



City of Richmond

Report to Committee


To: Finance Committee **Date:** June 10, 2022

From: Jerry Chong, CPA, CA **File:** 03-0975-01/2022-Vol
Acting General Manager, Finance and Corporate 01
Services



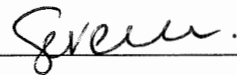
Re: **Amendments to the Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327**

Staff Recommendation

That the Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327, Amendment Bylaw No. 10381, which incorporates and puts into effect the changes as outlined in the staff report titled "Amendments to the Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327" dated June 10, 2022, from the Acting General Manager, Finance and Corporate Services, be introduced and given first, second and third readings.


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

Att. 4

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	Real Estate Services <input checked="" type="checkbox"/>
Human Resources	<input checked="" type="checkbox"/>	Fire Rescue <input checked="" type="checkbox"/>
Risk Management	<input checked="" type="checkbox"/>	RCMP <input checked="" type="checkbox"/>
Finance Department	<input checked="" type="checkbox"/>	Engineering <input checked="" type="checkbox"/>
Information Technology	<input checked="" type="checkbox"/>	Facility Services & Project Development <input checked="" type="checkbox"/>
Law	<input checked="" type="checkbox"/>	Fleet <input checked="" type="checkbox"/>
Arts, Culture & Heritage	<input checked="" type="checkbox"/>	Sewerage & Drainage <input checked="" type="checkbox"/>
Community Social Development	<input checked="" type="checkbox"/>	Sustainability & District Energy <input checked="" type="checkbox"/>
Recreation Services	<input checked="" type="checkbox"/>	Community Safety Admin <input checked="" type="checkbox"/>
Parks Services	<input checked="" type="checkbox"/>	Community Bylaws <input checked="" type="checkbox"/>
Roads & Construction	<input checked="" type="checkbox"/>	Building Approvals <input checked="" type="checkbox"/>
Sanitation and Recycling	<input checked="" type="checkbox"/>	
Economic Development	<input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
Transportation	<input checked="" type="checkbox"/>	 Acting GM, F&CS
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO
		

Staff Report

Origin

The Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327 was adopted on January 24, 2022. Included in the Consolidated 5 Year Financial Plan (5YFP) are the City's 2022 Capital, Utility and Operating Budgets. In addition, the Consolidated 5YFP includes the budgets of Richmond Olympic Oval Corporation and Richmond Public Library. The following budget amendments are for the 2022 Capital, Utility and Operating Budgets of the City. This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

5.2 Clear accountability through transparent budgeting practices and effective public communication.

Analysis

Subsequent to the adoption of the 5YFP, new projects and changes to previously established programs have occurred. Individual staff reports detailing these amendments have been presented to Council for approval.

Increases to the operating and capital budget are required where expenses were not contemplated in the 5YFP. The current expenditure bylaw does not include these amounts and in order to comply with Section 173 of the Community Charter, the 5YFP needs to be amended to have authority to incur these expenditures. There is no tax impact for any of these amendments.

The Council approved amendments to the Consolidated 5 Year Financial Plan (2022-2026) presented in order of Council meeting dates, are:

- 1 a) At the Council meeting on September 14, 2020, Council approved the following:
 - (1) *That the submission to the Investing in Canada Infrastructure Program – Community, Culture and Recreation Stream, requesting funding of up to \$2.4 million as outlined in the report titled, “Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre,” dated August 5, 2020 from the Director, Facilities and Project Development be endorsed;*
 - (2) *That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to enter into funding agreements with the government for the aforementioned project should it be approved for funding, as outlined in the report titled, “Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre,” dated August 5, 2020 from the Director, Facilities and Project Development;*
 - (3) *That the Minoru Place Activity Centre Project capital budget be increased by \$749,000, which will be funded by Project Developments 2020 Operating Budget account “Infrastructure Replacement” and that the Revised*

Consolidated 5 Year Financial Plan (2020-2024) be amended accordingly; and

- (4) That the Revised Consolidated 5 Year Financial Plan (2020-2024) be amended accordingly should the aforementioned project be approved for funding as outlined in the report titled, "Investing in Canada Infrastructure Program - Minoru Place Activity Centre Conversion to Arts Centre," dated August 5, 2020 from the Director, Facilities and Project Development.*

The City was informed that this funding application was approved for \$2,243,898. This will replace the \$749,000 funded by the Corporate Provision and \$1,494,898 funded by the Leisure Facilities Reserve for the Minoru Place Activity Centre (renamed to Richmond Cultural Centre Annex as approved by Council on June 14, 2021) Program – Implementation upon receipt of the actual grant payment.

