



**To:** Richmond City Council  
**From:** Jim Bruce  
General Manager, Finance and Corporate Services  
**Re:** 2003 Capital Construction Program - Capital Reserve Expenditure Bylaws

**Date:** May 2, 2003  
**File:** 8060-20

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**Staff Recommendation**

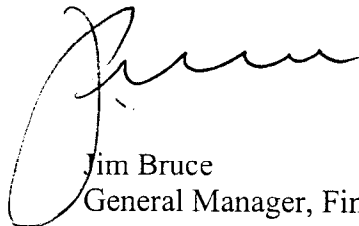
That the following Statutory Reserve Expenditure Bylaws, which fund the 2003 Capital Construction Program be introduced and given, first, second and third readings:

Reserve Fund Expenditure Bylaw No. 7524

Development Cost Charges Reserve Fund Expenditure Bylaw No. 7525

Reserve Fund Expenditure (Sanitary Sewer and Watermain Replacement) Bylaw 7526

Local Improvement Reserve Expenditure Bylaw No. 7527.



Jim Bruce  
General Manager, Finance and Corporate Services

**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 includes the City’s operating, utilities and capital budgets. The 5 Year Financial Plan bylaw provides Council with the authority to undertake expenditures, while the Statutory Reserve Fund Expenditure bylaws which are the focus of this report, provide Council with the authority to access statutory reserves to fund capital projects approved under the 5 Year Financial Plan.

**Analysis**

The 2003 Capital Plan expenditures amount to \$39,437,585 of which \$35,149,585 is being funded through the Statutory Reserve Fund Expenditure Bylaws.

The remaining 2003 Capital Plan which is non statutory in nature totals \$4,288,000 and is comprised of:

1. Funding from non-City sources \$650,000
2. Funding from other City Sources \$3,638,000

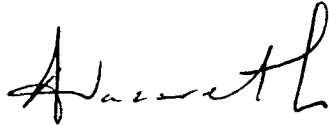
**Financial Impact**

The Bylaws listed below are required to provide the funding authorization to finance various 2003 capital projects. The financing requirements are well within the existing reserve expenditure policies and funding availability. The total for each Bylaw is detailed below:

| <b>Bylaw No.</b> | <b>Description</b>  | <b>2003<br/>Bylaw Amount</b> |
|------------------|---|------------------------------|
| 7524             | Reserve Fund Expenditure Bylaw  | \$11,810,117                 |
| 7525             | Development Cost Charges Reserve Fund Expenditure Bylaw                   | \$16,818,968                 |
| 7526             | Reserve Fund Expenditure (Sanitary Sewer and Watermain Replacement) Bylaw | \$5,770,500                  |
| 7527             | Local Improvement Reserve Expenditure Bylaw                               | \$750,000                    |

**Conclusion**

Adopting the bylaws as identified in the Financial Impact section of this report is required in order to fund the 2003 capital construction program as previously approved by Council.



Andrew Nazareth  
Director of Finance

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**Reserve Fund Expenditure Bylaw No. 7524**

WHEREAS as at May 1, 2003, the following unappropriated balances exist in the reserve funds after the establishment of the bylaw under the provisions of the *Local Government Act*:

