

# Council Approved 2019 Budget and Five-Year Financial Plan

## Updated 2019 Budget Summary

### Balanced 2019 Operating Budget: \$1,513 million

(amended - tax increase lowered from 4.9% to 4.5%)

At the December 18, 2018 Council Meeting, Vancouver City Council approved a property tax increase of 4.5 per cent, a reduction from the 4.9 per cent proposed tax rate in the draft budget, lowering the total 2019 Operating Budget to \$1,513 million. In addition to the above, Council has reallocated \$0.61 million to Vancouver Board of Parks and Recreation from the 2019 Engineering Operating Budget to support the delivery of increased horticultural service standards, and \$0.12 million was reallocated to Arts and Culture grants from an investment in corporate compliance. The lower tax rate was achieved through a \$2 million reduction in the Council Contingency and a \$1 million reduction in the Innovation Fund.

\$ millions	2018 Restated Budget	2019 Approved Budget	Net Change (\$)	Net Change (%)
Revenues	\$1,407	\$1,513	\$106	7.6%
Expenditures and Transfers	\$1,407	\$1,513	\$106	7.6%
<b>Net Operating Budget</b>				

### 2019 Capital Budget

At the December 18, 2018 Council Meeting, Vancouver City Council approved an amended 2019 Capital Budget which includes a deferral in the approval of the funding of \$5,381,000 for improvements to Robson Plaza. This has decreased the 2019 new multi-year Capital Project Budget requests and 2019 Annual Capital Expenditure Budget by \$5.381 million.

\$ millions	2018 Restated Budget	2019 Approved Budget	Net Change (\$)	Net Change (%)
New Capital Project Budget	\$403	\$366	\$(37)	(9%)
Capital Expenditure Budget	\$444	\$563	\$119	27%

### 2019 Increases - City Property Tax, Fees and Charges

Property Tax	4.5%
Utility Fees (combined)	8.7%
Water	9.7%
Sewer	11.0%
Solid Waste	3.1%
<b>Median single-family home combined municipal property tax and utility fees</b>	<b>6.1%</b>

### 2019 Increases - All other Fees

NEU	3.2%
Recreation user fees	2.0%
Most other user fees	2.0%
Permit fees*	12.0%

\* some permit fees increased at rates higher than 12.0%

## Indicative City Property Tax Impact

Assessed Value of Property (without Land Assessment Averaging)	Estimated 2019 Taxes (CoV Portion)	Change over 2018
Median residential strata unit assessed at \$700,000	\$884	\$38
Median overall residential unit assessed at \$1,278,000	\$1,615	\$70
Median single-family home assessed at \$1,832,000	\$2,314	\$100
Median business property assessed at \$855,300	\$4,124	\$178

## Indicative City Property Tax and Utility Fee Impact

	Median Single-Family Home \$1,832,000		Median Business Property \$855,300	
	Estimated 2019 Tax Bill (COV portion)	Change Over 2018	Estimated 2019 Tax Bill (COV portion)	Change Over 2018
<b>Property taxes (4.5% increase)</b>	<b>\$2,314</b>	<b>\$100</b>	<b>\$4,124</b>	<b>\$178</b>
Water	\$716	\$63	\$664	\$59
Sewer	\$471	\$47	\$481	\$48
Solid Waste	\$304	\$10	\$243	\$8
<b>Subtotal Utility fees</b>	<b>\$1,491</b>	<b>\$120</b>	<b>\$1,388</b>	<b>\$115</b>
<b>Combined</b>	<b>\$3,805</b>	<b>\$220</b>	<b>\$5,512</b>	<b>\$293</b>

## Consolidated Budget\* on financial statement basis

\$ millions	2018 Restated Budget	2019 Approved Budget	Net Change (\$)	Net Change (%)
<b>Revenue</b>				
Operating	\$1,407	\$1,513	\$106	7.6%
Capital	\$156	\$207	\$51	32.7%
Property Endowment	\$51	\$62	\$10	19.8%
Other Funds	\$10	\$13	\$3	29.8%
All Entities	\$58	\$62	\$4	6.2%
Consolidation Adjustments *	\$(11)	\$(13)	\$(2)	17.5%
<b>Total Revenues</b>	<b>\$1,672</b>	<b>\$1,844</b>	<b>\$173</b>	<b>10.4%</b>
<b>Expenditures</b>				
Operating	\$1,407	\$1,513	\$106	7.6%
Capital	\$156	\$207	\$51	32.7%
Property Endowment	\$51	\$62	\$10	19.8%
Other Funds	\$10	\$13	\$3	29.8%
All Entities	\$57	\$61	\$3	6.0%
Consolidation Adjustments *	\$(11)	\$(13)	\$(2)	17.5%
<b>Total Expenditures</b>	<b>\$1,671</b>	<b>\$1,843</b>	<b>\$172</b>	<b>10.3%</b>
<b>Reconciliation Adjustments to Annual Financial Statements†:</b>				
Amortization	\$190	\$191	\$1	0.4%
Capital Additions	\$(348)	\$(414)	\$(66)	18.9%
Contributions/Transfers (to)/from reserves	\$(58)	\$88	\$146	(254.3%)
Debt	\$128	\$22	\$(106)	(82.4%)
<b>Total Reconciliation Adjustments</b>	<b>\$(88)</b>	<b>\$(113)</b>	<b>\$(25)</b>	<b>28.1%</b>
<b>Total Expenditures per Financial Statement Basis</b>	<b>\$1,583</b>	<b>\$1,731</b>	<b>\$148</b>	<b>9.4%</b>
<b>Excess Revenues over Expenditures per Financial Statement Basis</b>	<b>\$89</b>	<b>\$114</b>	<b>\$25</b>	<b>27.9%</b>

