



CITY OF RICHMOND

REPORT TO COUNCIL

TO: Richmond City Council
FROM: Jim Bruce
General Manager, Finance & Corporate Services
RE: **5 Year Financial Plan (2002-2006) Bylaw 7355**

DATE: April 15, 2002

FILE: 0985-01

STAFF RECOMMENDATION

That the 5 Year Financial Plan (2002-2006) Bylaw 7355 be introduced and given first, second and third readings.

A handwritten signature in black ink, appearing to read "Jim Bruce".

Jim Bruce
General Manager Finance & Corporate Services

Att.

STAFF REPORT

ORIGIN

Section 327 of the Local Government Act requires a municipality to adopt a 5 Year Financial Plan bylaw annually before May 15th. This bylaw must be adopted before the Annual Property Tax Rates bylaw is adopted and will become subject to review by City staff and Council on a yearly basis as part of the annual budgeting process.

ANALYSIS

For 2002, the increase in the property tax draw will represent a 4.48% average property tax rate increase over 2001. This has been driven primarily by increases in RCMP policing costs, Provincial downloading in the form of MSP premiums and PST increases and Fire Rescue and City staff salaries as per the respective collective agreements as well as reduced investment income. Some user fees have been increased where financially viable in an effort to minimize tax revenue requirements.

Staff have reviewed the financial and service levels for every department in the City commencing in the Fall of 2001 and every effort has been made to mitigate the tax increases without significantly impacting the present level of services provided. Based on these reviews and the subsequent Council and Committee meetings to discuss the 2002 Operating Budget and the 5 Year Financial Plan, the new 5 Year Financial Plan (2002-2006) fairly represents the City's financial requirements at this point in time.

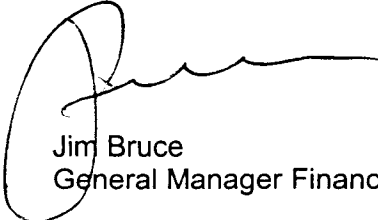
FINANCIAL IMPACT

The average property tax rate increases for the years 2002-2006 are as follows:

2002	4.48%
2003	4.23%
2004	4.93%
2005	4.64%
2006	4.50%

CONCLUSION

That Council introduce and give first, second and third readings to the 5 Year Financial Plan (2002-2006) Bylaw 7355.



Jim Bruce
General Manager Finance and Corporate Services

CITY OF RICHMOND

BYLAW 7355

5 YEAR FINANCIAL PLAN (2002 - 2006)

The Council of the City of Richmond enacts as follows:

1. Schedule "A" which is attached and forms a part of this bylaw, is adopted as the 5 Year Financial Plan (2002 – 2006).
2. 2001 to 2005 – 5 Year Financial Plan Bylaw No. 7225 is repealed.
3. This Bylaw is cited as "5 Year Financial Plan (2002 - 2006) Bylaw 7355".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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

MAYOR

CITY CLERK

SCHEDULE A

CITY OF RICHMOND
5 YEAR FINANCIAL PLAN (2002 - 2006)

	2002 \$	2003 \$	2004 \$	2005 \$	2006 \$
REVENUES					
Property Taxes:	99,609,284	103,824,535	108,942,119	113,997,700	119,128,713
Grants in Lieu of Taxes	9,043,000	9,243,000	9,243,000	9,243,000	9,243,000
Fees & Charges	85,685,400	90,102,462	93,961,693	95,712,945	99,077,514
Other Revenues:					
Provincial Revenue Sharing	2,578,500	1,041,500	1,060,000	560,000	360,000
Fiscal Revenues	4,207,050	4,748,813	4,793,039	4,838,046	4,783,296
Investment Income	3,943,566	3,915,000	3,943,566	3,915,000	3,915,000
Penalties and Interest on Taxes	850,000	885,000	895,000	905,000	915,000
Capital Plan:					
Transfer from DCC Reserve	8,702,663	8,786,443	7,693,938	10,375,925	12,147,288
Transfer From Other Funds and Reserves	23,370,155	18,725,164	18,350,141	17,986,875	54,672,962
TOTAL REVENUES	237,989,618	241,271,917	248,882,497	257,534,491	304,242,774
EXPENDITURES					
Municipal Debt					
Debt Interest	3,018,400	2,988,216	2,988,216	2,988,216	2,988,216
Debt Principal	2,110,400	2,089,296	2,089,296	2,089,296	2,089,296
Divisional Expenditures					
Corporate Administration	1,202,700	1,205,431	1,208,227	1,210,988	1,213,803
Parks, Recreation & Cultural Services	31,940,900	32,156,558	32,504,679	32,907,353	33,204,709
Community Safety	56,331,900	59,165,408	61,357,265	63,565,518	65,644,091
Finance & Corporate Services	15,316,900	14,840,599	15,034,075	15,204,757	15,384,514
Engineering & Public Works	58,934,700	60,969,005	63,294,522	65,844,392	68,487,904
Urban Development	6,880,200	6,946,450	6,978,598	6,997,452	7,021,509
Fiscal	22,921,400	25,239,541	27,749,273	29,778,850	32,706,551
Transfers To Reserves:					
Statutory Reserves	7,259,300	8,159,806	9,634,267	8,584,869	8,681,930
Capital Plan	32,072,818	27,511,607	26,044,079	28,362,800	66,820,250
TOTAL EXPENDITURES	237,989,618	241,271,917	248,882,497	257,534,491	304,242,774
Proposed Property Tax Rate Increase	4.48%	4.23%	4.93%	4.64%	4.50%