

City of Richmond

Report to Council

To General Ruposes - Apr 18, 2005

Date: April 8, 2005

From:

General Purposes Committee

File: /2-8060-20-7939

To:

Re:

Andrew Nazareth

Director of Finance

5 YEAR FINANCIAL PLAN (2005-2009) BYLAW 7939

Staff Recommendation

That the 5 Year Financial Plan (2005-2009) Bylaw 7939 be introduced and given first, second and third readings.

Andrew Nazareth Director of Finance

(4365)

FOR ORIGINATING	DIVISION US	SE ONLY
CONCURRENCE OF GE	ENERAL M ANA	GER
REVIEWED BY TAG	YES	N/A
REVIEWED BY CAO	YES	N/A

Staff Report

Origin

A 5 Year Financial Plan provides City staff with the authority to pay for services for Richmond residents and to generate required revenues to cover the costs for the services through property taxation, users fees and other types of revenue. It also provides City staff with clear direction on spending levels and ensures that City staff are accountable to Council and the residents. The 5 Year Financial Plan is prepared in accordance with Section 165 of the Community Charter and must be adopted annually by bylaw before the annual property tax bylaw which has a deadline of May 15th.

Analysis

The 5 Year Financial Plan (2005-2009) (hereafter "5YFP") summarizes the City's projected financial plans for the next 5 year period. The 5YFP is critical in ensuring that the City is focused on the operations of the current year, but cognizant of the emerging and long-term requirements of the community. The 5YFP includes the City's operating, utilities and capital budgets and is based on a number of assumptions and the best available information to City staff at the time of preparation. Therefore, in some cases the figures that are used in calculating the budgets are estimates which means that less reliance can be placed upon the rate increases beyond 2005. However, this is mitigated by the fact that the 5YFP is also revised each year as new information becomes available.

Subsequent to Council's approval of the 2005 Capital plan, there were 3 reports brought forth to Council that increased the 2005 plan by a further \$3,126,500

- 6280 No. 3 Road \$363,000 (February 14, 2005 (REDMS No. 1421616), \$200,000 April 8, 2005 (REDMS No. 1464717)), funding from the Sanitary Sewer Utility reserve,
- Community Safety Building-\$563,500 (February 14, 2005 (REDMS No. 1364463)), funding from the Capital Building Infrastructure reserve.
- Terra Nova Park \$2,000,000 will be included in the program, funding from the Provincial Government through the Infrastructure Grant program on March 8, 2005.

For 2005 the increase in the property tax draw will represent a 1.98% average property tax rate increase over 2004. This has been driven primarily by community safety (net of traffic fine revenue sharing of \$1.4 M) related increases of \$2.6 million. Some of these increases have been mitigated by an increase in growth and user fees.

Financial Impact

Based on the 5 Year Financial Plan (2005-2009), the City's overall tax base increase and corresponding average tax rate increases are as follows:

Year	in 000's	%
2005	\$2,183	1.98
2006	\$3,411	2.97
2007	\$3,562	2.98
2008	\$3,681	2.97
2009	\$3,809	2.96

For the years 2006-2009 an additional 1% tax increase is to be utilized for transfers to reserves in order to fund future infrastructure needs.

Conclusion

That Council introduce and give first, second and third readings to the 5 Year Financial Plan (2005-2009) Bylaw 7939.

Jerry Chong

Manager of Budgets & Accounting

(4064)

CITY OF RICHMOND 5 YEAR FINANCIAL PLAN (2005-2009)

(in 000's)

