



**5 Year Financial Plan (2015-2019) Bylaw No. 9220**

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 5 Year Financial Plan (2015-2019).
2. 5 Year Financial Plan (2014-2018) Bylaw 9100 and all associated amendments are repealed.
3. This Bylaw is cited as "**5 Year Financial Plan (2015-2019) Bylaw No. 9220**".

FIRST READING

MAR 09 2015

SECOND READING

MAR 09 2015

THIRD READING

MAR 09 2015

ADOPTED

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

\_\_\_\_\_  
MAYOR

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

## SCHEDULE A:

**CITY OF RICHMOND**  
**5 YEAR FINANCIAL PLAN (2015-2019)**  
**FUNDING SOURCES/TRANSFERS**  
(In \$000's)

	2015	2016	2017	2018	2019
<b>Operating and Utility Funding Sources</b>					
Property Taxes	\$189,796	\$197,851	\$206,047	\$214,411	\$222,867
Utilities	100,642	103,814	107,852	111,491	115,308
Fees and Charges	32,582	32,982	33,160	33,643	34,122
Gaming Revenue	18,030	18,030	18,030	18,030	18,030
Investment Income	16,228	16,233	16,238	16,248	16,257
Payments in Lieu of Taxes	13,473	13,473	13,473	13,473	13,473
Grants	4,468	4,187	4,206	4,235	4,265
Penalties and Interest on Taxes	1,015	1,015	1,015	1,015	1,015
<b>Total Operating and Utility Funding Sources</b>	<b>\$376,234</b>	<b>\$387,585</b>	<b>\$400,021</b>	<b>\$412,546</b>	<b>\$425,337</b>
<b>Capital Funding Sources</b>					
Transfer from DCC Reserve	\$23,828	\$12,931	\$18,300	\$14,230	\$10,264
Transfer from Other Funds and Reserves	67,058	57,518	49,370	47,361	56,551
External Contributions	2,155	775	375	375	375
Carryforward Prior Years	259,175	222,637	181,352	131,575	116,122
Developer Contributed Assets	55,000	55,000	55,000	55,000	55,000
<b>Total Capital Funding Sources</b>	<b>\$407,216</b>	<b>\$348,861</b>	<b>\$304,397</b>	<b>\$248,541</b>	<b>\$238,312</b>
<b>Total Operating, Utility and Capital Funding Sources</b>	<b>\$783,450</b>	<b>\$736,446</b>	<b>\$704,418</b>	<b>\$661,087</b>	<b>\$663,649</b>
<b>Transfers</b>					
Transfer from Capital Equity	\$49,416	\$48,463	\$52,349	\$56,928	\$57,052
Transfer from Surplus	12,681	2,133	1,966	1,896	1,901
<b>Total Transfers</b>	<b>\$62,097</b>	<b>\$50,596</b>	<b>\$54,315</b>	<b>\$58,824</b>	<b>\$58,953</b>
<b>TOTAL FUNDING SOURCES AND TRANSFERS</b>	<b>\$845,547</b>	<b>\$787,042</b>	<b>\$758,733</b>	<b>\$719,911</b>	<b>\$722,602</b>

