
TO: CITY MANAGER **DATE:** 2016 April 20

FROM: DIRECTOR FINANCE **FILE:** 7600-20

SUBJECT: 2016 – 2020 FINANCIAL PLAN

PURPOSE: To obtain Council approval of the five year 2016 – 2020 Financial Plan.

RECOMMENDATIONS:

1. **THAT** Council approve the 2016 – 2020 Financial Plan with planned operating and capital expenditures in the amount of \$583,452,675.
2. **THAT** Council authorize staff to bring down the Burnaby Financial Plan Bylaw 2016 in the amount of \$583,452,675.
3. **THAT** Council authorize staff to bring down the Burnaby Rates Bylaw 2016 in the amount of \$240,234,100 to provide funding for the 2016 Annual Financial Plan.

REPORT

The purpose of the five year 2016 – 2020 Financial Plan is to present Council's financial direction for the City. Provincial legislation requires the Financial Plan be adopted by bylaw on or before 2016 May 15. The Annual Plan must include an overview section, financial details for the current year and cover a five year period. Each year, the Financial Plan from the previous year remains in effect until the financial plan for the current year is adopted.

The 2016 – 2020 Financial Plan focuses on meeting immediate needs for current year operations and capital improvements including demands for City services, provision for the safety and security of citizens, maintaining and improving existing infrastructure for roads, water and sewer and various community facilities, and investment in new technology to better meet the needs of our citizens. Estimates for the current year are as accurate as reasonably possible at the time this budget was prepared. Subsequent years' estimates may be increasingly less accurate but are an indication of priority and will be updated annually.

Council has directed staff to reduce the Provisional residential tax draw increase from 2.95% to 2.65% and to include \$1.2 million of the 2015 General Municipal operating surplus in the 2016 Annual Financial Plan to help minimize the impact of cost increases on property taxes. The Library Act requires the Library surplus of \$216,869 to be carried forward to the credit of the Library Board in 2016. These funds are also used in the 2016 Annual Financial Plan to reduce the impact of Library service costs on property taxes in 2016.

To: City Manager
From: Director Finance
Re: 2016 – 2020 Financial Plan
2016 April 20.....

Page 2

The 2016 Operating and Capital Plan expenditures total \$583,452,675. The amount of property tax levy funding included in the 2016 Annual Financial Plan is \$240,234,100. The Plan reflects a 2.65% residential tax increase of \$42.95 on the average residential property valued at \$826,821.

The 2016 Annual Financial Plan includes the variable tax rates for the Burnaby Rates Bylaw 2016 which establishes the authority to impose property taxes.

RECOMMENDATIONS

It is recommended that Council approve the 2016 – 2020 Financial Plan with planned operating and capital expenditures in the amount of \$583,452,675.

It is recommended that Council authorize staff to bring down the Burnaby Financial Plan Bylaw 2016 in the amount of \$583,452,675.

It is recommended that Council authorize staff to bring down the Burnaby Rates Bylaw 2016 in the amount of \$240,234,100 to provide funding for the 2016 Annual Financial Plan.

The 2016 – 2020 Financial Plan will be available online at www.burnaby.ca. The City of Burnaby is committed to “going green” by using electronic publication of documents wherever possible. Hard copies will be made available upon specific request or at Burnaby’s Public Libraries.



Denise Jorgenson
DIRECTOR FINANCE

DJ:NK/ml

Attachment: Schedule A – 2016 - 2020 Financial Plan Summary

Copied to: City Solicitor
City Clerk

CITY OF BURNABY
2016-2020 FINANCIAL PLAN SUMMARY

	2016	2017	2018	2019	2020
	(\$)	(\$)	(\$)	(\$)	(\$)
<u>EXPENDITURES</u>					
Operating Plan					
General Municipal	357,996,591	360,295,126	375,584,626	385,576,726	398,508,326
Contribution to Funds and Reserves - General	55,795,109	56,932,474	56,397,474	59,397,474	59,397,474
Contribution to Funds and Reserves - Utilities	28,000,000	27,530,000	27,030,000	27,850,000	27,700,000
Operating Plan Sub-Total	441,791,700	444,757,600	459,012,100	472,824,200	485,605,800
Capital Plan	141,660,975	213,766,440	222,487,600	163,001,500	132,225,700
TOTAL FINANCIAL PLAN EXPENDITURES	<u>583,452,675</u>	<u>658,524,040</u>	<u>681,499,700</u>	<u>635,825,700</u>	<u>617,831,500</u>
<u>REVENUES</u>					
Operating Plan					
Taxes - Real Property	240,234,100	249,600,300	260,029,700	269,444,800	278,639,500
Parcel Taxes	20,116,900	39,040,340	39,787,220	40,649,400	41,717,070
Grants in Lieu of Taxes	5,727,444	20,720,407	40,211,550	40,980,837	41,868,882
Sales of Services	53,532,788	5,767,444	20,760,407	40,251,550	41,020,837
Other Sources	115,654,547	128,767,609	96,411,723	80,636,113	81,498,011
Transfer From Prior Years' Surplus	1,443,830	-	-	-	-
Transfer From Other Funds	5,082,091	861,500	1,811,500	861,500	861,500
Operating Plan Sub-Total	441,791,700	444,757,600	459,012,100	472,824,200	485,605,800
Capital Plan					
Tsfr. From DCC Reserve & Density Bonus	3,490,130	34,000,000	52,500,000	33,000,000	33,000,000
Private Funds, Grants & Others	11,589,500	34,537,940	26,247,500	13,577,500	5,247,500
Transfer From Other Funds & Resv.	126,581,345	145,228,500	143,740,100	116,424,000	93,978,200
Capital Plan Sub-Total	141,660,975	213,766,440	222,487,600	163,001,500	132,225,700
TOTAL FINANCIAL PLAN REVENUES	<u>583,452,675</u>	<u>658,524,040</u>	<u>681,499,700</u>	<u>635,825,700</u>	<u>617,831,500</u>