



Finance Committee

Anderson Room, City Hall
6911 No. 3 Road

Monday, March 2, 2015

Immediately following the Open General Purposes Committee meeting

Pg. # ITEM

MINUTES

FIN-3 *Motion to adopt the **minutes** of the meeting of the Finance Committee held on Monday, February 2, 2015.*



FINANCE AND CORPORATE SERVICES DIVISION

1. **FINANCIAL INFORMATION – 4TH QUARTER DECEMBER 31, 2014**
(File Ref. No.) (REDMS No. 4497471)

FIN-15

See Page FIN-15 for full report

Designated Speaker: Cindy Gilfillan

STAFF RECOMMENDATION

That the staff report titled Financial Information – 4th Quarter December 31, 2014, from the Director, Finance, be received for information.



RICHMOND OLYMPIC OVAL CORPORATION

2. **4TH QUARTER 2014 – FINANCIAL INFORMATION FOR THE RICHMOND OLYMPIC OVAL CORPORATION**
(File Ref. No.) (REDMS No. 4508001)

FIN-41

See Page **FIN-41** for full report

Designated Speaker: Rick Dusanj

STAFF RECOMMENDATION

That the report on Financial Information for the Richmond Olympic Oval Corporation for the fourth quarter ended December 31, 2014 from the Controller of the Richmond Olympic Oval Corporation be received for information.



FINANCE AND CORPORATE SERVICES DIVISION

3. **5 YEAR FINANCIAL PLAN (2015-2019) BYLAW NO. 9220**
(File Ref. No. 03-0970-01; 12-8060-20-009220) (REDMS No. 4503515 v. 6)

FIN-46

See Page **FIN-46** for full report

Designated Speaker: Jerry Chong

STAFF RECOMMENDATION

That:

- (1) the 5 Year Financial Plan (2015-2019) be approved as presented by the General Manager, Finance and Corporate Services;*
- (2) the 5 Year Financial Plan (2015-2019) Bylaw No. 9220 be introduced and given first, second, and third readings; and*
- (3) staff undertake a process of public consultation as required in Section 166 of the Community Charter.*



ADJOURNMENT





Finance Committee

Date: Monday, February 2, 2015

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au
Councillor Derek Dang
Councillor Carol Day
Councillor Ken Johnston
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Linda McPhail
Councillor Harold Steves

Call to Order: The Chair called the meeting to order at 5:26 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the Finance Committee held on Tuesday, December 2, 2014, be adopted as circulated.

CARRIED

The Chair advised that the order of the agenda would be varied to consider the 2015 Capital Budget prior to the 2015 Operating Budget.

RICHMOND PUBLIC LIBRARY

1. 2015 OPERATING AND CAPITAL BUDGETS FOR RICHMOND PUBLIC LIBRARY

(File Ref. No. 4493749) (REDMS No. 03-0970-25)

In reply to queries from Committee, Greg Buss, Chief Librarian and Secretary to the Board, provided the following information:

1.

Finance Committee

Monday, February 2, 2015

- a decrease in the circulation of print material has resulted in a decline in revenue from late charges and reimbursement from other public libraries whose members borrow materials;
- there are no fines associated with the circulation of digital services;
- the quality of the print collection is declining as a result of reallocating an increasing proportion of the book budget to digital services;
- 92% of the library's circulation is for print material; however, the decline in the circulation of print materials is a result the deterioration of the quality of said collection;
- a \$200,000 ongoing increase to the collections budget is requested to support the growth of the digital collection as currently, this amount is taken annually from the print budget;
- the increase of \$200,000 would ensure that the print collection can be maintained at an adequate level while simultaneously providing sufficient funds to build a strong digital collection;
- the library is on a course of transformation as it makes the shift from providing primarily print based information to a blend of traditional library services and digital services; and
- staffing adjustments have been implemented in an effort to address the budget deficit; also, changes to programming are being examined in an effort to increase revenue.

Discussion took place and a member of Committee remarked that additional information was needed prior to the consideration of the proposed 2015 operating and capital budgets for the Richmond Public Library.

In response to comments made by Committee, Mr. Buss provided a hypothetical example to demonstrate the cost of building up the digital collection: the cost of a hardcopy book is \$20 for both a consumer and a public library; the cost of a digital book is \$15 for a consumer while costing a public library \$110. Mr. Buss remarked that like a hardcopy book, when a digital book is out on loan, the book is not accessible; therefore, multiple digital books are needed.

Mr. Buss stated that the average library sees a book circulation of 15 per capita; since 2009, Richmond's book circulation has decreased from 24 per capita to 20 per capita.

As part of the Library's Strategic and Long Range Plan for 2014-2018, Mr. Buss stated that a number of low cost, low initial investment opportunities will be explored in an effort to increase revenue. Also, he stated that there is still a large demand for hardcopy newspapers and magazines and that the price of digital books will be addressed in concert with other public libraries.

Finance Committee

Monday, February 2, 2015

In reply to further queries from Committee, Mr. Buss advised that Richmond Public Library members may loan up to 10 digital books and 25 print books at once.

Discussion ensued regarding the number of both digital books and print books permitted to be loaned at one time and it was suggested that these numbers be reviewed in an effort to better utilize resources. Also, discussion took place on potential revenue generation opportunities such as implementing a nominal fee for the use of digital materials or increasing the cost of utilizing the 3D printer.

It was moved and seconded

That the 2015 Operating and Capital budgets for Richmond Public Library as presented in the report dated January 19, 2015 from the Chief Librarian and Secretary to the Board be approved with a same level of service municipal contribution of \$8,540,700.

The question on the motion was not called as discussion took place and a member of Committee suggested referring the matter back to staff to examine potential revenue generation options.

In reply to a query from Committee, Andrew Nazareth, General Manager, Finance and Corporate Services, advised that the proposed increases to the 2015 Operating and Capital budgets for the Richmond Public Library are non-discretionary as a result of contractual obligations in the collective agreement and leases.

The question on the motion was then called and it was **CARRIED** with Cllr. Day opposed.

Discussion took place regarding potential revenue generation options, and as a result, the following **referral** was introduced:

It was moved and seconded

That staff work with Richmond Public Library staff on possible strategies to reduce expenses and increase revenue, and report back.

The question on the referral was not called as discussion took place and Committee directed staff to examine the number of books permitted to be loaned at one time as part of the referral. The question on the referral was then called and it was **CARRIED**.

Finance Committee

Monday, February 2, 2015

3. 2015 CAPITAL BUDGET

(File Ref. No. 03-0970-25) (REDMS No. 4468934 v. 12)

Andrew Nazareth, General Manager, Finance and Corporate Services, accompanied by Jerry Chong, Director, Finance, provided background information, noting that the Long Term Financial Management Strategy (LTFMS), created by Council, guides the financial planning process. Mr. Nazareth remarked that a key component of the LTFMS is to ensure that sufficient long term capital funding for infrastructure replacement and renewal is in place in order to maintain community viability and generate economic development. He spoke on the extensive budget review process, noting that the Capital Review Committee reviewed and ranked each project submission for alignment with strategic and master plans, policies and Council priorities; the submissions were then presented to the Senior Management Team and the Chief Administrative Officer.

In reply to queries from Committee, staff provided the following information:

- Figure 1 of the staff report titled “2015 Capital Budget” provides a simplified rendering of the criteria utilized to rank capital submissions;
- the 2014 Capital budget was significantly higher than the proposed 2015 Capital budget as a result of funds allocated towards the Minoru Complex and City Centre Community Centre;
- the proposed 5-Year Finance Plan could be amended to accommodate a future land acquisition opportunity; also, staff are examining the potential to leverage existing properties to increase revenue;
- the replacement of one fire apparatus is anticipated annually up to 2027;
- the 2015 Capital program as it relates to affordable housing includes building up the West Cambie reserve, offsetting costs related to updating the affordable housing strategy, and offsetting the difference in the Kiwanis project disbursement;
- the Utility Reserve has approximately \$50 million of uncommitted funds;
- in consultation with the Richmond Animal Protection Society, the size of the proposed trailer is anticipated to meet the needs of the Richmond Animal Shelter;
- due to contractual obligations, the City is not permitted to advertise in bus shelters; however, should Council wish to do so once the City’s contractual obligations have expired, the proposed non-advertising bus shelters can easily be modified to incorporate advertising infrastructure;
- the Public Works Yard is included in Phase II of the Corporate Facilities Plan;

Finance Committee
Monday, February 2, 2015

- there is no indication that BC Hydro would not provide 1/3 of funding for their portion of work required for undergrounding their infrastructure on Lansdowne Road from Cedarbrige Way to Minoru Boulevard;
- the Richmond Animal Shelter accommodates animals ranging from farm animals to gerbils;
- funds from Development Cost Charges (DCC) are earmarked for specific projects related to sewer, water, drainage and parks;
- a number of projects require internal funding when adequate funding is not available in the respective DCC account; the proposed internal transfers and debt repayments reflect such instances;
- the expenditure of the \$1.87 million surplus from 2014 is subject to Item No. 4 on the agenda;
- approximately 15 existing signalized intersections have been identified for works as part of the Accessible Pedestrian Signal Program; should Council wish to identify a specific location not currently identified, the Director of Transportation is to be contacted;
- the Active Transportation Improvement Program is subsidized with a grant of \$350,000 from the Province and TransLink;
- TransLink contributes annually toward the repaving of the City's Major Road Network;
- the repaving of the City's Non-Major Road Network is funded by the City's Capital budget and contributions from TransLink;
- works on the Gardens Agricultural Park will include the development of walking trails, and community gardens; and
- site specific repairs with regard to uneven sidewalks and wheel chair ramps as a result of service requests by residents are incorporated as part of the City's annual paving program.

It was moved and seconded

- (1) *That the 2015 Capital Budget totalling \$92.5M be approved and staff authorized to commence the 2015 Capital Projects; and*
- (2) *That the Five-Year Financial Plan (2015-2019) be prepared for presentation to Council incorporating the 2015 Capital Budget.*

CARRIED

Opposed: Cllr. Day

FINANCE AND CORPORATE SERVICES DIVISION

2. 2015 OPERATING BUDGET

(File Ref. No. 03-0970-25) (REDMS No. 4469200 v. 6)

Mr. Nazareth advised that the proposed 2015 Operating budget meets the principles of Policy 3016 – Budget and 5-Year Financial Plan Preparation, highlighting that only non-discretionary increases are proposed in addition to the transfer of an additional one per cent to reserves. Mr. Nazareth commented on previously approved Operating Budget Impact (OBI) such as the City Centre Community Centre and the Minoru Complex, and spoke on funding for the City Centre Community Police Station.

In reply to queries from the Chair, Mr. Nazareth stated that the OBI of the City Centre Community Centre was considered as a same level of service and thus was recommended; he noted that other recommendations such as an increase in community bylaws auxiliary staff hours are anticipated to generate revenue, thus resulting in a net gain for the City. Mr. Nazareth advised that if the projected revenues are not realized, the corresponding auxiliary staff hours would be cut.

Discussion took place regarding the annual budget cycle and it was noted that, prior to the presentation of the annual Operating budget before the Finance Committee, an opportunity for Council to obtain additional information and to participate would be constructive. Discussion further ensued and concern was expressed with regard to maintaining current programs at the same level of service as such an approach does not allow for the potential to re-examine service levels to determine value for money.

In response to the discussion, George Duncan, Chief Administrative Officer, spoke of varying levels of service level reviews, noting that a review of the City's services would be a major undertaking and costly.

Cllr. Steves left the meeting (6:45 p.m.)

In reply to queries from Committee, Mr. Chong advised that the proposed 2015 Operating budget is an estimated \$277 million, including amortization expenses. Staff was requested to provide Council with a reconciliation of the proposed 2015 Operating budget.

Discussion further took place regarding the annual budget cycle and an opportunity for Council to participate in the process prior to its presentation before the Finance Committee.

Cllr. Steves returned to the meeting (6:55 p.m.)

Finance Committee

Monday, February 2, 2015

Mr. Chong provided the following information regarding the proposed 2015 Operating budget: (i) non-discretionary items such as salaries and benefits account for 48% of the budget, (ii) RCMP policing costs make up 13% of the budget, (iii) 16% of the budget is transferred to reserves, (iv) 2% of the budget accounts for debt repayment, (v) 8% of the budget accounts for other contracts, and (vi) 5% of the budget accounts for Public Works maintenance.

In reply to queries from Committee, Mr. Nazareth advised that the Media Arts Specialist position is regular full-time, and therefore it requires a sustainable long term funding source. Discussion took place and Committee commented on the importance of the Media Lab for the community and particularly as it relates to the City's Arts Strategy and Council's Term Goals. Jane Fernyhough, Director, Arts, Culture and Heritage Services advised that staff are currently seeking grant funding and examining sponsorship opportunities in an effort to fund the Media Arts Specialist position.

Discussion took place and Cathryn Volkering Carlile, General Manager, Community Services advised that the proposed additional expenditures for increased auxiliary staff hours are offset by additional revenues generated as a result of additional programming, and facility rentals. Also, it was noted that if the projected revenues are not realized, the corresponding auxiliary staff hours would be reduced.

In response to comments regarding the breadth of information contained in the staff reports and the opportunity for Council to participate in the budget process prior to its presentation before the Finance Committee, Mr. Nazareth invited new Councillors to meet with staff to receive a comprehensive review of the annual budget cycle.

Discussion ensued regarding property taxes between newly constructed single-family dwellings and that of older single-family dwellings, and it was noted that the latter likely pay less property taxes as a result of the increased number of newly constructed single-family dwellings.

The Chair referenced Figure 1 of the staff report titled 2015 Operating Budget dated January 27, 2015 from the Director, Finance, noting that the City's reserves would be perilously low in five years without the annual 1% transfer to the account.

It was moved and seconded

- (1) *That the 2015 Operating Budget presented under Option 1 in the staff report titled 2015 Operating Budget dated January 27, 2015 from the Director, Finance, that includes a same level of service increase of 0.26%, Capital operating budget impact of 0.38%, additional level expenditures of 0.06%, external senior government related increases of 1.19%, major capital community facility replacement program (Capital Building Infrastructure Reserve) of 1.00% for a combined total tax increase of 2.89% be approved; and*

Finance Committee
Monday, February 2, 2015

- (2) *That the 5-Year Financial Plan (2015-2019) be prepared for presentation to Council incorporating the 2015 Operating Budget.*

CARRIED

Opposed: Cllrs. Au
Day
Johnston

As a result of the discussion, the following **referral** was introduced:

It was moved and seconded

That:

- (1) *staff investigate the potential for an operational service level review prior to the 2016 budget process; and*
- (2) *that staff examine the potential for an independent external service level review;*

and report back.

The question on the referral was not called as discussion ensued and the following information was noted:

- an operational service level review would provide Council with details of costs associated with providing the City's services;
- an operational service level review is anticipated to (i) target inefficiencies by reducing work that does not add value, (ii) address duplication and "silo" working, and (iii) increase accountability;
- an operational service level review may determine that resources from one area be shifted to another;
- an external review may be of value as it would allow for an independent review process; and
- the proposed operational service level review should include a review of the City's departments.

In reply to a query from Committee, Mr. Duncan stated that the proposed operational service level review can be achieved within the proposed timeframe. Committee clarified that the proposed timeframe is to serve as a goal; however, a phased review is agreeable.

Discussion further took place regarding the scope of the proposed operational service level review and the Chair directed staff to provide Council with a comparison of property taxes between newly constructed single-family dwellings and that of older single-family dwellings.

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

Finance Committee
Monday, February 2, 2015

3. **2015 CAPITAL BUDGET**

(File Ref. No. 03-0970-25) (REDMS No. 4468934 v. 12)

Please see Page 4 for action on this matter.

4. **2015 ONE-TIME EXPENDITURES**

(File Ref. No.) (REDMS No. 4468788 v. 3)

In reply to queries from the Chair, Mr. Nazareth stated that one-time expenditure requests are typically non-recurring items for consideration above the base annual budget; Council established the Rate Stabilization Account to provide funding for such requests without impacting taxes; therefore to fund such requests, any surplus from the previous year's budget is transferred into the Rate Stabilization Account annually. Also, Mr. Nazareth spoke on the criteria used to rank the proposed one-time expenditure requests, noting that by and large the same criteria were used as that applied for the Capital budget process.

It was moved and seconded

- (1) *That the recommended one-time expenditures in the amount of \$1.87M, as outlined in the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance, be approved; and*
- (2) *That the One-Time Expenditures be included in the City's 5-Year Financial Plan (2015-2019) Bylaw.*

The question on the motion was not called as discussion took place and in reply to queries from Committee, staff provided the following information:

- the creation of a development plan for the Richmond Museum would address details such as its mission statement, its size and location, and its governance and administrative structure (Item No. 1 – Richmond Museum Development Plan as listed in Attachment 2 of the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance); and
- the Gateway Theatre Computer Upgrade as listed in Attachment 2 of the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance was not recommended for a one-time expenditure request due to its rank in comparison to other submissions.

As a result of the discussion, the following **amendment** motion was introduced:

Finance Committee
Monday, February 2, 2015

It was moved and seconded

That Item No. 8 – Gateway Theatre Computer Upgrade as listed in Attachment 2 of the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance, be approved as a one-time expenditure in the amount of \$43,000.

CARRIED

Opposed: Cllrs. Loo
McNulty

Discussion further ensued regarding the need for funding for the Parish of St. Alban's Extreme Weather Shelter. As a result, the following **amendment** motion was introduced:

It was moved and seconded

That \$10,000 be transferred from the Rate Stabilization Account towards the 2015 Health, Social, and Safety Grants to be disbursed to the Parish of St. Alban's in support of the Extreme Weather Shelter.

The question on the amendment motion was not called as in reply to queries from Committee, Ms. Carlile stated that she would update Council on the timeframe for reporting back on the emergency weather shelter referral made at the November 25, 2014 Parks, Recreation and Cultural Services Committee. Also, Ms. Carlile stated that additional information regarding the Parish of St. Alban's Extreme Weather Shelter would be provided to Council immediately.

Discussion ensued and it was noted that it may be timely to await staff's report on the referral to review the City's policy for casino funds expenditures made at the October 6, 2014 General Purposes Committee; the results of the referral may allow for the allocation of additional funding for not only the Parish of St. Alban's Extreme Weather Shelter, but for the Richmond Women's Resource Centre too.

The question on the amendment motion was then called and it was **DEFEATED** with Mayor Brodie, Cllrs. Dang, Johnston, Loo, McNulty, McPhail, and Steves opposed.

In reply to queries regarding the Steveston Community Amenities Master Plan, Serena Lusk, Senior Manager, Recreation and Sport Services advised that funding for the proposed project would go towards evaluating options and opportunities related to the development / redevelopment of amenities, including supporting the public consultation aspect of the project and the hiring of experts required to complete the project. Ms. Lusk advised that the use of funds for the Facilities Plan mimics that of the Steveston Community Amenities Master Plan with the exception that the Facilities Plan does not include a public consultation piece.

Finance Committee
Monday, February 2, 2015

Discussion then took place regarding the Richmond Public Library's request to increase their capital budget by \$200,000 to support growth of the digital collections, while simultaneously maintaining the quality of the print collection.

