

Memo



Date: December 3, 2012
File: 1700-20
To: Mayor and Councillors
From: City Manager
Subject: 2013 FINANCIAL PLAN

I am pleased to present the provisional 2013 Financial Plan to Council. The 2013 plan responds to the economic conditions that have affected the City of Kelowna and its citizens for the last four years. We continue to focus on being a more adaptive, responsive organization providing the appropriate mix of services and taxation impact.

I would like to acknowledge the effort put forth by the Leadership Team, their Managers and staff, along with the Financial Services Financial Planning team in the preparation of budget submissions. Once again, this year's budget had several challenges to provide the services citizens expect, in a reduced revenue environment. The City, as a collective team of both Council and staff, are continually looking at opportunities to be innovative in our service delivery methods while maintaining the ongoing discipline within the corporation to control costs. This year's budget recognizes that the economy will continue at a slower pace and expansion projects based on growth will need to be delayed.

For the 2013 Financial Plan, my goal is to maintain existing core services while providing for the maintenance requirements of existing infrastructure. We need to be prepared for the future while maintaining a solid financial base in the present. Revenue growth continues to increase at a slower rate than expenditures and this trend is anticipated for the near future. Making adjustments to the services that are provided, or the way they are provided, is a step towards adapting to a new normal in municipal budgets. The 2013 Financial Plan has provided for the operating cost increases while maintaining a strong, although reduced, pay-as-you-go capital program to support asset preservation and city centre initiatives. **The recommendation presented is for a 2.54% tax increase for 2013.**

The tax demand for 2013 is based on a number of current factors along with the impacts of decisions made during the 2012 budget process. These will be discussed further throughout this memo and in the budget document but a brief summary may help to clarify the challenges in the Financial Plan development.

- During formulation of the 2012 budget, Council approved a total of \$1.9 million of incremental service costs that were either part-year or were to be phased in over a two-year period. Major components of this increase were the RCMP resourcing increase, one time street sweeping reduction and several one time position vacancies.
- Base service contract increases for staff, RCMP and Transit have added an additional \$2.8 million to the budget requirements for 2013.
- Other operating requests less expenditure reductions required a net \$0.3 million.
- To keep the tax increase at an acceptable level meant that the capital program from taxation needed to be reduced from the 2012 level by \$1.4 million. This reflects the reduced growth level occurring and delays the construction of certain new capital initiatives.

These changes total the \$3.6 million increase in taxation demand from \$99.5 million in 2012 to \$103.1 million in 2013.

The development of the 2013 Financial Plan has followed the focus provided by Council in their "Moving Opportunities Forward" priority setting process along with traditional citizen service demands from the Community Strategic Plan.

GROW OUR ECONOMY

Economic Situation - Into the fifth year of a sluggish recovery in the global economy, the local economy is slowly showing signs of improving. The construction sector has been especially impacted and a more lengthy recovery period is being predicted for that industry. Canada Mortgage and Housing Corporation is projecting Kelowna area housing demand and existing home prices to again edge up in 2013 as stronger employment growth occurs.

The City's first ever Executive Director of Business Development was created late in 2012. This position will support Council's focus on business development by providing a direct link between businesses and City services. Working closely with key partners such as the Economic Development Commission the intent is to facilitate new business development opportunities and support existing businesses while building strong relationships with major employers and strategic growth industries.

A total of 1,779 building permits valued at \$271 million were issued through November 2012. This compares to 1,680 permits valued at \$252 million in 2011. The City's highest value for building permits was recorded in 2007, where 2,139 permits were issued with a value of \$586 million (Jan-Nov). In 2012, adjustments were made in the revenue expectation and the staffing requirements in the Development Services area.

Passenger activity at the Kelowna International Airport is expected to finish 2012 at a record breaking 1.4 million passengers. The Airport development plan "Drive to 1.6 Million Passengers" provides for future airport expansion over the next five years. Construction of Phase I was completed in 2012 and has expanded the international arrivals area along with capacity improvements to the life safety systems. Phase 2 of the program includes a new outbound baggage area and improvements to the passenger check-in area.

Over the last few years there has been significant expansion at the Okanagan campus of University of British Columbia, at Okanagan College and at the Kelowna General Hospital. These institutions are an important link in training the emerging generation in Kelowna's trend to a more knowledge based economy. Along with the service to the community, these organizations provide valuable employment opportunities during construction and once the facilities are operational.

Town Centre Revitalization - Several projects are included in the 2013 financial plan to provide support to various town centres. The revitalization of Bernard Avenue began in 2012 and will continue until the spring of 2014. Aside from the road works and underground infrastructure, there is a significant streetscape and pedestrian focus to the project. This important project will change the look and feel of Kelowna's downtown core. Adding to that is the development of a new downtown public pier through a private proponent which will include the construction, operation and maintenance of a Downtown Marina.

The completion of the Parkinson Activity Centre allows for the demolition of the former Water Street Senior Centre building and the development of the new Kelowna Yacht Club clubhouse. This will provide the opportunity to proceed with phase 2 of the Stuart Park works to further enhance the downtown waterscape.

The Interior Health move to consolidate their community services and programs into one building downtown is an exciting partnership that will bring nearly 1,000 people into the downtown core in the near future. Development of a new parkade and expansion of an existing one to help with the parking impacts of this significant project will proceed in 2013.

The expansion of the revitalization tax exemption for commercial and residential buildings in the Downtown and Rutland town centres is anticipated to provide incentive for further development in these town centres.

Construction of Transit Exchanges in Rutland and at Okanagan College will increase the ease of transit use and perhaps encourage commercial and residential developments along the transit routes or near to the exchanges.

ENHANCE CITIZENS QUALITY OF LIFE

Parks and Recreational Facilities - Natural / linear parkland acquisition along with several restoration type projects are a feature for the 2013 budget. Asset management is an important part of our capital program and includes the maintenance of arenas and other recreational facilities.

Transportation - The road infrastructure renewal strategy continues through the \$2.5 million road resurfacing program budget. A number of transportation projects are being put forward that will assist in improving vehicular traffic, bicycle and pedestrian movement throughout the City. Sidewalk and bicycle network construction along with traffic signal and neighbourhood traffic safety improvements will continue to emphasize active transportation.

Under the development cost charge program, the completion of the four-laning of Highway 33 in 2011 will require the last of three payments for the City's \$9.7 million share of the cost. Lakeshore Road improvements, including the replacement of the Mission Creek bridge, is dependent on a successful Gas Tax funding application. Completion of the design and land acquisition requirements will move forward regardless. Design work and some construction improvements are scheduled for Rose Avenue and Guisachan Road this year.

Protective Services and Public Safety - Council approved an RCMP resourcing plan and crime reduction strategy in 2012. The resourcing plan provided for an additional 22 members over a four year period. Twelve new members were added in 2012, four new members in 2013 and three new members scheduled in each of 2014 and 2015. Crime reduction targets are in place and will be reviewed each year to determine progress towards a reduction in the number of calls for service and in the crime rate.

Per member contract cost increases are quite significant this year, partially due to the new long term contract that was negotiated and became effective in April, 2012.

Work continues on a new protective services facility on Clement Avenue as we plan for the replacement of the current detachment building. Anticipated completion of the new facility is 2015.

Additional shift coverage funding and fire equipment reserve contribution is included for the Fire Department in the 2013 budget.

FOCUS ON RESULTS

Communications - Staff are always looking for opportunities to engage Kelowna citizens on what is important to them and determine their service expectations. Our Communications group, and other departments, are reviewing our online information to ensure it is easy to access and provides the information that people are searching for. Communication is important to ensure the awareness of the need for various city expenditures or programs. Continuing with 'City Views', quarterly reports to Council and the annual report are ways to provide information to the public but satisfaction surveys, open houses and other public participation methods will also continue to be pursued.

New approaches in service delivery are being investigated to provide the best service in the most cost efficient manner. Finding ways to shorten the building permit timelines and processes will help bring projects on track sooner and reduce the costs of development. Strategic investment in the development and purchase of property will help to achieve municipal goals in the provision of services.

The Electrical Utility Restructuring Opportunity is an initiative that will shift the City from its current role as electrical utility owner to a new role as electrical utility investor. This restructuring is scheduled for the end of March, 2013, and will provide taxpayers with annual financial returns that will benefit the community over an extended period of time.

DELIVER ON OUR PLAN

The corporate planning process will continue for 2013 and beyond to deliver on Council's direction and the goals of the community. Excellence in customer service and achieving results, along with a renewed commitment to pioneer new ideas for continuous improvement in our service delivery continues to be a corporate focus. Development of a long range capital program will provide a comprehensive long term capital planning tool that will lead to a healthier, less costly and more sustainable community.

Revenue & Expenditure Pressures - A focus for 2013 is to maintain the current level of service in most of the operating departments with a slight increase in service for the protective services area. All of the onetime expenditure reductions from 2012 were reviewed to determine if a further year of reduction could be achieved. Over \$900,000 in operating budget savings are included for at least one more year.

Revenues are anticipated to be stable in the Development Services area (rezoning and subdivision fees) and a reduction of revenues is forecast for business licenses and in the rental properties/concessions areas. There are also revenue increases in several areas such as parking, transit, the theatre, casino revenues and in utilities user fees.

