets is a core responsibility of local government, set out in Section 7 of the Community.Charter. This report supports that responsibility by giving Council, staff, and the community a common understanding of the infrastructure behind local services and funding required to renew it.

The report answers five key questions:

- What do we own?
- What would it cost to replace?
- How much useful life remains?
- What condition is it in?
- Where is renewal most needed?

This informs the renewal funding decisions made through the Financial Plan and supports the broader planning framework we use to deliver services.

Background

Much of our infrastructure was built between the 1950s and 1970s and has expanded as our community has grown. A consequence of that concentrated build-out is that a large share of these assets is now reaching the end of its useful life over a similar timeframe, a challenge shared by municipalities across Canada.

We began addressing this early. In 2004, Council dedicated 1% of the annual tax levy to infrastructure renewal. Our practice has matured through a Council-approved Asset Management Policy, supported by asset management plans, capital programs, and long-term financial planning aligned with our 10-Year Rolling Financial Plan.

As that early infrastructure ages, population growth, climate change, and rising construction costs are increasing both the demands placed on our assets and the cost of renewing them. Managing that combination, while sustaining services at a cost the community can afford, is the central task of asset management.

Scope and Methodology

This report covers the infrastructure we own, operate, and maintain across eight major asset groups: Transportation, Buildings, Water, Drainage, Sanitary, Parks, Vehicles and Equipment, and Wharves. The replacement value of Technology, Library, and Golf assets is included in our total, but their inventory and condition are not yet reported in detail.

Figures come from our asset register, supported by mapping, engineering records, condition inspections, and capital and financial records. They are expressed in 2025 dollars, with limited exceptions for some asset classes. Group figures are weighted by replacement value and reported by both asset group and service area. Assets that support more than one service are allocated proportionally.

Excluded from the asset figures are land, partner-owned assets, affordable housing held through community leases, and natural assets and green infrastructure not yet valued. Replacement values are like-for-like to current standards and do not include betterment, climate-resilience upgrades, or growth-driven new infrastructure. The cost to deliver future demand or higher standards would be greater than the values reported here.

The renewal forecast assumes existing-asset renewal only. Data confidence and the key assumptions behind each figure are summarized in Appendix B. Each asset report card also states the confidence behind its figures, so readers can weigh each finding against the data supporting it.

Services and Assets

We deliver services through the infrastructure we own, operate, and maintain. Every service depends on the condition and performance of the assets behind it, from the building systems that keep a recreation centre operating to the network of pipes that delivers safe water to homes.

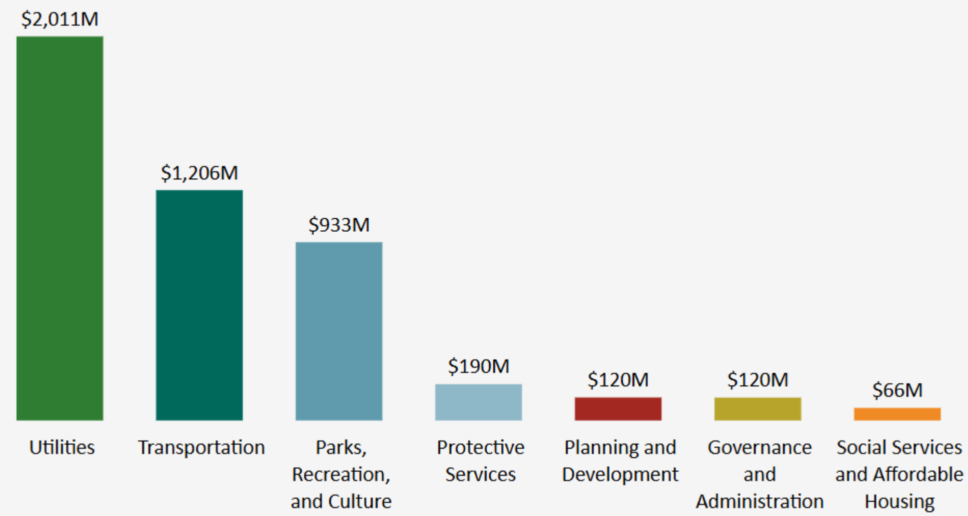
That infrastructure includes:

- 364 km of water mains, 12 reservoirs, and 7 pump stations
- 385 km of sewer mains and 33 lift stations
- 356 km of storm mains and 397 culverts
- 104 buildings, including recreation centres, fire halls, and operations facilities
- 17 vehicle bridges and 21 pedestrian street bridges
- 356 km of road network, 220 km of sidewalk, streetlights, and traffic signals
- Parks infrastructure including bridges, boardwalks, sports fields, playgrounds, sports courts, trails, and other park amenities
- 6 wharves

In total, these assets have a current replacement value of $4.65 billion.

We plan, invest in, and report on this infrastructure through the services it supports. We group our work into seven service areas, each combining the activities and assets that deliver a defined service to the community. The following figure shows each area and the estimated current replacement value of its assets.

Current Replacement Value by Service Area



Three service areas account for 89% of total replacement value: Utilities, Transportation, and Parks, Recreation, and Culture. This reflects the scale of the networks and facilities needed to deliver these services. Buildings sit across nearly every service area. Thirty-seven of our 102 buildings serve more than one service, and buildings are our largest single asset class at $1.1 billion.

Service areas are how we report our infrastructure to the community. Asset groups are how we plan and manage it. Each asset group is covered by an asset management plan and informs the analysis in this report. The asset report cards that follow summarize our inventory, asset condition across three dimensions, keys risks and future priorities.

Each service area is summarized in the table below, with its main assets and share of total replacement value.

Service area	What it provides	Main assets	CRV ($M)	CRV %	ASF ($M)	ASF %
Utilities	Drinking water, wastewater collection, stormwater drainage, and solid waste collection	Water, sewer, and storm mains; reservoirs; pump, lift, and PRV stations; culverts and flood-protection works	2,010.7	43%	25.1	35%
Transportation	Movement of people and goods by road, on foot, and by bicycle	Roads, vehicle and pedestrian bridges, retaining walls, streetlights, traffic signals, sidewalks, and wharves	1,205.9	26%	5.8	8%
Parks, Recreation, and Culture	Recreation and sport facilities, parks and open space, and library and cultural services	Recreation and cultural buildings; sports fields, courts, playgrounds, trails, and park structures; library collections	933.4	20%	25.0	34%
Protective Services	Emergency response and public safety	Fire halls; fire vehicles and equipment	189.8	4%	5.5	8%
Planning and Development	Community planning, development approvals, and land and property management	District-owned real estate and property; administrative buildings	120.4	3%	3.0	4%
Governance and Administration	Corporate and administrative functions that support the organization	Administrative and operations buildings; corporate fleet; information technology	119.7	3%	6.7	9%
Social Services and Affordable Housing	Housing, care, and community-based facilities	Community, childcare, and social-service facilities, including leased and partner-operated buildings	65.7*	1%	1.6	2%
Total			4,645.6	100%	72.8	100%

* Excludes.7?❹❹8.affordable.housing.units.secured.through.community.leases?with.an.estimated.replacement.cost.in.the.order.of.P❷❶6. million.based.on.provincial.construction.cost.estimates¡

State of the District's Infrastructure

Understanding the condition and lifecycle position of our infrastructure is the basis for the planning and investment decisions that follow. This section describes the state of our assets through four indicators: replacement value, useful life, physical condition, and renewal pressure.

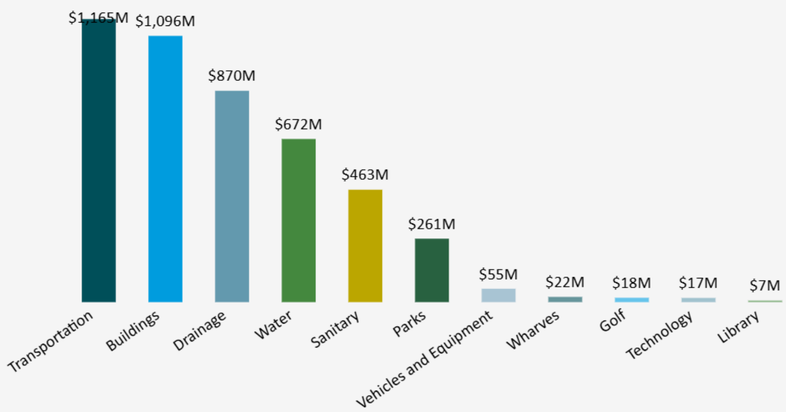
Current Replacement Value

Current replacement value (CRV) is the estimated cost to replace an asset today with a modern equivalent that provides the same service. It is the standard measure of the scale of our infrastructure.

Our inventory has a total replacement value of $4.65 billion, up from approximately $2.77 billion in 2022. The increase reflects rising construction costs, ongoing refinements to the asset register, and growth in the asset base itself.

Transportation and Buildings together account for almost half of total replacement value, followed by Drainage, Water, and Sanitary. The remaining groups represent a smaller share.

Current Replacement Value by Asset Group

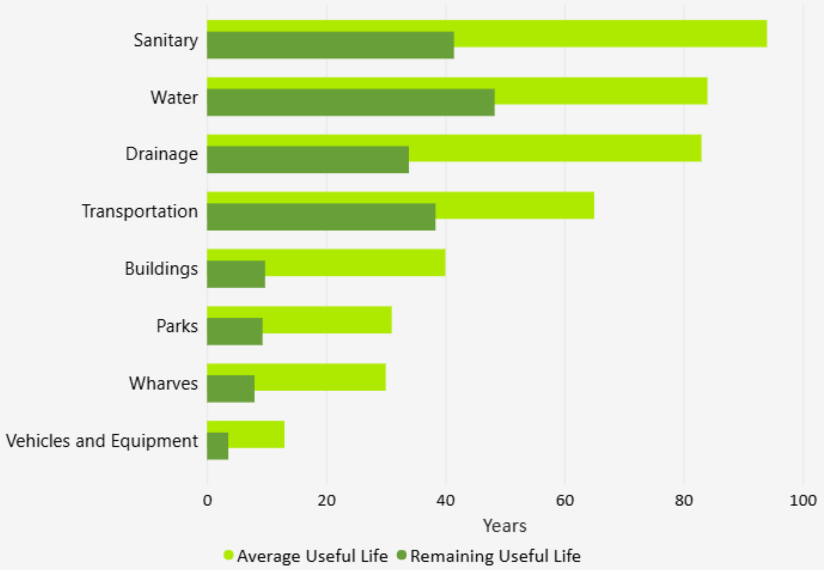


Asset group	CRV ($M)	% of total
Transportation	1,165.3	25%
Buildings	1,096.0	24%
Drainage	870.1	19%
Water	671.6	14%
Sanitary	462.8	10%
Parks	261.2	6%
Vehicles and Equipment	55.2	1%
Wharves	21.5	<1%
Golf	18.0	<1%
Technology	17.3	<1%
Library	6.6	<1%
Total	4,645.6	100%

Useful Life

Remaining useful life is an asset's expected useful life less its current age, based on the level of service planned for that asset class. Expected useful life reflects the condition at which assets are renewed and the rate at which they deteriorate. Useful life assumptions directly influence renewal demand and funding requirements by determining when assets are expected to be renewed. The useful life assumptions for each asset class are provided in Appendix C. Across our infrastructure, 45% of total useful life has been consumed, with 29 years remaining on average.

Useful Life Profile by Asset Group



Buildings, our largest asset class, have 10 years remaining on average based on a 40-year useful life assumption. The median building age is approximately 41 years, at the limit of this assumption, meaning half the building inventory has reached or exceeded its assumed life. Many of these facilities continue to provide reliable service through component renewal, as building structures typically outlast the roofs, mechanical systems, and other components within them. The 40-year useful life assumption is therefore under review, including how buildings are renewed over their lives and when replacement may be required.

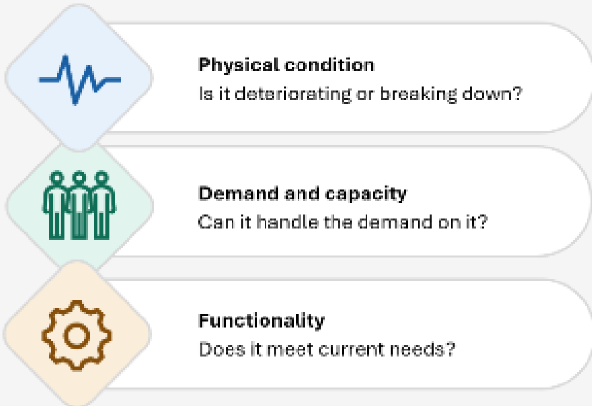
Wharves have eight years remaining on average, with ongoing repairs and maintenance extending service life. Culverts within the drainage network have nine years remaining on average and are a key renewal priority.

Our long-lived buried networks retain substantial remaining useful life. Water assets are 46% consumed and sanitary assets 56% consumed. These figures reflect useful life assumptions of 80 to 100 years for network mains, supported by ongoing rehabilitation that extends service life and defers replacement.

Useful life and condition describe different aspects of our infrastructure. Useful life indicates when renewal demand is expected to occur. Condition provides a snapshot of how assets are currently performing.

Asset Condition

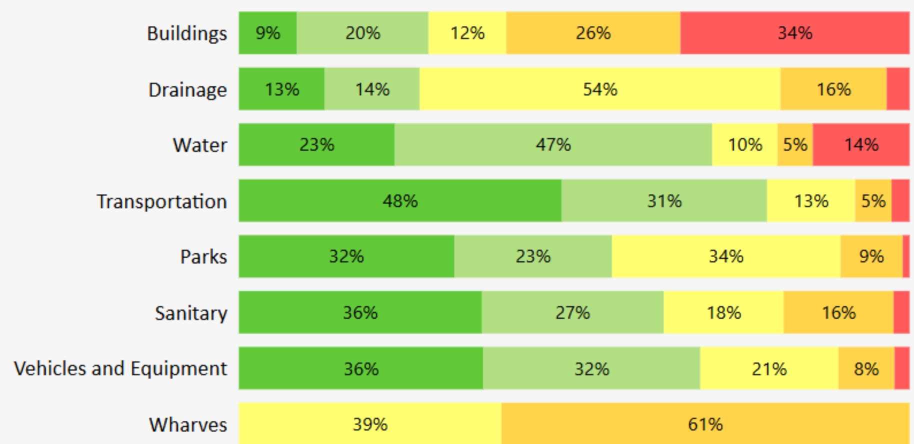
Asset condition includes physical condition, capacity, and functionality. Physical condition assesses an asset's state of repair, capacity assesses its ability to meet demand, and functionality assesses how well it supports the service it is intended to provide. A culvert may be structurally sound yet undersized for heavier storms. An older building may be in good physical condition but no longer provide the access or layout its current use requires.



Physical condition is the most consistently assessed dimension across our assets and forms the basis of the ratings in this report. Assets are graded on a five-point scale from A (Very Good) to F (Very Poor), weighted by replacement value so that higher-value assets carry greater weight in the overall grade. Capacity and functionality are less mature and are described in the Asset Report Cards for each asset group.

Grade	Rating	Meaning
A	Very Good	Fit for the future; minimal intervention needed
B	Good	Sound; routine maintenance only
C	Fair	Showing deterioration; monitoring and some renewal needed
D	Poor	Below standard; significant deterioration; approaching end of life
F	Very Poor	Unfit for sustained service; at or beyond end of life; action needed

Asset Condition by Asset Group



The weighted average physical condition of our assessed assets is C (Fair). Of total replacement value, 36% is in good or better condition (grades A and B), 20% is in fair condition (grade C), and 26% is in poor or very poor condition (grades D and F). The remaining 19% has no recorded condition grade.

Buildings are the largest contributor to poor condition across the District's infrastructure, with approximately 60% of the group's $1.1 billion replacement value rated poor or very poor. This reflects major building components at or nearing the end of their useful lives. The poor-condition value is concentrated in a small number of major community facilities representing approximately $455 million, more than half of it in facilities operated by the North Vancouver Recreation and Culture Commission (NVRC).

Excluding buildings, poor or very poor condition falls to 17% of assessed value. Building condition grades are based on facility condition assessments (FCIs) and are considered high confidence. These assessments indicate that many buildings fall below target for functionality and capacity, in addition to physical condition. Wharves are the only other asset group with a high concentration of poor-condition assets.

The condition of our long-lived networks remains good relative to their age. The water, sanitary, and drainage networks average between 36 and 52 years of age against useful lives of 80 years or more, leaving substantial life remaining. These long useful lives reflect ongoing rehabilitation and renewal.

Confidence in condition grades varies by asset group and assessment method. Buildings, bridges, pavement, utility point assets, and the vehicle fleet are assessed directly. The main information gap is within the sanitary and drainage networks, where condition grades are based on partial CCTV inspection coverage and remain indicative. Expanding inspection coverage across the buried networks is a current priority.

Renewal Pressure

Renewal pressure is our assessment of where renewal need is most immediate, combining the share of value in poor or worse condition and the proportion of useful life consumed. Appendix B describes the method and rating criteria. Buildings and wharves are the only asset groups rated High.

Buildings carry the largest concentration of poor-condition value and the shortest remaining useful life of any major asset group. They also represent approximately one-quarter of the asset base by value, making them our most significant source of renewal pressure.

Wharves are the smallest asset group rated High for renewal pressure. They have a relatively short useful life of approximately 30 years for the overall structure and have consumed 68% of that life, with ongoing component renewals extending service life. Current work is examining the role each wharf plays in the community, the benefits it provides, and its lifecycle cost.

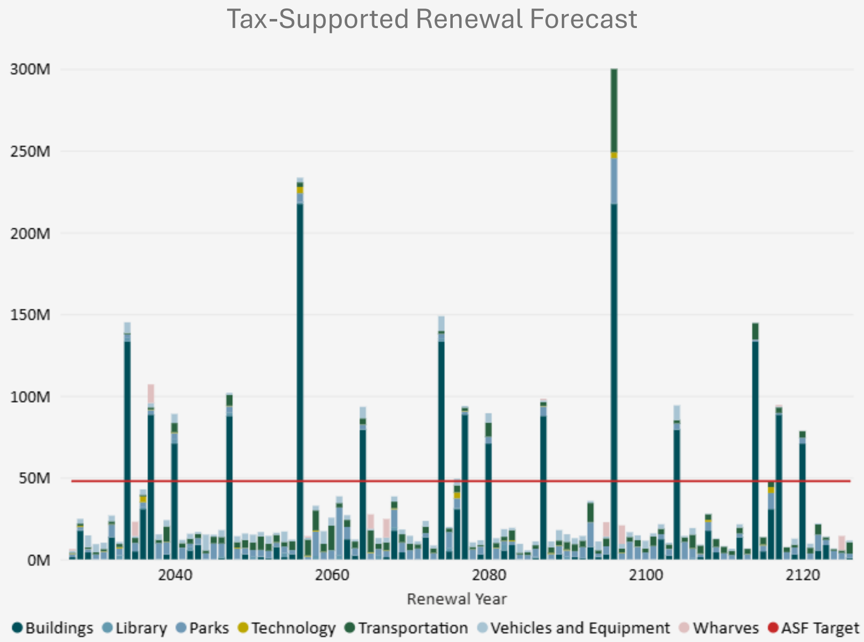
Transportation, sanitary, parks, and fleet assets carry lower renewal pressure at the group level. Individual asset classes within these groups can face higher renewal pressure, and the asset report cards present condition and consumed life at the asset class level.

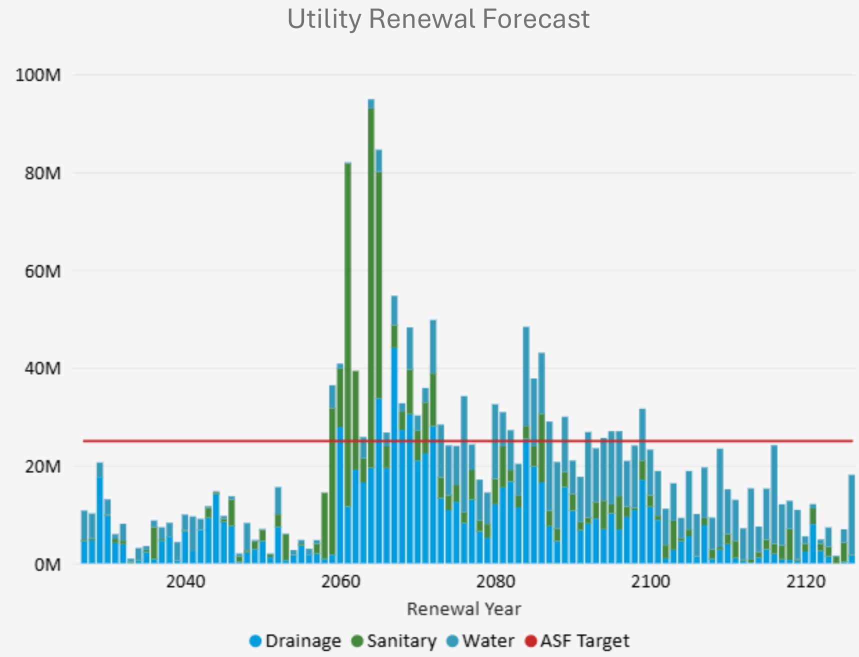
Asset group	CRV ($M)	Useful life consumed	Condition	Renewal pressure
Buildings	1,096.0	63%	D	High
Wharves	21.5	68%	D	High
Drainage	870.1	62%	C	Moderate
Water	671.6	46%	B	Moderate
Transportation	1,165.3	43%	B	Low
Sanitary	462.8	56%	B	Low
Parks	261.2	60%	B	Low
Vehicles and Equipment	55.2	63%	B	Low

Renewal Outlook

The renewal forecast estimates future replacement demand based on each asset's age, useful life, and current replacement value. It provides a long-term view of when renewal is expected and the funding required to renew existing assets. The forecast models like-for-like renewal over each asset's full life cycle and does not account for growth, climate adaptation, service-level changes, or asset disposals. It is a planning tool to understand long-term renewal demand, not a spending plan.

Renewal is funded through two primary sources. Tax-supported assets are funded through the property tax levy, while utility assets are funded through utility rates. Renewal demand for each is compared against its annual sustainable funding target.





Tax-supported renewal demand remains low through the late 2020s and early 2030s as most infrastructure has not yet reached the end of its useful life. The first significant wave occurs in the mid-2030s, driven by a large number of buildings reaching the end of their expected useful lives within a relatively short period. Further building-driven demand follows throughout the forecast horizon.

The sharp annual peaks reflect modelling assumptions rather than expected annual spending. Actual renewals are planned and delivered over multiple years. The forecast highlights the need for sustained investment before this renewal wave arrives.

Utility renewal demand is lower in the near term. Beginning in the 2060s, demand increases significantly as buried water and sewer infrastructure installed during earlier decades of growth reaches the end of its useful life. Forecast peaks are approximately four times the current sustainable funding target, and renewal demand remains elevated through much of the second half of the century.

This pattern reflects both the long useful lives of buried infrastructure and the concentrated build-out that occurred during earlier growth periods. The forecast highlights the importance of steadily increasing renewal contributions over time, so funding capacity is in place before this renewal demand emerges.

Sustainable Infrastructure Funding

The renewal forecast identifies when assets are expected to require renewal. The demand is uneven from year to year, lower in some years and concentrated in others as generations of assets reach the end of their useful lives together. The sustainable funding target translates this uneven demand into a steady annual funding requirement. It represents the funding needed to renew assets at the rate they are consumed, spreading the cost of long-lived infrastructure across the generations that benefit from it.

Contributing at this steady rate and holding funds in renewal reserves until they are needed allows peaks in renewal demand to be met without sharp increases in taxes or rates. Funding renewal in this way also helps maintain service levels, avoids the higher costs associated with deferred renewal, and prevents a renewal backlog from accumulating.

Sustainable Funding Target and Current Funding (2026)

Asset group	Sustainable Funding Target ($M)	Current Funding ($M)	Funded %
Buildings	27.4		
Parks	7.3		
Transportation	5.3		
Vehicles and Equipment	4.9		
Wharves, Library and Technology	2.9		
Tax Supported	47.8	24.0	51%
Drainage	10.9		
Water	8.8		
Sanitary	5.3		
Utility	25.0	19.4	77%

Sustainable funding targets convert long-term renewal demand into an equivalent annual funding requirement. Current funding reflects the 2026 Financial Plan.

