



# City of Richmond

## Report to Committee

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<b>To:</b>	Finance Committee	<b>Date:</b>	November 8, 2021
<b>From:</b>	Ivy Wong, CPA, CMA Acting Director, Finance	<b>File:</b>	03-0970-01/2021-Vol 01
<b>Re:</b>	<b>2022 Proposed Operating Budget</b>		

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### Staff Recommendations:



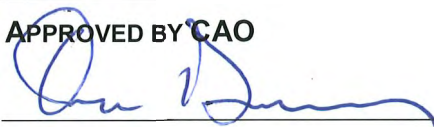
That:

1. The 2022 Proposed Operating Budget (City-Wide excluding Fire-Rescue) as presented in Budget Option 2 (City-Wide excluding Fire-Rescue) for a total of 3.57% be approved as outlined below:
  - a. A same level of service budget increase of \$2,617,515 after tax growth with a tax increase of 1.02% be approved; and
  - b. Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy for 2022 in the amount of \$2,553,659 with a tax increase of 1.00% be approved; and
  - c. Senior level government and other government agency increase of \$7,677,745 with a tax increase of 3.01% be approved; and
  - d. Emerging organizational additional levels in the amount of \$63,200 as presented in Attachment 8 of the staff report titled 2022 Proposed Operating Budget with a tax increase of 0.02% be approved; and
  - e. Council previously approved contract commitment of \$382,580 with a tax increase of 0.15% be approved; and
  - f. Operating budget impacts totalling \$506,126 with a tax increase of 0.20% be approved; and
  - g. That the 2021 operating surplus be used to reduce the impact of RCMP unionization cost for a total of \$4,666,667 resulting in a tax decrease of 1.83% be approved; and

2. The 2022 Proposed Operating Budget (Fire-Rescue) for a total of 0.29% as presented be approved as outlined below:
  - a. A same level of service budget increase of \$583,800 with a tax increase of 0.23% be approved; and
  - b. Senior level government increase of \$67,500 with a tax increase of 0.03% be approved; and
  - c. Operating budget impacts totalling \$93,333 with a tax increase of 0.03% be approved; and
3. The 2022 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2022-2026).



Ivy Wong, CPA, CMA  
Acting Director, Finance  
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REPORT CONCURRENCE	
<b>CONCURRENCE OF GENERAL MANAGER</b>  Acting GM, F&CS	
<b>REVIEWED BY SMT</b>	<b>INITIALS:</b> 
<b>APPROVED BY CAO</b> 	

## **Executive Summary**

**Due to a concern raised regarding a councillor having a potential conflict of interest, the operating budget for Richmond Fire-Rescue is presented separately on page 15 and Attachment 7 of this report.**

The City of Richmond continues to be impacted by the ongoing COVID-19 pandemic. The Senior Management Team (SMT) is maintaining caution and diligence with spending. Revenues from parking and sales of service are lower than budgeted while staff continue to provide core services and comply with provincial health orders. Reduction in revenues has been mitigated by a decrease in programming costs and savings generated from remote / hybrid work arrangement.

The biggest cost driver to maintain the same level of service for 2022 is labour. Salary increases and enhanced benefit coverage are bound by the negotiated union agreement.

Senior government increases compound the cost pressures to the 2022 operating budget. This includes the CPP enhancement, RCMP unionization cost and E-Comm special levy. The final impact of the RCMP unionization is still unknown as the RCMP E-Division has not provided a final amount.

The outcome of the 2022 Proposed Operating Budget results in a tax increase of 3.86% (3.57% for City-Wide services excluding Fire-Rescue and 0.29% for Fire-Rescue). The components of the 2022 Proposed Operating Budget are summarized in Table 1. For discussion on the budget components, refer to the corresponding reference number in the 2022 Proposed Operating Budget section on page 9-14.

Table 1 – 2022 Proposed Operating Budget

	Budget Component	City-Wide Excluding Fire-Rescue		Fire-Rescue		Total
		Amount (in '000s)	Tax Impact	Amount (in '000s)	Tax Impact	Tax Impact
1	Same Level of Service Increase (Below LTFMS target of 2.30%)	\$2,618	1.02%	\$584	0.23%	1.25%
2	Investment in Community Facilities (Transfer to Reserves)	2,554	1.00%	-	-	1.00%
	<b>LTFMS Policy: Same Level of Service &amp; 1% Infrastructure Replacement Needs</b>	<b>5,172</b>	<b>2.02%</b>	<b>584</b>	<b>0.23%</b>	<b>2.25%</b>
3	Senior Government Increases: - CPP Enhancement - RCMP Unionization Cost – Ongoing - E-Comm Special Levy	7,678	3.01%	67	0.03%	3.04%
4	Additional Level Increases	63	0.02%	-	-	0.02%
5	Council Previously Approved Contract Commitment - SPCA	383	0.15%	-	-	0.15%
6	Operating Budget Impact	506	0.20%	93	0.03%	0.23%
7	2021 Operating Surplus to offset the est. cost of RCMP Unionization	(4,667)	(1.83%)	-	-	(1.83%)
	<b>Net Increases other than Same Level of Service &amp; 1% Infrastructure Replacement Needs</b>	<b>3,963</b>	<b>1.55%</b>	<b>160</b>	<b>0.06%</b>	<b>1.61%</b>
	<b>2022 Proposed Operating Budget Increase</b>	<b>\$9,135</b>	<b>3.57%</b>	<b>\$744</b>	<b>0.29%</b>	<b>3.86%</b>
<b>Annual equivalent tax increase for average residential property</b>						<b>\$68.59</b>

This is equivalent to approximately \$68.59 in municipal taxes for an average residential property with an assessment value of \$1,172,079 (increase based on 2022 preliminary assessment value & tax rates).

For other budget options, refer to page 16-18.

## Staff Report

### Origin

Subsection 165(1) of the *Community Charter* requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw. The 2022 Operating Budget forms the basis of the City's 5YFP. Under the *Community Charter*, the City is prohibited from incurring any expenditure unless the expenditures have been included for that year in its financial plan, and the City is required to provide a balanced budget, with no projection of a deficit.

The 2022 Proposed Operating Budget ("Budget") applies the principles of Council's Long Term Financial Management Strategy (LTFMS) (Policy 3707), which was originally adopted in 2003, "*Tax increases will be at Vancouver CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1% towards infrastructure replacement needs.*"

Under section 165 of the *Community Charter*, the financial plan cannot plan for a deficit. In addition, any deficit that results from a year would need to be included in the financial plan the following year.

This report supports Council's 2018-2022 Strategic Plan #5 Sound Financial Management:

*Accountable, transparent, and responsible financial management that supports the needs of the community into the future.*

- 5.1. *Maintain a strong and robust financial position.*
- 5.2. *Clear accountability through transparent budgeting practices and effective public communication.*
- 5.3. *Decision-making focuses on sustainability and considers circular economic principles.*
- 5.4. *Work cooperatively and respectfully with all levels of government and stakeholders while advocating for the best interests of Richmond.*

This report also supports Council's 2018-2022 Strategic Plan #1 A Safe and Resilient City:

*Enhance and protect the safety and well-being of Richmond.*

- 1.1. *Enhance safety services and strategies to meet community needs.*
- 1.2. *Future-proof and maintain city infrastructure to keep the community safe.*
- 1.3. *Ensure Richmond is prepared for emergencies, both human-made and natural disasters*
- 1.4. *Foster a safe, caring and resilient environment.*

Council's 2018-2022 Strategic Plan is summarized in Attachment 1.

## Analysis

### Environmental Scan

#### *Economic Outlook*

According to the latest economic outlook, Metro Vancouver's Gross Domestic Product (GDP) is forecasted to grow by 6.8% in 2021 and 4.1% in 2022 despite the uncertainty for medium and long term growth prospects due to the pandemic. There is strong demand for goods and services as the economy recovers from the pandemic, and consumers begin spending savings that were accumulated during the pandemic.

Global supply chain challenges are adding to these price pressures. Low product inventories, difficulties in distributing products, and labour shortages are having an impact on production and sales. The imbalance between demand and supply is leading to higher inflation as firms and organizations pass along added costs including higher wages and higher priced production materials.

COVID-19 has accelerated the tight labour market conditions Canada was experiencing before the pandemic. According to the September 2021 Statistics Canada Labour Market Survey, total national employment has rebounded to pre-pandemic levels. The most notable job gains were in industries where many workers continue to work from home including public administration (+37,000, +3.5%) and professional, scientific and technical services (+30,000, +1.7%). In these two sectors, the share of employees who continue to mostly work from home was 49% and 60% respectively.

In BC, total employment has bounced back to pre-pandemic levels by a wider margin than any other province. While jobs in some sectors like tourism and hospitality continue to be impacted by COVID-19, other sectors have seen strong job growth particularly where businesses and organizations were able to quickly shift to a remote work and online sales environment.

Meanwhile, labour availability is being impacted by multiple factors including public health restrictions for temporary foreign workers, limited immigration during border closures and workers transitioning into new industries or exiting the workforce altogether. The increasing hybrid work and remote work trend, which many employees covet, is causing added competition for skilled labour. As a result, many businesses are experiencing difficulty filling the job vacancies they have and some are being forced to operate at reduced capacity. This mismatch in supply and demand is having upward pressure on wages and requiring businesses to offer more compelling incentives like better benefits and permanent hybrid or remote work options. Other related anticipated economic impacts include an overall drag on economic growth, increased consumer prices and an acceleration in technology adoption and automation as organizations try to recoup productivity in other ways.

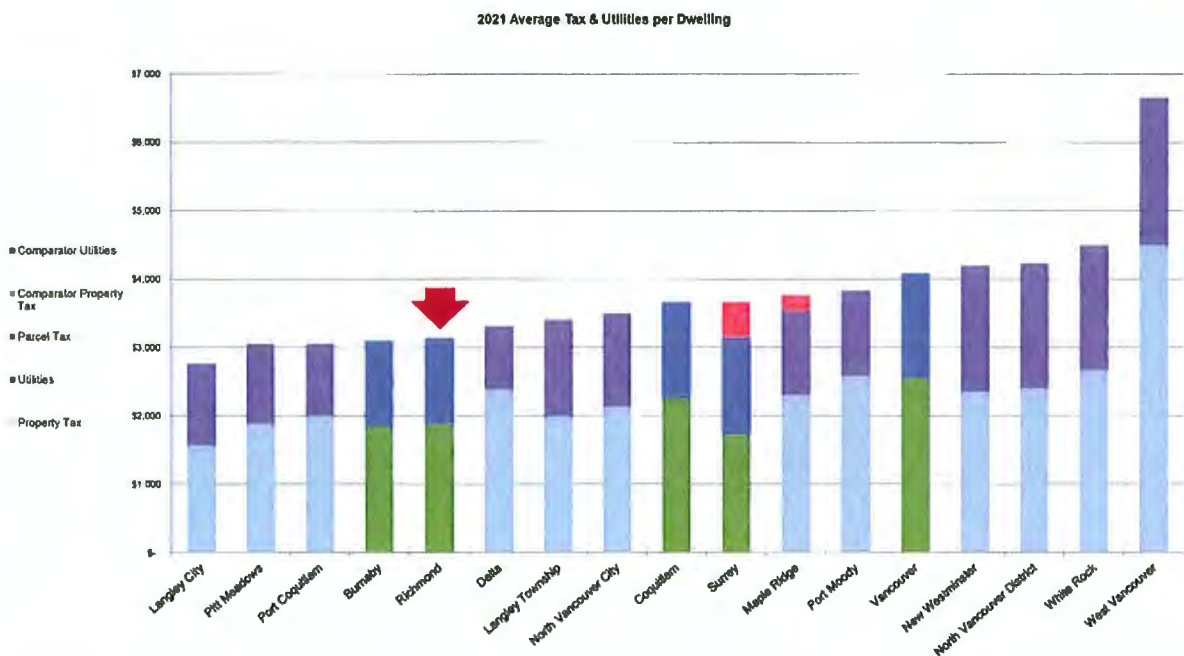
Please refer to Attachment 2 for further information on the Economic Outlook.