## SCHEDULE A (CONT'D):

**CITY OF RICHMOND**  
**5 YEAR FINANCIAL PLAN (2015-2019)**  
**EXPENDITURES/TRANSFERS**  
(In \$000's)

	2015	2016	2017	2018	2019
<b>Expenditures/Transfers</b>					
<b>Utility Budget</b>					
Utilities	\$78,375	\$81,490	\$85,410	\$88,863	\$92,488
Transfer to Drainage Improvement Replacement Reserve	10,411	10,468	10,584	10,771	10,962
Transfer to Watermain Replacement Reserve	7,500	7,500	7,500	7,500	7,500
Transfer to Sanitary Sewer Reserve	4,256	4,256	4,256	4,256	4,256
Transfer to Equipment Replacement Reserve	100	100	100	100	100
Amortization	7,375	7,375	7,375	7,375	7,375
<b>Total Utility Budget</b>	<b>\$108,017</b>	<b>\$111,189</b>	<b>\$115,225</b>	<b>\$118,865</b>	<b>\$122,681</b>
<b>Operating Budget</b>					
Law and Community Safety	\$87,518	\$89,173	\$91,177	\$93,518	\$95,802
Transfer to Equipment Replacement Reserve	983	983	983	983	983
Amortization	2,620	2,620	2,620	2,620	2,620
Community Services	49,573	48,642	50,338	51,325	52,310
Richmond Public Library	8,768	8,632	8,727	8,876	9,027
Transfer to Capital Building & Infrastructure Reserve	252	252	252	252	252
Amortization	5,056	4,104	7,990	12,569	12,693
Engineering and Public Works	39,339	37,836	38,532	39,491	40,419
Transfer to Equipment Replacement Reserve	1,675	1,675	1,675	1,675	1,675
Amortization	22,932	22,932	22,932	22,932	22,932
Finance and Corporate Services	23,829	22,598	22,845	23,242	23,645
Amortization	1,295	1,295	1,295	1,295	1,295
Planning and Development	12,497	12,485	12,709	12,967	13,249
Amortization	923	923	923	923	923
Corporate Administration	8,381	8,235	8,296	8,427	8,560
Fiscal	11,604	11,478	12,717	14,266	15,961
Municipal Debt Interest	1,678	1,678	1,678	1,678	1,678
Municipal Debt Principal	4,232	4,232	4,232	4,232	4,232
Transfer to Capital Building & Infrastructure Reserve	13,704	13,764	15,735	17,779	19,898
Transfer to Capital Reserve	12,990	12,990	12,990	12,990	12,990
Transfer Investment Income to Statutory Reserves	11,250	11,250	11,250	11,250	11,250
Amortization	9,215	9,215	9,215	9,215	9,215
<b>Total Operating Budget</b>	<b>\$330,314</b>	<b>\$326,992</b>	<b>\$339,111</b>	<b>\$352,505</b>	<b>\$361,609</b>
<b>Capital Plan</b>					
Current Year Capital Expenditures	\$93,041	\$71,224	\$68,045	\$61,966	\$67,190
Carryforward Prior Years	259,175	222,637	181,352	131,575	116,122
Developer Contributed Assets	55,000	55,000	55,000	55,000	55,000
<b>Total Capital Plan</b>	<b>\$407,216</b>	<b>\$348,861</b>	<b>\$304,397</b>	<b>\$248,541</b>	<b>\$238,312</b>
<b>TOTAL EXPENDITURES/TRANSFERS</b>	<b>\$845,547</b>	<b>\$787,042</b>	<b>\$758,733</b>	<b>\$719,911</b>	<b>\$722,602</b>
Proposed Property Tax Increase	1.89%	2.98%	2.98%	2.99%	2.96%