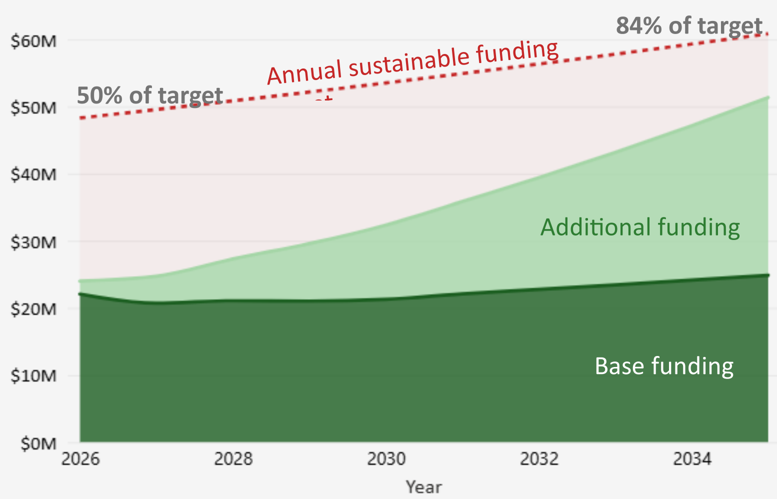
The table compares the sustainable funding target with current funding for tax-supported and utility assets. Renewal needs are identified in the asset management plans and prioritized for available funding, informed by condition, service impacts, and risk.

Tax-Supported Assets

Buildings account for $27 million of the $47 million annual sustainable funding target, exceeding the combined requirement of all other tax-supported asset groups. This concentration reflects the condition and renewal pressure identified earlier in this report and makes buildings the primary driver of the tax-supported funding challenge.

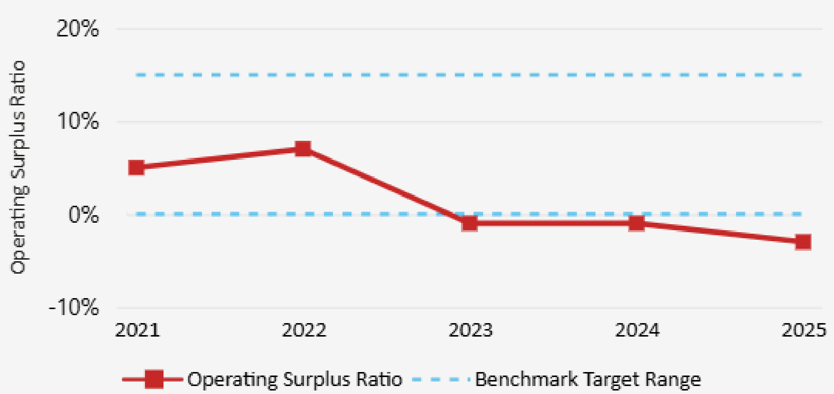
Renewal funding grows under the dedicated infrastructure levy, which adds 1.5% of the prior year's tax levy annually through 2035, at a cost of approximately $44 per year for the average residential property in 2026. By 2035, annual renewal funding is projected to reach $51 million. Construction inflation is expected to increase the sustainable funding target to approximately $61 million, leaving a remaining gap of about $10 million per year.

Tax-Supported Funding Trajectory Against Sustainable Target



Closing the remaining gap would require greater contributions from operating revenues. The operating surplus ratio measures the funds available for reserve contributions after operating costs have been funded. The target range is 0% to 15%; however, the ratio has remained below target since 2023 due to rising construction costs and restrained revenue growth. As a result, growth in renewal funding continues to rely primarily on the dedicated renewal levy.

Operating Surplus Ratio



Utility Assets

Current renewal contributions of approximately $19.4 million meet about 77% of the sustainable funding target, leaving a current funding gap of approximately $6 million per year. This funding position reflects the current condition of the networks and the relatively low level of near-term renewal demand. Water, sanitary, and drainage assets remain in generally good condition.

The primary utility funding challenge is preparing for future renewal demand. The Renewal Outlook shows a concentrated period of buried-network renewal beginning around the 2060s, when annual renewal requirements are expected to be several times higher than current contribution levels. Building renewal reserves gradually in advance of this demand helps spread costs across the generations of ratepayers who benefit from these assets and reduces the likelihood of significant rate increases when renewal needs peak.

Utility rates must also fund regional water supply and wastewater treatment costs, which represent a significant and growing share of total utility expenditures. As these charges increase, the District's ability to increase renewal contributions while maintaining affordable rates becomes more constrained. Future rate decisions will therefore need to balance renewal investment, regional costs, and affordability.

Address Renewal Pressures and Funding Gaps

To address renewal pressures, reduce funding gaps, and support long-term service sustainability, the District is pursuing the following strategies:

- Prioritization of building renewals through the Strategic Facilities Plan, including replacement, repurposing, consolidation, and disposal decisions.
- Staged project approvals that fund planning and options first, committing delivery once scope and costs are confirmed.
- Building utility renewal reserves in advance of future infrastructure renewal demands.

- Coordinating renewal delivery across networks and road works to reduce construction and restoration costs.
- Strategic use of debt to align repayment with the residents who benefit from long-lived assets.
- Extending asset life through stronger condition data, lifecycle planning, and timely interventions.
- Asset rationalization where appropriate, including consolidation, divestment, or service-level adjustments to focus resources on assets with the highest public benefit.
- Realizing the revenue potential of District assets through new user fee and lease policies.
- Ensuring development charges reflect planned growth and keep pace with rising construction costs.
- Alternative revenue sources including sponsorships, partnerships, and service agreements with regional and senior government partners.

Even with these strategies in place, not every renewal need can be funded as it arises. Deferred needs remain in the asset management plans, their condition is monitored, and they are brought forward again as funding and priorities allow.

Risks to Service Delivery

The condition and renewal pressure findings in this report translate into specific risks for services our assets support. Several factors increase those risks and the funding to manage them over time.

Ageing infrastructure: The concentrated post-war build-out means many assets are reaching the end of their useful lives within a similar period, most visibly in our buildings. When renewal is deferred, assets deteriorate further and costs increase. Renewal needs are typically known 5 to 10 years in advance, and planning over that timeframe allows maintenance and renewal work to be scheduled proactively. Making renewal decisions year to year can lead to reactive repairs, which cost more and can interrupt services without warning.

Climate change: More frequent and intense storms, heavier rainfall, longer dry periods, and rising sea levels are increasing risks to the services our infrastructure provides. Drainage systems face greater flood and capacity pressures, marine infrastructure is exposed to sea level rise and harsher conditions, and hotter, drier summers increase peak water demand. The District's terrain adds erosion and debris risks to culverts, roads, and slope-protection structures. These pressures can shorten asset life and increase the cost of maintaining service.

Growth: New and contributed assets expand the services we deliver. Their renewal costs are not part of today's forecast and will add to renewal demand as they age. New assets also carry ongoing operating and maintenance costs. Where these costs are not matched by additional operating funding, fewer resources remain available to maintain existing assets.

Regulatory uncertainty: Provincial housing legislation has changed expectations for land use and development density. This creates uncertainty around the demand our water, drainage, and sanitary networks must serve, reducing confidence in long-term network modelling, infrastructure sizing, renewal planning, and the growth assumptions used for development charges.

Cost: Construction inflation increases both replacement values and the cost of renewal. Deferred work is not avoided; it is completed later at a higher cost, and recent escalation has outpaced general inflation.

These pressures compete for limited renewal funding and require ongoing prioritization. Not every asset can be renewed within available funding. Where renewal is not funded, the options may be to accept declining condition, reduce service levels, or remove the asset from service. Where such decisions arise, they will be brought forward for Council direction.

The following table summarizes the most significant service delivery risks identified through this assessment and the measures in place to manage them.

Service at risk	Asset group	Consequence if deferred	What we are doing
Recreation, fire and emergency response, libraries, and operations	Buildings	Facilities fall below the standard required to support service delivery, increasing the risk of unplanned closures and emergency repairs over the coming decade.	Strategic Facilities Plan is helping to prioritize investments in facilities and develop renewal and replacement options for Council decision. Interim renewal works extend working life and maintains service delivery.
Marine access and public safety	Wharves	Loss of public marine access, reduced emergency resilience if a structure fails, and risk to public safety where deteriorated structures remain in use.	Ongoing inspection, condition monitoring, and component repairs. Wharf-by-wharf renewal decisions assessing service value, lifecycle cost, and risk.
Flood protection	Drainage (especially culverts)	More frequent localized flooding, erosion, and disruption to roads and property as storm events exceed system capacity.	Long-term capital funding for culvert rehabilitation, replacement, and risk reduction. Ongoing condition inspection programme informing renewal planning.
Wastewater collection	Sanitary	Rain and groundwater entering the network consume capacity, and during intense rainfall this can cause overflows to the environment and sewer backups affecting private property.	Expanding CCTV condition inspection, steady sewer main renewal, and targeted inflow and infiltration reduction.

Continuous Improvement

Asset management practice continues to improve as data quality, condition information, and assessment methods develop. The work below is underway or planned.

- Bringing Technology, Library, and Golf assets into condition and renewal reporting, and extending coverage to land holdings, natural assets, green infrastructure, and partner-owned assets on which our services depend.
- Expanding inspection-based condition assessment across the buried networks, with sanitary mains and stormwater assets as the priorities.
- Developing functionality and capacity assessments alongside physical condition to provide a more complete picture of asset performance.
- Refining useful life and cost assumptions across all asset groups, including utility mains, buildings, and assets where cost bases lag current construction costs, particularly streetlights and traffic signals. Opportunities to extend useful life through revised target conditions or renewal approaches are documented by asset class in Appendix C.
- Incorporating climate resilience into condition and renewal assessment and continuing to reduce the emissions of our own assets.
- Reviewing lease and operating arrangements across District facilities, including community-lease affordable housing, to improve understanding of long-term maintenance, renewal, and funding obligations.
- Defining service levels for each service area to guide renewal decisions and the long-term funding strategy required to sustain infrastructure renewal through the 10-Year Rolling Financial Plan.

This report will be updated on a regular cycle so Council and the community can track how asset condition and funding sufficiency change over time.

Asset Report Cards

The following report cards summarize what we own, the condition of our assets, the key risks to service delivery, and the actions planned or required over the coming years.

Report cards are included for our eight major asset groups: Transportation, Buildings, Water, Drainage, Sanitary, Parks, Vehicles and Equipment, and Wharves.

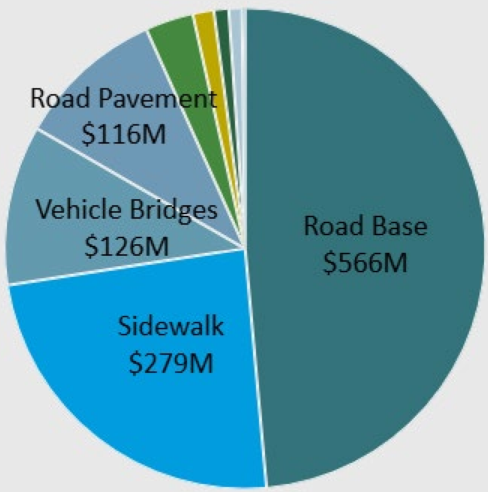
Technology, Library, and Golf assets are not yet reported in detail.

Transportation

ASSET REPORT CARD
State of Assets Report 2026

$1,165M	B – Good	LOW	31	15-80
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 356 km Road Base, $556M
- 220 km Sidewalks, $279M
- 17 Vehicle Bridges, $126M
- 3.4M m^2 Road Pavement, $116M
- 3,446 Street Light Networks, $38M
- Traffic Signal Network, $17M
- 21 Pedestrian Bridges, $12M
- 363 Retaining Wall, $10M
- 59 Traffic Controllers, $2M

WHAT THESE ASSETS DO

Transportation assets move people and goods safely and efficiently across the District. Roads, bridges, sidewalks, cycling infrastructure, traffic signals and street lighting connect neighbourhoods, support emergency response and enable daily travel by all modes. These assets keep the community moving and are central to public safety, accessibility and economic activity.

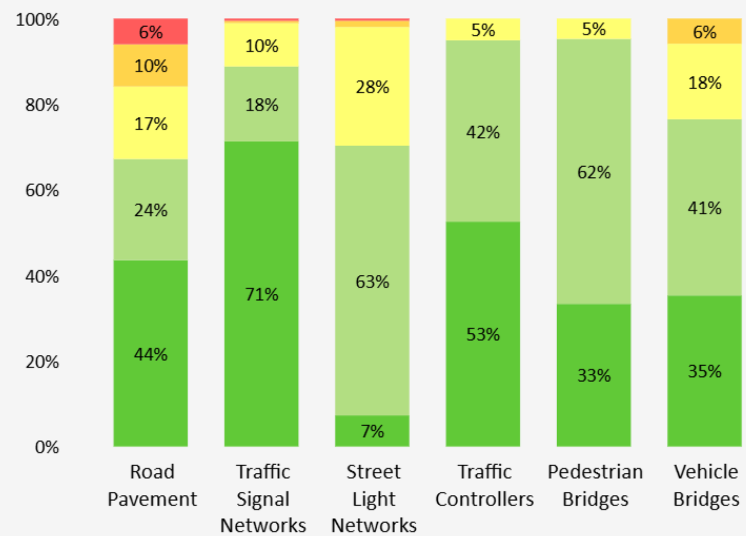
KEY ACHIEVEMENTS | 2025-2026

- Reestablished the annual bridge inspection and renewal program.
- Established a three-year sidewalk condition assessment cycle, beginning in 2026.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: Most transportation assets are in good or very good condition. Approximately 68% of road pavement is in good or very good condition, and repaving is guided by a steady-state target of 100,000 to 110,000 m^2 per year to maintain service levels. Some roads in poor condition are expected, as repaving is managed to optimize value from each road segment over its life cycle. Approximately 94% of bridges are in fair condition or better. The two bridges below the target condition threshold, the Edgemont Boulevard Bridge and the Malaspina and Redonda Pedestrian Bridge, are planned for replacement in 2027.

Physical.condition.by.asset.class.(↘ .CRV.by.condition)

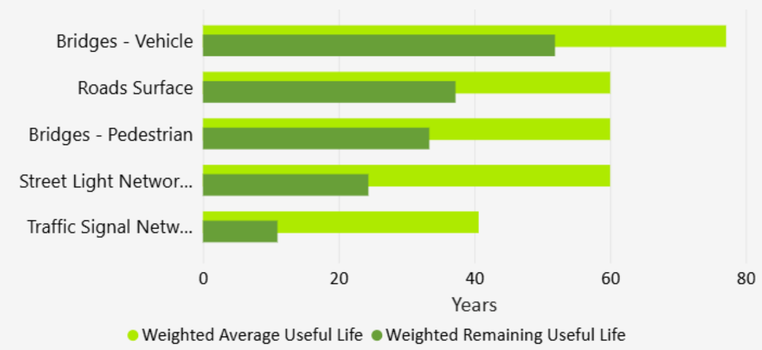


DATA CONFIDENCE

Medium: Bridge condition is based on regular structural inspections and is high confidence. Road condition is based on network-wide pavement assessments completed on a three-year cycle. Streetlight condition data is based on regular inspections. Confidence in sidewalk condition will improve following the network-wide assessment scheduled for 2026.

Demand and capacity: Population growth increases demand on the District's transportation network, with the greatest effects occurring during peak travel periods. Transportation assets are essential to daily travel and goods movement, and increased use accelerates wear and advances renewal needs. District-owned bridges currently provide sufficient capacity for the local network, with no widespread capacity deficiencies across the inventory.

Functionality: Most transportation assets continue to function as intended. One vehicle bridge, the Edgemont Boulevard Bridge over MacKay Creek, has a load restriction in place until its planned replacement in 2027. Accessibility improvements, including curb ramps, tactile walking surface indicators, audible pedestrian signals, and boulevard sidewalks, continue to improve how well the network serves all users.



KEY RISKS

- Increasing construction and material costs reduce the amount of renewal work that can be delivered within available funding.
- More frequent storm-related power outages affect the reliability of the traffic signal network.

LOOKING AHEAD

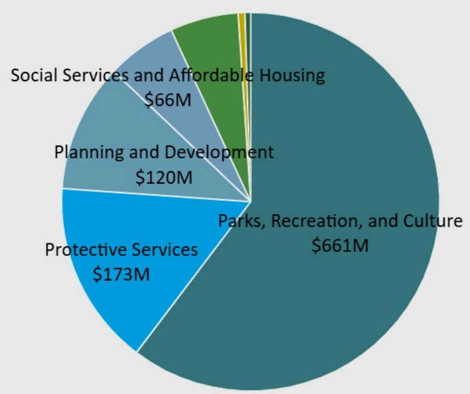
- Road paving will remain focused on arterial and collector roads, reflecting their higher traffic volumes and importance to the network.
- A network-level sidewalk condition assessment will be completed in 2026 to provide an up-to-date assessment of sidewalk condition.

Buildings

ASSET REPORT CARD
State of Assets Report 2026

$1,096M	D – Poor	HIGH	30	40
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life (yr)

WHAT WE OWN



102 buildings in total, grouped by primary service area. 34 support more than one service.

- 47 Parks, Recreation, and Culture buildings, $661M
- 10 Protective Services buildings, $173M
- 22 Planning and Development buildings, $120M
- 15 Social Services and Affordable Housing buildings, $66M
- 8 Governance and Administration buildings, $64M
- $6M allocated to Utilities across shared buildings
- 2 Transportation buildings, $5M

WHAT THESE ASSETS DO

Buildings support the delivery of essential municipal services and community programs by providing the physical spaces required for operations, public access, and service delivery. They enable departments and partner organizations to carry out activities ranging from public works and emergency response to recreation, cultural programming, and social services.

KEY ACHIEVEMENTS | 2025-2026

- Demolition of Seylynn Hall, old Fire Training Centre and old Fire Station #2 (Lynn Creek).
- Projects initiated or completed in 16 high-priority buildings.
- Establishment of Strategic Facilities Plan provision in the 2026-2030 Financial Plan

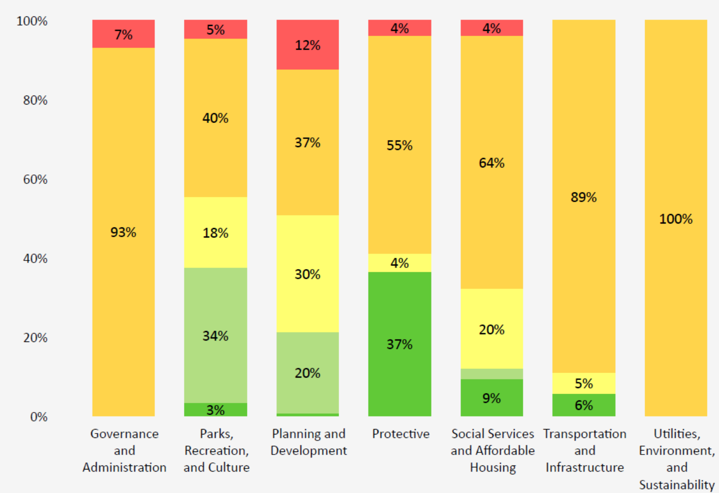
PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: Overall, the building inventory is below its target physical condition. Condition is rated using each facility's Facility Condition Index (FCI), which measures its state of repair.

Demand and capacity: Overall, buildings are below target for demand and capacity. This rating considers how well each facility meets current and projected service demand based on location, utilization, programming capacity and public access.

Functionality: Overall, buildings are below target functionality. This rating assesses how effectively each facility supports its intended use, including layout and design, accessibility, inclusivity, safety and alignment with current program and service requirements.

Physical.condition.by.service.area.(↘ .CRV.by.condition)



DATA CONFIDENCE

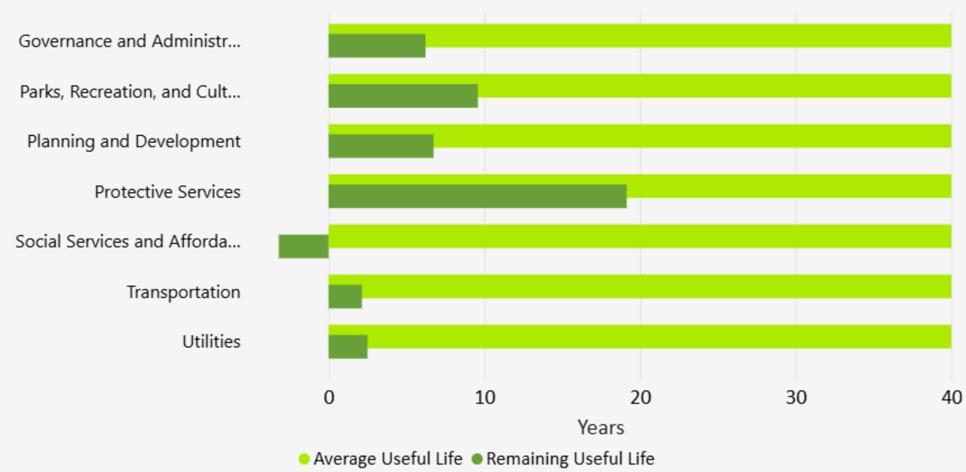
Medium: Building system data, including architectural, structural and major mechanical and electrical components, is high confidence based on available records and assessments. Known gaps in underground utilities and subsurface infrastructure introduce uncertainty in the scope and cost of future work, resulting in an overall medium confidence level with potential for cost variance.

KEY RISKS

- Deferred maintenance resulting from constrained funding can accelerate deterioration, increase lifecycle costs and raise the likelihood of unplanned failures and service disruptions.
- Population growth and evolving community needs may increase the scope and scale of future facilities, driving replacement costs above current estimates.
- A concentration of building replacement projects is expected in the next 10 to 15 years, placing significant pressure on financial capacity.

LOOKING AHEAD

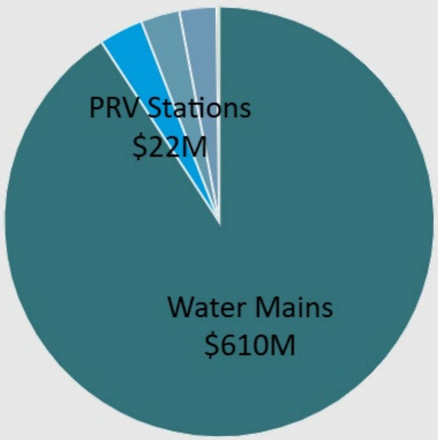
- Replacement projects planned for the Cates Park washrooms and Fire Station #5 (Norgate).
- Interim renewal projects underway in fire stations, libraries, park washrooms and recreation centres to extend service life while replacement funding strategies are evaluated.



Water

$672M	B – Good	MODERATE	36	10-100
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 364 km Water Mains, $610M
- 34 PRV Stations, $22M
- 12 Water Reservoirs, $20M
- 7 Pump Stations, $19M
- Utilities Equipment, $1M
- 1,928 Hydrants
- 845 Meters
- 21,029 Service Connections

WHAT THESE ASSETS DO

Watermains, pump stations, pressure control valves, reservoirs and service connections provide potable water to residents and businesses across the District. Together with fire hydrants, the network also supplies water for fire protection of properties.

KEY ACHIEVEMENTS | 2023-2025

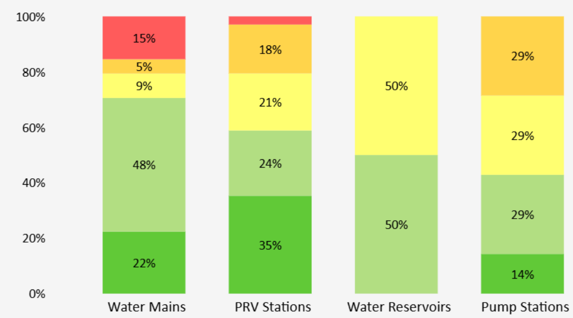
- 2025 Annual Drinking Water Quality Report reviewed and accepted by Vancouver Coastal Health's Medical Health Officer.
- Replaced 4.2 km of aging watermain, primarily asbestos cement pipe.
- Flushed 15 km of watermain.
- Zero days and zero residents on boil water advisories.
- Responded to and repaired 16 emergency watermain breaks.
- Introduced a new bylaw requiring water meters on all new water service connections, extending a requirement that previously excluded single family homes.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: Most water distribution assets are in fair to good condition. Break repair costs are declining as the watermain replacement program, which replaces 4 to 5 km per year, reduces breaks on asbestos cement pipe.