As a result of the discussion, the following **amendment** motion was introduced:

It was moved and seconded

That \$200,000 for Item No. 5 – Library Collection Material as listed in Attachment 5 of the staff report titled 2015 Operating Budget dated January 27, 2015, from the Director, Finance, be approved as a one-time expenditure from the Rate Stabilization Account.

CARRIED

The question on the main motion as amended, which now reads:

- (1) *That the recommended one-time expenditures in the amount of \$1.87M, as outlined in the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance, be approved;*
- (2) *That the One-Time Expenditures be included in the City's 5-Year Financial Plan (2015-2019) Bylaw;*
- (3) *That Item No. 8 – Gateway Theatre Computer Upgrade as listed in Attachment 2 of the staff report titled 2015 One-Time Expenditures dated January 30, 2015, from the Director, Finance, be approved as a one-time expenditure in the amount of \$43,000; and*
- (4) *That \$200,000 for Item No. 5 – Library Collection Material as listed in Attachment 5 of the staff report titled 2015 Operating Budget dated January 27, 2015, from the Director, Finance, be approved as a one-time expenditure from the Rate Stabilization Account.*

was then called and it was **CARRIED**.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (7:55 p.m.).

CARRIED

Finance Committee
Monday, February 2, 2015

Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on Monday, February 2, 2015.

Mayor Malcolm D. Brodie
Chair

Hanieh Berg
Committee Clerk



City of Richmond

Report to Committee

To: Finance Committee

Date: February 6, 2015

From: Jerry Chong
Director, Finance




File:

Re: Financial Information – 4th Quarter December 31, 2014

Staff Recommendation

That the staff report titled, Financial Information – 4th Quarter December 31, 2014, from the Director, Finance be received for information.


Jerry Chong
Director, Finance
(604-276-4064)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Building Approvals	<input checked="" type="checkbox"/>	
Community Bylaws	<input checked="" type="checkbox"/>	
Community Social Development	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
Economic Development	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Fire Rescue	<input checked="" type="checkbox"/>	
Parks Services	<input checked="" type="checkbox"/>	
Project Development	<input checked="" type="checkbox"/>	
Public Works	<input checked="" type="checkbox"/>	
RCMP	<input checked="" type="checkbox"/>	
Recreation Services	<input checked="" type="checkbox"/>	
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO 

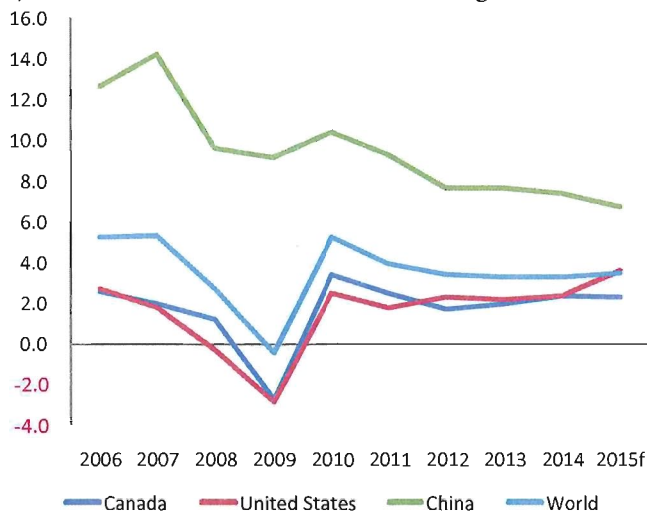
Origin

Financial information for the 4th quarter (ended on December 31, 2014) is being provided to the Finance Committee for review. The report provides details on the economic environment, financial results and other key indicator information.

Analysis

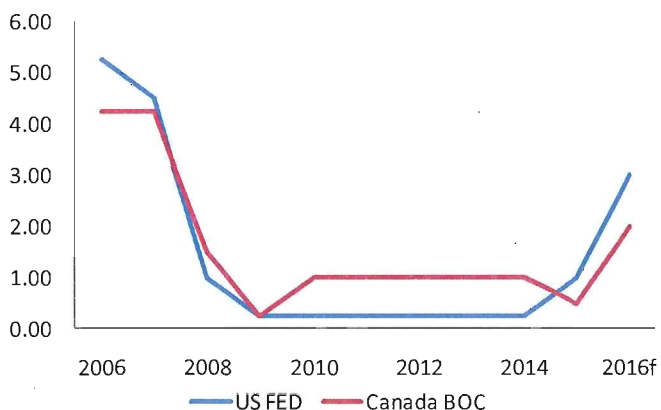
Macroeconomic Indicators & Forecast

1) Global Growth – Real GDP % Change ¹



- The global growth forecast for the next two years was revised slightly down in Q4-2014, to 3.5% in 2015 and 3.7% in 2016, as growth forecasts for developing economies and the Euro Zone were reassessed.
- Plummeting oil prices in the second half of 2014 resulted in boosts to the growth forecasts for advanced economies, with the US being the biggest beneficiary.
- Canadian growth projections were mostly unchanged, as non-energy exports and domestic consumption are expected to offset a slowdown in economic activity due to trouble in the tar sands.

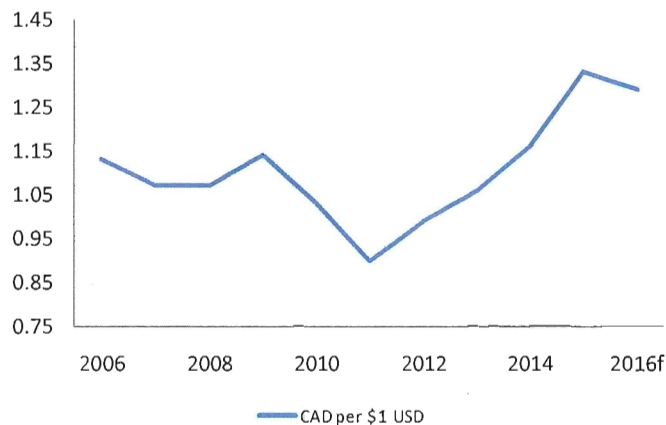
2) Interest Rates – US and Canadian Overnight Central Bank Rate % at Year-End ²



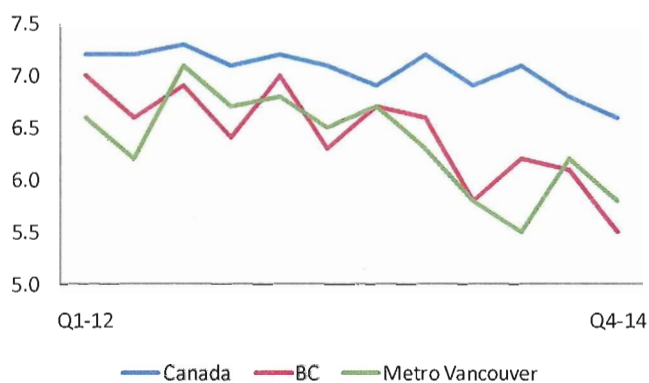
- In a surprise move in January 2015, the Bank of Canada dropped the overnight rate by 0.25 points and the forecast is for the rate to go further down in 2015 before a gradual adjustment back to 2% in 2016.
- As the US economy accelerates through 2015, the US overnight rate is also expected to climb through 2016.
- Both rates are projected to climb faster in 2016 than previously estimated to curb inflationary and currency pressures.

¹ International Monetary Fund, World Economic Outlook (January 2015)

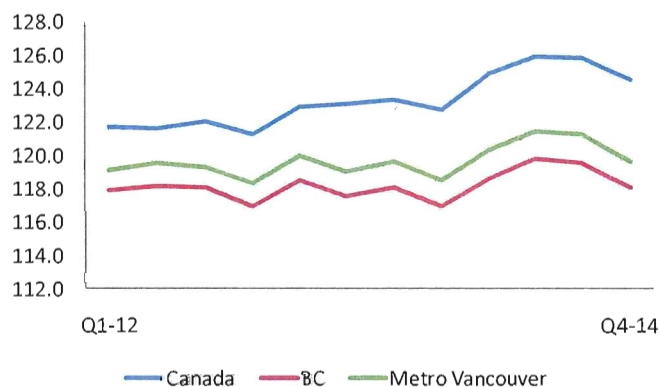
² US Federal Reserve, Bank of Canada and Royal Bank Research

3) Exchange Rates – CAD/USD at Year-End ³

- The sharp drop in oil prices and the Bank of Canada's interest rate adjustment in January have sent the Loonie spiraling down against the US dollar.
- In January 2015, the Canadian dollar fell down to 75 cents and currently sits at 80 cents US. Some forecasts call for a Loonie as low as 60 cents US in 2015 before it begins to gradually appreciate in 2016, as US monetary policy tightens.

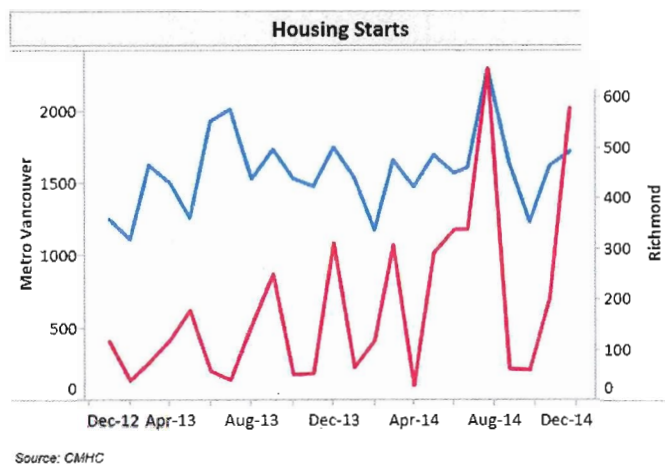
Regional & Local Economic Activity Indicators4) Unemployment ⁴

- At 6.6% in December 2014, the Canadian unemployment rate fell to its lowest level yet since December 2008.
- The BC labour market will also continue to drop, as inter-provincial in-migration is expected to send trades from Alberta back to BC.
- Metro Vancouver employment will also continue to grow, as local sectors are forecast to undergo an expansionary period.

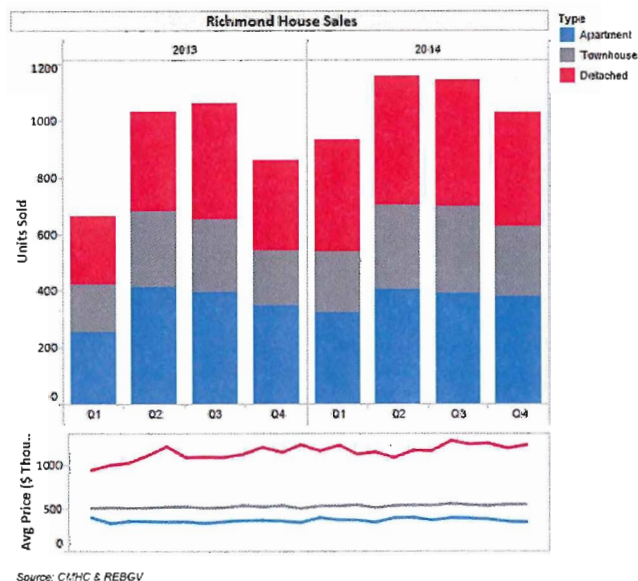
5) Consumer Price Index (CPI – 2002=100) ⁴

- All of the Canadian, BC and Metro Vancouver consumer price indices (CPI) fell even further in Q4 2014 due to the continued fall in world oil prices – a core driver of inflation.
- The Bank of Canada's concerns over deflationary pressures led to a lowering of the overnight interest rate in January.

³ Bank of Canada⁴ Statistics Canada

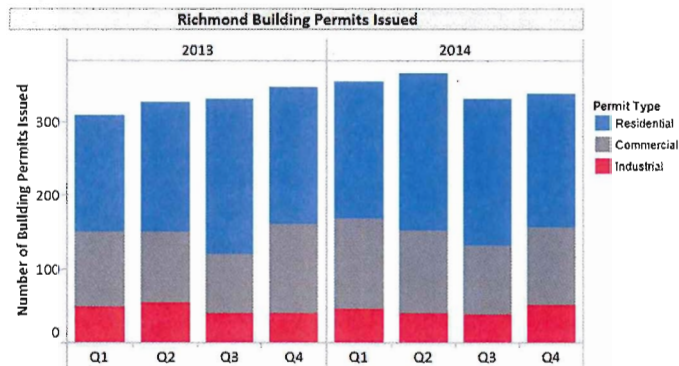
6) Housing Starts⁵

- For a second consecutive quarter, Richmond's housing starts in Q4 2014 more than doubled, ending the quarter at 838 starts versus 412 in the same quarter last year.
- Unlike the rest of Metro Vancouver where housing starts for 2014 rose by 2.7% compared to 2013, Richmond housing starts more than doubled, ending 2014 at 112.8% higher than 2013.
- 2012 was a record year for development applications and projects approved then entered construction in 2014.

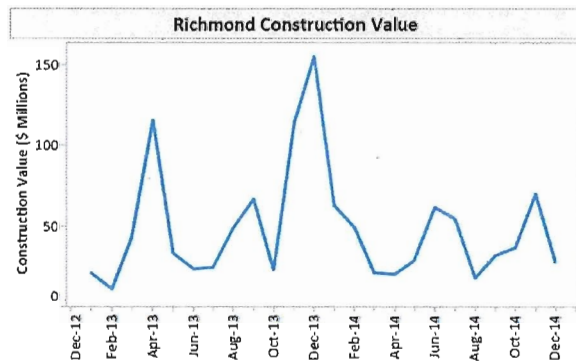
7) House Sales & Prices – Richmond⁶

- House sales in Q4 2014 continued to outperform over the same period in 2013. Notably, the trend of increasing sales of detached homes from the previous quarter continued, up by 28.5% in 2014 compared to 2013. Townhouse sales registered a 20.3% increase and apartment sales registered a 6.3% growth in sales in 2014 compared to last year.
- Prices of detached homes ended the year at the same levels as 2013. Townhouses were priced 9.8% up in 2014 and apartments were comparable to last year.

⁵ CMHC⁶ Real Estate Board of Greater Vancouver
4497471

8) Building Permits – Richmond⁷

Source: City of Richmond



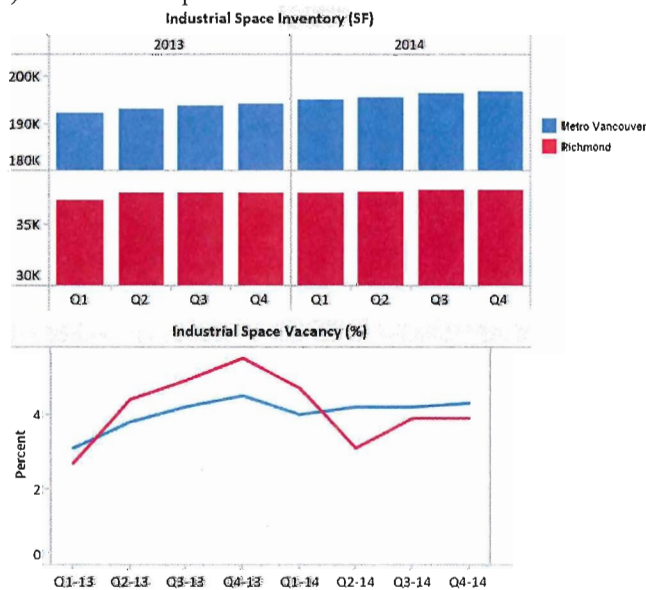
Source: City of Richmond

- Total building permits issued in Q4 2014 were 4.9% up compared to the same period in 2013, with industrial permits leading the trend.
- Overall for the year, residential permits grew by 6.8% and commercial permits were up by 8.2%. Industrial permits ended 2014 slightly down by 3.3% compared to 2013.

- Construction value dropped significantly by 54% in Q4 2014, compared to the same quarter last year.
- Overall, construction value of 2014 building permits was 29% down compared to 2013 – a sign of slowing development activity in Richmond compared to the previous year. However, the amount is comparable to 2012.

9) Commercial Space⁸

a) Industrial Space

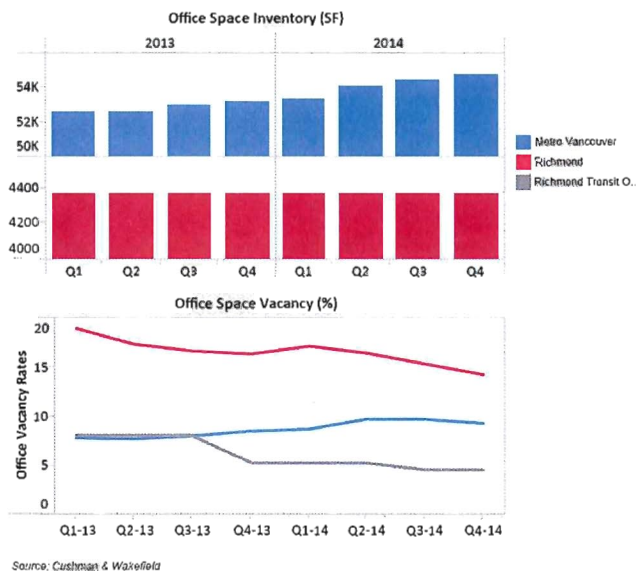


Source: Cushman & Wakefield

- Industrial space continues to be scarce in Richmond, with only a small growth in inventory since the end of 2013, at 0.6%. Total industrial inventory in Richmond remains at 37 million square feet – approximately 20% of all Metro Vancouver industrial inventory.
- Continued absorption resulted in a substantial decrease in the vacancy rate for industrial space from 5.5% at the end of 2013, down 30% for the year to 3.9% at the end of 2014.
- Industrial space continues to be in high demand and industrial space rental rates continue to be at a premium both in Richmond and in the region, with available space for development continuously shrinking.

⁷ City of Richmond Building Permits⁸ Cushman & Wakefield Office and Industrial Market Beat Reports 4497471

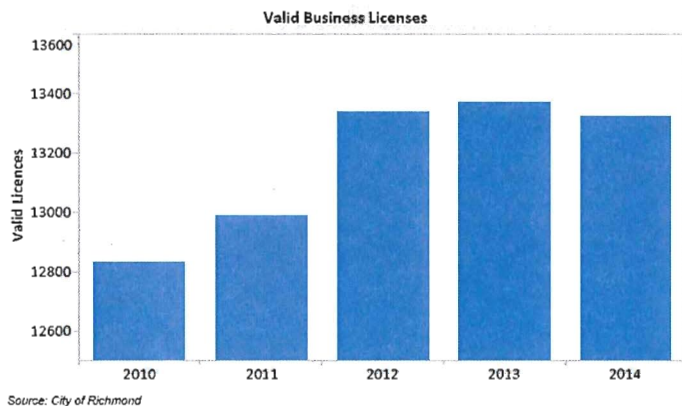
b) Office Space



- Richmond's overall office vacancy rate continued to drop in Q4 2014, ending at 14.3%, nearly 2 % down from the same time the previous year.
- At 4.6%, transit-oriented office space vacancy continued to be scarce and well below the overall Metro Vancouver rate which is 11.2%. It is down from 5.3% at the same time the previous year.
- No new square footage of office space was added to the Richmond inventory, with the inventory remaining at 4.4 million square feet since the end of 2011.

