

**City of Kelowna**  
**Regular Council Meeting**  
**AGENDA**



Monday, April 30, 2018  
1:30 pm  
Council Chamber  
City Hall, 1435 Water Street

**Pages**

**1. Call to Order**

This meeting is open to the public and all representations to Council form part of the public record. A live audio and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

**2. Confirmation of Minutes**

4 - 9

PM Meeting - April 23, 2018

**3. Public in Attendance**

**3.1 Okanagan Symphony Orchestra**

10 - 24

Annual Presentation to Council by George Tozer, Board President and Rosemary Thomson, Music Director/Conductor

**4. Development Application Reports & Related Bylaws**

**4.1 Casorso Rd 3596 Z18-0012 - Cheryl & Enzo Nanci**

25 - 33

To consider a development application to rezone to RU1c – Large Lot Housing with Carriage House to facilitate the development of a carriage house.

**4.2 Casorso Rd 3596 Z18-0012 (BL11608) - Cheryl & Enzo Nanci**

34 - 34

To give Bylaw No. 11608 first reading in order to rezone the subject property from the RU1 - Large Lot Housing zone to the RU1c - Large Lot Housing with Carriage House zone.

**4.3 Nickel Road 200, DP17-0095 - James Zeleznik**

35 - 57

To review the form and character Development Permit for a 19 unit townhouse development.

## **5. Non-Development Reports & Related Bylaws**

- |            |  |           |
|------------|--|-----------|
| <b>5.1</b> | <b>2018 Financial Plan – Final Budget</b>  | 58 - 174  |
|            | <p>To present the 2018 Final Budget submissions, the 2018-2022 Financial Plan and related bylaws to Council for their consideration and approval.</p>  |           |
| <b>5.2</b> | <b>BL11583 - Five Year Financial Plan 2018-2022 Bylaw</b>  | 175 - 180 |
|            | <p>To give Bylaw No. 11583 first, second and third readings in order to approve the Five Year Financial Plan 2018-2022 Bylaw.</p>  |           |
| <b>5.3</b> | <b>BL11584 - Tax Structure Bylaw, 2018</b>   | 181 - 181 |
|            | <p>To give Bylaw No. 11584 for first, second and third readings in order to approve the 2018 Tax Structure Bylaw.</p>  |           |
| <b>5.4</b> | <b>BL11585 - Annual Tax Rate Bylaw, 2018</b>   | 182 - 184 |
|            | <p>To give Bylaw No. 11585 first, second and third readings in order to approve the 2018 Annual Tax Rate Bylaw.</p>  |           |
| <b>5.5</b> | <b>BL11586 - Development Cost Charge Reserve Fund Expenditure Bylaw No. 2018</b>   | 185 - 185 |
|            | <p>To give Bylaw No. 11586 first, second and third reading in order to approve the 2018 Development Cost Charge Reserve Fund Expenditure Bylaw.</p>  |           |
| <b>5.6</b> | <b>BL11587 - Sale of City-Owned Land Reserve Fund Expenditure Bylaw, 2018</b>  | 186 - 186 |
|            | <p>To give Bylaw No. 11587 first, second and third readings in order to approve the 2018 Sale of City-Owned Land Reserve Fund Expenditure Bylaw.</p>   |           |
| <b>5.7</b> | <b>Financial Statements for the Year Ended December 31, 2017</b>   | 187 - 228 |
|            | <p>To present the Financial Statements to Council for acceptance per the legislative requirement, to provide Council with a recommendation on the appropriation of \$5,449,122 of surplus to general reserves and accumulated surplus and to seek approval to include the Financial Statements in the annual report.</p> |           |
| <b>5.8</b> | <b>Good Neighbour Bylaw 10500 Amendments</b>   | 229 - 241 |
|            | <p>For Council to consider further amendments to the Good Neighbour Bylaw and to amend the Bylaw Notice Enforcement Bylaw.</p>   |           |
| <b>5.9</b> | <b>BL11546 - Amendment No.1 to Good Neighbour Bylaw No. 11500</b>  | 242 - 244 |
|            | <p>To amend Bylaw No. 11546 at third reading by removing definitions and additional sections no longer required.</p>   |           |

**5.10      BL11566 - Amendment No. 20 to Bylaw Notice Enforcement Bylaw No. 10475** 245 - 255

To amend Bylaw No. 11566 at third reading by removing sections and corresponding fines no longer required.

**6.      Bylaws for Adoption (Non-Development Related)**

**6.1      Portion of Laneway Adjacent to St. Paul St, BL11592 - Road Closure Bylaw** 256 - 257

**Mayor to invite anyone in the public gallery who deems themselves affected b the proposed road closure to come forward.**

To adopt Bylaw No. 11592 in order to permanently close and remove the highway dedication of a portion of Highway on St. Paul Street.

**6.2      BL11602 - Amendment No. 1 to Tax Prepayment Plan Bylaw No. 10685** 258 - 259

To adopt Bylaw No. 11602 in order to amend the Tax Prepayment Plan Bylaw No. 10685.

**7.      Mayor and Councillor Items**

**8.      Termination**



## City of Kelowna Regular Council Meeting Minutes

Date: Monday, April 23, 2018  
 Location: Council Chamber  
 City Hall, 1435 Water Street

Members Present Mayor Colin Basran, Councillors Maxine DeHart, Gail Given, Tracy Gray, Charlie Hodge, Brad Sieben, Mohini Singh and Luke Stack

Members Absent Councillor Ryan Donn

Staff Present Acting City Manager, Joe Creron; City Clerk, Stephen Fleming; Community Planning Department Manager, Ryan Smith\*; Urban Planning Manager, Terry Barton\*; Suburban & Rural Planning Manager, Dean Strachan\*; Planner Specialist, Adam Cseke\*; Property Management Manager, Mike Olson\*; Revenue Supervisor, Angie Schumacher\*; Legislative Coordinator (Confidential), Arlene McClelland

(\* Denotes partial attendance)

### 1. Call to Order

Mayor Basran called the meeting to order at 1:32 p.m.

Mayor Basran advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

### 2. Confirmation of Minutes

Moved By Councillor Hodge/Seconded By Councillor Given

R418/18/04/23 THAT the Minutes of the Regular Meetings of April 16, 2018 be confirmed as circulated.

Carried

### 3. Development Application Reports & Related Bylaws

#### 3.1 Cross Road 1967, 1969 and 1973 Z17-0083 Protech Consultants

Staff:

- Displayed a PowerPoint Presentation summarizing the application.

Moved By Councillor Stack/Seconded By Councillor Sieben

**R419/18/04/23** THAT Rezoning Application No. Z17-0083 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions of:  
Lot 2 Section 4 Township 23 ODYD Plan KAP84464, located at 1967 Cross Rd, Kelowna, BC, from the RU1 – Large Lot Housing zone to the RU2 Medium Lot Housing and RU2C Medium Lot Housing with Carriage House zones;

That Part of Lot 11 Block 6 Section 4 Township 23 ODYD Plan 986 Except Plan 10134 Shown Green on Plan H8323, located at 1969 Cross Rd, Kelowna, BC, from the A1 – Agricultural 1 zone to the RU2C Medium Lot Housing with Carriage House zone;

The portion of road between That Part of Lot 11 Block 6 Section 4 Township 23 ODYD Plan 986 Except Plan 10134 Shown Green on Plan H8323, located at 1969 Cross Rd, Kelowna, BC and Lot 39 Section 4 Township 23 ODYD Plan KAP48643, located at 1973 Cross Rd, Kelowna, BC, from the A1 – Agricultural 1 and RU1 – Large Lot Housing zones to the RU2 Medium Lot Housing and RU2C Medium Lot Housing with Carriage House zones;

Lot 39 Section 4 Township 23 ODYD Plan KAP48643, located at 1973 Cross Rd, Kelowna, BC, from the RU1 – Large Lot Housing zone to the RU2 Medium Lot Housing, RU2C Medium Lot Housing with Carriage House and RU6 – Two Dwelling Housing zones;

as shown on Map “A” attached to the Report from the Community Planning Department dated April 23, 2018, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Zone Amending Bylaw be considered subsequent to the discharge of Covenant (KF124772) and the outstanding conditions of approval as set out in Schedule “A” attached to the Report from the Community Planning Department dated April 23, 2018;

AND FURTHER THAT final adoption of the Zone Amending Bylaw be considered subsequent to the issuance of a Preliminary Layout Review Letter by the Approving Officer.

**Carried**

### **3.2 Cross Rd 1967, 1969 & 1973 Z17-0083 (BL11603) - Maxwell House Developments Ltd, Glen Park Village Inc. & City of Kelowna**

Moved By Councillor Gray/Seconded By Councillor Hodge

**R420/18/04/23** THAT Bylaw No. 11603 be read a first time.

**Carried**

### **3.3 Clement Ave 726 OCP17-0021 and Z17-0093 - PC Urban Clement Holdings Ltd**

Staff:

- Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

Moved By Councillor Singh/Seconded By Councillor Stack

**R421/18/04/23** THAT Official Community Plan Map Amendment Application No. OCP17-0021 to amend Map 4.1 in the Kelowna 2030 – Official Community Plan Bylaw No. 10500 by changing the Future Land Use designation of portions of Lot A, Section 30, Township 26, ODYD Plan KAP55948, and portions of Block 29, Section 30, Township 26, ODYD Plan 202 Except Plans

5011 and KAP55948 located at 726 Clement Ave, Kelowna, BC from the IND – Industrial designation to the MXR – Mixed Use (Residential / Commercial) designation, as shown on Map "A" attached to the Report from the Community Planning Department dated April 23<sup>rd</sup> 2018, be considered by Council;

AND THAT the Official Community Plan Map Amending Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT Council considers the Public Information Session public process to be appropriate consultation for the Purpose of Section 475 of the *Local Government Act*, as outlined in the Report from the Community Planning Department dated April 23<sup>rd</sup>, 2018;

THAT Rezoning Application No. Z17-0093 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of portions of:

Lot A, Section 30, Township 26, ODYD Plan KAP55948, located at 726 Clement Ave, Kelowna, BC, from the I4 – Central Industrial zone to the C4 – Urban Centre Commercial zone; and Block 29, Section 30, Township 26, ODYD Plan 202 Except Plans 5011 and KAP55948 located at 726 Clement Ave, Kelowna, BC, from the I2 – General Industrial zone to the C4 – Urban Centre Commercial zone; as shown on Map "B" attached to the Report from the Community Planning Department dated April 23<sup>rd</sup> 2018, be considered by Council.

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Attachment "A" attached to the Report from the Community Planning Department dated April 23<sup>rd</sup> 2018;

AND FURTHER THAT final adoption of Official Community Plan Map Amending Bylaw and the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit for the subject property.

**Carried**

#### **3.4 Clement Ave 726 OCP17-0021 (BL11604) - PC Urban Clement Holdings Ltd**

Moved By Councillor Hodge/Seconded By Councillor Gray

**R422/18/04/23** THAT Bylaw No. 11604 be read a first time;

AND THAT the bylaw has been considered in conjunction with the City's Financial Plan and Waste Management Plan.

**Carried**

#### **3.5 Clement Ave 726 Z17-0093 (BL11605) - PC Urban Clement Holdings Ltd**

Moved By Councillor Gray/Seconded By Councillor Given

**R423/18/04/23** THAT Bylaw No. 11605 be read a first time.

**Carried**

#### **3.6 1642 Commerce Avenue, DP17-0255 - Horizon North on behalf of BC Housing**

Staff:

- Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

Moved By Councillor Given/Seconded By Councillor Stack

**R424/18/04/23** THAT Council authorizes the issuance of Development Permit No. DP17-0255 for Lot 5 District Lot 125 ODYD Plan KAP73825, located at 1642 Commerce Avenue, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A";
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land be in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping;

AND THAT the Development Permit be issued subsequent to the Development Engineering requirements as set out in attached document to the Report from the Community Planning Department dated April 23, 2018;

AND THAT the applicant be required to complete the above noted conditions of Council's approval of the Development Permit Application in order for the permits to be issued;

AND FURTHER THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

**Carried**

Councillor Sieben – Opposed

#### **4. Non-Development Reports & Related Bylaws**

##### **4.1 500 Valley Road – Farm Lease**

Staff:

- Displayed a PowerPoint Presentation summarizing the farm lease on Valley Road and responded to questions from Council.

Moved By Councillor Hodge/Seconded By Councillor Given

**R425/18/04/23** THAT Council receives, for information, the Report from the Manager, Property Management, dated April 23, 2018, regarding a farm lease of 500 Valley Road;

AND THAT Council approve the farm lease at 500 Valley Road for a term of 20-years as required by the Agricultural Land Commission for the rehabilitation of existing sports fields to agriculture as part of the Agricultural Land Commission Non-Farm Use Approval for development of the Glenmore Recreation Park.

**Carried**

##### **4.2 Amendment to the Tax Prepayment Plan Bylaw No. 10685**

Staff:

- Displayed a PowerPoint Presentation summarizing the amendment to the Tax Prepayment Plan Bylaw.

Moved By Councillor Singh/Seconded By Councillor Given

**R426/18/04/23** THAT Council receives, for information, the report from the Revenue Supervisor dated April 23, 2018, regarding the amendment to the Tax Prepayment Plan Bylaw No. 10685;

AND THAT Bylaw No. 11602 Amendment No. 1 to the Tax Prepayment Plan Bylaw No. 10685 be forwarded for reading consideration.

Carried

#### **4.3 BL11602 - Amendment No. 1 to Tax Prepayment Plan Bylaw No. 10685**

Moved By Councillor Given/Seconded By Councillor Gray

**R427/18/04/23** THAT Bylaw No. 11602 be read a first, second and third time.

Carried

#### **4.4 Proposed Road Closure – Adjacent to 2-477 Curlew Drive**

Moved By Councillor Hodge/Seconded By Councillor Given

**R428/18/04/23** THAT Council receives for information, the Report from the Manager, Real Estate Services dated April 23, 2018, recommending the Council adopt the proposed closure of a portion of road adjacent to 2-477 Curlew Drive;

AND THAT Bylaw No. 11557, being proposed road closure of a portion of land adjacent to 477 Curlew Drive, be given reading consideration.

Carried

#### **4.5 Curlew Road (Portion of), BL11557 - Road Closure Bylaw**

Moved By Councillor Stack/Seconded By Councillor DeHart

**R429/18/04/23** THAT Bylaw No. 11557 be read a first, second and third time.

Carried

### **5. Bylaws for Adoption (Non-Development Related)**

#### **5.1 BL11582 - Amendment No. 1 to Five Year Financial Plan 2017-2021 BL11394**

Moved By Councillor DeHart/Seconded By Councillor Stack

**R430/18/04/23** THAT Bylaw No. 11582 be adopted.

Carried

#### **5.2 BL11589 - Amendment No. 1 to Sale of City-Owned Land Reserve Fund Expenditure Bylaw, 2017 No. 11398**

Moved By Councillor Singh/Seconded By Councillor DeHart

**R431/18/04/23** THAT Bylaw No. 11589 be adopted.

Carried

### 5.3 BL11593 - Sterile Insect Release Program Parcel Tax Bylaw No. 2018

Moved By Councillor DeHart/Seconded By Councillor Singh

R432/18/04/23 THAT Bylaw No. 11593 be adopted.

Carried

### 5.4 BL11540 - Sewer Connection Charge Bylaw

Moved By Councillor DeHart/Seconded By Councillor Stack

R433/18/04/23 THAT Bylaw No. 11540 be adopted.

Carried

## 6. Mayor and Councillor Items

Councillor Gray:

- Spoke to her attendance along with Mayor Basran at the Munson Pond Park celebration as part of Earth Day and to celebrate the volunteers who helped work on this park on Sunday.
- Valley First is having their Grand Opening at the Innovation Centre April 24, 2018 at 5:00 p.m.

Councillor Hodge:

- Will be attending the SILGA Conference in Revelstoke for the rest of the week.

Councillor Singh:

- The Vaisakhi Parade begins at the Sikh Temple on Saturday, April 28<sup>th</sup>.
- The Day of Mourning Ceremony take place on Friday, April 27 at the Public Works Yard

Councillor DeHart:

- Spoke to her attendance at an event at The Cathedral Church of St. Michaels.
- Spoke to her attendance at the Neighbour-woods event at Mission Park Centre for members of the public to retrieve their pre-ordered trees.
- Spoke to her attendance at the BIA BC Conference that began April 22<sup>nd</sup> and noted that the Mayor's welcoming remarks were well received.
- Reminder that the Civic & Community Awards Gala takes place Thursday, April 26<sup>th</sup>.

Councillor Stack:

- Bringing greetings on behalf of Mayor and Council to the Hospice Association Appreciation Day tomorrow.

Mayor Basran:

- Public input sought by way of on-line survey for the concept design of the Active Transportation Corridor between Houghton Road and the Okanagan Rail Corridor.
- Thanked the Kelowna Rockets for pursuing the 2020 Memorial Cup and congratulated Tom Dias who is leading the Committee.

## 7. Termination

This meeting was declared terminated at 2:42p.m.

\_\_\_\_\_  
Mayor Basran

/acm

\_\_\_\_\_  
City Clerk



**Okanagan Symphony Orchestra**  
**Rosemary Thomson – Music Director**

see it... hear it... love it ...

# Organization Summary



- 1960 – Okanagan Symphony formed
- \$1.2 million operating budget in 17/18 & 18/19
- 3rd largest Symphony Orchestra in BC
- Ranks 22nd of 66 Symphonies nationally
- September to May monthly performances
- 20 professional members in the core orchestra augmented with 45 professional and community musicians from around BC as the repertoire requires

# 17/18 Programming Highlights



## ■ Guest Artists

Vancouver Symphony orchestra with Bramwell Tovey and Marion Newman, Christopher Gaze, Timothy Chooi, Okanagan Handbell Chorus, UBC opera ensemble, Jens Lindemann, Kevin Chen, Sarah Slean, Gryphon Trio.

## ■ Community Connections

OSYO, OSO Chorus, Okanagan Children's Choir, Kelowna Community Music School, Vernon Community Music School, Bumpershoot Theatre, Marjok Elementary, SD 23 Middle School Band program, Okanagan Regional Libraries, Chamber Music Kelowna, Cool Arts

## ■ Unique Programming

- Halloween *SPOOKtacular* & *Peter and the Wolf* Family special

# 17/18 Programming Highlights

## *SPOOKtacular*



# Education & Outreach



# Education & Outreach Programs for Children & Families



## ■ **Symphony Storytime**

- Four interactive forty minute shows developed for 2 to 5 years old and families. Children sing, hear stories, dance and play percussion.
- Led by master educator Joe Berarducci
- Featuring OSO & OSYO players showcasing a family of instruments

## ■ **OSO School Performances ( Magnificent Mozart)**

- 8 sold out daytime performances for Elementary schools: 3 in Vernon, 2 in Penticton and 3 in Kelowna, with approx. 4500 students in attendance
- Throughout the week approximately 150 students were engaged in the production as performers. The students experienced 12 year old prodigy, Kevin Chen.

## ■ **Your Symphony at the Library**

- Four free one hour shows featuring all of the instruments of the orchestra geared to families
- Audience participation in “Instrument discovery Zoo” after the concert

# Education and Outreach Programs for Youth

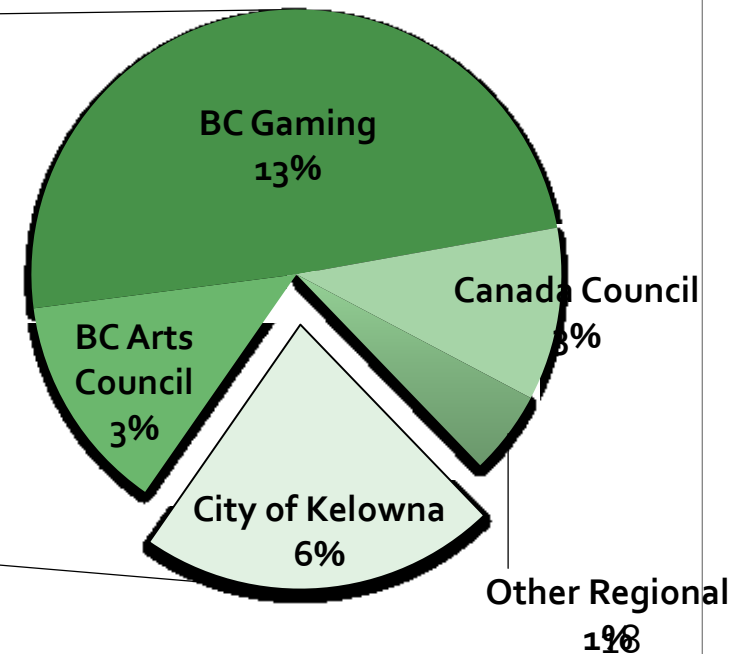
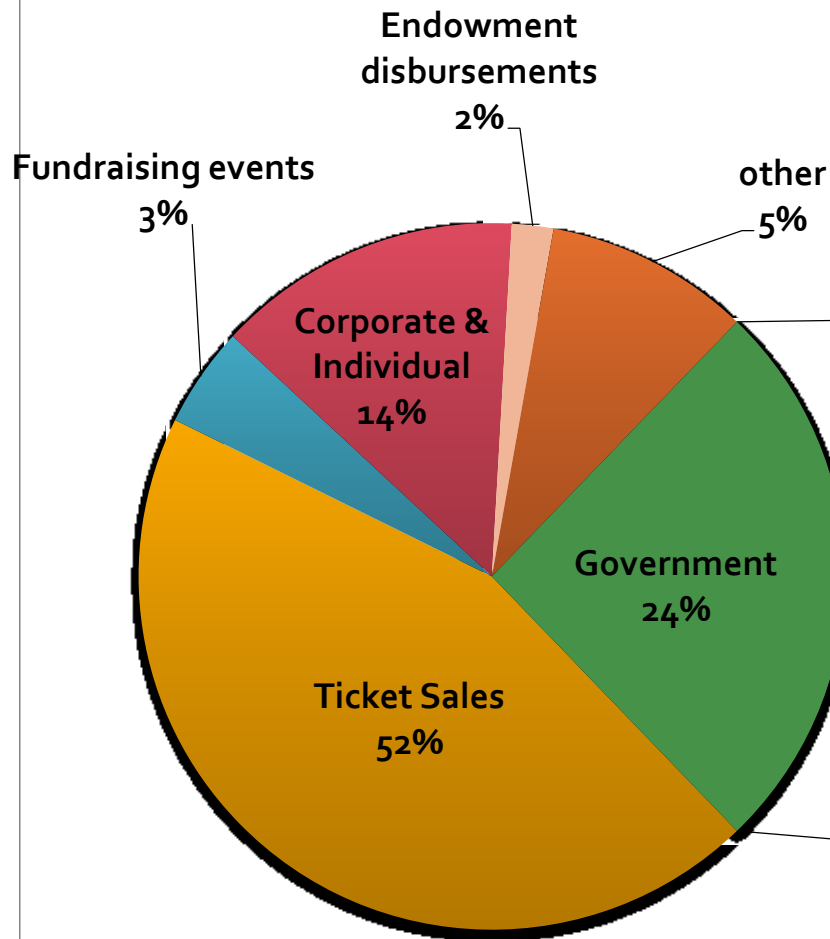
- **Middle School Band Clinic**
- Grade 7 students have OSO trios perform in their school and demonstrate instruments
- 250 middle school band students receive a clinic with OSO pros and members of the OSYO on their instrument
- Attend Side by Side Dress rehearsal
- **Okanagan Symphony Youth Orchestra (OSYO)**
- 80 participants between the ages of 10 and 20
- Weekly rehearsals from September to May – professional mentors
- 2 OSYO concerts (Spring & Autumn) plus one “Side-by-side” with the OSO Concerto solo opportunities and composition program
- **OSO Masterclasses**
- Masterclasses taught in 17/18 by OSO guest artists: Nicholas Wright, Timothy Chooi, Jens Lindemann, Jamie Parker, Roman Borys. Annalee Patipatanakoon.

# Collaborating Partners



- Bumbershoot Theatre
- School District No.23 – 3 Middle Schools
- Okanagan Regional Libraries
- UBC Opera Ensemble Studio
- City Dance Studio
- Community Music Schools

# Revenue Sources



# Expense Summary - Personnel



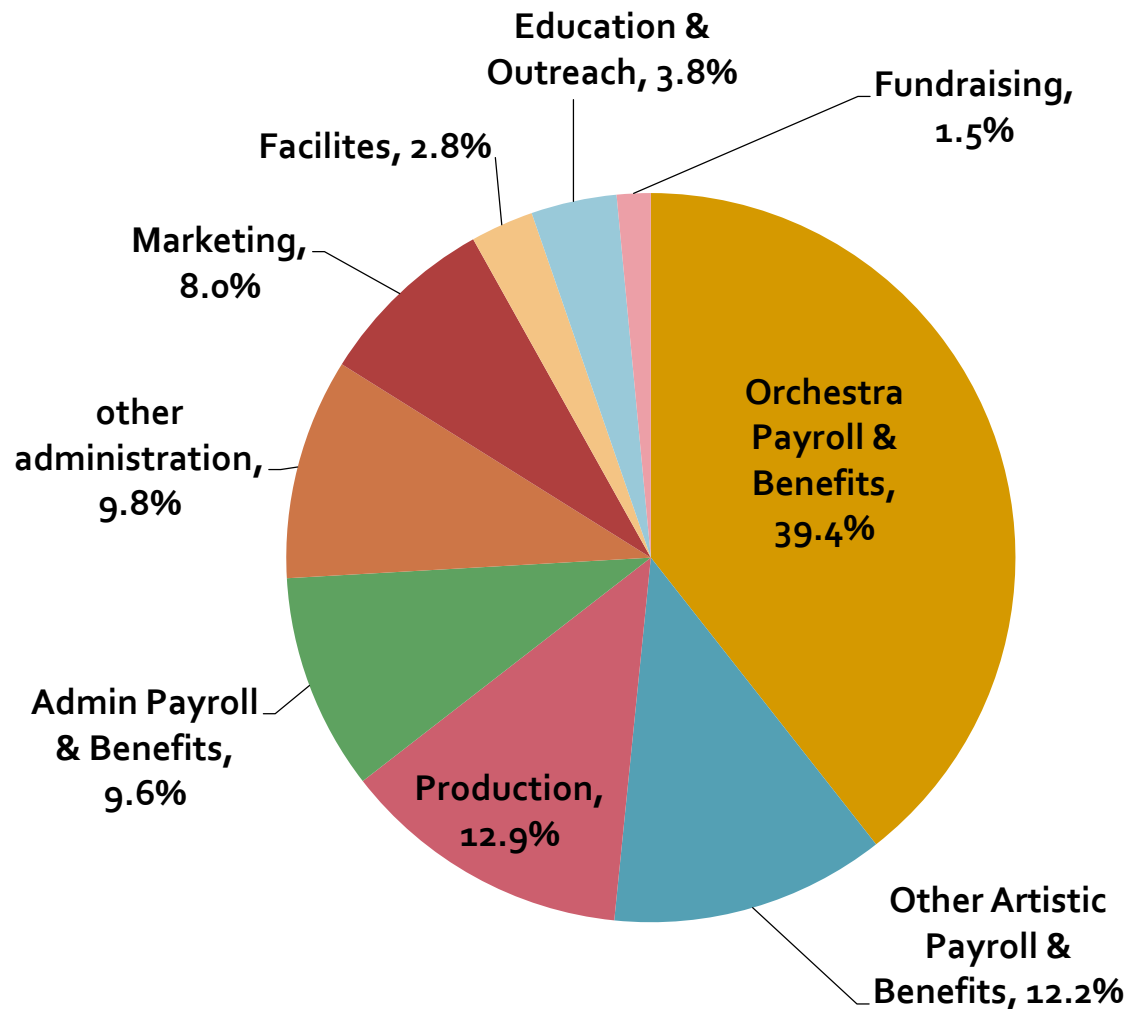
- 1 full-time, 2 part-time and 5 contract administrative staff
- 1 full-time contract and 1 part-time contract artistic personnel
- 20 core musicians working under a collective agreement – (ratified for 2016/17 through 18/19)
- professional musicians from across BC and community players from the Okanagan Valley

# Expense Summary



- \$980,000 Approximate level of OSO expenses that remain in the Okanagan.
- \$790,000 Total payroll and benefits for musicians, artists, production and administrative personnel.
- \$90,000 Approximate average cost of mounting a single concert of 3 performances (musicians, guest artists, venues, marketing, transportation, accommodation, ticketing).
- \$58,725 Approximate amount City of Kelowna received from the OSO in office rent and venue fees and charges this year.
- 260 Approximate number of room nights booked in Kelowna each year to house our out-of-town musicians.

# Expense Summary



- **Expand corporate and individual sponsorship**
  - Sponsors for 17/18: The Chase Wines, Telus Community Board, Driving Force, Royal Anne Hotel, Troika, Colin and Lois Prichard Foundation, Jaguar, Tantalus Vineyards, and individual concert and guest artist sponsors
  - New sponsors 18/19– The Vibrant Vine, Mission Law Group, Mark and Bernice Stober, Mission Group

- Strategically plan staff roles and responsibilities
- Improve individual donation appeals and stewardship
- Develop an organization wide volunteer strategy
- Explore potential programming possibilities
  - Discussions with Westbank First Nation

## ■ Guest Artists

- Jane Coop, Erin Fung, Jaeden Iziik-Dzurko, Tracy Cantin, Lara St. John, Tokara

## ■ Community Connections

- OSYO side-by-side; OSO Adult and Youth Chorus
- UBC Okanagan, Asian Heritage Committee, SD23
- En'owkin Centre

## ■ Unique Programming

- Tanya Tagaq, Taiko & Erhu , Korean Fan Dancers

# REPORT TO COUNCIL



**Date:** April 9, 2018

**RIM No.** 1250-30

**To:** City Manager

**From:** Community Planning Department (AF)

**Application:** Z18-0012

**Owner:** Cheryl Norlene Nanci  
Enzo James Nanci

**Address:** 3596 Casorso Road

**Applicant:** Urban Options Planning &  
Permits

**Subject:** Rezoning Application

Existing OCP Designation: S2RES – Single/Two Unit Residential

Existing Zone: RU1 – Large Lot Housing

Proposed Zone: RU1c – Large Lot Housing with Carriage House

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## 1.0 Recommendation

THAT Rezoning Application No. Z18-0012 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 18, District Lot 134, ODYD, Plan 20399 located at 3596 Casorso Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration.

## 2.0 Purpose

To consider a development application to rezone to RU1c – Large Lot Housing with Carriage House to facilitate the development of a carriage house.

## 3.0 Community Planning

Community Planning supports the proposed rezoning from RU1 – Large Lot Housing to RU1c – Large Lot Housing with Carriage House as it is in line with the Official Community Plan (OCP) Future Land Use Designation of S2RES – Single/Two Unit Residential for the subject property and is located within the Permanent Growth Boundary. The property is fully serviced and is in close proximity to transit, parks, and schools. It is therefore consistent with the OCP Urban Infill Policy of Compact Urban Growth. The one

storey design of the carriage house is an example of a modest increase in density that follows the OCP Policy of Sensitive Infill.

#### 4.0 Proposal

##### 4.1 Background

The subject property currently has an existing one and a half storey single family dwelling with a single car garage and an additional accessory garage located at the rear of the property. The existing accessory garage is proposed to be converted into a carriage house with a single car garage.

##### 4.2 Project Description

The proposed rezoning from RU1 to RU1c would facilitate the development of a carriage house on the subject property. The proposed carriage house meets all of the zoning regulations and does not require any variances. The property has an OCP Future Land Use of S2RES – Single/Two Unit Residential, is fully serviced, and is located within the Permanent Growth Boundary. The subject property is suitable for an increase in density as it is located near transit routes with access to parks and schools.

The proposed rezoning meets the OCP Urban Infill Policies for Compact Urban Growth and Sensitive Infill. These policies state that growth should occur in areas that are already serviced and have access to transit, and that growth should be designed to be sensitive to the existing character of the neighbourhood.

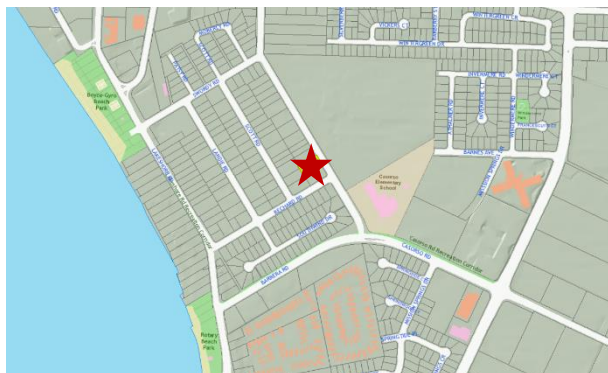
##### 4.3 Site Context

The subject property is located in South Pandosy near the intersection of Lakeshore Road and Barrera Road and just northwest of Casorso Park. It is in close proximity to transit routes located along Lakeshore Road and is within walking distance to both Casorso Park and Casorso Road Recreation Corridor. There is one other RU1c zoned property in the same residential block and several RU1c zoned properties within the neighborhood. Other surrounding zones within the neighborhood include several RU2 – Medium Lot Housing and several RU6 – Two Dwelling Housing properties.

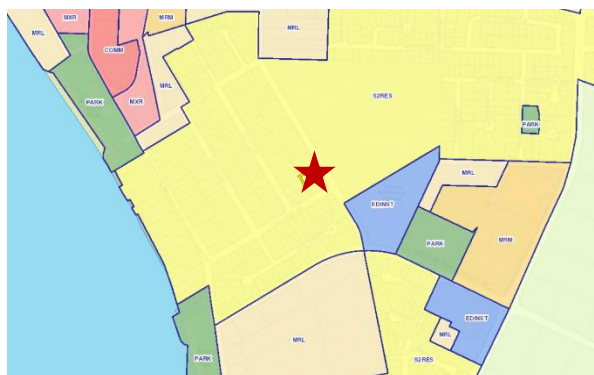
Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Large Lot Housing	Residential
East	RM7 – Mobile Home Park	Residential
South	RU1 – Large Lot Housing	Residential
West	RU1 – Large Lot Housing	Residential

**Site Context Map**



**Future Land Use Map**



**Subject Property Map: 3596 Casorso Road****4.4 Zoning Analysis Table**

Zoning Analysis Table		
CRITERIA	ZONE REQUIREMENTS	PROPOSAL
Existing Lot Regulations		
Minimum Lot Area	550 m <sup>2</sup>	1407.94 m <sup>2</sup>
Minimum Lot Width	16.5 m	27.43 m
Minimum Lot Depth	30 m	51.3 m
Development Regulations		
Site Coverage (buildings)	40 %	20.79 %
Site Coverage (buildings, driveways and parking)	50 %	34.5 %
Height	2 ½ storeys or 9.5m	1 ½ storeys / 5.1 m
Minimum Front Yard	4.5m (6.0m to garage)	10.85 m
Minimum Side Yard (south)	2.0 m for 1-1 ½ storeys	6.5 m
Minimum Side Yard (north)	2.0 m for 1-1 ½ storeys	3.2 m
Minimum Rear Yard	7.5m	26.46 m
Other Regulations		
Minimum Parking Requirements	3 stalls	3 stalls
Minimum Private Open Space	30 m <sup>2</sup> per unit	Carriage House: 155 m <sup>2</sup> Principle Dwelling: >30 m <sup>2</sup>

## 5.0 Current Development Policies

### 5.1 Kelowna Official Community Plan (OCP)

#### Development Process

**Compact Urban Form.**<sup>1</sup> Develop a compact urban form that maximizes the use of existing infrastructure and contributes to energy efficient settlement patterns. This will be done by increasing densities (approximately 75 - 100 people and/or jobs located within a 400 metre walking distance of transit stops is required to support the level of transit service) through development, conversion, and re-development within Urban Centres (see Map 5.3) in particular and existing areas as per the provisions of the Generalized Future Land Use Map 4.1.

**Sensitive Infill.**<sup>2</sup> Encourage new development or redevelopment in existing residential areas to be sensitive to or reflect the character of the neighbourhood with respect to building design, height and siting.

**Carriage Houses & Accessory Apartments.**<sup>3</sup> Support carriage houses and accessory apartments through appropriate zoning regulations.

## 6.0 Technical Comments

### 6.1 Building & Permitting Department

- Demolition Permits required for any existing structures.
- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permits.
- A third party work order may be required with the Development Engineering Department for an upgraded water line and sewage connection. These requirements are to be resolved prior to issuance of the Building Permit.
- Frost protection is required between the garage and the dwelling unit.
- Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this building at time of permit application.

### 6.2 Development Engineering Department

- See attached memorandum dated February 2, 2018

### 6.3 Fire Department

- Requirements of section 9.10.19 Smoke Alarms and Carbon Monoxide alarms of the BCBC 2012 are to be met.

### 6.4 FortisBC - Electric

- There are FortisBC Inc (Electric) ("FBC(E)") primary distribution facilities along Casorso Road. The applicant is responsible for costs associated with any change to the subject property's existing service, if any, as well as the provision of appropriate land rights where required.

<sup>1</sup> City of Kelowna Official Community Plan, Policy 5.3.2 (Development Process Chapter).

<sup>2</sup> City of Kelowna Official Community Plan, Policy 5.22.6 (Development Process Chapter).

<sup>3</sup> City of Kelowna Official Community Plan, Policy 5.22.12 (Development Process Chapter).

## **7.0 Application Chronology**

Date of Application Received: January 19, 2018  
Date Public Consultation Completed: February 26, 2018

**Report prepared by:** Andrew Ferguson, Planner  
**Reviewed by:** Terry Barton, Urban Planning Manager  
**Approved for Inclusion:** Ryan Smith, Community Planning Department Manager

### **Attachments:**

Attachment A: Site and Floor Plan  
Attachment B: Landscape Plan  
Attachment C: Conceptual Elevations  
Attachment D: Development Engineering Technical Comments



3596 Casorso Rd

Additional landscaping



LOT # 18  
1407.94m<sup>2</sup>

ATTACHMENT B

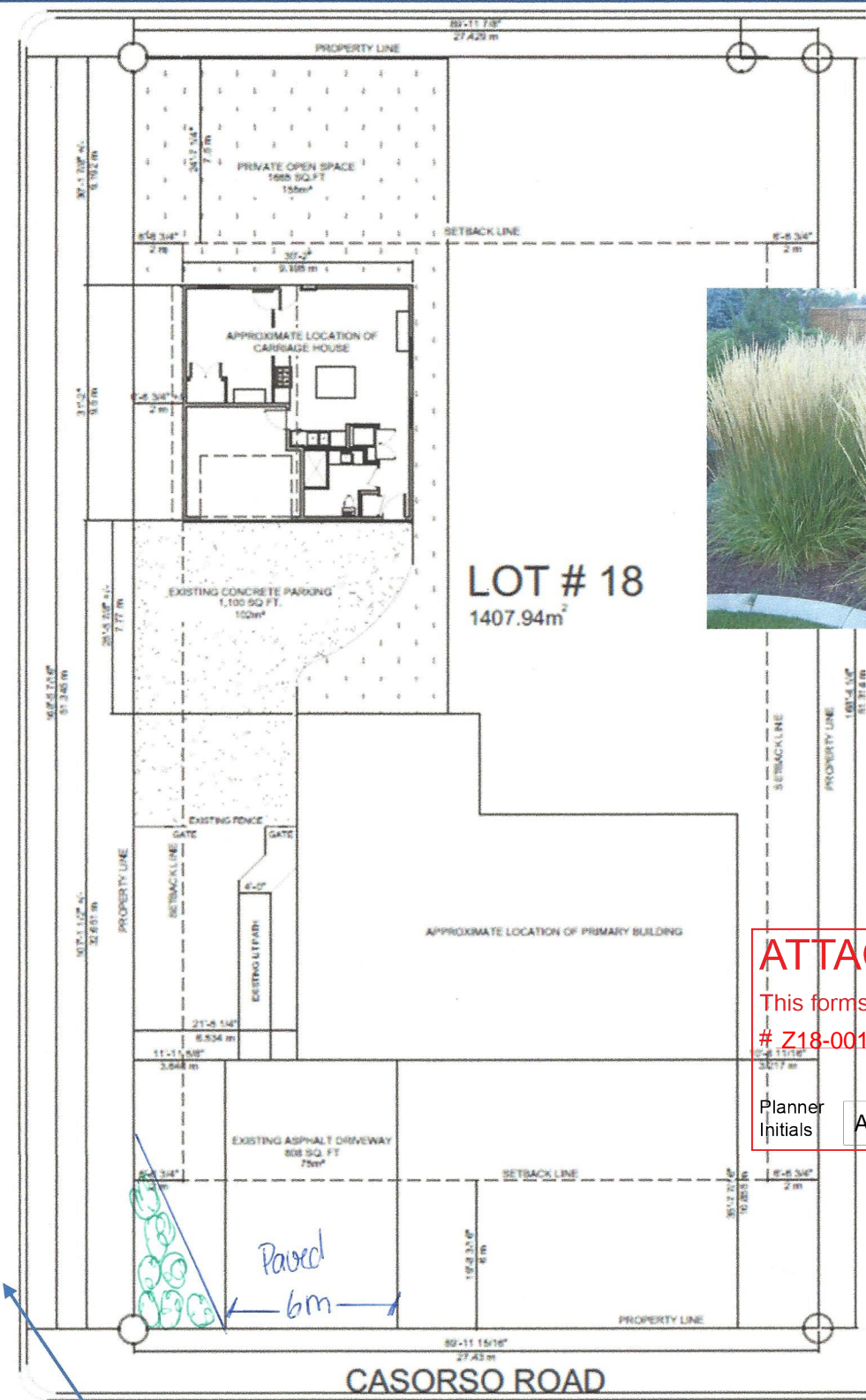
This forms part of application  
# Z18-0012

Planner  
Initials

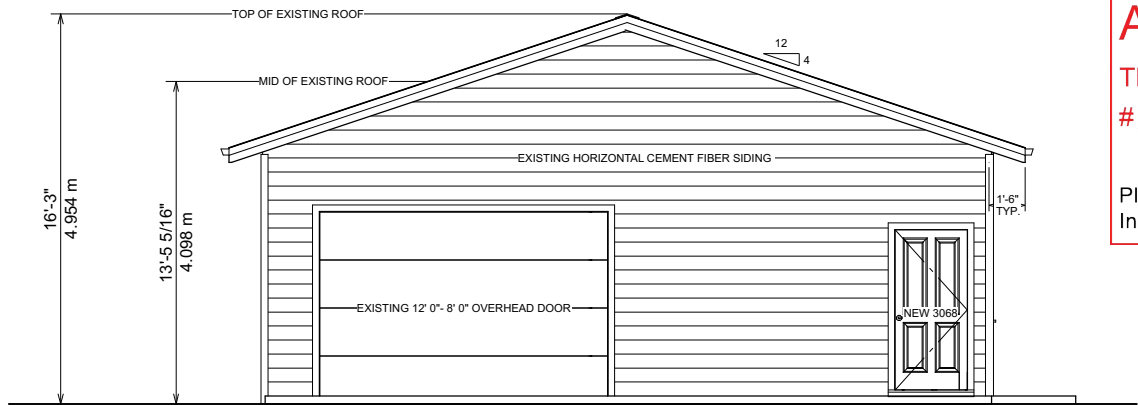
AF



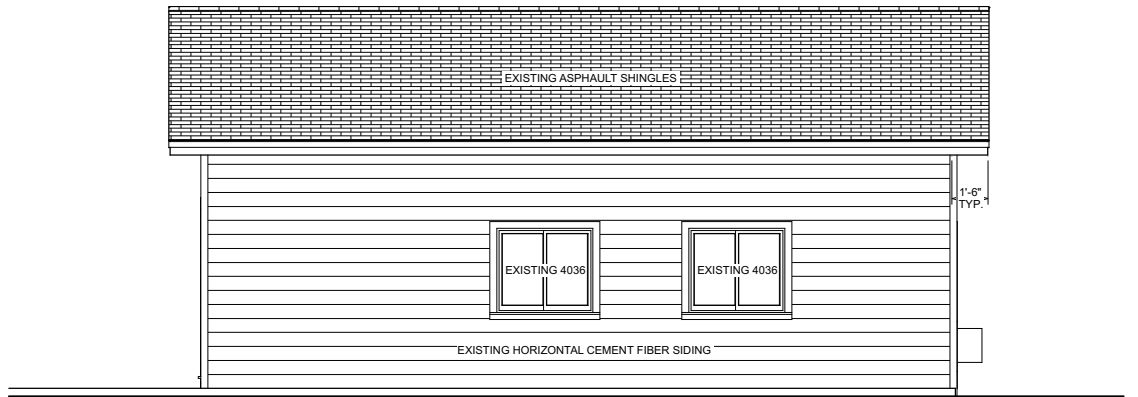
City of  
**Kelowna**  
COMMUNITY PLANNING



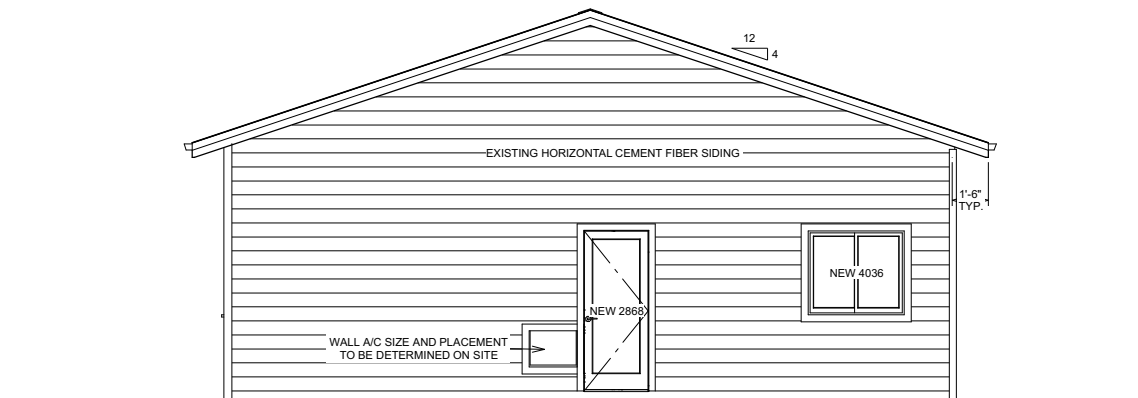
The hedge in the photo is on the south side of the property line. The proposed vegetative matter for the front of the property line is expected to be the same. The alternative are Karl Foerster grasses as shown above.



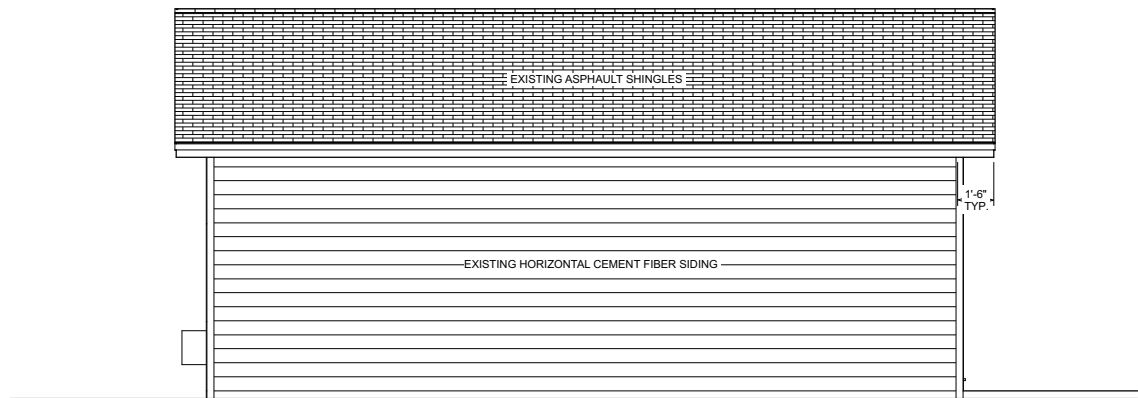
FRONT ELEVATION



RIGHT ELEVATION



REAR ELEVATION



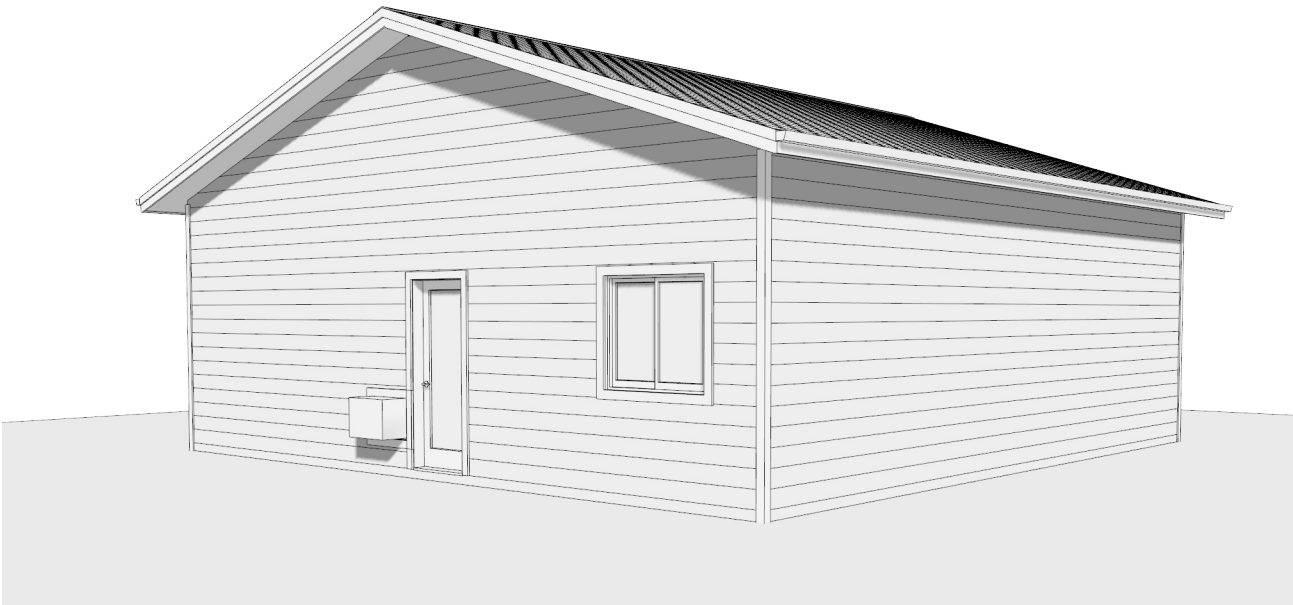
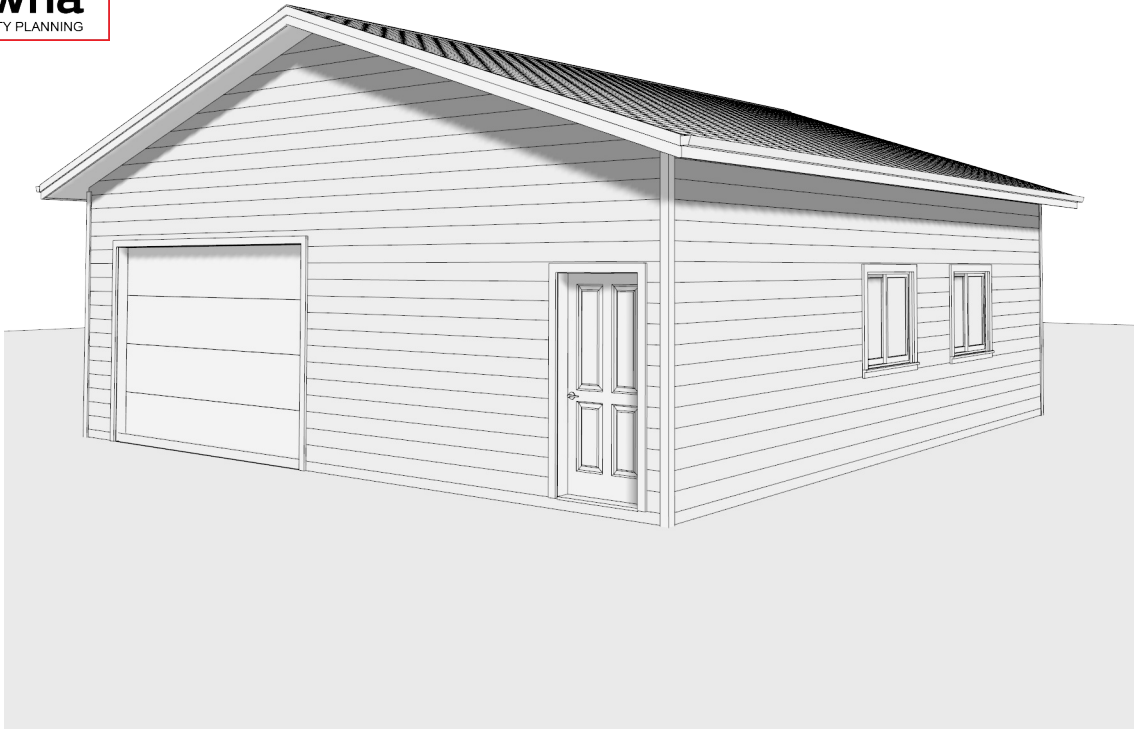
LEFT ELEVATION

ATTACHMENT **C**

This forms part of application  
# Z18-0012

Planner  
Initials **AF**

City of  
**Kelowna**  
COMMUNITY PLANNING



- GENERAL NOTES**
- ALL WORK SHALL BE IN ACCORDANCE WITH THE CURRENT EDITION OF THE B.C. BUILDING CODE AND ALL LOCAL LAWS AND BYLAWS.
  - BEFORE CONSTRUCTION COMMENCES IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO CHECK ALL DETAILS AND DIMENSIONS TO CONFIRM ACCURACY AND TO ASSURE THERE ARE NO DISCREPANCIES.
  - IT IS THE RESPONSIBILITY OF THE CONTRACTOR FOR THE CORRECT SITING OF THE BUILDING TO CONFORM WITH NECESSARY SETBACKS.
  - ALTHOUGH EVERY EFFORT HAS BEEN MADE TO PROVIDE COMPLETE AND ACCURATE DRAWINGS WE CANNOT ELIMINATE THE POSSIBILITY OF HUMAN ERROR, THEREFORE MULLINS DRAFTING & DESIGN WILL NOT BE LIABLE FOR ANY ERRORS OR OMISSIONS.