Demand and capacity: The water system is meeting customer demand and fire flow requirements under normal operating conditions. Some local high spots within pressure zones experience lower than average water pressure. Water consumption increases significantly during summer peaks, in some cases

Physical.condition.by.asset.class.(↘ .length.mains·.↘ . asset.count.by.condition)

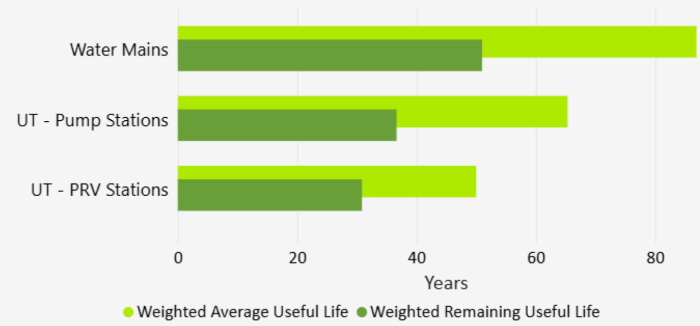


DATA CONFIDENCE

High: Watermain condition is based on recorded break history, supplemented by age-based estimates. Point assets are assessed through periodic condition inspections.

doubling, due to non-essential irrigation. Population growth is increasing demand on local supply infrastructure such as pressure reducing valves, storage reservoirs, pump stations and connections to Metro Vancouver's regional network.

Functionality: Overall, water assets remain fit for purpose and continue to meet service requirements. Some pump stations do not have emergency backup power and rely on a fixed amount of reservoir storage to maintain system pressure and fire flow during electrical outages. Aging cast iron mains can cause localized discoloured water complaints at various times of the year.



KEY RISKS

- Provincial housing legislation has created uncertainty regarding future land use, development density and associated water use, especially fire flow requirements. This reduces confidence in long-term hydraulic modelling, infrastructure sizing, renewal planning and development approval assumptions.
- Hotter and drier summers are increasing non-essential irrigation demand on top of water needed for basic needs.
- Failure of a major pump station or watermain can affect large numbers of customers in parts of the network with limited redundancy.
- Large fire flow draws for structure fires in large wood-frame multi-family buildings place high demands on the network, causing high pipe velocities, thrust loads on bends and fittings, and extended discoloured water events. Draws that exceed system capacity can depressurize the network, creating significant water quality concerns that could require boil water advisories.

LOOKING AHEAD

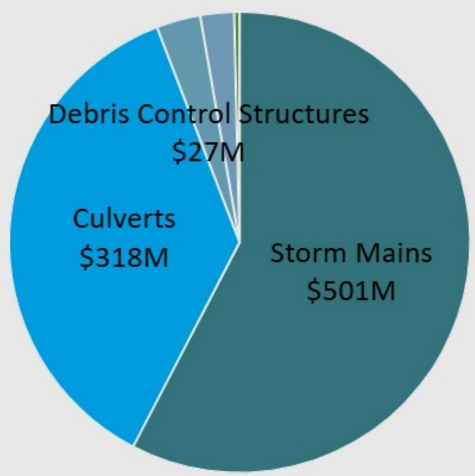
- Skyline Pump Station renewal.
- Continued asbestos cement watermain replacement.
- Installing water meters on new service connections at the same time as watermain replacement.

Drainage

ASSET REPORT CARD
State of Assets Report 2026

$870M	C – Fair	MODERATE	49	50-100
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 356 km Stormwater Mains, $501M
- 397 Culverts, $318M
- 13 Debris Control Structure, $27M
- Flood Protection Structure, $22M
- 1 km Open Watercourses, $3M
- 9,791 Catch Basins
- 7,419 Manholes
- 18,047 Service Connections

WHAT THESE ASSETS DO

Storm mains, service connections, manholes and catch basins convey water from private property and roadways to open watercourses and tidewater outfalls. Watercourses and culverts carry stormwater through the District, reducing flood risk, protecting infrastructure, maintaining transportation access and supporting environmental objectives.

KEY ACHIEVEMENTS | 2025-2026

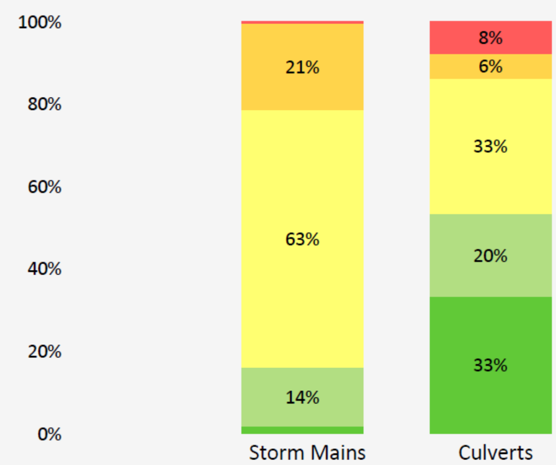
- Completed the Evergreen Flume storm main project, replacing approximately 400m of failing 1960 wood stave flume in the Norwood Queens neighbourhood with new 900mm and 1050mm reinforced concrete pipe.
- Expanded condition inspection across the drainage network, covering 5 km of storm mains and 35 culverts in 2025.
- Established an annual culvert replacement program within the long-term capital allocation, providing ongoing delivery of rehabilitation, replacement and risk reduction.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: Most storm mains are in fair to good condition. Older non-reinforced concrete pipe, wooden flume structures and corrugated steel pipe are at greatest risk of deterioration. Root growth through pipe joints is an operational risk, and groundwater infiltration at joints accelerates pipe wall degradation. Approximately half of the culvert inventory is in fair or worse condition.

Demand and capacity: The drainage system generally meets current service requirements but faces increasing pressure from climate change and urban development. More frequent and intense rainfall events increase flood risk, and development can increase impervious surface area and runoff volume.

Physical.condition.by.asset.class.(↘ .length.by.condition)

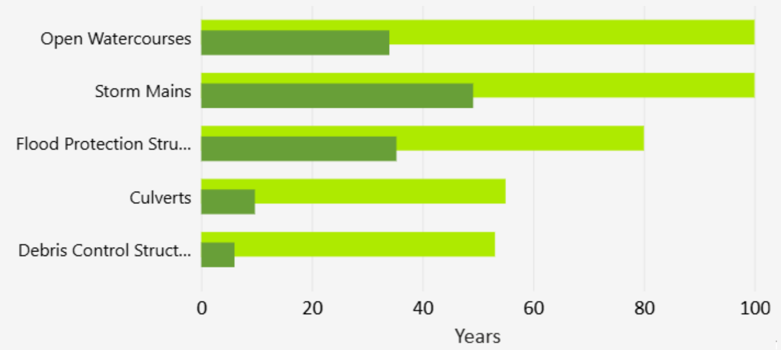


DATA CONFIDENCE

Medium: Condition data for storm mains and culverts is partially complete. Ratings are based on a combination of inspection data and age-based estimates where full coverage is not yet available.

Drainage systems are designed for rainfall events with a defined probability of exceedance. During larger, less frequent storms that exceed system capacity, localized flooding and overland flow can occur, placing property and infrastructure at risk. Tidal influence can reduce discharge capacity at some tidewater outfalls during high tides, and sea level rise will increase these occurrences over time.

Functionality: Most drainage assets remain functional and provide intended levels of service during frequent rainfall events. Areas requiring attention include aging culverts and storm mains with increasing maintenance needs and probability of structural failure, infrastructure designed to historic rainfall standards, and opportunities to integrate green infrastructure during future renewals, such as daylighting of drainage infrastructure.



LOOKING AHEAD

- Refresh the culvert replacement program using risk-based prioritization and service levels that reflect climate change impacts.
- Advance rehabilitation and replacement of high-risk culverts through the capital program.
- Develop a risk-based framework to prioritize storm main rehabilitation and replacement.

KEY RISKS

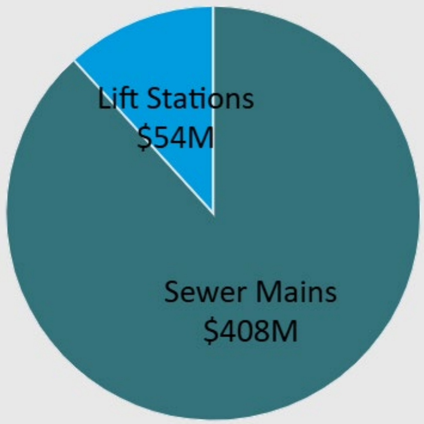
- The majority of the storm sewer network was constructed in the 1960s and will reach the end of its useful life over the coming decades.
- Limited condition information for portions of the drainage network reduces confidence in asset condition and increases the risk of unexpected failures, flooding, erosion, and service disruptions.
- Limited capital funding and rising construction costs may delay replacement of high-risk culverts and increase the likelihood of emergency repairs.
- Increased rainfall intensity associated with climate change may exceed the capacity of some existing culverts, resulting in localized flooding and infrastructure damage.
- Drainage infrastructure in lower-lying areas near tidewater outfalls is vulnerable to sea level rise, storm surge, and tidal backflow, which may reduce drainage capacity and increase flood risk.
- Provincial housing legislation has created uncertainty around future land use, development density, and urban runoff, reducing confidence in long-term drainage modelling, infrastructure sizing, renewal planning, and development-related assumptions.

Sanitary

ASSET REPORT CARD
State of Assets Report 2026

$463M	B – Good	LOW	52	20-100
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 385 km Sanitary Mains, $408M
- 33 Lift Stations, $54M
- 6,898 Manholes
- 21,132 Service Connections

WHAT THESE ASSETS DO

The sanitary sewer system collects and conveys wastewater from residential, commercial and industrial properties to treatment facilities through gravity sewers, force mains, pump stations, manholes and related infrastructure. The system protects public health and the environment by safely transporting wastewater while meeting environmental and regulatory requirements.

KEY ACHIEVEMENTS | 2023-2026

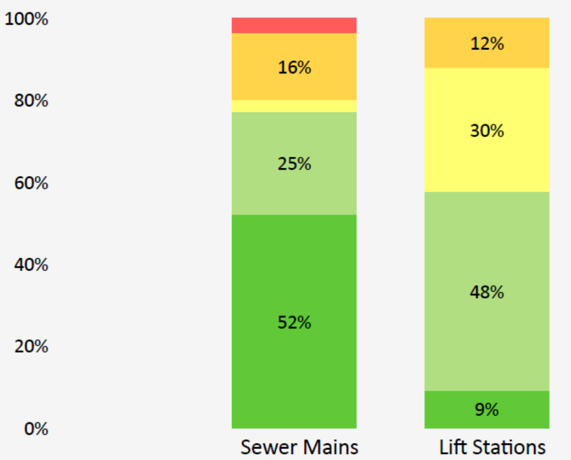
- Completed the Canada Infrastructure Grant program for the reduction of inflow and infiltration in Lynn Valley, delivering renewal of 7.1 km of sanitary sewer mains, rehabilitation of 46 manholes and installation of 44 sanitary service inspection chambers, with a total construction value of approximately $4.6M.
- Completed approximately 29 km of CCTV inspections of sanitary sewer mains.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: The majority of sanitary sewers remain in fair to good condition. Older non-reinforced concrete pipe and asbestos cement pipe are at greatest risk of deterioration. Root growth through pipe joints is an operational risk, and groundwater infiltration at joints accelerates pipe wall degradation. The Sewer Bylaw requires sanitary services to be replaced at the time of building renewal.

Demand and capacity: Rain and groundwater entering the sanitary network, known as inflow and infiltration (I&I), continue to consume available system capacity. Flow monitoring shows that reductions are difficult to achieve, and I&I will persist as public and private infrastructure ages, even as parts of the network are renewed. During high-intensity rainfall the network can experience overflows to the environment and sewer

Physical.condition.by.asset.class.(↘ .length.mains·.↘ . asset.count.by.condition)

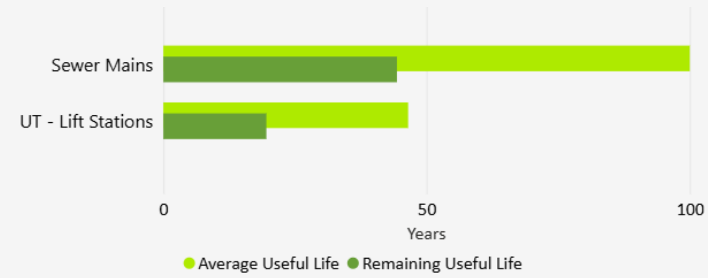


DATA CONFIDENCE

Medium: Pipe condition is based on CCTV inspection data, with 24% processed to date and additional records pending extraction. Lift station condition is based on periodic assessments. Age data for sanitary service connections is currently unreliable.

backups affecting private property. Population growth will increase future wastewater volumes.

Functionality: The sanitary network generally performs as intended during dry weather and outside of higher intensity rainfall events. Blockages and structural failures cause sewer backups, with root damage and aging asbestos cement and non-reinforced concrete pipe the most common causes. Erosion from I&I further degrades pipes.



KEY RISKS

- Provincial housing legislation has created uncertainty regarding future land use, development density and sanitary flows, reducing confidence in long-term sewer modelling, infrastructure sizing, renewal planning and development approval assumptions.

LOOKING AHEAD

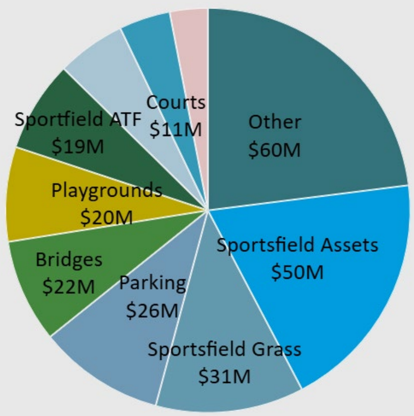
- Develop a risk-based prioritization framework for replacement of sanitary sewer mains.
- Renewal of the Spicer sanitary lift station.
- Continued CCTV inspection of sewer mains for condition assessment.
- Continued sanitary sewer main renewal.
- Purchase of cured-in-place pipe equipment to allow renewal of sanitary service connections by District crews.

Parks

ASSET REPORT CARD
State of Assets Report 2026

$261M	B – Good	LOW	23	15-50
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 350+ Sports Field Assets, $15M
- 246,061 m² Grass Sports Fields, $31M
- 68,400 m² Parking Lots and 11 Parking Meters, $26M
- 150 Parks Bridges, $22M
- 54 Playgrounds and Fitness Circuits, $20M
- 4 ATF Sports Field (Kirkstone, William Griffin, Argyle, Windsor), $22M
- 226 Parks Stairs, $15M
- 198 Parks Boardwalks, $14M
- 87 Sports Courts and Water Parks, $11M

WHAT THESE ASSETS DO

Parks assets support public enjoyment of parks, green spaces and natural areas. They enable physical fitness, mental health, organized and informal recreation, environmental stewardship, biodiversity, climate adaptation and social connection, delivering one of the most visible and valued core municipal services.

KEY ACHIEVEMENTS | 2023-2026

- Established a dedicated Parks project management team to advance asset renewal and replacement.
- Expanded park amenities through the addition of two new parks and three artificial turf fields.
- Continued investment in forest resilience and stewardship.
- Improved asset data quality through inventory and condition data collection.

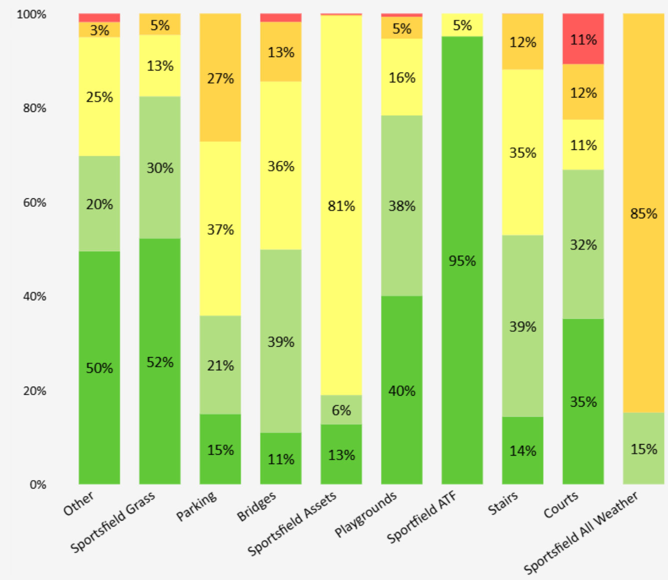
PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: Parks assets are generally in good condition, with 60% of inventoried assets rated very good or good, 36% rated fair, and 6% rated poor or very poor. Poor-condition assets are concentrated in staircases, bridges, and parking lots, while artificial turf fields, playgrounds, and sports fields are generally in good condition. Work continues to inventory parks assets, including underground utilities.

Demand and capacity: Most parks assets continue to meet current demand, with 60% rated very good or good and the remainder rated fair. Assets rated fair are reviewed during renewal planning to determine whether capacity upgrades are needed to address changing patterns of use.

Functionality: Most assets continue to support their intended use, with 60% rated very good or good and 40% rated fair. Functionality is assessed as part of

Physical.condition.by.asset.class.(↘ .CRV.by.condition)



DATA CONFIDENCE

Medium: Data confidence is high for recorded assets. Some asset classes, including underground utilities, trails, and green assets, are not yet included and remain low confidence, reducing overall confidence.

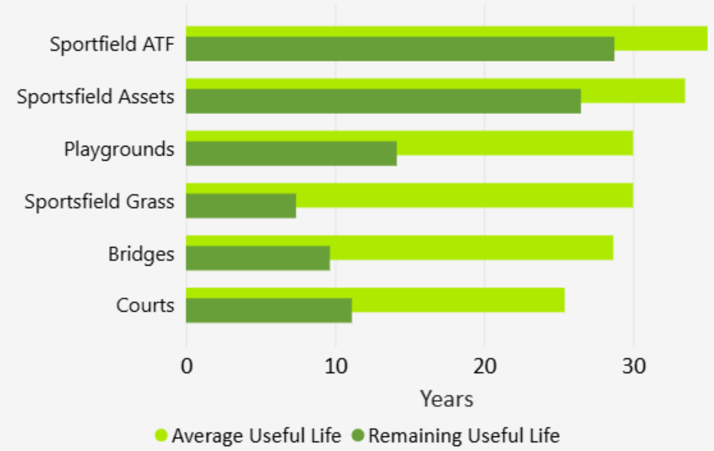
renewal planning, with upgrades incorporated where changes are needed to improve accessibility, operations, or user experience.

KEY RISKS

- Some asset classes are not yet captured, limiting visibility of their condition and renewal needs.
- New assets added without corresponding operating funding place pressure on the operating budget and can accelerate deterioration of existing assets.
- Growing visitor demand is increasing pressure on assets in major destination parks, including Lynn Canyon, Cates Park/Whey-ah-Wichen and Deep Cove/Panorama.

LOOKING AHEAD

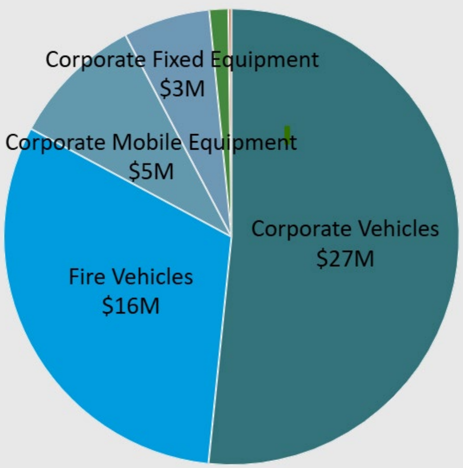
- Manage growing use of town centre and destination parks through planned renewals and capacity improvements.



Vehicles and Equipment

$55M	B – Good	LOW	9	3-50
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life Range (yr)

WHAT WE OWN



- 148 Corporate Vehicles, $26M
- 26 Fire Vehicles, $16M
- 68 Corporate Mobile Equipment, $5M
- 55 Corporate Fixed Equipment, $3M
- 9 Fire Mobile Equipment, $690K
- 7 Fire Fixed Equipment, $120K

WHAT THESE ASSETS DO

Vehicles and equipment support operations across the District, NVRC, the Library and the Fire Department. They are essential to delivering services including public works, waste collection and emergency response, enabling safe, efficient and cost-effective service delivery.

KEY ACHIEVEMENTS | 2024-2026

- Continued electrification of suitable vehicles to reduce greenhouse gas emissions. The fleet now includes 46 fully electric vehicles, including cars, vans and trucks.
- Implemented a new fleet management software system to digitize vehicle records.
- Implementing idling indicators to reduce fuel costs and greenhouse gas emissions.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: The overall physical condition of the fleet is good. Vehicles are replaced based on age, use, and condition through a planned lifecycle replacement program.

Demand and capacity: The current fleet meets operational requirements. Requests for additional vehicles are assessed individually to confirm service need and operational benefit.

Functionality: Fleet assets generally meet operational requirements. Departments are consulted during replacement planning to ensure new vehicles continue to support service delivery needs.

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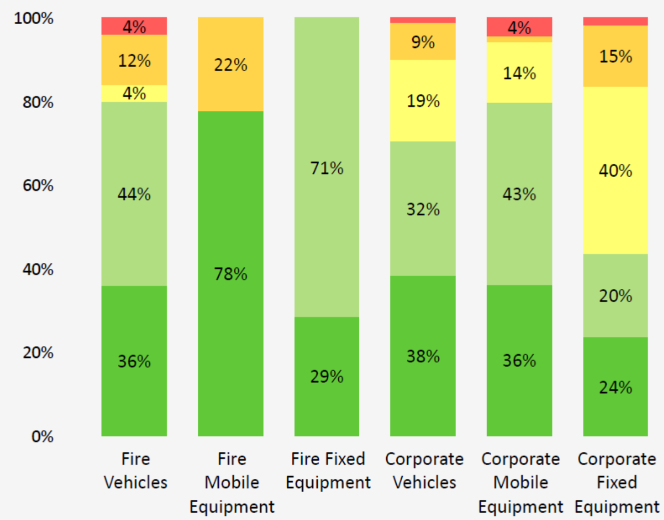


DATA CONFIDENCE

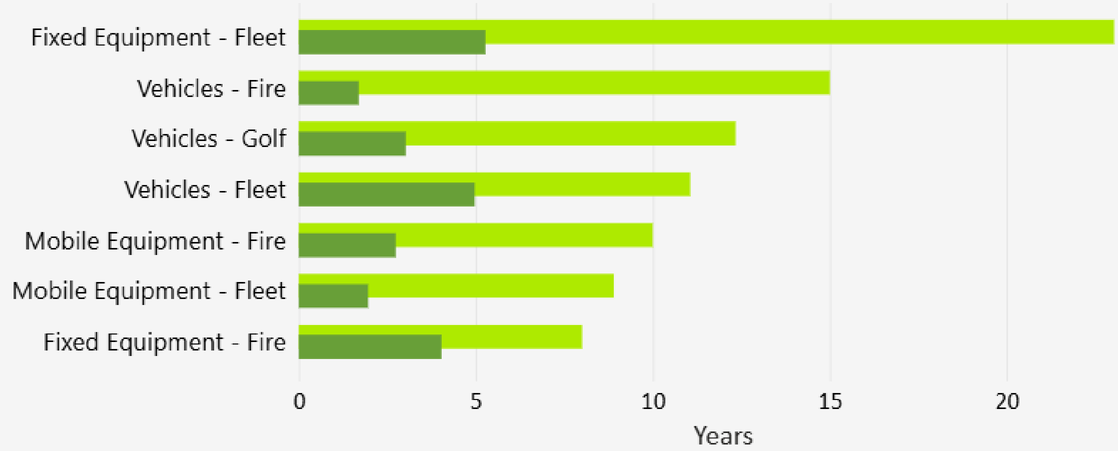
High: Fleet inventory, age, condition, and valuation data are well established. Vehicle replacement values are based on current vendor quotes for each vehicle type.

KEY RISKS

- Delayed vehicle replacement can result in higher operating and maintenance costs and reduced fleet reliability.
- Vehicle replacement costs have risen faster than general inflation, increasing renewal funding pressure.

LOOKING AHEAD

- Continue researching alternative fuel options for the fleet.
- Use the new fleet management software to improve replacement forecasting and lifecycle planning.

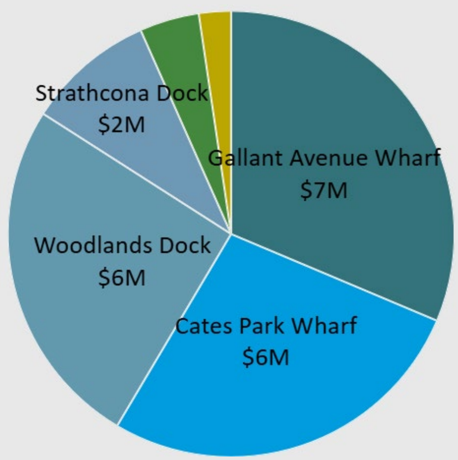


Wharves

ASSET REPORT CARD
State of Assets Report 2026

$22M	C – Fair	HIGH	22	30
Current Replacement Value	Physical Condition	Renewal Pressure	Average Age (yr)	Useful Life (yr)

WHAT WE OWN



Gallant Avenue Wharf, $7M

Cates Park Wharf, $6M

Woodlands Dock, $6M

Strathcona Dock, $2M

Riverside Barge Ramp, $930K

Sunshine Wharf, $500K

WHAT THESE ASSETS DO

The wharves provide public access to Burrard Inlet and Indian Arm, supporting recreational boating, paddling, fishing and community events at key locations along the North Shore shoreline. The wharves also support emergency marine access.