|   |  |                               |
|---|--|-------------------------------|
| <b>Capital Reserve Fund</b>                             | - balance as at December 31 <sup>st</sup> , 2002       | \$25,854,626.42               |
|   | - transactions to May 1, 2003                          | \$0.00                        |
|   | - 2003 Operating Transfers                             | \$7,190,300.00                |
|   | - 2003 Capital Plan Expenditures                       | <u>(\$8,716,324.00)</u>       |
|   | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$24,328,602.42</u></b> |
| <b>Capital Building and Infrastructure Reserve Fund</b> | - balance as at December 31 <sup>st</sup> , 2002       | \$1,858,654.36                |
|   | - transactions to May 1, 2003                          | \$0.00                        |
|   | - 2003 Operating Transfers                             | \$996,093.00                  |
|   | - 2003 Capital Plan Expenditures                       | <u>(\$996,093.00)</u>         |
|   | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$1,858,654.36</u></b>  |
| <b>Child Care Development Reserve Fund</b>              | - balance as at December 31 <sup>st</sup> , 2002       | \$37,855.46                   |
|   | - transactions to May 1, 2003                          | \$0.00                        |
|   | - 2003 Capital Plan Expenditures                       | <u>(\$32,700.00)</u>          |
|   | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$5,155.46</u></b>      |
| <b>Equipment Replacement Reserve Fund</b>               | - balance as at December 31 <sup>st</sup> , 2002       | \$6,112,248.05                |
|   | - transactions to May 1, 2003                          | \$0.00                        |
|   | - 2003 Operating Transfers                             | \$1,889,800.00                |
|   | - 2003 Capital Plan Expenditures                       | <u>(\$1,415,000.00)</u>       |
|   | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$6,587,048.05</u></b>  |
| <b>Public Art Program Reserve Fund</b>                  | - balance as at December 31 <sup>st</sup> , 2002       | \$167,457.23                  |
|   | - transactions to May 1, 2003                          | \$9,500.00                    |
|   | - 2003 Capital Plan Expenditures                       | <u>(\$150,000.00)</u>         |
|   | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$26,957.23</u></b>     |

|  |  |                            |
|--|--|----------------------------|
| <b>Waterfront Improvement Reserve Fund</b> | - balance as at December 31 <sup>st</sup> , 2002       | \$409,500.00               |
|  | - transactions to May 1, 2003                          | \$0.00                     |
|  | - 2003 Capital Plan Transfers                          | \$500,000.00               |
|  | - 2003 Capital Plan Expenditures                       | <u>(\$500,000.00)</u>      |
|  | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$409,500.00</u></b> |

NOW THEREFORE, the Council of the City of Richmond enacts as follows:

1. The sum of \$8,716,324 is appropriated from the Capital Reserve Fund to finance the following projects as set out in Schedule A and as approved in the 2003 Capital Plan.
2. The sum of \$996,093 is appropriated from the Capital Building and Infrastructure Reserve Fund to partly finance the Community Safety Building Project as approved in the 2003 Capital Plan.
3. The sum of \$32,700 is appropriated from the Child Care Development Reserve Fund to finance capital works as approved in the 2003 Capital Plan.
4. The sum of \$1,415,000 is appropriated from the Equipment Replacement Reserve Fund to finance the following projects as approved in the 2003 Capital Plan:

|     | <u>Name of Program</u>    | <u>Dollar Amount</u> |
|-----|---------------------------|----------------------|
| (a) | Annual Fleet Replacements | \$1,165,000          |
| (b) | Mechanical Equipment      | \$250,000            |

5. The sum of \$150,000 is appropriated from the Public Art Program Reserve Fund to finance the Public Art Program as approved in the 2003 Capital Plan.
6. The sum of \$500,000 is appropriated from the Waterfront Improvement Reserve Fund to finance the Waterfront Improvement Program as approved in the 2003 Capital Plan.
7. Should any of the above amounts remain unexpended after the authorized expenditures have been made, such balances must be returned to the credit of the applicable reserve funds.
8. This bylaw is cited as “**Reserve Fund Expenditure Bylaw No. 7524**”.

