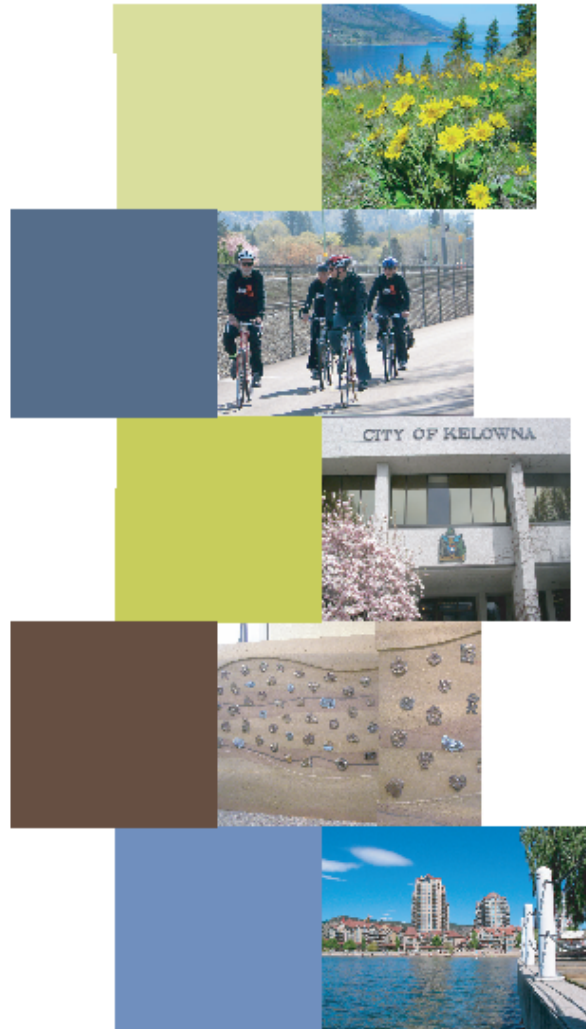


2009 FINANCIAL PLAN



City of Kelowna 2009 Financial Plan

- ◆ *Taxation Impact*
- ◆ *General Fund*
- ◆ *2009 Challenges*
- ◆ *Utilities & Airport*
- ◆ *Assessment & Tax*

ANALYSIS OF TAX DEMAND

2008 TAX DEMAND \$84.4 M

2009 TAX DEMAND \$90.9 M

EST. NEW CONSTRUCTION \$2.75 M

AQUATIC CENTRE	1.79%
OTHER IMPACTS	2.70%

NET PROPERTY OWNER IMPACT 4.49%

ANALYSIS OF TAX DEMAND

	<u>2008</u>	<u>2009</u>
OPERATING	\$75.3	\$81.3
CAPITAL	20.7	21.5
GEN. REV.	(11.6)	(11.9)

<i>TAX DEMAND</i>	<i>\$84.4</i>	<i>\$90.9</i>
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(IN MILLIONS)

HOW DID WE GET THERE?

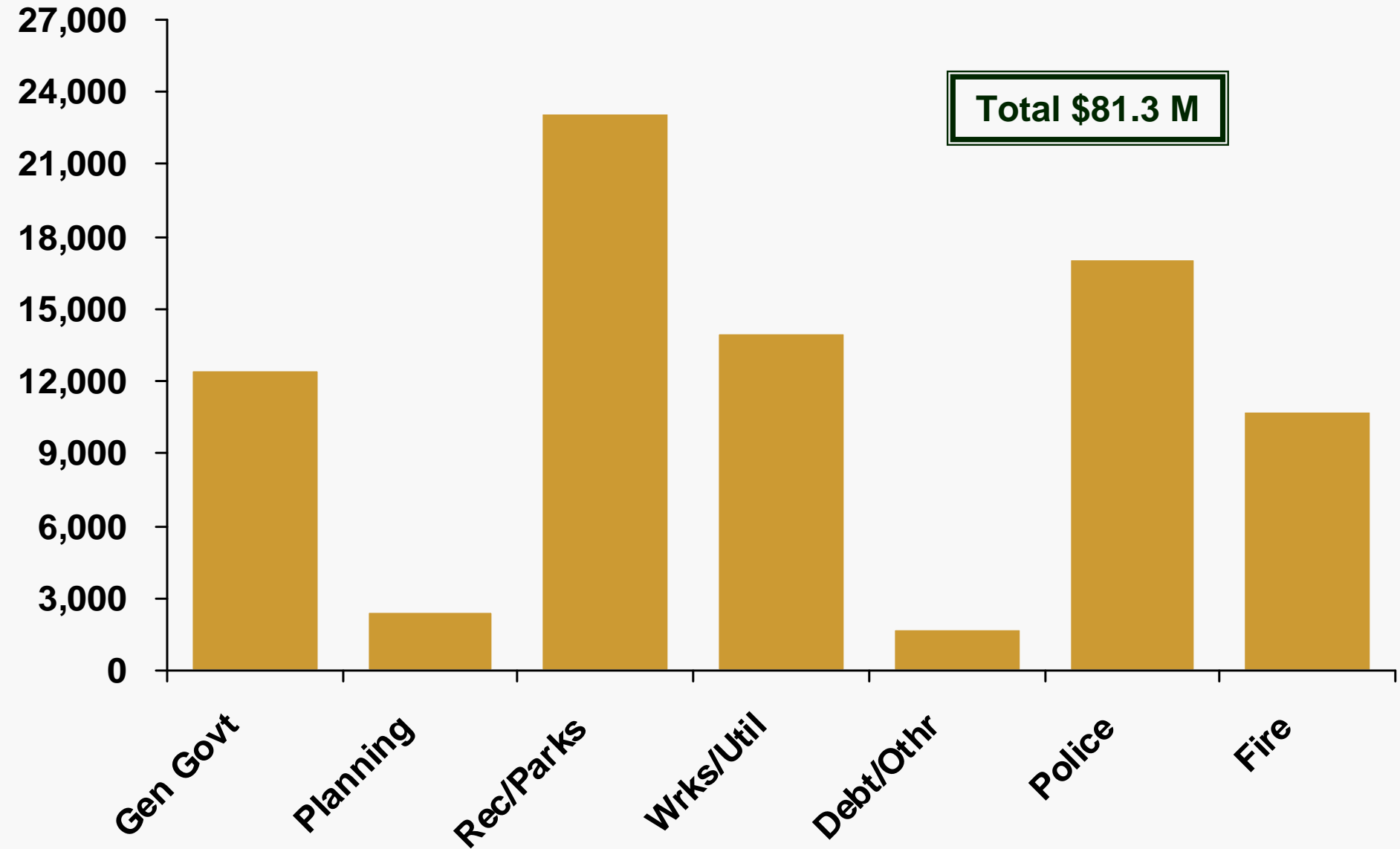
- ◆ *2008 Budget Impacts*
 - ◆ *Annualized \$1.50 M*
 - ◆ *Onetime (\$0.32) M*
- ◆ *2009 Base Chgs \$1.36 M*
- ◆ *2009 Supplementals \$3.46 M*