**SCHEDULE B:**

**CITY OF RICHMOND  
5 YEAR FINANCIAL PLAN  
CAPITAL FUNDING SOURCES (2015-2019)  
(In \$000's)**

	2015	2016	2017	2018	2019
<b>DCC Reserves</b>					
Drainage	\$644	\$-	\$644	\$3,411	\$97
Parks Acquisition	9,527	3,762	3,762	3,762	3,762
Parks Development	5,250	2,680	2,649	1,364	1,787
Roads	4,855	4,969	10,045	3,634	3,633
Sanitary Sewer	2,648	724	613	1,354	-
Water	904	796	587	705	985
<b>Total DCC Reserves</b>	<b>\$23,828</b>	<b>\$12,931</b>	<b>\$18,300</b>	<b>\$14,230</b>	<b>\$10,264</b>
<b>Statutory Reserves</b>					
Affordable Housing Reserve Fund	\$1,159	\$750	\$750	\$605	-
Capital Building and Infrastructure Reserve Fund	-	600	-	-	1,800
Capital Reserve Fund	11,370	10,692	10,734	13,066	12,574
Child Care Development Reserve Fund	10	50	50	50	50
Drainage Improvement Reserve Fund	10,664	9,895	10,162	6,764	10,458
Equipment Replacement Reserve Fund	2,850	3,336	2,682	2,852	3,140
Neighbourhood Improvement Reserve Fund	240	-	-	-	-
Public Art Program Reserve Fund	408	100	100	100	100
Sanitary Sewer Reserve Fund	6,082	4,996	4,657	3,936	3,890
Waterfront Improvement Reserve Fund	500	250	-	250	-
Watermain Replacement Reserve Fund	7,829	11,427	9,048	8,363	9,025
<b>Total Statutory Reserves</b>	<b>\$41,112</b>	<b>\$42,096</b>	<b>\$38,183</b>	<b>\$35,986</b>	<b>\$41,037</b>
<b>Other Sources</b>					
Appropriated Surplus	\$23,751	\$13,652	\$9,417	\$9,505	\$14,964
Enterprise	875	450	450	550	550
Water Metering Provision	1,320	1,320	1,320	1,320	-
Grant, Developer and Community Contributions	2,155	775	375	375	375
<b>Total Other Sources</b>	<b>\$28,101</b>	<b>\$16,197</b>	<b>\$11,562</b>	<b>\$11,750</b>	<b>\$15,889</b>
<b>TOTAL CAPITAL FUNDING</b>	<b>\$93,041</b>	<b>\$71,224</b>	<b>\$68,045</b>	<b>\$61,966</b>	<b>\$67,190</b>

**SCHEDULE C:**

**CITY OF RICHMOND  
5 YEAR FINANCIAL PLAN (2015-2019)  
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 2015.

**Table 1:**

<b>Funding Source</b>	<b>% of Total Revenue</b>
Property Taxes	50.4%
Utilities	26.7%
Fees and Charges	8.7%
Gaming Revenue	4.8%
Investment Income	4.3%
Payments in Lieu of Taxes	3.6%
Grants	1.2%
Penalties and Interest on Taxes	0.3%
Total Operating and Utility Funding Sources	100.0%

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

**CITY OF RICHMOND  
5 YEAR FINANCIAL PLAN (2015-2019)  
STATEMENT OF POLICIES AND OBJECTIVES**

**Distribution of Property Taxes**

Table 2 provides the estimated 2015 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 2015 Completed Roll figures)

<b>Property Class</b>	<b>% of Tax Burden</b>
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*.



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**To:** Mayor & Councillors  
**From:** Jerry Chong, CA  
Director, Finance  
**Date:** April 9, 2015  
**File:** 03-0970-01/2015-Vol 01  
**Re:** **Results of the Public Consultation on the 5 Year Financial Plan (2015-2019) Bylaw No. 9220**

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The City's 5 Year Financial Plan (2015 - 2019) Bylaw No. 9220, was approved by Council on March 9, 2015 and prior to adoption a process of public consultation must be undertaken.

The Community Charter (section 166) requires a local government to undertake a process of public consultation regarding a proposed financial plan before it is adopted. However, the legislation does not specify the format and it is at the local government's discretion to determine an appropriate method. Public consultation could include meetings, surveys, open houses, use of websites and newspaper ads. Based on past results and Council input, staff increased the amount of time and options in conducting the public consultation as follows:

- This year, staff published a newspaper wrap in the Richmond Review on Wednesday, March 11, 2015 highlighting various divisions, projects in the proposed 5 Year Financial Plan and inviting comments.
- An advertisement was also included in the Richmond Review Friday, March 20, 2015. The following documents were made available on the Let's Talk Richmond website:
  - Summary of 5 Year Financial Plan
  - 5 Year Financial Plan (2015 - 2019) report and bylaw
  - 2015 Capital Budget report
  - 2015 Operating Budget report
  - 2015 Utility Budget report
  - 2015 One-Time Expenditures report
- A news release including a link to the City's 5 Year Financial Plan webpage was posted on the City's website.
- Staff utilized the City's Facebook and Twitter accounts to further raise awareness of the public consultation period.
- Finally, copies were made available at the Information Centre at City Hall.

During the public consultation period, there were 112 visitors to the Let's Talk Richmond website and 44 visitors to the City's website that viewed the 5 Year Financial Plan webpage, for a total of 156 online visitors. Four copies of the financial plan were requested of the City Hall - Information Centre. These statistics are summarized in the following table.

