



**CITY OF RICHMOND**

**REPORT TO COMMITTEE**

**TO:** Finance Select Committee

**DATE:** April 25, 2001

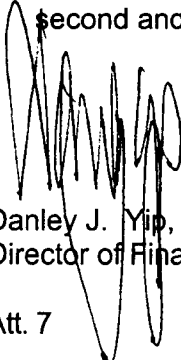
**FROM:** Danley J. Yip, C.A.  
Director of Finance

**FILE:** 0985-01

**RE:** Proposed 5 Year Financial Plan (2001-2005)

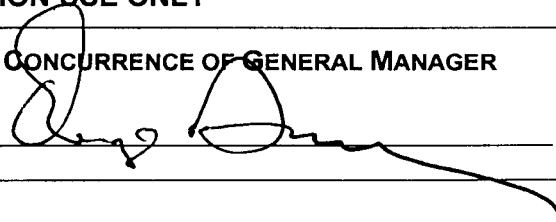
**STAFF RECOMMENDATION**

1. That the Report to Committee (dated April 25, 2001 from the Director of Finance) regarding the proposed 5 Year Financial Plan (2001-2005) be received for information.
2. That the 5 Year Financial Plan (2001-2005) Bylaw 7255 be introduced and given first, second and third readings at a special Council meeting.



Danley J. Yip, C.A.  
Director of Finance

Att. 7

FOR ORIGINATING DIVISION USE ONLY		
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>
		

## STAFF REPORT

### ORIGIN

Section 327 of the Local Government Act requires a municipality to adopt a 5 Year Financial Plan bylaw annually before May 15<sup>th</sup>. This bylaw must be adopted before the Annual Property Tax bylaw is adopted and can be amended at any time. Both bylaws can be adopted at the same Council meeting, but the minutes of the meeting should clearly indicate the proper order of the adoption of each of the bylaws.

### BACKGROUND

On March 19, 2001 at the General Purposes Committee (hereafter "GP Committee") meeting, the proposed 5 Year Financial Plan (2001-2005) (hereafter "5YFP") was discussed. Discussion was intended to focus around the original general assumptions (see Attachment 1), on which the 5YFP would be based. Specifically, one member of the GP Committee highlighted concerns that some of the assumptions used for the preparation of the 5YFP appeared too conservative, however staff were instructed to continue the process. At the same meeting, staff presented a schedule to the GP Committee (see Attachment 3) included in the March 14, 2001 report to the GP Committee outlining the timelines for completion of the proposed 5YFP and there was general agreement by the GP Committee members for staff to proceed accordingly. Finally, it should be noted that a revised schedule of general assumptions (see Attachment 2) has been included in this report pursuant to a review by the Finance Select Committee (hereafter "FS Committee").

Once the public consultation on the proposed 5YFP had been undertaken, a special FS Committee meeting was held on April 12, 2001 in order to discuss and address any outstanding issues/questions relating to the proposed 5YFP. It was attended by 7 Council members and the FS Committee members talked about the 2001 Budget process and had questions answered on the proposed 5YFP by staff. It was felt that this meeting would deal with any final issues concerning the 5YFP, so that staff would be in a position to present the proposed 5YFP Bylaw for review at the GP Committee meeting on April 17, 2001.

Also, at this meeting, the Chief Administrative Officer introduced a series of recommendations, which were intended to ensure an improved annual Budget and financial planning process as well as to provide Council with further options which would reduce the proposed 2001 property tax increase. These options have been addressed subsequently in this report. Furthermore, a resolution was passed at the FS Committee meeting, which needs to be brought forward to a special Council meeting for approval purposes.

At the GP Committee meeting on April 17, 2001, some members of Council expressed concern that they were not in attendance at the FS Committee meeting when the proposed 5YFP was presented. Consequently, a request was made to conduct a further review of the proposed 5YFP prior to the 5YFP Bylaw being presented for its first 3 readings at a Council meeting.

In this report staff have provided a copy of the proposed 5YFP (see Attachment 4), an analysis of the proposed 5YFP (see Attachment 5) and the proposed 5 Year Capital Program for 2001-2005 (see Attachment 6) as part of the review requested by the GP Committee. It should be emphasized that the proposed 5YFP was prepared based on the compilation of the most current available information to the City including key assumptions used to support certain

budget amounts. Furthermore, it has been noted that once the proposed 5YFP becomes bylaw it can be amended at any time and reviewed by City staff as part of the City's annual budgeting process.

**ANALYSIS**

The Finance Department staff have provided Council members with financial information pertaining to the proposed 2001 Operating Budget and the proposed 5YFP as follows:

Date	Meeting	Proposed 2001 Operating Budget	Proposed 5 Year Financial Plan (2001-2005)
January 29, 2001	Staff Budget Workshop	X	
February 13, 2001	Staff Budget Workshop	X	
March 19, 2001	General Purposes Committee	X	X
April 2, 2001	General Purposes Committee	X	X
April 5, 2001	Public Consultation	X	X
April 12, 2001	Finance Select Committee	X	X
April 17, 2001	General Purposes Committee	X	X

In this Report, staff have provided information pursuant to a resolution from the GP Committee meeting on April 17, 2001 as follows:

That 5 Year Financial Plan (2001-2005) Bylaw 7225 be referred to the May 7<sup>th</sup>, 2001 meeting of the General Purposes Committee, and that staff provide information on:

- (a) the amount of interest and payments made by the City to its Revolving Fund, and whether payments could be suspended temporarily;
- (b) the use of Surplus funds and Statutory Reserves;
- (c) the use of Operating Reserves;
- (d) the impact on this year's property tax increase if (a), (b) or (c) above were implemented

Based on this GP Committee resolution, explanations have been provided as follows:

(A) Interest and Payments to the Revolving Fund

Funds are borrowed annually from the Revolving Fund for the City's Capital Program and are repaid with interest over a 12 year period. The City has waived the charging of interest on

annual repayments to the Revolving Fund in past years when interest rates were high. However, the City has been charging interest on Revolving Fund payments in order to keep up with inflation and the declining purchasing power of the Revolving Fund. For 2001, the interest charged on the repayment of loans from the Revolving Fund is \$113,533.

As for the suspension of Revolving Fund repayments, this has never occurred since the Revolving Fund was established in 1965 under the Richmond Industrial Estate Reserve. The impact of suspending 2001 repayment on the Revolving Fund would be to reduce funding to 2001 capital projects that have relied on the Revolving Fund as a source of financing. Moreover, the suspension of Revolving Fund repayments would mean that there will be less funds available for financing capital projects in future years. For 2001, the amount that is being repaid back to the Revolving Fund is \$5,406,352.

