



City of Richmond

Report to Committee

To: Finance Committee
From: Jerry Chong, CPA, CA
General Manager, Finance and Corporate Services
Date: September 15, 2023
File: 03-0975-01/2023-Vol 01
Re: **Amendments to the Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429**

Staff Recommendation

That the Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429, Amendment Bylaw No. 10492, which incorporates and puts into effect the changes as outlined in the staff report titled "Amendments to the Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429" dated September 15, 2023, from the General Manager, Finance and Corporate Services, be introduced and given first, second and third readings.

Jerry Chong, CPA, CA
General Manager, Finance and Corporate Services
(604-276-4064)

Att. 4

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	
Human Resources	<input checked="" type="checkbox"/>	Real Estate Services <input checked="" type="checkbox"/>
Law	<input checked="" type="checkbox"/>	Fire Rescue <input checked="" type="checkbox"/>
Arts, Culture & Heritage	<input checked="" type="checkbox"/>	Engineering <input checked="" type="checkbox"/>
Community Social Development	<input checked="" type="checkbox"/>	Facility Services & Project Development <input checked="" type="checkbox"/>
Parks Services	<input checked="" type="checkbox"/>	Sewerage & Drainage <input checked="" type="checkbox"/>
Emergency Programs	<input checked="" type="checkbox"/>	Sustainability & District Energy <input checked="" type="checkbox"/>
Transportation	<input checked="" type="checkbox"/>	Community Safety Admin <input checked="" type="checkbox"/>
Intergovernmental Relations & Protocol Unit	<input checked="" type="checkbox"/>	Business Licences <input checked="" type="checkbox"/>
		Richmond Public Library <input checked="" type="checkbox"/>
		CONCURRENCE OF GENERAL MANAGER
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO

Staff Report

Origin

The Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429 was adopted on January 30, 2023. Included in the Consolidated 5 Year Financial Plan (5YFP) are the City's 2023 Capital, Utility and Operating Budgets. In addition, the Consolidated 5YFP includes the budgets of Richmond Olympic Oval Corporation and Richmond Public Library. The following budget amendments are for the 2023 Capital, Utility and Operating Budgets of the City and the Richmond Public Library Budget.

This report supports Council's Strategic Plan 2022-2026 Strategy #4 Responsible Financial Management and Governance:

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

Analysis

Subsequent to the adoption of the 5YFP, new projects and changes to previously established programs have occurred. Individual staff reports detailing the amendments in section 1 have been presented to Council for approval.

Increases to the operating, utility, and capital budget are required where expenses were not contemplated in the 5YFP. The current expenditure bylaw does not include these amounts and in order to comply with Section 173 of the *Community Charter*, the 5YFP needs to be amended to have authority to incur these expenditures. There is no tax impact for any of these amendments.

The Council approved amendments to the Consolidated 5 Year Financial Plan (2023-2027) presented in order of Council meeting dates, are:

- 1 a) At the Council meeting on September 26, 2022, Council approved the following:
 - (1) *That the application to the Community Emergency Preparedness Fund, Disaster Risk Reduction - Climate Adaptation funding stream as outlined in the staff report titled "UBCM Community Emergency Preparedness Fund: 2022 Disaster Risk Reduction - Climate Adaption Grant Application" dated August 19, 2022 from the Director, Engineering be endorsed; and*
 - (2) *That should the funding application be successful, the Chief Administrative Officer and the General Manager, Engineering and Public Works, be authorized on behalf of the City to negotiate and execute funding agreements with UBCM for the above mentioned projects and that the Consolidated 5 Year Financial Plan (2022-2026) be amended accordingly.*

The City was informed that this funding application was approved for \$2,285,000. \$285,000 of the Drainage Improvement Reserve for the Public Works Infrastructure Advanced Design project will be replaced upon receipt of the actual grant payment,

and \$2,000,000 will be added to the 2023 Capital Budget for the Flood Protection (formerly known as Drainage) Program, specifically for the Union of British Columbia Municipalities (UBCM) Community Emergency Preparedness Fund project.

b) At the Council meeting on November 28, 2022, Council approved the following:

- (1) That the submission for cost-sharing to the 2022/23 BC Active Transportation Infrastructure Grant Program as described in the staff report titled "Application to 2022/23 BC Active Transportation Infrastructure Grant Program" dated October 31, 2022, from the Director, Transportation be endorsed;*
- (2) That, should the above application be successful, the Chief Administrative Officer and the General Manager, Planning and Development, be authorized on behalf of the City to execute the funding agreement; and*
- (3) That the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly.*

The City was informed that this funding application was approved for \$500,000. This will replace the \$470,250 funded by the Roads Development Cost Charges (DCC) and \$29,750 funded by the Capital Reserve - Revolving Fund for Steveston Highway Multi-Use Pathway, Mortfield Gate to No. 2 Road project upon receipt of the actual grant payment.

c) At the Council meeting on December 12, 2022, Council approved the following:

That the capital budget for Playground Replacement and Safety Upgrade Program (2018) be increased by \$200,000 as described in the staff report titled "South Arm Community Park Playground Contribution," dated October 24, 2022, from the Director, Parks Services, and the Consolidated 5-Year Financial Plan (2023-2027) be amended accordingly.