	<b>2015</b>	<b>2014</b>	<b>% Change</b>
Let's Talk Richmond	112	113	(0.88%)
City Website	44	39	12.82%
City Hall - Information Centre	4	1	300.00%
Total Visitors	160	153	4.58%
Comments Received	15	2	650.00%
% of Visitors that left a comment	9.38%	1.31%	

Fourteen comments were received through Let's Talk and one e-mail to [finance@richmond.ca](mailto:finance@richmond.ca) which are summarized in the attachment to this memorandum. The names and contact information have not been disclosed for privacy and protection of identity. Staff have responded to each comment received, where an e-mail address was provided, and the responses are included in the attachment for information purposes.



Jerry Chong, CA  
Director, Finance

JC:ms  
Att. 2  
pc: SMT



**5 Year Financial Plan (2015-2019) Bylaw No. 9220  
Public Consultation Comments and Responses**

#	Comment	Staff Response
1	improve the height of the dykes	<p>The City of Richmond’s existing dikes provide robust flood protection against current ocean and river flood hazards (storm surge and freshet). The City recognizes that climate change induced sea level rise will require dikes to be raised to maintain this protection. However, as sea level rise is expected to occur slowly over many years the City has time to upgrade its dikes incrementally. The current five year plan includes \$6.75M of dike height and width improvements. Additionally, five drainage pump station improvement projects are planned that will include localized dike improvements. While this level of funding is adequate to address current and near term flood risks, additional funding will be required in future decades to address long term sea level rise and fund projects like the Council supported Steveston Island Dike.</p>
2	<p>I think we should be a bit more conservative. If real estate tanks we could end up like Stockton CA USA.</p> <p>We pay our city staff quite handsomely, perhaps not sustainably.</p> <p>I agree with 1% txfer to reserves.</p> <p>I see this in the preamble but missed it in the line-by-line that follows: Alexandra District Energy Utility Expansion Phase 3 When does Alexandra start to generate income for CoR?</p>	<p>Richmond has always been conservative about market conditions when we begin our annual budget process. While real estate prices may fluctuate in the Lower Mainland, many experts feel that the events that ultimately bankrupted Stockton, CA will most likely not take place here due to tighter Canadian mortgage requirements.</p> <p>Compensation is based on research to remain competitive and comparable with similar positions.</p> <p>Alexandra District Energy Utility started to generate income for the City of Richmond since start-up. However, a significant capital investment was made, funded by internal borrowings, therefore income is required to be set aside to repay the capital costs. Based on the current assumptions it is projected that the project investment will be recovered by year 2029.</p>

