



**5 Year Consolidated Financial Plan (2016-2020) Bylaw 9521  
Amendment Bylaw 9616**

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B", and Schedule "C" of the 5 Year Consolidated Financial Plan (2016-2020) Bylaw 9521, 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 Consolidated Financial Plan (2016-2020) Bylaw 9521, Amendment Bylaw 9616**".

FIRST READING

OCT 11 2016



SECOND READING

OCT 11 2016

THIRD READING

OCT 11 2016

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.

APPROVED for legality by Solicitor


\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CORPORATE OFFICER

**SCHEDULE A:**

<b>City of Richmond</b>					
<b>5 Year Consolidated Amended Financial Plan 2016-2020</b>					
<b>Revenue and Expenses</b>					
<b>(In \$000's)</b>					
	2016	2017	2018	2019	2020
	Amended	Amended	Amended		
<b>Revenue:</b>					
Property Taxes	197,965	206,823	215,531	223,666	232,083
User Fees	98,303	102,953	107,361	110,771	115,129
Sales of Services	33,692	34,260	34,854	35,656	36,255
Gaming Revenue	18,088	18,400	18,400	18,400	18,400
Investment Income	14,694	14,694	14,694	14,694	14,694
Payments In Lieu Of Taxes	13,473	13,473	13,473	13,473	13,473
Other Revenue	9,929	9,803	9,906	10,029	10,159
Licenses And Permits	9,184	9,363	9,546	9,741	9,941
Grant Revenue	7,489	7,494	7,613	7,727	7,820
Developer Contributed Assets	55,000	55,000	55,000	55,000	55,000
Development Cost Charges	30,229	15,602	12,137	9,437	9,327
Other Capital Funding Sources	30,923	21,805	10,500	10,440	10,040
	<b>\$518,969</b>	<b>\$509,670</b>	<b>\$509,015</b>	<b>\$519,034</b>	<b>\$532,321</b>
<b>Expenses:</b>					
Law and Community Safety	93,370	94,855	97,383	99,956	102,603
Engineering and Public Works	65,864	64,382	66,067	66,707	67,654
Community Services	59,780	58,343	59,941	61,282	62,540
Finance and Corporate Services	24,301	23,360	23,884	24,441	25,013
Fiscal	14,361	17,730	18,153	16,063	15,950
Debt Interest	1,677	1,677	1,677	1,677	1,677
Corporate Administration	9,059	8,452	8,641	8,843	9,051
Planning and Development Services	14,835	14,502	14,847	15,232	15,627
Utility Budget					
Water Utility	40,469	42,606	44,576	46,168	47,831
Sanitary Sewer Utility	29,746	30,958	32,834	34,405	36,072
Sanitation and Recycling	14,944	15,248	15,557	15,888	16,226
Richmond Public Library	9,754	9,946	10,141	10,349	10,562
Richmond Olympic Oval Corporation	14,890	15,288	15,719	16,131	16,594
Lulu Island Energy Company	1,590	1,524	2,451	2,211	2,647
	<b>394,640</b>	<b>398,871</b>	<b>411,871</b>	<b>419,353</b>	<b>430,047</b>
Annual Surplus	124,329	110,799	97,144	99,681	102,274
<b>Transfers:</b>					
Debt Principal	4,402	4,402	4,402	4,402	4,402
Transfer To Reserves	62,222	64,421	66,707	69,092	71,561
Transfer To (From) Surplus	(555)	8,971	10,089	10,591	11,126
Capital Expenditures - Current Year	146,349	122,935	96,340	85,259	60,065
Capital Expenditures - Prior Years	267,870	211,956	176,060	160,921	153,488
Capital Expenditures - Developer Contributed Assets	55,000	55,000	55,000	55,000	55,000
Capital Funding	(410,959)	(356,886)	(311,454)	(285,584)	(253,368)
	<b>124,329</b>	<b>110,799</b>	<b>97,144</b>	<b>99,681</b>	<b>102,274</b>
<b>Balanced Budget</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Tax Increase</b>	<b>3.11%</b>	<b>2.97%</b>	<b>2.96%</b>	<b>2.97%</b>	<b>2.96%</b>

**SCHEDULE B:**

City of Richmond 5 Year Consolidated Amended Financial Plan 2016-2020 Capital Funding Sources (In \$000's)					
	2016 Amended	2017 Amended	2018 Amended	2019	2020
<b>DCC Reserves</b>					
Drainage DCC	3,354	1,344	-	97	97
Parks DCC	16,570	7,289	5,361	5,643	5,408
Roads DCC	8,492	5,489	4,307	3,384	2,956
Sanitary DCC	582	724	1,943	23	-
Water DCC	1,231	755	527	290	866
<b>Total DCC Reserves</b>	<b>\$30,229</b>	<b>\$15,601</b>	<b>\$12,138</b>	<b>\$9,437</b>	<b>\$9,327</b>
<b>Statutory Reserves</b>					
Affordable Housing Reserve Fund	1,114	625	625	625	625
Capital Building and Infrastructure Reserve Fund	600	-	-	1,000	-
Capital Reserve Fund	39,262	53,202	42,128	29,997	11,701
Child Care	60	50	50	50	50
Drainage Improvement	14,604	7,981	4,748	11,557	8,912
Equipment Replacement Reserve Fund	3,778	4,375	2,945	3,921	3,044
Local Improvement Reserve	1,011	-	-	-	-
Public Art Program	1,120	100	100	100	100
Sanitary Sewer	4,738	4,369	4,909	4,217	4,290
Waterfront Improvement	-	-	250	-	-
Watermain Replacement	7,000	7,873	8,428	7,987	7,902
<b>Total Statutory Reserves</b>	<b>73,287</b>	<b>78,575</b>	<b>64,183</b>	<b>59,454</b>	<b>36,624</b>
<b>Other Sources</b>					
Appropriated Surplus	8,491	5,004	7,649	5,378	3,524
Enterprise Fund	1,202	630	550	550	550
Water Levy/Meter Stabilization	2,217	1,320	1,320	-	-
Grant and Developer Contribution	30,923	21,805	10,500	10,440	10,040
<b>Total Other Sources</b>	<b>42,833</b>	<b>28,759</b>	<b>20,019</b>	<b>16,368</b>	<b>14,114</b>
<b>Total Capital Program</b>	<b>\$146,349</b>	<b>\$122,935</b>	<b>\$96,340</b>	<b>\$85,259</b>	<b>\$60,065</b>

**SCHEDULE C:**

**CITY OF RICHMOND  
5 YEAR CONSOLIDATED AMENDED FINANCIAL PLAN (2016-2020)  
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 2016.

**Table 1:**

Funding Source	% of Total Revenue
Property Taxes	49.1%
User Fees	24.4%
Sales of Services	8.4%
Gaming Revenue	4.5%
Investment Income	3.6%
Payments in Lieu Of Taxes	3.3%
Licenses and Permits	2.3%
Grants	1.9%
Other	2.5%
Total Operating and Utility Funding Sources	100.0%

**SCHEDULE C (CONT'D):**

**CITY OF RICHMOND**  
**5 Year Consolidated AMENDED FINANCIAL PLAN (2016-2020)**  
**STATEMENT OF POLICIES AND OBJECTIVES**

**Distribution of Property Taxes**

Table 2 provides the estimated 2016 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:** (Estimated based on the 2016 Completed Roll figures)

Property Class	% of Tax Burden
Residential (1)	54.6%
Business (6)	35.5%
Light Industry (5)	8.2%
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*.