OTHER CHANGES

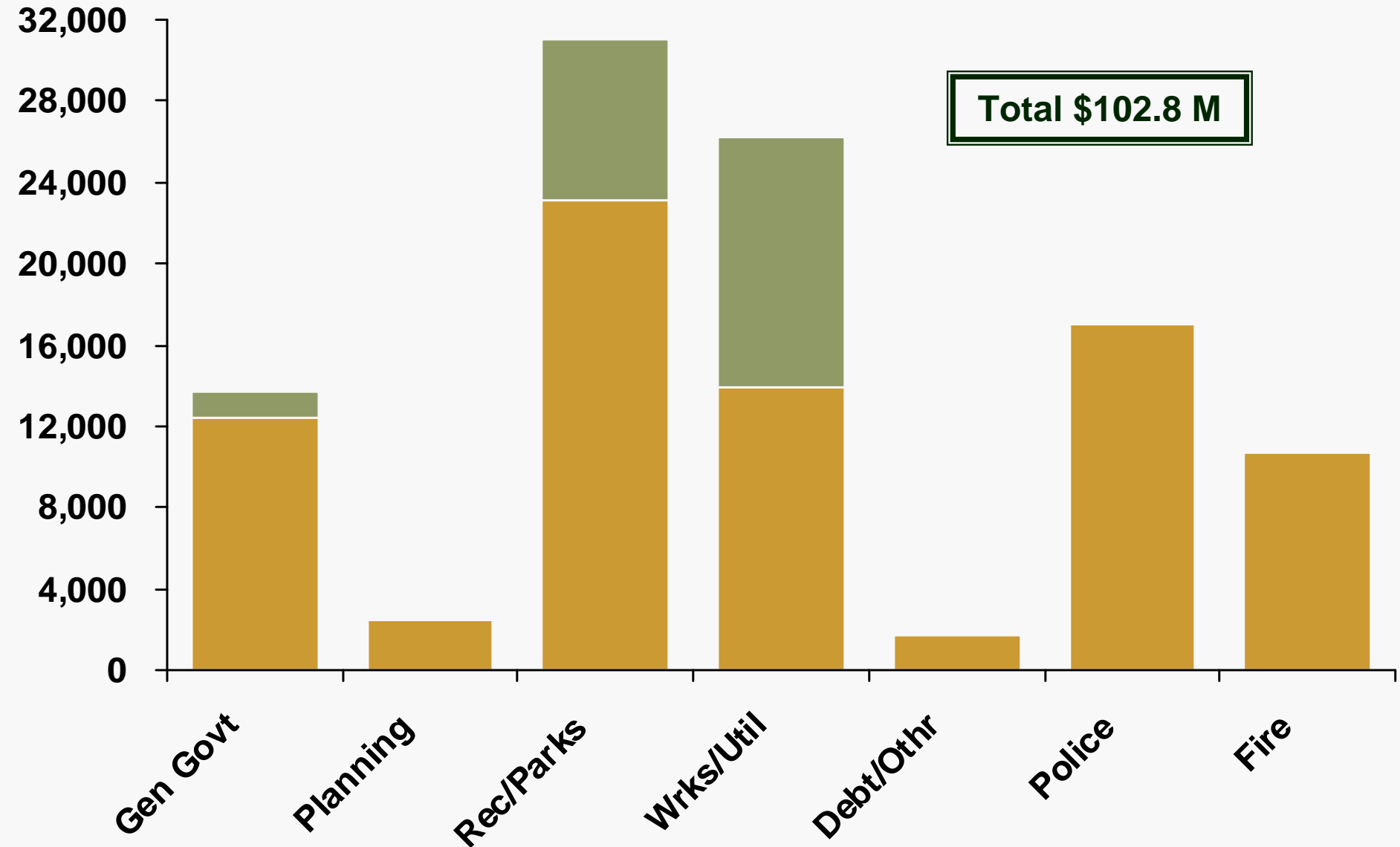
- ◆ *Pay-as-you-go Capital*
 - ◆ *\$0.82 M increase*
 - ◆ *\$1.38 M to match policy*
- ◆ *General Revenues*