#### (B) Use of Surplus and Statutory Reserves

Surplus can be used to offset any increases in the property tax draw. It should be noted that the Surplus traditionally has been used to fund one-time expenditures and not ongoing operating expenditures. The rationale for not using Surplus to fund ongoing operating expenditures is due to the fact that there is no certainty that these funds would be available on an annual basis. As a result, the Surplus has been used to fund consulting requests, specific additional level requests that were considered one-time expenditures and minor capital construction projects. The 2000 Surplus is \$411,782 subject to the completion of the City's annual audit by KPMG.

Statutory Reserves can be accessed only through a bylaw and as a result creates a restriction in the use of these funds. Each Statutory Reserve is set up for its own specific use, but they are generally earmarked as funding sources for capital projects. The Statutory Reserves total \$16,624,822 as at December 31, 2000 (see Schedule 1).

#### (C) Use of Operating Reserves

A Summary of Operating Reserves as at December 31, 2000 (see Schedule 2) has been provided including a breakdown of Primary and Secondary Provisions. Primary Provisions generally represent amounts set aside in provision accounts to meet certain legal liabilities and obligations. On the other hand Secondary Provisions are amounts that have been established to provide funding for specific uses that are not associated with a legal liability or obligation.

Operating Reserves can be used to offset any increases to the property tax draw. However, just like Surplus, it has been used to fund one-time expenditures and not ongoing operating expenditures. The rationale for not using Operating Reserves to fund ongoing operating expenditures is because there is no certainty that these funds would be replenished on an annual basis.

#### (D) Impact on 2001 Property Tax Increase (see Schedule 3)

The interest on the 2001 Revolving Fund repayment is \$113,533. This balance can be waived or suspended by Council to reduce the overall property tax increase and would represent a .12% decrease on the 2001 property tax rate.

The use of the 2000 Surplus would amount to \$411,782 and represent a .45% reduction on the 2001 property tax rate if Council chooses to use the funds to offset any property tax draw increase.

Operating Reserves under Secondary Provisions amount to \$11,335,301 as at December 31, 2001. However, Secondary Provisions totalling \$6,117,851 is available for use in reducing a property tax draw increase because the Secondary Provisions include the Gaming Revenue Provision and the Library Provision, which have been identified for specific use. Otherwise, for 2001, Operating Reserves could be used to reduce the 2001 property tax rate by 3.82%, but the impact is that these funds would not be available for any other uses that it was originally set up for.

FINANCIAL IMPACT

An adjustment has been made to the proposed 5YFP to eliminate the recognition of \$1.7 million of casino gaming revenue in 2003. Consequently, the revised average property tax rate increases for the years 2001-2005 are as follows:

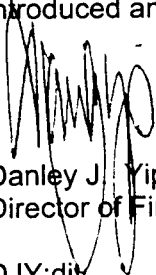
2001	4.84%
2002	4.52%
2003	4.27%
2004	4.02%
2005	3.82%

These proposed average property tax rate increases do not contemplate any inclusion of options to reduce the annual property tax draw in the proposed 5YFP.

A draft 5 Year Financial Plan (2001-2005) Bylaw 7225 (see Attachment 7) which incorporates the above-stated proposed average property tax rate increases has been provided along with this report for consideration for presentation at a special Council meeting for its first 3 readings.

CONCLUSION

That the FS Committee consider the options to reduce the property tax draw for the proposed 5YFP and instruct staff to incorporate any changes to the proposed 5YFP as required. Also, that the 5 Year Financial Plan (2001-2005) Bylaw 7225, if it stands without any changes, be introduced and given 3 readings at a special Council meeting.



Danley J. Yip, C.A.  
 Director of Finance  
 DJY:djy

**City of Richmond  
Statutory Reserves  
as at December 31, 2000  
(Unaudited)**

Fund Name	Balance at 31-Dec-00
Affordable Housing Reserve	\$5,242,688
Child Care Facility Reserve	6,195
DCC Drainage/Storm Sewer	8,802,339
DCC Land & Parks	3,192,206
DCC Roads	11,235,809
DCC Sewer	688,173
DCC Water	2,230,781
Equipment Reserves	8,193,499
Industrial use	4,369,357
Local Improvements Reserve	2,898,694
N.I.C. Reserve	1,525,729
Off-Street Parking Reserve	64,139
Public Art Reserve	465,696
Revolving Fund	22,928,665
Sewer Lateral Replacement Reserve	3,116,833
Sewer Trunk/Pump Replacement Reserve	9,004,844
Special Sports Reserve	257,233
Specific Fund - Building Upgrade	174,340
Specific Fund - Health Building	2,305,746
Steveston Road Ends	569,723
Tax Sale Land Reserve	484,843
Watermain Replacement Reserve	18,134,172
<b>Total Statutory Reserves</b>	<b>\$105,891,704</b>

**City of Richmond**  
**Operating Reserves and Provisions**  
**as at December 31, 2000**  
**(Unaudited)**

Fund Name	Balance at 31-Dec-00	Explanation
<b>Primary Provisions:</b>		
Arbitrations Provision	\$63,615	To cover the cost of settlements and arbitrations.
Damage Claims Reserve	\$1,580,387	To set aside for uninsurable claims.
Debt Retirement Reserve	\$2,711,079	To assist in the retirement of debt when due and early.
E.B.I. Provision	\$509,958	For insurance coverage.
Early Retirement Incentive Program Provision	\$503,043	For employee early retirement program.
Elections Reserve	\$200,847	To fund elections.
Emergency Response Provision	\$1,000,000	To assist in an emergency such as clean up and shelter costs.
Enterprise Fund Provision	\$158,392	For corporative initiatives.
Exempt Gratuities Provision	\$97,512	For exempt employee gratuity payout.
Gratuities Accrual	\$2,006,476	For non-exempt employee gratuity payout.
Legal Claims Provision	\$1,072,304	For extraordinary legal costs.
Local Improvement Provision	\$0	Moved to Statutory Reserves.
Retirement Provision	\$183,215	For employee terminations and retirement payouts.
Salaries Adjustment Provision	\$2,215,306	For position reclasses and union contract increases.
Sick Time Accrual	\$2,448,485	For employee sick leave.
Training and Development Provision	\$233,841	For special training such as diversity and WCB.
Vacation Accrual	\$1,566,587	For employee vacation payout.
Vehicles Damage/Replacement Provision	\$73,775	For motor vehicle accidents and minor repairs.
<b>Total Primary Provisions:</b>	<b>\$16,624,822</b>	
<b>Secondary Provisions:</b>		
Appeal Board Decisions Reserve	\$500,000	For appeal board decisions such as property tax losses.
Asphalt Capping Provision	\$165,000	To replace the City's aging road works.
Building Replacement Provision	\$1,815,535	For building emergency repair work and replacement.
Child Care Provision	\$4,372	For Child Care costs such as consulting.
Community Safety Task Force Provision	\$0	For future community policing stations.
Dyke Improvement Provision	\$234,108	For dyke studies, upgrade and construction.
Gaming Revenue Provision	\$2,315,353	For programs which benefit the community.
GVRD Plant Upgrade Provision	\$626,000	For a future GVRD plant upgrade or new construction.
Library Provision	\$902,097	For new city libraries.
RCMP Provision	\$0	For equipment replacement, consultant fees, etc.
Systems Upgrade Provision	\$525,503	For future ongoing upgrade systems.
Terra Nova Land Provision	\$4,172,334	For Terra Nova land acquisition.
Tram Car Provision	\$75,000	For Steveston Tram restoration.
<b>Total Secondary Provisions:</b>	<b>\$11,335,301</b>	
<b>Other Provisions:</b>		
Council Provision	\$403,000	For Councils' initiatives.
<b>Total Other Provisions:</b>	<b>\$403,000</b>	
<b>Total Operating Reserves &amp; Provisions</b>	<b>\$28,363,124</b>	