FIRST READING

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SECOND READING

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THIRD READING

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MAYOR

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CITY CLERK

**SCHEDULE "A" TO BYLAW NO. 7524**  
**2003 RESERVE FUND EXPENDITURES**

| ITEMS                                  | AMOUNT      | TOTAL              |
|--|-------------|--------------------|
| <b>REVOLVING FUND ITEMS</b>            |             |                    |
| Municipal Assist Factor - Roads        | \$ 121,940  |                    |
| Municipal Assist Factor - Drainage     | 131,889     |                    |
| Municipal Assist Factor – Water        | 75,660      |                    |
| Municipal Assist Factor – Land & Parks | 173,020     |                    |
| Building Projects                      | 2,961,836   |                    |
| Other Public Works Projects            | 900,000     |                    |
| Other Land Program                     | 1,500,000   |                    |
| Other Parks Projects                   | 500,000     |                    |
| Other Equipment Projects               | 414,579     |                    |
| <b>TOTAL</b>                           |             | <b>\$6,778,924</b> |
| <b>LAND ACQUISITION FUND ITEMS</b>     |             |                    |
| Land Acquisition                       | \$1,434,000 |                    |
| <b>TOTAL</b>                           |             | <b>\$1,434,000</b> |
| <b>FLOW-THROUGH ITEMS</b>              |             |                    |
| Minor Building Works                   | 270,600     |                    |
| Minor Parks Capital                    | 182,800     |                    |
| Equipment Project                      | 50,000      |                    |
| <b>TOTAL</b>                           |             | <b>\$503,400</b>   |
| <b>TOTAL OF ALL ITEMS</b>              |             | <b>\$8,716,324</b> |



**Development Cost Charges Reserve Fund Expenditure  
Bylaw No. 7525**

WHEREAS as at May 1, 2003, the following unappropriated balances exist in the reserve funds after the establishment of the Bylaw under the provisions of the *Local Government Act*:

|  |                               |
|--|-------------------------------|
| Balance as at December 31 <sup>st</sup> , 2002         | \$29,831,222.11               |
| Transactions to May 1, 2003                            | \$1,980,571.19                |
| 2003 Capital Plan Expenditures                         | <u>(\$16,818,968.00)</u>      |
| <b>BALANCE in Reserve Fund After 2003 Capital Plan</b> | <b><u>\$14,992,825.30</u></b> |

AND WHEREAS it is deemed desirable to expend a portion of the said monies to meet the cost of certain capital projects:

NOW THEREFORE the Council of the City of Richmond, enacts as follows:

1. The sum of \$16,818,968 is appropriated from the Development Cost Charges Statutory Reserve fund to finance the projects set out in Schedule "A" which is attached and forms part of this bylaw as approved in the 2003 Capital Plan.
2. Should any of the above amounts remain unexpended after the authorized expenditures have been made, such balances must be returned to the credit of the applicable reserve funds.
3. This bylaw is cited as "**Development Cost Charges Reserve Fund Expenditure Bylaw No. 7525**".