- ROOF**  
EXISTING ROOF  
R-50 INSULATION  
6 MIL UV POLY  
5/8" DRYWALL
- EXT. WALL**  
EXISTING EXTERIOR WALL  
R-22 BATT INSULATION  
6 MIL UV POLY  
1/2" DRYWALL
- INT. WALL**  
2x4 STUDS 16" o/c  
1/2" DRYWALL BOTH SIDES
- FLOOR SYSTEM**  
3/4" T&G SHEETING  
2x6" FLOOR JOIST @ 16" O/C

- FOUNDATION**  
EXISTING FOUNDATION  
**CONC. SLAB**  
EXISTING 4" CONC. SLAB
- SOFFIT & FASCIA**  
EXISTING SOFFIT & FASCIA

**\*\*NOTE\*\***  
CONTRACTOR TO CONFIRM  
DIM PRIOR TO CONST.

SHEET NUMBER

1/3

SCALE: 1/4" = 1'

DATE : FEB-07-2018

ELEVATION VIEWS

PROPOSED PROJECT FOR

NANCI RESIDENCE

3596 CASORSO RD

UNIT 203 - 1889 SPALL RD.

Kelowna BC V1Y 4R2

Bus: (250) 717-3415

Cell: (250) 258-7819

e-mail: mullinsdrafting@shaw.ca

MULLINS  
DRAFTING & DESIGN



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## CITY OF KELOWNA

# MEMORANDUM

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**Date:** February 2, 2018  
**File No.:** Z18-0012  
**To:** Community Planning (AF)  
**From:** Development Engineering Manager (JK)  
**Subject:** 3596 Casorso Road

RU1 to RU1c

Carriage House

**ATTACHMENT D**

This forms part of application  
# Z18-0012

Planner  
Initials

AF



Development Engineering has the following comments and requirements associated with this application. The utility upgrading requirements outlined in this report will be a requirement of this development.

1. Domestic Water and Fire Protection

This property is currently serviced with a 19mm-diameter water service. The service will be adequate for this application. One metered water service will supply both the main residence and the carriage house.

2. Sanitary Sewer

Our records indicate that this property is currently serviced with a 100mm-diameter sanitary sewer service. An inspection chamber (IC) complete with brooks box must be installed on the service at the owner's cost. Service upgrades can be provided by the City at the applicant's cost. **The applicant will be required to sign a Third Party Work Order for the cost of the service upgrade.** For estimate inquiry's please contact Jason Angus, by email [jangus@kelowna.ca](mailto:jangus@kelowna.ca) or phone, 250-469-8783.

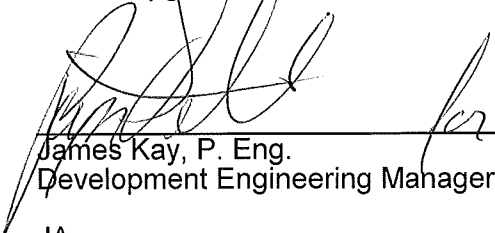
3. Development Permit and Site Related Issues

Direct the roof drains onto splash pads.

Driveway access permissible is one (1) 6m wide as per bylaw

4. Electric Power and Telecommunication Services

It is the applicant's responsibility to make a servicing application with the respective electric power, telephone and cable transmission companies to arrange for service upgrades to these services which would be at the applicant's cost.

  
James Kay, P. Eng.  
Development Engineering Manager

JA

# CITY OF KELOWNA

## BYLAW NO. 11608

### Z18-0012– 3596 Casorso Road

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A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. THAT City of Kelowna Zoning Bylaw No. 8000 be amended by changing the zoning classification of Lot 18 District Lot 134 ODYD Plan 20399, located at Casorso Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone.
2. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Adopted by the Municipal Council this

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Mayor

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City Clerk

# REPORT TO COUNCIL



**Date:** April 30, 2018

**RIM No.** 0940-00

**To:** City Manager

**From:** Community Planning Department (AC)

**Application:** DP17-0095

**Owner:** 554764 BC Ltd.

**Address:** 200 Nickel Rd

**Applicant:** James Zeleznik

**Subject:** Development Permit Application

OCP Designation: MRL – Multiple Unit Residential (Low Density)

Zone: RM3 – Low Density Multiple Housing

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## 1.0 Recommendation

THAT Council authorizes the issuance of Development Permit No. DP17-0095 for Lot 1, Section 27, Township 26, ODYD, Plan EPP73636 located at 200 Nickel Rd, Kelowna, BC subject to the following:

1. The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A,"
2. The exterior design and finish of the building to be constructed on the land, be in accordance with Schedule "B";
3. Landscaping to be provided on the land be in accordance with Schedule "C";
4. The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

AND THAT the applicant be required to complete the above noted conditions of Council's approval of the Development Permit Application in order for the permits to be issued;

AND FURTHER THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

## 2.0 Purpose

To review the form and character Development Permit for a 19 unit townhouse development.

### 3.0 Community Planning

Staff support the 19-unit townhouse project at 200 Nickel Road. The application originally went to Council on March 19<sup>th</sup> 2018 to approve a Form and Character Development shown in Figure 2 below. Council denied the Development Permit due to the project's inconsistency with Kelowna's OCP design guidelines. Council voted on April 23<sup>rd</sup> 2018 to waive the 6 month re-application wait period as described in Council's Development Applications Procedures Bylaw No 10540.

Staff worked with the applicant over many revisions to improve the form and character of the development. Key design considerations were the streetscape and the proposed building's interface with the public sidewalk. The original Development Permit that was denied by Council: achieved many of the OCP's Urban Infill objectives, did not have any variances to the Zoning Bylaw, and met a majority of the Official Community Plan (OCP) Urban Design Guidelines. The revised design (see Figure 3) has improved the form and character of the project and still does not require any variances to the Zoning Bylaw. The new proposal has met five additional design guidelines in which the previous Development Permit denied by Council did not. The design guidelines are summarized in Table 1 below and are related to the buildings relationship to the street, the context of the building, the human scale, and the exterior elevations of the development.

Table 1: Newly Achieved Design Guidelines

1.	Do buildings create the desired streetscape rhythm?
2.	Is the design unique without visually dominating neighbouring buildings?
3.	Are building facades designed with a balance of vertical and horizontal proportions?
4.	Are higher quality materials continued around building corners or edges that are visible to the public?
5.	Are a variety of materials used to create contrast, enhance the pedestrian environment and reduce the apparent mass of a building?

Figure 1: Initial Design



Figure 2: Revised Design (denied by Council)



Figure 3: Amended & Improved Design



## 4.0 Proposal

### 4.1 Project Description

The development proposal is for a rental row housing project. The project contains two, 2 storey blocks of row houses each side of a central parking plaza is proposed. The row fronting Nickel Rd will provide seven, 2 bedroom units with two, 2 bedroom + den units at either end. These units will have unfinished basements for unit equipment (furnace/ HWT/ HRV) and tenant storage. The back row will provide 8, 3 bedroom units with two, 3 bedroom + den units at either end. These units will have basements finished to provide a bedroom, rec room, and washroom and will include unit equipment (furnace/ HWT/ HRV). The central parking area will allow 2 parking spaces per unit. All units will have 'front' and 'back' doors such that parking area and outdoor private patios and yards may be directly accessed.

The rows of townhouses will be broken vertically and horizontally to provide human scale, shading, weather protection and visual interest. The scale and material selection- 'hardi' board & batten with 'hardi' horizontal lap siding - are selected for their durability and as acknowledgement of the residential setting of the development. There are no variances associated with this proposal. Council Policy No. 367 with respect to public consultation was undertaken by the applicant and all neighbours within a 50m radius of the subject parcel.

### 4.2 Site Context

The subject property is Rutland between Houghton Road and Highway 33. Specifically, adjacent land uses are as follows:

Orientation	Zoning	Land Use
North	RU1 – Single Detached Housing	Residential
East	RU1 – Single Detached Housing RU6 – Two Dwelling Housing RM3 – Low Density Multiple Housing	Residential
South	RM4 – Transitional Low Density Housing RM3 – Low Density Multiple Housing	Residential
West	RM3 – Low Density Multiple Housing	Residential

**Subject Property Map:** 200 Nickel Rd



### 4.3 Zoning Analysis Table

The zoning analysis table shows the requirements of the C7 zone compared to the proposal:

Zoning Analysis Table		
CRITERIA	RM <sub>3</sub> ZONE REQUIREMENTS	PROPOSAL
Development Regulations		
Height	10.0 m / 3 storeys	7.5 m / 2 storeys
Front Yard (east)	6.0m	4.5m
Side Yard (north)	4.0m	4.5m
Side Yard (south)	4.0m (principal) 1.5m (accessory)	4.6m (principal) 1.5m (accessory)
Rear Yard (west)	7.5m	7.5m
Site coverage of buildings	40%	29%
Site coverage of buildings, driveways & parking	60%	59%
FAR	0.75 Max	0.74
Parking Regulations		
Minimum Parking Requirements	40 stalls	40 stalls
Ratio of Parking Stalls	Full size: 50% Min Medium Size: 50% Max Small Size: 0% Max	Full size: 50% Medium Size: 50% Small Size: 0
Other Regulations		
Minimum Bicycle Parking Requirements	Class 1: 0 bikes Class 2: 0 bikes	Class 1: 0 bikes Class 2: 12 bikes
Private Open Space	25 m <sup>2</sup> / unit	25 m <sup>2</sup> / unit

## 5.0 Current Development Policies

### 5.1 Kelowna Official Community Plan (OCP)

#### DEVELOPMENT PERMIT GUIDELINES

Consideration has been given to the following guidelines as identified in Section 14.A. of the City of Kelowna Official Community Plan relating to Comprehensive Development Permit Areas:

COMPREHENSIVE DEVELOPMENT PERMIT AREA	YES	NO	N/A
<b>Authenticity and Regional Expression</b>			
Do landscaping and building form convey a character that is distinct to Kelowna and the Central Okanagan?	x		
Are materials in keeping with the character of the region?	x		
Are colours used common in the region's natural landscape?	x		
Does the design provide for a transition between the indoors and outdoors?	x		
<b>Context</b>			
Does the proposal maintain the established or envisioned architectural character of the neighbourhood?	x		
Does interim development consider neighbouring properties designated for more intensive development?	x		
Are façade treatments facing residential areas attractive and context sensitive?	x		
Are architectural elements aligned from one building to the next?	x		
For exterior changes, is the original character of the building respected and enhanced?			x
Is the design unique without visually dominating neighbouring buildings?	x		
For developments with multiple buildings, is there a sense of architectural unity and cohesiveness?	X		
<b>Relationship to the Street</b>			
Do buildings create the desired streetscape rhythm?	X		
Are parkade entrances located at grade?			X
For buildings with multiple street frontages, is equal emphasis given to each frontage?			X
<b>Massing and Height</b>			
Does the design mitigate the actual and perceived mass of buildings?	X		
Does the height consider shading and view impacts for neighbouring properties and transition to less intensive areas?			X
<b>Human Scale</b>			

<b>COMPREHENSIVE DEVELOPMENT PERMIT AREA</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Are architectural elements scaled for pedestrians?	X		
Are façades articulated with indentations and projections?	X		
Are top, middle and bottom building elements distinguished?	X		
Do proposed buildings have an identifiable base, middle and top?	X		
Are building facades designed with a balance of vertical and horizontal proportions?	x		
Are horizontal glazed areas divided into vertically proportioned windows separated by mullions or building structures?	X		
Does the design incorporate roof overhangs and the use of awnings, louvers, canopies and other window screening techniques?	X		
Is the visual impact of enclosed elevator shafts reduced through architectural treatments?			X
<b>Exterior Elevations and Materials</b>			
Are buildings finished with materials that are natural, local, durable and appropriate to the character of the development?	X		
Are entrances visually prominent, accessible and recognizable?	X		
Are higher quality materials continued around building corners or edges that are visible to the public?	X		
Are a variety of materials used to create contrast, enhance the pedestrian environment and reduce the apparent mass of a building?	X		
Are elements other than colour used as the dominant feature of a building?	X		
<b>Public and Private Open Space</b>			
Does public open space promote interaction and movement through the site?	X		
Are public and private open spaces oriented to take advantage of and protect from the elements?	X		
Is there an appropriate transition between public and private open spaces?	X		
Are amenities such as benches, garbage receptacles, bicycle stands and community notice boards included on site?	X		
<b>Site Access</b>			
Is the safe and convenient movement of pedestrians prioritized?	X		
Are alternative and active modes of transportation supported through the site design?	X		
Are identifiable and well-lit pathways provided to front entrances?	X		
Do paved surfaces provide visual interest?		X	

<b>COMPREHENSIVE DEVELOPMENT PERMIT AREA</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
Is parking located behind or inside buildings, or below grade?	X		
Are large expanses of parking separated by landscaping or buildings?		X	
Are vehicle and service accesses from lower order roads or lanes?			X
Do vehicle and service accesses have minimal impact on the streetscape and public views?	X		
Is visible and secure bicycle parking provided in new parking structures and parking lots?			X
<b>Environmental Design and Green Building</b>			
Does the proposal consider solar gain and exposure?			X
Are green walls or shade trees incorporated in the design?			X
Does the site layout minimize stormwater runoff?			x
Are sustainable construction methods and materials used in the project?	unknown		
Are green building strategies incorporated into the design?		x	
<b>Decks, Balconies, Rooftops and Common Outdoor Amenity Space</b>			
Are decks, balconies or common outdoor amenity spaces provided?	X		
Does hard and soft landscaping enhance the usability of decks, balconies and outdoor amenity spaces?	X		
Are large flat expanses of roof enhanced with texture, colour or landscaping where they are visible from above or adjacent properties?			X
<b>Amenities, Ancillary Services and Utilities</b>			
Are loading, garage, storage, utility and other ancillary services located away from public view?		X	
Are vents, mechanical rooms / equipment and elevator penthouses integrated with the roof or screened with finishes compatible with the building's design?			X
<b>Crime prevention</b>			
Are CPTED practices as related to landscaping, siting, form and exterior design included in the design?			x
Are building materials vandalism resistant?	unknown		
<b>Universal Accessible Design</b>			
Is access for persons with disabilities integrated into the overall site plan and clearly visible from the principal entrance?	x		
Are the site layout, services and amenities easy to understand and navigate?	x		
<b>Signs</b>			
Do signs contribute to the overall quality and character of the development?			x

COMPREHENSIVE DEVELOPMENT PERMIT AREA	YES	NO	N/A
Is signage design consistent with the appearance and scale of the building?			x
Are signs located and scaled to be easily read by pedestrians?			x
For culturally significant buildings, is the signage inspired by historical influences?			x
<b>Lighting</b>			
Does lighting enhance public safety?			x
Is "light trespass" onto adjacent residential areas minimized?			X
Does lighting consider the effect on the façade, neighbouring buildings and open spaces?			X
Is suitably scaled pedestrian lighting provided?			x
Does exterior street lighting follow the International Dark Sky Model to limit light pollution?			x

## 6.0 Technical Comments

### 6.1 Building & Permitting Department

- Development Cost Charges (DCC's) are required to be paid prior to issuance of any Building Permit(s).
- Demolition Permit required for any existing structures.
- Placement permits are required for any sales or construction trailers that will be on site. The location(s) of these are to be shown at time of development permit application.
- HPO (Home Protection Office) approval or release is required at time of Building Permit application.
- Fire Department access to site, turn a rounds requirement for equipment, travel distance from the truck access to the front doors of the units and private hydrant locations if required are to be verified with Kelowna Fire Department. The Fire truck is required to be able to drive up to access the front door(s) within a range of 3 meters to 15 meters on an unobstructed hard surface path.
- A Hoarding permit is required and protection of the public from the staging area and the new building area during construction. Location of the staging area and location of any cranes should be established at time of DP.
- A Building Code analysis is required for the structure at time of building permit applications, but the following items may affect the form and character of the building(s):
  - Any alternative solution must be accepted by the Chief Building Inspector prior to the release of the Building Permit.
  - Location, Heights, Colors of mechanical systems and the required screening are to be determined at time of DP.
  - Any security system that limits access to exiting needs to be addressed in the code analysis by the architect.
  - Hard surfaced paths leading from the egress stairwells to a safe area are to be clearly defined as part of the DP.
- A Geotechnical report is required to address the sub soil conditions and site drainage at time of building permit application. Minimum building elevations are required to be established prior to the

release of the Development Permit. If a soil removal or deposit permit is required, this must be provided at time of Development Permit application.

- Size and location of all signage to be clearly defined as part of the development permit. This should include the signage required for the building addressing to be defined on the drawings per the bylaws on the permit application drawings.
- An exit analysis is required as part of the code analysis at time of building permit application. The exit analysis is to address travel distances within the units and all corridors, number of required exits per area, door swing direction, handrails on each side of exit stairs, width of exits, spatial calculation for any windows in exit stairs, etc.
- Full Plan check for Building Code related issues will be done at time of Building Permit applications. Please indicate how the requirements of Radon mitigation and NAFS are being applied to this complex at time of permit application

## 6.2 Development Engineering Department

All offsite infrastructure and services upgrades have been addressed in the Rezoning Application Engineering Report under file Z17-0039.

## 6.3 Fire Department

- Construction fire safety plan is required to be submitted and reviewed prior to construction and updated as required. Template available online at Kelowna.ca
- Engineered Fire Flow calculations are required to determine Fire Hydrant requirements as per the City of Kelowna Subdivision Bylaw #7900 - 150 L/sec required. Should another hydrant be required on this property it shall be deemed private and shall be operational at the start of construction.
- Fire Department access is to be met as per BCBC 3.2.5.- ensure the hammerhead is large enough to turn around if over 90 metres - maintain access for emergency response.
- All requirements of the City of Kelowna Fire and Life Safety Bylaw 10760 shall be met.
- One address off of Nickel Rd with unit numbers for this complex.
- Do not issue BP unless all life safety issues are confirmed.

## 7.0 Application Chronology

Date of Application Received: April 21<sup>st</sup> 2017  
 Date Public Notification Completed: May 1<sup>st</sup> 2017  
 Date of Zoning Conditions Completed: Jan 22<sup>nd</sup> 2018  
 Date DP17-0095 denied by Council: Mar 19<sup>th</sup> 2018

**Report prepared by:** Adam Cseke, Planner Specialist  
**Reviewed by:** Terry Barton, Urban Planning Manager  
**Approved for Inclusion:** Ryan Smith, Community Planning Department Manager

### Attachments:

DP17-0095

# Development Permit DP17-0095



This permit relates to land in the City of Kelowna municipally known as

**200 Nickel Road**

and legally known as

Lot 1, Section 27, Township 26, ODYD, Plan EPP73636

and permits the land to be used for the development with variances to the following sections of the Zoning Bylaw 8000:

N/A

The development has been approved subject to any attached terms and conditions, and to full compliance with the approved plans bearing the stamp of approval and the above described development permit number.

The present owner and any subsequent owner of the above described land must comply with any attached terms and conditions.

Date of Decision: \_\_\_\_\_, 2018

Decision By: CITY COUNCIL

Issued Date: TBD

Development Permit Area: Comprehensive Development Permit Area

File Manager: AC

**This permit will not be valid if development has not commenced within 2 years of the council approved Date of Decision.**

Existing Zone: RM3 – Low Density Multiple Housing

Future Land Use Designation: MRL – Multiple Unit Residential (Low Density)

## **This is NOT a Building Permit.**

In addition to your Development Permit, a Building Permit may be required prior to any work commencing. For further information, contact the City of Kelowna, Development Services Branch.

## **NOTICE**

This permit does not relieve the owner or the owner's authorized agent from full compliance with the requirements of any federal, provincial or other municipal legislation, or the terms and conditions of any easement, covenant, building scheme or agreement affecting the building or land.

Owner: 554764 BC Ltd  
Address: 2730 Lower Glenrosa Rd  
City: West Kelowna, BC  
Phone: n/a

\_\_\_\_\_  
Ryan Smith, Community Planning Department Manager  
Community Planning & Strategic Investments

\_\_\_\_\_  
Date

## 1. SCOPE OF APPROVAL

This Development Permit applies to and only to those lands within the Municipality as described above, and any and all buildings, structures and other development thereon.

This Development Permit is issued subject to compliance with all of the Bylaws of the Municipality applicable thereto, except as specifically varied or supplemented by this permit, noted in the Terms and Conditions below.

The issuance of a permit limits the permit holder to be in strict compliance with regulations of the Zoning Bylaw and all other Bylaws unless specific variances have been authorized by the Development Permit. No implied variances from bylaw provisions shall be granted by virtue of drawing notations that are inconsistent with bylaw provisions and that may not have been identified as required Variances by the applicant or Municipal staff.

## 2. CONDITIONS OF APPROVAL

- a) The dimensions and siting of the building to be constructed on the land be in accordance with Schedule "A";
- b) The exterior design and finish of the building to be constructed on the land be in accordance with Schedule "B";
- c) Landscaping to be provided on the land be in accordance with Schedule "C";
- d) The applicant be required to post with the City a Landscape Performance Security deposit in the form of a "Letter of Credit" in the amount of 125% of the estimated value of the landscaping, as determined by a Registered Landscape Architect;

This Development Permit is valid for two (2) years from the Council Date of Decision if applicable, or Community Planning Department Manager approval, with no opportunity to extend.

## 3. PERFORMANCE SECURITY

As a condition of the issuance of this Permit, Council is holding the security set out below to ensure that development is carried out in accordance with the terms and conditions of this Permit. Should any interest be earned upon the security, it shall accrue to the Developer and be paid to the Developer or his or her designate if the security is returned. The condition of the posting of the security is that should the Developer fail to carry out the development hereby authorized, according to the terms and conditions of this Permit within the time provided, the Municipality may use enter into an agreement with the property owner of the day to have the work carried out, and any surplus shall be paid over to the property own of the day. Should the Developer carry out the development permitted by this Permit within the time set out above, the security shall be returned to the Developer or his or her designate. There is filed accordingly:

- a) A Certified Cheque in the amount of \$74,236.25
- OR
- b) An Irrevocable Letter of Credit in the amount of \$74,236.25

Before any bond or security required under this Permit is reduced or released, the Developer will provide the City with a statutory declaration certifying that all labour, material, workers' compensation and other taxes and costs have been paid.

## 4. Indemnification

Upon commencement of the works authorized by this Permit the Developer covenants and agrees to save harmless and effectually indemnify the Municipality against:

- a) All actions and proceedings, costs, damages, expenses, claims, and demands whatsoever and by whomsoever brought, by reason of the Municipality said Permit.

All costs, expenses, claims that may be incurred by the Municipality where the construction, engineering or other types of works as called for by the Permit results in damages to any property owned in whole or in part by the Municipality or which the Municipality by duty or custom is obliged, directly or indirectly in any way or to any degree, to construct, repair, or maintain.

**The PERMIT HOLDER is the CURRENT LAND OWNER.  
Security shall ONLY be returned to the signatory of the  
Landscape Agreement or their designates.**







SOUTH ELEVATION



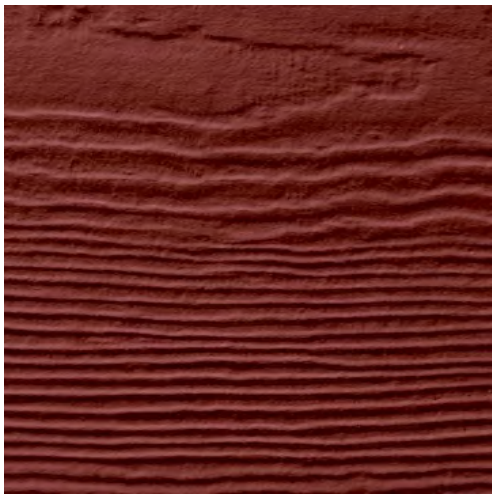
EAST (NICKEL RD) ELEVATION



NORTH ELEVATION



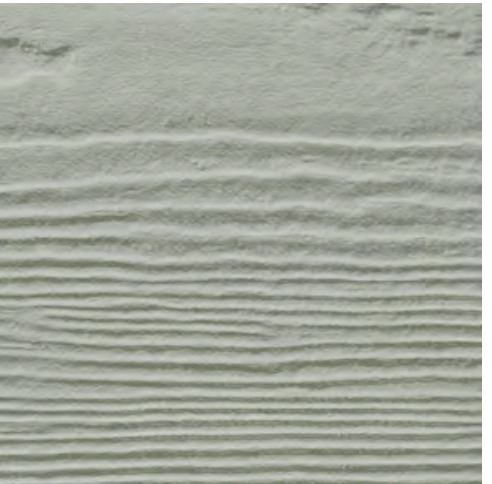
WEST ELEVATION



COUNTRY LANE RED



AGED PEWTER



PEARL GRAY



ARTIC WHITE

PROPOSED COLOURS

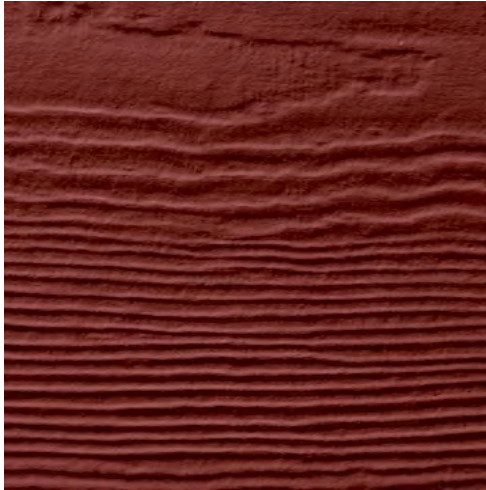


SCHEDULE B

This forms part of application  
# DP17-0095

Planner  
Initials AC

City of Kelowna  
COMMUNITY PLANNING



COUNTRY LANE RED



AGED PEWTER



PEARL GRAY



ARTIC WHITE

PROPOSED COLOURS

SOUTH ELEVATION



EAST ELEVATION



NORTH ELEVATION



WEST (REAR YARD) ELEVATION



JAZEL ENTERPRISES LTD  
NICKEL ROAD TOWNHOMES  
170 + 230 NICKEL RD. KELOWNA  
LOT A SEC 27 TP 26 PLAN 25115 & LOT B SEC 27 TP 26 PLAN 25115 except PLAN KAP65522

Job Title

Sheet Title

10 PLEX ELEVATIONS

Drawn HJB  
Checked HJB  
Job No.

Date 12.01.17  
Scale 1"=1/8"  
Addendum #

Sheet

A3.2

Revised 04.16.18

SCHEDULE A

This forms part of application  
# DP17-0095

City of Kelowna

COMMUNITY PLANNING

Planner  
Initials AC



LEGEND

SOFT LANDSCAPE AREAS  
REFER TO LANDSCAPE PLANS

HARD LANDSCAPE AREAS  
CONC PATIOS/ WALKWAYS

PERMEABLE PAVER PARKING

BUILDING AREAS

WINDOW LIGHT WELL  
W/ RAISED CURB- TO DISTINGUISH  
FROM ADJACENT PATIO

PROPERTY/ EASEMENT  
BOUNDARY

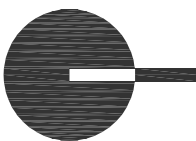
MINIMUM REQUIRED  
BUILDING SETBACK

BOUNDARY/YARD FENCE  
CHAIN LINK

FRONT YARD ( NICKLE RD) FENCE  
PREFINISHED METAL PICKET

AIR CONDITIONING UNIT  
ON CONCRETE PAD

REFER TO CIVIL FOR GRADING AND DRAINAGE PLAN



SCHEDULE

A

This forms part of application

# DP17-0095

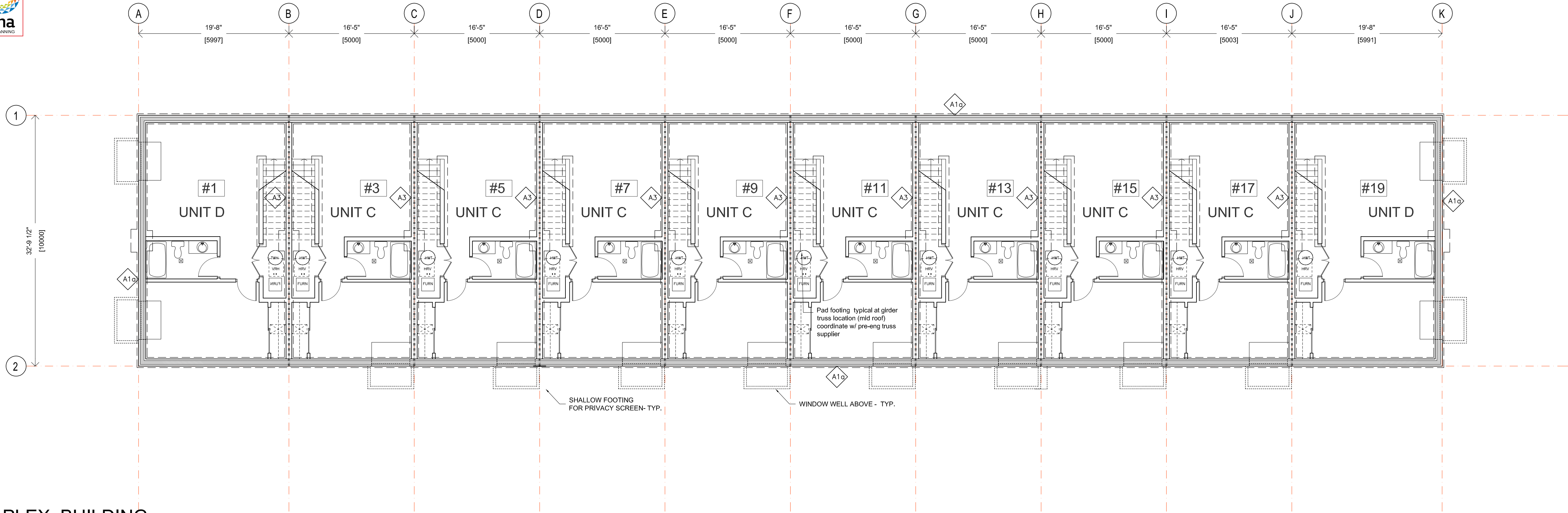
Planner

Initials

AC

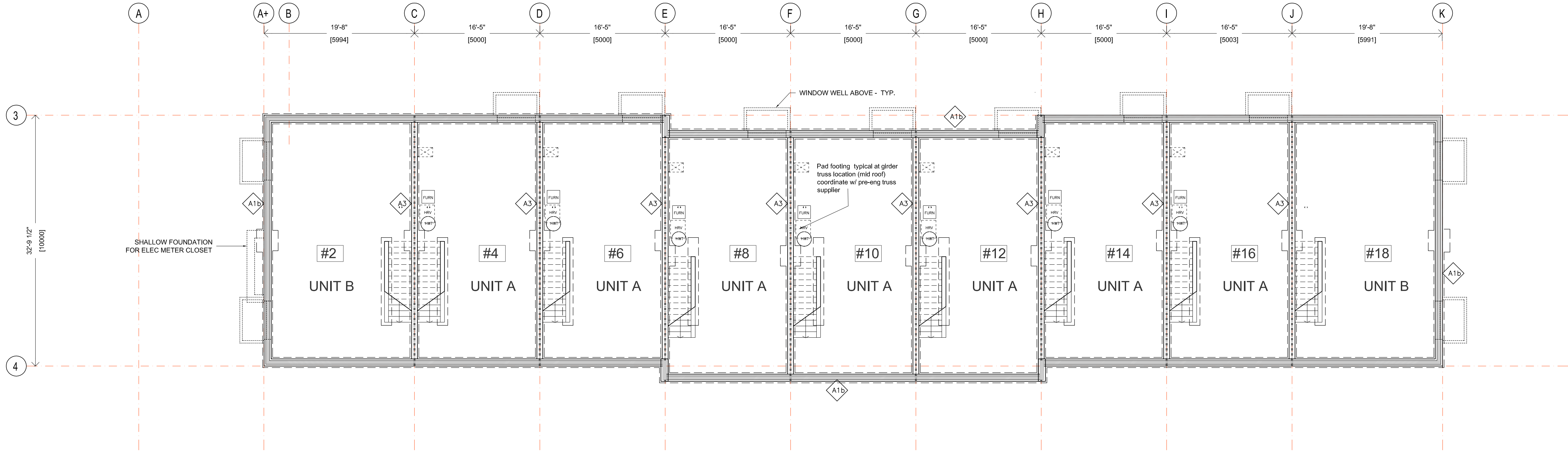
City of Kelowna

COMMUNITY PLANNING



2

10 PLEX BUILDING



1

9 PLEX BUILDING

SCHEDULE

A

This forms part of application

# DP17-0095

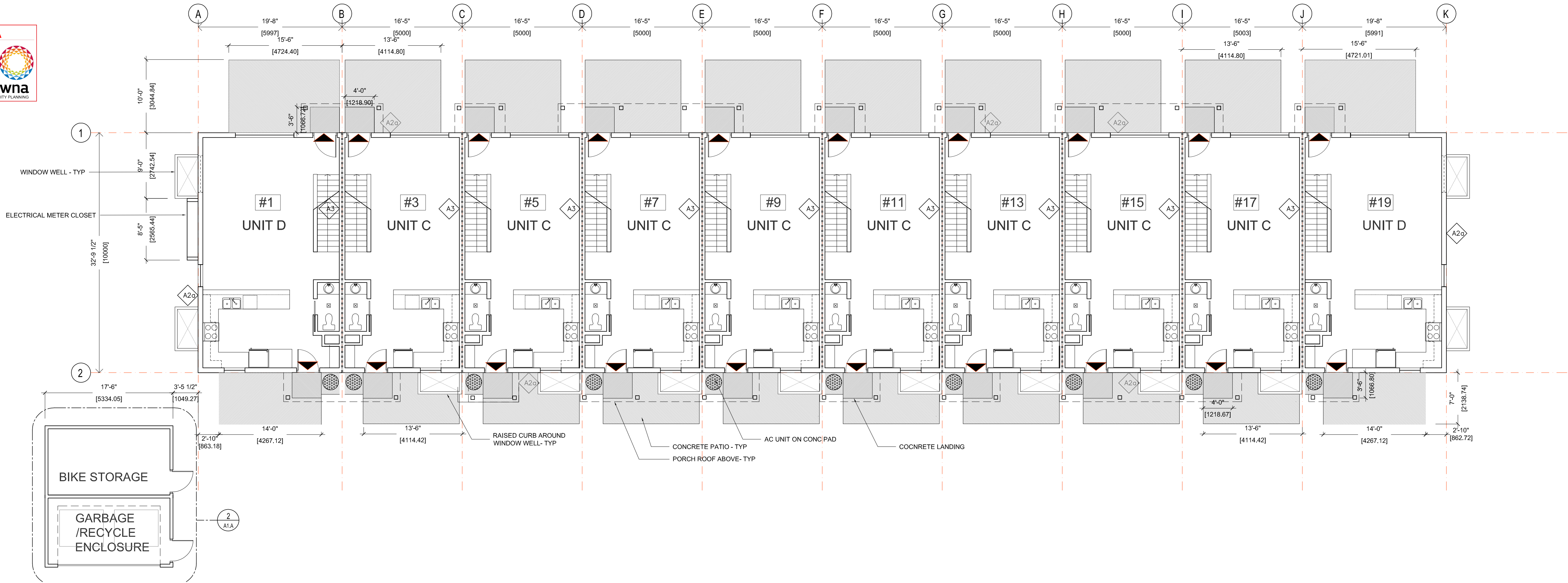
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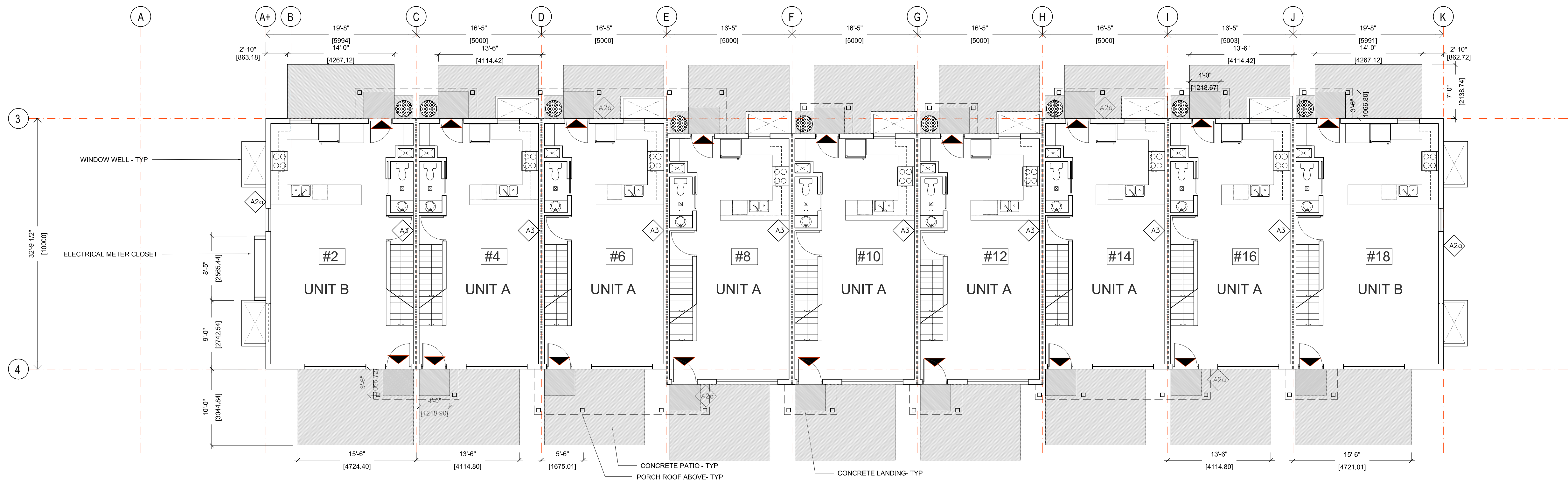
AC

City of Kelowna

COMMUNITY PLANNING



2 10 PLEX BUILDING



1 9 PLEX BUILDING

SCHEDULE

A

This forms part of application

# DP17-0095

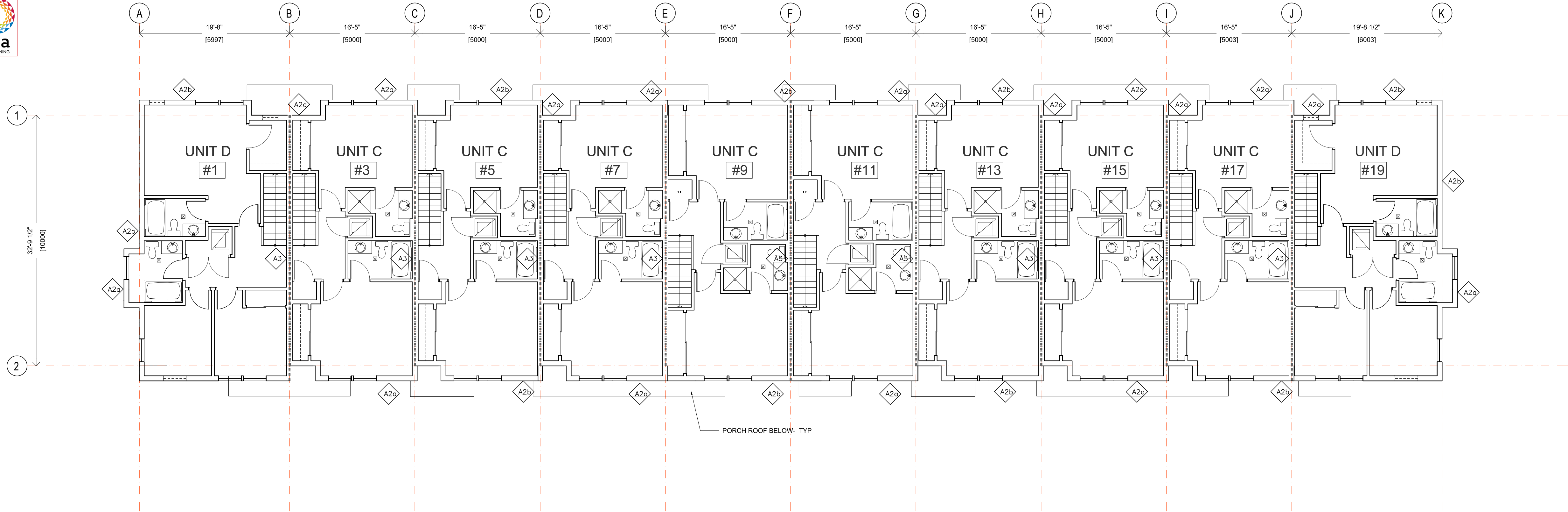
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Initials

