



**5 Year Consolidated Financial Plan (2017-2021) Bylaw 9663
Amendment Bylaw 9757**

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 (2017-2021) Bylaw 9663, 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 (2017-2021) Bylaw 9663, Amendment Bylaw 9757**".

FIRST READING

OCT 10 2017

SECOND READING

OCT 10 2017

THIRD READING

OCT 10 2017

ADOPTED

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

MAYOR

CORPORATE OFFICER

SCHEDULE A:

City of Richmond Consolidated Financial Plan 2017-2021 Revenue and Expenses (in \$000s)					
	2017	2018	2019	2020	2021
	Amended	Amended	Amended	Amended	Amended
Revenue:					
Property Taxes	206,490	215,335	223,934	232,430	241,226
User Fees	100,718	104,627	108,251	111,910	115,792
Sales of Services	37,106	36,914	37,437	37,915	38,402
Gaming Revenue	18,088	18,088	18,088	18,088	18,088
Investment Income	14,694	14,694	14,694	14,694	14,694
Payments In Lieu Of Taxes	13,860	14,276	14,704	15,146	15,600
Other Revenue	10,363	10,254	10,545	10,847	11,159
Licenses And Permits	9,688	9,773	10,012	10,216	10,426
Grant Revenue	7,788	7,704	7,824	7,911	8,000
Developer Contributed Assets	31,219	30,610	30,610	30,610	30,610
Development Cost Charges	18,933	22,946	21,167	11,683	10,958
Other Capital Funding Sources	14,819	10,525	10,490	10,463	10,463
	483,766	495,746	507,756	511,913	525,418
Expenses:					
Community Safety	96,176	98,176	100,660	102,977	105,304
Engineering and Public Works	69,571	63,645	64,612	65,508	66,455
Community Services	64,064	58,777	61,063	63,224	64,685
Finance and Corporate Services	26,593	24,408	24,983	25,481	25,963
Fiscal	21,323	17,891	17,838	17,766	17,689
Debt Interest	1,677	1,677	1,677	1,677	1,677
Corporate Administration	10,375	9,702	9,916	10,100	10,288
Planning and Development Services	14,985	13,891	14,249	14,592	14,966
Utility Budget					
Water Utility	41,258	42,458	43,977	45,543	47,179
Sanitary Sewer Utility	30,774	32,117	33,879	35,675	37,611
Sanitation and Recycling	15,591	15,223	15,597	15,917	16,252
Library	9,983	10,177	10,413	10,611	10,812
Richmond Olympic Oval Corporation	15,652	15,949	16,253	16,562	16,877
Lulu Island Energy Company	4,473	3,576	3,637	3,691	3,746
	422,495	407,667	418,754	429,324	439,504
Annual Surplus	61,271	88,079	89,002	82,589	85,914
Transfers:					
Debt Principal	4,578	4,761	4,951	5,149	5,355
Transfer To (From) Reserves	66,584	68,906	71,059	73,298	75,622
Transfer To (From) Surplus	(32,811)	(9,469)	(2,498)	(158)	1,382
Capital Expenditures - Current Year	126,159	126,193	112,740	68,807	74,012
Capital Expenditures - Prior Years	258,261	207,063	178,693	170,137	135,109
Capital Expenditures - Developer Contributed Assets	30,610	30,610	30,610	30,610	30,610
Capital Expenditures - Richmond Public Library	1,274	1,274	1,274	1,274	1,274
Capital Expenditures - Lulu Island Energy Company	609	-	-	-	-
Capital Expenditures - Richmond Olympic Oval Corporation	2,670	-	-	-	-
Capital Funding	(396,663)	(341,259)	(307,827)	(266,528)	(237,450)
	61,271	88,079	89,002	82,589	85,914
Balanced Budget	\$0	\$0	\$0	\$0	\$0
Tax Increase	2.95%	2.98%	2.99%	2.99%	2.98%

SCHEDULE B:

CITY OF RICHMOND					
5 YEAR CONSOLIDATED AMENDED FINANCIAL PLAN					
CAPITAL FUNDING SOURCES (2017-2021)					
(In \$000's)					
	2017 Amended	2018	2019	2020	2021
DCC Reserves					
Drainage DCC	-	1,344	-	97	97
Parks DCC	10,097	10,362	10,801	7,757	8,091
Roads DCC	7,008	9,744	8,747	3,005	2,770
Sanitary DCC	1,425	12	1,337	23	-
Water DCC	403	1,484	282	802	-
Total DCC	18,933	22,946	21,167	11,684	10,958
Statutory Reserves					
Affordable Housing	5,035	625	625	625	625
Arts Culture Heritage	893	-	-	-	-
Capital Building and Infrastructure	4,698	-	2,311	-	-
Capital Reserve	28,438	50,400	38,985	13,517	20,416
Capstan Station	-	-	-	-	-
Child Care	120	50	50	50	50
Drainage Improvement	16,021	11,050	11,354	11,393	11,263
Equipment Replacement	4,350	2,596	3,486	2,662	2,110
Neighbourhood Improvement	8	-	-	-	-
Public Art Program	611	100	100	100	100
Sanitary Sewer	6,540	5,383	6,614	5,807	5,070
Waterfront Improvement	-	1,000	-	-	-
Watermain Replacement	6,992	7,483	10,099	6,848	7,317
Total Statutory Reserves	73,706	78,687	73,624	41,002	46,951
Other Sources					
Enterprise Fund	545	550	550	550	550
Grant and Developer Contribution	13,419	10,525	10,490	10,463	10,463
Other Sources	13,531	11,395	6,329	4,582	4,540
Sewer Levy	205	-	-	50	-
Solid Waste and Recycling	300	300	300	300	300
Water Levy	2,020	1,790	280	176	250
Total Other Sources	30,020	24,560	17,949	16,121	16,103
Total Capital Program	122,659	126,193	112,740	68,807	74,012

SCHEDULE C:

**CITY OF RICHMOND
5 YEAR CONSOLIDATED AMENDED FINANCIAL PLAN (2017-2021)
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 2017.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	49.3%
User Fees	24.0%
Sales of Services	8.9%
Gaming Revenue	4.3%
Investment Income	3.5%
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 (2017-2021)
STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the estimated 2017 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.

Table 2: (Estimated based on the 2017 Completed Roll figures)

Property Class	% of Tax Burden
Residential (1)	55.5%
Business (6)	35.3%
Light Industry (5)	7.1%
Others (2,4,8 & 9)	2.1%
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*.