Note: Totals may not add due to rounding.

\* In order to present financial information on a consolidated basis, financial transactions between funds or entities have been removed.

† Public Sector Accounting Board adjustments have been made, including amortization of tangible capital assets, net of debt payments/issues and reserve transfers.

# 2019 Budget and Five-Year Financial Plan Highlights

Responding to the pressures and opportunities of a growing city

The proposed operating budget for 2019 of \$1,516 million and new capital project budget of \$371 million have been developed to support the needs of our growing and changing city.

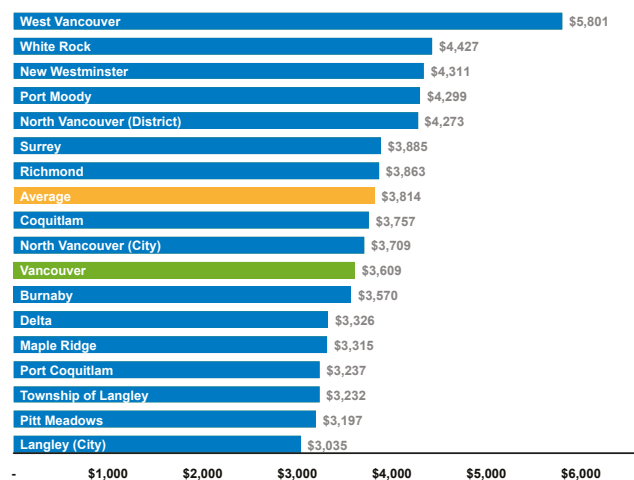
The capital budget includes significantly increased investments to address aging city infrastructure and amenities. The operating budget focuses on maintaining—and improving—the services that are most important to our residents and businesses.

The Budget Outlook made public in July showed a significant gap between expenditure growth and revenue growth, suggesting a much higher tax increase than was approved for 2018 would be required to balance the budget. In response, City staff took a prudent approach and identified cost efficiencies across our operations that helped reduce the potential property tax increase. As well, additional revenue from higher volumes of user fee-related services and other revenue sources also helped to offset the increase.

## Additional sources of revenue and cost efficiencies lowered the potential tax increase

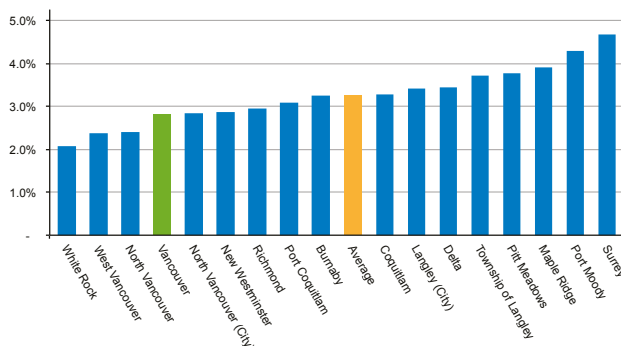
### 2018 Combined Municipal Property Tax and Utility Fees for the Median Single-Family Home (\$)

Comparing the typical single-family home, Vancouver sits below the average of other Metro Vancouver municipalities.



### Vancouver vs Metro Vancouver 10-Year Average Property Tax Increase (2009-2018)

Comparing 10-year average property tax increase, Vancouver is one of the lowest in the region.



The proposed property tax increase of 4.9 per cent reflects an increase in line with inflation (2.2 per cent), the property tax impact of the provincial government’s new Employer Health Tax (1.7 per cent), and the additional investments in infrastructure renewal approved in the 2019-2022 Capital Plan (1 per cent).

Significant public outreach was conducted in 2018 on both the capital plan and the 2019 Budget, with feedback from Vancouver residents about the city issues that are most important to them, as well as their priorities for spending. That input was used to align priorities and investments for 2019 and beyond.

## Our key priorities for the 2019 Budget and Five-Year Financial Plan are:

### Increase housing supply and affordability, and improve availability and supports for renters and vulnerable citizens

Investments approved last year to improve the speed of development permit approvals will continue in 2019. This year's budget also includes significant investments in affordable and social housing, with focus on alleviating homelessness and poverty. The first year of the Empty Homes Tax program generated close to \$30 million, with the net revenue earmarked for affordable housing initiatives. With the launch of the Short-term Rental regulations in 2018, going forward we expect to see even more rental properties become available to Vancouver residents.