FIRST READING

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MAYOR

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CITY CLERK

**SCHEDULE "A" TO BYLAW NO. 7525**  
**2003 DEVELOPMENT COST CHARGES EXPENDITURES**

Page 1 of 2

| <b>ROADS, DRAINAGE, WATER AND PARKS</b> |  |                                       |
|---|--|---------------------------------------|
|   | <b>PROJECT</b>   | <b>DESCRIPTION</b>                    |
| 1.                                      | No. 2 Road Bridge  | Financing Cost                        |
| 2.                                      | Arterial Road Crosswalk Improvement Program              | Roads Works                           |
| 3.                                      | Computerized Traffic Signal System Replacement           | Roads Related Equipment Replacement   |
| 4.                                      | Fibre Optic Cable Installation                           | Communications/Network Works          |
| 5.                                      | Garden City Road Median Opening at Leslie Road Extension | Roads Works                           |
| 6.                                      | Neighbourhood Traffic Safety Enhancement Program         | Roads Works                           |
| 7.                                      | Nelson Road Widening                                     | Roads & Water Works                   |
| 8.                                      | No. 8 Rd/Westminster Highway Traffic Signal              | Roads Works                           |
| 9.                                      | Revolving Fund Payback                                   | Financing Item                        |
| 10.                                     | Sidewalk Project   | Roads Works                           |
| 11.                                     | Traffic Signal Installation Program                      | Roads Works                           |
| 12.                                     | Transit Plan Infrastructure Improvements                 | Roads Works                           |
| 13.                                     | Undergrounding – Hydro & Telus                           | Road Works                            |
| 14.                                     | Upgrade of MoT Traffic Signals                           | Road Works                            |
| 15.                                     | Blundell Road – Road Base, Watermain & Drainage          | Roads, Drainage & Water Works         |
| 16.                                     | Drainage Assessment Program                              | Drainage Infrastructure Assessment    |
| 17.                                     | Drainage Pump Station Rehabilitation                     | Drainage Pump Replacement             |
| 18.                                     | Drainage System – Granville Avenue                       | Drainage Works                        |
| 19.                                     | Drainage System – Westminster Highway                    | Drainage & Water Works                |
| 20.                                     | Westminster Highway Bike Path: No. 7 – No 8 Rd           | Drainage Works                        |
| 21.                                     | Infrastructure Advanced Design                           | Future Years DCC Infrastructure Works |
| 22.                                     | McLennan North Community Park                            | Park Works                            |
| 23.                                     | McLennan South Park Master Plan                          | Design                                |
| 24.                                     | Park Advanced Design/Planning Fund                       | Future Years DCC Parks Works          |
| 25.                                     | Parks Upgrade Program - Characterization                 | Park Works                            |
| 26.                                     | Special Sports Statutory Reserve Fund                    | Field Works                           |
| 27.                                     | Terra Nova Park  | Park Works                            |
| 28.                                     | Trails   | Park Works                            |
| 29.                                     | Parkland Acquisition                                     | Park Land Purchases                   |



**SCHEDULE "A" TO BYLAW NO. 7525**  
**2003 DEVELOPMENT COST CHARGES EXPENDITURES**

Page 2 of 2

| <b>ROADS, DRAINAGE, SEWER, WATER AND PARKS</b>                                   |                        |
|--|------------------------|
| <b>ROADS</b>   | <b>\$4,489,860.00</b>  |
| <b>DRAINAGE</b>  | <b>\$2,665,788.00</b>  |
| <b>WATER</b>   | <b>\$1,185,340.00</b>  |
| <b>PARKS ACQUISITION</b><br>(Purchases in developing areas – Open Space)         | <b>\$6,664,000.00</b>  |
| <b>PARKS DEVELOPMENT</b><br>(Contribution toward 2003 Parks Development Program) | <b>\$1,813,980.00</b>  |
| <b>TOTAL</b>   | <b>\$16,818,968.00</b> |



**Reserve Fund Expenditure  
(Sanitary Sewer and Watermain Replacement)  
Bylaw No. 7526**

WHEREAS as at May 1, 2003, the following unappropriated balances exist in the reserve funds after the establishment of the Bylaw under the provisions of the *Local Government Act*:

|                                    |  |                               |
|------------------------------------|--|-------------------------------|
| <b>Sanitary Sewer Reserve Fund</b> | -balance as at December 31 <sup>st</sup> , 2002        | \$11,196,195.56               |
|                                    | -transactions to May 1, 2003                           | \$0.00                        |
|                                    | -2003 Operating Transfers                              | \$4,217,000.00                |
|                                    | -2003 Capital Plan Expenditures                        | <u>(\$2,097,500.00)</u>       |
|                                    | <b>BALANCE in Reserve Fund After 2003 Capital Plan</b> | <b><u>\$13,315,695.56</u></b> |

|   |  |                               |
|---|--|-------------------------------|
| <b>Watermain Replacement Reserve Fund</b> | -balance as at December 31 <sup>st</sup> , 2002        | \$20,557,857.69               |
|   | -transactions to May 1, 2003                           | \$0.00                        |
|   | -2003 Operating Transfers                              | \$750,000.00                  |
|   | -2003 Capital Plan Expenditures                        | <u>(\$3,673,000.00)</u>       |
|   | <b>BALANCE in Reserve Fund After 2003 Capital Plan</b> | <b><u>\$17,634,857.69</u></b> |