10) Business Growth – Richmond⁹

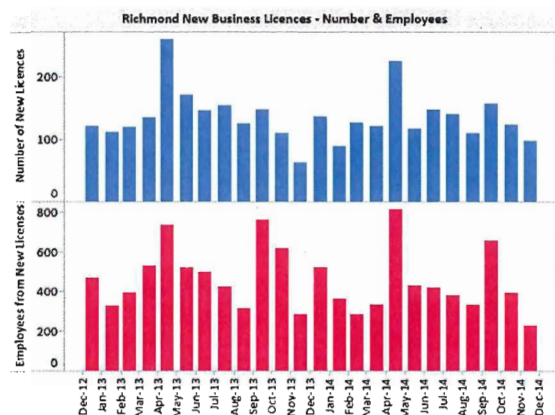
a) Total Valid Business Licenses



- Valid business licenses ended 2014 at 13,322, down a marginal 0.4% compared to 2013.
- The Inter-municipal Mobile Business License program is partially responsible for the reduction in 2014 licenses, with revenues registering an increase due to growing compliance by resident businesses.

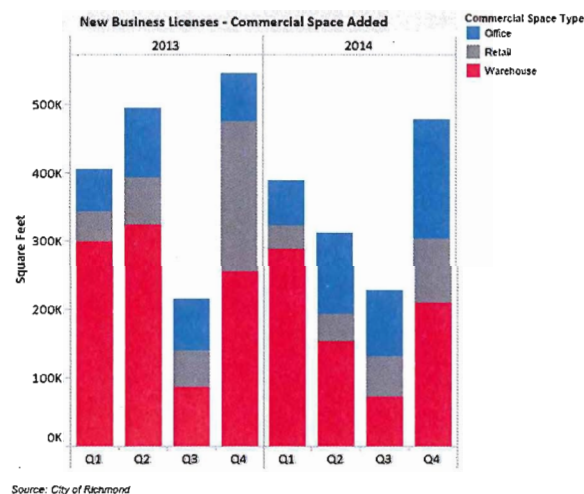
⁹ City of Richmond Business Licenses
4497471

b) New Business Licenses Issued



Source: City of Richmond

- There were 379 licenses issued in Q4-2014, up 18% compared to the same period last year. For the year, new licenses were down by 4% in 2014 compared to 2013.
- New licenses registered 1,274 employees in Q4-2014, down 23% from the same quarter last year. Employment from new licenses in 2014 is 12% down compared to 2013.



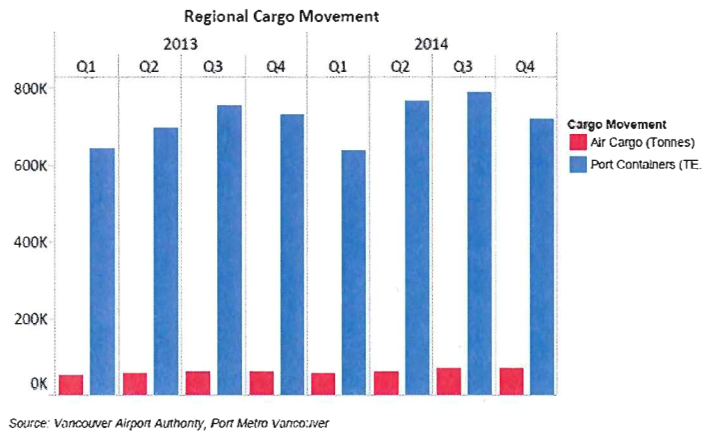
Source: City of Richmond

- Fewer new licensees occupied relatively larger amounts of commercial space, with commercial space added through new licenses growing by 24% in Q4 2014, compared to Q4 2013.
- Of note is the growth in office space use, with new licensees leasing 150% more office space compared to Q4 in 2013. For the year, new licenses reporting office space leased were up by 47% (this corresponds to the continued decrease in office space vacancies reported over the last year) while new licenses from commercial and industrial leases were down by 41% and 25%.

11) Goods and People Movement

a) Regional Cargo Movement¹⁰

¹⁰ YVR & PMV Monthly Cargo Statistics
4497471



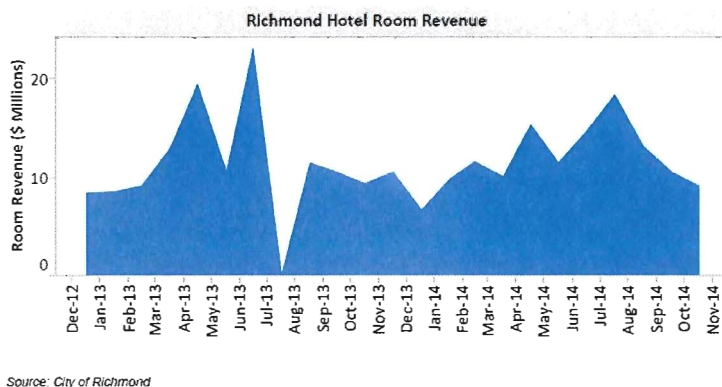
- Airport cargo was up by nearly 16% and port cargo was slightly down by 1.5% in Q4 2014 compared to the same period the previous year.
- PMV cargo growth for 2014 was on par with the port's annual long-term cargo growth estimates of approximately 4%.
- YVR cargo grew a remarkable 11.7% in 2014, compared to 2013 fuelled by continued growth of exports and airport operations in 2014.

b) Airport Passengers¹¹



- Airport passenger volume registered 7.1% growth in Q4 2014 compared to the same quarter last year.
- An accelerating tourism sector contributed to an 8.4% growth in airport passengers in 2014, compared to the same period last year, with YVR registering 19.4 million passengers, well above the expected 18+ million.

c) Richmond Hotel Room Revenue¹²



- Richmond's year to date revenue to November 2014 was 5.9% higher than the same period the previous year. The tourism sector is on schedule to finish 2014 strong and do well in 2015.
- (Note: the hotel room tax is used as the basis for calculating hotel revenues; there was an overpayment of hotel room tax to the city in July 2013 which was compensated for in August and September, indicated by the spike and dip on the graph.)

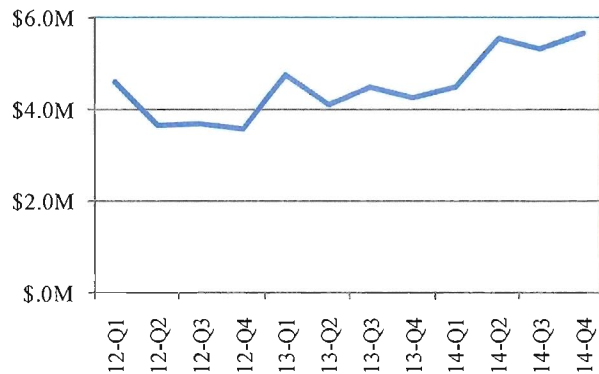
¹¹ YVR Monthly Statistics

¹² City of Richmond Additional Hotel Room Tax Ledger; revenue reverse calculated based on AHRT receipts representing 2% of total hotel room revenue; AHRT remittances and payments to Richmond have a 2-month lag

Financial Indicators

There are several financial indicators that highlight the state of the City, including the operating activity, active capital projects, cash and investment portfolio. The operating activity shows the results of operations through the analysis of revenues and expenditures. The active capital projects details the current commitment of capital funding and future resource requirements. The cash and investment portfolio portrays the current investment mix and average yield.

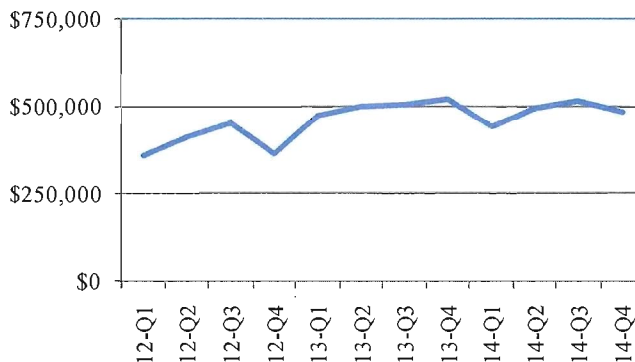
Gaming Revenue



Source: Finance

- Gaming revenue for Q4 was \$5.65M compared to \$4.29M for the same quarter in 2013.
- Overall, gaming revenue is 19.4% higher than 2013.
- The increase is partially attributed to a new high-limit table games room that opened in Q1 2014.¹³

Parking Revenue



Source: Community Bylaws

- Richmond's parking revenue for Q4 was \$481K compared to \$520K for the same period last year.
- Overall, the parking revenue for the year was down slightly by 3.1%, however, the results remain above budget.
- Public compliance levels in 2014 have also increased significantly which further contributed to this variance.

¹³ Great Canadian Gaming Corporation: Management's Discussion and Analysis For the Three Month and Six Month Periods Ended June 30, 2014

Operating Activity

The following table represents unaudited actuals to December 31, 2014 and proposed transfers to provision accounts to meet current obligations that are expected to be completed in 2015. Included in the December 31, 2014 figures are estimates for revenues earned and expenses that have been incurred but not yet received or paid.

Approximately \$3.04M of the 2014 operating surplus is due to higher than budgeted revenues from building permits, parking revenue and business licenses, and other sales of service.

The City is required to have an annual balanced budget. The timing of actual expenditures may not coincide with the approved spending for the year. Staff ensure that any excess budget is not spent on unnecessary items. Therefore, the remaining surplus of \$2.67M is a result of savings in expense accounts realized from operational budgets across the City. This is largely a result of salary savings due to delayed filling of vacant positions.

The total projected surplus of \$5.7M represents 1.69% of the 2014 gross expenditure budget (excluding amortization) and will be transferred to the Rate Stabilization account which may be used to fund one-time initiatives that are approved annually by Council as part of the budget process.

Operating Budget (\$ 000's) General Fund	Net Budget 2014	Unaudited Actuals Dec 31, 2014 *	Variance as at Dec 31, 2014	Transfers	2014 Operating Surplus
Policing	\$39,886	\$39,654	\$232	(232)	\$0
Community Services	35,679	35,018	661	(346)	315
Fire Rescue	30,472	29,603	869	0	869
Engineering and Public Works	31,204	28,403	2,801	(2,172)	629
Finance and Corporate Services	17,366	15,435	1,931	(687)	1,244
Library	8,251	8,216	35	(35)	0
Corporate Administration	7,195	6,522	673	(489)	184
Planning and Development	6,310	4,904	1,406	0	1,406
Law and Community Safety	5,493	4,786	707	0	707
Fiscal	(181,856)	(182,578)	722	(367)	355
Total	\$0	(\$10,037)	\$10,037	(\$4,328)	\$5,709

* The 2014 Actuals include, where applicable, accruals and estimates for revenues and expenditures.

- Policing has an estimated surplus of \$232k which will be used to fund the liability for the future settlement of the RCMP severance package and Integrated Teams.
- The Community Services Division has an estimated surplus of \$661k mainly due to favourability in facility revenue and other sales of services, as well as savings in salary and operating expenses. \$346k will be used to fund future operating costs of the major facilities which are being phased into the budget. The phase in plan approved by Council for the major facilities includes an estimate of \$3.7M in additional operating costs, to be phased in over several years to minimize the impact on property tax increases. The funding requirement in the initial years will exceed the amount that is available in the base budget, and therefore funding from surplus is required in these years.
- Richmond Fire Rescue has an estimated surplus of \$869k due to vacancies and retirements.
- Engineering and Public Works Division has an estimated surplus of \$2,801k. Approximately \$787k is due to timing of contract costs for project development and \$523k is due to road maintenance projects which are expected to be completed in 2015. The total of \$1,310k will be appropriated in order to complete the outstanding projects.

Fleet has an estimated surplus of \$407k which will be transferred to the Equipment Replacement Reserve. Alexandra District Energy Utility has an estimated surplus of \$455k which will be transferred to appropriated surplus to repay the initial capital investment.

The remaining variance of \$629k is mainly due to staff vacancies and savings from operations.

- Finance and Corporate Services has a favourable variance of \$1,931k due to higher business license revenue relative to budget, vacancies within Finance and IT and lower contract maintenance costs in IT. \$319k of the IT surplus will be appropriated to fund IT projects that are not expected to be completed until 2015. \$368k of the finance surplus will be appropriated to fund financial system enhancements in progress.
- Library has a surplus of \$35k which is transferred to the Library's appropriated surplus as the Richmond Public Library Board is a separate entity with their own financial statements.
- Corporate Administration has a favourable variance of \$673k mainly due to vacant positions. \$275k is appropriated to fund the Corporate Performance Measurement Program and \$214k for the approved training and development program which will be completed in 2015.

- Planning and Development has a favourable surplus of \$1,406k due to higher than anticipated building permit revenue throughout 2014. The favourable variance is based on a stronger than anticipated housing market in multi residential and single family applications.
- Law and Community Safety is estimated to have a surplus of \$707k due to a favourable variance to budget in parking revenue and operational savings.
- Fiscal has a favourable variance of \$722k. \$367k will be appropriated to fund projects that are expected to be completed in 2015.

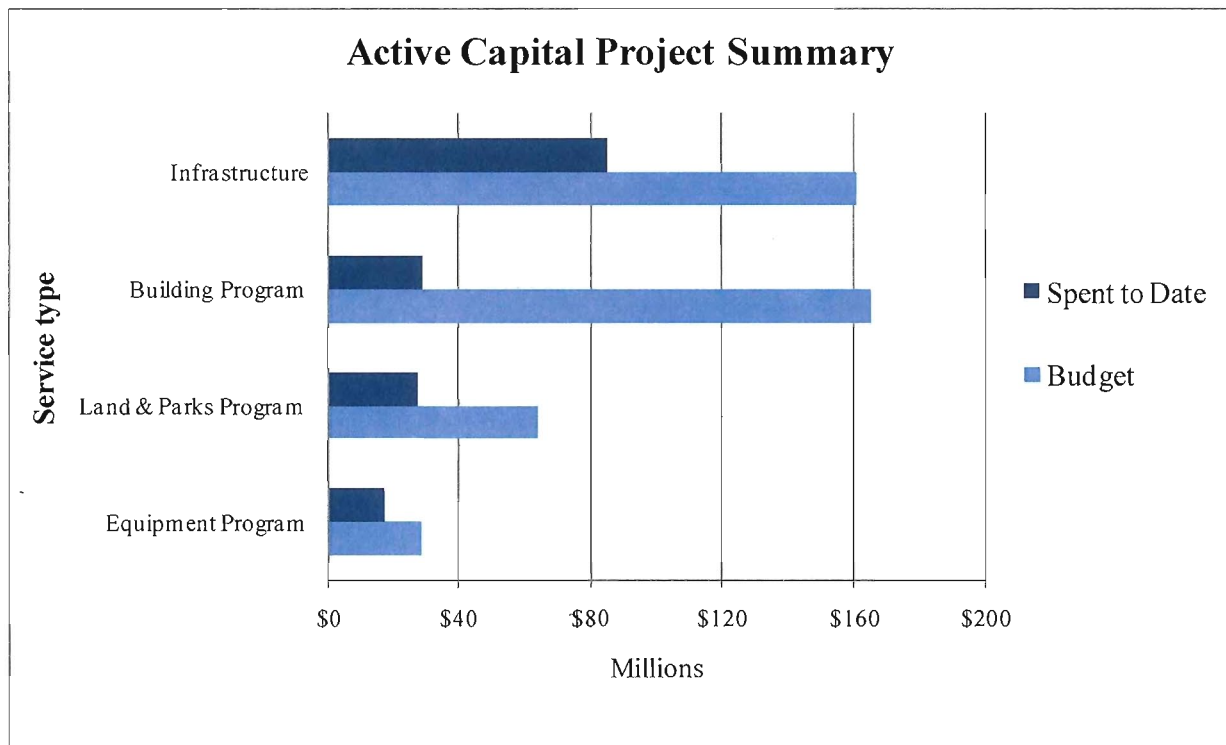
Active Capital Project Summary

The 2014 amended Capital Budget of \$193.3M (excluding internal payment transfers and debt repayments) are included in the figures below as are the amounts relating to capital projects from previous years' Capital Budgets which remain active. The current balance committed to active capital projects is \$259.2M.

Statement of Active Capital Project Expenditures

As at December 31, 2014 (in \$'000s)

	Budget	Spent to Date	Committed
Infrastructure Program	\$160,925	\$85,227	\$75,698
Building Program	\$165,116	\$28,647	\$136,469
Land & Parks Program	\$63,654	\$27,381	\$36,273
Equipment Program	\$28,125	\$17,389	\$10,736
Grand Total	\$417,820	\$158,644	\$259,176



Highlights of key capital projects are presented in Appendix 3.

Cash and Investment Portfolio

The City's cash and investment portfolio at December 31, 2014 was \$854.3M, with an average yield on investment of 2.00%. The current low interest rate environment and the City's cash flow projections have influenced the terms and types of investments that the City holds (Appendix 4)

Market Interest Rates (for analytical purposes only)

	December 31, 2014
3 Month Government of Canada T-Bills	0.91%
2 Year Government of Canada Bonds	1.01%
5 Year Government of Canada Bonds	1.34%
10 Year Government of Canada Bonds	1.79%

Source: Bank of Canada

While the sharp decline in global crude oil prices in the past six months is expected to encourage overall global economic growth, it will likely have a negative impact for Canadian growth and underlying inflation. Canada has been recently experiencing general growth outside of the energy sector through increased foreign demand, stronger exports, improved business confidence and investment and employment growth. However, there is considerable uncertainty about the possible slowing growth momentum and how it will be affected by the drop in oil prices. In addition, the oil price shock increases both downside risks to inflation and financial stability risks. With these and other factors taken into consideration, the Bank of Canada announced on January 21, 2015 that it was lowering its benchmark overnight rate by $\frac{1}{4}$ of 1 per cent to $\frac{3}{4}$ per cent.

The City continues to comply with its Investment Policy (3703) by carrying a diversified investment portfolio with strong credit quality, meeting the objectives of managing its investment activities in a manner that seeks to preserve capital and to realize a reasonable rate of return

Contract Awards

This report provides information on the formal contracts awarded by the City during the 3rd quarter. During this period, 26 contracts greater than \$25,000 were awarded totalling over \$9.58M (Appendix 5).

Financial Impact

None.

Conclusion

The City of Richmond has maintained its strong financial position throughout 2014. The City continues to ensure that there are positive results while maintaining programs and services. There is an unaudited surplus of \$5.7M that will be transferred to the Rate Stabilization Account.