### Maintain and improve operations and service levels

The City is making needed investments to improve cleanliness and litter pick up on our streets and in parks. We are also making investments in technology upgrades to ensure the City can reliably continue to meet the service expectations of our residents.

### Invest in public safety

In the coming year the previously approved plan to hire more police officers and additional firefighters will

continue to roll out, and funding is in place to operate a drug safe laboratory for handling of opioids and other dangerous substances. We will also focus on security and fire safety in parks.

### Continue to build vibrant communities and public spaces that support arts, culture and the environment

Each year Vancouver's streets, parks and other public spaces host a number of large events that contribute to the City's vitality. The City is making investments to provide additional services for these types of events, including safety, traffic control and clean up, which will in turn reduce costs to event organizers. The operating costs of a new senior centre and three new childcare facilities are included in the budget, along with additional social and cultural grants to enrich the community.

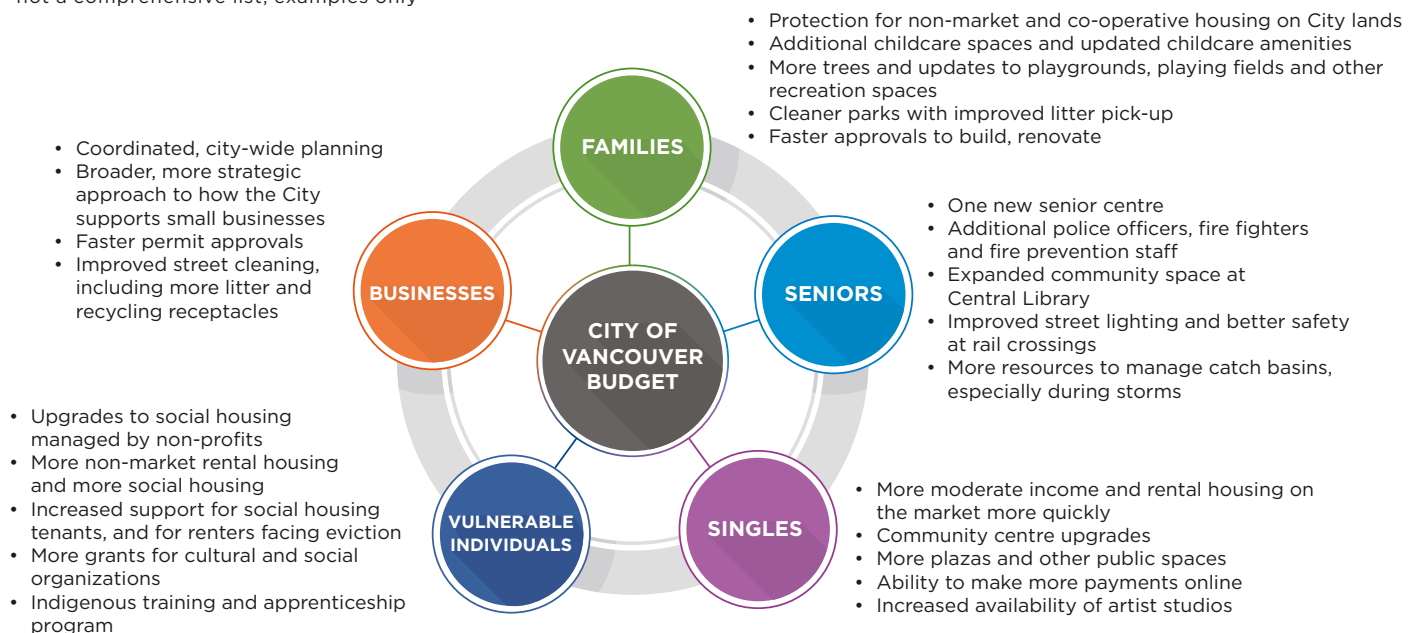
### Meet our commitments to provide safe and healthy workplaces and public spaces

The City has an obligation to meet regulatory standards and ensure that our staff and members of the community remain safe and healthy. Areas of focus for health and safety investments in the coming year include Vancouver Civic Theatres and the Vancouver Public Library. We are also planning a major disaster exercise in 2019 to ensure that our large-scale emergency plans are thorough and tested.

## How does the City's budget benefit me?\*

Don't see yourself in one of these profiles? Check out the Departmental Service Plans for more information about how we are funding services that are important to you.

\*not a comprehensive list, examples only



# 2019 Budget Summary

To establish the City’s tax rates, Vancouver City Council first determines the total property tax levy that is required to support the budget, then divides the property tax levy by the assessment base provided by BC Assessment.

