



City of Richmond

Report to Committee

To: Finance Committee **Date:** December 2, 2021
From: Jerry Chong, CPA, CA **File:** 03-0970-25-2021-01/2020-Vol 01
 Acting General Manager, Finance and Corporate Services
Re: **Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327**

Staff Recommendation

1. That the Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327 be introduced and given first, second, and third readings.
2. That staff undertake a process of public consultation in accordance with Section 166 of the *Community Charter*.

Jerry Chong, CPA, CA
 Acting General Manager, Finance and Corporate Services
 (604-276-4064)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Law	<input checked="" type="checkbox"/>	 Acting GM, F&CS
REVIEWED BY SMT	INITIALS:	APPROVED BY CAO
	N/A	

Staff Report

Origin

Section 165 of the *Community Charter* requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw. Section 173 of the *Community Charter* states that a municipality must not make an expenditure other than one authorized in its annual financial plan. The 5YFP Bylaw provides the City with the authority to proceed with spending to the limits as outlined in the bylaw. The City is required under section 166 of the *Community Charter* to undertake a process of public consultation prior to adoption of the 5YFP.

The 5YFP Bylaw No. 10327 consolidates the budgets for Utility, Operating, Capital budgets and One-Time Expenditures. The key components of 5YFP Bylaw No. 10327 are as follows:

Table 1: Summary of Council Approval of the 2022 Budgets

Budget Input	Council Approval Date
2022 Utility Budget	November 8, 2021
2022 Richmond Public Library Budget ¹	November 29, 2021
2022 Operating Budget ¹	November 29, 2021
2022 One-Time Expenditures ¹	November 29, 2021
2022 Capital Budget ¹	November 29, 2021

¹ Approved at the Finance Committee

The 2022 Utility rates were approved by Council on November 8, 2021 and the following bylaws were adopted on November 22, 2021:

- Waterworks and Water Rates Bylaw No. 5637, Amendment Bylaw No. 10311
- Drainage, Dyke and Sanitary Sewer System Bylaw No. 7551, Amendment Bylaw No. 10312
- Solid Waste & Recycling Regulation Bylaw No. 6803, Amendment Bylaw No. 10313

The Consolidated 5YFP includes the draft budget for the City’s wholly owned subsidiary Richmond Olympic Oval Corporation.

The Consolidated 5YFP does not include the budget for Lulu Island Energy Company (LIEC) since LIEC has been classified as a Government Business Enterprise and is required to apply International Financial Reporting Standards while the City is required to report under Public Sector Accounting Standards.

The Consolidated 5YFP Bylaw includes estimates for 2023-2026 based on information currently available and will be revised with the financial plan for each respective year. Inclusion in the financial plan for 2023 and beyond does not represent final approval for spending.

Analysis

This report combines the Council approved 2022 budgets and additional items into a consolidated financial plan to provide expenditure authorization, allowing the City to formally proceed with delivering programs and services to the community. In addition, the 5YFP includes operating and capital carryforward amounts that have been approved in prior years, however, projects and programs are expected to be completed in 2022 and future years.

Adjustments with No Impact on Rates**Prior Year Capital Carryforwards**

The 5YFP includes amounts from previously approved and funded projects that are still in progress as capital projects may take several years to complete after Council approval. There is no tax impact as a result of including these amounts.

Prior Year Operating Carryforwards

The 2022 carryforwards are comprised of unspent amounts from 2020 and previously approved one-time expenditures that are required for programs and projects that were not completed in 2021 and hence carried into 2022. There is no tax impact as a result of including these amounts.

Developer Contributed Assets

The 5YFP also includes an estimate for the value of negotiated developer contributed assets that the City will take ownership of as a result of rezoning approvals. This includes dedicated land under new road, infrastructure and building facilities contributed by developers. There is no cost to the City for building the initial infrastructure; however, it becomes part of the City's inventory of assets to maintain and eventually replace. There are also Operating Budget Impacts (OBI) associated with developer contributed assets and the OBI's will be included in the budget process for consideration when the assets are in service.

Operating Budget Impacts (OBI)

The approved 2022 Capital Budget includes OBI for water, recycling and sanitary sewer infrastructure projects. Since the approval of these capital projects occurred subsequent to the setting of the utility rates, these additional operating costs are not factored into the 2022 utility rates. These additional costs will be funded by utility rate stabilization accounts and will be incorporated into the 2023 utility rates. The OBI estimates for capital projects related to the operating budget are also included.

Public Consultation

Section 166 of the *Community Charter* requires a process of public consultation prior to adoption of the 5YFP. In order to comply with this requirement, the following communication initiatives will include:

- preparing a news release on the City website with a link to the budget and 5YFP reports;
- engaging a public forum on Let's Talk Richmond scheduled to launch on December 16, 2021;
- utilizing social media to raise awareness of the public consultation period through Facebook and Twitter accounts; and
- advertising in the Richmond News as a reminder of the ongoing public consultation.