The 2023 Capital Budget – Parks Program will be increased by \$200,000 funded by the community contributions for South Arm Community Park Playground.

d) At the Closed Council meeting on January 30, 2023, Council approved to increase the Affordable Housing operating budget with \$9,117,138 funded by the Federal government's Rapid Housing Initiative's City Stream grant. Affordable Housing anticipates spending \$3,750,000 of this grant in 2023 and \$5,367,138 in 2024. The City has partnered with BC Housing and Turning Point Housing Society on a new 25-unit affordable rental housing development for residents in need of safe and secure housing.

- e) At the Council meeting on March 27, 2023, Council approved the following:

That funding of \$1,000,000 from the Sanitary Sewer Reserve Fund for the sanitary sewer repairs along the 100 to 1000 block of Lancaster Crescent, be approved and that the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly.

The 2023 Capital Budget – Sanitary Sewer Program will be increased by \$1,000,000 funded by the Sanitary Sewer Reserve Fund for the sanitary sewer repairs along the 100 to 1000 block of Lancaster Crescent.

- f) At the Council meeting on April 11, 2023, Council approved the following:

(1) That a resolution indicating support for the City's application to the 2023 UBCM Poverty Reduction Planning and Action Program in the amount of \$50,000 and willingness to provide overall grant management, as described in the report titled "2023 UBCM Poverty Reduction Planning and Action Program Grant Submission," dated March 2, 2023, from the Director, Community Social Development be endorsed; and

(2) That should the funding application be successful, that the Chief Administrative Officer and the General Manager, Planning and Development be authorized on behalf of the City to enter into an agreement with UBCM for the above mentioned project and that the Consolidated 5 Year Financial Plan (2023–2027) be amended accordingly.

The Community Social Development operating budget will be increased by \$50,000 funded by Union of BC Municipalities (UBCM) Poverty Reduction Planning & Action grant. Community Social Development anticipates to spend \$25,000 of this grant in 2023 and \$25,000 in 2024.

- g) At the Council meeting on May 8, 2023, Council approved the following:

That the position of Manager, Indigenous Relations be approved and funded from the Rate Stabilization Account for 2023 and that the Consolidated 5-Year Financial Plan (2023-2027) be amended accordingly.

The Corporate Planning salary budget will be increased by \$154,500 funded by the Rate Stabilization Account for the Manager, Indigenous Relations position.

- h) At the Council meeting on May 23, 2023, Council approved the following:

(1) That the proposed road safety improvement projects, as described in Attachment 2 of the staff report titled "ICBC-City of Richmond Road Improvement Program and Intersection Safety Camera Program – 2023 Update," dated April 18, 2023 from the Director, Transportation be endorsed

for submission to the ICBC 2023 Road Improvement Program for consideration of cost-share funding; and

- (2) *That should the above applications be successful, the Chief Administrative Officer and General Manager, Planning and Development be authorized to execute the cost-share agreements on behalf of the City, and that the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly.*

The City was informed that this funding application was approved for \$225,500. This will replace the \$212,083 funded by the Roads Development Cost Charges (DCC) and \$13,417 funded by the Capital Reserve - Revolving Fund for the Roads capital projects upon receipt of the actual grant payment.

- i) At the Council meeting on June 7, 2023, Council approved the following:

- (1) *That Option 1 as described in the staff report titled "Steveston Highway Multi-Use Pathway Project Phases 1 and 2 – Update", dated May 10, 2023, from the Director, Transportation and the Director, Engineering be approved; and*
 (2) *That the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly.*

The 2023 Capital Budget – Roads Program will be increased by \$2,490,000, comprising of \$2,341,845 funded by the Roads DCC and \$148,155 funded by the Capital Reserve -Revolving Fund for the Steveston Highway Multi-Use Pathway Phase 1 and 2 projects.

- j) At the Council meeting on June 26, 2023, Council approved the following:

That funding of \$1,000,000 from the Drainage Improvement Reserve Fund for the drainage canal bank failure repairs at 12506 Vickers Way, be approved and that the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly, as detailed in the report titled "Drainage Canal Bank Failure Repairs - 12506 Vickers Way" dated May 23, 2023, from the Director, Engineering.

The 2023 Capital Budget – Flood Protection Program will be increased by \$1,000,000 funded by the Drainage Improvement Reserve for the drainage canal bank failure repairs at 12506 Vickers Way.

- k) At the Closed Council meeting on June 26, 2023, Council approved to increase the 2023 Capital Budget – Flood Protection Program by \$180,000 funded by the Flood Protection BL10403 Reserve.