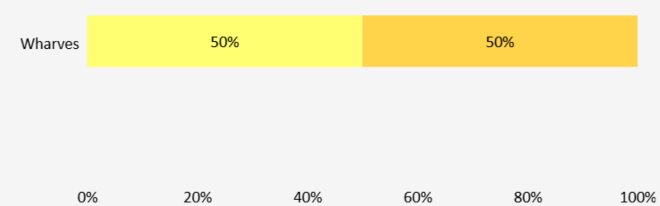
KEY ACHIEVEMENTS | 2024-2026

- Implemented an inspection and maintenance program for the Cates Park and Gallant wharves, including weekly visual checks, quarterly documented inspections and technical inspections every three years.
- Completed repairs at the Cates Park and Gallant Avenue wharves.

PHYSICAL CONDITION · DEMAND AND CAPACITY · FUNCTIONALITY

Physical condition: All wharves are in fair or poor condition and will require ongoing investment to maintain safe and reliable service. Three wharves are rated poor. Sunshine Falls Wharf has reached the end of its useful life, making renewal or divestment planning a priority. Cates Park Wharf shows significant deterioration, and renewal options are under review. A 2024 inspection of Gallant Avenue Wharf identified limited remaining life in the pier's supporting structure. Wharves remain serviceable and are managed through ongoing monitoring, maintenance, and renewal planning.

Physical.condition.by.asset.class.(↘ .asset.count.by. condition)

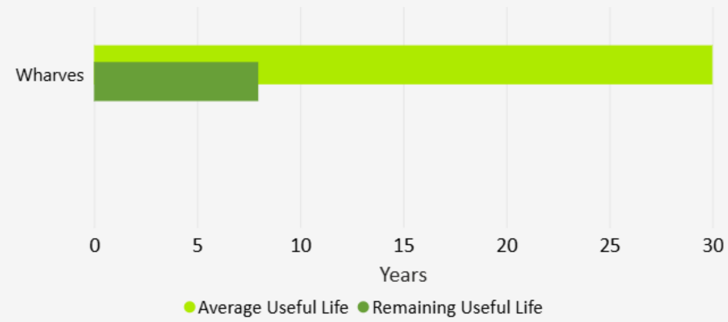


Demand and capacity: Use of the wharves is seasonal, peaking in spring and summer. Cates

DATA CONFIDENCE

Medium: Condition information is supported by a structured inspection program and comprehensive technical inspections, including above-water and underwater assessments.

Park Wharf experiences the highest public use, supporting boating, fishing, paddling, and access to waterfront amenities. Gallant Avenue Wharf provides marine access in Deep Cove. The remaining wharves have more limited capacity due to their smaller size and access constraints.



Functionality: Several wharves are aging and no longer meet current accessibility, design, or service expectations. Long-term planning and renewal decisions will consider opportunities to improve accessibility, user safety, and climate resilience.

KEY RISKS

- Design, environment and regulatory requirements have changed significantly since the wharves were built, and replacement structures will need to meet current standards, affecting the scope and cost of renewals.
- Changing marine conditions, vessel activity, sea level rise, and extreme weather are increasing wear and may accelerate deterioration.

LOOKING AHEAD

- Complete a long-term lifecycle strategy for the wharves, including service, renewal, and divestment options.
- Continue monitoring, maintenance, and access management to maintain safe and reliable service.
- Advance renewal planning for wharves nearing the end of their structural life.

Appendix A – Glossary

Asset Management Plan (AMP): A long-term plan for an asset group that describes the assets, service levels, condition, risks, renewal needs, and funding requirements.

Annual Sustainable Funding Target: The annual funding required to renew assets at the pace they wear out. Calculated as current replacement value divided by useful life and summed across all assets.

Capacity: The extent to which an asset can meet current and future demand.

Condition: The state of an asset, including its physical condition, functionality, and capacity to meet demand. In this report, condition is graded on a five-point scale from A (Very Good) to F (Very Poor) based on physical condition. Functionality and capacity are reported separately where assessment information is available.

Current Replacement Value (CRV): The estimated cost to replace an asset today with a modern equivalent providing the same service.

Facility Condition Index (FCI): A standard measure of a building's state of repair, calculated as the cost of required work divided by the building's replacement value.

Functionality: The extent to which an asset meets operational, regulatory, accessibility, and service requirements.

Funding Gap: The annual difference between current renewal funding and the sustainable funding target.

Infrastructure Levy: The portion of the annual property tax levy dedicated to infrastructure renewal.

Level of Service: The performance expected from an asset, measured through characteristics such as condition, capacity, reliability, and safety. The level of service maintained is a key driver of renewal timing and cost.

Maintenance: The routine work required to keep an asset operating and slow deterioration.

Operating Surplus Ratio: A measure of whether operating revenues cover operating expenses, including replacement value depreciation. The District's target range is 0% to 15%.

Rehabilitation: Work that restores part of an asset to extend its useful life without full replacement, such as relining a pipe or resurfacing a road.

Remaining Useful Life (RUL): The expected period before an asset reaches the end of its useful life.

Renewal: Works that replace or rehabilitate an asset at the end of its useful life to restore its original service potential.

Renewal Backlog: Identified renewal needed to sustain service that has not yet been accommodated within available funding. Where annual funding remains below the sustainable funding target, this backlog accumulates over time.

Renewal Pressure: Our assessment of where renewal need is most immediate, combining the share of value in poor or worse condition and the proportion of useful life consumed.

Sustainable Funding Target: The annual funding required to renew assets at the rate they are consumed. Calculated as current replacement value divided by useful life and summed across all assets.

Useful Life: The period over which an asset is expected to provide service before renewal is required. Useful life depends on the level of service being maintained and the asset management approach adopted.

Useful Life Consumed: The proportion of an asset's useful life that has elapsed, expressed as a percentage. An asset at or above 100% has reached the end of its planned life.

Appendix B – Assumptions and Data Limitations

This appendix records the assumptions and data limitations behind the figures in this report. Figures come from our asset register, supported by engineering data, condition inspections, and financial records.

Basis of estimates

The figures are estimates, primarily expressed in 2025 dollars. Several factors can change them over time: construction-cost escalation, local conditions that shorten or extend useful life, the service levels and renewal priorities set through budget and financial planning, and data quality and completeness.

Replacement values are prepared on a like-for-like basis to current standards. They do not include betterment, climate-resilience upgrades, decommissioning, or future component renewals over an asset's life. Replacing assets to a higher standard or to meet future growth would cost more than the values reported here.

The following asset classes use a cost basis other than 2025 dollars:

- Buildings: Replacement values reflect the 2026 Altus building cost update.
- Streetlights: Replacement values use 2017 unit rates. Updated 2025 rates are available and will be incorporated in a future update.
- Traffic signals: Replacement values are based on a 2014 inventory.

Condition and inventory coverage

Condition coverage varies by asset group. Excluding road base, Golf, Technology, and Library assets, approximately 19% of replacement value has no condition data, with the largest gaps in sanitary mains and sidewalks.

Asset group	CRV ($M)	Condition Coverage
Buildings	1,096.0	100%
Drainage	870.1	93%
Parks	261.2	100%
Sanitary	462.8	24%
Transportation	1,165.3	24%
Vehicles and Equipment	55.2	99%
Water	671.6	96%
Wharves	21.5	100%

- In-service dates: Approximately 2% of replacement value has no recorded in-service date, which limits age-based condition and life calculations for those assets.
- Buried networks: CCTV inspection of the sewer main network is expanding. Processed records currently cover

approximately 24% of the network. Condition for the remainder are not yet recorded in the register.
- Building sites: Site utilities and subsurface infrastructure at building sites, such as site water, sanitary, and electrical servicing, are not yet captured in the register.
- Parks: Some asset classes, including underground utilities, trails, and green assets, are not yet fully captured in the inventory, so their value, condition, and renewal needs are not reflected in reported results. The parks inventory continues to grow.
- Natural assets: Natural assets and green infrastructure are not yet valued. Assessment is underway through the Nature and Biodiversity Strategy.

Useful life assumptions

Useful life is the period over which we plan to use an asset, determined by the level of service to be maintained and the management approach adopted. It is not the same as physical life or design life. Useful life is the basis for estimating annual renewal need and renewal timing.

For most asset classes we set useful life from a deterioration curve and a target condition.

- Deterioration curve: For each asset class we estimate the ages at which it is expected to pass through each condition grade, from Very Good (A) to Very Poor (F). For example, a culvert is modelled to reach Fair (C) at 55 years and Very Poor at 80.
- Target level of service: The minimum condition we plan to hold for an asset class before renewing it. Most asset classes are renewed at Fair (C), and some shorter-lived or lower-consequence assets at Poor (D).
- Useful life: The age at which an asset reaches its target grade on the curve. A higher target brings renewal forward and raises cost; a lower target defers both.

Extending useful life requires either lowering the target level of service (accepting the asset at a lower condition before renewal) or slowing deterioration through renewal, rehabilitation, or component-based work. As inspection and operational data accumulate, useful life estimates may also be refined to more accurately reflect observed asset performance.

The current service level target and useful life assumptions for each asset class are documented in Appendix C, along with identified opportunities to extend useful life.

Renewal pressure ratings

Renewal pressure rates how close each asset group is to needing renewal. It uses two measures: the share of replacement value in poor or very poor condition (condition grades D and F), and the weighted useful life consumed.

- Critical: 30% or more of value in poor or very poor condition, and 70% or more of useful life consumed.
- High: 25% or more of value in poor or very poor condition; or 85% or more of useful life consumed where condition data exists.
- Moderate: 15% or more of value in poor or very poor condition; or 75% or more of useful life consumed where condition data exists.
- Low: All other groups.

Service allocation

Most assets map to a single service by asset class. The main exception is buildings, which often support more than one service and are allocated proportionally. 34 of 102 buildings are split across services. Some allocations involve judgement, particularly where a third party operates a building under a lease, licence, or formal agreement. Vehicles, equipment, and technology are mapped to internal support functions except where they serve Fire and Rescue. Wharves are assigned by primary use. Financial values are allocated proportionally. Age and useful life are counted once per asset to avoid double-counting in the weighted figures.

Scope exclusions

- Land: We are improving the inventory of land holdings and road allowances.
- Partner-owned assets: Assets owned by partner organizations sit outside our reported values and asset management plans. Where our services depend on them, we are beginning to document these arrangements.
- Affordable housing: We have 1,882 units secured through community leases and track these as service-enabling community assets.

Appendix C – Useful Life Assumptions Schedule

Asset management balances service, risk, and affordability. Where funding is constrained, opportunities may exist to extend useful life through alternative service-level targets, rehabilitation strategies, or different asset management approaches. Any such changes require consideration of service impacts and risk. This appendix identifies asset classes where those opportunities may warrant further review.

The schedule below documents the target level of service and useful life assumption for each asset class. Where targets vary within a class, the range is shown.

Each class is identified as either:

- Review – useful life assumptions may be extended through a different service-level target or management approach.
- Managed – current service-level target and management approach already reflect lifecycle extension opportunities.

Asset group and class	Useful life (yr)	Target LOS	Type	Approach or opportunity
Transportation	15–80			
Roads Base	–	–	Managed	Maintained through overlay of Roads Surface.
Sidewalk	–	–	Managed	Managed on condition. Sections are repaired when deterioration is identified.
Bridges – Vehicle	75–80	C	Managed	Public safety limits how far renewal can be deferred. Rehabilitation extends working life.
Roads Surface	25–80	C–F	Managed	Renewal targets applied by road classification through pavement management framework. Higher-volume arterials and collectors renewed to a higher condition. Lower-volume local roads maintained to a lower condition before renewal.
Street Light Networks	60		Managed	
Traffic Signal Networks	30–45	C	Managed	
Bridges – Pedestrian	60	C	Review	A lower target may be acceptable on low-use bridges, potentially extending life by around 10 years.
Retaining Walls	50–75	C	Managed	Managed on condition. Walls are rehabilitated when deterioration is identified.

Asset group and class	Useful life (yr)	Target LOS	Type	Approach or opportunity
Traffic Controllers	15	D	Managed	
Buildings	40			
Buildings	40	–	Review	Currently on a whole-asset basis at 40 years. Building system components (HVAC, electrical, fire protection) are renewed to extend whole-asset life. Work is in progress to reflect component renewal in useful life and cost assumptions, with service dependency and criticality informing the useful life applied to each facility. These differences will support long-term renewal, consolidation, and disposal decisions through the Strategic Facilities Plan.
Drainage	50–100			
Storm Mains	100	F	Managed	Supported by rehabilitation methods that extend useful life. Renewal life to be refined as condition-inspection data accumulates.
Culverts	55	C	Review	Different targets by consequence could extend life on lower-consequence culverts.
Debris Control Structures	50	C	Managed	
Flood Protection Structures	80	C	Managed	
Open Watercourses	100	F	Managed	
Water	10–100			
Water Mains	50–95	F	Managed	Set at 95% of the material-based maximum life and refined as failure data accumulates.
PRV Stations	50		Managed	Ongoing inspection informs a component-based approach.
Water Reservoirs	20–100	C	Managed	Ongoing inspection informs a component-based approach.
Pump Stations	50–75	C	Managed	Ongoing inspection informs a component-based approach.
Utilities Equipment	10		Managed	
Sanitary	20–100			
Sewer Mains	100	F	Managed	Supported by rehabilitation methods that extend useful life. Renewal life to be refined as condition-inspection data accumulates.
Lift Stations	20–50	C	Managed	Ongoing inspection informs a component-based approach.
Parks	15–50			

Asset group and class	Useful life (yr)	Target LOS	Type	Approach or opportunity
Sportsfield Assets	25–35	D	Managed	
Sportsfield Grass	30	D	Managed	
Parking	40	D	Managed	
Park Bridges	15–45		Review	A lower target may be acceptable on low-use bridges, potentially extending life by around 5 years.
Playgrounds	30	C	Managed	
Sportsfield ATF	35	D	Managed	
Stairs	15–30	C	Managed	
Boardwalk	15	C	Managed	
Courts	20–35	D	Managed	
Sportsfield All Weather	40	C	Managed	
Vehicles and Equipment	3–50			
Vehicles – Fleet	8–50	C	Managed	Managed on manufacturer and fleet practice. Component renewal extends working life.
Vehicles – Fire	15	C	Managed	Managed on manufacturer and fleet practice. Component renewal extends working life.
Vehicles – Golf	5–40		Managed	Managed on manufacturer and fleet practice. Component renewal extends working life.
Mobile Equipment – Fleet	3–10	C	Managed	
Fixed Equipment – Fleet	10–25	C	Managed	
Mobile Equipment – Fire	10	C	Managed	
Fixed Equipment – Fire	8	C	Managed	
Wharves	30			
Wharves	30	C	Review	Useful life is currently set at the whole-asset level. Component renewal extends wharf life beyond this, and useful life assumptions are being updated to reflect it. Individual wharf reviews will assess service value, lifecycle cost, and risk, with service decisions determining renewal and useful life for each structure.

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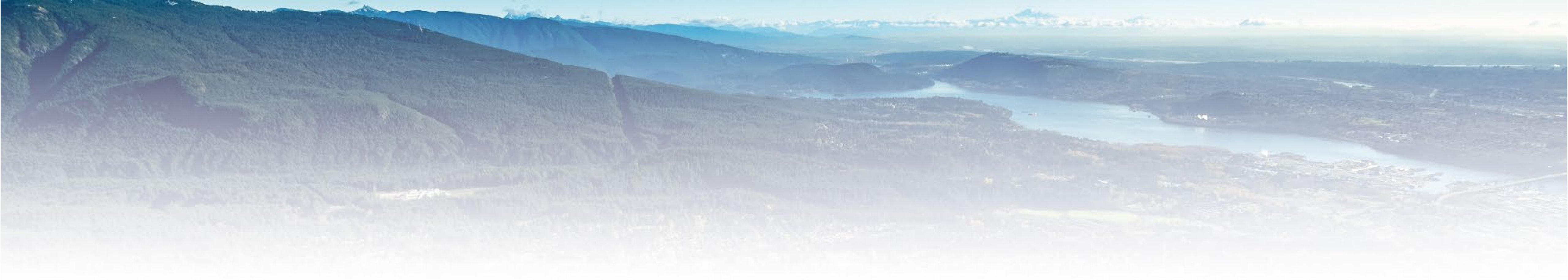


2026 State of Assets Report

Finance and Audit Committee

July 28, 2026

DISTRICT OF NORTH VANCOUVER

Asset Snapshot

$4.65B

Current Replacement Value

Grade C

Overall Condition

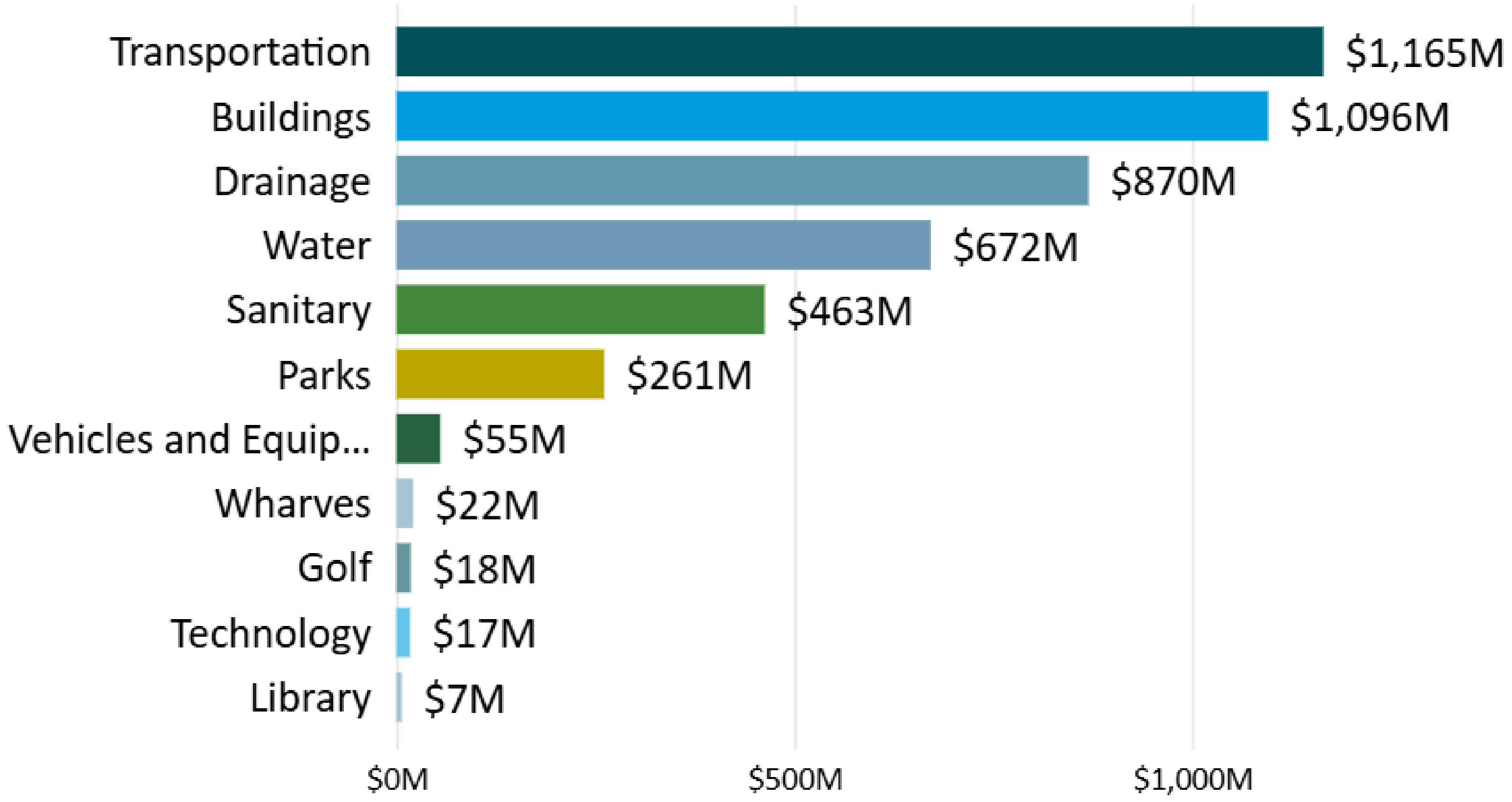
29 years

Remaining Useful Life

45%

Useful Life Consumed

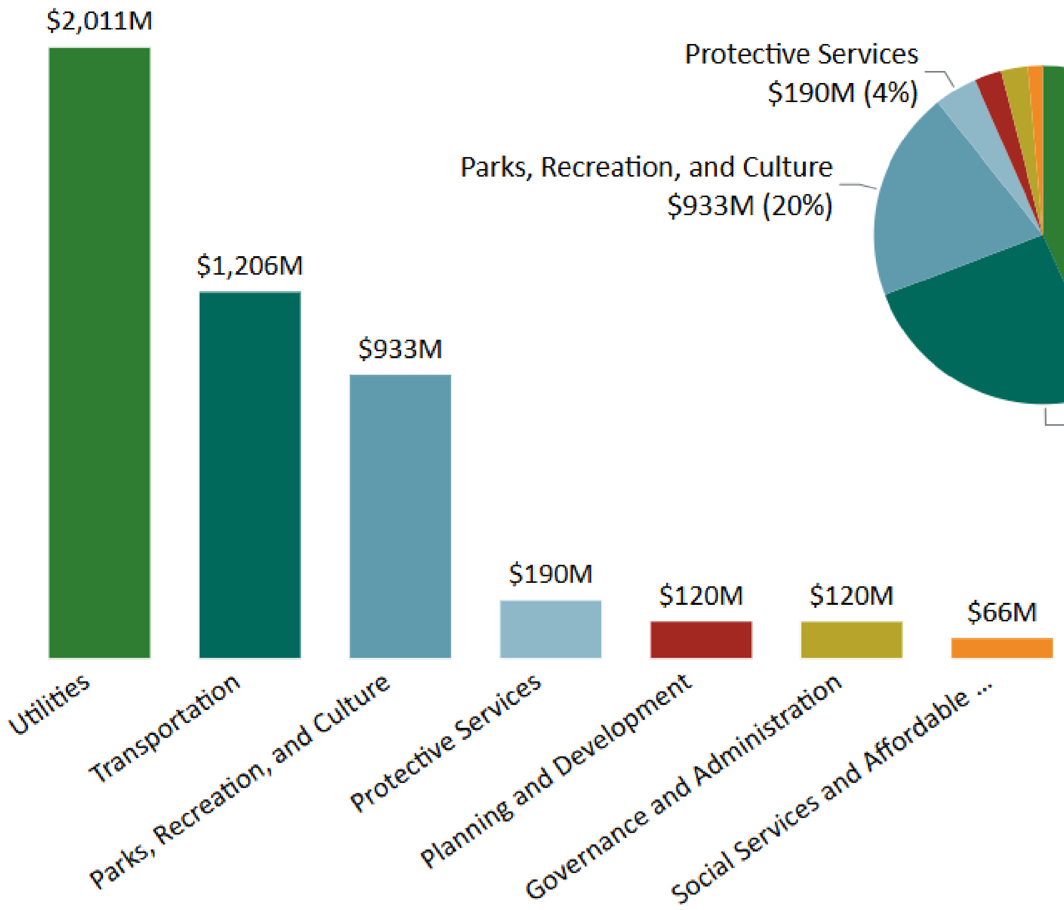
Where the Assets Are

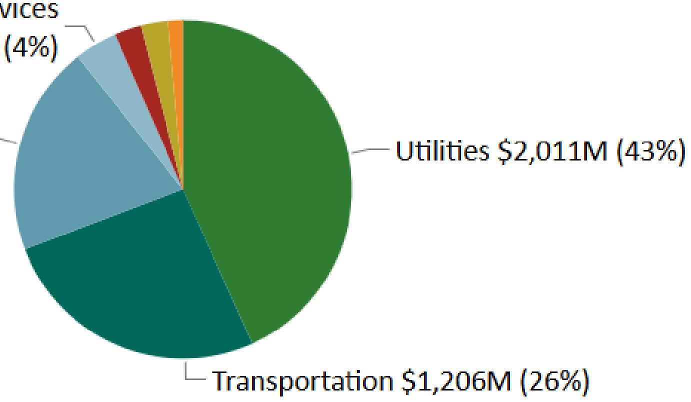


- Transportation is the largest asset group overall, largely due to road base. Excluding road base in Transportation, Buildings are our single largest asset class at $1.1 billion
- Utilities network (Drainage, Water, Sanitary) represent most of the infrastructure value
- Wharves are small in total value

