

CITY OF BURNABY
BYLAW NO. 14333

A BYLAW to adopt the 2021 to 2025 Financial Plan

WHEREAS before the annual property tax bylaw is adopted in each year the Council shall cause to be prepared and adopted by bylaw a financial plan for a period of five years, showing estimates of the proposed source and application of funds for operating and capital purposes for each year of the program;

NOW THEREFORE the Council of the City of Burnaby ENACTS as follows:

1. This Bylaw may be cited as **BURNABY FINANCIAL PLAN BYLAW 2021.**
2. The Council does hereby adopt and confirm the Financial Plan set out in Schedules “A” and “B” annexed hereto as the financial plan for the City for the period 2021 to 2025 inclusive.

Read a first time this day of 2021

Read a second time this day of 2021

Read a third time this day of 2021

Reconsidered and adopted by Council this day of 2021

MAYOR

CLERK

SCHEDULE A**CITY OF BURNABY****FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2021 – 2025)****PROPOSED REVENUES, PROPOSED EXPENDITURES AND PROPOSED TRANSFERS:****Financial Plan Bylaw - 2021 to 2025**

ANNUAL (Rounded)	2021 Annual	2022 Annual	2023 Annual	2024 Annual	2025 Annual
PROPOSED REVENUES:					
Taxation Revenue	(300,085,800) ¹	(314,937,600)	(330,380,400)	(346,437,800)	(363,134,300)
Parcel Taxes	(18,628,100)	(19,000,700)	(19,760,700)	(20,946,400)	(22,203,200)
Sale of Goods and Services	(118,677,700)	(132,526,200)	(138,349,800)	(145,430,900)	(153,045,200)
Investment Income	(41,447,800)	(41,579,300)	(41,713,300)	(41,850,000)	(41,989,400)
Other Revenue	(53,314,300)	(56,221,300)	(55,284,300)	(56,464,500)	(58,362,800)
Community Benefit Bonus	(95,000,000)	(130,000,000)	(70,000,000)	(95,000,000)	(70,000,000)
Contributed Asset Revenue	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Transfers from Other Governments	(17,599,400)	(22,967,600)	(21,328,700)	(52,695,300)	(20,258,400)
Transfers from Restricted Funds and Development Cost Charges	(6,080,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
TOTAL PROPOSED REVENUES	(655,833,100)	(725,232,700)	(684,817,200)	(766,824,900)	(736,993,300)
PROPOSED EXPENDITURES:					
Operating Expenditures	535,845,900	543,336,700	570,132,500	599,490,600	633,378,100
Capital Expenditures	293,590,600	390,498,600	394,940,000	409,756,300	318,423,200
TOTAL PROPOSED EXPENDITURES	829,436,500	933,835,300	965,072,500	1,009,246,900	951,801,300
PROPOSED TRANSFERS:					
Transfer to/(from) Capital Works Financing Reserve Fund	(73,142,100)	(104,706,200)	(86,227,200)	(94,116,000)	(83,310,900)
Transfer to/(from) Local Improvement Reserve Fund	548,400	(885,500)	779,500	911,500	908,700
Transfer to/(from) Corporate & Tax Sale Reserve Fund	1,807,000	3,302,000	2,302,000	1,302,000	1,302,000
Transfer to/(from) Vehicle Replacement Reserve Fund	(7,235,600)	(8,870,300)	(6,121,100)	(4,609,400)	(1,307,900)
Transfer to/(from) Non-Statutory Reserves	(95,581,100)	(97,442,600)	(190,988,500)	(145,910,100)	(132,399,900)
TOTAL PROPOSED TRANSFERS	(173,603,400)	(208,602,600)	(280,255,300)	(242,422,000)	(214,808,000)
Total Proposed Expenditures And Transfers	655,833,100	725,232,700	684,817,200	766,824,900	736,993,300
Balanced Budget	-	-	-	-	-

¹ Taxation revenue is comprised of property taxes (\$292.5M), grant in lieu of taxes (\$6.1M), utilities taxes(\$3.3M) and local improvement frontage levies (\$0.6M) and assessment appeal \$2.4M.

SCHEDULE B

CITY OF BURNABY

FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2021 – 2025)

STATEMENT OF POLICIES AND OBJECTIVES:

In accordance with the *Community Charter* disclosure requirements, the City of Burnaby discloses the following information.

- the proportions of revenue proposed to come from the various funding sources
- the distribution of property taxes among property classes; and
- the use of permissive tax exemptions.

Proportion of Total Revenue

Funding Source	% of Total Revenue
Taxation revenue	45.8%
Sales of goods and services	18.1%
Community benefit bonus	14.5%
Other revenue	8.1%
Investment income	6.3%
Parcel taxes	2.8%
Transfer from other governments	2.7%
Transfers from restricted funds and development cost charges	0.9%
Contributed asset revenue	0.8%
Total	100%

The proportion of total revenue raised from each funding source in 2021 is presented in the table above. Property taxes form the greatest proportion of the operating revenue for the City of Burnaby. Property 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 fire protection, policing services, transportation and so forth. For these reasons, property taxation will continue to be the major source of the City of Burnaby's revenue.

Sales of goods and services are the second largest portion of general operating revenue. Many City of Burnaby services, such as metered water, metered sewer, and recreational

programs are charged on a use-pay basis which ensures they are paid for by the taxpayers receiving these services.

Distribution of 2021 Municipal Property Taxes among the Various Property Classes

Property Class	% of Tax Burden
Residential (1)	50.7%
Business (6)	38.6%
Light Industry (5)	5.9%
Others (2, 3, 4, 8 & 9)	4.8%
Total	100%

The distribution of property tax revenue among the various property classes is presented in the table above. The practice of Council has been to set tax rates in order to maintain reasonable tax stability in compliance with the *Community Charter*. This is accomplished by maintaining the proportionate relationship provided above between the property classes (property classes are defined and values determined by the British Columbia Assessment).

The above distribution of property taxes is based on the final revised assessment roll received from BC Assessment.

Permissive Tax Exemptions

Council passes an annual permissive tax exemption bylaw to exempt certain properties from property tax in accordance with guidelines set out by Council Approved Guidelines and sections 220 and 224 of the Community Charter. There is no legal obligation to grant these exemptions. The objective of the Guidelines is to ensure that the broad ranges of community organizations in Burnaby are dealt with equally and consistently with regards to municipal policies, plans, bylaws, codes and regulations; defined as non-profit organizations; are complementary extensions to municipal services and programs; accessible to the public; and, used primarily by Burnaby residents.

The tax burden resulting for exemption must be a justifiable expense to the taxpayers of Burnaby. Total revenue forgone as a result of permissive tax exemptions for the 2021 taxation year is approximately \$2.1 million; of which \$1.1 million is through exemptions from the City and \$1.0 million is from other taxing authorities.