CITY OF RICHMOND  
 OPTIONS TO REDUCE PROPOSED TAX INCREASES - Scenario 1  
 May 3, 2001

	2001	2002	2003	2004	2005
Revenue (before Growth & Gaming funds)	187,434,289	195,186,123	203,435,332	211,455,810	220,050,337
Expenditures	194,949,400	202,710,580	209,361,836	217,454,502	226,158,272
<b>Shortfall</b>	<b>7,515,111 8.26%</b>	<b>7,524,457 7.78%</b>	<b>5,926,504 5.77%</b>	<b>5,998,692 5.52%</b>	<b>6,107,935 5.32%</b>
<u>OPTIONS USED TO REDUCE TAX</u>					
Growth estimate	1,417,411 1.56%	1,451,590 1.50%	1,539,940 1.50%	1,629,825 1.50%	1,720,788 1.50%
Casino Gaming Revenues (a)	1,700,000 1.87%	1,700,000 1.76%			
<b>PROPOSED 5 YEAR PLAN</b>	<b>4,397,700 4.84%</b>	<b>4,372,867 4.52%</b>	<b>4,386,564 4.27%</b>	<b>4,368,867 4.02%</b>	<b>4,387,147 3.82%</b>

Carry-forward amounts not in tax base  
**REVISED SHORTFALL** 4,397,700 4.84% 8,770,567 9.49% 4,455,425 4.46% 377,530 0.34% 0 0.00%  
 4,397,700 4.84% 8,770,567 9.49% 8,841,989 8.85% 4,746,397 4.31% 4,387,147 3.77%

FURTHER OPTIONS TO REDUCE TAX

Prior Year Surplus (b)	411,782 0.45%	300,000 0.32%	200,000 0.20%		
Council Provision (c)	403,000 0.44%	0 0.00%	0 0.00%		
Revolving Fund Interest Payments (d)	113,533 0.12%	174,030 0.19%	177,530 0.18%		
Operating Reserves (e)	3,690,835 4.06%	2,427,016 2.63%	0 0.00%		
Forgone Investment Income (e)	-221,450 -0.24%	-145,621 -0.16%	0 0.00%		

**NEW TAX RATE** 0 0.00% 6,015,142 6.51% 8,464,459 8.47% 4,746,397 4.31% 4,387,147 3.77%

Change from Proposed 5YP -4,397,700 -4.84% 1,642,275 1.99% 4,077,895 4.20% 377,530 0.29% 0 -0.06%

<u>Operating Reserves Summary</u>	
Opening Operating Reserve Balance*	6,117,851 0 0 0 0
Usage (e)	3,690,835 0 0 0 0
Closing Operating Reserve Balance	2,427,016 0 0 0 0

\* Secondary operating reserves less Casino Gaming Revenue Fund, Library Provision and \$2 million to cover shortfall in Primary Operating Reserves



CITY OF RICHMOND  
 ANALYSIS OF DIFFERENT GROWTH RATES - Scenario 2  
 May 3, 2001

	2001	2002	2003	2004	2005
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Shortfall      7,515,111    8.26%      7,524,457    7.77%      5,926,504    5.77%      5,998,692    5.52%      6,107,935    5.32%

<b>ESTIMATE 1.0% GROWTH</b>										
Growth estimate	909,448	1.00%	968,090	1.00%	1,026,820	1.00%	1,086,575	1.00%	1,147,053	1.00%
Casino Gaming Revenues (a)	1,700,000	1.87%	1,700,000	1.76%	4,899,684	4.77%	4,912,117	4.52%	4,960,882	4.32%
<b>PROPOSED 5 YEAR PLAN @1.0%</b>	<b>4,905,663</b>	<b>5.39%</b>	<b>4,856,367</b>	<b>5.02%</b>						

<b>ESTIMATE 1.5% GROWTH</b>										
Growth estimate	1,364,172	1.50%	1,452,400	1.50%	1,540,751	1.50%	1,630,635	1.50%	1,721,598	1.50%
Casino Gaming Revenues (a)	1,700,000	1.87%	1,700,000	1.76%	4,385,754	4.27%	4,368,057	4.02%	4,386,337	3.82%
<b>PROPOSED 5 YEAR PLAN @1.5%</b>	<b>4,450,939</b>	<b>4.89%</b>	<b>4,372,056</b>	<b>4.52%</b>						

<b>ESTIMATE 2.0% GROWTH</b>										
Growth estimate	1,818,896	2.00%	1,936,797	2.00%	2,054,841	2.00%	2,174,920	2.00%	2,296,423	2.00%
Casino Gaming Revenues (a)	1,700,000	1.87%	1,700,000	1.76%	3,871,663	3.77%	3,823,772	3.52%	3,811,512	3.32%
<b>PROPOSED 5 YEAR PLAN @2.0%</b>	<b>3,996,215</b>	<b>4.39%</b>	<b>3,887,660</b>	<b>4.01%</b>						

<b>ESTIMATE 2.5% GROWTH</b>										
Growth estimate	2,273,620	2.50%	2,421,211	2.50%	2,568,950	2.50%	2,719,211	2.50%	2,871,228	2.50%
Casino Gaming Revenues (a)	1,700,000	1.87%	1,700,000	1.76%	3,357,555	3.27%	3,279,481	3.02%	3,236,708	2.82%
<b>PROPOSED 5 YEAR PLAN @2.5%</b>	<b>3,541,491</b>	<b>3.89%</b>	<b>3,403,245</b>	<b>3.51%</b>						

<b>ESTIMATE 3.0% GROWTH</b>										
Growth estimate	2,728,344	3.00%	2,905,575	3.00%	3,082,936	3.00%	3,263,290	3.00%	3,445,713	3.00%
Casino Gaming Revenues (a)	1,700,000	1.87%	1,700,000	1.76%	2,843,568	2.77%	2,735,401	2.51%	2,662,222	2.32%
<b>PROPOSED 5 YEAR PLAN @3.0%</b>	<b>3,086,767</b>	<b>3.39%</b>	<b>2,918,881</b>	<b>3.01%</b>						

Note: Actual Growth History: 1998 = 2.93%; 1999 = 2.12%; 2000 = 2.03%; 2001 = 1.37%.