## The City does not generate higher property tax revenues as a result of rising property values

### 2019 Increases — City Property Tax, Fees and Charges

Property Tax	4.9%
Utility Fees (combined)	8.7%
Water	9.7%
Sewer	11.0%
Solid Waste	3.1%
Median single-family home combined municipal property tax and utility fees	6.3%

### 2019 Increases — All Other Fees

NEU	3.2%
Recreation user fees	2.0%
Most other user fees	2.0%
Permit fees*	12.0%

\*some permit fees increased at rates higher than 12%

### Indicative City Property Tax Impact

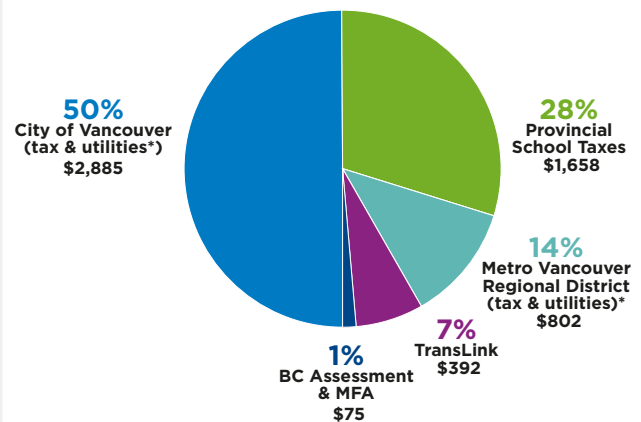
Assessed Value of Property (without Land Assessment Averaging)	Estimated 2019 Taxes (CoV Portion)	Change over 2018
Median residential strata unit assessed at \$700,000	\$887	\$41
Median overall residential unit assessed at \$1,278,000	\$1,621	\$76
Median single-family home assessed at \$1,832,000	\$2,322	\$108
Median business property assessed at \$855,300	\$4,139	\$193

### Indicative City Property Tax and Utility Fee Impact

	Median Single-Family Home \$1,832,000		Median Business Property \$855,300	
	ESTIMATED 2019 TAX BILL (CoV PORTION)	CHANGE OVER 2018	ESTIMATED 2019 TAX BILL (CoV PORTION)	CHANGE OVER 2018
Property taxes (4.9% increase)	\$2,322	\$108	\$4,139	\$193
Water	\$716	\$63	\$664	\$59
Sewer	\$471	\$47	\$481	\$48
Solid Waste	\$303	\$9	\$243	\$8
Subtotal Utility fees	\$1,490	\$119	\$1,388	\$115
<b>Combined</b>	<b>\$3,812</b>	<b>\$227</b>	<b>\$5,527</b>	<b>\$308</b>

About half of property taxes collected funds City services; the other half goes toward funding regional services, schools and transit

### 2018 Distribution of Taxes and Fees for Median Single-Family Home



\* 65% of City water revenue and 55% of City sewer revenue included in Metro Vancouver share to reflect flow through of Metro costs

## 2019 Operating, Capital and Consolidated Budgets

### Balanced Operating Budget

\$ millions	2018 Restated Budget	2019 Proposed Budget	Net Change (\$)	Net Change (%)
Revenues	\$ 1,407	\$1,516	\$109	7.8%
Expenditures and Transfers	\$ 1,407	\$1,516	\$109	7.8%
<b>Net Operating Budget</b>	-	-	-	-

- The operating budget is described in detail under the Operating Budget section of the 2019 Budget and Five-Year Financial Plan document.
- New investments of \$27.8 million are described in the Investments, under the Operating Budget section of the 2019 Budget and Five-Year Financial Plan document.

### Capital Budget

\$ millions	2018 Restated Budget	2019 Proposed Budget	Net Change (\$)	Net Change (%)
New Capital Project Budget	\$403	\$371	\$(32)	(8)%
Capital Expenditure Budget	\$444	\$568	\$124	28%

- The capital budget, including a description of new projects and related funding sources, is described in detail in Appendix A and B of the 2019 Budget and Five-Year Financial Plan document.
- As of 2018 Q3, the forecasted 2018 capital spend is \$335 million.