Total Tax Increase \$6.5 M
Offset by \$2.75 M New Construction
Net \$3.8 M = 4.49%

GENERAL FUND SPENDING OPERATING – (\$000'S)



GENERAL FUND SPENDING OPERATING & CAPITAL – (\$000'S)



GENERAL GOVERNMENT

- ◆ *Operating Budget: \$12.4 M*
- ◆ *Capital Budget: \$3.0 M (\$1.2 Tax)*
- ◆ *Major Projects / Issues*
 - *Capital Land Requirements*
 - *Financial System Support*
 - *Strategic Land Development*
 - *Insurance Cost*

CIVIC PROPERTIES

- ◆ *Operating Budget: \$2.9 M*
- ◆ *Capital Budget: \$3.9 M (\$3.3 Tax)*
- ◆ *Major Projects / Issues*
 - *Laurel Building*
 - *Civic & Recreation Facilities*
 - *Energy Conservation*
 - *Facility Maintenance Costs*

PARKS

- ◆ *Operating Budget: \$8.3 M*
- ◆ *Capital Budget: \$11 M (\$4.5 Tax)*
- ◆ *Major Projects / Issues*
 - *Parkland Acquisition*
 - *Stuart Park*
 - *Parks Development*
 - *Parks Maintenance*
 - *Pest Management*

TRANSPORTATION

- ◆ *Operating Budget: \$6.3 M*
- ◆ *Capital Budget: \$30 M (\$10.3 Tax)*
- ◆ *Major Projects / Issues*
 - *Roads Projects*
 - *Alternative Transportation*
 - *Infrastructure Preservation*
 - *Equipment Requirements*
 - *Internal Equipment / Snow & Ice*

TRANSIT

- ◆ *Operating Budget: \$3.5 M*
- ◆ *Capital Budget: \$0.1 M (\$0 Tax)*
- ◆ *Major Projects / Issues*
 - *Transit Stations & Exchange*
 - *Future Service Improvements*