*Taxation*

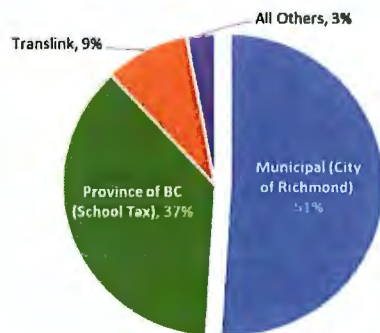
The City has kept property taxes below the average amongst other Metro Vancouver municipalities. Compared to the 17 municipalities in Metro Vancouver, the 2021 average tax and utilities per dwelling in Richmond ranks as the fifth lowest with a combined amount of \$3,129 annually. Within the comparator group of Vancouver, Coquitlam, Burnaby and Surrey, Richmond has the second lowest average tax and utilities per dwelling. Figure 1 shows the comparison of all Metro Vancouver municipalities.

Figure 1: Comparison of 2021 average tax and utilities per dwelling



Approximately 50% of the residential tax bill is comprised of levies collected for other taxing jurisdictions including TransLink, School Board, Metro Vancouver, BC Assessment and Municipal Finance Authority which the rate of increases Council has no control over.

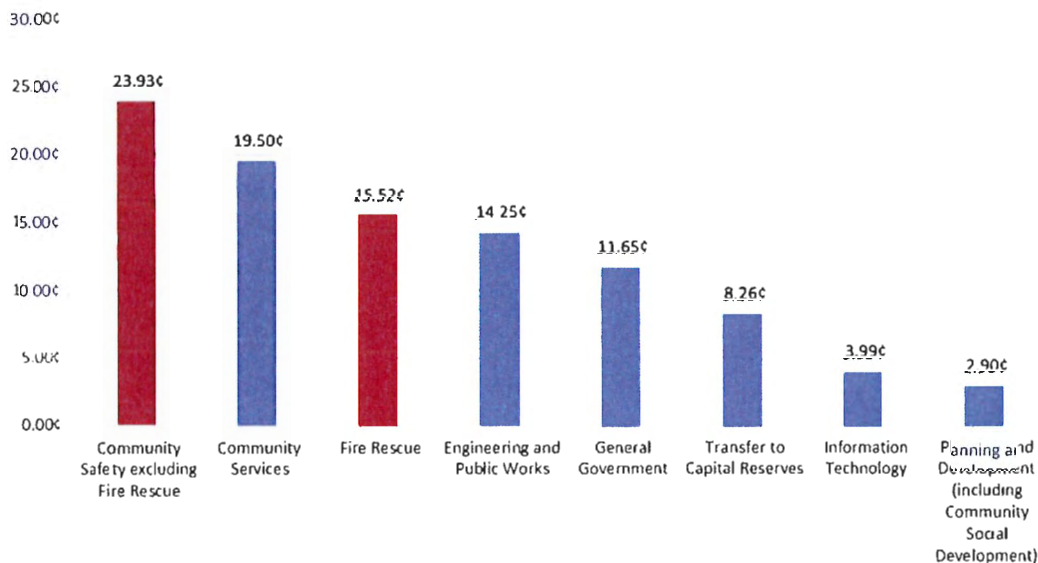
Figure 2: Distribution of Property Taxes



### *City Property Tax*

The majority of the City property taxes collected are used to provide policing, fire-rescue services and emergency services to support and keep the community safe. For every municipal tax dollar, 39 cents is used to fund these services in order to provide a safe community. Community Services includes parks, library services, arts, cultural, and heritage, recreational services and it accounts for 20 cents of every municipal tax dollar. Engineering and Public Works includes roads, street lighting, storm drainage, facility repair and maintenance, snow and ice removal and it accounts for 14 cents of every municipal tax dollar. All of these services are fundamental to the residents' quality of life and provides necessary infrastructure to support the local economy and vibrancy within the community. Figure 3 provides a breakdown of 2022 municipal tax dollar – same level of service (without OBIs and additional levels).

Figure 3: 2022 municipal tax dollar (without OBIs and additional levels)



### Budget Challenges

There are a number of known cost pressures affecting the 2022 proposed operating budget including:

- Negotiated wage increases
- Operating cost increases
- Senior Government increases
- Additional Level Requests to meet the new demands and growth of the City
- Operating Budget Impacts (OBI)
- Funding for investment in Community Facilities



Council Policy 3707 states that the tax increase for maintaining current program and existing infrastructure at the same level of service will be at Vancouver's Consumer Price Index rate. The latest Vancouver CPI forecast from the Conference Board of Canada is estimated at 2.3% for 2022. However staff expect the forecasted CPI to increase, based on recent economic data and comments made by the Bank of Canada.

Salaries and benefits represents 78.1% of the City's 2022 Proposed Operating Budget increase in order to maintain the same level of service. The negotiated union agreement includes a 2.5% increase and enhanced benefit coverage.

The City's insurance costs increased, which was common amongst all policyholders. The frequency and severity of climate-induced weather events, coupled with a hardening of the market as numerous insurers exited the space, contributed to increases in premiums. For the 2021-2022 renewal period, the City's insurance rates increased by 30%.

### Budget Process

The 2022 Proposed Operating Budget presents a same level of service budget and only non-discretionary increases that can be clearly identified and supported are included. Enhanced or new levels of service are identified separately as ongoing additional expenditure requests by the respective divisions for Council's consideration in accordance with Council's Budget & 5-Year Financial Plan Preparation Policy (Policy 3016). Please refer to Attachment 3 for the 2022 Budget Cycle.

The City will undergo a continuous review of its programs and services in order to identify further service improvements and cost reductions. Staff continue to look for efficiencies and innovative ways to deliver services that will streamline business processes, contain costs and leverage the increased use of technology.

### 2022 Proposed Operating Budget (City-Wide excluding Fire Rescue)

This section of the report discusses each component of the 2022 Proposed Operating Budget as presented in the Executive Summary table on page 4.

#### **1. Same Level of Service Increase**

The City is subject to various contractual increases to deliver the same level of service. The majority of the contractual increases for 2022 are greater than the projected Consumer Price Index (CPI) of 2.3%, while City's revenue increases are limited to the CPI increase in accordance with Council Policy 3707 Long Term Financial Management Strategy.

The City's seven corporate divisions include:

- Community Safety
- Community Services
- Engineering and Public Works
- Finance and Corporate Services
- Corporate Administration
- Planning and Development
- Law and Legislative Services

The All Divisions summary (excluding Fire-Rescue) included in Attachment 5 shows the City's base operating budget to deliver the same level of service as last year, which totals \$318.3M.

Table 2 – Same Level of Service Increase – City-Wide excluding Fire-Rescue

Items	Amount (in '000s)	% of total increase
Salaries and Benefits	\$4,230	78.1%
Policing contract with 2.5% planned increase	1,188	21.9%
Preconstruction materials and Asphalt Capping Cost Escalation	628	11.6%
E-Comm contract levy increase	177	3.3%
Lease contract increase (Watermania and City Centre Community Centre), Utilities (natural gas, electricity) and others	88	1.6%
CPI increase for revenues	(393)	(7.3%)
Flexible work arrangement efficiencies	(500)	(9.2%)
Same Level of Service Increase – City-Wide excluding Fire-Rescue	\$5,418	100.0%
Tax growth	(\$2,800)	
Same Level of Service Increase after tax growth – City-Wide excluding Fire-Rescue	\$2,618	1.02% tax impact

The same level of service increase (excluding Fire-Rescue) as shown above is 1.02%, which is below the Vancouver CPI target. Attachment 4 presents the net base budget to deliver the same levels of service in 2022, before external senior government related increases.

In order to control the spread of COVID-19 and comply with public health orders, staff have successfully transitioned to remote / hybrid work arrangement while continuing to deliver City service levels. This arrangement has proven to result in a reduction in employment overhead costs and general and administrative costs. It also helps the City with recruitment as the competition to attract talent and fill vacant positions has become very competitive across a number of sectors including public administration. The efficiencies due to flexible work arrangement for 2022 is estimated to be \$500,000 with a tax decrease of 0.20%.

New tax growth projections are based on “non-market change” figures provided by BC Assessment Authority. Non-market change is the term BC Assessment Authority uses for changes to the municipal roll value that is not a result of market conditions. Non-market change could include changes in assessment class, exempt properties that become taxable in the following year or taxable properties that become exempt in the following year and developments under construction. Based on preliminary data from BC Assessment, new tax growth for 2022 is estimated at \$2.8M.

## **2. Investment in Community Facilities (Transfer to Reserves)**

The portfolio of civic buildings continues to grow as additional buildings are acquired as part of Council’s initiatives. In the past two years, the City acquired the Richmond Curling Club and Richmond Ice Centre. These two buildings require significant repairs as part of the acquisition strategy that was presented to Council.

Based on the 2022-2026 Capital Plan, over \$159 million of repairs, renewals, reconstruction or replacements will be required, including but not limited to Hugh Boyd Field House, Britannia Shipyards National Historic Site, and Phoenix Net Loft. These projects are to be funded from the Capital Building and Infrastructure (CBI) Reserve to ensure community buildings remain safe and to enhance the cultural and heritage value to the community.

Council’s Long Term Financial Management Strategy (LTFMS) policy is to annually transfer an additional 1% to reserves to fund community infrastructure replacement needs to ensure the safety and well-being of the community. As of September 30, 2021, the City owns over 165 civic buildings, including recreation facilities, fire halls, community centres and other public amenities. However, the uncommitted reserve balance of the Capital Building and Infrastructure (CBI) Reserve is only \$800,841 as of September 30, 2021; therefore, it is recommended to continue with Council’s LTFMS and transfer an additional 1% into the CBI reserve to fund the City’s ageing building infrastructure.

## **3. External Senior Government Related Increases**

According to Council Policy 3707, any increases related to mandatory senior government policy changes should be identified and added to that particular year’s taxes beyond the CPI and infrastructure percentage contribution. For the 2022 proposed operating budget, there are three senior government increases as identified below:

### *Canada Pension Plan (CPP) Enhancement*

Since 2019, the Canada Pension Plan (CPP) is being gradually enhanced until 2025. This means the employees will receive higher CPP benefits in exchange for making higher contributions. Employers match the contribution amounts made by employees. The CPP Enhancement for City-Wide excluding Fire Rescue is \$382,500 in 2022, which is equivalent to 0.15% of tax increase.



### *RCMP Unionization Cost*

On August 6, 2021, a collective agreement for the union representing the RCMP members was ratified with the federal government. This agreement was signed between the Treasury Board of Canada and the National Police Federation (NPF), acting as bargaining agents for the RCMP members with retroactive salary increases going back to April 1, 2017. Since 2017, staff had budgeted a 2.5% annual salary increase as recommended by RCMP E-Division. However, the final salary increases from the new collective agreement are significantly higher than the 2.5% annual increase previously advised by RCMP E-Division.

At the time of writing, the City has not received any information regarding the retro-payment amount and the ongoing budget impact of the negotiated wage settlement to the City. The City estimates that the ongoing budget impact could be up to \$7,000,000 with an equivalent tax increase of 2.74%, based on an internal RCMP estimate provided at the Mayors' Forum. RCMP Finance will provide revised budget forecast as soon as available. Staff are also aware that other financial impacts may be forthcoming subsequent to unionization.

The estimated one-time retro-payment will be \$9.3 to \$10.6 million. To date, the City has set aside approximately \$7.0 million (based on a 2.5% annual salary increase) since 2017 in anticipation of the retro-payment of RCMP salary increases. Staff will provide for the additional retro-payment in the City's financials when the final amount is determined.

### *E-Comm Special Levy*

On June 3, 2021, the City received a notification from E-Comm regarding the financial impact of the 2022 remedial activities resulting from their Police Emergency Communication Centre Operations Review (Ops Review) to address service performance issues. E-Comm anticipates the 2022 remedial activities requires an additional \$3.2M to \$3.8M of funding across the Lower Mainland. E-Comm estimates that the City of Richmond should set aside \$269,940 to \$320,550 to contribute to this additional funding in the City's 2022 Proposed Operating Budget.

Staff have included an estimate of \$295,245 based on the average funding range. It is equivalent to a 0.12% tax increase.

## **4. Emerging Organizational Additional Level of Service Requests**

The additional level of service requests from last year's operating budget were deferred in consideration of the uncertainties and challenges faced by the community during the pandemic. Due to the significant increases passed on by Senior Levels of Government, the Senior Management Team is only proposing additional level of service requests that are required to meet the immediate safety concerns, regulatory requirements, Council endorsed initiatives, and requests with no budget impact. The details of the recommended ongoing additional level requests of \$63,200 (0.02% tax increase) are included in Attachment 8. Due to the significant costs for the RCMP unionization, several emerging organizational needs were not recommended. These requests are listed in Attachment 9.