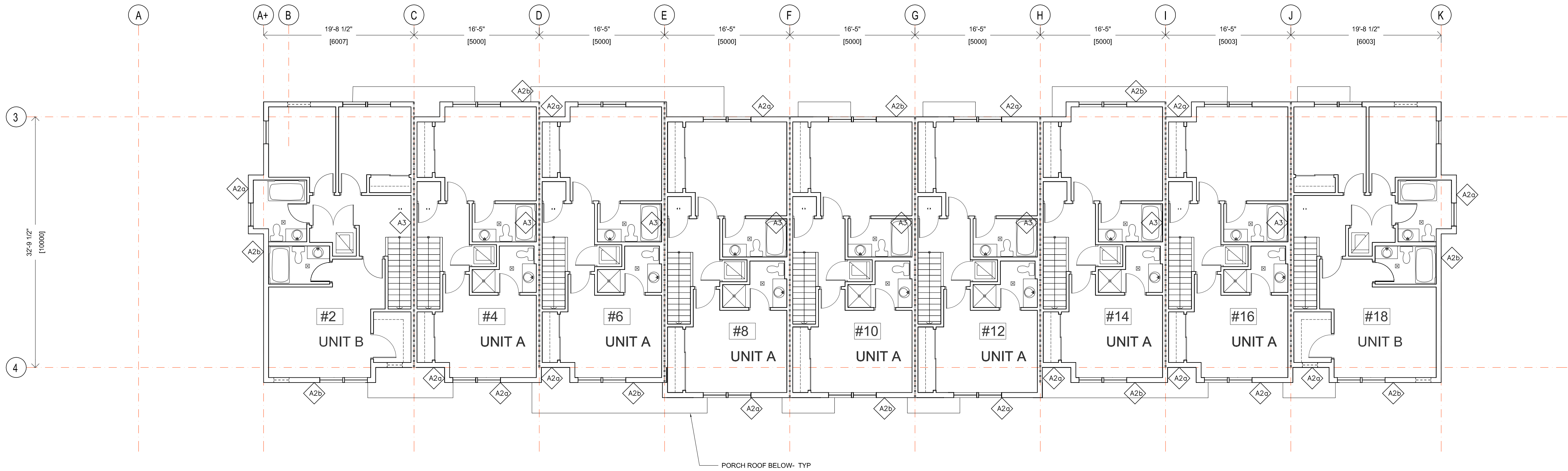
AC

City of Kelowna

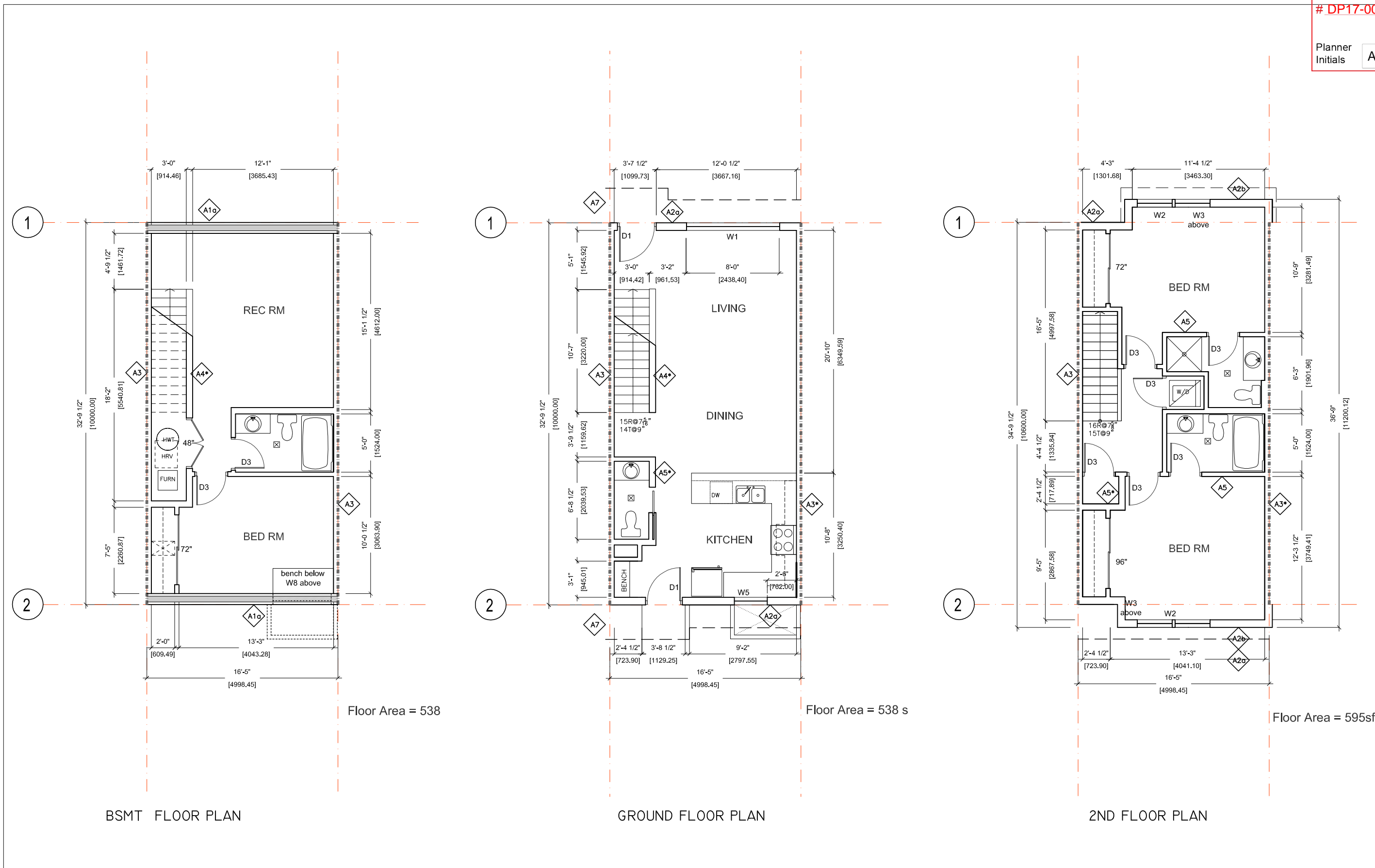
COMMUNITY PLANNING



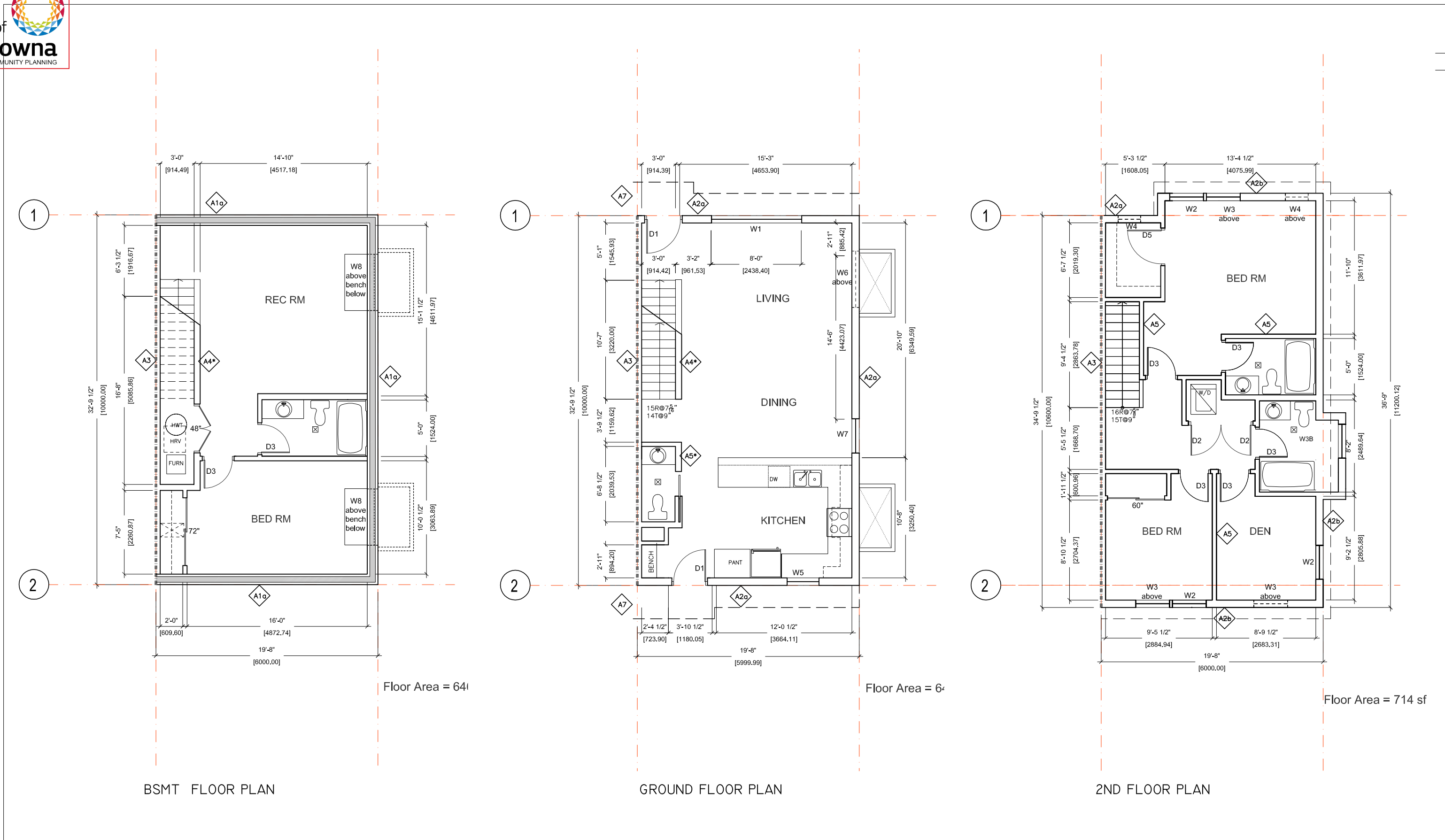
2 10 PLEX BUILDING



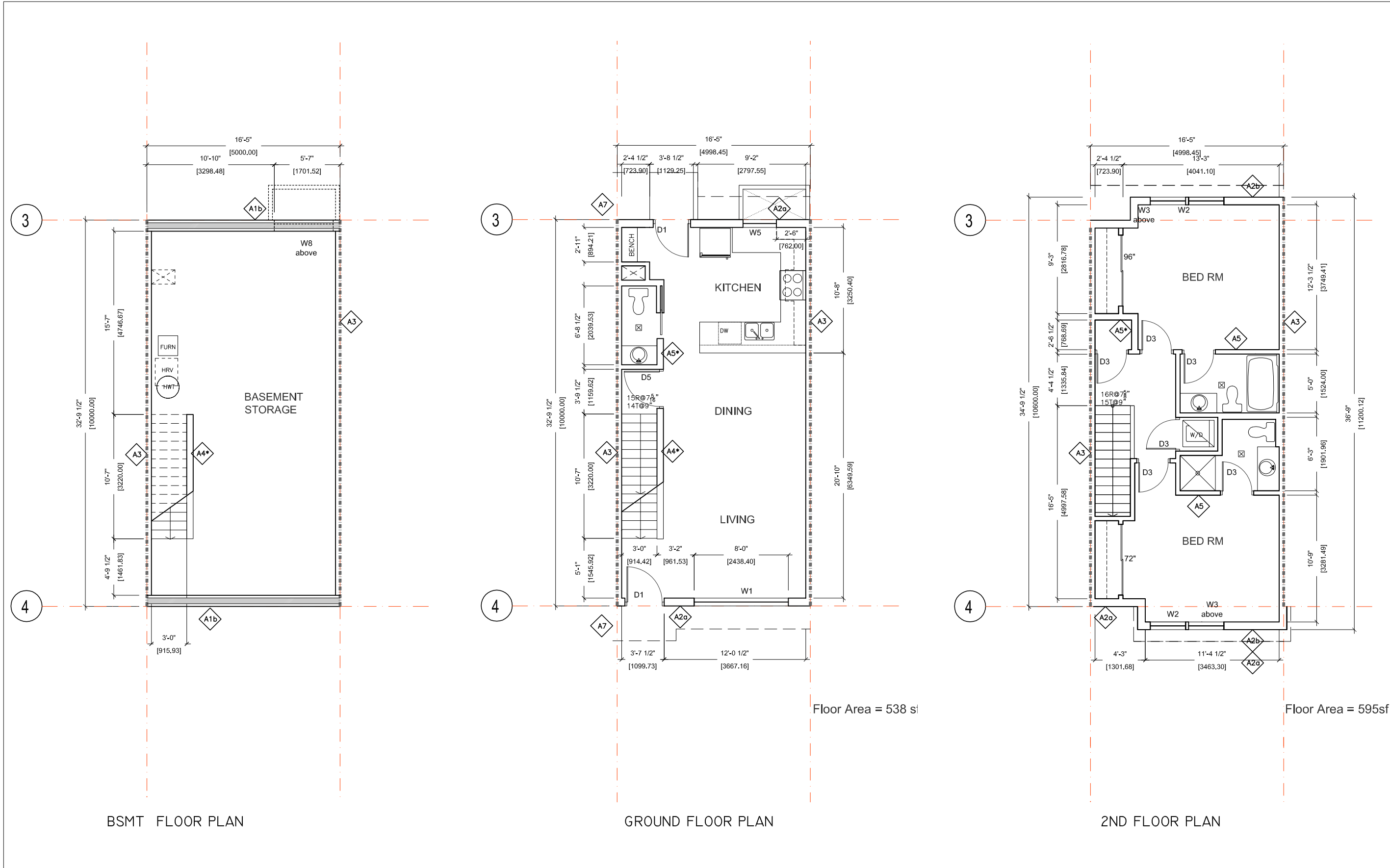
1 9 PLEX BUILDING



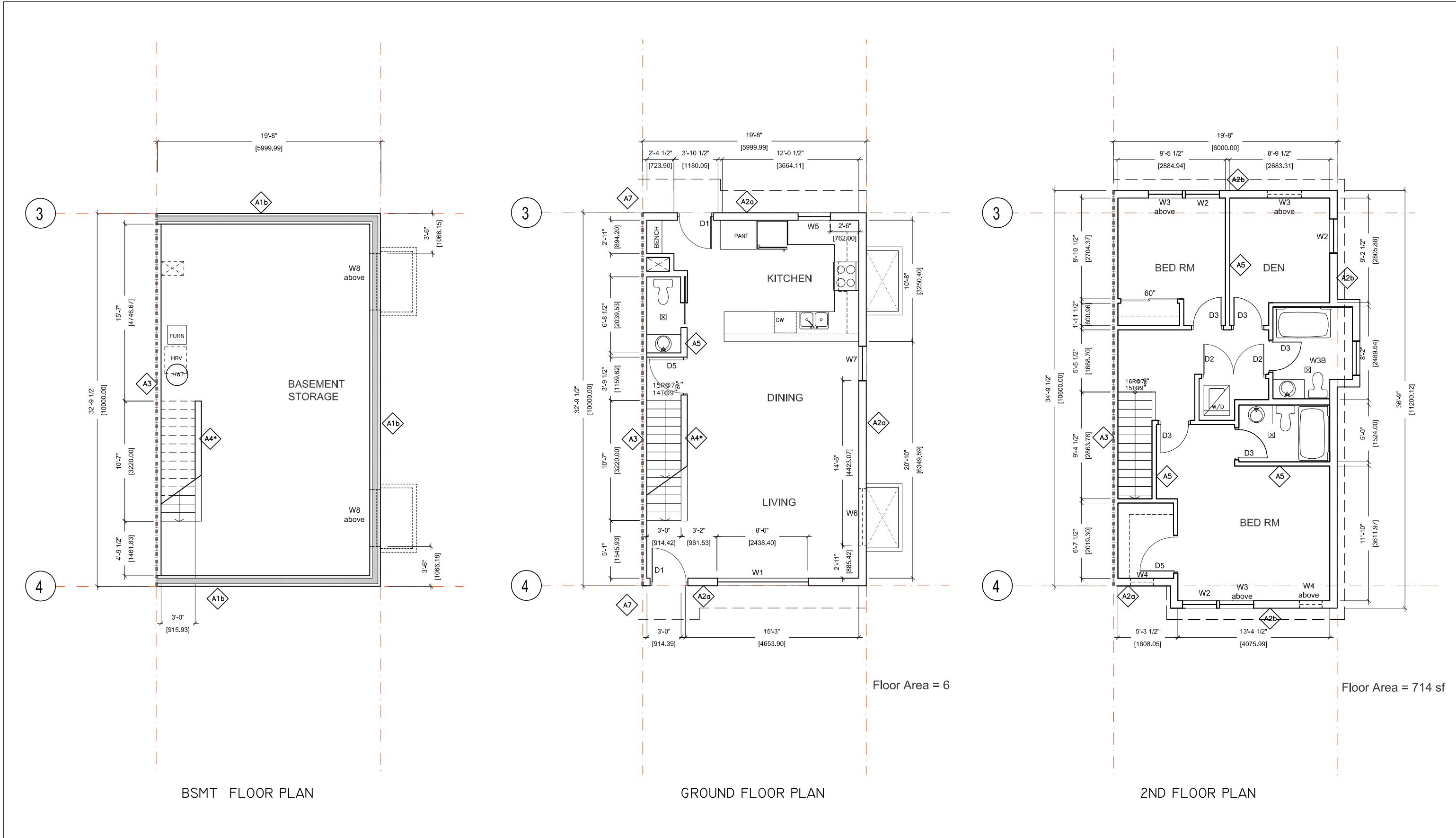
10 PLEX UNIT UNIT TYPE C - 3 BED, 3.5 BATH



10 PLEX UNIT UNIT TYPE D - 3 BED + DEN, 3.5 BATH



9 PLEX UNIT UNIT TYPE A - 2 BED, 1.5 BATH



9 PLEX UNIT UNIT TYPE B - 2 BED + DEN, 2.5 BATH



#### LEGEND:

	LAWN AREA
	ORNAMENTAL SHRUBS, GRASSES, & PERENNIALS
	VEGETABLE & HERB GARDEN, PLANTED BY HOMEOWNER
	CONCRETE PAVING FINISH: BROOM
	CRUSH GRANULAR WALKWAY
	PROPOSED FENCE HT. VARIES
	EXISTING FENCE

#### NOTES:

1. PLANT MATERIAL AND CONSTRUCTION METHODS SHALL CONFORM TO MINIMUM STANDARDS ESTABLISHED IN THE LATEST EDITION OF THE CANADIAN LANDSCAPE STANDARDS, PUBLISHED BY THE C.N.L.A. AND THE C.S.L.A. AS WELL AS THE CITY OF KELOWNA LANDSCAPE STANDARDS.
2. THE LANDSCAPE DESIGN DESIGNATED HEREIN IS CONCEPTUAL BUT REFLECTS THE MINIMUM CITY OF KELOWNA FORM AND CHARACTER REQUIREMENTS.
3. PLANT MATERIAL SELECTIONS ARE CONCEPTUAL ONLY. FINAL PLANTING SELECTIONS MAY VARY DEPENDING UPON AVAILABILITY AT THE TIME OF CONSTRUCTION.
4. TREES SHALL BE INSTALLED IN DEFINED OIL PITS OR PLANTING BED AREAS. ADEQUATE SOIL VOLUME SHALL BE PROVIDED BASED ON THE SPECIFIED TREE SPECIES AND LOCATION.
5. SHRUB BEDS TO HAVE COMPOSTED, PRE-APPROVED, MULCH, DEPTH 75mm.
6. ORNAMENTAL SHRUBS, GRASSES, AND PERENNIALS TO BE PLACED WITHIN DEFINED PLANTING BEDS. ALL PLANTING BEDS SHALL HAVE MIN. OF 450mm (18") IMPORTED GROWING MEDIUM AND 75mm (3") OF COMPOSTED MULCH R APPROVED EQUAL.
7. MAINTENANCE EDGE AREAS SHALL HAVE A MIN. DEPTH OF 100mm (3") OF DECORATIVE ROUND ROCK. LANDSCAPE FABRIC SHALL BE NILEX 4545 OR APPROVED EQUAL.
8. TURF AREAS SHALL BE ECO TURF FARMS, (O MART BLEND SOD WITH A MIN. OF 150mm (6") IMPORTED GROWING MEDIUM.
9. A HIGH EFFICIENCY IRRIGATION SYSTEM SHALL BE INSTALLED FOR ALL ORNAMENTAL LANDSCAPE AREAS, AND SHALL CONFORM TO THE CITY OF KELOWNA'S IRRIGATION STANDARDS IN BYLAW 7900.

#### PLANT LIST:

TREES			
BOTANICAL NAME	COMMON NAME	PLANT SIZE	SPACING
<i>Acer x freemanii</i> 'Jeffersred'	Autumn blaze red maple	B&B, 5cm Cal	As Shown
<i>Cercidiphyllum japonicum</i>	Katsura tree	B&B, 5cm Cal	As Shown
SHRUBS			
BOTANICAL NAME	COMMON NAME	PLANT SIZE	SPACING
<i>Forsythia x intermedia</i> 'Lynwood Gold'	Lynwood gold forsythia	#2 Pot	2.0m O.C.
<i>Malva sylvestris</i>	Malva	#2 Pot	1.5m O.C.
<i>Philadelphus lewisii</i>	Mock orange	#2 Pot	1.5m O.C.
PERENNIALS			
BOTANICAL NAME	COMMON NAME	PLANT SIZE	SPACING
<i>Artemisia schmidtiana</i> 'Silver Mound'	Silver Mound Sage	#1 Pot	0.6m O.C.
<i>Echinacea paradoxa</i>	Yellow coneflower	#1 Pot	0.6m O.C.
<i>Gaillardia aristata</i>	Indian Blanket Flower	#1 Pot	0.5m O.C.
<i>Hesperis matronalis</i> 'Gloria'	Common Evening Primrose	#1 Pot	0.5m O.C.
<i>Perovskia atriplicifolia</i> 'Little Spire'	Dwarf Russian Sage	#1 Pot	0.6m O.C.
<i>Nepeta racemosa</i> 'Walker's Low'	Catmint	#1 Pot	0.9m O.C.
GRASSES			
BOTANICAL NAME	COMMON NAME	PLANT SIZE	SPACING
<i>Deschampsia caespitosa</i> 'Bronzeschiele'	Bronze veiled hair grass	#1 Pot	0.6m O.C.
<i>Miscanthus sinensis</i> 'Adagio'	Dwarf maiden grass	#1 Pot	0.6m O.C.
GROUND COVER			
BOTANICAL NAME	COMMON NAME	PLANT SIZE	SPACING
<i>Sedum spurius</i> 'Fuldaglut'	Fuldaglut stonecrop	#1 Pot	0.5m O.C.

## SCHEDULE C

This forms part of application  
# DP17-0095

Planner Initials **AC**

City of  
**Kelowna**  
COMMUNITY PLANNING

Revision / Issue

Issued for DP Apr 3 02  
Issued for review Mar 15 01  
DESCRIPTION DATE NO.

Sarah L. Dickie  
Landscape Designer  
(250) 300-4286  
sarahldickie@gmail.com

#### PROJECT

Nickel Road  
Townhomes  
Kelowna BC

#### SHEET TITLE

Landscape Plan

Design by : Sarah L. Dickie

Project Number : 17010

Date : Mar 2017

Scale : 3/32" = 1'

#### SHEET NUMBER

L-1.0

## Estimate of Probable Cost

Project Name: Nickel Road Townhomes

Project No.: 17-010

Date: April 3, 2017

No.	ITEM	UNIT	QTY	COST	PRICE
1.0	GROWING MEDIUM				
1.1	Tree growing medium - 1 m3 tree pit	m3	9	\$45	\$405
1.2	Shrub growing medium - 0.45m depth	m3	218	\$45	\$9,801
1.3	Lawn growing medium - 0.15m depth	m3	79	\$45	\$3,571
				1.0 Total	\$13,777
2.0	MULCH				
2.1	Shrub bed mulch - 0.075m depth	m3	36	\$40	\$1,452
				2.0 Total	\$1,452
3.0	TREES				
3.1	Deciduous trees - 5cm Cal.	ea.	9	\$150	\$1,350
				3.0 Total	\$1,350
4.0	SHRUBS GRASSES & PERENNIALS				
4.1	Plant - #2 pot	ea.	23	\$15	\$345
4.2	Plant - #1 pot	ea.	3	\$8	\$24
				4.0 Total	\$369
5.0	IRRIGATION				
5.1	Drip irrigation system (head, pipe, valve)	ea.	1	\$1,500	\$1,500
5.2	Controller	ea.	1	\$200	\$200
5.3	Point of connection	ea.	1	\$400	\$400
				5.0 Total	\$2,100
6.0	FENCING				
6.1	Perimeter fencing - Ht. 1.8m	l.m.	115	\$40	\$4,600
6.2	Nickel Rd fencing - Ht. 1.2m	l.m.	50	\$65	\$3,250
6.3	Screening between units - Ht. 1.2m	l.m.	73	\$65	\$4,745
				6.0 Total	\$12,595
7.0	LANDSCAPE STRUCTURES				
7.1	Play structure	ea.	1	\$20,000	\$20,000
				7.0 Total	\$20,000
				TOTAL	\$51,643
				(15%) CONTINGENCY	\$7,746
				GRAND TOTAL	\$59,389

\* See corresponding development permit drawings L-1 Issued April 3, 2017


## SCHEDULE

C

This forms part of application  
# DP17-0095

Planner  
Initials

AC



**City of  
Kelowna**  
COMMUNITY PLANNING

# Report to Council



**Date:** April 30, 2018  
**Rim No.** 0220-20  
**To:** Mayor and Councillors  
**From:** Joe Creron, Acting City Manager  
**Subject:** 2018 Financial Plan – Final Budget  
Report Prepared by: Financial Planning Manager

---

## **Recommendation:**

THAT COUNCIL adopts the 2018-2022 Financial Plan;

AND THAT Council approves the formulation of 2018 Property Tax Rates that will raise the required funds in 2018, from General Taxation, in the amount of \$133,481,167, resulting in an average net property owner impact of 2.99 per cent;

AND THAT Bylaw No. 11583 being the 2018-2022 Five Year Financial Plan, 2018 be advanced for reading consideration;

AND THAT Bylaw No. 11584 being the Tax Structure Bylaw, 2018 be advanced for reading consideration;

AND THAT Bylaw No. 11585 being the Annual Tax Rates Bylaw, 2018 be advanced for reading consideration;

AND THAT Bylaw No. 11586 being the DCC Reserve Fund Expenditure Bylaw, 2018 be advanced for reading consideration;

AND FUTHER THAT Bylaw No. 11587 being the Sale of City Owned Land Reserve Fund Expenditure Bylaw, 2018 be advanced for reading consideration.

## **Purpose:**

To present the 2018 Final Budget submissions, the 2018-2022 Financial Plan and related bylaws to Council for their consideration and approval.

## **Background:**

Council approved the Provisional 2018 Financial Plan on December 14, 2017 and it was amended on March 19, 2018 to include the 2017 carry-over projects. The Final Budget document includes emergent or Council initiated projects that are consolidated with the first two volumes into the 2018-2022 Financial Plan. Depending on the

nature of the item being considered, these project adjustments can cause the final budget to go either up or down.

The 2018 final adjustments result in a tax decrease of 0.61 per cent from the Provisional Budget tax requirement of 3.60 per cent to the Final Budget as presented, that reflects a net municipal property tax increase of approximately 2.99 per cent, the lowest rate since 2014.

This reduction is predominantly due to debt changes from Municipal Finance Authority (MFA) interest rate resets and increased revenue from both the FortisBC Gas Franchise Fee and City investments. This reduction has been partially offset by phase 3 of Rutland Centennial Park, the introduction of the Community Response Team designed to address increased enforcement demands, the addition of Financial Analyst positions in response to the 2018 Corporate Financial Governance Review and finally the addition of a Planner Specialist position to improve service delivery in meeting the growing volume of development applications.

The timing of the Financial Plan preparation is to coincide with preparation of the Tax Rates bylaw in accordance with the Community Charter.

Financial Services Division has projected the 2018 municipal taxation requirements for the City of Kelowna as a result of receiving the following information:

- Revised roll totals, which represent final assessment information from BC Assessment, subsequent to the Court of Revision and incorporating final new construction information.
- Council approval of the 2018 Tax Distribution Policy.
- Additional requests from operating departments resulting from analysis of final 2017 operating results and additional projects identified since Provisional Budget.

#### Revenue Resulting from New Construction

Final new construction taxation revenues, based on the revised assessment roll, total \$2.6 million, a decrease of \$250,000 from the value estimated at Provisional Budget. This estimate was based on BC Assessment preliminary roll information, however, the final new construction level decreased from the earlier estimate once final roll information was prepared by BC Assessment. The total assessed value of new construction for 2018 is \$722.0 million, a 17.2 per cent increase compared to 2017 new construction assessments.

#### General Revenues

There is a net general revenue increase of \$627,000 which is a result of an increase of expected revenue from the Fortis BC Gas Franchise Fee and investment interest revenue.

#### Operating Program

To address increasing demands on the existing Downtown Enforcement Unit, a new Community Response Unit consisting of four bylaw officers is requested.

To improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship, two professional accountants serving two of the City's large business units, Active Living and Culture and Civic Operations, are requested in response to the 2018 Corporate Financial Governance Review.

In order to aid planning staff in processing the high volume of applications and improve the quality of planning analysis on major urban development applications, a Planner Specialist position is requested.

Adjustments to reflect Municipal Finance Authority interest rate resets and associated recovery payments related to borrowing for Chapman Parkade, Okanagan Gymnastics Centre, H2O Adventure + Fitness Centre and the Police Services Facility is requested.

Additional ongoing operation and maintenance budget for the Rutland Centennial Park is requested in association with the Rutland Centennial Park Phase 3 capital request.

The Final Budget general fund operating requirements are summarized on the summary sheet titled "2018 Operating Requests" found on page 635 of the Final Budget document and result in a decrease of general purpose net operating expenditures totaling \$828,370, excluding the general revenue increase.

#### Capital Program

There are two capital requests presented for final budget consideration shown on page 644 of the Final Budget document.

As part of the development of Rutland Centennial Park, Phase 3, \$425,000 of funding is requested to expand the playground, infrastructure and irrigation for the park.

An evaluation was completed for the Chapman Parkade and it was determined that several preventative maintenance measures be completed in 2018 to ensure the facility's maximum life expectancy is achieved. Reserve funding of \$147,900 is requested to complete the necessary maintenance.

#### Utility Funds

There are two utility operating requests presented for Final Budget consideration shown on page 642 of the final budget document.

To improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship a professional accountant serving one of the City's large business units, Airport, is requested in response to the 2018 Corporate Financial Governance Review.

The second request is to increase the Water Parcel Tax budget for growth and Water sales revenue to reflect the February, 2017 Council approved 2 per cent utility user rate increase and continued growth.

#### Net Property Owner Impact

2018 assessments came in at an increase of 15.38 per cent over 2017 assessments considering both market and new construction value changes. There was a 14.71 per cent increase in overall market values and a 2.37 per cent increase in new construction assessments.

A tax rate of 2.99 per cent means the owner of a single-family home with an average assessed value of \$641,760 will pay \$1,990, which is an increase of \$57.78, for the municipal portion of their property taxes.

A City property tax bill will also include other user fees such as curbside collection and levies for other taxing authorities (e.g. School District, Regional District of Central Okanagan, Library, Hospital and B.C. Assessment Authority).

The maximum that can be claimed for the Provincial Home Owner Grant remains the same as 2017, \$770 for homeowners under 65 years of age and \$1,045 for those 65 and over. The threshold before the grant begins to reduce has increased from \$1,600,000 in 2017 to \$1,650,000 in 2018. After \$1,650,000 the grant is reduced by

\$5.00 for every \$1,000 of residential assessed value. Homeowners 65 and over, who do not qualify for the additional home owner grant amount due to the high assessment of their home, may apply to Home Owner Grant Administration for a low income grant supplement. These can be low-income seniors, certain veterans and certain persons with disabilities.

The Property Tax Deferment program and the Family with Children Deferment program continues to be available. These low-interest loan programs assist qualifying homeowners in British Columbia in paying the annual property taxes on their homes.

No changes were announced to the 60 per cent school tax credit for major industry properties or the 50 per cent school tax credit for land classified as "farm".

#### Conclusion

**The recommendation is for a net municipal property tax increase averaging 2.99 per cent.**

The 2018 Financial Plan continues to provide for the services, infrastructure and amenities expected by the citizens of Kelowna in a cost effective manner.

Legal/Statutory Authority:

Financial Plan under Section 165 of the Community Charter requires adoption of a 5 Year Financial Plan bylaw prior to the annual property tax bylaw. Annual property tax bylaw under Section 197 of the Community Charter, Council must establish tax rates by bylaw after adoption of the financial plan but before May 15<sup>th</sup>.

#### **Internal Circulation:**

G. Davidson, Divisional Director, Financial Services  
G. King, Financial Planning Manager  
M. Antunes, Budget Supervisor  
A. Bazett, Communications Consultant

#### **Considerations not applicable to this report:**

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

A handwritten signature in black ink, appearing to read 'Joe Creron', with a stylized, flowing script.

Joe Creron  
Acting City Manager



MAINTAIN  
RENEW



GROWTH



NEW

# 2018 Financial Plan

Volume 3 – Final Budget Requests  
April 30, 2018



# Operating Requests

**Request:** Planner Specialist Position

**Justification:** The Community Planning Department is seeking one full time Planner Specialist Position in order to help planning staff process the high volume of applications that are currently in-stream and improve the quality of planning analysis (Planning Excellence) on major urban development applications. The position is intended to provide application processing support on larger scale Urban Planning Branch applications with complex interface and urban design challenges.

**Amount:** \$51,190

**Impact:** Increase to Tax Demand

# Operating Requests

<b>Request:</b>	Financial Analyst Position – Active Living & Culture
<b>Justification:</b>	The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship.
<b>Amount:</b>	\$51,590
<b>Impact:</b>	Increase to Tax Demand



# Operating Requests

<b>Request:</b>	Financial Analyst Position – Civic Operations
<b>Justification:</b>	The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship.
<b>Amount:</b>	\$21,410
<b>Impact:</b>	Increase to Tax Demand

# Operating Requests

**Request:** FortisBC Gas Franchise Fee

**Justification:** This request is to adjust the franchise fee revenue due from FortisBC up to \$1,254,100 from the 2018 Provisional amount of \$1,027,100. The fee is based on 3 percent of the gross revenue from natural gas sales within the City of Kelowna during the 2017 calendar year.

**Amount:** \$227,000

**Impact:** Decrease to Tax Demand



# Operating Requests

<b>Request:</b>	Investment Interest Revenue
<b>Justification:</b>	This request is to adjust investment income to more accurately reflect current experience.
<b>Amount:</b>	\$400,000
<b>Impact:</b>	Decrease to Tax Demand

# Operating Requests

**Request:** Debt Changes – General Fund

**Justification:** This request is to adjust interest and associated recovery payments related to borrowing for Chapman Parkade, Okanagan Gymnastics Centre and H2O Adventure + Fitness Centre. This request will also adjust the Police Services Facility borrow to reflect current interest rates.

**Amount:** \$1,252,750

**Impact:** Decrease to Tax Demand



# Operating Requests

<b>Request:</b>	Transmission of Taxes – Business Improvement Areas' and Other Governments
<b>Justification:</b>	To establish the receipt and disbursement of taxes to Business Improvement Areas (BIA's) and other governments.
<b>Amount:</b>	\$0
<b>Impact:</b>	No Impact to Tax Demand

# Operating Requests

**Request:** Community Response Unit

**Justification:** This request is for additional staffing to address the increasing demands on the existing Downtown Enforcement Unit (DEU). The Community Response Unit would include our current DEU resources, Bike Patrol, Mental Health Team (PACT) and an imbedded bylaw enforcement unit. Additional staffing will initially include four Bylaw Enforcement Officers.

**Amount:** \$270,780

**Impact:** Increase to Tax Demand



# Operating Requests

## Water Fund



**Request:** Water Revenues

**Justification:** This request is to increase the Water Parcel Tax budget and Water Sales revenue to reflect a 2% utility user rate increase and continued growth.

**Amount:** \$218,230

**Impact:** No Impact to Tax Demand

# Operating Requests

## Airport Fund



**Request:** Financial Analyst Position – Airport

**Justification:** The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship.

**Amount:** \$21,410

**Impact:** Partial Impact to Tax Demand



# Capital Requests

<b>Request:</b>	Chapman Parkade – Structural Maintenance
<b>Justification:</b>	This request is to complete items identified for 2018 which are focused on concrete and sealant repairs, restorative work on a stairwell enclosure and the renewal of paint coating in exposed areas on the roof level. Ongoing rehabilitation work is necessary to ensure the facility's maximum life expectancy is achieved.
<b>Amount:</b>	\$147,900
<b>Impact:</b>	No Impact to Tax Demand

# Capital Requests

<b>Request:</b>	Rutland Centennial Park – Phase 3
<b>Justification:</b>	Funding is requested for the development of Phase 3 of Rutland Centennial Park. Phase 3 includes the expanded playground (150 metres squared), infrastructure and irrigation for the multi-cultural garden at the park entrance, perimeter path and associated landscaping.
<b>Amount:</b>	\$425,000
<b>Impact:</b>	Increase to Tax Demand



# Operating Requests

<b>Request:</b>	Rutland Centennial Park – Phase 3
<b>Justification:</b>	This request is to cover landscape maintenance, additional playground and snow/ice control. It also includes contract security monitoring and tree maintenance for the entire park.
<b>Amount:</b>	\$8,000
<b>Impact:</b>	Increase to Tax Demand



*Questions?*

For more information, visit [kelowna.ca/budget](http://kelowna.ca/budget)



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# 2018 Final Budget & Five-Year Financial Plan

April 30, 2018



# Agenda

- ▶ Regulatory requirements
- ▶ Provisional budget
- ▶ Final budget
- ▶ Five-year Financial Plan
- ▶ Taxation impacts

# Regulatory Requirements

## ▶ Community Charter states:

- ▶ Must be adopted by bylaw
- ▶ Five-year planning period
- ▶ Must include proposed expenditures & funding sources
- ▶ Must include objectives & policies

# Provisional Budget

Council approved on December 14, 2017:

## Provisional tax demand

Protective services (Bldg & Contract)

Other

Tax increase

**\$134.5 M**

**1.59%**

**2.01%**

**3.60%**

# Final Budget

Includes recent impacts:

Provisional tax demand

Operating requests

Capital requests

2018 Final tax demand

New construction revenue

Final tax rate

**\$134.5 M**

**(1.4M)**

**425k**

**\$133.5 M**

**\$2.6 M**

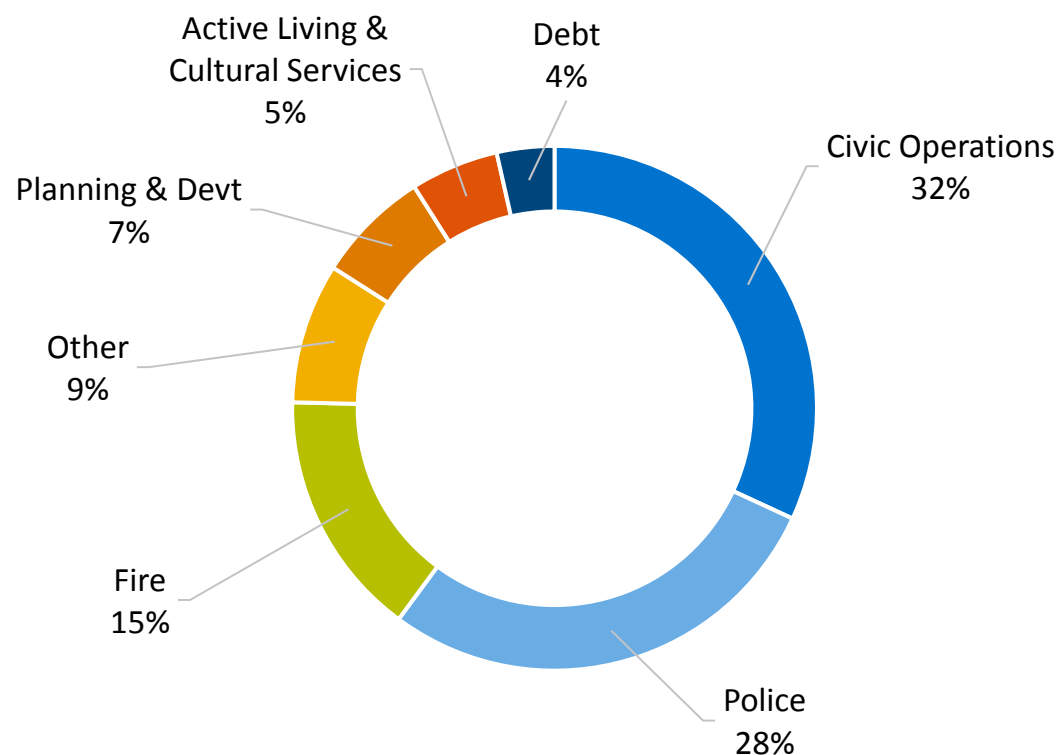
**2.99%**

# Final Budget Requests

- ▶ Operating
  - ▶ General Fund x 9
- ▶ Utility Fund – no tax impact
  - ▶ Water Fund x 1
  - ▶ Airport Fund x 1
- ▶ Capital x 2

# Final Budget

## *Allocation of Tax Dollars*



**Other (8.7%) includes: Transit (5.7%), Grants (2.5%) & Regional Programs (0.5%)**

## 2019 Impacts

Additional cost increase

**\$1.1M**

Contractual obligations

**3.0M**

One time costs

**(770k)**

Total impacts

**\$3.3M**

Impact on the 2019 budget

**2.50%**

# Five-Year Financial Plan

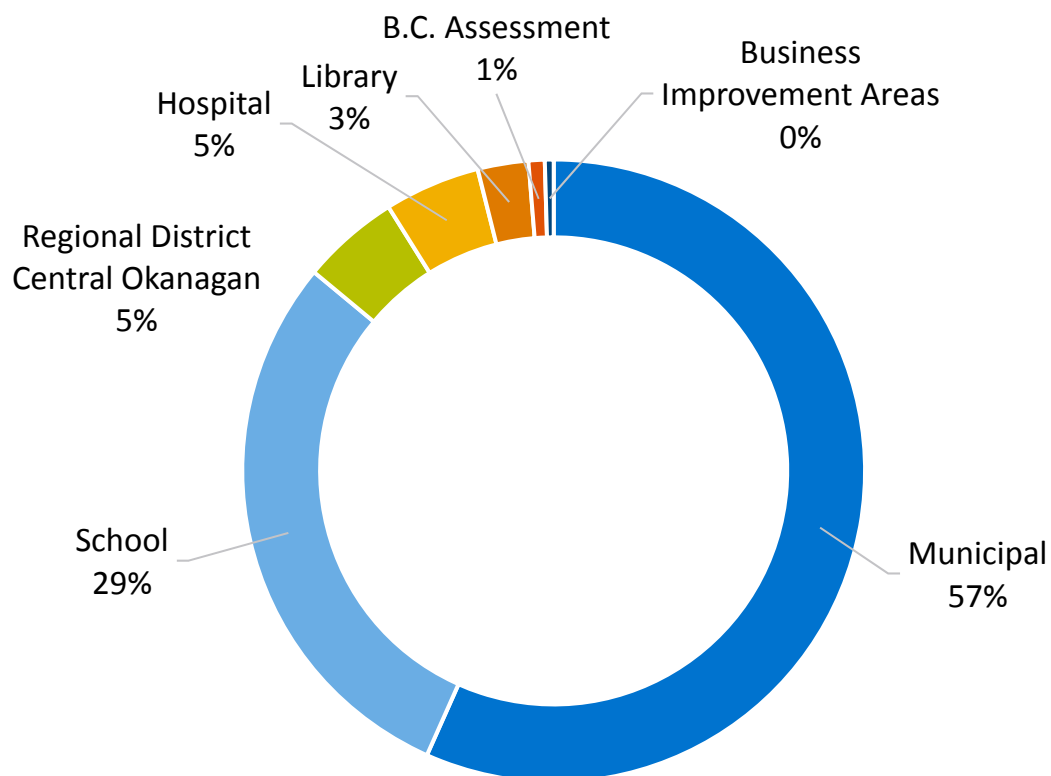
*(in millions)*

	2018	2019	2020	2021	2022
General revenues	\$12.4	\$12.7	\$13.0	\$13.2	\$13.6
Net operating budget	133.2	138.7	143.9	148.7	155.2
Pay-as-you-go capital	12.7	13.4	14.2	14.9	15.7
Taxation demand	\$133.5	\$139.4	\$145.1	\$150.4	\$157.3
Municipal tax rate	2.99%	2.88%	2.50%	2.26%	3.26%

# Five-Year Financial Plan

- ▶ Objectives and policies
  - ▶ Funding sources
  - ▶ Distribution of property tax
  - ▶ Tax exemptions

# Taxation Impacts



<b>Municipal</b>	<b>\$133.5</b>
School	\$69.1
RDCO	\$12.0
Hospital	\$11.7
School	\$69.1
Library	\$6.2
BCA	\$2.0
BIA's	\$1.0
<i>(millions)</i>	

***TOTAL \$235.5 MILLION***

# Taxation Impacts - Residential

	2018	Difference	Change
<b>Average assessed value</b>	<b>\$641,760</b>	<b>\$85,550</b>	<b>15.38%</b>
<b>Municipal</b>	<b>\$1,990</b>	<b>\$57.78</b>	<b>2.99%</b>
<b>School (net)</b>	<b>140</b>	<b>17.85</b>	<b>2.00%</b>
<b>Others</b>	<b>455</b>	<b>7.21</b>	<b>1.60%</b>
<b>Total tax levy</b>	<b>\$2,586</b>	<b>\$82.84</b>	<b>3.31%</b>

# Taxation Impacts - Business

	2018	Difference	Change
Average assessed value	\$1.51M	\$155,610	11.45%
Municipal	\$11,168	\$324.18	2.99%
School	6,654	130.47	2.00%
Others	2,655	(38.61)	(1.43%)
Total tax levy	\$20,477	\$416.04	2.07%



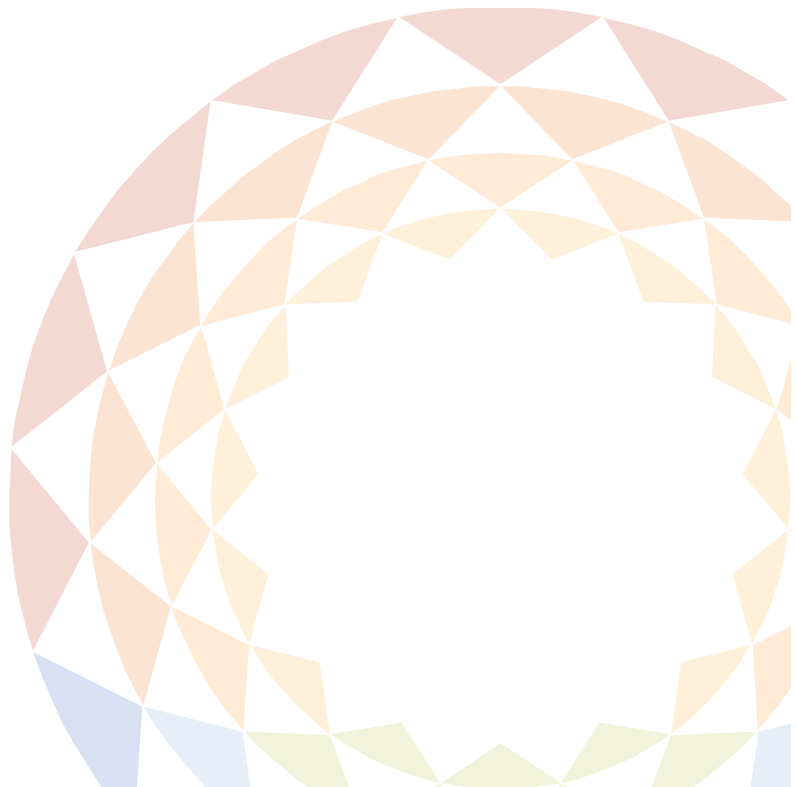
Questions?

***Next up: Review Final Budget Requests***

*[kelowna.ca/budget](http://kelowna.ca/budget)*

# Financial Summaries

The following page replaces page 79 and 80 in the 2018  
Financial Plan - Provisional Volume 1.



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## Revenue sources & trends summary

### Taxation

Taxation is a major revenue source in the General Fund and accounts for 26% of the 2018 total revenue estimate of \$518.6M. Over the five-year period of the Financial Plan, the taxation requirement is estimated to increase annually by growth (1.58% in 2019-2020; 1.38% 2021-2022) and British Columbia Provincial average inflation (2.0%). The projected impact on the existing taxpayer will be the inflation component, a portion of the cost of this service level increase and debt repayment impacts for future borrowing.

### General Revenues

Many general revenue categories are anticipated to increase by growth and/or inflation in the coming years. Revenues from general interest and tax penalties are expected to increase by growth and Federal and Provincial contributions are expected to increase by inflation only. General revenues are anticipated to increase by approximately 2.3% in 2019, 2.3% in 2020, 2.2% in 2021, and 2.2% in 2022.

### Fees & Charges (Utility Revenues)

The City of Kelowna operates Water, Wastewater and Natural Gas Utilities. The Water and Wastewater Utilities will have a rate increase of 2.0% for 2018 and a review will be completed in 2018 to set rates for 2019 and 2020. The Water Utility will also have a 2.0% increase to the Water Quality Enhancement Reserve Fund in 2018. The Natural Gas Utility will continue to contribute \$20,000 to the general operating fund on an annual basis as a return on investment to the taxpayers.

While the City Water Utility is currently limited in growth in that service area boundaries are not citywide, the proposed amalgamation of South East Kelowna Irrigation District (SEKID) will see the boundary extend slightly over the next years. Future revenue estimates are factored for both growth and inflation.

The City Wastewater Utility operates citywide. Future growth potential is limited by infrastructure cost and the availability of Provincial capital support funding. Future local service areas have been identified and the number of sewer customers and amount of revenue generated is scheduled to increase slightly over the next five years. Future revenue estimates are factored for both growth and inflation.

The Airport anticipates a 1.8% increase in passenger activity for 2018 with continued growth beyond 2018. The Drive to 1.6 Million Passengers and the Beyond 2020 capital programs have been developed with phased construction based on passenger demand. Revenues continue to be derived from the Airport Improvement Fee and are used to fund the Airport's capital program.

### Fees & Charges (General Fund Department Revenues)

Fees and charges are the second largest source of revenue at 23% and can be attributed to a number of Divisions including Civic Operations, Active Living & Culture, Community Planning & Real Estate and Infrastructure.

The Civic Operations Division, which includes Fleet Services, Parks, Public Works and Utility Services, generates the largest proportion of revenue from fees & charges in the areas of internal equipment charges, cemetery operations, landfill tipping fees and waste collection. The Fleet Services branch recovers operating costs, overhead and replacement cost on all equipment owned by the City by charging user departments internal equipment charges. Internal equipment revenue has been estimated to be at a relatively stable level and future revenue has been adjusted for inflation.

Revenue in the Active Living & Culture Division is generated from a wide variety of services including facility rentals and sales revenues along with program revenue and recreation facility use revenues. Estimates of future revenue generation have been factored for growth and inflation.

The City's Community Planning & Real Estate Division generates revenue in the form of permit and inspection fees along with subdivision fees and other service revenues. Real Estate generates revenues in the area of rentals from properties owned by the City and from parking throughout the City. Future revenues have been factored by inflation as there is little anticipated growth in the inventory of these real estate assets.

The Infrastructure Division includes transit revenues in the Regional Services branch. The transit revenues have been factored for growth as ridership increases with anticipated expanded service.

### Borrowing

There are no new borrowing requirements for the years 2018 to 2020 of the five-year financial plan, but borrowing is expected in 2021 and 2022 for the Parkinson Recreation Centre and an expansion to the Capital News Centre.

### Government Grants

For operating grants, the focus has been on community & neighbourhood programs for healthy living, urban forestry for wildfire mitigation and the grant back of carbon tax paid by the City to allow investment in greenhouse gas reduction programs. The most significant grant area is for the transit partnership. The Province provides 47% funding for conventional transit costs and 67% funding for custom transit costs. This amounts to approximately \$9.6 million per year.

Grants in lieu of taxes from provincial and federal governments have remained fairly steady for the last few years. Grants from the Okanagan Basin Water Board for wastewater collection costs and water quality improvements initiatives are averaging \$290,000 per year.

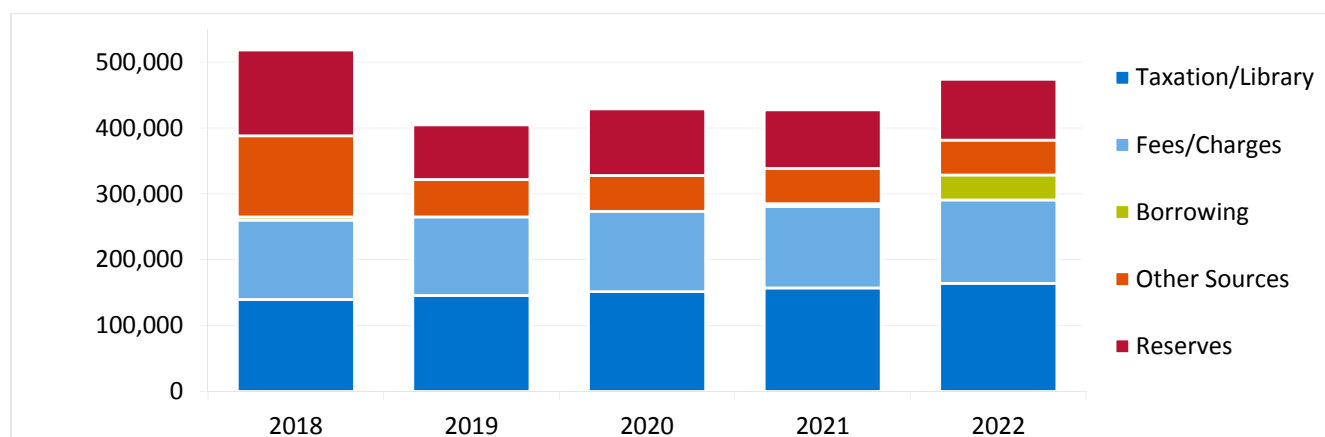
The budget for gaming revenues has increased by 2.9%. These funds are included in the RCMP budget as they are applied against police costs.

### Reserves and Surplus

This revenue source is mainly used in the capital programs for major works. A balance must be maintained between expenditure levels and reserve replenishment to ensure this funding source can continue. The 2030 Infrastructure Plan relies on surplus funds being contributed to reserve on an annual basis. Reserve funding requirements vary significantly depending on the annual capital programs. It is the second largest source of revenue in 2018 (25%). Surplus amounts within the Utility programs will vary on an annual basis mainly dependent on the extent of the capital program for that year. On the chart below, reserve funding totals are higher in 2018 due to carry-over projects.

### Summary of revenue sources 2018-2022 (in thousands)

The following graph summarizes the City's revenue sources.



# 2018 Financial Plan

## Final Budget - Volume 3

Kelowna, British Columbia

April 2018



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Page numbering shown above is in anticipation of inserting the Final Budget Volume 3 into the 2018 Financial Plan Provisional - Volume 1.



## FINANCIAL SUMMARIES

The 2018 Financial Plan results in a Final Tax Demand of \$133.5M. This represents a decrease of \$1.0M relative to the 2018 Provisional Financial Plan. The total taxation revenue from new construction has decreased by \$250,000.

The impact to the average property owner is 2.99%.

### Final Budget summaries

#### Analysis of tax demand

The 2017 final tax demand was \$127.1M and had a 3.84% net property owner impact. The 2018 gross department operating expenditures increased by 8.19% and net department revenues increased by 11.01% for a total net department operating expenditure increase of \$7.4M. The net general debt decreased by 20.62%, capital expenditures from general taxation increased by 4.15% and general revenue increased by 2.36% for a total gross tax demand increase of \$6.4M.

	2017	2018	Change	%Change
Gross departmental operating expenditures	213,153,701	230,612,447	17,458,746	8.19%
Net departmental revenue	(91,807,400)	(101,912,817)	(10,105,417)	11.01%
<b>Net departmental operating expenditure</b>	<b>121,346,301</b>	<b>128,699,630</b>	<b>7,353,329</b>	<b>6.06%</b>
Net general debt	5,698,519	4,523,395	(1,175,124)	(20.62%)
Capital expenditures from general taxation	12,160,000	12,664,940	504,940	4.15%
General revenue	(12,120,800)	(12,406,798)	(285,998)	2.36%
<b>Gross tax demand</b>	<b>127,084,020</b>	<b>133,481,167</b>	<b>6,397,147</b>	<b>5.03%</b>
Less new construction value	(2,600,000)	(2,600,000)	-	
<b>Net taxation demand</b>	<b>124,484,020</b>	<b>130,881,167</b>	<b>6,397,147</b>	<b>5.14%</b>
<b>Net property owner impact</b>	<b>3.84%</b>	<b>2.99%</b>		<b>(0.85%)</b>

## General Fund tax demand

The tax demand established at Provisional Budget was \$134.5M. The estimated new construction revenue was \$2.85M, based on BC Assessment preliminary roll information, resulting in a 3.60% net property owner impact.

Final Budget request additions for net general fund operating and capital expenditures decreased by \$1.0M, decreasing the total tax demand to \$133.5M. Final new construction revenues, based on the revised assessment roll, decreased by \$250,000 to \$2.6M resulting in a 2.99% net property owner impact.

<b>Provisional Budget Tax Demand</b>			134,511,537
<b>Final Budget Submissions</b>			
General Revenues	(627,000)		
Operating Requests	(828,370)	(1,455,370)	
Capital Project Requests		425,000	
<b>Total Final Budget Additions</b>			(1,030,370)
<b>Final Gross Tax Demand</b>			<b>133,481,167</b>
Less new construction revenue			(2,600,000)
<b>Final Net Tax Demand</b>			<b>130,881,167</b>
<b>Net Property Owner Impact</b>			
Provisional Budget		3.60%	
Protective Services (Fire Department)			1.59%
Other			1.40%
<b>Financial Plan - Final Budget</b>			<b>2.99%</b>

## Utility Funds – Final Budget

Final Budget requests for utility fund operating and capital expenditures total (\$198,110); (\$208,170) for the Water Utility and \$10,060 for the Wastewater Utility.