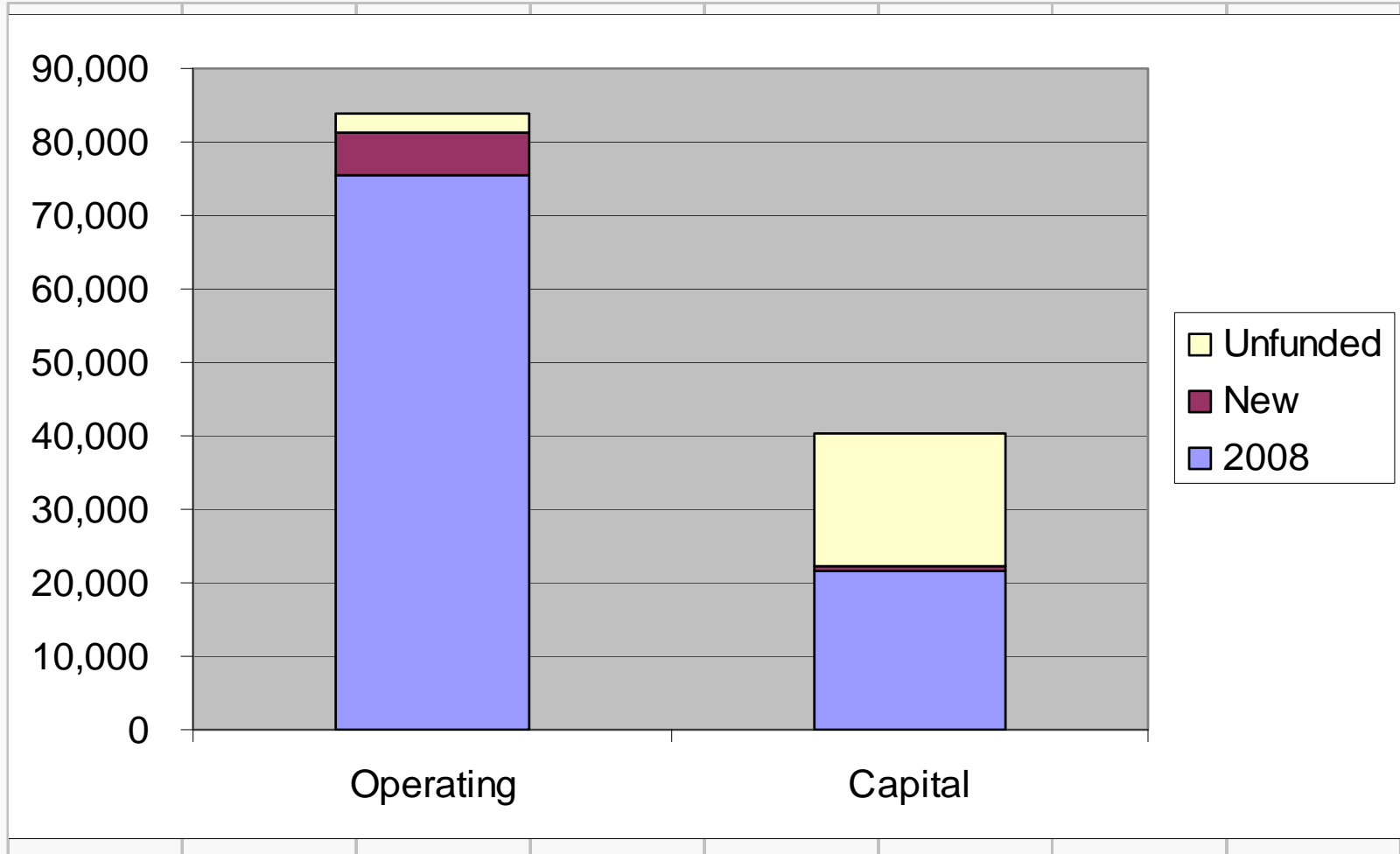
POLICE SERVICES

- ◆ *Operating Budget: \$17.1 M*
- ◆ *Capital Budget: \$0*
- ◆ *Major Projects / Issues*
 - *Municipal Support Staff*
 - *Provincial Gaming Revenues*