## 5. Council Previously Approved Contract Commitment

Council approved the original British Columbia Society for the Prevention of Cruelty to Animals (SPCA) agreement in 2020. Council received an update that the Animal Control Shelter would be completed on schedule in early 2022, which prompted a contract amendment in August 2021 for 2022. The new agreement has been executed on behalf of the City. The increased level of service (extended hours of operation for patrol and operation of the animal shelter) would commence when the construction of the new animal shelter is completed and occupied in 2022. The budget impact for the increased level of service is \$382,580 with a tax impact of 0.15%.

## 6. Operating Budget Impact (OBI)

Operating Budget Impact (OBI) is ongoing additional operating and maintenance costs associated with new assets, which are approved by Council through the capital budget process. It is important that OBI funding is included in the operating budget when these capital projects or contributed assets become operational, as the level of service is dependent on this funding.

All 2022 OBI submissions exclude associated costs for staffing. The CAO and SMT have requested that any staffing requirement due to new assets be submitted separately as an additional level request in order to allow for further review and assessment.

OBIs resulting from approved capital projects and developer contributed assets will be added to the Operating Budget in the same year that Council approves the capital projects. Funding will be distributed to the respective divisions based on the completion of the capital projects.

### *City Centre North Community Centre OBI Phase-In*

On June 22, 2020, Council approved to delay the completion of the City Centre North Community Centre to December 31, 2023. The remaining OBI to be phased-in is \$1.2M. Due to the significant cost pressure from senior government downloading, staff recommends to defer the phase-in of the City Centre North Community Centre to 2023.

Table 3 summarizes the OBI recommended for the 2022 Proposed Operating Budget.

*Table 3 – Operating Budget Impact – City-Wide excluding Fire-Rescue*

OBI	OBI Amount (in '000s)	Tax Impact
OBI from 2020 Capital Budget – Year 3 of 3	\$182	0.07%
OBI from 2021 Capital Budget – remaining	\$47	0.02%
OBI from 2022 Capital Budget	\$220	0.09%
OBI from 2022 Developer Contributed Assets	\$57	0.02%
<b>Total Operating Budget Impact</b>	<b>\$506</b>	<b>0.20%</b>

## **7. 2021 Operating Surplus projection**

2021 is an extraordinary year as the City continues to be impacted by the pandemic. Community facilities were partially closed during the year and limited programs were offered in the first half of the year. Parking revenue has also decreased as compared to the pre-pandemic level. Since the majority of the City's programs are only partially supported by external revenues, the reduction in programming yielded cost savings. The CAO and SMT were cautious with filling vacant positions in order to control the spending level while continuing to provide core services and comply with provincial health orders. Additional savings were generated from flexible work arrangements.

Other savings were due to the timing between the approvals and hiring of the additional positions for fire fighters and RCMP officers. All these factors contribute to an extraordinary level of surplus projected for 2021, which could be used to offset the tax impact from the RCMP unionization cost in 2022.



2022 Proposed Operating Budget (Fire-Rescue)

The 2022 proposed operating budget for Fire-Rescue department has been separated and will be discussed in this section of the report.

**1. Same Level of Service Increase**

The non-discretionary increase for Fire Rescue in 2022 is \$583,800 and the biggest cost driver is salaries. The collective agreement between the City and the Richmond Firefighter's Association will expire on December 31, 2021. Another major cost factor is the contract with E-Comm, which attributes to 8.4% of the non-discretionary increases for 2022.

**2. Senior Government Increase**

The CPP Enhancement for Fire Rescue is \$67,500 in 2022, which is equivalent to 0.03% of tax increase.

**3. Operating Budget Impact**

This is the last year for the 2020 Capital Budget Operating Budget Impact (OBI) phase-in. The amount to be phased in is \$33,333, which results in 0.01% of tax increase.

The proposed 2022 Capital Budget includes a capital item for upgrading the replacement of a pumper to a High Flow Industrial Pumper. The associated OBI is \$60,000, which is equivalent to 0.02% tax increase.

2022 Proposed Operating Budget Increase for Fire-Rescue Department

The proposed operating budget increase for Fire-Rescue is summarized in Table 4.

Table 4 - 2022 Proposed Operating Budget Increase for Fire-Rescue

Items (\$ in '000s)	Tax Increase \$	Tax Impact
<b>Same Level of Service – Fire-Rescue</b>	<b>\$584</b>	<b>0.23%</b>
External Senior Government Related Increase: Canada Pension Plan enhancement	\$67	0.03%
OBI from 2020 Capital Budget - Year 3 of 3	\$33	0.01%
OBI from 2022 Capital Budget	\$60	0.02%
<b>Proposed Tax Increase – Fire-Rescue</b>	<b>\$744</b>	<b>0.29%</b>
<b>Annual equivalent tax increase for average residential property</b>		<b>\$5.15</b>

2022 Budget Options for City-Wide (excluding Fire-Rescue)

Staff must make numerous assumptions in developing the annual Operating Budget based on information available during the budget preparation cycle. Under the *Community Charter*, municipalities cannot budget a deficit but rather, must present a balanced budget. In order to ensure a deficit is not incurred, staff used conservative estimates – lower revenue projections and conventional expenditures.

2022 is a challenging year due to the significant senior government increases including RCMP unionization and E-Comm special levy. The exact budget impact to the City remains unknown. Therefore, staff are presenting the following three options to fund the estimated RCMP unionization that could cost up to \$7.0M.

Options 1-3 all include the following:

- Same Level of Service increase
- Investment in community infrastructure pursuant to Council's Long Term Financial Management Strategy of 1%.
- Senior government increases
- City wide additional level increases that are endorsed by Council or with no budget impact
- Council previously approved contractual commitment - SPCA
- Operating Budget Impact

What varies between the options is the amount of current year's projected operating surplus that can be used to reduce the tax impact of the RCMP unionization.

*Option 1: No surplus utilized to reduce tax impact*

Under this option, staff are proposing to include the estimated cost of \$7.0M for the RCMP unionization.

**Pros**

- Conservative estimate and no tax deferral to future years
- Minimize tax impact in future years to address anticipated additional levels (i.e. Steveston Community Centre and Branch Library OBI)
- Best financial position to support future Council programs and initiatives

**Cons**

- This option results in the highest tax increase
- RCMP unionization cost are unknown and including the conservative estimate could lead to a surplus

*Option 2 (Recommended): Phase-in RCMP unionization cost over 3 years*

Under this budget option, staff are proposing to phase-in the RCMP unionization cost over 3 years through the utilization of the projected 2021 operating surplus.

Pros

- Phase-in approach allows for the RCMP unionization tax impact to be spread out
- Allow staff to budget accurately when the final costs are received from the RCMP
- Modest tax increase to support the unexpected cost of senior government download

Cons

- Tax deferral will need to be realized in future years, moving the issue forward
- Current year's surplus could be used to support other emerging organization needs and future Council initiatives

*Option 3: Surplus to offset 100% of RCMP unionization budget impact*

Under this option, \$7.0M of the projected 2021 operating surplus would be utilized to offset the budget impact of the RCMP unionization, as the City has not yet been informed of the exact budget impact.

Pros

- This option results in the lowest tax increase
- Actual budget impact of the RCMP unionization will be presented to Council in the 2023 operating budget

Cons

- Tax deferral will need to be realized in future years, moving the issue forward
- Current year's surplus could be used to support other emerging organization needs and future Council initiatives
- Tax burden will be shifted to future years when the City expects operating budget impact for the Steveston Community Centre and Branch Library and City Centre Community Centre North



Table 5: Budget Options – City-Wide excluding Fire-Rescue (in \$000s)

Budget Components	Amount (in '000s)	Option 1 No operating surplus from 2021	Option 2 (Recommended) RCMP Unionization phase-in over 3 years	Option 3 RCMP unionization fully funded by 2021 operating surplus
Same Level of Service	\$5,418	2.12%	2.12%	2.12%
Less: 2022 Tax Growth	(\$2,800)	(1.10%)	(1.10%)	(1.10%)
<b>Same Level of Service after tax growth (below CPI)</b>	<b>\$2,618</b>	<b>1.02%</b>	<b>1.02%</b>	<b>1.02%</b>
Investment in Infrastructure Replacement Needs (Transfer to Reserves)	\$2,554	1.00%	1.00%	1.00%
<b>LTFMS Policy: Same Level of Service + 1% for Infrastructure Replacement Need</b>	<b>\$5,172</b>	<b>2.02%</b>	<b>2.02%</b>	<b>2.02%</b>
Canada Pension Plan enhancements	\$383	0.15%	0.15%	0.15%
RCMP Unionization Cost - Ongoing	\$7,000	2.74%	2.74%	2.74%
E-Comm Special Levy	\$295	0.12%	0.12%	0.12%
<b>Senior Government Increases</b>	<b>\$7,678</b>	<b>3.01%</b>	<b>3.01%</b>	<b>3.01%</b>
Additional Level Increases	\$63	0.02%	0.02%	0.02%
Council Previously Approved Contract Commitment - SPCA	\$383	0.15%	0.15%	0.15%
Operating Budget Impact	\$506	0.20%	0.20%	0.20%
2021 Operating Surplus to offset the est. cost of RCMP Unionization		-%	(1.83%)	(2.74%)
<b>Net Increases other than Same Level of Service &amp; 1% Infrastructure Replacement Needs</b>		<b>3.38%</b>	<b>1.55%</b>	<b>0.64%</b>
<b>2022 Operating Budget Increase – Citywide excluding Fire-Rescue</b>		<b>5.40%</b>	<b>3.57%</b>	<b>2.66%</b>
<b>2022 Operating Budget Increase – Fire-Rescue</b>	<b>\$744</b>	<b>0.29%</b>	<b>0.29%</b>	<b>0.29%</b>
<b>2022 Operating Budget Increase</b>		<b>5.69%</b>	<b>3.86%</b>	<b>2.95%</b>
<b>Annual equivalent tax increase for average residential property</b>		<b>\$101.11</b>	<b>\$68.59</b>	<b>\$52.42</b>

### Financial Impact

The CAO and SMT have done considerable work including conducting significant reviews to achieve a combined same level of service budget of 1.25% which is below the preliminary forecasted CPI target of 2.30%. Staff recognized the challenges brought on by Senior Levels of Government therefore only Council initiated additional level increases or additional level increases with no budget impact are being recommended. The Proposed Operating Budget of 3.86% is recommended as presented in Budget Option 2 (City-Wide excluding Fire Rescue) and the Proposed Operating Budget Increase for Fire Rescue.

**Table 6 – 2022 Proposed Operating Budget Increase (in \$000s)**

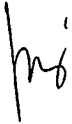
Items	Total 2022 Operating Budget increase	Total Tax Increase
Same Level of Service before tax growth	\$6,002	2.35%
Less: 2022 Estimated Tax Growth	(\$2,800)	(1.10%)
<b>Same Level of Service after tax growth (below CPI)</b>	<b>\$3,202</b>	<b>1.25%</b>
Investment in Infrastructure Replacement Needs (Transfer to Reserves)	\$2,554	1.00%
<b>LTFMS Policy: Same Level of Service + 1% for Infrastructure Replacement Need</b>	<b>\$5,756</b>	<b>2.25%</b>
Canada Pension Plan enhancements	\$450	0.18%
RCMP Unionization Cost	\$7,000	2.74%
E-Comm Special Levy	\$295	0.12%
Senior Government Increases	<b>\$7,745</b>	<b>3.04%</b>
Additional Level Increases	\$63	0.02%
Council Previously Approved Contract Commitment - SPCA	\$383	0.15%
Operating Budget Impact	\$599	0.23%
2021 Operating Surplus to offset the est. cost of RCMP Unionization	(\$4,667)	(1.83%)
<b>Net Increases other than Same Level of Service &amp; 1% Infrastructure Replacement Needs</b>	<b>\$4,123</b>	<b>1.61%</b>
<b>Proposed 2022 Operating Budget Increase</b>	<b>\$9,879</b>	<b>3.86%</b>

Annual equivalent tax increase for average residential property

\$68.59

## Conclusion

In keeping with staff's mandate as stipulated in the Long Term Financial Management Strategy policy, the 2022 recommended operating budget increase is 3.86%. The increase maintains the same level of service below CPI, various senior government increases including RCMP unionization cost, operating budget impact, additional level requests based on Council's endorsement or no budget impact, and 1% transfer to reserves in support of funding for community facilities replacement needs.