CITY OF RICHMOND  
5 YEAR PLAN (2001 - 2005) ASSUMPTIONS  
as at March 1, 2001

**GENERAL ASSUMPTIONS**

<b>All Salary Expenditures</b>	2002	3% increase over 2001
	2003	2% increase over 2002
	2004	2% increase over 2003
	2005	2% increase over 2004

Note: 2002 is per current Contract agreement

<b>Other Operating Expenditures</b>	2002	2.2% increase over 2001
	2003	2.0% increase over 2002
	2004	2.0% increase over 2003
	2005	2.0% increase over 2004

Note: as per 2002 CPI projections from M. Murenbeeld & Associates Inc.

**Exceptions to above rates of 2.2% and 2.0%:**

Contracts - Photocopy	below
Contracts - Office Equipment	below

2002	5% increase over 2001
2003	5% increase over 2002
2004	3% increase over 2003
2005	2% increase over 2004

Note: as per growth projections from the Purchasing department

<b>U.S. Exchange Rates</b>	2002	1.510
	2003	1.460
	2004	1.460
	2005	1.460

Note: as per 2002 projections from M. Murenbeeld & Associates Inc.

**SPECIFIC ASSUMPTIONS**

<b>Aquatics revenues</b>	2002	no increase over 2001
	2003	2.0% increase over 2002
	2004	2.7% increase over 2003
	2005	2.7% increase over 2004

Note: due to expected user fee increases

<b>RCMP</b>	2002	6% increase over 2001
	2003	10% increase over 2002
	2004	3% increase over 2003
	2005	2% increase over 2004

Note: In 2002 and 2003, expected increases in salaries and staffing levels due to Community Policing efforts. 2004 & 2005 are due to salary increases.

**Fire Rescue** same salary increases as general assumptions above

**Parks** Maintenance cost increases of 6% per year due to inventory growth

**Information Technology** Increase in Maintenance contracts and equipment of 5% per year

**Utilities** Volume and rate increases totalling 5% per year

**Public Works** Maintenance cost increases of 6% per year due to infrastructure growth

**Development Applications** Revenue increase of 3% per year due to new development

**Building Approvals** Revenue increase of 3% per year due to growth

**Contribution to Capital** approx. \$2.0 million per year

**CITY OF RICHMOND  
5 YEAR FINANCIAL PLAN GENERAL ASSUMPTIONS**

<b>All Salary Expenditures</b>	2002	3% increase as per collective agreement
	2003-2005	provision has been made in Fiscal as the current collective agreement expires Dec. 31, 2002

<b>Other Operating Expenditures</b>	2002	2.2% increase over 2001
	2003	2.0% increase over 2002
	2004	2.0% increase over 2003
	2005	2.0% increase over 2004

Note: as per 2002 projections from M. Murenbeeld & Associates Inc.

**Exceptions to above rates of 2.2% and 2.0%:**

Contracts - Photocopy	see below
Contracts - Office Equipment	see below

2002	5% increase over 2001
2003	5% increase over 2002
2004	3% increase over 2003
2005	2% increase over 2004

Note: as per growth projections from the Purchasing department

<b>U.S. Exchange Rates</b>	2002	1.510
	2003	1.460
	2004	1.460
	2005	1.460

Note: as per 2002 projections from M. Murenbeeld & Associates Inc.

**DEPARTMENT SPECIFIC ASSUMPTIONS:**

<b>Aquatics</b>	2002	increase in revenues of 2%
	2003	increase in revenues of 2.67%
	2004	increase in revenues of 2.67%
	2005	increase in revenues of 2.67%

<b>Parks</b>	2002-2005	increase in maintenance costs of approximately 6% per annum due to inventory growth
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<b>Information Technology</b>	2002-2005	increase in maintenance contracts & equipment costs of 5% per annum
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<b>Public Works</b>	2002-2005	increase in Public Work Maintenance costs of approximately 6% per annum (due to growth of infrastructure)
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**Utilities:**

Sanitation & Recycling	2002-2005	increase in contract costs of 3% per annum
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Water	2002-2004	4% increase in rates as per consultant report (ProActive Business Solutions)
	2005	4.5% increase in rates as per consultant report (ProActive Business Solutions)

Sanitary Sewer	2002-2004	4% increase in rates as per consultant report (ProActive Business Solutions)
	2005	4.5% increase in rates as per consultant report (ProActive Business Solutions)

<b>Development Applications</b>	2002-2003	no increase in revenues anticipated
	2004-2005	5% increases in revenues per annum

<b>Building Approvals</b>	2002	4% anticipated increase in revenues
	2003	2.5% anticipated increase in revenues
	2004	2% anticipated increase in revenues
	2005	5% anticipated increase in revenues

**Fiscal:**

Contribution to Capital	2002-2005	Anticipated contribution of \$2 million per annum
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**CITY OF RICHMOND  
SCHEDULE TO COMPLETE THE 5 YEAR FINANCIAL PLAN (2001-2005)  
MARCH 19, 2001**

<b>DATE</b>	<b>TASK</b>	<b>RESPONSIBILITY</b>
March 19, 2001	Review and approve 2001 Budget with corresponding tax increase and discuss 5 Year Financial Plan (2001-2005)	General Purposes Committee
April 2, 2001	Review and approve 5 Year Financial Plan (2001-2005)	General Purposes Committee
April 5, 2001	Conduct a public consultation meeting to review the City's 5 Year Financial Plan (2001-2005)	Finance Department
April 16, 2001	Review and approve the 5 Year Financial Plan (2001-2005)	General Purposes Committee
April 23, 2001	Present the final version of the 5 Year Financial Plan (2001-2005) Bylaw for first 3 readings	City Council
May 14, 2001	Adoption of the 5 Year Financial Plan (2001-2005) Bylaw	City Council