- l) At the Closed Council meeting held on July 10, 2023, Council approved to increase the 2023 Capital Budget – Building Program by \$30 million, which comprised of \$20 million funded by the Capital Reserve – Revolving Fund, \$5,828,382 from the Water

Supply BL10402 Reserve Fund, and \$4,171,618 from the Sanitary Sewer BL10401 Reserve Fund.

- m) At the Closed Council meeting on July 24, 2023, Council approved Community Safety Program's operating budget to be amended in accordance with the grant funding and service agreements for Public Safety Canada's Building Safer Communities Fund. Increase Community Safety Program's salary budget by \$93,303 and operating expenditures budget by \$590,846 funded by Public Safety Canada's Building Safer Communities Fund.
- n) At the Council meeting on September 5, 2023, Council approved the following:
 - (1) *That staff be authorized to submit an application to the Union of British Columbia Municipalities Community Resiliency Investment (CRI) Fund for up to \$100,000 in grant funding as described in the report titled "UBCM Community Resiliency Investment –Grant Application" dated August 9, 2023 from the Fire Chief;*
 - (2) *That should the funding application be successful, the Chief Administrative Officer and the General Manager, Community Safety be authorized to execute the agreements on behalf of the City of Richmond with the UBCM; and*
 - (3) *That Should the funding application be successful, that the Consolidated Five Year Financial Plan (2023-2027) be amended accordingly.*

The Fire-Rescue operating budget will be increased by up to \$100,000 funded by Union of British Columbia Municipalities (UBCM) Community Resiliency Investment Fund.

- o) At the Public Works and Transportation Committee meeting on September 13, 2023, the following has been approved:

That funding of \$1,400,000 from the MRN Rehabilitation Provision for the Cambie Road Overpass repair be approved and that the Consolidated 5 Year Financial Plan (2023-2027) be amended accordingly.

The 2023 Capital Budget – Roads Program will be increased by \$1,400,000 funded by the Major Road Network (MRN) Rehabilitation Provision for the repair of Cambie Road Overpass.

- p) At the Public Works and Transportation Committee meeting on September 13, 2023, the following has been approved:
 - (1) *The LGCAP Year 2 Survey Report and Attestation Form be endorsed and posted on the City's website for public information, in accordance with Provincial requirements;*

- (2) *A funding application to the Federation of Canadian Municipalities be submitted in the amount of \$200,000 for undertaking a GHG Reduction Pathway Feasibility Study for civic facilities;*
- (3) *The Chief Administrative Officer and General Manager, Engineering and Public Works, be authorized to enter into a funding agreement with Federation of Canadian Municipalities, should the funding agreement be successful; and*
- (4) *The Consolidated 5 Year Financial Plan (2023-2027) be amended to include the GHG Emission Pathway Feasibility Study in the amount of \$525,000, which will be funded from the Energy Operating Provision Account for \$325,000 and an additional \$200,000 contingent upon confirmation from the Federation of Canadian Municipalities.*

The Sustainability and District Energy operating budget will be increased by \$525,000 funded by \$325,000 from Energy Operating Provision Account and by up to \$200,000 of grant funding from Federation of Canadian Municipalities (FCM) for Greenhouse Gas (GHG) Emission Pathway Feasibility study.

During the year, the Consolidated 5 Year Financial Plan Bylaw may require Capital Budget amendments due to external contributions, unanticipated expenditures or contingencies. The amendments are as follows:

- 2 a) i. The scope of existing programs and projects will be increased by a total of \$2,500,000 from external funding received or anticipated to be received from various sources including grants and external contributions etc. Out of \$2,500,000, \$2,200,000 is related to Council approved amendments as stated in Section 1a and 1c, and the remaining \$300,000 is related to various grants and external contributions that would increase the project scope. The Capital Budget is proposed to be amended as follows:

Table 1: Various Grants and External Sources		(in \$000's)
Capital Programs		Amount
Flood Protection		\$2,000
Infrastructure Advanced Design and Minor Public Works		300
Parks		200
Total		\$2,500

- ii. The Consolidated 5 Year Financial Plan includes an estimate of \$10,000,000 in Contingent Capital Grants, which may be received throughout the year for various projects. Spending is only incurred if the funds are confirmed. Once the funds are confirmed, the amount is transferred into the applicable capital program as summarized above. A total of \$2,500,000 transferred to the above programs to date.