Cindy Gilfillan, CPA, CMA
Manager, Financial Reporting
(604) 276-4077

- Att. 1: Economic Indicators
- Att. 2: Financial and Key Indicators
- Att. 3: Capital Project Highlights
- Att. 4: Cash and Investment Portfolio
- Att. 5: Contract Awards

<i>Economic Indicators</i>	December 31, 2014
-----------------------------------	--------------------------

Macroeconomic Indicators & Forecast

1) Real GDP - % Change	2013	2014	Change	2015f	2016f
Canada	2.0	2.4	20.0%	2.3	2.1
United States	2.2	2.4	9.1%	3.6	3.3
China	7.8	7.4	(5.1%)	6.8	6.3
World	3.3	3.3	0.0%	3.5	3.7
2) Interest Rates	2013	2014	Change	2015f	2016f
Bank of Canada	1.00	1.00	0.00	0.50	2.00
US FED	0.25	0.25	0.00	1.00	3.00
3) Exchange Rate	2013	2014	Change	2015f	2016f
CAD per \$1 USD	1.06	1.16	9.4%	1.33	1.29

Regional and Local Market Indicators

4)	Unemployment (%)	Q4-2014	Q3-2014	Change	Q4-2013	Change	
	Canada	6.6	6.8	(2.9%)	7.2	(8.3%)	
	BC	5.5	6.1	(9.8%)	6.6	(16.7%)	
	Metro Vancouver	5.8	6.2	(6.5%)	6.3	(7.9%)	
5)	CPI (2002=100)	Q4-2014	Q3-2014	Change	Q4-2013	Change	
	Canada	124.5	125.8	(1.0%)	122.7	1.5%	
	BC	118.1	119.5	(1.2%)	117.0	0.9%	
	Metro Vancouver	119.6	121.2	(1.3%)	118.5	0.9%	
6)	Housing Starts (Units)*	Q4-2014	Q4-2013	Change	YTD-2014	YTD-2013	Change
	Starts - Metro Vancouver	4,571	4,757	(3.9%)	19,217	18,710	2.7%
	Starts - Richmond	838	412	103.4%	3,036	1,427	112.8%
7)	Richmond Residential Activity	Q4-2014	Q4-2013	Change	YTD-2014	YTD-2013	Change
	Sales - Detached	401	318	26.1%	1,694	1,318	28.5%
	Sales - Townhouse	249	196	27.0%	1,071	890	20.3%
	Sales - Apartment	380	347	9.5%	1,500	1,411	6.3%
	Sales Total/Average Change	1,030	861	20.9%	4,265	3,619	18.4%
					YTD-2014	YTD-2013	Change
	Average Price - Detached (\$ at QE)				1,240,000	1,242,000	(0.2%)
	Average Price - Townhouse (\$ at QE)				548,000	499,000	9.8%
	Average Price - Apartment (\$ at QE)				341,000	336,000	1.5%

Economic Indicators**December 31, 2014****Regional and Local Market Indicators (continued)**

8)	Richmond Building Permits	Q4-2014	Q4-2013	Change	YTD-2014	YTD-2013	Change
	Building Permits - Residential	182	186	(2.2%)	780	730	6.8%
	Building Permits - Commercial	105	122	(13.9%)	434	401	8.2%
	Building Permits - Industrial	51	39	30.8%	174	180	(3.3%)
	Building Permits Total	338	347	4.9%	1,388	1,311	3.9%
	Construction Value (\$ million)	134.4	292.1	(54.0%)	481.8	679.1	(29.1%)
9)	Commercial Space (at QE)	Richmond			Metro Vancouver		
		Q4-2014	Q4-2013	Change	Q4-2014	Q4-2013	Change
	Office Vacancy (%)	14.3	16.4	(12.8%)	9.3	8.5	9.4%
	Transit Oriented Office Vacancy (%)	4.6	5.3	(13.2%)	11.2	8.4	33.3%
	Office Inventory (000 sf)	4,359	4,359	0.0%	54,711	53,161	2.9%
	Industrial Vacancy (%)	3.9	5.5	(29.1%)	4.3	4.5	(4.4%)
	Industrial Inventory (000 sf)	37,828	37,587	0.6%	196,686	194,111	1.3%
10)	Richmond Business Growth	Q4-2014	Q4-2013	Change	YTD-2014	YTD-2013	Change
	Total Valid Business Licenses	n/a	n/a	n/a	13,322	13,371	(0.4%)
	New Licenses - Number Issued	379	321	18.1%	1,592	1,666	(4.4%)
	New Licenses - Employees	1,274	1,658	(23.2%)	5,146	5,869	(12.3%)
	New Licenses - Office Added (sf)	174,070	70,429	147.2%	454,699	309,649	46.8%
	New Licenses - Retail Added (sf)	93,679	218,753	(57.2%)	225,934	382,515	(40.9%)
	New Licenses - Industrial Added (sf)	209,461	255,941	(18.2%)	724,598	966,704	(25.0%)
	Total Space Added (sf)/Avg. Change	477,210	545,123	23.9%	1,405,231	1,658,868	(6.4%)
11)	Goods & People Movement**	Q4-2014	Q4-2013	Change	YTD-2014	YTD-2013	Change
	YVR Air Cargo (tonnes)	70,134	60,631	15.7%	255,045	228,264	11.7%
	PMV Container Movement (TEUs)	719,060	729,753	(1.5%)	2,192,931	2,823,707	3.2%
	YVR Passengers (million)	4.5	4.2	7.1%	19.4	17.9	8.4%
	Richmond Hotel Revenue (\$ million)	n/a	n/a	n/a	121.8	114.2	6.7%

** Hotel Revenue and PMV Container Movement data available to August only

Notes:

- a) QE indicates quarter end
b) YTD indicates year to date

List of Sources:

- 1) International Monetary Fund, *World Economic Outlook (October, 2014)*
- 2) US Federal Reserve, Bank of Canada and Royal Bank Research
- 3) Bank of Canada
- 4)5) Statistics Canada
- 6) CMHC
- 7) Real Estate Board of Greater Vancouver
- 8) City of Richmond Building Permits
- 9) Cushman & Wakefield Office and Industrial Market Beat Reports
- 10) City of Richmond Business Licenses
- 11) YVR & PMV Monthly Cargo Statistics; YVR monthly statistics; City of Richmond Additional Hotel Room Tax Ledger

Financial Indicators**December 31, 2014**

(All dollar amounts in \$000's)

	Q4-2014	Q4-2013	Change			
1) Development Cost Charges Contributions						
Roads, Water, Sewer DCC's Received	\$1,503	\$8,601	(82.5%)			
Parks DCC's Received	\$4,586	\$9,857	(53.5%)			
Total DCC Fees Received	\$6,088	\$18,458	(67.0%)			
DCC Reserves to date - Uncommitted	\$57,347	\$64,638	(11.3%)			
	Q4-2014	Q4-2013	Change			
2) Uncommitted Reserves						
Capital Funding Reserves	\$63,711	\$111,302	(42.8%)			
Affordable Housing Reserves	\$5,334	\$2,586	106.3%			
Other Reserves	\$141,807	\$125,563	12.8%			
Total Uncommitted Reserves	\$210,852	\$239,452	(12.0%)			
	Q4-2014	Q4-2013	Change	YTD 2014	YTD 2013	Change
3) Taxes to date						
Taxes Collected	\$ 9,280	\$ 9,497	(2.3%)	\$374,060	\$354,778	5.4%
City Portion of Taxes Collected	\$ 4,547	\$ 4,653	(2.3%)	\$183,289	\$173,841	5.4%
Unpaid Taxes - Delinquent & Arrears	\$1,766	\$1,628	8.5%	\$1,766	\$1,628	8.5%
No. of Participants on Pre-authorized withdrawal	6,278	6,202	1.2%	6,278	6,202	1.2%
Pre-authorized withdrawals monthly payments	\$7,236	\$6,907	4.8%	\$23,872	\$22,601	5.6%
Interest rate % paid	1.00%	1.00%	-	1.00%	1.00%	-
<i>Sources: All data is from City of Richmond records</i>						
	Q4-2014	Q4-2013	Change			
4) Investments						
Total Investments	\$854,370	\$743,842	14.9%			
Average City Rate of Return on Investments %	2.00%	1.80%	0.19			
	Q4-2014	Q4-2013	Change	YTD 2014	YTD 2013	Change
5) Planning and Development						
Building Permit Fees Collected	\$1,149	\$2,762	(58.4%)	\$5,914	\$7,118	(16.9%)
Development Applications Received	43	49	(12.2%)	199	206	(3.4%)
Development Applications Fees	\$110	\$206	(46.7%)	\$651	\$857	(24.1%)
	Q4-2014	Q4-2013	Change	YTD 2014	YTD 2013	Change
6) Business Licenses						
Revenue Received for Current Year Licenses	\$431	\$420	2.6%	\$3,748	\$3,465	8.2%
Revenue Received for Next Year (Deferred)	\$1,342	\$1,264	6.2%	\$1,935	\$1,994	5.7%
Total License Revenue	\$1,733	\$1,684	5.3%	\$5,683	\$5,296	7.3%
<i>Year to date valid licenses and revenue include current year licenses issued in the prior year.</i>						
	Q4-2014	Q4-2013	Change	YTD 2014	YTD 2013	Change
7) Other Revenues						
Parking Program Revenue	\$481	\$520	(7.5%)	\$1,932	\$1,994	(3.1%)
Gaming Revenue	\$5,652	\$4,292	31.7%	\$21,047	\$17,631	19.4%
Traffic Fine Revenue to date	\$ 0	\$ 0	0%	\$1,517	\$1,512	0.4%

Notes:

a) All figures presented above are unaudited

Key Indicators	December 31, 2014
-----------------------	--------------------------

8) Employees						
	Q4-2014	Q4-2013	Change			
Full Time Equivalent (FTE) Employees	1,449	1,433	1.1%			
<i>(City and Library)</i>						
<i>FTE includes Regular Full Time, Temporary and Auxiliary status employees. The calculation is based on actual results excluding overtime.</i>						
9) Operating Indicators						
	Q4-2014	Q4-2013	Change	YTD 2014	YTD 2013	Change
Fire Rescue Responses	2,524	2,574	(1.9%)	9,643	9,710	(0.7%)
RCMP - Calls for Service Handled	15,857	16,515	(4.0%)	67,118	68,484	(2.0%)
Public Works calls for Service	2,974	2,601	14.3%	12,225	11,342	7.8%
10) Affordable Housing						
	2014	2013	Change			
Subsidized Rental (units)	477	331	44.1%			
Affordable Rental (LEMR) (units)	272	238	14.3%			
Market Rental (units)	411	267	53.9%			
Entry Level Home ownership (units)	19	19	0.0%			
Secondary Suite / Coach House (units)	127	118	7.6%			
	1,306	973	34.8%			
	Q4-2014	Q4-2013	Change			
Unspent Affordable Housing Funds Allocated to Capital Projects to date (in \$ 000's)	\$7,266	\$11,071	(34.4%)			
Floor Space secured, unit mix & other (sq feet)	108,202	n/a				
11) Richmond Population Estimate Year End *						
	2014F	2013				
	209,338	205,133				
<i>*Estimated population figures provided by City of Richmond – Policy Planning</i>						

Capital Highlights***Infrastructure****Westminster Hwy: Nelson Rd. to McMillan Way – Widening Westminster Highway:*

Approved Budget: \$10.4M (2011)

30% Complete

- Preload works are completed. The main road construction contract has been awarded and will commence in March 2015.

Nelson Road Improvements – Widening Nelson Road between Blundell Road and Westminster Highway:

Approved Budget: \$4.1M (2011)

75% Complete

- The main road construction contract has been awarded. Construction works on Nelson Road and Blundell Road are ongoing.

Alexandra District Energy Utility Expansion - Phase 3

Approved Budget: \$12.1M (2015)

5% Complete

- This project expands the energy capacity and distribution network of the existing utility to meet the needs of development in the service area. Works are being procured through the City's Construction Manager, Stuart Olson Construction Ltd. Construction is ongoing.

Colbeck Road Area Watermain Replacement:

Approved Budget: \$2.8M (2014)

80% Complete

- This project consists of replacing ageing watermain that are at the end of their service life. Construction is ongoing.

Asphalt Re-paving Program (MRN and Non-MRN):

Approved Budget: \$2.9M (2014)

Completed

- This project consists of the repaving of the City's roads in order to minimize the overall life cycle cost of the road network. Construction is completed.

Capital Highlights**Buildings***Cranberry Children's Centre (Hamilton Childcare Centre):*

Approved Budget: \$1.8M (Land value \$480K) (2010)

Completed

- As part of the development application by TransLink, land and funding were received to design and build a facility for childcare services. Provisional occupancy was achieved in July 2014.

Minoru Major Facility (Integrated Minoru Aquatic Centre/Older Adults Centre):

Approved Budget: \$79.6M (2014)

25% Complete

- On November 12, 2013, Council confirmed funding and site location for the new facility to be the Minoru 2 soccer pitch. Space programming for the facility was endorsed by council on July 28, 2014. Preload for the site is in place. Development of the public engagement and communication plans are underway.

Firehall No. 1:

Approved Budget: \$21.5M (2014)

20% Complete

- On November 12, 2013, Council confirmed funding and the site location for the Firehall No. 1 replacement. Space programming for the facility was endorsed by council on July 28, 2014. Geotechnical investigations have been completed and schematic design is underway by HCMA. Construction processes to temporarily relocate Fire staff to City Hall West commenced. Development of options to maintain fire training and equipment maintenance programs is underway.

Capital Highlights***Community Services/Parks***

Railway Greenway:

Approved Budget: \$2.3M (2013)

95% Complete

- The major trail construction work is completed. Work is proceeding on intersection improvements with completion expected in spring 2015.

Terra Nova Heritage Building Restorations:

Approved Budget: \$2.0M (2005)

98% Complete

- The restoration of the Cannery Store is complete. The restoration of the Edwardian Cottage is complete.
- Perimeter landscaping remaining.

Terra Nova Play Environment:

Approved Budget: \$1.0M (2012)

Completed

- Construction is completed.

Garden City Community Park: Bike Park & Birch Park:

Approved Budget: \$500K (2012)

- Bike Park: 95% Complete
Tree Planting to be completed.
- Birch Park: 90% Complete
Basketball Construction near completion with only line painting and hoop installation outstanding.

Capital Highlights***Community Services/Parks***

The Gardens Agricultural Park:

Approved Budget: \$316K (2012)

40% Complete

- City construction for Phase 1 has been partially completed along with Servicing Agreement works completed by Townline Homes in fall, 2014. Further Phase 1 works will be completed in fall, 2015.

Thompson Youth Park - Phase 3:

Approved Budget: \$300K (2013)

100% Complete

- The project was completed in summer, 2014.

Minoru Sports Fields Redevelopment:

Approved Budget: \$5.7M (2014)

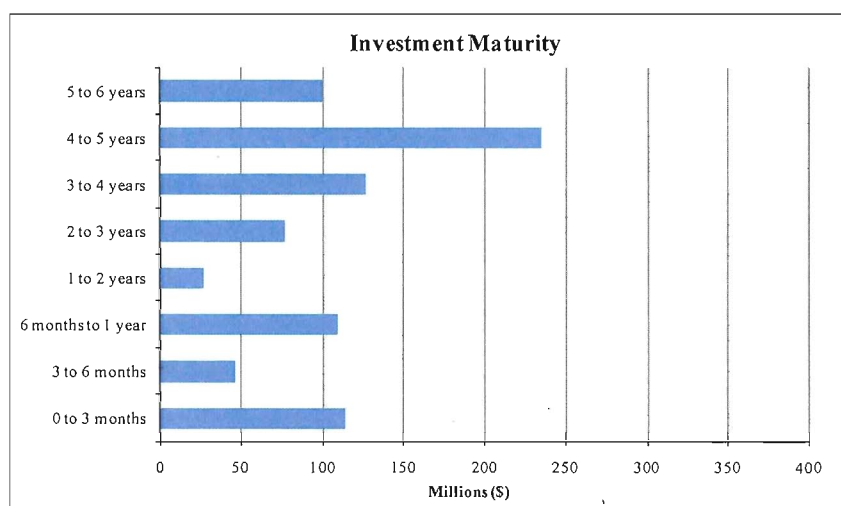
95% Complete

- Both Minoru 2 & Minoru 3/Latrace fields are now open to the public.
- Announcer's Booth to be installed in March.
- Tennis Courts sport surfacing to be installed in June.
- Deficiency repairs are underway for the field's perimeter pathways.

Cash and Investment Portfolio

December 31, 2014 (in 000's)

Issuer	Amount	% of Portfolio
Federal Government and Federal Crown Corporations		
Government of Canada	14,440	1.73%
Canadian Mortgage and Housing Corporation	10,179	1.22%
Total	\$ 24,619	2.95%
Provincial Governments and Provincial Crown Corporations		
Province of Ontario	\$ 90,579	10.85%
Province of British Columbia	65,721	7.87%
Province of Alberta	48,253	5.78%
Financement Quebec	36,468	4.37%
Province of Manitoba	12,000	1.44%
Total	\$ 253,021	30.30%
Schedule I Banks		
Scotia Bank	\$ 52,809	6.32%
Royal Bank	43,999	5.27%
Bank of Montreal	38,642	4.63%
CIBC	38,565	4.62%
National Bank of Canada	32,325	3.87%
Canadian Western Bank	20,000	2.39%
TD Financial	19,295	2.31%
Total	\$ 245,635	29.41%
Schedule II Banks		
HSBC Bank of Canada	\$ 22,983	2.75%
Total	\$ 22,983	2.75%
Schedule III Banks		
Wells Fargo Canada	\$ 24,687	2.96%
Total	\$ 24,687	2.96%
Credit Unions		
Vancity Savings Credit Union	\$ 74,025	8.86%
Coast Capital Savings	73,035	8.75%
Gulf & Fraser Financial Group	49,192	5.89%
Westminster Savings Credit Union	45,367	5.43%
Total	241,619	28.93%
Pooled Investments		
Municipal Finance Authority	22,527	2.70%
Total	22,527	2.70%
Total Investments	\$ 835,091	100.00%
Less: Amount Held in Trust for Community Associations	(1,127)	
Total Cash & Cash Equivalents	\$ 20,406	
Total Reported Investments and Cash & Cash Equivalents	\$ 854,370	



Contract Awards > \$25,000
October 1st, 2014 to December 31st, 2014

<i>Item</i>	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Department</i>
1.	F-5311 Landscape Architecture Consulting Services	PWL Partnership Landscape Architects	\$32,900	Community Services
2.	5320Q Site Pre-Loading at Minoru Aquatic Centre and Older Adult Center	Stuart Olson Construction Ltd	\$1,062,638	Engineering and Public Works
3.	5323Q Supply and install of generator set at City Hall West	Total Power Limited	\$68,400	Engineering and Public Works
4.	5293Q City Hall direct digital control unit upgrade	ESC Automation	\$37,822	Engineering and Public Works
5.	F-5312 Japanese Fishermen's Benevolent Society Building - interior renovation construction services	Penta Builders Group	\$361,045	Engineering and Public Works
6.	F-5204 City Center Community Center- tenant improvements	Ledcor	\$3,936,700	Engineering and Public Works
7.	F-5318 Heat exchanger for energy transfer station in Alexandra District Energy Utility(ADEU) Service Area	Corix Utilities Inc.	\$60,991	Engineering and Public Works
8.	F-5311 Consulting services for PeopleSoft Financials system upgraded Version 9.2	Beyond Tech Solutions	\$90,180	Finance and Corporate Services
9.	F-5342 Renovation - City Hall West - Interior works	Stuart Olson Construction Ltd	\$298,268	Engineering and Public Works
10.	F-5341 Renovation - City Hall West - Exterior works	Stuart Olson Construction Ltd	\$378,339	Engineering and Public Works
11.	F-5331 Minoru Chapel - Architectural and Consulting Services	The Andrews Architects Inc.	\$68,310	Engineering and Public Works
12.	F-5330 Minoru Chapel - Phase 1 - Re-roofing	Penta Builders Group	\$116,205	Engineering and Public Works
13.	F-5329 Land Economist Consulting Services	GP Rollo & Associates	\$28,350	Engineering and Public Works
14.	F-5328 Rehabilitation of slipways at Britannia Heritage Shipyard Building	CWMM Consulting Engineers Ltd	\$70,935	Engineering and Public Works
15.	5326Q Cannery Store demolition	MWL Demolition	\$27,860	Engineering and Public Works