DISTRICT OF NORTH VANCOUVER

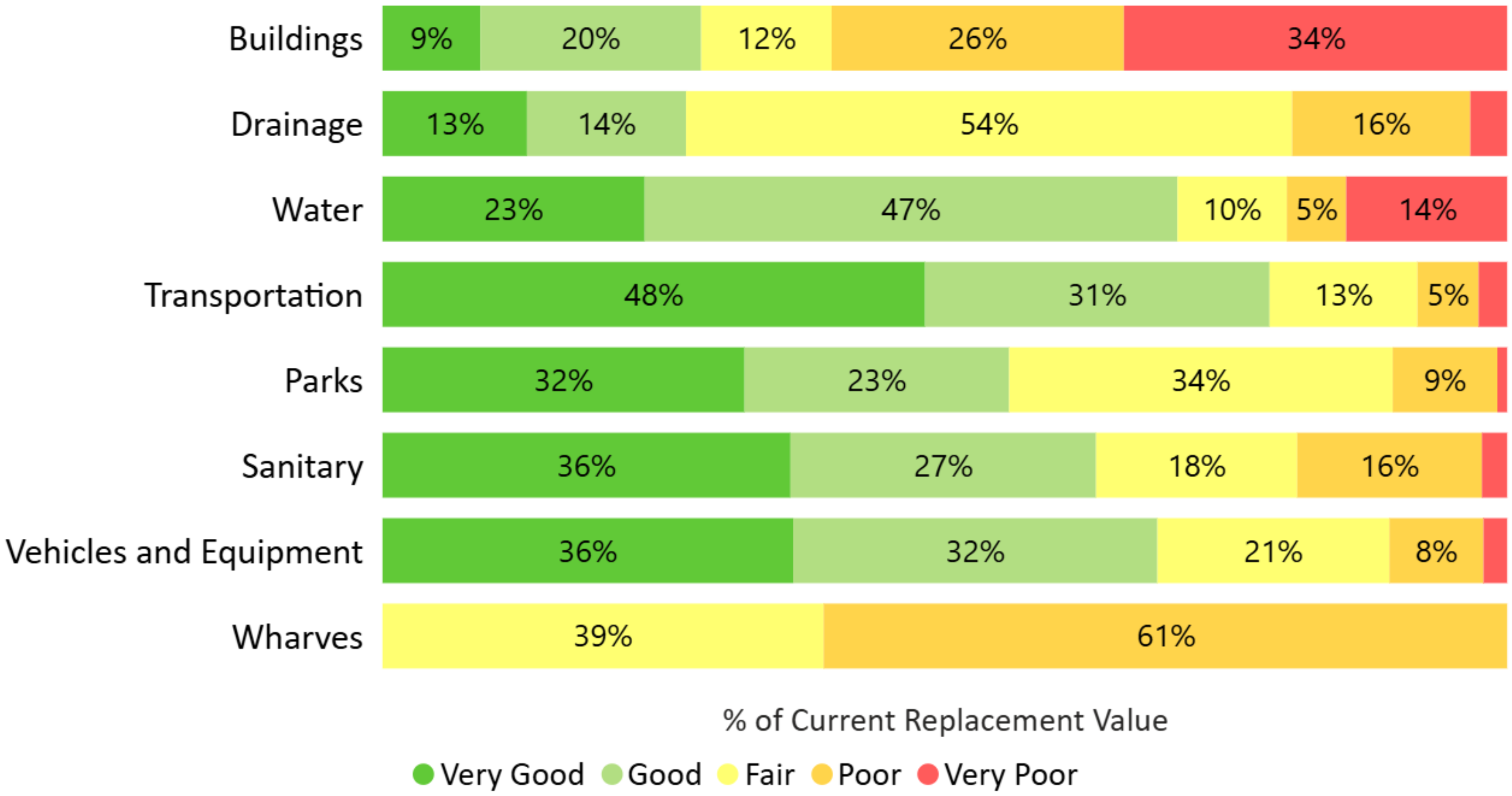
Services and Assets





- Our assets enable service delivery across seven service areas
- Utilities, Transportation, and Parks, Recreation, and Culture together represent 89% of our asset base
- Buildings support services across multiple service areas, including recreation, protective services, and governance
- Asset information will continue to improve, including identifying future asset and renewal obligations that transfer to the District through long-term leases, partnership agreements, and housing arrangements.

What Condition Are They In?



- Assets are generally in fair condition overall
- Buildings and Wharves are in the worst condition
- Roads, utilities, parks infrastructure, and fleet remain in generally good condition

Where Renewal Pressure is Highest

High renewal pressure: Buildings and Wharves

Buildings

- Drive most near-term renewal demand
- ~60% of value in poor or very poor condition
- 40-year useful life assumption under review
- Renewal extends building life, but not indefinitely

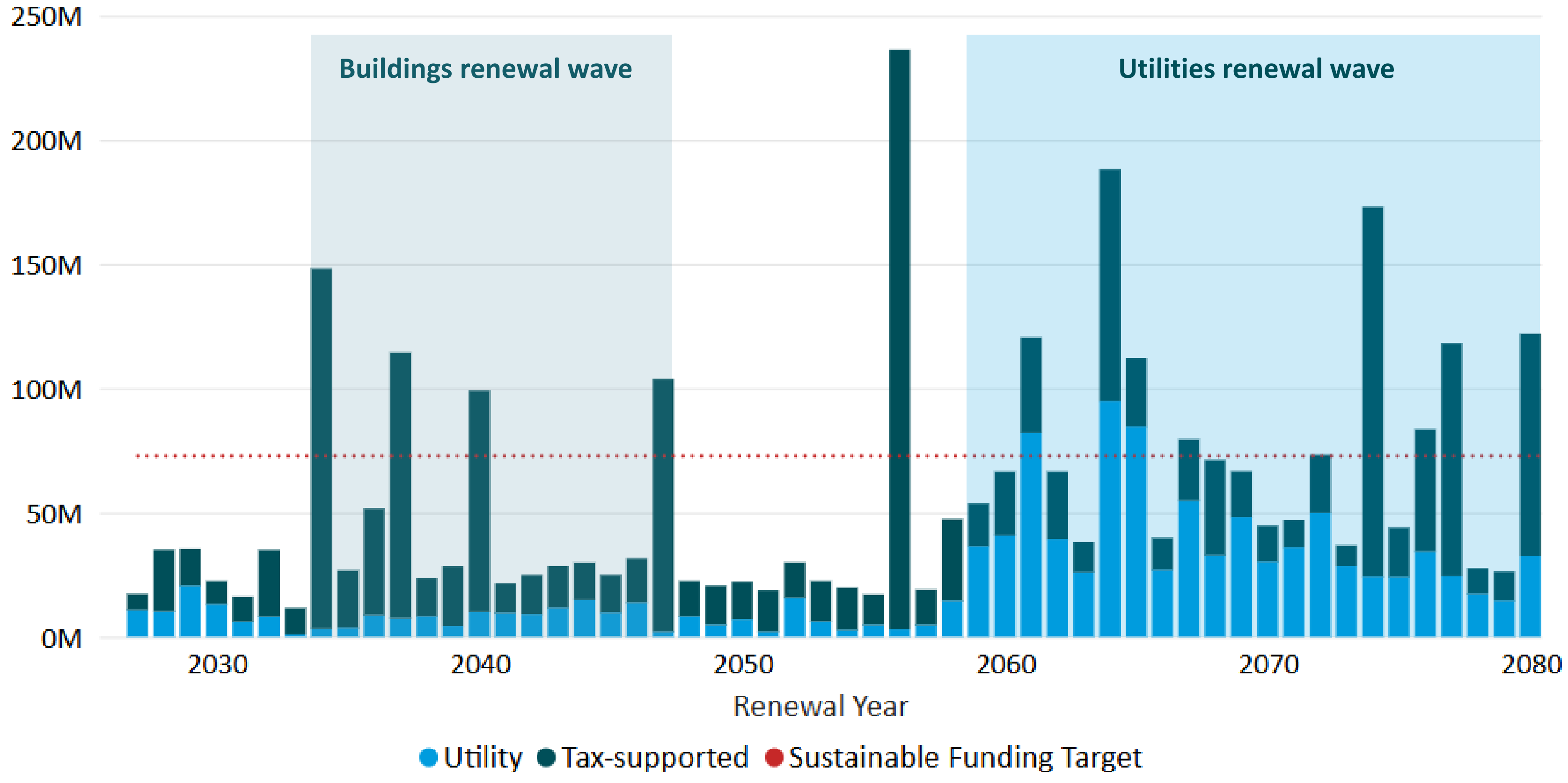
Wharves

- Small in value but high in renewal pressure
- Reviewing public benefit and lifecycle cost to inform future renewal decisions

For consideration: Culverts are a key renewal priority within the drainage network

Regular condition inspection and dedicated renewal funding are in place

Projected Renewal Demand



- Infrastructure built between the 1950s and 1970s is reaching renewal age
- Buildings drive the first renewal wave, and utility networks drive a second wave beginning around the 2060s
- This is a planning forecast, not a spending plan. Actual renewals are prioritized and staged through asset management plans, the Strategic Facilities Plan, and the financial plan.

Sustainable Infrastructure Funding

- **Tax supported infrastructure**
  - Current funding: $24M annually
  - Dedicated infrastructure levy +1.5% annually
  - Renewal funding projected to reach ~$51M by 2035 (84% of target, $10M gap remaining)
- **Utility infrastructure**
  - Current renewal funding: $19M annually
  - Sustainable funding target: $25M per year
  - Growth in renewal funding is constrained by MV’s increasing regional charges

Managing Renewal Demand and Funding Gaps

Manage renewal demand

- Strategic Facilities Plan
- Staged project approvals and coordinated delivery
- Extend asset life through condition data, lifecycle planning, and rehabilitation
- Asset rationalization
- Utility demand management through I&I reduction and sewer bylaw enforcement

Increase funding capacity

- Maintain 1.5% infrastructure levy
- Market-based leasing and District asset revenues
- Development charges keeping pace with growth
- Partnerships (regional, community, private)
- Senior government funding

Use financing strategically

- Strategic use of debt for long-lived assets
- Debt management policy and affordability limits
- Optimizing the use of debt, reserves and pay-as-you-go funding

What Comes Next

- **Strategic Facilities Plan (SFP):** Bring forward recommendations for building renewal, replacement, consolidation, and funding options
- **Service Level Framework:** Define the service levels that drive renewal timing and cost
- **Capital Plan:** Align near-term investments with asset condition, risk, and renewal priorities
- **10-year Rolling Financial Plan (10YRFP):** Incorporate SOAR findings and seek Council direction on funding and financial guardrails

Recommendation

THAT the July 28, 2026 report entitled “State of Assets Report (SOAR)” is received for information.

Discussion

Utility Rates and Major Initiatives

Finance and Audit Standing Committee

July 28, 2026

Purpose and Agenda

Purpose

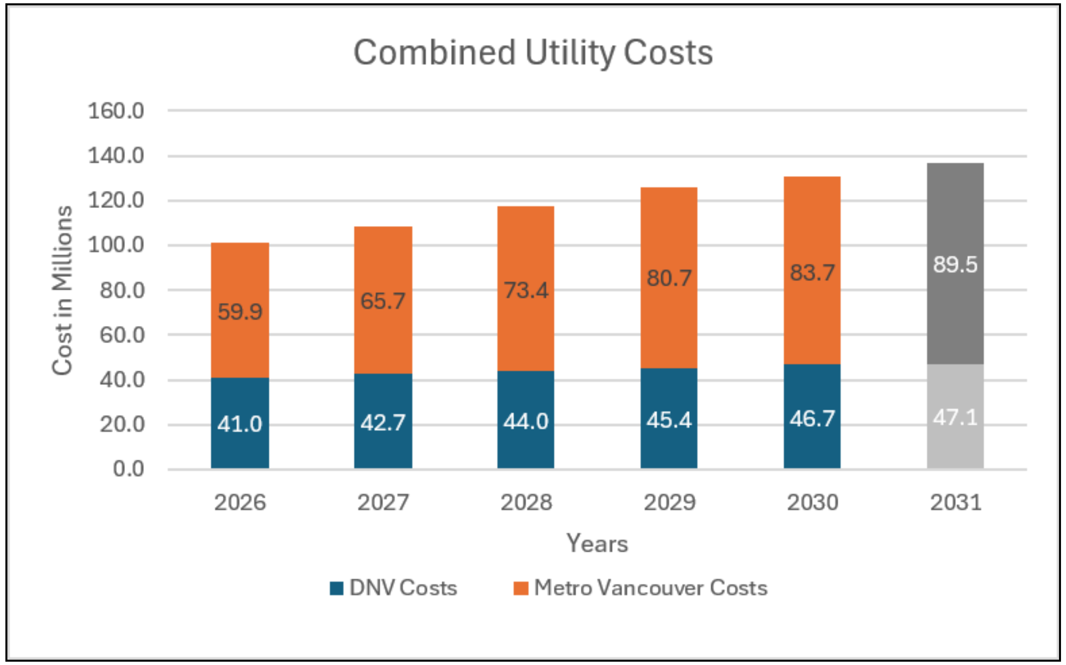
Provide an update on utility cost pressures, preliminary rate outlooks, rate review work, and major initiatives supporting long-term rate stability.

Agenda

- Utility cost summary
- Preliminary rate outlook
- Rate review work underway
- Major utility initiatives
- Next steps

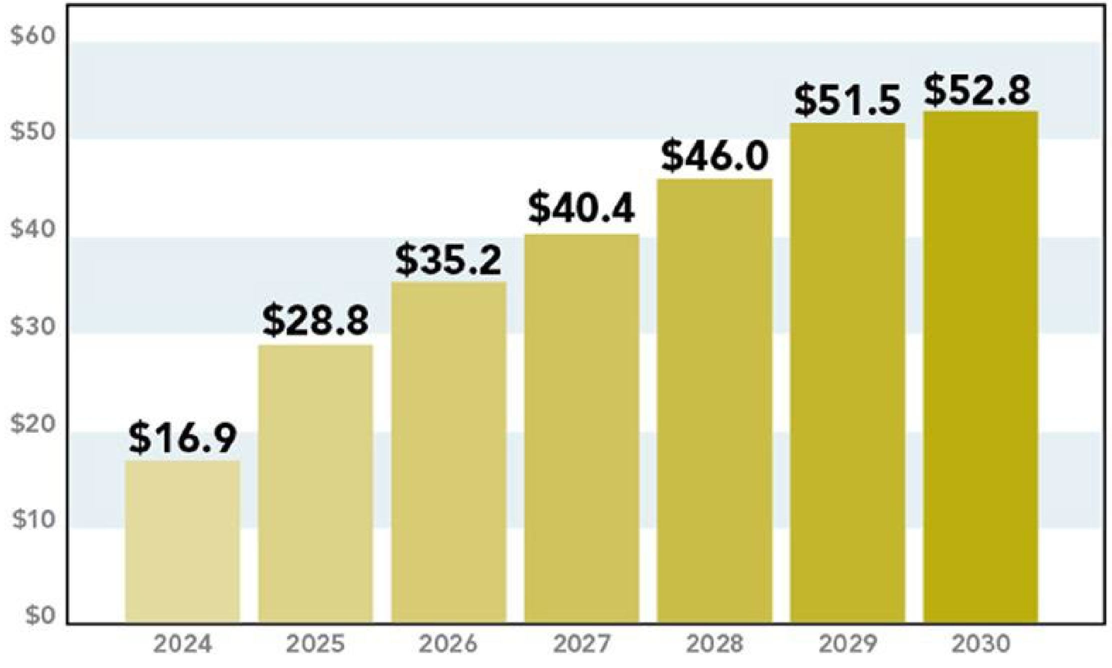
Utility Costs – DNV vs. Metro Vancouver

- Metro Vancouver Costs projected to increase from $60M in 2026 to $90M in 2031
- DNV Utility Costs projected to increase from $41M in 2026 to $47M in 2031
- Regional wastewater treatment costs the most significant driver of future utility rate increases
- Metro cost of water – summer rates



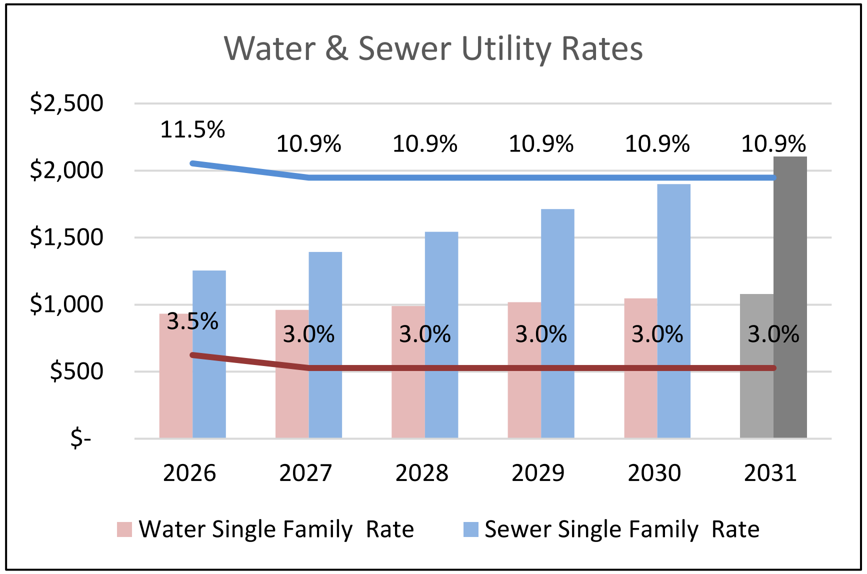
Utility Costs - Metro Vancouver Impacts

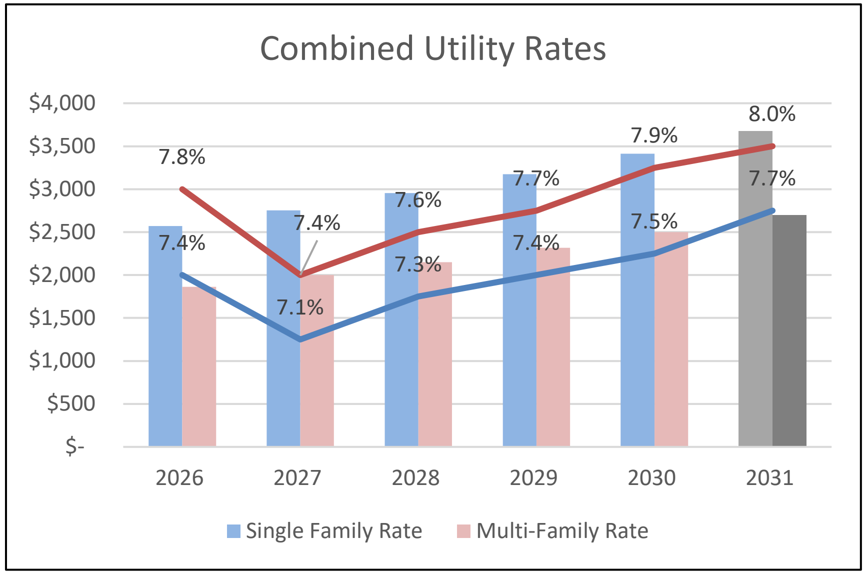
- Northshore Wastewater Treatment Plant Costs (NSWWTP) increasing Metro Sewer levy to \$52.8M in 2030
- Metro switching to wet weather pricing (75th percentile of flows) in 2024 and phased in over 10 years



DNV portion of North Shore Sewerage Area Liquid Waste Levy (millions $)*

Utility Rates – Single & Multi Family





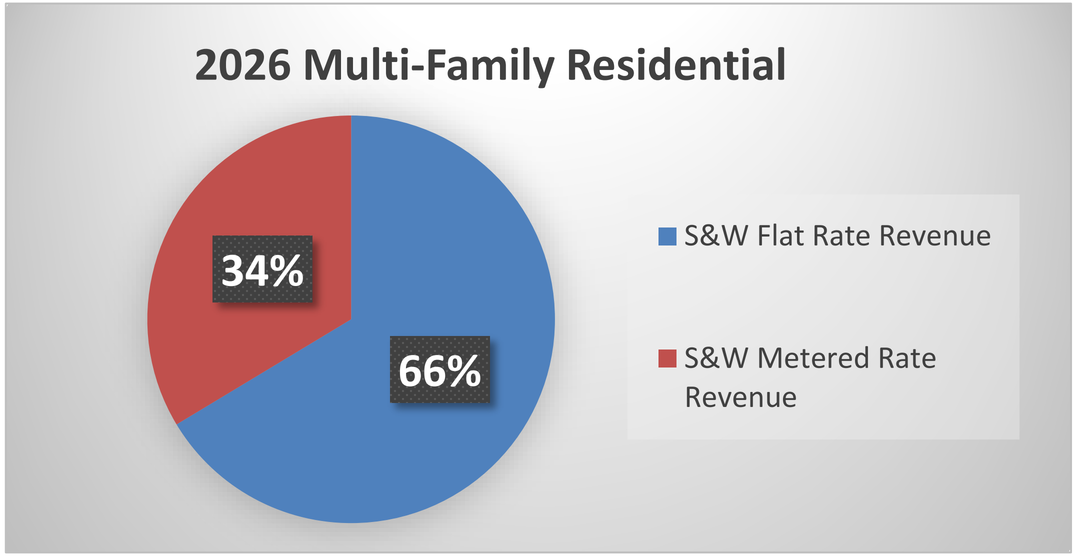
- Rate increases are projected to be slightly lower than 2026 – 7.4% MF & 7.1% SF
- Projected 10.9% increase to Sewer rates and 3% increase to Water rates to meet reserve minimum target (does not address DNV's infrastructure funding gap)

Rate Review Phase 1 – Major Considerations

- Designing fair & equitable rates
- Encourage conservation
- Meet minimum reserve targets

Rate Review - Multi-Family Metered Rates

- Multi-family properties generally have lower water consumption per unit
- Current revenue mix: 66% flat rate and 34% metered charges
- Rate structures are under review to improve fairness, conservation, and revenue stability



Rate Review Phase 2 - Stormwater Management

Integrated Stormwater Management Plan (ISMP)

- Final stages of development to support goal of improved watershed health
- Prioritizing low-cost actions
- Draft plan expected to be presented to Council in 2027

Other Rate Models:

- City of Surrey - separate stormwater parcel tax
- CNV & DWV - drainage levy based on property assessment or property type

Major Initiatives

- Water metering and consumption management
- Inflow and infiltration reduction

Water Metering - Business Case

- Staff have taken last years analysis and refreshed data
- Preliminary results indicate a positive case
- Team needs to meet with industry experts to validate assumptions, costs and benefits, and implementation considerations

Water Metering - Current Program

- Single Family meter investigation – abnormal water use
  - Identified and reduced water use by 92 % ($1,012 monthly water savings for one property)
- Automatic Leak detection – DNV Park
  - Consumption reduced by 71% in monthly DNV irrigation service ($6,972 annual charges avoided)
  - 98% reduction in summer water consumption ($10,514 annual charges avoided)

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Inflow and Infiltration

- Utilities team developing analysis to calculate **incremental cost of wet weather flows**
- Lynn Valley I&I program – 7.1 km of mains rehabilitated ($4.6M, grant funded)
- Working group is piloting a program to resolve private side cross connections & Sewer Bylaw Enforcement

Next Steps

- Advance utility rate analysis and review alternative rate structures
- Refine assumptions for water metering, consumption impacts, and wet weather costs
- Update Metro Vancouver cost assumptions in October
- Bring rate review update to Council workshop in November

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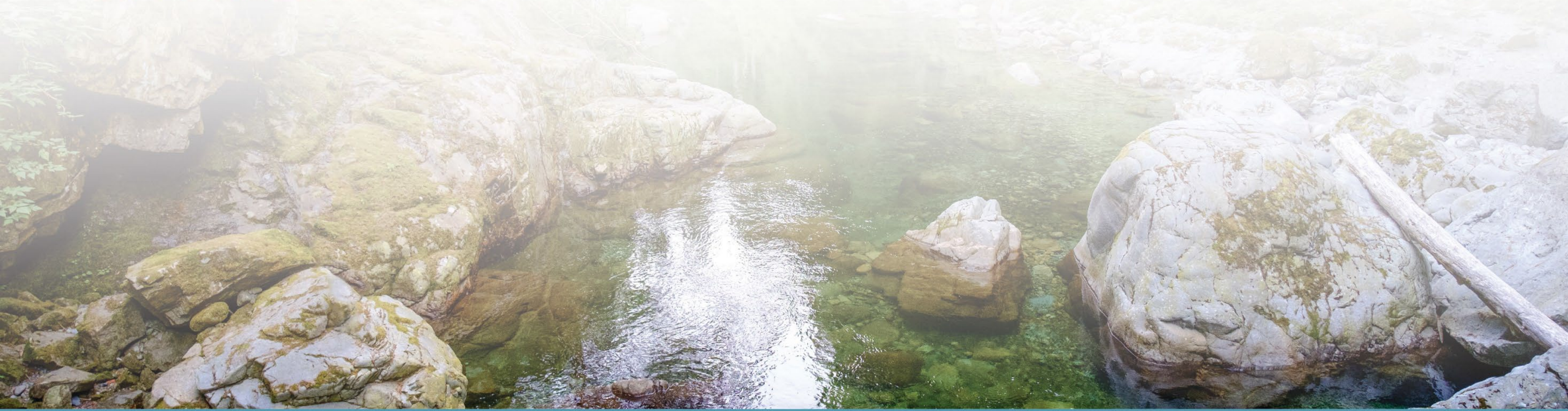

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AGENDA INFORMATION

❒ Council Workshop	Date:
☒ Finance & Audit	Date: July 28, 2026
❒ Advisory Oversight	Date:
❒ Other:	Date:

Dept. Manager	GM/ Director	CAO
		MF

The District of North Vancouver
REPORT TO COMMITTEE

July 20, 2026
File:

AUTHOR: Rick Danyluk, GM, Finance & CFO

SUBJECT: Independent Review of Council Remuneration and Benefits

---

RECOMMENDATION:

THAT the Finance and Audit Standing Committee recommend to Council:

THAT the 2027 Council Remuneration report be approved.