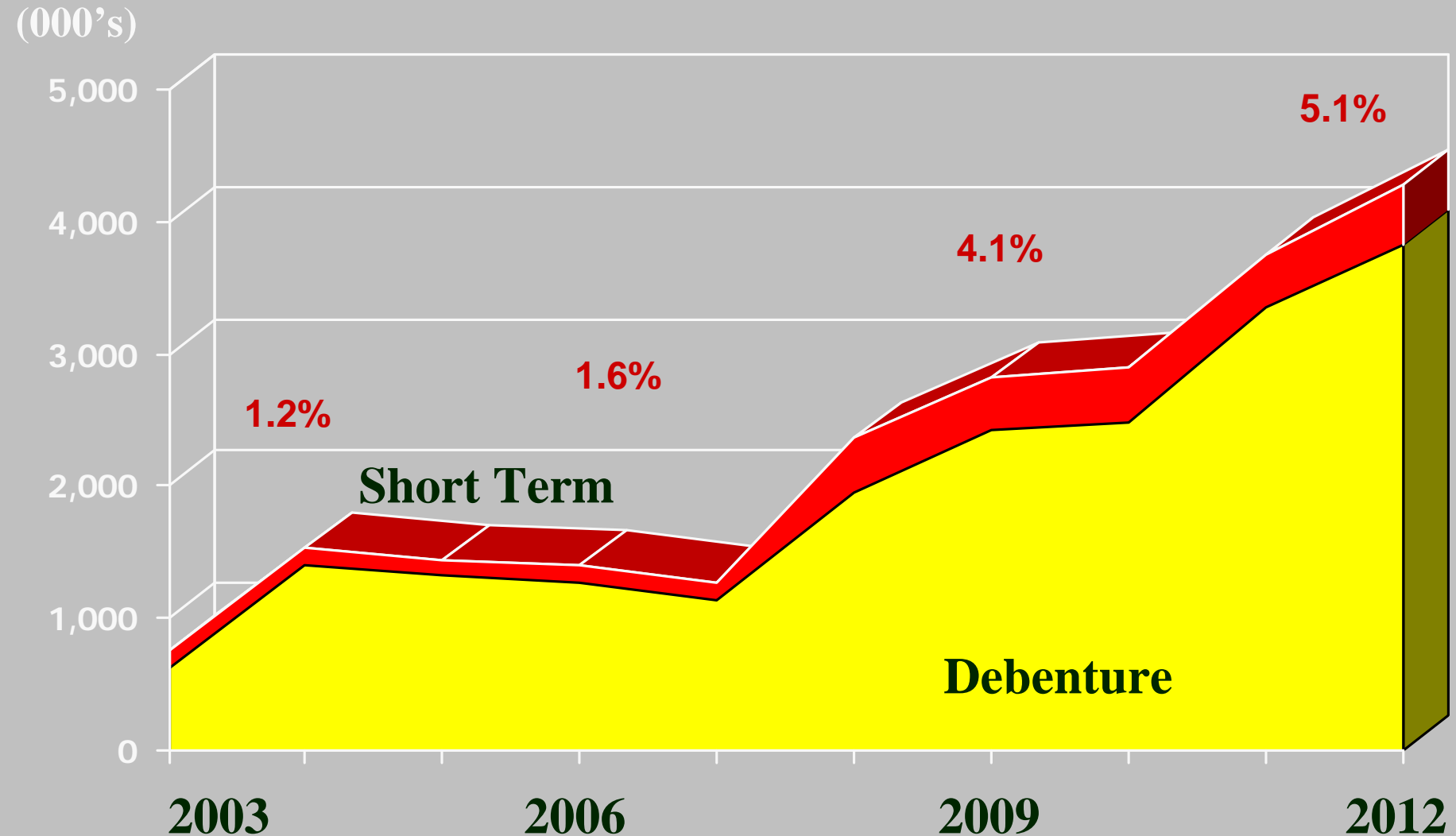
2009 CHALLENGES

- ◆ *Unfunded Items*
- ◆ *Debt*
- ◆ *Reserves*
- ◆ *Other Challenges*

UNFUNDED REQUESTS (\$1,000's)



ANNUAL DEBT SERVICING GENERAL FUND 2003 - 2012



RESERVE INFORMATION

	2007	2008	2009	
Major Facilities	2,994,287	3,019,704	2,838,413	
Misc. Recreation Fac.	(7,317,987)	(7,238,770)	(7,544,718)	
Park Purch/Dev't	6,023,741	411,502	(59,514)	
Trans & Drainage	7,930,171	5,113,569	5,579,406	
Unspent Budget	10,451,258	1,600,453	1,420,453	
Other	17,732,416	13,319,001	12,547,664	
Sub-Total	37,813,886	16,225,459	14,781,704	

RESERVE INFORMATION

2007

2008

2009

Statutory (CWME, Land, Pkg)	31.8	25.0	24.1
DCC Reserves	43.8	31.5	25.5
Water Utility Res/Surplus	4.5	4.2	4.3
Sewer Utility Res/Surplus	20.9	10.5	9.3
Electrical Utility Res/Surplus	5.3	2.8	4.7
Airport Res/Surplus	5.6	16.4	22.4
Natural Gas Surplus	2.9	3.5	4.0
Library Society Surplus	0.2	0.2	0.2
Total	152.8	110.3	109.3

\$ million's

2009 FINANCIAL PLAN

OTHER PRESSURES

- ◆ *Economic Conditions*
- ◆ *Re-organization*
- ◆ *Cost Pressures*
- ◆ *AIM – Financial System*
- ◆ *Infrastructure Renewal*

UTILITIES & AIRPORT

- *Water Utility*
- *Wastewater Utility*
- *Electrical Utility*
- *Natural Gas Utility*
- *Airport*

WATER UTILITY

- **Revenue \$6.7 M**
- **Operating Cost \$6.1 M**
- **Capital Program \$1.1 M**
- **Budget Deficit \$525 K**

WASTEWATER

- ⊙ Revenue \$12.2 M
- ⊙ Operating Cost \$8.6 M
- ⊙ Capital Program \$5.0 M
- ⊙ **Planned Deficit \$1.4 M**

ELECTRICAL

- ≈ **Revenue** **\$26.0 M**
- ≈ **Operating Cost** **\$19.3 M**
- ≈ **Contribution GOF** **\$2.1 M**
- ≈ **Capital Program** **\$2.7 M**
- ≈ **Planned Surplus** **\$1.9 M**