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2022 Proposed Operating Budget  
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## 1. Council Strategic Plan (2018-2022)



## 2. Economic Outlook

### Economic Outlook

Richmond is a major employment center for the region, with a strong and diverse economic base. Local businesses contribute over 40% of the City's property tax revenues, resulting in the ability to provide residents exceptional levels of municipal services while ensuring a reasonable allocation of taxation among property classes. Richmond's economy is subject to constantly changing global, regional and local trends. As part of its budget planning process, the City examines the current economic context and available forecasts to manage short-term risks and advance long-term financial sustainability.

### Global, National and Provincial Forecasts

Economies at all levels continue to be impacted to varying degrees by COVID-19. While there has been measurable rebound activity, medium and long term growth prospects remain uncertain due to the unpredictability of virus mutations, inconsistencies in global vaccination rates, and uneven recovery across sectors. Government aid measures have assisted, and in some cases boosted, liquidity. Many businesses and individuals have demonstrated resiliency by quickly adapting to an online environment, accelerating the e-commerce and remote work trends. Tempering strong demand fundamentals and constraining growth in some areas are supply chain challenges, labour shortages, and the resulting inflationary pressures that have been higher, more widespread and longer lasting than originally anticipated.

#### 1. Global Forecast<sup>1</sup>

In 2020 global GDP contracted by 3.2% due to the pandemic and associated public health restrictions that impacted households and firms. GDP is expected to grow by 6% in 2021 as health outlooks improve. The free movement of goods and people around the world will continue to be impacted by the varying success and timelines of vaccination programs in different countries, and by ongoing disruptions in global supply chains.

Central banks and organizations are closely monitoring inflation to inform monetary policy and budgets. The International Monetary Fund anticipates that the mismatch in supply and demand and resulting price pressures will ease, and inflation will return to pre-pandemic ranges, in most countries in 2022 but cautions that uncertainty remains high.

#### 2. Canadian Forecast<sup>2</sup>

The Canadian economy contracted in 2020 due to the shutdown of large parts of the economy. There have been positive indicators of economic recovery since as many restrictions have eased, including increased household savings, significant consumer demand for both goods and services, strong employment gains, and surging residential investment.

---

<sup>1</sup> Source: International Monetary Fund, World Economic Outlook (July 27, 2021)

<sup>2</sup> Source: Scotiabank Global Economics (September 9, 2021)

While Canadian GDP was forecasted to grow by 6.1% in 2021, this has been revised down to 4.8% and 3.6% next year. This can be attributed in part to challenges along the supply chain that are preventing strong demand from being realized. For example low product inventories, difficulties in distributing products, and labour shortages are having an impact on production and sales. The imbalance between demand and supply is leading to increases in inflation as firms pass along price pressures including higher wages and the increased cost of production materials. These additional costs are being passed on to customers by firms and organizations that did not anticipate inflation at the level it has occurred; last year's forecast expected 2021 inflation would be a much lower and manageable 1.7%. Scotiabank forecasts that the current spike will be transitory but that it will take a few quarters for input price pressures to ease.

While many jobs impacted since the start of COVID-19 have been recovered, and some sectors have experienced a net gain in jobs, the most impacted sectors such as tourism and aviation are expected to experience a more gradual recovery with overall employment remaining below pre-pandemic levels until the end of 2022.

Canadian Economic Indicators	2019	2020	2021f	2022f	2023f
Real GDP (% Change)	1.9	-5.3	4.8	3.6	3.0
Consumer Price Index (% Change)*	1.9	0.7	3.1	2.7	2.6
Residential Investment (% Change)	-0.2	4.1	17.9	-3.8	-3.4
Business Investment (% Change)	0.5	-11.9	1.5	3.7	11.3
Unemployment Rate (%)	5.7	9.6	7.7	5.9	5.2
Housing Starts (000s)	209	219	273	245	243

\* Inflation rates continue to be highly unpredictable and forecast are subject to change.

### 3. British Columbia Forecast<sup>3</sup>

After a milder than expected contraction in 2020, B.C.'s GDP growth is forecasted to reach 5% by the end of 2021 as economic recovery continues throughout the province with strong rebounds in housing, natural resource exports, major projects, and consumer spending. While still the deepest recession since 1982, B.C. fared better than most other provinces; annual GDP declined by more than 5% in Ontario and Quebec, by 8.2% in Alberta, and by 5.4% in Canada overall.

By the end of 2021, the unemployment rate in B.C. is forecast to be 6.6%, a marked improvement over the 2020 rate of 9.2%. Jobs in sectors such as e-commerce, health, IT, and logistics have seen significant gains due to changing consumer behaviour and businesses' ability to quickly adapt to a remote work and online sales environment; recovery will be more gradual in highly impacted sectors. Meanwhile many businesses are experiencing difficulty filling the job vacancies they do have. This is attributed to multiple factors including public health restrictions for temporary foreign workers, limited immigration during border closures and workers transitioning into new industries or exiting the workforce altogether.

The housing market continues to thrive in light of low borrowing costs, demand for space, and investments in recreational properties. Risks to the outlook are related to the gradual pull back of government support programs, public health uncertainty, COVID-19 variants, and supply chain challenges that are preventing demand from being met.

<sup>3</sup> Source: Central 1 Credit Union, Economic Analysis of British Columbia (June 29, 2021)

<b>British Columbia Indicators</b>	<b>2019</b>	<b>2020</b>	<b>2021f</b>	<b>2022f</b>	<b>2023f</b>
Real GDP (% Change)	2.7	-3.8	5.0	4.0	2.8
Consumer Price Index (% Change)	2.3	1.0	2.4	2.3	2.1
Residential Investment (% Change)	-1.5	-3.7	9.1	1.0	6.8
Business Investment <sup>4</sup> (% Change)	35.6	-22.3	13.8	14.9	6.7
Unemployment Rate (%)	4.7	9.2	6.6	5.1	4.5
Housing Starts (000s)	44.9	37.7	43.3	42	47

## Local Trends

### 1. Metro Vancouver<sup>5</sup>

The Metro Vancouver economy, as measured by GDP, contracted by 3.9% in 2020 before rebounding to a forecasted growth of 6.8% in 2021 and 4.1% in 2022. As jobs are recovered and in some sectors surpass pre-pandemic levels, the unemployment rate continues to decrease with a forecast rate of 7.3% in 2021, down from 9.3% in 2020. Consumer demand has also been robust with retail sales expected to increase by 16.7% in 2021.

Pandemic related travel restrictions, including international border closures and the prohibition of cruise ships from entering Canadian waters, halted the majority of visitor traffic to the region and severely affected tourism and the service sector. The impacts of B.C.'s severe heat and wildfires in the summer of 2021 caused further disruptions.

Business and employment activity in highly impacted sectors is improving as restrictions continue to become less stringent with the border now open to fully vaccinated Americans and a recent federal announcement allowing the return of large cruise ships. However, returning to pre-pandemic levels will take time.

As in other economies, strong demand is being constrained in part by supply chain challenges and labour shortages that are exacerbated in the region due to fewer temporary foreign workers available for service sectors jobs and other employees transitioning to new careers or leaving the workforce.

<b>Metro Vancouver Economic Indicators</b>	<b>2019</b>	<b>2020</b>	<b>2021f</b>	<b>2022f</b>	<b>2023f</b>
Real GDP (% Change)	2.5	-3.9	6.8	4.1	1.8
Consumer Price Index (% Change)	2.3	0.6	2.4	2.3	2.2
Population (% Change)	1.8	1.1	0.7	0.9	1.3
Retail Sales (% Change)	-0.8	-2.6	16.7	-2.9	3.2
Unemployment Rate (%)	4.6	9.3	7.3	5.9	5.5
Housing Starts (000s)	28	22	27	20	19

<sup>4</sup> Includes both non-residential structures and machinery and equipment

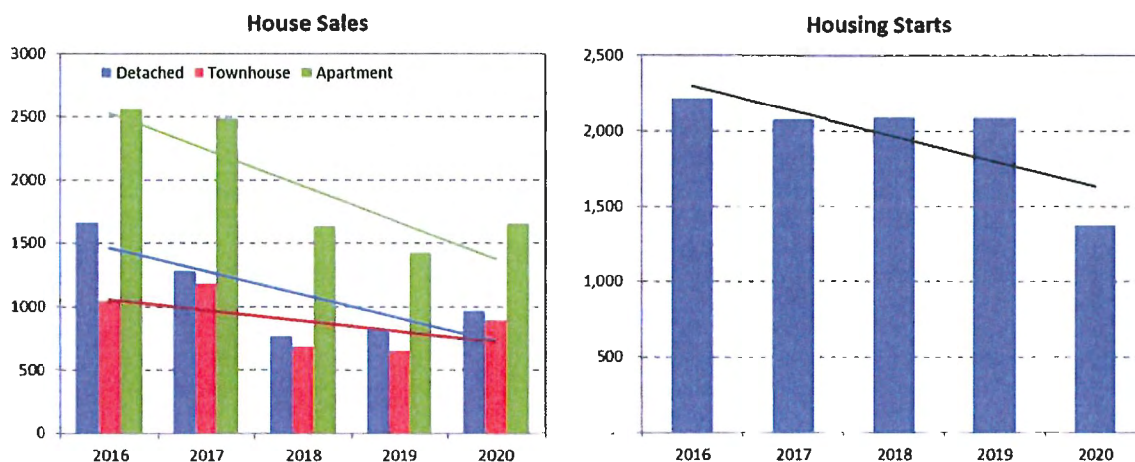
<sup>5</sup> Conference Board of Canada Major City Insights, Vancouver (October 1, 2021)

## 2. Richmond<sup>6</sup>

As in all of Metro Vancouver, a large share of Richmond's jobs (40%) are community-oriented, serving local residents and other businesses. The remaining jobs are in sectors that serve national and international markets and generate new economic activity. Nearly 70% of these economic base jobs are in sectors linked to the City's role as a people and goods movement gateway, including transportation, warehousing and logistics, manufacturing, wholesale, and tourism. Richmond has a regional advantage in these industries due to the presence of the port and airport.

The pandemic has demonstrated the importance of sustaining a resilient and diversified local economy. The impacts of COVID-19 have varied among Richmond's key sectors and while some including aviation, tourism, recreation, and hospitality have experienced business closures and job losses, other sectors including logistics, e-commerce, and technology and film production have experienced growth.

## 3. Housing Market



In 2020, sales of all types of housing increased in Richmond, reversing the previous trend that had been occurring in recent years as a result of government policy interventions designed to cool the overheated housing markets in major urban centers including Vancouver and Toronto.

Despite a temporary disruption in early 2020 due to the onset of COVID-19, demand for housing was very strong through much of the year and continuing into the first two quarters of 2021. This can be attributed to limited job losses among high-income households, generous government support programs, and record low mortgage rates. Travel and working restrictions also played a part in the increase in residential housing sales. With many people working from home, there was a desire to find residences that better suited the new working conditions. Detached houses continued to be popular and sales increased by 159% over the same period in 2020, with townhouses (+128%) and apartments (+117%) also increasing in sales.

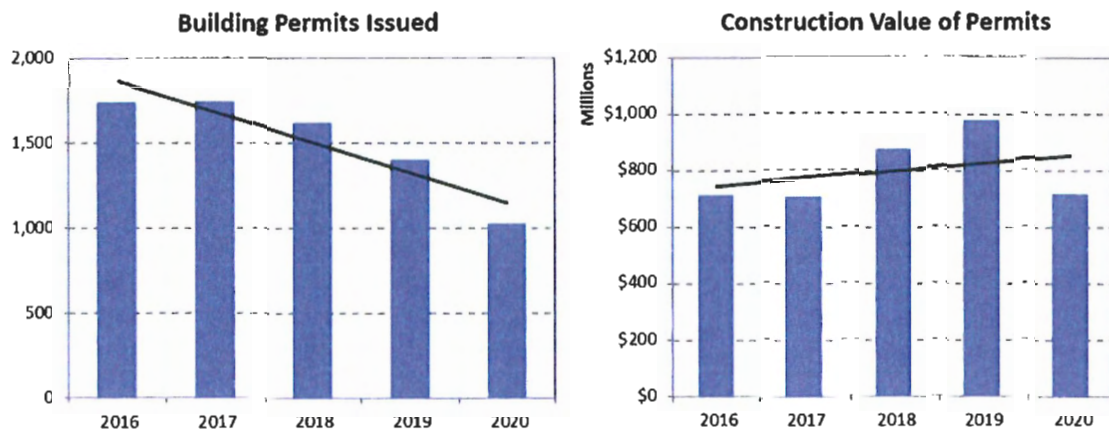
As of the second quarter of 2021, the total number of housing starts in Richmond increased by 479% over the same period in 2020. This is in response to demand but also is higher when compared to the building slowdown that occurred at the onset of COVID-19 when housing starts were the lowest Richmond had seen in many years due to a temporary halt in construction activity.