Table 2 summarizes the results from the last public consultation for the Consolidated 5YFP (2021 – 2025).

Table 2: Result from Public Consultation for the Consolidated 5YFP (2021 – 2025)

Public Consultation Statistics	Consolidated 5YFP (2021 - 2025)
Number of Engagements	479
Number of Comments Received	28

In order to ensure that the 5YFP consultation is effective and efficient, staff will continue to conduct the process through Let's Talk Richmond and social media.

The public consultation period will run until January 2, 2022 and staff will report the results to Council in advance of the meeting scheduled to give final reading to the 5YFP bylaw.

Financial Impact

The Consolidated 5YFP (2022-2026) has been prepared in accordance with Section 165 of the *Community Charter* and includes the proposed expenditures and funding sources which have been approved by Council. Table 3 summarizes the proposed 2022 tax increase of 3.86%, and estimates for 2023 through 2026. The estimated tax increase for the 5YFP includes a 1.00% increase for investment in community infrastructure each year in accordance with Council's Long Term Financial Management Strategy.

Table 3 – Proposed 5YFP 2022-2026 Summary

Proposed 5YFP	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan
Same Level of Service Increase	1.25%	1.37%	1.45%	1.48%	1.48%
Investment in Community Infrastructure	1.00%	1.00%	1.00%	1.00%	1.00%
CPP Enhancement	0.18%	0.15%	0.14%	0.12%	-
E-Comm Special Levy	0.12%	-	-	-	-
RCMP Unionization Cost	0.91%	0.87%	0.82%	-	-
Council Previously Approved Contract Commitment - SPCA	0.15%	-	-	-	-
City Wide Additional Levels	0.02%	0.15%	0.15%	0.16%	0.16%
Operating Budget Impact from Capital Budget	0.23%	0.34%	0.36%	0.23%	0.23%
Proposed Operating Budget Increase	3.86%	3.88%	3.92%	2.99%	2.87%

Conclusion

Staff recommend that the Consolidated 5 Year Financial Plan Bylaw (2022-2026) No. 10327 be given first through third readings and undertake the public consultation process.



Ivy Wong, CPA, CMA
Acting Director, Finance
(604-276-4046)

JH:yc

- Att. 1: 5 Year Capital Plan by Program (2022-2026)
- 2: 5 Year Capital Plan Summary (2022-2026)
- 3: 5 Year Capital Plan Funding Sources (2022-2026)
- 4: 2022 Municipal Tax Dollar
- 5: Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327

CITY OF RICHMOND
5 YEAR CAPITAL PLAN BY PROGRAM (2022-2026)
(in \$000s)

	2022	2023	2024	2025	2026
Infrastructure Program					
Roads					
Active Transportation Improvement Program	750	750	750	750	750
Annual Asphalt Re-Paving Program - MRN	1,621	1,621	1,621	1,621	1,621
Annual Asphalt Re-Paving Program - Non-MRN	3,411	3,411	3,411	3,411	3,411
Arterial Roadway Improvement Program	1,000	1,000	1,000	1,000	1,000
Bridge Rehabilitation Program	500	300	-	300	300
Citywide Connector Walkways Rehabilitation Program	250	250	-	-	-
Citywide Sidewalk and Street Light Replacement Program	250	500	500	500	500
Gilbert Road Off-road Cycling Facility, Granville Avenue to Elmbridge Way	-	-	-	3,800	-
LED Street Name Sign Program	300	300	300	300	300
Neighbourhood Walkway Program	600	600	600	600	600
River Road Multi-Use Pathway, McCallan Road to No 2 Road	1,600	-	-	-	-
Sexsmith Road/Brown Road Bike Route	750	-	-	-	-
Shell Road Multi-Use Pathway, Highway 99 to River Road	-	-	8,400	-	-
Special Crosswalk Program	100	100	100	100	100
Steveston Highway Multi-Use Pathway, No 2 Road to Railway Avenue	-	2,700	-	-	-
Street Light LED Upgrade Program	490	490	490	490	490
Top 20 Collision Prone Intersections- Implementation of Medium-/Long-term Improvements	3,000	3,000	3,000	3,000	3,000
Traffic Calming Program	600	600	600	600	600
Traffic Signal Power Backup System (UPS)	200	200	200	200	200
Traffic Signal Program	500	700	700	700	700
Traffic Video and Communication Program	400	400	400	400	400
Transit-Related Amenity Improvement Program	25	25	25	25	25
Transit-Related Roadway Improvement Program	400	400	400	400	400
Transportation Planning, Functional and Preliminary Design	400	305	310	315	320
Total Roads	\$ 17,147	\$ 17,652	\$ 22,807	\$ 18,512	\$ 14,717
Drainage					
Boundary Road Drainage Pump Station Upgrade Fronting Costs	840	-	-	-	-
Box Culvert Repair	1,000	1,000	1,000	1,000	1,000
Burkeville Utility Improvements	1,240	2,457	2,397	2,244	2,189
Canal Stabilization and Drainage & Irrigation Upgrades	1,700	1,500	1,500	1,500	1,500
Development Coordinated Works - Drainage	250	250	250	250	250

