

CITY OF BURNABY
BYLAW NO. 14555

A BYLAW to adopt the 2023 to 2027 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 2023.**
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 2023 to 2027 inclusive.

Read a first time this 13th day of March, 2023

Read a second time this 13th day of March, 2023

Read a third time this 13th day of March, 2023

Reconsidered and adopted by Council this day of 2023

MAYOR

CORPORATE OFFICER

SCHEDULE A

CITY OF BURNABY

FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2023 – 2027)

PROPOSED REVENUES, PROPOSED EXPENDITURES AND PROPOSED TRANSFERS:

	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan
PROPOSED REVENUES:					
Taxation Revenue	(337,062,300) ¹	(364,152,900)	(393,087,400)	(424,042,000)	(457,158,100)
Parcel Taxes	(19,383,500)	(21,321,900)	(23,454,000)	(25,799,400)	(28,379,400)
Sale of Goods and Services	(139,349,800)	(149,697,300)	(159,437,300)	(172,074,700)	(184,128,400)
Investment Income	(65,961,200)	(66,386,600)	(66,250,700)	(65,926,200)	(65,611,700)
Other Revenue	(205,607,000)	(73,211,700)	(75,874,900)	(111,713,100)	(83,728,600)
Community Benefit Bonus	(237,154,000)	(185,000,000)	(210,000,000)	(210,000,000)	(220,000,000)
Contributed Asset Revenue	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)
Transfers from Other Governments	(29,329,000)	(36,777,100)	(29,597,900)	(52,616,100)	(49,171,800)
Transfers from Restricted Funds and Development Cost Charges	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
TOTAL PROPOSED REVENUES	(1,045,846,800)	(908,547,500)	(969,702,200)	(1,074,171,500)	(1,100,178,000)
PROPOSED EXPENDITURES:					
Operating Expenditures	613,051,700	645,567,200	692,818,400	747,939,400	807,907,500
Capital Expenditures	291,362,700	434,042,900	508,357,800	529,755,200	381,329,100
TOTAL PROPOSED EXPENDITURES	904,414,400	1,079,610,100	1,201,176,200	1,277,694,600	1,189,236,600
PROPOSED TRANSFERS:					
Transfer to/(from) Capital Works Financing Reserve Fund	(53,817,900)	(53,554,000)	(43,332,200)	(36,592,700)	(28,242,200)
Transfer to/(from) Development Cost Charges Reserve Fund	(2,539,000)	(6,670,000)	(5,410,000)	(4,445,000)	(3,590,000)
Transfer to/(from) Local Improvement Reserve Fund	923,900	132,100	937,900	1,003,400	1,052,300
Transfer to/(from) Corporate & Tax Sale Reserve Fund	140,215,300	6,385,900	5,011,800	2,999,900	1,811,700
Transfer to/(from) Vehicle Replacement Reserve Fund	(3,043,600)	132,800	(10,245,500)	(5,712,300)	(5,673,600)
Transfer to/(from) Housing Capital Reserve Fund	1,001,700	930,800	996,400	1,099,000	1,198,100
Transfer to/(from) Non-Statutory Reserves	58,692,000	(118,420,200)	(179,432,400)	(161,875,400)	(55,614,900)
TOTAL PROPOSED TRANSFERS	141,432,400	(171,062,600)	(231,474,000)	(203,523,100)	(89,058,600)
Total Proposed Expenditures And Transfers	1,045,846,800	908,547,500	969,702,200	1,074,171,500	1,100,178,000
Balanced Budget	-	-	-	-	-

¹ Taxation revenue is comprised of property taxes (\$328M), grant in lieu of taxes (\$6.6M), utilities taxes(\$3.2M) and local improvement frontage levies (\$0.5M) and assessment appeal \$1.2M.

SCHEDULE B

CITY OF BURNABY

FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2023 – 2027)

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 2023 Revenue

2023 Funding Source	% of Total Revenue
Taxation Revenue	32.2%
Community Benefit Bonus	22.7%
Other Revenue	19.7%
Sale of Goods and Services	13.3%
Investment Income	6.3%
Transfer from Other Governments	2.8%
Parcel Taxes	1.8%
Contributed Asset Revenue	0.7%
Transfers from Restricted Funds and Development Cost Charges	0.5%
Total	100%

The proportion of total revenue raised from each funding source in 2023 is presented in the table above. Property taxes form the greatest proportion of the total 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.

Community Benefit Bonus and Other Revenues can fluctuate year over year depending on anticipated development and land sale activity. Typically, 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 user-pay basis, which ensures they are paid for by the taxpayers receiving these services.

Distribution of 2023 Municipal Property Taxes among the Various Property Classes

Property Class	% of Tax Burden
Residential (1)	50.4%
Business (6)	38.8%
Light Industry (5)	5.5%
Others (2, 3, 4, 8 & 9)	5.3%
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 are based on the Completed Assessment Roll received from BC Assessment in December. Final assessment changes will be included in the Revised Assessment Roll in late March.

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.