NOW THEREFORE, the Council of the City of Richmond enacts as follows:

1. The sum of \$2,097,500 is appropriated from the Sanitary Sewer Reserve Fund to finance the following projects and have been approved in the 2003 Capital Plan as set out in Schedule A.
2. The sum of \$3,673,000 is appropriated from the Watermain Replacement Reserve Fund to finance the following projects and have been approved in the 2003 Capital Plan as set out in Schedule B.
3. Should any of the above amounts remain unexpended after the authorized expenditures have been made, such balances must be returned to the credit of the applicable reserve funds.
4. This bylaw is cited as “Reserve Fund Expenditure (Sanitary Sewer and Watermain Replacement) Bylaw No. 7526”.

FIRST READING

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SECOND READING

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THIRD READING

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ADOPTED

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MAYOR

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CITY CLERK

**SCHEDULE "A" TO BYLAW NO. 7526**  
**FOR THE SANITARY SEWER RESERVE FUND**

| <b>ITEMS</b>                           | <b>TOTAL</b>              |
|--|---------------------------|
| City Centre Study Area Sanitary Sewers |                           |
| Sanitary Pump Station Rehabilitation   |                           |
| Sanitary Pump Station Rehabilitation   |                           |
| Sanitary Sewer Pump Stations           |                           |
| Twinning of Lansdowne Forcemain        |                           |
| Infrastructure Advanced Design         |                           |
| <b>Total</b>                           | <b><u>\$2,097,500</u></b> |

**SCHEDULE "B" TO BYLAW NO. 7526**  
**FOR THE WATERMAIN REPLACEMENT RESERVE FUND**

| <b>ITEMS</b>                          | <b>TOTAL</b>              |
|---------------------------------------|---------------------------|
| Bakerview                             |                           |
| Minor Capital Waterworks Program      |                           |
| Minoru Pool Complex Watermain         |                           |
| Monds Subdivision                     |                           |
| More Subdivision                      |                           |
| No. 4 Road                            |                           |
| Seismic Upgrades of Waterwork Network |                           |
| Viking Way                            |                           |
| Watermain Replacement                 |                           |
| Westminster Highway                   |                           |
| Infrastructure Advanced Design        |                           |
| <b>Total</b>                          | <b><u>\$3,673,000</u></b> |



Local Improvement Reserve Expenditure Bylaw No. 7527

WHEREAS as at May 1, 2003, the following unappropriated balances exist in the reserve funds after the establishment of the Bylaw under the provisions of the Local Government Act:

|                                       |  |                              |
|---------------------------------------|--|------------------------------|
| <b>Local Improvement Reserve Fund</b> | -balance as at December 31 <sup>st</sup> , 2002        | \$3,177,910.43               |
|                                       | -transactions to May 1, 2003                           | \$20,816.96                  |
|                                       | -2003 Capital Plan Expenditures                        | <u>(\$750,000.00)</u>        |
|                                       | <b>BALANCE in Reserve Fund after 2003 Capital Plan</b> | <b><u>\$2,448,727.39</u></b> |

NOW THEREFORE, the Council of the City of Richmond enacts as follows:

1. The sum of \$750,000 is appropriated from the Local Improvement Reserve Fund to finance capital works as approved in the 2003 Capital Plan.
2. Should any of the above amount remain unexpended after the authorized expenditures have been made, such balances must be returned to the credit of the applicable reserve funds.
3. This bylaw is cited as “**Local Improvement Reserve Fund Expenditure Bylaw No. 7527**”.

FIRST READING \_\_\_\_\_

SECOND READING \_\_\_\_\_

THIRD READING \_\_\_\_\_

ADOPTED \_\_\_\_\_

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MAYOR

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CITY CLERK