- b) The 2023 Capital Budget for Richmond Public Library will be increased by \$200,000 funded by Library's one-time surplus (Library Enhancement Provision) for the Brighthouse Main Entrance Renovation initiative.
- 3 Budget Amendment Policy 3001 states that changes to salaries be reported to the Finance Committee. The following amendments will result in no net increase to the 2023 Operating Budget:
 - a) Increase Community Safety Program's salary budget by \$110,000 funded by revenue for 1-Year Temporary Full Time Licence Inspector.
 - b) Increase Project Development's salary budget to include a 1 year Temporary Full-Time (TFT) Project Manager position funded by various capital projects.
- 4 Budget Amendment Policy 3001 states that increases in City's expenditures are only permitted where funding is from sources other than taxation and utility fees. The following amendments to the Operating and Utility Budget are funded by transfer of existing budget resources, or funding from provisions and has no tax impact:
 - a) Increase Richmond Public Library operating budget by \$694,000 for various programs and initiatives previously approved by the Library Board funded from Library's one-time surplus.
 - b) Increase Law operating budget by \$500,000 funded by Legal Provision for legal expenditures.
 - c) Increase Arts, Culture and Heritage operating budget by \$360,000 funded by provincial grant from the Ministry of Jobs, Economic Development, and Innovation for Media Lab upgrades. This will be placed in the operating budget and upon completion and capitalization, the appropriate portion will be flowed into the capital budget.
 - d) Increase the Human Resources operating budget by \$250,000 funded by the Arbitration Provision for arbitration expenses.
 - e) Increase Heritage Services operating budget by \$223,375 funded by the Province of BC Destination Development Fund. Heritage Services anticipates spending \$201,038 in 2023 and \$22,337 in 2024 for planning and preparations for heritage boat building programming.
 - f) Increase Sustainability and District Energy operating budget by \$112,087 funded by \$89,670 Corporate Provision and \$22,417 by FortisBC grant for Greenhouse Gas (GHG) Energy Reduction Masterplan study.
 - g) Increase Sustainability and District Energy operating budget by \$67,000 funded by \$52,089 Corporate Provision and by \$14,911 BC Hydro grant for Energize Richmond program.

- h) Increase Richmond Public Library operating budget with \$628,813 funding from British Columbia Ministry of Municipal Affairs, Public Libraries Branch one time Enhancement Grant. The Richmond Public Library anticipates spending of this grant as follows: \$50,000 in 2023, \$300,000 in 2024 and \$278,813 in 2025.
- i) Increase Major Events operating budget by \$45,000 funded by Canadian Heritage's Celebrate Canada Program grant for Steveston Salmon Festival.
- j) Increase Sustainability operating budget by \$45,000 funded by \$20,625 existing Sustainability Provision and by \$24,375 FortisBC grant for Energy Study.
- k) Increase Major Events operating budget by \$37,100 funded by British Columbia Fairs, Festival and Events Fund for Richmond Maritime Festival.
- l) Increase Parks operating budget by \$10,000 funded from Green Communities Canada for Terra Nova Rural Park.
- m) Increase Emergency Programs operating budget by \$7,000 funded by Canadian Red Cross Inclusive Resilience Project grant.
- n) Increase Project Development operating budget by \$5,000 funded from Western Financial Group Communities Foundation grant.

Financial Impact

The proposed 2023-2027 budget amendments have no tax impact. Additional expenses included in the amended financial plan are funded by external sources or existing appropriations.

Table 2 summarizes the changes to operating and utility revenue and expenses. The Consolidated 5 Year Financial Plan (2023-2027) Amendment is presented in Attachment 1.

Table 2 Net Budget – Summary of Changes (in \$000's)			Reference
Net Budget as at January 30, 2023			\$75,800
Revenue			
1	CMHC Rapid Housing Initiative Grant for Affordable Housing	1d	3,750
2	Public Safety Canada's Building Safer Communities Fund	1m	684
3	BC Ministry of Jobs, Economic Development and Innovation Grant for Media Lab upgrades	4c	360
4	Heritage boat building program from Province of BC Destination Development Fund	4e	201
5	Federation of Canadian Municipalities grant for GHG Emission Pathway Feasibility study	1p	200
6	1-Year Temporary Full Time Licence Inspector funded by revenues	3a	110