On the expenditure side most areas have slight inflationary or contract increases and increases to maintain new capital that has been recently developed. There are three position vacancies that will not be filled and a delay in the provision of new RCMP members will produce a one time savings. Reductions in street sweeping, contract services, insurance premiums and recruitment related expenses will help to reduce the operating budget requirements with minimal impact on service levels.

Infrastructure Renewal - The City's inventory of roads, pipes, buildings and playgrounds has grown rapidly since the early 1990's. The need for infrastructure preservation and renewal programs is critical to maintaining levels of service consistent with citizen expectations. New provincial requirements for local governments are costly and require dedicated resources to develop a full inventory and methodology for amortization. Support is included in 2013 for the acquisition of an appropriate asset management system along with the operating requirements to maintain the system.

On the utilities side there are requests for condition assessments to determine the long range funding requirements for infrastructure renewal. There are also replacement projects for water and sewer mains along with electrical utility infrastructure.

Other Challenges

The increase in tax revenues generated from new construction is estimated at \$1.1 Million. This is significantly down from the \$1.65 million received in 2012 or the \$2.1 million average new construction revenue received over the last five years. Final assessment information will not be available until April 2013 and any adjustments required to this estimate will be applied at Final Budget.

The Pay-As-You-Go capital program is reduced significantly from the 2012 level. Council strategy has been to provide 40% of new construction revenue towards the taxation capital program which, in 2013, would normally require an increase of \$440,000 to the taxation capital program. This was not able to be achieved this year while meeting the goal of reducing the taxation requirement. This puts pressure on the 10 Year Capital Plan as other funding is required or projects must be deferred beyond the projected year of need. Grant funding obtained over the last two years has helped to mitigate the shortfall and achieve the Council strategy.

The 2012 Final Budget resulted in a General Taxation Demand of \$99.5 Million that included a Pay-As-You-Go capital expenditure program of \$15.4 Million or 16% of the General Taxation Demand. The percentage is down from previous years as many projects previously considered capital are now funded through the operating component of the budget to meet mandated government reporting requirements.

The Pay-As-You-Go capital expenditure program of \$14.0 Million represents 14% of the projected General Taxation Demand of \$103.1 Million for 2013. The total General Fund capital expenditure program, including funding from all sources, is budgeted at \$47.0 Million in 2013.

There are a number of operating and capital projects that are currently included as Priority 2 requests that would normally have been included within the budget except for the taxation pressures this year. These are provided in the document should Council wish to consider them further.

While these factors are important considerations for 2013 and beyond, they all link to the major corporate objective of **maintaining core service levels** in all areas in the most cost efficient manner. City staff is committed to seeking alternative funding and revenue sources and partnerships to enhance existing programs and to foster development of parks and community recreational facilities.

Reserve Position

The judicious use and replacement of reserves remains paramount to the financial health of the City. There is a long history of maintaining a number of reserve accounts and funds that are critically important in order to achieve a number of objectives including:

- Replacement of equipment
- Averaging of expenditures that are partially unpredictable from year to year (i.e. snow and ice control, spring sweeping)
- Funding of emergent repairs or replacement or unanticipated revenue loss
- Saving for eventual purchase of goods or construction of projects that would result in an unacceptable taxation impact in any one year

Reserve funding helped the City take advantage of the stimulus funding announced in 2009 and provides the flexibility to react quickly to opportunities. However, this use has reduced the General Reserves and replacement of reserve funds to prepare for future capital projects is a challenge given the current economic conditions.

Debt Management

Although a few communities have targeted debt-free balance sheets, the effective use of debt for specific projects can more accurately reflect the benefit of assets acquired by debt financing to existing and future citizens while removing spikes in taxation requirements. There was a conscious effort made to reduce annual general fund debt servicing obligations between the years 1999 - 2003 to better position the City to undertake planned large capital expenditures. Debt servicing of 4.7% of taxation in 1999 was reduced to a low of 1.6% of taxation in 2007. Council's adopted strategy is to keep tax supported debt servicing to no greater than 5% of each tax dollar collected.

The overall net general debt servicing costs (including internal financing) of \$4,036,000 for 2013 remains similar to 2012 cost levels. This represents 3.9% of the 2013 projected general taxation demand.

Property Assessments

The annual assessment roll has not been completed yet but preliminary indications are that City of Kelowna residential property values, on average, are **3.0% lower than 2012**. The market change for the Industrial and Business classes is expected to be slightly higher than last year's value.

As occurs annually, there will be properties that experience a greater taxation impact if their property assessment increase is greater than the average for their class. Adjustments between the property classes can be mitigated by our tax distribution policy that will be presented to Council in April, 2013.

2012 Accomplishments/Future Budgets

Beginning on page A7 there is a summary of 2012 City of Kelowna accomplishments that highlights most of the major areas of operation. As well, the City and city staff were the recipients of a number of awards and recognition in 2012 including:

- The Transportation Association of Canada's 2012 National Sustainable Urban Transportation Award for the Active Transportation Network. This is a component of the 20-year Servicing Plan and Financing Strategy that supports the 2030 OCP and forms part of the Development Cost Charge Bylaw.
- The 2012 Canadian Society for Civil Engineers Award for Governmental Leadership in Sustainable Infrastructure.
- A BC Heritage Award was received for the Laurel Packinghouse restoration.
- FortisBC PowerSense Conservation Excellence Award was received for the Waste Water Treatment Facility expansion and upgrades.
- The Government Finance Officers Association's Distinguished Budget Presentation Award for the City's 2012-2016 Financial Plan. This is the eleventh consecutive year that the City has earned the award.
- The Government Finance Officers Association's Canadian Award for Financial Reporting for the tenth time for the City's 2011 Annual Report.

I am very proud of our City staff's and Council members' leadership and participation in a number of community initiatives and fundraising events in 2012 including:

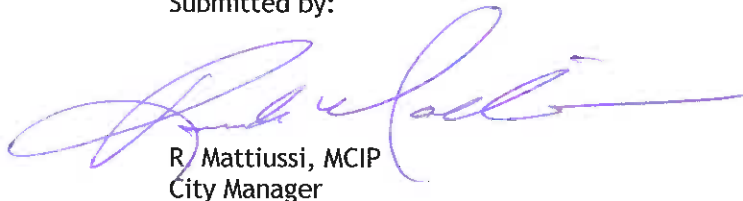
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| • United Way | • BC Professional Firefighters Benevolent Fund |
| • Heart and Stroke Foundation | • Canadian Diabetes Association |
| • Terry Fox Day in support of cancer research | • Salvation Army |
| • Run For The Cure in support of breast cancer research | • Canadian Blood Services |
| • Movember in support of prostate cancer research | • Kelowna Food Bank drive |
| | • Adopt-a-Family at Christmas |

Involvement in these activities provides further evidence of our commitment to serving and building a great community!

While the 2013 Financial Plan does not reflect all of the many worthwhile identified needs, it is important to continue to provide services, infrastructure and other amenities consistent with Council priorities but reflective of the current economic climate. A comparison with any city would show that the City of Kelowna has been a top performer with high service levels, strong fiscal management and relatively low taxation for the quality and number of services provided. This has been accomplished through great political leadership, talented hard working staff and a committed group of volunteers within the community.

I know that City Staff are looking forward to working with Council on the challenges and opportunities of the coming year as we continue to lead in the development of a safe, vibrant and sustainable city.

Submitted by:

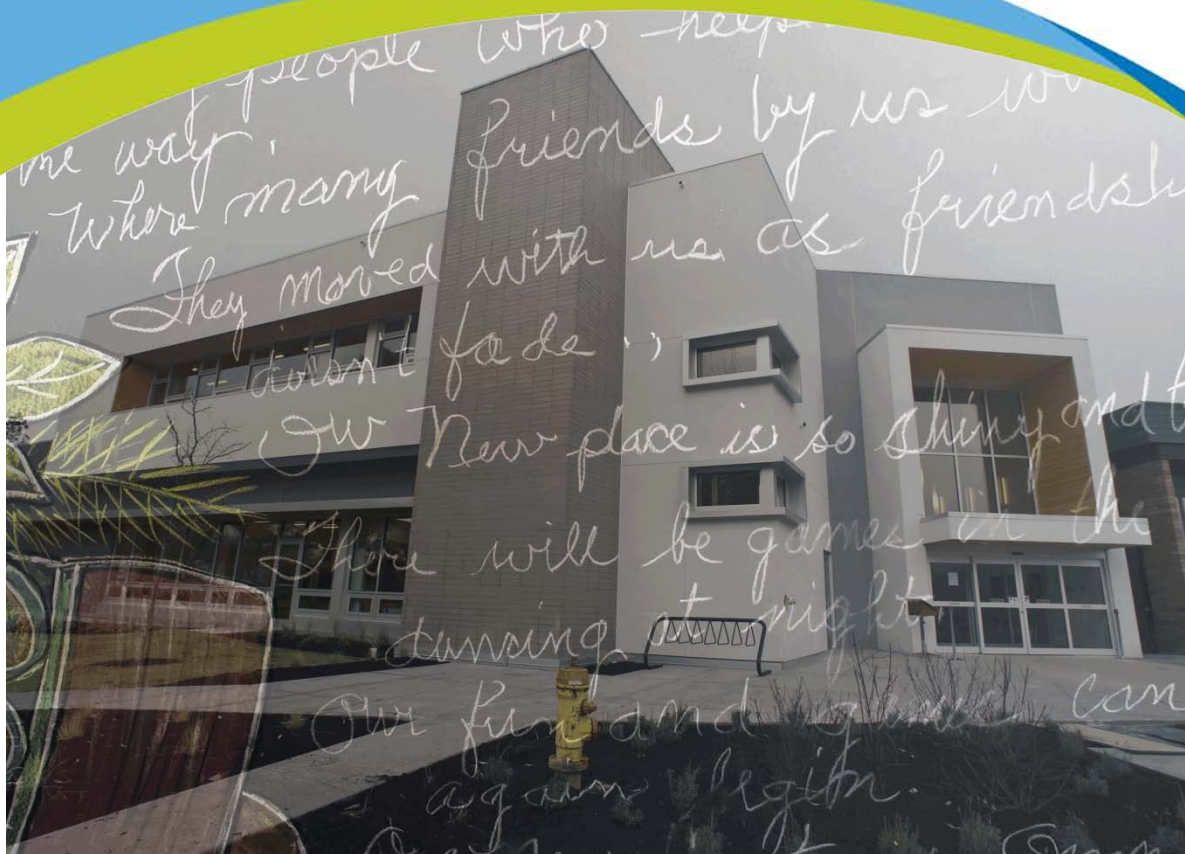


R. Mattiussi, MCIP
City Manager

2013 FINANCIAL PLAN



Council, December 10, 2012



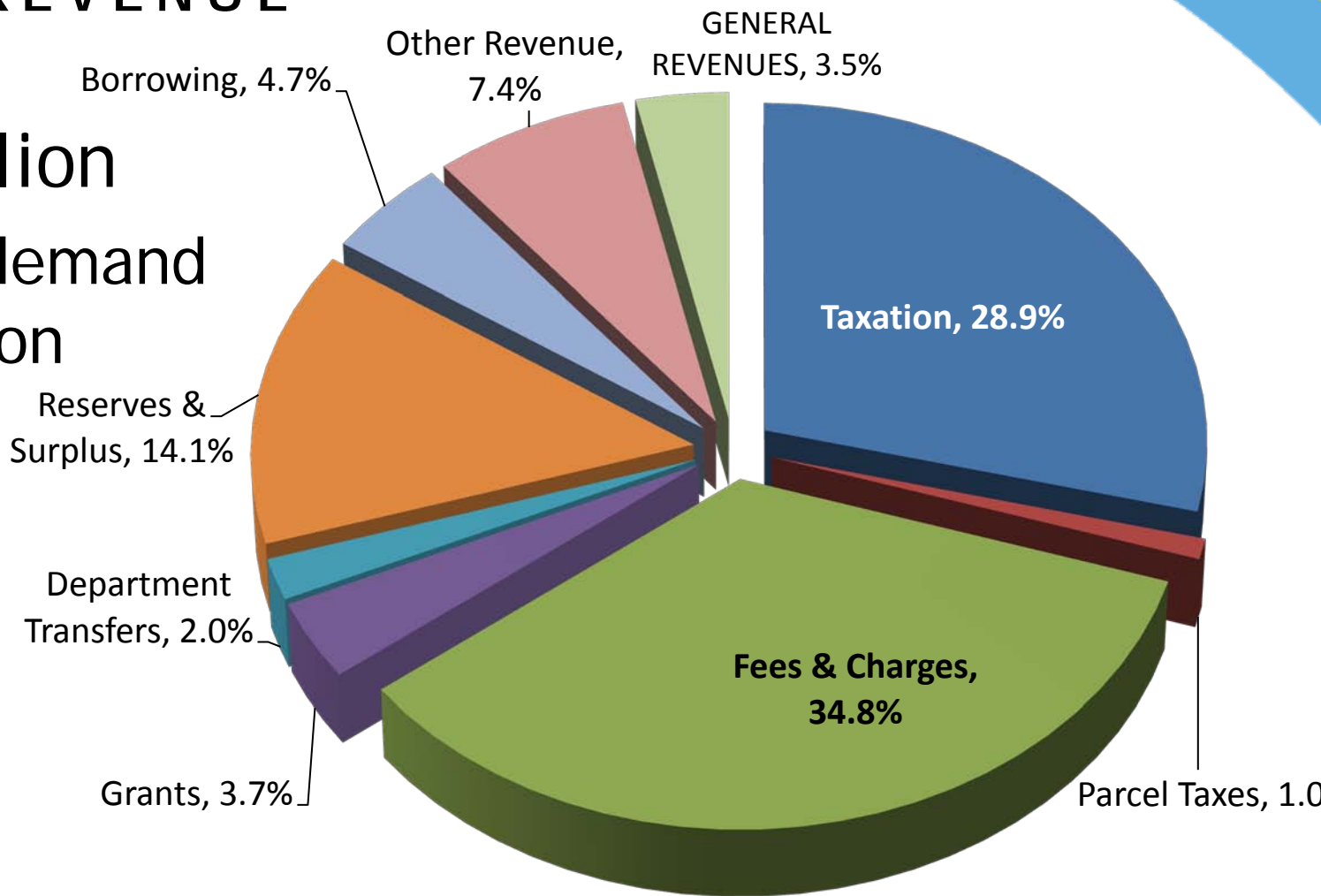
AGENDA

- ▶ **Taxation Impact**
- ▶ **General Fund**
 - ▶ **Operating & Capital**
- ▶ **Municipal Funds**
 - ▶ **Airport, water, wastewater, electrical, natural gas**
- ▶ **Assessment & Tax**

TOTAL REVENUE

▶ \$357 million

▶ Taxation demand \$103 million



ANALYSIS OF TAX DEMAND

\$ Millions

	2012	2013
Operating	\$96.59	101.60
General revenues	-12.53	-12.52
Taxation capital	15.44	14.04
	<hr/>	<hr/>
	\$99.50	\$103.12
New construction revenue	-1.65	-1.10
Tax increase	1.12%	2.54%

2013 BASE BUDGET CHANGES

- ▶ 2012 budget impacts:

- ▶ Annualized

\$1,071,490

- ▶ One-time

795,180

- ▶ Department changes

1,082

- ▶ Other adjustments

671,688

Base changes

\$2.54 M

2013 OPERATING BUDGET

- ▶ General Revenue
- ▶ Expenditure Reductions
- ▶ P1 Operating Requests

\$16,030

-911,050

3,379,450

Operating Changes

\$2.48 M

2013 TAXATION CAPITAL

▶ Pay-As-You-Go Tax Capital	\$14,043,010
▶ Change from 2012	-1,397,870
▶ Hwy 97 Phased Payment	729,630

Required to meet 40% of new construction
\$440,000

...potential long term impacts

2013 BUDGET SUMMARY

- 2012 Decisions
- 2013 Operating Budget
Operating Change
- 2013 Tax Capital
- New Construction Rev.