- b) At the Council meeting on January 25, 2021, Council approved the following:

- (1) That the submission to the Investing in Canada Infrastructure Program – COVID-19 Resilience Infrastructure Stream, requesting funding of up to \$900,000 as outlined in the staff report titled, "Investing in Canada Infrastructure Program - COVID-19 Resilience Infrastructure Stream: Thompson Community Centre and Hall Infrastructure Renewals," dated December 18, 2020 from the Director, Facilities and Project Development be endorsed;*
- (2) That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to enter into funding agreements with the government for the aforementioned project should it be approved for funding, as outlined in the staff report titled, "Investing in Canada Infrastructure Program - COVID-19 Resilience Infrastructure Stream: Thompson Community Centre and Hall Infrastructure Renewals," dated December 18, 2020 from the Director, Facilities and Project Development; and*
- (3) That a capital project in the amount of \$900,000 be considered in the 2021 budget process as described in the staff report titled "Investing in Canada Infrastructure Program - COVID-19 Resilience Infrastructure Stream: Thompson Community Centre and Hall Infrastructure Renewals" dated December 18, 2020 from the Director, Facilities and Project Development.*

The City was informed that this funding application of \$900,000 was successful. This will replace \$861,000 funded by the Corporate Provision for the Thompson Community Centre & Hall Infrastructure Renewals upon receipt of the actual grant payment. The remaining \$39,000 of the capital project had already been budgeted to be funded by grant as part of the 2021 Capital Budget.

- c) At the Council meeting on December 6, 2021, Council approved the following:

- (1) That the funding strategy Option 3 and the external borrowing Option C as outlined in the staff report titled "Alternative Sources of Funding Referral Response" be endorsed;*
- (2) That staff be directed to prepare a report for external borrowing of \$95 million for the Steveston Community Centre and Branch Library Capital Project; and*
- (3) That the Consolidated 5 Year Financial Plan (2022-2026) be amended accordingly.*

At the Council meeting on December 15, 2021, Council approved the introduction, first, second and third readings of the Steveston Community Centre and Branch Library Loan Authorization Bylaw No. 10334. Under the Municipal Finance Authority (MFA) Long-Term Borrowing program, MFA is required to withhold one percent (1%) of the gross loan amount as a security against loan default. The one percent is held in trust by the MFA in a Debt Reserve Fund and will be refunded, with interest, at loan expiry. Therefore, in order for the City to receive net loan proceeds of \$95 million for the approved construction budget and contingency budget of the Steveston Community Centre and Branch Library replacement project, a gross loan authorization amount of \$96 million was approved. Net loan proceeds available for use are \$95.04 million from this borrowing.

At the Council meeting on February 14, 2022 the Steveston Community Centre and Branch Library Loan Authorization Bylaw No. 10334 was adopted.

At the Council meeting on May 9, 2022, Council approved the following:

- (1) That a 20-year term \$96 million borrowing with a 20-year amortization period from the Municipal Finance Authority of British Columbia's (MFA's) 2022 Fall Borrowing Session, as authorized through Steveston Community Centre and Branch Library Loan Authorization Bylaw No. 10334, be approved;*
- (2) That the Metro Vancouver Regional District (MVRD) be requested to consent and to include the City of Richmond's 20-year term \$96 million borrowing with a 20-year amortization period in MVRD's Security Issuing Bylaw; and*
- (3) That the Consolidated 5-Year Financial Plan (2022-2026) be amended accordingly.*

Section 165 (7e) of the *Community Charter* requires that proceeds from borrowing be set out separately in the financial plan to clearly present the funding source for the approved capital project.

Therefore, the Transfers section is amended to include Proceeds from Borrowing of \$95,040,000 to fund the previously approved capital project.

