



Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429

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 (2023-2027).
2. Consolidated 5 Year Financial Plan (2022-2026) Bylaw No. 10327 and all associated amendments are repealed.
3. This Bylaw is cited as "Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429".

FIRST READING

DEC 12 2022

SECOND READING

DEC 12 2022

THIRD READING

DEC 12 2022

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE A:

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
REVENUE AND EXPENSES
(In \$000's)

	2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan
Revenue:					
Taxation and Levies	287,052	305,455	322,929	342,371	362,527
Utility Fees	133,609	142,747	153,773	165,859	179,544
Sales of Services	48,817	49,979	51,056	52,105	53,097
Other Revenue	16,464	15,977	16,276	17,914	18,062
Payments In Lieu of Taxes	14,650	15,138	15,586	16,062	16,552
Gaming Revenue	14,500	14,500	14,500	14,500	14,500
Investment Income	14,323	14,882	15,320	15,813	16,371
Licenses and Permits	12,195	12,473	12,712	12,967	13,227
Provincial and Federal Grants	11,656	11,002	11,214	11,435	11,663
Developer Contributed Assets	48,745	74,526	48,745	48,745	48,745
Development Cost Charges	20,323	18,961	15,303	10,869	11,387
Other Capital Funding Sources	16,953	19,130	33,338	15,821	15,404
	\$639,287	\$694,770	\$710,752	\$724,461	\$761,079
Expenses:					
Community Safety	141,537	147,047	153,465	159,767	166,094
Community Services	76,202	72,605	74,319	76,203	78,047
Engineering and Public Works	69,235	68,698	69,243	70,755	72,243
Planning and Development Services	33,080	27,943	28,591	29,295	29,987
Finance and Corporate Services	28,361	27,665	28,362	29,125	29,868
Fiscal	28,337	26,502	29,079	30,602	31,819
Debt Interest	5,603	4,765	3,926	3,926	3,926
Corporate Administration	10,741	10,432	10,728	11,050	11,363
Law and Legislative Services	4,794	4,531	4,668	4,818	4,964
Utility Budget					
Water Utility	50,256	53,799	58,548	64,287	70,798
Sanitary Sewer Utility	44,092	47,915	52,722	58,577	65,245
Sanitation and Recycling	24,532	24,606	25,175	25,773	26,386
Flood Protection	16,561	17,561	18,606	18,818	19,037
Richmond Public Library	11,368	11,646	11,930	12,217	12,513
Richmond Olympic Oval Corporation	18,788	19,042	19,351	19,667	19,989
	\$563,487	\$564,757	\$588,713	\$614,880	\$642,279
Annual Surplus	\$75,800	\$130,013	\$122,039	\$109,581	\$118,800

SCHEDULE A (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
TRANSFERS
(In \$000's)**

	2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan
Transfers:					
Debt Principal	9,187	9,538	3,636	3,764	3,895
Transfer To Reserves	81,863	85,259	88,312	91,539	94,958
Transfer from Reserves to fund Operating Reserve Programs:					
Bylaw 8206	(400)	(400)	(400)	(400)	(400)
Bylaw 8877	(210)	(210)	(210)	(210)	(210)
Bylaw 7812 S. 1.1.1 (a)	(525)	(525)	(525)	(525)	(525)
Bylaw 7812 S. 1.1.1 (d)	(50)	(50)	(50)	(50)	(50)
Bylaw 7812 S. 1.1.1 (j)	(170)	(150)	(150)	(150)	(150)
Operating Reserves Funding - Prior Years	(7,036)	-	-	-	-
Transfer To (From) Surplus	(7,225)	10,944	21,047	27,187	32,752
Capital Expenditures - Current Year	131,516	124,615	145,091	123,861	111,963
Capital Expenditures - Prior Years	220,276	248,674	247,297	256,293	258,919
Capital Expenditures - Developer					
Contributed Assets	48,745	74,526	48,745	48,745	48,745
Capital Expenditures - Richmond Public Library	1,050	610	610	610	610
Capital Funding	(401,221)	(422,818)	(431,364)	(441,083)	(431,707)
Transfers/Amortization offset:	\$75,800	\$130,013	\$122,039	\$109,581	\$118,800
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	5.89%	5.37%	4.68%	5.00%	4.92%

SCHEDULE B:
CITY OF RICHMOND
5 YEAR FINANCIAL PLAN
CAPITAL FUNDING SOURCES (2023-2027)
(In \$000's)

DCC Reserves	2023	2024	2025	2026	2027
Park Development DCC	3,292	941	1,552	1,223	1,646
Park Land Acquisition DCC	5,964	5,964	3,762	3,762	3,762
Roads DCC	11,067	9,827	7,766	5,885	5,979
Water DCC	-	2,229	2,224	-	-
Total DCC	\$ 20,323	\$ 18,961	\$ 15,304	\$ 10,870	\$ 11,387
Statutory Reserves					
Capital Building and Infrastructure	20,657	20,400	36,500	32,450	18,050
Capital Reserve	15,001	15,000	14,860	14,981	14,973
Drainage Improvement	18,932	16,833	14,161	15,677	18,096
Equipment Replacement	4,222	4,515	3,071	3,845	5,650
Sanitary Sewer	6,535	5,771	5,775	7,722	5,820
Steveston Road Ends	119	-	-	-	-
Watermain Replacement	9,909	11,205	9,591	9,466	9,555
Total Statutory Reserves	\$ 75,375	\$ 73,724	\$ 83,958	\$ 84,141	\$ 72,144
Other Sources					
Enterprise Fund	650	550	550	205	205
Grant and Developer Contribution	16,953	19,130	33,338	15,820	15,404
Other Sources	15,472	9,119	9,397	10,225	10,564
Rate Stabilization	-	800	-	-	-
Sewer Levy	555	450	712	36	191
Solid Waste and Recycling	300	300	300	300	300
Water Levy	1,888	1,581	1,532	2,264	1,768
Total Other Sources	\$ 35,818	\$ 31,930	\$ 45,829	\$ 28,850	\$ 28,432
Total Capital Program	\$ 131,516	\$ 124,615	\$ 145,091	\$ 123,861	\$ 111,963

SCHEDULE C:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
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 2023.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	51.9%
User Fees	24.2%
Sales of Services	8.8%
Payments in Lieu of Taxes	2.6%
Gaming Revenue	2.6%
Investment Income	2.6%
Licenses and Permits	2.2%
Provincial and Federal Grants	2.1%
Other	3.0%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the 2022 distribution of property tax revenue among the property classes. 2023 Revised Roll figures will be received in late March 2023.

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 2022 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	57.1%
Business (6)	32.9%
Light Industry (5)	8.0%
Others (2,3,4,8 & 9)	2.0%
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*.