New Taxation Demand

\$1.9 M

\$3.2 M

\$5.1 M

(\$1.4) M

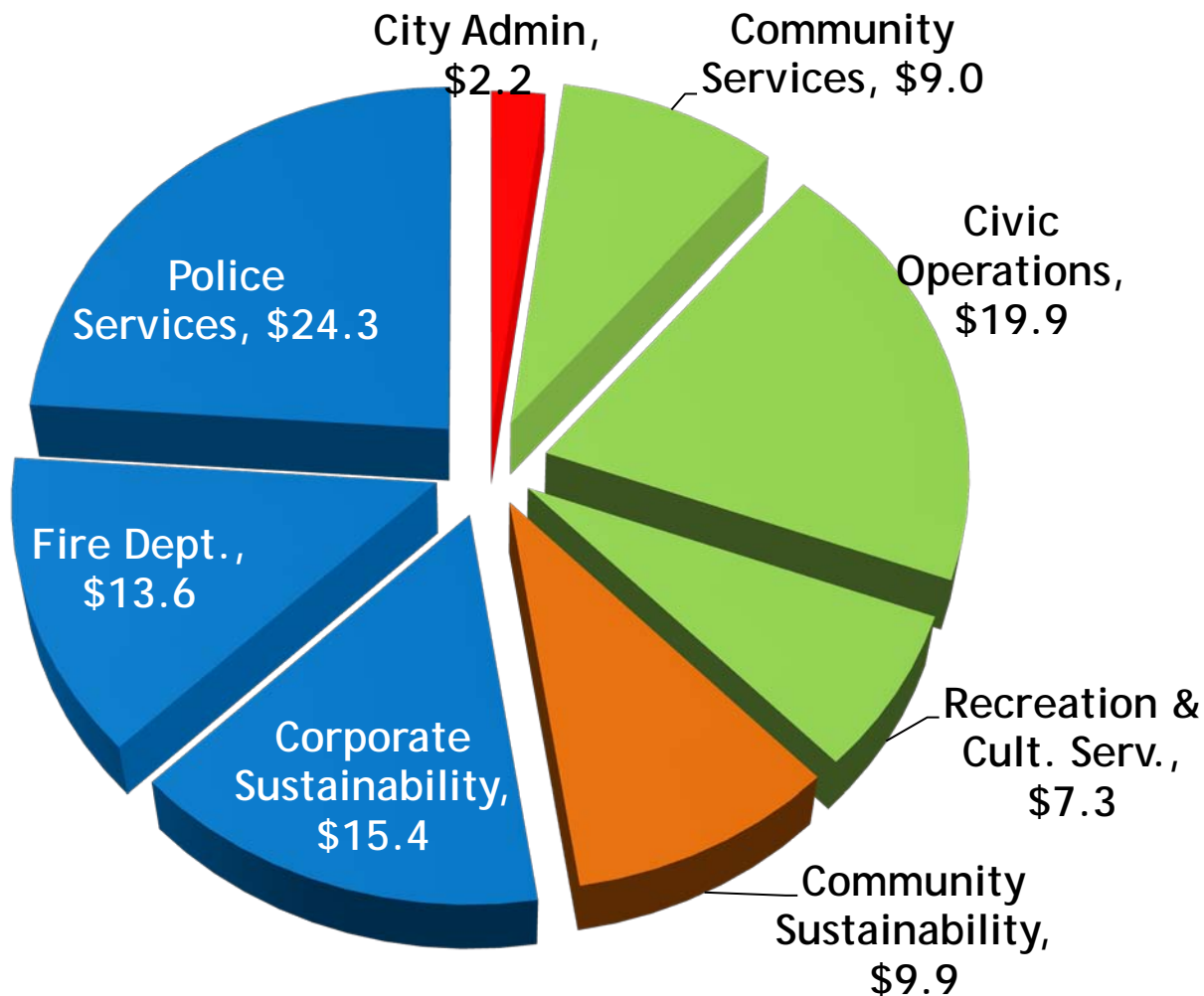
(\$1.1) M

\$2.5 M

2.54%

OPERATING (GENERAL FUND)

▶ \$101.6 M

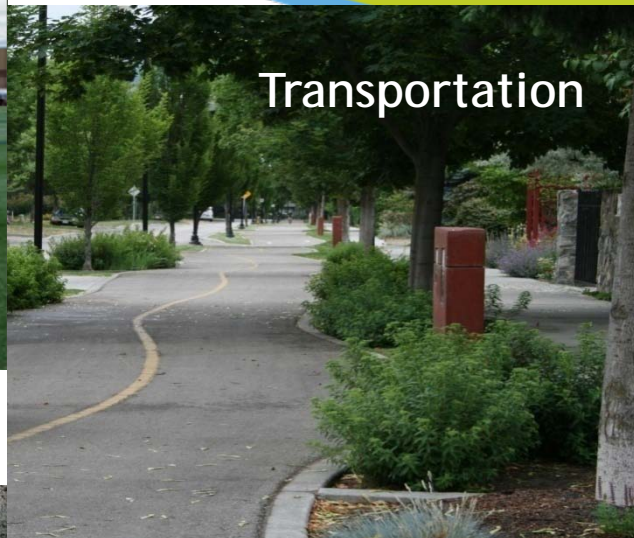


2013 CAPITAL BUDGET





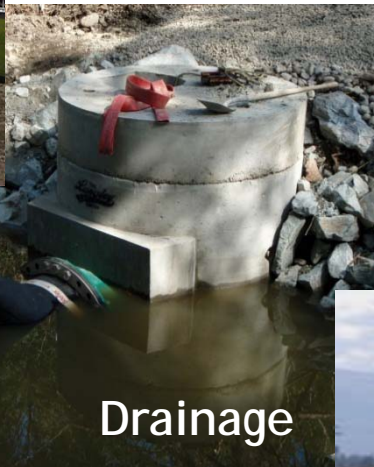
Parks- Active,
Natural/Linear



Transportation



Wastewater



Drainage

Vehicles & FF-
Equipment



Water



Buildings



Solid Waste

Computers
& IT
Networks



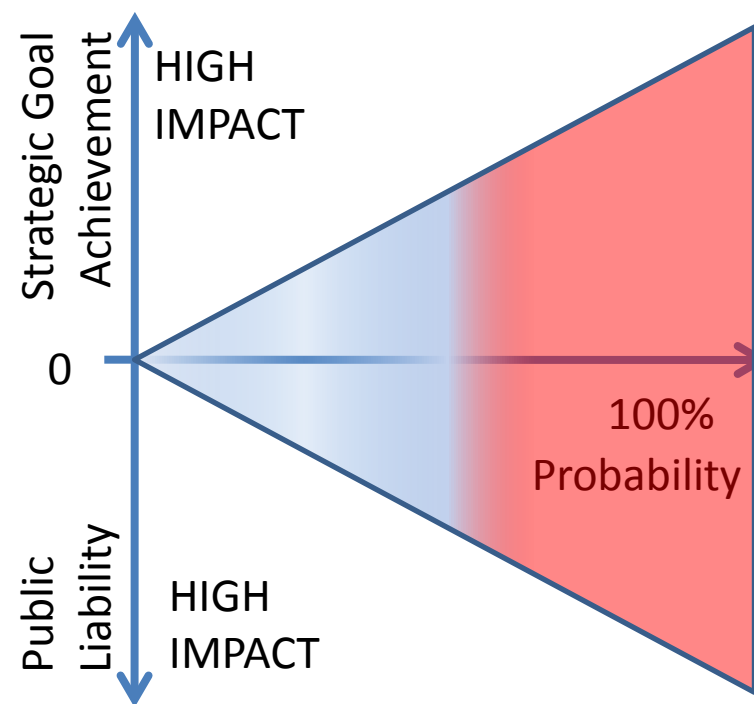
Transit

INFRASTRUCTURE PERFORMANCE

Outcome area	Indicators
ENVIRONMENTAL	GHG emissions; Resource use; Source Water Quality; Habitat Preservation
BUILT	Value/capita (\$21k/per) & system condition
ECONOMIC	Level of Service; Return on Investment
FINANCIAL	Life Cycle Cost; Replacement reserves; Investment attraction
SOCIAL	Safety & Security; Connectivity; Venue/capita
CULTURAL	Distinctiveness; Design Leadership
GOVERNANCE	Public Engagement; Corporate accountability/capacity

PRIORITIZATION - RISK

- ▶ Risk = Liability & Opportunity
- ▶ Highest ROI
 - ▶ Maximize benefit
 - ▶ Avoid failures
 - ▶ Long term perspective