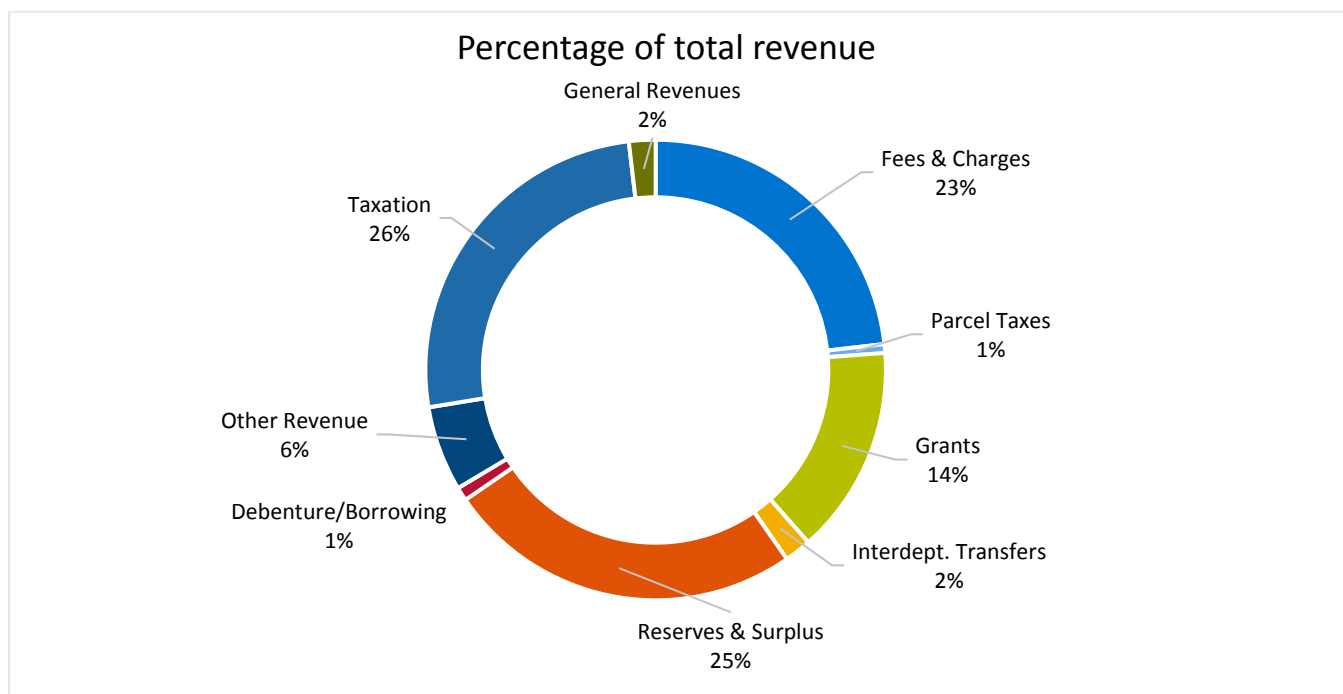
<b>Final Budget Submissions</b>			
Revenue	(218,230)		
Operating Requests	20,120	(198,110)	
Capital Project Requests		0	
<b>Total Final Budget Additions</b>			<b>(198,110)</b>

### Analysis of total revenues (millions)

The table below summarizes the total operating and capital revenues by source.

Taxation	133.5
Parcel Taxes	3.2
Fees and Charges	120.3
Grants	76.0
Interdept. Transfers	9.8
Reserves and Surplus	130.3
Debenture/Borrowing	4.9
Other Revenue	31.0
General Revenues ( <i>Excluding fees and charges</i> )	9.6
<b>Total revenues by source</b>	<b>518.6</b>

As seen in the graph below, Fees & Charges (23%), Reserve or Surplus funding (25%) and Taxation (26%) are the three largest revenue sources.



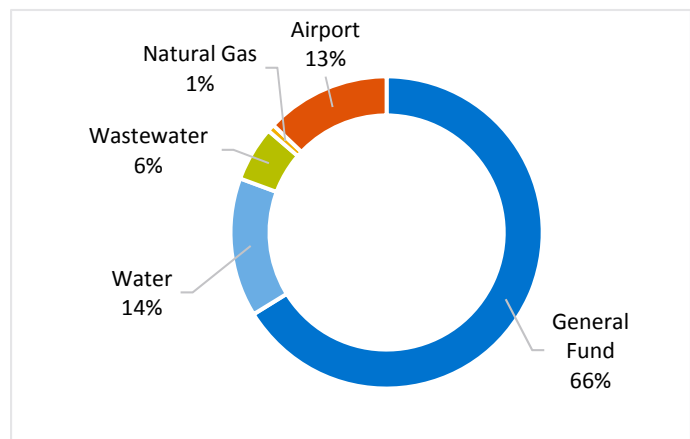
### Analysis of total expenditures

The total expenditure budget requirement is \$518.6M with \$319.1M for operating needs and \$199.5M for the 2018 capital program.

The table below summarizes the total operating and capital expenditures by fund.

#### Expenditures by fund (millions)

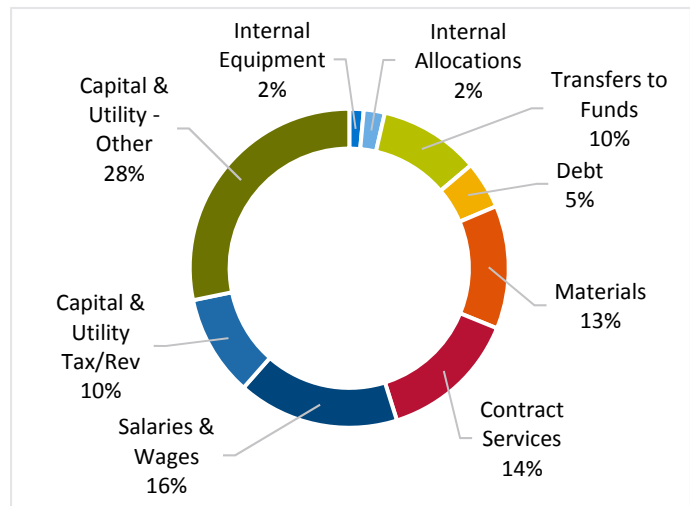
	Operating	Capital
General Fund	238.5	105.0
Water	13.0	61.6
Wastewater	23.0	6.5
Natural Gas	4.0	-
Airport	40.6	26.4
	319.1	199.5
<b>Total expenditures by fund</b>		<b>518.6</b>



The table below summarizes the total operating and capital expenditures by type.

#### Expenditures by type (millions)

Internal Equipment	7.5
Internal Allocations	11.1
Transfers to Funds	53.0
Debt	25.1
Material	64.9
Contract Services	72.7
Salaries & Wages	84.8
Capital & Utility Tax/Rev	53.2
Capital & Utility - Other	146.3
<b>Total expenditures by type</b>	<b>518.6</b>



### Use of tax dollar by service area

The table below highlights the cost by service area and the resulting total municipal taxes and fees for the average single family detached residential property (under 2 acres in size) in Kelowna for 2018. The average assessed value of \$641,760 was obtained from BC Assessment. The service area with the highest cost is Police Services at 28.2% followed by the Fire Department at 15.2% and Parks Services at 12.8%.

Service area	Cost	Percent of Total	Percent in 2017
Police Services	561.98	28.2 %	27.6 %
Fire Department	303.13	15.2	13.6
Civic Operations			
Street Lights	36.69	1.8	1.9
Building Services	114.21	5.7	8.5
Parks Services	254.72	12.8	13.2
Transportation Services	193.36	9.7	10.1
Utility Services	36.35	1.9	1.5
Planning & Development	139.61	7.0	5.8
Active Living & Cultural Services	108.12	5.4	4.8
Regional Programs	10.01	0.5	0.4
Public Transit	112.41	5.7	5.4
Debt	70.47	3.6	4.6
Grants or transfers to external organizations or individuals	49.11	2.5	2.6
<b>Total Municipal portion of taxes</b>	<b>1,990.17</b>	<b>100.0 %</b>	<b>100.0 %</b>
Waste collection & disposal	174.30		
<b>Total Municipal portion of taxes and fees</b>	<b>2,164.47</b>		

*Based on the 2018 average single family detached residence assessed property value of \$641,760*

### Ongoing budget impacts

The ongoing impacts resulting from prior year Council approved operating requests have been summarized in the table below. There is a 2.50% increase for 2019 and a 2.28% increase for 2020.

	2019 Impact	2020 Impact
<b>One time costs/revenues</b>		
Miscellaneous one time operating costs	(844,990)	-
One time expenditure reduction	75,370	-
<b>Total one time costs</b>	(769,620)	-
Tax impact	(0.57%)	0.00%
<b>Additional cost increases</b>		
Other incremental costs - 2017	13,560	-
Other incremental costs - 2018	1,046,470	23,442
<b>Total additional costs</b>	1,060,030	23,442
Tax impact	0.79%	0.02%
<b>Estimated contract increases</b>		
	3,038,205	3,085,921
Tax impact	2.28%	2.26%
<b>Total impacts</b>	<b>3,328,615</b>	<b>3,109,363</b>
	<b>2.50%</b>	<b>2.28%</b>

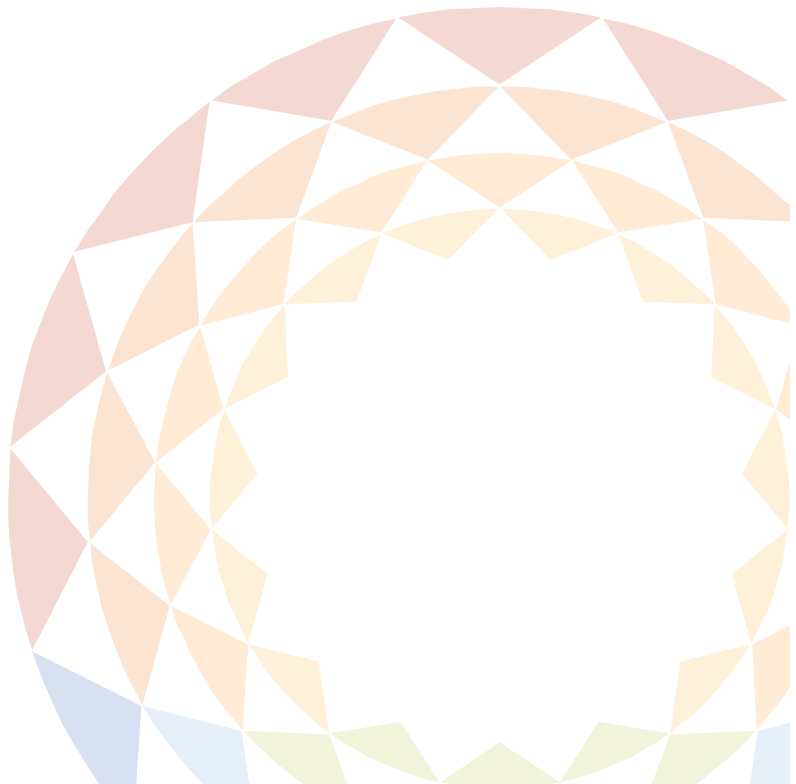
## Financial Plan 2018 - 2022

The table below outlines the City's Five-Year forecast for all funds revenues and expenditures for 2018 – 2022. The years 2023 - 2030 are included in summary form to match the term of the 20-Year Servicing Plan. For detailed information see the Five-Year Financial Plan section of the 2018 Financial Plan.

	2018	2019	2020	2021	2022	2023-2030
<b>Revenue</b>						
Property Value Tax	133,481,167	139,430,437	145,122,266	150,408,366	157,382,755	1,461,906,406
Library Requisition	6,208,386	6,332,554	6,459,205	6,588,389	6,720,157	58,832,475
Parcel Taxes	3,182,576	3,240,499	3,264,934	3,267,975	3,289,512	27,087,039
Fees and Charges	120,340,045	121,423,849	124,052,661	126,394,056	128,980,515	1,133,108,927
Borrowing Proceeds	4,949,710	-	-	4,000,000	38,000,000	47,000,000
Other Sources	120,141,281	53,638,039	51,174,731	50,325,889	49,664,592	473,329,592
	388,303,165	324,065,378	330,073,797	340,984,675	384,037,531	3,201,264,439
<b>Transfer between Funds</b>						
Reserve Funds	1,636,769	1,187,642	1,187,644	1,187,644	1,187,644	7,783,328
DCC Funds	21,026,529	21,156,387	35,099,364	28,359,611	10,007,504	134,230,749
Surplus/Reserve Accounts	107,612,509	60,585,009	64,873,876	59,207,023	81,179,101	364,048,101
	130,275,807	82,929,038	101,160,884	88,754,278	92,374,249	506,062,178
<b>Total Revenues</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,617</b>
<b>Expenditures</b>						
<b>Municipal Debt</b>						
Debt Interest	9,751,943	5,967,121	4,775,593	4,518,089	5,593,509	45,124,844
Debt Principal	15,701,603	11,854,479	8,752,346	6,995,881	8,324,481	57,547,333
Capital Expenditures	199,532,820	91,168,105	110,037,653	100,637,265	140,242,793	718,303,710
Other Municipal Purposes						-
General Government	32,234,881	32,742,458	33,666,861	34,477,239	35,336,979	316,874,041
Planning, Development & Building Services	30,055,912	22,228,128	21,572,763	22,177,065	22,841,006	206,781,561
Community Services	85,529,601	87,394,503	91,120,838	93,916,881	96,761,805	887,920,257
Protective Services	57,220,810	60,132,712	62,932,499	65,027,364	67,192,476	622,851,700
Utilities	21,075,639	20,769,420	21,136,728	21,615,414	22,109,942	196,351,254
Airport	14,960,261	15,426,153	15,907,225	16,385,650	16,880,195	154,533,470
	466,063,470	347,683,079	369,902,506	365,750,848	415,283,186	3,206,288,170
<b>Transfers between Funds</b>						
Reserve Funds	19,482,943	19,812,358	19,845,931	19,869,137	19,380,963	155,107,575
DCC Funds	-	-	-	-	-	-
Surplus/Reserve Accounts	33,032,559	39,498,979	41,486,244	44,118,968	41,747,631	345,930,872
	52,515,502	59,311,337	61,332,175	63,988,105	61,128,594	501,038,447
<b>Total Expenditures</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,617</b>

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# Operating & Capital Budget



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# 2018 Operating Requests

## Final Budget

### Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
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#### Community Planning & Strategic Investments Division

##### New

637	Planner Specialist Position	51,190	0	0	0	0	0	(51,190)	OG
	Total New	51,190	0	0	0	0	0	(51,190)	

Division Priority 1 Total	51,190	0	0	0	0	0	0	(51,190)	
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#### Active Living & Culture Division

##### New

637	Financial Analyst Position - Active Living & Culture	0	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	0	

Division Priority 1 Total	0	0	0	0	0	0	0	0	
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#### Civic Operations Division

##### Maintain

644	CAP Rutland Centennial Park - Phase 3	8,000	0	0	0	0	0	(8,000)	OG
	Total Maintain	8,000	0	0	0	0	0	(8,000)	

##### New

638	Financial Analyst Position - Civic Operations	0	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	0	

Division Priority 1 Total	8,000	0	0	0	0	0	0	(8,000)	
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#### Financial Services Division

##### New

642	* Financial Analyst Position - Airport	51,590	0	0	0	0	(30,180)	(21,410)	OG
637	* Financial Analyst Position - Active Living & Culture	51,590	0	0	0	0	0	(51,590)	OG
638	* Financial Analyst Position - Civic Operations	51,590	(10,060)	0	0	0	(20,120)	(21,410)	OG
	Total New	154,770	(10,060)	0	0	0	(50,300)	(94,410)	

Page	2018 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Taxation	Cat
	Division Priority 1 Total	154,770	(10,060)	0	0	0	(50,300)	(94,410)	
Financial Services Division									
<i>Revenue &amp; Fees</i>									
Maintain									
638	FortisBC Gas Franchise Fee	0	0	0	0	(227,000)	0	227,000	OG
	Total Maintain	0	0	0	0	(227,000)	0	227,000	
Growth									
639	Investment Interest Revenue	0	0	0	0	(400,000)	0	400,000	OG
	Total Growth	0	0	0	0	(400,000)	0	400,000	
	Division Priority 1 Total	0	0	0	0	(627,000)	0	627,000	
Financial Services Division									
<i>Debt &amp; Other</i>									
Maintain									
639	Debt Changes - General Fund	(1,267,200)	(6,110)	0	0	20,560	0	1,252,750	OG
640	Transmission of Taxes - BIA's and Other Governments	102,045,427	0	0	0	(102,045,427)	0	0	OT
	Total Maintain	100,778,227	(6,110)	0	0	(102,024,867)	0	1,252,750	
	Division Priority 1 Total	100,778,227	(6,110)	0	0	(102,024,867)	0	1,252,750	
Corporate & Protective Services Division									
New									
640	Community Response Unit	270,780	0	0	0	0	0	(270,780)	OG
	Total New	270,780	0	0	0	0	0	(270,780)	
	Division Priority 1 Total	270,780	0	0	0	0	0	(270,780)	
	Total Priority 1 Operating	101,262,967	(16,170)	0	0	(102,651,867)	(50,300)	1,455,370	

CAP – denotes operating request that has been moved to the capital section.

\* *italics* – denotes that this is a shared (part of another department) operating request. In the originating department, the title is denoted by an '\*'.

# where there are zero amounts in all columns, this denotes there is no change overall in expense or revenue budgets, due to a reallocation of expenses or revenues to support the request for 2018.

## 2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Community Planning		ON-GOING
Title:	Planner Specialist Position		FINAL

### Justification:

The Community Planning Department is seeking one full time Planner Specialist Position in order to help planning staff process the high volume of applications that are currently in-stream and improve the quality of planning analysis (Planning Excellence) on major urban development applications. The position is intended to provide application processing support on larger scale Urban Planning Branch applications with complex interface and urban design challenges.

The position will be funded through an increase in the base budget. This increase in base budget is offset through higher than projected development application revenue.

Corporate Framework: Resilient, well-managed infrastructure - Planning excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	51,190	0	0	0	0	0	0	(51,190)
2019	101,500	0	0	0	0	0	0	(101,500)
2020	101,500	0	0	0	0	0	0	(101,500)

Division:	Active Living & Culture	Priority: 1	New
Department:	Recreation & Business Services		ON-GOING
Title:	Financial Analyst Position - Active Living & Culture		FINAL

### Justification:

The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship. Professional accountants will be dedicated business partners to each of these three large business units: Airport; Active Living & Culture; Civic Operations.

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	51,590	0	0	0	0	0	0	(51,590)
2019	101,900	0	0	0	0	0	0	(101,900)
2020	101,900	0	0	0	0	0	0	(101,900)

## 2018 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Financial Analyst Position - Civic Operations		FINAL

### Justification:

The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship. Professional accountants will be dedicated business partners to each of these three large business units: Airport; Active Living & Culture; Civic Operations.

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	51,590	(10,060)	0	0	0	0	(20,120)	(21,410)
2019	101,900	(20,120)	0	0	0	0	(40,240)	(41,540)
2020	101,900	(20,120)	0	0	0	0	(40,240)	(41,540)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	FortisBC Gas Franchise Fee		FINAL

### Justification:

This request is to adjust the franchise fee revenue due from FortisBC up to \$1,254,100 from the 2018 Provisional amount of \$1,027,100. The fee is based on 3 per cent of the gross revenue from natural gas sales within the City of Kelowna during the 2017 calendar year.

2018 Base Budget: \$1,027,100

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(227,000)	0	227,000
2019	0	0	0	0	0	(227,000)	0	227,000
2020	0	0	0	0	0	(227,000)	0	227,000

## 2018 Operating Request Details

Division:	Financial Services	Priority: 1	Growth
Department:	Financial Services		ON-GOING
Title:	Investment Interest Revenue		FINAL

### Justification:

To adjust investment income to more accurately reflect current experience.

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(400,000)	0	400,000
2019	0	0	0	0	0	(400,000)	0	400,000
2020	0	0	0	0	0	(400,000)	0	400,000

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Debt Changes - General Fund		FINAL

### Justification:

The Municipal Finance Authority (MFA) issues interest rate resets after the first ten years of a borrow, and every five additional years after that. This request is to adjust interest and associated recovery payments related to borrowing for Chapman Parkade, Okanagan Gymnastics Centre and H2O Adventure + Fitness Centre. This request will also adjust the Police Services Facility borrow to reflect current interest rates.

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	(1,267,200	(6,110)	0	0	0	20,560	0	1,252,750
2019	(1,267,203	(6,107)	0	0	0	20,560	0	1,252,750
2020	(1,267,203	(6,107)	0	0	0	20,560	0	1,252,750

## 2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ONE-TIME
Title:	Transmission of Taxes - BIA's and Other Governments		FINAL

### Justification:

To establish the receipt and disbursement of taxes to Business Improvement Areas (BIA's) and other governments.

Year.....	2017.....	2018 (est.)
RDCO.....	10,624,848.....	10,904,700
RDCO SIR Land Levy.....	731,272.....	738,469
RDCO SIR Parcel Tax.....	322,597.....	319,073
BC Assessment Auth.....	1,857,389.....	1,980,696
School Tax.....	69,120,918.....	69,120,918
Kelowna Downtown BIA.....	857,398.....	887,407
Uptown Rutland BIA.....	176,160.....	180,564
Regional Hospital.....	11,530,108.....	11,705,214
Okanagan Regional Lib.....	5,950,303.....	6,208,386

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	102,045,427	0	0	0	0	(102,045,427)	0	0

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Bylaw Services		ON-GOING
Title:	Community Response Unit		FINAL

### Justification:

Since 2005, the success of the Downtown Enforcement Unit (DEU) has been felt by the community; however there is a need to develop an enforcement unit to address increasing demands on this existing unit. The Community Response Unit would include our current DEU resources, Bike Patrol, Mental Health Team (PACT) and an imbedded bylaw enforcement unit. Recently, the impacts of social issues have resulted in crime incidents that were once concentrated in the downtown area but are now spreading throughout the City. Additional staffing will initially include four Bylaw Enforcement Officers. In 2019, additional RCMP will be requested to bolster the RCMP strength and will increase enforcement presence where crime is elevated. Increased joint RCMP and Bylaw foot patrols will complement the bike patrols, specialize in outreach, collaborate with social agencies and monitor temporary and low barrier housing initiatives as they are introduced.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	270,780	0	0	0	0	0	0	(270,780)
2019	472,280	0	0	0	0	0	0	(472,280)
2020	472,280	0	0	0	0	0	0	(472,280)

# 2018 Operating Requests

## Final Budget

### Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Growth								
642	Water Revenues	0	0	0	0	(218,230)	218,230	OG
	Total Growth	0	0	0	0	(218,230)	218,230	
New								
638	* <i>Financial Analyst Position - Civic Operations</i>	10,060	0	0	0	0	(10,060)	OG
	Total New	10,060	0	0	0	0	(10,060)	
Division Priority 1 Total		10,060	0	0	0	(218,230)	208,170	
Wastewater								
New								
638	* <i>Financial Analyst Position - Civic Operations</i>	10,060	0	0	0	0	(10,060)	OG
	Total New	10,060	0	0	0	0	(10,060)	
Division Priority 1 Total		10,060	0	0	0	0	(10,060)	
Airport								
New								
642	Financial Analyst Position - Airport	30,180	(30,180)	0	0	0	0	OG
	Total New	30,180	(30,180)	0	0	0	0	
Division Priority 1 Total		30,180	(30,180)	0	0	0	0	
Total Priority 1 Operating		50,300	(30,180)	0	0	(218,230)	198,110	

CAP – denotes operating request that has been moved to the capital section.

\* italics – denotes that this is a shared (part of another department) operating request. In the originating department, the title is denoted by an '\*'.

# where there are zero amounts in all columns, this denotes there is no change overall in expense or revenue budgets, due to a reallocation of expenses or revenues to support the request for 2018.

## 2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Water Revenues		FINAL

### Justification:

This request is to increase the Water Parcel Tax budget for growth and Water Sales revenue to reflect a 2% utility user rate increase and continued growth.

### 2018 Base Budget:

Frontage Tax: \$1,374,807

Parcel Tax - Beaver Lake Road: \$24,276

Water Sales: \$7,329,396

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(218,230)	218,230	0
2019	0	0	0	0	0	(218,230)	218,230	0
2020	0	0	0	0	0	(218,230)	218,230	0

Division:	City Manager	Priority: 1	New
Department:	Airport		ON-GOING
Title:	Financial Analyst Position - Airport		FINAL

### Justification:

The centralization of key financial positions serving the City's large business units will improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions, and financial stewardship. Professional accountants will be dedicated business partners to each of these three large business units: Airport; Active Living & Culture; Civic Operations.

Corporate Framework: A well-run City - Strong financial management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	51,590	(30,180)	0	0	0	0	0	(21,410)
2019	101,900	(60,370)	0	0	0	0	0	(41,530)
2020	101,900	(60,370)	0	0	0	0	0	(41,530)

## 2018 Capital Requests

## Final Budget

## CAPITAL BUDGET Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
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## Real Estate and Parking Capital - Priority 1

## Renew

644	3082XX	Chapman Parkade - Structural Maintenance	147,900	(147,900)	0	0	0	0	0
Total Renew			147,900	(147,900)	0	0	0	0	0
Cost Center Totals			147,900	(147,900)	0	0	0	0	0

## Parks Capital - Priority 1

## Growth

OP	644	3407	Rutland Centennial Park - Phase 3	425,000	0	0	0	0	0	(425,000)
Total Growth				425,000	0	0	0	0	0	(425,000)
Cost Center Totals				425,000	0	0	0	0	0	(425,000)
Grand Total				572,900	(147,900)	0	0	0	0	(425,000)

OP – See related operating request with a similar title at the end of this section.

RED – See related reduction request with a similar title at the end of this section.

## 2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate and Parking Capital	2030 Infrastructure Plan: Not included - L3	
Title:	Chapman Parkade - Structural Maintenance		FINAL

### Justification:

A structural evaluation of the Chapman Parkade, constructed in 2002, was performed in 2017 and staff received the report in December. The engineer recommends several preventative maintenance measures to be completed this year, along with additional work required over the next 10 years. Ongoing rehabilitation work is necessary to ensure the facility's maximum life expectancy is achieved. This request is to complete items identified for 2018 which are focused on concrete and sealant repairs, restorative work on a stairwell enclosure and the renewal of paint coating in exposed areas on the roof level.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Corporate Framework: Resilient, well-managed infrastructure - Efficient civic buildings & facilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
147,900	(147,900)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: <b>2019</b> - P4	
Title:	Rutland Centennial Park - Phase 3		FINAL

### Justification:

Funding is requested for the development of Phase 3 of Rutland Centennial Park. This phase includes the expanded playground (150 metres squared), infrastructure and irrigation for the multi-cultural garden at the park entrance, perimeter path and associated landscaping.

The ongoing operation and maintenance impacts for this request are included in this capital section as an operating request with the same title.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
425,000	0	0	0	0	0	(425,000)

## 2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Rutland Centennial Park - Phase 3		FINAL

### Justification:

Budget is requested to cover additional landscape maintenance as well as additional playground and snow/ice control.

This request also includes contract security monitoring and tree maintenance for the entire park.

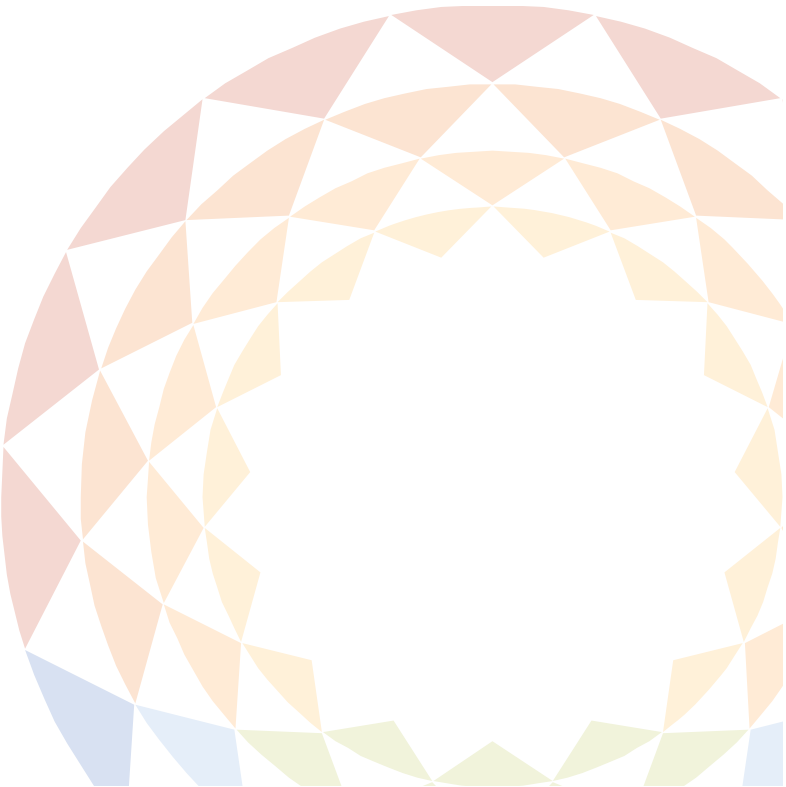
This is the ongoing operation and maintenance budget impacts associated with the capital request.

### Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	8,000	0	0	0	0	0	0	(8,000)
2019	25,050	0	0	0	0	0	0	(25,050)
2020	25,650	0	0	0	0	0	0	(25,650)

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Five-Year Financial Plan



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## FINANCIAL PLAN

The City of Kelowna has developed a comprehensive Financial Plan that provides a five year summary of general revenues, operating expenditures and capital expenditures. The Financial Plan has been developed to help guide the City throughout the next five years. The format of the plan keeps the General Fund separate from the Utility Funds to clearly identify the taxation requirements for the five year period.

The Financial Plan attempts to provide a 'snapshot' of the future using current standards and service levels. Input from the citizens of Kelowna, the availability of funding from other sources (Federal, Provincial, and Community), the Official Community Plan, 20 Year Servicing Plan and the 2030 Infrastructure Plan, all affect the programs included in the future years of the plan. The 2030 Infrastructure Plan, as revised in 2016, has provided a guideline for future capital through to 2030 in this Financial Plan. The Financial Plan is intended to provide guidance and information upon which to base current and future expenditure decisions. It will aid in the understanding of the City's financial position and financing capabilities over the next five years.

The development of the Financial Plan follows from the 2018 budget process which includes:

- Provisional Budget – approved by Council December 14, 2017
- Carryover Requests – approved by Council March 19, 2018
- Final Budget – approved by Council on April 30, 2018

Although most of this volume is devoted to the Provisional Budget details, the changes made by Council at Provisional, Carryover, and Final Budget, together, provide the 2018 portion of the Financial Plan.

For the years after 2018, the operating budget is adjusted for current one-time projects, changes in operating requirements from approved prior years, and from new capital along with a growth and/or inflation factor depending on the nature of the revenue or expenditure. As with any planning exercise, the level of certainty and detail is most appropriately found in the current year. Future year assumptions are required to project general revenues, incremental operating expenditures to support new capital, debt servicing and ongoing departmental revenues and expenditures. For 2019 to 2022 projections, the assumptions used in the creation of the financial plan include:

- The British Columbia Provincial 2017 average inflation rate of 2% per year has been used for many of the operating costs and for some revenues.
- A growth rate of 1.58% per year (as per the Official Community Plan) used for years 2019 to 2020 and 1.38% for years 2021 to 2022 for various revenues and expenditures and for incremental taxation revenue. Growth rates for the utilities are based on servicing expectations over the next five years which may include existing residential or commercial units.
- MFA amortization schedules and estimated rates are used as a basis for projected principal and interest where applicable.
- The Natural Gas fund is forecasted from 2019 to 2030 with the assumption Fortis will continue with the operating lease back agreement.
- There is no change in current service levels except as provided for in the capital program.
- Reserve funding is used for one-time operating and capital programs to reduce the requirement for increased taxation.

The Financial Plan summary can be found on page 651. This summary is used for the Financial Plan bylaw. The final column of the Financial Plan is included at the request of the Ministry of Community, Sport and Cultural Development for information to support the City of Kelowna's 20 Year Servicing Plan (to year 2030).

There are many factors that impact the well-being of the City of Kelowna. Both infrastructure improvements and social amenities such as parks, recreational and cultural programs are required to provide a balanced quality of life. By prioritizing operating and capital expenditures this plan will help to maximize the investment in the community where and when it is most needed.



# FIVE-YEAR FINANCIAL PLAN SUMMARIES

## Financial Plan 2018-2022

	2018	2019	2020	2021	2022	2023-2030
<b>Revenue</b>						
Property Value Tax	133,481,167	139,430,437	145,122,266	150,408,367	157,382,756	1,461,906,415
Library Requisition	6,208,386	6,332,554	6,459,205	6,588,389	6,720,157	58,832,475
Parcel Taxes	3,182,576	3,240,499	3,264,934	3,267,975	3,289,512	27,087,039
Fees and Charges	120,340,045	121,423,849	124,052,661	126,394,056	128,980,515	1,133,108,927
Borrowing Proceeds	4,949,710	-	-	4,000,000	38,000,000	47,000,000
Other Sources	120,141,281	53,638,039	51,174,731	50,325,888	49,664,591	473,329,583
	388,303,165	324,065,378	330,073,797	340,984,675	384,037,531	3,201,264,440
<b>Transfer between Funds</b>						
Reserve Funds	1,636,769	1,187,642	1,187,644	1,187,644	1,187,644	7,783,328
DCC Funds	21,026,529	21,156,387	35,099,364	28,359,611	10,007,504	134,230,749
Surplus/Reserve Accounts	107,612,509	60,585,009	64,873,876	59,207,023	81,179,101	364,048,101
	130,275,807	82,929,038	101,160,884	88,754,278	92,374,249	506,062,178
<b>Total Revenues</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,618</b>
<b>Expenditures</b>						
Municipal Debt						
Debt Interest	9,751,943	5,967,121	4,775,593	4,518,089	5,593,509	45,124,844
Debt Principal	15,701,603	11,854,479	8,752,346	6,995,881	8,324,481	57,547,333
Capital Expenditures	199,532,820	91,168,105	110,037,653	100,637,265	140,242,793	718,303,710
Other Municipal Purposes						-
General Government	32,234,881	32,742,458	33,666,861	34,477,239	35,336,979	316,874,041
Planning, Development &						
Building Services	30,055,912	22,228,128	21,572,763	22,177,065	22,841,006	206,781,561
Community Services	85,529,601	87,394,503	91,120,838	93,916,881	96,761,805	887,920,257
Protective Services	57,220,810	60,132,712	62,932,499	65,027,364	67,192,476	622,851,700
Utilities	21,075,639	20,769,420	21,136,728	21,615,414	22,109,942	196,351,254
Airport	14,960,261	15,426,153	15,907,225	16,385,650	16,880,195	154,533,470
	466,063,470	347,683,079	369,902,506	365,750,848	415,283,186	3,206,288,170
<b>Transfers between Funds</b>						
Reserve Funds	19,482,943	19,812,358	19,845,931	19,869,137	19,380,963	155,107,575
DCC Funds	-	-	-	-	-	-
Surplus/Reserve Accounts	33,032,559	39,498,979	41,486,244	44,118,968	41,747,631	345,930,872
	52,515,502	59,311,337	61,332,175	63,988,105	61,128,594	501,038,447
<b>Total Expenditures</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,617</b>

## General Fund Tax Impact Summary

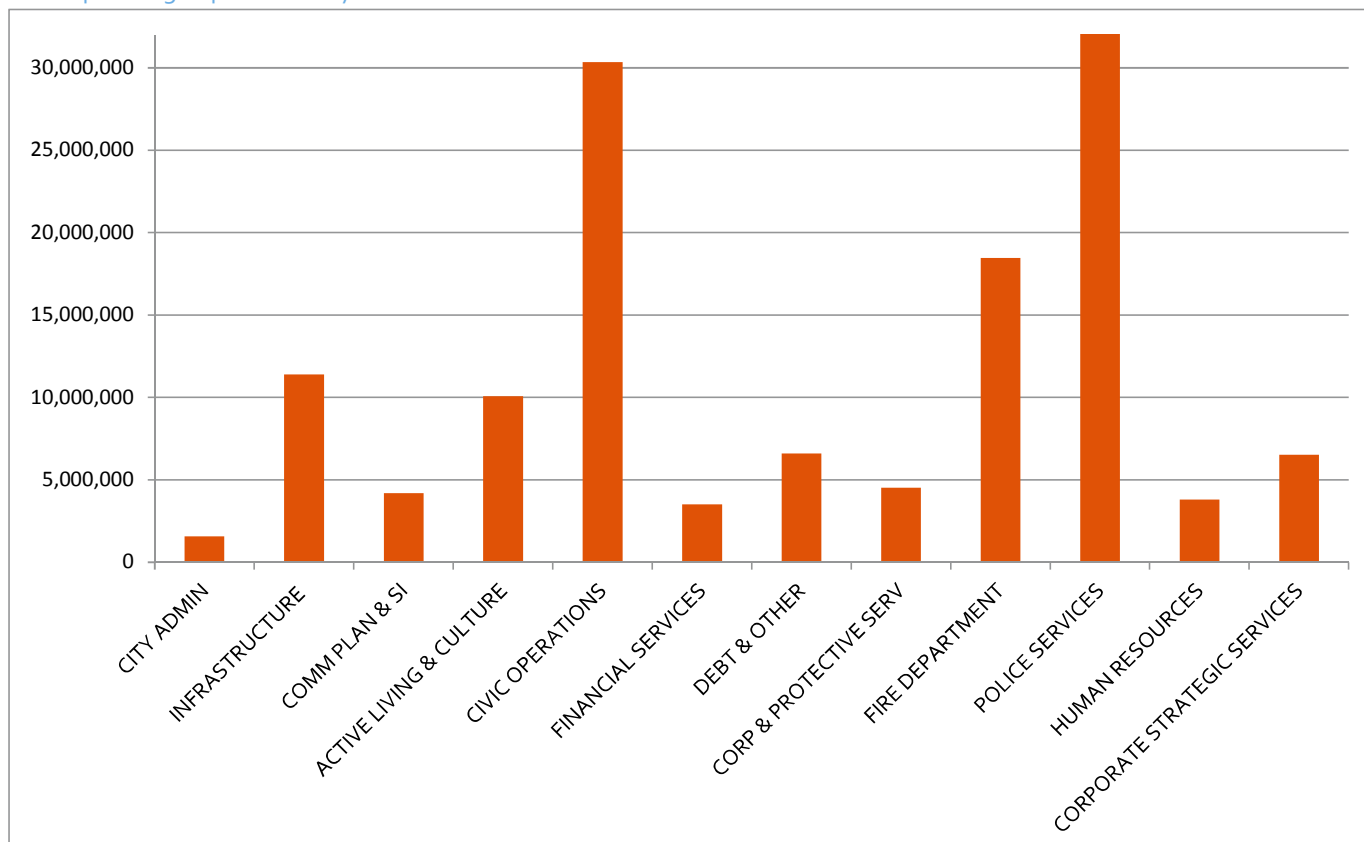
	0	1	2	3	4
General revenues	(12,406,798)	(12,696,182)	(12,990,573)	(13,271,223)	(13,559,169)
Net operating budget	133,223,025	138,702,208	143,891,358	148,741,164	155,257,375
Pay-as-you-go capital	<u>12,664,940</u>	<u>13,424,411</u>	<u>14,221,481</u>	<u>14,938,426</u>	<u>15,684,550</u>
Taxation demand	<b>133,481,167</b>	<b>139,430,437</b>	<b>145,122,266</b>	<b>150,408,367</b>	<b>157,382,756</b>
New construction tax revenue	(2,600,000)	(2,109,002)	(2,203,001)	(2,002,687)	(2,075,635)
<b>Net Property Owner Impact</b>	<b>2.99%</b>	<b>2.88%</b>	<b>2.50%</b>	<b>2.26%</b>	<b>3.26%</b>

## General Revenue

	2018	2019	2020	2021	2022
<b>General Licences</b>					
Commercial Vehicle Licences	37,000	37,000	37,000	37,000	37,000
Business Licences	1,465,700	1,518,172	1,571,596	1,624,716	1,679,632
Special Event Licences	100	100	100	100	100
Dog Licences	1,100	1,100	1,100	1,100	1,100
	1,503,900	1,556,372	1,609,796	1,662,916	1,717,832
<b>Franchise Fee</b>					
Fortis Gas	1,254,100	1,298,997	1,344,708	1,390,159	1,437,147
Appropriation to Reserve					
	1,254,100	1,298,997	1,344,708	1,390,159	1,437,147
<b>General Interest &amp; Tax Penalties</b>					
Interest on Investments	4,726,050	4,800,722	4,876,573	4,943,870	5,012,095
Tax Arrears & Delinquent	160,000	162,527	165,096	167,374	169,684
Penalties on Taxes	800,000	812,640	825,480	836,871	848,420
Penalties Utility Accounts	62,000	62,980	63,974	64,857	65,752
Interest on Accounts Receivable	16,000	16,000	16,000	16,000	16,000
	5,764,050	5,854,869	5,947,123	6,028,972	6,111,951
<b>Miscellaneous Revenues</b>					
Work Order Administration	40,000	41,432	42,890	44,340	45,838
Local Improvement Prepayments	15,000	15,000	15,000	15,000	15,000
Discounts Earned & Misc	87,968	91,117	94,324	97,512	100,808
Risk to Roll	(310,000)	(321,098)	(332,397)	(343,632)	(355,248)
	(167,032)	(173,549)	(180,183)	(186,780)	(193,602)
<b>Federal Contributions</b>					
Grants in Lieu of Taxes	114,960	117,259	119,604	121,996	124,436
<b>Provincial Contributions</b>					
Grants in Lieu of Taxes-BC BLDG	305,318	311,424	317,653	324,006	330,486
Grants in Lieu of Taxes	92,160	94,003	95,883	97,801	99,757
Traffic Fine Revenue Sharing	1,426,353	1,448,889	1,471,782	1,492,092	1,512,683
Climate Action Rev Incentive	228,470	233,039	237,700	242,454	247,303
Certificate of Recognition Rebate	190,940	190,940	190,940	190,940	190,940
Appropriation to Reserves	(419,410)	(423,979)	(428,640)	(433,394)	(438,243)
	1,823,831	1,854,316	1,885,318	1,913,899	1,942,926
<b>Municipal Contributions</b>					
Natural Gas Utility	20,000	20,000	20,000	20,000	20,000
<b>Tax Revenue - Private Utilities</b>					
1% in Lieu of Taxes	2,092,989	2,167,918	2,244,207	2,320,061	2,398,479
<b>Sub-total</b>	<b>12,406,798</b>	<b>12,696,182</b>	<b>12,990,573</b>	<b>13,271,223</b>	<b>13,559,169</b>
<b>General Taxation</b>	133,481,167	139,430,437	145,122,266	150,408,367	157,382,756
<b>TOTAL</b>	<b>145,887,965</b>	<b>152,126,619</b>	<b>158,112,839</b>	<b>163,679,590</b>	<b>170,941,925</b>

## General Fund - operating summary by division

Net Operating Expenditure by Year



	2018	2019	2020	2021	2022
City Administration	1,580,422	1,618,559	1,657,431	1,696,693	1,736,948
Infrastructure	11,401,813	11,595,946	12,201,882	12,900,148	13,635,946
Community Planning & Strategic Investment	4,212,576	4,391,310	4,528,630	4,753,977	4,988,096
Active Living & Culture	10,092,851	10,412,126	10,626,577	10,843,912	11,066,342
Civic Operations	30,331,220	30,982,218	31,486,970	32,443,930	33,427,475
Financial Services	3,529,474	3,730,772	3,868,592	4,026,358	4,161,076
Debt & Other	6,601,694	7,315,648	7,243,455	7,349,449	9,123,844
Corporate & Protective Services	4,542,086	4,857,810	5,011,888	5,170,552	5,334,364
Fire Department	18,465,764	19,128,025	19,949,503	20,598,512	21,269,579
Police Services	32,112,387	33,725,624	36,057,612	37,348,959	38,685,406
Human Resources	3,812,444	3,940,976	4,037,475	4,132,870	4,131,576
Corporate Strategic Services	6,540,294	7,003,194	7,221,344	7,475,804	7,696,723
<b>Total Division Net Operating Expenditures</b>	<b>133,223,025</b>	<b>138,702,208</b>	<b>143,891,358</b>	<b>148,741,164</b>	<b>155,257,375</b>

## Operating Summary - General Fund

### Revenues/Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Library Requisition	(6,208,386)	(6,332,554)	(6,459,205)	(6,588,389)	(6,720,157)
Parcel Tax	(38,603)	(38,603)	(38,603)	(38,603)	(38,603)
Fees and Charges	(52,811,894)	(53,263,221)	(54,365,873)	(55,286,332)	(56,372,768)
Sales of Service	(42,230,019)	(43,086,851)	(43,962,822)	(44,645,609)	(45,512,644)
Other	-	-	-	-	-
User Fees	(10,581,875)	(10,176,370)	(10,403,051)	(10,640,723)	(10,860,124)
Other Revenue	(36,299,904)	(34,010,781)	(34,083,291)	(34,774,351)	(35,495,042)
Interest	(296,320)	(302,246)	(308,291)	(314,457)	(333,527)
Grants	(18,959,765)	(17,057,913)	(17,357,589)	(17,642,537)	(17,932,326)
Other	-	-	-	-	-
Services to Other Governments	(8,367,409)	(8,401,622)	(8,616,868)	(8,825,171)	(9,028,916)
Interdepartment Transfer	(8,676,410)	(8,249,000)	(7,800,543)	(7,992,186)	(8,200,273)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(9,906,190)	(2,623,940)	(1,841,514)	(1,841,514)	(1,841,514)
Special (Stat Reserve) Funds	(1,636,769)	(1,187,642)	(1,187,644)	(1,187,644)	(1,187,644)
Development Cost Charges	(2,055,696)	(653,870)	(653,870)	(653,870)	(653,870)
Accumulated Surplus	(6,213,725)	(782,428)	-	-	-
<b>Total Revenue</b>	<b>(105,264,977)</b>	<b>(96,269,098)</b>	<b>(96,788,486)</b>	<b>(98,529,189)</b>	<b>(100,468,084)</b>
<b>Expenditures</b>					
Salaries and Wages	73,703,156	77,151,339	79,994,755	82,526,168	85,281,446
Internal Equipment	6,373,665	6,546,439	6,763,183	6,978,658	7,201,181
Material and Other	50,190,983	40,391,125	41,011,253	41,991,063	42,882,645
Contract Services	72,101,452	75,968,210	79,083,084	81,661,972	84,326,308
Debt Interest	3,372,925	2,838,259	2,627,045	2,742,540	3,818,306
Debt Principal	5,151,507	4,285,270	3,861,011	4,002,455	5,331,055
Internal Allocations	2,563,347	2,440,687	2,440,687	2,440,687	2,440,687
Interdepartment Transfer	2,563,347	2,440,687	2,440,687	2,440,687	2,440,687
Interfund Transfer	-	-	-	-	-
Transfer to Funds	25,030,967	25,349,977	24,898,826	24,926,810	24,443,832
Special (Stat Reserve) Funds	19,326,633	19,656,048	19,689,621	19,712,827	19,224,653
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	5,704,334	5,693,929	5,209,205	5,213,983	5,219,179
<b>Total Expenditures</b>	<b>238,488,002</b>	<b>234,971,306</b>	<b>240,679,844</b>	<b>247,270,353</b>	<b>255,725,460</b>
<b>Net Operating Expenditures</b>	<b>133,223,025</b>	<b>138,702,208</b>	<b>143,891,358</b>	<b>148,741,164</b>	<b>155,257,375</b>

## City Administration

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(4,274)	(4,359)	(4,447)	(4,536)	(4,626)
Sales of Service	-	-	-	-	-
Other	-	-	-	-	-
User Fees	(4,274)	(4,359)	(4,447)	(4,536)	(4,626)
Other Revenue	(2,918,130)	(2,976,493)	(3,036,022)	(3,096,743)	(3,158,678)
Interest	-	-	-	-	-
Grants	(2,918,130)	(2,976,493)	(3,036,022)	(3,096,743)	(3,158,678)
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfers from Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Revenue</b>	<b>(2,922,404)</b>	<b>(2,980,852)</b>	<b>(3,040,469)</b>	<b>(3,101,279)</b>	<b>(3,163,304)</b>
<b>Expenditures</b>					
Salaries and Wages	877,191	901,263	925,790	950,420	975,749
Internal Equipment	13,917	14,195	14,479	14,769	15,064
Material and Other	3,265,288	3,330,594	3,397,205	3,465,149	3,534,452
Contract Services	346,430	353,359	360,426	367,634	374,987
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,502,826</b>	<b>4,599,411</b>	<b>4,697,900</b>	<b>4,797,972</b>	<b>4,900,252</b>
<b>Net Operating Expenditures</b>	<b>1,580,422</b>	<b>1,618,559</b>	<b>1,657,431</b>	<b>1,696,693</b>	<b>1,736,948</b>

## Infrastructure

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(7,391,467)	(6,894,506)	(7,003,439)	(7,100,087)	(7,198,067)
Sales of Service	(6,447,085)	(6,553,398)	(6,656,942)	(6,748,808)	(6,841,941)
Other	-	-	-	-	-
User Fees	(944,382)	(341,108)	(346,497)	(351,279)	(356,126)
Other Revenue	(13,498,359)	(10,898,220)	(11,085,146)	(11,266,298)	(11,440,997)
Interest	-	-	-	-	-
Grants	(11,793,510)	(9,876,725)	(10,032,777)	(10,171,230)	(10,311,593)
Other	-	-	-	-	-
Services to Other Governments	(427,147)	(327,537)	(367,242)	(397,531)	(419,226)
Interdepartment Transfer	(1,277,702)	(693,958)	(685,127)	(697,537)	(710,179)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(3,707,210)	(176,200)	-	-	-
Special (Stat Reserve) Funds	(40,480)	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(3,666,730)	(176,200)	-	-	-
<b>Total Revenue</b>	<b>(24,597,036)</b>	<b>(17,968,926)</b>	<b>(18,088,585)</b>	<b>(18,366,385)</b>	<b>(18,639,064)</b>
<b>Expenditures</b>					
Salaries and Wages	3,266,112	3,352,793	3,470,778	3,588,090	3,709,367
Internal Equipment	215,535	164,746	167,868	171,052	174,300
Material and Other	9,404,233	2,153,927	1,936,905	1,975,644	2,015,156
Contract Services	22,560,361	23,346,018	24,167,529	24,984,360	25,828,799
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	360,708	351,108	351,108	351,108	351,108
Interdepartment Transfer	360,708	351,108	351,108	351,108	351,108
Interfund Transfer	-	-	-	-	-
Transfer to Funds	191,900	196,280	196,280	196,280	196,280
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	191,900	196,280	196,280	196,280	196,280
<b>Total Expenditures</b>	<b>35,998,849</b>	<b>29,564,872</b>	<b>30,290,467</b>	<b>31,266,533</b>	<b>32,275,010</b>
<b>Net Operating Expenditures</b>	<b>11,401,813</b>	<b>11,595,946</b>	<b>12,201,882</b>	<b>12,900,148</b>	<b>13,635,946</b>

