



Consolidated 5 Year Financial Plan (2020-2024) Bylaw No. 10119

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B" and Schedule "C" which are attached and form part of this bylaw, are adopted as the Consolidated 5 Year Financial Plan (2020-2024).
2. 5 Year Consolidated Financial Plan (2019-2023) Bylaw 9979 and all associated amendments are repealed.
3. This Bylaw is cited as **"Consolidated 5 Year Financial Plan (2020-2024) Bylaw No. 10119"**.

FIRST READING

DEC 09 2019

SECOND READING

DEC 09 2019

THIRD READING

DEC 09 2019

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept. <i>JC</i>
APPROVED for legality by Solicitor <i>LS</i>

MAYOR

CORPORATE OFFICER

SCHEDULE A:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2020-2024)
REVENUE AND EXPENSES
(In \$000's)**

	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan
Revenue:					
Taxation and Levies	243,990	255,518	266,970	280,324	293,474
User Fees	115,210	121,447	128,203	135,460	143,422
Sales of Services	43,876	44,165	44,701	45,247	45,803
Investment Income	18,562	19,190	19,754	20,256	20,695
Payments In Lieu Of Taxes	14,841	14,989	15,139	15,290	15,443
Gaming Revenue	14,500	14,500	14,500	14,500	14,500
Other Revenue	14,075	14,122	16,263	18,409	18,902
Licenses And Permits	11,435	11,657	11,884	12,116	12,352
Provincial and Federal Grants	9,264	9,368	9,439	9,511	9,584
Developer Contributed Assets	50,000	50,000	50,000	50,000	50,000
Development Cost Charges	29,111	20,493	17,984	15,802	16,910
Other Capital Funding Sources	16,274	15,028	15,191	14,005	13,150
	581,138	590,477	610,028	630,920	654,235
Expenses:					
Community Safety	119,800	124,044	127,353	131,159	135,038
Engineering and Public Works	78,746	77,243	78,804	80,034	81,423
Community Services	71,956	68,236	71,559	73,184	74,820
Finance and Corporate Services	25,637	23,996	24,525	25,131	25,747
Planning and Development Services	24,286	23,913	24,386	24,934	25,538
Fiscal	22,507	21,016	21,959	24,810	27,847
Corporate Administration	13,977	13,817	14,135	14,521	14,917
Debt Interest	1,677	1,677	1,677	1,677	838
Utility Budget					
Water Utility	46,397	49,427	53,234	57,435	62,101
Sanitary Sewer Utility	37,540	40,135	42,614	45,310	48,240
Sanitation and Recycling	20,826	20,170	20,576	20,999	21,432
Richmond Public Library	11,095	11,052	11,269	11,533	11,805
Richmond Olympic Oval Corporation	17,120	17,409	17,736	18,104	18,481
	491,564	492,135	509,827	528,831	548,227
Annual Surplus	89,574	98,342	100,201	102,089	106,008

SCHEDULE A (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2020-2024)
TRANSFERS
(In \$000's)**

	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan
Transfers:					
Debt Principal	5,149	5,355	5,570	5,792	6,024
Transfer To (From) Reserves	76,756	79,241	81,833	84,512	87,319
Transfer To (From) Surplus	(20,532)	(7,184)	1,153	3,698	3,256
Capital Expenditures - Current Year	157,002	213,275	118,370	103,759	109,631
Capital Expenditures - Prior Years	308,609	114,470	75,154	41,819	41,819
Capital Expenditures - Developer Contributed Assets	50,000	50,000	50,000	50,000	50,000
Capital Expenditures - Richmond Public Library	892	892	892	892	892
Capital Expenditures - Richmond Olympic Oval Corporation	1,721	1,970	2,215	2,236	2,548
Capital Funding	(490,023)	(359,677)	(234,986)	(190,619)	(195,481)
Transfers/Amortization offset:	89,574	98,342	100,201	102,089	106,008
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	4.98%	3.91%	3.70%	4.25%	3.99%

SCHEDULE B:

CITY OF RICHMOND
5 YEAR FINANCIAL PLAN
CAPITAL FUNDING SOURCES (2020-2024)
(In \$000's)

	2020	2021	2022	2023	2024
DCC Reserves					
Drainage DCC	-	1,510	-	-	2,144
Park Development DCC	6,330	3,907	1,647	1,787	1,740
Park Land Acquisition DCC	5,964	5,964	5,964	5,964	5,964
Roads DCC	13,152	8,478	8,047	8,051	5,731
Sanitary DCC	3,527	-	1,428	-	658
Water DCC	138	634	898	-	673
Total DCC	\$29,111	\$20,493	\$17,984	\$15,802	\$16,910
Statutory Reserves					
Affordable Housing	925	725	725	725	725
Capital Building and Infrastructure	16,288	72,527	6,800	13,700	10,550
Capital Reserve	16,050	45,691	28,979	8,575	14,010
Capstan Station	28,000	-	-	-	-
Child Care	170	172	174	177	179
Drainage Improvement	12,415	13,552	14,577	15,603	23,286
Equipment Replacement	3,655	3,392	3,310	4,833	4,066
Leisure Facilities	-	4,934	-	-	-
Public Art Program	695	150	150	150	150
Rate Stabilization	-	1,320	-	-	-
Sanitary Sewer	11,886	12,850	14,641	14,620	11,542
Watermain Replacement	10,590	8,820	8,466	8,407	8,480
Total Statutory Reserves	\$100,674	\$164,133	\$77,822	\$66,790	\$72,988
Other Sources					
Enterprise Fund	125	550	550	550	-
Grant and Developer Contribution	16,274	15,028	15,191	14,005	13,150
Other Sources	9,368	12,221	6,248	5,862	5,883
Sewer Levy	350	100	-	50	50
Solid Waste and Recycling	450	300	300	300	300
Water Levy	650	450	275	400	350
Total Other Sources	\$27,217	\$28,649	\$22,564	\$21,167	\$19,733
Total Capital Program	\$157,002	\$213,275	\$118,370	\$103,759	\$109,631

SCHEDULE C:

**CITY OF RICHMOND
 CONSOLIDATED 5 YEAR FINANCIAL PLAN (2020-2024)
 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 2020.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	50.2%
User Fees	23.7%
Sales of Services	9.0%
Investment Income	3.8%
Payments in Lieu of Taxes	3.1%
Gaming Revenue	3.0%
Licenses and Permits	2.4%
Provincial and Federal Grants	1.9%
Other	2.9%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2020-2024)
STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the 2019 distribution of property tax revenue among the property classes. 2020 estimated roll figures will be received in March 2020.

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 2019 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	56.58%
Business (6)	35.04%
Light Industry (5)	6.52%
Others (2,3,4,8 & 9)	1.86%
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*.