### Consolidated Budget Summary on a financial statement basis

\$ millions	2018 Restated Budget	2019 Proposed Budget	Net Change (\$)	Net Change (%)
<b>Revenue</b>				
Operating	\$1,407	\$1,516	\$109	7.8%
Capital	\$156	\$212	\$56	36.1%
Property Endowment	\$51	\$62	\$10	19.8%
Other Funds	\$10	\$13	\$3	29.8%
All Entities	\$58	\$62	\$4	6.1%
Consolidation Adjustments (1)	\$(11)	\$(13)	\$(2)	17.5%
<b>Total Revenues</b>	<b>\$1,672</b>	<b>\$1,852</b>	<b>\$181</b>	<b>10.8%</b>
<b>Expenditures</b>				
Operating	\$1,407	\$1,516	\$109	7.8%
Capital	\$156	\$212	\$56	36.1%
Property Endowment	\$51	\$62	\$10	19.8%
Other Funds	\$10	\$13	\$3	29.8%
All Entities	\$57	\$61	\$3	6.1%
Consolidation Adjustments (1)	\$(11)	\$(13)	\$(2)	17.5%
<b>Total Expenditures</b>	<b>\$1,671</b>	<b>\$1,851</b>	<b>\$180</b>	<b>10.8%</b>
<b>Reconciliation to Annual Financial Statements (2)</b>				
Amortization	\$190	\$191	\$1	0.4%
Capital Additions	\$(348)	\$(420)	\$(71)	20.5%
Contributions/Transfers (to)/from reserves	\$(58)	\$94	\$151	(263.0%)
Debt	\$128	\$22	\$(106)	(82.4%)
<b>Total Reconciliation Adjustments</b>	<b>\$(88)</b>	<b>\$(113)</b>	<b>\$(25)</b>	<b>28.1%</b>
<b>Total Expenditures per Financial Statement Basis</b>	<b>\$1,583</b>	<b>\$1,739</b>	<b>\$156</b>	<b>9.8%</b>
<b>Excess Revenues over Expenditures per Financial Statement Basis</b>	<b>\$89</b>	<b>\$114</b>	<b>\$25</b>	<b>27.9%</b>

Note: Totals may not add due to rounding.

(1) In order to present financial information on a consolidated basis, financial transactions between funds or entities have been removed.

(2) Public Sector Accounting Board adjustments have been made, including amortization of tangible capital assets, net of debt payments/issues and reserve transfers.

- The consolidated budget, including the budgets for the City's various funds and entities, is included in the Consolidated Budget section of the 2019 Budget and Five-Year Financial Plan document.
- Within the consolidated budget, the capital budget is presented on a financial statement basis. A description of how this links to the total 2019 Capital Budget of \$568 million is provided in the Capital Budget section of the 2019 Budget and Five-Year Financial Plan document. Year-over-year changes in capital budget revenues and expenditures are based on the mix of funding sources for projects being brought forward in the 2019 budget.
- Contributions/transfers to/from reserves and debt change year to year due to timing of debt issuance, repayment, and capital project funding included in the 2019 budget.

**The City's strong financial management has been acknowledged by credit rating agencies with the highest credit rating of AAA/Aaa**

# Balanced Operating Budget \$1,516 million

The operating budget has been developed to help make progress on the issues that are most important to Vancouver’s residents and businesses, as well as to address the areas where service improvements are needed.

## OPERATING REVENUES

7.8% increase in total revenue

- **\$44.6 million** increase in property tax and related revenue
- **\$36.6 million** increase in fees and other revenues
- **\$28.2 million** increase in utility revenue

## OPERATING EXPENDITURES

7.8% increase in total expenditures

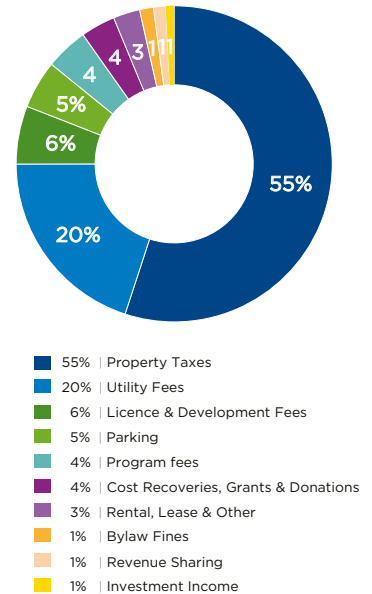
- **\$49.8 million** increase in fixed costs is driven by costs related to maintaining City services and service levels (e.g. wages, energy, rent, maintenance, and other third-party costs). The 2019 Budget also reflects the increased need for renewal and maintenance of infrastructure and public amenities to ensure they meet the needs of the public and remain in a state of good repair, as outlined in the 2019-2022 Capital Plan.
- **\$31.8 million** increase in expenditures primarily offset by utility fees, user fees, other revenue sources and internal costs savings (without service impacts). These expenditures are primarily driven by utility program expenditures such as increased metro utility charges (including site preparation for sewer secondary treatment) and the costs to renew critical City utility infrastructure as per the approved 2019-2022 Capital Plan.
- **\$27.8 million** new investments toward initiatives to (1) address housing supply and affordability, and improve availability and supports for renters and vulnerable citizens, (2) maintain and improve service levels, (3) increase investments in public safety, (4) continue to build vibrant communities and public spaces that support arts, culture and the environment, and (5) provide safe and healthy workspaces and public spaces.