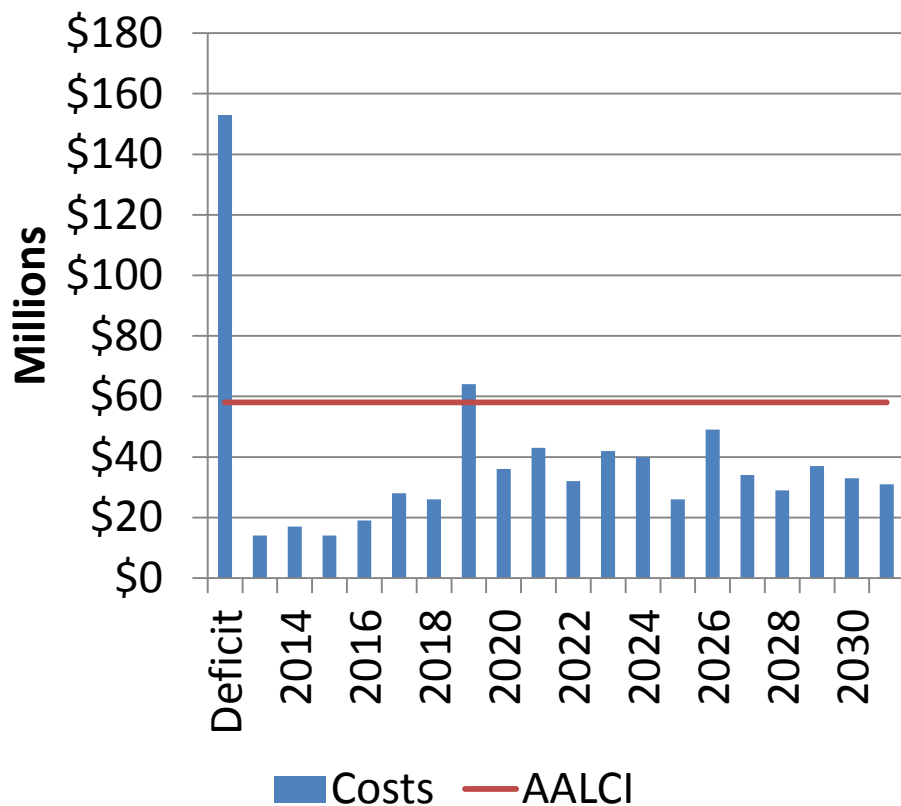
CAPITAL BUDGET ELEMENTS

Long-Term Capital Plan

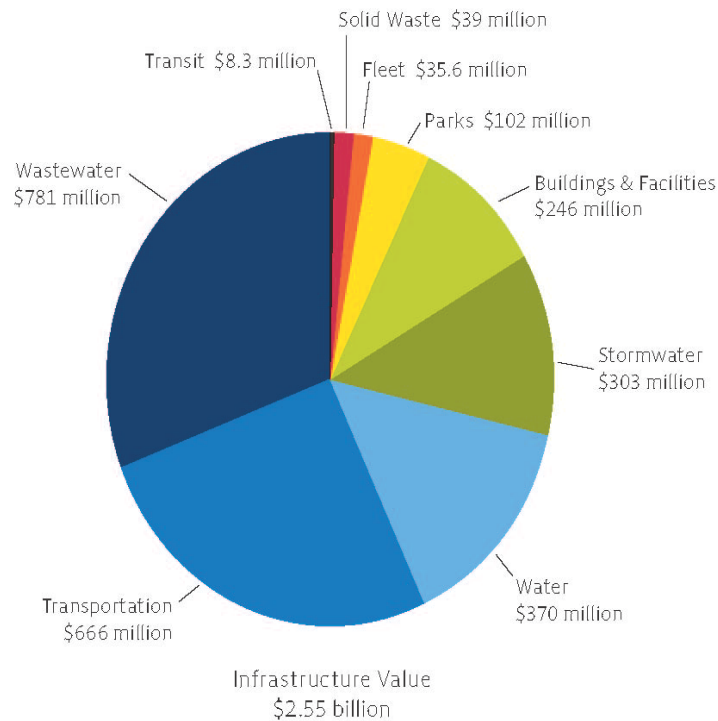
<p>Preserve Existing Infrastructure (Asset Mgmt Plan- PSAB 3150, 40 yr half-life)</p>	<p>DCC Property Servicing Infrastructure (20-year Servicing Plan & Financing Strategy - Bylaw 10515, supports growth)</p>	<p>Non DCC + Level of Service (maintenance & improvement)</p>
<p>Annual report, consolidate separate plans</p>	<p>Renewal with major OCP, price or growth changes</p>	<p>Renewal for LOS changes, new priorities-opportunities</p>
<p>Renewed for Council Priorities, adjusted for revenue changes and cost escalations</p>		

Implemented through Council's Annual Budget Approval

ASSET MANAGEMENT PROGRAM



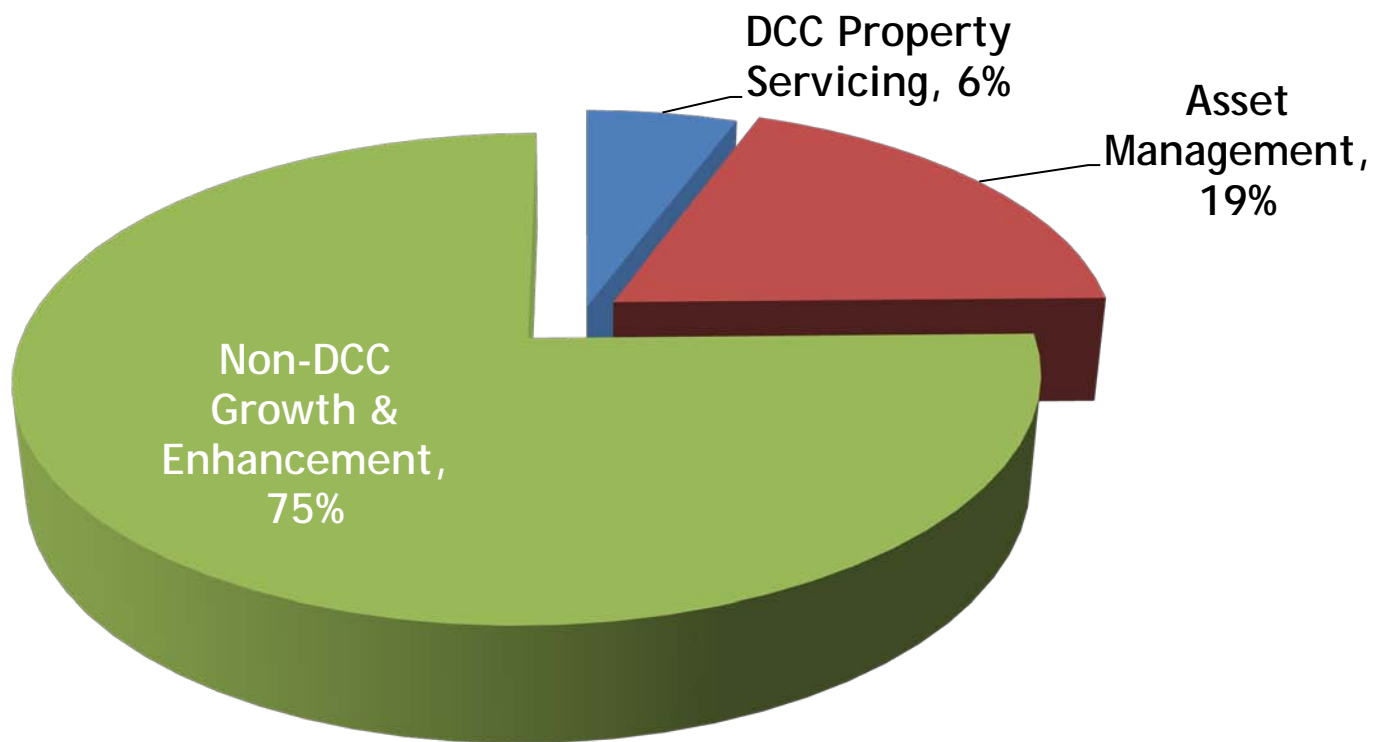
Replacement Value of Infrastructure System



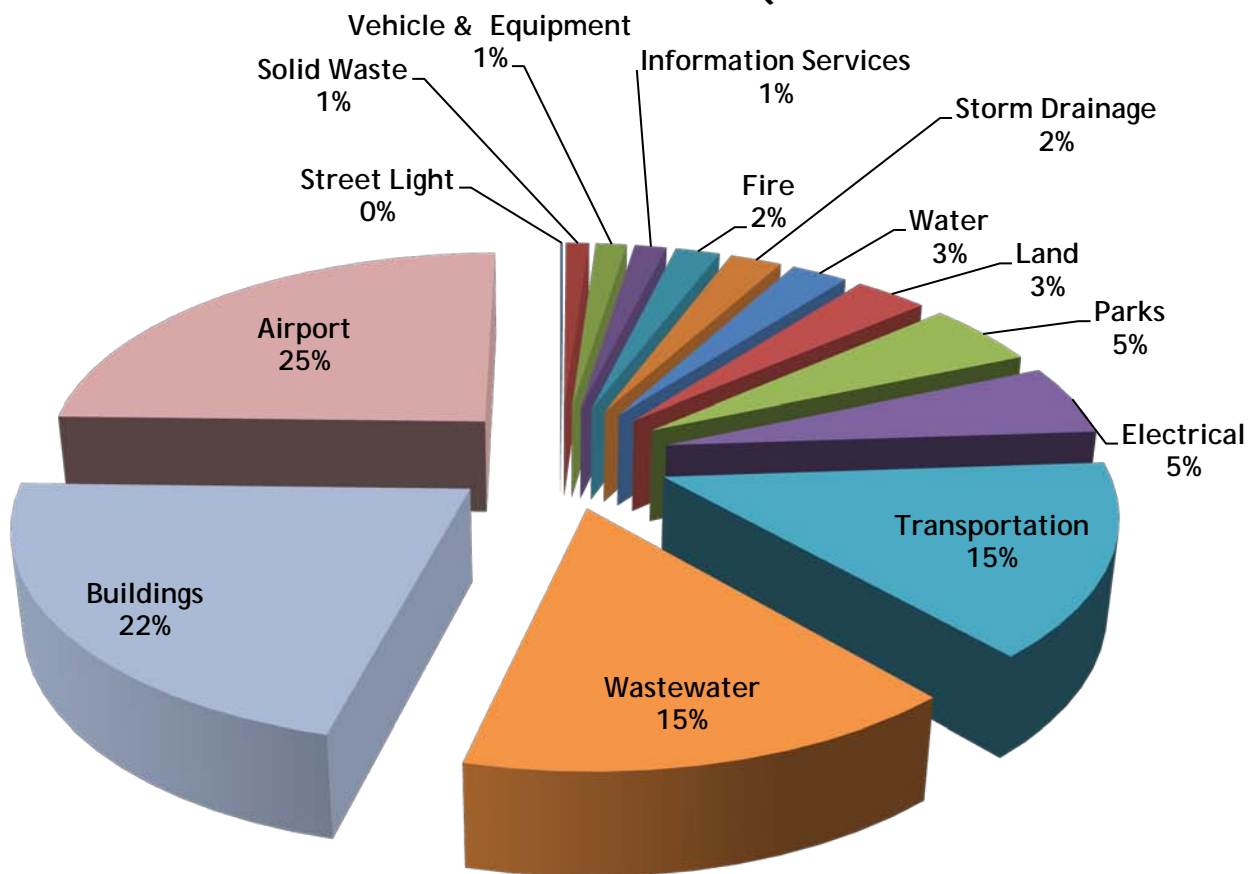
2012 KEY ASSET MANAGEMENT PROJECTS

1.	Bernard Ave Revitalization (civil)	\$2,217,000
2.	Lakeshore Bridge (part of total)	\$1,476,000
3.	Roads Resurfacing	\$2,510,000
4.	Pipe Replacements	\$2,695,400
5.	Vehicle/Equipment Replacement	\$1,035,540
6.	Roofs, Structure, Arenas, Parks	\$2,288,500
7.	Electrical	\$4,800,000
8.	Airport	\$310,000
9.	TOTAL	\$17,332,440