	2022	2023	2024	2025	2026
Disaster Mitigation and Adaptation Fund					
Infrastructure Upgrades	2,700	5,760	7,600	8,874	-
Drainage Network Ecological Enhancement	-	150	150	150	150
Drainage Pump Station Rehabilitation and Generator Upgrade	250	250	250	250	250
Flood Protection & Dike Improvements	1,800	2,000	18,000	10,500	12,100
Habitat Offsetting Requirements: Monitoring and Reporting	-	300	1,400	1,500	1,500
Invasive Species Management	300	200	200	200	200
Laneway Drainage Upgrade	1,183	1,578	1,096	2,430	1,900
Nelson Road South Drainage Pump Station Upgrade	-	-	-	-	6,000
No. 3 Road South Pump Station Upgrade	-	-	10,000	-	-
No. 3 Road South Pump Station Upgrade - Design	-	1,000	-	-	-
Queens North Drainage Pump Station Upgrade	-	-	-	6,000	-
SCADA System Improvements	350	300	300	300	-
Storm Main Drainage Upgrade	250	1,000	500	500	500
Watercourse Crossing Rehabilitation & Replacement	350	350	400	400	400
Total Drainage	\$ 12,213	\$ 18,095	\$ 45,043	\$ 36,098	\$ 27,939
Water					
Development Coordinated Works - Water	250	250	350	250	250
Fire Hydrant Upgrades	200	-	-	-	-
Pressure Reducing Valve Upgrades	-	2,549	-	-	-
Water Metering Program	3,000	3,000	3,000	3,000	3,000
Watermain Replacement Upgrades Program	5,566	3,094	6,595	6,205	5,376
Watermain Tie-in and Restoration	300	300	500	400	400
Total Water	\$ 9,316	\$ 9,193	\$ 10,445	\$ 9,855	\$ 9,026
Sanitary Sewer					
Bennett West Pump Station Replacement	-	-	-	5,400	-
Development Coordinated Works - Sanitary	250	250	250	250	250
Manhole and Inspection Chamber Replacement Program	-	250	-	-	-
Sanitary Pump Station Rehabilitation	-	300	300	300	300
Sanitary Sewer and Forcemain Rehabilitation	-	3,127	-	1,470	3,900
Sanitary Sewer Tie-in and Restoration	150	150	150	150	150
Sanitary System Assessment and Upgrades	-	150	150	150	150
SCADA System Improvements	-	-	-	-	300
Steveston Sanitary Sewer and Hammersmith Forcemain Rehabilitation	3,800	-	-	-	-
Valve and Hatch Program	300	150	-	-	-
Van Horne Pump Station Replacement	-	-	5,300	-	-
Total Sanitary Sewer	\$ 4,500	\$ 4,377	\$ 6,150	\$ 7,720	\$ 5,050
Infrastructure Advanced Design and Minor Public Works					
City Centre Community Centre North - Furniture, Fixtures and Equipment (FF&E) and OBI	-	800	-	-	-