<i>Item</i>	<i>Contract Name and Description</i>	<i>Award</i>	<i>Amount</i>	<i>Department</i>
16.	F-5343 Richmond Olympic Oval - retail electrical relocation	Stuart Olson Construction Ltd	\$29,422	Engineering and Public Works
17.	F-5334 Mill and pave locations not completed by Columbia Bitulithic	Imperial Paving Limited	\$270,000	Engineering and Public Works
18.	F-5345 ADEU Phase 3 - site preparation	Stuart Olson Construction Ltd	\$125,563	Engineering and Public Works
19.	F-5304 Dell server replacement and storage expansion	Dell Canada	\$62,484	Finance and Corporate Services
20.	F-5336 Fire engine with pump	WFR Wholesale Fire & Rescue Ltd	\$812,670	Law and Community Safety
21.	F- 5349 Production of Class C, B and A construction for the Minoru Aquatic Center/Older Adult Center project	BTY Group	\$49,300	Engineering and Public Works
22.	F- 5348 Delineation investigation on Gilbert Road for Fire Hall No 1	Stuart Olson Construction Ltd	\$49,944	Engineering and Public Works
23.	F-5359 Wireless mobile column lift	Stuart Olson Construction Ltd	\$78,333	Engineering and Public Works
24.	F-5354 ADEU Phase 3 expansion - distribution and cooling tower pumps	Corix Water Products LP	\$114,480	Engineering and Public Works
25.	F-5355 ADEU Phase 3 expansion HDPE piping and civil works	Stuart Olson Construction Ltd	\$1,205,737	Engineering and Public Works
26.	5333Q Supply and delivery of desktop computers	Island Key Computers	\$142,120	Finance and Corporate Services



City of Richmond

Report to Committee

To: Finance Committee

Date: February 24, 2015

From: George Duncan
Chief Administrative Officer
& President and CEO
Richmond Olympic Oval

File:

Andrew Nazareth
General Manager, Finance and Corporate Services
& Chief Financial Officer, Richmond Olympic Oval

Re: **4th Quarter 2014 - Financial Information for the Richmond Olympic Oval Corporation**

Staff Recommendation

That the report on Financial Information for the Richmond Olympic Oval Corporation for the fourth quarter ended December 31, 2014 from the Controller of the Richmond Olympic Oval Corporation be received for information.

George Duncan
Chief Administrative Officer
& President and CEO
Richmond Olympic Oval

Andrew Nazareth
General Manager, Finance and Corporate Services
& Chief Financial Officer,
Richmond Olympic Oval

DATE: February 23, 2015

TO: George Duncan
Chief Executive Officer, Richmond Olympic Oval Corporation

Andrew Nazareth
Chief Financial Officer, Richmond Olympic Oval Corporation

John Mills
Chief Operating Officer, Richmond Olympic Oval Corporation

FROM: Rick Dusanj, CPA, CA
Controller, Richmond Olympic Oval Corporation

Re: **Richmond Olympic Oval Corporation – 4th Quarter 2014 Financial information**

Origin

Section 7.3 of the Operating Agreement between the City of Richmond (the “City”) and the Richmond Olympic Oval Corporation (the “Corporation”) requires reporting with respect to business plans, budgets, audited financial statements, and quarterly comparisons of actual results to budget along with projections to fiscal year end. This staff report deals with the third quarter business plan and financial results for the 3 months ended December 31, 2014 (“Q4”) which was approved by the Corporation’s Board of Directors.

Business Plans and Financial Results

Q4 was a successful quarter for the Corporation. The Q4 results were budgeted at a net amount before transfers to reserves/provisions of \$508,000 and the actual results show \$754,000, indicating a favorable variance of \$246,000 (please see page 4 for the Corporation’s statement of operations). In Q4, \$1,823,000 has been allocated to the reserves/provisions bringing the total allocated to the reserves/provisions for 2014 to \$2,805,000.

Highlights

Some of the highlights of the activities undertaken by the Corporation during Q4 are described on the following page.

Community Use

Member Care continued to provide member engagement with the Membership Challenge, which is an incentive program designed to improve retention and use of the Oval facility. This included our first annual Turkey to Turkey challenge (where members win a prize if they work out 30 days from October 15th to December 15th) and also included our November member appreciation event where members had the opportunity to attend free specialty classes, free community sport programs, and win free prizes. Both initiatives were very successful as spots were filled up immediately. At the end of Q4 2014, a total of 79% of Oval members were Richmond residents.

Total visitation for Q4 2014 was 204,188, a 19% increase over the same time last year. Total visitations are calculated based on the sum of the following figures: the number of paid admissions, the number of membership scans, the number of visits for those individuals in registered programs, and the number of visits from event rentals and user groups. The event rental and user group figures are based on data obtained from the clients and programmers responsible for the respective rentals.

Sport Development and Events

High Performance Training continues to service athletes ranging from the community through to the National level. Training sessions were delivered to Table Tennis Canada, Speed Skating Canada, Field Hockey Canada, Athletics Canada, Sailing Canada, Wheelchair Rugby Canada, World Athletics Centre athletes, Greater Vancouver Canadians, Richmond Sockeyes, Vancouver Fusion Football Club, Vancouver Angels, Kajaks Track and Field, Winskill Dolphins, Pacific Wave Synchro, Richmond Soccer Association, Kerrisdale Little League and Dunbar Little League.

Oval trained athlete successes in Q4 included:

- Three Volleyball Canada Centre of Excellence athletes committing to university teams: Siobhan Finan (UBC), Kaleigh Mathison (University of Western Ontario), and Tamara Clarke (SFU);
- 90% of Volleyball Canada Centre of Excellence athletes selected to local high performance club teams.

Once again Q4 was a very busy Sport Hosting and Events quarter at the Oval. Some of the highlights included the following: TWU Volleyball Game, Sportability, PGA Trade Show, Western Marine Trade Show, Richmond Raven's Female Hockey Tournament, Triple Crown Fit Challenge, BC Handball Championships, Orb Sale, Hockey Canada 100th Anniversary Tour, Speed Skating Trials, De Denaan Christmas Feis, BC Lions Skills For Life, Panther Cheer PINK and numerous Corporate Family Christmas Parties

Events secured in Q4 included: 2015 BC High School Basketball Lower Mainland Championships, 2016 – 2017 BC Sports Rep Association (BCSRA) Trade Shows, BC Basketball U18 3x3 Tournament and the 2016 Futsal Festival.

Governance

Meetings of the Corporation's Audit & Finance Committee took place during Q4.

A handwritten signature in black ink, appearing to read 'R. Dusanj'.

Rick Dusanj, CPA, CA
Controller, Richmond Olympic Oval Corporation

cc: Shana Turner
Director, Finance and Corporate Services, Richmond Olympic Oval Corporation

RICHMOND OLYMPIC OVAL CORPORATION

Statement of Operations

For the quarter ended Dec 31, 2014

Unaudited, prepared by management

	QTR 4			Year ended		
	2014			Dec 31, 2014		
	BUDGET	ACTUAL	\$ Variance Fav/(Unfav)	BUDGET	ACTUAL	\$ Variance Fav/(Unfav)
REVENUES						
2010 Games Operating Trust Fund	550,000	580,386	30,386 6%	2,200,000	2,270,900	70,900 3%
Contribution from City of Richmond (COR)	802,300	801,900	(400) 0%	3,208,000	3,207,600	(400) 0%
Memberships, admissions and programs	1,681,679	1,717,165	35,487 2%	6,348,893	6,877,930	529,037 8%
Other	456,673	405,320	(51,353) -11%	1,383,695	1,412,253	28,558 2%
	3,490,652	3,504,771	14,120 0%	13,140,588	13,768,684	628,095 5%
EXPENSES						
Memberships, admissions, and program services	1,061,529	935,879	125,650 12%	4,213,863	4,034,478	179,385 4%
Facility Operations	1,021,247	946,239	75,008 7%	4,084,985	3,903,578	181,407 4%
Marketing	147,932	93,072	54,860 37%	487,432	351,733	135,699 28%
Admin/Finance	752,225	775,937	(23,712) -3%	2,778,554	2,591,675	186,879 7%
	2,982,933	2,751,127	231,806 8%	11,564,834	10,881,465	683,369 6%
Net before transfers to reserves/provisions	507,719	753,644	245,925	1,575,754	2,887,219	1,311,465
Transfers to reserves/provisions (Note 1)	325,000	1,823,235	1,498,235	1,300,000	2,804,600	1,504,600
Net after transfers to reserves/provisions	182,719	(1,069,591)	(1,252,310)	275,754	82,619	(193,135)

Note 1 - In Q4, \$1,823,000 was transferred into reserves/provisions. The transfers to capital reserves vary from quarter to quarter and are not finalized until year end by the Capital Works Committee in accordance with the operating agreement.

Numbers may be off due to rounding.

Also see attached comments on the results for the fourth quarter of Fiscal Year 2014.



City of Richmond

Report to Committee

To: Finance Committee
From: Andrew Nazareth
General Manager, Finance and Corporate Services
Date: February 12, 2015
File: 03-0970-01/2015-Vol 01
Re: 5 Year Financial Plan (2015-2019) Bylaw No. 9220

Staff Recommendation

That:

1. The 5 Year Financial Plan (2015-2019) be approved as presented by the Director, Finance.
2. The 5 Year Financial Plan (2015-2019) Bylaw No. 9220 be introduced and given first, second, and third readings.
3. Staff undertake a process of public consultation as required in Section 166 of the Community Charter.

Andrew Nazareth
General Manager, Finance and Corporate Services
(604-276-4095)

Att. 4

REPORT CONCURRENCE		
ROUTED TO: Fire Rescue Parks Services Recreation Engineering Public Works Law Transportation	CONCURRENCE <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
REVIEWED BY STAFF REPORT / AGENDA REVIEW SUBCOMMITTEE	INITIALS: 	APPROVED BY CAO

Staff Report

Origin

In subsection 165(l) of the *Community Charter*, it requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw on or before May 15th of each year. However, early adoption is encouraged in order for all users to be aware of the bylaws and rates in place. The 5YFP Bylaw provides the City with the authority to proceed with spending to the limits as outlined in the bylaw. The City is required under section 166 of the *Community Charter* to undertake a process of public consultation prior to adoption of the 5YFP.

The 5YFP Bylaw 9220 presented in Attachment 1 consolidates the budget decisions previously made by Council including the Utility, Operating and Capital budgets and One-Time Expenditures funded by previous years' surplus. The key components were approved by Council as follows:

Budget Input	Council Approval Date
2015 Utility Budget	October 27, 2014
2015 One-Time Expenditures	February 10, 2015
2015 Operating Budget	February 10, 2015
2015 Capital Budget	February 10, 2015

To ensure spending authorization is in place, expenditures that are expected to be incurred in 2015 which are funded by non-tax sources are included in the current 5YFP, due to the fact that the previous 5YFP is repealed upon adoption of the new bylaw. Similarly, funding for previously approved Capital projects are carried forward into the proposed bylaw. Including these items in the 5YFP has no impact on the tax rate as the funding has already been previously approved and committed.

Under the City's Long Term Financial Management Strategy (LTFMS), the City is committed to financial planning that maintains existing levels of service to the community and provides for the future infrastructure needs of the community, while limiting the impact on property taxes.

Analysis

Utility Budget

At the Council meeting held on October 27, 2014 the following resolution was adopted:

That the 2015 Utility Budgets, as outlined under Option 1 for Water and Sewer, Option 3 for Drainage and Diking, and Option 1 for Solid Waste and Recycling, as contained in the staff report dated October 7, 2014 from the General Manager of Finance & Corporate Services and General Manager of Engineering & Public Works, be approved as the basis for establishing the 2015 Utility Rates and preparing the 5 Year Financial Plan (2015-2019) Bylaw.

The Utility Budget is approved in October in order to establish rates in time for billing in the first quarter of 2015. Due to the timing of the Utility Budget approval, the outcome of the Capital

Budget process which includes Capital Operating Budget Impact (OBI) was not known. The 2015 OBI for Utility Capital projects is \$126k. This is added to the Utility Budget, funded by provision accounts for 2015 and will be built into the 2016 rates.

As additional information is received, the Utility Budget is revised and any additional costs are either recovered through amended rates or through provision accounts. Subsequent to the Utility Budget, WorkSafe BC rates were increased which resulted in additional costs to the Utility Budget. A total of \$63k is funded by provision to cover these costs.

At the Council meeting held on January 26, 2015 the following resolution was adopted:

That an amendment to the City's Five Year Financial Plan (2015 – 2019) to include:
(a) capital costs of \$700,000 (funded from the City's general solid waste and recycling provision); and
(b) operating costs of \$1,212,500 in 2015 with amounts not recovered via rates in 2015 funded from the City's general solid waste and recycling provision, be approved and
That Solid Waste & Recycling Regulation Bylaw No. 6803, Amendment Bylaw No. 9204, be introduced and given first, second and third reading.

At the Council meeting held on February 10, 2015 the Solid Waste and Recycling Regulation Bylaw No. 6803, Amendment Bylaw No. 9204 was adopted.

The \$700k was included in the 2015 Capital Budget. The \$1.2M is added to the Utility budget, funded by \$905k in additional revenue and \$308k funding from the General Solid Waste and Recycling provision.

Consequently, the total increase to the Utility Budget funded by non-tax sources are \$1.4M. Attachment 2 summarizes the 2015 Utility Budget approved by Council and the subsequent 2015 adjustments by Division that are included in the 5YFP.

The bylaw includes estimates for 2016-2019 based on information currently available to staff and will be revised with the financial plan for each respective year.

One-Time Expenditures

On February 10, 2015, Council approved \$2.1M in One-Time expenditures. These expenditures are added to the Capital and Operating budgets as summarized in Table 1.

Additions to the Capital Budget include The Sharing Farm Barn Construction and WiFi Network Expansion.

Funding of \$750k was approved to be transferred to the Major Events Provision for events to be held in years 2015 through 2017. It is estimated that \$75k will be used for a Plaza Activation event in 2015. The remaining balance of \$675k is for Major Events to be held in 2016 and 2017.

Table 1 – 2015 One-Time Expenditures Summary

One-Time Expenditures	Amount (in \$ 000's)
2015 Operating Budget	\$886
2015 Capital Budget	552
Future Year Operating Budgets (Major Events Provision)	675
2015 One-Time Expenditures	\$2,113

Operating Budget

Table 2 summarizes the Operating Budget approved by Council on February 10, 2015, which includes the addition of Capital OBI, Additional Expenditures to form the new Ongoing Base Budget.

Table 2 – 2015 Operating Budget Expenditure Reconciliation to 5YFP 2015-2019

Operating Budget	Amount (in \$ 000's)
Ongoing Service Level Base	\$277,262
Capital OBI	701
Additional Level Expenditures	243
Revised Ongoing Service Level Base	278,206
One-Time Expenditures - Operating	886
Carryforwards	9,473
Additional Sponsorship and Grants Estimate for Major Events – Note 1	290
Additional Fuel Sales (fully recoverable) – Note 2	250
Adjust Library to the approved Municipal Contribution (For City budgeting purposes only, there is no change to the Library Budget) – Note 3	(832)
Total Operating Budget	288,273
Amortization	42,041
2015 Total Operating Budget Including Amortization	\$330,314

Table 2.1 presents the breakdown of the additional expenditures, as the net amount approved by Council was \$115k on February 10, 2015.

Items added to the budget have no tax impact and are explained as follows:

Note 1: Sponsorship and Grant revenue is anticipated to be received for Major Events, and if received, expenditure authorization is required. If the anticipated sponsorship amounts are not received, the additional expenditures will not be incurred.

Note 2: Fuel Sales to RCMP and School Board are fully recoverable; the additional fuel purchases are included for expenditure authorization.

Note 3: The Richmond Public Library Budget presented the Library's total revenue and expenditures. This reduction adjusts the Library's total expenditures to the approved Municipal Contribution approved by Council on February 10, 2015. There is no impact on the Library's budget, this is for City budgeting purposes only.

Table 2.1 – Additional Level Expenditures

Additional Level Expenditures	Amount (in \$ 000's)
Total Additional Level Expenditures	243
Total Additional Level Revenues	(128)
Net Additional Level Expenditures	115

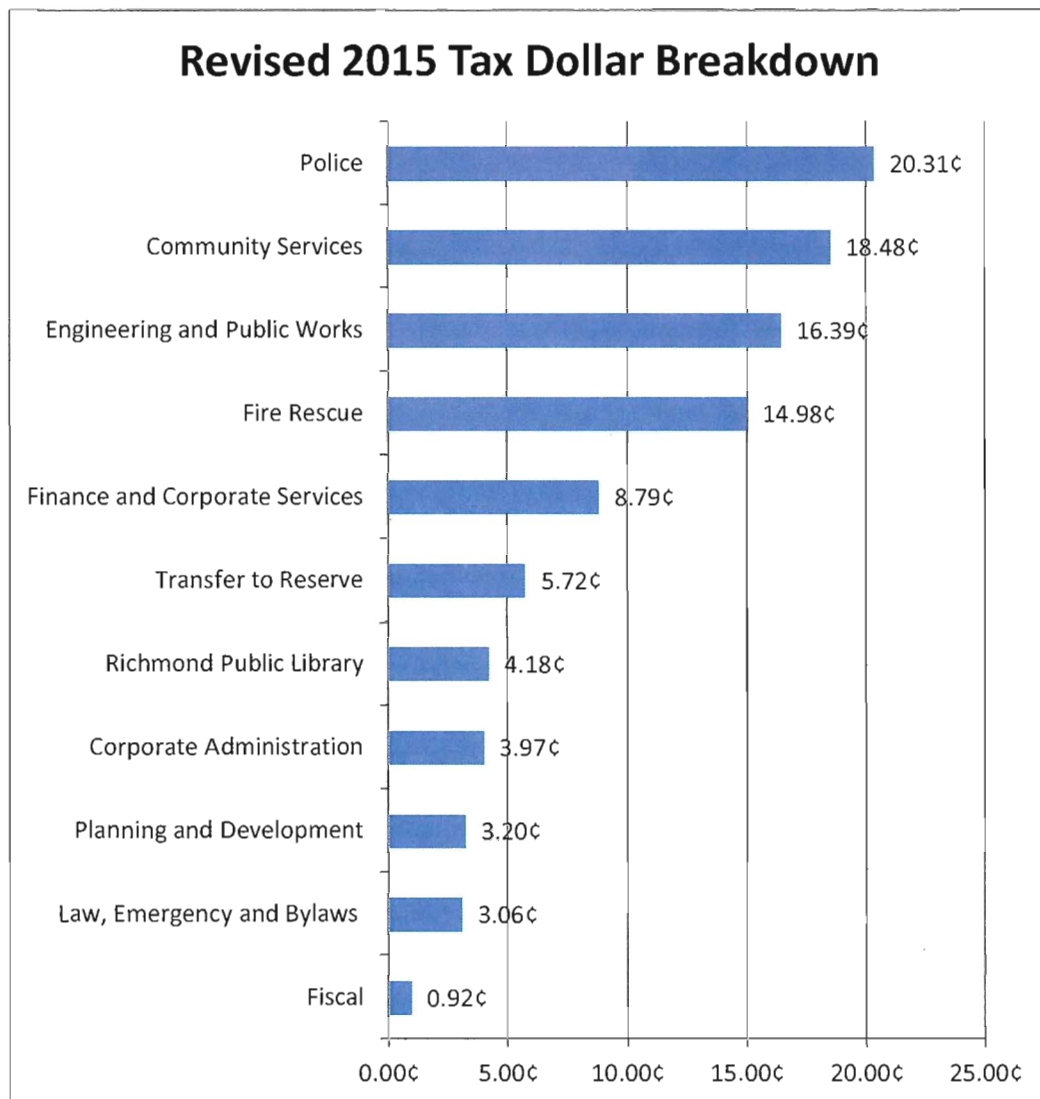
The 2015 Carryforwards estimate is comprised of 2014 operating budget surpluses and previously approved one-time expenditures that are required for programs and projects that were not completed in 2014 and hence carried into 2015.