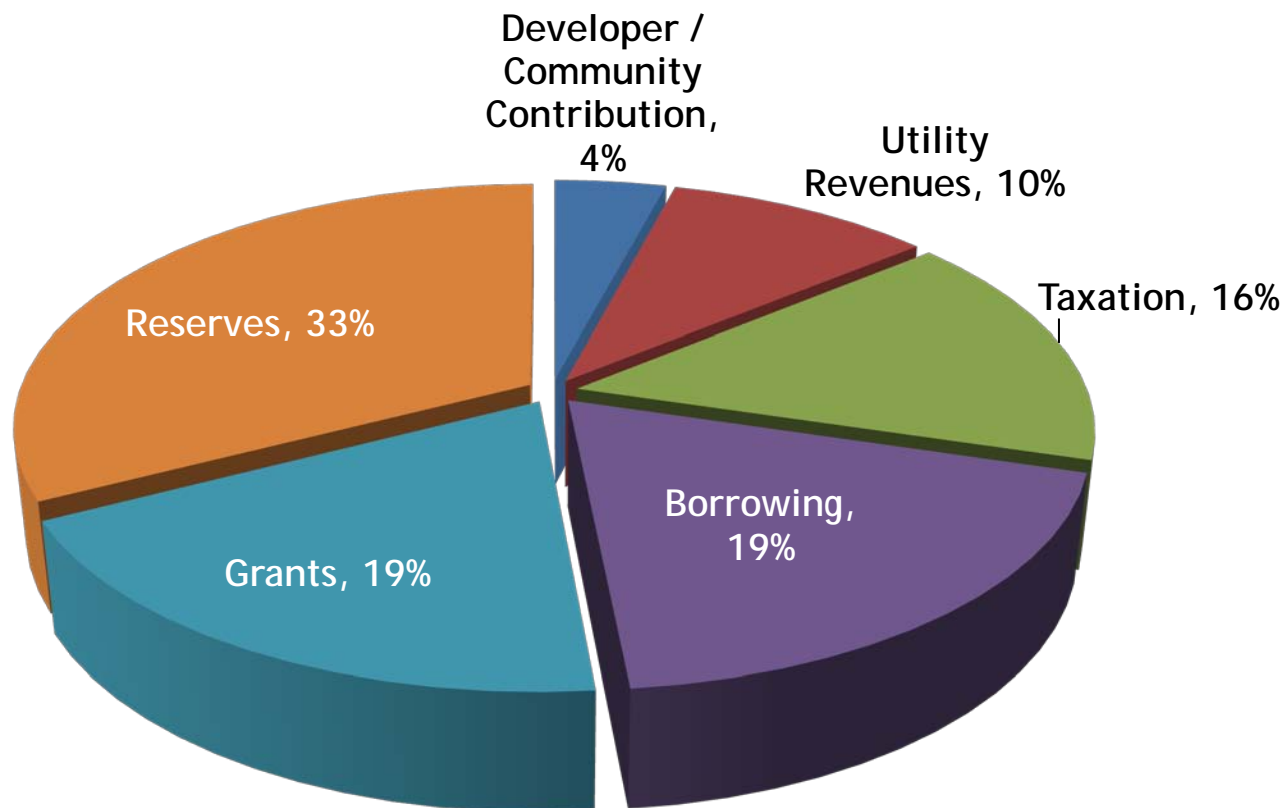
INVESTMENT ALLOCATION



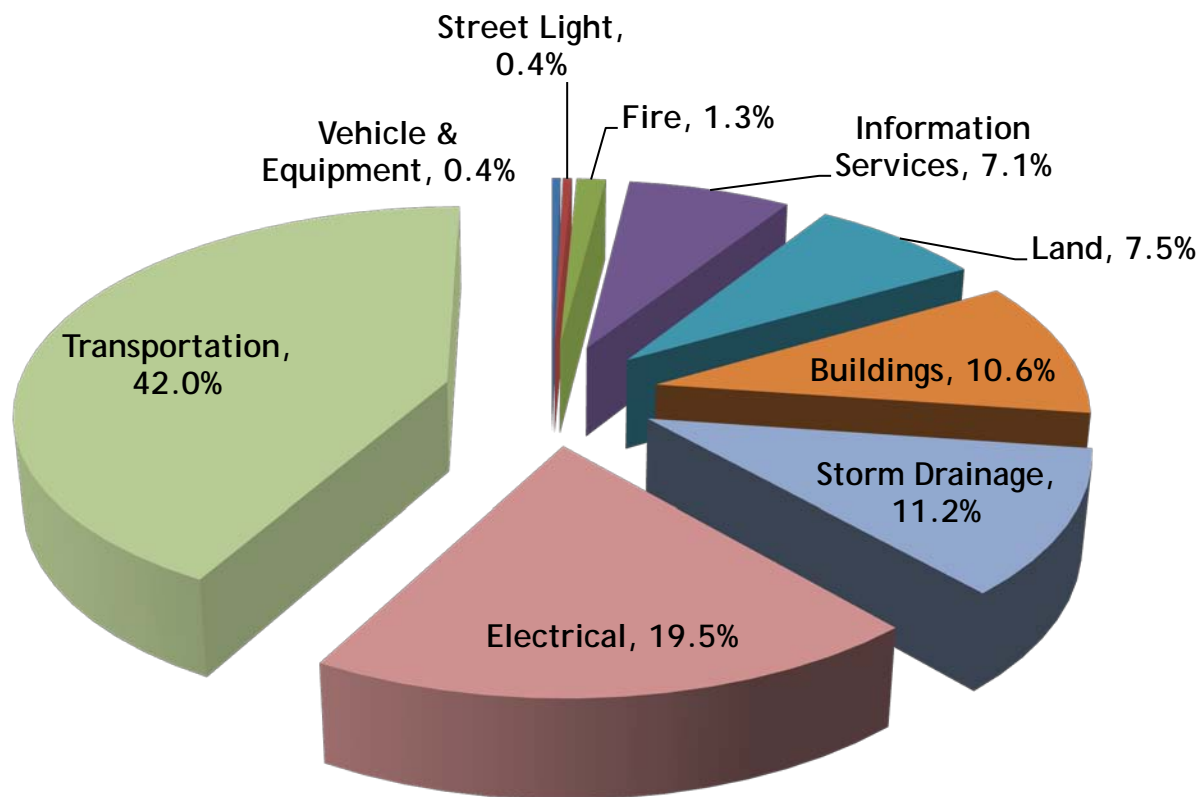
TOTAL CAPITAL BUDGET (BY COST CENTRE)