	2022	2023	2024	2025	2026
Public Works Infrastructure Advanced Design	3,280	2,330	2,380	2,980	4,910
Public Works Minor Capital - Drainage	400	400	400	400	400
Public Works Minor Capital - Roads	-	400	-	400	400
Public Works Minor Capital - Sanitary	300	400	400	400	400
Public Works Minor Capital - Sanitation & Recycling	450	300	300	300	300
Public Works Minor Capital - Traffic	-	250	250	250	250
Public Works Minor Capital - Water	-	400	400	400	400
Total Infrastructure Advanced Design and Minor Public Works	\$ 4,430	\$ 5,280	\$ 4,130	\$ 5,130	\$ 7,060
Total Infrastructure Program	\$ 47,606	\$ 54,597	\$ 88,575	\$ 77,315	\$ 63,792
Building Program					
Building					
Annual Infrastructure Replacements and Building Improvements	3,000	-	-	-	-
Britannia Heritage Shipyards Overwater Building Renewals	-	12,000	-	-	-
Britannia Shipyards Envelope & Mechanical System Renewals	2,125	-	-	-	-
Curling Club Priority 2 Repairs - Phase 1	-	935	-	-	-
Fire Hall Renewals	-	-	3,200	-	-
Hugh Boyd Field House	-	-	-	-	14,000
Richmond Curling Club - Priority 1 Repairs	650	-	-	-	-
Richmond Ice Centre Life / Safety and Interior Renewals	-	-	-	-	1,700
Richmond Ice Centre Renewals - Phase 2 Construction and associated works	6,000	-	-	-	-
Richmond Nature Park Infrastructure Renewals	4,775	-	-	-	-
South Arm Community Centre Infrastructure Renewals	1,900	-	-	-	-
South Arm Hall Infrastructure Renewal	-	-	-	-	1,800
Thompson Community Centre - Interior Finish Renewals	-	-	-	2,000	-
Watermania Mechanical and Pool Equipment Renewals	2,200	-	-	-	-
Works Yard Infrastructure Renewals - Phase 1 (Design)	420	-	-	-	-
Works Yard Infrastructure Renewals - Phase 1 (Implementation)	-	3,780	-	-	-
Works Yard Infrastructure Renewals - Phase 2	-	-	4,000	-	-
Total Building	\$ 21,070	\$ 16,715	\$ 7,200	\$ 2,000	\$ 17,500
Heritage					
Japanese Duplex and First Nations Bunkhouse Reconstruction and Exhibit Development	-	-	10,800	-	-
Phoenix Net Loft Interpretive Centre Implementation	-	-	-	16,000	-
Steveston Museum - Post Office, Program Space and Exhibit Upgrades	354	-	-	-	-
Total Heritage	\$ 354	\$-	\$ 10,800	\$ 16,000	\$-
Total Building Program	\$ 21,424	\$ 16,715	\$ 18,000	\$ 18,000	\$ 17,500

	2022	2023	2024	2025	2026
Parks Program					
Parkland					
Parkland Acquisition	4,000	4,000	4,000	4,000	4,000
Total Parkland	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Parks					
Burkeville Park Redevelopment	-	450	-	-	-
City-Wide Community Gardens	-	200	-	-	-
Garden City Lands - Phase 4	-	-	500	-	-
Garden City Lands - Phase 5	-	-	-	350	-
Garden City Lands - Phase 6	-	-	-	-	350
London Heritage Farm Master Plan Phase 1	612	-	-	-	-
Lulu Island Park - Design and Construction Phase	-	-	-	750	-
Lulu Island Park - Master Planning Phase	-	500	-	-	-
Lulu Island Park - Phase 1 Construction	-	-	-	-	500
Lulu Island Park - Preliminary Planning and Site Study Phase	250	-	-	-	-
Lulu Island Park Design and Site Remediation 2024	-	-	2,000	-	-
McDonald Beach Boat Basin Restoration Phase 1	500	-	-	-	-
Minoru Park Central Amenity Space - Playground Expansion	-	650	-	-	-
Minoru Park Central Amenity Space Detailed Design	-	-	200	-	-
Minoru Park Field 2 Artificial Turf Replacement	-	-	750	-	-
Minoru Park Latrace Field Artificial Turf Replacement	-	-	-	1,580	-
Parks Advance Planning and Design	300	300	300	300	300
Parks Ageing Infrastructure Replacement Program	530	560	-	500	500
Parks General Development	400	400	400	400	400
Parks Interpretive Signage Program	100	-	-	-	-
Parks Interpretive Signage Program - Phase 2	-	-	100	-	100
Playground Improvement Program	-	350	400	400	400
Playground Replacement Program	550	-	-	-	-
Steveston Community Park Playground Expansion	-	600	-	-	-
Terra Nova Slough Upgrade Park Improvement	-	500	-	-	-
Terra Nova Washroom Septic System	250	-	-	-	-
The Gardens Agricultural Park - Phase 4	-	-	-	-	350
Trails Network Enhancements	-	200	200	-	-
Total Parks	\$ 3,492	\$ 4,710	\$ 4,850	\$ 4,280	\$ 2,900
Total Parks Program	\$ 7,492	\$ 8,710	\$ 8,850	\$ 8,280	\$ 6,900
Public Art Program					
Public Art					
Public Art Program	200	150	150	150	150
Total Public Art Program	\$ 200	\$ 150	\$ 150	\$ 150	\$ 150