Funding for these investments have been partially offset by reprioritization of existing budgets, internal costs savings (without service impacts), and increased revenues. The level of investment reflects the needs of a growing city, including housing supply and affordability and critical social issues, while maintaining and upgrading key City infrastructure, which include:

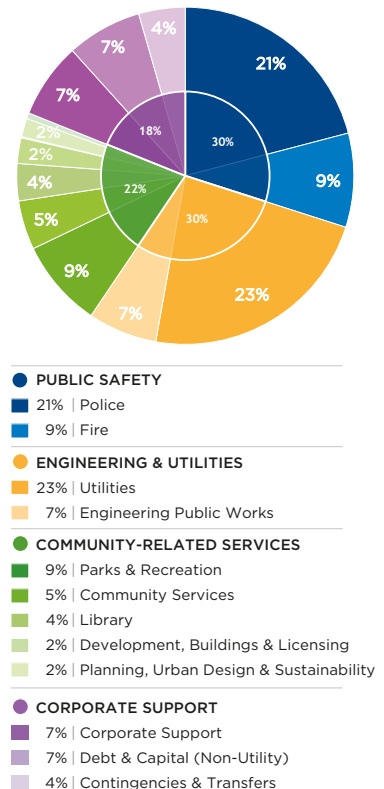
- **\$3.0 million** to address housing affordability including investments in non-market housing and community facilities, additional resources to review housing applications, support for vulnerable renters facing eviction, funding for on-site, peer-based training for supportive housing residents, and funding for the Vancouver Rent Bank
- **\$3.1 million** second year of plan to improve permitting and licensing processes to reduce wait times for development permits and improve customer experience
- **\$2.9 million** to maintain and improve public safety, including the addition of police officers and firefighters
- **\$2.1 million** to improve street and parks cleaning services including additional litter receptacles

Despite fixed costs rising faster than inflation, the City has been able to reduce the impact of the fixed costs increases and support \$27.8 million in new investments in Council and Board priorities through reprioritization of existing budgets, cost efficiencies, and revenue growth. The proposed property tax increase of 4.9 per cent reflects an increase in line with inflation (2.2 per cent), the property tax impact of the provincial government’s new Employer Health Tax (1.7 per cent), and the incremental investment in infrastructure renewal approved in the Capital Plan (1 per cent).

2019 Operating Revenues (\$1,516 Million)



2019 Operating Expenditures by Service Area (\$1,516 Million)



2019 Operating Budget Priority Investments	
Increase housing supply and affordability, and improve availability and supports for renters and vulnerable citizens	\$7.7
Maintain and improve operations and service levels	\$7.7
Invest in public safety	\$5.4
Continue to build vibrant communities and public spaces that support arts, culture and the environment	\$3.7
Meet our commitments to provide safe and healthy workplaces and public spaces	\$3.2

# 2019 New Capital Project Budget Requests: \$371 million

The 2019 Capital Budget includes both new multi-year capital project budget requests and the 2019 Annual Expenditure Budget.

For 2019, funding of \$371 million is being added to the Multi-Year Capital Budget for new capital projects and programs, of which \$302 million is planned to be spent in 2019

## \$86 MILLION IN ONE WATER

- Sewer main replacement **\$29 million**
- Water distribution main replacement **\$9 million**
- Water transmission main replacement **\$8 million**
- Expansion to sewer system to accommodate demand growth **\$7 million**

## \$78 MILLION IN TRANSPORTATION

- Granville Bridge upgrades **\$20 million**
- Bikeways and greenways **\$9 million**
- Repaving major arterial streets, including transit routes **\$8 million**
- Constructing a new permanent plaza at 800 Robson **\$5 million**

## \$44 MILLION IN PARKS AND OPEN SPACES

- Acquisition of park land **\$10 million**
- Renewal of playgrounds and water spray park **\$4 million**
- Design for new washrooms and fieldhouses **\$2 million**
- Initiate design for new parks in East Fraser Lands **\$1 million**
- Initiate master planning for West End waterfront parks **\$1 million**
- Complete Queen Elizabeth Park Master Plan **\$1 million**

## \$39 MILLION IN PUBLIC SAFETY, CIVIC FACILITIES AND EQUIPMENT

- Vehicles and equipment replacement program **\$21 million**
- City-wide facilities planning and strategic land/site planning **\$2 million**
- Master planning for the City Hall Precinct **\$2 million**
- Planning for the renewal of Sunset and Manitoba Yards **\$1 million**

## \$30 MILLION IN AFFORDABLE HOUSING

- Acquiring land for affordable housing **\$15 million**
- Infrastructure Grant program for new social housing **\$8 million**
- Capital to support Vancouver Affordable Housing Agency projects **\$3 million**
- Capital grants to upgrade Single Room Occupancy (SRO) units **\$2 million**

## \$27 MILLION IN TECHNOLOGY

- Ongoing infrastructure maintenance and expansion program for core IT infrastructure **\$8 million**
- Continuing replacement of end-of-life hardware **\$3 million**
- Data Centre modernization initiatives **\$2 million**

- Implementation of various enterprise data and analytics tools, processes and practices **\$2 million**

