



**5 Year Financial Plan (2013-2017) Bylaw 8990
Amendment Bylaw 9060**

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B" and Schedule "C" of the 5 Year Financial Plan (2013-2017) Bylaw 8990, 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 "**5 Year Financial Plan (2013 - 2017) Bylaw 8990, Amendment Bylaw 9060**".

FIRST READING

NOV 12 2013

SECOND READING

NOV 12 2013

THIRD READING

NOV 12 2013

ADOPTED

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

MAYOR

CORPORATE OFFICER

CITY OF RICHMOND
5 YEAR AMENDED FINANCIAL PLAN (2013 – 2017)
(in 000's)

	2013 Amended	2014	2015	2016	2017
Revenues					
Property Taxes	174,825	181,481	188,176	194,641	201,023
Transfer from Capital Equity	43,185	43,085	43,161	43,539	44,819
Utilities	90,940	97,101	103,095	108,625	113,876
Transfer from Capital Equity	6,621	6,504	6,387	6,309	6,220
Fees and Charges	26,878	27,080	27,479	27,889	28,311
Investment Income	16,199	16,279	16,361	16,443	16,525
Grant-in-lieu	13,199	13,199	13,199	13,199	13,199
Gaming Revenue	12,364	12,394	12,436	12,475	12,516
Grants	4,739	4,556	4,556	4,556	4,556
Penalties and Interest on Taxes	990	1,010	1,030	1,051	1,072
Miscellaneous Fiscal Earnings	35,026	22,286	22,224	22,568	23,023
Capital Plan					
Transfer from DCC Reserve	20,125	15,159	13,566	11,431	14,501
Transfer from Other Funds and Reserves	62,824	41,362	38,424	43,771	41,491
External Contributions	6,732	650	170	195	195
Proceeds from borrowing	50,000	-	-	-	-
Carryforward Prior Years	97,522	54,142	37,206	32,411	31,009
TOTAL REVENUES	\$662,169	\$536,288	\$527,470	\$539,103	\$552,336
Expenditures					
Utilities	97,724	103,605	109,482	114,934	120,095
Law & Community Safety	85,191	87,218	89,568	91,945	94,328
Community Services	71,053	63,001	64,027	65,160	67,055
Engineering & Public Works	67,316	68,224	69,934	71,658	73,661
Finance and Corporate Services	24,330	24,075	24,447	24,828	25,221
Planning & Development	12,513	12,561	12,789	13,025	13,262
Fiscal	23,237	23,422	24,475	24,360	24,064
Transfer to Funds: Statutory Reserves	32,207	33,955	35,770	37,652	39,598
Corporate Administration	7,926	7,493	7,612	7,733	7,856
Municipal Debt					
Debt Interest	1,114	366	-	-	-
Debt Principal	2,355	1,056	-	-	-
Capital Plan					
Current Year Capital Expenditures	139,681	57,170	52,160	55,397	56,187
Carryforward Prior Years	97,522	54,142	37,206	32,411	31,009
TOTAL EXPENDITURES	\$662,169	\$536,288	\$527,470	\$539,103	\$552,336

CITY OF RICHMOND
5 YEAR AMENDED FINANCIAL PLAN
FUNDING SOURCES (2013 - 2017)
(In 000's)

	2013 Amended	2014	2015	2016	2017
DCC Reserves					
Drainage	2,918	1,344	644	97	4,199
Parks Acquisition	4,232	3,292	3,292	3,292	1,881
Parks Development	3,825	3,104	2,822	2,115	2,085
Roads	7,925	4,349	4,798	3,237	3,237
Sanitary Sewer	238	1,420	1,420	1,310	1,350
Water	987	1,650	590	1,380	1,750
Total DCC Reserves	\$20,125	\$15,159	\$13,566	\$11,431	\$14,502
Reserves and Other Sources					
Statutory Reserves					
Affordable Housing Reserve Fund	7,770	975	975	975	975
Capital Building & Infrastructure Reserve Fund	-	500	-	-	-
Capital Reserve Fund	13,751	12,590	10,781	10,099	9,857
Child Care Development Reserve Fund	924	275	275	275	50
Drainage Improvement Reserve Fund	5,042	6,743	4,172	7,071	9,936
Equipment Replacement Reserve Fund	2,423	3,216	4,022	4,280	2,777
Leisure Facilities Reserve Fund	-	50	-	-	-
Neighbourhood Improvement Reserve Fund	-	17	-	-	-
Public Art Program Reserve Fund	257	100	100	100	100
Sanitary Sewer Reserve Fund	4,048	4,015	3,235	5,585	2,975
Waterfront Improvement Reserve Fund	-	250	-	250	-
Watermain Replacement Reserve Fund	7,500	5,655	6,815	8,065	8,255
Total Reserves	\$41,715	\$34,386	\$30,375	\$36,700	\$34,925
Other Sources					
Appropriated Surplus / Surplus	16,370	3,619	3,619	3,619	3,289
Enterprise	812	350	400	450	0
Utility Levy	1,153	305	1,329	301	575
Library Provision	1,174	1,101	1,101	1,101	1,101
Water Metering Provision	1,600	1,600	1,600	1,600	1,600
Grant, Developer and Comm. Contributions	6,732	650	170	195	195
Proceeds from borrowing	50,000	-	-	-	-
Total Other Sources	\$77,841	\$7,625	\$8,219	\$7,266	\$6,760
TOTAL CAPITAL FUNDING	\$139,681	\$57,170	\$52,160	\$55,397	\$56,187

**City of Richmond
2013-2017 Financial Plan
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%
- 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 tax rate.

Table 1:

Revenue Source	% of Total Revenue*
Property Taxes	67.5%
User Fees & Charges	9.1%
Investment Income	6.7%
Grants in Lieu of Taxes	5.0%
Gaming Revenue	4.7%
Grants	1.8%
Other Sources	5.2%
Total	100.0%

**Total Revenue consists of general revenues*

Table 1 shows the proportion of total general revenue proposed to be raised from each funding source in 2013.

Distribution of Property Taxes

Table 2 provides the estimated 2013 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.
- Continue economic development initiatives to attract businesses to the City of Richmond.

Table 2: (based on the 2013 Completed Roll figures)

Property Class	% of Tax Burden
Residential (1)	53.9%
Business (6)	35.8%
Light Industry (5)	8.6%
Others (2,4,8 & 9)	1.7%
Total	100.0%

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.