REASON FOR REPORT:
The District's Council Remuneration Policy provides that Council, in the last year of its term, review and approve any recommendations regarding Council remuneration for the next Council term.

SUMMARY:
It is best practice that Council remuneration recommendations are made by an independent compensation consultant.

ANALYSIS:

See attached Draft Report to Council.

Respectfully submitted,

Rick Danyluk

Rick Danyluk,
GM, Finance & CFO

Attachment 1 – Draft Report to Council – 2027 Council Remuneration

REVIEWED WITH:

❑ Business and Economic	___	❑ Finance	___	External Agencies:	
❑ Bylaw Services	___	❑ Fire Services	___	❑ Library Board	___
❑ Clerk's Office	___	❑ GIS	___	❑ Museum and Archives	___
❑ Climate and Biodiversity	___	❑ Human Resources	___	❑ NSEM	___
❑ Communications	___	❑ Integrated Planning	___	❑ NS Health	___
❑ Community Planning	___	❑ ITS	___	❑ NVRC	___
❑ Development Engineering	___	❑ Parks	___	❑ RCMP	___
❑ Development Planning	___	❑ Real Estate	___	❑ Other:	___
❑ Engineering Operations	___	❑ Review and Compliance	___		
❑ Environment	___	❑ Solicitor	___		
❑ Facilities	___	❑ Utilities	___		

AGENDA INFORMATION

☒ Regular Meeting Date: September 21, 2026

❐ Other: Date: ______

Dept. Manager | GM/ Director | CAO

The District of North Vancouver
REPORT TO COUNCIL

July 20, 2026

AUTHOR: Rick Danyluk, GM, Finance & CFO
Saira Walker, GM, Corporate Services

SUBJECT: 2027 Council Remuneration

RECOMMENDATION:
THAT the Finance and Audit Committee recommend to Council:

> THAT Council remuneration for 2027 be adjusted in accordance with the District's Council Remuneration Policy using the annual percentage change in the Statistics Canada All Items Consumer Price Index (CPI) for Vancouver applicable under the policy; and
>
> THAT Council receive the 2026 independent remuneration review prepared by Sainas Consult Inc. as confirmation that District of North Vancouver Council remuneration remains aligned with comparable municipalities.

REASON FOR REPORT:
The District's Council Remuneration Policy provides for periodic reviews of Council remuneration and annual adjustments in accordance with the policy approved by Council. The most recent independent market review was completed by Sainas Consult Inc. in June 2026. The purpose of this report is to confirm the application of the policy for 2027 Council remuneration.

SUMMARY:
In June 2026, Sainas Consult Inc. completed an independent review of Council remuneration, benefits and allowances among a group of comparable municipalities. The review concluded that District of North Vancouver remuneration levels were generally aligned with market averages and medians and that no additional market adjustment was required. As a result, no further market adjustment is proposed for 2027 beyond the annual adjustment required under Council policy.

EXISTING POLICY:
The applicable policy framework includes the Finance Policy – Council Remuneration and the Council Remuneration Review Terms of Reference.

ANALYSIS:

Independent Market Review
The June 2026 review examined Mayor and Councillor salaries, vehicle allowances, Acting Mayor pay, group benefits, pension, retirement or transition allowances, and approaches used by comparable municipalities to review and adjust Council member salaries.

Comparator Municipalities

Comparator municipalities used in the 2026 review	Notes
City of Coquitlam	Same comparator group used in prior reviews
Township of Langley	Same comparator group used in prior reviews
City of Delta	Same comparator group used in prior reviews
City of Maple Ridge	Same comparator group used in prior reviews
City of New Westminster	Same comparator group used in prior reviews
City of Port Coquitlam	Same comparator group used in prior reviews
City of North Vancouver	Same comparator group used in prior reviews
District of West Vancouver	Same comparator group used in prior reviews

Key Findings

Area	Finding for 2027 report purposes
Base salary	DNV remuneration was found to be close to the market average. No additional market adjustment is recommended.
Vehicle allowance	DNV vehicle allowances remain within the range of comparator practices; no change is proposed.
Acting Mayor pay	DNV Acting Mayor pay was reviewed as part of the total cash remuneration comparison; no separate market correction is proposed.
Benefits	Benefits available to Council members are consistent with common comparator practice; no change is proposed.
Retirement / transition allowance	DNV does not provide a transition or pension allowance for Council members; the 2026 review did not recommend a change.
Annual adjustment	Continue annual remuneration adjustments in accordance with the District's established policy.

Timing/Approval Process:
Per policy, current Council approves remuneration recommendations for incoming Council.

Concurrence:
Council's Standing Finance and Audit Committee concurs with this report.

Financial Impacts:
The financial impact of this recommendation will depend on the annual CPI adjustment prescribed under the Council Remuneration Policy and will be incorporated within the approved operating budget. No additional market adjustment is recommended.

Liability/Risk:
Maintaining remuneration levels that remain competitive with comparable municipalities supports the District's ability to attract a diverse range of qualified candidates for elected office. Continuing annual policy-based adjustments helps maintain alignment between comprehensive external market reviews.

Conclusion:
The independent remuneration review completed in 2026 concluded that District of North Vancouver Council remuneration is appropriately aligned with comparable municipalities and does not require any adjustments to maintain equity within the market. Staff therefore recommend continuing the established practice of annual policy-based adjustments and making no additional remuneration changes for 2027.

Respectfully submitted,

Rick Danyluk
General Manager, Finance and CFO

Saira Walker
General Manager, Corporate Services

Attachment 1: 2022 Council Remuneration Review (starting on page 7)
Attachment 2: 2026 Review of Council Remuneration - Sainas Consults Inc.

REVIEWED WITH:

❑ Business and Economic	___	❑ Finance	___	External Agencies:	
❑ Bylaw Services	___	❑ Fire Services	___	❑ Library Board	___
❑ Clerk's Office	___	❑ GIS	___	❑ Museum and Archives	___
❑ Climate and Biodiversity	___	❑ Human Resources	___	❑ NSEM	___
❑ Communications	___	❑ Integrated Planning	___	❑ NS Health	___
❑ Community Planning	___	❑ ITS	___	❑ NVRC	___
❑ Development Engineering	___	❑ Parks	___	❑ RCMP	___
❑ Development Planning	___	❑ Real Estate	___	❑ Other:	___
❑ Engineering Operations	___	❑ Review and Compliance	___		
❑ Environment	___	❑ Solicitor	___		
❑ Facilities	___	❑ Utilities	___		

AGENDA ADDENDUM

REGULAR MEETING OF COUNCIL

Monday, June 27, 2022
7:00 p.m.
Council Chamber, Municipal Hall
355 West Queens Road
North Vancouver, BC
Watch at https://dnvorg.zoom.us/j/67910218298

Council Members:
Mayor Mike Little
Councillor Jordan Back
Councillor Mathew Bond
Councillor Megan Curren
Councillor Betty Forbes
Councillor Jim Hanson
Councillor Lisa Muri

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DISTRICT

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REGULAR MEETING OF COUNCIL

7:00 p.m.
Monday, June 27, 2022
Council Chamber, Municipal Hall,
355 West Queens Road, North Vancouver
Watch at https://dnvorg.zoom.us/j/67910218298

AGENDA ADDENDUM

THE FOLLOWING LATE ITEMS ARE ADDED TO THE PUBLISHED AGENDA

8. REPORTS FROM COUNCIL OR STAFF

8.2.1 Neighbourhood Response to Development Variance Permit 9.22 Being Considered June 27, 2022 (2589 Belloc Street)

08.3060.20/009.22

Report: Planning Assistant, June 23, 2022

Recommendation:
THAT the June 23, 2022 report of the Planning Assistant entitled Neighbourhood Response to Development Variance Permit 9.22 Being Considered June 27, 2022 (2589 Belloc Street) is received for information.

8.7 Future Council Remuneration Review

File No.

Report: General Manager – Finance and Technology and Chief Financial Officer, and General Manager – Corporate Services
Attachment 1: Council Remuneration Review – Terms of Reference
Attachment 2: Sainas Consult Inc. – District of North Vancouver – Review of Council Remuneration

Recommendation:
THAT Council receive the June 23 report on Council remuneration and defer consideration of the recommendations from the Finance and Audit Committee until July, after the public have had an opportunity to review the report and provide any comments:

THAT the Mayor's remuneration be adjusted to $142,000,

THAT Councillors remuneration be adjusted to $56,800 remaining at 40% of the Mayor's remuneration,

THAT Acting Mayor's pay be adjusted to $1,669 per month and,

THAT the Mayor's car allowance be adjusted to $789 per month.

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AGENDA INFORMATION	
☐ Regular Meeting	Date:
☐ Other:	Date:
☐ Addendum:	Date:

Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COUNCIL

June 23, 2022
Case: 08.3060.20/009.22
File: 08.3060.20/009.22

AUTHOR: **Graeme Budge, Planning Assistant**

SUBJECT: **Neighbourhood Response to Development Variance Permit 9.22 Being Considered June 27, 2022 (2589 Belloc Street)**

RECOMMENDATION:

THAT the June 23, 2022 report of the Planning Assistant entitled Neighbourhood Response to Development Variance Permit 9.22 Being Considered June 27, 2022 (2589 Belloc Street) is received for information.

REASON FOR REPORT:

In accordance with Council's request to receive an indication as to the number of residents receiving notification, and being in support or in opposition, the following information is submitted for the Development Variance Permit being considered on June 27, 2022.

DISCUSSION:

As of 10:00 a.m. on June 23, 2022:

Development Variance Permit 9.22 – 2589 Belloc Street

Seventeen (17) notices were sent to adjacent property owners/residents. The Blueridge Community Association was sent a notice via email. Acknowledgement was received from the Blueridge Community Association. No other responses have been received.

Respectfully submitted,

G.Budge

Graeme Budge
Planning Assistant

REVIEWED WITH:

❑ Community Planning	______	❑ Clerk's Office	______	External Agencies:	
❑ Development Planning	______	❑ Communications	______	❑ Library Board	______
❑ Development Engineering	______	❑ Finance	______	❑ NS Health	______
❑ Utilities	______	❑ Fire Services	______	❑ RCMP	______
❑ Engineering Operations	______	❑ ITS	______	❑ NVRC	______
❑ Parks	______	❑ Solicitor	______	❑ Museum & Arch.	______
❑ Environment	______	❑ GIS	______	❑ Other:	______
❑ Facilities	______	❑ Real Estate	______		
❑ Human Resources	______	❑ ~~Bylaw Services~~	______		
❑ Review and Compliance	______	☑ Planning	______		

8.7

AGENDA INFORMATION	
❒ Regular Meeting	Date:________________
❒ Other:	Date:________________

Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COUNCIL

June 23, 2022
File:

AUTHOR: Andy Wardell, General Manager, Finance & Technology / CFO
Saira Walker, General Manager, Corporate Services

SUBJECT: **2023 COUNCIL REMUNERATION**

RECOMMENDATION:

THAT Council receive the June 23 report on Council remuneration and defer consideration of the recommendations from the Finance and Audit Committee until July, after the public have had an opportunity to review the report and provide any comments:

THAT the Mayor's remuneration be adjusted to $142,000,

THAT Councillors remuneration be adjusted to $56,800 remaining at 40% of the Mayor's remuneration,

THAT Acting Mayor's pay be adjusted to $1,669 per month and,

THAT the Mayor's car allowance be adjusted to $789 per month.

REASON FOR REPORT:
District of North Vancouver (DNV) Council Remuneration policy recommends a review of Council remuneration and the approval of any recommendations arising from that review take place before the current Council's term expires. In March 2020, following best practices, the DNV enlisted the services of Sainas Consult Inc. an independent compensation consultant to review remuneration, benefits and allowances for Municipal Councillors with the expectation that any recommended changes would be applied to the incoming Council.

SUMMARY:
The proposed recommendations are intended to maintain parity with comparable municipalities. The consulting report profiles two options for Council's consideration:

Option 1 is in alignment with median salaries and car allowances for comparable municipalities.

Option 2 maintains District Councillor salaries at the historical 40% of the Mayor's median salary.

BACKGROUND:
Municipalities throughout the region have recognized the importance of providing sufficient compensation in order to:

- Attract a diverse range of qualified candidates with a broad range of skills and backgrounds who can acts as representatives of the DNV.
- Adequately compensate elected officials for the significant personal time and dedication expended serving in the roles of Mayor and Councillor.

In 2022 a survey was undertaken to gather relevant information from comparable municipalities to assist in determining the 2023 compensation for the DNV Mayor and Councillors. Comparator municipalities include the following: City of Coquitlam, Township of Langley, City of Delta, City of Maple Ridge, City of New Westminster, City of Port Coquitlam, City of North Vancouver, and District of West Vancouver.

The survey data provides the following highlights:

- **Mayor's Salary** - The DNV Mayor's salary at $129,817 is low in relation to the median of all comparable municipalities. The consultant's recommendation is to increase the Mayor's salary to the median value of $142,000.
- **Councillor's Salary** -
  - Option 1 - Comparable municipalities median is at 38% or $50,691. This option would keep Council pay at $51,927 (37%). Within this median there is variation in approaches across comparable municipalities with one not adjusting salaries throughout the term between elections versus one increasing Council salaries linked to staff salary increases.
  - Option 2 - The District historically pays Councillors at 40% of the Mayor's salary. Maintaining DNV Councillors at 40% results in an increase in pay from $51,927 to $56,800. Three comparable municipalities are at 40% or 41%.
- **Acting Mayor Pay** – The median at comparable municipalities is 14.6% or $1,583 per month. Acting pay at the DNV has been historically set at 14.1% of the Mayor's salary and is currently $1,526 per month. With the recommended adjustment to the Mayor pay of $142,000 acting pay would be set at $1,669 per month (14.1%).
- **Vehicle Allowance Mayors** – The median in comparable municipalities is $789 per month. The DNV Mayor currently receives an allowance of $735 per month.
- **Vehicle Allowance Councillors** – The median in comparable municipalities is $300 per month. DNV Councillors received an allowance of $320 per month. The last consulting review in 2018 placed the median at $320 per month. In the 2022 research there was two municipalities that adjusted allowances.
- **Group Benefits** – Should a Council member elect to participate the DNV pays 100% of the premiums which is typical of most municipalities.
- **Pension, Retirement, or Transition allowance** – Three of the nine comparison municipalities provide some form of a transition allowance or pension benefit to the

Mayor and Council upon leaving Council. The DNV does not provide any transition allowance or pension benefit and there is no recommendation by the consultant for a change at the DNV.

EXISTING POLICY:
Finance – Council Remuneration
Council Remuneration Review - Terms of Reference

Timing/Approval Process:
Per policy, current council approves remuneration recommendations for incoming Council.

Concurrence
Council's Standing Finance and Audit Committee concurs with this report.

Financial Impacts:
The budget increase for the recommendations in this report total $43,785. Per policy annual salaries are adjusted by the Statistics Canada All Items Consumer Price Index (CPI) for Vancouver as at December 31, 2022.

Recommendations based on Sainas Consulting Inc.

	2022	Recommended 2023 *	Budget Increase	Market Medians	Market Average
Annual Salaries - Option 2					
Mayor	$ 129,817	$ 142,000	$ 12,183	$ 141,537	$ 145,024
Councillors	51,927	56,800	29,238	50,691	54,152
	40%	40%		38%	37%
Monthly Car Allowances					
Mayor	$ 735	$ 789	$ 648	$ 789	
Councillors	320	320	-	300	
Monthly Acting Mayor's Pay					
Councillors	$ 1,526	$ 1,669	$ 1,716	$ 1,583	$ 1,778
	14.1%	14.1%		14.6%	14.7%
			$ 43,785		

While the Sainas report does not provide recommendations on Acting Pay, leaving the Acting Pay at the current rate would reduce it's value to 12.9% of the Mayor's salary. The current Acting pay rate is set at 14.1%. The median Acting pay rate in comparable municipalities is 14.6%.

Liability/Risk:
Failure to provide adequate compensation and benefits in alignment with other Metro Vancouver municipalities could significantly impact our ability to attract a diverse range of candidates to the position of Mayor and Councillor.

Attachments:

- Council Remuneration Review – Terms of Reference
- Sainas Consult Inc. – District of North Vancouver – Review of Council Remuneration

Conclusion:
To attract a diverse range of qualified candidates who can represent the community and act as stewards of the DNV, compensation should adequately reflect the time required to serve in the capacity of Mayor or Councillor. Staff support the recommendations in the consultant's report and specifically keeping Councillor gross pay at 40% of the Mayor's gross pay.

Respectfully submitted,

A.A. Wardell

Andy Wardell
General Manager, Finance & Technology / CFO

Saira Walker
General Manager, Corporate Services

REVIEWED WITH:

❑ Sustainable Community Dev. ____	❑ Clerk's Office ____	External Agencies:
❑ Development Services ____	❑ Communications ____	❑ Library Board ____
❑ Utilities ____	❑ Finance ____	❑ NS Health ____
❑ Engineering Operations ____	❑ Fire Services ____	❑ RCMP ____
❑ Parks ____	❑ ITS ____	❑ NVRC ____
❑ Environment ____	❑ Solicitor ____	❑ Museum & Arch. ____
❑ Facilities ____	❑ GIS ____	❑ Other: ____
❑ Human Resources ____	❑ Real Estate ____	

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Council Remuneration Review
Terms of Reference

Purpose	To review Council remuneration making recommendations on remuneration, benefits, and future review mechanisms including updates, if necessary, to the policy.
Origin of Work	The Chief Administrative Officer will provide management oversight of the work of the firm and provide direction and clarification where/when necessary.
Qualifications	The firm selected to conduct the work and make recommendations must be appropriately and professionally qualified to undertake the work. Selection of the firm shall be in compliance with District procurement policies and procedures.
Work	Duties may include: researching and reviewing current trends and approaches used to set remuneration levels for elected officials; conducting interviews with Councillors and other persons thought to be appropriate; reviewing the existing policy for possible improvements to future review processes; reviewing issues of, and access to, professional development; and making recommendations to Council regarding the remuneration and benefits received by its members.
Work Plan	The Chief Administrative Officer and Manager, Human Resources will meet with the firm to establish a work plan outlining the tasks to be undertaken in order to meet the reporting deadline.
Budget	Subject to the procurement policies and competitive market forces.
Reporting	The Finance and Audit Standing Committee of Council shall be updated in the spring / early summer in the final year of a Council's term followed by a final report with recommendations to be presented to Council in a public meeting by the reporting deadline. The reporting deadline is no later than June 30th.
Staff Support	Finance, the Clerk's Office, and Human Resources will provide whatever support is deemed necessary. This may include but is not limited to advice, research and analysis and any other support service the Chief Administrative Officer deems necessary. The cost of support services outside of regular hours or by non-regular staff sources will be offset by transfers to department/divisional budgets from the Council Contingency budget.

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District of North Vancouver

Review of Council Remuneration

May 2022

Sainas Consult Inc.

Sainas Consult Inc

Katherine M Sainas, MBA, CMC

Direct 604.221.9155
Cell 604.831.4205
email kathys@sainasconsult.com

May 24, 2022

PRIVATE & CONFIDENTIAL

Ms. Saira Walker
General Manager, Corporate Services
District of North Vancouver
355 West Queens Road
North Vancouver, BC
V7N 4N5

Via e-mail: walkers@dnv.org

Dear Ms. Walker:

Re: Survey of Council Remuneration

We are pleased to present our report on the survey of Mayor and Council remuneration conducted on behalf of the District of North Vancouver.

We look forward to discussing this report with you. If you have any questions in the meantime, please call.

Yours truly,

SAINAS CONSULT INC.

Kathy Sainas

Katherine M. Sainas

3662 West 20th Avenue, Vancouver BC V6S 1E8

District of North Vancouver
Review of Council Remuneration

May 2022

Table of Contents

INTRODUCTION

The District of North Vancouver retained Sainas Consult Inc. to undertake a review of Council remuneration. The project involved a survey of a number of comparison municipalities for the following information as it pertains to the Mayor and Councillor positions:

- Annual salary;
- Acting Mayor pay;
- Vehicle allowance;
- Incidence and cost-sharing of group benefits;
- Incidence of pension, retirement or transition allowance; and,
- Approaches for reviewing and determining adjustments to pay.

The comparison municipalities are the same ones that were included in the 2018 review and are shown in the table below, along with their 2021 population and 2020 consolidated expenses.

Table 1 - Comparison Municipalities

MUNICIPALITY	2021 EST. POPULATION	2020 CONSOLIDATED EXPENSES
City of Coquitlam	154,381	$270,804,927
Township of Langley	137,399	$253,291,000
City of Delta	113,695	$241,627,618
City of Maple Ridge	94,742	$137,634,713
City of New Westminster	82,866	$195,666,195
City of Port Coquitlam	63,917	$99,806,099
City of North Vancouver	59,576	$118,909,873
District of West Vancouver	45,503	$153,697,696
25th percentile	62,832	132,953,503
Median	88,804	174,681,946
Average	94,010	183,929,765
75th percentile	119,621	244,543,464
DISTRICT OF NORTH VANCOUVER	91,790	$189,177,601

Source: Local Government Division of the Ministry of Municipal Affairs & Housing

MARKET FINDINGS

This section contains the market findings.

COUNCIL MEMBER 2022 SALARY

The current Mayor and Councillor annual salaries are shown in Table 2 below.

Table 2 - Mayor and Councillor Salaries

MUNICIPALITY	MAYOR	COUNCILLOR	COUNCILLOR VS MAYOR
City of Coquitlam	$187,087	$74,581	40%
Township of Langley	$154,557	$57,186	37%
City of Delta	$154,264	$62,788	41%
City of Maple Ridge	$121,107	$48,443	40%
City of New Westminster	$137,645	$52,940	38%
City of Port Coquitlam	$145,429	$46,191	32%
City of North Vancouver	$130,179	$43,479	33%
District of West Vancouver	$129,924	$47,610	37%
25th percentile	$130,115	$47,255	36%
Median	$141,537	$50,691	38%
Average	$145,024	$54,152	37%
75th percentile	$154,337	$58,587	40%
DISTRICT OF NORTH VANCOUVER	$129,817	$51,927	40%

The information collected in the survey is current as at March 2022. One municipality does not make annual adjustments to Council remuneration; thus their rates have remained unchanged since the beginning of the term. Another has not – and is not expected to – provide an increase for 2022. A third will make its adjustment in June based on last year's CPI that will be effective for the remainder of the term.

Some of the municipalities may increase their Mayor and Councillor salaries by more than the typical annual adjustment as a result of their own pre-election remuneration reviews for their next term Councils.

VEHICLE ALLOWANCES

Vehicle allowances are provided to the Mayors at all but one of the comparison municipalities, and the amounts range from a monthly allowance of $200 to $1394, with a median of $789 and an average of $751. Five of the eight municipalities extend car allowances to Councillors, with a median monthly allowance of $300 and an average of $363. One of the three municipalities that do not offer a car allowance to Councillors provides a vehicle allowance for the Acting Mayor during the period acting.

The District of North Vancouver provides a monthly allowance of $735 to the Mayor, and $320 to the Councillors.