**CITY OF RICHMOND**  
**PROPOSED 5 YEAR FINANCIAL PLAN (2001 - 2005)**

	2001 \$	2002 \$	2003 \$	2004 \$	2005 \$
<b>REVENUES</b>					
Property Taxes:					
Tax Base	93,925,089	99,693,915	105,509,311	111,394,032	117,385,573
New Growth	1,417,411	1,451,590	1,539,940	1,629,825	1,720,788
	<u>95,342,500</u>	<u>101,145,505</u>	<u>107,049,251</u>	<u>113,023,857</u>	<u>119,106,361</u>
Grants in Lieu of Taxes	8,662,600	8,739,300	9,099,971	9,493,191	9,923,637
Fees & Charges	79,712,400	81,810,737	83,851,106	85,529,120	87,665,298
Other Revenues:					
Provincial Revenue Sharing	2,202,500	1,900,000	200,000	200,000	200,000
Fiscal Revenues	3,893,800	3,958,010	3,982,945	4,008,130	4,041,020
Investment Income	4,285,600	4,307,028	4,328,563	4,350,205	4,371,956
Penalties and Interest on Taxes	850,000	850,000	850,000	850,000	850,000
Capital Plan:					
Transfer from DCC Reserve	10,605,120	10,484,625	9,228,700	8,401,325	11,084,763
Transfer From Other Funds and Reserves	27,351,280	15,772,375	19,700,600	26,659,175	17,645,287
<b>TOTAL REVENUES</b>	<b><u>232,905,800</u></b>	<b><u>228,967,580</u></b>	<b><u>238,291,136</u></b>	<b><u>252,515,002</u></b>	<b><u>254,888,322</u></b>
<b>EXPENDITURES</b>					
Municipal Debt					
Debt Interest	3,218,400	4,292,202	4,259,463	5,667,224	5,662,102
Debt Principal	2,240,400	2,958,351	3,124,119	3,946,421	5,033,989
Divisional Expenditures					
Corporate Administration	1,117,200	1,152,366	1,154,867	1,157,147	1,159,384
Parks, Recreation & Cultural Services	30,504,100	31,478,205	32,025,253	32,541,259	33,044,926
Community Safety	45,123,100	46,410,356	47,598,192	48,420,495	49,389,960
Finance & Corporate Services	14,302,500	14,848,931	14,883,885	15,080,102	15,425,024
Engineering & Public Works	62,729,800	65,041,900	67,091,141	68,682,361	70,290,880
Urban Development	6,855,000	6,949,628	6,978,975	7,023,862	7,061,433
Fiscal	18,955,700	18,805,841	20,563,142	22,377,830	23,127,773
Transfers To Funds					
Statutory Reserves	8,003,300	9,172,900	9,282,900	9,357,900	9,512,900
Provisions & Allowances	1,899,900	1,599,900	2,399,900	3,199,900	6,449,900
Capital Plan	37,956,400	26,257,000	28,929,300	35,060,500	28,730,050
<b>TOTAL EXPENDITURES</b>	<b><u>232,905,800</u></b>	<b><u>228,967,580</u></b>	<b><u>238,291,136</u></b>	<b><u>252,515,002</u></b>	<b><u>254,888,322</u></b>
Proposed Property Tax Rate Increase	4.84%	4.52%	4.27%	4.02%	3.82%

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
0		0		0		0		
578,649	2.91%	580,008	0.23%	581,388	0.24%	582,792	0.24%	No significant increases except 2001 increase in wages and salaries.
(578,649)	2.91%	(580,008)	0.23%	(581,388)	0.24%	(582,792)	0.24%	
0		0		0		0		
573,716	3.39%	574,859	0.20%	575,759	0.16%	576,593	0.14%	No significant increases except 2001 increase in wages and salaries.
(573,716)	3.39%	(574,859)	0.20%	(575,759)	0.16%	(576,593)	0.14%	
0		0		0		0		
1,152,366	3.15%	1,154,867	0.22%	1,157,147	0.20%	1,159,384	0.19%	
(1,152,366)	3.15%	(1,154,867)	0.22%	(1,157,147)	0.20%	(1,159,384)	0.19%	

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
2,932,943	2.02%	3,011,351	2.67%	3,091,861	2.67%	3,174,528	2.67%	2 % increase in revenue in 2002 and 2.7% increase in subsequent years
6,242,992	2.54%	6,307,991	1.04%	6,374,103	1.05%	6,441,437	1.06%	
(3,310,049)	3.00%	(3,296,640)	-0.41%	(3,282,242)	-0.44%	(3,266,909)	-0.47%	
1,870,994	0.06%	1,872,224	0.07%	1,873,491	0.07%	1,874,795	0.07%	3% increase in revenue for concession each year, Arena revenue is flat from 2002-2005
3,860,351	1.79%	3,915,451	1.43%	3,971,682	1.44%	4,029,123	1.45%	
(1,989,357)	3.47%	(2,043,227)	2.71%	(2,098,191)	2.69%	(2,154,328)	2.68%	
20,000	0.00%	20,000	0.00%	20,000	0.00%	20,000	0.00%	
1,220,310	3.19%	1,232,229	0.98%	1,244,285	0.98%	1,256,529	0.98%	No significant increases except 2001 increase in wages and salaries.
(1,200,310)	3.24%	(1,212,229)	0.99%	(1,224,285)	0.99%	(1,236,529)	1.00%	
140,000	0.00%	145,000	3.57%	145,000	0.00%	150,000	3.45%	Increase in revenue due to growth and use of Community Centres
4,503,313	3.02%	4,534,814	0.70%	4,567,078	0.71%	4,600,139	0.72%	No significant increases except 2001 increase in wages and salaries.
(4,363,313)	3.12%	(4,389,814)	0.61%	(4,422,078)	0.73%	(4,450,139)	0.63%	
19,000	0.00%	19,000	0.00%	19,000	0.00%	19,000	0.00%	
1,349,875	3.11%	1,363,046	0.98%	1,374,094	0.81%	1,384,216	0.74%	No significant increases except 2001 increase in wages and salaries.
(1,330,875)	3.16%	(1,344,046)	0.99%	(1,355,094)	0.82%	(1,365,216)	0.75%	

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**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
373,700	5.65%	378,700	1.34%	378,700	0.00%	378,700	0.00%	Increases in community facility rental ( Minoru Sports Pavillion & Minoru Chapel)
7,128,374	5.03%	7,415,906	4.03%	7,668,951	3.41%	7,904,134	3.07%	Increased costs due to growth of City's inventory
(6,754,674)	4.99%	(7,037,206)	4.18%	(7,290,251)	3.60%	(7,525,434)	3.23%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
844,658	0.15%	845,828	0.14%	847,020	0.14%	848,237	0.14%	
(844,658)	0.15%	(845,828)	0.14%	(847,020)	0.14%	(848,237)	0.14%	
931,262	9.77%	940,709	1.01%	950,345	1.02%	960,174	1.03%	2% increase in book fines, photocopy & printer revenue, and miscellaneous revenue
6,328,331	3.25%	6,409,990	1.29%	6,494,046	1.31%	6,581,111	1.34%	Increase in book collection purchase costs of 5% p.a., increase in costs related to increased
(5,397,069)	2.20%	(5,469,281)	1.34%	(5,543,701)	1.36%	(5,620,936)	1.39%	demand for internet access, increased costs of maintaining computer equipment
6,287,899	2.65%	6,386,984	1.58%	6,478,397	1.43%	6,577,197	1.53%	
31,478,205	3.19%	32,025,253	1.74%	32,541,259	1.61%	33,044,926	1.55%	
(25,190,306)	3.33%	(25,638,269)	1.78%	(26,062,863)	1.66%	(26,467,728)	1.55%	