NATURAL GAS

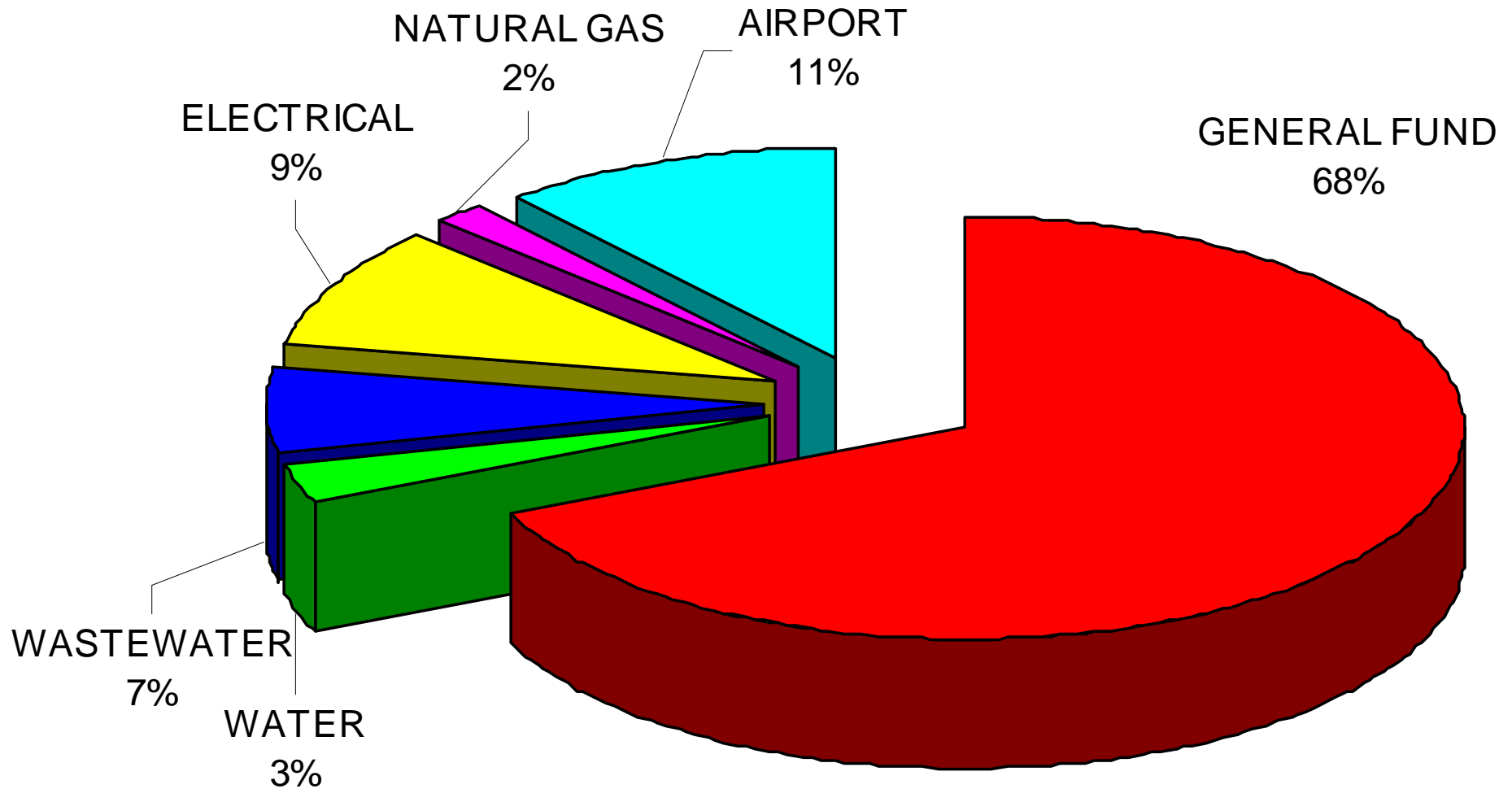
- **Revenue \$5.0 M**
- **Operating Cost \$4.6 M**
- **Capital Program \$0 M**
- **Planned Surplus \$402 K**

KELOWNA AIRPORT

- ➔ Revenue \$17.4 M
- ➔ Operating Cost \$17.4 M
- ➔ Capital Program \$11.6 M
- ➔ **Planned Surplus \$0**

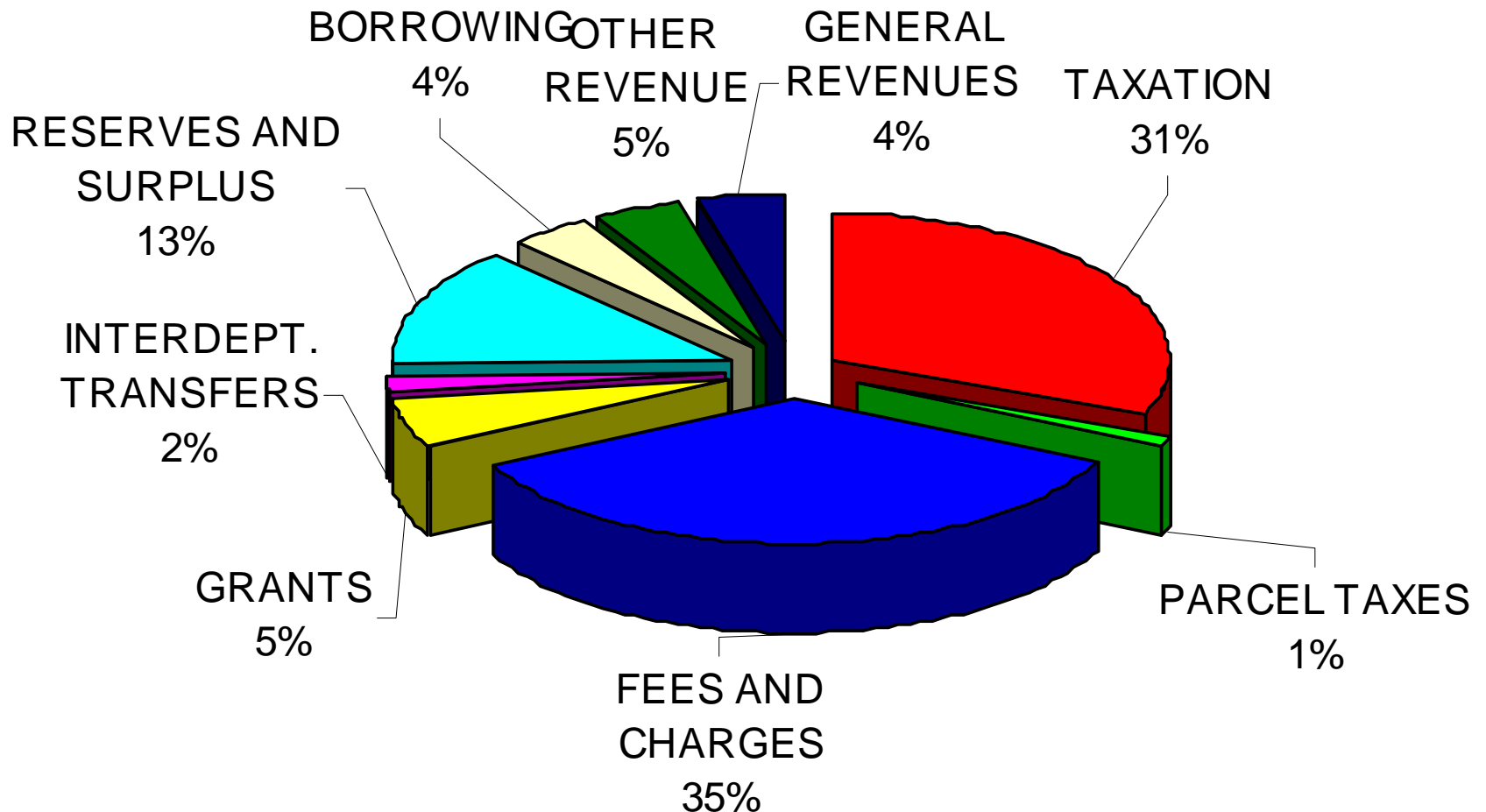
ANALYSIS OF TOTAL EXPENDITURES

% Of Total Expenditures (by Fund) - \$292.4 Million



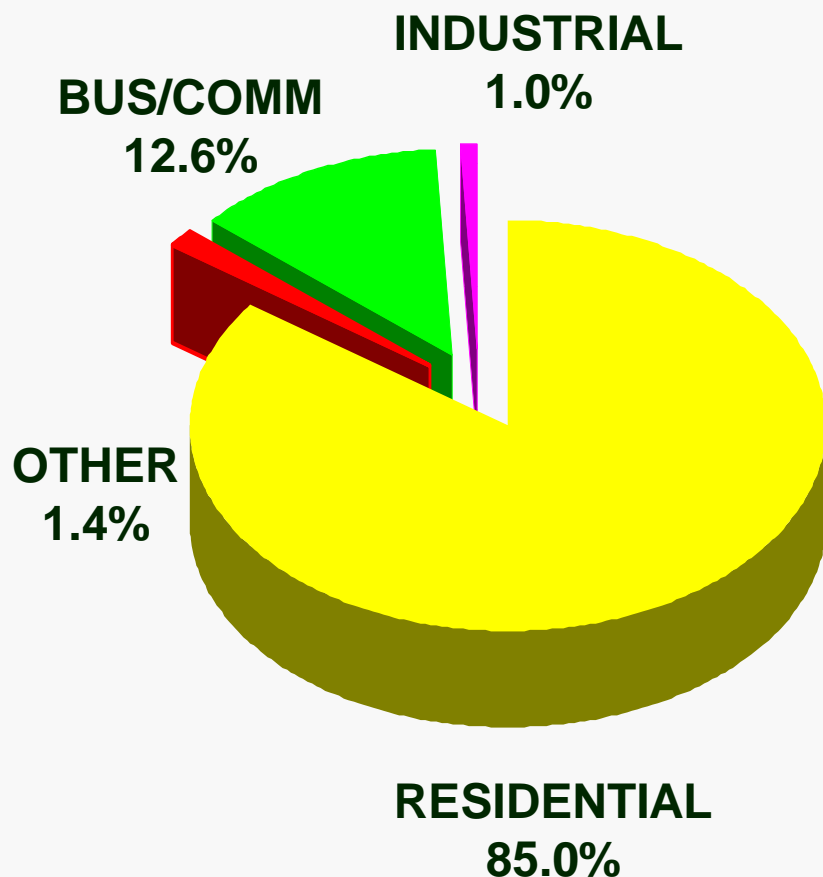
ANALYSIS OF TOTAL REVENUES

% Of Total Revenues - \$292.4 Million

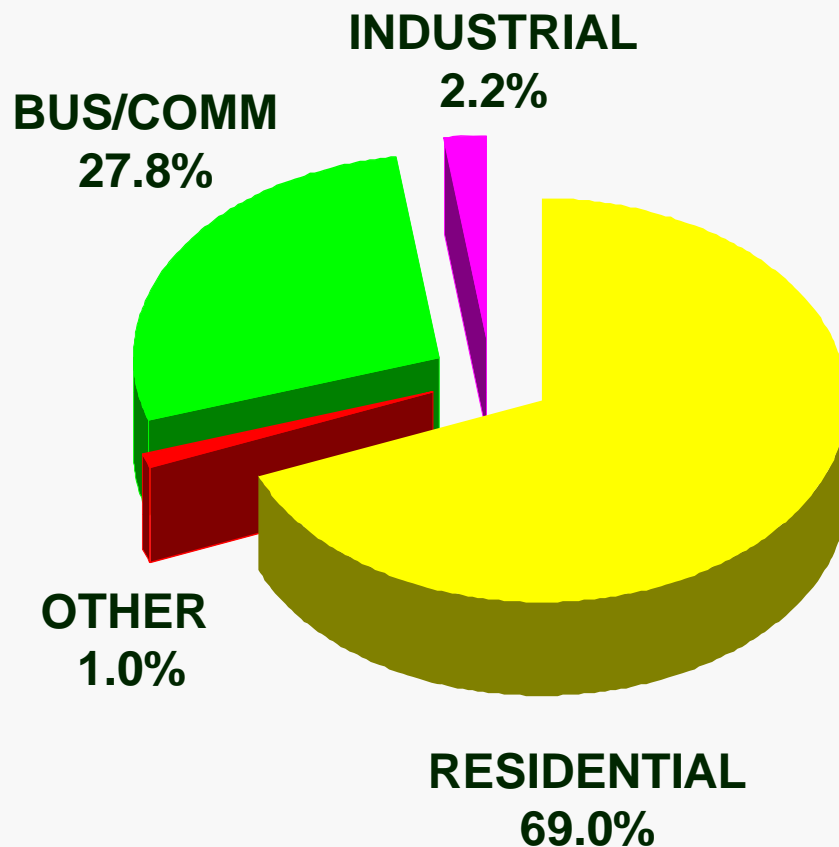


TAXABLE ASSESSMENT VS. TAXATION REVENUE

ASSESSMENTS (\$23.1 BILLION)

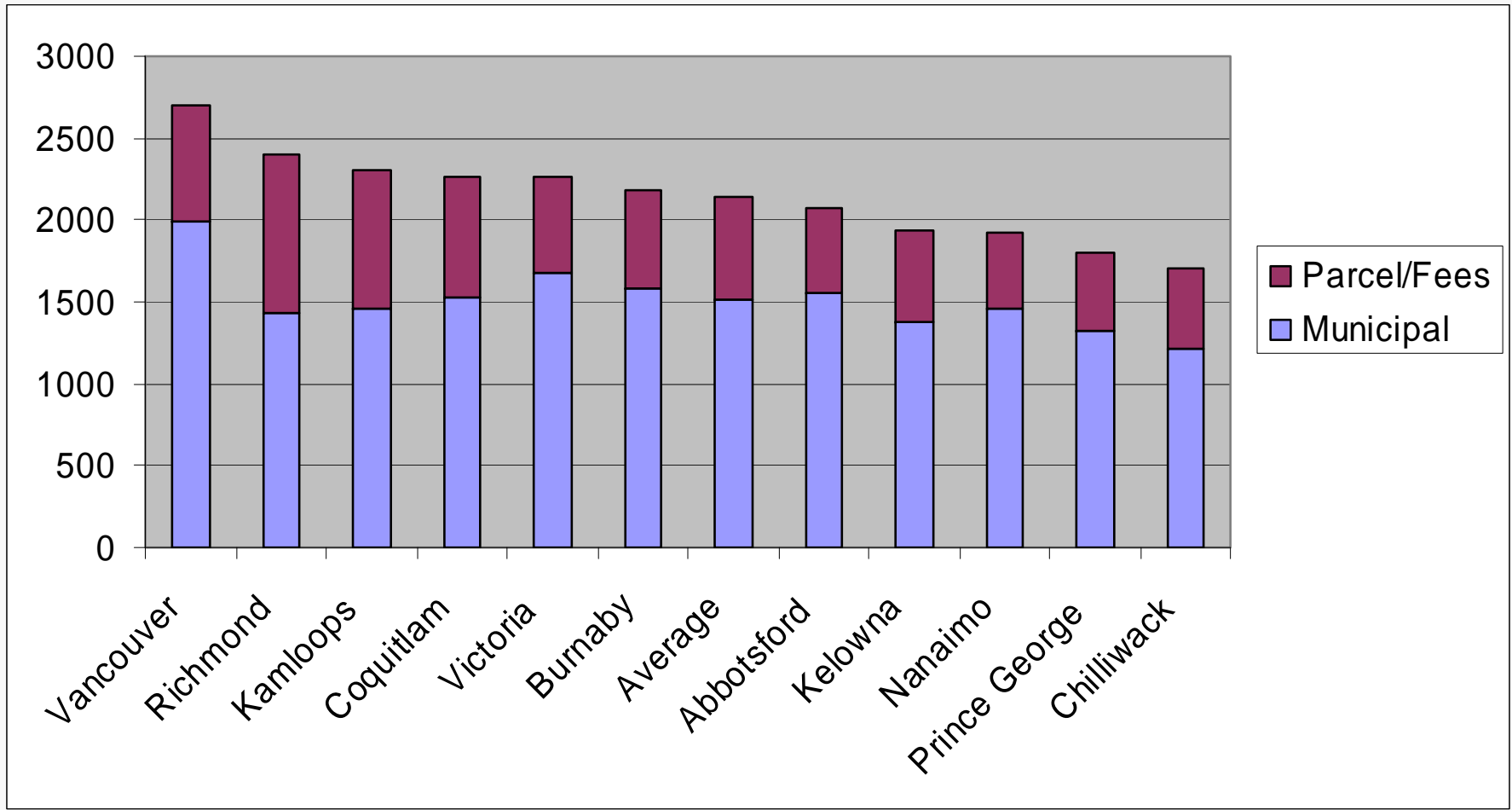


REVENUE (\$90.9 MILLION)



2007 TAXES & CHARGES

MUNICIPALITIES > 50,000 POP.



2009 FINANCIAL PLAN

Financial Plan Review

January 7, 2009

8:00 am