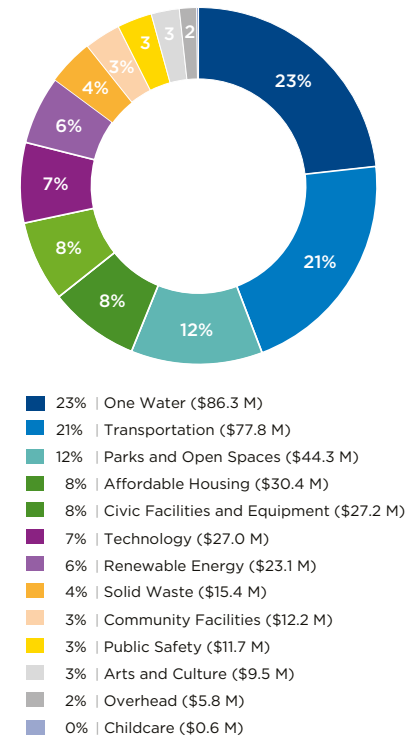
## \$23 MILLION IN RENEWABLE ENERGY

- Waste heat recovery expansion **\$12 million**
- Extension of the Neighbourhood Energy Utility (NEU) system in Southeast False Creek **\$7 million**

## \$22 MILLION IN ARTS AND CULTURE AND COMMUNITY FACILITIES

- Preparation for relocation of the Vancouver Archives from Vanier Park to Central Library **\$2 million**
- Maintenance for Heritage Hall building envelope **\$2 million**
- Downtown Eastside capital grant programs **\$1 million**
- Consulting for renewal and expansion of Marpole Branch library **\$1 million**
- Design for renewal of West End Community Centre **\$1 million**

2019 New Multi-Year Budget Request By Service Category



- Marpole-Oakridge Community Centre renewal planning at Oak Park **\$0.2 million**
- Preliminary planning for renewal of Ray-Cam Co-operative Centre **\$0.5 million**

## \$15 MILLION IN SOLID WASTE

- Sanitation/Disposal vehicles and equipment replacement **\$9 million**
- Installation of landfill gas (LFG) collection infrastructure to minimize the environmental impact of the Vancouver Landfill **\$4 million**

## \$1 MILLION IN CHILDCARE

- Planning for the renewal of the childcare spaces at Marpole-Oakridge Community Centre **\$0.2 million**
- Ongoing capital maintenance and renovations of childcare facilities **\$0.3 million**



## 2019 Annual Capital Expenditure: \$568 million

Capital expenditures of \$568 million are budgeted for 2019 to complete or advance progress on a number of ongoing and new multi-year capital projects, including significant investments in key priority areas. The expenditure budget includes \$266 million for previously approved multi-year capital projects with budgeted expenditures in 2019 and \$302 million for 2019 expenditures on new multi-year capital projects.

One Water	\$106 million
Transportation	\$94 million
Affordable Housing	\$78 million
Public Safety, Civic Facilities and Equipment	\$65 million
Parks and Open Spaces	\$54 million
Arts & Culture and Community Facilities	\$54 million
Solid Waste	\$51 million
Technology	\$32 million
Childcare	\$18 million
Renewable Energy	\$9 million

## 2019 Budget Engagement Summary



The City of Vancouver's annual budget process offers multiple opportunities for public input and encourages dialogue on city-wide priorities and issues, feedback on City service levels, and input to help develop a picture of the public's preferences for where the City should focus its investments and resources.

Thank you to the thousands of citizens who participated in surveys, filled out comment cards, participated in online and in-person meetings and other face-to-face activities in neighbourhoods across the city.

The following summarizes our approach to the consultation, who participated, and the top level findings.

### What Did We Hope to Learn?

Through a variety of activities, we hoped to:

- understand residents' priorities and levels of satisfaction with City services, which helped inform budget planning;
- test knowledge and perceptions of the City's financial planning performance;
- test for tax tolerance among residents; and
- validate and seek feedback on the emerging 2019 budget.

These inputs would be included alongside Council priorities, technical analysis, long-range planning and ongoing public and stakeholder listening throughout the year.

### What Was The Process?

The City took a two-pronged approach to help inform and then validate the 2019 Budget with input from residents, businesses and stakeholders.

- Phase one involved a detailed research project with IPSOS Reid to understand resident and business satisfaction with City services and to understand the priorities among a representative sample of Vancouver residents. This research helped guide the service planning and budget planning process.
- Phase two involved a range of digital and in-person activities to test the emerging directions in the budget in advance of presentation to Council in December.
- Finally, as a transparency measure, Finance staff will present the 2019 Budget to the public in an information session to be held at City Hall on December 3rd, in advance of the presentation to Council. This step allows members of the public to understand the budget, and prepare to speak at Council if they wish.

### Who Was Reached?

The City reaches out broadly to residents, business owners and community organizations during its engagement on the budget priorities. The budget engagement opportunities were promoted broadly using social media advertising, a media announcement, the City's website and email.