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
2,975,655	0.25%	3,035,168	2.00%	3,095,872	2.00%	3,157,789	2.00%	YVR revenue increasing by 2.2% per year but summons revenue reduced in 2002 to actual
24,132,904	1.74%	25,103,572	4.02%	25,960,417	3.41%	26,848,954	3.42%	Increase in contract costs at about 3.5% per year
(21,157,249)	1.96%	(22,068,403)	4.31%	(22,864,545)	3.61%	(23,691,165)	3.62%	
3,944,400	2.26%	4,015,100	1.79%	4,077,600	1.56%	4,141,400	1.56%	Annual increase of about 2% in YVR contract
21,192,324	3.85%	21,269,127	0.36%	21,345,830	0.36%	21,422,433	0.36%	
(17,247,924)	4.22%	(17,254,027)	0.04%	(17,268,230)	0.08%	(17,281,033)	0.07%	
<b>RAMS</b>								
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
252,412	36.66%	391,577	55.13%	279,132	-28.72%	282,157	1.08%	2003 \$150K for software, 2004-2005 related software maintenance costs
(252,412)	36.66%	(391,577)	55.13%	(279,132)	-28.72%	(282,157)	1.08%	
349,100	-10.85%	349,100	0.00%	349,100	0.00%	349,100	0.00%	Initial revenue estimates too high reduced to reflect actual amounts in 2002
832,716	2.50%	833,916	0.14%	835,116	0.14%	836,416	0.16%	No significant increases except 2001 increase in wages and salaries.
(483,616)	14.93%	(484,816)	0.25%	(486,016)	0.25%	(487,316)	0.27%	
7,269,155	0.72%	7,399,368	1.79%	7,522,572	1.67%	7,648,289	1.67%	
46,410,356	2.85%	47,598,192	2.56%	48,420,495	1.73%	49,389,960	2.00%	
(39,141,201)	3.26%	(40,198,823)	2.70%	(40,897,923)	1.74%	(41,741,671)	2.06%	

**CITY OF RICHMOND**  
**ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
6,000	0.00%	6,000	0.00%	6,000	0.00%	6,000	0.00%	
645,603	2.79%	649,535	0.61%	653,446	0.60%	657,381	0.60%	No significant increases except 2001 increase in wages and salaries.
(639,603)	2.81%	(643,535)	0.61%	(647,446)	0.61%	(651,381)	0.61%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
174,113	2.84%	174,907	0.46%	175,694	0.45%	176,484	0.45%	No significant increases except 2001 increase in wages and salaries.
(174,113)	2.84%	(174,907)	0.46%	(175,694)	0.45%	(176,484)	0.45%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
335,536	2.99%	335,634	0.03%	335,734	0.03%	335,836	0.03%	No significant increases except 2001 increase in wages and salaries.
(335,536)	2.99%	(335,634)	0.03%	(335,734)	0.03%	(335,836)	0.03%	
178,165	-2.21%	180,695	1.42%	183,294	1.44%	185,963	1.46%	Decrease in requests for tax information, based on actual past revenues
573,190	2.54%	573,203	0.00%	573,216	0.00%	573,229	0.00%	No significant increases except 2001 increase in wages and salaries.
(395,025)	4.84%	(392,508)	-0.64%	(389,922)	-0.66%	(387,266)	-0.68%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
1,885,422	2.57%	1,906,154	1.10%	1,927,204	1.10%	1,948,624	1.11%	No significant increases except 2001 increase in wages and salaries.
(1,885,422)	2.57%	(1,906,154)	1.10%	(1,927,204)	1.10%	(1,948,624)	1.11%	
20,000	0.00%	22,000	10.00%	24,000	9.09%	25,000	4.17%	Small revenue increase in land title requests and opinion letters each year
628,710	4.47%	636,510	1.24%	650,635	2.22%	694,835	6.79%	
(608,710)	4.63%	(614,510)	0.95%	(626,635)	1.97%	(669,835)	6.89%	
0	-100.00%	0	0.00%	0	0.00%	0	0.00%	Revenue - one time transfer of funds to cover server lease costs
5,293,534	3.45%	5,409,528	2.19%	5,529,734	2.22%	5,617,605	1.59%	2% increase in equipment & software support and maintenance p.a.
(5,293,534)	9.90%	(5,409,528)	2.19%	(5,529,734)	2.22%	(5,617,605)	1.59%	

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**CITY OF RICHMOND**  
**ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
235,671	3.05%	236,321	0.28%	236,971	0.28%	237,621	0.27%	No significant increases except 2001 increase in wages and salaries.
(235,671)	3.05%	(236,321)	0.28%	(236,971)	0.28%	(237,621)	0.27%	
36,000	0.00%	36,000	0.00%	37,800	5.00%	39,690	5.00%	Since no historical data available room rental revenue same until 2004 & 2005
446,415	2.98%	446,687	0.06%	446,957	0.06%	447,227	0.06%	No significant increases except 2001 increase in wages and salaries.
(410,415)	3.25%	(410,687)	0.07%	(409,157)	-0.37%	(407,537)	-0.40%	
154,500	3333.33%	4,500	-97.09%	4,500	0.00%	154,500	3333.33%	2002 & 2005 are election years so there are increases in both revenue and expenses
1,195,306	11.92%	1,048,888	-12.25%	1,052,331	0.33%	1,205,729	14.58%	to cover the cost of the election, a provision is set up every year
(1,040,806)	-2.13%	(1,044,388)	0.34%	(1,047,831)	0.33%	(1,051,229)	0.32%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
462,003	2.67%	465,828	0.83%	469,728	0.84%	473,707	0.85%	No significant increases except 2001 increase in wages and salaries.
(462,003)	2.67%	(465,828)	0.83%	(469,728)	0.84%	(473,707)	0.85%	
19,250	10.00%	21,175	10.00%	23,293	10.00%	25,622	10.00%	Insurance Rebate revenue - recovery of partial policy costs on Community Centres
2,678,910	2.60%	2,705,498	0.99%	2,732,572	1.00%	2,760,163	1.01%	No significant increases except 2001 increase in wages and salaries.
(2,659,660)	2.55%	(2,684,323)	0.93%	(2,709,279)	0.93%	(2,734,541)	0.93%	
88,958	3.20%	91,627	3.00%	94,376	3.00%	97,207	3.00%	
294,519	8.16%	295,193	0.23%	295,881	0.23%	296,583	0.24%	Salary increase in 2002 due to reclass of Treasury Accountant
(205,561)	10.46%	(203,566)	-0.97%	(201,505)	-1.01%	(199,376)	-1.06%	
502,873	-22.92%	361,998	-28.01%	373,263	3.11%	533,982	43.06%	
14,848,931	3.82%	14,883,885	0.24%	15,080,102	1.32%	15,425,024	2.29%	
(14,346,058)	5.10%	(14,521,987)	1.23%	(14,706,840)	1.27%	(14,891,042)	1.25%	

