

CITY OF BURNABY
BYLAW NO. 14423

A BYLAW to adopt the 2022 to 2026 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 2022.**
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 2022 to 2026 inclusive.

Read a first time this 24th day of January, 2022

Read a second time this 24th day of January, 2022

Read a third time this 24th day of January, 2022

Reconsidered and adopted by Council this 31st day of January, 2022


MAYOR


CLERK

SCHEDULE A**CITY OF BURNABY****FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2022 – 2026)****PROPOSED REVENUES, PROPOSED EXPENDITURES AND PROPOSED TRANSFERS:**

	2022	2023	2024	2025	2026
	Plan (\$)	Plan (\$)	Plan (\$)	Plan (\$)	Plan (\$)
PROPOSED REVENUES:					
Taxation Revenue	(314,803,900) ¹	(330,039,200)	(345,883,900)	(362,362,400)	(379,500,000)
Parcel Taxes	(19,011,800)	(19,962,400)	(21,559,300)	(24,146,500)	(27,044,100)
Sale of Goods & Services	(129,960,600)	(138,067,500)	(144,626,600)	(154,254,800)	(164,664,700)
Investment Income	(50,822,800)	(50,712,000)	(50,570,500)	(50,534,200)	(50,385,100)
Other Revenue	(57,376,000)	(57,093,800)	(58,645,700)	(60,028,900)	(62,135,200)
Community Benefit Bonus	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)
Contributed Asset Revenue	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)
Transfers from Other Governments	(31,081,100)	(27,134,500)	(25,028,000)	(22,781,000)	(33,158,500)
Transfers from Restricted Funds & Development Cost Charges	(4,500,000)	(4,500,000)	(4,500,000)	(4,500,000)	(4,500,000)
Total Proposed Revenues	(734,556,200)	(754,509,400)	(777,814,000)	(805,607,800)	(848,387,600)
PROPOSED EXPENDITURES:					
Operating Expenditures	558,995,700	568,310,100	598,472,100	633,451,600	673,983,600
Capital Expenditures	293,162,400	383,447,900	351,133,900	367,137,200	323,251,500
Total Proposed Expenditures	852,158,100	951,758,000	949,606,000	1,000,588,800	997,235,100
PROPOSED TRANSFERS:					
Transfer to/(from) Capital Works Financing Reserve Fund	(73,745,300)	(107,911,200)	(88,434,400)	(80,479,700)	(47,156,100)
Transfer to/(from) Development Cost Charges Reserve Fund	(4,180,000)	(9,130,000)	(5,290,000)	(4,720,000)	(4,570,000)
Transfer to/(from) Local Improvement Reserve Fund	936,000	1,019,700	1,009,100	101,400	991,300
Transfer to/(from) Corporate & Tax Sale Reserve Fund	5,166,000	4,037,700	2,257,300	2,464,600	(2,117,900)
Transfer to/(from) Equipment & Vehicle Replacement Reserve Fund:	(5,626,200)	(2,424,700)	(9,436,100)	(8,610,700)	(6,429,500)
Transfer to/(from) Housing Capital Reserve Fund	933,000	985,500	1,084,600	1,135,200	1,213,000
Transfer to/(from) Non-Statutory Reserves	(41,085,400)	(83,825,600)	(72,982,500)	(104,871,800)	(90,778,300)
Total Proposed Transfers	(117,601,900)	(197,248,600)	(171,792,000)	(194,981,000)	(148,847,500)
Total Proposed Expenditures & Transfers	734,556,200	754,509,400	777,814,000	805,607,800	848,387,600
Balanced Budget	-	-	-	-	-

¹ Taxation revenue is comprised of property taxes (\$305.9M), grant in lieu of taxes (\$6.4M), utilities taxes(\$3.1M) and local improvement frontage levies (\$0.6M) and assessment appeal \$1.2M.

SCHEDULE B

CITY OF BURNABY

FIVE YEAR CONSOLIDATED FINANCIAL PLAN (2022 – 2026)

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	42.9%
Sales of Goods and Services	17.7%
Community Benefit Bonus	16.3%
Other Revenue	7.8%
Investment Income	6.9%
Transfer from Other Governments	4.2%
Parcel Taxes	2.6%
Contributed Asset Revenue	1.0%
Transfers from Restricted Funds and Development Cost Charges	0.6%
Total	100%

The proportion of total revenue raised from each funding source in 2022 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 2022 Municipal Property Taxes among the Various Property Classes

Property Class	% of Tax Burden
Residential (1)	51.2%
Business (6)	38.1%
Light Industry (5)	5.7%
Others (2, 3, 4, 8 & 9)	5.0%
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 preview 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.