<sup>6</sup> City of Richmond Interactive Data, <http://www.businessinrichmond.ca/data-centre/> (unless stated otherwise)



Housing Indicators	2021 to Q2	2020 to Q2	% Change
Total Sales - Detached	910	353	159%
Total Sales - Townhouse	778	342	128%
Total Sales - Apartment	1436	663	117%
Housing Starts	1077	186	479%

#### 4. Construction Activity

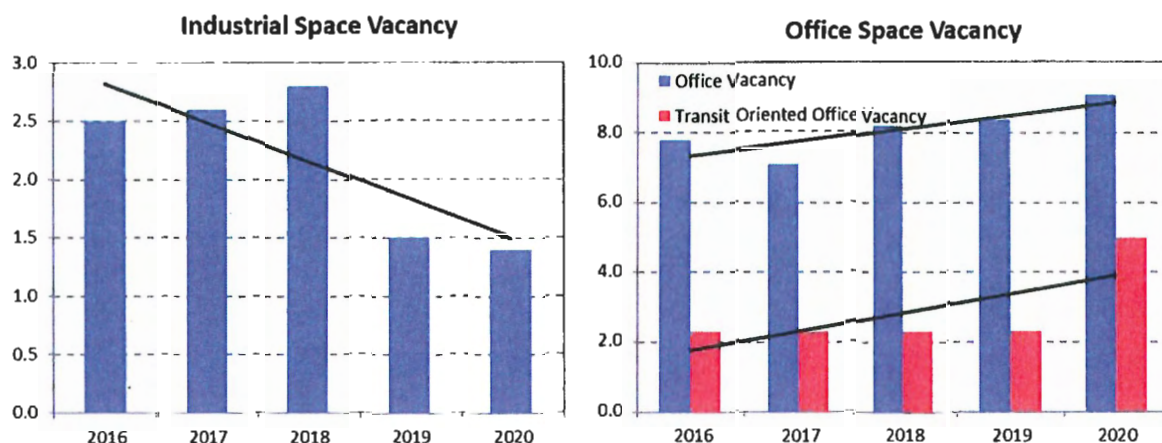


At the end of the second quarter of 2021, the construction value of building permits issued in Richmond had reached \$447 million, 8% lower than during the same period in 2020. Meanwhile the number of building permits issued during the first six months of 2021 increased by 29% over the same period in 2020.

The longer term trend of decreasing building permits issued and increasing or stable construction value is indicative of fewer but larger and more complex multi-family developments occurring in the City Center.

Construction Indicators	2021 to Q2	2020 to Q2	% Change
Building Permits Issued	607	476	28%
Construction Value (\$ millions)	\$447	\$487	-8%

## 5. Commercial Space<sup>7</sup>



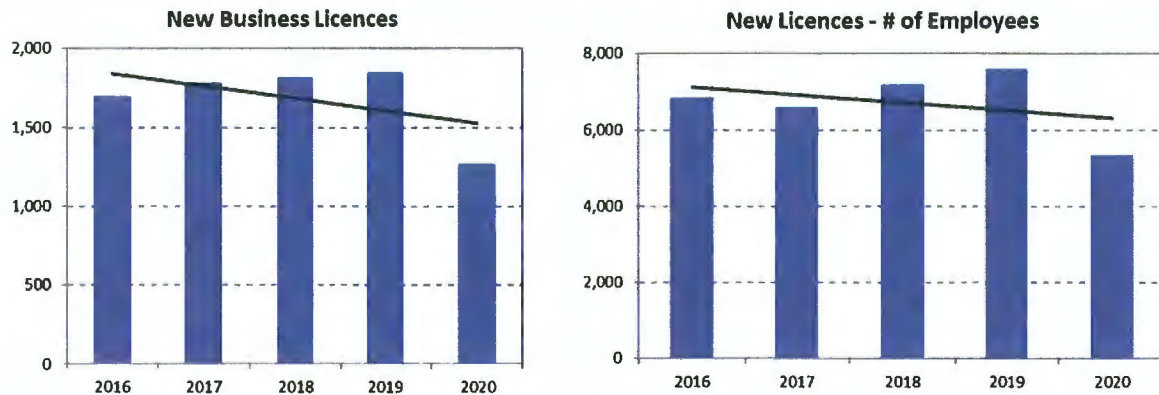
Richmond has over 44 million square feet of industrial space which, at 21%, represents one of the largest shares of Metro Vancouver's regional industrial inventory. Industrial space vacancy has continued to decline in recent years, dropping to an extremely low 0.5% in the second quarter of 2021 despite a 14% inventory growth since the same period in 2020. Demand has continued to be strong, particularly from logistics users as changing consumer behaviour continues to accelerate the e-commerce trend. The trend is expected to continue in the region, resulting in a shortage of industrial land that is necessary to support population, business, and economic growth. Policy and bylaw changes adopted by Council in early 2021 as part of the City of Richmond Industrial Land Intensification Initiative are intended to encourage the more intensified and productive use of this limited land.

Office space vacancy has increased in Richmond and by the end of the second quarter of 2021 the rate was 10.9%. This has been a result of previous sublease activity which has intensified because many office-based businesses have been reconsidering their real estate footprints due to COVID-19 with many employees having been expected to work remotely where possible. Longer term outlooks for office space demand vary. While financial impacts and operational needs have caused some tenants to downsize, others have leased additional space to ensure proper physical distancing or to accommodate business growth.

Commercial Space Indicators	2021 to Q2	2020 to Q2	% Change
Industrial Inventory (million sf)	44.5	39.2	14%
Industrial Vacancy Rate	0.5	1.4	-64%
Office Inventory (million sf)	4.9	4.5	9%
Office Vacancy Rate	10.9	7.7	42%

<sup>7</sup> Cushman & Wakefield Richmond Office and Industrial Market Beat Report (July, 2021)

## 6. Business Growth

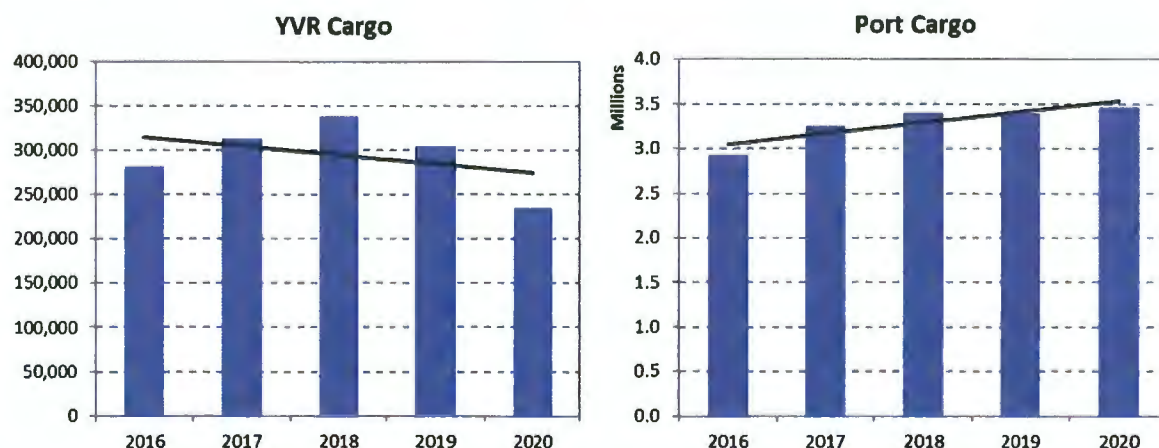


The number of new business licences and associated employment had increased leading up to 2020, when both indicators declined as a result of COVID-19 disruptions. The total number of valid business licences has remained steady at between 13,000 and 14,000. This indicates that a portion of Richmond's business growth is occurring as new businesses displace those that have closed or relocated.

At the end of the second quarter of 2021, the number of licensed businesses had declined by 1% compared to the second quarter of 2020 and 7.9% since the same period in 2019 due to businesses closing or relocating, either on a permanent or temporary basis. The number of permanent business closures due to COVID-19 is not known at this time. Conversely, there are some sectors where business license activity is increasing including logistics, e-commerce, film production and technology.

Local Business Activity	2021 to Q2	2020 to Q2	% Change
Total Valid Business Licenses	13,569	13,670	-1%
New Business Licenses	658	663	-1%
New Licenses - # of Employees	2,628	2,820	-7%

## 7. Trade



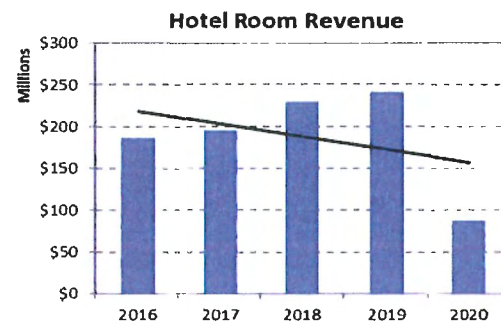
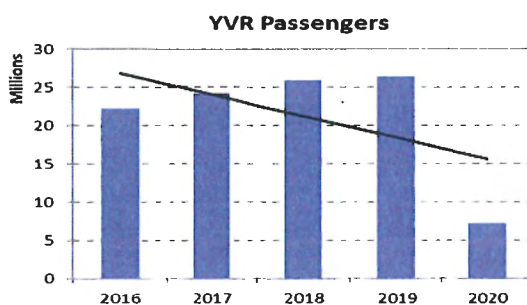
After a period of growth, the amount of cargo handled by YVR declined in 2019. In 2020, YVR experienced further cargo reductions due to COVID-19 related supply chain issues including the reduction of passenger aircraft movements and associated belly cargo capacity, and challenges sourcing manufacturing inputs ranging from semi-conductors to bicycle parts. During the first half of 2021, cargo

movements increased by 14% over the same period in 2020 as the airport played a role in vaccine and medical equipment distribution, but overall levels remain 21% below 2019.

Cargo moved through the Port of Vancouver has grown steadily in recent years. In 2021 cargo levels, measured in Twenty-Foot Equivalent Units (TEUs), have increased in volume by 25% compared to the first half of 2020, and by 16% over 2019 levels. This is partly attributed to the surge in demand for imported manufactured consumer goods which is resulting in an increase in empty containers leaving Vancouver for Asia and the exacerbation of supply chain bottlenecks for Canadian exporters.

Local Trade Indicators	2021 to Q2	2020 to Q2	% Change
YVR Cargo (tonnes)	121,268	106,550	14%
PMV Cargo (TEUs)	1,963,047	1,564,514	25%

## 8. Tourism



In 2018, B.C.'s tourism sector was outpacing growth of the provincial economy with increasing revenues, employment, wages and number of visitors<sup>8</sup>. In the five year period prior to the pandemic, Richmond taxable hotel room revenue grew at an average annual rate of 11%. In 2021, the economic snapshot of the tourism sector is markedly different.

Impacts to the tourism and hospitality sector caused by physical distancing measures, vaccine passports, labour shortages, and restrictions on travel and large gatherings have been pronounced. The extended closure of the land border with the U.S.A., and the Federal closure of Canadian waters to cruise ships has eliminated many regular visitors to B.C. and Richmond. While the Canadian border has reopened to fully-vaccinated foreign nationals as of September 7 and increasing amounts of tourists have returned to the province, incongruent public health measures globally continue to hinder tourism.

During the first half of 2021, the number of passengers flying through the Vancouver International Airport (YVR) decreased by 75% when compared to the same period in 2020. This decline is pronounced as travel was minimally impacted by COVID-19 for most of the first quarter of 2020. Other tourism indicators including hotel room revenue have shown signs of improvement. Richmond hotels fared better than some of their counterparts due to their proximity to YVR, and the resulting pandemic-related business including the Federal COVID-19 quarantine program. The Municipal and Regional District Tax (MRDT) revenue collected during the first half of 2021 was 36% lower than in the first half of 2019, but data is expected to improve during the second half of the year as domestic and international travel picks up.

