
City of Kelowna

MEMORANDUM

DATE: April 30, 2001
FILE: 1700-20
TO: City Manager
FROM: Deputy Director of Finance
RE: Amendment #3 to Bylaw 8628 – Five Year Financial Plan, 2001-2005

Report prepared by the Financial Planning Manager

RECOMMENDATION:

THAT Council approve amendment #3 to the Five Year Financial Plan, 2001-2005 Bylaw 8628 as required by the Local Government Act, to reflect changes in the Operating Budget and Capital Expenditure Program for 2001.

BACKGROUND:

The City of Kelowna, in order to comply with section 327 of the Local Government Act (Financial Plan), amends the plan to provide for expenditures required after adoption of the Five Year Financial Plan Bylaw.

The amended financial plan is impacted on a departmental basis by contingency fund transfers, disbursements of Other Working Capital, transfers from the City Manager's training account and other transfers as permitted under the Budget Transfer Policy #261, which are excluded from the analysis below.

The attached Schedule A reflects the following material amendments and transfers that are being brought before Council for the first time:

- 1)

General Government

Increase the general land capital budget by \$8,100 to complete servicing requirements at a city-owned property on Enterprise Way with funding from the Land Sales Reserve.

Increase the general land budget by \$72,300 to account for the donation of property by a local utility company.
- 2)

Fire

Increase the Fire Department operating budget by \$150,000 for additional salary requirements with funding from an increase in the investment interest revenue.

Increase the Fire Department capital budget by \$7,500 for the purchase of an Automatic External Defibrillator with funding from the Fire Equipment Reserve.

3)

Parks and Leisure Services

Increase the Civic Properties capital budget by \$25,660 for a storage room addition at the Water Street Senior Centre with funding from community contributions.

Increase the Civic Properties capital equipment budget by \$5,000 for the purchase of a PC Projector with funding from the Safety & Accident Prevention Reserve.

Increase the Civic Properties capital budget by \$140,000 for the Gymnastics facility project with funding of \$90,000 from the Major Facilities Reserve and \$50,000 from Community contributions.

Increase the Civic Properties capital budget by \$120,000 for design changes at Ben Lee Park with funding of \$50,000 from the Parks Development Reserve and \$70,000 transferred from operating budgets.

Increase the Civic Properties capital budget by \$93,660 for additional sitework costs on the old court house property with funding of \$57,110 from a Provincial contribution and \$36,550 from the Parking Reserve.

Change the funding source for \$1,000,000 of internal financing on the Cemetery capital works from a transfer from the Electrical Utility to General Reserve funding.

4)

Works and Utilities

Increase the Transportation Services capital resurfacing program by \$18,040 for Crossridge roadworks with funding from deferred Community contributions.

Increase the Transportation Services capital program by \$88,880 for a final design on the North End Connector roadway from Spall Rd. to Ellis St. with funding shared between the Arterial Roads Reserve and the Roads DCC Sector I Reserve.

Increase the Transportation Services capital program by \$92,110 for sidewalks and asphalt on four properties (Edwards Rd., Burtch Rd., Gerstmar Rd., and Acland Rd.) with funding from deferred Developer contributions.

Increase the Transportation Services capital budget by \$8,980 for improvements to the City owned lot at Sunset/Clement/Ellis with funding from the Land Sales Reserve.

Increase the Transportation Services capital budget by \$10,860 for removal costs on the Whitman Road temporary access with funding of \$3,120 from developer contributions and \$7,740 from the Offsite and Oversize Reserve.

Increase the Transportation Services capital program by \$245,420 for changes made to the shallow utilities on the Pandosy (Park – Lake) project with funding transferred from the Electrical Utility.

Increase the Cycling Network program by \$21,650 to recognize additional Provincial funding received.

Increase the Transportation capital program by \$62,180 for regional transportation

planning and Highway 97 access issues with funding from other Government contributions.

Increase the Transportation Equipment capital budget by \$12,000 for the purchase of a new gravel screener with funding from the Sand and Gravel Reserve.

Increase the Works and Utilities capital program by \$1,076,920 for developer construct Roads, Water and Sewer works in the South Mission with funding from the DCC Reserves (developer credits).

Increase the Solid Waste Management operating budget by \$1,280,780 for the Landfill site closure and post closure accrual costs with funding from the Landfill Reserve.

Increase the Storm Drainage capital budget by \$7,000 for works on Lakeshore Road with funding from deferred Developer contributions.

Increase the Water utility operating budget by \$12,580 for specified area funding to be recovered from the MFA Debt Water Reserve.

Increase the Water operating budget by \$12,500 to recognize receipt of a provincial grant for investigation of options for water service to properties in the South Okanagan Mission Irrigation District.

Increase the Water utility operating budget by \$75,500 for a termination fee on the Water Meter contract with funding recovered from the new contractor.

Increase the Water capital budget by \$35,000 to provide domestic service connections on Frost Road with funding from local property owner contributions.

Transfer \$25,000 from the Bay Avenue water main tie-in capital project to the purchase of a new water pump at the Cedar Creek pump station.

Increase the Wastewater Utility capital program by \$20,000 for the purchase of sewer flow modeling software with funding from the DCC Administration Reserve.

Change the funding source for the Wastewater Treatment facility capital program from debenture borrowing of \$2,340,750 to a provincial sewer grant of \$101,910 and funding from the MFA Sewer Debt Reserve of \$2,238,840. The reserve funding was available due to a refund of surplus funds from a previous MFA debenture issue.

Increase the Trade Waste Treatment recovery from the facility users by \$4,000 to provide for Air Quality Investigation works.

Increase the Electrical operating program by \$2,046,400 to provide electrical customers with a \$200 rebate with funding from the province.

5) --- **Airport**

Increase the Airport capital budget by \$200,000 for the Field Lighting Control System with funding from the Airside Reserve.

Increase the Airport capital budget by \$40,000 funded from the Airport Improvement Fee Reserve to provide for terminal building modifications.

Increase the Airport capital budget by \$3,310 funded from the Airport Terminal

Reserve for replacement of terminal building furniture.

Increase the Airport capital budget by \$15,740 for the pedestrian backflow alarm system funded from the Airport Terminal Reserve.

Transfer \$25,000 from the Airport capital programs for the airside commercial access and the relocation of air-crew parking to a new capital project for the preliminary design of taxiway B.

6)

Natural Gas

Initiate a Natural Gas utility operating budget for \$1,143,500 to recognize rental revenues earned in 2001 and debt repayment costs.

Prepare the capital budget for the Natural Gas franchise agreement for \$51,432,210 with funding from debenture borrowing.

This amendment is being presented for Council approval in accordance with Section 327 of the Local Government Act and provides for the final changes to the 2001 Financial Plan.

P. Macklem

Cc: Director of Finance and Corporate Services
Financial Planning Manager