When the vehicle allowance is added to the salary, the statistics for the total cash compensation at the comparison municipalities are:

Table 3 - Market Statistics for Salary + Vehicle Allowance

STATISTICS	MAYOR	COUNCILLOR	COUNCILLOR VS MAYOR
25th percentile	$137,279	$47,255	35%
Median	$146,860	$52,503	38%
Average	$152,914	$56,872	37%
75th percentile	$165,866	$63,879	40%
DISTRICT OF NORTH VANCOUVER	$138,637	$55,767	40%

ACTING MAYOR PAY

The acting pay policies vary across the comparison municipalities. Some of the policies offer a percentage of the Mayor's salary for the acting period. Others provide a flat rate per month or for an assigned length of time. One does not provide Acting Mayor pay. The additional pay provided to a Councillor to act for the Mayor ranges between 10% and 28% of the Mayor's salary, with a median of 14.6% and an average of 15.7%. The monthly rate works out to between $1,117 and $3,082, with a median of $1,583 and an average of $1,778.

The District of North Vancouver provides an acting rate of $1,526 per month, which is 14.1% of the Mayor's monthly salary.

GROUP BENEFITS

The benefits that are provided to staff are typically also available to Council members. The premiums are 100% paid by the comparison municipalities for the Mayor and Councillors with one exception: one municipality pays 100% for the Mayor but Councillors pay their own medical premiums and 25% of the dental and extended health premiums.

The District of North Vancouver pays 100% of the premiums for the benefits provided to Council members.

Pension, Retirement, or Transition Allowance

Two of the comparison municipalities provide a separation allowance to the Mayor and Councillors upon leaving Council. A third annualizes a transition allowance equal to the employer contribution under the municipal pension plan and includes it in the Mayor's regular salary.

The District of North Vancouver does not provide such an allowance.

Approaches for Reviewing and Adjusting Council Member Salaries

Where a municipality has a policy for reviewing Mayor and Council remuneration, the approach is typically to review other municipalities that are similar in size and/or region. For this, they typically conduct a regular market survey of their comparison municipalities.

For adjustments in the years in between the more comprehensive reviews, the municipalities typically make annual adjustments ~~based on~~ consumer price index increases. One links Council increases with staff increases, and another municipality does not adjust Mayor and Council remuneration throughout the term between elections.

SUMMARY AND RECOMMENDATIONS

SUMMARY

Table 4 summarizes the current remuneration for the District of North Vancouver Mayor and Councillors compared with the median of the market:

Table 4 - Current District of North Vancouver Compared With Market

	MARKET MEDIAN	DNV CURRENT	DNV CURRENT VS MARKET MEDIAN
BASE SALARY			
Mayor	$141,537	$129,817	92%
Councillor	$50,691	$51,927	102%
COUNCILLOR SALARY AS % OF MAYOR	38%	40%	
SALARY PLUS VEHICLE ALLOWANCE			
Mayor	$146,860	$138,637	94%
Councillor	$52,503	$55,767	106%

The District's Councillor rates are close to the median of the market for salaries and total cash (salary plus vehicle allowance). The Mayor's salary, however, is below the median.

RECOMMENDATIONS

Since the Mayor's remuneration is below market, we recommend the Mayor's base salary be increased to $142,000, which puts it at the median of the market for salary and within 3% of the market for total cash.

We understand that it has been the District's practice to maintain the Councillor remuneration at 40% of the Mayor. Therefore, two proposed remuneration options are presented in the tables below:

1. Mayor and Councillor salaries set at the median of the market (Option 1 - Table 5); and,

2. Mayor salary at the median and Councillor salary at 40% of the Mayor, consistent with the District's historical practice (Option 2 - Table 6)

Table 5 - Option 1: Mayor and Councillor Salaries at Market Median

	Market Median	DNV Option 1	DNV Option 1 vs Market Median
Base Salary			
Mayor	$141,537	$142,000	100%
Councillor	$50,691	$51,927	102%
Councillor Salary as % of Mayor	38%	37%	
Salary Plus Vehicle Allowance			
Mayor	$146,860	$150,820	103%
Councillor	$52,503	$55,767	106%

Table 6 - Option 2: Mayor at Market Median, Councillor at 40% of Mayor

	Market Median	DNV Option 2	DNV Option 2 vs Market Median
Base Salary			
Mayor	$141,537	$142,000	100%
Councillor	$50,691	$56,800	112%
Councillor Salary as % of Mayor	38%	40%	
Salary Plus Vehicle Allowance			
Mayor	$146,860	$150,820	103%
Councillor	$52,503	$60,640	115%

As stipulated in the District's Council Remuneration Policy, the Council remuneration should be adjusted for 2023 by the annual percentage change for the prior calendar year of the Statistics Canada All Items Consumer Price Index (CPI) for Vancouver.

District of North Vancouver

Review of Council Remuneration

June 2026

Sainas Consult Inc.

Sainas Consult Inc

Katherine M. Sainas, MBA

Direct 604.221.9155
Cell 604.831.4205
kathys@sainasconsult.com

June 2, 2026

PRIVATE & CONFIDENTIAL

Ms. Gurinder Gill
Director, Human Resources
District of North Vancouver
355 West Queens Road
North Vancouver, BC
V7N 4N5

Via e-mail: gillg@dnv.org

Dear Ms. Gill:

Re: Review of Council Remuneration

We are pleased to present our report on the survey of Mayor and Council remuneration conducted on behalf of the District of North Vancouver.

We look forward to discussing this report with you. If you have any questions in the meantime, please call.

Yours truly,

SAINAS CONSULT INC.

Kathy Sainas

Katherine M. Sainas

3662 West 20th Avenue, Vancouver BC V6S 1E8

District of North Vancouver
Review of Council Remuneration

June 2026

Table of Contents

INTRODUCTION

The District of North Vancouver retained Sainas Consult Inc. to undertake its regular review of Council remuneration. The project involved a survey of the District's comparison municipalities for the following information as it pertains to the Mayor and Councillor positions:

- Annual salary;
- Acting Mayor pay;
- Vehicle allowance;
- Incidence and cost-sharing of group benefits;
- Incidence of pension, retirement or transition allowance; and,
- Approaches for reviewing and determining adjustments to pay.

The comparison municipalities are the same ones that were included in the 2018 and 2022 reviews and are shown in Table 1 below.

TABLE 1 - COMPARISON MUNICIPALITIES

MUNICIPALITY	2025 EST. POPULATION
City of Coquitlam	173,599
Township of Langley	163,885
City of Delta	124,670
City of Maple Ridge	105,925
City of New Westminster	92,124
City of Port Coquitlam	67,724
City of North Vancouver	66,624
District of West Vancouver	47,929
25th percentile	67,449
Median	99,025
Average	105,310
75th percentile	134,474
DISTRICT OF NORTH VANCOUVER	**97,845**

Source: Local Government Division of the Ministry of Municipal Affairs & Housing

MARKET FINDINGS

This section contains the market findings.

COUNCIL MEMBER 2026 SALARY

Some of the comparison municipalities have not yet implemented 2026 adjustments to Mayor and Councillor rates. Therefore, we updated their rates based on the municipality's policy for annual adjustments to ensure the data reflects 2026 remuneration. One of the municipalities changes their rates at June 1st, which is reflected in the data contained in this report. We should also note that one municipality is maintaining their remuneration at 2025 levels for 2026.

The statistics for the current Mayor and Councillor annual salaries are shown in Table 2 below.

TABLE 2 - STATISTICS FOR MAYOR AND COUNCILLOR SALARIES

STATISTICS	MAYOR	COUNCILLOR	COUNCILLOR AS % OF MAYOR
25th percentile	\$155,673	\$57,804	37%
Median	\$159,152	\$60,057	39%
Average	\$169,720	\$65,870	39%
75th percentile	\$176,509	\$70,443	40%
DISTRICT OF NORTH VANCOUVER	**\$165,479**	**\$66,191**	**40%**

VEHICLE ALLOWANCES

Vehicle allowances are provided to the Mayors at six of the comparison municipalities, and the amounts range from a monthly allowance of \$594 to \$1560, with a median of \$868 and an average of \$945.

Four of the eight municipalities extend car allowances to Councillors, with a median monthly allowance of \$416 and an average of \$516. One of the other municipalities that does not offer a car allowance to Councillors provides a vehicle allowance for the Councillor assigned as Acting Mayor during the period acting. One municipality provides a transit pass to all elected officials.

The District of North Vancouver provides a monthly vehicle allowance of \$789 to the Mayor and \$320 to the Councillors.

When the vehicle allowance is added to salary, the statistics for the total cash remuneration at the comparison municipalities are shown in Table 3 below.

TABLE 3 - MARKET STATISTICS FOR SALARY + VEHICLE ALLOWANCE

STATISTICS	MAYOR	COUNCILLOR
25th percentile	$158,845	$59,622
Median	$166,878	$62,097
Average	$178,223	$68,964
75th percentile	$189,160	$73,450
DISTRICT OF NORTH VANCOUVER	**$174,947**	**$70,031**

ACTING MAYOR PAY

The acting Mayor pay policies vary across the comparison municipalities. Some of the policies offer a percentage of the Mayor's salary for the acting period. Others provide a flat rate per month or for an assigned length of time. One does not provide Acting Mayor pay.

The additional pay provided to a Councillor to act for the Mayor ranges between 8% and 28% of the Mayor's salary, with a median of 19.6% and an average of 17.8%. The monthly rates range from $1,000 to $3,694, with a median of $2,369 and an average of $2,375.

The District of North Vancouver provides an acting rate of $1,945 per month, which is 14.1% of the Mayor's monthly salary.

The Councillor rates including vehicle allowances and acting pay are shown in Table 4 below. These statistics presume two months of acting pay per year.

TABLE 4 - MARKET STATISTICS FOR SALARY + VEHICLE ALLOWANCE + ACTING PAY FOR COUNCILLOR

STATISTICS	COUNCILLOR
25th percentile	$64,207
Median	$65,274
Average	$73,158
75th percentile	$78,104
DISTRICT OF NORTH VANCOUVER	**$73,921**

GROUP BENEFITS

The benefits that are provided to staff are also available to Council members, and typically include extended health, dental, accident and group life insurance. The premiums for the Mayor and Councillors are 100% paid by most of the comparison municipalities.

The District of North Vancouver pays 100% of the premiums for the benefits provided to all Council members.

PENSION, RETIREMENT, OR TRANSITION ALLOWANCE

Three of the comparison municipalities provide a separation allowance to the Mayor and Councillors upon leaving Council. The arrangements for the three municipalities are as follows:

- Annual amount for each service year equivalent to employer Municipal Pension Plan contribution for excluded employees to be paid as a lump sum when member of council leaves their position (2 municipalities).

- A lump sum separation/transition allowance upon completion of their term(s) in office equivalent to 10% of their highest annual remuneration for each year of service commencing after December 1st, 2008 (with a twelve year cap).

For the fourth municipality, the Mayor's transition allowance benefit is converted to an amount equivalent to the employer contribution under the Municipal Pension Plan and paid out on the Mayor's regular pay remittance.

The District of North Vancouver does not provide such an allowance.

APPROACHES FOR REVIEWING AND ADJUSTING COUNCIL MEMBER SALARIES

Where a municipality has a policy for reviewing Mayor and Council remuneration, the majority will compare remuneration levels with other municipalities that are similar in size and/or region. These reviews typically occur in the last year of the Council term for implementation for the next Council.

For adjustments in the years between the more comprehensive reviews, the majority of the municipalities make annual adjustments based on consumer price index increases. One municipality links Council adjustments with staff increases, another municipality uses an average of CUPE and IAFF settlements and CPI, and a third municipality uses comparison with senior public service salaries.

SUMMARY AND RECOMMENDATIONS

Table 5 summarizes the 2026 remuneration for the District of North Vancouver Mayor and Councillors compared with the median and average of the market:

TABLE 5 - CURRENT DISTRICT COUNCIL REMUNERATION COMPARED WITH MARKET

	MAYOR	COUNCILLOR
BASE SALARY		
Median	$159,152	$60,057
Average	$169,348	$65,720
DNV	**$165,479**	**$66,191**
SALARY + VEHICLE ALLOWANCE		
Median	$166,878	$62,097
Average	$178,223	$68,964
DNV	**$174,947**	**$70,031**
SALARY + VEHICLE ALLOWANCE + A/MAYOR PAY (PRESUMES 2 MONTHS ACTING)		
Median	$166,878	$65,274
Average	$178,223	$73,158
DNV	**$174,947**	**$73,921**

The survey data indicates the District's 2026 remuneration is close to the average of the market. Therefore, we would not recommend that any adjustments are required to maintain equity with the market. Since the other municipalities will increase their rates by CPI or other measure for 2027, the District should continue to do the same.

It should be noted that some of the municipalities may increase their Mayor and Councillor salaries by more than the usual annual adjustment as a result of their own pre-election remuneration reviews for their next term Councils.

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AGENDA INFORMATION

❐ Council Workshop	Date:
☒ Finance & Audit	Date: July 28, 2026
❐ Advisory Oversight	Date:
❐ Other:	Date:

		MF
Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COMMITTEE

July 15, 2026
File:

AUTHOR: Jaskaran Gill, Manager, Financial Planning and Reporting

SUBJECT: Appointment of External Auditor

RECOMMENDATION:
THAT the Finance and Audit Standing Committee recommend to Council:

> THAT Council appoint BDO Canada LLP as the external auditor for The Corporation of the District of North Vancouver, including the North Vancouver Recreation & Culture Commission, North Vancouver District Public Library and North Shore Emergency Management, pursuant to Section 169 of the Community Charter.
>
> AND THAT this appointment be for an initial five-year term, subject to an annual review and re-appointment by Council.

REASON FOR REPORT:
Section 169 of the Community Charter requires Council to appoint an auditor for the municipality.

The Finance and Audit Standing Committee Terms of Reference assign responsibility to the Committee to recommend the appointment of the external auditor to Council.

SUMMARY:
Proposals for the services of an external auditor followed the District's best practices in procurement. On April 28th, 2026 the District issued an RFP for external audit services through an open, transparent process. BDO Canada LLP achieved the highest overall evaluation score and was identified as the preferred proponent.

ANALYSIS:
See attached Draft Report to Council.

Respectfully submitted,

Jaskaran Gill
Manager, Financial Planning and Reporting

Attachment 1 – Draft Report to Council – Appointment of External Auditor

REVIEWED WITH:

❑ Business and Economic	___	❑ Finance	___	External Agencies:	
❑ Bylaw Services	___	❑ Fire Services	___	❑ Library Board	___
❑ Clerk’s Office	___	❑ GIS	___	❑ Museum and Archives	___
❑ Climate and Biodiversity	___	❑ Human Resources	___	❑ NSEM	___
❑ Communications	___	❑ Integrated Planning	___	❑ NS Health	___
❑ Community Planning	___	❑ ITS	___	❑ NVRC	___
❑ Development Engineering	___	❑ Parks	___	❑ RCMP	___
❑ Development Planning	___	❑ Real Estate	___	❑ Other:	___
❑ Engineering Operations	___	❑ Review and Compliance	___		
❑ Environment	___	❑ Solicitor	___		
❑ Facilities	___	❑ Utilities	___		
	___				

AGENDA INFORMATION	
☒ Regular Meeting	Date: TBD
❐ Other:	Date:

Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COUNCIL

July 17, 2026

AUTHOR: Jaskaran Gill, Manager, Financial Planning and Reporting

SUBJECT: Appointment of External Auditor

RECOMMENDATION:
THAT Council appoint BDO Canada LLP as the external auditor for The Corporation of the District of North Vancouver, including the North Vancouver Recreation & Culture Commission, North Vancouver District Public Library and North Shore Emergency Management, pursuant to Section 169 of the Community Charter.

AND THAT this appointment be for an initial five-year term, subject to an annual review and re-appointment by Council.

REASON FOR REPORT:
Section 169 of the Community Charter requires Council to appoint an auditor for the municipality.

The Finance and Audit Standing Committee has reviewed the results of the Request for Proposal process and recommends the appointment of BDO Canada LLP as the District's external auditor.

SUMMARY:
In April 2026, the District issued Request for Proposal (RFP) 031-26 for external audit services through an open and competitive procurement process. Following a comprehensive evaluation of written submissions and interviews, BDO Canada LLP achieved the highest overall score and was identified as the preferred proponent.

The evaluation committee concluded that BDO Canada LLP demonstrated the municipal audit expertise, resources, audit methodology, and overall value necessary to provide independent external audit services to the District and its related entities.

Based on the evaluation results, the Finance and Audit Standing Committee recommends that Council appoint BDO Canada LLP as the District's external auditor.

BACKGROUND:
The District's current external audit engagement has reached the end of its term. To ensure compliance with Section 169 of the Community Charter and maintain independent assurance over the District's annual consolidated financial statements, staff initiated a competitive procurement process for external audit services.

On April 28, 2026, staff issued Request for Proposal RFP-031-26 for Assurance Services through the District's electronic bidding platform. The RFP closed on May 27, 2026. Five submissions were received, including four qualified public accounting firms with significant municipal audit experience and one submission that did not meet the mandatory requirements of the RFP.

The proposal evaluation process was completed between May and July 2026 and included both detailed written evaluations and follow-up interviews with the highest-ranked proponents.

DISCUSSION

Proposal Evaluation Process
An evaluation committee consisting of representatives from the District's Finance Department and North Vancouver Recreation & Culture Commission independently reviewed all compliant submissions. Proposals were evaluated using the criteria established in the RFP. The cost component represented 20% of the total score while technical criteria represented 80% of the total score.

The evaluation criteria included:

- Demonstrated understanding of the District's operating environment and audit risks.
- Familiarity with municipal legislation, Public Sector Accounting Standards and regulatory requirements.
- Qualifications and experience of the proposed audit team.
- Availability of specialized technical resources.
- Experience providing services to municipalities of similar size and complexity.
- Ability to support multiple reporting entities within a consolidated reporting environment.
- Organizational stability and professional reputation.
- Overall cost and value of services provided.

Following the written evaluation stage, the three highest-ranked proponents were invited to participate in interviews focused on:

- Audit innovation and efficiency.
- Technology and data analytics capabilities.
- Emerging reporting requirements.
- Client service model and communication approach.
- Value-added insights and continuous improvement opportunities.
- Long-term service delivery strategy.

BDO Canada LLP achieved the highest overall score in both the written submission and interview phases of the evaluation. The evaluation committee unanimously identified BDO Canada LLP as the preferred proponent.

Evaluation Summary

Item	Result
Procurement Method	Open Competitive RFP
RFP Number	RFP-031-26
Proposals Received	5
Evaluation Method	Written Submission and Interview
Technical Weighting	80%
Financial Weighting	20%
Recommended Firm	BDO Canada LLP

Evaluation results summary table based on the completed procurement process

Proposal Evaluation Summary	MNP	BDO	KPMG
	SCORE	SCORE	SCORE
Consensus Score from Written Proposal Stage (100 pts max)	78.12	81.16	79.86
Consensus Score from Interview Stage (100 pts max):	79.10	85.50	75.50
TOTAL SCORE (200 pts max):	**157.22**	**166.66**	**155.36**

Strength of Municipal Audit Experience
BDO demonstrated extensive experience providing audit services to municipalities and other public sector organizations of similar size and complexity. The firm demonstrated a strong understanding of local government operations, governance structures, Public Sector Accounting Standards, and applicable legislative requirements.

The evaluation committee concluded that BDO possesses the expertise required to audit a complex municipal organization with multiple reporting entities and a diverse range of service delivery areas.

Depth of Professional Resources
The proposed engagement team demonstrated access to specialized resources in key technical areas including public sector accounting, information technology controls, asset management, pension and benefit accounting, and emerging accounting and reporting requirements.

The evaluation committee determined that BDO has sufficient depth and capacity to provide continuity of service and respond effectively to evolving organizational and regulatory requirements over the term of the engagement.

Audit Methodology and Risk Management
BDO's proposed methodology emphasized proactive planning, timely communication, risk identification, and efficient delivery of audit services. The firm's approach includes regular engagement with management, early identification of emerging issues, and clear communication throughout the audit process.

The evaluation committee concluded that this approach will support a high-quality audit while minimizing disruption to staff and operations.

Technology and Data Analytics
BDO demonstrated its use of technology, automation, and data analytics to enhance audit quality, improve efficiency, and focus audit efforts on higher-risk areas. The firm provided examples of how technology can support more effective audit planning and analysis while maintaining professional judgment and auditor independence.

The evaluation committee viewed these capabilities as a benefit that supports both audit effectiveness and service efficiency.

Overall Value
BDO submitted a competitive financial proposal and achieved the highest overall evaluation score. When considered alongside the firm's municipal expertise, technical resources, audit methodology, and service model, the evaluation committee determined that BDO provides the best overall value to the District.

FINANCIAL IMPLICATIONS
The proposed audit fees are considered competitive and reflective of current market conditions and the scope and complexity of services required. As the District's external audit contract was extended for four years since its original contract in 2017 and it has not been competitively procured in approximately 9 years, the updated fee structure reflects both market changes and evolving audit requirements. The revised annual cost of approximately **$166,200** was identified through the competitive procurement process and will be incorporated into the Fall 2026 Financial Plan Amendment, representing an increase of **$59,000** over the current base budget of **$107,200**. As the audit includes services provided to multiple organizations, the net impact to the District tax levy is approximately **$44,500**.

The proposed agreement establishes a five-year fee schedule with annual increases averaging approximately **3.5%** per year. Staff will continue to monitor audit costs through the annual budget process.

Timing/Approval Process:
The appointment of the external auditor is required as soon as possible to allow the successful proponent to complete engagement planning activities and undertake interim work scheduled for late 2026.

Conclusion:
Following a competitive procurement process, BDO Canada LLP achieved the highest overall evaluation score based on written submissions, interviews, municipal audit expertise, proposed methodology, professional resources, and overall value. The evaluation committee concluded that BDO Canada LLP is best positioned to provide independent external audit services to the District and its related entities.

The Finance and Audit Standing Committee supports this recommendation and recommend that Council appoint BDO Canada LLP as the District's external auditor pursuant to Section 169 of the Community Charter.

Respectfully submitted,

Jaskaran Gill
Manager, Financial Planning and Reporting

REVIEWED WITH:

❑ Business and Economic	___	❑ Finance	___	External Agencies:	
❑ Bylaw Services	___	❑ Fire Services	___	❑ Library Board	___
❑ Clerk’s Office	___	❑ GIS	___	❑ Museum and Archives	___
❑ Climate and Biodiversity	___	❑ Human Resources	___	❑ NSEM	___
❑ Communications	___	❑ Integrated Planning	___	❑ NS Health	___
❑ Community Planning	___	❑ ITS	___	❑ NVRC	___
❑ Development Engineering	___	❑ Parks	___	❑ RCMP	___
❑ Development Planning	___	❑ Real Estate	___	❑ Other:	___
❑ Engineering Operations	___	❑ Review and Compliance	___		
❑ Environment	___	❑ Solicitor	___		
❑ Facilities	___	❑ Utilities	___		

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AGENDA INFORMATION	
❒ Council Workshop	Date:
☒ Finance & Audit	Date: July 28, 2026
❒ Advisory Oversight	Date:
❒ Other:	Date:

Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COMMITTEE

July 21, 2026
File: 05.1930

AUTHOR: Daniel So, Section Manager, Revenue & Taxation

SUBJECT: **2026 Tax and Utility Collections**

RECOMMENDATION:
THAT the Finance and Audit Standing Committee receive this report for information.

REASON FOR REPORT:
To report on 2026 property tax & utility collections for information.

SUMMARY:
Property tax collections remain strong and consistent with historical performance, with 95.3% of the $259.2 million levy collected by the July 2 due date. Residential utility collection performance continues to improve as residents become familiar with separate utility billing. Of the $72.7 million invoiced, 96.5% has been collected to date, with collection rates now approaching property tax collection performance.

Online payment adoption continues to increase, while participation in the Provincial Tax Deferment Program declined significantly following changes to program interest rates. Staff continue to pursue service improvements that enhance customer access and payment options.

ANALYSIS:

Tax Collections:
Pursuant to the Community Charter and Municipal Tax Regulation, the 2026 property tax due date was July 2, 2026. Of the total property tax levy of $259.2 million, 95.3% was collected by the due date, with approximately $12.2 million remaining outstanding. This collection rate remains consistent with the District's historical performance and reflects continued strong compliance with property tax payment deadlines.