Table 2 Net Budget – Summary of Changes (in \$000's)- continued			Reference
7	UBCM Community Resiliency Investment Fund	1n	100
8	BC Ministry of Municipal Affairs, Public Libraries Branch grant for Richmond Public Library	4h	50
9	Canadian Heritage's Celebrate Canada Program grant for Steveston Salmon Festival	4i	45
10	British Columbia Fairs, Festival and Events Fund for Richmond Maritime Festival	4k	37
11	UBCM Poverty Reduction Planning & Action grant	1f	25
12	FortisBC grant for Energy Study	4j	24
13	FortisBC grant for GHG Energy Reduction Masterplan study	4f	22
14	BC Hydro grant for Energize Richmond program	4g	15
15	Green Communities Canada funding	4l	10
16	Canadian Red Cross Inclusive Resilience Project grant	4m	7
17	Western Financial Group Communities Foundation grant	4n	5
Total Revenue Amendments			5,645
Expenses			
1	CMHC Rapid Housing Initiative Grant for Affordable Housing	1d	3,750
2	Library programs and initiatives funded from one-time surplus	4a	694
3	Public Safety Canada's Building Safer Communities Fund	1m	684
4	Federation of Canadian Municipalities grant for GHG Emission Pathway Feasibility study	1p	525
5	Legal Provision for legal expenditures	4b	500
6	BC Ministry of Jobs, Economic Development and Innovation Grant for Media Lab Upgrades	4c	360
7	Arbitration expenses funded from Arbitration Provision	4d	250
8	Heritage boat building program from Province of BC Destination Development Fund	4e	201
9	Manager, Indigenous Relations	1g	155
10	FortisBC grant for GHG Energy Reduction Masterplan study	4f	112
11	1-Year Temporary Full Time Licence Inspector	3a	110
12	UBCM Community Resiliency Investment Fund	1n	100
13	BC Hydro grant for Energize Richmond program	4g	67
14	BC Ministry of Municipal Affairs, Public Libraries Branch grant for Richmond Public Library	4h	50
15	Canadian Heritage's Celebrate Canada Program grant for Steveston Salmon Festival	4i	45
16	FortisBC grant for Energy Study	4j	45
17	British Columbia Fairs, Festival and Events Fund for Richmond Maritime Festival	4k	37
18	UBCM Poverty Reduction Planning & Action grant	1f	25
19	Green Communities Canada funding	4l	10
20	Canadian Red Cross Inclusive Resilience Project grant	4m	7

Table 2 Net Budget – Summary of Changes (in \$000's)- continued		Reference	
21	Western Financial Group Communities Foundation grant	4n	5
22	1-Year TFT Project Manager funded by capital projects	3b	-
Total Expenses Amendments			7,732
NET AMENDMENT			2,087
Total Amended 2023 Net Budget			\$73,713

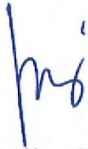
Table 3 summarizes the changes to the Capital Budget. The Amended Capital Plan Funding Sources for 2023-2027 is presented in Attachment 2 and the Amended Capital Plan Summary for 2023-2027 are presented in Attachment 3.

Table 3 Capital Budget – Summary of Changes (in \$000's)		Reference	
2023 Capital Budget as at January 30, 2023			\$131,516
UBCM Community Emergency Preparedness Fund	1a, 2ai		2,000
BC Active Transportation Infrastructure Grant Program	1b		-
South Arm Community Park Playground Contribution	1c, 2a.i		200
Sanitary Sewer Repairs-100 to 1000 Block Lancaster Crescent	1e		1,000
ICBC Road Improvement Program	1h		-
Steveston Highway Multi-Use Pathway Phase 1 and 2 projects	1i		2,490
Drainage Canal Bank Failure Repairs at 12506 Vickers Way	1j		1,000
Flood Protection Program Budget Increase	1k		180
Building Program Budget Increase	1l		30,000
Cambie Road Overpass Repair	1o		1,400
Various Grants and External Sources	2a.i		300
Contingent External Contributions	2a.ii		(2,500)
			36,070
			\$167,586

The Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429, Amendment Bylaw No. 10492 is included as Attachment 4.

Conclusion

Staff recommend that Council approve the 2023 Capital, Operating and Utility Budget amendments to the Consolidated 5 Year Financial Plan Bylaw. The proposed 2023 budget amendments have no tax impact. As required in Section 166 of the *Community Charter*, staff will conduct a process of public consultation prior to bylaw adoption, which is anticipated to be October 23, 2023.



Mike Ching, CPA, CMA
Director, Finance
(604-276-4137)

MC:gh

- Att. 1: Amended Revenue, Expenses and Transfers (2023-2027)
2: Amended Capital Plan Funding Sources (2023-2027)
3: Amended 5 Year Capital Plan Summary (2023-2027)
4: Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429, Amendment Bylaw No. 10492

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED REVENUE AND EXPENSES
(In \$000's)

