City of Kelowna

MEMORANDUM

DATE: October 25, 2005

FILE: 1700-20

TO: City Manager

FROM: Director of Financial Services

RE: Amendment #1 to Five Year Financial Plan, 2005-2009

Report prepared by Jim Wunderlich, Senior Accountant

RECOMMENDATION:

THAT Council approves amending the Five Year Financial Plan, 2005-2009 Bylaw 9414 as required by the Community Charter, to reflect changes in the Operating Budget and Capital Expenditure Program for 2005;

AND THAT the amending Bylaw No.9520 be advanced for reading consideration by Council.

BACKGROUND:

The City of Kelowna, in order to comply with section 165 of the Community Charter (Financial Management), amends the financial 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:

Works and Utilities

Increase the Transportation capital budget by \$250,000 for construction of 3.4 kilometres of bike lane between Kane Rd. and north of Union Rd. with funding from the Provincial Government. The City's 50% share is included in the existing budget.

Works and Utilities Continued

Increase the Transportation capital budget by \$55,000 for safety improvements in the upgrade of the intersection at KLO and Benvoulin Rd. Funding is from an ICBC contribution.

An increase in the Transportation capital budget is required in the amount of \$78,837 for the Gordon Dr. (Stonybrook - Dehart) project. The funding is from deferred revenue generated from previous developments.

Amend the residential and yard waste collection operating budgets by \$53,854 to match the actual 2005 roll count cost calculation.

Parks and Leisure Services

The Cultural Services operating budget is increased by \$46,695 for the Life and Arts Festival. Funding for this increase is from vendor's fees, artist's fees, crafters booths, sponsorships, donations and ticket sales.

Airport

A capital budget increase of \$75,000 is required for minor capital projects throughout the year. This is an annual budget item that was inadvertently left out of the 2005 budget request.

This amendment is being presented for Council approval for changes to the 2005 Financial Plan that have occurred since the Final Budget review in May of 2005.

K. Grayston, CGA							
Financial Planning Manager							
Approved for inclusion							
Paul Macklem, CMA							
Director of Financial Services							
PM/JW							
Attach.							
Attach.							



