
City of Kelowna

MEMORANDUM

DATE: October 23, 2002
FILE: 1700-20
TO: City Manager
FROM: Deputy Director of Finance
RE: Amendment #3 to Bylaw 8788 – Five Year Financial Plan, 2002-2006

Report prepared by the Senior Accountant, Financial Planning

RECOMMENDATION:

THAT Council approve amendment #3 to the Five Year Financial Plan, 2002-2006 Bylaw 8788 as required by the Local Government Act, to reflect changes in the Operating Budget and Capital Expenditure Program for 2002;

AND THAT Bylaw No. 8926 be advanced for reading consideration.

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 Information Services capital program by \$7,000 for the purchase of PC projection equipment for the City Yards office with funding from existing Transportation Services operating budget.

2)

Planning & Development Services

Transfer \$157,000 to Works & Utilities operating budget from Bylaw Enforcement for the Parking Meter maintenance function. This transfer is just a re-alignment of costs to the appropriate department.

3)

Fire

To recognize \$40,000 of Provincial Emergency Program funding to the Fire capital budget and to reduce \$20,000 of funding from the Fire Equipment Reserve and allocate \$20,000 to Civic Properties for an air extraction system for the new Rescue Unit at Fire Station #1.

4)

Police

Transfer \$34,800 from the RCMP operating budget to Civic Properties capital budget for audio/video recording equipment, chairs and minor office renovations for the RCMP detachment.

5)

Works and Utilities

Increase the Works & Utilities capital program by \$11,310 for works on DeHart Road with funding from developer contributions.

Increase the Transportation Services capital budget by \$5,000 to prepare a Fleet Safety Manual with funding from ICBC through the installation of 'click-in' decals on City vehicles.

Increase the Water utility operating budget by \$14,500 to obtain cost estimates on the installation of UV treatment at existing facilities, with funding from the Water Quality Enhancement Reserve.

Transfer funding of \$199,000 from the Leon Avenue Sewer project to the Gillard Sanitary Sewer Replacement project (\$160,000) and the Lane North of Bernard Avenue sewer project (\$39,000).

6)

Parks and Leisure Services

Reduce the Parks and Leisure Services administration budget for Pacific Sport Regional Training Centre costs by \$140,000. Funding was from the Pacific Sport group and their Provincial Gaming revenues.

Increase the Civic Properties capital program by \$32,220 for replacement of lights at the Kelowna Community Theatre with funding from the Building Repair Reserve.

Increase the Civic Properties capital program by \$7,200 to provide for replacement of cracked vent pipes at Athans Pool with funding from the Building Repair Reserve.

Increase Civic Properties capital budget by \$8,000 for equipment required for the lawn bowling facility with \$4,000 funded from community contributions and \$4,000 from an existing Parks capital budget.

Increase the Parks Cemetery capital program by \$151,100 for additional costs to the Promontory Green Interment Garden (\$121,800) and the Cemetery Restoration Project (\$29,300) funded from the Cemetery Grave Replacement Reserve and the Cemetery Replacement Fund.

7)

Airport

Increase the Airport operating budget by \$82,100 for policing and security costs funded by Transport Canada (these were 2001 expenditures recovered from

Transport Canada).

Increase the Airport capital budget by \$50,000 funded from the Airport Improvement Fee Reserve to provide for preliminary testing and geotechnical investigations for the Airport Parkade.

Increase the Airport capital budget by \$102,600 and Airport operating budget by \$36,900 for additional security costs and terminal modifications funded by Transport Canada.

This amendment is being presented for Council approval in accordance with Section 327 of the Local Government Act and provides for changes to the 2002 Financial Plan that have occurred since adoption of final budget requests.

K. Grayston

Approved:

P. Macklem

Attach.

Cc: Director of Finance and Corporate Services



FINANCIAL PLAN 2002-2006

REVENUE SOURCES

	Amend #3 2002	Amend #2 2002	<u>2003</u>	<u>2004</u>	<u>2005</u>
Property Value Tax	58,945,000	58,945,000	61,146,654	64,028,571	66,759,105
Parcel Taxes	3,843,357	3,843,357	3,877,471	3,931,809	3,995,124
Fees and Charges	62,786,764	62,786,764	55,781,950	57,348,972	58,866,152
Borrowing Proceeds	13,055,810	13,055,810	1,102,800	812,300	940,431
Other Sources	35,366,957	35,136,948	39,505,301	30,619,437	28,481,934
	173,997,888	173,767,879	161,414,176	156,741,090	159,042,746

TRANSFERS BETWEEN FUNDS

Reserve Funds	13,257,297	10,829,097	5,526,034	6,052,811	4,413,408
DCC Funds	11,868,130	10,774,380	14,827,618	15,208,816	15,773,457
Surplus/Reserve Accounts	31,144,486	28,143,946	13,122,758	4,210,037	5,509,985
	56,269,913	49,747,423	33,476,410	25,471,664	25,696,850
Total	230,267,801	223,515,302	194,890,586	182,212,754	184,739,595

EXPENDITURES

Municipal Debt					
Debt Interest	7,654,387	7,654,387	8,066,767	7,987,012	7,700,028
Debt Principal	4,103,417	4,103,417	4,242,886	4,249,525	4,085,926

Capital Expenditures	90,679,160	84,543,400	64,800,392	48,335,032	47,851,447
Other Municipal Purposes					
General Government	9,215,873	9,227,388	9,328,754	9,532,711	9,925,971
Planning & Dev't Services	4,774,615	4,904,043	4,750,335	4,944,550	5,147,241
Parks & Leisure Services	18,589,119	18,698,954	18,114,603	18,713,038	19,320,833
Works & Utilities	47,228,241	47,053,573	45,532,566	46,678,990	47,928,579
Protective Services	22,291,906	22,326,706	23,398,494	24,432,600	25,313,863
Other	4,103,157	3,494,547	3,073,574	3,135,011	3,197,676
Airport	4,609,930	4,490,891	4,686,128	4,905,522	5,111,055
	213,249,805	206,497,306	185,994,499	172,913,991	175,582,619
<u>TRANSFERS BETWEEN FUNDS</u>					
Reserve Funds	1,310,453	1,310,453	1,473,677	1,533,283	1,593,082
DCC Funds	0	0	0	0	0
Surplus/Reserve Accounts	15,707,543	15,707,543	7,422,411	7,765,480	7,563,894
	17,017,996	17,017,996	8,896,088	9,298,763	9,156,976
Total	230,267,801	223,515,302	194,890,586	182,212,754	184,739,595