<b>Opinion Research Telephone Survey</b> July 5 to July 19	<b>Number of participants – 800</b> • 600 residents • 200 businesses
<b>Talk Vancouver Online Survey</b> October 26 to November 9	<b>Number of participants – 3,096 (as of Nov 8th)</b> • 2,532 residents • 564 business owners
<b>Community Outreach</b> Education displays at 10 locations in community centres, libraries and neighbourhood houses. These displays were staffed at peak times to encourage dialogue with residents. This netted completed comment cards.	<b>740 completed comment cards</b>
<b>3-1-1 Telephone Surveys</b>	<b>813 respondents</b>
<b>Youth Workshop</b>	<b>5 attendees</b>
<b>Stakeholder Webinar</b>	<b>6 attendees</b>
<b>Stakeholder Survey*</b>	<b>15 completed surveys</b>
<b>Total touchpoints</b>	<b>5,475</b>

\* Following the stakeholder webinar, a copy of the presentation was sent to all invitees, along with a survey.

### Summary of Key Findings

Overall, across all public conversations, the City received strong satisfaction ratings for the provision of specific services among residents and businesses and a majority of respondents believe the City’s allocation and use of funds is fair or better.

However, we heard that housing and cost of living remain linked, continue to be challenging issues for residents and businesses, and have impacted the overall satisfaction with the City of Vancouver’s services.

### Telephone Survey of Residents and Businesses – Service Satisfaction

#### Top Issues

When asked which City issues were most important, residents and businesses agreed. They identified the top two issues as housing/accommodation and infrastructure/ transportation.

### Overall findings – Important City issues

RESIDENTS	BUSINESSES
Housing /Accommodations (49%)	Infrastructure/ Transportation (44%)
Infrastructure/Transportation (44%)	Housing/Accommodations (38%)
Cost of living (16%)	Cost of living (28%)
Social Issues (13%)	Development (12%)
Environment/sustainability (10%)	Addiction and overdoses (10%)

### Overall Satisfaction with City Services

The majority of residents (83% of residents and 80% of businesses) are satisfied (combined ‘very/somewhat satisfied’ ratings) with the overall level and quality of services provided by the City of Vancouver.



## Satisfaction with Specific Services

Residents are highly satisfied with many of the tested services, with 14 of the 26 services receiving a satisfaction score of 80% or higher (combined 'very/somewhat satisfied' ratings). Of these, the three most satisfactory services are **library services** (93%), **fire rescue and medical response** (92%), and **parks/green spaces** (91%). Residents are least satisfied with enabling affordable housing (28%).

More than three-quarters of businesses say they are satisfied (combined 'very/somewhat satisfied' ratings) with 14 of the 20 tested services, with the highest satisfaction scores going to **library services** (93%), **online payment services** (93%), **fire rescue and medical response** (92%), and **police services** (90%). Businesses are least satisfied with development & building permits (42%).

## ONLINE SURVEY OF RESIDENTS AND BUSINESSES

### Budget Priorities

Residents and businesses were asked to allocate a percentage of the 2019 Budget to each of the City's service areas. Respondents were provided with the percentage (%) of the 2018 budget that each service area occupied. Overall, respondents kept close to the original percentages provided for the 2018 budget. But, there were service areas where they allocated relatively more or less of the budget reflecting prioritization. For instance, both residents and businesses allocated more to "planning, urban design and sustainability" and "community services".

### Preferences for how to balance the budget

The public is open to a variety of tools to balance the City's budget. On average, the measures both residents and businesses were most likely to support are:

- Introduce new user fees for some City services that currently have no fees (54%);
- Increase user fees for City services that currently have fees (48%)

### Perceptions of financial management

Three-quarters of respondents believe the City's allocation and use of funds is fair or better. On average, 34% of residents and businesses rated the City excellent or good on its allocation and use of funds. An additional 40% rated the City's work as fair in this area.

## Preferences for finding efficiencies

The use of online options for services and engagement, as well as green techniques receive the most support for finding efficiencies in service provision. This is true for residents and business owners. The majority of respondents were supportive of these actions:

- 92% on average support offering more opportunities to access services online rather than in person
- 81% on average support the use of new green techniques to transform how the City manages its green spaces
- 72% on average support making more use of online engagement tools to reduce the time and resources spent on "in-person" consultation, such as open houses

## COMMUNITY AND 3-1-1 OUTREACH AND STAKEHOLDER FOCUS GROUPS

When asked about emerging priorities for the budget, more than 1,300 respondents in the 3-1-1 telephone survey gave their top three priorities as:

1. Housing
2. Public safety
3. Maintaining and improving service levels

Over the period of November 1 to November 11, staff interacted with many residents across 10 locations in the city. A total of 740 comment cards were collected and the following were ranked as the top three priority issues in the city:

1. Housing
2. Maintaining and improving service levels
3. Vibrant communities

With close to 6,000 touchpoints, including randomized telephone surveys, online surveys, in-person outreach and small focus groups, the City has used the input from the public engagement on the Outlook to help set priorities for the 2019 Budget and Five-Year Financial Plan to focus investments on the issues that are most important to residents and businesses, as well as to the areas where residents and business have told us service improvements are needed.