	Levy	Collected	Outstanding
Municipal & Other Agency Taxes	$ 259,203,435	95.3%	$ 12,168,979

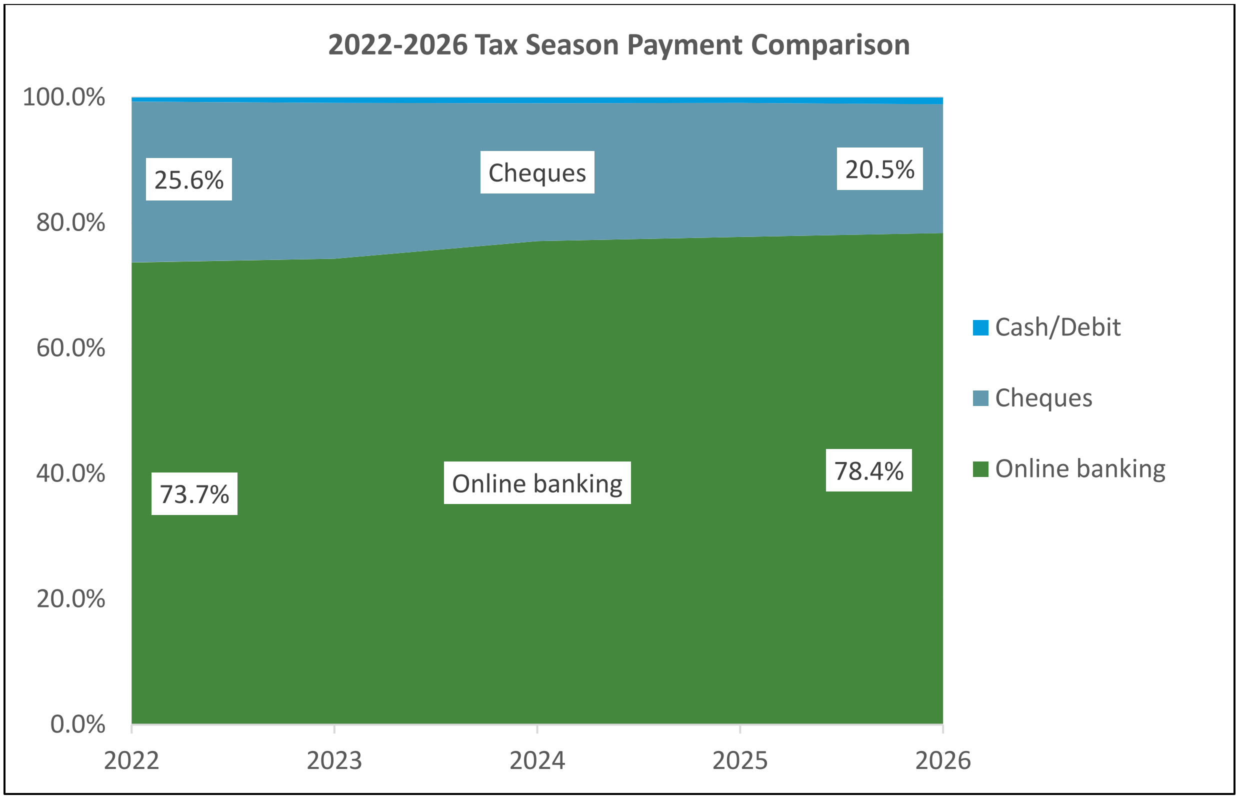
The table below summarizes property tax collection rates as of the due date over the past five years.

Year	% of Current Taxes
2026	95.3%
2025	96.1%
2024	94.8%
2023	95.3%
2022	95.5%

The District collects property taxes on behalf of other taxing authorities, including the Province of British Columbia. In 2026, the District remitted $64.8 million in school taxes and will remit approximately $31 million to other taxing authorities. These remittances are required regardless of whether all property taxes have been collected. Consequently, the District temporarily assumes the cash flow risk associated with outstanding property taxes until they are collected. Property taxes that remain unpaid and become delinquent are ultimately recoverable through statutory tax sale processes.

2026 Distribution of tax collections	**$**	**% Total**
Municipal levy	143,402,536	55.3%
Other Tax Authorities:		
Provincial School Tax	82,484,873	31.8%
TransLink	26,409,816	10.2%
Metro Vancouver	3,870,292	1.5%
BC Assessment	3,021,797	1.2%
Municipal Finance Authority	14,121	0.0%
	115,800,899	**44.7%**
Total property tax levy	**259,203,435**	**100.0%**

Online banking remains the preferred payment method for property taxes and continues to increase as a proportion of total payments. The District continues to encourage residents to use self-service payment options, which improve operational efficiency, reduce manual processing requirements, and provide a convenient and reliable payment experience.



Residential Utility Fee Collections
2026 is the second year that residential flat-rate utilities have been billed separately from property taxes. Collection performance continues to improve as residents become more familiar with the separate billing process and payment schedule. Of the $72.7 million billed, 96.5% has been collected to date, with collection rates now approaching property tax collection performance.

Penalties assessed on outstanding utility accounts totalled approximately $535,000 in 2026 compared with $336,000 in 2025. The increase reflects the full implementation of the separate utility billing process and associated penalty provisions.

		Collection Rate	
Year	End of March	End of May	Tax Due Date
2026	87.6%	95.8%	96.5%
2025	65.0%	94.3%	96.2%

Penalties
The Municipal Tax Collection Bylaw requires a 5% penalty on outstanding current taxes remaining unpaid after the July due date and a further 5% penalty on taxes remaining unpaid after September 1. Penalties applied to eligible homeowner grant portions are reversed where qualifying applications are submitted to the Province by the September 1 deadline.

Year	Taxes Late Penalty	Utility Late Penalty	Total Late Penalty
2026	$823,000	$535,000	$1,358,000
2025	$801,000	$336,000	$1,137,000
2024	$949,000		$949,000
2023	$834,000		$834,000
2022	$739,000		$739,000

Note: Utility charges were split into a separate bill in 2025.

Homeowner Grants
Since 2021, homeowners have applied directly to the Province for homeowner grants through the Provincial online application portal. Although administration of the program has transferred to the Province, District staff continue to provide support and assistance to residents experiencing difficulties with the application process, including those with limited access to technology or who require assistance navigating the online application system.

Provincial Tax Deferment Program
The Province administers the Regular Program and the Families with Children Program for eligible homeowners. Effective in 2026, significant changes were made to both programs, including substantial increases to interest rates and a transition from simple interest to monthly compounding interest calculations.

Participation in the tax deferment program declined by 42% year-over-year, from 3,876 applications in 2025 to 2,239 applications in 2026. The decline appears to reflect residents seeking alternative financing options in response to higher borrowing costs under the revised Provincial program. Participation among eligible residential properties decreased from 12.8% in 2025 to 7.4% in 2026.

Year	Deferment Files	Tax Dollars Deferred	Y:Y Change in Files	% of Properties	Interest Rate (Regular Program)*
2026	2,239	$13,981,813	-42.2%	7.4%	6.45%
2025	3,876	$23,372,496	-2.5%	12.8%	3.45%
2024	3,974	$22,358,505	-1.1%	13.4%	5.20%
2023	4,019	$20,880,378	9.6%	13.6%	4.45%
2022	3,667	$18,274,614	0.5%	12.7%	0.45%

* Prior to 2026, the interest rate listed was for the Regular Program. The Families with Children Program was 2.00% higher.

Deferrals between $4,000 and $6,000, representing homes valued between approximately $1.45 million and $2.05 million, experienced the largest decrease.

	Deferment Files		
Deferment Amount	**2026**	**2025**	**% Difference**
<$4000	385	671	-42.6%
$4,000-$6,000	881	1,660	-46.9%
$6,000-$8,000	517	915	-43.5%
$8,000-$10,000	302	388	-22.2%
>$10,000	154	242	-36.4%

Note: In 2026, the average Single-Family Dwelling assessed at $2.2 million will defer approximately $6,500 in property taxes. The average Multi-Family Dwelling assessed at $990 thousand will defer approximately $2,500 in property taxes.

New Credit Card Payment Option

As part of the District's review of payment processing costs, a new credit card payment gateway has been implemented, as approved by the Finance and Audit Standing Committee in March 2024. Effective August 11, 2026, residents will be able to pay property taxes and utility charges online and in person using a credit card. Property tax payments will be subject to a 2.0% processing fee to recover payment processing costs, while utility payments will not be charged a fee for associated processing costs per credit card service fee policies. This service improvement provides residents with greater payment flexibility while maintaining cost recovery for the District.

Service Improvements

Staff continue to identify opportunities to improve the customer experience through enhanced digital services and self-service functionality. Current initiatives include:

- Improving resident access to property tax and utility account information through MyDNV.
- Enhancing electronic property tax notices and utility bills.
- Expanding digital service delivery and payment options to improve convenience and accessibility for residents.

CONCLUSION

Property tax collections remain strong and consistent with historical performance, supporting the District's financial sustainability and statutory remittance obligations. Residential utility collection performance continues to improve as residents become accustomed to separate utility billing. Online payment adoption continues to increase, and the introduction of credit card payments will provide additional convenience and flexibility for residents.

Participation in the Provincial Tax Deferment Program declined by 42% in 2026 following significant increases to program interest rates and changes to interest calculation methodologies. This trend suggests that many residents are seeking alternative financing options in response to higher borrowing costs.

Staff will continue to pursue service improvements that enhance the customer experience while maintaining efficient collection processes.

Respectfully submitted,

Daniel So
Section Manager, Revenue & Taxation

REVIEWED WITH:

❑ Business and Economic ___	❑ Finance ___	External Agencies:
❑ Bylaw Services ___	❑ Fire Services ___	❑ Library Board ___
❑ Clerk's Office ___	❑ GIS ___	❑ Museum and Archives ___
❑ Climate and Biodiversity ___	❑ Human Resources ___	❑ NSEM ___
❑ Communications ___	❑ Integrated Planning ___	❑ NS Health ___
❑ Community Planning ___	❑ ITS ___	❑ NVRC ___
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❑ Environment ___	❑ Solicitor ___	
❑ Facilities ___	❑ Utilities ___	

DISTRICT OF NORTH VANCOUVER

Briefing Note

To: Finance and Audit Standing Committee

From: Claire Prescott, Accounting Officer, Strategic Initiatives

Date: July 22, 2026

Subject: Update - Budget and Financial Management and Budget Carryover Policies

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Purpose

The purpose of this update is to advise the Committee that Finance staff have completed two draft financial governance policies that are currently being reviewed by the Senior Leadership Team for feedback and concurrence:

1. Budget and Financial Management Policy; and
2. Budget Carryover Policy.

Together, the policies establish a more comprehensive framework for financial planning, budget development, financial oversight, accountability, and the management of unspent operating and capital budget authority.

Background

Historically, District budget management practices have been guided through a combination of procedures and administrative practices, Financial Plan bylaws, reserve fund policies, and purchasing authorities. Staff have identified an opportunity to consolidate and formalize these practices into a more comprehensive financial governance framework.

Finance staff have developed the Budget and Financial Management Policy and Budget Carryover Policy to strengthen financial governance, improve accountability and transparency, and establish consistent procedures for managing District resources. Together, the policies will improve the District's ability to identify, communicate, and address emerging financial pressures through structured forecasting, reporting, and budget management requirements.

Each policy's purpose is intended to complement the other as follows:

Budget and Financial Management Policy

- To support the annual budget and rolling financial plan by assigning clear accountability for services and budgets, enabling informed service level decisions, and ensuring the organization can balance the budget while responding to internal and external cost pressures.

Budget Carryover Policy

- To establish a consistent framework for the review, approval, and management of operating and capital budget carryovers. The policy supports accountability for project delivery, ensures unspent budget authority is carried forward only where justified, and requires completed, inactive, or unnecessary project budgets to be closed and funding returned for reallocation to Council priorities or investment, maximizing the effective use of District resources and investment returns.

Next Steps

Next steps include:

- Consulting with internal stakeholders;
- Incorporating comments and recommendations received through consultation;
- Confirming alignment with related partner financial policies and procedures;
- Seeking Senior Leadership Team concurrence;
- Presenting the revised policies for endorsement at the September meeting of the Finance and Audit Standing Committee; and
- Presenting the final administrative policies for CAO approval through the appropriate governance process.

Implementation of the policies will include the development of supporting procedures, guidelines, templates, and annual reporting mechanisms.

Conclusion

The proposed Budget and Financial Management Policy and Budget Carryover Policy will establish a comprehensive framework for responsible financial stewardship, budget accountability, and long-term financial sustainability. The Budget and Financial Management Policy clarifies roles, responsibilities, and expectations related to service planning, budget development, financial oversight, and resource allocation. The Budget Carryover Policy supports improved alignment between approved budgets, project delivery and cash flow requirements on a rolling basis throughout the year, while providing a transparent process for managing unspent budget authority. Together, the policies strengthen the District's financial governance framework and support informed, transparent, and sustainable decision-making.

AGENDA INFORMATION

☒ Finance and Audit Date: July 28, 2026
❒ Advisory Oversight Date:
❒ Other: Date:

		MF
Dept. Manager	GM/ Director	CAO

The District of North Vancouver
REPORT TO COMMITTEE

July 21, 2026
File:

AUTHOR: Elio Iorio, Manager, Financial Services

SUBJECT: Treasury Report – Q2 2026

RECOMMENDATION:
THAT the report of the Manager, Financial Services entitled "Treasury Report – Q2 2026" is received for information and feedback.

REASON FOR REPORT:
This report provides an overview of the District's treasury management performance, challenges, and strategic direction for the current year. The treasury function plays a critical role in optimizing liquidity, managing risks, and supporting the organizations corporate strategic objectives.

SUMMARY:
Investment income to the end of June has exceeded budget, supported by strong cash balances and interest earnings. The year-to-date surplus has been allocated to capital reserves and contingency to help offset rising construction costs and operating risks. The Bank of Canada has maintained its policy rate at 2.25%, while recent market volatility has placed upward pressure on borrowing rates. The District completed the remaining $27.8 million in authorized borrowing through the MFA Spring 2026 program. Although borrowing costs were higher than originally anticipated, the financing has been secured to support approved capital projects.

EXISTING POLICY:
Investments are compliant with applicable legislation and focus on the preservation of capital followed by liquidity, then by rate of return. Investment income is allocated to operations and reserves based on average annual fund balances.

Debt is used strategically to augment steady state replacement of existing assets or to acquire new assets supported by business case. Early debt retirements that strengthen the District's financial position are acted on, and savings are redirected to capital reserves. Debt is currently amortized over 20 years.

ANALYSIS:

Investment Portfolio Performance

The investment portfolio at the end of June was $528.3 million (2025 – $465 million) and earned $6.5 million (2025 – $7.2 million). Total rate of return (ROR) is 4.17% (2025 – 4.23%). Investment income is above budget by $2,197,681. Considerable uncertainty continues to prevail in global financial markets. While a ceasefire in the Middle East was announced, renewed hostilities have highlighted the ongoing geopolitical risks facing the global economy. At the same time, trade uncertainty persists as negotiations between Canada and the United States continue, with no agreement reached under the Canada-US-Mexico (CUSMA) agreement framework. These factors continue to contribute to market volatility and uncertainty regarding the economic outlook. As a result, the Bank of Canada is maintaining a cautious approach to monetary policy assessing the economic impacts of these developments.

Investment Income to June 30, 2026

Earned	Actual	Budget	Difference
MFA	$ 6,918	$ 7,325	$ (407)
BMO HISA	209,510	259,200	(49,690)
MFA PHISA	654,697	293,400	361,297
BlueShore Financial BISA	8,995	9,900	(905)
Liquid Investments	880,121	569,825	310,296
Brokerage/Term Deposits	5,581,443	3,694,058	1,887,385
Totals	$ 6,461,564	$ 4,263,883	$ 2,197,681

Rates	Actual	Budget	Difference
MFA	2.29%	2.50%	-0.21%
BMO HISA	2.80%	3.46%	-0.66%
MFA PHISA	2.80%	2.80%	0.00%
BlueShore Financial BISA	1.25%	1.25%	0.00%
Brokerage/Term Deposits	4.54%	3.00%	1.54%
Totals	4.17%	3.19%	0.98%

Reasons for investment performance are primarily capital project timing and brokerage investment performance, which at 4.54% is above the risk-free overnight interest rate of 2.30%.

Benchmark Yields as of July 2, 2026 (Comparatives, April 10, 2026):

Canadian Bonds			CORRA[1]			Average GICs		
1-3 Year	2.74%	(2.76%)	Rate	2.30%	(2.30%)	1 Year	2.70%	(2.70%)
3-5 Year	3.02	(3.02)				3 Year	2.55	(2.75)
5-10Year	3.29	(3.30)				5 Year	2.75	(2.75)

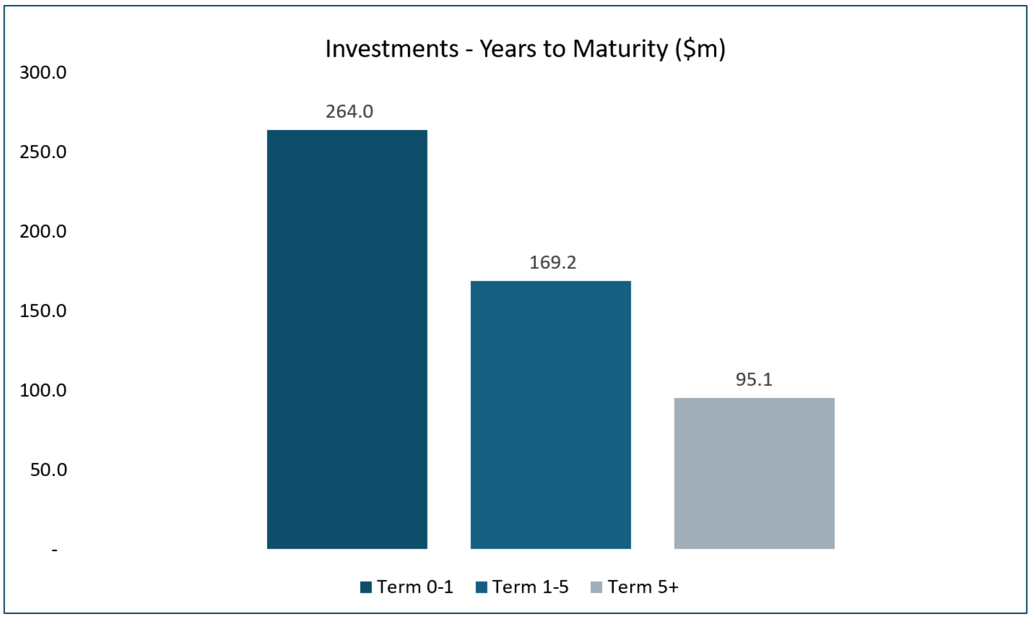
[1] CORRA – Canadian Overnight Repo Rate Average is the risk-free rate of interest used by banks to provide a reliable and transparent benchmark for overnight funding costs.

Investments by type of institution and instrument:

- Municipal Finance Authority – PHISA (CIBC Pooled High Interest Savings Account) - $155.7 million
- Bank of Montreal BMO – High interest savings account - $11.5 million
- Credit Unions – high interest bank account & term deposits - $42.4 million
- Major Canadian Banks – $313.7 million
- Provincials – $5 million

Investments by term (in millions)

The portfolio is structured with $433.2 million in relatively liquid investments (0-5 years) and $95.1 million in limited longer-term opportunities (5+years). Liquid investments are structured to support the near term and medium-term cash flow requirements of the organization.



Investment Opportunities

Investments in the portfolio maturing within the term of 1 to 5 years continue to maximize rate of return. Major bank products that were once not as competitive in comparison to credit union products are being evaluated for their longer-term potential. We continue to evaluate MFA investment products for their applicability in balancing the portfolio and selectively look for opportunities to reposition the investment portfolio into longer periods. The District’s investment strategy is amenable to the opportunities now presenting themselves while the primary focus remains on the preservation of capital with greater diversification for an ongoing conservative risk profile. In future brokerage investment returns will start to decrease in the near term as investments from earlier years mature and are reinvested at declining market yields.

Debt Management

The District has completed its remaining $27.8 million in authorized borrowing through the Municipal Finance Authority (MFA) Spring 2026 borrowing program, fully funding the Maplewood Fire and Rescue Centre and Argyle Artificial Turf Field projects authorized under the loan authorization bylaw.

With the current borrowing program complete, the District's focus shifts to ongoing debt management. Staff will continue to monitor interest rate trends, capital financing requirements, and debt servicing costs to ensure future borrowing decisions remain aligned with the District's 10-year Rolling Financial Plan. Maintaining flexibility in the timing, structure, and term of future borrowing will help manage financing costs while supporting the delivery of the District's capital program.

Global economic uncertainty and evolving financial market conditions continue to influence long-term borrowing rates. The District will continue to assess market conditions and the Municipal Finance Authority's lending programs to identify opportunities to optimize future financing while maintaining prudent debt levels and long-term affordability.

Projected rate Outlook:

	2026 Q2	2026 Q3	2026 Q4	2027 Q1
BoC Policy Rate	2.25%	2.25%	2.25%	2.50%
Canada 10-year Bond Rate	3.56%	3.60%	3.60%	3.55%
MFA 10-year Lending Rate	4.09%	4.13%	4.13%	4.08%
MFA 20-year Lending Rate	4.85%	4.89%	4.89%	4.84%

MFA has advised that not all debt issues may qualify for the 10-year lending rate[2], as future bond issuances may be determined based on the underlying cost and repayment term associated with significant assets being financed. Accordingly, projected rates for a 20-year lending term have been incorporated into the rate outlook for forecasting purposes.

The District will continue to closely monitor interest rate developments and broader economic conditions. While rates remain within a relatively moderate range, increased uncertainty underscores the importance of prudent debt management and flexibility in financial planning as the District advances its capital program.

Looking forward, the District’s use of debt will increase in the near term as we invest in active transportation, artificial turf fields and other Council priorities.

[2] The 10-year lending rate provides municipalities an opportunity to reset their lending rate after the first 10-years of a 20-year debt amortization.

While debt levels planned are well within the District's ability to borrow[3], increased market uncertainty will likely increase borrowing costs originally anticipated in the 5-year Financial Plan. The Municipal Finance Authority's (MFA) approach of aligning bond issuance with the useful life of significant capital assets will result in longer repayment terms for certain borrowings without the traditional opportunity to reset interest rates at 10-year intervals. Although this better aligns debt repayment with the period over which residents benefit from the assets, it also increases total interest costs over the life of the debt. The Five-Year Financial Plan will be updated later this fall to incorporate the additional 2026 interest expense of approximately $670,000, along with revised forecasts for ongoing annual interest expense associated with these longer repayment terms.

Economic Outlook

The Bank of Canada (BoC) has eased monetary policy from its historic peak of 5%, reducing the policy rate to 2.25% as of October 29, 2025. The BoC has since maintained the rate while monitoring economic conditions, inflation trends, and ongoing global uncertainty. In the near term, interest rates are expected to remain within a stimulative range, with future adjustments dependent on the evolution of inflation, economic growth, and broader market conditions.

Inflation in Canada, which returned to the BoC's 2% target in mid-2024, has since fluctuated, with headline CPI increasing to 2.8% in June 2026 (Vancouver CPI: 2.1%), driven primarily by higher energy prices.

The economic outlook remains uncertain due to ongoing global trade tensions, U.S. tariff measures, and geopolitical developments affecting energy markets and supply chains. The BoC has maintained a cautious, data-dependent approach, noting that higher energy costs have created near-term inflationary pressure, while broader inflation trends remain contained. Interest rate decisions will continue to depend on the balance between inflation risks and economic growth conditions.

Looking ahead, inflation trend, price levels, and broader economic conditions will require close monitoring. Ongoing uncertainty related to global trade, energy markets, and geopolitical developments continues to create risks to the economic outlook. While monetary policy has moved into a more accommodative range, the Bank of Canada remains data-dependent, with future adjustments to interest rates guided by the balance between inflation pressures and economic growth.

[3] The Community Charter limits the cost servicing liabilities to 25% of total revenues for the previous year.

CONCLUSION:
Moving forward, the economic environment remains uncertain. While a lower interest rate environment was anticipated, evolving geopolitical issues are creating the potential for renewed rate volatility. This underscores the importance of aligning investment, borrowing and debt management strategies to maintain flexibility and support long-term financial sustainability.

Respectfully submitted,

Elio Iorio,
Manager, Financial Services

REVIEWED WITH:

❑ Community Planning	____	❑ Clerk's Office	____	External Agencies:	
❑ Development Planning	____	❑ Communications	____	❑ Library Board	____
❑ Development Engineering	____	❑ Finance	____	❑ NS Health	____
❑ Utilities	____	❑ Fire Services	____	❑ RCMP	____
❑ Engineering Operations	____	❑ ITS	____	❑ NVRC	____
❑ Parks	____	❑ Solicitor	____	❑ Museum & Arch.	____
❑ Environment	____	❑ GIS	____	❑ Other:	____
❑ Facilities	____	❑ Real Estate	____		
❑ Human Resources	____	❑ Bylaw Services	____		