Amortization is estimated as required by accounting standards. There is no cash expenditure as a result of this item.

Attachment 3 provides the 2015 Operating Budget reconciliation to the 5YFP by Division. Adjustments to the 2015 budget include reallocation of existing budget resources between Divisions with no tax impact. This reallocation includes OBI for Major Facilities which is being phased in over seven years, which started with the 2014 budget. Funding that was brought into the 2014 budget is reallocated to the Community Services budget in 2015.

Revised 2015 Breakdown of a Municipal Tax Dollar

In the 2015 Operating Budget Report approved by Council on February 10, 2015, the proposed breakdown of a Municipal Tax dollar was included. This chart is revised to reflect that the proposed Transfer to Reserves increase was not approved, but instead replaced with a one-time transfer of funding from the Gaming Provision.



In accordance with Council Policy 3016, the 5YFP is based on maintaining existing levels of service, with no additional services or programs included, unless specifically approved by Council. Therefore, the 2015 approved budgets form the base and the 2016-2019 amounts are estimates based on information available to staff at the time the bylaw is prepared.

Capital Budget

Council approved a 2015 Capital Budget of \$92.5M. A further \$552k from 2015 One-Time Expenditures was approved for The Sharing Farm Barn Construction and WiFi Network Expansion. In addition, the Sharing Farm Barn Construction has a community contribution of \$30k, for a total project budget of \$324k. The total approved Capital Budget is therefore \$93.0M as shown in Table 3.

Table 3 – Total 2015 Capital Budget

2015 Capital Budget	Amount (in \$ 000's)
Capital Budget	\$92,458
One-Time Expenditures - Capital	552
The Sharing Farm Barn - Community Contribution	30
Total 2015 Capital Budget	\$93,040

Bylaw total is \$94,041 due to rounding.

The Capital Budget as presented in the 5YFP includes a carryforward amount for previously approved projects that are still in progress. There is no tax impact of including this amount, which was previously approved by Council.

The Capital Budget also includes an estimate for the value of developer contributed assets that the City will take ownership of as a result of rezoning approvals. This includes land under new road dedications and infrastructure contributed by developers. There is no cost to the City for building this infrastructure; however it becomes part of the City's inventory of assets to maintain, and therefore it may result in an additional operating budget impact.

The 2016-2019 Capital program is based on projects currently planned and based on funding availability; however it does not include major new facilities nor the estimated \$1M annual gap in facility capital maintenance identified in the staff report titled Ageing Facility Infrastructure – Update presented to Council on March 24, 2014. These issues will be addressed in future reports. Each year the Capital program is reviewed in detail and therefore approval of projects as part of the 2015-2019 financial plan does not provide final approval for 2016-2019 projects. In addition, timing of planned projects may change. Attachment 4 includes the final 2015-2019 Capital plan and highlights of the 2016-2019 planned projects.

Public Consultation

Section 166 of the *Community Charter* requires a process of public consultation prior to adoption of the 5YFP. In order to comply with this requirement, staff are working on a number of communication initiatives, which include:

- preparing a news release on the City website scheduled for Tuesday, March 10, 2015 with a link to the 5YFP.
- engaging a public forum on Let's Talk Richmond scheduled to launch on Tuesday, March 10, 2015 with summary documents of the 5YFP and links to the full reports (Utility Budget, Capital Budget, Operating Budget, One-Time Expenditure reports).
- featuring highlights of the 5YFP and inviting comments in a newspaper wrap to be published with the Richmond Review on Wednesday, March 11, 2015.
- utilizing social media to raise awareness of the public consultation period through Facebook and Twitter accounts.
- having copies of the 5YFP, Utility Budget, Capital Budget, Operating Budget and One-Time Expenditure reports available for pick-up by the public.
- issuing an advertisement in the Richmond Review on Friday March 20, 2015 as reminder of the ongoing public consultation.

Financial Impact

Table 4 summarizes the Council approved 2015 tax increase of 1.89%. The proposed estimated tax increase for 2016 through 2019 is expected to be consistent with 2014 and includes a 1% levy for capital infrastructure replacement, as directed by Council in accordance with the Long Term Financial Management Strategy.

Table 4 –5YFP 2015-2019 Summary

Year	Tax Increase	Transfer to Reserves	Total Increase
2015 Approved Increase	1.89%	0.00%	1.89%
2016 Proposed Increase	1.98%	1.00%	2.98%
2017 Proposed Increase	1.98%	1.00%	2.98%
2018 Proposed Increase	1.99%	1.00%	2.99%
2019 Proposed Increase	1.96%	1.00%	2.96%

Conclusion

The 5YFP 2015-2019 has been prepared based on the 2015 budgets approved by Council and the proposed increases for 2016-2019 are prepared as directed by Council through the Long Term Financial Management Strategy. Staff recommend approving the financial plan and undertaking the public consultation process based on the proposed five year financial plan.



Jerry Chong, CA
Director, Finance
(604-276-4064)

JC:ms

- Att. 1: 5 Year Financial Plan (2015-2019) Bylaw 9220
 2: Reconciliation of 2015 Utility Budget Report to 5YFP 2015-2019
 3: Reconciliation of 2015 Operating Budget Report to 5YFP 2015-2019
 4: 2015-2019 Capital Plan



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



SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

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

SCHEDULE A:

CITY OF RICHMOND

5 YEAR FINANCIAL PLAN (2015-2019)

FUNDING SOURCES/TRANSFERS

(In \$000's)

	2015	2016	2017	2018	2019
Operating and Utility Funding Sources					
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
Total Operating and Utility Funding Sources	\$376,234	\$387,585	\$400,021	\$412,546	\$425,337
Capital Funding Sources					
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
Total Capital Funding Sources	\$407,216	\$348,861	\$304,397	\$248,541	\$238,312
Total Operating, Utility and Capital Funding Sources	\$783,450	\$736,446	\$704,418	\$661,087	\$663,649
Transfers					
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
Total Transfers	\$62,097	\$50,596	\$54,315	\$58,824	\$58,953
TOTAL FUNDING SOURCES AND TRANSFERS	\$845,547	\$787,042	\$758,733	\$719,911	\$722,602

SCHEDULE A (CONT'D):

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

	2015	2016	2017	2018	2019
Expenditures/Transfers					
Utility Budget					
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
Total Utility Budget	\$108,017	\$111,189	\$115,225	\$118,865	\$122,681
Operating Budget					
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
Total Operating Budget	\$330,314	\$326,992	\$339,111	\$352,505	\$361,609
Capital Plan					
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
Total Capital Plan	\$407,216	\$348,861	\$304,397	\$248,541	\$238,312
TOTAL EXPENDITURES/TRANSFERS	\$845,547	\$787,042	\$758,733	\$719,911	\$722,602
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
DCC Reserves					
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
Total DCC Reserves	\$23,828	\$12,931	\$18,300	\$14,230	\$10,264
Statutory Reserves					
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
Total Statutory Reserves	\$41,112	\$42,096	\$38,183	\$35,986	\$41,037
Other Sources					
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
Total Other Sources	\$28,101	\$16,197	\$11,562	\$11,750	\$15,889
TOTAL CAPITAL FUNDING	\$93,041	\$71,224	\$68,045	\$61,966	\$67,190

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:

Funding Source	% of Total Revenue
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)

Property Class	% of Tax Burden
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*.

Reconciliation of 2015 Utility Budget Report to 5YFP 2015-2019

Division (in '000s)	2015 Base Budget (as presented in the 2015 Utility Budget Report)	No Tax Impact Adjustments	Total 2015 Utility Budget	Amortization	Bylaw Total
<u>Utility Budget</u>					
Water Utility					
Revenue/Transfers	\$44,654	\$122	\$44,776	\$4,015	\$48,791
Expenses	44,654	122	44,776	4,015	48,791
	-	-	-	-	-
Sanitary Sewer Utility					
Revenue/Transfers	30,262	59	30,321	3,360	33,681
Expenses	30,262	59	30,321	3,360	33,681
	-	-	-	-	-
Sanitation and Recycling					
Revenue/Transfers	13,913	1,221	15,134	-	15,134
Expenses	13,913	1,221	15,134	-	15,134
	-	-	-	-	-
Storm Drainage					
Revenue/Transfers	10,411	-	10,411	-	10,411
Expenses	10,411	-	10,411	-	10,411
	-	-	-	-	-
<u>Total Utility Budget</u>					
Revenue/Transfers	99,240	1,402	100,642	7,375	108,017
Expenses	99,240	1,402	100,642	7,375	108,017
	-	-	-	-	-

Reconciliation of 2015 Operating Budget Report to 5YFP 2015-2019

Division (in '000s)	2015 Base Budget (as presented in 2015 Operating Budget Report)	Council Approved Increases	No Tax Impact Adjustments	Total 2015 Operating Budget	Amortization	Bylaw Total
<u>Law and Community Safety</u>						
Revenue/Transfers	\$9,166	90	913	\$10,169	\$2,620	\$12,789
Expenses	87,255	214	1,032	88,501	2,620	91,121
	(78,089)	(124)	(119)	(78,332)	-	(78,332)
<u>Community Services</u>						
Revenue/Transfers	8,926	38	3,111	12,075	5,056	17,131
Expenses	45,670	444	3,711	49,825	5,056	54,881
	(36,744)	(406)	(600)	(37,750)	-	(37,750)
<u>Library</u>						
Revenue/Transfers	832	-	(605)	227	-	227
Expenses	9,373	-	(605)	8,768	-	8,768
	(8,541)	-	-	(8,541)	-	(8,541)
<u>Engineering and Public Works</u>						
Revenue/Transfers	5,192	-	2,332	7,524	22,932	30,456
Expenses	38,521	161	2,332	41,014	22,932	63,946
	(33,329)	(161)	-	(33,490)	-	(33,490)
<u>Finance and Corporate Services</u>						
Revenue/Transfers	4,320	-	1,549	5,869	1,295	7,164
Expenses	22,182	98	1,549	23,829	1,295	25,124
	(17,862)	(98)	-	(17,960)	-	(17,960)
<u>Corporate Administration</u>						
Revenue/Transfers	-	-	246	246	-	246
Expenses	8,110	-	271	8,381	-	8,381
	(8,110)	-	(25)	(8,135)	-	(8,135)
<u>Planning and Development Services</u>						
Revenue/Transfers	5,755	-	200	5,955	923	6,878
Expenses	12,270	27	200	12,497	923	13,420
	(6,515)	(27)	-	(6,542)	-	(6,542)
<u>Fiscal</u>						
Revenue/Transfers	215,046	5,974	483	221,503	9,215	230,718
Expenses	19,326	-	(261)	19,065	9,215	28,280
	195,720	5,974	744	202,438	-	202,438
<u>Transfers to Reserve</u>						
Revenue/Transfers	22,867	-	1,838	24,705	-	24,705
Expenses	34,555	-	1,838	36,393	-	36,393
	(11,688)	-	-	(11,688)	-	(11,688)
<u>Total (Excluding Utility Budget)</u>						
Revenue/Transfers	272,104	6,102	10,067	288,273	42,041	330,314
Expenses	277,262	944	10,067	288,273	42,041	330,314
Net Budget Increases	\$5,158	(5,158)	-	-	-	-
Estimated 2015 Growth	(2,500)					
Less: Mandatory Senior Government						
Increases	(2,185)					
Same Level of Service Increase	\$473					

2015-2019 Capital Plan By Program

	2015	2016	2017	2018	2019
Infrastructure Program					
Roads	\$8,185	\$6,975	\$12,122	\$5,316	\$5,316
Drainage	10,623	9,910	10,630	10,200	10,510
Water Main Replacement	8,850	12,010	9,750	9,470	9,100
Sanitary Sewer	7,314	5,350	5,000	5,020	3,620
Minor Public Works	625	800	800	550	550
Infrastructure Advanced Design & Land	1,586	1,183	1,333	1,238	1,238
District Energy Utility	12,400	3,800	-	-	5,500
Total Infrastructure Program	\$49,583	\$40,028	\$39,635	\$31,794	\$35,834
Building Program					
Building Program	3,816	3,500	4,488	6,321	5,803
Total Building Program	\$3,816	\$3,500	\$4,488	\$6,321	\$5,803
Parks Program					
Major Parks/Streetscapes	5,500	4,450	2,553	2,525	4,525
Minor Parks	1,747	700	700	950	950
Parkland Acquisition	4,630	4,000	4,000	4,000	4,000
Public Art	408	100	100	100	100
Total Parks Program	\$12,285	\$9,250	\$7,353	\$7,575	\$9,575
Land Program					
Land Acquisition	10,000	10,000	10,000	10,000	10,000
Total Land Program	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Affordable Housing Project					
Affordable Housing Project	1,159	750	750	605	-
Total Affordable Housing Project	\$1,159	\$750	\$750	\$605	-
Equipment Program					
Annual Fleet Replacement	2,851	2,807	1,972	2,041	1,707
Fire Dept Vehicles	997	1,433	1,185	999	1,614
Miscellaneous Equipment	1,000	-	-	-	-
Technology	3,280	1,259	465	434	460
Total Equipment Program	\$8,128	\$5,499	\$3,622	\$3,474	\$3,781
Child Care Program					
Child Care Program	410	50	50	50	50
Total Child Care Program	\$410	\$50	\$50	\$50	\$50
Internal Transfers/Debt Payment					
Internal Transfers/Debt Payment	7,660	2,147	2,147	2,147	2,147
Total Internal Transfers/Debt Payment	\$7,660	\$2,147	\$2,147	\$2,147	\$2,147
Total Capital Program	\$93,041	\$71,224	\$68,045	\$61,966	\$67,190

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015. This attachment includes the 2015 Approved Capital Budget with highlights of the 2016-2019 Capital Plan.

Infrastructure - Roads Program (in \$000's)

Recommended Project Name	Year				
	2015	2016	2017	2018	2019
Roads					
Accessible Pedestrian Signal Program	\$250	\$250	\$250	\$250	\$250
Active Transportation Improvement Program	650	650	650	650	650
Annual Asphalt Re-Paving Program - MRN	914	939	939	939	939
Annual Asphalt Re-Paving Program - Non-MRN	2,459	2,459	2,459	2,459	2,459
Arterial Roadway Improvement Program	300	300	300	150	150
Bridge Rehabilitation - No. 4 Rd / Fraserside Gate Bridge	110	-	-	-	-
Bridgeport Overpass Resurfacing	1,100	-	-	-	-
Functional and Preliminary Design (Transportation)	30	24	24	18	18
Neighbourhood Walkway Program	450	250	250	125	125
No. 2 Road Widening, Steveston Highway to Dyke Road	-	600	6,000	-	-
Special Crosswalk Program	350	350	350	175	175
Street Light Pole Replacement: Seafair & Richmond Gardens	132	120	-	-	-
Street Light Security and Wire Theft Prevention	140	133	-	-	-
Traffic Calming Program	350	100	100	50	50
Traffic Signal Program	600	600	600	300	300
Transit-Related Amenity Improvement Program	250	100	100	100	100
Transit-Related Roadway Improvement Program	100	100	100	100	100
Total Roads	\$8,185	\$6,975	\$12,122	\$5,316	\$5,316

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

No. 2 Road Widening, Steveston Highway to Dyke Road - \$6,600,000 for years 2016-2017

The general scope of this project includes widening of No.2 Road between Steveston Highway and Dyke Road at various sections and provision of a shared continuous cycling/pedestrian pathway along No.2 Road. Major components of the project are:

- At Steveston Highway and Moncton Road intersections, upgrade to arterial road standard with selective widening and appropriate intersection tapers, additional traffic (turning) lane as warranted;
- Moncton Road to Dyke Road: upgrade the road to collector standard and maintain parking on the east side (no parking will be provided on the west side as per existing conditions);
- A new traffic signal at Moncton Road;
- A shared cycling/pedestrian pathway along No.2 Road (east side from Steveston Highway to the existing crosswalk located approximately 260m south of Andrews Road then swing over to the west side to Dyke Road); and
- Hydro/Tel/cable portion of cost estimate includes pole relocation and potential cost to acquire lands along east side of No. 2 Road, where required

Infrastructure - Drainage Program (in \$000's)

Recommended Project Name	Year				
	2015	2016	2017	2018	2019
Drainage					
ALR Drainage System Upgrades - South Sidaway Area	-	\$450	-	-	-
Aquatic Invasive Species Management	150	-	-	-	-
Automated Irrigation Gate Installation / Local Ditch Upgrade	300	-	-	-	-
Burkeville Drainage	1,000	-	-	-	-
Canal Stabilization - No. 3 Road and No. 8 Road	300	300	-	-	-
Development Coordinated Works in Capital	-	500	500	100	-
Dike Upgrades	750	1,500	1,500	1,500	1,500
Drainage Minor Capital	300	300	300	300	-
Garden City Land Improvements - Stormwater Management	-	1,000	-	-	-
Horseshoe Slough Dredging	-	500	-	-	-
Horseshoe Slough Pump Station Rebuild	4,200	-	-	-	-
Irrigation Gate Installation - No. 6 Rd and Triangle Rd	-	150	-	-	-
Laneway Drainage and Asphalt Upgrade	933	890	810	1,050	910
Long Shaft Drainage Pump Replacement Program	300	-	-	-	-
McCallan Rd North Pump Station Upgrade	-	-	-	-	4,200
Miller Road Pump Station Generator Upgrade	-	120	-	-	-
Minor Capital	-	-	-	-	300
Nelson Road South Pump Station Generator	120	-	-	-	-
No 1 Rd Box Culvert Rehabilitation	2,150	-	-	-	-
No 2 Road South Pump Station Upgrade	-	-	7,400	-	-
No 6 Road South Pump Station Generator	-	-	120	-	-
No 7 Road South Pump Station Upgrade	-	4,200	-	-	-
Queens Road North Pump Station Generator	120	-	-	-	-
Shell Road North Pump Station Upgrade	-	-	-	3,900	-
Steveston Hwy & Gilbert Rd Pump Station Upgrade	-	-	-	-	1,800
Steveston Hwy & No. 3 Rd Pump Station Upgrade	-	-	-	-	1,800
Williams Road 3000 Block Drainage Pipe Upgrade	-	-	-	3,350	-
Total Drainage	\$10,623	\$9,910	\$10,630	\$10,200	\$10,510

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

ALR Drainage System Upgrades - South Sidaway Area - Phase 3 of 3 - \$450,000 for year 2016

Lower culvert watercourse crossings and reprofile watercourses along Steveston Highway between Sidaway Road and Palmberg Road and on Sidaway Road between Steveston Highway and the Francis Road Right-of-Way. Install two automated irrigation control structures on Steveston Highway and Palmberg Road. The work will be undertaken in 3 phases to balance other drainage funding priorities.