	2005	2006	2007	2008	2009
EXPENDITURES	\$	\$	\$	\$	\$
Municipal Debt:				4.000	4.000
Debt Interest	4,086	4,086	4,086	4,086	4,086
Debt Principal	3,034	3,186	3,345	3,512	3,688
Divisional Expenditures:					
Community Safety	54,240	56,772	58,686	60,540	63,044
Parks, Recreation & Cultural Services	37,063	38,176	39,330	40,608	41,780
Engineering & Public Works	26,490	27,226	27,965	28,687	29,417
Utilities (Water, Sewer & Sanitation)	51,847	55,384	58,596	61,466	64,474
Finance & Corporate Services	13,873	14,230	14,517	14,812	15,107
Urban Development	9,266	9,424	9,652	9,884	10,117
Corporate Administration	2,557	2,625	2,689	2,753	2,818
Human Resources	2,184	2,219	2,249	2,280	2,311
Fiscal	15,340	17,154	18,168	19,429	20,487
Transfers To Funds:					
Statutory Reserves	22,375	22,922	24,199	25,455	26,768
Capital Plan	115 550	100 150	127 106	46 629	40.776
Capital Plan	115,558	108,159	137,196	46,638	49,776
TOTAL EXPENDITURES	357,913	361,563	400,678	320,150	333,873
	2005	2006	2007	2008	2009
REVENUES	\$	\$	\$	\$	\$
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FIDNELLY LAYES	1 114 8291	120 145	125 614	131 135	136 841
Property Taxes	114,829	120,145	125,614	131,135	136,841
Grants in Lieu of Taxes	114,829 9,889	120,145 10,166	125,614 10,382	131,135 10,599	136,841 10,815
Grants in Lieu of Taxes		·	, i		
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation)	9,889 51,847	10,166 55,384	10,382 58,596	10,599 61,466	10,815 64,474
Grants in Lieu of Taxes	9,889	10,166	10,382	10,599	10,815
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues:	9,889 51,847 28,800	10,166 55,384 30,797	10,382 58,596 32,022	10,599 61,466 33,209	10,815 64,474 34,561
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing	9,889 51,847 28,800 3,772	10,166 55,384 30,797 3,693	10,382 58,596	10,599 61,466 33,209 3,456	10,815 64,474 34,561 3,530
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue	9,889 51,847 28,800 3,772 11,600	10,166 55,384 30,797	10,382 58,596 32,022	10,599 61,466 33,209	10,815 64,474 34,561 3,530
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing	9,889 51,847 28,800 3,772	10,166 55,384 30,797 3,693	10,382 58,596 32,022 3,440	10,599 61,466 33,209 3,456	10,815 64,474 34,561 3,530 11,600
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue	9,889 51,847 28,800 3,772 11,600	10,166 55,384 30,797 3,693 11,600	10,382 58,596 32,022 3,440 11,600	10,599 61,466 33,209 3,456 11,600	10,815 64,474 34,561 3,530 11,600 9,463 11,743
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues	9,889 51,847 28,800 3,772 11,600 9,259	10,166 55,384 30,797 3,693 11,600 9,308	10,382 58,596 32,022 3,440 11,600 9,358	10,599 61,466 33,209 3,456 11,600 9,410	10,815 64,474 34,561 3,530 11,600 9,463 11,743
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes	9,889 51,847 28,800 3,772 11,600 9,259 11,289	10,166 55,384 30,797 3,693 11,600 9,308 11,241	10,382 58,596 32,022 3,440 11,600 9,358 11,400	10,599 61,466 33,209 3,456 11,600 9,410 11,567	10,815 64,474 34,561 3,530 11,600 9,463 11,743
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income	9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070	10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	10,815 64,474 34,561 3,530 11,600 9,463 11,743 1,070
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes Capital Plan:	9,889 51,847 28,800 3,772 11,600 9,259 11,289	10,166 55,384 30,797 3,693 11,600 9,308 11,241	10,382 58,596 32,022 3,440 11,600 9,358 11,400	10,599 61,466 33,209 3,456 11,600 9,410 11,567	10,815 64,474 34,561 3,530 11,600 9,463 11,743 1,070
Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes Capital Plan: Transfer from DCC Reserve	9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070	10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	10,815 64,474

CITY OF RICHMOND 5 YEAR CAPITAL PLAN FUNDING SOURCES

2005-2009 (in 000's)