In addition, estimated debt interest and debt principal payments are included for the years 2024-2027 funded by sources other than taxation, resulting in no additional tax impact as a result of this debt borrowing.

- d) At the Council meeting on December 15, 2021, Council approved the following:
- (1) That the 2022 Community Mural Program Projects as presented in the staff report titled "2022 Community Mural Program Projects," dated November 10, 2021, from the Director, Arts, Culture and Heritage Services, be approved subject to the proposed 2022 Public Art Program capital budget being approved as part of the 2022 budget process and once the Consolidated 5-Year Financial Plan (2022-2026) is adopted by Council; and*
 - (2) That, as the City receives the expected monetary contribution from the community partners as described in the staff report titled "2022 Community Mural Program Projects," dated November 10, 2021, from the Director, Arts, Culture and Heritage Services, the Consolidated 5-Year Financial Plan (2022-2026) be amended accordingly.*

The 2022 Capital Budget – Public Art Program will be increased by \$9,500 funded by the partner contributions for 2022 Community Mural Program Projects.

- e) At the Council meeting on January 24, 2022, Council approved the following:

That the Consolidated 5 Year Financial Plan (2022-2026) be amended accordingly for the scope change as identified in the staff report titled, "Corporate Electric Vehicle Charging Station Installation Scope Increase", dated December 8, 2021, from the Director, Public Works Operations.

The project scope of two Council approved capital projects, namely the "Fleet Electrical Charging Infrastructure Installations" and "Works Yard Electrical Service Upgrade and EV Infrastructure", are amended to expand the original project scope to include the installation of 12 level 2 and 3 level 3 additional charging ports at various City facilities for corporate fleet vehicles.

- f) At the Closed Council meeting held on January 24, 2022, Council approved to increase the Capital Budget – Roads Program by \$100,000 funded by an external funding source.

g) At the Council meeting on February 28, 2022, Council approved the following:

- (1) That staff be authorized to submit an application to the UBCM Poverty Reduction Planning and Action Program as described in the report titled "2022 UBCM Poverty Reduction Planning and Action Program Grant Submission," dated February 1, 2022, from the Director, Community Social Development; and*
- (2) That should the funding application be successful, that the Chief Administrative Officer and the General Manager, Planning and Development be authorized on behalf of the City to enter into an agreement with UBCM for the above mentioned project and that the Consolidated 5 Year Financial Plan (2022–2026) be amended accordingly.*

On April 14, 2022, the City was informed that this funding application was successful. The 2022 Planning and Development Operating Budget will be increased by \$50,000 funded by the Province of BC for the 2022 Poverty Reduction Planning & Action program.

h) At the Council meeting on March 14, 2022, Council approved the following:

- (1) That the City's grant application to the Investing in Canada Infrastructure Program Green Infrastructure Environmental Quality Stream be endorsed;*
- (2) That a capital submission of \$820,000 for drainage infrastructure and capacity enhancement components in Minoru Park be approved from the Drainage Improvement Reserve;*
- (3) Should the application be successful, that the Chief Administrative Officer and the Deputy CAO/General Manager, Community Services be authorized on behalf of the City to enter into an agreement with the Province of British Columbia for the above mentioned project; and*
- (4) That the Consolidated 5 Year Financial Plan (2022-2026) be amended accordingly.*

The 2022 Capital Budget – Drainage Program will be increased by \$820,000 from the Drainage Improvement Reserve for drainage infrastructure and capacity enhancement components in Minoru Park.

Should the grant application to the Investing in Canada Infrastructure Program Green Infrastructure Environmental Quality Stream be successful, the grant funding will be used to fund the project and the corresponding amount will be returned to the Drainage Improvement Reserve.

i) At the Council meeting on April 25, 2022, Council approved the following:

- (1) *That the Solid Waste and Recycling Regulation Bylaw No. 6803, Amendment Bylaw No. 10361, be introduced and given first, second and third readings;*
- (2) *That mercury containing and electronic thermostats be added to the scope of materials accepted at the Richmond Recycling Depot by registering with the Thermostat Recovery Program delivered by the Heating, Refrigeration and Air Conditioning Institute of Canada; and*
- (3) *That the Consolidated 5 Year Financial Plan (2022-2026) be amended accordingly.*

Recycling fee revenue is estimated to increase by \$45,000. Any fees collected will be transferred into the General Solid Waste and Recycling Provision.