FINANCIAL PLAN 2005 - 2009

Property Value Tax		Amendment #1	2005	2006	2007	2008	2009	2010-2020
Property Value Tax		2005	<u>2005</u>	2000	<u>2007</u>	2006	2009	2010-2020
Parcel Taxes 3,526,910 3,526,910 2,895,467 2,476,800 1,891,217 1,406,106 865,542	REVENUE SOURCES							
Fees and Charges 71,931,833 71,813,855 73,319,271 75,780,160 76,143,465 80,645,800 1,033,240,748	Property Value Tax	70,210,000	70,210,000	73,400,774	76,700,641	82,584,661	86,426,532	1,222,744,841
	Parcel Taxes	3,526,910	3,526,910	2,895,467	2,476,800	1,891,217	1,406,106	865,542
Other Sources 36,116,541 35,991,909 40,679,735 39,436,224 35,462,906 34,443,085 336,057,157 204,607,404 204,364,794 191,495,247 214,043,824 203,882,249 202,921,522 2,592,908,288 Reserve Funds 11,157,648 7,074,938 4,964,772 4,814,967 4,068,771 2,354,289 33,000,000 DCC Funds 33,521,247 28,380,908 21,235,271 15,157,092 29,231,727 25,832,735 289,163,979 Surplus/Reserve Accounts 47,892,721 40,732,434 11,659,167 8,806,752 5,460,998 6,994,788 66,000,000 92,571,616 76,188,280 37,859,210 28,778,811 38,761,496 35,181,812 388,163,979 Total 297,179,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267 EXPENDITURES Municipal Debt Debt Interest 6,396,531 6,396,531 6,401,961 6,330,408 7,401,470 7,691,869 770,000,00	Fees and Charges	71,931,833	71,813,855	73,319,271	75,780,160	78,143,465	80,645,800	1,033,240,748
TRANSFERS BETWEEN FUNDS 11,157,648 7,074,938 4,964,772 4,814,967 4,068,771 2,354,289 33,000,000 33,521,247 28,380,908 21,235,271 15,157,092 29,231,727 25,832,735 289,163,975 29,101,247 23,248,248 20,247,272 28,380,908 21,235,271 15,157,092 29,231,727 25,832,735 289,163,975 29,101,247 23,248,248 23,248,248 23,248,248 23,248,248 24,282,2636 242,643,745 238,103,334 2,981,072,267 28,778,811 38,761,496 35,181,812 388,163,979 29,71,79,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267 28,778,811 28,779,054 24,282,2636 242,643,745 248,138 28,103,334 2,981,072,267 28,778,811 28,779,054	Borrowing Proceeds	22,822,120	22,822,120	1,200,000	19,650,000	5,800,000	0	0
Reserve Funds	Other Sources	36,116,541	35,991,909	40,679,735	39,436,224	35,462,906	34,443,085	336,057,157
Reserve Funds 11,157,648 7,074,938 4,964,772 4,814,967 4,068,771 2,354,289 33,000,000 20 20 20 20 20 20		204,607,404	204,364,794	191,495,247	214,043,824	203,882,249	202,921,522	2,592,908,288
DCC Funds Surplus/Reserve Accounts 33,521,247 47,892,721 28,380,908 40,732,434 21,235,271 11,659,167 15,157,092 8,806,752 29,231,727 5,460,998 6,994,788 6,994,788 66,000,000 6,000,000 Total 297,179,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267 EXPENDITURES Municipal Debt Debt Interest Debt Principal 6,396,531 4,102,816 6,396,531 4,102,816 6,401,961 4,029,184 6,330,408 4,029,184 7,401,470 4,026,543 7,691,869 4,841,388 77,000,000 4,200,000 Capital Expenditures Other Municipal Purposes General Government Planning & Corp. Services Parks & Leisure Services 9,421,298 9,300,509 8,801,035 9,300,509 8,799,607 9,101,884 9,065,671 9,421,298 9,355,439 9,655,838 9,655,838 124,992,853 Parks & Leisure Services Works & Utilities 54,269,440 54,080,005 54,689,425 21,187,365 53,831,467 55,370,187 55,370,187 55,370,187 57,135,824 56,862,035 26,636,044 26,894,25 27,427,82 28,908,891 30,615,424,289 28,908,891 30,145,422 30,406,000 30,145,422 30,407,002	TRANSFERS BETWEEN FUNDS							
Surplus/Reserve Accounts 47,892,721 40,732,434 11,659,167 8,806,752 5,460,998 6,994,788 66,000,000 92,571,616 76,188,280 37,859,210 28,778,811 38,761,496 35,181,812 388,163,979 Total 297,179,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267 EXPENDITURES	Reserve Funds	11,157,648	7,074,938	4,964,772	4,814,967	4,068,771	2,354,289	33,000,000
Total 297,17,616 76,188,280 37,859,210 28,778,811 38,761,496 35,181,812 388,163,979 EXPENDITURES Municipal Debt Debt Interest 6,396,531 6,396,531 6,401,961 6,330,408 7,401,470 7,691,869 77,000,000 Debt Principal 4,102,816 4,102,816 4,029,184 4,026,543 4,577,065 4,841,388 46,200,000 Capital Expenditures 142,487,447 126,079,000 74,289,278 83,430,119 76,405,276 66,431,852 770,000,000 Cher Municipal Purposes General Government 8,905,739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,296 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,025 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 DCC Funds 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	DCC Funds	33,521,247	28,380,908	21,235,271	15,157,092	29,231,727	25,832,735	289,163,979
Total 297,179,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267 EXPENDITURES Municipal Debt Debt Interest 6,396,531 6,396,531 6,401,961 6,330,408 7,401,470 7,691,869 77,000,000 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Surplus/Reserve Accounts	47,892,721	40,732,434	11,659,167	8,806,752	5,460,998	6,994,788	66,000,000
EXPENDITURES		92,571,616	76,188,280	37,859,210	28,778,811	38,761,496	35,181,812	388,163,979
Municipal Debt 6,396,531 6,396,531 6,396,531 6,401,961 6,330,408 7,401,470 7,691,869 77,000,000 Debt Principal 4,102,816 4,102,816 4,029,184 4,026,543 4,577,065 4,841,388 46,200,000 Capital Expenditures 142,487,447 126,079,000 74,289,278 83,430,119 76,405,276 66,431,852 770,000,000 Other Municipal Purposes 690,5739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport	Total	297,179,020	280,553,074	229,354,457	242,822,636	242,643,745	238,103,334	2,981,072,267