## Community Planning &amp; Strategic Investments

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(11,440,274)	(11,613,520)	(11,829,244)	(12,041,018)	(12,256,685)
Sales of Services	(10,042,703)	(10,227,268)	(10,415,267)	(10,598,761)	(10,785,583)
Other	-	-	-	-	-
User Fees	(1,397,571)	(1,386,252)	(1,413,977)	(1,442,257)	(1,471,102)
Other Revenue	(134,153)	(8,444)	(8,612)	(8,785)	(8,960)
Interest	-	-	-	-	-
Grants	(125,875)	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(8,278)	(8,444)	(8,612)	(8,785)	(8,960)
Interfund Transfer	-	-	-	-	-
Transfer from Funds	(1,149,015)	-	-	-	-
Special (Stat Reserve) Funds	(128,640)	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(1,020,375)	-	-	-	-
<b>Total Revenue</b>	<b>(12,723,442)</b>	<b>(11,621,964)</b>	<b>(11,837,856)</b>	<b>(12,049,803)</b>	<b>(12,265,645)</b>
<b>Expenditures</b>					
Salaries and Wages	8,689,433	8,909,354	9,147,815	9,457,011	9,776,658
Internal Equipment	138,722	143,485	146,355	149,282	152,268
Material and Other	3,565,149	2,343,837	2,380,309	2,427,915	2,476,474
Contract Services	1,132,365	1,155,012	1,178,113	1,201,675	1,225,708
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	252,630	252,630	252,630	252,630	252,630
Interdepartment Transfer	252,630	252,630	252,630	252,630	252,630
Interfund Transfer	-	-	-	-	-
Transfer to Funds	3,157,719	3,208,956	3,261,264	3,315,267	3,370,003
Special (Stat Reserve) Funds	3,129,757	3,180,994	3,233,302	3,287,305	3,342,041
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	27,962	27,962	27,962	27,962	27,962
<b>Total Expenditures</b>	<b>16,936,018</b>	<b>16,013,274</b>	<b>16,366,486</b>	<b>16,803,780</b>	<b>17,253,741</b>
<b>Net Operating Expenditures</b>	<b>4,212,576</b>	<b>4,391,310</b>	<b>4,528,630</b>	<b>4,753,977</b>	<b>4,988,096</b>

## Active Living &amp; Culture

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(4,533,327)	(4,716,460)	(4,882,432)	(5,047,459)	(5,218,063)
Sales of Service	(3,173,696)	(3,287,314)	(3,402,994)	(3,518,016)	(3,636,925)
Other	-	-	-	-	-
User Fees	(1,359,631)	(1,429,146)	(1,479,438)	(1,529,443)	(1,581,138)
Other Revenue	(249,150)	(177,633)	(181,186)	(184,809)	(188,506)
Interest	-	-	-	-	-
Grants	(110,000)	(112,200)	(114,444)	(116,733)	(119,068)
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(139,150)	(65,433)	(66,742)	(68,076)	(69,438)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(164,420)	-	-	-	-
Special (Stat Reserve) Funds	(50,000)	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(114,420)	-	-	-	-
<b>Total Revenue</b>	<b>(4,946,897)</b>	<b>(4,894,093)</b>	<b>(5,063,618)</b>	<b>(5,232,268)</b>	<b>(5,406,569)</b>
<b>Expenditures</b>					
Salaries and Wages	5,879,864	6,272,788	6,493,527	6,713,008	6,939,908
Internal Equipment	105,048	107,149	109,292	111,478	113,707
Material and Other	4,336,650	4,241,038	4,325,858	4,412,376	4,500,623
Contract Services	3,846,642	3,813,700	3,889,974	3,967,774	4,047,129
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	871,544	871,544	871,544	871,544	871,544
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	871,544	871,544	871,544	871,544	871,544
<b>Total Expenditures</b>	<b>15,039,748</b>	<b>15,306,219</b>	<b>15,690,195</b>	<b>16,076,180</b>	<b>16,472,911</b>
<b>Net Operating Expenditures</b>	<b>10,092,851</b>	<b>10,412,126</b>	<b>10,626,577</b>	<b>10,843,912</b>	<b>11,066,342</b>

## Civic Operations - General Fund

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(25,939,195)	(26,460,064)	(26,992,212)	(27,544,370)	(28,111,852)
Sales of Service	(21,013,181)	(21,433,445)	(21,862,114)	(22,299,356)	(22,745,343)
Other	-	-	-	-	-
User Fees	(4,926,014)	(5,026,619)	(5,130,098)	(5,245,014)	(5,366,509)
Other Revenue	(3,916,901)	(3,919,866)	(4,040,000)	(4,159,866)	(4,283,555)
Interest	-	-	-	-	-
Grants	(50,000)	(51,000)	(52,020)	(53,060)	(54,122)
Other	-	-	-	-	-
Services to Other Governments	(1,731,394)	(1,740,898)	(1,789,628)	(1,838,443)	(1,888,709)
Interdepartment Transfer	(2,135,507)	(2,127,968)	(2,198,352)	(2,268,363)	(2,340,725)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(585,750)	(30,000)	(30,000)	(30,000)	(30,000)
Special (Stat Reserve) Funds	(260,000)	(30,000)	(30,000)	(30,000)	(30,000)
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(325,750)	-	-	-	-
<b>Total Revenue</b>	<b>(30,441,846)</b>	<b>(30,409,930)</b>	<b>(31,062,212)</b>	<b>(31,734,236)</b>	<b>(32,425,407)</b>
<b>Expenditures</b>					
Salaries and Wages	17,369,419	18,061,254	18,696,827	19,328,779	19,982,092
Internal Equipment	5,686,182	5,898,318	6,102,272	6,304,739	6,513,974
Material and Other	15,224,194	14,430,954	14,807,481	15,186,157	15,575,195
Contract Services	12,271,739	12,629,757	13,074,196	13,516,104	13,972,948
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	1,634,164	1,521,104	1,521,104	1,521,104	1,521,104
Interdepartment Transfer	1,634,164	1,521,104	1,521,104	1,521,104	1,521,104
Interfund Transfer	-	-	-	-	-
Transfer to Funds	8,587,368	8,850,761	8,347,302	8,321,283	8,287,569
Special (Stat Reserve) Funds	8,001,616	8,279,794	8,261,059	8,230,262	8,191,352
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	585,752	570,967	86,243	91,021	96,217
<b>Total Expenditures</b>	<b>60,773,066</b>	<b>61,392,148</b>	<b>62,549,182</b>	<b>64,178,166</b>	<b>65,852,882</b>
<b>Net Operating Expenditures</b>	<b>30,331,220</b>	<b>30,982,218</b>	<b>31,486,970</b>	<b>32,443,930</b>	<b>33,427,475</b>

## Financial Services

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(427,050)	(442,338)	(457,904)	(441,484)	(441,484)
Sales of Service	(427,050)	(442,338)	(457,904)	(441,484)	(441,484)
Other	-	-	-	-	-
User Fees	-	-	-	-	-
Other Revenue	(1,066,842)	(1,150,827)	(1,178,972)	(1,213,432)	(1,260,259)
Interest	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(1,066,842)	(1,150,827)	(1,178,972)	(1,213,432)	(1,260,259)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(306,940)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(306,940)	-	-	-	-
<b>Total Revenue</b>	<b>(1,800,832)</b>	<b>(1,593,165)</b>	<b>(1,636,876)</b>	<b>(1,654,916)</b>	<b>(1,701,743)</b>
<b>Expenditures</b>					
Salaries and Wages	4,392,462	4,598,622	4,760,442	4,921,348	5,087,696
Internal Equipment	-	-	-	-	-
Material and Other	666,174	454,332	468,621	477,994	487,553
Contract Services	271,670	270,983	276,403	281,931	287,570
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Expenditures</b>	<b>5,330,306</b>	<b>5,323,937</b>	<b>5,505,468</b>	<b>5,681,274</b>	<b>5,862,819</b>
<b>Net Operating Expenditures</b>	<b>3,529,474</b>	<b>3,730,772</b>	<b>3,868,592</b>	<b>4,026,358</b>	<b>4,161,076</b>

## Financial Services - Debt &amp; Other

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Library Requisition	(6,208,386)	(6,332,554)	(6,459,205)	(6,588,389)	(6,720,157)
Parcel Tax	(38,603)	(38,603)	(38,603)	(38,603)	(38,603)
Fees and Charges	(282,900)	(282,895)	(282,895)	(282,895)	(254,900)
Sales of Service	(188,099)	(188,099)	(188,099)	(188,099)	(188,099)
Other	-	-	-	-	-
User Fees	(94,801)	(94,796)	(94,796)	(94,796)	(66,801)
Other Revenue	(9,019,361)	(9,189,956)	(8,750,262)	(8,925,267)	(9,116,554)
Interest	(296,320)	(302,246)	(308,291)	(314,457)	(333,527)
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	(5,001,260)	(5,101,285)	(5,203,311)	(5,307,377)	(5,413,525)
Interdepartment Transfer	(3,721,781)	(3,786,425)	(3,238,660)	(3,303,433)	(3,369,502)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(3,463,345)	(1,911,512)	(1,811,514)	(1,811,514)	(1,811,514)
Special (Stat Reserve) Funds	(1,157,649)	(1,157,642)	(1,157,644)	(1,157,644)	(1,157,644)
Development Cost Charges	(2,055,696)	(653,870)	(653,870)	(653,870)	(653,870)
Accumulated Surplus	(250,000)	(100,000)	-	-	-
<b>Total Revenue</b>	<b>(19,012,595)</b>	<b>(17,755,520)</b>	<b>(17,342,479)</b>	<b>(17,646,668)</b>	<b>(17,941,728)</b>
<b>Expenditures</b>					
Salaries and Wages	(1,064,325)	(1,064,325)	(1,064,325)	(1,064,325)	(1,064,325)
Internal Equipment	-	-	-	-	-
Material and Other	6,606,316	6,738,442	6,873,211	7,010,675	7,163,669
Contract Services	47,830	773,486	788,956	804,735	820,830
Debt Interest	3,372,925	2,838,259	2,627,045	2,742,540	3,818,306
Debt Principal	5,151,507	4,285,270	3,861,011	4,002,455	5,331,055
Internal Allocations	188,000	188,000	188,000	188,000	188,000
Interdepartment Transfer	188,000	188,000	188,000	188,000	188,000
Interfund Transfer	-	-	-	-	-
Transfer to Funds	11,312,036	11,312,036	11,312,036	11,312,036	10,808,036
Special (Stat Reserve) Funds	7,395,260	7,395,260	7,395,260	7,395,260	6,891,260
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	3,916,776	3,916,776	3,916,776	3,916,776	3,916,776
<b>Total Expenditures</b>	<b>25,614,289</b>	<b>25,071,168</b>	<b>24,585,934</b>	<b>24,996,117</b>	<b>27,065,572</b>
<b>Net Operating Expenditures</b>	<b>6,601,694</b>	<b>7,315,648</b>	<b>7,243,455</b>	<b>7,349,449</b>	<b>9,123,844</b>

## Corporate & Protective Services

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(399,982)	(414,302)	(428,881)	(443,377)	(458,363)
Sales of Services	(337,481)	(349,563)	(361,864)	(374,095)	(386,739)
Other	-	-	-	-	-
User Fees	(62,501)	(64,739)	(67,017)	(69,282)	(71,624)
Other Revenue	(80,000)	(81,600)	(83,232)	(84,897)	(86,595)
Interest	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(80,000)	(81,600)	(83,232)	(84,897)	(86,595)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(210,350)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(210,350)	-	-	-	-
<b>Total Revenue</b>	<b>(690,332)</b>	<b>(495,902)</b>	<b>(512,113)</b>	<b>(528,274)</b>	<b>(544,958)</b>
<b>Expenditures</b>					
Salaries and Wages	4,168,308	4,504,154	4,662,654	4,820,252	4,983,176
Internal Equipment	61,217	62,441	63,690	64,964	66,263
Material and Other	873,301	654,933	662,829	676,086	689,608
Contract Services	129,592	132,184	134,828	137,524	140,275
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Expenditures</b>	<b>5,232,418</b>	<b>5,353,712</b>	<b>5,524,001</b>	<b>5,698,826</b>	<b>5,879,322</b>
<b>Net Operating Expenditures</b>	<b>4,542,086</b>	<b>4,857,810</b>	<b>5,011,888</b>	<b>5,170,552</b>	<b>5,334,364</b>

## Corporate &amp; Protective Services - Fire Department

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(1,666,943)	(1,701,057)	(1,736,025)	(1,770,745)	(1,806,161)
Sales of Service	(109,350)	(111,517)	(113,851)	(116,128)	(118,451)
Other	-	-	-	-	-
User Fees	(1,557,593)	(1,589,540)	(1,622,174)	(1,654,617)	(1,687,710)
Other Revenue	(260,356)	(265,706)	(271,166)	(276,589)	(282,121)
Interest	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	(260,356)	(265,706)	(271,166)	(276,589)	(282,121)
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(19,210)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(19,210)	-	-	-	-
<b>Total Revenue</b>	<b>(1,946,509)</b>	<b>(1,966,763)</b>	<b>(2,007,191)</b>	<b>(2,047,334)</b>	<b>(2,088,282)</b>
<b>Expenditures</b>					
Salaries and Wages	17,630,016	18,633,095	19,462,056	20,119,873	20,799,925
Internal Equipment	123,676	126,150	128,673	131,246	133,871
Material and Other	1,577,382	1,251,277	1,278,570	1,304,142	1,330,225
Contract Services	153,354	156,421	159,550	162,740	165,995
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	127,845	127,845	127,845	127,845	127,845
Interdepartment Transfer	127,845	127,845	127,845	127,845	127,845
Interfund Transfer	-	-	-	-	-
Transfer to Funds	800,000	800,000	800,000	800,000	800,000
Special (Stat Reserve) Funds	800,000	800,000	800,000	800,000	800,000
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Expenditures</b>	<b>20,412,273</b>	<b>21,094,788</b>	<b>21,956,694</b>	<b>22,645,846</b>	<b>23,357,861</b>
<b>Net Operating Expenditures</b>	<b>18,465,764</b>	<b>19,128,025</b>	<b>19,949,503</b>	<b>20,598,512</b>	<b>21,269,579</b>

## Corporate &amp; Protective Services - Police Services

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(397,932)	(405,890)	(414,009)	(422,288)	(430,735)
Sales of Service	(326,824)	(333,360)	(340,028)	(346,828)	(353,765)
Other	-	-	-	-	-
User Fees	(71,108)	(72,530)	(73,981)	(75,460)	(76,970)
Other Revenue	(5,098,218)	(5,200,182)	(5,304,186)	(5,410,269)	(5,518,475)
Interest	-	-	-	-	-
Grants	(3,962,250)	(4,041,495)	(4,122,325)	(4,204,771)	(4,288,867)
Other	-	-	-	-	-
Services to Other Governments	(947,252)	(966,197)	(985,521)	(1,005,231)	(1,025,336)
Interdepartment Transfer	(188,716)	(192,490)	(196,340)	(200,267)	(204,272)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	-	(506,228)	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	(506,228)	-	-	-
<b>Total Revenue</b>	<b>(5,496,150)</b>	<b>(6,112,300)</b>	<b>(5,718,195)</b>	<b>(5,832,557)</b>	<b>(5,949,210)</b>
<b>Expenditures</b>					
Salaries and Wages	5,834,898	6,059,822	6,273,066	6,485,095	6,704,292
Internal Equipment	28,468	29,037	29,618	30,210	30,815
Material and Other	411,102	419,324	427,711	436,265	444,990
Contract Services	31,334,069	33,329,741	35,045,412	36,229,946	37,454,519
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Expenditures</b>	<b>37,608,537</b>	<b>39,837,924</b>	<b>41,775,807</b>	<b>43,181,516</b>	<b>44,634,616</b>
<b>Net Operating Expenditures</b>	<b>32,112,387</b>	<b>33,725,624</b>	<b>36,057,612</b>	<b>37,348,959</b>	<b>38,685,406</b>

## Human Resources

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(68,150)	(62,220)	(63,464)	(64,734)	(66,028)
Sales of Service	(12,150)	(5,100)	(5,202)	(5,306)	(5,412)
Other	-	-	-	-	-
User Fees	(56,000)	(57,120)	(58,262)	(59,428)	(60,616)
Other Revenue	-	-	-	-	-
Interest	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(210,200)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(210,200)	-	-	-	-
<b>Total Revenue</b>	<b>(278,350)</b>	<b>(62,220)</b>	<b>(63,464)</b>	<b>(64,734)</b>	<b>(66,028)</b>
<b>Expenditures</b>					
Salaries and Wages	1,811,184	1,848,772	1,913,831	1,872,402	1,872,402
Internal Equipment	900	918	936	918	918
Material and Other	2,271,310	2,145,958	2,178,473	2,316,736	2,316,736
Contract Services	7,400	7,548	7,699	7,548	7,548
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,090,794</b>	<b>4,003,196</b>	<b>4,100,939</b>	<b>4,197,604</b>	<b>4,197,604</b>
<b>Net Operating Expenditures</b>	<b>3,812,444</b>	<b>3,940,976</b>	<b>4,037,475</b>	<b>4,132,870</b>	<b>4,131,576</b>

## Corporate Strategic Services

## Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(260,400)	(265,608)	(270,920)	(123,338)	(125,806)
Sales of Service	(152,400)	(155,448)	(158,557)	(8,728)	(8,903)
Other	-	-	-	-	-
User Fees	(108,000)	(110,160)	(112,363)	(114,610)	(116,903)
Other Revenue	(58,434)	(141,855)	(144,505)	(147,395)	(150,343)
Interest	-	-	-	-	-
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(58,434)	(141,855)	(144,505)	(147,395)	(150,343)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(89,750)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(89,750)	-	-	-	-
<b>Total Revenue</b>	<b>(408,584)</b>	<b>(407,463)</b>	<b>(415,425)</b>	<b>(270,733)</b>	<b>(276,149)</b>
<b>Expenditures</b>					
Salaries and Wages	4,848,594	5,073,746	5,252,290	5,334,212	5,514,508
Internal Equipment	-	-	-	-	-
Material and Other	1,989,884	2,226,511	2,274,079	2,301,925	2,347,964
Contract Services	-	-	-	-	-
Debt Interest	-	-	-	-	-
Debt Principal	-	-	-	-	-
Internal Allocations	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfer to Funds	110,400	110,400	110,400	110,400	110,400
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	110,400	110,400	110,400	110,400	110,400
<b>Total Expenditures</b>	<b>6,948,878</b>	<b>7,410,657</b>	<b>7,636,769</b>	<b>7,746,537</b>	<b>7,972,872</b>
<b>Net Operating Expenditures</b>	<b>6,540,294</b>	<b>7,003,194</b>	<b>7,221,344</b>	<b>7,475,804</b>	<b>7,696,723</b>

## Capital Summary - General Fund

Cost Centre	2018	2019	2020	2021	2022
300 Real Estate & Parking	4,626,340	2,630,368	5,134,680	2,759,460	3,047,906
301 Buildings	6,917,320	2,134,920	2,752,723	7,782,491	46,266,867
302 Parks	18,810,400	17,055,495	11,702,040	10,516,034	12,162,014
304 Transportation	37,981,830	23,137,678	32,015,084	22,010,625	10,925,627
305 Solid Waste	8,284,470	2,020,000	2,870,000	1,620,000	3,620,000
306 Storm Drainage	7,894,580	1,544,217	1,300,122	808,224	1,442,058
308 Information Services	10,742,220	2,076,558	1,237,236	905,652	992,306
310 Vehicle & Mobile Equipment	8,042,480	3,099,038	3,265,079	3,415,818	3,590,981
311 Fire	1,673,990	505,626	804,080	585,830	2,130,076
	<b>104,973,630</b>	<b>54,203,900</b>	<b>61,081,044</b>	<b>50,404,134</b>	<b>84,177,835</b>

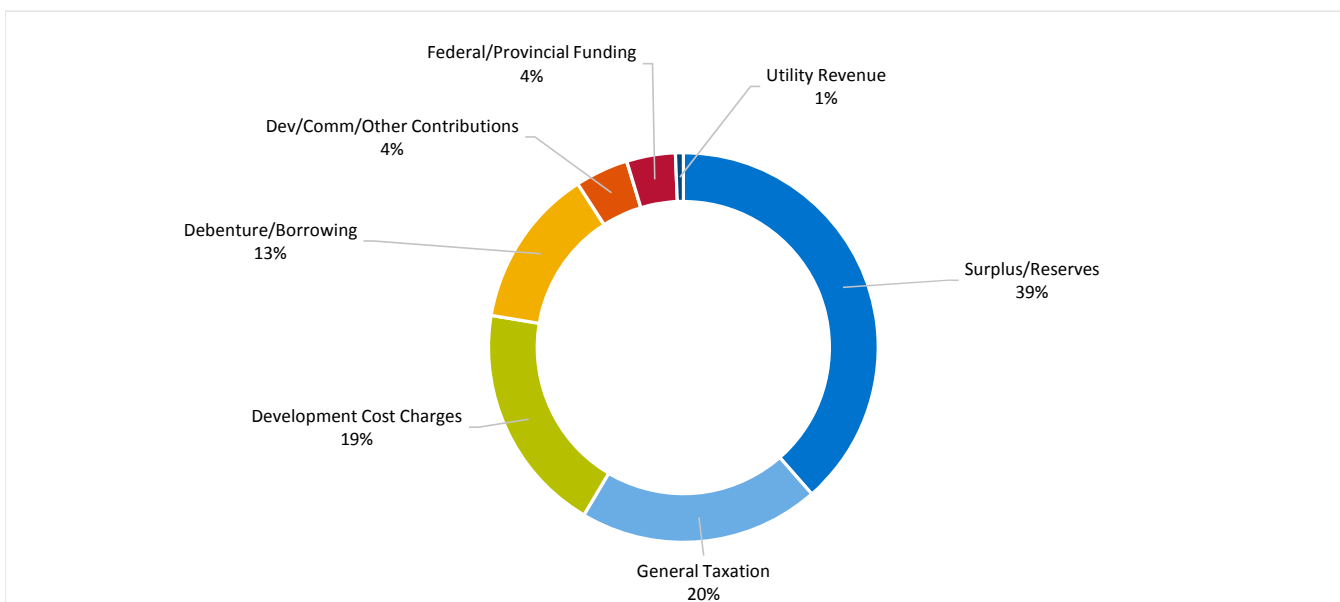
## Funding Sources:

General Taxation	12,664,940	13,424,411	14,221,481	14,938,426	15,684,550
Surplus/Reserves	55,902,607	19,454,979	24,396,230	14,393,000	22,610,630
Development Cost Charges	11,953,148	14,608,510	18,652,333	15,057,708	7,577,655
Debenture/Borrowing	4,949,710	-	-	4,000,000	38,000,000
Federal/Provincial Funding*	14,310,180	-	-	-	-
Dev/Comm/Other Contributions	2,841,925	6,716,000	3,811,000	2,015,000	305,000
Utility Revenue	2,351,120	-	-	-	-
	<b>104,973,630</b>	<b>54,203,900</b>	<b>61,081,044</b>	<b>50,404,134</b>	<b>84,177,835</b>

\* 2030 Infrastructure Plan only includes confirmed Federal and Provincial Funding

## Capital Funding Summary

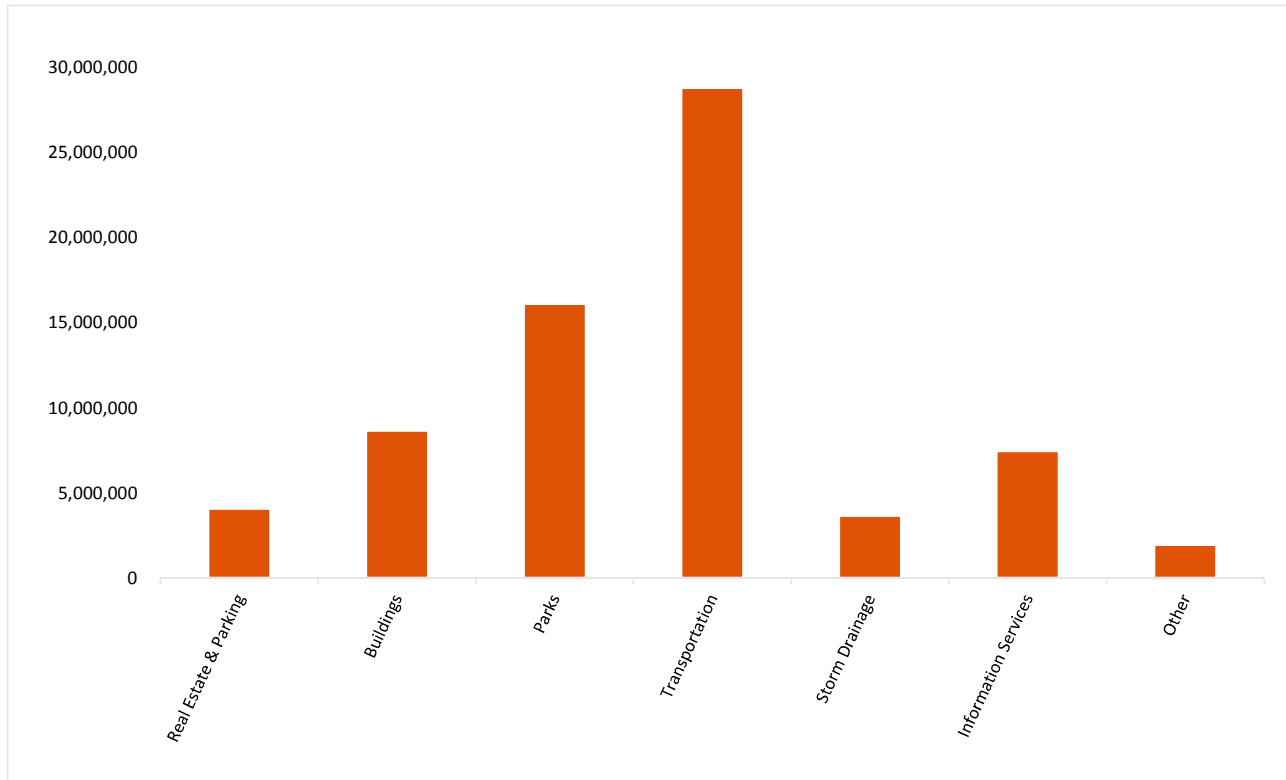
### General Fund Capital Funding 2018 to 2022



	2018	2019	2020	2021	2022
<b>Funding Sources:</b>					
General Taxation	12,664,940	13,424,411	14,221,481	14,938,426	15,684,550
Surplus/Reserves	55,902,607	19,454,979	24,396,230	14,393,000	22,610,630
Development Cost Charges	11,953,148	14,608,510	18,652,333	15,057,708	7,577,655
Debenture/Borrowing	4,949,710	-	-	4,000,000	38,000,000
Federal/Provincial Funding	14,310,180	-	-	-	-
Dev/Comm/Other Contributions	2,841,925	6,716,000	3,811,000	2,015,000	305,000
Utility Revenue	2,351,120	-	-	-	-
	<b>104,973,630</b>	<b>54,203,900</b>	<b>61,081,044</b>	<b>50,404,134</b>	<b>84,177,835</b>
<b>Total Five-Year Capital Program</b>					<b><u>354,840,543</u></b>

## Capital Funding Summary by Cost Centre

General Fund 2018 to 2022 - Taxation



Cost Centre			General Fund		
		Total \$	%	Taxation	%
300	Real Estate & Parking	18,198,754	5.1	4,109,914	5.8
301	Buildings	65,854,321	18.6	8,690,568	12.3
302	Parks	70,245,983	19.8	16,127,705	22.7
304	Transportation	126,070,844	35.5	28,813,720	40.6
305	Solid Waste	18,414,470	5.2	-	0.0
306	Storm Drainage	12,989,201	3.7	3,694,621	5.2
308	Information Services	15,953,972	4.5	7,498,752	10.6
310	Vehicle & Mobile Equipment	21,413,396	6.0	868,751	1.2
311	Fire	5,699,602	1.6	1,129,777	1.6
Total Five-Year Program		354,840,543		70,933,808	

## Real Estate &amp; Parking Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
L1	General Land	1,684,890	1,948,368	2,011,180	2,155,460	2,170,906
L2	Road & Sidewalk Land Acquisition	147,350	25,000	45,000	40,000	50,000
L3	Parking Infrastructure	537,100	407,000	2,828,500	314,000	577,000
L4	Strategic Land Redevelopment	2,257,000	250,000	250,000	250,000	250,000
		<b>4,626,340</b>	<b>2,630,368</b>	<b>5,134,680</b>	<b>2,759,460</b>	<b>3,047,906</b>

## Funding Sources

General Taxation	684,000	718,368	801,180	940,460	965,906
Surplus/Reserves	3,937,030	1,657,000	4,078,500	1,564,000	1,827,000
Development Cost Charges	5,310	-	-	-	-
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	-	255,000	255,000	255,000	255,000
Utility Revenue	-	-	-	-	-
	<b>4,626,340</b>	<b>2,630,368</b>	<b>5,134,680</b>	<b>2,759,460</b>	<b>3,047,906</b>

<b>Five-Year Total Funding</b>	<b>18,198,754</b>
<b>Five-Year Taxation Funding</b>	<b>4,109,914</b>

## Real Estate & Parking Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>General Land</b> Annual allocation for the purchase of land for general purposes. This may allow for acquiring properties at less than fair market value, creating land assembly opportunities, creating a revenue generating land bank and providing trade potential.	9,970,804
2.	<b>Road and Sidewalk Land Acquisition</b> To fund the purchase of land required for the widening of roads to accommodate road improvements and/or sidewalks.	307,350
3.	<b>Parking Infrastructure</b> Funding to renew parking infrastructure and to invest in efficient parking management technology.	4,663,600
4.	<b>Strategic Land Redevelopment</b> Funding to redevelop City owned land to improve public benefit and encourage economic development.	3,257,000
<b>Five-Year Total Funding</b>		<b>18,198,754</b>

## Building Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
B1	Parks and Recreation Buildings	2,173,760	573,855	1,001,259	6,761,187	42,103,647
B2	Community and Cultural Buildings	288,720	323,622	265,577	371,412	298,283
B3	Civic/Protective Service Buildings	3,229,010	189,970	155,897	318,025	3,225,096
B4	Transportation and Public Works Buildings	1,198,210	97,473	79,990	111,867	89,841
B5	Heritage Buildings	0	150,000	1,200,000	170,000	500,000
B6	Capital Opportunities and Partnerships	27,620	800,000	50,000	50,000	50,000
		<b>6,917,320</b>	<b>2,134,920</b>	<b>2,752,723</b>	<b>7,782,491</b>	<b>46,266,867</b>

### Funding Sources

General Taxation	670,000	748,485	2,052,723	2,682,491	2,536,867
Surplus/Reserves	4,249,610	1,386,435	700,000	1,100,000	5,730,000
Development Cost Charges	-	-	-	-	-
Debenture/Borrowing	1,997,710	-	-	4,000,000	38,000,000
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	-	-	-	-	-
Utility Revenue	-	-	-	-	-
	<b>6,917,320</b>	<b>2,134,920</b>	<b>2,752,723</b>	<b>7,782,491</b>	<b>46,266,867</b>

<b>Five-Year Total Funding</b>	<b>65,854,321</b>
<b>Five-Year Taxation Funding</b>	<b>8,690,566</b>

## Building Capital

Plan No.	Plan Description	Total Five-Year Project Costs
<b>Recreation Buildings &amp; Facilities</b>		
<b>1. Parks and Recreation Buildings</b>		<b>52,613,708</b>
	An allocation for the development of new Parks and Recreation buildings as well as the redevelopment, expansion and renewal of existing ones in various locations throughout the City to keep pace with the increasing demand due to population growth and emerging trends. This category includes Parks Administration, Parks washrooms, field houses, arenas and pools.	
<b>2. Community and Cultural Buildings</b>		<b>1,547,614</b>
	An allocation for the development of new community and cultural buildings as well as the redevelopment, renewal and expansion of existing ones. This category includes the theaters, libraries, senior centres, community halls, art gallery, museums and the RCA.	
<b>3. Civic/Protective Service Buildings</b>		<b>7,117,998</b>
	An allocation for the development of new civic and protective buildings as well as the redevelopment, renewal and expansion of existing ones. This category includes firehalls, police stations and City Hall.	
<b>4. Transportation and Public Works Buildings</b>		<b>1,577,381</b>
	Funding to support renewal, replacement and new construction of Transportation and Public Works Buildings throughout the City to keep pace increasing demand due to population growth and emerging trends. This category includes Public Works Yard, parkades, cemetery and WWTF administration.	
<b>5. Heritage Buildings</b>		<b>2,020,000</b>
	An allocation for the development of new City-owned Heritage buildings as well as the redevelopment, renewal and expansion of existing ones.	
<b>6. Capital Opportunities and Partnerships</b>		<b>977,620</b>
	Funding for special projects including partnerships with the School District on community space as part of new school construction as well as funding to allow for capital projects that were not envisioned during the plan development, including partnerships.	
<b>Five-Year Total Funding</b>		<b>65,854,321</b>

## Parks Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
P1	DCC Parkland Acquisition	8,956,260	12,673,396	7,083,846	6,883,846	6,983,846
P2	Linear/Natural Area Parkland	597,130	-	492,563	425,000	450,000
P3	Neighbourhood Park Development	-	-	-	-	400,000
P4	Community Park Development	3,405,590	2,800,000	1,600,000	700,000	2,000,000
P5	Recreation Park Development	150,500	-	-	-	500,000
P6	City-Wide Park Development	2,962,530	340,000	-	-	-
P7	Linear/Natural Area Park Development	837,190	150,000	200,000	200,000	200,000
P8	Park Renew., Rehab. & Upgrades	1,063,280	900,000	2,033,000	2,015,000	1,350,000
P9	Capital Opportunities and Partners	837,920	192,099	292,631	292,188	278,168
		<b>18,810,400</b>	<b>17,055,495</b>	<b>11,702,040</b>	<b>10,516,034</b>	<b>12,162,014</b>

## Funding Sources

General Taxation	2,672,950	3,656,441	2,697,582	2,576,967	4,523,765
Surplus/Reserves	7,462,880	2,017,999	2,653,631	1,765,440	1,376,022
Development Cost Charges	5,305,960	5,981,055	6,350,827	6,173,627	6,262,227
Debenture/Borrowing	2,952,000	-	-	-	-
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	416,610	5,400,000	-	-	-
Utility Revenue	-	-	-	-	-
	<b>18,810,400</b>	<b>17,055,495</b>	<b>11,702,040</b>	<b>10,516,034</b>	<b>12,162,014</b>

<b>Five-Year Total Funding</b>	<b>70,245,983</b>
<b>Five-Year Taxation Funding</b>	<b>16,127,705</b>

## Parks Capital

Plan No.	Plan Description	Total Five-Year Project Costs
<b>Parkland Acquisition</b>		
1.	<b>DCC Parkland Acquisition</b> Park acquisition program based on the residential growth in the City for the purchase of parkland (Neighbourhood, Community, Recreation and City-wide level parks) under the Development Cost Charge program (DCC). Funding is primarily allocated from developer revenue with general taxation covering both the assist factor and secondary suites that are paying reduced DCC's.	<b>42,581,194</b>
2.	<b>Linear/Natural Area Parkland</b> Park acquisition program for the purchase of Natural Areas and Linear Parks not attributed to the DCC program.	1,964,693
3.	<b>Neighbourhood Park Development</b> An allocation to cover the development of neighbourhood level parks including off-site costs related to park development, but does not include buildings.	400,000
4.	<b>Community Park Development</b> An allocation to cover the development of community level parks including off-site costs related to park development, but does not include buildings.	10,505,590
5.	<b>Recreation Park Development</b> An allocation to cover the development of recreation level parks including off-site costs related to park development, but does not include buildings.	650,500
6.	<b>City-Wide Park Development</b> An allocation to cover the development of city-wide level parks including off-site costs related to park development, but does not include buildings.	3,302,530
7.	<b>Linear/Natural Area Park Development</b> An allocation to cover the development of natural areas and linear parks/trails.	1,587,190
8.	<b>Park Renewal, Rehabilitation &amp; Infrastructure Upgrades</b> An allocation for major repairs or replacement of existing park infrastructure such as sidewalks, hard-surfaced trails, parking lots, sport courts, lighting, electrical and water services, irrigation, fencing, bridges and other major structures.	7,361,280
9.	<b>Capital Opportunities and Partners</b> An allocation for various strategic investments into the park and open space system as well as funding to allow for capital projects that were not envisioned during the plan development, including partnerships.	1,893,006
<b>Five-Year Total Funding</b>		<b>70,245,983</b>

## Transportation Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
T1	Development Cost Charge Roads	14,943,820	8,111,664	17,525,778	12,420,419	700,000
T2	DCC Roads - Active Transportation	4,943,050	8,407,601	3,400,000	3,000,000	3,431,515
T3	Non-DCC Roads	100,000	300,000	-	-	-
T4	Transportation System Renewal	9,139,530	4,318,413	9,169,306	4,440,206	4,516,112
T5	Bicycle Network	4,322,600	300,000	300,000	300,000	450,000
T6	Sidewalk Network	1,071,550	500,000	500,000	600,000	600,000
T7	Safety and Operational Improvements	806,030	450,000	500,000	500,000	500,000
T8	Traffic Control Infrastructure	100,150	650,000	600,000	650,000	600,000
T9	Transit Facilities	2,555,100	100,000	20,000	100,000	128,000
		<b>37,981,830</b>	<b>23,137,678</b>	<b>32,015,084</b>	<b>22,010,625</b>	<b>10,925,627</b>
<b>Funding Sources</b>						
	General Taxation	3,705,990	5,760,277	6,463,147	7,335,680	5,548,626
	Surplus/Reserves	17,315,267	8,588,946	9,694,431	4,030,863	4,011,573
	Development Cost Charges	6,641,878	8,627,455	12,301,506	8,884,082	1,315,428
	Debenture/Borrowing	-	-	-	-	-
	Federal/Provincial Funding	8,323,880	-	-	-	-
	Dev/Comm/Other Contributions	1,994,815	161,000	3,556,000	1,760,000	50,000
	Utility Revenue	-	-	-	-	-
		<b>37,981,830</b>	<b>23,137,678</b>	<b>32,015,084</b>	<b>22,010,625</b>	<b>10,925,627</b>
<b>Five-Year Total Funding</b>						<b>126,070,844</b>
<b>Five-Year Taxation Funding</b>						<b>28,813,720</b>

## Transportation Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Development Cost Charge (DCC) Roads</b> Allocation for design, land and construction costs associated with DCC Road projects.	53,701,681
2.	<b>DCC Roads - Active Transportation</b> Allocation for design, land and construction costs associated with DCC Active Transportation projects. General taxation to cover 77.7% Assist.	23,182,166
3.	<b>Non-DCC Roads</b> Infrastructure upgrades which are not part of the 20 Year Servicing Plan and Financing Strategy (collectors and local roads) and City initiated projects to upgrade streets to full urban standards including drainage, fillet paving, sidewalks and landscaped boulevards.	400,000
4.	<b>Transportation System Renewal</b> Allocation for overlay and other processes, including micro asphaltting, for rehabilitation of City roads. Also includes renewal of curb and gutter, bike paths, retaining walls, bridges, street lights, handrails and stairways.	31,583,567
5.	<b>Bicycle Network</b> Allocation for bike network system additions.	5,672,600
6.	<b>Sidewalk Network</b> Allocation required to complete the Non-DCC portion of the sidewalk network.	3,271,550
7.	<b>Safety and Operational Improvements</b> Allocation to cover field reviews and capital improvements for safety improvements or to improve operational efficiency. This will include projects such as left turn bays, traffic control changes, safety barriers, signs, markings, handicap access improvements and retrofit medians.	2,756,030
8.	<b>Traffic Control Infrastructure</b> This program is for construction of new traffic signal control infrastructure that is not part of the DCC program. This includes new traffic signals and pedestrian activated traffic signals, installation of new communication for the traffic signals system and where new development occurs install conduit for future traffic signals.	2,600,150
9.	<b>Transit Facilities</b> Construction of new or existing transit facilities, bus pullouts and shelters.	2,903,100
<b>Five-Year Total Funding</b>		<b>126,070,844</b>

## Solid Waste Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
SW1	Equipment	300,000	610,000	610,000	460,000	1,960,000
SW2	Site Improvement	3,504,470	475,000	225,000	225,000	225,000
SW3	Gas Management	300,000	150,000	450,000	150,000	150,000
SW4	Leachate Management	500,000	150,000	450,000	150,000	150,000
SW5	Drainage & Groundwater Management	380,000	-	-	-	-
SW6	Recycling and Waste Management	-	-	500,000	-	500,000
SW7	Landfill Area Development	3,300,000	75,000	75,000	75,000	75,000
SW8	Closure and Reclamation	-	100,000	100,000	100,000	100,000
SW9	Solid Waste Renewal	-	460,000	460,000	460,000	460,000
		<b>8,284,470</b>	<b>2,020,000</b>	<b>2,870,000</b>	<b>1,620,000</b>	<b>3,620,000</b>
<b>Funding Sources</b>						
	General Taxation	-	-	-	-	-
	Surplus/Reserves	7,784,470	2,020,000	2,870,000	1,620,000	3,620,000
	Development Cost Charges	-	-	-	-	-
	Debenture/Borrowing	-	-	-	-	-
	Federal/Provincial Funding	-	-	-	-	-
	Dev/Comm/Other Contributions	166,670	-	-	-	-
	Utility Revenue	333,330	-	-	-	-
		<b>8,284,470</b>	<b>2,020,000</b>	<b>2,870,000</b>	<b>1,620,000</b>	<b>3,620,000</b>
<b>Five-Year Total Funding</b>						<b>18,414,470</b>
<b>Five-Year Taxation Funding</b>						-

## Solid Waste Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Equipment</b> Funding for new equipment and replacement of existing equipment.	3,940,000
2.	<b>Site Improvement</b> Funding for site improvements like buildings, roads, landscaping and fencing.	4,654,470
3.	<b>Gas Management</b> Required for design, installation and extension of gas management system and utilization of gas to energy.	1,200,000
4.	<b>Leachate Management</b> Required for installation and extension of leachate collection, treatment, recirculation network and pump facilities.	1,400,000
5.	<b>Drainage and Groundwater Management</b> Funding for design and installation of surface and groundwater systems, piping, storage and pump stations.	380,000
6.	<b>Recycling and Waste Management</b> Facilities and infrastructure to support waste management and recycling including composting, waste separation and diversion, last chance mercantile, and curbside bins.	1,000,000
7.	<b>Landfill Area Development</b> Required for planning, design and development of areas for filling to maximize available space.	3,600,000
8.	<b>Closure and Reclamation</b> Required for design and construction of final cover system and closure infrastructure and reclamation of disturbed areas to natural state.	400,000
9.	<b>Solid Waste Renewal</b> Renewal and replacement of site infrastructure and equipment.	1,840,000
<b>Five-Year Total Funding</b>		<b>18,414,470</b>

## Storm Drainage Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
D1	Hydraulic Upgrading Program	600,000	1,225,000	905,595	575,000	1,115,000
D2	Storm Drainage Quality Program	447,200	90,000	90,000	-	90,000
D3	Storm Drainage Renewal	6,847,380	229,217	304,527	233,224	237,058
		<b>7,894,580</b>	<b>1,544,217</b>	<b>1,300,122</b>	<b>808,224</b>	<b>1,442,058</b>
	General Taxation	455,000	1,074,217	830,122	363,224	972,058
	Surplus/Reserves	1,488,980	470,000	470,000	445,000	470,000
	Development Cost Charges	-	-	-	-	-
	Debenture/Borrowing	-	-	-	-	-
	Federal/Provincial Funding	5,950,600	-	-	-	-
	Dev/Comm/Other Contributions	-	-	-	-	-
	Utility Revenue	-	-	-	-	-
		<b>7,894,580</b>	<b>1,544,217</b>	<b>1,300,122</b>	<b>808,224</b>	<b>1,442,058</b>
<b>Five-Year Total Funding</b>						<b>12,989,201</b>
<b>Five-Year Taxation Funding</b>						<b>3,694,621</b>

## Storm Drainage Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Hydraulic Upgrading Program</b> Estimated expenditures to cover hydraulic improvements to the storm drainage system. These projects are taken directly from the area drainage plans (North, Rutland, Central, Downtown, South Mission and South East Kelowna). Projects are ranked according to priority.	4,420,595
2.	<b>Storm Drainage Quality Program</b> This program includes storm drainage quality projects taken from the area drainage plans and forms the overall work program. The program includes a hydrocarbon and sediment reduction program along high traffic/accident routes. The program considers priority sanding routes, environmental risk, accident rate and coordinated opportunities as criteria for location selection.	717,200
3.	<b>Storm Drainage Renewal</b> This program provides for the renewal and replacement of pipes, pump stations, and treatment facilities.	7,851,406
<b>Five-Year Total Funding</b>		<b>12,989,201</b>

## Information Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
I1	Front Office Equipment	384,000	386,000	423,500	435,000	397,500
I2	Server and Data Storage	209,680	180,000	155,000	180,000	230,000
I3	Major System Projects	6,340,850	505,558	528,736	185,652	189,806
I4	Communications Systems	3,807,690	1,005,000	130,000	105,000	175,000
		<b>10,742,220</b>	<b>2,076,558</b>	<b>1,237,236</b>	<b>905,652</b>	<b>992,306</b>

## Funding Sources

General Taxation	3,187,000	1,176,558	1,237,236	905,652	992,306
Surplus/Reserves	6,670,750	-	-	-	-
Development Cost Charges	-	-	-	-	-
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	35,700	-	-	-	-
Dev/Comm/Other Contributions	-	900,000	-	-	-
Utility Revenue	848,770	-	-	-	-
	<b>10,742,220</b>	<b>2,076,558</b>	<b>1,237,236</b>	<b>905,652</b>	<b>992,306</b>

<b>Five-Year Total Funding</b>	<b>15,953,972</b>
<b>Five-Year Taxation Funding</b>	<b>7,498,752</b>

## Information Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Front Office Equipment</b> Information Services have been utilizing a 5 year replacement cycle for desktop equipment which includes computers, printers, monitors, scanners and software. It also includes work group equipment such as large format plotters and copiers.	2,026,000
2.	<b>Server and Data Storage</b> To provide equipment and software in City Hall data centre to support the various systems in place for staff and includes equipment for the Fire Hall data centre. Included are servers, disk storage, tape backups and the related software.	954,680
3.	<b>Major System Projects</b> Major systems projects include tax system, collection systems (cash and electronic funds), permit systems, property systems, Agresso ERP system, Asset Management system, customer relation systems (service requests), employee time entry systems and maintenance management systems.	7,750,602
4.	<b>Communications Systems</b> To provide a networking environment that interconnects the various places and spaces used by City staff, this budget will support the expansion of the City's fibre optic ring which will reduce need for leased communication lines. Network components that have reached the end of their serviceable life will also be replaced.	5,222,690
<b>Five-Year Total Funding</b>		<b>15,953,972</b>

## Vehicle &amp; Mobile Equipment Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
V1	Additional Vehicles/Equipment	1,535,380	122,288	139,491	133,951	145,021
V2	Vehicle/Equipment Renewal	6,507,100	2,976,750	3,125,588	3,281,867	3,445,960
		<b>8,042,480</b>	<b>3,099,038</b>	<b>3,265,079</b>	<b>3,415,818</b>	<b>3,590,981</b>

## Funding Sources

General Taxation	328,000	122,288	139,491	133,951	145,021
Surplus/Reserves	6,281,630	2,976,750	3,125,588	3,281,867	3,445,960
Development Cost Charges	-	-	-	-	-
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	263,830	-	-	-	-
Utility Revenue	1,169,020	-	-	-	-
	<b>8,042,480</b>	<b>3,099,038</b>	<b>3,265,079</b>	<b>3,415,818</b>	<b>3,590,981</b>

<b>Five-Year Total Funding</b>	<b>21,413,396</b>
<b>Five-Year Taxation Funding</b>	<b>868,751</b>

## Vehicle & Mobile Equipment Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Additional Vehicles/Equipment</b> This budget supports the addition of new vehicles and equipment to the corporate fleet in response to increased service demand from population growth or additional services.	<b>2,076,131</b>
2.	<b>Vehicle/Equipment Renewal</b> As part of the City's vehicle replacement program, vehicles at the end of their service life cycles are replaced using funds from the equipment replacement reserve. Cars and light trucks have an average design life of 10 years. Most heavy duty equipment has a service life of 7-10 years or 10,000-12,000 hour run time	<b>19,337,265</b>
<b>Five-Year Total Funding</b>		<b>21,413,396</b>

## Fire Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
F1	Vehicle/Equipment Renewal	-	337,849	804,080	585,830	2,130,076
F2	Additional Vehicles/Equipment	962,000	-	-	-	-
F3	Communications Systems	711,990	167,777	-	-	-
		<b>1,673,990</b>	<b>505,626</b>	<b>804,080</b>	<b>585,830</b>	<b>2,130,076</b>

## Funding Sources

General Taxation	962,000	167,777	-	-	-
Surplus/Reserves	711,990	337,849	804,080	585,830	2,130,076
Development Cost Charges	-	-	-	-	-
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	-	-	-	-	-
Utility Revenue	-	-	-	-	-
	<b>1,673,990</b>	<b>505,626</b>	<b>804,080</b>	<b>585,830</b>	<b>2,130,076</b>

<b>Five-Year Total Funding</b>	<b>5,699,602</b>
<b>Five-Year Taxation Funding</b>	<b>1,129,777</b>

## Fire Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Vehicle/Equipment Renewal</b> As part of the Fire Departments vehicle/equipment replacement program, vehicles and equipment at the end of their service life cycles are replaced using funds from the Fire Departments equipment replacement reserve.	3,857,835
2.	<b>Additional Vehicles/Equipment</b> This budget supports the addition of new vehicles and equipment to the Fire Department in response to increased service demand from population growth.	962,000
3.	<b>Communications Systems</b> To provide for radio system improvements or replacement, including dispatch requirements.	879,767
<b>Five-Year Total Funding</b>		<b>5,699,602</b>