Development Coordinated Works in Capital - \$1,100,000 for years 2016-2018

This project will enable the City to leverage development over the next year to design and construct drainage infrastructure outside of what would be required as part of their development.

These are upgrades and replacement of ageing infrastructure that the City would complete separately but economic and engineering efficiencies can be achieved by having the developer complete this work at the same time the development takes place.

Dike Upgrades - \$6,000,000 for years 2016-2019

Implement dike improvements along the Fraser River's North and South Arm. Projects will address current infrastructure deficiencies and meet medium to long-term needs. Projects will accommodate local areas needs such as the provision of basic recreational trails.

Garden City Land Improvements - \$1,000,000 for year 2016

Stormwater Management Scheme

Laneway Drainage and Asphalt Upgrade - \$3,660,000 for years 2016-2019

Does not include the addition of street lighting, curbs or gutters. The project is estimated to take 2-3 months and be complete by October of each respective year.

- **Dennis Crescent West - \$490,000 for year 2016** - Install drainage and upgrade 375m of pavement.
- **Swinton Cr (East) - \$400,000 for year 2016** - Install drainage and upgrade 307m of pavement.
- **10,000 Blk No. 4 Road - \$320,000 for year 2017** - Install drainage and upgrade 240m of pavement.
- **Aintree Crescent (East) - \$490,000 for year 2017** - Install drainage and upgrade 375m of pavement.
- **Seafeld Crescent 233m - \$310,000 for year 2018** - Install drainage and upgrade 233m of pavement.
- **Shell Road- 563m - \$740,000 for year 2018** - Install drainage and upgrade 563m of pavement.
- **Seacote Road (East) - \$170,000 for year 2019** - Install drainage and upgrade 130m of pavement.

- **Seamount Road (East) - \$740,000 for year 2019** - Install drainage and upgrade 565m of pavement.

McCallan Rd North Pump Station Upgrade - \$4,200,000 for year 2019

Demolish the existing pump station and rebuild it to a modern standard. Increase pumping capacity by 100% and lower the low water pumping elevation. Make local dike upgrades. Landscape the construction area.

The project is estimated to take 6 months. Construction will be scheduled for spring/summer 2017.

This is a single year project that is part of a larger strategy to increase the City's drainage capacity, increase pump station reliability and reduce flooding.

Major Cost Components:

Civil (65%) - \$2,730,000
Mechanical (19%) - \$798,000
Electrical (16%) - \$672,000

No 2 Road South Pump Station Upgrade - \$7,400,000 for year 2017

Build a new drainage pump station at the south end of No. 2 Rd and approximately 120m of box culvert. Decommission the existing station, reinstate the dike and fill 120m of ditch.

The project is estimated to take 6 months. Construction will be scheduled for spring 2017.

This is a single year project that is part of a larger strategy to increase the City's drainage capacity, increase pump station reliability and reduce flooding.

Major Pump Station Cost Components:

Civil (65%)	\$2,990,000
Mechanical (19%)	\$874,000
Electrical (16%)	\$736,000

Major Ancillary Cost Components:

Box Culvert	\$1,800,000
Decommissioning	\$1,000,000

No 7 Road South Pump Station Upgrade - \$4,200,000 for year 2016

Demolish the existing pump station and rebuild it to a modern standard. Make local dike upgrades. Landscape the construction area. The project is estimated to take 6 months.

Major Cost Components:

Civil (65%) - \$2,730,000

Mechanical (19%) - \$798,000

Electrical (16%) - \$672,000

Shell Road North Pump Station Upgrade - \$3,900,000 for year 2018

Demolish the existing pump station and rebuild it to a modern standard. Increase pumping capacity by 45% and lower the low water pumping elevation. Make local dike upgrades. Landscape the construction area.

The project is estimated to take 6 months. Construction will be scheduled for spring/summer 2018.

This is a single year project that is part of a larger strategy to increase the City's drainage capacity, increase pump station reliability and reduce flooding.

Major Cost Components:

Civil (65%) - \$2,535,000

Mechanical (19%) - \$741,000

Electrical (16%) - \$624,000

Steveston Hwy & Gilbert Rd Pump Station Upgrade - \$1,800,000 for year 2019

Demolish the existing pump station and rebuild it to a modern standard. Increase pumping capacity and lower the low water pumping elevation. Make local dike upgrades. Landscape the construction area.

The project is estimated to take 6 months. This is a single year project that is part of a larger strategy to increase the City's drainage capacity, increase pump station reliability and reduce flooding.

Steveston Hwy & No. 3 Rd Pump Station Upgrade - \$1,800,000 for year 2019

Demolish the existing pump station and rebuild it to a modern standard. Increase pumping capacity and lower the low water pumping elevation. Make local dike upgrades. Landscape the construction area.

The project is estimated to take 6 months. This is a single year project that is part of a larger strategy to increase the City's drainage capacity, increase pump station reliability and reduce flooding.

Williams Road 3000 Block Drainage Pipe Upgrade - \$3,350,000 for year 2018

This project will install 960 m of 1200 mm dia. pipe to provide additional drainage capacity between the new Williams Road drainage pump station and the No. 1 Road box culvert. Installing one pipe eliminates the need to install various small pipes in this area.

The project is estimated to take 3 months to complete.

Infrastructure – Watermain Replacement Program (in \$000's)

Recommended Project Name	Year				
	2015	2016	2017	2018	2019
Watermain Replacement					
Development Coordinated Works in Capital	-	\$100	\$100	\$100	\$100
Residential Water Metering	1,920	1,920	1,920	1,920	-
Watermain Replacement - Lulu Island East Area	-	1,770	-	-	-
Watermain Replacement - Lulu Island North Area	2,160	5,160	2,000	-	-
Watermain Replacement - Lulu Island West Area	3,590	3,060	5,730	7,450	9,000
Watermain/Drainage Replacement	1,180	-	-	-	-
Total Water	\$8,850	\$12,010	\$9,750	\$9,470	\$9,100

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Watermain Replacement - Lulu Island Area - \$34,170,000 for years 2016-2019

The Waterworks Capital Program is based on watermain age, material, break history and the proposed road paving program. The program replaces ageing infrastructure prior to failure and improves fire protection.

- **Lulu Island East Area - \$1,770,000 for year 2016** - This project includes the installation of 1920 m of 200 mm diameter watermain to replace the existing ageing infrastructure.
- **Lulu Island North Area - \$5,160,000 for year 2016** - This project includes the installation of 4065 meters of 200mm diameter watermain and 520 meters of 300mm diameter watermain to replace the existing infrastructure.
- **Lulu Island North Area - \$2,000,000 for year 2017** - This project includes installation of 2120 meters of 200mm diameter watermain to replace the existing ageing infrastructure.
- **Lulu Island West Area- Camsell Crescent Area - \$3,060,000 for year 2016** - This project includes the installation of 2131 meters of 200mm diameter watermain to replace the existing infrastructure.
- **Lulu Island West - \$5,730,000 for year 2017** - This project includes installation of 6140 meters of 200mm diameter watermain to replace the existing ageing infrastructure.
- **Lulu Island West Area - \$7,450,000 for year 2018** - This project includes installation of 6395 meters of 200mm diameter watermain and 1180 lineal meters of 300mm diameter watermain to replace the existing ageing infrastructure.
- **Lulu Island West Area - \$9,000,000 for year 2019** - This project includes installation of 4390 meters of 200mm diameter watermain and 2880 meters of 300mm diameter watermain to replace the existing ageing infrastructure.

Infrastructure – Sanitary Sewer Program (in \$000's)

Recommended Project Name	Year				
	2015	2016	2017	2018	2019
Sanitary Sewer					
Aquila Rd Sanitary Sewer Replacement	-	-	-	\$140	-
Blundell Rd Forcemain Tie-Ins	400	-	-	-	-
City Centre Sanitary Sewer Rehabilitation - Phase 1 to 2	-	610	550	-	-
Development Coordinated Works in Capital	350	100	500	500	-
Eckersley A Pump Station Replacement	-	-	-	2,150	-
Gravity Sanitary Sewer Upgrade	-	-	2,500	-	-
Hamilton Sanitary Sewer Phase 3	1,520	-	-	-	-
Leslie Sanitary Pump Station	1,550	-	-	-	-
Miscellaneous SCADA System Improvements	192	250	250	250	500
Public Works Minor Capital - Sanitary	242	300	300	300	300
Sanitary Pump Replacements	-	150	150	150	150
Pump Station and Forcemain Assessment and Upgrade	-	750	750	750	750
Steveston Forcemain Replacements	-	-	-	780	-
Steveston Sanitary Sewer Rehabilitation	-	410	-	-	-
Van Horne Pump Station Upgrade	-	2,780	-	-	-
Vulcan Way Sanitary Forcemain Replacement	3,060	-	-	-	-
Williams Rd Sanitary Forcemain Replacement	-	-	-	-	1,920
Total Sanitary Sewer	\$7,314	\$5,350	\$5,000	\$5,020	\$3,620

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

City Centre Sanitary Sewer Rehabilitation - Phase 1 to 2 - \$1,160,000 for year 2016-2017

This project involves rehabilitation (trenchless point repairs, external point repairs, and concrete grouting) of sanitary sewer mains in various locations of the City Center Sanitary Sewer Area. The rehabilitation work is based on deficiencies identified through the sanitary sewer CCTV inspection program.

Rehabilitation will extend the service life of sanitary sewers, lower their lifecycle costs and prevent related infrastructure failures such as sinkholes.

If ageing sanitary sewers are not rehabilitated, service levels will decrease, operation and maintenance costs will increase and the risk of damage to local road and utility infrastructure will increase.

The project supports an objective in the Official Community Plan (OCP) to maintain an efficient sewage system to protect public health and safety.

Eckersley A Pump Station Replacement - \$2,150,000 for year 2018

This project involves replacement of the Eckersley A sanitary sewer pump station. The existing pump station will not have adequate capacity to service the growing population within the catchment area. The requirement for the Eckersley A pump station upgrade was identified by the 2041 OCP Sanitary Modelling project.

Gravity Sanitary Sewer Upgrade on River Rd / Beckwith Rd / Charles St - \$2,500,000 for year 2017

This project includes construction of 210 meters of 300mm diameter gravity sewer and 470 meters of 375mm diameter gravity sewer.

The existing sanitary sewer on River Rd / Beckwith Rd / Charles St will not have adequate capacity to service the growing population within the Bridgeport area. The requirement for this project was identified by the 2041 OCP Sanitary Model.

Steveston Forcemain Replacements - \$780,000 for year 2018

As pressurized fibreglass forcemains age, they become brittle and have an increased risk of failure. This project will replace three 50-year-old fibreglass forcemains that are at the end of their service lives.

This project includes the construction of:

- 485 meters of 300mm diameter forcemain and 30 meters of 500mm diameter forcemain on Richmond St, from Steveston pump station to Garry St;
- 160 meters of 250mm diameter forcemain on Fentiman Pl, from Garry pump station to Garry St;
- 285 meters of 300mm diameter forcemain on Francis Rd, from 7260 Francis Rd to Foster Rd

Steveston Sanitary Sewer Rehabilitation - \$410,000 for year 2016

This project involves rehabilitation (trenchless point repairs, external point repairs, and concrete grouting) of sanitary sewer mains in various locations of the Steveston Sanitary Sewer Area. The rehabilitation work is based on deficiencies identified through the sanitary sewer CCTV inspection program.

Rehabilitation will extend the service life of sanitary sewers, lower their lifecycle costs and prevent related infrastructure failures such as sinkholes.

If ageing sanitary sewers are not rehabilitated, service levels will decrease, operation and maintenance costs will increase and the risk of damage to local road and utility infrastructure will increase.

The project supports an objective in the Official Community Plan (OCP) to maintain an efficient sewage system to protect public health and safety.

Van Horne Pump Station Upgrade - \$2,780,000 for year 2016

This project includes construction of a new pump station including wet well, VFD pumps, electrical kiosk, 50 meters of 650mm diameter gravity pipe and 320 meters of 400mm forcemain. This project will require land acquisition.

Major Cost Components

Land Acquisition
Pump Station Supply and Installation
Gravity Pipe work
Forcemain Pipe work

Williams Rd Sanitary Forcemain Replacement - \$1,920,000 for year 2019

The purpose of this project is to replace an ageing sanitary forcemain that is at the end of its service life. The project includes the construction of 800m of 350mm forcemain to replace the existing reinforced concrete forcemain.

The project corresponds with the City's Ageing Infrastructure Report, and supports an objective in the Official Community Plan (OCP) to proactively plan infrastructure upgrades and replacements due to age and growth. Replacement will reduce the risk of pipe failure and minimizes the cost and disruption of unplanned maintenance and emergency repairs.

Infrastructure – Minor Public Works Program (in \$000's)

Recommended Project Name	Year				
Minor Public Works	2015	2016	2017	2018	2019
Public Works Minor Capital - Traffic	\$225	\$250	\$250	\$250	\$250
Public Works Minor Capital - Water	400	300	300	300	300
Roads Minor Capital	-	250	250	-	-
Total Minor Public Works	\$625	\$800	\$800	\$550	\$550

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Infrastructure –Advanced Design Program (in \$000's)

Recommended Project Name	Year				
Infrastructure Advanced Design & Land	2015	2016	2017	2018	2019
PW Infrastructure Advanced Design	\$1,586	\$1,183	\$1,333	\$1,238	\$1,238
Total Infrastructure Advanced Design & Land	\$1,586	\$1,183	\$1,333	\$1,238	\$1,238

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Infrastructure –District Energy Utility Program (in \$000's)

Recommended Project Name	Year				
District Energy Utility	2015	2016	2017	2018	2019
Alexandra District Energy Utility Expansion Phase 3	\$12,100	\$3,800	-	-	\$5,500
City Centre District Energy Utility	300	-	-	-	-
Total District Energy Utility	\$12,400	\$3,800	-	-	\$5,500

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Building Program (in \$000's)

Recommended Project Name	Year				
Building	2015	2016	2017	2018	2019
Brighthouse Park Fieldhouse & Caretaker - Roof Replacement	-	\$168	-	-	-
Cambie Community Centre - HVAC Renewal	-	-	-	941	-
City Hall - Lighting Upgrade	110	-	-	-	-
City Hall - Main Elevators Modernization	600	-	-	-	-
Direct Digital Control Upgrade and Consolidation	290	-	-	-	-
Energy Management Projects	585	450	450	550	550
East Richmond Community Hall Renewals	-	-	508	-	-
East Richmond Library Interior Finishes	-	-	-	-	115
Fire Hall 4 Fuel Tank	-	-	-	-	125
Fire Hall 5 Interior Finishes	-	-	-	-	138
Fire Hall 6 Electrical	-	168	-	-	-
Fire Hall 7 Roofing	-	-	-	-	234
Garratt Wellness Centre - Renewals & Upgrades	-	324	-	-	-
Gateway Theatre - HVAC Renewals & Upgrades	250	-	-	-	-
Ironwood Library HVAC	-	799	-	-	-
Minoru Arena Silver - Evaporative Condenser	121	-	-	-	-
Minoru Arena Stadium Rink HVAC	-	-	-	-	1,988
Minoru Grandstands Renewals	-	274	-	-	-
Minoru Silver Arena HVAC	-	-	-	1,987	-
Nature Park Pavilion HVAC	-	-	297	-	-
Project Development Advanced Design	300	-	-	-	-
Richmond Animal Shelter - Trailer Installation	136	-	-	-	-
Richmond Ice Centre - Roof Repairs	-	814	-	-	-
Richmond Public Courthouse - Renewals of Interior Finishes	-	-	-	780	-
South Arm Community Centre - Renewals & Upgrades	650	-	-	-	-
South Arm Community Centre HVAC	-	-	2,165	-	-
South Arm Community Hall HVAC	-	-	-	430	-
South Arm Pool HVAC	-	-	280	-	-
Steveston Martial Arts Interior Finishes	-	-	-	463	-
Steveston Pool Electrical	-	-	215	-	-
The Sharing Farm - Barn Construction	324	-	-	-	-
Thompson Community Hall HVAC	-	-	573	-	-
West Richmond Community Centre Interior Finishes	-	-	-	-	2,653
Works Yard Administration - Envelope Repairs	250	-	-	-	-
Works Yard Administration HVAC	-	-	-	1,170	-
Works Yard Stores - Roof Replacement	200	-	-	-	-
Works Yard Survey Inspector HVAC	-	503	-	-	-
Total Building	\$3,816	\$3,500	\$4,488	\$6,321	\$5,803

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

HVAC Replacement - \$9,392,871 for years 2016-2019

- Works Yard Survey Inspector HVAC - \$502,503 for year 2016
- Nature Park Pavilion HVAC - \$296,607 for year 2017
- South Arm Community Centre HVAC - \$2,165,199 for year 2017
- South Arm Pool HVAC - \$279,556 for year 2017
- Thompson Community Hall HVAC - \$573,385 for year 2017
- Minoru Silver Arena HVAC - \$1,987,019 for year 2018
- South Arm Community Hall HVAC - \$430,297 for year 2018
- Works Yard Administration HVAC - \$1,170,271 for year 2018
- Minoru Arena Stadium Rink HVAC - \$1,988,034 for year 2019

Richmond Ice Centre - Roof Repairs - \$814,322 for year 2016

Work to include repairs of the roof membrane per roofing assessment study completed in 2010. Replacement of five make up air units that are beyond their useful life span.

In addition, the A-30 Dehumidification unit is in need of replacement. This unit has almost reached its expected life cycle and is starting to rust out in sections, and show signs of stress cracks which impair this units ability to function properly.

Richmond Public Courthouse - Renewals of Interior Finishes - \$780,000 for year 2018**Renew Acoustic Ceiling Tiles**

The existing acoustical ceiling tiles in the building exhibit staining and will be replaced; during replacement the T-bar grid will be seismically restrained.