	2022	2023	2024	2025	2026
Land Program					
Land					
Strategic Real Estate Acquisition	5,000	5,000	10,000	10,000	10,000
Total Land Program	\$ 5,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000
Affordable Housing					
Affordable Housing Operating Initiatives	400	400	400	400	400
Total Affordable Housing	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Equipment Program					
Vehicle Replacement					
Automatic Vehicle Location (AVL)/Global Positioning System (GPS) Expansion	139	118	146	-	-
Vehicle and Equipment Reserve Purchases (Public Works and Corporate Fleet)	4,369	3,953	4,161	4,109	2,043
Total Vehicle Replacement	\$ 4,508	\$ 4,071	\$ 4,307	\$ 4,109	\$ 2,043
Fire Vehicle					
Fire Vehicle Replacement Reserve Purchases	2,021	1,258	-	52	1,682
Total Fire Vehicle	\$ 2,021	\$ 1,258	\$ -	\$ 52	\$ 1,682
Information Technology					
Annual Hardware Refresh	531	539	554	570	619
Corporate Website Increased Functionalities	300	-	-	-	-
Data Analytics 2022	300	-	-	-	-
Data Centre Server Refresh / Update (Phase 2 of 2)	360	-	-	-	-
Digital Communication Enhancement / Public Participation at City Hall	350	-	-	-	-
MS SQL Server Refresh	325	-	-	-	-
Network Refresh for City Facilities (Phase 3 of 3)	391	-	-	-	-
PeopleSoft Financial 9.2 Upgrade	478	-	-	-	-
Snow and Ice Response Tracking	100	-	-	-	-
Tempest Oracle to SQL Server Migration	147	-	-	-	-
Total Information Technology	\$ 3,282	\$ 539	\$ 554	\$ 570	\$ 619
Equipment					
Energy Management Capital Projects	-	-	-	-	550
Energy Management Projects	600	550	550	550	-
Fire Equipment Replacement - Fire Hose	125	31	32	-	32
Fire Equipment Replacement from Reserve	-	-	-	252	-
Street Sweeping Machine for Bike Lanes	150	-	-	-	-
Total Equipment	\$ 875	\$ 581	\$ 582	\$ 802	\$ 582
Total Equipment Program	\$ 10,686	\$ 6,449	\$ 5,443	\$ 5,533	\$ 4,926
Child Care Program					
Child Care					
Child Care - Administration	200	200	200	200	200

	2022	2023	2024	2025	2026
Child Care Projects - City-wide (Capital Grants)	50	50	50	50	50
Child Care Projects - City-wide (Non-Capital Grants)	10	10	10	10	10
Total Child Care Program	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
Internal Transfers/Debt Payment					
Internal Transfers/Debt Payment					
12040 Horseshoe Way Repayment	525	525	525	525	525
7080 River Road Repayment	2,341	2,341	2,341	-	-
River Road/North Loop (2005) Repayment	1,335	1,335	-	-	-
West Cambie Parkland Acquisition Repayment	493	-	-	-	-
Total Internal Transfers/Debt Payment	\$ 4,694	\$ 4,201	\$ 2,866	\$ 525	\$ 525
Contingent External Contribution					
Contingent External Contribution					
Contingent External Contribution	10,000	10,000	10,000	10,000	10,000
Total Contingent External Contribution	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Grand Total	\$ 107,762	\$ 106,482	\$ 144,544	\$ 130,463	\$ 114,453