During the year, the Consolidated 5 Year Financial Plan Bylaw may require Capital Budget amendments due to external contributions, unanticipated expenditures or contingencies. The amendments are as follows:

- 2 a) i. Increase the scope of existing programs and projects by a total of \$1,764,790 from external funding received or anticipated to be received from various sources including developers, grants, etc. Out of \$1,764,790, \$109,500 is related to Council approved amendments as stated in Section 1d and 1f, and the remaining \$1,655,290 is related to various grants and external contributions that would increase the project scope. The Capital Budget is proposed to be amended as follows:

Capital Programs	Amount
Roads	\$1,166
Infrastructure Advanced Design and Minor Public Works	500
Equipment	89
Public Art	10
Total	\$1,765

- ii. The Consolidated 5 Year Financial Plan includes an estimate of \$10,000,000 in Contingent Capital Grants, which may be received throughout the year for various projects. Spending is only incurred if the funds are confirmed. Once the funds are confirmed, the amount is transferred into the applicable capital program as summarized above. A total of \$1,764,790 has been transferred to the above programs to date.

- b) The 2022 Capital Budget – Parkland Program will be increased by \$991,204 funded by the Industrial Use Reserve through past land disposition for any potential future strategic parkland acquisitions.

- c) The project scope of Garden City Lands - Phase 2 is updated to include site construction activities supporting the ongoing development of the project site.

- 3 The following reallocations within previously approved capital projects are summarized in the following table:

Table 2: Capital Budget Reallocations (in \$000's)

	Program	Transfer From	Transfer To	Amount
3a	Building	Watermania Aging Mechanical and Building Envelope Infrastructure Replacement (2018)	Watermania Mechanical and Pool Equipment Renewals (2022)	95
3b	Vehicle and Building	Electrical Power Capacity Design for Shore Power & Electrical Vehicle Charging (2018)	Works Yard Electrical Service Upgrade and EV Infrastructure (2020)	94
3c	Parks	Parks General Development (2019)	Lang Park Completion (2020)	25
3d	Equipment and Fire Vehicle	Fire Equipment Replacement from Reserve (2020)	Fire Vehicle Replacement Reserve Purchases (2021)	13
3e	Equipment	Workforce Management (2016)	PeopleSoft HCM 9.2 Update (2020)	10
Total Budget Reallocations				\$237

- 4 Budget Amendment Policy 3001 states that changes to salaries be reported to the Finance Committee. The following amendments will result in no net increase to the 2022 Operating Budget:
- Increase the Community Safety Program's salary budget by \$250,000 and operating expenditures budget by \$18,320 funded by a potential grant that is subject to Council endorsement and external approval.
 - Increase the Roads & Construction salary by \$50,000 and operating expenditures budget by \$150,000 funded by Corporate Provision for minor roadwork repairs.
 - Increase Recycling General's utility budget by \$181,937 funded by Recycling Commission Revenue for the Regular Full-Time position of Environmental Programs Manager and auxiliary staff.
 - Reallocate \$170,000 within Building Approval's operating budget from salaries to consulting expenses for plan review.

