



City of Richmond

Report to Council

To: Richmond City Council

Date: April 25, 2003

From: Andrew Nazareth
Director of Finance

File: 0985-01

Re: 5 Year Financial Plan (2003-2007) Bylaw 7520

Staff Recommendation

That the 5 Year Financial Plan (2003-2007) Bylaw 7520 be introduced and given first, second and third readings.

Andrew Nazareth
Director of Finance

FOR ORIGINATING DIVISION USE ONLY
CONCURRENCE OF GENERAL MANAGER

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 327 of the Local Government Act 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 (2003-2007) (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 2003, however, this is mitigated by the fact that the 5YFP is also revised each year as new information becomes available.

For 2003 the increase in the property tax draw will represent a 4.35% average property tax rate increase over 2002. This has been driven primarily by increases in RCMP contract costs, insurance premiums, funding for Fire Hall replacements and City salaries and benefits including those for Fire Rescue personnel. These increases have been mitigated by an increase in growth, user fees and building permit revenue.

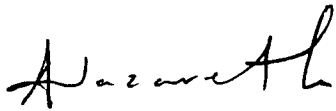
Financial Impact

The average property tax rate increases for the year 2003-2007 are as follows:

2003	4.35%
2004	4.45%
2005	4.69%
2006	3.83%
2007	3.73%

Conclusion

That Council introduce and give first, second and third readings to the 5 Year Financial Plan (2003-2007) Bylaw 7520.

A handwritten signature in cursive script that reads "Andrew Nazareth".

Andrew Nazareth
Director of Finance

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5 YEAR FINANCIAL PLAN (2003 TO 2007)

BYLAW NO. 7520

EFFECTIVE DATE –

CITY OF RICHMOND

BYLAW 7520

5 YEAR FINANCIAL PLAN (2003 - 2007)

The Council of the City of Richmond enacts as follows:

1. Schedule "A" which is attached and forms a part of this bylaw, is adopted as the 5 Year Financial Plan (2003 – 2007).
2. 2002 to 2006 – 5 Year Financial Plan Bylaw No. 7355 is repealed.
3. This Bylaw is cited as "**5 Year Financial Plan (2003 – 2007) Bylaw 7520**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor

MAYOR

CITY CLERK

CITY OF RICHMOND
PROPOSED 5 YEAR FINANCIAL PLAN (2003 - 2007)

(in 000's)

	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$
EXPENDITURES					
Municipal Debt					
Debt Interest	2,700	2,608	2,603	2,603	2,606
Debt Principal	2,592	2,414	2,502	2,230	2,813
Divisional Expenditures					
Corporate Administration	1,301	1,390	1,425	1,459	1,503
Parks, Recreation & Cultural Services	33,611	35,034	36,081	37,210	38,038
Community Safety	52,860	52,389	52,817	54,626	56,442
Finance & Corporate Services	16,378	16,875	17,350	17,780	18,304
Engineering & Public Works	22,866	24,823	26,135	27,398	29,227
Utilities (Water, Sewer & Sanitation)	47,152	50,157	53,108	56,273	59,717
Urban Development	7,436	7,834	8,046	8,233	8,484
Fiscal	23,392	25,528	27,505	28,703	29,352
Transfers To Funds					
Statutory Reserves	9,634	12,563	13,358	15,333	16,212
Capital Plan	39,438	25,453	30,518	32,577	57,332
TOTAL EXPENDITURES	259,360	257,068	271,448	284,425	320,030
REVENUES					
Property Taxes	105,586	111,867	118,610	124,657	130,811
Grants in Lieu of Taxes	9,563	9,422	9,432	9,672	9,432
Utilities (Water, Sewer & Sanitation)	47,152	50,157	53,108	56,273	59,717
Fees & Charges	31,775	30,942	30,924	32,411	33,880
Other Revenues:					
Provincial Revenue Sharing	1,658	3,060	2,560	2,360	2,360
Fiscal Revenues	19,238	21,132	21,261	21,440	21,463
Investment Income	3,900	4,000	4,000	4,000	4,000
Penalties and Interest on Taxes	1,050	1,035	1,035	1,035	1,035
Capital Plan:					
Transfer from DCC Reserve	16,819	8,414	11,505	11,987	7,508
Transfer From Other Funds and Reserves	22,619	17,039	19,013	20,590	49,824
TOTAL REVENUES	259,360	257,068	271,448	284,425	320,030
Proposed Property Tax Increase %	4.35%	4.45%	4.69%	3.83%	3.73%