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
2,182,000	0.00%	2,182,000	0.00%	2,182,000	0.00%	2,182,000	0.00%	
1,395,962	2.92%	1,401,362	0.39%	1,406,362	0.36%	1,411,162	0.34%	No significant increases except 2001 increase in wages and salaries.
786,038	-4.79%	780,638	-0.69%	775,638	-0.64%	770,838	-0.62%	
809,000	0.00%	809,000	0.00%	809,000	0.00%	809,000	0.00%	
7,344,932	7.21%	7,434,682	1.22%	7,526,332	1.23%	7,619,832	1.24%	Increase of \$335,000 starting in 2002 for asphalt capping
(6,535,932)	8.18%	(6,625,682)	1.37%	(6,717,332)	1.38%	(6,810,832)	1.39%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
2,202,567	2.87%	2,258,350	2.53%	2,316,335	2.57%	2,375,553	2.56%	Public Works - Other increase of 3% p.a. for salary expenditures
(2,202,567)	2.87%	(2,258,350)	2.53%	(2,316,335)	2.57%	(2,375,553)	2.56%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
3,476,286	2.52%	3,739,416	7.57%	4,042,312	8.10%	4,136,321	2.33%	Anticipated increases in cost of building maintenance due to new facilities being built and increased cost of maintaining older buildings
(3,476,286)	2.52%	(3,739,416)	7.57%	(4,042,312)	0.00%	(4,136,321)	0.00%	
3,455,535	7.49%	3,541,798	2.50%	3,630,218	2.50%	3,720,849	2.50%	Increase in vehicle recovery rates for monthly & hourly vehicles, increase in estimated transfer
4,283,045	6.68%	4,407,521	2.91%	4,538,431	2.97%	4,676,140	3.03%	to equipment reserve
(827,510)	3.41%	(865,722)	4.62%	(908,213)	0.00%	(955,291)	0.00%	
7,040,798	5.45%	7,243,100	2.87%	7,453,200	2.90%	7,670,388	2.91%	
7,040,798	5.45%	7,243,100	2.87%	7,453,200	2.90%	7,670,388	2.91%	Increases as per contract costs of 3% p.a.
0	0.00%	0	0.00%	0	0.00%	0	0.00%	

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
344,686	4.45%	346,582	0.55%	348,826	0.65%	350,953	0.61%	2002 increase in supplies and purchases
(344,686)	4.45%	(346,582)	0.55%	(348,826)	0.65%	(350,953)	0.61%	
298,000	1.22%	298,000	0.00%	309,000	3.69%	320,550	3.74%	Anticipated increase in revenues in 2004 based on study showing flat development 2001-2003
1,268,139	3.11%	1,273,888	0.45%	1,277,941	0.32%	1,281,098	0.25%	with increases of 5% p.a. beginning in 2004
(970,139)	3.70%	(975,888)	0.59%	(968,941)	-0.71%	(960,548)	-0.87%	
0	0.00%	0	0.00%	0	0.00%	0	0.00%	
930,761	2.91%	931,343	0.06%	931,937	0.06%	932,542	0.06%	No significant increases except 2001 increase in wages and salaries.
(930,761)	2.91%	(931,343)	0.06%	(931,937)	0.06%	(932,542)	0.06%	
56,100	-0.88%	56,100	0.00%	55,600	-0.89%	55,600	0.00%	Decrease in construction zone and oversize permits anticipated
1,530,716	-4.82%	1,545,916	0.99%	1,571,116	1.63%	1,596,216	1.60%	
(1,474,616)	-4.97%	(1,489,816)	1.03%	(1,515,516)	1.73%	(1,540,616)	1.66%	
58,500	0.00%	58,500	0.00%	58,000	-0.85%	58,500	0.86%	
688,017	2.98%	688,332	0.05%	688,662	0.05%	688,997	0.05%	No significant increases except 2001 increase in wages and salaries.
(629,517)	3.27%	(629,832)	0.05%	(630,662)	0.13%	(630,497)	-0.03%	
2,261,480	4.00%	2,318,017	2.50%	2,364,377	2.00%	2,482,596	5.00%	General anticipated increases in revenues
2,187,309	3.45%	2,192,914	0.26%	2,205,380	0.57%	2,211,627	0.28%	No significant increases except 2001 increase in wages and salaries.
74,171	23.21%	125,103	68.67%	158,997	27.09%	270,969	70.42%	
2,674,080	3.49%	2,730,617	2.11%	2,786,977	2.06%	2,917,246	4.67%	
6,949,628	1.38%	6,978,975	0.42%	7,023,862	0.64%	7,061,433	0.53%	
(4,275,548)	0.11%	(4,248,358)	-0.64%	(4,236,885)	-0.27%	(4,144,187)	-2.19%	

**CITY OF RICHMOND  
ANALYSIS OF PROPOSED 5 YEAR FINANCIAL PLAN (2001-2005)**

2002 Budget	% change	2003 Budget	% change	2004 Budget	% change	2005 Budget	% change	COMMENTS
132,415,406	4.86%	137,317,085	3.70%	144,060,013	4.91%	150,926,115	4.77%	Revenue increases - 1.5% tax, 10% fee inc. for bus lic., increase in fringe recovery
26,356,394	5.36%	28,246,724	7.17%	32,291,475	14.32%	34,123,864	5.67%	Expense - 2% p.a. salary & fringe starting 2003, incr in MFA debt as per schedules, anticipated
106,059,012	4.73%	109,070,361	2.84%	111,768,537	2.47%	116,802,251	4.50%	increases in utilities, purchases, contracts. Incr. in contingency accounts, including wages.
(10,472,800)	12.57%	(11,382,800)	8.69%	(12,257,800)	7.69%	(15,662,800)	27.78%	Ties in with 5 yr Capital Program, increases in revolving fund, building reserve, decrease in infrastructure Capital Program, parks Capital Program. Increase in appropriated surplus.
(10,472,800)		(11,382,800)		(12,257,800)		(15,662,800)		
198,337,713		204,975,272		213,085,635		221,771,125		
202,710,580		209,361,836		217,454,502		226,158,272		
(4,372,867)		(4,386,564)		(4,368,866)		(4,387,146)		