CAPITAL BY FUNDING SOURCE



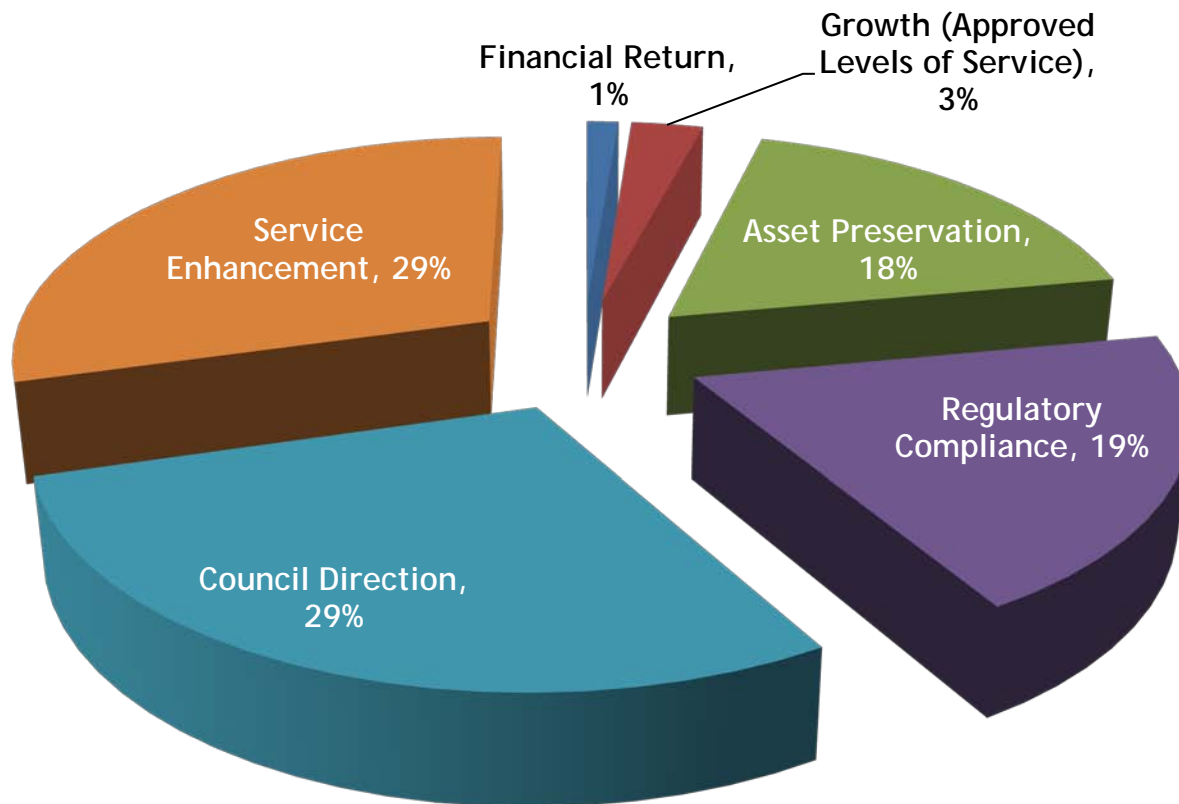
ALLOCATION OF TAXATION REVENUE



PRIORITIZATION - JUSTIFICATION

- ▶ Existing Contract Commitment
 - ▶ Regulatory/Life Safety Compliance
 - ▶ Council/Corporate Strategic Priorities
 - ▶ Growth: DCC, LOS Equity & Maintenance
 - ▶ Conservation: Asset Management
 - ▶ Opportunity: ROI
 - ▶ Increase General LOS
- 

PROJECT JUSTIFICATION



“MOVING OPPORTUNITIES FORWARD” 2012-2014 CAPITAL PRIORITIES

2013 Budget

PROJECT	PROPOSED BUDGET
Downtown Revite-Bernard	\$4,180,890
Stuart Park 2	\$1,900,000
IH - Parkades	\$17, 500,000
Sobering Centre	Overhead
Cedar Avenue Waterfront	Overhead
SUB-TOTAL	\$23,580,890

In Progress

PROJECT	APPROVED 2012 BUDGET
Bernard Revitalization	\$8,845,410
Tourism Centre	\$100,000
Park Catalysts	\$100,000
Rutland Town Centre	\$2,800,000
SUB-TOTAL	\$11,845,410

“MOVING OPPORTUNITIES FORWARD” 2015-2020 CAPITAL PRIORITIES

2013 Budget

PROJECT	PROPOSED BUDGET
John Hindle 2,3 & 4 MUC	\$1,250,000
(Mill Creek) Linear Park	\$450,000
Spall-Dilworth MUC (Second Lake Crossing)	\$1,745,000
SUB-TOTAL	\$3,445,000
TOTAL	\$27,025,890

In Progress

PROJECT	APPROVED 2012 BUDGET
John Hindle 1-4	\$4,986,400
(Mill Creek) Linear Park	\$500,000
SUB-TOTAL	\$5,486,400
TOTAL	\$17,331,810

TRENDS: BASED ON PROVISIONAL BUDGETS

Measures	2010	2011	2012	2013
Total Projects (P1)	156	136	122	114
Provisional Budget	\$45.9M	\$67.6M	\$75.2M	\$89.7
Total Taxation	\$16.1M	\$16.2M	\$15.5M	\$14.0
Fed/Prov Grants	\$4.7M	\$0M	\$12.2M	\$17.0
Total Added Carryover	\$129.4M	\$88.7M	\$74.0M	~\$50.0M
Final Budget	\$1.7M	\$0.3M	\$0.6M	TBD
Total Managed Capital	\$177.0M	\$156.2M	\$150.9M	~\$139.7M
Emphasis	Stimulus Funded Projects	Finishing delayed projects	Bernard Revite, Transit, PAC	Downtown Renewal, Transit

19%

2013 MAJOR PROJECTS IN PLAIN VIEW

▶ Design & Construction

- ▶ Bernard Avenue Revitalization (Ellis to Sails)
- ▶ Landfill Entrance Facilities & Ops Building
- ▶ Transit Exchanges (#33, Okanagan College)
- ▶ Adams UV & Stellar Booster
- ▶ Rails with Trails (UBCO and Spall to Dilworth)
- ▶ Stuart Park 2 (Kelowna Yacht Club)
- ▶ City Park Washroom/Concession; City Hall Reno(Park Pavilion Fire)
- ▶ IH Parkades
- ▶ Airport Expansion

▶ Planning & Design

- ▶ Lakeshore 3 Road/Bridge (incl. land)
- ▶ RCMP replacement

OTHER MUNICIPAL FUNDS

- ▶ Water Utility
- ▶ Wastewater Utility
- ▶ Electrical Utility
- ▶ Natural Gas Fund
- ▶ Kelowna International Airport

WATER UTILITY

- ▶ Revenue
 - ▶ Operating Cost
 - ▶ Capital Program
- Budget Surplus**

\$11.6 M

\$8.5 M

\$1.6 M

\$1.5 M



WASTEWATER UTILITY

- ▶ Revenue
- ▶ Operating Cost
- ▶ Capital Program
- ▶ **Planned Surplus**

\$22.4 M

\$18.1 M

\$2.2 M

\$2.1 M



ELECTRICAL UTILITY

- ▶ Revenue
 - ▶ Operating Cost
 - ▶ Contribution GOF
 - ▶ Capital Program
- Planned Surplus**

\$32.8 M

\$25.5 M

\$2.1 M

\$4.8 M

\$391,300



NATURAL GAS

- ▶ Revenue
 - ▶ Operating Cost
 - ▶ Capital Program
- Planned Surplus**

\$4.7 M

\$4.6 M

\$0.0 M

\$52,000

AIRPORT

- ▶ Revenue
 - ▶ Operating Cost
 - ▶ Capital Program
- Planned Surplus

\$26.1 M

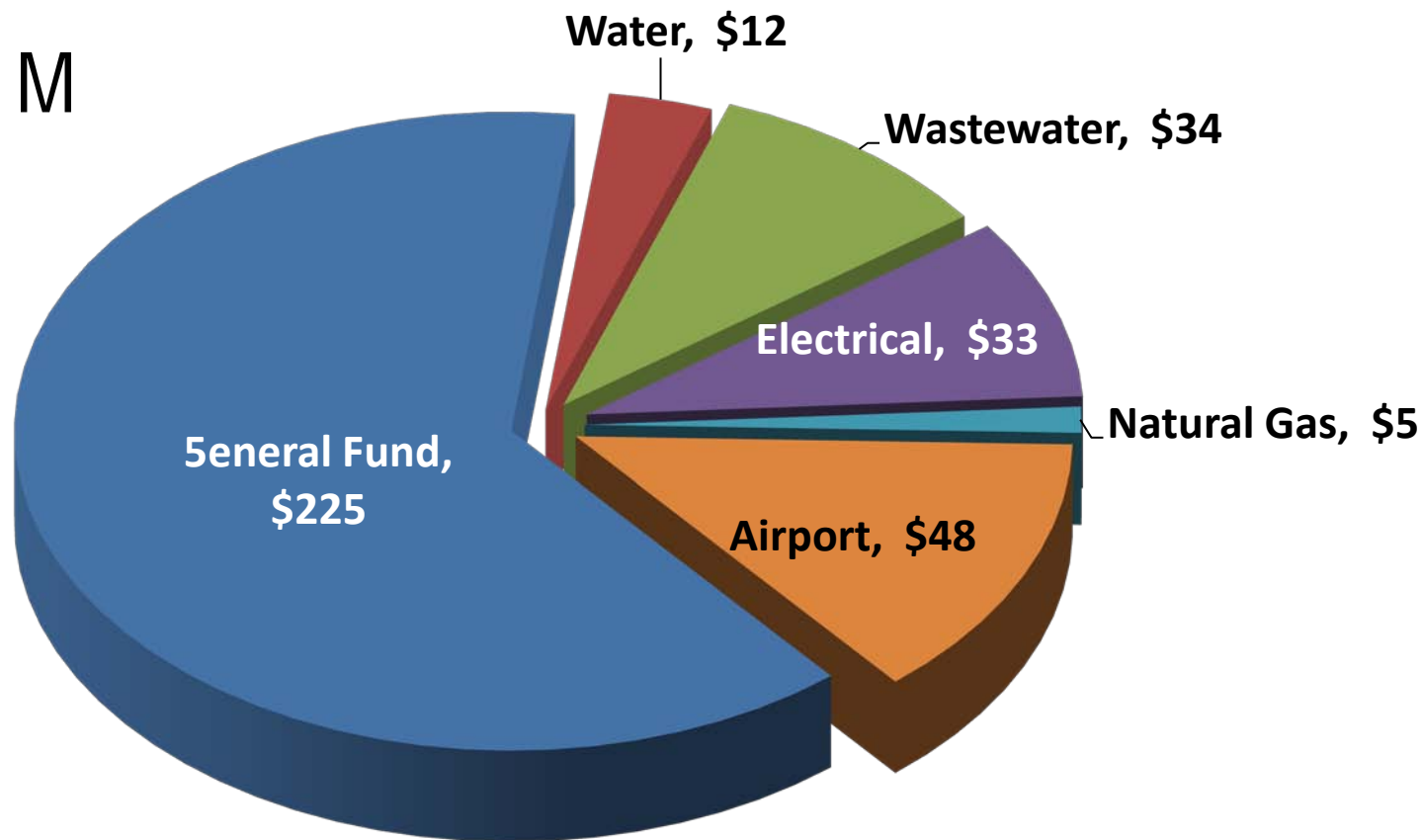
\$26.1 M

\$22.1 M

\$0

EXPENDITURES (BY FUND)

