



Finance and Audit Committee

Date: Monday, December 1, 2025

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au (by teleconference)
Councillor Carol Day
Councillor Laura Gillanders
Councillor Kash Heed
Councillor Andy Hobbs
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Michael Wolfe

Call to Order: The Chair called the meeting to order at 4:43 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the Finance and Audit Committee held on November 3, 2025, be adopted as circulated.

CARRIED

RICHMOND PUBLIC LIBRARY

1. **2026 OPERATING AND CAPITAL BUDGETS FOR RICHMOND PUBLIC LIBRARY**

(File Ref. No. 03-0970-25-2026-01/) (REDMS No. 8209786)

Discussion ensued with respect to (i) request for increased investment into the Library's physical collection, including the one-time expenditure request for 2026, (ii) the need to balance both physical and digital collections, and monitor future circulation trends, (iii) increased costs due to the decommissioning of the Cisco phone system and adopting a new phone system, and (iv) the impact of provincial grants no longer being available in 2026.

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As a result of the discussion, staff were requested to provide metrics for the requested investment of \$100,000 into the physical collection in terms of the number of books and circulations.

It was moved and seconded

- (1) *That the 2026 proposed Richmond Public Library budget with a municipal contribution of \$12,642,700, as presented in Attachment 1 from the Chief Librarian and the Secretary of the Board, be approved; and*
- (2) *That the Richmond Public Library request for an additional municipal contribution of \$100,000 for physical collection, from the Chief Librarian and the Secretary of the Board, be included as a recommended item in the report titled “2026 One-Time Expenditures”, dated November 17, 2025, from the Director, Finance.*

CARRIED

RICHMOND OLYMPIC OVAL CORPORATION

2. **RICHMOND OLYMPIC OVAL CORPORATION – 2026 OPERATING AND CAPITAL BUDGETS**

(File Ref. No. 03-1200-09) (REDMS No. 8228489)

Staff provided an overview of the budget noting the concerted effort to reduce administration costs and furthering commitment to transparency.

Discussion ensued with respect to (i) projected capacity and capability for growth, (ii) increase in growth in terms of registration revenues; growth has been significant over the last 10 years, (iii) reduction in administrative costs by 7% primarily due to labour, (iv) Games Operating Trust funding and requirements, and (v) initiatives related to community engagement and accessibility.

It was moved and seconded

That the Richmond Olympic Oval Corporation - 2026 Operating and Capital Budgets report from the Director, Finance, Innovation & Technology, Richmond Olympic Oval Corporation, be received for information.

CARRIED

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FINANCE AND CORPORATE SERVICES DIVISION

3. 2026 PROPOSED CAPITAL BUDGET

(File Ref. No. 03-0970-25-2026-01) (REDMS No. 8201906)

Discussion ensued regarding (i) the accelerated flood protection program and whether new developments contribute towards the raising of dykes, (ii) Richmond Fire Rescue vehicle replacement request and timing of when the new vehicle would be available, (iii) Workforce Management project being separate from the permitting process initiative that was previously approved by Council, (iv) Works Yard Replacement requested and previously approved funding and ability to set aside a portion of funding, with staff noting that of the previously approved \$100 million, \$93 million is remaining in account, (v) provisions, including funds set aside for future commitments and obligations, (vi) clarification that the requested Traffic Video and Communication Program is independent from the Community Safety Cameras, (vii) long-term financial management strategy, the health of reserves, and having the financial stability and flexibility to fund projects, (viii) 1% annual property tax increase to support the Works Yard and other infrastructure projects, (ix) the ability to include an additional facility project as part of the five year financial plan in subsequent years, and the status of an outstanding referral related to adding projects to upcoming budgets, (x) the difference between projects being funded in subsequent years compared to projects falling under the “not recommended” category of 2026 projects, (xi) clarification on specific projects such as Minoru Lakes District Art Plan and London Farm Envelope Restoration, and (xii) implementation of the project related to the Phoenix Net Loft, noting that this item has been pushed to future years.

It was moved and seconded

- (1) *That the 2026 Proposed Capital Budget as presented in Appendix 3 totaling \$245,724,000 be approved; and*
- (2) *That the 2026 Proposed Capital Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030).*

CARRIED

4. 2026 PROPOSED OPERATING BUDGET

(File Ref. No. 03-0985-01) (REDMS No. 8216955)

Staff provided an overview of the proposed Operating Budget for 2026 and referenced the on-table material that was proposing a change to recommendation 1(f) pertaining to the senior level government and other government agency increases (attached to and forming part of these minutes as Schedule 1). It was noted, in light of revised E-Comm estimates, the tax increase was changed to 0.21% for a total of 3.04%.