<p>3</p>	<p>Congratulations on a comprehensive and complex plan. Its difficult to comment in a general sense because of the general size of this plan but I do have a few specific interests and recommendations.</p> <p>Wi Fi in public parks. I cant see how this is necessary and as a user of the internet and cell phone I think users should pay for their own access. One would not expect to have wifi access in a park. Go to starbucks if you want free access, they provide this as an incentive for users to buy coffee. What is our incentive?</p> <p>I don't agree with the investment of read-o-graph boards at the fire hall sites. There is a new one at Steveston and No2 road that doesn't offer anything useful other than risky a distraction for drivers at a busy intersection. You may as well be sitting with your iPhone texting if you are going to engage in reading the read-o-graph board. I dont see this as a good investment of public fundings.</p> <p>Improvements to No 2 road between Steveston Hwy to Dyke. This is well over due and should be started as soon as possible. The area is under serviced by roads</p>	<p>The 2015 Wi-Fi plan is primarily implementing free, public use Wi-Fi hotspot services in City owned facilities such as Community Centres, Arenas and Aquatic Centres. As part of this plan, we are providing services at the following outdoor locations:</p> <ul style="list-style-type: none"> <li>- Britannia Heritage Site</li> <li>- Steveston Park and Town Square</li> <li>- Minoru Park and Athletic Field</li> <li>- Hugh Boyd Park</li> </ul> <p>These outdoor locations have been identified by Community Services as high priority sites based on public inquiries and feedback. Some of these areas are also sites for athletic activities such as soccer tournaments where feedback has been provided that Wi-Fi services would be valued during these events.</p> <p>The purpose of the reader boards are for day to day education as well as community messaging during a disaster event. For example if an area within the community has to be evacuated or is not accessible.</p> <p>During the planning stages of locating and designing the reader boards, the City of Richmond's Transportation Department was involved to ensure that the boards were located and operated to ensure safety. This includes restrictions on the colors used, numbers of messages, size of font and speed of the messages.</p> <p>The upgrade of No. 2 Road between Steveston Hwy and Dyke Road is identified in the 5 Year Financial Plan. Currently, design work is planned to be undertaken in</p>
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	<p>and sidewalks given the density of the population in this area. Bicycles run down this road in groups of 20 or more and one of these days there will be an accident as there is no where for them to move over to and drivers get very impatient with them slowing the traffic. The cross walk between the river trail which crosses the No2 Rd road just before London Landing is an accident waiting to happen. People park their vehicles either on or within a couple of feet of the crosswalk. Kids walking home from School using this crosswalk are required to cross from behind parked vehicles. There is no delineation between traffic and pedestrians around the crosswalk.</p> <p>Project 5475 Upgrades to the IT room at city Hall. This should definitely be done as soon as possible. You cant have out dated UPS Power supplies. This is the heart of the city's IT program and has to be kept current. its just as important as the elevators or the lighting systems at City hall. What's the use of buying new computers if your IT room is at risk of breaking down. False economy??</p>	<p>2016 followed by construction commencing in 2017. The improvements would comprise:</p> <ul style="list-style-type: none"> <li>• intersection improvements at Steveston Hwy and Moncton St (e.g., selective widening and additional turning lane where warranted);</li> <li>• new curb, gutter and sidewalk on the west side between Moncton St and Dyke Road;</li> <li>• new traffic signal at Moncton St-No. 2 Road; and</li> <li>• new off-street shared cycling-walking pathway on the east side from Steveston Hwy to the crosswalk south of Andrews Rd, after which it shifts to the west side to Dyke Road.</li> </ul> <p>The UPS battery system is being refreshed with new batteries. The UPS control system has been tested and it has been determined that it is not essential to replace that component at this time. IT and Facility Services staff test the UPS and generator facilities twice per year to ensure that these components provide the necessary levels of protection to the environment.</p>
4	<p>This 1% to reserves seems good at first glance, but at second glance seems to be an underhanded way to simply increase the budget every year. The first year should be 1%, but then the second year should have the 1% from the year before plus the new 1%. By year 5 we should be putting 5% into those reserves!</p>	<p>Adequate funding needs to be in place for the community facility replacement program and to reduce reliance on new debt. If the 1% to reserves was approved, it would be included in the base budget and any subsequent increases would be added to the base to further increase reserve balances.</p>
	<p>Reply:</p> <p>That is about as clear as mud. So if I imagine that last year I paid \$3300 in taxes, 1% is \$33. So this year I will pay \$3333, \$33 of which is for reserves.</p> <p>Excellent. I believe firmly in saving so as not to go into debt in the future.</p> <p>Then if there is a further 1% increase next</p>	<p>An illustration explaining the 1% transfer to reserves was provided and is included as Attachment 2.</p> <p>As you have stated the annual Transfer to</p>