	2023 Amended Budget	2024 Amended Plan	2025 Amended Plan	2026 Plan	2027 Plan
Revenue:					
Taxation and Levies	287,052	305,455	322,929	342,371	362,527
Utility Fees	133,609	142,747	153,773	165,859	179,544
Sales of Services	48,817	49,979	51,056	52,105	53,097
Other Revenue	16,579	15,977	16,276	17,914	18,062
Payments In Lieu of Taxes	14,650	15,138	15,586	16,062	16,552
Gaming Revenue	14,500	14,500	14,500	14,500	14,500
Investment Income	14,323	14,882	15,320	15,813	16,371
Licenses and Permits	12,195	12,473	12,712	12,967	13,227
Provincial and Federal Grants	17,187	16,716	11,493	11,435	11,663
Developer Contributed Assets	48,745	74,526	48,745	48,745	48,745
Development Cost Charges	20,323	18,961	15,303	10,869	11,387
Other Capital Funding Sources	16,953	19,130	33,338	15,821	15,404
	\$644,933	\$700,484	\$711,031	\$724,461	\$761,079
Expenses:					
Community Safety	142,439	147,047	153,465	159,767	166,094
Community Services	76,855	72,605	74,319	76,203	78,047
Engineering and Public Works	69,989	68,698	69,243	70,755	72,243
Planning and Development Services	36,855	33,357	28,591	29,295	29,987
Finance and Corporate Services	28,361	27,665	28,362	29,125	29,868
Fiscal	28,337	26,502	29,079	30,602	31,819
Debt Interest	5,603	4,765	3,926	3,926	3,926
Corporate Administration	11,146	10,432	10,728	11,050	11,363
Law and Legislative Services	5,294	4,531	4,668	4,818	4,964
Utility Budget					
Water Utility	50,256	53,799	58,548	64,287	70,798
Sanitary Sewer Utility	44,092	47,915	52,722	58,577	65,245
Sanitation and Recycling	24,532	24,606	25,175	25,773	26,386
Flood Protection	16,561	17,561	18,606	18,818	19,037
Richmond Public Library	12,112	11,946	12,209	12,217	12,513
Richmond Olympic Oval Corporation	18,788	19,042	19,351	19,667	19,989
	\$571,220	\$570,471	\$588,992	\$614,880	\$642,279
Annual Surplus	\$73,713	\$130,013	\$122,039	\$109,581	\$118,800

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED TRANSFERS
(In \$000's)

	2023 Amended Budget	2024 Amended Plan	2025 Amended Plan	2026 Plan	2027 Plan
Transfers:					
Debt Principal	9,187	9,538	3,636	3,764	3,895
Transfer To Reserves	81,863	85,259	88,312	91,539	94,958
Transfer from Reserves to fund					
Operating Reserve Programs:					
Bylaw 8206	(400)	(400)	(400)	(400)	(400)
Bylaw 8877	(210)	(210)	(210)	(210)	(210)
Bylaw 7812 S. 1.1.1 (a)	(525)	(525)	(525)	(525)	(525)
Bylaw 7812 S. 1.1.1 (d)	(50)	(50)	(50)	(50)	(50)
Bylaw 7812 S. 1.1.1 (j)	(170)	(150)	(150)	(150)	(150)
Operating Reserves Funding – Prior Years	(7,036)	-	-	-	-
Transfer To (From) Surplus	(9,312)	10,944	21,047	27,187	32,752
Capital Expenditures - Current Year	167,586	124,615	145,091	123,861	111,963
Capital Expenditures - Prior Years	220,276	248,674	247,297	256,293	258,919
Capital Expenditures – Developer Contributed Assets	48,745	74,526	48,745	48,745	48,745
Capital Expenditures - Richmond Public Library	1,250	610	610	610	610
Capital Funding	(437,491)	(422,818)	(431,364)	(441,083)	(431,707)
Transfers/Amortization offset:	\$73,713	\$130,013	\$122,039	\$109,581	\$118,800
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	5.89%	5.37%	4.68%	5.00%	4.92%

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN
AMENDED CAPITAL PLAN FUNDING SOURCES (2023-2027)
(In \$000's)

DCC Reserves	2023 Amended	2024	2025	2026	2027
Park Development DCC	3,292	941	1,552	1,223	1,646
Park Land Acquisition DCC	5,964	5,964	3,762	3,762	3,762
Roads DCC	12,727	9,827	7,766	5,885	5,979
Water DCC	-	2,229	2,224	-	-
Total DCC	\$21,983	\$18,961	\$15,304	\$10,870	\$11,387
Statutory Reserves					
Capital Building and Infrastructure	20,657	20,400	36,500	32,450	18,050
Capital Reserve	35,106	15,000	14,860	14,981	14,973
Drainage Improvement	19,647	16,833	14,161	15,677	18,096
Equipment Replacement	4,222	4,515	3,071	3,845	5,650
Flood Protection BL 10403	180	-	-	-	-
Sanitary Sewer	7,535	5,771	5,775	7,722	5,820
Sanitary Sewer BL 10401	4,172	-	-	-	-
Steveston Road Ends	119	-	-	-	-
Water Supply BL 10402	5,828	-	-	-	-
Watermain Replacement	9,909	11,205	9,591	9,466	9,555
Total Statutory Reserves	\$107,375	\$73,724	\$83,958	\$84,141	\$72,144
Other Sources					
Enterprise Fund	650	550	550	205	205
Grant and Developer Contribution	17,963	19,130	33,338	15,820	15,404
Other Sources	16,872	9,119	9,397	10,225	10,564
Rate Stabilization	-	800	-	-	-
Sewer Levy	555	450	712	36	191
Solid Waste and Recycling	300	300	300	300	300
Water Levy	1,888	1,581	1,532	2,264	1,768
Total Other Sources	\$38,228	\$31,930	\$45,829	\$28,850	\$28,432
Total Capital Program	\$167,586	\$124,615	\$145,091	\$123,861	\$111,963

CITY OF RICHMOND
AMENDED 5 YEAR CAPITAL PLAN SUMMARY (2023-2027)
(In \$000's)