	2005	2006	2007	2008	2009
DCC Reserve					
Roads	\$4,200	\$3,648	\$4,525	\$4,952	\$4,853
Drainage	2,231	931	442	348	753
Sanitary Sewer	238	-	-	-	-
Water	40	-	200	199	102
Parks Acquisition	7,644	3,626	4,018	5,684	2,450
Parks Development	2,533	1,914	1,941	1,891	2,352
TOTAL	\$16,886	\$10,119	\$11,126	\$13,074	\$10,510
Other Funds and Reserves					
Statutory Reserves					
Affordable Housing Reserve Fund	\$1,500	\$1,000	\$500	\$-	\$-
Capital Building and Infrastructure Reserve Fund	4,651	8,424	31,446	1,988	463
Capital Reserve Fund	8,555	5,128	4,981	5,022	4,833
Child Care Development Reserve Fund	50	15	18	-	-
Drainage Improvement Reserve Fund	75	962	370	370	200
Equipment Replacement Reserve Fund	2,353	1,466	1,789	1,533	1,566
Local Improvements Reserve Fund	-	750	750	750	750
Neighbourhood Improvement Reserve Fund	790	-	-		-
Public Art Program Reserve Fund	-	100	100	-	-
Sanitary Sewer Reserve Fund	1,863	1,873	1,750	1,950	1,300
Waterfront Improvement Reserve Fund	700	800	900	1,000	1,000
Watermain Replacement Reserve Fund	5,281	6,044	6,206	5,810	6,921
Subtotal Statutory Reserves	\$25,818	\$26,562	\$48,810	\$18,423	\$17,033
Other Sources					
Appropriated Surplus	\$700	\$-	\$-	\$-	\$-
Gaming Revenues	6,931	7,000	7,075	2,075	2,075
Enterprise Fund Provision	- 1	125	-	-	-
Hamilton Community Association		25		-	-
Library Surplus	182	-	-	-	-
Other	59,700	60,026	66,672	9,350	17,950
Terra Nova Provision	500	500	1,000	1,000	1,000
Water Metering Provision	1,000	1,000	-	-	-
Grant & Developers	3,841	2,802	2,513	2,716	1,208
Subtotal Other Sources	\$72,854	\$71,478	\$77,260	\$15,141	\$22,233
TOTAL OTHER FUNDS & RESERVES	\$98,672	\$98,040	\$126,070	\$33,564	\$39,266
TOTAL CAPITAL PLAN CONTRIBUTIONS	\$115,558	\$108,159	\$137,196	\$46,638	\$49,776



5 YEAR FINANCIAL PLAN (2005 TO 2009)

BYLAW NO. 7939

EFFECTIVE DATE -

CITY OF RICHMOND

5 YEAR FINANCIAL PLAN (2005 - 2009) BYLAW 7939

The Council of the City of Richmond enacts as follows:

- 1. Schedule "A" and Schedule "B" which are attached and form a part of this bylaw, are adopted as the 5 Year Financial Plan (2005 2009).
- 2. 2004 to 2008 5 Year Financial Plan Bylaw No. 7726 is repealed.
- 3. This Bylaw is cited as "5 Year Financial Plan (2005 2009) Bylaw 7939".

FIRST READING		CHMO
SECOND READING	for	PROVI content riginatir dept.
THIRD READING		
ADOPTED	fo	PROV or legali y Solicit
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MAYOR	CITY CLERK	

SCHEDULE A to BYLAW 7939

CITY OF RICHMOND 5 YEAR FINANCIAL PLAN (2005-2009)

(in 000's)

	2005	2006	2007	2008	2009
XPENDITURES	\$	\$	\$	\$	\$
Auniainal Daht					
Municipal Debt: Debt Interest	4,086	4,086	4,086	4,086	4,086
	3,034	3,186	3,345	3,512	3,688
Debt Principal		-,,	,		
Divisional Expenditures:	54.040	56 770	58,686	60,540	63,044
Community Safety	54,240	56,772	39,330	40,608	41,780
Parks, Recreation & Cultural Services	37,063	38,176	27,965	28,687	29,417
Engineering & Public Works	26,490	27,226	58,596	61,466	64,474
Utilities (Water, Sewer & Sanitation)	51,847	55,384	14,517	14,812	15,107
Finance & Corporate Services	13,873	14,230		9,884	10,117
Urban Development	9,266	9,424	9,652	2,753	2,818
Corporate Administration	2,557	2,625	2,689		2,311
Human Resources	2,184	2,219	2,249	2,280	
Fiscal	15,340	17,154	18,168	19,429	20,487
Transfers To Funds:					44.700
Statutory Reserves	22,375	22,922	24,199	25,455	26,768
Capital Plan	115,558	108,159	137,196	46,638	49,776
		204 502	400,678	320,150	333,873
TOTAL EXPENDITURES	357,913	361,563	400,676	320,130	330,070
	2005	2006	2007	2008	2009
REVENUES	2005	2006	2007	2008	2009 \$
	\$	\$	*		
REVENUES Property Taxes		l l	125,614	131,135	136,841
Property Taxes	\$	\$	\$	\$	\$
Property Taxes Grants in Lieu of Taxes	114,829	\$ 120,145	125,614	131,135	136,841
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation)	\$ 114,829 9,889 51,847	\$ 120,145 10,166 55,384	\$ 125,614 10,382 58,596	\$ 131,135 10,599 61,466	\$ 136,841 10,815 64,474
Property Taxes Grants in Lieu of Taxes	\$ 114,829 9,889	\$ 120,145 10,166	\$ 125,614 10,382	\$ 131,135 10,599	\$ 136,841 10,815 64,474
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues:	\$ 114,829 9,889 51,847 28,800	\$ 120,145 10,166 55,384 30,797	\$ 125,614 10,382 58,596 32,022	\$ 131,135 10,599 61,466 33,209	\$ 136,841 10,815 64,474 34,564
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges	\$ 114,829 9,889 51,847 28,800	\$ 120,145 10,166 55,384 30,797	\$ 125,614 10,382 58,596 32,022 3,440	\$ 131,135 10,599 61,466 33,209	\$ 136,841 10,815 64,474 34,564
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues:	\$ 114,829 9,889 51,847 28,800 3,772 11,600	\$ 120,145 10,166 55,384 30,797 3,693 11,600	\$ 125,614 10,382 58,596 32,022 3,440 11,600	\$ 131,135 10,599 61,466 33,209 3,456 11,600	\$ 136,841 10,815 64,474 34,566
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,463
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259 11,289	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308 11,241	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358 11,400	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410 11,567	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,463 11,743
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,463 11,743
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,463 11,743 1,070
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070 16,886	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,463 11,743 1,070
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes Capital Plan:	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	\$ 136,841 10,815 64,474 34,561 3,530 11,600 9,460 11,740 1,070
Property Taxes Grants in Lieu of Taxes Utilities (Water, Sewer & Sanitation) Fees & Charges Other Revenues: Provincial Revenue Sharing Gaming Revenue Fiscal Revenues Investment Income Penalties and Interest on Taxes Capital Plan: Transfer from DCC Reserve	\$ 114,829 9,889 51,847 28,800 3,772 11,600 9,259 11,289 1,070 16,886	\$ 120,145 10,166 55,384 30,797 3,693 11,600 9,308 11,241 1,070	\$ 125,614 10,382 58,596 32,022 3,440 11,600 9,358 11,400 1,070	\$ 131,135 10,599 61,466 33,209 3,456 11,600 9,410 11,567 1,070	\$ 136,841 10,815