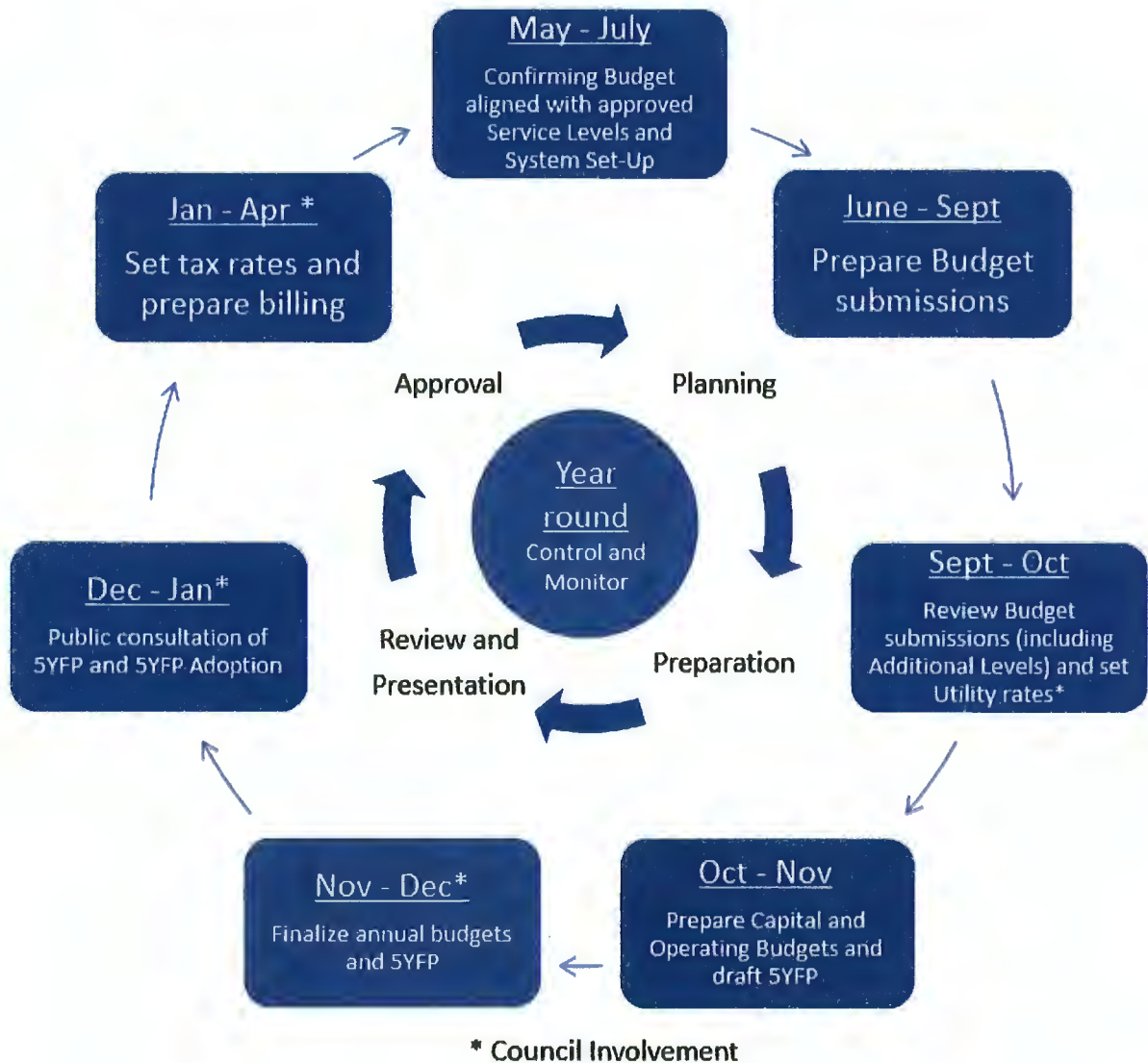
<sup>8</sup> Destination British Columbia research

The MRDT partnership model between the City of Richmond, the Richmond Hotel Association and Tourism Richmond is currently undergoing a renewal process and is expected to generate between \$25 and \$35 million in funding over a five-year period to support tourism sector recovery and growth through destination marketing and development initiatives.



**3. 2022 Budget Cycle**

# 2022 Budget Cycle





**4. 2022 Same Level of Service Base Net Budget excluding Fire-Rescue**

Department/Division (excluding Fire-Rescue)	2021 Adjusted Base Budget (Restated for Comparison) (in '000s)	2022 Proposed Net Base Budget (in '000s)	Amount Change (in '000s)	Per Cent Change	Tax Impact
Policing	61,736	63,390	1,654	2.68%	0.65%
Community Safety - Other	267	224	(43)	(16.10%)	(0.02%)
<b>Community Safety Total</b>	<b>\$62,003</b>	<b>\$63,614</b>	<b>\$1,611</b>	<b>2.60%</b>	<b>0.63%</b>
Community Services	44,144	45,113	969	2.20%	0.38%
Library	10,182	10,396	214	2.10%	0.08%
<b>Community Services including Library</b>	<b>\$54,326</b>	<b>\$55,509</b>	<b>\$1,183</b>	<b>2.18%</b>	<b>0.46%</b>
<b>Engineering and Public Works</b>	<b>39,220</b>	<b>40,528</b>	<b>1,308</b>	<b>3.34%</b>	<b>0.51%</b>
<b>Finance and Corporate Services</b>	<b>22,604</b>	<b>23,093</b>	<b>489</b>	<b>2.16%</b>	<b>0.20%</b>
<b>Corporate Administration</b>	<b>10,420</b>	<b>10,579</b>	<b>159</b>	<b>1.52%</b>	<b>0.06%</b>
<b>Planning and Development</b>	<b>7,922</b>	<b>8,261</b>	<b>339</b>	<b>4.27%</b>	<b>0.13%</b>
<b>Law and Legislative Services</b>	<b>3,951</b>	<b>4,137</b>	<b>186</b>	<b>4.72%</b>	<b>0.07%</b>
<b>Fiscal</b>	<b>(200,446)</b>	<b>(200,303)</b>	<b>143</b>	<b>(0.07%)</b>	<b>0.06%</b>
<b>Same Level of Service Increase</b>	<b>\$-</b>	<b>\$5,418</b>	<b>\$5,418</b>		<b>2.12%</b>
<b>Less: Estimated 2022 New Tax Growth</b>		<b>(2,800)</b>	<b>(2,800)</b>		<b>(1.10%)</b>
<b>Same Level of Service Increase After Growth</b>		<b>\$2,618</b>	<b>\$2,618</b>		<b>1.02%</b>

**5. 2022 Same Level of Service Base Budget Details****All Divisions (excluding Fire-Rescue)**

Community Safety (excluding Fire-Rescue), Community Services (including Library), Engineering and Public Works (excluding Utilities), Finance and Corporate Services, Corporate Administration, Planning and Development, Law and Legislative Services, and Fiscal.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(295,658,300)</b>	<b>(312,837,400)</b>	<b>(17,179,100)</b>	<b>5.81%</b>
<b>Expenditures</b>				
Labour	130,725,000	134,404,700	3,679,700	2.81%
Contract Services	80,827,400	82,407,100	1,579,700	1.95%
Operating Expenses	36,866,700	38,542,700	1,676,000	4.55%
<b>Total Operating Expenses</b>	<b>248,419,100</b>	<b>255,354,500</b>	<b>6,935,400</b>	<b>2.79%</b>
<b>Fiscal Expenses</b>	<b>72,762,000</b>	<b>69,617,200</b>	<b>(3,144,800)</b>	<b>(4.32%)</b>
<b>Transfers</b>	<b>(25,522,800)</b>	<b>(6,716,300)</b>	<b>18,806,500</b>	<b>(73.69%)</b>
<b>Grand Total<sup>1</sup></b>	<b>\$-</b>	<b>\$5,418,000</b>	<b>\$5,418,000</b>	

<sup>1</sup> 2022 Proposed Base Budget increase represents the same level of service before tax growth.

**FTE Change**

	2021 FTE <sup>2</sup>	2022 FTE <sup>3</sup>	Change 2022
<b>Total</b>	<b>1,201.4</b>	<b>1,200.1</b>	<b>(1.3)</b>

<sup>2</sup> 2021 Full-Time Equivalent (FTE) includes same level of service base budget, additional levels approved in 2021, 2021 budget amendments, the operating budget impact (OBI) approved by Council in 2021 and positions funded by Capital or one-time expenditures. There are certain positions transferred between Divisions and 2021 FTE has also been restated to align with the current organizational structure approved in 2021.

<sup>3</sup> 2022 FTE includes same level of service base budget, additional levels previously approved in 2021, operating budget impact (OBI) approved in 2021, 2021 Budget Amendment, positions funded by Capital or One-Time expenditures.

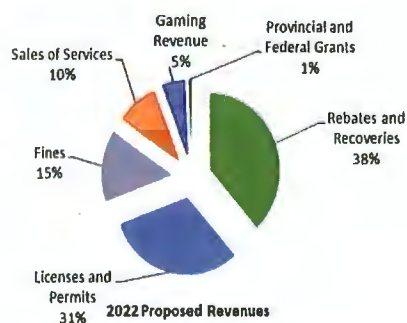
**FTE Change – Library**

	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>95.8</b>	<b>95.8</b>	<b>-</b>

### Community Safety (excluding Fire-Rescue)

The City's primary community safety providers are Police (RCMP), Emergency Programs, Business Licences, and Community Bylaws. The role of the Community Bylaws Department is to lead, assist or partner with others to ensure that the City's various bylaws are complied with for the overall benefit of the community.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(13,518,300)</b>	<b>(14,523,300)</b>	<b>(1,005,000)</b>	<b>7.43%</b>
<b>Expenditures</b>				
Labour	13,719,300	14,196,900	477,600	3.48%
Contract Services	63,263,300	64,567,600	1,304,300	2.06%
Operating Expenses	1,101,000	1,181,900	80,900	7.35%
<b>Total Expenditures</b>	<b>78,083,600</b>	<b>79,946,400</b>	<b>1,862,800</b>	<b>2.39%</b>
<b>Fiscal Expenses</b>	<b>2,545,500</b>	<b>1,645,900</b>	<b>(899,600)</b>	<b>(35.34%)</b>
<b>Transfers</b>	<b>(5,108,100)</b>	<b>(3,455,300)</b>	<b>1,652,800</b>	<b>(32.36%)</b>
<b>Grand Total</b>	<b>\$62,002,700</b>	<b>\$63,613,700</b>	<b>\$1,611,000</b>	<b>2.60%</b>



### FTE Change

	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>155.8</b>	<b>156.8</b>	<b>1.0</b>

FTE change due to new Temporary Full Time Soil Bylaw Officer funded by revenue as approved by Council on April 26, 2021.

### RCMP Contract Complement (Funded)

	2021 FTE	2022 FTE	Change 2022
Officers	274.0	274.0	-
Civilian Members	-	-	-
Less: Non-Budgeted	(10.0)	(10.0)	-
<b>Municipal Policing</b>	<b>264.0</b>	<b>264.0</b>	<b>-</b>

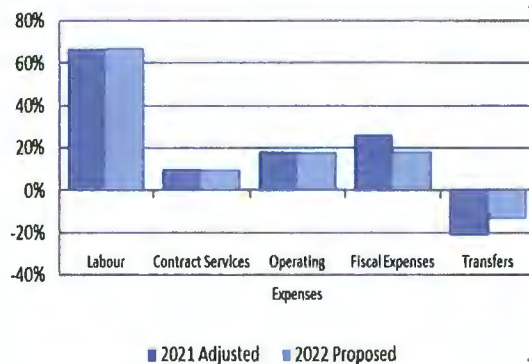
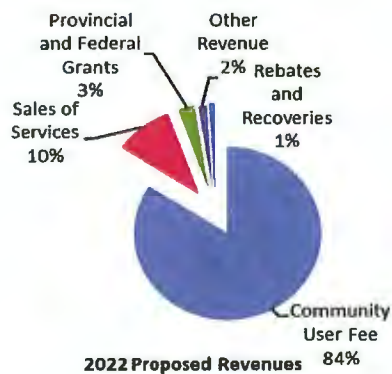
Presentation excludes FTE Count for Integrated Teams including RTIC as there was a recent change of IHIT responsibilities from the RCMP to the Province of BC.