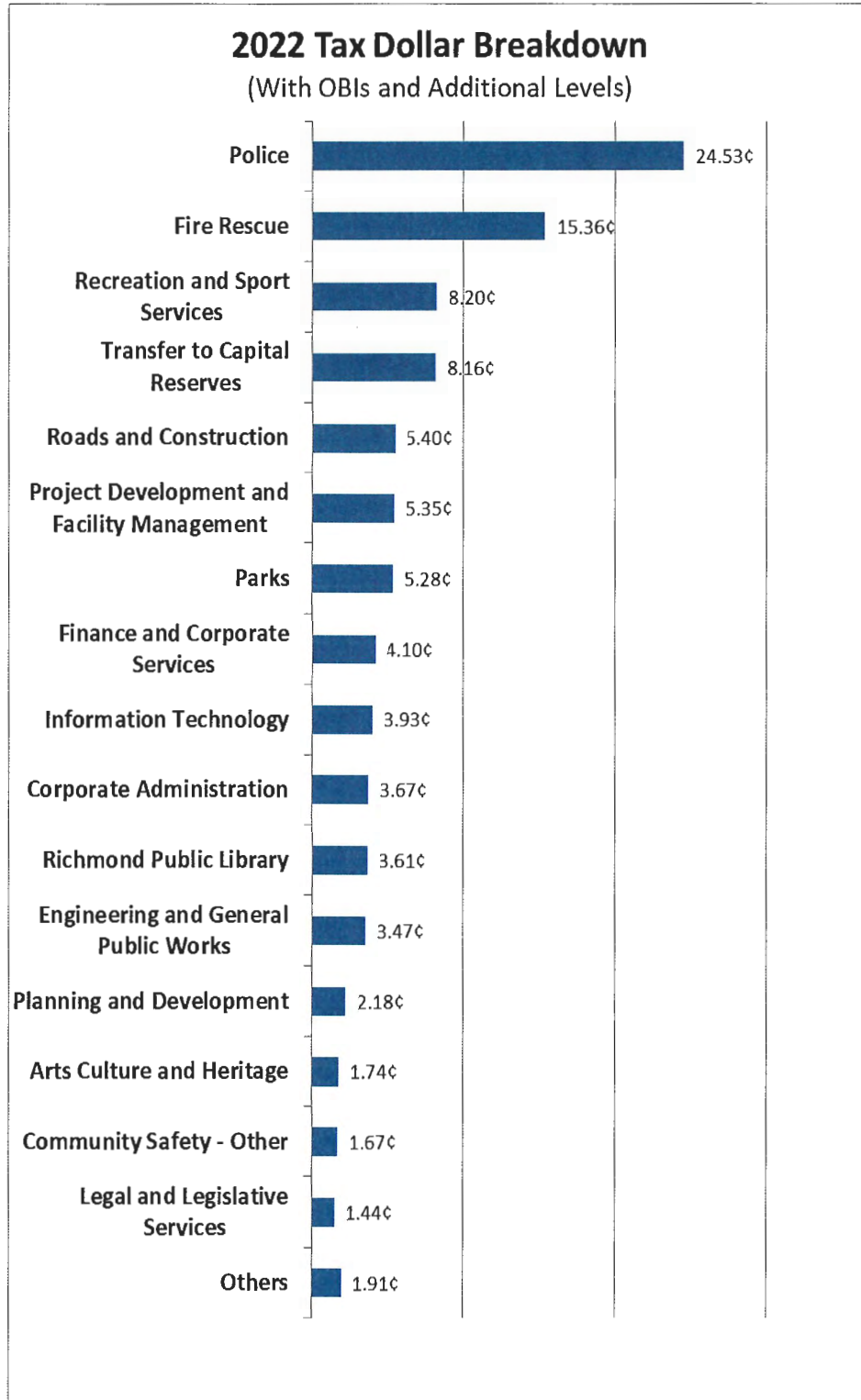
**CITY OF RICHMOND
5 YEAR CAPITAL PLAN SUMMARY (2022 - 2026)
(in \$000s)**

	2022	2023	2024	2025	2026
Infrastructure Program					
Roads	17,147	17,652	22,807	18,512	14,717
Drainage	12,213	18,095	45,043	36,098	27,939
Water	9,316	9,193	10,445	9,855	9,026
Sanitary Sewer	4,500	4,377	6,150	7,720	5,050
Infrastructure Advanced Design and Minor Public Works	4,430	5,280	4,130	5,130	7,060
Total Infrastructure Program	\$ 47,606	\$ 54,597	\$ 88,575	\$ 77,315	\$ 63,792
Building Program					
Building	21,070	16,715	7,200	2,000	17,500
Heritage	354	-	10,800	16,000	-
Total Building Program	\$ 21,424	\$ 16,715	\$ 18,000	\$ 18,000	\$ 17,500
Parks					
Parks	3,492	4,710	4,850	4,280	2,900
Parkland	4,000	4,000	4,000	4,000	4,000
Total Parks Program	\$ 7,492	\$ 8,710	\$ 8,850	\$ 8,280	\$ 6,900
Public Art Program	\$ 200	\$ 150	\$ 150	\$ 150	\$ 150
Land Program	\$ 5,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000
Affordable Housing	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Equipment Program					
Vehicle	4,508	4,071	4,307	4,109	2,043
Fire Vehicle	2,021	1,258	-	52	1,682
Information Technology	3,282	539	554	570	619
Equipment	875	581	582	802	582
Total Equipment Program	\$ 10,686	\$ 6,449	\$ 5,443	\$ 5,533	\$ 4,926
Child Care Program	\$ 260	\$ 260	\$ 260	\$ 260	\$ 260
Internal Transfers/Debt Payment	\$ 4,694	\$ 4,201	\$ 2,866	\$ 525	\$ 525
Contingent External Contributions	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Capital Program	\$ 107,762	\$ 106,482	\$ 144,544	\$ 130,463	\$ 114,453