	2023 Amended Budget	2024	2025	2026	2027
Infrastructure Program					
Roads	25,061	22,267	19,748	12,799	13,151
Flood Protection (Drainage)	23,206	21,915	35,674	18,570	22,270
Water	6,567	11,309	10,820	8,322	10,011
Sanitary Sewer	8,839	5,901	4,900	9,000	4,800
Infrastructure Advanced Design and Minor Public Works	4,780	3,780	3,280	3,930	2,930
Total Infrastructure Program	\$68,453	\$65,172	\$74,422	\$52,621	\$53,162
Building Program					
Building	50,755	10,300	17,700	35,450	21,050
Heritage	5,000	13,100	21,800	-	-
Total Building Program	\$55,755	\$23,400	\$39,500	\$35,450	\$21,050
Parks Program					
Parks	5,050	3,400	2,050	5,600	6,010
Parkland	4,000	4,000	4,000	4,000	4,000
Total Parks Program	\$9,050	\$7,400	\$6,050	\$9,600	\$10,010
Land Program	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Equipment Program					
Vehicle	4,199	3,755	3,593	2,530	3,992
Fire Vehicle	1,336	1,504	204	2,082	2,163
Equipment	3,860	550	782	796	718
Total Equipment Program	\$9,395	\$5,809	\$4,579	\$5,408	\$6,873
Information Technology Program	\$3,757	\$493	\$540	\$782	\$868
Internal Transfers/Debt Payment	\$3,676	\$2,341	\$-	\$-	\$-
Contingent External Contributions	\$7,500	\$10,000	\$10,000	\$10,000	\$10,000
Total Capital Program	\$167,586	\$124,615	\$145,091	\$123,861	\$111,963



**Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429,
Amendment Bylaw No. 10492**

The Council of the City of Richmond enacts as follows:

1. Schedule "A", Schedule "B", and Schedule "C" of the Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429, are deleted and replaced with Schedule "A", Schedule "B", and Schedule "C" attached to and forming part of this amendment bylaw.
2. This Bylaw is cited as "**Consolidated 5 Year Financial Plan (2023-2027) Bylaw No. 10429, Amendment Bylaw No. 10492**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

MAYOR

CORPORATE OFFICER

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

SCHEDULE A:

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED REVENUE AND EXPENSES
(In \$000's)

	2023 Amended Budget	2024 Amended Plan	2025 Amended Plan	2026 Plan	2027 Plan
Revenue:					
Taxation and Levies	287,052	305,455	322,929	342,371	362,527
Utility Fees	133,609	142,747	153,773	165,859	179,544
Sales of Services	48,817	49,979	51,056	52,105	53,097
Other Revenue	16,579	15,977	16,276	17,914	18,062
Payments In Lieu of Taxes	14,650	15,138	15,586	16,062	16,552
Gaming Revenue	14,500	14,500	14,500	14,500	14,500
Investment Income	14,323	14,882	15,320	15,813	16,371
Licenses and Permits	12,195	12,473	12,712	12,967	13,227
Provincial and Federal Grants	17,187	16,716	11,493	11,435	11,663
Developer Contributed Assets	48,745	74,526	48,745	48,745	48,745
Development Cost Charges	20,323	18,961	15,303	10,869	11,387
Other Capital Funding Sources	16,953	19,130	33,338	15,821	15,404
	\$644,933	\$700,484	\$711,031	\$724,461	\$761,079
Expenses:					
Community Safety	142,439	147,047	153,465	159,767	166,094
Community Services	76,855	72,605	74,319	76,203	78,047
Engineering and Public Works	69,989	68,698	69,243	70,755	72,243
Planning and Development Services	36,855	33,357	28,591	29,295	29,987
Finance and Corporate Services	28,361	27,665	28,362	29,125	29,868
Fiscal	28,337	26,502	29,079	30,602	31,819
Debt Interest	5,603	4,765	3,926	3,926	3,926
Corporate Administration	11,146	10,432	10,728	11,050	11,363
Law and Legislative Services	5,294	4,531	4,668	4,818	4,964
Utility Budget					
Water Utility	50,256	53,799	58,548	64,287	70,798
Sanitary Sewer Utility	44,092	47,915	52,722	58,577	65,245
Sanitation and Recycling	24,532	24,606	25,175	25,773	26,386
Flood Protection	16,561	17,561	18,606	18,818	19,037
Richmond Public Library	12,112	11,946	12,209	12,217	12,513
Richmond Olympic Oval Corporation	18,788	19,042	19,351	19,667	19,989
	\$571,220	\$570,471	\$588,992	\$614,880	\$642,279
Annual Surplus	\$73,713	\$130,013	\$122,039	\$109,581	\$118,800

SCHEDULE A (CONT'D):

CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED TRANSFERS
(In \$000's)