- e) Reallocate \$153,176 from Parking Enforcement's salary budget and \$11,788 from the operating expenditures budget to Animal Protection Services operating budget for operational support of the new Animal Protection and Shelter building.
 - f) Reallocate \$103,626 from Engineering Planning's salary and \$27,374 from the operating budget to Information Technology Business and Enterprise Systems' salary budget in order to convert the Regular Full-Time Mapping Technologist to Regular Full-Time Systems Analyst.
 - g) Reallocate \$107,980 within Fleet's operating budget from insurance expense to salaries for funding a new Regular Full-Time Fleet Training Assistant position and upgrading the Regular Full-Time Fleet Training Officer position to Fleet Training Manager position.
 - h) Increase the Heritage Sites salary budget by \$100,000 funded by the grant received from the Department of Canadian Heritage for the Museums Assistance Program, Reopening Fund.
 - i) Increase Project Development's salary budget to include a Regular Full-Time Senior Project Manager funded by various capital projects and reallocate \$88,590 salary from Facility Management's salary budget.
 - j) Reallocate \$81,543 salary and operating expenditures budget from Planning and Development (Community Social Development) to Community Services (Recreation and Sport Services) for administration and program support of the Recreation Fee Subsidy Program.
 - k) Increase the Heritage Sites' salary budget by \$5,700 to include auxiliary staff funded by the grant received from National Trust for Canada for the Young Canada Works in Heritage Organizations (Summer Work Experience).
 - l) Convert in the Policing's salary budget a Regular Full-Time Auxiliary Constable Program Coordinator position to Enhanced Digital Field Technician.
- 5 Budget Amendment Policy 3001 states that increases in City's expenditures are only permitted where funding is from sources other than taxation and utility fees. The following amendments to the Operating and Utility Budget are funded by transfer of existing budget resources, or funding from provisions and has no tax impact:
- a) Increase the RCMP operating budget by \$930,604 funded by External Recoveries from YVR for unbudgeted YVR RCMP COVID-19 screening costs.
 - b) Increase the Information Technology operating budget by \$600,000 funded by Corporate Provision for ongoing technology initiatives.
 - c) Increase the Fiscal operating budget by \$350,000 funded by Corporate Admin Stabilizer Provision for employment benefit related expenditures.

- d) Increase the Human Resources operating budget by \$188,000 funded by the Arbitration Provision for arbitration expenses.
- e) Increase the Economic Development operating budget by \$160,000 funded by the MRDT Provision for tourism initiatives.
- f) Increase the Human Resources operating budget by \$150,000 funded by Corporate Provision for recruitment strategy development.
- g) Increase the Drainage operating budget by \$130,000 funded by Corporate Provision for Sidaway processing.
- h) Reallocate \$111,236 expenditure budget and \$104,000 parking revenue budget from Engineering and Public Works (Facility Management) to Community Services (Recreation and Sport Services) for the operation of the Richmond Curling Club facility.
- i) Increase the Sanitary Sewer utility budget by \$98,342 funded by Corporate Provision for pump purchases.
- j) Increase the Sustainability operating budget by \$65,189 funded by the grant received for the Energy Poverty Reduction Toolkit.
- k) Increase the Risk Management operating budget by \$44,940 funded by the grant received from Municipal Insurance Association of British Columbia for Cyber Risk Review.
- l) Increase the Community Social Development operating budget by \$39,750 in 2022 and \$52,250 in 2023 funded by the grant received from the Federal Minister of Housing and Diversity and Inclusion for the Multiculturalism Program.
- m) Increase the Community Services operating budget by \$35,000 funded by the grant received from Vancouver Coastal Health for the Richmond Wellness Strategy.

Financial Impact

The proposed 2022-2026 budget amendments have no tax impact. Additional expenses included in the amended financial plan are funded by external sources or existing appropriations.

Table 3 summarizes the changes to operating and utility revenue and expenses. The Consolidated 5 Year Financial Plan (2022-2026) Amendment is presented in Attachment 1. The Transfers section of the financial plan is amended to include Proceeds from Borrowing to fund the Steveston Community Centre and Branch Library capital project which was previously approved by Council. Estimates for the corresponding debt principal and interest payments for this new debt are included in this plan funded by sources other than taxation.