Repair/Refinish Interior Walls

The painted gypsum wall board partition walls in the facility are damaged and have deteriorated paint finish. Repairs to wall will be made and interior finishes will be updated.

Renew Flooring

Carpet, vinyl sheet, and other flooring materials in the facility are aged and worn. In some locations seams are beginning to lift and represent a potential safety hazard. Various type of flooring materials will be replaced.

Breakdown

- Ceiling Tiles \$300,100
- Interior Walls \$100,500
- Flooring \$148,300
- Soft Costs (10%) \$54,890
- Contingency (30%) \$181,100 (allowance for after hours work, as it is occupied during regular business hours)

Total \$780,000

West Richmond Community Centre - \$2,653,333 for year 2019

West Richmond Community Centre Interior Finished Project scope includes upgrades to the following systems:

- Floor & Ceiling Finishes
- Roof Top units & exhaust ventilation
- Fire suppression system
- Lighting & distribution

Major Parks/Streetscapes Program (in \$000's)

Recommended Project Name	Year				
Major Parks/Streetscapes	2015	2016	2017	2018	2019
Cambie Mueller/Avanti Park	-	-	\$1,000	\$500	-
Characterization - Neighbourhood Parks	-	100	100	100	250
Garden City Lands Phase 1 to 5	2,100	1,000	750	1,375	2,125
Hugh Boyd Artificial Turf Sports Fields	-	-	-	-	1,800
Lang Park Redevelopment - Park Characterization	800	-	-	-	-
Middle Arm/Hollybridge Pier	1,000	-	-	-	-
Minoru Lakes Development	-	1,000	-	-	-
Parks Advance Planning & Design	500	350	300	300	350
Richmond High Artificial Turf Field Replacement	-	600	-	-	-
The Gardens Agricultural Park	1,100	400	403	-	-
Waterfront Improvement Program	-	250	-	250	-
West Cambie Park	-	750	-	-	-
Total Major Parks/Streetscapes	\$5,500	\$4,450	\$2,553	\$2,525	\$4,525

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Cambie Mueller/Avanti Park - \$1,000,000 for year 2017

Cambie/Aberdeen (Mueller) Park is a new park located within the Capstan Village neighbourhood of Richmond's City Centre. The concept proposes that the park function as a local green space and urban square for public gatherings and community activities, and as a complement to the busy urban realm. It will offer a diverse mixture of landscapes, programs, activities and amenities for residents and visitors alike to experience and enjoy in a shared setting.

This phase of work includes the addition of special amenities to the base park development established in 2014. Work will begin on the planning and design of the plaza performance area, which may include a stage with support facilities, storage area, and public washrooms.

OBI \$13,000

Cambie Mueller Park - Phase 4 - \$500,000 for year 2018

This phase of work includes the completion of the plaza performance area, which may include a stage with support facilities, storage area, and public washrooms.

Garden City Lands Phase 2 -Trails, Bog Berm, and General Landscape Construction - \$1,000,000 for year 2016

Garden City Lands Phase 2 Trails, Bog Berm, and General Landscape Construction
\$1,000,000 OBI \$20,000

This is Phase Two of the Garden City Lands project and includes construction of internal trails, boardwalks, and multiple entry features to provide public access into the 136.5 acre site, and further water management infrastructure.

After an extensive public process (File Ref. No. 06-2345-20 REDMS No. 4219968), City Council adopted the GCL Legacy Landscape Plan on June 9th, 2014 as the guide for developing these public lands for community use. The Legacy Plan outlines over 25 City policies and objectives that development of the GCL supports within a variety of focus areas such as sustainability agricultural, ecological health, community wellness, arts and culture, and city vibrancy.

This phase of the project will further improve the public's use of this large open space within the City Centre, facilitate the farming capability of the Lands, and protect the environmentally sensitive bog environment.

Garden City Lands - Phase 3 Ecological Restoration and Water Feature Construction - \$750,000 for year 2017

This is Phase 3 of the Garden City Lands project and includes a major native tree and shrub planting and the construction of large site water features as part of the management of the environmentally sensitive bog and city storm water. This phase of the project will help protect the sensitive bog environment and add biodiversity to the site.

Garden City Lands - Phase 4 Community Hub, Children's Play Area, Viewing Towers - \$1,375,000 for year 2018

\$1,125, 000 Non-DCC Community Hub building construction OBI \$15,000
\$250,000 DCC – Children's play area

This is Phase 4 of the Garden City Lands project and includes development of the Community Hub area with recreational facilities and amenities. This phase of the project will focus on the design and construction of the recreational facilities and amenities to add interest, education and interpretation, and a diversity of activities that will meet the growing population in the adjacent neighbourhoods.

Garden City Lands - Community Facilities, Trails, and Native Planting - \$2,125,000 for year 2019

\$1,125,000 Non-DCC funding

\$1,000,000 DCC

This is Phase 5 of the Garden City Lands project and includes design and construction of a second phase of community facilities, major boardwalks and viewing towers, bridges, trails and bog restoration planting. This phase will open up the whole park to the public by adding community facilities, interpretation, and, by providing controlled public access to environmentally sensitive landscapes, as well as providing critical bog restoration as part of the city-wide Ecological Network.

Hugh Boyd Artificial Turf Sports Fields - \$1,800,000 for year 2019

The purpose of this project is to replace the artificial turf surface at Hugh Boyd Park.

Hugh Boyd Artificial Turf Sports Fields was constructed in 2006 as part of the planning and design of the City's Sports Strategy with the Sports Council. It was then one the largest single synthetic sports field built in Canada with the equivalent area of over 3 full size soccer fields. The facility now hosts major soccer tournaments such as the Nations Cup and has become one of Richmond's premier fields for training and tournaments.

Artificial turf fields generally have a life cycle of up to 10 years before the turf layer needs to be replaced due to wear and tear and the surface material being worn down,

Scope of Work includes:

Removal and disposal of the existing turf layer	\$ 200,000
Installation of the new turf layer	\$1,400,000
Drainage and sub base preparations	\$ 200,000

Estimated total \$1.8 Million

Funding is available in the Special Sports Reserve, within the Capital Building and Infrastructure Reserve.

Minoru Lakes Development - \$1,000,000 for year 2016

This project is the redevelopment of the Minoru lakes and surrounding areas. This includes retrofit construction of the lakes which may include a storm water retention option (similar to Garden City Lakes) and other landscape features. The cost to construct the lakes at Garden City Park was approximately \$1 Million in 2005.

Detail topographical survey	\$10,000
Engineering consulting	\$90,000
Construction	900,000

Total \$1,000,000

Minoru Park has frequently been described as Richmond's "Central Park", or the jewel in the City Centre, and has evolved through its 50 year history, but now requires many updates to meet the significant expansion of the City Centre's growth. The park must continue to entertain, educate, and promote a healthy standard of living through its large amount of community programming, sports, arts, theatre, and cultural amenities. This project involves the retrofit of Minoru Lakes by excavating/dredging the sediment/waste accumulation in the lakes. Some areas of the lakes have only six inches of water depth which results in extensive algae growth and a foul smell that comes from the build-up of duck excrement sedimentation in the lake.

Minoru Park is exceedingly popular year round. Each year the park supports major City events such as Winterfest, City Centre Celebration, and Halloween Fireworks presentations.

Richmond High Artificial Turf Field Replacement - \$600,000 for year 2016

The purpose of this project is the removal, replacement and disposal of the artificial turf surface at Richmond High.

Richmond High Artificial turf field was constructed in 2005 as a joint effort between the School District and the City. Since the field serves as the only "green space" for the school, it is used for all purposes and activities during school hours including sports, gathering areas and special events. After hours, the fields are consistently booked for programmed use.

Artificial turf fields generally have a life cycle of up to 10 years before the turf layer needs to be replaced due to wear and tear and the surface material being worn down,

The removal, replacement and disposal of the artificial turf layer at Richmond High.

Estimated cost:

Removal and disposal of existing turf	\$80,000
Replacement and installation of new turf	\$450,000
Design and contingencies for base prep	\$70,000

The Gardens Agricultural Park - \$400,000 for year 2016

The Gardens Agricultural Park is a 12.2 acre city wide park that will serve the residential growth occurring in the Shellmont area and the existing community park service gap identified in the 2022 Parks and Open Space Strategy. The former botanical garden and theme park site is being restored and developed to provide recreational amenities (walking paths, playground, gardens), agricultural uses (small scale farming and community gardens) and to serve as a location for community events. Phase 4 of the park plan will be developed including:

- completion of the ponds landscape including overlook platforms and boardwalk
- restoration of existing garden areas (planting, trail improvements, installation of irrigation)

The Gardens Agricultural Park - \$403,300 for year 2017

The Gardens Agricultural Park is a 12.2 acre city wide park that will serve the residential growth occurring in the Shellmont area and the existing community park service gap identified in the 2022 Parks and Open Space Strategy. The former botanical garden and theme park site is being restored and developed to provide recreational amenities (walking paths, playgrounds and gardens), agricultural uses (small scale farming and community gardens), as well as to serve as a location for community events. Phase 5 of the Council approved park master plan will encompass:

- phase 1 of the farm themed playground
- existing garden restoration (including planting, trail improvements and irrigation)

Waterfront Improvement Program - \$500,000 for years 2016 and 2018

In 2009, City Council adopted the Waterfront Strategy and its vision that " Richmond will be a community that celebrates its rich past and recognizes the full potential of its island legacy - a dynamic, productive, and sustainable world class waterfront" .

Several of the City's best open space amenities are located at its waterfront edge such as Terra Nova, Garry Point Park, Middle Arm & the Oval, and the south & west dyke trails. This program assists in funding opportunistic waterfront improvements and the continuation of implementing the waterfront strategy.

For 2016, projects may include the retrofit of McDonald Beach boat launch. Planning and preparation would start in 2015 for the conceptual design and cost estimates to confirm the feasibility of the project.

For 2016, scope of work will be determined in 2017 during the Capital Program planning and preparation process.

West Cambie Park - \$750,000 for year 2016

This park is the main green space centrally located within the Alexandra neighbourhood of West Cambie. The site is unique, containing stands of large trees, and remnants of garden landscapes from the original single family lots. A major objective will be to preserve existing natural features while considering introducing new open space and recreational amenities to the site.

Minor Parks Program (in \$000's)

Recommended Project Name	Year				
Minor Parks	2015	2016	2017	2018	2019
City Tree Planting Program	\$300	\$150	\$150	\$150	\$150
Parks Ageing Infrastructure Retrofit / Replacement Program	175	100	100	200	200
Parks General Development	500	250	250	300	300
Playground Improvement Program	200	200	200	300	300
Seine Net Loft - Deck Repair	572	-	-	-	-
Total Minor Parks	\$1,747	\$700	\$700	\$950	\$950

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Parkland Acquisition Program (in \$000's)

Recommended Project Name	Year				
Parkland Acquisition	2015	2016	2017	2018	2019
Parkland Acquisition Program	\$4,630	\$4,000	\$4,000	\$4,000	\$4,000
Total Parkland Acquisition	\$4,630	\$4,000	\$4,000	\$4,000	\$4,000

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Public Art Program (in \$000's)

Recommended Project Name	Year				
Public Art	2015	2016	2017	2018	2019
Public Art Program	\$408	\$100	\$100	\$100	\$100
Total Public Art	\$408	\$100	\$100	\$100	\$100

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

The capital submission for 2015 includes private projects that staff are aware of and can proceed with in 2016. For years 2016-2019 of the five year plan, funding requests are submitted for the Community Art program only as there is little information available on new expected development submissions or how existing ones will be progressing.

Land Acquisition Program (in \$000's)

Recommended Project Name	Year				
Land	2015	2016	2017	2018	2019
Strategic Land Acquisition	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Total Land	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Affordable Housing Project Program (in \$000's)

Recommended Project Name	Year				
	2015	2016	2017	2018	2019
Affordable Housing					
Affordable Housing Projects - City Wide	\$750	\$750	\$750	\$605	-
Affordable Housing Projects - West Cambie	125	-	-	-	-
Kiwanis Towers	284	-	-	-	-
Total Affordable Housing	\$1,159	\$750	\$750	\$605	-

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

The City's Affordable Housing Strategy focuses on:

- Leveraging monies collected in the City's Affordable Housing Reserve Fund primarily for subsidized housing, and
- Meeting the affordable housing needs of Richmond's diverse population by the City managing its resources in partnerships with the private sector, local groups, agencies and other levels of government.

In the absence of consistent Senior Government funding, subsidized rental housing is the most financially challenging to develop. The challenge for non-profit housing providers is to cover the construction costs and carry a mortgage at a level that is sustainable to maintain operating costs and delivery of affordable rents to very low-income households.

The City has approved two Affordable Housing Special Development Circumstance (AHSDC) projects for subsidized rental housing. The City has committed significant financial contributions to these projects through the Affordable Housing Reserve Fund and policy mechanisms that provide for voluntary developer contributions to be utilized towards the construction costs for AHSDC projects, which includes Council approval of the:

- Kiwanis project for development of 296 senior subsidized rental units to receive a total of up to \$24,243,078 towards construction costs and permit fees (i.e. Affordable Housing Value Transfer of \$18,690,406; Affordable Housing Reserve Fund contribution for subsidized rental housing provision of \$2,147,204; and DCC, Service Cost, and Permit fee coverage of \$3,305,468).
- 8111 Granville Avenue/8080 Anderson Road development of 129 subsidized rental units with complementary programmed space to support tenant self-sufficiency to receive a total of up to \$19,861,021 towards the construction costs and permit fees (i.e. Affordable Housing Value Transfer of \$14,142,228; DCC, Service Cost and Permit fee coverage of up to \$2,718,793; and Interim funding of \$3M to support delivery of subsidized rents).

Both projects total \$44,104,099 in City contributions through the Affordable Housing Reserve Fund and City policies to leverage monies received through voluntary developer contributions towards the delivery of affordable housing without impact to Richmond taxpayers.

Equipment Program (in \$000's)

Recommended Project Name	Year				
Equipment	2015	2016	2017	2018	2019
Annual Fleet Replacement					
Vehicle and Equipment Purchases (PW and Corporate Fleet)	\$2,851	\$2,807	\$1,972	\$2,041	\$1,707
Total Annual Fleet Replacement	\$2,851	\$2,807	\$1,972	\$2,041	\$1,707
Fire Department Vehicles Program					
Fire Equipment Replacement	\$25	\$26	\$226	\$27	\$27
Fire Vehicle Replacement Reserve Purchases	972	1,407	959	972	1,587
Total Fire Department Vehicles Program	\$997	\$1,433	\$1,185	\$999	\$1,614
Miscellaneous Equipment					
Multi-Family Food Scraps Organics Program	\$700	-	-	-	-
Snow Shed Doors/Salt Covers	200	-	-	-	-
Weigh Scale for Large Commercial Vehicles	100	-	-	-	-
Total Miscellaneous Equipment	\$1,000	-	-	-	-

Technology Program					
2015 Microsoft Licensing & Storage	\$136	-	-	-	-
2015 Server Infrastructure Upgrades	282	-	-	-	-
Existing Operational Desktop Computer Hardware Funding	420	363	465	434	460
Integrated Payment Approval	100	-	-	-	-
Master Customer Data	900	-	-	-	-
Middleware Deployment	600	-	-	-	-
WorkSafe BC Claims/Incident Management System	106	-	-	-	-
Emergency Operations Centre Information Mgmt System	178	-	-	-	-
Planning & Development Business Transformation	300	-	-	-	-
WiFi Network Expansion Phase 1 to 2	258	896	-	-	-
Total Technology Program	\$3,280	\$1,259	\$465	\$434	\$460
Total Equipment	\$8,128	\$5,499	\$3,622	\$3,474	\$3,781

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet) - \$8,527,000 for years 2016-2019

The work involves meeting with user groups to establish needs and develop specifications for vehicle/equipment replacements. Bid documentation is then issued to the marketplace, with purchases combined where possible to achieve best value. Submissions are evaluated with user input, and awards are made accordingly. Scope also includes vehicle outfitting as required to coincide with individual user department needs. The work commences upon receiving Council

approval, with timing dependent on delivery timeframes/availability of product from successful vendors.

WiFi Network Expansion Phase 2 - \$896,000 for year 2016

Item One: WiFi in Fire Halls (2016:\$26K)

This two-year project will supply wifi services to fire halls, including the vehicle bays.

This will allow automatic updating of maps and pre-plans in trucks.

2016 - No. 1 Hall - 10 A/Ps - \$10K

2016 - No. 3 Hall - 10 A/Ps - \$10K

2016 - No. 5 Hall - 6 A/Ps - \$6K

Item Two: Recreation Centres (2016:\$23K)

This two-year project will supply wifi service to indoor & outdoor areas where required.

This plan provides coverage to community centres not currently serviced..

2016 - Cambie Community Centre - 2 A/Ps (outdoor only) - \$4K

2016 - East Richmond Community Hall - 2 A/Ps - \$2K

2016 - Hamilton Community Centre - 7 A/Ps - \$7K

2016 - Lang Community Centre - 10 A/Ps - \$10K

Item Three: Aquatics, Arenas, Heritage Sites (2016:\$75K)

This two-year project would supply wifi service to outdoor areas.

These sites are not currently serviced by wireless..

2016 - Steveston Museum - 0.3 Km, 2 A/Ps - \$43K

2016 - Richmond Ice Centre - 12 A/Ps - \$12K

2016 - Watermania - 5 A/Ps - \$5K

2016 - Branscombe House - 0.1 Km, 1 A/P - \$15K

Item Four: Parks & Public Spaces (2016:\$772K)

This two-year project would supply wifi service to outdoor areas.

All of these sites require the installation of fibre-optic cable

2016 - King George Park - 0.7 Km, 3 A/Ps - \$101K

2016 - Imperial Landing - 1.0 Km, 1 A/P - \$137K

2016 - Garry Point Park - caretaker/picnic area only - 1.01 Km, 3 A/Ps - \$142K

2016 - London Park - 1.35 Km, 2 A/Ps - \$186K

2016 - Greenway from Oval Plaza to Cambie Pier - 1.5 Km, 2 A/Ps - \$206K

Child Care Program (in \$000's)

Recommended Project Name	Year				
Child Care	2015	2016	2017	2018	2019
Child Care Projects - City Wide	\$10	\$50	\$50	\$50	\$50
Upgrade Four Child Care Facilities	400	-	-	-	-
Total Child Care	\$410	\$50	\$50	\$50	\$50

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.

Internal Transfers/Debt Payment Program (in \$000's)

Recommended Project Name	Year				
Internal Transfers/Debt Payment	2015	2016	2017	2018	2019
2015 Equipment Lease Payments	\$13	-	-	-	-
Nelson Road Interchange Repayment	385	385	385	385	385
Parkland Acquisition Repayment	5,500	-	-	-	-
River Rd/North Loop (2005) Repayment	1,685	1,685	1,685	1,685	1,685
Shovel - Ready Grant (2009) Repayment Lansdowne Rd Ext	77	77	77	77	77
Total Internal Transfers/Debt Payment	\$7,660	\$2,147	\$2,147	\$2,147	\$2,147

For details of the 2015 Capital Plan, refer to the 2015 Capital Budget Report approved by Council on February 10, 2015.