



**CITY OF RICHMOND**

**REPORT TO COUNCIL**

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

**DATE:** April 15, 2002

**FILE:** 0985-01

**STAFF RECOMMENDATION**

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

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

Jim Bruce  
General Manager Finance & Corporate Services

Att.

STAFF REPORT

ORIGIN

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

ANALYSIS

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

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

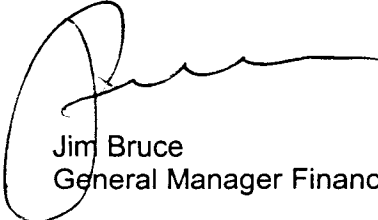
FINANCIAL IMPACT

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

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

CONCLUSION

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



Jim Bruce  
General Manager Finance and Corporate Services

CITY OF RICHMOND

BYLAW 7355

5 YEAR FINANCIAL PLAN (2002 - 2006)

The Council of the City of Richmond enacts as follows:

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

FIRST READING

SECOND READING

THIRD READING

ADOPTED

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\_\_\_\_\_

\_\_\_\_\_

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

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

## SCHEDULE A

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

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