Table 3 Net Budget – Summary of Changes (in \$000's)		Reference	
Net Budget as at January 24, 2022			\$82,116
Revenue			
1	YVR RCMP Cost Recovery for unbudgeted COVID-19 screening costs	5a	931
2	Community Safety Program potential grant	4a	268
3	Recycling Commission Revenue	4c	182
4	Department of Canadian Heritage Museum Assistance Program, Reopening Fund for Heritage Organizations Grant	4h	100
5	Energy Poverty Reduction Toolkit Funding	5j	65
6	UBCM Poverty Reduction and Action Program Grant	1g	50
7	Increase to Recycling Fee Revenue	1i	45
8	MIABC Grant for Cyber Risk Review	5k	45
9	Ministry of Housing and Diversity and Inclusion – Multiculturalism Program	5l	40
10	Vancouver Coastal Health Wellness Strategy Grant	5m	35
11	National Trust for Canada for the Young Canada Works in Heritage Organizations (Summer Work Experience) Grant	4k	6
12	Reallocation of Richmond Curling Club budget from Facilities to Community Services	5h	-
Total Revenue Amendments			1,767
Expenses			
1	YVR RCMP unbudgeted COVID-19 screening costs (fully recovered)	5a	931
2	Ongoing Information Technology initiatives	5b	600
3	Employment benefit costs	5c	350
4	Community Safety Program potential grant	4a	268
5	Roads & Construction minor repairs	4b	200
6	Human Resources arbitration expenses	5d	188
7	Environment Programs staff	4c	182
8	Tourism Initiatives funded by MRDT provision	5e	160
9	Human Resources recruitment strategy	5f	150
10	Storm Drainage for Sidaway processing	5g	130
11	Department of Canadian Heritage Museum Assistance Program, Reopening Fund for Heritage Organizations	4h	100
12	Sanitary Sewer Utility pump purchases	5i	98
13	Energy Poverty Reduction Toolkit	5j	65
14	UBCM Poverty Reduction and Action Program Grant	1g	50
15	MIABC Grant for Cyber Risk Review	5k	45
16	Ministry of Housing and Diversity and Inclusion – Multiculturalism Program	5l	40

Table 3 Net Budget – Summary of Changes (in \$000's) – continued		Reference	
17	Vancouver Coastal Health Wellness Strategy Grant	5m	35
18	National Trust for Canada for the Young Canada Works in Heritage Organizations (Summer Work Experience) Grant	4k	6
19	Building Approvals budget reallocation for Plan Review	4d	-
20	Reallocate from Parking Enforcement to Animal Protection Services	4e	-
21	Transfer from Engineering to Information Technology for conversion of Mapping Technologist to Systems Analyst	4f	-
22	Reallocation for two Fleet positions	4g	-
23	Senior Project Manager funded by capital projects	4i	-
24	Reallocation from Community Social Development to Recreation and Sport Services for Recreation Fee Subsidy Program	4j	-
25	Conversion of Policing Municipal Employee Job Scope	4l	-
26	Reallocation of Richmond Curling Club budget from Facilities to Community Services	5h	-
Total Expenses Amendments			3,598
NET AMENDMENT			1,831
Total Amended 2022 Net Budget			\$80,285

Table 4 summarizes the changes to the Capital Budget. The Amended Capital Plan for 2022-2026 is presented in Attachment 2 and the Amended Capital Funding Sources are presented in Attachment 3.

Table 4 Capital Budget – Summary of Changes (in \$000's)		Reference	
2022 Capital Budget as at January 24, 2022			\$107,762
Funding source change for Richmond Cultural Centre Annex	1a		-
Funding source change for Thompson Community Centre	1b		-
2022 Community Mural Program Projects	1d, 2a.i		10
Capital Building – Roads Program	1f, 2a.i		100
Drainage Infrastructure Enhancement in Minoru Park	1h		820
Various Grants and External Sources	2a.i		1,655
Contingent External Contributions	2a.ii		(1,765)
Past Land Disposition Proceeds	2b		991
Various Capital Budget Reallocations	3a-e		-
			1,811
			\$109,573

The Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327, Amendment Bylaw No, 10381 is included as Attachment 4.

Conclusion

Staff recommend that Council approve the 2022 Capital, Operating and Utility Budget amendments to the Consolidated 5 Year Financial Plan Bylaw. The proposed 2022 budget amendments have no tax impact. As required in Section 166 of the *Community Charter*, staff will conduct a process of public consultation prior to bylaw adoption, which is anticipated to be July 25, 2022.



