

Memo



Date: April 18, 2011
File: 0220-20
To: City Manager
From: Angie Thiessen, Financial Planning Manager
Subject: Amendment #1 to Five Year Financial Plan, 2010-2014
Report Prepared by: Nicole Unruh, Accountant

Recommendation:

THAT Council direct staff to amend the Five Year Financial Plan 2010-2014 Bylaw No. 10334 as required by the Community Charter, to reflect changes in the Operating Budget and Capital Expenditure Program for 2010;

AND THAT Bylaw No. 10525 being Amendment No. 1 to the Five Year Financial Plan 2010-2014 Bylaw No. 10334 be advanced for reading consideration;

Purpose:

To amend the Five Year Financial Plan as required by the Community Charter.

Background:

The City of Kelowna, in order to comply with section 165(1) 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 Amendment Policy #262 and 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:

Recreation, Parks and Cultural Services

Increase of \$108,161 to Prospera Place operating program for new video screens with funding from deferred revenue.

Decrease contribution to the Major Facilities Reserve by \$150,000 for the Prospera Place reserve repayment. (This was part of a Final Budget adjustment in 2010).

Real Estate & Building Services

Transfer \$90,000 to Kings Stadium capital project and \$140,000 to Apple Bowl Stadium capital project from Rutland Arena capital project as Western Economic Diversification Canada revised the Statement of Work reallocating RinC funding.

Decrease Structural Renovation Laurel Building capital project by \$1,000,000 as Federal Grant was less than originally budgeted.

Civic Operations

Establish capitalization of Innovation Way project in the amount of \$1,000,000 which represents the developers' contributions as per the UBC master roads agreement.

Increase Valley Road - Union to Cross capital project by \$122,500 with deferred revenue collected from School District 23 - Dr. Knox.

Decrease Mission Creek Restoration, General Land capital project by \$200,000 as the Federal Grant was not received.

Decrease Partners in Parks capital project by \$130,000 as developer contributions were not received.

Transfer \$122,000 to COB 2 Spall to Hwy 33 capital project and \$32,590 to COB 3 Hwy 33 - McCurdy Rd capital project from Glenmore 2 & 3 Bypass (Dallas-Scenic) capital project.

Transfer \$95,730 from Orchard Park Transit Exchange capital project to Bus Rapid Transit Stations capital project and increase Bus Rapid Transit Stations by \$300,000 from Federal Grant funding.

Increase Dayton St. Pedestrian Overpass Approach capital project by \$216,700 to include Gas Tax funding.

Increase Hwy 97 Widening capital project by \$207,310 from the Unspent Budget Reserve and transfer \$225,990 from Gordon Bridge (Mission Creek) to complete remaining works.

Transfer \$75,000 from Local Improvements capital project to the Dayton St. Pedestrian Overpass capital project to complete landscape treatments.

Transfer \$167,390 from Gordon Dr 6 (Casorso to Lanfranco) capital project, \$117,190 from Glenmore 2 & 3 Bypass (Dallas-Scenic) capital project, and \$53,420 from Miscellaneous Drainage expensed project to Sexsmith 2, Union/Snowsell - Glenmore Bypass capital project to complete remaining works.

Transfer \$86,570 from Reliability Driven Feeder Upgrade capital project and \$83,540 from Capacity Driven U/G Work capital project to New Electrical Service Extensions capital project in the Electrical Fund to complete customer-driven works.

Transfer \$215,880 from Moyer Rd Wetlands capital project to Hwy 97 (Banks to Gordon) capital project to complete storm water management upgrades.

Transfer \$130,000 from Lakeshore Rd Multi-Use Path (Gyro-Rotary) capital project and \$132,060 from

Houghton Rd Multi-Use Path capital project to Abbott St. Rec Corridor Ph 2 capital project to complete works.

Transfer \$77,345 from Moyer Rd Wetlands capital project and \$70,985 from Roads Resurfacing capital project to Active Transportation Master Plan capital project to cover Cycling Infrastructure Partnership Program grants that were not received.

Transfer \$110,050 from Roads Resurfacing capital project to Sidewalk Network Expansion capital project to cover developer contributions not received.

Airport

Change funding source for Airport - Drive to 1.6 Million capital project from debenture borrowing to Airport Improvement Fees Reserve for \$8,545,970.

Increase Drive to 1.6 Million capital project by \$97,369 for Federal grant funding from the Canadian Air Transport Security Authority.

Change funding source for Car Rental Parking Upgrade from Groundside Reserve to Terminal Reserve for \$180,000.

Transfer \$358,000 in Terminal Operations security expenses to Airside Operations, \$179,000 and Groundside Operations, \$179,000.

Other Departments

Transfer \$100,000 from Regional Planning & Projects' management salaries to Regional Services Administration's professional and consulting services to hire an external contractor to undertake work required.

Transfer \$40,000 from Infrastructure Planning Administration professional and consulting services and \$40,000 from Capital Assets & Investments' management salaries to professional and consulting services in Capital Assets & Investments to hire a temporary consultant.

Increase Regional Air Quality by \$75,000 from service revenue collected from the Regional District of the Central Okanagan.

Transfer \$268,509 from Orchard Park Transit Exchange capital project to Conventional Transit for the purchase of the Cooper Rd. stations Right-of-Way. This reallocation from capital to operating is due to Tangible Capital Asset Policy #342.

Transfer \$92,030 from Moyer Rd Wetlands capital project to Right-of-Way Acquisitions (Assets & Invest) for the purchase of the Moyer Rd Wetlands Right-of-Way. This reallocation from capital to operating is due to Tangible Capital Asset Policy #342.

This amendment is being presented for Council approval for changes to the 2010 Financial Plan that have occurred since Final budget was approved in May of 2010.

Legal/Statutory Authority: Community Charter section 165.

Considerations not applicable to this report:

Internal Circulation:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:


Personnel Implications:

External Agency/Public Comments:

Community & Media Relations Comments:

Alternate Recommendation:

Submitted by:



A Thiessen, Financial Planning Manager

Approved for inclusion:



K. Grayston, Director of Financial Services

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Attach.