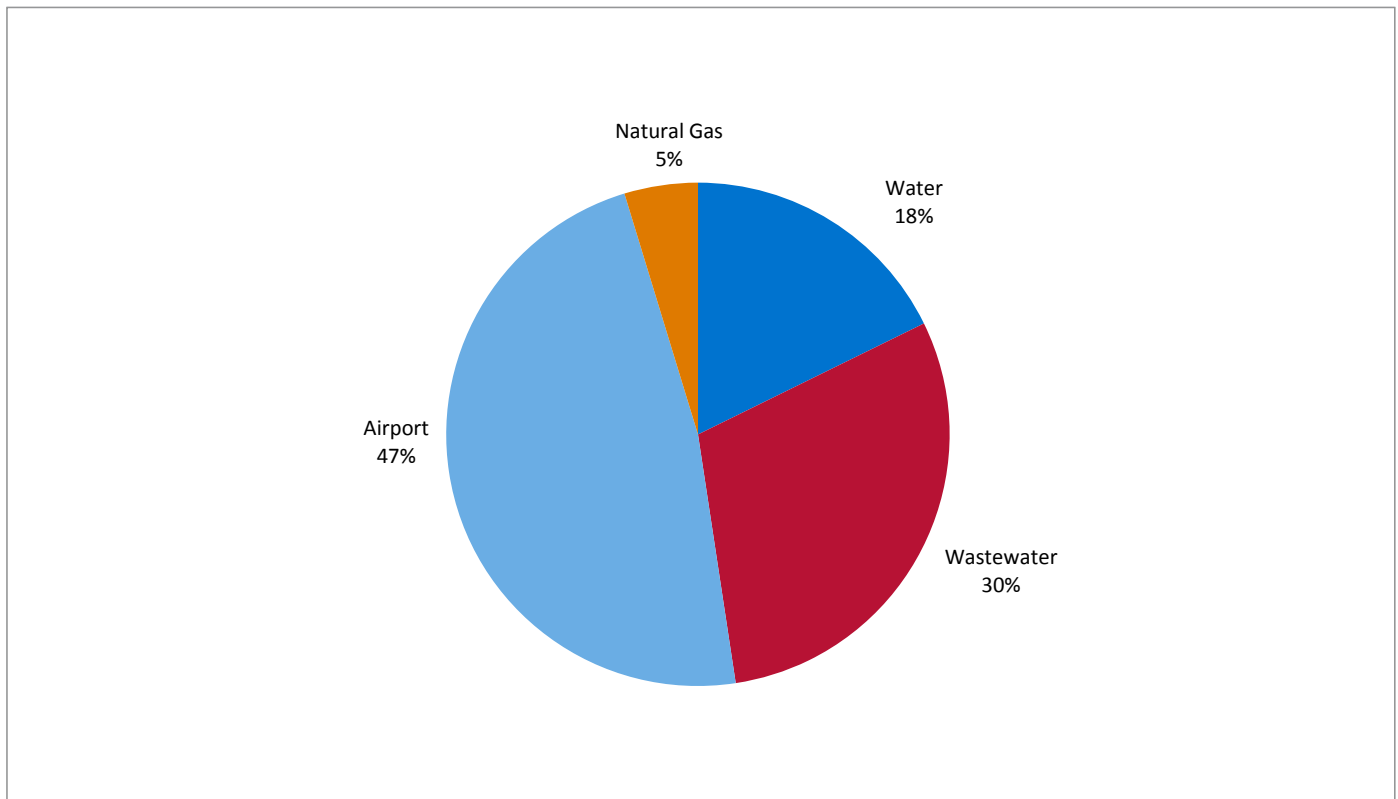
## Operating Summary - Utility Funds

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	(3,143,973)	(3,201,896)	(3,226,331)	(3,229,372)	(3,250,909)
Fees and Charges	(64,770,150)	(65,305,261)	(66,732,284)	(68,054,647)	(69,452,767)
Sales of Service	(59,175,255)	(60,396,385)	(61,904,909)	(63,367,518)	(64,850,240)
Other	-	-	-	-	-
User Fees	(5,594,895)	(4,908,876)	(4,827,375)	(4,687,129)	(4,602,527)
Other Revenue	(2,224,884)	(2,920,444)	(3,094,372)	(3,168,389)	(3,310,358)
Interest	(722,284)	(1,100,716)	(1,265,228)	(1,330,441)	(1,463,400)
Grants	(425,906)	(410,052)	(414,262)	(418,448)	(422,775)
Other	-	(332,982)	(338,188)	(342,806)	(347,489)
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(1,076,694)	(1,076,694)	(1,076,694)	(1,076,694)	(1,076,694)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(14,922,742)	(17,237,764)	(29,694,405)	(15,304,287)	(10,344,422)
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	(5,461,365)	(5,461,368)	(5,461,368)	(4,864,097)	(1,205,909)
Accumulated Surplus	(9,461,377)	(11,776,396)	(24,233,037)	(10,440,190)	(9,138,513)
<b>Total Revenue</b>	<b>(85,061,749)</b>	<b>(88,665,365)</b>	<b>(102,747,392)</b>	<b>(89,756,695)</b>	<b>(86,358,456)</b>
<b>Expenditures</b>					
Salaries and Wages	11,066,950	11,628,388	12,021,505	12,427,832	12,847,891
Internal Equipment	1,178,087	1,212,389	1,236,637	1,261,370	1,286,597
Material and Other	14,667,861	14,520,535	14,951,647	15,456,840	15,979,105
Contract Services	633,765	654,291	675,195	696,051	717,573
Debt Interest	5,983,018	3,128,862	2,148,548	1,775,548	1,775,203
Debt Principal	10,550,096	7,569,209	4,891,335	2,993,426	2,993,426
Internal Allocations	8,489,237	8,179,970	8,158,970	8,158,968	8,158,969
Interdepartment Transfer	6,055,765	5,746,498	5,725,498	5,725,498	5,725,498
Interfund Transfer	2,433,472	2,433,472	2,433,472	2,433,470	2,433,471
Transfer to Funds	27,989,135	33,961,360	36,433,349	39,061,296	36,684,762
Special (Stat Reserve) Funds	156,310	156,310	156,310	156,310	156,310
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	27,832,825	33,805,050	36,277,039	38,904,986	36,528,452
<b>Total Expenditures</b>	<b>80,558,149</b>	<b>80,855,004</b>	<b>80,517,186</b>	<b>81,831,331</b>	<b>80,443,526</b>
<b>Net Operating Expenditures</b>	<b>(4,503,600)</b>	<b>(7,810,361)</b>	<b>(22,230,207)</b>	<b>(7,925,364)</b>	<b>(5,914,930)</b>

## Utility Funds - Net operating revenues

### Net Operating Expenditure by Year



	2018	2019	2020	2021	2022
Water	(15,092,794)	(16,897,295)	(28,415,456)	(17,300,365)	(16,424,482)
Wastewater	(25,399,884)	(26,474,593)	(28,517,614)	(27,081,391)	(24,092,155)
Airport	(40,563,409)	(41,920,162)	(42,454,133)	(42,028,759)	(42,510,040)
Natural Gas	(4,005,662)	(3,373,315)	(3,360,189)	(3,346,180)	(3,331,779)
<b>Total Revenue</b>	<b>(85,061,749)</b>	<b>(88,665,365)</b>	<b>(102,747,392)</b>	<b>(89,756,695)</b>	<b>(86,358,456)</b>

## Water Fund

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	(1,743,065)	(1,539,316)	(1,563,751)	(1,584,997)	(1,606,534)
Fees and Charges	(12,045,284)	(12,286,324)	(12,684,878)	(13,071,373)	(13,470,404)
Sales of Service	(12,022,184)	(12,262,762)	(12,660,845)	(13,046,859)	(13,445,400)
Other	-	-	-	-	-
User Fees	(23,100)	(23,562)	(24,033)	(24,514)	(25,004)
Other Revenue	(308,905)	(573,200)	(579,007)	(584,159)	(589,384)
Interest	(106,780)	(38,093)	(38,694)	(39,228)	(39,770)
Grants	-	-	-	-	-
Other	-	(332,982)	(338,188)	(342,806)	(347,489)
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(202,125)	(202,125)	(202,125)	(202,125)	(202,125)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(995,540)	(2,498,455)	(13,587,820)	(2,059,836)	(758,160)
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(995,540)	(2,498,455)	(13,587,820)	(2,059,836)	(758,160)
<b>Total Revenue</b>	<b>(15,092,794)</b>	<b>(16,897,295)</b>	<b>(28,415,456)</b>	<b>(17,300,365)</b>	<b>(16,424,482)</b>
<b>Expenditures</b>					
Salaries and Wages	2,726,337	2,875,471	2,965,936	3,066,184	3,169,821
Internal Equipment	365,974	378,495	386,065	393,787	401,662
Material and Other	2,593,727	2,217,686	2,258,197	2,334,524	2,413,431
Contract Services	447,965	464,002	480,330	496,565	513,349
Debt Interest	471,940	569,432	569,432	569,432	569,432
Debt Principal	333,486	333,489	333,489	333,489	333,489
Internal Allocations	1,746,325	1,748,995	1,738,195	1,738,195	1,738,195
Interdepartment Transfer	890,552	893,222	882,422	882,422	882,422
Interfund Transfer	855,773	855,773	855,773	855,773	855,773
Transfer to Funds	4,338,440	4,400,900	4,446,542	4,466,653	5,283,567
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	4,338,440	4,400,900	4,446,542	4,466,653	5,283,567
<b>Total Expenditures</b>	<b>13,024,194</b>	<b>12,988,470</b>	<b>13,178,186</b>	<b>13,398,829</b>	<b>14,422,946</b>
<b>Net Operating Expenditures</b>	<b>(2,068,600)</b>	<b>(3,908,825)</b>	<b>(15,237,271)</b>	<b>(3,901,536)</b>	<b>(2,001,536)</b>
Surplus/(Deficit) (Included Above)	2,142,640	(1,740,294)	(12,829,657)	(1,301,673)	785,579

The Net Operating Expenditures total is the amount of funding required for capital expenditures in the specific year. The Surplus/(Deficit) is the overall surplus/(deficit) budgeted for the fund during the year.

## Wastewater Fund

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	(1,400,908)	(1,662,580)	(1,662,580)	(1,644,375)	(1,644,375)
Fees and Charges	(16,018,096)	(16,517,701)	(17,127,550)	(17,704,695)	(18,338,612)
Sales of Service	(15,962,780)	(16,450,525)	(17,060,374)	(17,692,835)	(18,326,752)
Other	-	-	-	-	-
User Fees	(55,316)	(67,176)	(67,176)	(11,860)	(11,860)
Other Revenue	(1,553,097)	(1,869,203)	(1,935,099)	(1,902,070)	(1,937,106)
Interest	(368,122)	(704,217)	(770,113)	(737,084)	(772,120)
Grants	(310,406)	(290,417)	(290,417)	(290,417)	(290,417)
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	(874,569)	(874,569)	(874,569)	(874,569)	(874,569)
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(6,427,783)	(6,425,109)	(7,792,385)	(5,830,251)	(2,172,062)
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	(5,461,365)	(5,461,368)	(5,461,368)	(4,864,097)	(1,205,909)
Accumulated Surplus	(966,418)	(963,741)	(2,331,017)	(966,154)	(966,153)
<b>Total Revenue</b>	<b>(25,399,884)</b>	<b>(26,474,593)</b>	<b>(28,517,614)</b>	<b>(27,081,391)</b>	<b>(24,092,155)</b>
<b>Expenditures</b>					
Salaries and Wages	3,622,876	3,800,564	3,928,944	4,061,742	4,199,027
Internal Equipment	775,623	796,674	812,608	828,860	845,437
Material and Other	3,641,825	3,652,681	3,759,774	3,886,854	4,018,230
Contract Services	48,920	50,671	52,454	54,227	56,060
Debt Interest	2,322,346	1,975,180	994,866	621,866	621,521
Debt Principal	4,345,587	4,438,529	1,760,655	762,746	762,746
Internal Allocations	5,074,067	4,731,940	4,721,740	4,721,740	4,721,740
Interdepartment Transfer	3,540,137	3,198,010	3,187,810	3,187,810	3,187,810
Interfund Transfer	1,533,930	1,533,930	1,533,930	1,533,930	1,533,930
Transfer to Funds	3,133,640	3,126,818	5,493,637	8,119,528	4,954,000
Special (Stat Reserve) Funds	156,310	156,310	156,310	156,310	156,310
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	2,977,330	2,970,508	5,337,327	7,963,218	4,797,690
<b>Total Expenditures</b>	<b>22,964,884</b>	<b>22,573,057</b>	<b>21,524,678</b>	<b>23,057,563</b>	<b>20,178,761</b>
<b>Net Operating Expenditures</b>	<b>(2,435,000)</b>	<b>(3,901,536)</b>	<b>(6,992,936)</b>	<b>(4,023,828)</b>	<b>(3,913,394)</b>
Surplus/(Deficit) (Included Above)	2,781,330	2,774,508	3,766,265	7,767,218	4,601,690

The Net Operating Expenditures total is the amount of funding required for capital expenditures in the specific year. The Surplus/(Deficit) is the overall surplus/(deficit) budgeted for the fund during the year.

## Airport Fund

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(32,806,819)	(33,325,167)	(33,851,705)	(34,318,857)	(34,792,458)
Sales of Service	(31,190,291)	(31,683,098)	(32,183,691)	(32,627,825)	(33,078,089)
Other	-	-	-	-	-
User Fees	(1,616,528)	(1,642,069)	(1,668,014)	(1,691,032)	(1,714,369)
Other Revenue	(273,500)	(280,795)	(288,228)	(295,702)	(303,382)
Interest	(158,000)	(161,160)	(164,383)	(167,671)	(171,024)
Grants	(115,500)	(119,635)	(123,845)	(128,031)	(132,358)
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(7,483,090)	(8,314,200)	(8,314,200)	(7,414,200)	(7,414,200)
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(7,483,090)	(8,314,200)	(8,314,200)	(7,414,200)	(7,414,200)
<b>Total Revenue</b>	<b>(40,563,409)</b>	<b>(41,920,162)</b>	<b>(42,454,133)</b>	<b>(42,028,759)</b>	<b>(42,510,040)</b>
<b>Expenditures</b>					
Salaries and Wages	4,717,737	4,952,353	5,126,626	5,299,906	5,479,043
Internal Equipment	36,490	37,220	37,964	38,723	39,498
Material and Other	8,420,309	8,617,927	8,921,191	9,222,727	9,534,455
Contract Services	136,880	139,618	142,410	145,258	148,163
Debt Interest	956,250	584,250	584,250	584,250	584,250
Debt Principal	4,129,843	2,797,191	2,797,191	1,897,191	1,897,191
Internal Allocations	1,648,845	1,679,035	1,679,035	1,679,035	1,679,035
Interdepartment Transfer	1,605,076	1,635,266	1,635,266	1,635,266	1,635,266
Interfund Transfer	43,769	43,769	43,769	43,769	43,769
Transfer to Funds	20,517,055	23,112,568	23,165,466	23,161,669	23,148,405
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	20,517,055	23,112,568	23,165,466	23,161,669	23,148,405
<b>Total Expenditures</b>	<b>40,563,409</b>	<b>41,920,162</b>	<b>42,454,133</b>	<b>42,028,759</b>	<b>42,510,040</b>
<b>Net Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Surplus/(Deficit) (Included Above)	13,033,965	14,798,368	14,851,266	15,747,469	15,734,205

*The Surplus/(Deficit) is the overall surplus/(deficit) budgeted for the fund during the year.*

## Natural Gas Fund

### Revenues and Expenditures by Year

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Parcel Tax	-	-	-	-	-
Fees and Charges	(3,899,951)	(3,176,069)	(3,068,152)	(2,959,722)	(2,851,293)
Sales of Service	-	-	-	-	-
Other	-	-	-	-	-
User Fees	(3,899,951)	(3,176,069)	(3,068,152)	(2,959,722)	(2,851,293)
Other Revenue	(89,382)	(197,246)	(292,037)	(386,458)	(480,486)
Interest	(89,382)	(197,246)	(292,037)	(386,458)	(480,486)
Grants	-	-	-	-	-
Other	-	-	-	-	-
Services to Other Governments	-	-	-	-	-
Interdepartment Transfer	-	-	-	-	-
Interfund Transfer	-	-	-	-	-
Transfers from Funds	(16,329)	-	-	-	-
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	(16,329)	-	-	-	-
<b>Total Revenue</b>	<b>(4,005,662)</b>	<b>(3,373,315)</b>	<b>(3,360,189)</b>	<b>(3,346,180)</b>	<b>(3,331,779)</b>
<b>Expenditures</b>					
Salaries and Wages	-	-	-	-	-
Internal Equipment	-	-	-	-	-
Material and Other	12,000	32,240	12,485	12,734	12,989
Contract Services	-	-	-	-	-
Debt Interest	2,232,482	-	-	-	-
Debt Principal	1,741,180	-	-	-	-
Internal Allocations	20,000	20,000	20,000	20,000	20,000
Interdepartment Transfer	20,000	20,000	20,000	20,000	20,000
Interfund Transfer	-	-	-	-	-
Transfer to Funds	-	3,321,075	3,327,704	3,313,446	3,298,790
Special (Stat Reserve) Funds	-	-	-	-	-
Development Cost Charges	-	-	-	-	-
Accumulated Surplus	-	3,321,075	3,327,704	3,313,446	3,298,790
<b>Total Expenditures</b>	<b>4,005,662</b>	<b>3,373,315</b>	<b>3,360,189</b>	<b>3,346,180</b>	<b>3,331,779</b>
<b>Net Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Surplus/(Deficit) (Included Above)	(16,329)	3,321,075	3,327,704	3,313,446	3,298,790

*The Surplus/(Deficit) is the overall surplus/(deficit) budgeted for the fund during the year.*

## Capital Summary - Utility Funds

	2018	2019	2020	2021	2022
Water	61,635,900	4,433,000	15,690,000	4,110,000	2,210,000
Wastewater	6,489,300	3,960,000	17,022,000	11,749,300	4,425,000
Airport	26,433,990	28,571,206	16,244,609	34,373,831	49,429,958
	<b>94,559,190</b>	<b>36,964,206</b>	<b>48,956,609</b>	<b>50,233,131</b>	<b>56,064,958</b>

## Funding Sources:

Water Utility Operating	2,068,600	3,908,825	15,237,271	3,901,536	2,001,536
Wastewater Utility Operating	2,435,000	3,901,536	6,992,936	4,023,828	3,913,394
Reserves/Surplus	36,034,800	28,571,206	16,244,609	34,373,831	49,429,958
Development Cost Charges	1,556,320	432,639	10,331,793	7,783,936	570,070
Debenture Borrowing	-	-	-	-	-
Federal/Provincial Contributions	42,259,500	-	-	-	-
Dev/Comm/Other Contributions	10,204,970	150,000	150,000	150,000	150,000
	<b>94,559,190</b>	<b>36,964,206</b>	<b>48,956,609</b>	<b>50,233,131</b>	<b>56,064,958</b>

## Water Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
1.	DCC Pipes (Mains)	-	-	11,580,000	-	-
2.	DCC Booster Stations and PRV's	-	323,000	-	-	-
3.	DCC Water Treatment	-	-	-	-	-
4.	DCC Reservoirs and Filling Stations	-	-	-	-	-
5.	DCC Offsite and Oversize	67,200	60,000	60,000	60,000	60,000
6.	Network and Facility Renewal	61,391,110	3,900,000	3,900,000	3,900,000	2,000,000
7.	Network and Facility Improvements	177,590	150,000	150,000	150,000	150,000
		<b>61,635,900</b>	<b>4,433,000</b>	<b>15,690,000</b>	<b>4,110,000</b>	<b>2,210,000</b>

## Funding Sources:

General Taxation	-	-	-	-	-
Surplus/Reserves	9,922,490	-	-	-	-
Development Cost Charges	585,000	374,175	302,729	58,464	58,464
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	42,259,500	-	-	-	-
Dev/Comm/Other Contributions	6,800,310	150,000	150,000	150,000	150,000
Utility Revenue	2,068,600	3,908,825	15,237,271	3,901,536	2,001,536
	<b>61,635,900</b>	<b>4,433,000</b>	<b>15,690,000</b>	<b>4,110,000</b>	<b>2,210,000</b>

<b>Five-Year Total Funding</b>	<b>88,078,900</b>
<b>Five-Year Utility Operating Funding</b>	<b>27,117,768</b>

## Water Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>DCC Pipes (Mains)</b> New water mains to accommodate growth.	11,580,000
2.	<b>DCC Booster Stations and PRV's</b> New booster stations & PRV's to accommodate growth.	323,000
3.	<b>DCC Water Treatment</b> New treatment capacity and facilities to accommodate growth.	-
4.	<b>DCC Reservoirs and Filling Stations</b> New reservoirs and filling stations to accommodate growth.	-
5.	<b>DCC Offsite and Oversize</b> The City's share of costs to oversize water infrastructure and to do work in excess of the developer's own needs.	307,200
6.	<b>Network and Facility Renewal</b> Renewal of existing water mains, booster stations, PRVs, water treatment systems, reservoirs and filling stations that have reached the end of their service life.	75,091,110
7.	<b>Network and Facility Improvements</b> Expansion or upgrade of Water network and facilities to accommodate growth, meet regulatory requirements and/or improve service.	777,590
<b>Five-Year Total Funding</b>		<b>88,078,900</b>

## Wastewater Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
1.	DCC Pipes (Mains)	2,950,860	-	3,970,000	7,789,300	465,000
2.	DCC Lift Stations	-	-	1,274,000	-	-
3.	DCC Wastewater Treatment Facilities	-	-	7,818,000	-	-
4.	DCC Oversize	60,000	60,000	60,000	60,000	60,000
5.	Network and Facility Renewal	3,270,740	3,800,000	3,800,000	3,800,000	3,800,000
6.	Network and Facility Improvements	207,700	100,000	100,000	100,000	100,000
		<b>6,489,300</b>	<b>3,960,000</b>	<b>17,022,000</b>	<b>11,749,300</b>	<b>4,425,000</b>

### Funding Sources:

General Taxation	-	-	-	-	-
Surplus/Reserves	3,082,980	-	-	-	-
Development Cost Charges	971,320	58,464	10,029,064	7,725,472	511,606
Debenture/Borrowing	-	-	-	-	-
Federal/Provincial Funding	-	-	-	-	-
Dev/Comm/Other Contributions	-	-	-	-	-
Utility Revenue	2,435,000	3,901,536	6,992,936	4,023,828	3,913,394
	<b>6,489,300</b>	<b>3,960,000</b>	<b>17,022,000</b>	<b>11,749,300</b>	<b>4,425,000</b>

<b>Five-Year Total Funding</b>	<b>43,645,600</b>
<b>Five-Year Utility Operating Funding</b>	<b>21,266,694</b>

## Wastewater Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>DCC Pipes (Mains)</b> New wastewater mains to support growth.	15,175,160
2.	<b>DCC Lift Stations</b> New wastewater lift stations to support growth.	1,274,000
3.	<b>DCC Wastewater Treatment Facilities</b> New wastewater treatment facilities to support growth.	7,818,000
4.	<b>DCC Oversize</b> The City's share of costs to oversize wastewater infrastructure and to do work in excess of the developer's own needs.	300,000
5.	<b>Network and Facility Renewal</b> Renewal of existing wastewater mains, lift stations and treatment facilities that have reached the end of their service life.	18,470,740
6.	<b>Network and Facility Improvements</b> Expansion or upgrade of Wastewater network and facilities to accommodate growth, meet regulatory requirements and/or improve service.	607,700
<b>Five-Year Total Funding</b>		<b>43,645,600</b>

## Airport Capital

Plan No.	Plan Description	2018	2019	2020	2021	2022
1.	Regular Reserve Funded Projects	9,606,430	13,058,589	6,837,005	12,233,492	9,495,641
2.	AIF Funded Capital Projects	16,645,940	15,362,617	9,257,604	21,990,339	39,784,317
3.	Small Capital Projects	181,620	150,000	150,000	150,000	150,000
4.	Federal Funded Projects	-	-	-	-	-
		<b>26,433,990</b>	<b>28,571,206</b>	<b>16,244,609</b>	<b>34,373,831</b>	<b>49,429,958</b>

### Funding Sources:

Airport Groundside Reserve	3,281,830	7,340,000	3,230,000	11,142,350	8,679,925
Airport Airside Reserve	2,200,270	1,850,000	2,550,000	100,000	175,000
Airport Terminal Building Reserve	4,305,950	4,018,589	1,207,005	1,141,142	790,716
Airport Improvement Fee Reserve	13,241,280	15,362,617	9,257,604	21,990,339	39,784,317
AIF Debenture/Borrowing	0	0	0	0	0
Developer/Community Contributions	3,404,660	0	0	0	0
Federal/Provincial	0	0	0	0	0
	<b>26,433,990</b>	<b>28,571,206</b>	<b>16,244,609</b>	<b>34,373,831</b>	<b>49,429,958</b>

<b>Five-Year Total Funding</b>	<b>155,053,594</b>
<b>Five-Year Utility Operating Funding</b>	<b>-</b>

## Airport Capital

Plan No.	Plan Description	Total Five-Year Project Costs
1.	<b>Regular Reserve and Developer/Community Funded Projects</b> Funding for building repairs and upgrades, equipment purchases and airside improvements.	51,231,157
2.	<b>Airport Improvement Fee (AIF) Funded Projects</b> Funding for the completion of the airside corridor extension and apron expansion and project management.	103,040,817
3.	<b>Small Capital Projects</b> Funding for minor capital projects which need to be implemented expeditiously.	781,620
4.	<b>Federal/Provincial Funded Projects</b> Federally funded projects for security and other airport enhancements.	-
<b>Five-Year Total Funding</b>		<b>155,053,594</b>

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# CITY OF KELOWNA

## BYLAW NO. 11583

### Five Year Financial Plan 2018-2022

---

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. Schedule "A" attached hereto and forming part of this bylaw is hereby declared to be the Five Year Financial Plan of the City of Kelowna for the period January 1, 2018 to and including December 31, 2022.
2. Schedule "B" attached hereto and forming part of this bylaw is hereby declared to be the Statement of Objectives and Policies in accordance with Section 165 (3.1) of the *Community Charter*.
3. This bylaw may be cited for all purposes as the "Five Year Financial Plan Bylaw, 2018-2022, No. 11583".

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

## Schedule A

### Financial Plan 2018-2022

	2018	2019	2020	2021	2022	2023-2030
<b>Revenue</b>						
Property Value Tax	133,481,167	139,430,437	145,122,266	150,408,366	157,382,755	1,461,906,406
Library Requisition	6,208,386	6,332,554	6,459,205	6,588,389	6,720,157	58,832,475
Parcel Taxes	3,182,576	3,240,499	3,264,934	3,267,975	3,289,512	27,087,039
Fees and Charges	120,340,045	121,423,849	124,052,661	126,394,056	128,980,515	1,133,108,927
Borrowing Proceeds	4,949,710	-	-	4,000,000	38,000,000	47,000,000
Other Sources	120,141,281	53,638,039	51,174,731	50,325,889	49,664,592	473,329,592
	388,303,165	324,065,378	330,073,797	340,984,675	384,037,531	3,201,264,439
<b>Transfer between Funds</b>						
Reserve Funds	1,636,769	1,187,642	1,187,644	1,187,644	1,187,644	7,783,328
DCC Funds	21,026,529	21,156,387	35,099,364	28,359,611	10,007,504	134,230,749
Surplus/Reserve Accounts	107,612,509	60,585,009	64,873,876	59,207,023	81,179,101	364,048,101
	130,275,807	82,929,038	101,160,884	88,754,278	92,374,249	506,062,178
<b>Total Revenues</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,617</b>
<b>Expenditures</b>						
Municipal Debt						
Debt Interest	9,751,943	5,967,121	4,775,593	4,518,089	5,593,509	45,124,844
Debt Principal	15,701,603	11,854,479	8,752,346	6,995,881	8,324,481	57,547,333
Capital Expenditures	199,532,820	91,168,105	110,037,653	100,637,265	140,242,793	718,303,710
Other Municipal Purposes						-
General Government	32,234,881	32,742,458	33,666,861	34,477,239	35,336,979	316,874,041
Planning, Development & Building Services	30,055,912	22,228,128	21,572,763	22,177,065	22,841,006	206,781,561
Community Services	85,529,601	87,394,503	91,120,838	93,916,881	96,761,805	887,920,257
Protective Services	57,220,810	60,132,712	62,932,499	65,027,364	67,192,476	622,851,700
Utilities	21,075,639	20,769,420	21,136,728	21,615,414	22,109,942	196,351,254
Airport	14,960,261	15,426,153	15,907,225	16,385,650	16,880,195	154,533,470
	466,063,470	347,683,079	369,902,506	365,750,848	415,283,186	3,206,288,170
<b>Transfers between Funds</b>						
Reserve Funds	19,482,943	19,812,358	19,845,931	19,869,137	19,380,963	155,107,575
DCC Funds	-	-	-	-	-	-
Surplus/Reserve Accounts	33,032,559	39,498,979	41,486,244	44,118,968	41,747,631	345,930,872
	52,515,502	59,311,337	61,332,175	63,988,105	61,128,594	501,038,447
<b>Total Expenditures</b>	<b>518,578,972</b>	<b>406,994,416</b>	<b>431,234,681</b>	<b>429,738,953</b>	<b>476,411,780</b>	<b>3,707,326,617</b>

## **Schedule "B"**

### **Statement of Objectives and Policies**

In accordance with Section 165(3.1) of the *Community Charter*, municipalities are required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

- (a) For each of the funding sources described in Section 165(7) of the *Community Charter*, the proportion of total revenue that is proposed to come from that funding source;
- (b) The distribution of property value taxes among the property classes that may be subject to taxes; and
- (c) The use of permissive tax exemptions.

#### **Funding Sources**

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2018. Property taxes and fees and charges are two of the largest sources of revenue. Both have advantages in that they are stable, relatively simple to administer and are generally understood by citizens. The City of Kelowna also utilizes funds from reserves and surplus as another main source of financial support. Reserve funds are closely managed to ensure and protect the current and future financial viability of the municipality. Other sources of revenue may be variable and fluctuate from year to year depending on the economic influences and capital programs undertaken by the City.

#### Objectives

- Investigate other potential funding sources and securing opportunities for additional revenues.
- Begin to decrease the municipality's reliance on property taxes and explore opportunities to increase the percent of total revenue received from user fees and charges and senior government grants.
- Maintain a fees and charges structure whereby increases are applied on a regular basis in line with inflation, while ensuring that service levels remain competitive and affordable.

#### Policies

- Pursue non-property tax revenues whenever possible through applying for government grants and charging user fees at appropriate levels.
- Perform regular reviews of revenue generating areas for appropriate application of rate increases.
  - Planning and Development Fees.
  - Recreation & Cultural Services – application of BC Consumer Price Index.
  - Utility Revenues – ensure Utilities operate as self-supporting enterprise funds.
- Increase provincial and federal grant revenue through maximum utilization of the City's Grant Manager position.

**Table 1: Sources of Revenue**

Revenue Source	Revenue \$ (000's)	% of Revenue
Property Value Tax	133,481	26%
Library Requisition	6,208	1%
Parcel Taxes	3,183	1%
Fees & Charges	120,340	23%
Borrowing Proceeds	4,950	1%
Other Sources	120,141	23%
Reserve Funds/Accounts	130,276	25%
<b>Total</b>	<b>518,579</b>	<b>100%</b>

**Distribution of Property Tax Rates**

Table 2 outlines the council approved municipal tax distribution policy for 2017 and the relative proportion of tax revenues. Projected revenues from the combined residential, recreational and Non-Profit classes, provides the largest proportion of property tax revenue. This cumulative class represents the largest tax assessment base and hence utilizes the majority of City services.

Objectives

- Provide an effective tax change that is the same for all property classes.
- Ensure that business and light industry property tax ratios remain below the average of BC municipalities with populations greater than 75,000.
- Allow for a maximum ratio cap of 3:1 for the Light Industrial/Business class.

Policies

- Council will annually review and modify tax class ratios to provide an effective tax change that is the same for all classes.
- The impacts on other property classes from administering a ratio cap on the Light Industrial/Business classes will be reported to Council during the annual Tax Distribution Policy review.
- Regularly review and compare the City's relative position in terms of distribution of taxes to other similarly sized municipalities in British Columbia.

**Table 2: Tax Class Ratios and Projected Revenues**

Property Class	Description	2018 Tax Class Ratios	Tax Revenue (000's)	2017 Tax Class Ratios
01/08/03	Res/Rec/NP/SH	1.0000:1	93,167	1.0000:1
02	Utilities	5.5475:1	658	5.3182:1
04	Major Industrial	6.6176:1	441	5.8019:1
05/06	Light Ind/Bus/Other	2.3777:1	38,668	2.2967:1
09	Farm Land	0.1524:1	10	0.1357:1
91	Farm Improvements	0.4987:1	537	0.4810:1
	<b>Total Revenues</b>		<b>133,481</b>	

## Property Tax Exemptions

The City has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- The applicant must qualify for an exemption under the provisions of the Community Charter.
- The organization receiving an exemption must be a registered non-profit society or registered charity, as the support of the municipality will not be used for commercial and private gain.
- The tax exemption must demonstrate benefit to the community and residents of the City by enhancing the quality of life (spiritually, educationally, socially and culturally), while delivering services economically to the citizens within the community.

The value of tax exemptions provided by Council for 2018 (based on 2017 assessment totals and tax rates) is \$2,463,969. The following breaks down the total into various exemption categories and the exemption value for the category:

Places of Worship - \$ 287,834

Private schools - \$ 181,969

Hospitals - \$ 17,151

Special Needs Housing - \$ 61,925

Social Services - \$251,379

Public Park, Athletic or Recreational - \$ 442,931

Cultural - \$ 364,954

Partnering, Heritage or Other Special Exemptions Authority - \$ 350,770

Revitalization - \$ 505,056

In order to encourage the restoration and preservation of commercial, industrial and institutional building, properties that meet the criteria outlined in the Heritage Building Tax Incentive Program policy can receive a tax exemption.

The establishment of the Revitalization Tax Exemption policy allows qualifying properties within the Downtown Urban Centre and Rutland Urban Centre areas to receive a tax exemption.

### Objectives

- Continue to provide permissive tax exemptions to support qualifying organizations that improve the well-being of the community.
- The municipality will continue to provide heritage and revitalization tax exemptions for qualifying properties.

### Policies

- Permissive tax exemptions will be considered to encourage activities that: (a) are consistent with the quality of life objectives of the municipality; (b) provide direct access and benefit to the public; and (c) would otherwise be provided by the municipality.

- To meet the city's commitment to the ongoing restoration, preservation and maintenance of buildings and structures on its Heritage Register, eligible properties will be considered for a tax exemption.
- To support the city's revitalization program of the Downtown Urban Centre and Rutland Urban Centre, qualifying properties will be considered for a tax exemption.

# CITY OF KELOWNA

## BYLAW NO. 11584

### Tax Structure Bylaw, 2018

---

WHEREAS the Letters Patent of the City of Kelowna provide that the municipality may be divided into two (2) or more taxation areas by bylaw adopted prior to the adoption of the Annual Budget Bylaw;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. **Taxation Area 1**

All lands and improvement thereon classified for assessment purposes as "Farm".

2. **Taxation Area 2**

All lands and improvements thereon not included in Taxation Area 1.

3. This bylaw shall be applicable for the 2018 taxation year.

4. This bylaw may be cited for all purposes as "Tax Structure Bylaw, 2018 No. 11584".

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

# CITY OF KELOWNA

## BYLAW NO. 11585

### Annual Tax Rates Bylaw, 2018

---

WHEREAS the Letters Patent dated the Twenty-fifth day of April, 1973 for the City of Kelowna provides for differing levels of taxation taking into consideration the extent of level of services being provided to different areas within the municipality.

The Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. The following rates are hereby imposed and levied for the taxation year 2018:
  - (a) For all lawful General purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of Schedule 1 of this Bylaw;
  - (b) For Debt purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "B" of Schedule 1 of this Bylaw;
  - (c) For purposes of the Okanagan Regional Library on the assessed value of land and improvements taxable for Regional Library purposes, rates appearing in column "C" of Schedule 1 of this Bylaw;
  - (d) For Hospital purposes on the assessed value of land and improvements taxable for Regional Hospital District purposes, rates appearing in column "D" of Schedule 1 of this Bylaw;
  - (e) For purposes of the Regional District of Central Okanagan on the assessed value of land and improvements taxable for Regional District purposes, rates appearing in column "E" of Schedule 1 of this Bylaw;
  - (f) For purposes of the Regional District of Central Okanagan on the assessed value of land only for the Regional District of Central Okanagan Sterile Insect Release Program, rates appearing in column "F" of Schedule 1 of this Bylaw; and
  - (g) For Local Service Area purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in columns "A" and "B" of Schedule 2 of this Bylaw.
2. This bylaw may be cited as "Annual Tax Rates Bylaw, 2018 No. 11585".

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

---

Mayor

---

City Clerk

**SCHEDULE 1**

**CITY OF KELOWNA**

**GENERAL MUNICIPAL, DEBT, HOSPITAL AND REGIONAL DISTRICT  
TAX RATES - 2018**

		TAX RATES (DOLLAR OF TAX PER \$1,000 TAXABLE VALUE)					TAXABLE LAND ONLY
		A  GENERAL MUNICIPAL	B  DEBT	C  LIBRARY	D  REGIONAL HOSPITAL DISTRICT	E  REGIONAL DISTRICT	F  REGIONAL DISTRICT SIR
<b>PROPERTY CLASS</b>							
01	Residential	2.9961	0.1051	0.1437	0.2638	0.2452	0.0329
02	Utilities	16.6206	0.5830	0.7974	0.9232	0.8581	0.1151
03	Supportive Housing	2.9961	0.1051	0.1437	0.2638	0.2452	0.0329
04	Major Industrial	19.8267	0.6955	0.9512	0.8968	0.8336	0.1118
05	Light Industrial	7.1236	0.2499	0.3417	0.8968	0.8336	0.1118
06	Business/Other	7.1236	0.2499	0.3417	0.6462	0.6007	0.0805
08	Recreation/Non-Profit	2.9961	0.1051	0.1437	0.2638	0.2452	0.0329
09	Farm:						
	a) Land	0.4619	0.0160	0.0221	0.2638	0.2452	0.0329
	b) Improvements	1.4941	0.0524	0.0717	0.000	0.0000	0.0000

**SCHEDULE 2**

**CITY OF KELOWNA**

**2018 LOCAL SERVICE AREA TAX RATES**

<b>PROPERTY CLASS</b>	<b>A</b>	<b>B</b>
	<b>DOWNTOWN BUSINESS IMPROVEMENT AREA</b>	<b>UPTOWN RUTLAND BUSINESS IMPROVEMENT AREA</b>
1. RESIDENTIAL	0	0
2. UTILITY	0	0
4. INDUSTRIAL – MAJOR	0	0
5. INDUSTRIAL – LIGHT	1.2640	1.0824
6. BUSINESS	1.2640	1.0824
7. TREE FARM	0	0
8. SEASONAL	0	0
9. FARM		
a) LAND	0	0
b) IMPROVEMENT	0	0

# CITY OF KELOWNA

## BYLAW NO. 11586

### Development Cost Charge Reserve Fund Expenditure Bylaw, 2018

WHEREAS, there is an unappropriated balance in the Development Cost Charge Reserve Fund established under Bylaw No. 11397, which has most recently been replaced by Bylaw No. 11586, of Forty Two Million, Seven Hundred and Sixty Seven Thousand, Four Hundred and Four dollars (\$ 42,767,404.00) as at January 1, 2018.

AND WHEREAS, it is deemed desirable to expend a portion of the monies set aside under said Bylaw No. 11397, which has most recently been replaced by Bylaw No. 11586, for the purpose of utility, road and land improvement and additions;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. The sum of Forty Two Million, Seven Hundred and Sixty Seven Thousand, Four Hundred and Four dollars (\$42,767,404.00) is hereby appropriated from the Development Cost Charge Reserve Fund to be expended in 2018 for the following purposes:

Land for Park Purposes	\$ 10,300,408.00
Road Construction	\$ 21,038,276.00
Water Mains, Pump Stations & Reservoir Construction	\$ 4,093,597.00
Wastewater Trunks, Plant & Debt Repayment	\$ 7,335,121.00
	<u>\$ 42,767,404.00</u>

2. The expenditure to be carried out by the monies hereby appropriated shall be more particularly specified and authorized by resolution of Council.
3. Should any of the above remain unexpended after the expenditures hereby authorized have been made, the unexpended balance shall be returned to the credit of the Development Cost Charge Reserve Fund.
4. This bylaw may be cited as the "Development Cost Charge Reserve Fund Expenditure Bylaw, 2018, No. 11586".

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

# CITY OF KELOWNA

## BYLAW NO. 11587

### Sale of City-Owned Land Reserve Fund Expenditure Bylaw, 2018

WHEREAS, there is an unappropriated balance in the Sale of City-Owned Land Reserve Fund of Twelve Million, Two Hundred Seventy-Two Thousand, Three Hundred Fifty-Eight Dollars (\$12,272,358) as at January 1<sup>st</sup>, 2018.

AND WHEREAS, it is deemed desirable to expend a portion of the monies set aside under said Sale of City-Owned Land Reserve Fund for the purpose of land purchases and enhancements set out below;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. The sum of Twelve Million, Two Hundred Seventy-Two Thousand, Three Hundred Fifty-Eight Dollars (\$12,272,358) as at January 1, 2018 is hereby appropriated from the Sale of City-Owned Land Reserve Fund to be expended in 2018 for the following purposes:

General Land	\$ 9,364,490.00
Parks Land	\$ 742,031.00
Housing Opportunity	\$ 2,165,837.00
	<u>\$ 12,272,358.00</u>

2. The expenditure to be carried out by the monies hereby appropriated shall be more particularly specified and authorized by resolution of Council.
3. Should any of the above remain unexpended after the expenditures hereby authorized have been made, the unexpended balance shall be returned to the credit of the City-Owned Land Reserve Fund.
4. This bylaw may be cited as the "Sale of City-Owned Land Reserve Fund Expenditure Bylaw, 2018, No. 11587.

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

# Report to Council



**Date:** April 30, 2018  
**File:** 0250-20  
**To:** City Manager  
**From:** Chair, Audit Committee  
**Subject:** Council Report - Financial Statements for the Year Ending December 31 2017.docx  
Report Prepared by: Divisional Director, Financial Services

---

## **Recommendation:**

THAT Council receives, for information, the Report from the Audit Committee dated April 30, 2018 with respect to the Consolidated Financial Statements and Auditor's Report for the City of Kelowna for the year ending December 31, 2017;

AND THAT Council approves the appropriation of \$5,449,122 of surplus generated from all general fund operations in 2017 to reserves and accumulated surplus as detailed in the Report from the Audit Committee dated April 30, 2018;

AND FURTHER THAT the Consolidated Financial Statements and Auditor's Report be reprinted in and form part of the City of Kelowna's annual report.

## **Purpose:**

To present the Financial Statements to Council for acceptance per the legislative requirement, to provide Council with a recommendation on the appropriation of \$5,449,122 of surplus to general reserves and accumulated surplus and to seek approval to include the Financial Statements in the annual report.

## **Background:**

A detailed review of draft City of Kelowna Financial Statements for the year ending December 31, 2017 was undertaken on April 24, 2018 by the Audit Committee, the City of Kelowna Auditor, Grant Thornton LLP, and Financial Services staff.

City Administration has recommended the appropriation to reserves and accumulated surplus of 2017 surplus generated from all general and library fund operations, in the amount of \$5,449,122 in addition to those amounts that are normally appropriated through the budget process. The Audit Committee is in agreement with reasons provided for the appropriation. This results in an unappropriated surplus for

2017 of \$2,249,122 and an accumulated surplus balance of \$4.65 million, noting that \$2.1 million is currently budgeted for the 2017 extraordinary flood event.

The recommended appropriations to reserves are:

Snow Removal	\$ 800,000
Civic Facilities	1,200,000
Land Sales	600,000
Parks Purchase & Development	600,000
Accumulated Surplus	<u>2,249,122</u>
	<u>\$5,449,122</u>

**Legal/Statutory Authority:**

The Community Charter section 167 "Annual Financial Statements" requires that municipal financial statements for a fiscal year must be presented to Council for its acceptance.

**Financial/Budgetary Considerations:**

The financial impact is that a total of \$3,200,000 will be transferred from surplus to reserves and \$2,249,122 will fall to accumulated surplus to replace the \$2.1 million budget amendment for the extraordinary use of accumulated surplus for the 2017 flood event.

**Considerations not applicable to this report:**

Internal Circulation:

Legal/Statutory Procedural Requirements:

Existing Policy:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

Mayor Basran, Chair, Audit Committee

cc: Councillor G. Given – Audit Committee  
Councillor L. Stack – Audit Committee  
Divisional Director, Financial Services  
Controller  
Financial Planning Manager  
Accounting Operations Manager  
Grant Thornton LLP – Auditor - Mr. Tyler Neels, CPA, CA

# 2017 CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2017

Kelowna, British Columbia, Canada



# CITY OF KELOWNA

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## Independent auditors' report

**Grant Thornton LLP**  
200 - 1633 Ellis Street  
Kelowna, BC  
V1Y 2A8  
T (250) 712-6800  
(800) 661-4244 (Toll Free)  
F (250) 712-6850  
[www.GrantThornton.ca](http://www.GrantThornton.ca)

To the members of Council of the City of Kelowna

We have audited the accompanying consolidated financial statements of the City of Kelowna (the "City"), which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Kelowna as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Kelowna, Canada  
April 24, 2018

*Grant Thornton LLP*  
Chartered Professional Accountants

**CITY OF KELOWNA**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2017**  
(in thousands of dollars)

	<u>2017</u>	<u>2016</u>
<b>Financial Assets</b>		
Cash and cash equivalents (Note 3)	\$ 20,647	\$ 17,961
Accounts receivable (Note 3)	33,720	30,279
Accrued interest	1,425	1,255
Portfolio investments (Note 3)	417,264	366,507
Long term investments (Note 10)	6,000	6,000
Property held for resale	3,456	3,534
	<u>482,512</u>	<u>425,536</u>
<b>Liabilities</b>		
Accounts payable	43,946	46,579
Performance deposits	16,292	14,018
Deferred revenue (Note 3)	55,767	36,446
Deferred development cost charges (Note 3)	42,767	25,375
Long term debt (Note 3)	137,434	146,414
	<u>296,206</u>	<u>268,832</u>
<b>Net Financial Assets</b>	<u>186,306</u>	<u>156,704</u>
<b>Non-Financial Assets</b>		
Prepaid expenses	2,601	2,240
Inventory	1,218	1,140
Work in progress (Note 4)	23,096	114,295
Tangible capital assets (Note 4)	1,714,464	1,602,745
	<u>1,741,379</u>	<u>1,720,420</u>
<b>Accumulated Surplus (Note 5)</b>	\$ <u>1,927,685</u>	\$ <u>1,877,124</u>

Contingent liabilities and Commitments (Notes 8 and 9)



Genelle Davidson, CPA, CMA  
Divisional Director, Financial Services



Colin Basran  
Mayor, City of Kelowna

*See accompanying notes to the consolidated financial statements.*

**CITY OF KELOWNA**  
**Consolidated Statement of Operations and Accumulated Surplus**  
**For the Year Ended December 31, 2017**  
(in thousands of dollars)

	Budget <u>2017</u>	Actual <u>2017</u>	Actual <u>2016</u>
<b>Revenue</b>			
Taxation (Note 6)	\$ 138,964	\$ 139,395	\$ 131,792
Fees and charges	112,354	125,623	118,428
Interest earned	3,699	10,325	9,851
DCC contributions	8,211	9,533	10,477
Government transfers (Note 7)	31,872	21,559	15,576
Other capital contributions	-	10,694	6,651
Gain on disposal of tangible capital assets	-	5,586	501
	<u>295,100</u>	<u>322,715</u>	<u>293,276</u>
<b>Expenses</b>			
General government services	29,865	27,198	26,505
Protective services	58,266	59,717	55,726
Transportation services	38,590	63,036	59,689
Recreational and cultural services	36,336	42,732	41,888
Other services	18,251	20,369	19,307
Airport operations	14,423	20,698	19,303
Natural Gas Legacy Services	2,275	3,856	4,088
Wastewater utility	13,444	22,896	22,833
Water utility	6,710	11,212	10,699
Write down of tangible capital assets	-	440	-
	<u>218,160</u>	<u>272,154</u>	<u>260,038</u>
<b>Annual Surplus</b>	\$ <u>76,940</u>	<b>50,561</b>	33,238
Accumulated Surplus, beginning of year		<b>1,877,124</b>	1,843,886
<b>Accumulated Surplus, end of year</b>		\$ <u><u>1,927,685</u></u>	\$ <u><u>1,877,124</u></u>

*See accompanying notes to the consolidated financial statements.*

**CITY OF KELOWNA**  
**Consolidated Statement of Changes in Net Financial Assets**  
**For the Year Ended December 31, 2017**  
(in thousands of dollars)

	Budget <u>2017</u>	Actual <u>2017</u>	Actual <u>2016</u>
<b>Annual Surplus</b>	\$ 76,940	\$ 50,561	\$ 33,238
Amortization of tangible capital assets	-	64,888	63,343
Proceeds from disposal of tangible capital assets	-	8,566	1,249
(Gain) loss on disposal of tangible capital assets	-	(5,586)	(501)
Write down of tangible capital assets	-	440	-
Acquisition of tangible capital assets	(145,076)	(88,828)	(104,269)
Change in inventory and prepaid expenses	-	(439)	(289)
	<hr/>	<hr/>	<hr/>
<b>Increase (decrease) in Net Financial Assets</b>	(68,136)	29,602	(7,229)
Net Financial Assets, beginning of year	156,704	156,704	163,933
Net Financial Assets, end of year	\$ <u>88,568</u>	\$ <u>186,306</u>	\$ <u>156,704</u>

*See accompanying notes to the consolidated financial statements.*

**CITY OF KELOWNA**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2017**  
(in thousands of dollars)

	<b>Actual 2017</b>	<b>Actual 2016</b>
<b>Net inflow (outflow) of cash and cash equivalents related to the following activities</b>		
<b>Operating</b>		
Annual Surplus	\$ 50,561	\$ 33,238
Adjustment for non-cash items		
Amortization of tangible capital assets	64,888	63,343
(Gain) loss on disposal of tangible capital assets	(5,586)	(501)
Write down of tangible capital assets	440	-
Actuarial adjustment on long term debt	(5,711)	(5,723)
Developer contributions of tangible capital assets	(4,433)	(412)
Decrease (increase) in		
Accounts receivable	(3,441)	(1,275)
Inventory and prepaid expenses	(439)	(289)
Other assets	(92)	(803)
Increase (decrease) in		
Accounts payable	(2,633)	4,271
Deferred development cost charges	17,392	14,391
Other liabilities	21,595	4,975
	<u>132,541</u>	<u>111,215</u>
<b>Capital</b>		
Acquisition of tangible capital assets	(84,395)	(103,857)
Proceeds from disposal of tangible capital assets	8,566	1,249
	<u>(75,829)</u>	<u>(102,608)</u>
<b>Investing</b>		
Change in investments	<u>(50,757)</u>	<u>(14,109)</u>
<b>Financing</b>		
Proceeds from issuance of long term debt	11,000	28,439
Repayment of long term debt	(14,269)	(12,485)
	<u>(3,269)</u>	<u>15,954</u>
<b>Net increase in cash and cash equivalents</b>	<b>2,686</b>	<b>10,452</b>
Cash and cash equivalents, beginning of year	<b>17,961</b>	<b>7,509</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ <u>20,647</u></b>	<b>\$ <u>17,961</u></b>
<b>Non-cash capital activities</b>		
Acquisition of tangible capital assets through developer contributions (Note 4)	\$ 4,433	\$ 412

*See accompanying notes to the consolidated financial statements.*

# **CITY OF KELOWNA**

## **Notes to the Consolidated Financial Statements**

### **December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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The notes to the consolidated financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the consolidated financial statements.