	<p>year for reserves, how much will go to the reserves. 1% of \$3333, or \$33.33 or last years 1% plus this years 1% which would be \$66.33.</p>	<p>reserve is compounding and the annual tax increase reflects the additional 1%.</p>
	<p>Final reply:</p> <p>Thank you so much. That is exactly what I needed in order to understand!</p>	
5	<p>I am glad that the needed enhancements for the Garden City Lands park are finally being funded.</p>	<p>The current five year plan includes \$7.35M of funding for phases 1 through 5 of the Garden City Lands.</p>
6	<p>We promote Richmond as a city to enjoy outside, what will the city look like in the event of a jet fuel spill in our Fraser River? I would like to see the casino money used towards a legal team to help us stop the jet fuel going up/down the Fraser River. I would like the city to stand behind all the advertisements the councillors and Mayor endorse and stop jet fuel plan.</p>	<p>A letter of support from the Mayor was provided to VAPOR opposing the transport of jet fuel on the Fraser River dated November 18, 2014. In addition, a contribution of \$2,500 towards legal fees for VAPOR's court action was made on November 28, 2014.</p> <p>Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account and towards the cost of policing relating to gaming activities.</p>
7	<p>My concern is that I can't find anything in the capital plan about a new fire hall or other emergency services facilities (or references to if funding is coming from other sources) to cover the proposed VAFFC jet fuel tank farm to be located next to the Riverport entertainment complex. I also can't find anything about roadway improvements to improve the movement of people out of the area in the event of an emergency.</p>	<p>The City of Richmond is engaged in a review of corporate facilities which is expected to be completed in late Q3.</p> <p>Within Law and Community Safety, a study of Fire and Police facilities is underway and will be used as a reference document to the above mentioned corporate report.</p>
8	<p>First no more free bridges like the No2 Road which I believe was paid for through DCC.</p> <p>Second, do not use gambling profits to reduce taxes. Put the money away to build the walls higher around the city so I will not be flooded out or see my property values crash.</p>	<p>Casino funding is not used to reduce taxes. Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account and towards the cost of policing relating to gaming activities.</p>

	<p>More money to the bylaws department. It shouldn't be up to the citizen to report the bylaw violators.</p> <p>Take sustainability seriously. Monster houses are not sustainable.</p>	<p>An additional \$57,000 was approved in the 2015 Operating Budget for Community Bylaws auxiliary staff funding.</p>
9	<p>I did not find a budget to build a public swimming pool for whole year in steveston around. I think we need a place for Kurd and children within walking distance to swim.</p>	<p>Currently, the City is constructing a new major aquatic facility in Minoru Park. At the same time, we will be reviewing aquatic facilities across Richmond and making recommendations to Council for future aquatic facilities and services.</p>
10	<p>I read from the Richmond Review that inputs to the financial plan is welcomed. I'd like to see:</p> <ul style="list-style-type: none"> <li>- Continuous upgrade of existing playground to encourage time away from electronics. Playground equipment needs to cater towards middle-aged school kids too.</li> <li>- Many of the classes from Richmond Recreation Program get full easily. With the new City Centre Community Centre, I hope there will be a lot more classes.</li> <li>- More daytime care facilities for seniors and special needs adults.</li> <li>- The school system cannot take care of special needs people who have reached 18. Nonetheless, parents of these 18-year-old have not reached retirement age and need to work. There is no/not enough facilities to provide a safe, meaningful daytime care for these young adults.</li> <li>- More free parking in Steveston.</li> <li>- More free parking at playground facilities.</li> </ul>	<p>The Parks department agrees with the encouragement of outdoor play and continues to engage the community to develop experiential and creative open spaces and play environments.</p> <p>The City Centre Community Centre will provide additional programming. As well, programming is evaluated and changed to respond to community need at all of our community centres on a seasonal basis.</p>
11	<p>Are sufficient funds dedicated specifically to dike upgrades, and increasing their height and therefore thickness?</p>	<p>The City of Richmond's existing dikes provide robust flood protection against current ocean and river flood hazards (storm surge and freshet). The City recognizes that climate change induced sea level rise will require dikes to be raised to maintain this</p>

	<p>How frequently does our fire truck fleet need replacements and/or additions?</p> <p>I think this is a decent 5 year plan</p>	<p>protection. However, as sea level rise is expected to occur slowly over many years the City has time to upgrade its dikes incrementally. The current five year plan includes \$6.75M of dike height and width improvements. Additionally, five drainage pump station improvement projects are planned that will include localised dike improvements. While this level of funding is adequate to address current and near term flood risks, additional funding will be required in future decades to address long term sea level rise and fund projects like the Council supported Steveston Island Dike.</p> <p>Richmond Fire Rescue manages a fleet of 13 large suppression vehicles. The schedule will replace one fire suppression apparatus per year till 2027, except for the years 2021 and 2025. The replacement schedule follows a guideline of 10 to 15 years for a first response vehicle and potentially an additional 5 years as a reserve (depending on an evaluation) for all large fire suppression apparatus.</p>
12	<p>Keep the annual costs of taxes equal or less than the official BC inflation rate ! No body working in the private sector is getting any raises in income !!!</p>	<p>The increase of 1.89% is the cost associated with providing services to the City of Richmond:</p> <ul style="list-style-type: none"> <li>- 1.19% mandatory senior government related increase</li> <li>- 0.26% same level of service increase</li> <li>- 0.38% increase for services related to Capital</li> <li>- 0.06% additional level expenditures</li> </ul>
13	<p>Hi all, Increase 1.89% per year, do you know what is the real wage increase for 2015? I don't know others, but myself 1.5%. I opposite increase of property tax, city should not make money , should help people save money. You guys should look around to see what is real income who are not working for government people.</p>	<p>The City is required under the Community Charter to prepare a balanced budget, i.e. funding sources must be proposed for planned expenditures.</p> <p>The increase of 1.89% is the cost associated with providing City services.</p>
14	<p>Council needs to conduct an external audit. We need to know how well money is</p>	<p>An external audit is completed annually as required under the Community Charter. The</p>

	<p>currently being spent/managed before we can move forward. Conducting an internal audit is NOT sufficient.</p>	<p>most recently completed audit by KPMG was for the 2013 year and the 2014 audit is expected to be presented to the Finance Committee on May 4, 2015.</p>
<p>15</p>	<p>-An interest bearing long-term investment income account should be created as a place to direct the City's annual gaming revenues as a way of generating income.</p> <p>-Not only financial investments, investments should also include land holdings. We live on an island and land values are only going up.</p> <p>-Similar to the \$10 million/year Capital Budget land acquisition line item, but expanded to include strategic real estate purchases in developing areas.</p> <p>-These ideas were discussed at the March 23rd council meeting, and raised by councillors McNulty, Steves, and Au.</p> <p>-An additional focus should include ESA and ALR farmland acquisitions as a means of banking land that supports community and cultural values.</p>	<p>The City does invest any excess gaming revenue in order to generate investment income.</p> <p>Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council Community Initiatives account and towards the cost of policing relating to gaming activities.</p> <p>The City's land strategy report is forthcoming.</p>

**Illustration of the 1% Transfer to Reserves:**

If we look at the 2015 and 2016 years in the example below, we have Expenses increasing by \$2.00 and Transfer to reserves increasing by 1% or \$0.60 (1% of the 2015 Tax revenue (\$60.00)) in 2016. Our other revenues increase by \$1.00, therefore in order to balance we need to increase Tax revenues by \$1.60 or 2.67%. Of the 2.67% increase, 1 % is due to the increase in Transfer to reserves.

	2015	2016	\$ Change	% Change
Taxation revenue	60.00	61.60	1.60	2.67%
Other revenue	50.00	51.00	1.00	2.00%
	110.00	112.60	2.60	2.36%
Expenses	70.00	72.00	2.00	2.86%
Transfer to reserves	40.00	40.60	0.60	1.50%
	110.00	112.60	2.60	2.36%

If we continue our example for 2017, we have Expenses increasing by \$2.00 and Transfer to reserves increasing by 1% or \$0.62 (1% of the 2016 Tax revenue (\$61.60) is \$0.62). Our other revenues increase by \$1.00, therefore in order to balance we need to increase Tax revenues by \$1.62 or 2.63%. Of the 2.63% increase, approximately 1 % is due to the increase in Transfer to reserves.

	2016	2017	\$ Change	% Change
Taxation revenue	61.60	63.22	1.62	2.63%
Other revenue	51.00	52.00	1.00	1.96%
	112.60	115.22	2.62	2.33%
Expenses	72.00	74.00	2.00	2.78%
Transfer to reserves	40.60	41.22	0.62	1.52%
	112.60	115.22	2.62	2.32%

As you have stated the annual Transfer to reserve is compounding and the annual tax increase reflects the additional 1%.