**CITY OF RICHMOND  
PROPOSED 5 YEAR CAPITAL PROGRAM  
FOR 2001 TO 2005**

	2001 BUDGET	2002 BUDGET	2003 BUDGET	2004 BUDGET	2005 BUDGET
<b>INFRASTRUCTURE PROGRAM</b>					
Roads	\$7,407,000	\$4,249,150	\$2,444,500	\$3,794,500	\$3,794,500
Drainage	\$3,692,500	\$3,630,350	\$2,057,500	\$1,135,000	\$1,325,250
Water	\$2,590,000	\$2,634,500	\$2,913,000	\$2,555,000	\$3,096,500
Sewer	\$4,191,000	\$1,625,300	\$1,679,100	\$2,800,000	\$3,202,500
Minor Public Works	\$654,500	\$700,000	\$750,000	\$700,000	\$1,200,000
Local & Neighbourhood Improvements	\$990,000	\$750,000	\$750,000	\$750,000	\$750,000
<b>Total Infrastructure Program</b>	<b>\$19,525,000</b>	<b>\$13,589,300</b>	<b>\$10,594,100</b>	<b>\$11,734,500</b>	<b>\$13,368,750</b>
<b>BUILDING PROGRAM</b>					
Minor Buildings	\$1,175,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Major Buildings	\$1,322,700	\$2,570,000	\$8,245,000	\$13,500,000	\$2,620,000
Provincial Court Facility	\$4,750,000	\$0	\$0	\$0	\$0
<b>Total Building Program</b>	<b>\$7,247,700</b>	<b>\$4,070,000</b>	<b>\$9,745,000</b>	<b>\$15,000,000</b>	<b>\$4,120,000</b>
<b>LAND PROGRAM</b>					
Land Acquisition	\$1,134,000	\$634,000	\$634,000	\$634,000	\$500,000
Affordable Housing	\$1,000,000	\$0	\$1,000,000	\$0	\$0
<b>Total Land Program</b>	<b>\$2,134,000</b>	<b>\$634,000</b>	<b>\$1,634,000</b>	<b>\$634,000</b>	<b>\$500,000</b>
<b>PARKS PROGRAM</b>					
Parkland Acquisition	\$2,449,000	\$3,570,000	\$3,570,000	\$3,570,000	\$5,900,000
Major Parks	\$1,850,000	\$730,000	\$950,000	\$1,000,000	\$1,550,000
Minor Parks	\$350,000	\$250,000	\$290,000	\$340,000	\$500,000
<b>Total Parks Program</b>	<b>\$4,649,000</b>	<b>\$4,550,000</b>	<b>\$4,810,000</b>	<b>\$4,910,000</b>	<b>\$7,950,000</b>
<b>EQUIPMENT PROGRAM</b>					
Annual Fleet Replacement	\$2,632,000	\$1,938,700	\$1,427,000	\$2,067,600	\$1,656,300
Fire Department Vehicles	\$683,700	\$650,000	\$84,200	\$149,400	\$650,000
Computer Capital	\$335,000	\$0	\$0	\$0	\$0
Technological Innovations	\$675,000	\$775,000	\$550,000	\$450,000	\$350,000
Communication Equipment	\$75,000	\$50,000	\$85,000	\$115,000	\$135,000
<b>Total Equipment Program</b>	<b>\$4,400,700</b>	<b>\$3,413,700</b>	<b>\$2,146,200</b>	<b>\$2,782,000</b>	<b>\$2,791,300</b>
<b>Total Capital Programs</b>	<b>\$37,956,400</b>	<b>\$26,257,000</b>	<b>\$28,929,300</b>	<b>\$35,060,500</b>	<b>\$28,730,050</b>

This Program is part of the City's 5 Year Financial Plan and is subject to changes on an annual basis prior to adoption into Bylaw by City Council. City Council has not reviewed and approved the proposed 5 Year Capital Program for 2001 - 2005.



**CITY OF RICHMOND  
BYLAW 7225  
5 YEAR FINANCIAL PLAN (2001 - 2005)**

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 (2001 – 2005).
2. 2000 to 2004 – 5 Year Financial Plan Bylaw No. 7128 is repealed.
3. This Bylaw is cited as "5 Year Financial Plan (2001 - 2005) Bylaw 7225".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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MAYOR

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CITY CLERK

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

**CITY OF RICHMOND**  
**5 YEAR FINANCIAL PLAN (2001 - 2005)**

	2001	2002	2003	2004	2005
	\$	\$	\$	\$	\$
<b>REVENUES</b>					
Property Taxes:					
Tax Base	93,925,089	99,693,915	105,509,311	111,394,032	117,385,573
New Growth	1,417,411	1,451,590	1,539,940	1,629,825	1,720,788
	<u>95,342,500</u>	<u>101,145,505</u>	<u>107,049,251</u>	<u>113,023,857</u>	<u>119,106,361</u>
Grants in Lieu of Taxes	8,662,600	8,739,300	9,099,971	9,493,191	9,923,637
Fees & Charges	79,712,400	81,810,737	83,851,106	85,529,120	87,665,298
Other Revenues:					
Provincial Revenue Sharing	2,202,500	1,900,000	200,000	200,000	200,000
Fiscal Revenues	3,893,800	3,958,010	3,982,945	4,008,130	4,041,020
Investment Income	4,285,600	4,307,028	4,328,563	4,350,205	4,371,956
Penalties and Interest on Taxes	850,000	850,000	850,000	850,000	850,000
Capital Plan:					
Transfer from DCC Reserve	10,605,120	10,484,625	9,228,700	8,401,325	11,084,763
Transfer From Other Funds and Reserves	27,351,280	15,772,375	19,700,600	26,659,175	17,645,287
<b>TOTAL REVENUES</b>	<b>232,905,800</b>	<b>228,967,580</b>	<b>238,291,136</b>	<b>252,515,002</b>	<b>254,888,322</b>
<b>EXPENDITURES</b>					
Municipal Debt					
Debt Interest	3,218,400	4,292,202	4,259,463	5,667,224	5,662,102
Debt Principal	2,240,400	2,958,351	3,124,119	3,946,421	5,033,989
Divisional Expenditures					
Corporate Administration	1,117,200	1,152,366	1,154,867	1,157,147	1,159,384
Parks, Recreation & Cultural Services	30,504,100	31,478,205	32,025,253	32,541,259	33,044,926
Community Safety	45,123,100	46,410,356	47,598,192	48,420,495	49,389,960
Finance & Corporate Services	14,302,500	14,848,931	14,883,885	15,080,102	15,425,024
Engineering & Public Works	62,729,800	65,041,900	67,091,141	68,682,361	70,290,880
Urban Development	6,855,000	6,949,628	6,978,975	7,023,862	7,061,433
Fiscal	18,955,700	18,805,841	20,563,142	22,377,830	23,127,773
Transfers To Funds					
Statutory Reserves	8,003,300	9,172,900	9,282,900	9,357,900	9,512,900
Provisions & Allowances	1,899,900	1,599,900	2,399,900	3,199,900	6,449,900
Capital Plan	37,956,400	26,257,000	28,929,300	35,060,500	28,730,050
<b>TOTAL EXPENDITURES</b>	<b>232,905,800</b>	<b>228,967,580</b>	<b>238,291,136</b>	<b>252,515,002</b>	<b>254,888,322</b>
Average Property Tax Rate Increase	4.84%	4.52%	4.27%	4.02%	3.82%