The consolidated financial statements are the responsibility of and prepared by management in accordance with Canadian public sector accounting standards (PSAS). The preparation of these consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

#### **1. Significant accounting policies**

##### **Basis of presentation**

The City of Kelowna's resources and operations are segregated into General, Airport, Wastewater Utility, Water Utility, Natural Gas Legacy, Development Cost Charges and Statutory Reserve Funds for accounting and financial reporting purposes. The consolidated financial statements include all the accounts of these funds. All material interfund transactions and balances have been eliminated within the consolidated financial statements.

The City of Kelowna Library Society was controlled by the City of Kelowna through its appointment of the members of the Society. The Society discontinued operations on June 30, 2017 and was dissolved in October 2017. Accordingly, the consolidated financial statements include all the accounts of the Society up to June 30, 2017. Library-related activity occurring after June 30, 2017 is reflected in the General Fund.

##### **Accrual accounting**

The accrual method for reporting revenues and expenses has been used.

##### **Property held for resale**

Property held for sale are those expected to be sold within one year. They are valued at the lower of cost or expected net realizable value. Cost includes amounts for improvements to prepare the property for sale.

##### **Inventory**

Inventory is valued at the lower of cost, determined principally on a weighted average and specific item basis, or replacement cost.

##### **Municipal pension plan**

The City of Kelowna's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan.

##### **Work in progress**

Work in progress represents capital projects under construction but not yet completed and are valued at cost.

##### **Tangible capital assets**

The City records tangible capital assets, including assets held as work in progress or capital lease, at cost in the period they were acquired or when the asset is put into use.

All tangible capital assets are valued at cost which includes all costs directly attributable to acquisition, construction, development or betterment of the tangible capital asset.

Assets owned by the City but not paid for by the City including contributions, dedications, gifts and donations, are valued at fair value at the date of contribution, dedication, gift or donation, where fair value is reasonably determinable.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**Contributions of tangible capital assets**

Tangible capital assets received as contributions are recorded at their fair market value.

**Amortization**

The cost less residual value of the tangible capital assets is amortized on a straight-line basis over the useful lives of the asset as follows:

<u>Asset Type</u>	<u>Useful Life (years)</u>	<u>Asset Type</u>	<u>Useful Life (years)</u>
Parks infrastructure		Vehicles	
Playground equipment	15 - 20	Cars and light trucks	5 - 10
Artificial turf field	10 - 12	Fire trucks	15 - 20
Washrooms, concessions, picnic shelters	40 - 50	IT infrastructure	
Outdoor pools, spray pools	50 - 60	Hardware	4 - 5
Building structure	40 - 75	Software	5 - 10
Building improvements		Telephone system	7 - 10
Exterior envelope	30 - 40	Infrastructure	
HVAC systems	10 - 12	(dependent upon component and material)	
Roofs	15 - 20	Electrical	20 - 25
Electrical, plumbing and fire	15 - 20	Water	10 - 100
Site works - asphalt, water and sewer lines, etc	10 - 100	Wastewater	10 - 100
Machinery & equipment		Drainage	10 - 100
General equipment	7 - 10	Transportation	10 - 100
Grounds equipment and machinery	10 - 15		
Heavy construction equipment	5 - 10		

Land and Work in Progress are not amortized.

**Intangible assets**

Intangible assets include works of art and historic assets located throughout the City. They are not reflected in these consolidated financial statements.

**Interest capitalization**

The City of Kelowna only capitalizes interest on projects being financed internally which will require debenture borrowing upon completion. Interest is calculated on monthly expenditures at the bank prime rate less 2%.

**Municipal Finance Authority cash deposits and demand notes**

The City issues the majority of its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature. The Debt Reserve and Demand Note balances are as follows:

	<u>2017</u>	<u>2016</u>
Cash Deposits held by MFA	\$ 3,566	\$ 3,390
Demand Notes held by MFA	<u>9,658</u>	<u>9,206</u>
	<u>\$ 13,224</u>	<u>\$ 12,596</u>

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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**Reserves for future expenditures**

Reserves for future expenditures are non-statutory reserves which represent an appropriation of surplus for specific purposes. Transfers to reserves for future expenditures include funds to finance incomplete projects and accumulations for specific purposes.

**Statutory reserve funds**

The use of these funds is restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and portfolio investments.

**Revenue recognition**

Taxation revenue

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal purposes. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Taxes are recognized as revenue in the year they are levied.

Through the BC Assessment appeal process taxes may be adjusted by way of supplementary roll adjustments. The effect of these adjustments on taxes are recognized at the time they are awarded.

Fees and charges revenue

Charges for transportation, environmental health, building permits, water, wastewater, natural gas and airport are included in this category. These revenues are recorded on the accrual basis and recognized as earned which is usually when services are provided or facilities are utilized.

DCC contributions

DCCs are recognized as revenue during the period in which the related costs are incurred.

Government transfers

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, has been met by the City, and a reasonable estimate of the amount to be received can be made.

Investment income

The City's investments are disclosed in Note 3.

Investment income is recorded on the accrual basis and recognized when earned.

A portion of the City's investments are invested in pooled funds of the Municipal Finance Authority of British Columbia. Earnings on these funds are allocated to the members from time to time based on the market value of the pool. The City recognizes only its share of the realized earnings of the pool. This revenue is recorded as investment income and the amount is added to the cost base of the investment.

To the extent that investments have no stated rate of return, investment income is recognized as it is received.

**Expenses**

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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**Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the City is directly responsible; or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

There are no liabilities to be recorded as at December 31, 2017 and 2016.

**Use of estimates**

Management has made estimates and assumptions that affect the amounts reported in preparing these financial statements. Actual results could differ from the estimates. Significant areas requiring the use of management estimates relate to the determination of tangible capital assets estimated useful life and related amortization, allowance for doubtful accounts, landfill post closure costs and settlement costs associated with outstanding legal actions.

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**2. Future accounting changes**

**PS 2200 – Related party transactions**

This new Section defines a related party and establishes disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated. This Section applies to fiscal years beginning on or after April 1, 2017, with early adoption permitted.

**PS 3420 – Inter-entity transactions**

This section establishes how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. This Section applies to fiscal years beginning on or after April 1, 2017, with early adoption permitted.

**PS 3210 – Assets**

This new section provides guidance for applying the definition of an asset as set out in Section PS 1000 *Financial statement concepts* and establishes general disclosure standards for assets. This section applies to fiscal years beginning on or after April 1, 2017, with early adoption permitted.

**PS 3320 – Contingent assets**

This new section defines and establishes disclosure standards for contingent assets. This section applies to fiscal years beginning on or after April 1, 2017, with early adoption permitted.

**PS 3380 – Contractual rights**

This new section defines and establishes disclosure standards on contractual rights. This section applies to fiscal years beginning on or after April 1, 2017, with early adoption permitted.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**PS 2601 – Foreign currency translation**

This section revises and replaces the existing Section PS 2600 *Foreign currency translation*. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

**PS 1201 – Financial statement presentation**

This section revises and replaces the existing Section PS 1200 *Financial statement presentation*. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

**PS 3450 – Financial instruments**

This section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

**PS 3041 – Portfolio investments**

This section revises and replaces the existing Section PS 3040 Portfolio investments. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

**3. Financial Assets and Liabilities**

**Cash and cash equivalents**

Cash and cash equivalents consist of cash and short-term investments with maturities of 90 days or less from the date of acquisition.

**Accounts receivable**

Accounts receivable are recorded net of allowance and are comprised of the following:

<u>Type of receivable</u>	<u>2017</u>	<u>2016</u>
Property Tax	\$ 4,257	\$ 4,863
Trade Receivables	12,981	11,642
Due from Federal Government	3,016	2,310
Due from Provincial Government	3,990	1,255
Due from Regional Government	4	31
Utilities	3,953	4,474
Deferred Development Cost Charges	5,519	5,704
	<u>\$ 33,720</u>	<u>\$ 30,279</u>

**Portfolio investments**

Portfolio investments are recorded at cost and are comprised of the following:

<u>Type of investment</u>	<u>2017</u>	<u>2016</u>
Municipal Finance Authority Bond/Intermediate Funds	\$ 103,646	\$ 101,595
Provincial and Bank Issued Bonds	98,446	103,629
Publicly traded shares	60,654	58,875
Guaranteed Investment Certificates and Deposit Notes	154,518	102,408
Total Portfolio investments	<u>\$ 417,264</u>	<u>\$ 366,507</u>

The quoted market value of the publicly traded shares at December 31, 2017 was \$85.09 million (2016 - \$75.18 million).

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**Operating line of credit**

The City has an operating line of credit with the Royal Bank of Canada for an authorized amount of \$5.0 million, bearing interest at bank prime rate. At December 31, 2017 the balance outstanding was \$nil (2016 - \$nil).

**Deferred revenue**

The City records deferred revenue for funds received in advance on services not yet rendered and is recognized into revenue during the period in which the service is provided. The City also records deferred revenue when a contract specifies how the resources are to be used and therefore funds received in advance are deferred until the period in which the requirements are met. Because these funds are restricted in nature they are shown as a liability.

**Deferred Revenue**

<b>by Type</b>	<b>2016</b>	<b>Receipts</b>	<b>Interest</b>	<b>Transfers Out</b>	<b>2017</b>
Tax Prepayments	\$ 18,101	\$ 18,843	\$ 76	\$ 18,101	\$ 18,919
Construction	11,329	1,063	32	534	11,890
Grants	61	28,327	145	14,085	14,448
Other	2,915	7,014	4	3,567	6,366
Local Area Service	4,040	298	-	194	4,144
<b>Total</b>	<b>\$ 36,446</b>	<b>\$ 55,545</b>	<b>\$ 257</b>	<b>\$ 36,481</b>	<b>\$ 55,767</b>

**Deferred development cost charges (DCC)**

The City collects development cost charges to pay for a proportionate share of infrastructure related to new growth. In accordance with the Local Government Act, these funds must be deposited into a separate reserve fund. Because these funds are externally restricted in nature they are shown as a liability.

	<b>2016</b>	<b>Receipts</b>	<b>Interest</b>	<b>Transfers Out</b>	<b>2017</b>
Parks	\$ 2,098	\$ 8,612	\$ 113	\$ 524	\$ 10,299
Roads	21,541	11,361	633	3,499	30,036
Water	11,314	545	271	33	12,097
Wastewater	(9,578)	5,660	(270)	5,477	(9,665)
<b>Total Deferred DCC</b>	<b>\$ 25,375</b>	<b>\$ 26,178</b>	<b>\$ 747</b>	<b>\$ 9,533</b>	<b>\$ 42,767</b>

**Long term debt**

Sinking fund installments and mortgage payments on net outstanding debt and loans payable over the next five years and thereafter are as follows:

	<b>Total</b>
2018	\$ 24,721
2019	14,537
2020	10,162
2021	9,265
2022	8,625
2023 and thereafter	70,124
<b>Total</b>	<b>\$ 137,434</b>

Total debt issued was \$275,437 and total debt payable at December 31, 2017 was \$137,434 (2016 - \$146,414).

Schedule 3 provides a breakdown of long term debt.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**4. Tangible capital assets (TCA) and work in progress**

	<b>2017 Work in progress</b>	<b>2017 Tangible capital assets (NBV)</b>	<b>2016 Work in progress</b>	<b>2016 Tangible capital assets (NBV)</b>
Land	\$ -	\$ 280,235	\$ -	\$ 255,228
Land improvements	910	32,136	2,101	33,611
Buildings	2,935	197,056	39,666	154,987
Infrastructure	16,362	1,104,034	47,224	1,094,778
Machinery and Equipment	2,889	71,404	25,304	32,942
Natural Gas System (Capital Lease)	-	29,599	-	31,199
	<u>\$ 23,096</u>	<u>\$ 1,714,464</u>	<u>\$ 114,295</u>	<u>\$ 1,602,745</u>

Contributions received in 2017 include:

<b><u>Type of contribution</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Land	\$ 4,433	\$ 302
Buildings	-	110
Total Contributed Tangible Capital Assets	<u>\$ 4,433</u>	<u>\$ 412</u>

Schedule 1 provides a break down of tangible capital assets and work in progress.

During the year, tangible capital assets with a cost of \$440,000 were written off due to impairment.

**5. Accumulated Surplus**

	<b>Reserves for Future Expenditures</b>	<b>Equity in FortisBC Inc.</b>	<b>Statutory Reserves</b>	<b>Fund Surpluses</b>	<b>Investment in Tangible Capital Assets</b>	<b>Total 2017</b>	<b>Total 2016</b>
Accumulated surplus, beginning of year	\$ 125,038	\$ 58,875	\$ 62,251	\$ 49,071	\$ 1,581,889	\$ 1,877,124	\$ 1,843,886
Annual surplus (deficit)	753	3,418	1,980	94,928	(50,518)	50,561	33,238
Transfers	13,397	(1,601)	6,747	(18,543)	-	-	-
Acquisition of tangible capital assets	-	-	-	(57,461)	57,461	-	-
Repayment of long term debt	-	-	-	(14,269)	14,269	-	-
Accumulated surplus, end of year	<u>\$ 139,188</u>	<u>\$ 60,692</u>	<u>\$ 70,978</u>	<u>\$ 53,726</u>	<u>\$ 1,603,101</u>	<u>\$ 1,927,685</u>	<u>\$ 1,877,124</u>

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

Accumulated Surplus detail as follows:

<b>Description</b>	<b>Balances, Beginning of Year</b>	<b>Transfer From</b>	<b>Transfer To</b>	<b>Annual Surplus</b>	<b>Balances, End of Year</b>
<b><u>Non-Statutory Reserves</u></b>					
General Fund Reserve	\$ 74,024	\$ 12,551	\$ 18,518	\$ 318	\$ 80,309
Airport Fund Reserve	25,603	17,769	19,300	286	27,420
Waste Water Fund Reserve	9,348	782	4,446	21	13,033
Water Fund Reserve	16,063	1,738	3,973	128	18,426
	<u>125,038</u>	<u>32,840</u>	<u>46,237</u>	<u>753</u>	<u>139,188</u>
<b><u>Statutory Reserves</u></b>					
Parking Reserve	993	2,132	3,531	51	2,443
Land Reserve	10,143	7,503	9,296	337	12,273
Capital Works, Machinery & Equip Reserve	51,115	16,344	19,899	1,592	56,262
	<u>62,251</u>	<u>25,979</u>	<u>32,726</u>	<u>1,980</u>	<u>70,978</u>
<b><u>Surplus by Fund</u></b>					
General Fund Surplus	2,402	62,515	9,311	55,453	4,651
Airport Fund Surplus	596	20,811	3,432	17,379	596
Waste Water Fund Surplus	28,462	16,291	6,350	12,001	30,522
Water Fund Surplus	13,075	8,572	741	8,239	13,483
Natural Gas Legacy Surplus	4,371	3,578	1,840	1,841	4,474
Library Surplus	165	360	180	15	-
Accumulated Surplus	<u>49,071</u>	<u>112,127</u>	<u>21,854</u>	<u>94,928</u>	<u>53,726</u>
<b><u>Equity Investment</u></b>					
Equity in FortisBC Inc.	58,875	1,601	-	3,418	60,692
<b><u>Investment in Non Financial Assets</u></b>					
Investment in Tangible Capital Assets	1,581,889	64,404	136,134	(50,518)	1,603,101
<b>Accumulated Surplus</b>	<u>\$ 1,877,124</u>	<u>\$ 236,951</u>	<u>\$ 236,951</u>	<u>\$ 50,561</u>	<u>\$ 1,927,685</u>

**6. Taxation**

Taxation revenue comprises the following amounts raised less transfers to other governments:

	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Taxes collected</b>		
Property taxes	\$ 219,875	\$ 214,229
Local improvement levies	156	166
Frontage tax – water	1,457	1,436
Specified sewer area recoveries	1,398	1,399
Grants in lieu of taxes	514	480
Levies	7,010	6,783
	<u>230,410</u>	<u>224,493</u>
<b>Less transfers to other governments</b>		
Province of BC (school taxes)	66,049	67,601
BC Assessment Authority	1,854	2,006
Regional Hospital District	11,507	11,429
Regional District of Central Okanagan	11,605	11,665
	<u>91,015</u>	<u>92,701</u>
<b>Net taxes available for municipal purposes</b>	<u>\$ 139,395</u>	<u>\$ 131,792</u>

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**7. Government transfers**

Government transfers are the major source of transfers to the City. Government transfers received are for completed projects that meet the required criteria as set out by the Government body providing the funding. Government transfers do not include grants in lieu of taxes received from the Federal and Provincial governments. Estimated government transfers were accrued as revenue in previous years however in 2016 the City was notified that the amounts accrued were paid directly to the project suppliers. During the year \$14.0 million was received and recorded as deferred revenue for future capital expenditures. In 2017 the City received and recorded as revenue the following transfers:

	<u>2017</u>	<u>2016</u>
<b>Operating transfers</b>		
Federal	\$ 148	\$ 141
Provincial	<u>17,772</u>	<u>16,664</u>
	<u>17,920</u>	<u>16,805</u>
<b>Capital transfers</b>		
Federal	2,695	(15)
Provincial	<u>944</u>	<u>(1,214)</u>
	<u>3,639</u>	<u>(1,229)</u>
<b>Total transfers</b>	<u>\$ 21,559</u>	<u>\$ 15,576</u>

**8. Contingent liabilities**

**Regional District of Central Okanagan**

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each member municipality within the District including the City of Kelowna.

The loan agreements with the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

**Pension liability**

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The City of Kelowna paid \$6.9 million (2016 - \$6.7 million) for employer contributions while employees contributed \$5.5 million (2016 - \$5.4 million) to the plan in fiscal 2017.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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The next valuation will be as at December 31, 2018, with results available in 2019.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

**Post employment benefits**

The City of Kelowna does not accrue expenses for post employment benefits such as retirement allowances or compensated absences (sick leave). City employees retiring do not receive any retirement allowance that either vests or accrues over the period of employment. Sick benefits do not accrue and are not vested. The City recognizes the expense for sick time when the event obligates the City to pay.

**Legal actions**

The City of Kelowna is currently engaged in certain legal actions, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions.

The amount of loss, if any, arising from these contingent liabilities will be recorded in the accounts in the period in which the loss is realized. The City of Kelowna has insurance policies and financial reserves to offset associated risks.

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**9. Commitments**

**Agreements, contracts and purchase orders**

The City has entered into various agreements and contracts for services and construction with periods ranging from one to five years.

The City has purchase orders open as at December 31, 2017 which have not been recorded in the accounts. The balance of these open purchase orders are not determinable at this time. The funding for the majority of these obligations has been set aside in reserves for future expenditures. These amounts will be recorded in the accounts in the period the goods and services, to which they relate, are received.

**Landfill closure and post closure costs**

As required by PSAS and regulated by the Ministry of Water, Land and Air Protection, the City has agreed to obligations regarding the operation of the landfill site. These obligations include recognition of closure and post-closure liability. The City's estimated liability for these expenditures is recognized as the landfill site's capacity is used. The reported liability of \$3.8 million (2016 - \$3.8 million) represents the portion of the estimated total expenditure recognized as at December 31, 2017. The liability and annual expenditure is calculated based on the ratio of current usage to the total capacity of the site and the discounted estimated future cash flows associated with closure and post-closure activities.

The reported liability is based on estimates and assumptions with respect to events extending over the remaining life of the landfill. The remaining capacity of the landfill site is estimated at 14.5 million tonnes, which is 79% of the site's total capacity. The future cash flows for closure and post-closure cost is estimated at \$11.9 million as at December 31, 2017. The landfill site is expected to reach its capacity in 2090.

**YMCA of Okanagan Association loan guarantee agreement**

The City has, under the terms of the partnering agreement between the City of Kelowna and YMCA of Okanagan Association, guaranteed repayment in the event that the YMCA of Okanagan Association defaults on a \$1.8 million, 20-year loan issued in 2001. Under the agreement the City shall resume operation of the facility and assume responsibility for the repayment of the debt incurred by the YMCA of Okanagan Association. During 2010 an amendment was made to the agreement for additional financing of \$700,000 for a 20-year term. As at December 31, 2017 the outstanding loan balance was \$879,437 (2016 - \$978,170). The City does not expect to make any payments on the guarantee and no amounts have been accrued in the financial statements.

# CITY OF KELOWNA

## Notes to the Consolidated Financial Statements

### December 31, 2017

(all tabular amounts reported in 000's of dollars)

#### Multi-Purpose Facility Public/Private Partnership

The City has, under the terms of the Preferred Share Agreement between the City of Kelowna and RG Properties Ltd., purchased \$6.0 million of preferred shares in RG Arenas (Kelowna) Ltd. at a cost of \$1 per share. The terms and conditions of the purchase are subject to the terms of a Tripartite Agreement between the City of Kelowna, Royal Bank of Canada and RG Arenas (Kelowna) Ltd., RG Properties Ltd., Prospero Canadian Land Investment Fund Ltd. group of companies.

The City has, under the terms of the above noted Tripartite Agreement, committed to the annual purchase of community use time at the Multi-Purpose facility, commencing with substantial completion, on November 10, 1999 under the following terms:

- (i) \$1.3 million per annum for Years 1 to 3 comprised of a payment of \$1.1 million, which for Years 2 and 3 is subject to a minimum CPI increase of 1% per annum and a maximum average CPI increase of 5% per annum, plus an annual payment of \$150,000 without any adjustment for CPI;
- (ii) \$1.2 million per annum for Years 4 to 7, subject to a minimum CPI increase of 1% per annum and a maximum average CPI increase of 5% per annum;
- (iii) \$1.2 million per annum for Years 8 to 10, subject to a minimum CPI increase of 1% per annum and a maximum average CPI increase of 5% per annum, minus \$150,000 per annum;
- (iv) \$1.0 million per annum for Years 11 to 20, subject to a minimum CPI increase of 1% per annum and a maximum average CPI increase of 5% per annum; and
- (v) \$0.5 million per annum for Years 21 to 30, subject to a minimum CPI increase of 1% per annum and a maximum average CPI increase of 5% per annum.

The year 2017 represented year 18 of the agreement.

Should the City not exercise, in its sole discretion, its option to renew any future term for community use time in the Multi-Purpose facility, under the above terms it shall be required to make a lump sum payment to RG Arenas (Kelowna) Ltd. on or before the 15<sup>th</sup> day of one of year 6, 11, 16, 21 or 26 commencing with the year of substantial completion in the following amounts:

2005	Year 6	\$ 13.2 million
2010	Year 11	\$ 11.9 million
2015	Year 16	\$ 10.4 million
2020	Year 21	\$ 6.7 million
2025	Year 26	\$ 4.5 million

Upon such payment, no further amounts will be payable to RG Arenas (Kelowna) Ltd. and the City will have the right to the community use time for the period from the beginning of the year in which the payment was made until November 9, 2029 without any additional payment.

The City did exercise its option to renew the purchase of community use time under the above annual payments terms and accordingly did not make any of the lump sum payment of \$13.2 or \$11.9 or \$10.4 million otherwise due to RG Arenas (Kelowna) Ltd. in years 6 or 11 or 16.

#### Royal Canadian Mounted Police Services

The Province of British Columbia and the Federal Government have an agreement with the Royal Canadian Mounted Police to provide police services for various municipalities in the Province, including the City of Kelowna. This agreement has a 20 year term expiring on March 31, 2032.

## 10. Long term investments

#### Kelowna Developments Ltd.

The investment in Kelowna Developments Ltd., a wholly owned subsidiary, is carried at its cost of \$2. The company is inactive with no assets or liabilities and is being retained for potential future use.

# **CITY OF KELOWNA**

## **Notes to the Consolidated Financial Statements**

### **December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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#### **RG Arenas (Kelowna) Ltd.**

The investment in preferred shares in RG Arenas (Kelowna) Ltd. is carried at its cost of \$6.0 million. The shares were purchased under the terms of the Preferred Share Agreement between the City of Kelowna and RG Properties Ltd. and are to be retained until 2028 per the terms of that agreement described in Note 9.

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#### **11. Letters of credit**

In addition to the performance deposits reflected in cash balances, the City is holding irrevocable Letters of Credit in the amount of \$36.4 million (2016 - \$30.7 million) which were received from depositors to ensure their performance of works to be undertaken within the City. These amounts are not reflected in the financial statements but are available to satisfy any liabilities arising from non-performance by the depositors. Included in the \$36.4 million, the City is holding irrevocable Letters of Credit in the amount of \$5.7 million (2016 - \$5.1 million) which are received from developers to ensure payment of development cost charges in future years.

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#### **12. Capital lease payable**

The City has entered into an agreement with FortisBC Energy Inc. ("FortisBC") that has resulted in the creation of the Natural Gas Legacy Fund.

##### **Capital lease**

Under the terms of the agreement the City entered into a 35 year capital lease with FortisBC on November 1, 2001 for the natural gas distribution system within the City's municipal boundary. The City has prepaid \$47.5 million of the capital lease obligation and has financed the prepayment through debenture debt. The remaining obligation of \$2.2 million, which is included in long term debt, will be paid with annual lease payments of \$260,870 including interest based on FortisBC approved pre-tax weighted average cost of capital of 10.072%.

##### **Operating lease**

The City also entered into a 17-year operating lease with FortisBC on November 1, 2001 whereby the City leases back to FortisBC the operations of the gas distribution system. Under the operating lease FortisBC is required to make annual lease payments to the City calculated by a formula specified in the agreement which is based on the total annual revenue generated by the transaction. At the end of the 17-year term, being in 2018, FortisBC has the option of making a termination payment to the City equal to the unamortized portion of the City's \$47.5 million prepayment under the capital lease, which is estimated to be \$27.0 million, or negotiate a new 18 year operating lease with a continuation of the annual lease payments which existed under the previous 17 year operating lease. The City is in discussions with Fortis as to the continuation or cancellation of the lease.

Annual lease revenues for the past five years are:

2013	\$ 4.4 million
2014	\$ 4.3 million
2015	\$ 4.2 million
2016	\$ 4.1 million
2017	\$ 4.0 million

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#### **13. City of Kelowna Library Society**

The City of Kelowna Library Society was a non-profit society instituted and controlled by the City of Kelowna. The Society was incorporated for the purpose of establishing, operating, and maintaining libraries and library services for the benefit of the City of Kelowna and its citizens, and the Society discontinued operations on June 30, 2017 and was dissolved in October 2017. Accordingly, the consolidated financial statements include all the accounts of the Society up to June 30, 2017. Library-related activity occurring after June 30, 2017 is reflected in the General Fund. The assets of the Society were transferred to the City prior to December 31, 2017.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

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**14. Trust funds**

In accordance with PSAS, trust funds are not included in the City's consolidated financial statements. The City administers a Cemetery Maintenance Fund for the perpetual care and maintenance of the City owned and operated cemetery. As at December 31, 2017 the Trust Fund balance is \$2.8 million (2016 - \$2.6 million).

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**15. Segmented information**

The City of Kelowna is connecting communities and providing a multitude of services to the citizens of Kelowna. The City's operations and activities are organized and reported by funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the City such as general government, protective services, transportation services, recreation and cultural services, as well as public health, and environmental and development services. The City also operates its own airport and City utilities comprised of the wastewater and water systems that are self-sustaining operations. Operating results reported by the following segments are included in Schedule 2.

**General government**

General Government operations are primarily funded by property taxation and business tax revenues. The expenses within the department are for executive and legislative costs, general administration, and other general government areas such as community service grants and rental property operating costs within the municipality. The general revenue reported under the department includes revenues associated with taxation, business tax revenues and senior government payments in lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

**Protective services**

Protective services are comprised of police services provided by the Royal Canadian Mounted Police, fire protection services, building inspection services and bylaw enforcement as well as the Provincial Emergency Program. Police services include administration, crime investigation and prevention, traffic, prisoner custody and court liaison expenses.

The fire department is responsible for effective fire protection and public safety services to the City. This includes fire suppression and rescue, prevention and investigation, specialty rescue/first medical responses and fire safety inspections.

Costs for maintenance and repair of police and fire buildings are included in this section.

**Transportation services**

Transportation services are responsible for the delivery of municipal public works services related to the planning, development and maintenance of streets and roads, bridges, drainage systems, street lights, traffic lights and signals, parking lots and on-street parking, and public transit as well as maintenance of workshops, yards and other buildings. The mandate is to provide a safe, efficient, environmentally-sensitive and cost-effective transportation network.

**Recreation and cultural services**

Recreation and cultural services provide services related to recreation, leisure and culture including administration and program costs as well as grounds and building maintenance. Facilities managed within this area include parks and playgrounds, arenas, swimming pools, beaches, boat launches, stadiums as well as community and seniors centers. The H<sub>2</sub>O Adventure & Fitness Centre, Parkinson Recreation Centre, Kelowna Community Theatre, Kelowna Museum, Kelowna Library, Kelowna Art Gallery and the Rotary Centre for the Arts are some of the larger facilities included.

**Other services (Public Health/Environmental/Development services)**

Public health services are comprised of cemetery operations and maintenance, environmental and development services including community planning and zoning as well as landfill operations.

**CITY OF KELOWNA**  
**Notes to the Consolidated Financial Statements**  
**December 31, 2017**

(all tabular amounts reported in 000's of dollars)

**Airport services**

The Airport, owned and operated by the City of Kelowna, provides quality airport services in a safe and cost effective manner in compliance with Federal regulations. The Airport is accounted for in its own fund.

**Wastewater services**

Kelowna's sanitary sewer system collects, conveys, treats and disposes of domestic wastewater (derived from the home) and industrial wastewater (resulting from business use, manufacturing and processing). The system currently services approximately 70% of Kelowna's population and continues to be extended to unserved areas. Kelowna's wastewater system has a treatment capacity of 72 million liters per day. Wastewater Utility is accounted for in its own fund.

**Water services**

The Water Utility is responsible for planning, designing, building, operating and maintaining the City's Water Utility and is one of five water suppliers operating within Kelowna's boundaries. The Water Utility is accounted for in its own fund.

**Natural Gas legacy services**

Natural Gas Legacy Fund was created from an agreement with FortisBC for a 35 year capital lease for the natural gas distribution system within the City's municipal boundary and a 17 year operating lease, expiring in 2018, whereby the City leases back to FortisBC the operations of the gas distribution system. The Natural Gas Legacy Fund is accounted for in its own fund.

**Statutory reserves**

Statutory Reserves include funds for parking, land and capital works, machinery and equipment.

**16. Expenses by object**

Total consolidated expenses by object are itemized in Schedule 2 – Segmented information.

**17. Budget data**

The budget figures are from the Annual Five-Year Financial Plan Bylaw adopted before May 15<sup>th</sup> of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law. Amortization of tangible capital assets was not included in the budget. The table below shows the reconciliation between the approved budget and the budget presented in these consolidated financial statements.

	<b><u>Budget Amount</u></b>
<b>Revenues:</b>	
Operating budget	\$ 272,034
Capital budget	23,066
	<u>295,100</u>
<b>Expenses:</b>	
Operating budget	218,160
Capital budget	145,076
	<u>363,236</u>
Annual deficit per approved budget	(68,136)
Add: tangible capital asset purchases	145,076
<b>Annual surplus per statement of operations</b>	<u><u>\$ 76,940</u></u>

**18. Comparative figures**

Certain comparative figures have been reclassified to conform to the presentation format adopted in the current year.

**CITY OF KELOWNA**  
**Schedule 1 - Tangible Capital Assets**  
**For the Year Ended December 31, 2017**  
(in thousands of dollars)

	Machinery & Equipment							Natural Gas Capital Lease
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Computer	Subtotal Machinery & Equipment	
<b>Cost</b>								
Balance, beginning of year	\$ 255,228	\$ 67,374	\$ 291,748	\$ 30,294	53,817	\$ 9,537	\$ 93,648	\$ 55,609
Add: additions during the year	27,633	263	928	2,080	2,869	774	5,723	-
Add: transfers to tangible capital assets	-	674	50,258	-	36,632	2,861	39,493	-
Less: capital held for resale	78	-	-	-	-	-	-	-
Less: disposals during the year	(2,704)	-	(26)	(964)	(1,216)	-	(2,180)	-
Balance, end of year	<u>280,235</u>	<u>68,311</u>	<u>342,908</u>	<u>31,410</u>	<u>92,102</u>	<u>13,172</u>	<u>136,684</u>	<u>55,609</u>
<b>Accumulated Amortization</b>								
Balance, beginning of year	-	33,763	136,761	18,147	35,877	6,682	60,706	24,410
Add: amortization	-	2,412	9,091	2,028	3,499	824	6,351	1,600
Less: accumulated amortization on disposals	-	-	-	(908)	(869)	-	(1,777)	-
Less: amortization on buildings held for resale	-	-	-	-	-	-	-	-
Balance, end of year	<u>-</u>	<u>36,175</u>	<u>145,852</u>	<u>19,267</u>	<u>38,507</u>	<u>7,506</u>	<u>65,280</u>	<u>26,010</u>
<b>Net Book Value of Tangible Capital Assets</b>	<u>\$ 280,235</u>	<u>\$ 32,136</u>	<u>\$ 197,056</u>	<u>\$ 12,143</u>	<u>\$ 53,595</u>	<u>\$ 5,666</u>	<u>\$ 71,404</u>	<u>\$ 29,599</u>

	Infrastructure						Work in Progress	Total 2017	Total 2016
	Plant & Facilities	Roads, Lanes, Sidewalks & Bike Paths	Bridges, Tunnels & Overpasses	Underground, Overhead & Other Networks	Airport Infrastructure	Subtotal Infrastructure			
<b>Cost</b>									
Balance, beginning of year	\$ 196,632	\$ 516,095	\$ 33,836	\$ 1,040,982	\$ 56,474	\$ 1,844,019	\$ 114,295	\$ 2,721,921	\$ 2,620,464
Add: additions during the year	247	2,781	36	3,102	253	6,419	47,784	88,750	104,864
Add: transfers to tangible capital assets	2,615	11,240	-	30,326	4,368	48,549	(138,974)	-	203
Less: capital held for resale	-	-	-	-	-	-	-	78	(1,122)
Less: disposals during the year	-	(51)	-	(227)	-	(278)	(9)	(5,197)	(2,291)
Balance, end of year	<u>199,494</u>	<u>530,065</u>	<u>33,872</u>	<u>1,074,183</u>	<u>61,095</u>	<u>1,898,709</u>	<u>23,096</u>	<u>2,805,552</u>	<u>2,722,118</u>
<b>Accumulated Amortization</b>									
Balance, beginning of year	68,143	272,408	8,118	374,833	25,739	749,241	-	1,004,881	943,602
Add: amortization	6,948	19,778	515	15,842	2,351	45,434	-	64,888	63,343
Less: accumulated amortization on disposals	-	-	-	-	-	-	-	(1,777)	(1,339)
Less: amortization on buildings held for resale	-	-	-	-	-	-	-	-	(528)
Balance, end of year	<u>75,091</u>	<u>292,186</u>	<u>8,633</u>	<u>390,675</u>	<u>28,090</u>	<u>794,675</u>	<u>-</u>	<u>1,067,992</u>	<u>1,005,078</u>
<b>Net Book Value of Tangible Capital Assets</b>	<u>\$ 124,403</u>	<u>\$ 237,879</u>	<u>\$ 25,239</u>	<u>\$ 683,508</u>	<u>\$ 33,005</u>	<u>\$ 1,104,034</u>	<u>\$ 23,096</u>	<u>\$ 1,737,560</u>	<u>\$ 1,717,040</u>

**CITY OF KELOWNA**  
**Schedule 2 - Segmented Information**  
**For the Year Ended December 31, 2017**  
(in thousands of dollars)

	General Gov't	Protective Services	Transportation Services	Recreation & Cultural Services	Other Services	Airport Services	Wastewater Services	Water Services	Nat. Gas Legacy Services	Library Services	Statutory Reserves	2017
<b>Revenue</b>												
Taxation	\$ 136,357	\$ -	\$ 156	\$ -	\$ -	\$ -	\$ 1,398	\$ 1,484	\$ -	\$ -	\$ -	\$ 139,395
Fees and charges	24,753	1,981	13,086	4,477	16,534	31,905	16,291	11,772	3,990	408	426	125,623
Interest earned	7,199	-	-	-	-	303	716	446	107	-	1,554	10,325
DCC contributions	-	-	3,498	525	-	-	5,477	33	-	-	-	9,533
Contribution from other governments	1,700	4,192	9,294	311	2,520	2,054	246	1,242	-	-	-	21,559
Other capital contributions	5,697	-	-	-	-	514	1,441	483	2,559	-	-	10,694
Gain on tangible capital asset disposal	5,586	-	-	-	-	-	-	-	-	-	-	5,586
	<u>181,292</u>	<u>6,173</u>	<u>26,034</u>	<u>5,313</u>	<u>19,054</u>	<u>34,776</u>	<u>25,569</u>	<u>15,460</u>	<u>6,656</u>	<u>408</u>	<u>1,980</u>	<u>322,715</u>
<b>Expenses</b>												
Salaries and benefits	16,215	27,849	9,416	11,281	5,578	4,406	3,312	2,432	-	16	-	80,505
Contract and professional services	4,045	2,311	24,431	7,772	7,422	1,155	502	812	-	143	-	48,593
RCMP contract	-	28,553	-	-	-	-	-	-	-	-	-	28,553
Materials and supplies	5,351	2,060	5,316	10,822	1,315	6,187	1,239	990	-	19	-	33,299
Equipment	244	713	3,104	1,566	2,193	28	619	485	-	2	-	8,954
Allocations	(5,309)	(51)	(80)	(183)	115	1,437	3,232	897	20	-	-	78
Cost recoveries	(505)	(3,580)	(8,825)	(270)	(1,464)	(534)	(181)	(543)	-	-	-	(15,902)
Grants and external transfers	417	115	6	1,218	2,918	-	-	-	-	-	-	4,674
Utilities	180	297	2,264	2,064	220	670	1,211	1,062	-	46	-	8,014
Write down of tangible capital assets	101	-	83	20	-	-	227	9	-	-	-	440
Amortization of tangible capital assets	2,803	1,450	27,404	8,462	1,772	6,081	10,639	4,605	1,600	72	-	64,888
<b>Total before Debt</b>	<u>23,542</u>	<u>59,717</u>	<u>63,119</u>	<u>42,752</u>	<u>20,069</u>	<u>19,430</u>	<u>20,800</u>	<u>10,749</u>	<u>1,620</u>	<u>298</u>	<u>-</u>	<u>262,096</u>
Debt interest and fiscal services	3,757	-	-	-	-	1,268	2,323	472	2,236	2	-	10,058
<b>Total operating expenses</b>	<u>27,299</u>	<u>59,717</u>	<u>63,119</u>	<u>42,752</u>	<u>20,069</u>	<u>20,698</u>	<u>23,123</u>	<u>11,221</u>	<u>3,856</u>	<u>300</u>	<u>-</u>	<u>272,154</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ 153,993</u>	<u>\$ (53,544)</u>	<u>\$ (37,085)</u>	<u>\$ (37,439)</u>	<u>\$ (1,015)</u>	<u>\$ 14,078</u>	<u>\$ 2,446</u>	<u>\$ 4,239</u>	<u>\$ 2,800</u>	<u>\$ 108</u>	<u>\$ 1,980</u>	<u>\$ 50,561</u>

**CITY OF KELOWNA**  
**Schedule 2 - Segmented Information**  
**For the Year Ended December 31, 2016**  
(in thousands of dollars)

	General Gov't	Protective Services	Transportation Services	Recreation & Cultural Services	Other Services	Airport Services	Wastewater Services	Water Services	Nat. Gas Legacy Services	Library Services	Statutory Reserves	2016
<b>Revenue</b>												
Taxation	\$ 128,764	\$ -	\$ 166	\$ -	\$ -	\$ -	\$ 1,399	\$ 1,463	\$ -	\$ -	\$ -	\$ 131,792
Fees and charges	22,860	1,881	11,915	4,423	15,757	28,781	16,104	11,505	4,200	780	222	118,428
Interest earned	7,181	-	-	-	-	255	607	337	-	-	1,471	9,851
DCC contributions	-	-	3,273	1,507	-	-	5,671	26	-	-	-	10,477
Contribution from other governments	1,774	3,963	6,996	392	1,993	116	342	-	-	-	-	15,576
Other capital contributions	2,381	-	-	-	-	421	1,265	278	2,306	-	-	6,651
Gain on disposal of tangible capital assets	476	-	-	-	-	25	-	-	-	-	-	501
	<u>163,436</u>	<u>5,844</u>	<u>22,350</u>	<u>6,322</u>	<u>17,750</u>	<u>29,598</u>	<u>25,388</u>	<u>13,609</u>	<u>6,506</u>	<u>780</u>	<u>1,693</u>	<u>293,276</u>
<b>Expenses</b>												
Salaries and benefits	15,654	26,219	9,037	11,132	5,390	4,310	3,267	2,296	-	17	-	77,322
Contract and professional services	3,822	1,842	22,618	7,851	7,200	1,416	734	804	-	125	-	46,412
RCMP contract	-	26,473	-	-	-	-	-	-	-	-	-	26,473
Materials and supplies	4,788	1,613	5,128	10,009	1,408	5,752	1,220	854	-	18	-	30,790
Equipment	214	307	2,753	1,604	2,025	42	655	454	-	2	-	8,056
Allocations	(4,883)	(51)	(178)	(187)	185	1,390	2,973	791	20	-	-	60
Cost recoveries	(800)	(2,087)	(8,285)	(338)	(1,555)	(503)	-	(558)	-	-	-	(14,126)
Grants and external transfers	405	86	20	1,168	2,340	-	(139)	-	-	-	-	3,880
Utilities	170	203	2,117	2,032	187	634	1,210	984	-	80	-	7,617
Amortization of tangible capital assets	3,254	1,121	26,479	8,617	1,694	5,233	10,590	4,602	1,600	153	-	63,343
<b>Total before Debt</b>	<u>22,624</u>	<u>55,726</u>	<u>59,689</u>	<u>41,888</u>	<u>18,874</u>	<u>18,274</u>	<u>20,510</u>	<u>10,227</u>	<u>1,620</u>	<u>395</u>	<u>-</u>	<u>249,827</u>
Debt interest and fiscal services	3,881	-	-	-	-	1,029	2,323	472	2,468	38	-	10,211
<b>Total operating expenses</b>	<u>26,505</u>	<u>55,726</u>	<u>59,689</u>	<u>41,888</u>	<u>18,874</u>	<u>19,303</u>	<u>22,833</u>	<u>10,699</u>	<u>4,088</u>	<u>433</u>	<u>-</u>	<u>260,038</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ 136,931</u>	<u>\$ (49,882)</u>	<u>\$ (37,339)</u>	<u>\$ (35,566)</u>	<u>\$ (1,124)</u>	<u>\$ 10,295</u>	<u>\$ 2,555</u>	<u>\$ 2,910</u>	<u>\$ 2,418</u>	<u>\$ 347</u>	<u>\$ 1,693</u>	<u>\$ 33,238</u>

**CITY OF KELOWNA**  
**Schedule 3 - Long Term Debt**  
**as at December 31, 2017**

(in thousands of dollars)

**Long term debt - General Fund**

**Debenture Debt**

<b>Year of Maturity</b>	<b>Purpose</b>	<b>Debt Balance Dec. 31/16</b>	<b>Amount of Issue</b>	<b>Debt Balance Dec. 31/17</b>	<b>Sinking Fund Balance Dec. 31/17</b>	<b>Current Interest Rate</b>
	<b>Public Works</b>					%
2019	South Pandosy Spec Area 1	\$ 50	\$ 234	\$ 34	\$ 200	2.10
2019	South Pandosy Spec Area 2	88	410	60	350	2.10
2019	Automated Curb Side Carts	1,646	4,810	1,119	3,691	4.13
2022	Chapman Parkade	1,658	4,071	1,414	2,657	2.10
2028	DCC Roads	2,418	10,400	1,233	9,167	5.15
	<b>Local Improvements</b>					
2017	Local Improvements	4	-	-	-	4.82
2019	Local Improvements	15	69	10	59	2.10
2035	Lawrence Ave LAS	321	345	309	36	3.00
	<b>Recreation and Cultural</b>					
2021	Kokanee Gym Facility	174	500	142	358	1.75
2027	H2O Centre	17,727	27,500	16,412	11,088	4.82
2027	Kokanee Gymnastic	516	800	478	322	4.82
2028	H2O Centre	1,381	2,000	1,289	711	5.15
2035	Police Facilities	19,293	20,000	18,561	1,439	2.75
2035	Library Parkade Ext & Memorial Parkade	14,470	15,000	13,921	1,079	2.75
2036	Police Facilities	17,000	17,000	16,399	601	2.60
2037	Police Facilities	-	3,000	3,000	-	3.15
<b><u>Total Debt - General Fund</u></b>		<b>\$ 76,761</b>	<b>\$ 106,139</b>	<b>\$ 74,381</b>	<b>\$ 31,758</b>	

# CITY OF KELOWNA

## Schedule 3 - Long Term Debt (continued)

as at December 31, 2017

(in thousands of dollars)

### Long term debt - Wastewater Fund

#### Debenture Debt

Year of Maturity	Purpose	Debt Balance Dec. 31/16	Amount of Issue	Debt Balance Dec. 31/17	Sinking Fund Balance Dec. 31/17	Current Interest Rate
	<b>Specified Area Programs</b>					%
2018	Spec. Area 18 - Caramillo	\$ 20	\$ 135	\$ 10	\$ 125	4.65
2018	Spec. Area 19 - Poplar Point	12	77	6	71	4.65
2022	Spec. Area 22A - Gerstmar	16	40	14	26	1.75
2024	Spec. Area 21A - McKenzie Bench	700	1,350	627	723	2.00
2024	Spec. Area 22B - Vista Rd	41	80	37	43	2.00
2024	Spec. Area 22C - Hein Rd	138	266	124	142	2.00
2024	Spec. Area 22D - Elwyn Rd	77	149	69	80	2.00
2024	Spec. Area 22E - Dease Rd	50	96	45	51	2.00
2024	Spec. Area 22F - Mills Rd	178	342	159	183	2.00
2024	Spec. Area 29 - Campion Cambro	453	874	406	468	2.00
2024	Spec. Area 30 - Acland	189	364	169	195	2.00
2025	Spec. Area 20 - North Rutland	3,724	6,822	3,365	3,457	1.80
2025	Spec. Area 28A - Okaview	349	638	315	323	1.80
2028	Spec Area 26 - Fisher Rd	1,396	2,021	1,303	718	5.15
2028	Spec Area 34 - Country Rhodes	300	435	280	155	5.15
2028	Spec Area 36 - Clifton	184	267	172	95	5.15
	<b>Sewer Improvement Programs</b>					
2019	Byrns Baron Main	1,014	3,866	693	3,173	2.00
	<b>Sewage Treatment Plant</b>					
2019	Waste Water Treatment Expansion	6,843	20,000	4,651	15,349	4.90
2019	Waste Water Treatment Expansion	3,422	10,000	2,325	7,675	4.13
2020	Waste Water Treatment Expansion	4,475	10,000	3,421	6,579	3.73
2031	Brandt's Creek Tradewaste Treatment	2,772	3,800	2,541	1,259	3.25
<b>Total Debt - Wastewater Fund</b>		<b>\$ 26,353</b>	<b>\$ 61,622</b>	<b>\$ 20,732</b>	<b>\$ 40,890</b>	

**CITY OF KELOWNA**  
**Schedule 3 - Long Term Debt (continued)**  
**as at December 31, 2017**  
(in thousands of dollars)

**Long term debt - Water Fund**

<u>Debt</u> <u>Year of</u> <u>Maturity</u>	<u>Purpose</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/16</u>	<u>Amount</u> <u>of Issue</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Sinking Fund</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Current</u> <u>Interest</u> <u>Rate</u>
	<b>Specified Area Programs</b>					%
2023	Spec Area 16 - Byrns	\$ 18	\$ 39	\$ 16	\$ 23	2.40
2024	Spec Area 18 - Lakeshore	12	24	11	13	2.00
2028	Spec Area 26 - Fisher Rd	205	297	192	105	5.15
	<b>Water Improvement Programs</b>					
2028	Cedar Creek Pump Station	5,233	7,577	4,884	2,693	5.15
2031	Poplar Point Pump Station Upgrade	1,636	2,000	1,555	445	3.25
<b>Total Debt - Water Fund</b>		<b>\$ 7,104</b>	<b>\$ 9,937</b>	<b>\$ 6,658</b>	<b>\$ 3,279</b>	

**Long term debt - Airport Fund**

	<u>Debt</u> <u>Year of</u> <u>Maturity</u>	<u>Purpose</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/16</u>	<u>Amount</u> <u>of Issue</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Sinking Fund</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Current</u> <u>Interest</u> <u>Rate</u>
2018	Airport Expansion		\$ 3,720	\$ 16,000	\$ 1,897	\$ 14,103	4.65
2025	Airport Expansion		6,861	7,500	6,199	1,301	2.75
2026	Airport Expansion		3,500	3,500	3,202	298	2.60
2026	Airport Expansion		3,000	3,000	2,738	262	2.10
2027	Airport Expansion		-	8,000	8,000	-	2.80
<b>Total Debt - Airport Fund</b>			<b>\$ 17,081</b>	<b>\$ 38,000</b>	<b>\$ 22,036</b>	<b>\$ 15,964</b>	

**Long term debt - Natural Gas Legacy Fund**

	<u>Debt</u> <u>Year of</u> <u>Maturity</u>	<u>Purpose</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/16</u>	<u>Amount</u> <u>of Issue</u>	<u>Debt</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Sinking Fund</u> <u>Balance</u> <u>Dec. 31/17</u>	<u>Current</u> <u>Interest</u> <u>Rate</u>
2018	Leased Capital Assets		\$ 5,311	\$ 29,800	\$ 2,737	\$ 27,063	6.01
2018	Leased Capital Assets		3,475	19,500	1,791	17,709	1.15
			<b>8,786</b>	<b>49,300</b>	<b>4,528</b>	<b>44,772</b>	
<b>Capital Lease Payable</b>			<b>2,210</b>	<b>2,500</b>	<b>2,171</b>		10.072
<b>Total Debt - Natural Gas Legacy Fund</b>			<b>\$ 10,996</b>	<b>\$ 51,800</b>	<b>\$ 6,699</b>		

**Long term debt - Library**

2017	Mortgage-Building		\$ 180	\$ 5,100	\$ -		8.94
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**Long term debt - Other**

2018	CN Rail		\$ 3,000	\$ 3,000	\$ 3,000		nil
2021	Land - Airport		4,500	4,500	3,600		nil
2020	Land - Wastewater		439	439	329		nil
<b>Total Debt - Other</b>			<b>\$ 7,939</b>	<b>\$ 7,939</b>	<b>\$ 6,929</b>		
<b>Total City Long Term Debt</b>			<b>\$ 146,414</b>	<b>\$ 275,437</b>	<b>\$ 137,434</b>		



City Hall  
Financial Services  
1435 Water Street  
Kelowna, BC, V1Y 1J4

Tel 250-469-8542  
[financeyearend@kelowna.ca](mailto:financeyearend@kelowna.ca)

[kelowna.ca](http://kelowna.ca)