### Community Services

Coordinates, supports and develops Richmond's community services including recreation, library, arts, heritage and sports. Oversees City owned public facilities and the design, construction and maintenance of City parks, trails and green spaces. Works with community partners and coordinates events and filming in the City.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(12,399,100)</b>	<b>(12,631,800)</b>	<b>(232,700)</b>	<b>1.88%</b>
<b>Expenditures</b>				
Labour	44,699,700	45,814,000	1,114,300	2.49%
Contract Services	6,471,000	6,645,600	174,600	2.70%
Operating Expenses	12,184,700	12,319,800	135,100	1.11%
<b>Total Expenditures</b>	<b>63,355,400</b>	<b>64,779,400</b>	<b>1,424,000</b>	<b>2.25%</b>
<b>Fiscal Expenses</b>	<b>17,383,300</b>	<b>12,469,700</b>	<b>(4,913,600)</b>	<b>(28.27%)</b>
<b>Transfers</b>	<b>(14,013,200)</b>	<b>(9,108,400)</b>	<b>4,904,800</b>	<b>(35.00%)</b>
<b>Grand Total</b>	<b>\$54,326,400</b>	<b>\$55,508,900</b>	<b>\$1,182,500</b>	<b>2.18%</b>



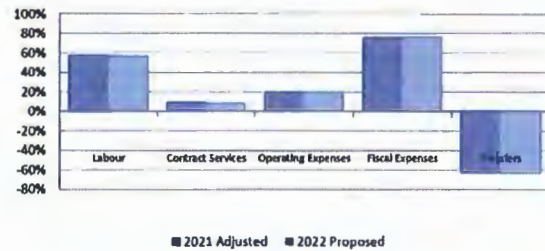
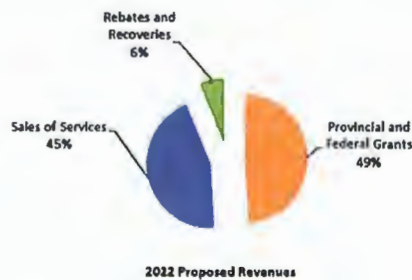
### FTE Change

	2021 FTE	2022 FTE	Change 2022
Community Services	417.5	417.5	-
Library	95.8	95.8	-
<b>Total</b>	<b>513.5</b>	<b>513.5</b>	<b>-</b>

### Engineering and Public Works (excluding Utilities)

Comprises engineering planning, design, construction and maintenance services for all utilities and City building infrastructure. Responsible for dikes and irrigation system, roads and construction services, street lighting, corporate sustainability, corporate and community energy programs.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(7,898,600)</b>	<b>(7,984,200)</b>	<b>(85,600)</b>	<b>1.08%</b>
<b>Expenditures</b>				
Labour	27,304,100	27,983,400	679,300	2.49%
Contract Services	4,579,600	4,658,600	79,000	1.73%
Operating Expenses	9,225,300	9,500,500	275,200	2.98%
<b>Total Expenditures</b>	<b>41,109,000</b>	<b>42,142,500</b>	<b>1,033,500</b>	<b>2.51%</b>
<b>Fiscal Expenses</b>	<b>35,962,200</b>	<b>37,427,200</b>	<b>1,465,000</b>	<b>4.07%</b>
<b>Transfers</b>	<b>(29,952,700)</b>	<b>(31,057,400)</b>	<b>(1,104,700)</b>	<b>3.69%</b>
<b>Grand Total</b>	<b>\$39,219,900</b>	<b>\$40,528,100</b>	<b>\$1,308,200</b>	<b>3.34%</b>



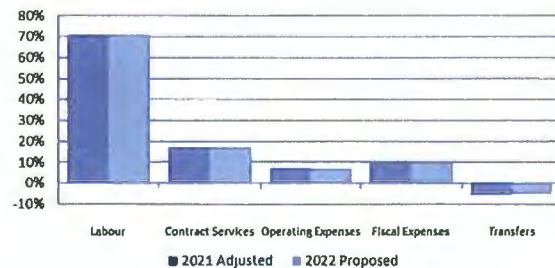
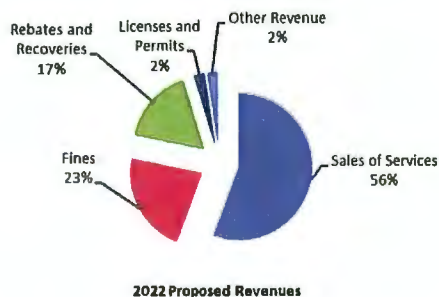
### FTE Change

	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>270.9</b>	<b>270.9</b>	<b>-</b>

### Finance and Corporate Services

Responsible for the financial well-being of the City, through the provision of financial advice, services and information to Council, staff and the public, as well as through the support and fostering of a viable business community. This division includes customer service, information technology, finance, economic development, real estate services, and corporate business service solutions.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(635,300)</b>	<b>(635,300)</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>				
Labour	16,481,100	16,952,700	471,600	2.86%
Contract Services	3,984,700	4,041,700	57,000	1.43%
Operating Expenses	1,669,200	1,629,600	(39,600)	(2.37%)
<b>Total Expenditures</b>	<b>22,135,000</b>	<b>22,624,000</b>	<b>489,000</b>	<b>2.21%</b>
<b>Fiscal Expenses</b>	<b>2,378,400</b>	<b>2,351,700</b>	<b>(26,700)</b>	<b>(1.12%)</b>
<b>Transfers</b>	<b>(1,273,500)</b>	<b>(1,246,800)</b>	<b>26,700</b>	<b>(2.10%)</b>
<b>Grand Total</b>	<b>\$22,604,600</b>	<b>\$23,093,600</b>	<b>\$489,000</b>	<b>2.16%</b>



### FTE Change

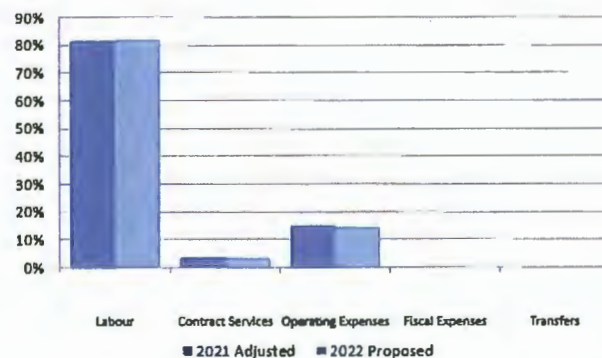
	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>145.3</b>	<b>145.3</b>	<b>-</b>



### Corporate Administration

The CAO's Office oversees the overall administration of the corporate body (business units/operations) of the City and employees. Other departments and functions include, Deputy CAO Administration, human resources, corporate communications, production centre, intergovernmental relations, special projects and coordination of interdivisional projects and the Corporate Planning and Programs Management Group (CPMG). This is also where the budget for Mayor and Councillors resides.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(5,000)</b>	<b>(5,000)</b>	-	-
<b>Expenditures</b>				
Labour	8,519,000	8,677,800	158,800	1.86%
Contract Services	354,400	354,400	-	-
Operating Expenses	1,551,600	1,551,600	-	-
<b>Total Expenditures</b>	<b>10,425,000</b>	<b>10,583,800</b>	<b>158,800</b>	<b>1.52%</b>
<b>Grand Total</b>	<b>\$10,420,000</b>	<b>\$10,578,800</b>	<b>\$158,800</b>	<b>1.52%</b>



### FTE Change

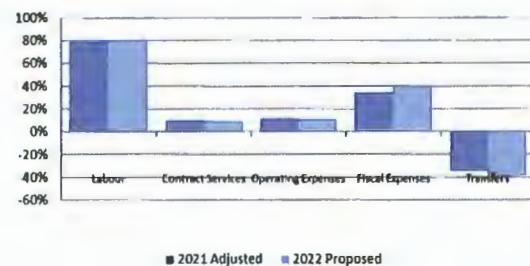
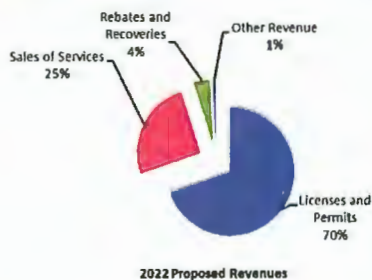
	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>65.4</b>	<b>64.6</b>	<b>(0.8)</b>

*FTE change due to temporary full-time Communications Associate position appointment ended in 2021.*

### Planning and Development

Incorporates policy planning, transportation planning, development applications, building approvals, and community social development, which includes social planning, affordable housing, diversity, youth, childcare and older adult services. This division provides policy directions that guide growth and change in Richmond with emphasis on land use planning, development regulations, environmental protection, heritage and livability. These planning functions play a vital part in the City's life cycle and involve the development of community plans and policies, zoning bylaws, as well as development related approvals and permits.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(9,858,800)</b>	<b>(9,877,100)</b>	<b>(18,300)</b>	<b>0.19%</b>
<b>Expenditures</b>				
Labour	14,037,900	14,420,800	382,900	2.73%
Contract Services	1,742,300	1,707,100	(35,200)	(2.02%)
Operating Expenses	2,000,500	2,009,700	9,200	0.46%
<b>Total Expenditures</b>	<b>17,780,700</b>	<b>18,137,600</b>	<b>356,900</b>	<b>2.01%</b>
<b>Fiscal Expenses</b>	<b>6,113,700</b>	<b>7,071,000</b>	<b>957,300</b>	<b>15.66%</b>
<b>Transfers</b>	<b>(6,113,700)</b>	<b>(7,071,000)</b>	<b>(957,300)</b>	<b>15.66%</b>
<b>Grand Total</b>	<b>\$7,921,900</b>	<b>\$8,260,500</b>	<b>\$338,600</b>	<b>4.27%</b>



### FTE Change

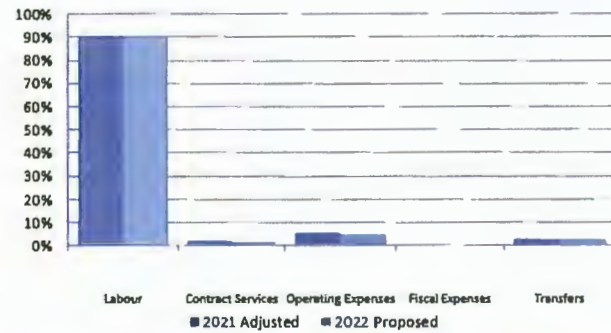
	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>122.0</b>	<b>120.5</b>	<b>(1.5)</b>

*Reduction due to one-time expenditures already spent.*

### Law and Legislative Services

Law and Legislative Services division is responsible for providing advice to City Council and staff regarding the City's legal rights and obligations and records keeping.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues</b>	<b>(2,100)</b>	<b>(2,100)</b>	-	-
<b>Expenditures</b>				
Labour	3,551,800	3,732,900	181,100	5.10%
Contract Services	75,700	75,700	-	-
Operating Expenses	207,400	212,900	5,500	2.65%
<b>Total Expenditures</b>	<b>3,834,900</b>	<b>4,021,500</b>	<b>186,600</b>	<b>4.87%</b>
<b>Fiscal Expenses</b>	<b>9,900</b>	<b>9,900</b>	-	-
<b>Transfers</b>	<b>107,900</b>	<b>107,900</b>	-	-
<b>Grand Total</b>	<b>\$3,950,600</b>	<b>\$4,137,200</b>	<b>\$186,600</b>	<b>4.72%</b>



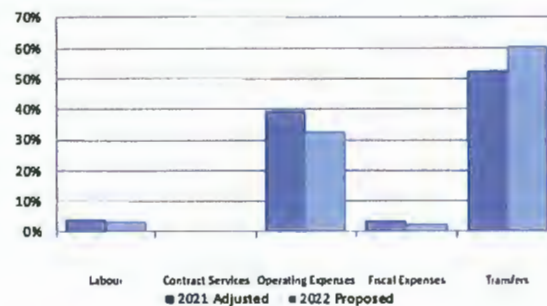
### FTE Change

	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>24.5</b>	<b>24.5</b>	<b>-</b>