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Discussion ensued regarding (i) proposed budget includes an estimate for temporary vacancies enabling a one-time reduction, (ii) reduction in gaming revenue projected to be received and not allocating gaming revenue towards policing costs, (iii) the recommended four additional RCMP officers to be covered by surplus and traffic fines, (iv) Richmond Fire Rescue will be bringing forward a long-term resourcing plan in the future, (v) the rationale for not recommending various requests under emerging organizational levels, noting that only the highest priority items were being recommended, (vi) total of various Reserve accounts (\$471 million), and (vii) consideration being given to adding additional items to the emerging organizational levels, such as the other 4 RCMP officer positions, Urban Forestry Labour positions, HR Advisor and several Parks, Recreation and Culture positions.

It was moved and seconded

- (1) *That the 2026 Proposed Operating Budget as presented in Budget Option 2 for a total of 3.28% be approved as outlined below:*
- (a) *A same level of service budget increase of \$3,905,151 after tax growth with a tax increase of 1.19% be approved;*
 - (b) *Ongoing funding for expenditures previously approved by Council totaling \$2,742,450 as presented in Table 13 with a tax increase of 0.84% be approved;*
 - (c) *Emerging organizational additional levels in the amount of \$1,045,361 as presented in Attachments 10, 11, and 12, of the staff report titled 2026 Proposed Operating Budget with a tax increase of 0.32% be approved;*
 - (d) *The Rate Stabilization Account be used to pay for the one-time initial capital costs for the recommended No Tax Impact Positions from Attachment 11 totaling \$75,211 be approved;*
 - (e) *Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$3,271,701 with a tax increase of 1.00% be approved;*
 - (f) *Senior level government and other government agency increase of \$1,479,436 with a tax increase of 0.45% be approved;*
 - (g) *Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,360,000 as presented in Attachment 9 be approved;*
 - (h) *Operating budget impacts from the 2026 Proposed Capital Budget totalling \$101,581 with a tax increase of 0.03% be approved; and*

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- (i) *The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,800,000 resulting in a tax decrease of 0.55% be approved.*
- (2) *That the 2026 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030); and*
- (3) *That item 2 of the Long Term Financial Management Strategy (Council Policy 3707) be amended as follows:*
 - Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, and the Council initiatives account.*

The question on the motion was not called as the following **amendment motion** was introduced:

It was moved and seconded

That the emerging organizational additional levels be amended to fund eight officers in total, with a tax increase of 0.26%.

The question on the amendment motion was not called as discussion ensued with respect to the current compliment of officers and the estimated timeline to realize the increase in officers.

The question on the amendment motion was then called, and it was **DEFEATED** with Mayor Brodie and Cllrs. Au, Day, Gillanders, Heed, Hobbs and Wolfe opposed.

A further **amendment motion** was then introduced as follows:

It was moved and seconded

That the emerging organizational additional levels be amended to fund the Urban Forestry – RFT Labourer 2 (OBI Growth) position, with a tax increase of 0.04%.

The question on the amendment motion was not called as a brief discussion ensued with respect to the merits of the amendment motion.

The question on the amendment motion was then called, and it was **DEFEATED** with Mayor Brodie and Cllrs. Au, Heed, Hobbs, Loo and McNulty opposed.

A further **amendment motion** that the emerging organizational additional levels be amended to fund the HR Advisor – Recruitment – Parks, Recreation and Culture position was introduced, but failed to receive a seconder.

The question on the main motion was then called and it was **CARRIED**.

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5. **2026 ONE-TIME EXPENDITURES**

(File Ref. No. 03-0985-01/) (REDMS No. 8217651)

It was moved and seconded

That the one-time expenditures totaling \$3,504,797 as outlined in Attachment 1 of the 2026 One- Time Expenditures staff report, be approved with funding from the Rate Stabilization Account and included in the Consolidated 5 Year Financial Plan (2026-2030).

CARRIED

LULU ISLAND ENERGY COMPANY

6. **LULU ISLAND ENERGY COMPANY – 2026 OPERATING AND CAPITAL BUDGETS**

(File Ref. No.) (REDMS No.)