▶ \$357 M



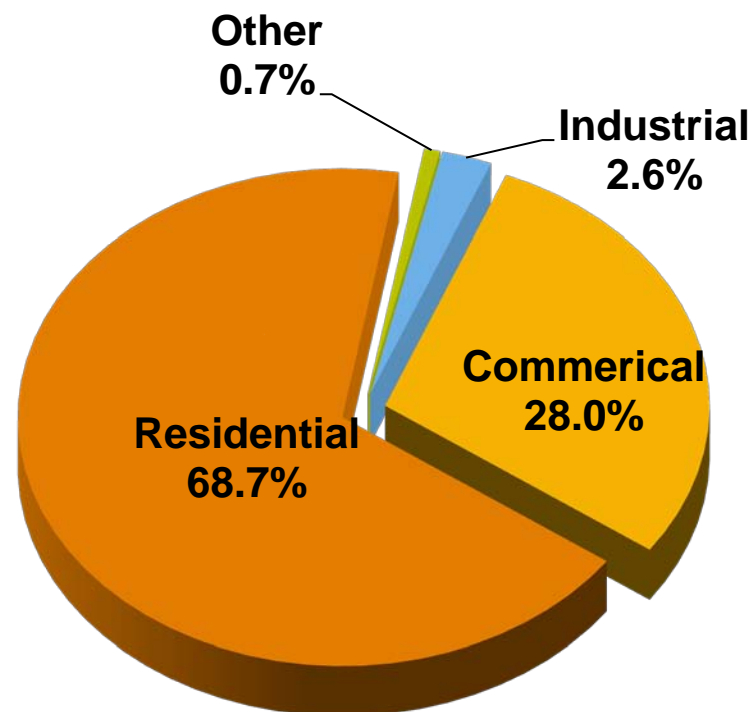
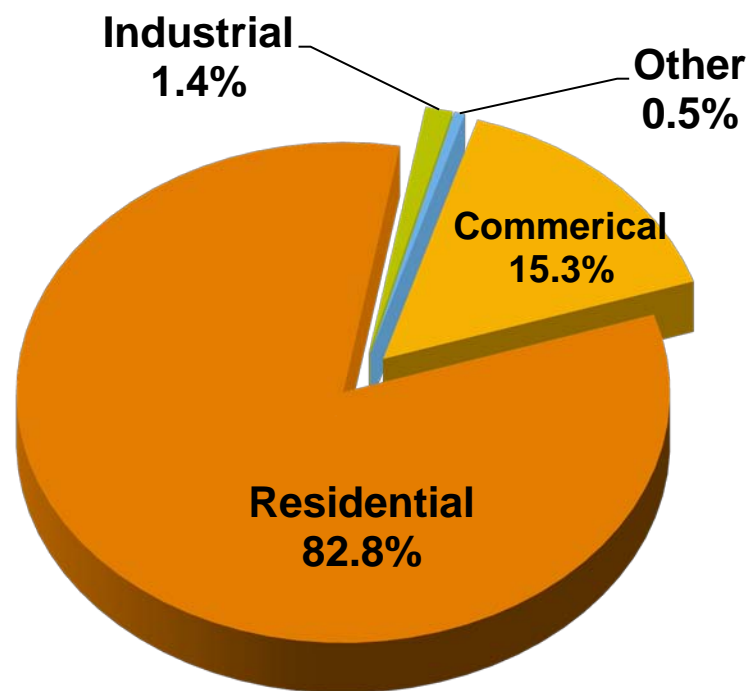
ASSESSMENT & TAX



ASSESSMENT VS TAXATION REVENUE

▶ Assessment \$23.6 B

▶ Revenue \$103.1 M

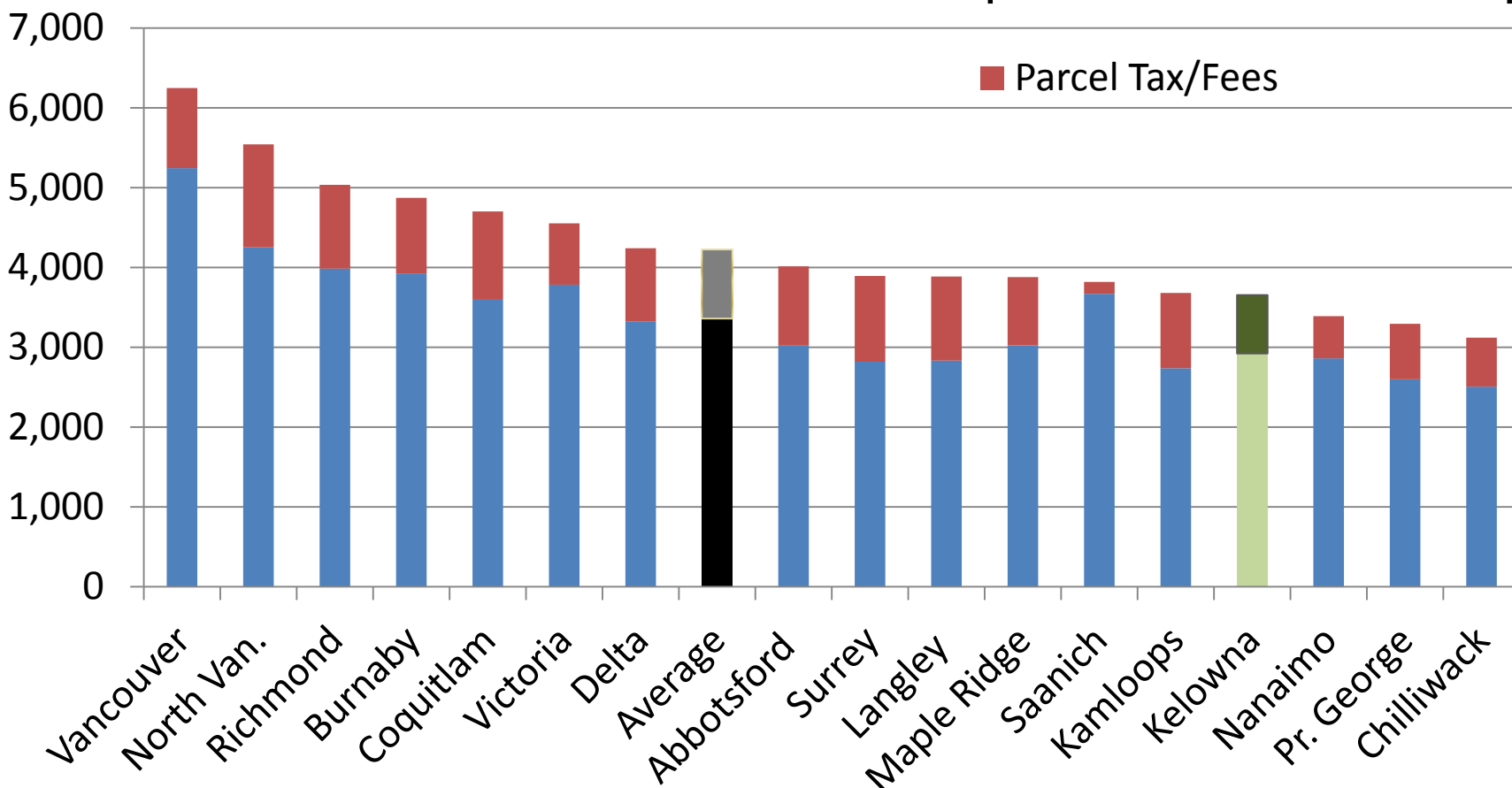


TAXATION IMPACT

- ▶ Average Single Family Home assessed at \$454,175
 - ▶ Municipal Tax \$1,686.40 for 2013
 - ▶ Increase of \$41.77
 - ▶ A 1% tax increase = \$16.45
-
- ▶ Also Solid Waste Reduction charge increase of \$9.38 for all households

TAXES & CHARGES (2012)

Municipalities over 75,000 pop



City Hall

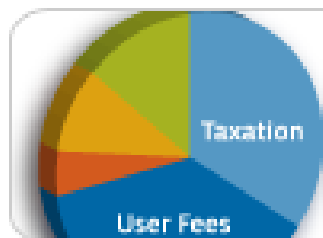
Residents

Business

Visitors

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▶ Inside the City Budget



Where does
the money
come from?



Where the
money goes



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Centre



Budget
Process

kelowna.ca/budget

FINANCIAL PLAN REVIEW

December 13, 2012

8:30 a.m.

Council Chambers