**CITY OF RICHMOND
5 YEAR CAPITAL PLAN FUNDING SOURCES (2022-2026)
(In \$000's)**

DCC Reserves	2022	2023	2024	2025	2026
Drainage DCC	-	990	990	-	-
Park Development DCC	1,845	2,977	1,599	1,693	1,872
Park Land Acquisition DCC	6,457	5,964	5,964	3,762	3,762
Roads DCC	9,446	9,710	11,060	8,910	7,457
Sanitary DCC	-	-	1,436	103	-
Water DCC	-	-	1,210	616	-
Total DCC	\$ 17,748	\$ 19,641	\$ 22,259	\$ 15,084	\$ 13,091
Statutory Reserves					
Affordable Housing	925	925	925	925	925
Capital Building and Infrastructure	18,070	16,715	18,080	18,160	17,500
Capital Reserve	9,842	10,140	14,998	14,670	13,179
Child Care	260	260	260	260	260
Drainage Improvement	13,340	15,281	41,905	33,374	30,650
Equipment Replacement	4,649	4,718	3,467	3,510	3,095
Public Art Program	200	150	150	150	150
Sanitary Sewer	5,463	5,910	5,650	9,307	5,790
Waterfront Improvement	150	-	-	-	-
Watermain Replacement	9,190	9,024	9,301	9,217	9,649
Total Statutory Reserves	\$ 62,089	\$ 63,123	\$ 94,736	\$ 89,573	\$ 81,198
Other Sources					
Enterprise Fund	720	550	550	550	205
Grant and Developer Contribution	13,480	14,879	18,465	16,675	11,225
Other Sources	11,534	6,061	6,076	6,091	6,487
Sewer Levy	260	207	272	375	33
Solid Waste and Recycling	450	300	300	300	300
Water Levy	1,481	1,721	1,886	1,815	1,914
Total Other Sources	\$ 27,925	\$ 23,718	\$ 27,549	\$ 25,806	\$ 20,164
Total Capital Program	\$ 107,762	\$ 106,482	\$ 144,544	\$ 130,463	\$ 114,453

2022 MUNICIPAL TAX DOLLAR





Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B" and Schedule "C" which are attached and form part of this bylaw, are adopted as the Consolidated 5 Year Financial Plan (2022-2026).
2. Consolidated 5 Year Financial Plan (2021-2025) Bylaw No. 10239 and all associated amendments are repealed.
3. This Bylaw is cited as "**Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE A:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
REVENUE AND EXPENSES
(In \$000's)**

	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan
Revenue:					
Taxation and Levies	268,044	281,090	294,869	306,579	318,350
Utility Fees	124,190	128,053	134,252	141,335	149,022
Sales of Services	44,600	46,180	47,552	48,868	49,963
Investment Income	13,165	12,767	12,507	12,208	11,869
Payments In Lieu Of Taxes	14,650	15,105	15,558	16,024	16,505
Gaming Revenue	14,500	14,500	14,500	14,500	14,500
Other Revenue	14,629	14,773	16,142	17,232	18,100
Licenses And Permits	11,358	11,591	11,818	12,049	12,285
Provincial and Federal Grants	10,683	10,045	10,191	10,340	10,491
Developer Contributed Assets	54,782	54,782	54,782	54,782	54,782
Development Cost Charges	17,749	19,641	22,259	15,083	13,091
Other Capital Funding Sources	16,380	17,779	21,365	19,575	14,125
	604,730	626,306	655,795	668,575	683,083
Expenses:					
Community Safety	135,999	137,593	141,686	145,853	150,194
Engineering and Public Works	81,335	81,166	82,302	83,534	84,796
Community Services	71,522	68,110	69,725	71,346	73,012
Finance and Corporate Services	26,065	25,706	26,400	27,096	27,813
Planning and Development Services	25,874	25,819	26,381	26,946	27,526
Fiscal	22,383	21,057	22,579	24,226	25,336
Corporate Administration	10,628	10,897	11,216	11,537	11,867
Legal and Legislative Services	5,305	4,163	4,296	4,429	4,566
Debt Interest	1,677	1,677	1,677	-	-
Utility Budget					
Water Utility	49,606	51,150	54,137	57,564	61,291
Sanitary Sewer Utility	41,306	42,969	45,782	49,030	52,571
Sanitation and Recycling	23,494	22,889	23,371	23,864	24,367
Richmond Public Library	11,130	11,099	11,363	11,634	11,913
Richmond Olympic Oval Corporation	16,290	16,770	17,142	17,424	17,650
	522,614	521,065	538,057	554,483	572,902
Annual Surplus	82,116	105,241	117,738	114,092	110,181

SCHEDULE A (CONT'D):