It was moved and seconded

That the Lulu Island Energy Company report titled "Lulu Island Energy Company – 2026 Operating and Capital Budgets", dated November 6, 2025 from the Chief Executive Officer and Chief Financial Officer, Lulu Island Energy Company be received for information.

CARRIED

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (7:06 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the Finance and Audit Committee of the Council of the City of Richmond held on Monday, December 1, 2025.

Mayor Malcolm D. Brodie
Chair

Lorraine Anderson
Legislative Services Associate

Date: Dec 1
Meeting: Finance & Audit Comm.
Item: 4
* revised subsection (f)
pgs- FIN 180 + 209



City of Richmond

Report to Committee

To: Finance and Audit Committee
From: Mike Ching, CPA, CMA
Director, Finance
Re: **2026 Proposed Operating Budget**

Date: November 17, 2025
File: 03-0985-01/2025-Vol
01

Staff Recommendations

- (1) That the 2026 Proposed Operating Budget as presented in Budget Option 2 for a total of 3.04% be approved as outlined below:
- (a) A same level of service budget increase of \$3,905,151 after tax growth with a tax increase of 1.19% be approved;
 - (b) Ongoing funding for expenditures previously approved by Council totaling \$2,742,450 as presented in Table 13 with a tax increase of 0.84% be approved;
 - (c) Emerging organizational additional levels in the amount of \$1,045,361 as presented in Attachments 10, 11, and 12, of the staff report titled 2026 Proposed Operating Budget with a tax increase of 0.32% be approved;
 - (d) The Rate Stabilization Account be used to pay for the one-time initial capital costs for the recommended No Tax Impact Positions from Attachment 11 totaling \$75,211 be approved;
 - (e) Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$3,271,701 with a tax increase of 1.00% be approved;
 - (f) Senior level government and other government agency increase of \$700,259 with a tax increase of 0.21% be approved;
 - (g) Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,360,000 as presented in Attachment 9 be approved;
 - (h) Operating budget impacts from the 2026 Proposed Capital Budget totalling \$101,581 with a tax increase of 0.03% be approved; and
 - (i) The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,800,000 resulting in a tax decrease of 0.55% be approved.
- (2) That the 2026 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030); and

Table 17: Proposed Budget Options

Budget Components	Option 1	Option 2	Option 3
	Additional Levels with No Tax Impact with Rate Stabilization	<i>Recommended</i> High Priority Emerging Additional Levels with Rate Stabilization	Emerging Additional Levels with preservation of Rate Stabilization
Same Level of Service	3.01%	3.01%	3.01%
Less: Reduction From Temporary Vacancies	(0.93%)	(0.93%)	(0.93%)
Less: 2026 Tax Growth	(0.89%)	(0.89%)	(0.89%)
Same Level of Service after tax growth (below CPI target of 1.80%)	1.19%	1.19%	1.19%
Previously Approved Expenditures <i>Table 13, page 22</i>	0.84%	0.84%	0.84%
Law and Community Safety Emerging Organizational Additional Level Increases - Budget Option 1 (Attachment 11) - Budget Option 2 and 3 (Attachment 12 # 1 and 4)	0.26%	0.35%	0.35%
Housing Initiatives Emerging Organizational Additional Level Increase (Attachment 12 #5)	-%	0.12%	0.12%
Citywide Emerging Organizational Additional Level Increases (Attachment 12 #2 and 3)	-%	0.11%	0.11%
Mitigated tax impact of Emerging Organizational Additional Level	(0.26%)	(0.26%)	(0.26%)
Investment in Infrastructure Replacement Needs (Transfer to Reserves) <i>page 24</i>	1.00%	1.00%	1.00%
LTFMS Policy: Same Level of Service + Previously Approved Expenditures + Emerging Organizational Additional Levels + 1.00% for Infrastructure Replacement Needs	3.03%	3.35%	3.35%
Senior Government Increases <i>Table 15 page 25</i>	0.21%	0.21%	0.21%
Operating Budget Impacts <i>page 25</i>	0.03%	0.03%	0.03%
Rate Stabilization <i>page 26</i>	(0.55%)	(0.55%)	-
Subtotal of Senior Government Increases, Operating Budget Impacts and Rate Stabilization	(0.31%)	(0.31%)	0.24%
Preliminary 2026 Operating Budget Increase	2.72%	3.04%	3.59%
Annual equivalent tax increase for average residential property	\$64	\$71	\$84