**Fiscal**

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues<sup>1</sup></b>	<b>(251,341,100)</b>	<b>(267,178,600)</b>	<b>(15,837,500)</b>	<b>6.30%</b>
<b>Expenditures</b>				
Labour	2,412,100	2,626,200	214,100	8.88%
Contract Services	356,400	356,400	-	-
Operating Expenses	8,927,000	10,136,700	1,209,700	13.55%
<b>Total Expenditures</b>	<b>11,695,500</b>	<b>13,119,300</b>	<b>1,423,800</b>	<b>12.17%</b>
<b>Fiscal Expenses</b>	<b>8,369,000</b>	<b>8,641,800</b>	<b>272,800</b>	<b>3.26%</b>
<b>Transfers</b>	<b>30,830,500</b>	<b>45,114,700</b>	<b>14,284,200</b>	<b>46.33%</b>
<b>Grand Total</b>	<b>\$(200,446,100)</b>	<b>\$(200,302,800)</b>	<b>\$143,300</b>	<b>(0.07)%</b>

<sup>1</sup>Allocated \$43,577,900 of revenues to Fire-Rescue





### 6. Operating Budget Impact from Developer Contributed Assets

2022 OBI Developer Contributed Assets				
Ref	Description	RZ/DP Number	Address	OBI
1	<p><b>Hummingbird Child Care Facility</b></p> <p>The Hummingbird Child Care Facility will be a City-owned community amenity provided by Oval 8 Holdings Ltd. Inc. No. 0805724 as part of the River Green development, which includes approximately 11 hectares (27 acres) of riverfront property in the City Centre's Oval Village. The River Green development extends between the No. 2 Road Bridge and Gilbert Road and is bisected by the Richmond Olympic Oval. It is a multi-phased, high-rise, high-density, mixed use development that includes new streets, parks and open spaces, and related public amenities.</p> <p>The child care facility will be comprised of 5,000 sq. ft. (464.5 m<sup>2</sup>) of indoor space (inclusive of walls, circulation, an elevator and internal stairways) and 5,000 sq. ft. (464.5 m<sup>2</sup>) of outdoor space. The child care facility will include indoor and outdoor space for two child care programs, underground parking spaces, dedicated bicycle parking and a garbage and recycling room. Preliminary building and site plans for the child care facility are in development. Construction of the facility is anticipated to be completed in 2022 subject to permitting and construction timelines.</p> <p>The child care space will be designed to accommodate up to 37 children in various licensed child care programs with the final number of licensed spaces to be confirmed by the operator in consultation with the City and Vancouver Coastal Health Community Care Facilities Licensing.</p> <p>The developer, Oval 8 Holdings, is responsible for the capital costs of constructing the facility. An operating budget impact will be required once the facility is completed and transferred to the City in order to meet the future City (landlord) maintenance and repair responsibilities. The non-profit operator will be responsible for all operating costs and certain maintenance costs. This includes the non-salary operating cost of the facility.</p>	RZ 09-460962	6899 Pearson Way	\$54,731
8	<p><b>OBI for Traffic-Signal Related Improvements (by developers)</b></p> <p>Traffic-signal related improvements completed or anticipated to be completed in 2021 through development. Starting in 2022, the associated OBI is based on current estimates necessary for ongoing maintenance. The type of improvement includes providing new traffic-signal related infrastructure at Pearson Way and River Road (New traffic signal).</p>	RZ 09-506904, DP 12-617639 & SA 12-626212	Pearson Way and River Road	\$2,407
2022 OBI Developer Contributed Assets Total				\$57,138

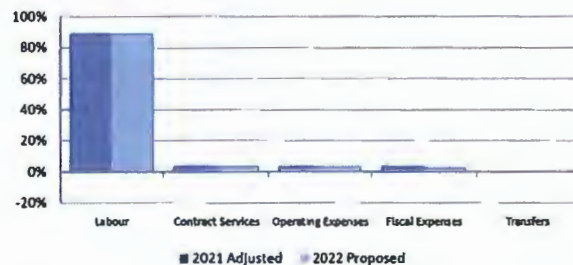
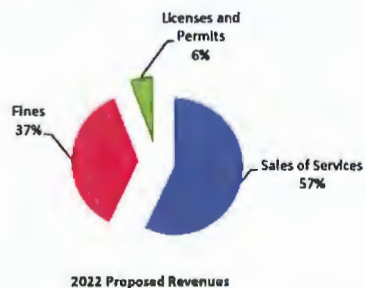
## 7. 2022 Same Level of Service Base Budget Details (Fire-Rescue)

### Community Safety (Fire-Rescue)

The City's Fire-Rescue Department responds to multiple emergency and non-emergency calls every day, from fires to medical emergencies, motor vehicle incidents and more. The team also offers a wide range of public education and prevention services to further the mission to protect and enhance the City's livability through service excellence.

	2021 Adjusted Base Budget (Restated for Comparison)	2022 Proposed Base Budget	Change 2022 \$	Change 2022 %
<b>Revenues<sup>1</sup></b>	<b>(43,691,200)</b>	<b>(43,693,400)</b>	<b>(2,200)</b>	<b>0.0%</b>
<b>Expenditures</b>				
Labour	39,034,300	39,562,700	528,400	1.35%
Contract Services	1,719,700	1,769,000	49,300	2.87%
Operating Expenses	1,643,700	1,652,000	8,300	0.50%
<b>Total Expenditures</b>	<b>42,397,700</b>	<b>42,983,700</b>	<b>586,000</b>	<b>1.38%</b>
<b>Fiscal Expenses</b>	<b>1,578,100</b>	<b>1,396,100</b>	<b>(182,000)</b>	<b>(11.53%)</b>
<b>Transfers</b>	<b>(284,600)</b>	<b>(102,600)</b>	<b>182,000</b>	<b>(63.95%)</b>
<b>Grand Total</b>	<b>\$-</b>	<b>\$583,800</b>	<b>\$583,800</b>	<b>1.34%</b>

<sup>1</sup>Allocation of \$43,577,900 of revenues from Fiscal



### FTE Change

	2021 FTE	2022 FTE	Change 2022
<b>Total</b>	<b>267.6</b>	<b>267.6</b>	<b>-</b>



**8. Emerging Organizational Additional Levels - Recommended for Funding in 2022****Emerging Organizational Additional Levels - Recommended for Funding in 2022**

Ref	Requested By	Description	Amount	Tax Impact
1	Planning and Development	<b>Child Care Program - Planner 1 - Increase to Regular Full-Time</b> A regular full-time Planner 1 position (increase from current regular part-time) is required to support the Child Care section, implement actions in the 2017-2022 Child Care Needs Assessment and Strategy and 2021-2031 Child Care Action Plan and support development of City-owned child care amenities.	\$ -	-%
2	Community Safety	<b>RCMP - Increase 2 authorized strengths previously approved with no budget impact</b> RCMP regular member positions need authorization under the Municipal Police Unit Agreement. Council approved a 16-member increase in 2021 but only 14 authorized strengths were actually added due to the 2 Civilian Members (CM) conversion. The City will submit the remaining 2 authorized strength increase to the Province and RCMP for the 2022 budget process to complete the Council's approved 16-member increase. Financial authorization was already provided in 2021 Annual Reference Level Updates (ARLU) with the "net" 14 members.	\$ -	-%
3	Community Services	<b>Conversion of cleaning services at Hamilton Community Centre</b> Formerly, contracted janitorial services were used to clean Hamilton Community Centre; however, required service levels were not met by external vendors. When the prior contractor resigned, staff tested the use of auxiliary staff which proved to be more effective for the same cost.	\$ -	-%
4	Finance and Corporate Services	<b>Conversion of Temporary Full Time to Regular Full Time - Buyer 1</b> This position will be located at the Works Yard and will support the efficient delivery of services for Public Works and Parks maintenance and capital programs, including ensuring compliance with the City's purchasing policy and procedures. Funding already exists in the budget. The role helps to reduce the administrative demand on operations staff, thereby allowing focus on their key roles of project planning and operational activities. Location of the position at the Works Yard improves efficiency through direct interactions with the operational business units supported.	\$ -	-%

## Emerging Organizational Additional Levels - Recommended for Funding in 2022

Ref	Requested By	Description	Amount	Tax Impact
5	Engineering and Public Works	<b>New developer contributed asset - Hummingbird Child Care Facility</b> Hiring of Auxiliary Building Maintenance Coordinator (BMC) and Building Service Maintenance (BSM) Worker to perform inspections and carry out maintenance requirements relating to the Hummingbird Child Care Facility.	\$ 23,200	0.01%
6	Community Services	<b>Annual fee-for-service contribution to the Steveston Historical Society</b> At the request of the Steveston Historical Society, the City contributes an annual fee-for-service of \$40,000 to the Society to support their operation of the Steveston Museum and Post Office. This funding is linked to the Society's five-year operating agreement for the 2022-2026 period.	\$ 40,000	0.01%
<b>Total Emerging Organizational Additional Levels - Recommended for Funding in 2022</b>			<b>\$63,200</b>	<b>0.02%</b>



**9. Emerging Organizational Additional Levels - Not Recommended for Funding in 2022****Emerging Organizational Additional Levels - Not Recommended for Funding in 2022**

Ref	Requested By	Description	Amount	Tax impact
1	Engineering and Public Works	<b>Regular Full Time Project Manager - Fleet Operations</b> The City's Electric Vehicle (EV) charging network has expanded significantly since 2013 (from 36 to 129 charging ports). A Project Manager is required to manage contractors and staff for maintaining and expanding this growing service level as well as global positioning system (GPS), fuel and Green Fleet Action planning.	\$ 152,500	0.06%
2	Corporate Administration	<b>Regular Full Time Council and Corporate Social Media Specialist</b> The City has multiple social media channels which are an important public interface and increasingly vital to ongoing communications, engagement, and support for Council goals. Specialized expertise and focus enables a stronger, more strategic presence on existing and emerging platforms.	\$ 95,000	0.04%
3	Engineering and Public Works	<b>Concrete Repairs</b> Damage to driveways, curbs and other infrastructure can occur from City owned trees. The operating budget is not sufficient to address these concerns.	\$ 200,000	0.08%
4	Engineering and Public Works	<b>Regular Full Time System and Project Coordinator – Automatic Vehicle Location (AVL)/Global Positioning System (GPS)</b> The AVL/GPS pilot has ended. A long term contract will be awarded in 4th quarter of 2021. Position to manage the existing system and expansion to the fleet of 500 driving and stationary assets is required.	\$ 91,670	0.04%
5	Planning and Development	<b>Regular Full Time Planner 1 - Community Social Development</b> A Regular Full Time (RFT) Planner 1 position is required to support the growing portfolios of the various sections in the Community Social Development department that have been supported in the past with auxiliary staff through gap funding from vacant positions. There is also a one-time initial capital cost of \$5,000.	\$ 125,593	0.05%

Ref	Requested By	Description	Amount	Tax Impact
6	Engineering and Public Works	<b>Regular Full Time Operator for Mini Street Sweeping Machine (Capital Submission)</b> Currently there is no service level for cleaning separated bike lanes and pathways. Spot cleaning is done for demand complaints only. These bike lanes cannot be cleaned by a regular street sweeper due to the machine width. Expansion of separated bike lanes requires the addition of a Regular Full Time operator to operate the Mini Street Sweeping Machine.	\$ 107,272	0.04%
7	Engineering and Public Works	<b>Additional Staff for Works Yard - Building Service Workers</b> Currently 3 Regular Full Time Building Service Workers (RFT BSWs) are providing cleaning services at the Works Yard. Despite a considerable increase in the square footage, there has not been an increase in janitorial staff to service this area in over 20 years. City Hall and City Hall Annex have 6 RFT BSWs providing service as a comparison. Request is for 2 regular full time and 1 auxiliary staff to ensure the safety within our sites and adhering to Ministry of Health and WorkSafeBC guidelines.	\$ 224,999	0.09%
8	Planning and Development	<b>Regular Full Time Planner 2 - Anti-Racism Specialist</b> A Regular Full Time (RFT) Planner 2 (Anti-Racism) position is required to provide leadership and strategic planning in the development and implementation of new City policies and initiatives that further advance the City's anti-racism work. There is also a one-time initial capital cost of \$5,000.	\$ 146,789	0.06%
9	Community Services	<b>New Facility - Richmond Curling Club - staffing requirement</b> Ownership of the Curling Club transferred to the City in June. Will require a Building Maintenance Coordinator, Building Service Maintenance Worker and an Arena Service Worker to perform inspections, carry out maintenance and manage the daily operations of the new ice plant at the facility. Service level options will be presented to Council at the end of November.	\$ 123,100	0.05%
Total Emerging Organizational Additional Levels - Not Recommended for Funding in 2022			\$1,266,923	0.51%