**CITY OF RICHMOND
 CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
 TRANSFERS
 (In \$000's)**

	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan
Transfers:					
Debt Principal	5,570	5,792	6,025	-	-
Transfer To (From) Reserves	78,319	80,638	83,449	86,397	89,462
Transfer To (From) Surplus	(8,388)	8,140	11,390	19,787	20,252
Capital Expenditures - Current Year	107,762	106,482	144,544	130,463	114,453
Capital Expenditures - Prior Years	142,324	104,168	67,577	38,486	19,300
Capital Expenditures - Developer					
Contributed Assets	54,782	54,782	54,782	54,782	54,782
Capital Expenditures - Richmond Public Library	1,217	742	742	742	742
Capital Expenditures - Richmond Olympic Oval Corporation	4,072	1,408	1,531	1,459	1,724
Capital Funding	(303,542)	(256,911)	(252,302)	(218,024)	(190,534)
Transfers/Amortization offset:	82,116	105,241	117,738	114,092	110,181
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	3.86%	3.88%	3.92%	2.99%	2.87%

SCHEDULE B:

**CITY OF RICHMOND
5 YEAR FINANCIAL PLAN
CAPITAL FUNDING SOURCES (2022-2026)
(In \$000's)**

DCC Reserves	2022	2023	2024	2025	2026
Drainage DCC	-	990	990	-	-
Park Development DCC	1,845	2,977	1,599	1,693	1,872
Park Land Acquisition DCC	6,457	5,964	5,964	3,762	3,762
Roads DCC	9,446	9,710	11,060	8,910	7,457
Sanitary DCC	-	-	1,436	103	-
Water DCC	-	-	1,210	616	-
Total DCC	\$ 17,748	\$ 19,641	\$ 22,259	\$ 15,084	\$ 13,091
Statutory Reserves					
Affordable Housing	925	925	925	925	925
Capital Building and Infrastructure	18,070	16,715	18,080	18,160	17,500
Capital Reserve	9,842	10,140	14,998	14,670	13,179
Child Care	260	260	260	260	260
Drainage Improvement	13,340	15,281	41,905	33,374	30,650
Equipment Replacement	4,649	4,718	3,467	3,510	3,095
Public Art Program	200	150	150	150	150
Sanitary Sewer	5,463	5,910	5,650	9,307	5,790
Waterfront Improvement	150	-	-	-	-
Watermain Replacement	9,190	9,024	9,301	9,217	9,649
Total Statutory Reserves	\$ 62,089	\$ 63,123	\$ 94,736	\$ 89,573	\$ 81,198
Other Sources					
Enterprise Fund	720	550	550	550	205
Grant and Developer Contribution	13,480	14,879	18,465	16,675	11,225
Other Sources	11,534	6,061	6,076	6,091	6,487
Sewer Levy	260	207	272	375	33
Solid Waste and Recycling	450	300	300	300	300
Water Levy	1,481	1,721	1,886	1,815	1,914
Total Other Sources	\$ 27,925	\$ 23,718	\$ 27,549	\$ 25,806	\$ 20,164
Total Capital Program	\$ 107,762	\$ 106,482	\$ 144,544	\$ 130,463	\$ 114,453

SCHEDULE C:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
STATEMENT OF POLICIES AND OBJECTIVES**

Revenue Proportions By Funding Source

Property taxes are the largest portion of revenue for any municipality. Taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as community safety, general government, libraries and park maintenance.

Objective:

- Maintain revenue proportion from property taxes at current level or lower

Policies:

- Tax increases will be at CPI + 1% for transfers to reserves
- Annually, review and increase user fee levels by consumer price index (CPI).
- Any increase in alternative revenues and economic development beyond all financial strategy targets can be utilized for increased levels of service or to reduce the tax rate.

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2022.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	52.0%
User Fees	24.1%
Sales of Services	8.6%
Investment Income	2.6%
Payments in Lieu of Taxes	2.8%
Gaming Revenue	2.8%
Licenses and Permits	2.2%
Provincial and Federal Grants	2.1%
Other	2.8%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the 2021 distribution of property tax revenue among the property classes. 2022 Revised Roll figures will be received in late March 2022.

Objective:

- Maintain the City’s business to residential tax ratio in the middle in comparison to other municipalities. This will ensure that the City will remain competitive with other municipalities in attracting and retaining businesses.

Policies:

- Regularly review and compare the City’s tax ratio between residential property owners and business property owners relative to other municipalities in Metro Vancouver.

Table 2: (Based on the 2021 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	56.85%
Business (6)	33.50%
Light Industry (5)	7.62%
Others (2,3,4,8 & 9)	2.03%
Total	100.00%

Permissive Tax Exemptions

Objective:

- Council passes the annual permissive exemption bylaw to exempt certain properties from property tax in accordance with guidelines set out by Council Policy and the Community Charter. There is no legal obligation to grant exemptions.
- Permissive exemptions are evaluated with consideration to minimizing the tax burden to be shifted to the general taxpayer.

Policy:

- Exemptions are reviewed on an annual basis and are granted to those organizations meeting the requirements as set out under Council Policy 3561 and Sections 220 and 224 of the *Community Charter*.