



## City of Richmond

## Report to Committee

**To:** Finance Select Committee  
**From:** Andrew Nazareth  
Manager - Budgets & Accounting  
**Re:** Transfer to Reserves from the Operating Budget

**Date:** May 6, 2002

**File:** 1075-01

### Staff Recommendation

That the report to Committee (dated May 6, 2002 from the Manager Budgets & Accounting) regarding the transfer to Reserves from the Operating Budget be received for information.

Andrew Nazareth  
Manager - Budgets & Accounting

Att. 1

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CONCURRENCE OF GENERAL MANAGER

**Staff Report**

As per Committee's request attached is a summary of the transfer to reserves budgeted under the 5 Year Financial Plan. The amounts budgeted are as follows:

2002	\$ 8,884,102
2003	\$ 9,785,109
2004	\$11,625,571
2005	\$11,242,174
2006	\$11,772,236

The items making up the transfers are costs that would normally be budgeted as regular operating expenses (i.e. depreciation expenses) and are well below the required amounts required to properly fund the reserves. The following is a brief explanation of each of the transfers:

Public Works Equipment – this is the amount put towards replacement of the Public Works vehicle fleet.

Fire Equipment – this the amount put towards replacement of Fire Rescue equipment.

Mechanical Equipment – this is for replacement of all mechanical equipment such as boilers, dryers, etc.

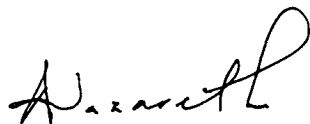
Industrial Use – this is for the purchase of Land

Revolving Use – these are actual internal loan repayments of principal and interest borrowed at 3% interest rate over 12 years.

Damage Claims – this amount is put aside for damage claims below our insurance deductibles.

Capital Buildings and Infrastructure – this amount has been put aside for the minor public works and minor building extended maintenance programs – annual contribution to the program.

Parks Capital – this amount has been put aside for minor and major parks extended maintenance programs – annual contribution to the programs.



Andrew Nazareth  
Manager - Budgets & Accounting

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# TRANSFER TO RESERVES FROM OPERATING BUDGET

2002-2006

Current Contribution to Reserves	2002	2003	2004	2005	2006
Public Works Equipment	1,164,500	1,165,000	1,331,000	1,597,000	1,830,000
Fire Equipment	458,300	458,300	658,300	1,058,300	1,258,300
Mechanical Equipment	0	0	0	0	0
Industrial Use	0	0	0	0	0
Revolving Use	6,111,400	6,986,906	6,996,367	6,711,969	6,709,030
Damage Claims	147,900	147,900	147,900	147,900	147,900
Capital Buildings and Infrastructure	475,000	842,200	1,982,800	1,425,000	1,625,000
Parks Capital	525,000	182,800	507,200	300,000	200,000
<b>Total</b>	<u>8,884,102</u>	<u>9,785,109</u>	<u>11,625,571</u>	<u>11,242,174</u>	<u>11,772,236</u>