SCHEDULE B to BYLAW 7939

CITY OF RICHMOND 5 YEAR CAPITAL PLAN FUNDING SOURCES 2005-2009

	2005	2006	2007	2008	2009
DCC Reserve					
Roads	\$4,200	\$3,648	\$4,525	\$4,952	\$4,853
Drainage	2,231	931	442	348	753
Sanitary Sewer	238	-	-	-	-
Water	40	- [200	199	102
Parks Acquisition	7,644	3,626	4,018	5,684	2,450
Parks Development	2,533	1,914	1,941	1,891	2,352
TOTAL	\$16,886	\$10,119	\$11,126	\$13,074	\$10,510
Other Funds and Reserves					
Statutory Reserves					
Affordable Housing Reserve Fund	\$1,500	\$1,000	\$500	\$-	\$-
Capital Building and Infrastructure Reserve Fund	4,651	8,424	31,446	1,988	463
Capital Reserve Fund	8,555	5,128	4,981	5,022	4,833
Child Care Development Reserve Fund	50	15	18	-	•
Drainage Improvement Reserve Fund	75	962	370	370	200
Equipment Replacement Reserve Fund	2,353	1,466	1,789	1,533	1,566
Local Improvements Reserve Fund	-	750	750	750	750
Neighbourhood Improvement Reserve Fund	790	-	-	-	-
Public Art Program Reserve Fund	-	100	100	-	-
Sanitary Sewer Reserve Fund	1,863	1,873	1,750	1,950	1,300
Waterfront Improvement Reserve Fund	700	800	900	1,000	1,000
Watermain Replacement Reserve Fund	5,281	6,044	6,206	5,810	6,921
Subtotal Statutory Reserves	\$25,818	\$26,562	\$48,810	\$18,423	\$17,033
Other Sources					
Appropriated Surplus	\$700	\$-	\$-	\$-	\$-
Gaming Revenues	6,931	7,000	7,075	2,075	2,075
Enterprise Fund Provision	-	125	-	-	-
Hamilton Community Association	-	25	-	-	-
Library Surplus	182	-	-	-	-
Other	59,700	60,026	66,672	9,350	17,950
Terra Nova Provision	500	500	1,000	1,000	1,000
Water Metering Provision	1,000	1,000	.	-	-
Grant & Developers	3,841	2,802	2,513	2,716	1,208
Subtotal Other Sources	\$72,854	\$71,478	\$77,260	\$15,141	\$22,233
TOTAL OTHER FUNDS & RESERVES	\$98,672	\$98,040	\$126,070	\$33,564	\$39,266
TOTAL CAPITAL PLAN CONTRIBUTIONS	\$115,558	\$108,159	\$137,196	\$46,638	\$49,776