	2023 Amended Budget	2024 Amended Plan	2025 Amended Plan	2026 Plan	2027 Plan
Transfers:					
Debt Principal	9,187	9,538	3,636	3,764	3,895
Transfer To Reserves	81,863	85,259	88,312	91,539	94,958
Transfer from Reserves to fund					
Operating Reserve Programs:					
Bylaw 8206	(400)	(400)	(400)	(400)	(400)
Bylaw 8877	(210)	(210)	(210)	(210)	(210)
Bylaw 7812 S. 1.1.1 (a)	(525)	(525)	(525)	(525)	(525)
Bylaw 7812 S. 1.1.1 (d)	(50)	(50)	(50)	(50)	(50)
Bylaw 7812 S. 1.1.1 (j)	(170)	(150)	(150)	(150)	(150)
Operating Reserves Funding – Prior Years	(7,036)	0	0	0	0
Transfer To (From) Surplus	(9,312)	10,944	21,047	27,187	32,752
Capital Expenditures - Current Year	167,586	124,615	145,091	123,861	111,963
Capital Expenditures - Prior Years	220,276	248,674	247,297	256,293	258,919
Capital Expenditures – Developer Contributed Assets	48,745	74,526	48,745	48,745	48,745
Capital Expenditures - Richmond Public Library	1,250	610	610	610	610
Capital Funding	(437,491)	(422,818)	(431,364)	(441,083)	(431,707)
Transfers/Amortization offset:	\$73,713	\$130,013	\$122,039	\$109,581	\$118,800
Balanced Budget	\$-	\$-	\$-	\$-	\$-
Tax Increase	5.89%	5.37%	4.68%	5.00%	4.92%

SCHEDULE B:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN
AMENDED CAPITAL PLAN FUNDING SOURCES (2023-2027)
(In \$000's)**

DCC Reserves	2023 Amended	2024	2025	2026	2027
Park Development DCC	3,292	941	1,552	1,223	1,646
Park Land Acquisition DCC	5,964	5,964	3,762	3,762	3,762
Roads DCC	12,727	9,827	7,766	5,885	5,979
Water DCC	-	2,229	2,224	-	-
Total DCC	\$21,983	\$18,961	\$15,304	\$10,870	\$11,387
Statutory Reserves					
Capital Building and Infrastructure	20,657	20,400	36,500	32,450	18,050
Capital Reserve	35,106	15,000	14,860	14,981	14,973
Drainage Improvement	19,647	16,833	14,161	15,677	18,096
Equipment Replacement	4,222	4,515	3,071	3,845	5,650
Flood Protection BL 10403	180	-	-	-	-
Sanitary Sewer	7,535	5,771	5,775	7,722	5,820
Sanitary Sewer BL 10401	4,172				
Steveston Road Ends	119	-	-	-	-
Water Supply BL 10402	5,828				
Watermain Replacement	9,909	11,205	9,591	9,466	9,555
Total Statutory Reserves	\$107,375	\$73,724	\$83,958	\$84,141	\$72,144
Other Sources					
Enterprise Fund	650	550	550	205	205
Grant and Developer Contribution	17,963	19,130	33,338	15,820	15,404
Other Sources	16,872	9,119	9,397	10,225	10,564
Rate Stabilization	-	800	-	-	-
Sewer Levy	555	450	712	36	191
Solid Waste and Recycling	300	300	300	300	300
Water Levy	1,888	1,581	1,532	2,264	1,768
Total Other Sources	\$38,228	\$31,930	\$45,829	\$28,850	\$28,432
Total Capital Program	\$167,586	\$124,615	\$145,091	\$123,861	\$111,963

SCHEDULE C:

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED 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 2023.

Table 1:

Funding Source	% of Total Revenue
Property Taxes	51.4%
User Fees	23.9%
Sales of Services	8.7%
Payments in Lieu of Taxes	2.6%
Gaming Revenue	2.6%
Investment Income	2.6%
Licenses and Permits	2.2%
Provincial and Federal Grants	3.1%
Other	2.9%
Total Operating and Utility Funding Sources	100.0%

SCHEDULE C (CONT'D):

**CITY OF RICHMOND
CONSOLIDATED 5 YEAR FINANCIAL PLAN (2023-2027)
AMENDED STATEMENT OF POLICIES AND OBJECTIVES**

Distribution of Property Taxes

Table 2 provides the 2023 distribution of property tax revenue among the property classes.

Objective:

- Maintain the City's business to residential tax ratio in the middle in comparison to other municipalities. This will ensure that the City will remain competitive with other municipalities in attracting and retaining businesses.

Policies:

- Regularly review and compare the City's tax ratio between residential property owners and business property owners relative to other municipalities in Metro Vancouver.

Table 2: (Based on the 2023 Revised Roll figures)

Property Class	% of Tax Burden
Residential (1)	57.08%
Business (6)	32.65%
Light Industry (5)	8.22%
Others (2,3,4,8 & 9)	2.05%
Total	100.00%

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*.