Debt Interest 6,396,531 6,396,531 6,396,531 6,401,961 6,330,408 7,401,470 7,691,869 77,000,000 Debt Principal 4,102,816 4,102,816 4,029,184 4,026,543 4,577,065 4,841,388 46,200,000 Capital Expenditures 142,487,447 126,079,000 74,289,278 83,430,119 76,405,276 66,431,852 770,000,000 Other Municipal Purposes General Government 8,905,739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,296 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404	EXPENDITURES							
Debt Principal 4,102,816 4,102,816 4,029,184 4,026,543 4,577,065 4,841,388 46,200,000 Capital Expenditures 142,487,447 126,079,000 74,289,278 83,430,119 76,405,276 66,431,852 770,000,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 770,000 <t< td=""><td>Municipal Debt</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	Municipal Debt							
Capital Expenditures 142,487,447 126,079,000 74,289,278 83,430,119 76,405,276 66,431,852 770,000,000 Other Municipal Purposes General Government 8,905,739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 <	Debt Interest	6,396,531	6,396,531	6,401,961	6,330,408	7,401,470	7,691,869	77,000,000
Other Municipal Purposes General Government 8,905,739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 TRANSFERS BETWEEN FUNDS Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,1	Debt Principal	4,102,816	4,102,816	4,029,184	4,026,543	4,577,065	4,841,388	46,200,000
General Government 8,905,739 8,801,035 8,799,607 9,065,671 9,355,439 9,655,838 124,992,853 Planning & Corp. Services 9,421,298 9,300,509 9,101,884 9,442,360 9,796,957 10,166,284 135,164,913 Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS <td< td=""><td>Capital Expenditures</td><td>142,487,447</td><td>126,079,000</td><td>74,289,278</td><td>83,430,119</td><td>76,405,276</td><td>66,431,852</td><td>770,000,000</td></td<>	Capital Expenditures	142,487,447	126,079,000	74,289,278	83,430,119	76,405,276	66,431,852	770,000,000
Planning & Corp. Services Parks & Leisure Parks Pa	Other Municipal Purposes							0
Parks & Leisure Services 21,275,795 21,075,426 21,157,365 21,884,177 23,490,646 24,218,522 338,581,454 Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 Other 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 DCC Funds 0 0 0 0 0 0 0 0 Surplus/Reserve Accounts 11,041,819 11,041,796 11,490,545 <td>General Government</td> <td>8,905,739</td> <td>8,801,035</td> <td>8,799,607</td> <td>9,065,671</td> <td>9,355,439</td> <td>9,655,838</td> <td>124,992,853</td>	General Government	8,905,739	8,801,035	8,799,607	9,065,671	9,355,439	9,655,838	124,992,853
Works & Utilities 54,269,440 54,050,057 53,831,467 55,370,187 57,135,824 58,876,019 758,756,298 Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 4	Planning & Corp. Services	9,421,298	9,300,509	9,101,884	9,442,360	9,796,957	10,166,284	135,164,913
Protective Services 26,882,035 26,636,044 26,809,425 27,724,278 28,908,981 30,145,422 404,707,023 (1)	Parks & Leisure Services	21,275,795	21,075,426	21,157,365	21,884,177	23,490,646	24,218,522	338,581,454
Other Airport 2,977,884 3,651,644 3,714,363 4,178,337 4,243,590 4,310,149 60,511,735 Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 DCC Funds 0 0 0 0 0 0 0 Surplus/Reserve Accounts 11,041,819 11,041,796 11,490,545 11,372,061 11,091,381 11,283,046 139,418,494 14,913,073 14,913,050 15,449,856 15,421,851 15,194,975 15,441,260 183,418,494	Works & Utilities	54,269,440	54,050,057	53,831,467	55,370,187	57,135,824	58,876,019	758,756,298
Airport 5,546,962 5,546,962 5,770,067 5,948,705 6,133,521 6,324,732 81,739,496 282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 DCC Funds 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Protective Services	26,882,035	26,636,044	26,809,425	27,724,278	28,908,981	30,145,422	404,707,023
282,265,947 265,640,024 213,904,601 227,400,785 227,448,770 222,662,074 2,797,653,772 TRANSFERS BETWEEN FUNDS Reserve Funds DCC Funds Surplus/Reserve Accounts 11,041,819 11,041,796 11,490,545 11,372,061 11,091,381 11,283,046 139,418,494	Other	2,977,884	3,651,644	3,714,363	4,178,337	4,243,590	4,310,149	60,511,735
TRANSFERS BETWEEN FUNDS Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 0 DCC Funds 0	Airport	5,546,962	5,546,962	5,770,067	5,948,705	6,133,521	6,324,732	81,739,496
Reserve Funds 3,871,254 3,871,254 3,959,311 4,049,790 4,103,594 4,158,214 44,000,000 DCC Funds 0 0 0 0 0 0 0 Surplus/Reserve Accounts 11,041,819 11,041,796 11,490,545 11,372,061 11,091,381 11,283,046 139,418,494 14,913,073 14,913,050 15,449,856 15,421,851 15,194,975 15,441,260 183,418,494		282,265,947	265,640,024	213,904,601	227,400,785	227,448,770	222,662,074	2,797,653,772
DCC Funds 0	TRANSFERS BETWEEN FUNDS							
Surplus/Reserve Accounts 11,041,819 11,041,796 11,490,545 11,372,061 11,091,381 11,283,046 139,418,494 14,913,073 14,913,050 15,449,856 15,421,851 15,194,975 15,441,260 183,418,494	Reserve Funds	3,871,254	3,871,254	3,959,311	4,049,790	4,103,594	4,158,214	44,000,000
14,913,073 14,913,050 15,449,856 15,421,851 15,194,975 15,441,260 183,418,494	DCC Funds	0	0	0	0	0	0	0
	Surplus/Reserve Accounts	11,041,819	11,041,796	11,490,545	11,372,061	11,091,381	11,283,046	139,418,494
Total 297,179,020 280,553,074 229,354,457 242,822,636 242,643,745 238,103,334 2,981,072,267		14,913,073	14,913,050	15,449,856	15,421,851	15,194,975	15,441,260	183,418,494
- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	Total	297,179,020	280,553,074	229,354,457	242,822,636	242,643,745	238,103,334	2,981,072,267