



Consolidated 5 Year Financial Plan (2021-2025) Bylaw No. 10239

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 (2021-2025).
2. Revised Consolidated 5 Year Financial Plan (2020-2024) Bylaw No. 10183 and all associated amendments are repealed.
3. This Bylaw is cited as **"Consolidated 5 Year Financial Plan (2021-2025) Bylaw No. 10239"**.

FIRST READING

SECOND READING

THIRD READING

ADOPTED

FEB 22 2021

FEB 22 2021

FEB 22 2021



MAYOR

CORPORATE OFFICER

SCHEDULE A:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2021-2025)
REVENUE AND EXPENSES
(In \$000's)**

	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan
Revenue:					
Taxation and Levies	255,366	266,440	280,190	293,873	306,025
Utility Fees	117,674	120,694	124,455	130,336	137,027
Sales of Services	40,000	41,747	43,904	46,054	46,626
Investment Income	13,290	13,043	13,043	12,777	13,576
Payments In Lieu Of Taxes	12,142	13,378	13,041	13,168	13,425
Gaming Revenue	-	5,750	10,875	13,050	14,500
Other Revenue	14,346	14,275	15,900	17,437	17,709
Licenses And Permits	11,403	11,446	11,681	11,899	12,120
Provincial and Federal Grants	10,855	10,227	10,337	10,438	10,602
Developer Contributed Assets	61,479	61,479	61,479	61,479	61,479
Development Cost Charges	24,669	18,436	18,508	19,950	14,675
Other Capital Funding Sources	14,464	16,215	14,975	16,513	14,846
	575,688	593,130	618,388	646,974	662,610
Expenses:					
Community Safety	127,108	128,188	131,969	135,957	140,163
Engineering and Public Works	82,832	82,015	84,341	86,591	88,711
Community Services	73,609	71,675	73,945	76,197	78,709
Finance and Corporate Services	26,015	24,986	25,686	26,354	27,035
Planning and Development Services	24,409	24,458	25,038	25,631	26,243
Fiscal	20,839	19,086	22,189	24,505	24,817
Corporate Administration	10,523	10,723	11,028	11,339	11,658
Legal and Legislative Services	4,926	3,962	4,083	4,206	4,334
Debt Interest	1,677	1,677	1,677	1,677	-
Utility Budget					
Water Utility	48,071	49,298	51,197	54,235	57,715
Sanitary Sewer Utility	39,424	40,471	42,041	44,620	47,567
Sanitation and Recycling	22,290	21,615	22,108	22,562	23,025
Richmond Public Library	11,198	10,953	11,214	11,476	11,744
Richmond Olympic Oval Corporation	14,844	15,512	16,221	17,120	17,462
	507,765	504,619	522,737	542,470	559,183
Annual Surplus	67,923	88,511	95,651	104,504	103,427

SCHEDULE A (CONT'D):

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2021-2025)
TRANSFERS
(In \$000's)

	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan
Transfers:					
Debt Principal	5,355	5,570	5,792	6,025	-
Transfer To (From) Reserves	64,560	67,145	73,010	77,665	86,836
Transfer To (From) Surplus	(19,646)	2,626	4,845	5,833	8,549
Capital Expenditures - Current Year	104,923	218,226	103,710	134,985	110,019
Capital Expenditures - Prior Years	166,416	106,627	69,491	41,008	20,123
Capital Expenditures - Developer					
Contributed Assets	61,479	61,479	61,479	61,479	61,479
Capital Expenditures - Richmond Public Library	742	742	742	742	742
Capital Expenditures - Richmond Olympic Oval Corporation	818	1,422	1,670	1,748	2,066
Capital Funding	(316,724)	(375,326)	(225,088)	(224,981)	(186,387)
Transfers/Amortization offset:	67,923	88,511	95,651	104,504	103,427
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	5.68%	3.36%	4.22%	3.95%	3.20%

SCHEDULE B:

**CITY OF RICHMOND
5 YEAR FINANCIAL PLAN
CAPITAL FUNDING SOURCES (2021-2025)
(In \$000's)**

DCC Reserves	2021	2022	2023	2024	2025
Drainage DCC	1,521	-	990	2,144	990
Park Development DCC	5,690	1,881	1,928	1,129	2,304
Park Land Acquisition DCC	6,905	5,964	5,964	5,964	3,762
Roads DCC	10,194	9,059	9,627	8,964	6,899
Sanitary DCC	-	-	-	1,436	103
Water DCC	360	1,532	-	312	617
Total DCC	\$ 24,670	\$ 18,436	\$ 18,509	\$ 19,949	\$ 14,675
Statutory Reserves					
Affordable Housing	1,175	925	925	925	925
Capital Building and Infrastructure	5,820	60,527	13,700	14,250	6,600
Capital Reserve	13,413	69,807	11,584	32,430	26,370
Child Care	166	174	177	179	182
Drainage Improvement	11,351	15,540	13,368	22,296	18,180
Equipment Replacement	3,962	3,310	4,833	4,066	2,685
Leisure Facilities	-	4,934	-	-	-
Neighbourhood Improvement	78	-	-	-	-
Public Art Program	150	150	150	150	150
Sanitary Sewer	5,585	6,400	8,500	8,724	9,288
Watermain Replacement	7,207	7,750	7,808	7,125	7,789
Total Statutory Reserves	\$ 48,907	\$ 169,517	\$ 61,045	\$ 90,145	\$ 72,169
Other Sources					
Enterprise Fund	215	550	550	550	550
Grant and Developer Contribution	14,464	16,215	14,975	16,513	14,846
Other Sources	11,681	11,647	5,795	5,842	5,893
Rate Stabilization	2,700	-	800	-	-
Sewer Levy	150	-	50	50	150
Solid Waste and Recycling	350	300	300	300	300
Water Levy	1,786	1,561	1,686	1,636	1,436
Total Other Sources	\$ 31,346	\$ 30,273	\$ 24,156	\$ 24,891	\$ 23,175
Total Capital Program	\$ 104,923	\$ 218,226	\$ 103,710	\$ 134,985	\$ 110,019

SCHEDULE C:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2021-2025)
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 2021.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	53.7%
User Fees	24.8%
Sales of Services	8.4%
Investment Income	2.8%
Payments in Lieu of Taxes	2.6%
Gaming Revenue	-%
Licenses and Permits	2.4%
Provincial and Federal Grants	2.3%
Other	3.0%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2021-2025)
STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the 2020 distribution of property tax revenue among the property classes. 2021 Revised Roll figures will be received in late March 2021.

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 2020 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	56.53%
Business (6)	34.64%
Light Industry (5)	6.80%
Others (2,3,4,8 & 9)	2.03%
Total	100.00%

Permissive Tax Exemptions

Objective:

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

Policy:

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