



Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327

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 (2022-2026).
2. Consolidated 5 Year Financial Plan (2021-2025) Bylaw No. 10239 and all associated amendments are repealed.
3. This Bylaw is cited as "**Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327**".

FIRST READING

DEC 15 2021

SECOND READING

DEC 15 2021

THIRD READING

DEC 15 2021

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept. JC
APPROVED for legality by Solicitor LB

MAYOR

CORPORATE OFFICER

SCHEDULE A:

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

	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan
Revenue:					
Taxation and Levies	268,044	281,090	294,869	306,579	318,350
Utility Fees	124,190	128,053	134,252	141,335	149,022
Sales of Services	44,600	46,180	47,552	48,868	49,963
Investment Income	13,165	12,767	12,507	12,208	11,869
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
Other Revenue	14,629	14,773	16,142	17,232	18,100
Licenses And Permits	11,358	11,591	11,818	12,049	12,285
Provincial and Federal Grants	10,683	10,045	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
	604,730	626,306	655,795	668,575	683,083
Expenses:					
Community Safety	135,999	137,593	141,686	145,853	150,194
Engineering and Public Works	81,335	81,166	82,302	83,534	84,796
Community Services	71,522	68,110	69,725	71,346	73,012
Finance and Corporate Services	26,065	25,706	26,400	27,096	27,813
Planning and Development Services	25,874	25,819	26,381	26,946	27,526
Fiscal	22,383	21,057	22,579	24,226	25,336
Corporate Administration	10,628	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	1,677	1,677	-	-
Utility Budget					
Water Utility	49,606	51,150	54,137	57,564	61,291
Sanitary Sewer Utility	41,306	42,969	45,782	49,030	52,571
Sanitation and Recycling	23,494	22,889	23,371	23,864	24,367
Richmond Public Library	11,130	11,099	11,363	11,634	11,913
Richmond Olympic Oval Corporation	16,290	16,770	17,142	17,424	17,650
	522,614	521,065	538,057	554,483	572,902
Annual Surplus	82,116	105,241	117,738	114,092	110,181

SCHEDULE A (CONT'D):

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

	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan
Transfers:					
Debt Principal	5,570	5,792	6,025	-	-
Transfer To (From) Reserves	78,319	80,638	83,449	86,397	89,462
Transfer To (From) Surplus	(8,388)	8,140	11,390	19,787	20,252
Capital Expenditures - Current Year	107,762	106,482	144,544	130,463	114,453
Capital Expenditures - Prior Years	142,324	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	(303,542)	(256,911)	(252,302)	(218,024)	(190,534)
Transfers/Amortization offset:	82,116	105,241	117,738	114,092	110,181
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	3.86%	3.88%	3.92%	2.99%	2.87%

SCHEDULE B:

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

DCC Reserves	2022	2023	2024	2025	2026
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	9,842	10,140	14,998	14,670	13,179
Child Care	260	260	260	260	260
Drainage Improvement	13,340	15,281	41,905	33,374	30,650
Equipment Replacement	4,649	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	\$ 62,089	\$ 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	\$ 107,762	\$ 106,482	\$ 144,544	\$ 130,463	\$ 114,453

SCHEDULE C:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2022-2026)
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	52.0%
User Fees	24.1%
Sales of Services	8.6%
Investment Income	2.6%
Payments in Lieu of Taxes	2.8%
Gaming Revenue	2.8%
Licenses and Permits	2.2%
Provincial and Federal Grants	2.1%
Other	2.8%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

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

Distribution of Property Taxes

Table 2 provides the 2021 distribution of property tax revenue among the property classes. 2022 Revised Roll figures will be received in late March 2022.

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 2021 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	56.85%
Business (6)	33.50%
Light Industry (5)	7.62%
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*.