Melissa Shiao, CPA, CA
Manager, Financial Planning and Analysis
(604-276-4231)

MS:ey

- Att. 1: Amended Revenue, Expenses and Transfers (2022-2026)
- 2: Amended Capital Funding Sources (2022-2026)
- 3: Amended 5 Year Capital Plan Summary (2022-2026)

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

	2022 Amended Budget	2023 Amended Plan	2024 Amended Plan	2025 Amended Plan	2026 Amended Plan
Revenue:					
Taxation and Levies	268,044	281,090	294,869	306,579	318,350
Utility Fees	124,417	128,053	134,252	141,335	149,022
Sales of Services	45,531	46,180	47,552	48,868	49,963
Other Revenue	14,629	14,773	16,236	17,422	18,389
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
Investment Income	13,165	12,767	12,507	12,208	11,869
Licenses And Permits	11,358	11,591	11,818	12,049	12,285
Provincial and Federal Grants	11,292	10,097	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
	606,497	626,358	655,889	668,765	683,372
Expenses:					
Community Safety	137,198	137,593	141,686	145,853	150,194
Engineering and Public Works	81,488	81,166	82,302	83,534	84,796
Community Services	71,855	68,110	69,725	71,346	73,012
Finance and Corporate Services	27,002	25,706	26,400	27,096	27,813
Planning and Development Services	25,882	25,871	26,381	26,946	27,526
Fiscal	22,733	21,057	22,579	24,226	25,336
Corporate Administration	10,966	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	5,517	4,679	3,840	3,840
Utility Budget					
Water Utility	49,606	51,150	54,137	57,564	61,291
Sanitary Sewer Utility	41,404	42,969	45,782	49,030	52,571
Sanitation and Recycling	23,676	22,889	23,371	23,864	24,367
Richmond Olympic Oval Corporation	16,290	16,770	17,142	17,424	17,650
Richmond Public Library	11,130	11,099	11,363	11,634	11,913
	526,212	524,957	541,059	558,323	576,742
Annual Surplus	80,285	101,401	114,830	110,442	106,630

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

	2022 Amended Budget	2023 Amended Plan	2024 Amended Plan	2025 Amended Plan	2026 Amended Plan
Transfers:					
Debt Principal	5,570	9,550	9,877	3,948	4,047
Transfer To Reserves	78,319	80,638	83,449	84,708	87,773
Transfer To (From) Surplus	(10,219)	542	4,630	13,878	14,343
Capital Expenditures - Current Year	109,573	106,482	144,544	130,463	114,453
Capital Expenditures - Prior Years	237,364	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	(305,353)	(256,911)	(252,302)	(218,024)	(190,534)
Proceeds from Borrowing	(95,040)	-	-	-	-
Transfers/Amortization offset:	80,285	101,401	114,830	110,442	106,630
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	3.86%	3.88%	3.92%	2.99%	2.87%

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

	2022 Amended	2023	2024	2025	2026
DCC Reserves					
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	10,833	10,140	14,998	14,670	13,179
Child Care	260	260	260	260	260
Drainage Improvement	13,410	15,281	41,905	33,374	30,650
Equipment Replacement	5,399	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	\$63,900	\$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	\$109,573	\$106,482	\$144,544	\$130,463	\$114,453

CITY OF RICHMOND
AMENDED 5 YEAR CAPITAL PLAN SUMMARY (2022-2026)
(In \$000's)

	2022 Amended	2023	2024	2025	2026
Infrastructure Program					
Roads	18,313	17,652	22,807	18,512	14,717
Drainage	13,033	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	4,930	5,280	4,130	5,130	7,060
Total Infrastructure Program	\$50,092	\$54,597	\$88,575	\$77,315	\$63,792
Building Program					
Building	21,164	16,715	7,200	2,000	17,500
Heritage	354	-	10,800	16,000	-
Total Building Program	\$21,518	\$16,715	\$18,000	\$18,000	\$17,500
Parks Program					
Parks	3,492	4,710	4,850	4,280	2,900
Parkland	4,991	4,000	4,000	4,000	4,000
Total Parks Program	\$8,483	\$8,710	\$8,850	\$8,280	\$6,900
Public Art Program	\$210	\$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	4,414	4,071	4,307	4,109	2,043
Fire Vehicle	2,034	1,258	-	52	1,682
Information Technology	3,282	539	554	570	619
Equipment	951	581	582	802	582
Total Equipment Program	\$10,681	\$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	\$8,235	\$10,000	\$10,000	\$10,000	\$10,000
Total Capital Program	\$109,573	\$106,482	\$144,544	\$130,463	\$114,453



**Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327,
Amendment Bylaw No. 10381**

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B", and Schedule "C" of the Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327, are deleted and replaced with Schedule "A", Schedule "B", and Schedule "C" attached to and forming part of this amendment bylaw.
2. This Bylaw is cited as "**Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327, Amendment Bylaw No. 10381**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE A:

CITY OF RICHMOND

CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)

AMENDED REVENUE AND EXPENSES

(In \$000's)

	2022 Amended Budget	2023 Amended Plan	2024 Amended Plan	2025 Amended Plan	2026 Amended Plan
Revenue:					
Taxation and Levies	268,044	281,090	294,869	306,579	318,350
Utility Fees	124,417	128,053	134,252	141,335	149,022
Sales of Services	45,531	46,180	47,552	48,868	49,963
Other Revenue	14,629	14,773	16,236	17,422	18,389
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
Investment Income	13,165	12,767	12,507	12,208	11,869
Licenses And Permits	11,358	11,591	11,818	12,049	12,285
Provincial and Federal Grants	11,292	10,097	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
	606,497	626,358	655,889	668,765	683,372
Expenses:					
Community Safety	137,198	137,593	141,686	145,853	150,194
Engineering and Public Works	81,488	81,166	82,302	83,534	84,796
Community Services	71,855	68,110	69,725	71,346	73,012
Finance and Corporate Services	27,002	25,706	26,400	27,096	27,813
Planning and Development Services	25,882	25,871	26,381	26,946	27,526
Fiscal	22,733	21,057	22,579	24,226	25,336
Corporate Administration	10,966	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	5,517	4,679	3,840	3,840
Utility Budget					
Water Utility	49,606	51,150	54,137	57,564	61,291
Sanitary Sewer Utility	41,404	42,969	45,782	49,030	52,571
Sanitation and Recycling	23,676	22,889	23,371	23,864	24,367
Richmond Olympic Oval Corporation	16,290	16,770	17,142	17,424	17,650
Richmond Public Library	11,130	11,099	11,363	11,634	11,913
	526,212	524,957	541,059	558,323	576,742
Annual Surplus	80,285	101,401	114,830	110,442	106,630

SCHEDULE A (CONT'D):

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

	2022	2023	2024	2025	2026
	Amended Budget	Amended Plan	Amended Plan	Amended Plan	Amended Plan
Transfers:					
Debt Principal	5,570	9,550	9,877	3,948	4,047
Transfer To Reserves	78,319	80,638	83,449	84,708	87,773
Transfer To (From) Surplus	(10,219)	542	4,630	13,878	14,343
Capital Expenditures - Current Year	109,573	106,482	144,544	130,463	114,453
Capital Expenditures - Prior Years	237,364	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	(305,353)	(256,911)	(252,302)	(218,024)	(190,534)
Proceeds from Borrowing	(95,040)	-	-	-	-
Transfers/Amortization offset:	80,285	101,401	114,830	110,442	106,630
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	3.86%	3.88%	3.92%	2.99%	2.87%

SCHEDULE B:

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

	2022 Amended	2023	2024	2025	2026
DCC Reserves					
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	10,833	10,140	14,998	14,670	13,179
Child Care	260	260	260	260	260
Drainage Improvement	13,410	15,281	41,905	33,374	30,650
Equipment Replacement	5,399	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	\$63,900	\$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
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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	\$109,573	\$106,482	\$144,544	\$130,463	\$114,453

SCHEDULE C:

**CITY OF RICHMOND
 CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
 AMENDED 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	51.8%
User Fees	24.0%
Sales of Services	8.8%
Payments in Lieu of Taxes	2.8%
Gaming Revenue	2.8%
Investment Income	2.5%
Licenses and Permits	2.2%
Provincial and Federal Grants	2.2%
Other	2.9%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

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

Distribution of Property Taxes

Table 2 provides the 2022 distribution of property tax revenue among the property classes.

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 2022 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	57.09%
Business (6)	32.93%
Light Industry (5)	7.96%
Others (2,3,4,8 & 9)	2.02%
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*.