# 2017 Consolidated Financial Statements

For the year ended December 31, 2017

Kelowna, British Columbia, Canada



owna

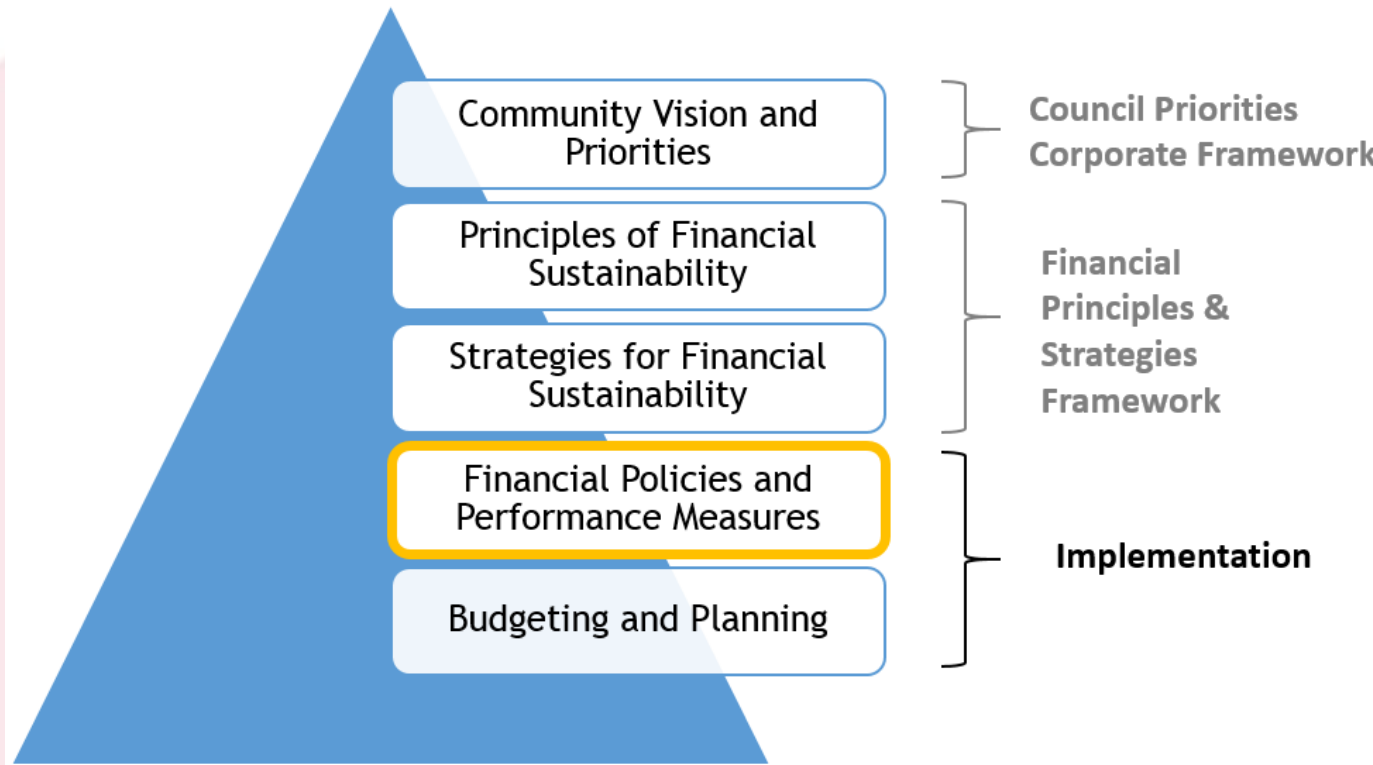
# 2017 Financial Statements

- Consolidated Statements:
  - Financial Position
  - Operations and Accumulated Surplus
  - Changes in Net Financial Assets
  - Cash Flows
- Auditors report
- Notes to the Financial Statements
- Financial Health Indicators
- City Reserves
- Surplus balances and appropriations



# Council adopted Financial principles & strategies

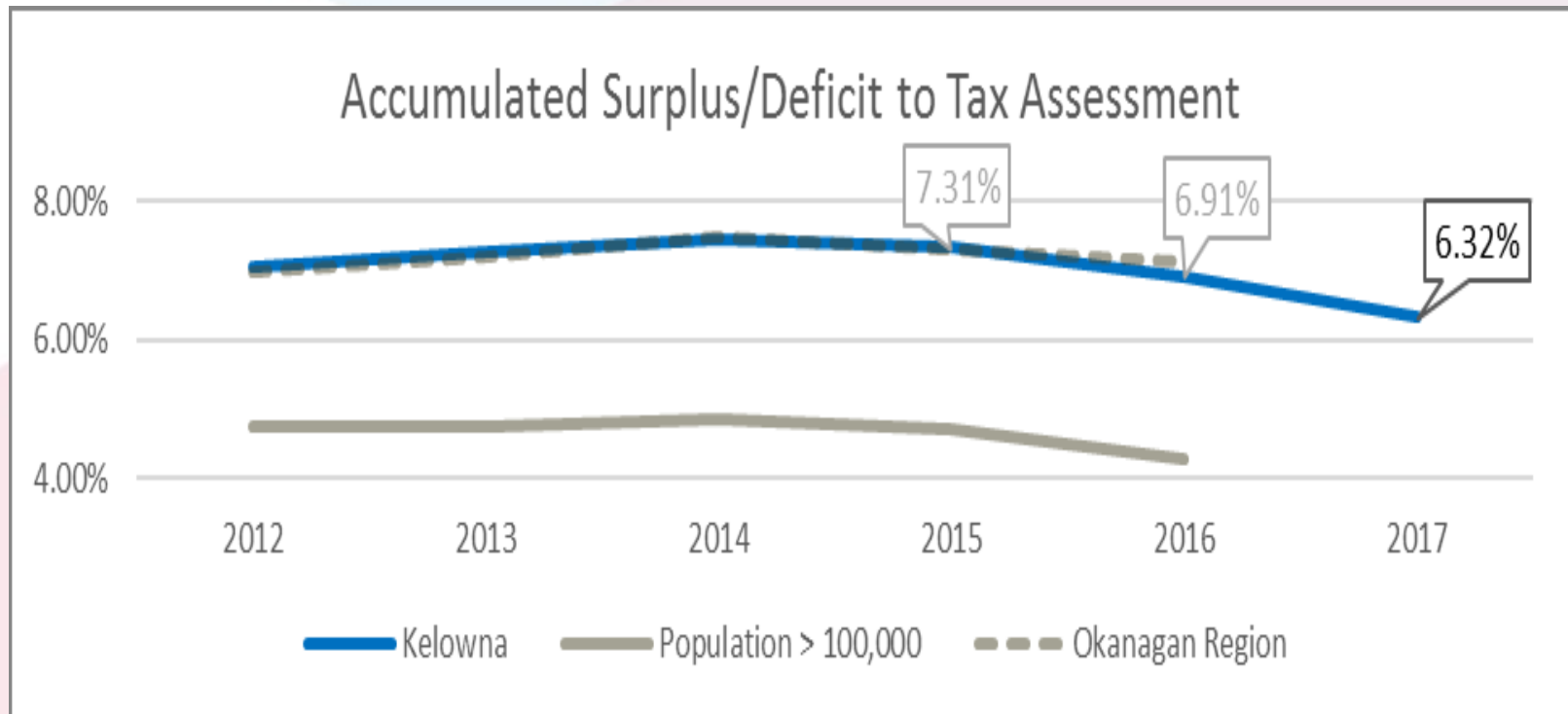
## Decision Making Framework



# Financial Health Indicators

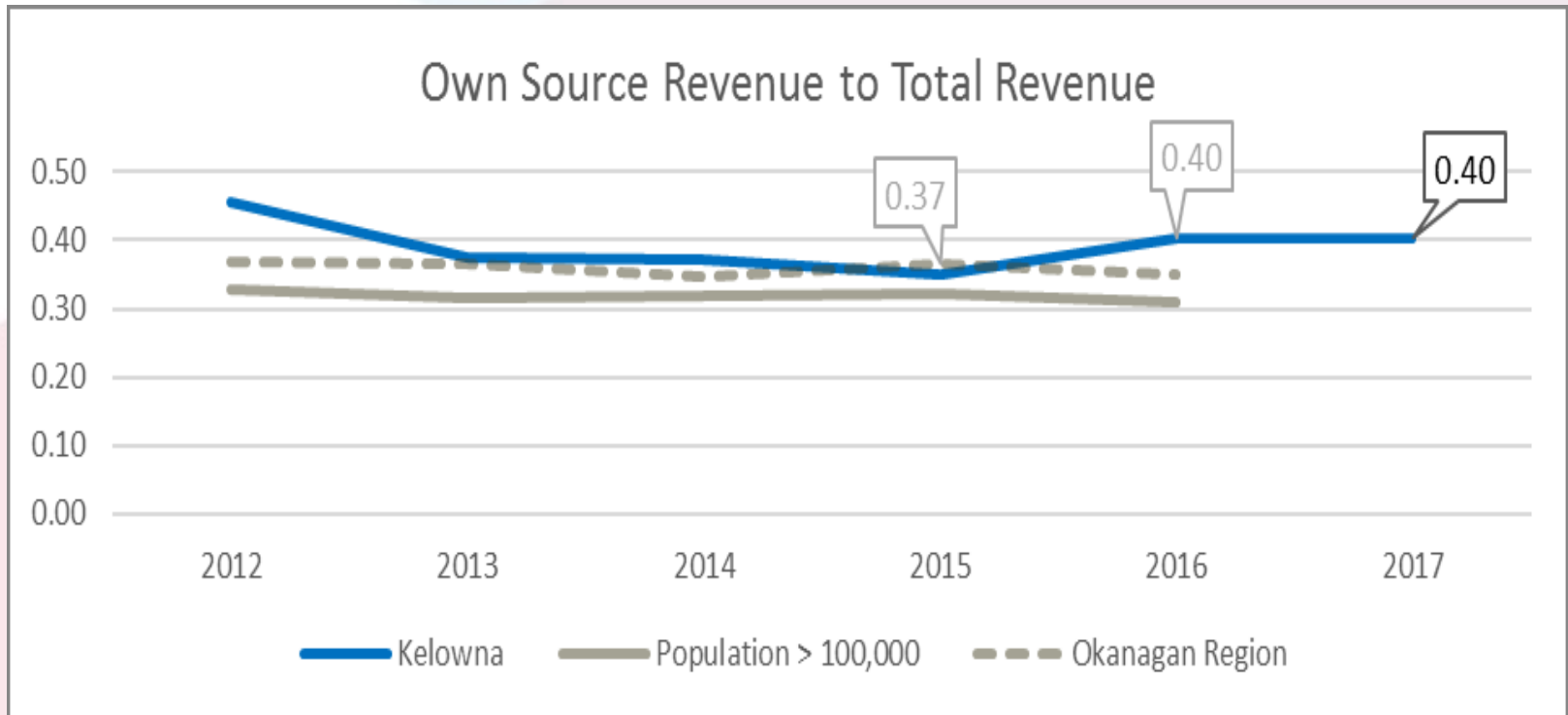
- Measures chosen based on recommended practice through Public Sector Accounting Board & have become the model for Municipalities to use
- Performance is measured against Municipalities of similar size and those that are within the region
- The Financial Health Indicators measure performance in relation to sustainability, flexibility and vulnerability

# Sustainability Ratio



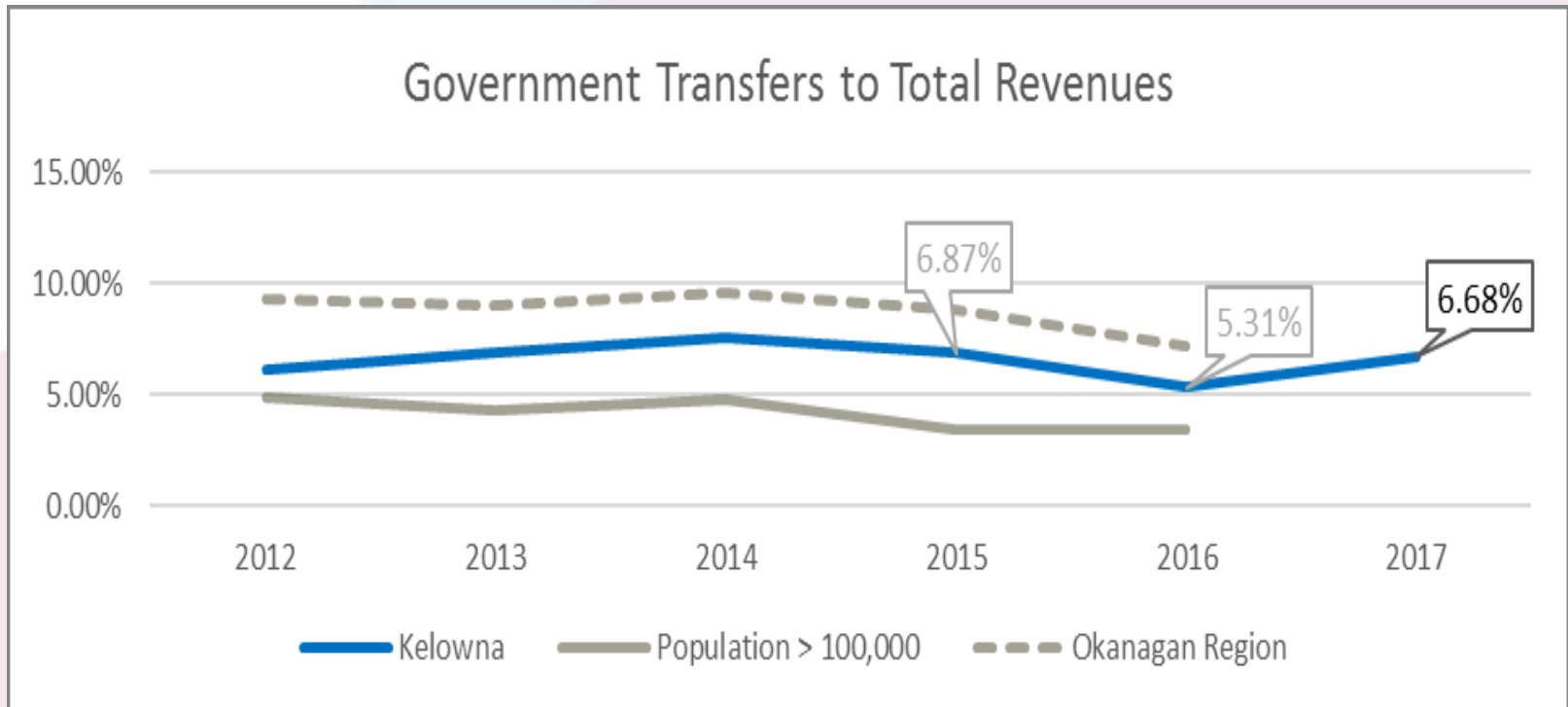
- Decline in ratio is due to increasing property value assessments whereas surplus growth is constrained by need to limit tax increases.
- The declining trend is consistent with other larger BC municipalities.

# Flexibility Ratio

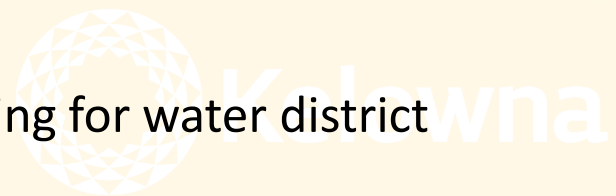


- The City's Own Source revenue is increasing as a percentage of overall revenue which creates flexibility for the City.

# Vulnerability Ratio



- Increase in 2017 is due to one-time funding for water district integration.



# Summary of financial health review

- The City is well positioned to meet current financial obligations and take on new opportunities without increasing the debt or tax burden.
- It is important to recognize that while comparing financial information with other Municipalities can provide good information we are not comparing apples to apples
- The overall financial health of the City is strong.



# 2017 General Fund Financial Results

General Fund surplus is \$5.4M

- 2.5% of operating budget \$222M
- Appropriate \$3.2M to reserves to support upcoming projects

General Fund accumulated surplus \$2.4M

- Represents 2% of taxation demand
- Emergency funding only



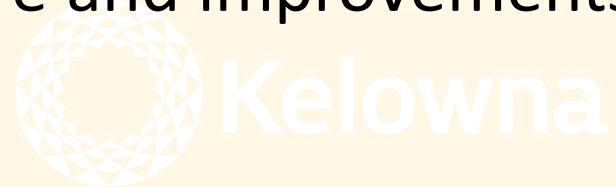
# Appropriation to Reserve for future use

Snow Removal	\$ 800,000
Civic Facilities	1,200,000
Land	600,000
Parks Purchase & Development	<u>600,000</u>
	<u>\$3,200,000</u>



# Utility Fund & Airport Financial Results

- Water and Waste Water utility funds surplus \$1.9M and \$2.1M
  - Infrastructure replacement
  - Mitigate fluctuations in utility rates
  - Ensure healthy, safe, service delivery
- Airport surplus \$14.4M
  - Enable ongoing infrastructure and improvements to service the region



*Thank you  
Audit Committee  
City staff  
Grant Thornton*



# Report to Council



**Date:** April 30, 2018  
**File:** 0100-10  
**To:** City Manager  
**From:** R Mayne, Divisional Director Corporate and Protective Services  
**Subject:** Good Neighbour Bylaw 11500 April 30 2018 Final.docx

---

## **Recommendation:**

THAT Council receives for information, the report from the Divisional Director, Corporate & Protective Services, dated April 16, 2018 pertaining to amendments to the Good Neighbour Bylaw No 11500, and the Bylaw Notice Enforcement Bylaw No. 10475;

AND THAT Bylaw No 11546 being Amendment No. 1 to Good Neighbour Bylaw No. 11500 be amended at third reading as outlined in the report;

AND THAT Bylaw No. 11566 being Amendment No. 20 to Bylaw Notice Enforcement Bylaw No. 10475 be amended at third reading;

AND FURTHER THAT enforcement through Section 8 of Bylaw No. 8214 - A Bylaw to Regulate and Control Panhandling, not be enforced until further consultation and education can be completed.

## **Purpose:**

For Council to consider further amendments to the Good Neighbour Bylaw and to amend the Bylaw Notice Enforcement Bylaw.

## **Background:**

The Good Neighbour Bylaw was adopted on Nov. 6, 2017, and is intended to promote civic responsibility, enhance both residents' and visitors' quality of life, and encourage strong relationships between neighbours. It is an amalgamation of several other bylaws previously regulating areas such as property maintenance and noise, street nuisances, and construction noise. Specifically, these were:

- Anti-Litter Bylaw, No 3477
- Noise & Disturbances Control Bylaw, No 6647
- Residential Nuisance Bylaw, No 7782
- Unsightly Premises and Visual Nuisance Bylaw No 8217

On March 26, 2018, amendments were brought forward with a proposal to include panhandling in the Good Neighbour Bylaw, and rescind the Panhandling Bylaw 8214 which had been in place since 1998 and subsequently amended in 2007. The addition of busking permit guidelines was also proposed.

Council directed staff upon approval of the first three readings with the following:

- ▶ THAT Council direct staff to undertake a communications campaign to inform the public about the challenges faced on City streets and how bylaws can be used to assist with this.
- ▶ THAT Council direct staff to report back to Council identifying which sections of the Bylaw Notice Enforcement Bylaw will be subject to an education campaign prior to Bylaw Notice fines being issued.
- ▶ THAT Council direct staff to review the Busker Program with Festivals Kelowna and the Arts community and report back to Council.

The proposed amendments generated significant public feedback about the conditions under which panhandling could occur to ensure that both the panhandler and the public are protected, and about the new street entertainment guidelines.

Hearing the feedback, Sections 7 and 8, the Panhandling and Street Entertainment sections have been removed from proposed updates to the Good Neighbour Bylaw including the proposal to levy fines on donors. The existing 1998 Panhandling bylaw will remain in place.

Section 8 of the existing Panhandling Bylaw, No. 8214, will not be enforced until such time that the bylaw is reviewed further. This will only occur after an engagement and education plan has been implemented.

### **Panhandling:**

Panhandling occurs in many communities across B.C. and Canada. Complex social concerns surrounding activities such as panhandling require coordinated community responses that address root causes: homelessness, affordable housing, addictions, mental health issues, disabilities, poverty and unemployment. Feedback and research has shown that the only real solution to these issues is housing. The City is continuing to work through the Journey Home process using a Housing First approach.

While panhandling is not illegal, panhandling to vehicles is, and panhandling activity has increased on medians at busy intersections and highway junctions. This poses a safety risk to the person panhandling and to motorists. The *BC Motor Vehicle Act* prohibits soliciting vehicles roadside, as well as soliciting in an aggressive manner. BC's *Safe Streets Act* prohibits soliciting a person in a stopped, standing or parked vehicle. Aggressive panhandling is also a violation of the *Safe Streets Act* and is described as any manner that is likely to cause a reasonable person to be concerned for their safety and security. City staff will work with the RCMP to address these concerns.

No further changes to the existing Panhandling bylaw are recommended at this time.

**Kirschner Road:**

As an example, Bylaw Services has received more than 200 complaints since January 2016 related to safety issues and criminal activity in the 1900 block of Kirschner Rd. In particular, the location of the Columbia Bottle Depot at 1988 Kirschner Road and the congregation of independent bottle collectors in the 1900 block has generated numerous complaints. Complaints include defecating/urinating on private property; open liquor/drug use; drug trafficking; approaching/harassing people for bottles; medical emergencies; threats to local business staff; flagging down cars to ask for bottles/cans; and blocking sidewalks.

The City and RCMP are working with businesses in the area of Kirschner Rd to help mitigate their concerns and ensure the safety of employees and the public.

The Columbia Bottle Depot encourages its customers to direct any bottle donations on-site to the social agency Pathways Abilities Society Kelowna. Signage outside the bottle depot directs customers to donate their recyclables and Pathways volunteers are on site to sort and collect. There are similar drop-offs to Pathways at the St. Paul and Dease Road depots.

Staff has also been informed that the lease for the Columbia Bottle Depot property expires this fall and will not be renewed.

**Public education:**

Council directed staff to report back to Council identifying which sections of the Bylaw Notice Enforcement Bylaw will be subject to an education campaign prior to Bylaw Notice fines being issued.

Staff completed best practice research regarding bottle collection and panhandling, investigating programs like “Have a Heart, Give Smart” as seen in Seattle and Ottawa and kindness meters in several municipalities. Much of the research including from the Journey Home partner, Canadian Observatory for Homelessness, shows that these programs are not particularly effective. Until people are housed or have other supports they need, panhandling activity will continue.

After further consultation with the Journey Home consultant and based on input from the Lived Experience Circle received as part of the Journey Home process, it is recommended that public education regarding giving to panhandlers/bottle collectors or the panhandling bylaw not proceed at this time. The Journey Home team advises that the Lived Experience Circle is exploring approaches for community education around homelessness which will evolve as the Journey Home strategy comes to a close at the end of June.

**Busking / Street Entertainment:**

On March 26, 2018, amendments were brought forward to add busking permit guidelines into the Good Neighbour Bylaw. Busking – the act of street entertainment with intent to collect donations for the performance – is not currently regulated by City Bylaws. Busking/Street Entertainment is currently coordinated through the Kelowna Buskers Program managed by Festivals Kelowna.

After further discussion with Festivals Kelowna and public feedback, it is proposed that the suggested busking regulations not be adopted. Staff will continue to consult with Festivals Kelowna and the artistic community and conduct a review of the Buskers Program. It is expected that this review will take place during the 2018 season with a report, outlining any findings and recommendations, coming to Council early 2019. In the meantime, the 20-year-old Kelowna Buskers Program will continue to run year round from 10 a.m. to 10 p.m. seven days a week in designated "Busk Stops" located throughout the downtown core, City Park, Waterfront Park and the Cultural District. It should be noted that people playing music for their own enjoyment in public spaces is not considered busking.

Bylaw 11546 amendments being forwarded for final reading are limited to definition changes related to derelict vehicles, section numbering in the Street and Public Space section and clarification on time definitions for the construction noise section as well as authorities of Bylaw Enforcement Officers vs. Bylaw Supervisors.

**Internal Circulation:**

Event Development Supervisor  
Social Development Manager  
Bylaw Services Manager  
Crime Prevention Supervisor  
Communications Advisor  
City Clerk  
Superintendent RCMP

**Legal/Statutory Authority:**

Good Neighbour Bylaw 11503  
Bylaw Enforcement Bylaw 10475  
Panhandling Bylaw 8214

**Considerations not applicable to this report:**

Legal/Statutory Procedural Requirements:  
Existing Policy:  
Financial/Budgetary Considerations:  
Personnel Implications:  
External Agency/Public Comments:  
Communications Comments:  
Alternate Recommendation:

Submitted by:  
R Mayne, Divisional Director Corporate and Protective Services

cc: Divisional Director Active Living & Culture  
Divisional Director Corporate Strategic Services



# Good Neighbour Bylaw Update



# Presentation Outline

1. Bylaw 11546 and 11566 feedback
2. Section 7 Panhandling - Removed
3. Section 8 Street Entertainment - Removed
4. Changes to Proposed Good Neighbour Bylaw
5. Recommendations

# Good Neighbour Bylaw

Council approved first three readings of bylaw 11546 and the corresponding fine bylaw 11566

Council asked staff to consider prior to 4<sup>th</sup> reading

- ▶ THAT Council direct staff to undertake a Communications campaign to inform the public about the challenges faced on City streets and how bylaws can be used to assist with this.
- ▶ THAT Council direct staff to review the Busker Program with Festivals Kelowna and the Arts community and report back to Council.
- ▶ THAT Council direct staff to report back to Council identifying which sections of the Bylaw Notice Enforcement Bylaw will be subject to an education campaign prior to Bylaw Notice fines being issued.

# GNB 3<sup>rd</sup> reading changes

- ▶ Removal of Section 8 Street Entertainment
  - ▶ A review of the busking program and further consultation with Street Entertainment
- ▶ Removal of Section 7 Panhandling
- ▶ No new panhandling language added to GNB
- ▶ Leave existing 1998 Panhandling Bylaw in place
- ▶ Approve GNB sections related to Abatement Fees and other minor amendments

# Busking

- ▶ No bylaw
- ▶ Review of existing program with Festivals Kelowna and community
- ▶ Any proposed changes implemented for 2019 busking season

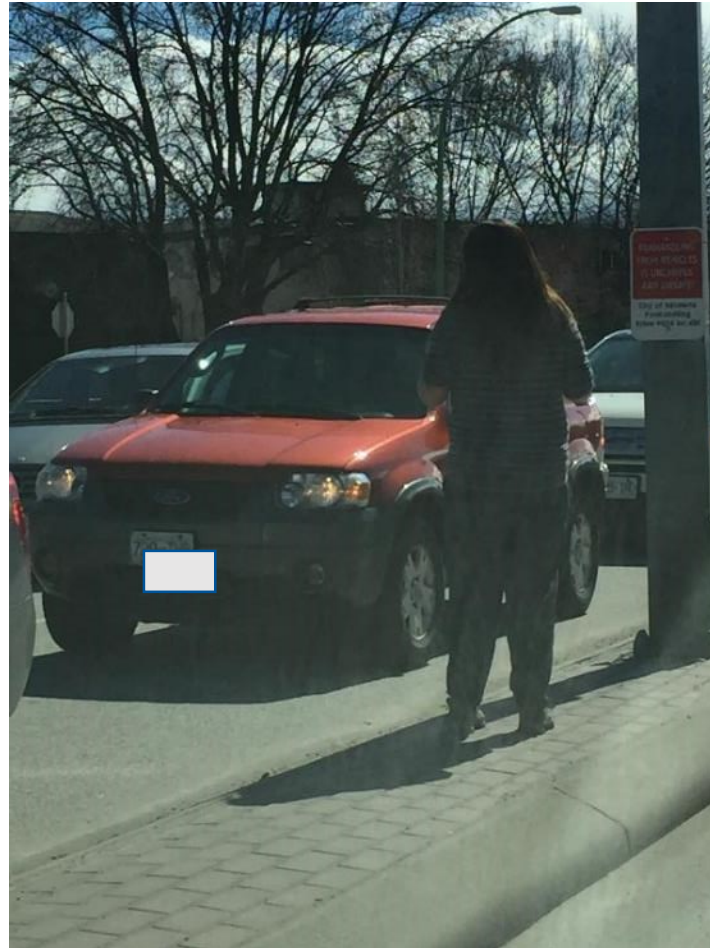
# Median Panhandling

Covered in:

- ▶ Safe Streets Act
- ▶ BC Motor Vehicle Act

New Action:

- ▶ Work with RCMP



# Panhandling

## Kirschner Road

- ▶ Meeting with business owners during last two years
- ▶ Efforts to address issues have not been effective
- ▶ 97 Complaints in 2017
  - ▶ Fighting
  - ▶ Trespass
  - ▶ Public Intoxication
  - ▶ Threats to employees
- ▶ Lease expires in September so looking for a new location
- ▶ Increase support / outreach efforts

# Recommendations

- ▶ THAT Council receives for information, the report from the Divisional Director, Corporate & Protective Services, dated April 16, 2018 pertaining to amendments to the Good Neighbour Bylaw No 11500, and the Bylaw Notice Enforcement Bylaw No. 10475
- ▶ AND THAT Bylaw No 11546 being Amendment No. 1 to Good Neighbour Bylaw No. 11500 be amended at third reading as outlined in the report
- ▶ AND THAT Bylaw No. 11566 being Amendment No. 20 to Bylaw Notice Enforcement Bylaw No. 10475 be amended at third reading
- ▶ AND FURTHER THAT enforcement through Section 8 of Bylaw No. 8214 - A Bylaw to Regulate and Control Panhandling, not be enforced until further consultation and education can be completed

# Questions?



# CITY OF KELOWNA

## BYLAW NO. 11546

### Amendment No. 1 to Good Neighbor Bylaw No. 11500

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The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Good Neighbour Bylaw No. 11500 be amended as follows:

1. THAT **Section 2. Definitions** be amended by adding a new definition for **Vehicle** in its appropriate location that reads:

“**Vehicle** means a device in, upon, or by which a person or thing is or may be transported or drawn upon a highway, except a device designed to be moved by human power or used exclusively upon stationary rails or tracks”
2. AND THAT **Section 4. Property Nuisances, 4.3 (b)** be deleted that reads:

“(b) keep a **derelict motor vehicle**, vehicle, boat or trailer except as part of a lawful business operating under a license from the City;”

And replace with:

“(b) keep a **derelict vehicle** of any sort, including but not limited to a **motor vehicle, vehicle**, boat or trailer except as part of a lawful business operating under a license from the City;”
3. AND THAT **Section 5. Graffiti, 5.1** be amended by adding the words “in or” after the words “sign or any other structure or surface,”
4. AND THAT **Section 6. Street and Public Space Nuisances**, be deleted that reads:

“6.1 No person shall place **graffiti**, or cause **graffiti** to be placed on any wall, building, fence, sign or other structure or surface in a **street** or **public space**.

6.2 No person shall on a **street** or in a **public space**:

(a) urinate or defecate;

(b) sleep in a **motor vehicle**; or

(c) participate in a violent confrontation or struggle.

6.3 No person shall on a **street** or in a **public space**:

(a) scatter, dump, or dispose of any garbage, glass, crockery, litter or other material, whether liquid or solid, and whether likely to injure any person, animal, vehicle or not;

(b) place or throw any circular, pamphlet, handbill or other paper material, whether or not the paper material had been previously placed upon any **motor vehicle** or other vehicle, without the consent of the **owner** or driver thereof;

(c) cut, remove or damage any tree, shrub or flower plant, bush or hedge;

(d) deface, injure or damage any **street**, ditch or fence or anything erected or maintained for purpose of lighting a **street**;

(e) dispose or place or leave any cement, mortar, lime, or any other substance having a damaging or destructive effect upon the concrete, asphalt, bushes, shrubs, or trees, or grass situate thereon;

- (f) stamp, paint, post, affix or otherwise place any placard, bill, poster, notice advertisement without first having obtained the permission of the City; or
- (g) remove to, or accumulate in from lands adjacent to a **street** or **public space**, grass cuttings, leaves or **rubbish**."

And replace with:

"6.1 No person shall on a **street** or in a **public space**:

- (a) urinate or defecate;
- (b) sleep in a **motor vehicle**; or
- (c) participate in a violent confrontation or struggle.

6.2 No person shall on a **street** or in a **public space**:

- (a) scatter, dump, or dispose of any garbage, glass, crockery, litter or other material, whether liquid or solid, and whether likely to injure any person, animal or cause damage to a vehicle or not;
- (b) place or throw any circular, pamphlet, handbill or other paper material, whether or not the paper material had been previously placed upon any motor vehicle or other vehicle, without the consent of the motor vehicle owner or occupant thereof;
- (c) cut, remove or damage any tree, shrub or flower plant, bush or hedge;
- (d) deface or damage any **street**, ditch or fence or anything erected or maintained for purpose of lighting a **street**;
- (e) dispose or place or leave any cement, mortar, lime, or any other substance having a damaging or destructive effect upon the concrete, asphalt, bushes, shrubs, or trees, or grass situate thereon;
- (f) stamp, paint, post, affix or otherwise place any placard, bill, poster, notice advertisement without first having obtained the permission of the City; or
- (g) remove to, or accumulate in from lands adjacent to a **street** or **public space**, grass cuttings, leaves or rubbish."

5. AND THAT **Section 8. Construction Noise**, 8.1 be amended by deleting "0700 hours or after 2100 hours" and replacing it with "7:00 am or after 9:00 pm".

6. AND THAT **Section 9. Deemed Objectionable Noises**, 9.5 be amended by:

- a) Deleting "sections 7.1 to 8.1 and 9.1 to 9.4 of this bylaw" and replacing it with "sections 7.1 to 8.1 and 9.1 to 9.4, 10.1 to 10.4 and 11.1 to 11.4 of this bylaw";
- b) adding in sub-section (b)(ii) the word "alarm" after the words "a **motor vehicle** horn,"; and
- c) deleting in sub-section (c) "0700 hours or after 2100 hours" and replacing it with "before 7:00 am or after 9:00 pm"

7. AND THAT **Section 10. Compliance Orders**, 10.2 be amended by deleting section 10.2 that reads:

"10.2 Where a condition exists that is a contravention of any of the provisions in sections 4 and 5 of this bylaw, the **bylaw supervisor** may issue an **order to comply** requiring the person to remedy the nuisance or non-compliance within fourteen (14) days of deemed service or ten (10) days in the case of a contravention of section 5.3 of this bylaw, or on a date the **bylaw supervisor** considers reasonable in the circumstances if in the opinion of the **bylaw supervisor** a further period of time is required due to:"

And replace it with:

"10.2 Where a condition exists that is a contravention of any of the provisions in sections 4 and 5 of this bylaw, a **Bylaw Enforcement Officer** may issue an **order to comply** requiring the person to remedy the nuisance

or non-compliance within fourteen (14) days of deemed service or ten (10) days in the case of a contravention of section 5.3 of this bylaw, or on a date a **Bylaw Enforcement Officer** considers reasonable in the circumstances if in the opinion of the **Bylaw Supervisor** a further period of time is required due to:"

8. This bylaw may be cited for all purposes as "Bylaw No.11546 being Amendment No. 1 to Good Neighbor Bylaw No. 11500."
9. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this 26<sup>th</sup> day of March, 2018.

Amended at third reading by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

# CITY OF KELOWNA

## BYLAW NO. 11566

### Amendment No. 20 to Bylaw Notice Enforcement Bylaw No. 10475

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Bylaw Notice Enforcement Bylaw No. 10475 be amended as follows:

1. THAT Schedule "A", **Good Neighbour Bylaw No. 11503**, be deleted in its entirety that reads:

Bylaw No.	Section	Description	A1 Penalty – First Offence	A2 Early Payment Penalty – First Offence	A3 Late Payment Penalty – First Offence	A4 Penalty – second and subsequent offences	A5 Early Payment - second and subsequent offences Payment Penalty	A6 Late Payment Penalty – second and subsequent offences	A7 Compliance Agreement Available (*Maximum 50% Reduction in Penalty Amount Where Compliance Agreement is Shown as "Yes")
<b>Good Neighbour Bylaw No. 11503</b>									
11503	4.2	Owner of real property remain unsightly	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	4.3a	Permit accumulation of rubbish on premises	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11503	4.3a	Permit compost that is not closed and sealed	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11503	4.3b	Permit derelict motor vehicle, vehicle, boat or trailer on real property	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes

11503	4.3c	Permit accumulation of noxious, offensive or unwholesome materials, substance or objects	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	4.3d	Permit accumulation of building materials	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	4.2	Permit contamination of the atmosphere	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	5.1	Place graffiti on wall, building, fence or other structure	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	No
11503	5.2	Permit graffiti on utility kiosk, customer service box or dumpster	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	No
11503	5.3	Permit graffiti on real property adjacent to street or public space	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	5.4	Permit graffiti on a motor vehicle	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11503	6.1	Cause or place graffiti on street or public space	\$500.00	\$450.00	\$500	\$500.00	\$450.00	\$500.00	No
11503	6.2a	urinate or defecate on street or public space	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	6.2b	sleep in a motor vehicle on or public space	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	6.2c	Participate in violent confrontation or struggle	\$250.00	\$225.00	\$275.00	\$250.00	\$225.00	\$275.00	No
11503	6.3a	Dispose materials that may injure any person, animal or vehicle	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	No
11503	6.3b	Place paper or other material on motor vehicle	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	No

11503	6.3c	Cut, remove or damage tree, shrub, flower plant, bush or hedge	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	6.3d	Damage street lighting	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	No
11503	6.3e	Contaminate & harm bushes, shrubs, trees or grass situate	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	No
11503	6.3f	Placing paper materials without the permission of the City	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11503	6.3g	Place or accumulate grass cuttings, leaves or rubbish	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	No
11503	7.1	Permit noise to disturb the neighbourhood	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11503	7.2	Permit noise from real property to disturb any person	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11503	7.3	Operate sound amplification equipment or instrument to disturb any person	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11503	7.4	Harbour any animal or bird which disturbs the neighbourhood	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11503	8.1	construction noise before 0700 hours or after 2100 hours	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11503	9.1	Launch a motor boat without an adequate exhaust system	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.2	Operate motor boat with stacks or dry headers	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No

11503	9.3	Operate a motor boat powered by an engine with exhausting devices	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.4	Operate a motor boat to cause noise	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.5(a)(i)	Noise or sounds exceeding 15 mins – two or more people – raised voices	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.5(a)(ii)	Noise or sounds exceeding 15 mins – barking or howling of harbored dog	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.5(a)(iii)	Noise or sounds exceeding 15 mins – yelling or screaming	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.6(b)(i)	Exhaust system noise	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.6(b)(ii)	Horn or alarm noise	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.6(b)(iii)	Tire squeal noise	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	No
11503	9.6(c)	Lawn mower or power tool noise before 0700 or after 2100	\$100.00	\$90.00	\$110.00	\$250.00	\$225.00	\$250.00	Yes
11503	14.1	Obstruct a Bylaw Enforcement Officer	\$500	\$450	\$500.00	\$500.00	\$450.00	\$500.00	No

2. AND THAT Schedule "A" be amended by adding a new section for **Good Neighbour Bylaw No. 11500** as attached to and forming part of this bylaw as Attachment A.
3. This bylaw may be cited for all purposes as "Bylaw No. 11566 being Amendment No. 20 to Bylaw No. Bylaw Notice Enforcement Bylaw No. 10475."

4. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this 26<sup>th</sup> day of March, 2018.

Amended at third reading by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

**Schedule A**

Bylaw No.	Section	Description	A1 Penalty – First Offence	A2 Early Payment Penalty – First Offence	A3 Penalty – second and subsequent offences	A4 Early Payment - second and subsequent offences Payment Penalty	A5 Late Payment Penalty	A6 Late Payment Penalty – second and subsequent offences	A6 Compliance Agreement Available (*Maximum 50% Reduction in Penalty Amount Where Compliance Agreement is Shown as “Yes”)
<b>Good Neighbour Bylaw No. 11500</b>									
11500	4.2	Owner or occupier allow real property to remain unsightly	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$450.00	Yes
11500	4.3 a	Owner or occupier permit accumulation of water, filth or rubbish on real property	\$100.00	\$90.00	\$100.00	\$90.00	\$110.00	\$110.00	Yes
11500	4.3 b	Owner or occupier permit derelict motor vehicle, vehicle, boat or trailer on real property	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$110.00	Yes
11500	4.3 c	Owner or occupier permit accumulation of noxious, offensive or unwholesome materials, substance or objects on real property	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	Yes

11500	4.3 d	Owner or occupier permit building materials to accumulate on real property for more than 15 days without permit or being stored in closed building or structure	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	Yes
11500	4.4	Owner or occupier of real property permit contamination of the atmosphere	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	Yes
11500	5.1	Cause or place graffiti on wall, building, fence or any other structure	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	5.2	Owner permit graffiti on utility kiosk, customer service box or dumpster	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	5.3	Owner or occupier shall keep real property adjacent to street or public space free of graffiti	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	Yes
11500	5.4	Owner permit graffiti on a motor vehicle	\$100	\$90	\$100.00	\$90.00	\$110.00	\$500.00	Yes
11500	6.1.a	Urinate or defecate on street or public space	\$100	\$90	\$100.00	\$90.00	\$110.00	\$110.00	No
11500	6.1 b	Sleep in a motor vehicle on a street or public space	\$100	\$90	\$100.00	\$90.00	\$110.00	\$110.00	No

11500	6.1 c	Participate in violent controntation or struggle on a street or public space	\$100.00	\$90.00	\$100.00	\$90.00	\$110.00	\$110.00	No
11500	6.2 a	Dispose materials that may injure any person or animal or cause damage to a vehicle	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	6.2 b	Place paper or other material on motor vehicle	\$250.00	\$225.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	6.2 c	Cut, remove or damage any tree, shrub or flower plant, bush or hedge on a street or public space	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	6.2 d	Deface or damage any street lighting	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	6.2 e	Dispose concrete, asphalt or other substance that cause damage to bushes, shrubs, trees or grass situate thereon	\$500.00	\$450.00	\$500.00	\$450.00	\$500.00	\$500.00	No
11500	6.2 f	Stamp, paint, post, affix or place paper materials without the permission of the City	\$250.00	\$225.00	\$500.00	\$450.00	\$500.00	\$500.00	Yes
11500	6.2 g	Place grass cuttings, leaves or rubbish on a street or in a public space	\$250.00	\$225.00	\$500.00	\$450.00	\$500.00	\$500.00	No

11500	7.1	Owner or occupier of real property allow or permit noise to disturb any person	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11500	7.2	Permit or cause noise from an instrument, electronic equipment or device to disturb any person	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes
11500	7.3	Own, keep or harbor any animal or bird whose sound disturbs any person	\$250.00	\$225.00	\$275.00	\$500.00	\$450.00	\$500.00	Yes

11500	8.1	Cause or permit construction noise before 7:00 am or after 9:00 pm	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes
11500	9.1	Launch a motor boat without adequate exhaust system	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.2	Operate motor boat with stacks or dry headers	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.3	Operate a motor boat powered by an engine with exhausting devices	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.4	Operate a motor boat so as to cause noise and disturb any person	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 a (i)	Noise or sounds exceeding 15 mins - two or more people – raised voices	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 a (ii)	Noise or sounds exceeding 15 mins - barking or howling of a harboured dog	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 a (iii)	Noise or sounds exceeding 15 mins – yelling or screaming	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes

11500	9.5 b (i)	Noise or sounds from motor vehicle exhaust system that disturbs any person	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 b (ii)	Horn, alarm or warning device from motor vehicle that disturbs any person	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 b (iii)	Operate motor vehicle in a manner to cause tires to squeal	\$100.00	\$90.00	\$110.00	\$100.00	\$90.00	\$110.00	Yes
11500	9.5 c	Lawn mower or power garden tool noise before 7:00 am or after 9:00 pm	\$100.00	\$90.00	\$110.00	\$250.00	\$225.00	\$275.00	Yes
11500	14.1	Interfere with, hinder or obstruct a bylaw officer	\$500.00	\$450.00	\$500.00	\$500.00	\$450.00	\$500.00	Yes

# CITY OF KELOWNA

## BYLAW NO. 11592

### **Road Closure and Removal of Highway Dedication Bylaw** **(Portion of laneway adjacent to St. Paul Street)**

**A bylaw pursuant to Section 40 of the Community Charter to authorize the City to permanently close and remove the highway dedication of a portion of highway on St. Paul Street**

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NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, hereby enacts as follows:

1. That portion of highway attached as Schedule “A” comprising 141.4m<sup>2</sup> shown in bold black as Closed Road on Reference Plan EPP81444 prepared by Mark Cahill, B.C.L.S., is hereby stopped up and closed to traffic and the highway dedication removed.
2. The Mayor and City Clerk of the City of Kelowna are hereby authorized to execute such conveyances, titles, survey plans, forms and other documents on behalf of the said City as may be necessary for the purposes aforesaid.

Read a first, second and third time by the Municipal Council this 16<sup>th</sup> day of April, 2018.

Adopted by the Municipal Council of the City of Kelowna this

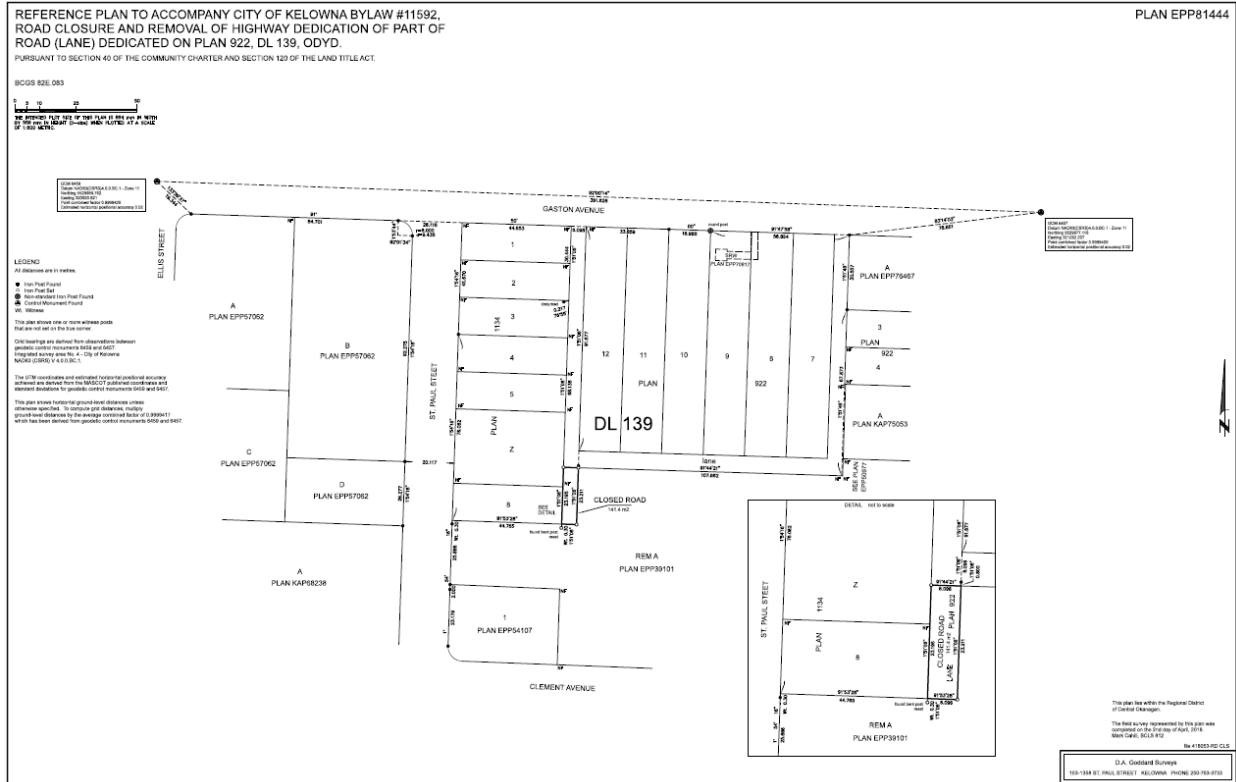
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Mayor

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City Clerk

## Schedule “A”



# CITY OF KELOWNA

## BYLAW NO. 11602

### Amendment No. 1 to Tax Prepayment Plan Bylaw No. 10685

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The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Tax Prepayment Plan Bylaw No. 10685 be amended as follows:

1. THAT the preamble be amended by deleting the word "convince" after the words "property taxes and implement a monthly instalment system for the" and replacing it with "convenience";
2. AND THAT Section 2. DEFINITIONS be amended by deleting "Revenue Manager" in the definition for **Collector** and replace it with "Financial Services Director";
3. AND THAT Section 3 EQUAL MONTHLY INSTALLMENTS, be amended by:
  - a) adding the word "for" after the words "Any person being liable to the City of Kelowna" in sub-section 3.1;
  - b) adding the word "of" after the words "The payment" in sub-section 3.2;
  - c) deleting sub-section 3.5 that reads:

"The Collector shall, on the 10<sup>th</sup> day of each month, credit interest on the amount paid for that month to the benefit of the taxpayer participating in the monthly instalment system at a rate equal to the prime rate of the Royal Bank of Canada at that date less 3%(with minimum interest of 0.40%); such interest to be calculated and credited to the taxpayer's benefit based upon the current monthly payment and the number of days to the tax due date.";

and replace it with:

"The Collector shall credit interest on the amount paid in each month to the benefit of the taxpayer participating in the monthly instalment system at a rate equal to the prime rate of the Royal Bank of Canada on the payment date less 3% (with minimum interest of 0.4%); such interest to be calculated up to the current year's tax generation date.."

- d) deleting 3.7 that reads:

"A participating taxpayer may give notice, in writing, ten (10) days prior to the instalment dates, to discontinue participation in the monthly instalment system but no monies paid into the plan will be returned or refunded."

and replace it with:

"A participating taxpayer may give notice, in writing, by the last business day of the month prior to the instalment dates, to discontinue participation in the monthly instalment system but no monies paid into the plan will be returned or refunded."

- e) deleting sub-section 3.8 that reads:

"In the event of a sale of the property, tax prepayments are to stay on the property's account and responsibility for adjustment shall be between the vendor and the purchaser."

and replace it with:

"In the event of a sale of the property, tax prepayments are to stay on the property's account and responsibility for adjustment shall be between the vendor and the purchaser. Where an error has occurred with the adjustment and the seller no longer has property in the City to transfer the prepayment balance against, a refund will be considered with applicable fees.";

- f) deleting the word "containing" in sub-section 3.9 and replacing it with the word "continuing" after the words "The Collector may cancel the privilege of"; and
- g) deleting "o" after the words "The amount" in sub-section 3.10 and replacing it with "of".

4. AND THAT Section 4 RANDOM PREPAYMENTS, 4.1 be amended by:

- a) deleting sub-paragraph b that reads:

"When tendering any amount under this bylaw, the taxpayer shall, in writing, addressed to the Collector, designate the account for which such tendered amount is to accepted;"

and replacing it with:

"When tendering any amount under this bylaw, the taxpayer shall designate the account for which such tendered amount is to be accepted;"

- b) deleting sub-paragraph d that reads:

"No interest shall be paid on any monies paid after the May 10<sup>th</sup> for the currents year's taxes."

and replacing it with:

"No interest shall be paid on any monies paid after the current year's tax generation date for the current year's taxes."

5. This bylaw may be cited for all purposes as "Bylaw No. 11602, being Amendment No. 1 to Tax Prepayment Plan Bylaw No. 10685."

6. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this 23<sup>rd</sup> day of April, 2018.

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk