

City of Kelowna

Regular Council Meeting

AGENDA



Thursday, December 13, 2018

9:00 am

Council Chamber

City Hall, 1435 Water Street

Pages

1. Call to Order
2. Budget Discussion Schedule
 - 2.1 Opening Comments 9:00 AM - 9:15 AM
 - 2.2 2019 Financial Plan - Provisional Volume 3 - 546
3. Capital Program
 - 3.1 Airport - Operating & Capital Program 9:15 AM - 9:30 AM
 - 3.2 Fire Department - Operating & Capital Program 9:30 AM - 9:40 AM
 - 3.3 Combined Capital Projects 9:40 AM - 9:50 AM
 - 3.4 Real Estate & Parking 9:50 AM - 10:00 AM
 - 3.5 Building 10:00 AM - 10:15 AM
 - 3.6 Parks 10:15 AM - 10:40 AM
 - 3.7 Transportation 10:40 AM - 11:25 AM
 - 3.8 Solid Waste 11:25 AM - 11:35 AM
 - 3.9 Storm Drainage 11:35 AM - 11:45 AM
 - 3.10 Information Services 11:45 AM - 11:50 AM
 - 3.11 Vehicle & Mobile Equipment 11:50 AM - 11:55 AM
 - 3.12 Water 11:55 AM - 12:00 PM

3.13	Wastewater	12:00 PM - 12:15 PM
4.	Lunch Break	12:15 PM - 1:00 PM
5.	Operating Program	
5.1	City Administration	1:00 PM - 1:05 PM
	City Clerk	
5.2	Infrastructure	1:05 PM - 1:35 PM
5.3	Community Planning & Strategic Investments	1:35 PM - 1:50 PM
5.4	Active Living & Culture	1:50 PM - 2:05 PM
5.5	Civic Operations	2:05 PM - 3:05 PM
	Bylaw Services	
	Police Services	
	Water Utility	
	Improvement District Transition (SEKID)	
	Wastewater Utility	
5.6	Financial Services	3:05 PM - 3:15 PM
	Debt & Other	
	Revenue & Fees	
5.7	Human Resources	3:15 PM - 3:20 PM
5.8	Corporate Strategic Services	3:20 PM - 3:25 PM
5.9	Wrap-Up & Discussion	
6.	Wrap-Up & Discussion	3:25 PM - 4:00 PM
7.	Termination	

2019 Financial Plan

Kelowna, British Columbia



Navigating the Provisional 2019 Financial Plan

This document has been hyperlinked for your convenience. You will be able to navigate to the necessary information by using one of the options below:

If reviewing online

Table of Contents

The table of contents is hyperlinked to each listed section within the Financial Plan. Guide your mouse cursor over the section title and click to be redirected.

To return to the beginning of the Financial Plan, click on the house icon that appears at the top of every page. 🏠

If reviewing as a downloaded PDF

Bookmarks (option 1)

Select the bookmark icon located on the left-hand side menu. A list of bookmarked pages will appear: click on the topic of interest to be taken directly to that section.

Table of Contents (option 2)

The table of contents is also hyperlinked to each listed section within the Financial Plan. Guide your mouse cursor over the section title and click to be redirected.

To return to the table of contents from any page within the document, click on the City of Kelowna text at the top right of all pages.

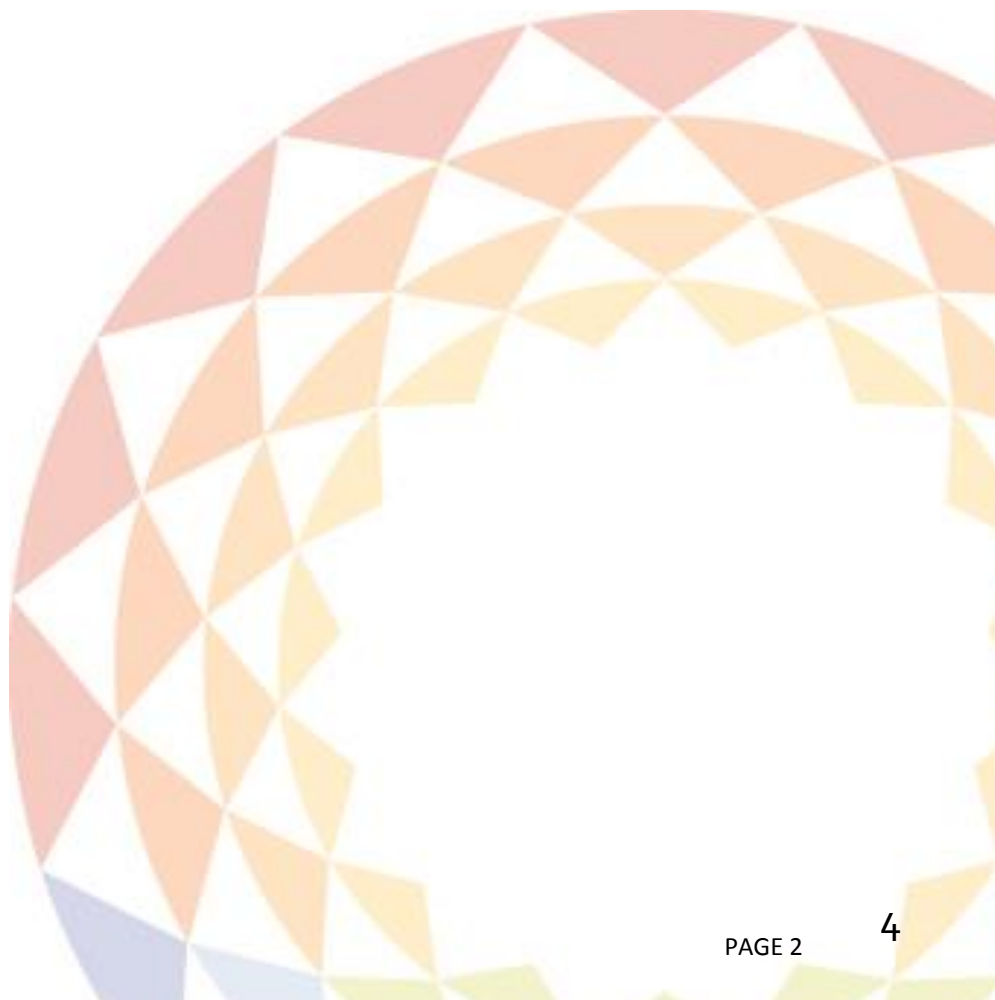


TABLE OF CONTENTS

INTRODUCTION & OVERVIEW

Award for Financial Reporting	7
Message from the City Manager.....	8
About this document	10
Our Community	11
Our City	12
Our Citizens	13
Corporate Framework.....	15
2018 By the numbers	16
Imagine Kelowna	17
Delivering on Council priorities.....	19
Budget highlights.....	24
Budget at a glance	24
General fund highlights.....	27
Operating expenditure & revenues.....	28
Capital expenditures	33
Utility fund highlights.....	36

STRONG FINANCIAL MANAGEMENT

Organizational chart	41
Funds & department relationship	42
Municipal funds.....	42
Reserve & fund equity	44
Debt management	46
Ongoing budget impacts – General Fund	52
Full time equivalent (FTE) summary	53
Basis of accounting/budgeting	58
Financial principles & strategies	59
Policies.....	61
Financial planning policies.....	61
Revenue & expenditure policies	61
Investment & cash management policies	62
Budget process	64
Budget cycle & timeline	64
2019 budget calendar.....	65
Budget development	66
Performance measurement	66

FINANCIAL SUMMARIES

2019 Financial Plan Summary	71
Analysis of tax demand	71
Revenues & expenditures.....	72

OPERATING BUDGET

The City & its divisions	85
Operating budget financial analysis	86
Summary of operating budgets	89
City Administration.....	107
Airport.....	115
City Clerk.....	131
Infrastructure.....	143
Community Planning & Strategic Investments.....	171
Active Living & Culture	193
Civic Operations	215
Police Services.....	243
Bylaw Services.....	257
Water utility.....	267
Improvement District transition.....	283
Wastewater utility	291
Financial Services	307
Debt & Other	319
General Revenues.....	327
Human Resources.....	333
Fire Department	347
Corporate Strategic Services	361

CAPITAL BUDGET

Capital budget financial analysis	379
Summary of capital budgets	384
Combined Capital projects.....	395
Real Estate & Parking	401
Building	409
Parks	421
Transportation.....	431
Solid Waste	453
Storm Drainage	461
Information Services.....	469
Vehicle & Mobile Equipment.....	477
Fire	485
Airport.....	491
Water	499
Wastewater	507

CARRYOVER BUDGET

Report to Council	TBD
Financial summaries.....	TBD
Summary of 2019 large carryover projects	TBD
Carryover request three-year comparison	TBD
Operating budget	TBD
Summary of operating budgets.....	TBD
Summary of Utility operating budgets	TBD
Operating request details.....	TBD
Capital budget	TBD
Summary of capital budgets	TBD
Summary of Utility capital budgets	TBD
Capital request details.....	TBD

FINAL BUDGET

Report to Council	TBD
Financial summaries.....	TBD
Analysis of tax demand	TBD
General fund tax demand	TBD
Utility funds – Final Budget	TBD
Analysis of total revenues	TBD
Analysis of total expenditures	TBD
Use of tax dollar by service area	TBD
Ongoing budget impacts.....	TBD
Financial Plan 2019-2023.....	TBD
Operating & Capital budgets.....	TBD
Summary of Operating budgets	TBD
Operating request details.....	TBD
Summary of Utility operating budgets	TBD
Utility operating request details	TBD
Summary of capital budgets	TBD
Capital request details.....	TBD

FINANCIAL PLAN

Financial Plan.....	TBD
Five-Year Financial Plan summary	TBD
Operating summaries – General fund.....	TBD
Capital summaries – General fund	TBD
Operating summary – Utility funds	TBD
Capital summary – Utility funds	TBD
Revenue sources & trends.....	TBD

APPENDIX

Supplemental information	III
Statistics.....	VI
Glossary.....	XI
Acronyms	XIV

Introduction and Overview



This page was intentionally left blank

Award for Financial Reporting



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Kelowna

British Columbia

For the Fiscal Year Beginning

January 1, 2018

Christopher P. Morrell

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Kelowna, British Columbia, for its Annual Budget for the fiscal year beginning January 1, 2018.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide and as a communications device.

This award is valid for a period of one year only. We believe the City's 2019 budget continues to conform to the program requirements and will be submitted to the GFOA to determine its eligibility for another award.

The City of Kelowna has received the GFOA Distinguished Budget Presentation Award for 17 consecutive years.



MESSAGE FROM THE CITY MANAGER



DOUG GILCHRIST

City Manager, Kelowna

Kelowna is at the centre of one of the fastest growing regions in Canada, steadily attracting new residents from across British Columbia, Canada and the world. By 2040, we expect 50,000 more residents will call Kelowna home.

For our city to thrive in this time of growth, we must stay focused on integrating the *Imagine Kelowna* community vision into the work we do. Our residents told us they want a community that puts people first, celebrates diversity, adapts to climate change and seizes opportunities for improvement. As part of the largest community conversation ever, our residents told us we need to be agile, resilient and unafraid to do things differently based on four principles: connected, collaborative, responsible and smarter.

To meet the demands of a growing population, it is our responsibility today to continue on a smart-growth path and foster a culture of inclusion, vibrancy and innovation.

However, we also must address emergent issues our community faces in a responsible manner: housing affordability and diversity, climate change and safety.

Every resident and visitor should feel safe in our community. We are amending our current programs and services to address concerns about parts of our downtown and other urban centres with both immediate solutions that improve cleanliness and safety, and longer-term solutions with investments in firefighters and RCMP members.

As we grow, so do the pressures for housing diversity and affordability. A new approach proposed for 2019 is to allocate funding to acquire land not only for long-term strategic purposes but also specifically for affordable housing partnership opportunities. As a municipality we contribute to affordability solutions by working with agencies, such as BC Housing, administering a Rental Housing Grants Program and applying other incentive programs to encourage purpose-built rental units to help people have a place to call home in Kelowna. As we implement the *Healthy Housing Strategy*, we will see the first steps in delivering on its key directions to promote and protect rental housing,

remove barriers for affordable housing, build the right supply, strengthen partnerships and align investments.

Flooding, wildfire and slope stability are becoming an all-too-familiar local reality. The effects of climate change require us to take a more progressive and proactive approach to ensuring the safety and economic stability of our community. We will take action on commitments to environmental resiliency by improving storm drainage and related infrastructure and add staff with the expertise to ensure we are well positioned for these challenges.

We will continue to deliver balanced transportation options, including investing nearly \$10M in 2019 in the Ethel Street and Sutherland Avenue active transportation corridors to build on our multi-use transportation network. We will also deliver the South Perimeter Road and Gordon Drive extension for improved traffic flow to residents in the Upper Mission. Being consistent with our road resurfacing program is necessary to maintain the roadways that connect us all, as is ongoing investments in public transit service and infrastructure, such as bus stops. In total, a proposed transportation capital commitment of \$28.4M will help improve how residents get around Kelowna.

Balancing priorities also means renewing and expanding parkland and waterfront access for all to enjoy our great public spaces. In 2019, we propose beginning the renewal of the popular City Park Promenade and Knox Mountain's Paul's Tomb Trail, construction of Phase 2 of the Glenmore Recreation Park, interim access to the new Hobson Road Park, expansion of the Strathcona Royal Avenue waterfront access and purchasing additional park land to safeguard it for future green spaces.

As we budget for 2019 and plan for the future, we also need to ensure that every dollar we spend is well utilized. As a theme for the coming year, staff have been asked to ensure that every touch-point with our citizens is bringing good value and where lower value activities exist, they have been asked to consider changing our practices or removing the service or program entirely.

We need to be more resourceful than ever to meet community needs and fund plans and projects that, aligned with Council priorities, will make us the best mid-sized City in North America. Our residents expect this of us and 84 per cent of citizens tell us they receive good value for their taxes.

We have one of the lowest tax rates among cities in B.C. and taxation consistently accounts for around a third of the City's budget. This year's proposed 2.45% tax rate increase for residents should maintain that track record.

We deliver infrastructure, programs and services to meet Council priorities and community goals by being good financial stewards. Some major City services are fully self-funded, including our water utility, wastewater services and the Kelowna International Airport. We're also generating revenue by growing our sponsorship and advertising program, our dark fibre network, the fire dispatch program and using a forward thinking approach to offset safety improvement costs with anticipated revenue generated by the emerging cannabis and short-term rental sectors.

These financially resourceful programs help us deliver the services and programs our citizens expect while maintaining a low tax impact on property owners. But they alone are not enough to address the infrastructure deficit our city faces. In some cases, renewal projects cannot be deferred any further without increased risk of structural safety or service disruption. We have a duty to develop a financial plan that is manageable and steers us in the direction of a sustainable future. This is why we will be seeking new revenue opportunities in 2019 and why we have introduced a 1.95% infrastructure levy to Budget 2019. This proposed infrastructure funding will help ensure our citizen's needs are met today and in the long-term for generations to come. Combined with the proposed tax rate increase, it brings the total impact to taxpayers to 4.40% in 2019, or an increase of \$88 for the average single-detached household.

We value the trust residents put in us to make the decisions to prioritize and balance community needs and deliver on Council priorities that result in making Kelowna a desirable place to live, work and play.



Our residents told us we need to be agile, resilient and unafraid to do things differently based on four principles: connected, collaborative, responsible and smarter.

About this document

About this document is intended to briefly describe the contents of each major section of this document.

Introduction & overview

This section celebrates the Distinguished Budget Presentation Award presented to the City of Kelowna by the Government Finance Officers Association of the United States and Canada. An introductory message from the City Manager outlines the priorities for the 2019 Financial Plan while highlighting issues that matter to our residents and how we will address them through strong financial management. *Our Community* shines a light on what makes Kelowna a desirable place to live, *Our City* describes the municipal organization, government and structure, and *Our Citizens* presents the demographics of Kelowna residents. Delivering on Council Priorities, 2018 *CityWide accomplishments*, show how the work we do has served Council priorities. *Budget highlights* provides an at a glance summary of this this year's financial plan.

Strong financial management

This section discusses the City of Kelowna organizational structure, funds, debt, financial principles, strategies and policies, and goes into detail about the budget process - an annual cycle involving Council, the City Manager and staff from all seven divisions of the City.

Financial summaries

This section provides financial analysis of the tax demand, revenues and expenditures. The Financial Plan is made up of three main parts; General Revenues are revenues not specifically attributable to or generated by any particular City of Kelowna division, Operating Budgets represent the total cost of operation offset by any direct revenues recognized in each division through user fees, provincial contributions or reserve funds, and Capital Budgets represent capital requirements for the year summarized by capital department and funding source. Funding from general taxation is also commonly known as pay-as-you-go capital.

Operating budget

Detailed descriptions of each division provide a comprehensive look at the City's organization. Divisional organization charts, drivers and activities planned for the budget year and performance measures are included, followed by a full summary of operating budget requests. The provision of three years of financial information shows revenues and expenditures by category and includes capital expenditures to provide the total taxation impact of that division. Finally, a summary page highlights the changes to the operating budget for the current budget year.

Operating budget cont'd

The additional operating budget request information begins with an overview outlining Priority 1 (included in budget totals) and Priority 2 (not included in budget totals). Requests are shown in maintain, growth and new categories and contain both a justification and the one- to three-year impact. The Operating Requests related to capital are included in the associated capital section of this book with a similar title and are marked on the operating summary with CAP.

Capital budget

This section starts with financial analysis of the capital program and a full summary of all capital requests. Each capital department is then presented in its own section and starts with a summary sheet listing the annual capital requests by Priority 1 and Priority 2. The requests are separated into the three categories: renew, growth and new. The number on the left side of the summary page indicates the page number to aid in locating specific requests. The detailed Priority 1 requests follow and are in department priority order. The operating requests related to the capital program are included in the associated capital department section with OP marked on the summary sheet to indicate which capital requests have ongoing operating impacts. Requests that are multi-funded are presented as a Combined Capital Project and are marked as CP on the summaries.

Carryovers & Final Budget

This section will contain the carryover and final budget requests. Carryover budgets will be presented to Council in March 2019, with the final budget presentation following in April.

Financial Plan

This section provides the consolidated Five-Year Financial Plan. This plan is mandated by the Community Charter to be adopted annually by bylaw before May 15 of the following year. The plan contains current year operating and capital costs along with projected future operating costs and revenues, and future capital improvements.

Appendix

Supplemental information including the City's Citizen Survey results, Official Community Plan and Indicators Report, Community Trends report and various statistical information are provided for the reader's benefit. All the reports are also available on kelowna.ca. For clarity of terms throughout the Financial Plan, a glossary and acronyms list are provided.



Our Community

Lifestyle

Located along the beautiful shores of Okanagan Lake, in the heart of the stunning Okanagan Valley, Kelowna is home to nearly 131,600 residents. The lake offers a number of opportunities for boating, swimming or fishing, while nearby mountains attract hikers, skiers and outdoor enthusiasts. Golfers tee-it-up at our 13 courses, and bustling urban centres offer delectable restaurants, award-winning wineries, local shopping, museums, live entertainment and cultural festivals.

Nearly all citizens (94 per cent) rate the quality of life in Kelowna as good or very good thanks to active/recreational opportunities, safety, its accessible location, job opportunities, and the great weather. We are active and we are drop-dead gorgeous.

Growth

As a desirable place to live, offering an active four-season lifestyle, Kelowna remains one of Canada's fastest growing cities. By 2040, we expect a growth of more than 50,000 new residents who will call Kelowna home.

Jobs

Our economy is thriving, with employment keeping pace with population growth. In 2016, Kelowna ranked first in Canada for its job market due in part to a booming construction and real estate industry. The technology sector is estimated to contribute over \$1.6B to the regional economy. Dynamic tourism, cutting edge technology and deep rooted agriculture sectors remain pillars of the economy.

Airport

As one of the top 11 busiest airports in Canada, YLW's total economic impact is 4.5k jobs and \$789M in economic output to the province of British Columbia. Serving 1.9M passengers in 2017, YLW offers more than 70 daily non-stop commercial flights with nine airline partners.
ylw.kelowna.ca

Education

Kelowna is a hub of academic and trades training excellence, with nearly 15,000 students learning at the University of British Columbia Okanagan (UBCO) and Okanagan College.

Health

With Interior Health Authority headquartered in downtown Kelowna and the Kelowna General Hospital serving as the leading health centre for the B.C. Interior and a teaching hospital for the UBCO medical school, our residents receive leading patient-care. The interior Heart and Surgical Centre is the province's fifth cardiac critical care centre.



Our City

The City of Kelowna is open to opportunities, open for business and open to new ideas from diverse residents. The organization is led by our new City Manager and dedicated Mayor and Council. More than 900 employees deliver quality services to ensure our City is safe, vibrant and sustainable. A fiscally responsible municipality, the City provides core services, maintains existing infrastructure and builds new amenities when needed.

The public is kept informed of City projects and progress through an array of publications including the quarterly City Views newsletter and the Annual Report. In addition, the user friendly and mobile responsive kelowna.ca website allows residents to place service requests online and stay informed.

Mayor and Council

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2018-2022). Led by Mayor Colin Basran, Kelowna City Council is committed to building on the momentum of past Councils and being open for opportunity through community engagement and partnerships. It is consistent and transparent in decisions, creating a favourable environment for customer service, development and business in Kelowna.



Mayor Colin Basran



Maxine DeHart



Ryan Donn



Gail Given



Charlie Hodge



Mohini Singh



Brad Sieben



Luke Stack



Loyal Wooldridge

Vision

To be the best mid-sized City in North America

Mission

Leading the development of a safe, vibrant and sustainable city.

Working philosophy

- Open for opportunity
- Build on momentum
- Fair but firm
- Pragmatic leadership
- Transparency in decision making
- Balanced infrastructure investments
- Responsive customer service
- Planning excellence

Council priorities

- Clean drinking water
- Building vibrant urban centres
- Ensuring a healthy, safe, active & inclusive community
- Delivering a balanced transportation network
- Acting as a catalyst for business
- Providing strong financial management
- Housing diversity
- Homelessness
- Public safety
- Preserve agricultural land



Our Citizens

DEMOGRAPHICS*



- 57,000+ households (2.9 % of B.C.)
- Most are single-detached houses (63.3 %)
- Residences are mostly owned (67.6 %)
- Households are mostly 2-person (68.3 %)
- 63.8 % of households are family households
 - ▶ 38.3 % have children
 - ▶ 49.4% are couples without children
 - ▶ 14.9 % are lone parents
- \$68k median household income
- 30.5 % of houses are newer, built since 2001

*Source: DemoStat 2018 Environics Research



- 131,600 residents (2.8% of B.C.)
- 43 years old - median age
- 56 % married/common-law
- 58.5 % post-secondary educated
- 14 % are immigrants
- 9.2 % are visible minorities
- 64.8 % labour force participation

Citizen Survey

The 2017 City of Kelowna Citizen Survey helped gauge public satisfaction with municipal programs and services, providing insights into citizens' service priorities.

94%

Rated the quality of life as good or very good

90%

Say they are satisfied with the overall level and quality of City services

84%

Say they receive good value for their taxes

90%

Describe the community as being safe

Top issues

40%
social

39%
transportation

15%
growth & development

Investment priorities

71%
housing supply

66%
traffic flow

65%
drinking water

61%
policing

60%
fire services





Corporate Framework

The Corporate Framework captures what the City of Kelowna does, with the Corporate Plan (a well-run City) at its core. This ensures we have the right infrastructure, skills, services and processes in place to achieve the community goals.

- **Strong financial management:** ensure the City is financially sound, accountable and transparent, and that long-term plans and policies protect the financial viability of services, programs and infrastructure.
- **Performance excellence:** ensure alignment of work to our highest priorities, focus on results, continuous improvement of services based on innovation and best practices
- **Responsive customer service:** ensure services are accessible and focused on the needs of the customer.
- **Passionate public service:** build a resilient, adaptable workforce that shares a public service culture supported by career planning, learning opportunities, empowerment and employee accountability.
- **Pioneering leadership:** incubate new ideas and approaches, and seize opportunities to demonstrate leadership at any level to make significant improvements to key services.
- **Engaged communities:** ensure communication, outreach and engagement efforts reach all residents and stakeholders using multiple communication channels including new technologies and social media.



Financial strength & stability

The ability to acquire and manage a portfolio of financial and physical assets that meet the current and future needs of our community.

Plans that influence the Budget	Financial strategy	Financial principles
<ul style="list-style-type: none"> ▪ Council Priorities ▪ Official Community Plan ▪ 10-year Capital Plan ▪ 2030 Infrastructure Plan ▪ 20-year Servicing Plan ▪ Community Trends report 	<ul style="list-style-type: none"> ▪ Assets – Renew ▪ Assets – New ▪ Debt ▪ Development Financing ▪ Grants ▪ Operations ▪ Partnerships & Enterprise ▪ Property Taxation ▪ Reserves & Surplus Funds ▪ User Fees & Charges 	<ul style="list-style-type: none"> ▪ Sufficient ▪ Pragmatic ▪ Flexible ▪ Transparent ▪ Balanced



THE VISION

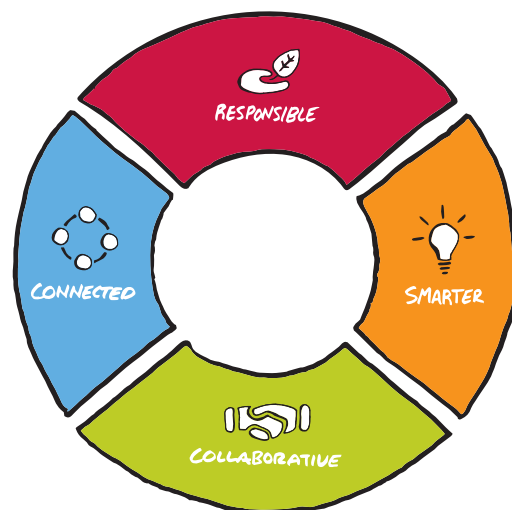
At-a-glance

In 2018, we are a city in transition and Imagine Kelowna is the community's vision for how to thrive in the face of unprecedented growth and change. The result of almost 4,000 resident contributions, this is a vision created by our community, for our community.

We need to be agile, resilient and unafraid to do things differently. The community has made it clear that as we grow, we need to look out for one another and protect the stunning environment that sustains us.

In 2040, Kelowna is a thriving mid-sized city that welcomes people from all backgrounds. We want to build a successful community that honours our rich heritage and also respects the natural wonders that contribute to our identity. As a place with deep agricultural roots, Kelowna understands the need to protect our environment, manage growth and be resilient as our future unfolds. We want a community that:

- **puts people first:** We try to balance the needs of everybody in our decision making. We recognize that inclusivity and diversity makes us a stronger and more innovative community.
- **values its history:** We celebrate our heritage, and learn from our past to reconcile it with a better, more inclusive future we see for ourselves.
- **encourages curiosity and creativity:** We learn continuously to respond and adapt to rapid change. We find innovative ways to meet social, economic and environmental challenges and opportunities.
- **recognizes the changing roles of individuals, businesses, governments and community organizations:** The well-being of our city is a shared responsibility and everyone needs to do their part to seize opportunities for improvement.



Principles

Principles and goals

The following principles and goals work together as a system to help the community achieve its vision.



Principle 1 – Collaborative: A community where people of all backgrounds work together to meet collective challenges.

Goal: Engage with the Okanagan's traditional past and heritage as foundations for building a fair and equitable community.

We will honour our rich heritage while also following the lead of our local Indigenous communities towards a path of reconciliation.

Goal: Nurture a culture of entrepreneurship and collaboration.

Entrepreneurship is woven into Kelowna's cultural fabric, making our community more creative, collaborative and better able to meet the challenges of the future.

Goal: Foster resident-driven solutions.

We unleash our community's hidden talents to solve the tough challenges of the future.



Draft principles and goals



SMARTER

Principle 2 – Smarter: A community willing to learn, adapt and grow so we can thrive amid rapid change.

Goal: Support innovation that helps drive inclusive prosperity.

We are building a nimble and resilient economy that doesn't leave anyone behind.

Goal: Take action and be resilient in the face of climate.

We will seize the opportunity to face climate change head-on for a hopeful and sustainable future.

Goal: Build healthy neighbourhoods that support a variety of households, income levels and life stages.

Everyone in our community should be able to find stable and appropriate housing.



CONNECTED

Principle 3 – Connected: A community where residents are connected to their neighbours, their city and the wider world.

Goal: Embrace diverse transportation options to shift away from our car-centric culture.

Making it easy for people to choose non-driving options protects the beauty of Kelowna and makes getting around more enjoyable.

Goal: Create great public spaces that bring people together.

We need great public gathering places like parks, plazas and community centres where people can meet and connect with others.

Goal: Provide opportunities for people of all ages, abilities and identities.

We all benefit when everyone in the community has access to economic, recreational and social opportunities.

Goal: Cultivate an accessible and engaging arts and culture scene.

Everyone can find something that interests them to engage in, from grassroots initiatives to professional endeavours.



RESPONSIBLE

Principle 4 – Responsible: A community where decisions are made ethically and where social and environmental concerns are prioritized.

Goal: Concentrate on growing vibrant urban centres and limit urban sprawl.

Denser neighbourhoods make our city healthier, more sustainable and easier to get around. They make more financial sense, too.

Goal: Preserve Okanagan Lake as a shared resource.

Okanagan Lake is the jewel that makes Kelowna sparkle.

Goal: Strengthen the protection of our land, water and air resources.

Our stunning environment is the foundation that all of our other aspirations stand on.

Goal: Protect agricultural land and promote sustainable farming.

Supporting agriculture helps ensure food security while preserving vital green infrastructure.

Now what?

Under the banner of Imagine Next, the City will use Imagine Kelowna to help shape its priorities and provide the foundation for future strategies and projects such as the Official Community Plan (Our City as we Grow), the Transportation Master Plan (Our City as we Move), Intelligent City Strategy, and many others.

The Imagine Kelowna goals are also aligned with the United Nation's Sustainable Development Goals, linking what we are doing locally with larger global efforts to shift the world onto a more equitable, sustainable and resilient path.

However, Imagine Next doesn't only involve the City. It also provides direction to our entire community to change the way we work together, how we make decisions, and how we engage with residents. Ultimately, Imagine Kelowna is the community's vision to ensure a vibrant and resilient future. It is up to all of us to imagine what's next and help make Imagine Kelowna a reality.

Stay informed about Imagine Kelowna by subscribing to e-updates or get involved by visiting imagine.kelowna.ca.





Delivering on Council Priorities

City-wide accomplishments for 2018

Imagine Kelowna

- Council endorsed Imagine Kelowna—a vision by our community, for the community—which was a result of more than two-years of public engagement and the largest city conversation ever
- The vision positions Kelowna for a future that puts people first, values its history, encourages curiosity and creativity, and recognizes the changing roles of individuals, businesses, government and community
- Imagine Kelowna will guide the shaping of the City's future strategies to 2040 including: The Official Community Plan, Transportation Master Plan, Cultural Master Plan and Intelligent City Strategy

Balanced transportation network

- Partnered with senior levels of government to complete construction of and open John Hindle Drive, providing alternative access to UBC Okanagan and Kelowna Airport, reducing congestion and travel times along Highway 97, and providing additional transit service. In addition, the City built a multi-use overpass helping pedestrians and cyclists get to campus safely
- Worked with government partners as part of the Inter-Jurisdictional Development Team to complete construction of the 49.5km Okanagan Rail Trail between Kelowna's waterfront and Coldstream. Dilworth Drive to Kelowna International Airport was paved this year so residents and visitors can connect from downtown to mid-town, UBC Okanagan and the airport via a paved, separated multi-use trail
- Partnered with Dropbike for a pilot bike share program that saw 330 bikes roll out across Kelowna resulting in 32k rides in the first three months
- Launched the development of the Transportation Master Plan: Our Kelowna as we Move, which will consider existing travel patterns and behaviour, future travel conditions, estimates for changing technologies and the Official Community Plan's future land use assumptions
- Launched the Regional Transportation Master Plan: Connecting our Region as part of the Sustainable Transportation Partnership of the Central Okanagan to identify regional transportation investments that will be needed over the next 20 years
- Collaborated with BC Transit to implement Automated Vehicle Locator (AVL) real time tracking that will enable riders to use web browsers and smart mobile devices to see the location of their bus along its route and predicted arrival time at an identified stop
- Accelerated the timeline for South Perimeter Road and Gordon Drive extension through a successful Alternative Approval Process
- Invested to build Phase 2 of the Rutland Transit Exchange. In addition, the Shepherd Road extension includes a new traffic signal that will improve transit services in the Rutland Town Centre
- Completed the design of the Ethel Street Active Transportation Corridor Phase 4 and 5 from Sutherland Avenue to Rose Avenue. Construction is planned for 2019
- Partnered with senior levels of government and the province to deliver the Rutland Rd N realignment which now aligns with Acland Rd intersecting Old Vernon Rd via a new roundabout as part of the Province-led Hwy 97 six-laning project

Building vibrant urban centres

- Issued 2.3k building permits with a construction value of \$861M (* as of Nov. 30, 2018)
- Completed pedestrian and landscape improvements in downtown's centrally located Kerry Park around the new Tourism Kelowna building
- Bolstered the City's public art offerings with the new 'From Within' piece outside the Karis Women's Support Society housing and the sculptural abstraction of 'The Valley' installation outside of the Library Parkade

Catalyst for business

- In response to the federal legalization of non-medical cannabis, we amended zoning bylaws relating to production and retail sales of non-medical cannabis and developed application requirements, process and scoring matrix to facilitate new cannabis business in Kelowna
- Issued 1.5k new business licences in 2018, bringing the total up to 9.6k
- Provided approximately \$650k in community development grants to various organizations, individuals and events for areas which include: community and social development, arts, culture and heritage, and sport and events
- Partnered with Modo Carshare to help facilitate and promote car share programs within the community
- Completed 23km dark fibre installation that will connect the Airport and UBC Okanagan in the north, Okanagan College, hospital, and city infrastructure in the south to the central city core. This will allow business, industry and government to connect and partner in new ways
- Ratified a lease agreement with Tourism Kelowna to allow for the development of a visitor information centre in a location that capitalizes on visitor trends in our community and reflects best practices in tourism development

Clean drinking water

- Broke ground on the \$86M Kelowna Integrated Water Phase 1 project to integrate the South East Kelowna Irrigation District (SEKID) and deliver agriculture water to South Mission
- Led the transition of SEKID employees to the City CUPE collective agreement
- Secured an additional \$12M provincial grant for Phase 2 of the project, building on the \$43.9M previously received in 2017 for Phase 1
- Developed the Source Water Protection Plan for the City's four lake water intakes and worked on the development of a broader plan with the Okanagan Basin Water Board
- Initiated a partnership with the Regional District of Central Okanagan to address water supply and water resource management in the greater Kelowna watershed

Preserve agricultural land

- Acquired the SEKID irrigation system assets and have operated it since June 2018. A significant review of the system is under way to assure long term sustainability of the agricultural water system
- Taking responsibility for the operations, reporting and regulatory requirements on the newly acquired irrigation system, dams and reservoirs to assure that all water allocations and licensing remain sustainable
- Completed policy and regulation updates to implement the Agriculture Plan. The intent of these updated bylaws and policies is to provide clear and transparent land use direction, ensuring that the City's agricultural policies are current, accurate, defensible and aligned with other major corporate policy documents and provincial standards



Addressing homelessness

- Acting as a facilitator and convening a community task force, the Journey Home Strategy was completed and endorsed by Council. It is a housing first approach to respond to immediate and emergent issues related to homelessness. More than 50 community groups and other levels of government collaborated to build the strategy. The five-year focused action plan will see the addition of 300 new supportive housing units, 500 program spaces and a backbone organization established to ensure that everyone has a place to call home
- An estimated 2.1k individuals experiencing, or at risk of, homelessness will be supported during the course of the Journey Home Strategy by 2024
- Increased supportive housing zoning and encouraged BC Housing to facilitate the building of two much-needed supportive housing projects: Hearthstone on Commerce Avenue (46 units) and Heath House on Hwy 97 (42 units)
- Launched the public hearing process for BC Housing's proposed development of a 52-unit supportive housing project on Agassiz road for residents experiencing or at risk of experiencing homelessness

Healthy, safe, active & inclusive community

- Launched the update to the Official Community Plan, Kelowna 2040: Our Kelowna as we Grow which will set the vision, strategies and objectives for 20 years of growth
- Increased public lakefront park access in the Mission with the acquisition of a 0.89 acre future park property on Hobson Road to complement the City's inventory of major waterfront parks.
- Opened the interim access to the popular 1 hectare Bluebird Beach Park
- Upgraded the popular Boyce-Gyro Beach Park with 126 permanent parking stalls, installing new volleyball courts and table tennis in place of the previous smaller parking lot at the south end of the park
- Opened the spectacular 27km Kelowna Paddle Trail on Okanagan Lake from Bertram Park to McKinley Beach Landing as the newest Active by Nature route
- Completed the first phase of construction of Rowcliffe Park, at Central Green. The park features a large accessible playground
- Celebrated Park & Play's tenth year anniversary, offering free family fun at 48 City parks throughout the Summer season
- Through the Strong Neighbourhood program, we awarded nine Neighbourhood Grants (nearly \$8k) for resident-led enhancements to the area they live in including boulevard beautification near Ben Lee Park, updating the Fascieux Creek walking path and adding a Little Free Library on the corner of Ethel and Leon streets. The program also supported 18 Neighbourhood events that saw more than 1,100 participants come together as a neighbourhood
- Launched the update of the Cultural Plan that will provide the vision, goals and policies to promote culture in our city from 2020-2025
- Completed development of Community Sport Plan and began the development of an implementation strategy





Public safety

- Increased safety resources with the addition of 21 new positions: 12 firefighters, four RCMP Officers and five Police Services support staff
- Converted Fire Station No.8 to a career and paid-on-call fire station which was previously operating with just paid-on-call volunteer firefighters. The addition of career firefighters will improve the emergency response time to the Glenmore and Northern areas of the city
- Completed a \$500k upgrade to fire dispatch center communications console and telephone system
- Hired a safety consultant to work with senior levels of government, social service agencies and community organizations to develop recommendations on how to move forward with addressing the complexities of the public safety landscape
- Increased bylaw and foot patrols in the downtown area
- Ensured staff and public safety by updating City ammonia plants and operating procedures in arenas in compliance with applicable regulations
- Implemented an updated needle pick-up program with a single point of contact for the public to report a found needle or needles

Housing diversity and affordability

- Developed the Healthy Housing Strategy: a five-year, 19 action item plan towards diverse, affordable and attainable housing
- Endorsed the development of Central Green – a residential master-planned community – to build up an urban residential centre close to downtown. The land, previously owned by the City of Kelowna, was sold to support the development of increased rental and multi-unit family housing. It adds more than 115 affordable and supportive housing units in Kelowna, and contributes to the City's commitment to environmental sustainability by aiming to achieve Leadership in Energy and Environmental Design (LEED) certification
- Encouraged the development of 302 rental units through the Rental Housing Grants program, which was increased in 2018 to \$420k
- Partnered with BC Housing to bring more than 300 affordable housing rental units to Kelowna in the near future

Strong financial management

- Launched Online Billing for City Property Tax accounts – providing residents online access to their account and the ability to manage City tax and utility billing accounts in one easy location
- Retrofitted 10k street lights to LED light bulbs which will result in nearly \$13M in cost savings over the next 15 years
- Managed funding so that nearly three quarters of funding for City projects, services and infrastructure came from sources other than taxation
- Completed an actuarial analysis of the City's insurance program, retention levels and reserving practices that provides direction for maintaining financial security and value for money assessment of the City's insurance purchasing

A well-run City

- Hired a New City Manager: Doug Gilchrist has stepped into the role of leading the City's administration and the delivery of City programs, services and infrastructure for Kelowna to be the BEST mid-sized City in North America
- Completed a competitive fire fighter recruitment process to identify 25 firefighters out of over 500 applicants. This list of new firefighters will ensure smooth transition for retiring Fire Department staff over the next several years for continuity of service and succession planning
- Built on the City's leadership development strategy with the implementation of a mentoring program which will assist in the transition of retiring experienced staff
- Hired a Corporate Strategy & Performance Manager to lead the development of a four-year strategic business plan and one-year operational action plan that will help define priorities with measurable results for the organization
- Hired an Intelligent Cities Manager to develop digital solutions and smart systems that improve efficiencies, service and cost-savings to the City and our residents in collaboration with the broader community (industry, government, academia and business)
- Successfully completed the WorksafeBC Certificate of Recognition (COR) audit with an overall score of 88 per cent, earning an annual premium rebate of \$190k
- Administered the associated provincial Disaster Financial Assistance Program and insurance claims, together worth over \$8M from the 2017 Freshet flooding
- Finalized a land strategy to provide direction to the activities of the City's Strategic Investments Division and establish the overarching framework for the development, implementation and amendment of related council policies and corporate strategies
- Completed the Design, Operations and Closure Plan for the Glenmore Landfill; a key requirement to the Landfill's Operational Certificate and regulatory criteria issued by the Ministry of Environment and Climate Change
- Implemented the first phase of Corporate Asset Management System that will optimize operation, maintenance and renewal of the City's infrastructure assets valued at \$3B
- Administered the 2018 General Local Election which saw 32.2k voters cast their vote in Kelowna over six days of voting and 24 opportunities, including special and mail ballot voting

Awards received

- For the seventeenth year in a row, received the [Government Finance Officers Association \(GFOA\) Distinguished Budget Award](#) for the 2018 Financial Plan
- Named the [top place in British Columbia to open a small business](#) by the Canadian Federation of Independent Business (2018) which noted the City's policy framework as a facilitator
- Recipient of the [Public Works Association of British Columbia 2018 Excellence in Snow and Ice Control Award](#)
- Received a [Municipal Insurance Association of British Columbia \(MIABC\) Excellence in Risk Management Award](#) for bringing independent accreditation (quality assurance) to the Development Services Department
- Named one of the [2018 Smart21 Communities by the Intelligent Community Forum \(ICF\)](#). The ICF SMART21 cities represent the best models of economic, social and cultural development in the digital age



Budget highlights

Budget at a glance

City of Kelowna staff have worked to balance the City's current financial outlook with community needs and priorities established by Council for the years ahead.

While meeting financial commitments from previous budgets, the **2019 budget addresses emergent issues faced by the community such as housing affordability and diversity, environmental resiliency and safety**. In 2019, the City will continue to deliver **balanced transportation options** while **renewing and expanding Kelowna parkland and waterfront access**. The City is committed to ensure every dollar spent is well utilized and strives to be more **financially resourceful** than ever to meet community needs and fund plans and projects while maintaining a low tax impact on property owners.

As like other Canadian municipalities, the City of Kelowna faces a significant infrastructure deficit. In some cases, renewal projects cannot be deferred any further without increased risk of structural safety or service disruption. The City has a duty to develop a financial plan that is manageable and steers the City in the direction of a sustainable future. To do this, the City will be seeking new revenue opportunities in 2019 as well as introduce a new 1.95 per cent, or \$2.6M, Infrastructure Levy to the 2019 budget which will increase to \$5.2M in 2020 ongoing. This proposed infrastructure funding will help ensure citizen's needs are met today and in the long-term for generations to come. Combined with this year's proposed tax rate increase of 2.45 per cent, the Infrastructure Levy addition, which will be a separate line on property tax notices, brings the total impact to taxpayers to 4.40 per cent in 2019.

Previous years' budgets include commitments that impact the 2019 Financial Plan, such as a provision for contractual obligations, the addition of the Community Response Unit and 4 new RCMP members and the funding for the Journey Home Implementation, which account for \$3.3M.

Operating

The Financial Plan's Priority 1 (P1) Operating Requests total \$11.2M, of which \$7.3M is being funded from taxation. Eighty four per cent of the \$7.3M comes from 3 significant requests: RCMP contract services increase, a provision for contractual obligations, and a 1.95 per cent infrastructure levy. The remainder of the City's divisional requests from taxation equal \$1.2M as there is a significant increase in revenues from permit and development engineering fees as well as the introduction of cannabis and short term rental compliance revenues.

For 2019, divisions have submitted expenditure reductions totaling \$217k.

In addition to the P1 Operating Requests, there are 17 Priority 2 (P2) requests totaling \$504k which are not included in the totals; however, these are included in the document for Council's consideration.

Capital

The 2019 General Fund Capital Expenditure Program (minus the Airport and Utilities) is \$60.9M, of which \$13.6M is requested to be funded from taxation. The general taxation contribution to the capital program has increased by \$974k compared to the 2018 Final Budget funding level. Funding from sources other than taxation is \$47.3M.

There are 30 P2 capital requests totaling \$34.5M which are not included in the budgetary totals, but similar to operating, are included in the document for Council's consideration.

2019 themes

Aside from meeting previous commitments, the City's 2019 budget focuses on ways the City can adapt to the emergent issues including:

- safety
- housing diversity and affordability
- environmental resiliency
- transportation options
- parkland renewal and expansion
- financial resourcefulness

Safety

The City is committed to the safety of its residents and visitors. While current programs and services are being amended to address immediate concerns about the safety and cleanliness of downtown and other urban centres, investments in first-responders will provide a long-term solution.

Six new regular RCMP member positions will supplement existing investigative units in meeting their mandates supporting the 2016-19 Crime Reduction Strategy. The increase will contribute to the four strategy goals: taking a proactive approach to crime, working with partner agencies for more effective policing, maximizing the effectiveness of resources using an intelligence led model and leveraging effective communications. Operational expenditures of \$520k in 2019 and \$1.0M ongoing will be funded from RCMP surplus due to vacancies.

A Security and Business Continuity Manager position is being requested. As the city grows, so does the number and complexity of corporate security threats. Community security needs are also changing and will benefit from better coordination between security resources used in City parks, transit exchanges, facility grounds and in problem areas. This position will lead corporate emergency preparedness and business continuity planning.

Bylaw Services is requesting \$40k for a needs assessment to review Bylaw Officer authorities, service levels, safe work procedures and training required to ensure officer safety is maintained while community needs are met. Kelowna Bylaw Services has an increasingly complex role in community safety from overdose prevention to working with community partners to support at risk populations.

An additional eight firefighters are being requested as the balance of firefighters requested in the Kelowna Fire Department Strategic Plan to complete the addition of a full-time career station in Glenmore. These positions will be phased over two years with four hired in 2019 and four in 2020 to re-establish the Station 1 rescue squad by 2020.

The City is also addressing safety and cleanliness through a request for a \$75k increase in funding for the Downtown Kelowna Association (DKA). The Downtown Clean Team consists of two full-time employees and funding is requested for a third employee during the peak season and the Downtown on Call (DOC) Team will expand their assistance with keeping the downtown safe.

Housing diversity and affordability

Kelowna is at the centre of one of the fastest growing regions in Canada. As the City grows, so does the pressure for housing diversity and affordability. The City currently contributes to affordability solutions by working with agencies, such as BC Housing, administering a Rental Housing Grants Program and applying other incentives programs to encourage rental units.

A new approach for 2019 is a \$750k request for a distinct funding allocation for affordable housing land opportunities. The City regularly partners with BC Housing for the development of affordable and supportive housing in the community. This new funding will give the City the ability to acquire land to contribute to partnership opportunities.

One of the action items identified in the Healthy Housing Strategy implementation is to improve housing affordability and reduce barriers for affordable housing. To do this, a \$70k request has been included in the 2019 Financial Plan in order to deliver:

1. Affordable Housing Land Strategy
2. Developer Contributions Analysis
3. Rental Housing Inventory

Another action item of The Healthy Housing Strategy is to increase the annual housing reserve grant program by \$180k to offset Development Cost Charges (DCC's) for non-market, purpose-built affordable rental housing. The current City practice has been to combine funding from the Housing Opportunities Reserve Fund to bolster the DCC offset grants, however they have only covered approximately 10% of a project's total DCC's in recent years. A budget increase of \$60k has been requested, increasing to \$180k over 3 years, to increase the City's ability to create partnerships that deliver affordable housing in Kelowna.

Environmental Resiliency

The effects of climate change are becoming an all-too-familiar local reality and require the City to take a more progressive and proactive approach to ensuring the safety and economic stability of the community.

The 2019 budget includes \$1.6M to repair damages resulting from the 2018 freshet. A further \$500k was approved by Council in 2018 resulting in a total cost of approximately \$2.1M.

To take action on the City's commitment to environmental resiliency, Storm Drainage capital improvements are being requested which include:

- \$1M for a rectangular concrete structure on Bubna Road to pass a revised 1 in 200-year flood event for Vernon Creek
- \$270k for construction costs that exceed the \$750k 2018 Union of BC Municipalities Community Emergency Preparedness Fund grant to replace three damaged culverts on Mill Creek crossing Spencer Road upstream of the Kelowna Airport to help reduce flooding of adjacent homes, assist with fish passage and eliminate potential for debris blockages
- \$100k to address existing drainage deficiencies in the Jean Road area
- And \$100k to design and construct a small storm water pump station to alleviate backwater effects from Mill Creek during the annual spring freshet in the Adams Road area

The City is involved in several initiatives to investigate, analyze and support projects that help mitigate the impacts of flooding, high lake levels and climate change impacts. 2019 Budget is requested in Storm Drainage and the Water Utility for support hydrology studies, flow measurement, data acquisition, some closed-circuit television requests, and riparian systems necessary to support grant applications for major works and studies for the City.

Transportation options

The City continues to be committed to delivering balanced transportation options. The 2019 proposed transportation capital commitment of \$28.4M will help improve how residents get around Kelowna.

Expansion of the City's multi-use transportation network continues in 2019. The Ethel Street Active Transportation Corridor (ATC) is a priority "all ages and abilities cycling project" within the Pedestrian Bicycle Master Plan. \$2.6M is requested in 2019 to complete phases 4 and 5 which will extend the corridor south from Springfield Road/Cadder Avenue to Guisachan Road/Rose Avenue.

Sutherland Avenue is a key east-west ATC within the Pedestrian Bicycle Master Plan linking the Abbott Street Corridor to the Ethel ATC, Capri Centre, Landmark Centre and the Okanagan Rail Trail via Angel Way. Total budget of \$7.4M is requested to add protected bike lanes along the north side of the roadway, widening / traffic signal upgrades at major intersections, curb and sidewalk changes, relocation of bus stops, enhanced road markings, signage and street lighting upgrades. The City will also work with the developer of the Capri Centre site to construct the Sutherland ATC from Burtch Road through Gordon Drive.

Construction of South Perimeter Road from Gordon Drive to Stewart Rd W is expected to be complete by the end of 2019, improving traffic flow to residents in the Upper Mission. Continued investment in road resurfacing, transit enhancements and sidewalk network expansion is also requested to maintain roadways and service levels the City has committed to.

Parkland renewal and expansion

2019 priorities also include the renewal and expansion of parkland and waterfront access for all to enjoy the City's great public spaces.

Proposed for 2019 is \$200k for the beginning the renewal of the City Park Promenade and \$250k for Knox Mountain's Paul's Tomb Trail. Knox Mountain Park is one of the City's most popular parks and as a result has experienced significant erosion

and wear. Budget is requested to restore damage caused by rock fall in 2016 that restricted access for both emergency vehicles and vehicles to service the portable toilets.

Budget of \$3.3M is requested for the next phase of development of Glenmore Recreation Park. This phase includes the installation of two multi-use grass sport fields, footpaths, access roadway, and parking.

In 2014, \$350k was approved by Council to protect the City-owned shoreline between Strathcona and Royal Avenues from erosion, and to develop a waterfront pedestrian path and landscape park space. Provincial approval of the works was finally received in September 2018. Budget of \$490k is being requested, a \$307k increase from the original project budget, to complete this project in 2019.

Budget of \$4.5M is being requested to support the City's ongoing acquisition program for DCC parkland as well as natural area and linear parks. DCC parkland is used for Neighbourhood, Community, City-wide and Recreation type parks in accordance with the 20-Year Servicing Plan and DCC reserve funding availability. Natural and linear parks are amongst the most heavily used park types and land is purchased in accordance with the Council approved Parkland Acquisition Strategy, Official Community Plan and Linear Park Master Plan.

Financial resourcefulness

A 2019 theme is to ensure that every touch-point with citizens is bringing good value and every dollar spent is well utilized. The City strives to be more resourceful than ever to meet community needs and fund plans and projects while maintaining a low tax impact on property owners.

One example of this initiative is the City's Sponsorship and Advertising Program. In 2019, a Sponsorship and Advertising Advisor position is being requested as part of this program. The five-year pilot program is forecasted to generate an additional \$800k annually (net) in sponsorship and advertising revenue off-setting all program costs over time.

Another example is the two new programs for Recreational Cannabis and Short-Term Rental regulations. These new programs will see an increase in revenues for permitting and licencing from the new retail cannabis business licence category, short-term vacation rental category, the amended cannabis commercial production licence fees and development applications fees. Using a forward thinking approach, these new revenues will be used to help offset safety improvement costs.

General fund highlights

General Revenues

General Revenues are revenues that are not specifically attributable to or generated by any particular City of Kelowna division. The General Revenue portion of the 2019 Financial Plan is projected to be \$11.2M, lower than the \$12.4M in 2018 as the Business Licence Revenue was moved to Community Planning & Strategic Investment Division.

The changes to 2019 General Revenues are attributable to a decrease of traffic fine sharing revenue of \$12k, increase of \$60k for penalties and interest revenue on utilities and property taxes, increase of \$172k for 1 per cent of sales in lieu of property taxes received from utility companies and \$52k increases in Provincial/Federal grant in lieu of taxes revenue.

Provincial Gaming revenues budgeted at \$3.96M in 2018 are expected to increase to \$4.07M for 2019. Although these revenues are 'general' in nature, they are included in the operating budget under the Police Services department as they are a conditional payment that must be allocated towards a specific Police Services program/project.

Taxation Revenues

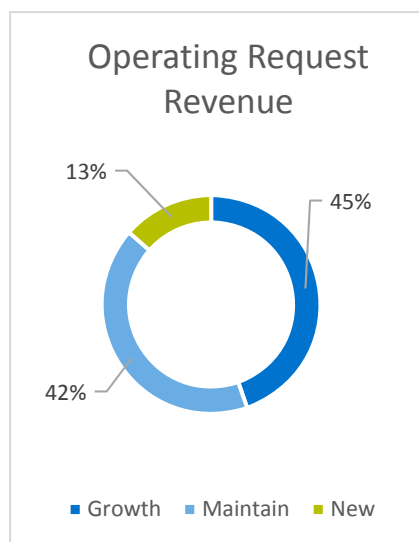
Taxation demand on existing property owners represents the difference between net operating and capital requirements offset by new general and divisional revenues and additional tax revenue generated through new construction.

A large number of the capital programs are funded from existing reserves such as Development Cost Charge (DCC) Reserves and Community Works Fund and do not impact directly on taxation.

- Taxation Revenue from new construction based on Preliminary Assessment Roll information, is projected at \$2.5M. The actual new construction assessments will not be available from BC Assessment (BCA) until the second quarter of 2019. New construction revenues are used to reduce the overall taxation demand.
- Although the overall taxation demand has increased from \$133.5M to \$141.9M, or 6.27 per cent, the average impact on existing property owners, taking into consideration the revenue generated from new construction, is 4.40 per cent.
- While it is possible to project the average property tax increase using the overall assessment base and the revenues required to operate the City, the impact on each individual property owner will vary depending on the relationship of their assessment change to the average. Further analysis will be required when BCA provides the Revised Assessment Roll in the second quarter of 2019.

Operating expenditures & revenues

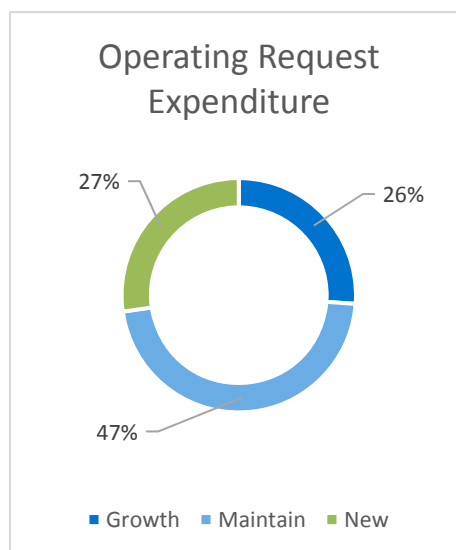
The 2019 Financial Plan categorizes each operating request into maintain, growth and new. Maintain requests are the budgets requested to maintain current programs. Growth requests are the budgets requested for current programs due to increased demand. New requests are the budgets requested for new programs.



The City has a committed focus on maintaining and growth, with smaller investments in new operational requirements.

The 2019 new operating request revenues are largely due to growth, 45 per cent, with only 13 per cent attributed to new operations and 42 per cent to maintain.

The new requested operating expenditures are largely due to maintaining current operations at 47 per cent followed by 27 per cent for new programs and 26 per cent due to growth.



The City operating structure is Division, Department and Branch. For example:

Division: City Administration
Department: City Clerk
Branch: Legislative Services

The operating requests are presented under the requesting division and department and are presented in divisional rank order within the three categories. The exception is the Water Fund, Improvement District Transition, Wastewater Fund, Airport, City Clerk, Police Services Department, Bylaw Services, Fire Department, General Revenues and Debt & Other which are presented on a department level.

Financial Plan impacts

The annualization of operating costs approved in previous budgets will add \$1.06M to the 2019 Financial Plan. The removal of one-time requests approved by Council in 2018 have reduced operating costs for 2019 by \$770k.

The 2019 Financial Plan includes reductions of \$217k to support net operating requests of \$7.4M.

Following is a summary of the net operating impacts for 2019:

2018 Net Operating Budget	\$133,223,025
Add: 2018 One-time Requests & Expenditure Reductions (net)	(769,620)
Add: Annualized Requests (prior years)	1,060,030
Add: 2019 Base Adjustments (detailed in the departments)	(1,452,385)
Add: 2019 Requests (operating requests & expend. reductions)	7,352,400
2019 Net Operating Budget	\$139,413,450

Salaries, wages and fringe benefits

The 2015-2019 collective agreement for the Airport CUPE employees provides for an increase of 1.5 per cent in 2019 that is reflected in the budget. The City of Kelowna CUPE agreement is in place until December 31, 2018 and renewal negotiations are expected to start in 2019. The Kelowna Fire Department employees (IAFF) 2013-2019 agreement provides a 2.5 per cent increase that is reflected in the 2019 budget.

Fringe benefit load factors that are reflected throughout the divisional operating budgets are reviewed annually.

RCMP Contract

The 2019 General Fund Police contract staffing is at 183 members with a budgeted vacancy factor for one member. The 2019 average cost per member has increased from \$169k in 2018 to \$173k in 2019. This is a difference of \$4k per member or a 2.8 per cent increase. This increase requires an additional \$846k for 2019. The main cost increases are personnel costs and the indirect cost of division administration.

Police services are also provided through the Reserve Policing and the Auxiliary programs. The reserve program allows the department to quickly fill vacancies or staffing shortages by using a fully trained reserve officer. Both programs are valuable during the busy summer policing season. The reserve program does not have specific budget, but is funded by vacancies within the regular member contingent, as needed.

Additional staffing - operating requests – all funds

The City continues to adhere to controlled recruitment practices by maintaining staffing levels and replacing vacant positions only on a priority basis. Staff additions require a formal business case and City Manager approval.

The 2019 Financial Plan contains 59 P1 requests for new staff positions which reflects the need to support core services to maintain current service levels, along with addressing community safety and environmental resiliency. These positions are being requested at 50 to 75 per cent in 2019 to match hiring process timelines. The 2019 taxation impacts on the budget is \$762k.

The 44 on-going full time requests include the addition of six RCMP Members to supplement existing investigative units; one Inspections and Compliance Officer and one Administrative Clerk to facilitate the Cannabis Regulation and Short-Term Rental Compliance programs; one Legislative Coordinator (FOI) Position for increased capacity to conduct privacy impact assessments and other functions; one Environmental Coordinator Position for Environmental, Natural Hazard and Wildfire Development Permit processing; one Parking Services Administrative Clerk Position for customer service support; one Planning Technician II Position to strengthen front end customer service; one Utility Planning Engineer Position to support long term coordination and capital planning of utilities; one Senior Transportation Engineer to support emerging transportation infrastructure needs; convert one term Transit Service Coordinator Position to ongoing to respond to growth in complexity of the transit system; one Recreation Clerk Position that will convert part-time positions into a full-time

position; one Security and Business Continuity Manager Position to lead corporate emergency preparedness and business continuity planning; eight career Firefighters for Station 1 rescue squad; convert the part-time Disability and Benefits Coordinator Position to full-time; two Millwright Positions and one Utility Service Person for the expanded domestic water system; one Building Technician Position for continued support of operations and maintenance for the increasing inventory of facilities; two Parks Support Positions for Groundsperson I and one Groundsperson II Position created from converting previously requested wage budgets to full-time positions; one Bylaw Enforcement Officer Position to address increasing service calls and enforcement of the new sign bylaw; converting a paid service with West Kelowna for the use of forensic video analysis work to one Forensic Video Analyst Position which plays a significant role in law enforcement and criminal investigation; two Operating Intelligence Clerk Positions to support the Investigative Services Unit to comply with the deadlines imposed by Provincial Crown Counsel and the Courts; one Financial Analyst Position to be a dedicated business partner to the Infrastructure Division; one Sponsorship & Advertising Advisor Position to build sponsorship opportunities with community partners; one Network Systems Analyst Position to address the security and growth of computer infrastructure systems; one Airport Operations Technician Position to support airside maintenance and operations; one Manager of Airport Technology Position to develop and implement Airport specific systems and technologies and two Meter Technician Positions to assist with repatriation of water meter reading and meter maintenance services.

Division	Full-time Positions	Part-time Positions	Term Positions
General Fund			
City Administration	0	0	0
City Clerk	1	0	0
Infrastructure	3	0	0
Community Planning & Strategic Investment	5	2	2
Active Living	1	0	0
Civic Operations	4	5	1
Police Services	9	0	0
Bylaw Services	1	0	0
Financial Services	1	0	0
Human Resources	2	1	0
*Fire Department	8	2	0
Corporate Strategic Services	2	0	0
Total General Fund	37	10	3
Airport & Utility Funds			
Airport	2	0	0
Wastewater	0	0	1
Water	5	1	0
Total Airport & Utility Funds	7	1	1
Total Position Requests	44	11	4

*8 Firefighter positions are requested to be hired 4 in 2019 and 4 in 2020

Within the operating program, 11 on-going part-time request are included: one Parking Services Summer Student Position to respond to peak time service requests, gather occupancy and turnover data to determine parking management restriction effectiveness; one General Duties Assistant Position for a wide variety of general maintenance duties for the City Hall property; two Landfill Equipment Operators for additional coverage; one 0.5 Casual/Part-time Scale House Attendant Position to ensure timely service; two Parks Support Staff Term Labourer Positions created from converting previously requested wage budgets to ongoing term positions; one Meter Reader position to assist with repatriation of water meter reading and meter maintenance services; one 0.5 Plumbing & Gas Inspector to help meet customer demand and two Casual Fire Dispatcher Positions to assist with growth in the program.

In addition, 4 term positions were requested: one for a Development Services Clerk Position to implement the new user pay Property Information Request program; one two-year Development Engineering Technologist Position to address peak workload needs; one Instrumental/Electrical (I/E) Technician Term Position to aid in succession planning and a one-time Landfill Co-op Student Position to support the implementation of the Landfill Leachate Re-Circulation Project.

There are a number of additional wage dollars being added throughout various operating requests either on an ongoing or one-time basis. These additional wage amounts result in an increase in the available hours for current and seasonal staff to work but also may result in additional hires as deemed necessary due to operational needs.

Other Division & Department operating highlights

The financial plan includes a number of P1 Operating Requests, of which \$7.3M is being funded from taxation. Listed below are some of the operating request changes to the divisional operating budgets for 2019:

Infrastructure Division

Infrastructure is requesting \$269k to repair damages resulting from the 2018 flood. Operating expenditures for repair work is estimated to be \$1.34M with Provincial funding to cover 80 per cent of eligible expenditures.

Infrastructure Delivery is requesting \$200k to address the backlog of outstanding service requests for drainage issues related to climate/weather changes, groundwater interactions and increased hillside development. Integrated Transportation is requesting a decrease of \$845k for transit operations including transit management/labour, fuel, maintenance and lease fees and expansion. Conventional and custom transit will decrease by \$648k and \$198k respectively. To increase security at transit exchanges, \$30k has been requested to continue the morning security shift at the Queensway Transit Exchange and support a morning shift at University of British Columbia Okanagan with shared funding from the school.

Following direction of Council, Parks & Buildings Planning is requesting \$100k to update the 20-year Servicing Plan to include the proposal for the Parks Development Cost Charges and the revision to the Parks Acquisition Development Cost Charge.

Utility Planning is requesting \$45k to support hydrology studies, flow measurement, data acquisition, some closed-circuit television requests and riparian systems necessary to support grant applications for major works and studies for the City. The analysis and data collected will also be used to manage internal requests for drainage design and for issues as they arise from the public. As well, \$75k is being requested one-time for an in-stream maintenance permit from the Province for Mill Creek to continue the necessary riparian study updates, discussions and applications.

Community Planning & Strategic Investments Division

Development Services has been experiencing continued growth resulting in requests for revenue increases. The Development Engineering Service Revenue has increased by \$215k to reflect ongoing revenue projections, as well as an increase to Permit and Inspection revenue reduced for funding of a request 0.5 Plumbing & Gas Inspector Position to assist with the increased volume of building permits making the total request an increase in revenues of \$495k. 2019 will see a new user pay service for research, preparation and historical building and property file information called the Property Information Request program with a revenue increase of \$150k ongoing. Included in the first year is a one-time term position to implement the program.

Policy & Planning is requesting additional funding as part of the Healthy Housing Strategy. One request is for increased funding for the Affordable Rental Housing Grant Program to offset Development Cost Charges for non-market, purpose-built affordable rental housing. Funding will be phased in over three years with a \$60k increase each year from 2019 to 2021 intended to increase the City's ability to create partnerships that deliver affordable housing in Kelowna. The second request is for a one-time increase of \$70k to use external resources to develop an Affordable Housing Land Strategy, analyze developer contributions and create a rental housing inventory.

With a focus on process and regulatory efficiencies, Business Licence is increasing the Business Licensing Revenue by \$65k. Other additions are for new program budgets for Recreational Cannabis and Short-term Rental regulations creating a net revenue increase of \$364k from new permitting and licencing categories. To facilitate the programs, two new positions have been requested to address the processing, inspections and regulation oversight workload, as well as a contracted discovery & compliance software service, that will reduce the need for multiple officers.

Community Planning is requesting to increase community planning revenues by \$66k to reflect higher fees collected, review and approval of Subdivision and Development Applications and a fee increase in the Development Application Fee Bylaw.

Active Living & Culture Division

Sport & Event Services is requesting an increase in the Strategic Event Fund program of \$50k to provide expanded resources to pursue large-scale events and position Kelowna more effectively in the event hosting market. As well, increased annual program funding for Community Sport Delivery for \$15k, Sport Education Grant of \$5k and International Children's Games Grant funding for \$5k to provide continued growth in each of these programs.

Cultural Services is requesting to continue the funding partnership with Kelowna Museums Society and the Sports Legacy Committee for the Central Okanagan Sports Hall of Fame that recognize and celebrate sports heritage in the Central Okanagan. Budget of \$15k is requested to maintain the current level of support on an on-going basis.

Civic Operations Division

In 2018, the City of Kelowna will spend approximately \$8.65M on energy, including electricity, natural gas, gasoline, diesel, and propane. With the adoption of the 2017 Corporate Energy and Greenhouse Gas (GHG) Emissions Plan, the mandate of the Energy Program is to develop and prioritize new energy conservation projects. To accomplish this, Civic Operations Building Services is requesting \$80k funded by the Energy Carbon Reserve. This budget will allow the Energy Committee the flexibility to investigate corporate energy reduction initiatives, develop business cases and implement energy conservation measures throughout the year as they are identified.

Parks Services is requesting \$259k of which \$27k is the operating impact of the Hobson Road Park interim access and sidewalk network expansion capital requests. \$75k for the Downtown Kelowna Association to address cleanliness and increased safety in the downtown area is being requested. As well, a \$20k is requested ongoing to replace playground surface pea gravel with soft fall fiber. The soft fall fiber is cheaper to install, requires less maintenance and provides accessibility for everyone.

Public Works is requesting \$362k of which \$14k is the operating impact of various capital requests such as the active transportation corridor, neighbourhood traffic calming, South Perimeter Road, and pedestrian and cyclist safety improvements. Changing weather patterns over the past few years have resulted in longer winters, extreme storms and freeze thaw events challenging how the City conducts snow and ice control. Additional ongoing budget of \$200k is requested to aid in snow clearing of roadways, sidewalks and active transportation corridors and \$50k for sand removal and clean-up in the spring. An ongoing request of \$35k to clean sidewalks in the downtown core through spring summer and fall.

Bylaw Services has an increasingly complex role in community safety and is requesting \$40k to complete an assessment of Bylaw Officer authorities, service levels, safe work procedures and training to ensure officer safety is maintained while community needs are met.

Solid waste revenue budgets are being increased by \$4.2M to reflect an increase in the volume of waste for disposal and the tipping fee increase approved by Council in October 2017. \$175k one-time budget is being requested to ensure funds are available for a rental pump program to actively divert surface water to mitigate expected flooding in the Glenmore Valley due to continued high groundwater and surface water elevations in the region. A long-term surface water plan is in progress. Budget of \$50k is requested to study impacts of the 2018 flood release from the Landfill to Roberts Lake and examine future mitigation options.

Financial Services Division

Financial Services is requesting \$52k for a new Financial Analyst to be a dedicated business partner within the Infrastructure Division to improve the City's control framework, reduce risk, provide professional oversight and scrutiny of spending decisions and financial stewardship.

Purchasing is requesting \$30k for the Corporate Purchasing Card Program to create an electronic process for reconciliation of monthly statements and approvals, and a spend analysis of card purchases creating stronger controls and greater integration resulting in increased efficiencies. Reserve funding of \$80k is requested to implement an electronic approval workflow for order and invoice payments to create more efficient processes, enable a more robust audit trail and expedite processing.

Human Resources

Human Resources is requesting \$48k for a Security and Business Continuity Manager to meet the increasing number corporate security threats. Community security needs are changing and will benefit from better coordination between security resources used in City parks, transit exchanges, facility grounds and at-risk areas. This position will also lead corporate emergency preparedness and business continuity planning.

The Fire Department is requesting to add two Casual Fire Dispatcher positions, dispatcher training and technical support to the fire dispatch centre to accommodate contracts for fire dispatch services to other local governments as well as support and maintain current and future public safety systems and technologies. This request recognizes the increase in revenues from the contracts for fire dispatch services and the net result is a taxation reduction of \$239k. An additional \$231k is requested to hire eight firefighters to complete the addition of a full-time career station in Glenmore as requested in the Kelowna Fire Department Strategic Plan. These positions would be phased over two years with four hired in 2019 and four in 2020.

Corporate Strategic Services Division

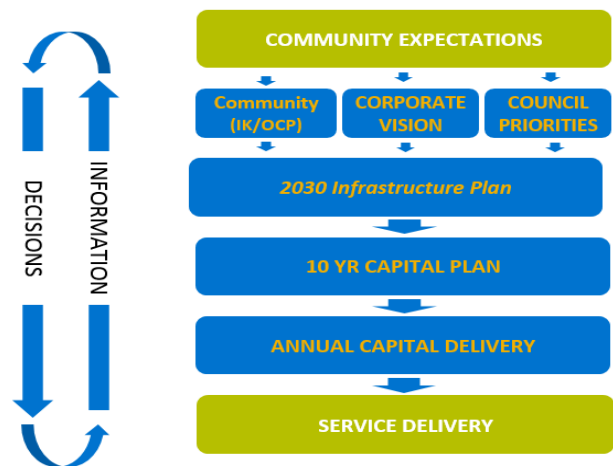
Information Services is requesting an increase of \$250k which include \$135k for annual support and maintenance fees for new and existing software and hardware. Also included is \$55k for a Network Systems Analyst to address the security and growth of computer infrastructure systems. This position will enhance the City's ability to implement new technology, function as a technical resource on multi-departmental project teams, maintain and support existing technology and improve cross-coverage for critical systems.

The Sponsorship and Advertising Department is requesting \$12k for a Sponsorship and Advertising Advisor position as part of the City's Sponsorship and Advertising Program. The overall program is a five-year pilot, forecasted to generate an additional \$800k annually in sponsorship and advertising revenue off-setting all program costs over time.

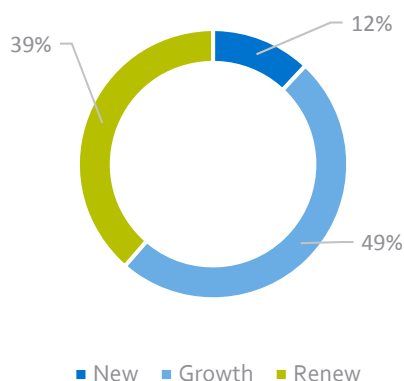
Capital expenditures

2019 Capital submissions are coordinated by the Infrastructure Division with the integral involvement of all divisions with capital needs. The Infrastructure Division is responsible for planning, designing and building all capital assets.

In April 2016, Council endorsed the 2030 Infrastructure Plan, which set the direction for infrastructure investment until 2030, including a funding strategy to support the projected one-billion-dollar infrastructure investment. The Council endorsed 10-Year Capital Plan is guided by the direction set in the 2030 Infrastructure Plan and is updated annually to be responsive and practical. The annual capital program is directed by the 10-Year Capital Plan but is responsive to emerging issues and priorities.



All funds - capital by request type



The Infrastructure Division uses a long-term approach for capital planning that strikes a balance between renewing existing infrastructure and investing in new infrastructure to support growth and improved services. The 2019 capital program includes 12 per cent of new infrastructure, 49 per cent related to growth and 39 per cent renewal projects. In comparison, the 10-Year Capital Plan attributes 19 per cent of capital toward new infrastructure, 51 per cent to support growth and 30 per cent for renewal projects.

The Infrastructure Division uses a multiple bottom line approach for infrastructure investment decision making and is moving towards a full life cycle cost analysis where capital, operating and maintenance costs are determined over the life cycle of assets. The operating and maintenance costs are requested alongside the related capital request. The capital

requests that have operating impacts are marked with OP on the summary sheet at the beginning of the cost centre. All capital submissions from departments were evaluated against Tangible Capital Asset criteria. Where submissions were deemed to not meet the criteria, requests are included in the operating program.

At the top right-hand side of each 2019 capital request, readers will find the year the project was included in the Council endorsed 10-Year Capital Plan along with the corresponding dollar amount. The 2019 General Fund Capital Expenditure Program (not including the Airport and Utilities) is \$60.9M of which \$13.6M is requested to be funded from general taxation sources.

The 2019 general taxation contribution to the capital program (as described above) has increased by \$974k over the 2018 Final Budget funding level of \$12.7M.

The following are some of the other highlights of the 2019 Capital Expenditure Program:

General Fund Program

The *general taxation* expenditure of \$13.6M. has been allocated to departmental budgets as follows (*in thousands*):

Department	Description	Amount
Real Estate & Parking	Land acquisition & parking infrastructure	676
Building	Facilities & improvements	1,384
Parks	Parkland/trail/area development	3,660
Transportation	Roadways/pathways/traffic signals/public transit	5,369
Storm Drainage	Drainage systems/freshet recovery	1,080
Information Services	Communication hardware/software	1,177
Vehicle & Mobile Equipment	Vehicles & equipment	294
Total		13,640

Funding from sources other than taxation is \$47.3M.

Real Estate Capital requests include a \$750k reserve funded request for affordable housing land acquisitions. Given the current need for affordable housing this request enables the City to continue to partner with other levels of government for the development of affordable and supportive housing in the community. An \$80k taxation request for sidewalk and road land acquisitions, \$60k mainly from the Development Cost Charges (DCC) Reserve to fund the purchase of land required for widening roads identified in the DCC program, as well as a budget request of \$1.6M for general land acquisitions (\$587k from taxation) and \$250k for strategic capital land servicing requirements with funding support from the Land Sales Reserve. Parking Capital is requesting \$1.3M of Parking reserve funds to fund \$415k of parking infrastructure renewal in addition to the Chapman Parkade requests of \$300k to complete detailed design work to expand the parkade, \$499k to complete repairs and infrastructure renewal, and \$80k for installation of gates and doors to create secure parking for the reserved area.

Building Capital is requesting \$2.8M of reserve funding and \$500k of taxation funding for City Hall basement level renovations to increase the number of workstations available, reduce reliance on lease space, and create a more modern working environment. Budget of \$800k is requested, \$487k funded from the Community Works Reserve, to maintain and improve the exterior envelope of the Water Street Firehall. An additional \$350k, funded \$224k from reserves and \$126k taxation, is requested to replace the City Hall boilers with more efficient equipment. A number of infrastructure renewal projects have also been requested at the H2O Centre (\$440k) and Kelowna Family Y (\$220k).

Major projects in Parks Capital include \$4.3M (\$303k from taxation) for Development Cost Charges (DCC) parkland acquisition to be used for neighbourhood, community, City-wide and recreation type parks in accordance with the 20-Year Servicing Plan and DCC reserve funding availability. A \$3.3M request (\$1.85M from taxation) is included for phase two construction of Glenmore Recreation Park including two multi-use grass sport fields, footpaths, access roadway and parking. Other projects included in the total \$3.7M taxation program include \$200k for phase two design of the City Park Promenade,

from the Hot Sands washroom to the Sails, \$250k renewal of Knox Mountain Park Paul's Tomb Trail to restore the crib walls damaged by rock fall and widen the trail for vehicular access, \$50k for safe public interim access to the new Hobson Road Park and \$490k for the shoreline protection and expansion of the Strathcona Royal Avenue waterfront pedestrian path and landscape park space of which \$183k is funded from reserve.

Of the \$28.4M 2019 Transportation Capital requests, \$10.3M is to build on the multi-use transportation network. Included in these projects is a request for Phase four of Ethel Street active transportation corridor (ATC) at \$200k, extending the ATC south from Sutherland Avenue to Springfield Road and Phase five of Ethel Street ATC at \$2.4M; which will extend south from Springfield Road/Cadder Avenue to Guisachan Road/Rose Avenue. The Ethel Street ATC is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan. The Sutherland Avenue ATC has also been identified as a key corridor and budget is requested to expand the multi-use network on Sutherland Avenue from Lake Avenue to Gordon Drive at \$4.5M and Gordon Drive to Burtch Road at \$2.9M. The improvements would include protected bike lanes, traffic signal changes and upgrades, bus stop improvements, curb and sidewalk changes and enhanced road markings, signage and street lighting upgrades and will be combined with water and sanitary improvement requests. Finally, a \$320k expansion to the cycling network, including improvements identified in the Pedestrian and Bicycle Master Plan to help make cycling an easier and safer option is requested. Requests to improve traffic flow in the Upper Mission area include South Perimeter phase 1 from Gordon Drive to Stewart Road at \$7.9M and Gordon phase 1 from Frost Road to South Perimeter Road at \$1.8M. Additional Investment requests throughout the City include roads resurfacing of \$3.7M, transit service and infrastructure \$325k, sidewalk renewal and expansion to improve safety and accessibility of \$400k, neighbourhood traffic calming \$50k and pedestrian and cyclist safety improvements \$150k.

Solid Waste Management Capital program requires \$4.5M in reserve funding for 2019 for projects like the \$2.7M Landfill liner design and construction of an impervious liner to contain leachate and control greenhouse gases. A project to manage leachate and accelerate the decomposition of refuse and landfill gas generation to convert the gas into energy and increase useable landfill space will cost \$600k. A \$300k request to purchase new curbside carts to address residential growth and needs for larger recycling and yard waste receptacles.

Storm Drainage Capital is requesting \$470k from taxation for drainage improvement projects at Jean Road (\$100k) to address existing drainage deficiencies, replace three damaged culverts on Mill Creek crossing at Spencer Road (\$270k) upstream of the Kelowna Airport and design and construct a stormwater pump station at Adams Road (\$100k). An additional \$1.0M (\$555k from taxation) is requested for a culvert replacement at Bubna Road to pass a revised 1 in 200-year flood event evaluation of climate change for Upper Vernon Creek.

Information Services Capital is requesting \$506k from taxation to support the replacement of the service request system with a next generation platform focusing on an improved customer experience. Other taxation funded requests include \$105k for the renewal and expansion of the City's communication network environment, \$386k for the renewal and maintenance of the City's front office equipment, and \$180k for the renewal and maintenance of server and data storage equipment.

Vehicle & Mobile Equipment totaling \$4.3M is to be funded primarily from the Equipment Replacement Reserve. Additional funding includes \$155k from the Water and Wastewater Utilities and \$294k from taxation.

Fire Capital is requesting a \$800k replacement of two tender trucks as well as \$120k in ancillary equipment for Fire Engine 5 used in the fire protection area of North Glenmore funded from the Fire Department's equipment reserve. Dispatch consoles of \$107k funded from the Fire Dispatch Reserve have also been requested to ensure the back-up dispatch site is fully functional.

Utility fund highlights

The City of Kelowna operates two major utilities providing Water and Wastewater Service, the ongoing operation of which is funded entirely by user rates in the form of annual parcel taxes and/or monthly user fees. The utilities require significant capital investment to service new growth, as identified in the 20-Year Servicing Plan and Financing Strategy that was updated in 2011. Analytical work and annual funding continues on the systematic replacement program for the older infrastructure in both utilities.

The Natural Gas Legacy Fund was established in 2001 with a 35-year capital lease of the gas distribution system within the City and a 17-year operating lease back to FortisBC Energy Inc. On October 31, 2018, this operating lease back agreement was terminated and the Natural Gas Fund was dissolved. The termination payment, as well as the balance of the Natural Gas Fund were contributed into the new Legacy Reserves in the General Fund.

The Airport operates similar to a utility and is currently funded by user fees for ongoing operations, maintenance and capital improvements.

Water utility

The primary goal of the City of Kelowna Water Utility is to provide high quality drinking water and excellent service to its customers. The delivery of safe, high quality potable water – a Council priority – will be achieved by ensuring the utility is dedicated to its continuous improvement process and by exceeding customer expectations. The water utility will promote efficient use of the water resource in keeping with Council's commitment to the Water Sustainability Action Plan. The plan to reduce overall water consumption with further implementation of landscape and irrigation standards will continue in 2019. The water utility will continue to reduce and demonstrate energy efficiency and the reduction of greenhouse gases throughout its operation in conjunction with the corporate commitment to community sustainability.

Under the Filtration exclusion program, increased source, creek and storm water sampling and analysis will be required by the Water Utility to maintain Interior Health Authority Filtration Deferral status.

New in 2018 is the addition of the Southeast Kelowna Irrigation District (SEKID) Water Utility. The City of Kelowna assumed ownership of the water utility in June 2018.

Water Utility - Financial Outlook - 2019

The 2019 Operating Revenues are projected at \$15.3M, with approximately \$11.4M required to cover operating expenditures and debt repayment and a budgeted surplus of \$1.2M.

The Improvement District Transition for the Southeast Kelowna Irrigation District (SEKID) integration 2019 Operating Revenues are projected at \$3.0M, with approximately \$2.8M required to cover operating expenditures and a budgeted surplus of \$188k to be contributed to the SEKID Operating Surplus Reserve.

The Water Utility Capital Expenditure program and the Roads and Wastewater Capital programs are closely interrelated. The total Capital Expenditure Program in the water utility is \$2.7M with funding from current year utility revenues of \$2.7M with a further \$415k required for utility contributions in the General Fund capital program.

Two Ethel Street watermain replacement projects are requested in 2019 for a total of \$930k and the Sutherland Avenue replacement of aging property connection and valves between Pandosy Street and Ethel Street at \$400k. The projects will proceed as a combined request with the construction of the active transportation network projects in the transportation capital program.

The replacement of water meters in the City has been requested to replace meters nearing the end of their service life with meters that can be read through an automated system and allow individual customers to monitor their water use at a budget of \$500k. In addition, \$98k has been requested to prepare appropriate facilities and meter reading equipment to support the repatriation of water meter servicing and reading at the end of 2019.

Other capital requests include a mobile water refill station to provide drinking water at designated outdoor events and venues around Kelowna for \$20k, the Skyline Pump Station electrical building upgrades for \$1M and a \$75k replacement of power management relays at Poplar Point Station.

There is a budgeted surplus of \$1.2M for the water utility in 2019. The anticipated accumulated surplus position at the end of 2019 will be \$16.8M and is supported by reserves for future expenditures.

Wastewater utility - collection & treatment

The Wastewater Utility provides a safe, reliable and efficient sanitary sewer collection system and treatment facility through sound operation and environmentally responsible practices. It is vital to determine the long-range requirements for the wastewater utility to best serve the present and future populations. Efficient and cost-effective approaches are used in asset management in order to protect and manage all wastewater infrastructure. The wastewater utility will continue to reduce and demonstrate energy efficiency and the reduction of greenhouse gases throughout its operation in conjunction with the corporate commitment to community sustainability.

Wastewater Utility - Financial Outlook - 2019

The 2019 Operating Revenues are projected at \$24.5M with approximately \$11.6M required for operating expenditures of the collection system and debt repayment. A further \$6.9M is required for treatment operations expenditures at the Wastewater Treatment Facility.

The total Wastewater Capital Program is \$8.5M, with funding from current year utility revenues of \$3.3M and \$5.2M from reserves. A further \$40k is required for utility contributions in the General Fund capital program.

Seven sanitary replacement projects are planned for 2019 for a total of \$1.9M as follows (*in thousands*):

Sanitary replacement projects	Amount
Clement Avenue	200
*Ethel Street between Sutherland Avenue – Springfield Road	40
*Ethel Street between Springfield Road - Rose Avenue	80
Gaston Avenue	430
Bay Avenue laneway northwards, east of Richter Street	215
**Sanitary replacement - Manhattan Drive/Flintoff Avenue	545
*Sutherland Avenue between Richter Street - Ethel Street	360
Total	1,870

*Project requested as part of a combined capital request with transportation and water

**2018 capital request requiring additional funding

Other projects include \$1.2M for the renewal and operational upgrades of the Guy Street Lift Station, \$317k to flood proof the Edwards Lift Station, \$2.1M to upsize the sanitary forcemain connecting Gyro Lift Station to the Wastewater Treatment Facility and \$300k to facilitate the construction of new garage space and renovation work to accommodate the Southeast Kelowna Irrigation District (SEKID) integration.

There is a budgeted surplus of \$2.7M for the wastewater utility in 2019. The anticipated accumulated surplus position at the end of 2019 will be \$35.9M.

Airport

Kelowna International Airport (YLW) operates on a financially self-sufficient basis, and in compliance with Federal regulations as part of the National Airport System. Passenger traffic in 2018 is anticipated to increase to over 2 million passengers from 1.9 million passengers in 2017. This is ahead of all forecasts in the Airport's 2045 Master Plan passenger growth forecast and would represent the highest number of annual passengers in the Airport's history. In accordance with the Airport's 2045 Master Plan, the Airport was anticipated to reach 2 million passengers in 2020.

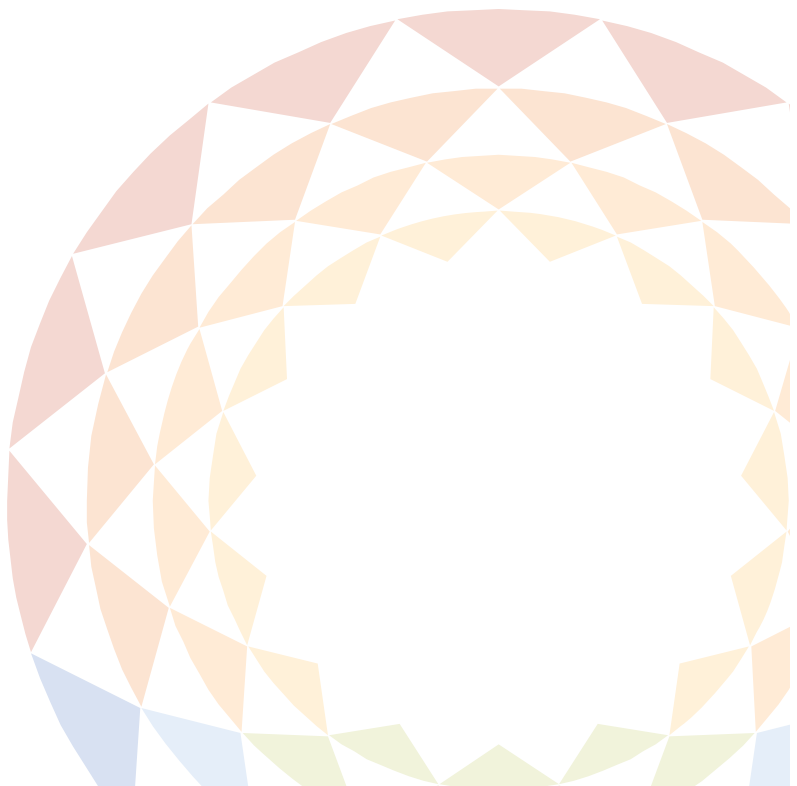
The Airport's 2045 Master Plan was finalized and approved by key stakeholders, including City Council, the Airport Advisory Committee and the Airline Consultative Committee in 2016. The Airport's 2015 Economic Impact Study identified that the airport's total economic impact is 4,545 jobs and \$789.0M in output to the Province of British Columbia.

Airport - Financial Outlook – 2019

In 2019, gross revenues from Airport operations are projected to be \$37.7M, which includes \$14.5M in Airport Improvement Fee (AIF) revenue. Total operating expenditures and debt repayments from Airport operations are projected to be \$20.4M in 2019. In 2019, a total of \$3.4M of debt principal and interest repayment is anticipated to be paid from the Airport's AIF reserve. The Airport contributes excess revenue into reserve for capital development. In 2019, \$16.4M is anticipated to be contributed to the Airport's reserves with the remaining \$932k falling to accumulated surplus.

The Airport has budgeted for new capital expenditures of \$9.4M, which will be funded from the Airport's reserves. New 2019 capital projects include \$8.1M for the expansion and paving of the Airport's parking lots. There will be a carry-over of 2018 budgeted capital expenditures for the completion of the Flight to 2020 and Soaring Beyond 2.5 Million Passengers AIF Capital Programs, and certain non-AIF capital projects.

Strong Financial Management



This page was intentionally left blank

STRONG FINANCIAL MANAGEMENT

Organizational chart



Funds & departmental relationship

Municipal funds

The City's resources and operations are separated into various funds. Each fund is a separate fiscal and accounting entity organized by their intended purpose. They are segregated to comply with finance related legal and contractual provisions. The use of these funds is restricted by the Community Charter and associated municipal bylaws.

The following funds are used for accounting and financial reporting purposes:

General Fund | This is the largest fund and covers all municipal operations aside from the utilities and airport funds. This fund is not allowed to operate at a deficit. The difference between annual expenditures and other revenues generated by the fund forms the annual property tax levy.

Water Fund | This fund provides for the capital construction, operation and maintenance of a water utility within specific areas of the City not served by water districts. Revenues within this fund, or prior years' surplus, must be sufficient to cover all operating and capital costs of this utility on an annual basis.

Wastewater Fund | This fund provides for the capital construction, operation and maintenance of wastewater treatment including sewer mains, lift stations and treatment facilities. Revenues generated in this fund, or prior years' surplus, must be sufficient to offset all operating and capital costs of this utility on an annual basis.

Airport Fund | The Kelowna International Airport operates within this fund, and is responsible for capital construction and ongoing administration, operation and maintenance. This fund is required to be self-sufficient so that revenues generated must offset all operating and capital expenditures.

Natural Gas Fund | This fund provided for the costs of the capital lease of the gas distribution system and the revenues generated from the operating lease-back. In 2018, FortisBC chose to terminate this lease agreement and the Natural Gas Fund was dissolved.

Revenues used for projects in these funds may also come from the City's Statutory Reserve Funds:

Land Sales Reserve Fund | This fund was established in accordance with Provincial Legislation. Sales proceeds from all properties disposed of by the City are required to be placed in this reserve fund. Council may, by bylaw, use this fund to purchase land for general municipal or utility purposes.

Parking Reserve Fund | This fund was established to provide funds to purchase land for parking lots, develop on-street parking and to construct parking lots or parkades. The General Fund contributes net revenues from the operations of parking lots, parkades and parking meters to the Parking Reserve Fund. Both the revenues and expenditures relating to the collection and use of these funds will be found in the General Fund Financial Plan.

Capital Works, Machinery and Equipment Reserve Fund | This reserve fund was established by the City to provide funds for such items as the purchase of replacement equipment, retirement of capital debt and replacement of cemetery property. Revenue for this reserve is provided from various sources within the General and Utility Funds. The estimated amounts of the revenue to be contributed may be found in the General or Utilities Funds Financial Plans along with the budgeted use of these funds.

Non-statutory reserves | The City of Kelowna also maintains reserves for future expenditures. These are non-statutory reserves (reserve funds are 'statutory' reserves) which represent a contribution of surplus for specific purposes. In the financial plan the use of these reserves for future expenditures is shown under 'Accumulated Surplus' for either revenues or expenditures.

Deferred Development Cost Charges | Development Cost Charge revenues are collected to provide funding for required expansion of roads, water works, sewer works, parkland acquisition and wastewater treatment facilities resulting from new development. Monies collected may only be used for the specific purpose and in the specific area for which the funds were collected. The financial plan budget for the use of these funds will be reflected in the appropriate fund.

The following table lists the City's Divisions and the funds they use:

	General Fund	Water Fund	Wastewater Fund	Airport Fund
City Administration	✓			
City Clerk	✓			
Airport				✓
Infrastructure	✓	✓	✓	
Community Planning & Strategic Investments	✓			
Active Living & Culture	✓			
Civic Operations	✓	✓	✓	
Police Services	✓			
Bylaw Services	✓			
Financial Services	✓			
Human Resources	✓			
Fire Department	✓			
Corporate Strategic Services	✓			

Reserves & fund equity

The City maintains reserves and fund equity in order to protect the current and future financial viability of the municipality. Proper reserve management recognizes the need to stabilize taxation and utility rates, and to prevent annual taxation fluctuations as a result of capital expenditure requirements.

The following are audited reserve and fund equity balances at Dec. 31, 2017 and projected balances to the end of 2019. The projected balance to the end of 2019 assumes all 2018 budgeted expenditures will be completed and funded (even though some of the projects will not be completed in 2018).

New in 2018 are the Legacy Reserves. These reserves, held in the City's General Fund, include the City owned Fortis Inc. common shares purchased with the proceeds of the 2013 sale of the City's electrical utility to FortisBC Inc., as well as the 2018 payment from FortisBC Energy Inc. for the termination of the Lease-in Lease-out agreement and the balance of the Natural Gas Fund.

Also new in 2018 is the addition of the South East Kelowna Irrigation District (SEKID) Water Utility reserves. The City of Kelowna assumed ownership of the water utility in June 2018. The reserve funds of this utility will be held in the City's Water Fund but reported separately as they will be used during the integration to fund infrastructure requirements.

	Actual Balance Dec. 31/17	Projected Balance Dec. 31/18	Projected Balance Dec. 31/19
<i>(in thousands)</i>			
<u>General Fund</u>			
Fund Equity	4,652	2,565	2,565
Statutory Reserve Funds	60,191	48,824	49,462
Legacy Reserves	0	92,160	92,160
Reserves for Future Expenditures	79,455	58,061	56,879
	144,298	201,610	201,065
<u>Water Fund</u>			
Fund Equity	13,483	203	1,414
Statutory Reserve Funds	151	154	158
Reserves for Future Expenditures	18,426	3,267	5,508
SEKID Reserves for Future Expenditures	0	9,259	10,424
	32,059	12,884	17,504
<u>Wastewater Fund</u>			
Fund Equity	30,522	33,217	35,891
Statutory Reserve Funds	10,636	11,147	11,665
Reserves for Future Expenditures	13,033	9,295	9,579
	54,191	53,659	57,136
<u>Airport Fund</u>			
Fund Equity	596	1,475	2,407
Reserves for Future Expenditures	27,420	21,807	28,101
	28,016	23,282	30,508
<u>Natural Gas Fund</u>			
Fund Equity	4,472	0	0
	4,472	0	0
Total Reserves & Fund Equity	263,037	291,435	306,212
Deferred Development Cost Charges	42,767	50,576	68,589

*Fund equity is also referred to as accumulated surplus

The Development Cost Charges are shown separately from other reserves and fund equity as they are revenues received for specific projects and cannot be used for any other expenditures. Some of the Deferred Development Cost Charge balances include a receivable portion which is not available for use at Dec. 31, 2019.

The impact of the 2019 general and utility fund operating and capital requests on the reserve balances in terms of contributions to and expenditures from reserves are highlighted on the following schedule.

The Multipurpose Facility Investment reserves contain the funds committed by the City for investment into the downtown multi-purpose facility (Prospera Place).

Reserve & fund equity summary

<i>(in thousands)</i>	Actual Balance Dec. 31, 2017	Projected Balance Dec. 31, 2018	Contribution to Reserve	Budget Expend	Projected Balance Dec. 31, 2019
General Fund Equity	4,652	2,565	0	0	2,565
General Reserves					
Planning Initiatives - Corporate	4,455	3,792	730	(831)	3,691
Major Facilities	8,572	8,633	966	(2,140)	7,459
Misc. Recreation Facilities	4	528	994	(100)	1,422
Park Development/Other Land	3,614	2,205	165	(135)	2,235
Upgrades/Maint. Existing Assets	9,162	7,015	522	(561)	6,976
Operating Exp. Equalization	14,084	12,543	370	(530)	12,383
Operating Rev. Equalization	7,029	5,428	233	(100)	5,561
Transportation & Drainage Capital	7,784	5,920	324	(573)	5,671
Debt Equalization Reserve	54	55	6	0	61
Multipurpose Facility Investment	6,239	6,399	160	0	6,559
Unspent Budget Reserve	18,459	5,544	0	(683)	4,861
General Reserves Sub-Total	79,455	58,061	4,471	(5,653)	56,879
Statutory (CWME, Land, Pkg)	70,978	60,125	25,094	(23,935)	61,284
Legacy Reserves	0	92,160	0	0	92,160
Water Utility Reserve/Fund Equity	31,908	3,471	3,476	(25)	6,922
SEKID Utility Reserve/Fund Equity	0	9,259	1,165	0	10,424
Sewer Utility Reserve/Fund Equity	43,555	42,512	2,986	(27)	45,470
Airport Reserve/Fund Equity	28,016	23,282	22,560	(15,334)	30,508
Natural Gas Fund Equity	4,472	0	0	0	0
Total Reserves & Fund Equity	263,037	291,434	59,752	(44,975)	306,212
Deferred Development Cost Charges	42,767	50,576	39,777	(21,765)	68,589

*Natural Gas Fund Equity was contributed to the Legacy Reserves in 2018

The Reserve and Fund Equity Summary assumes all projects budgeted will be completed in that year, however, actual expenditures on some of the larger projects may be over several years so the reserve balance at the end of 2018 and 2019 should be higher than indicated above.

Debt management

The City of Kelowna has various options available to obtain, through borrowing, funds necessary to acquire assets. The following section describes each borrowing option, the City's legal limits, and the estimated outstanding debt balances at Dec. 31, 2018.

Under the *Community Charter* (C.C.) legislation, the provincial regulations establish a limit based on the cost of servicing the aggregate liabilities of the municipality. The cost of servicing the liabilities cannot exceed 25 per cent of the total revenues for the previous year (excluding revenue received for another taxing jurisdiction, tax sharing revenues paid to another municipality, revenue from the disposition of assets, Federal or conditional grants such as water/sewer infrastructure grants and Municipal Finance Authority actuarial adjustments).

General Fund debt servicing costs

Net Debt Servicing Costs are budgeted at **\$4.5M in 2019** (3.1 per cent of taxation demand). This represents a decrease of \$1.3M from the 2018 budgeted amount.

The current net general debt (including internal financing) as a percentage of taxation demand is 4.2 per cent in 2019, as compared to 5.3 per cent of taxation demand in 2018.

Long Term Debenture (C.C. Section 174 & 179)

Long Term Debenture borrowing involves the repayment of both principal and interest over a period not to exceed 30 years. The City of Kelowna has undertaken to limit the term on long term borrowing to 20 years wherever possible. Debenture borrowing for most long-term needs requires the assent of electors through an alternative approval process and/or the passing of a referendum.

The outstanding debenture borrowing for all funds at Jan. 1 of each year, *in thousands*, is:

	2017 Balance	2018 Balance	2019 Est. Bal.
General Capital Fund	76,761	74,381	70,045
Water Utility Capital Fund	7,104	6,657	6,240
Wastewater Utility Capital Fund	26,354	20,732	14,881
Natural Gas Utility Capital Fund	8,785	4,527	0
Airport Fund	17,081	22,036	18,178
Library Fund	180	0	0
Total Debenture Debt	\$136,265	\$128,333	\$109,344

Liabilities Beyond the Current Year (C.C. Section 175)

Under an agreement, Council may incur a liability payable after the current year as long as it is not a debenture debt and the liability does not exceed the life expectancy of the activity. If the agreement is for longer than five years, or contains a right of renewal that could exceed five years, an alternative approval process must be provided. This borrowing method is used by the City of Kelowna to secure the purchase of land from a vendor.

Short Term Borrowing (C.C. Section 178)

Short Term Borrowing is used to undertake minor capital works programs and must be repaid over a period not to exceed five years. The City of Kelowna's short term borrowing legal capacity is approximately \$6.7M based on \$50 per capita and a 2019 population estimate of 133,761. The City uses this borrowing method for the upgrade or construction of facilities and the purchase and development of parks. There are no projects currently funded through short term borrowing.

Revenue Anticipation Borrowing (C.C. Section 177)

Operating loans may be required to meet current expenditures pending receipt of taxation revenue. This most often occurs in the few months prior to the annual July due date for tax payment and is repaid once tax revenue is received. To transact

operating loans, a Revenue Anticipation Borrowing By-Law must be approved by Council and is limited to 75 per cent of taxes due in the preceding year. The City of Kelowna had no operating loans outstanding at Dec. 31, 2018.

Loan Guarantees & Commitments (C.C. Section 179)

The City of Kelowna has a loan guarantee in place for the Kelowna Family Y Centre (\$1.8M). There is also a commitment to R.G Arenas (Kelowna) Ltd. to purchase community use time in the multi-purpose facility until the year 2029. A lump sum payment is required to terminate the community use agreement, with the next opportunity in 2020 to make a payment of \$6.7M.

Internal Financing

The City of Kelowna may borrow funds from its own general reserves with repayment of principal and interest in order to finance capital projects. This may relate to projects that are pending debenture issues and require interim financing or to projects that make use of reserve funds not required in the near future. There is no statutory limit to this borrowing as it is offset by existing reserve balances. It is an effective financing tool, especially when investment interest is low. Use of statutory reserves is more restricted and is not designed for lending from one reserve fund to another. There are currently four capital programs that are being internally financed and their estimated balances at the end of 2018 are:

- Mission Recreation Park Facilities - \$3M
- Protective Services Site Acquisition - \$971k
- Compost Facility Loaders - \$100k
- Curling Club - \$100k

Internal financing is also used in the Development Cost Charge program where a deficit in one reserve can be temporarily offset by a surplus in another reserve. Repayment to the reserve includes any interest charge.

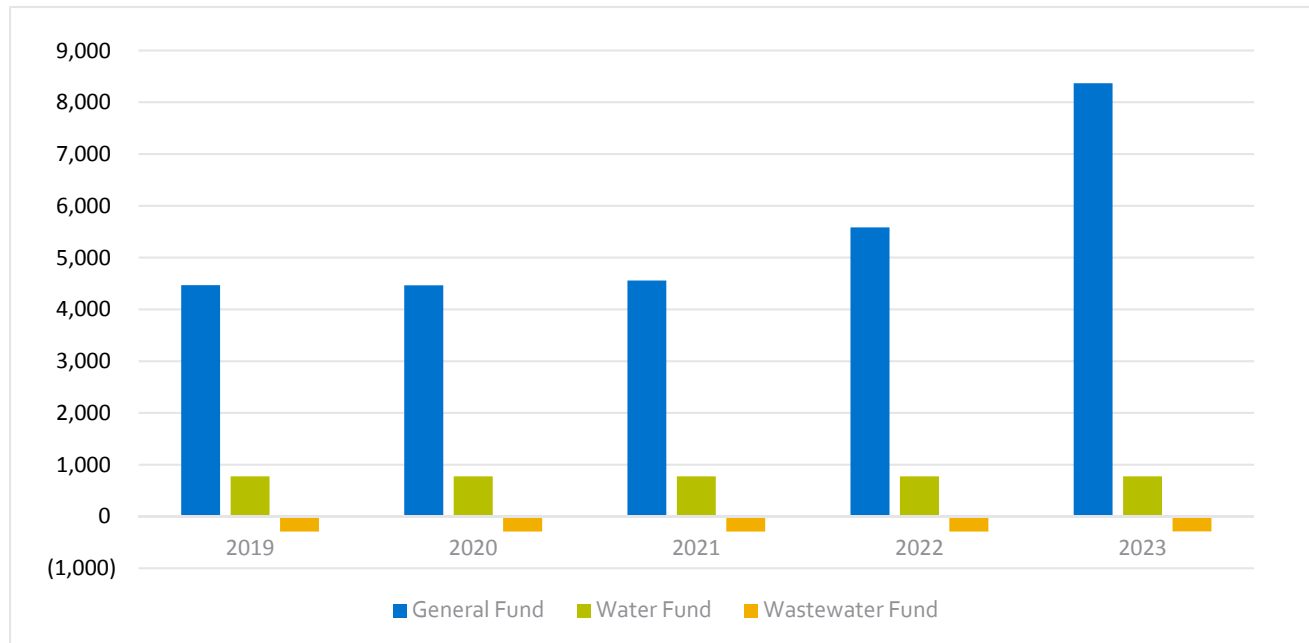
There was one borrowing drawdown in 2018 for the Police Services building. Borrowing over the next five years will be determined by the 10 Year Capital Plan.

Further detailed debt repayment information for 2019 and future years is illustrated on the following pages.

10-year debt repayment schedule (in thousands)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
General Fund										
Debenture										
Principal	3,593	3,168	3,168	3,365	4,882	5,875	6,000	6,674	6,674	5,723
Interest	2,606	2,392	2,484	3,282	4,336	4,823	5,171	5,464	5,464	4,827
Total Expenditures	6,199	5,560	5,652	6,647	9,218	10,698	11,171	12,138	12,138	10,550
Recoveries	(1,890)	(1,252)	(1,252)	(1,224)	(1,010)	(1,010)	(1,010)	(1,010)	(1,010)	(965)
Net Debenture Debt	4,309	4,308	4,400	5,423	8,208	9,688	10,161	11,128	11,128	9,585
Other Debt										
MFA Levy	8	8	8	9	9	9	9	9	9	9
Short Term Borrowing	0	0	0	0	0	0	0	0	0	0
Temporary Debt	150	150	150	150	150	150	150	150	150	150
TOTAL NET DEBT (General)	4,467	4,466	4,558	5,582	8,367	9,847	10,320	11,287	11,287	9,744
Water Fund										
Debenture										
Principal	333	335	335	335	335	334	333	333	333	333
Interest	472	473	473	473	473	473	472	472	472	472
Total Expenditures	805	808	808	808	808	807	805	805	805	805
Recoveries	(29)	(32)	(32)	(32)	(32)	(30)	(29)	(29)	(29)	(29)
Net Debenture Debt	776	776	776	776	776	777	776	776	776	776
Wastewater Fund										
Debenture										
Principal	4,174	1,596	763	763	762	762	655	381	191	191
Interest	1,822	995	622	622	621	621	551	416	293	293
Total Expenditures	5,996	2,591	1,385	1,385	1,383	1,383	1,206	797	484	484
Recoveries	(6,287)	(2,881)	(1,675)	(1,675)	(1,672)	(1,672)	(1,414)	(807)	(494)	(494)
Net Debenture Debt	(291)	(290)	(290)	(290)	(289)	(289)	(208)	(10)	(10)	(10)
Airport Fund										
Debenture										
Principal	1,897	1,897	1,897	1,934	2,828	3,051	3,237	2,598	2,521	1,972
Interest	584	584	600	1,005	1,491	1,670	1,751	1,710	1,764	1,717
Total Expenditures	2,481	2,481	2,497	2,939	4,319	4,721	4,988	4,308	4,285	3,689
Recoveries (AIF Revenue)	(2,481)	(2,481)	(2,497)	(2,939)	(4,319)	(4,721)	(4,988)	(4,308)	(4,285)	(3,689)
Net Debenture Debt	0	0	0	0	0	0	0	0	0	0
Total net debt payment	4,952	4,952	5,044	6,068	8,854	10,335	10,888	12,053	12,053	10,510

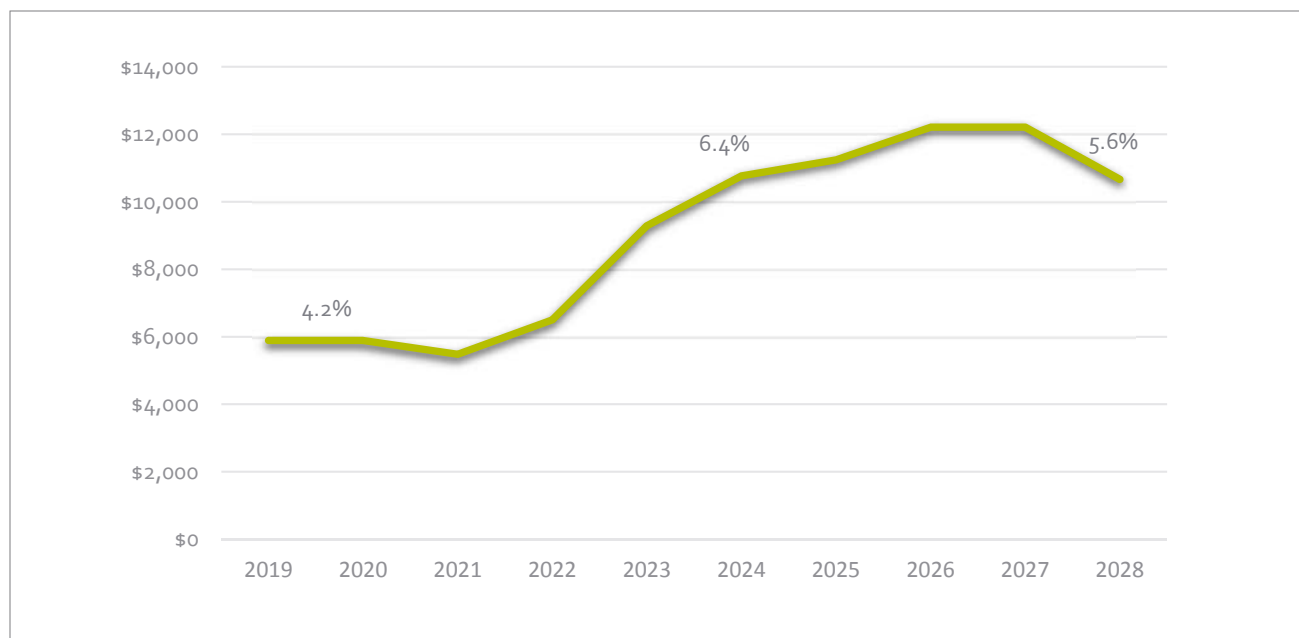
Five-year net debt repayment (*in thousands*)



Taxation funded debt (*in thousands*)

Council policy has been to limit annual net debt repayment to a maximum of 8 per cent of taxation demand. Net debt repayment for 2019 will be 4.2 per cent and anticipated to reach a maximum of 6.4 per cent over the next five years; decreasing to 5.6 per cent by 2028. This includes debt repayment for internal financing.

The following chart, *in thousands*, illustrates the annual debt repayment and the per cent of taxation for the next 10 years:

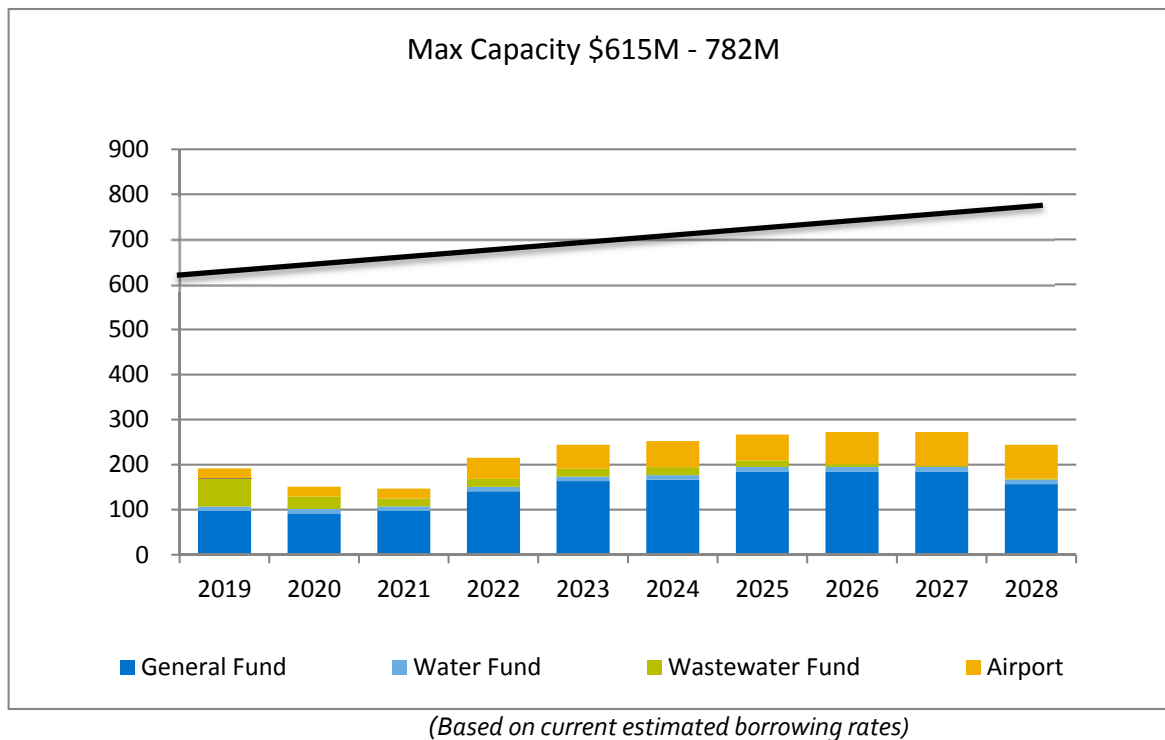


Existing Debt – All Funds

The maximum debt that can be undertaken by the City in a given year is based on 25 per cent of previous year revenues. Using 2017 revenues, the current liability servicing limit is \$70.3M of which \$32.6M of this capacity has been used, leaving an available capacity of \$37.7M. While \$32.6M represents approved debt capacity, the total debt servicing cost payable (principal and interest) is \$24.3M. The balance of \$8.3M represents guarantees and commitments as well as approved borrowings which have not been issued. Using current Municipal Finance Authority (MFA) lending rates and a 15-year repayment term the unused borrowing capacity of \$37.7M for 2019 is approximately **\$425M**.

The following chart shows the borrowing by various funds and the maximum borrowing limit by the solid line.

Existing debt & maximum borrowing



Debt charges analysis – General Fund *(in thousands)*

	Revised 2018	Provisional 2019
Debentures		
Parkade Extension & Memorial Parkade MFA 133	943	943
Local Improvements - MFA 70	4	4
Local Improvements - MFA 130	22	22
South Pandosy Spec Area 1 & 2 - MFA 71	35	35
Kokanee Gymnastic Facility - MFA 75	24	24
Chapman Parkade - MFA 78	215	215
Okanagan Gymnastics - MFA 102	45	45
Mission Aquatic Centre - MFA 102&104	1,712	1,712
DCC Roads	1,402	0
Police Facilities	2,670	2,600
Automated Collection Carts	599	599
	<u>7,671</u>	<u>6,199</u>
Debenture recoveries		
Local Improvement Levies	(26)	(26)
Kokanee Gymnastic's Repayment	(28)	(28)
- Appropriation to Major Facilities Res.	4	4
Okanagan Gymnastics	(45)	(45)
South Pandosy Spec Area 1 & 2	(35)	(35)
Parking Reserve	(1,158)	(1,158)
DCC Roads	(1,402)	0
Landfill Reserve (Auto. Carts)	(599)	(599)
	<u>(3,288)</u>	<u>(1,886)</u>
Net debenture debt	4,383	4,312
AGREEMENTS FOR SALE		
NET AGREEMENTS FOR SALE	<u>0</u>	<u>0</u>
Short term borrowing		
MFA levy	6	8
Short term recovery		
Debt Averaging Reserve		
Land Acquisition Reserve	0	0
	<u>0</u>	<u>0</u>
Net short term debt	6	8
Temporary debt		
Interest on prepaid taxes	105	125
Bank charges/local improvements	90	85
	<u>195</u>	<u>210</u>
Temporary debt - recovery		
Parking Reserve	(60)	(60)
	<u>(60)</u>	<u>(60)</u>
Net temporary debt	135	150
Net debt - General	<u>4,523</u>	<u>4,470</u>
Dollar change		(53) (1.2)%
Internal borrowing		
Mission Recreation Park Facilities (est. completion 2023)	940	940
Protective Services Property	504	504
Total including internal financing	5,967	5,914

Ongoing budget impacts – General Fund

Operating requests and expenditure reductions submitted in the Financial Plan are projected over a three-year period. This impact summary analyzes the impacts from current and prior year ongoing and one-time operating requests and expenditure reductions for dollar value changes between the current and subsequent two years. Adoption of this Provisional volume includes the approval of these changes from year-to-year.

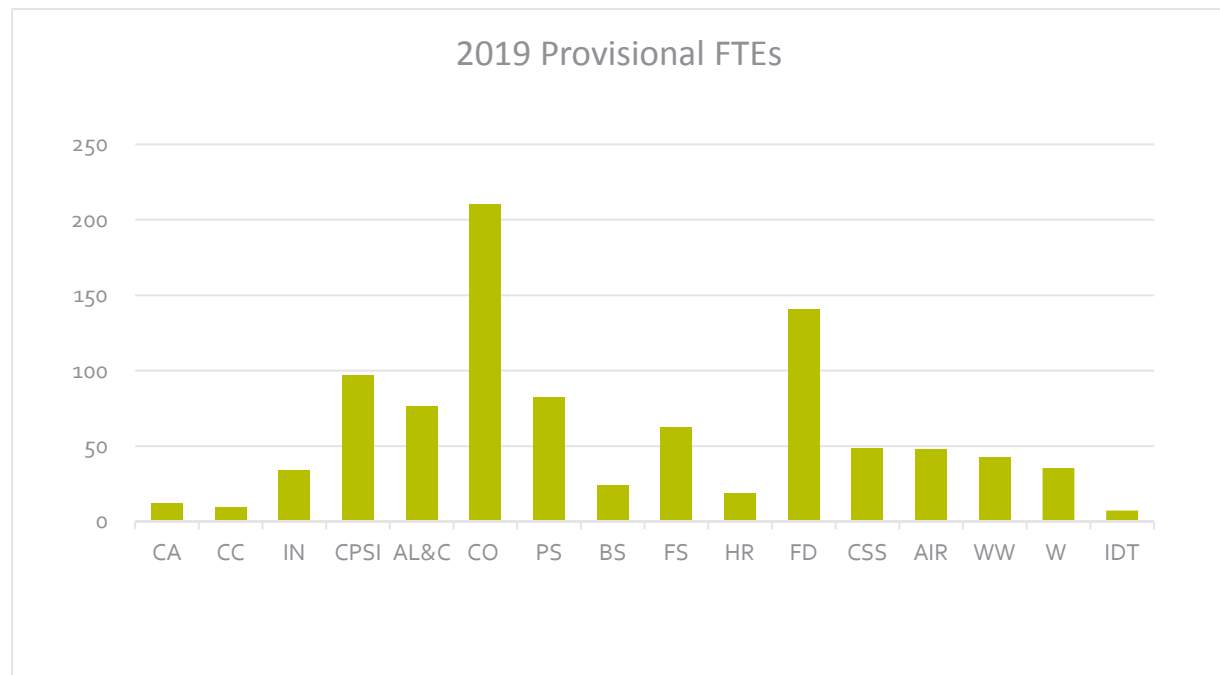
Also included are the estimated contract increase impacts on the 2020 and 2021 budget.

The impact on 2020 and 2021 from the adoption of the 2019 Financial Plan as submitted is summarized as follows:

	2020 Impact	2021 Impact	2020 Per cent Impact	2021 Per cent Impact
2019 One-time Requests	(1,016,900)	0	-0.72%	0.00%
2019 One-time Reductions	97,400	0	0.07%	0.00%
Additional Full Year Costs:				
2018 Operating Requests	23,442	0	0.02%	0.00%
2018 Reductions	0	0	0.00%	0.00%
2019 Operating Requests	737,300	60,800	0.52%	0.04%
2019 Reductions	(5,000)	0	0.00%	0.00%
Total Budget Request Impacts	(163,758)	60,800	-0.11%	0.04%
Total Infrastructure Levy Impacts	2,600,000	0	1.83%	0.00%
Estimated Contract Increases	3,333,503	3,017,345	2.35%	2.09%
Total Impacts	3,169,745	3,078,145	4.07%	2.13%

There is a 4.07 per cent increase for 2020 and a 2.13 per cent increase for 2021 before considering the impacts of borrowing or inflation.

Full-time equivalent (FTE) summary



	Budget 2017	Actual 2017	Revised 2018	Provisional 2019
General Fund				
City Administration (CA)	12.1	12.0	12.2	12.2
City Clerk (CC)	9.1	7.8	9.1	9.6
Infrastructure (IN)	30.7	33.3	32.0	33.9
Community Planning & Strategic Investments (CP&SI)	88.8	84.8	92.3	96.8
Active Living & Culture (AL&C)	77.1	80.1	76.3	76.3
Civic Operations (CO)	207.4	208.7	208.7	210.2
Police Services (PS)	74.8	75.3	79.6	82.3
Bylaw Services (BS)	19.0	20.4	21.5	24.0
Financial Services (FS)	53.0	49.9	60.5	62.5
Human Resources (HR)	16.5	19.8	17.7	18.6
Fire Department (FD)	123.0	123.8	132.0	141.0
Corporate Strategic Services (CSS)	43.3	43.8	47.2	48.8
Total General Fund	754.8	759.7	789.1	816.2
Airport & Utility Funds				
Airport (AIR)	43.8	47.3	45.5	47.7
Wastewater (WW)	40.8	41.4	42.0	43.0
Water (W)	29.6	29.3	30.5	35.5
Improvement District Transition (IDT)	0.0	0.0	7.3	7.3
Natural Gas	0.0	0.0	0.0	0.0
Total Airport & Utility Funds	114.2	118.0	125.3	133.5
Total FTEs	869.0	877.7	914.4	949.7

General Fund

City Administration

2018 Addition 0.1 FTE for additional part-time wage coverage

City Clerk

2019 Addition 0.5 FTE for Legislative Coordinator (FOI) Position operating request

Infrastructure

2017 Addition 0.7 FTE for Transit Service Coordinator Term Position operating request

Addition 3.0 FTE to transfer Transportation Engineering positions from Civic Operations

Reduction 1.0 FTE to transfer the Financial Analyst position to Financial Services

2018 Addition 0.3 FTE for annualization of the 2017 Transit Service Coordinator Term Position

Addition 1.0 FTE from various 2018 budget amendments

2019 Reduction 0.2 FTE for annualization of 2017 and 2018 operating requests

Addition 1.0 FTE for ongoing Transit Service Coordinator Position operating request

Addition 0.5 FTE for Senior Transportation Engineer Position operating request

Addition 0.5 FTE for Utility Planning Engineer Position operating request

Addition 0.1 FTE for Time Series Data Extraction from SCADA operating request

Community Planning & Strategic Investments

2017 Reduction 1.2 FTE for reversal of 2016 onetime and annualization of 2016 operating requests

Addition 0.7 FTE for Development Technician Position operating request

Addition 0.8 FTE for Planner Specialist Position operating request

Addition 1.0 FTE for Development Engineering Technologist Term Position operating request

Addition 0.4 FTE for Sustainability Coordinator Position operating request

Addition 0.3 FTE from Expansion of Parking Management - Hospital Area operating request

Addition 0.7 FTE for Business License Manager Position operating request

2018 Addition 0.8 FTE for annualization of 2017 operating requests

Addition 0.8 FTE for 2040 Official Community Plan Update Position operating request

Addition 0.4 FTE for Engineer-in-Training Position operating requests

Addition 0.5 FTE for Planner Specialist Position operating request

Addition FTE 0.5 for Building Inspector/Plan Checker Position operating request

Addition 1.0 FTE for Community Energy Specialist Term Position

Movement for Part-time Clerk Positions budget transfer, 1.0 FTE from salary to 0.5 FTE hourly

2019 Addition 0.1 FTE for annualization of 2017 operating requests

Addition 0.3 FTE for Permit Increase and 0.5 Plumbing & Gas Inspector Position operating request

Addition 1.0 FTE for Development Engineering Technologist Term Position operating request

Addition 0.8 FTE for Administrative Clerk Position - Parking Services operating request

Addition 1.0 FTE for Property Information Request with Full Time Term Position operating request

Addition 0.5 FTE for Planning Technician II Position operating request

Addition 0.3 FTE for Parking Services-Summer Student Position operating request

Addition 0.5 FTE for Environmental Coordinator Position operating request

Addition 1.0 FTE for Cannabis Regulation & Short Term Rental Compliance and Positions operating request

Reduction 1.0 FTE for Community Energy Specialist Term Position

Active Living & Culture

2017 Addition 0.2 FTE for annualization of 2016 operating requests

Addition 0.2 FTE for onetime Homeless-Serving System Strategy operating request

Addition 0.4 FTE for Partnership Manager Position operating request

Addition 14.5 FTE for Arena and Stadium Staff transferred from Civic Operations

Addition 0.8 FTE for Journey Home Strategy Governance Structure position budget amendment

2018 Reduction 1.0 FTE for reversal of 2017 onetime operating requests

Addition 0.1 FTE for annualization of Partnership Manager Position 2017 operating request

Reduction 0.1 FTE for annualization of 2017 operating request - wages

Addition 0.2 FTE for Arena/Stadium wages operating requests

- 2019 Addition 0.2 FTE for annualization of 2018 Kelowna Community Theatre - Technician Position
 Reduction 0.2 FTE for reversal of 2018 onetime request for Homeless-Serving Strategy
 Movement from Recreation Clerk Position operating request, 0.8 FTE, from hourly to salary

Civic Operations

- 2017 Reduction 0.5 FTE for onetime 2016 Special Financial Project Support Term Position operating request
 Addition 1.0 FTE for Energy Program Manager
 Addition 0.3 FTE for annualization of 2016 operating requests
 Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
 Addition 0.8 FTE for Scale House Attendant Part-time Position operating request
 Addition 0.8 FTE for Street Lighting Technologist Position operating request
 Addition 1.8 FTE from various 2017 ongoing operating requests for wages
 Reduction 0.4 FTE to allocate a Operating Clerk/First Aid Attendent position to the Utility Funds
 Addition 0.8 FTE for Performance Improvement Consultant transfer
 Reduction 3.0 FTE to transfer Transportation Engineering positions to Infrastructure Division
 Reduction 14.0 FTE to transfer Arena & Stadium Staff to Active Living & Culture
 Movement 1.0 FTE for Water Quality & Customer Care Supervisor to allocate position 0.6 FTE to Water and 0.4 FTE Wastewater
- 2018 Reduction 0.2 FTE for annualization of 2017 requests onetime and ongoing wages
 Reduction 1.8 FTE for removal of 2017 onetime budget transfers
 Addition 0.3 FTE for annualization 2017 salary operating requests
 Addition 1.0 FTE from various 2018 ongoing operating requests for wages
 Reduction 0.5 FTE from 2018 onetime reduction requests for wages
 Addition 0.8 FTE for 2018 operating request Corporate Energy Specialist Position
 Movement for Fleet Supervisor budget transfer, 1.0 FTE from hourly to salary
 Movement from Parks Reorg budget transfer, 1.0 FTE from hourly to salary
 Addition 1.5 FTE from Landfill position onetime budget transfers
 Addition 0.2 FTE from Co-op Student Research Assistant Term Position budget transfer
- 2019 Reduction 0.4 FTE for annualization of 2018 operating positions
 Reduction 1.5 FTE from 2018 Landfill position onetime budget transfers
 Addition 3.6 FTE from various 2019 ongoing operating requests for wages
 Reduction 0.2 FTE for Parks Operating Budget Reduction onetime request

Police Services

- 2017 Addition 0.2 FTE for annualization of 2016 operating requests
- 2018 Addition 0.8 FTE for Police Services Secretary Position operating request
 Addition 4.0 FTE for Police Services - Data Processor Position operating request
- 2019 Addition 0.2 FTE for annualization of 2018 operating request
 Addition 0.5 FTE for Forensic Video Analyst Position operating request
 Addition 2.0 FTE for Operational Intelligence Clerk Positions operating request

Bylaw Services

- 2017 Addition 0.1 FTE for annualization of 2016 operating requests
 Addition 0.8 FTE for Bylaw Services Enforcement Positions operating request
 Addition 0.8 FTE for Bylaw Services Enforcement Positions - Supervisor operating request
 Addition 1.0 FTE for Bylaw Enforcement Officer Seasonal Support Positions operating request
 Movement of Summer Bylaw positions, 0.8 FTE from salary to hourly
- 2018 Addition 0.4 FTE for annualization of 2017 operating requests
 Reduction 0.2 FTE for Bylaw Enforcement Clerk Position operating request
 Addition 0.3 FTE for Bylaw Enforcement Clerk Position operating requests
 Addition 2.0 FTE for Community Response Unit operating request
- 2019 Addition 2.0 FTE for annualization of 2018 operating requests
 Addition 0.5 FTE for Bylaw Enforcement Officer Position operating request

Financial Services

- 2017 Addition 0.7 FTE for annualization of 2016 operating requests
Addition 0.6 FTE for Financial Analyst Position operating request
Addition 2.0 FTE for Financial Analysts transferred from Infrastructure and Fire Department
Addition 0.2 FTE from Controller Department realignment transfer
Addition 0.5 FTE for Procurement Management Supervisor Position operating request
- 2018 Addition 1.1 FTE for annualization of 2017 operating requests
Addition 4.0 FTE from 2017 operating request Utility Billing and Property Tax System annualization
Addition 2.3 FTE for Financial Analyst Position operating request
Reduction 0.2 FTE for removal of 2017 onetime budget transfer
Addition 0.3 FTE for Senior Buyer Position operating requests
- 2019 Addition 1.7 FTE for annualization of 2018 operating requests
Reduction 0.2 FTE for Corporate Purchasing Card Program Term Position 2017 request
Addition 0.5 FTE for Financial Analyst Position - Infrastructure operating request

Human Resources

- 2017 Reduction 0.3 FTE from 2016 onetime operating request
Addition 0.2 FTE for Part-Time HR Administrative Clerk Position operating request
Addition 0.3 FTE for Term HR Recruitment Coordinator Position operating request
Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- 2018 Addition 0.4 FTE for Safety Management System Co-op Student Position operating request
Addition 0.5 FTE for Recruitment Coordinator Term Position operating request
Addition 0.1 FTE for reversal of 2017 onetime operating requests
Reduction 0.3 FTE for reversal of 2017 onetime operating requests
Addition 0.1 FTE for annualization of 2017 operating requests
Addition 0.4 FTE for Kelowna Integrated Water Project budget amendment
- 2019 Reduction 0.4 FTE to reverse 2018 onetime operating request
Addition 0.5 FTE for Security & Business Continuity Manager Position operating request
Addition 0.4 FTE for Disability and Benefits Coordinator Position operating request
Addition 0.4 FTE for General Duties Assistant Position operating request

Fire Department

- 2017 Reduction 1.0 FTE for Financial Analyst transferred to Financial Services
- 2018 Addition 9.0 FTE for Firefighters - 12 Positions operating request
- 2019 Addition 3.0 FTE for annualization of 2018 operating requests
Addition 4.0 FTE for Firefighters - Eight Positions operating request
Addition 2.0 FTE for Fire Dispatch and Casual Fire Dispatch Positions operating request

Corporate Strategic Services

- 2017 Addition 1.5 FTE for annualization of 2016 operating requests
Addition 0.5 FTE for Sponsorship & Advertising Manager Position operating request
Addition 0.5 FTE for Performance Improvement Consultant Position operating request
Addition 0.7 FTE for Communications Advisor Position operating request
Reduction 0.5 FTE from 2017 budget transfers
Addition 0.2 FTE for Part-Time Communication Consultant increase
- 2018 Addition 1.0 FTE for Communication Consultant Position operating request - salary
Reduction 0.6 FTE for Communication Consultant Position operating request - hourly
Addition 1.3 FTE for annualizing 2017 operating requests
Addition 0.5 FTE from 2017 onetime budget transfer reversals
Addition 0.3 FTE to remove Communications Advisor allocation from the Water Fund
Addition 0.8 FTE for Kelowna Integrated Water Project budget amendment
Addition 0.6 FTE from Part-time Clerk budget transfer
- 2019 Addition 0.6 FTE for annualization of 2017 operating requests
Addition 0.5 FTE for Sponsorship & Advertising Advisor Position operating request
Addition 0.5 FTE for Network Systems Analyst Position operating request

Airport and Utility Funds

Airport

- 2018 Addition 1.7 FTE for Senior Buyer, Operations Technician and Project Manager operating requests
- 2019 Addition 0.9 FTE for annualization of 2018 operating requests
- Addition 0.5 FTE for Airport Operations Technician Position operating request
- Addition 0.8 FTE for Manager of Airport Technology Position operating request

Wastewater

- 2017 Reduction 0.1 FTE for reversal of 2016 onetime operating requests
- Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- Addition 0.2 FTE for Data Radio Replacement - Wastewater operating request
- Addition 0.2 FTE for Operating Clerk/First Aid Attendent position allocation
- Addition 0.4 FTE for reallocation of Water Quality & Customer Care Supervisor
- 2018 Addition 1.1 FTE for Summer Co-op Student Position, Wastewater Operations Developer Capital
- Addition 0.1 FTE for annualization of 2017 operating requests
- 2019 Addition 0.5 FTE for annualization of 2017 and 2018 operating requests
- Addition 0.5 FTE for Wastewater Treatment I/E Technician Term Position operating request

Water

- 2017 Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- Addition 0.2 FTE for Data Radio Replacement - Water and Vintage Terrace Pressure Reducing Station
- Addition 0.6 FTE for reallocation of Water Quality & Customer Care Supervisor
- Addition 0.2 FTE for Operating Clerk/First Aid Attendent position
- 2018 Reduction 0.4 FTE to remove Communications Advisor water allocation
- Addition 0.1 FTE for annualization of 2017 operating requests
- Addition 1.2 FTE for various 2018 operating requests
- 2019 Addition 1.1 FTE for annualization of 2017 and 2018 operating requests
- Addition 2.4 FTE for Domestic Water System Expansion (SEKID) Operating Costs and Positions operating
- Addition 1.5 FTE for Water Meter Reading and Servicing Repatriation with Positions operating request

Improvement District Transition

- 2018 Addition 4.3 FTE from SEKID Transition Operating Expense budget transfer - hourly
- Addition 3.0 FTE from SEKID Transition Operating Expense budget transfer - salary

Basis of accounting/budgeting

Basis of accounting

Definition

The basis of accounting refers to when revenues and expenditures are recognized (recorded) in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The focus within the budget process is that all interfund transactions are budgeted, but in the financial statements all material interfund entries are eliminated in preparation of the consolidated financial statements.

Modified accrual basis of accounting

City of Kelowna revenues and expenditures are recognized on a modified accrual basis of accounting. Revenues and related accounts receivable are recognized in the accounting period in which they become earned and measurable.

- Expenditures are recognized in the accounting period in which the liability is incurred.
- Inventory is valued at the lower of cost or replacement cost.
- Temporary investments are recorded at cost.
- Tangible capital assets on the balance sheet will be shown at cost, less amortization, less disposal.
- Tangible capital assets will be written down when non-contributing.
- Amortization and write-downs of tangible capital assets will be a charge against annual income.

Basis of budgeting

The basis of budgeting is also on the modified accrual basis. The acquisition of capital assets and the repayment of long term debt are considered as expenditures in Municipal Fund Accounting and are required to be included in the Financial Plan. Revenues are budgeted in the year they become measurable and available to finance expenditures. Proceeds from borrowing are considered to be revenues. Proceeds from the sale of assets are considered to be revenues and the related gain or loss is not.

Financial principles & strategies

The City defines financial strength and stability as “the ability to acquire and manage a portfolio of financial and physical assets that meet the current and future needs of our community.”

This is the goal. The principles and strategies will guide decision-making within the City and help to realize this goal and, ultimately, the vision for Kelowna.

The five financial principles are for the City to be:



These principles serve as a basis against which the financial strategies that are outlined below can be tested, reviewed and updated as needed.

Strategies

The financial strategies that will help us meet our financial goals fall under 10 categories:

Assets – new

- Expenditures for new assets will be prioritized based on social, economic and environmental factors and life cycle cost implications.
- Emergent opportunities will be evaluated against existing priorities.
- Investment in new assets should follow the long-term capital plan.
- The decision-making process for new asset investment will be documented, transparent and clearly communicated to Council, staff and the community.

Assets – renew

- The City will invest in existing infrastructure renewal in accordance with the long-term capital plan.
- Funding for asset renewal will be balanced against service levels and risk tolerance.
- Life cycle costs should be managed through preventative maintenance and renewal strategies.

Debt

- General Fund debt servicing costs will be maintained at or below a targeted level of annual taxation demand.
- The City's debt capacity will be preserved by limiting the use of debt to fund only one-time major capital projects.
- If possible and when beneficial, debt will be paid down earlier.
- Financing for less than a five-year term will be completed through internal financing.
- Impacts on overall City debt levels from “self-funded” cost centres and Funds will be reviewed and understood.

Development financing

- Developers will pay their fair share for growth-related infrastructure through DCCs and other tools.
- Where appropriate, other funding can be used to provide additional capacity over and above the current OCP horizon.
- Taxation-funded DCC's through grant programs may be used to encourage economic development and community projects.

Grants

- Grants will only be pursued for the City's priority projects.
- Grant funding will not increase the scope of a project without Council endorsement.
- Annual project funding must be sufficient without conditional grants.
- Long-term financial planning will rely on unconditional grant opportunities only.

Operations

- All services, including new services, must be aligned with the City's priorities and reviewed regularly.
- The full financial cost of service and staff requirements will be understood by Council and administration.
- Future changes in operating costs, including personnel resourcing requirements, will be considered in long-term capital and financial planning.
- Ongoing operating activities will only be funded through taxes, fees and charges.

Partnerships & enterprise

- The City will pragmatically partner with other entities to deliver community services and amenities.
- The City will explore access to new sources of capital and revenue streams.
- The City will leverage existing assets to attract private sector involvement.
- The City will leverage the expertise of outside partners.
- Services from partnerships will be reviewed regularly to ensure the needs of the City continue to be met.
- The City supports organizations within the community that enhance the quality of life.

Property taxation

- Property taxes will remain as stable as possible over time.
- Property taxes will be comparative with similar communities.
- Increases to property taxes will be balanced among assessment classes.
- Property tax information will be transparent and easy to understand.
- Property taxes will reflect the infrastructure, services and service levels that the community believes are important.

Reserves & surplus funds

- The purpose of each reserve will be documented and reviewed regularly.
- Ongoing operating requests will not be funded from reserves.
- Accumulated surplus will only be used as an emergency funding source.

User fees & charges

- Everyone will pay a fair amount for the services they receive.
- Services will be reasonably accessible by all citizens.
- User fees will be transparent and easy to understand.

For more information, go to kelowna.ca and search for financial principles and strategies.

Policies

There are various policies adopted by Council or long-standing principles that guide the City of Kelowna and are used in the preparation of the Financial Plan. During 2018 the City undertook a project to review, update and consolidate financial policies. The project is estimated to be completed during 2019.

Financial planning policies

Balanced Budget | The Financial Plan is developed for the City of Kelowna to operate within its means. Each department is expected to operate within the limits of the financial resources identified, maintaining a balanced budget for the year. The Utility Funds will have planned deficits some years based on large capital projects in that year. When over-expenditures are known the department must first investigate transfer of budget from other sources within their area. Use of surplus or reserve accounts is available under special circumstances to cover budget shortfalls.

Long Range Planning | The Community Charter mandates that a Five-Year Financial Plan is prepared. The plan contains current year operating and capital costs along with projected future costs. It includes estimated operating costs and revenues of future capital improvements. The plan is adopted by bylaw in May after Final Budget requests are considered by Council. Ten-year utility models are prepared that provide details for the overall Financial Plan. The 20-Year Servicing Plan and Financing Strategy also provides capital details for the long term plans. Development cost charge rates are based on the requirements of the 20-Year Servicing Plan. Ten-year models are developed for the utilities to ensure that rates and fees are set at a level that allows the funds to be self-supporting (without taxation assistance). There is a strong link between the various plans as they flow from the future right into the current year requirements.

Asset Inventory | Civic facilities are reviewed on an annual basis to determine the requirements for maintaining the asset. Funding is included in the base operating budget in Building Services which supports maintenance projects. The amount included in the base is reviewed annually to ensure it is adequate to address the facilities requirements.

A portion of the road network is assessed each year under the Pavement Management Program. The condition assessment is updated and a listing of priority road improvements for the next five years is prepared. Works are coordinated with the various utilities to provide the most cost effective service with the least disruption on the community.

Water, wastewater and storm drainage systems are reviewed annually to determine the priority for replacement of the older infrastructure.

The PSAB (Public Sector Accounting Board) Section PS 3150 outlines standards on how to account for and report tangible capital assets in government financial statements. Department requests are measured against Tangible Asset Criteria and where they do not meet the criteria, are reported as operating expenses of the current year.

Revenue & expenditure policies

Revenue | A diversity of revenue sources is encouraged and appropriate recovery levels should be established for municipal services. The level of community resources that the City dedicates toward municipal services should be directly related to the extent of benefit to the community and the City's ability to pay. Higher rates of cost recovery for certain services will be achieved by charging fair market value for services when it is appropriate to do so and by using prudent cost control measures. Fees and charges should be reviewed annually for the level of cost recovery and reasons for not recovering full costs should be identified and explained.

One time revenues should not be used for ongoing costs except in the case of startup costs for a new program. These programs should be carefully reviewed and justified through the budget process.

Expenditure | Regular monthly and annual financial reports are prepared that compare the actual revenues and expenditures to budgeted amounts. These reports are distributed to management at various times of the year. Budget must be in place for all expenditures at the Division level for operating costs and at the program level for capital projects. An expenditure may be made for an emergency that was not contemplated in the financial plan but the plan must be amended, as soon as practical, to include the expenditure and the funding source.

Debt | All borrowing, debt, or liabilities must adhere to legislative requirements and be in compliance with the relevant Community Charter regulations. Debt must only be undertaken if it balances sustainability, flexibility and will not be used to fund current operating expenses. Debt is one component of capital financing structure and must be integrated into realistic long term financial plans. For capital financing, it is preferred that the debt term be less than the probable life of the asset, if it is affordable. The maximum debt servicing should not exceed 15 per cent of City own source revenues or eight per cent of annual tax demand and cannot exceed debt servicing limits established by the Province.

Reserves | The City will maintain a surplus account within the general fund of five per cent of the previous year's taxation requirement to assist with the expenses of unforeseen emergencies and to ensure a continued strong financial position. Additional reserve accounts should be maintained for revenue and expenditure stabilization including reserves for snow removal/street cleaning, flood control, insurance deductible and permit revenue averaging. Under expenditures in these areas should be placed into reserve at year end and over expenditures should be funded from the reserve to avoid the requirement to reduce service levels or raise taxes/fees for a temporary issue.

Surplus Allocation | Any surplus generated in a year will be allocated to reserves as recommended by the City's Audit Committee. Consideration to be given to the requirements identified in the 2030 Infrastructure Plan, the area where the surplus was generated, future capital requirements or to offset funding shortfalls from other anticipated funding sources.

Investment & cash management policies

The City will maintain sufficient short term liquid assets to enable it to meet its annual operating budget as required. Due to the uncertain nature of future expenses, the portfolio will focus on high quality, liquid securities. The goal is to maximize the investment return on the fund, while ensuring that the liquidity, quality and diversification requirements are satisfied. The primary performance objective is to achieve a rate of return greater than the Canada Consumer Price Index for all items. Additionally, the fund's performance should match or exceed the Municipal Finance Authority of BC Intermediate Fund and Money Market Fund for the same period. Permitted investments in the fund are eligible securities defined in Section 183 of the Community Charter and investments in internally financed City of Kelowna projects. The portfolio of invested funds will be diversified into AAA, AA, or A rating investments and is restricted to a maximum of 60% A rated investments. Maximum exposure to a single government (Government of Canada, BC MFA, Provincial, and Municipal) or corporation, as a per cent of the total portfolio will be as follows:

Rating	Government	Corporation
AAA	70%	40%
AA	50%	30%
A	30%	20%

In addition, the maximum exposure for a single internally financed project is 15 per cent of the total portfolio and the maximum exposure for all internally financed projects is 30 per cent of the total portfolio. Funds will also not be borrowed to acquire securities or otherwise deal in margin trading. Reports on the fund's performance will be provided annually to Council in the first quarter of the following year and will include investment information on: cash assets relating to cash flow demands of the City, the City Cemetery Care Maintenance Funds and the Legacy Fund.

Previous Councils have approved the 10 major corporate strategies identified below that provide direction for long term capital plans and thus for the capital component of the current Financial Plan.

These strategies are:

- **Park Acquisition Strategy** | This plan provides for the park land acquisition standard of 2.2 hectares per thousand of population and the acquisition of natural space by means other than cash outlay.
- **Parks Development Strategy** | Parks development costs will be a function of the capital allocation deemed reasonable annually and are to be shared by the community rather than through increased development cost charge fees.
- **Waterfront Amenities Strategy** | An annual allocation is provided for some waterfront land acquisitions but the emphasis is on private enterprise or community contributions to develop other amenities.
- **Major Recreational Facilities Strategy** | Major recreational/cultural facilities are budgeted with substantial emphasis on funding from public private partnerships, public sector partnering and other contributions. Pay-as-you-go capital and reserve funding will be required to minimize long-term debt financing.
- **Civic Buildings Strategy** | Buildings will be planned and constructed as required, subject to funding availability, with a focus on Public Private Partnerships in the development of these future civic buildings.
- **Pavement Management Strategy** | Annual general revenue contributions are to increase from the baseline of \$1.9M over the 10-year program to achieve an overall roads condition of 73 out of 100.
- **Storm Drainage Retrofit Strategy** | Annual general revenue contribution of \$1.6M to this program over the 10-year plan.
- **Generation/Disposition of Surplus Strategy** | \$1.0M is to be allocated to reserves each year from annual surplus in order to mitigate the need for abnormal tax increases or incurring of new debt and to provide for capital expenditure opportunities which might otherwise require an alternative approval and/or referendum process.
- **Capital Pay-As-You-Go Strategy** | 40 cent of new construction taxation revenue each year is to be allocated to capital, increasing the percentage of capital to Municipal Taxation to a maximum of 30 per cent.
- **Debt Management Strategy** | The existing strategy of using alternative funding for discretionary expenditures, capitalizing on debt reduction opportunities and using short term borrowing and agreements for sale has been maintained. Maximum debt servicing should not exceed eight per cent of annual taxation demand.

Budget process

City plans that influence the budget are:

- Council Priorities
- Official Community Plan
- 10-Year Capital Plan
- 2030 Infrastructure Plan
- 20-Year Servicing Plan
- Community Trends report

Input from City staff, City Council, outside agencies funded by the City, citizens, and various City committees all helps to build a solid annual and five-year financial plan that meets the needs of our growing community.

Budget cycle & timeline

The City uses a line item approach to budgeting, supplemented with program budgets in operational, service-oriented departments. Base budgets are subject to annual review and scrutiny to identify need in relation to approved service level requirements.

A year-round process

The fiscal year begins Jan. 1 and ends Dec. 31. City budgeting is a near year-round process.

Beginning in August of each year, all divisions prepare department goals and objectives for the upcoming budget year, followed by preparation for review and analysis of budget requirements. Financial Services reviews base budget adjustments, operating requests, expenditure reductions and capital budget requests.

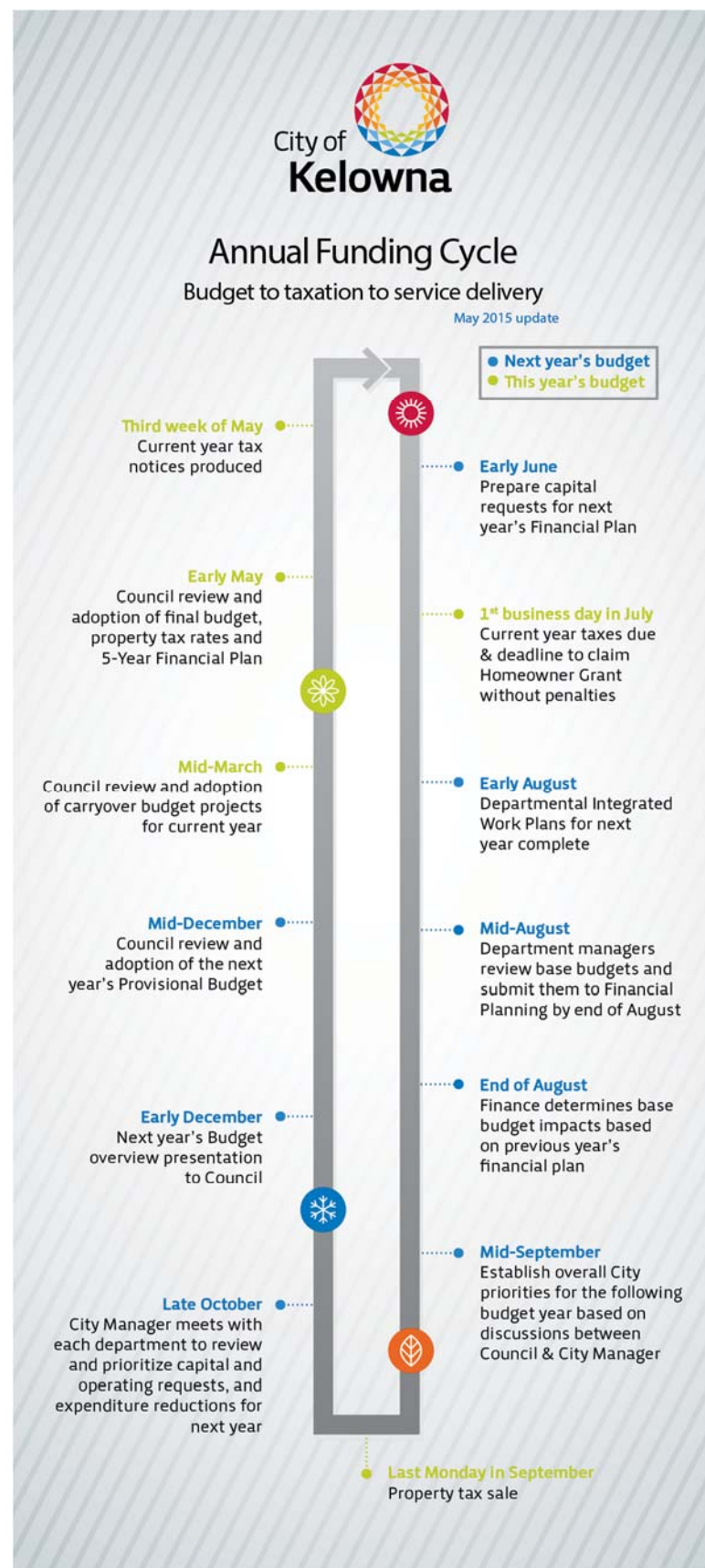
In October, the City Manager meets with each division to go over budget adjustments and requests. After this review, requests are ranked on a City-wide basis and reviewed by Senior Management.

The divisional information and budget requests are consolidated into the Provisional Financial Plan and prepared for review by Council in mid-December.

Projects not completed in the previous year (carryovers) are reviewed by Council in March after accounts are finalized at year-end.

Final adjustments to the Financial Plan, including requisition amounts from other taxing jurisdictions, are reviewed by Council in late April. The final Financial Plan and appropriate Tax Rate Bylaws are adopted by May 15.

The budget cycle is also guided by the requirements of the Community Charter as described in [Section 165](#) and [Section 166](#).



Budget transfers & amendments

As per section 165 (2) of the Community Charter, the Financial Plan may be amended by bylaw at any time. A bylaw amendment is planned for April 2019 for changes to the Financial Plan for all 2018 year-end requirements. Council Policies 261 & 262 cover the budget transfer and amendment procedures. A formal policy is in place to ensure that the City's overall internal control objectives are maintained and that there are no material changes to the original budget approved by Council. Appropriate signatures and back-up documentation are required with the transfer or amendment forms.

Budget transfers involve the re-allocation of existing approved budget and do not change the overall budget total. Operating budget transfers in excess of \$50,000 and capital transfers greater than \$75,000 must be approved by the City Manager. Council approval is required to cancel an approved project or to add a new capital project greater than \$15,000. Budget amendments do increase the City's budget total and must be approved by Council prior to entry.

2019 budget calendar

Description	Required Date
2018	
Prepare capital requests for 2019 Financial Plan	June 12
Departmental Work Plans complete	Aug. 17
Establish City priorities for the 2019 budget year, based on discussion with Council & City Manager	Sept. 6
City Manager meets with each department to review and prioritize capital requests, supplements, and expenditure reductions	Oct. 10-12
Council receives overview presentation of the Provisional 2019 Financial Plan	Dec.10
Council reviews and adopts the Provisional 2019 Financial Plan	Dec. 13
2019	
Council reviews and adopts carryover projects from 2018	March 18
Council reviews and adopts final budget requests, property tax rates and the five-year Financial Plan	April 29

Prioritization

There are two priority levels used for operating requests and expenditure reductions:

- **Priority 1 (P1)** items are required to maintain the current level or standard of service, or is required to facilitate good management practices, and
- **Priority 2 (P2)** items improve or enhance the current level of service; however, the item has been omitted from the budget totals in order to present an acceptable level of general tax demand/utility user rate.

P1 requests are included in the division totals but the P2 requests are not. The priority of each operating request is included in the top right-hand corner of the page. Requests are shown as one-, two- or three-year financial impacts and are marked as ongoing or one-time costs. Changes in years two or three of ongoing requests are made to the base budget of future years.

Capital requests are only marked as P1 or P2. There are no ongoing capital requests. Multi-year capital projects may be budgeted in their entirety or in phases.

Budget development

The City of Kelowna's annual budget aims for a balance between setting a reasonable tax rate and delivering services expected by residents and businesses. As the City is limited by the amount of resources available, the budget helps in determining which objectives have the highest priority and will produce the greatest positive impact in the community.

Every year City Council, the City Manager and City staff work together to develop the annual budget. Several plans are used as the basis for the development of the Financial Plan, including the Official Community Plan (OCP), 2030 Infrastructure Plan, 20-year Servicing Plan, 10-year Capital Plan and Council Priorities.

Linking to strategic plans

All operating and capital requests strive to support the Corporate Framework and Council Priorities. Therefore, each request has been specifically identified with a link to either a Corporate Framework goal and/or Council Priority.

Divisional Directors have outlined the drivers that guide their departments and managers have provided their action plans, or activities, that will be undertaken in the current year to support the Corporate Framework and priorities of Council. These "drivers and activities" can be found in the first few pages of each Division's operating section and are tied back to a specific goal. Through the use of department work plans, the City will embark on a purposeful effort to effectively coordinate human and financial resources to achieve the priorities as set by Council and the community.

Performance measurement

The City of Kelowna has initiated an enhanced corporate-wide performance measurement program for integration into the annual Financial Plan and Annual Report. The Province of British Columbia has mandated the requirement under the Community Charter for reporting with annual objectives and measures. Performance measurement is a process for determining how a program is accomplishing its mission through the delivery of products, services or processes. It is government's way of determining if it is providing a quality product at a reasonable cost. For City staff performance measurement is a process for continuous improvement.

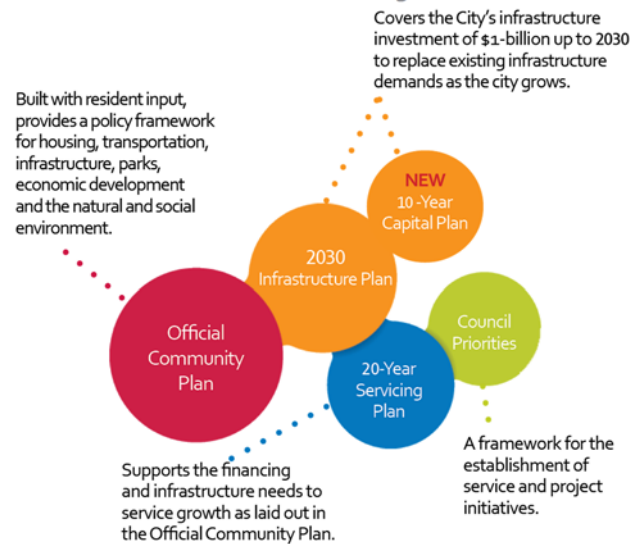
Performance measurement is an ongoing program being developed in multiple phases. It is an evolutionary process that will improve with experience. A complete and effective system of performance measurement will require years of consistent, incremental work efforts.

The performance measurement program provides information by division/department under six measurement categories:

- Program Inputs
- Outputs (Activity levels)
- Outcome (Results)
- Process Efficiency (Productivity)
- Customer Service
- Innovation & Learning

The performance measurement program will, at all times, strive for consistency with the City's Corporate Framework and Council's priorities.

Plans that Influence the Budget



The reporting on corporate performance measures developed as part of the financial planning process is to be included in the City of Kelowna Annual Report. This report is to be provided to City Council before June 30 of the following year and presented to a public forum, in accordance with the provisions of the provincial government's Community Charter.

Within each Division/Department there are current-year strategic activities that are linked to Corporate Framework goals and/or Council Priorities. These relate to project-type works that are planned for 2019.

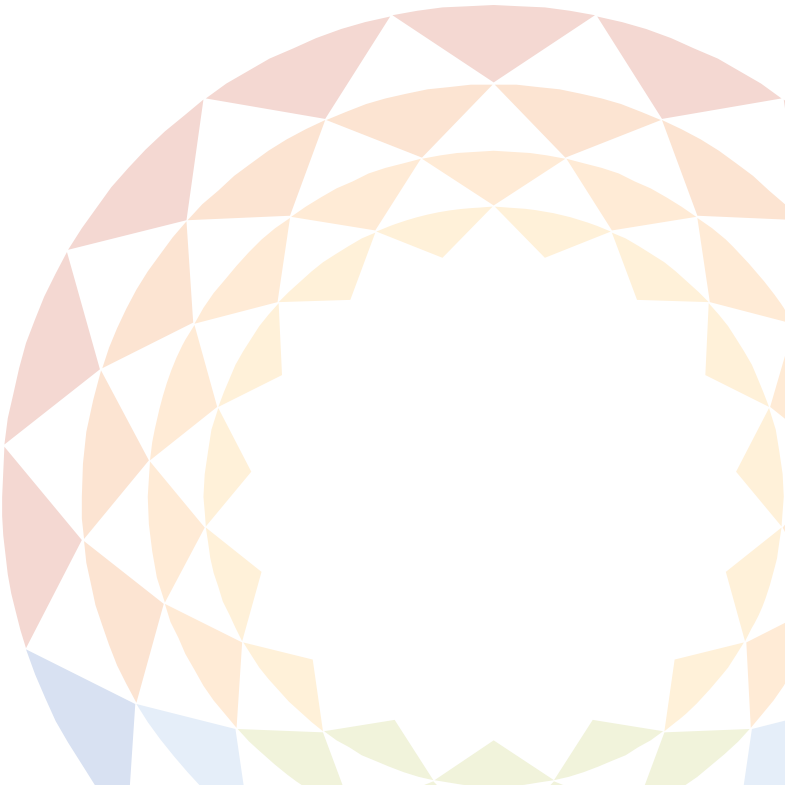
Following a description of the various Division functions, there is a performance measurement section that deals with the ongoing programs in each area, measured on a three-year basis. These categories will be described in further detail:

- Program Input Measures – addresses the question of what amount of resources are needed to provide a particular program or service.
- Program Outputs – define the activities or units of service provided, measure quantity of service.
- Program Outcomes – focus on results to determine if the service is meeting its proposed goals. They measure the quality or effectiveness of public programs.
- Efficiency Measures – measure the cost per unit of output or outcome. Used to determine productivity trends and provide an indication of the cost effectiveness of a program. These can be expressed as ratios of outputs or outcomes to inputs.
- Customer Satisfaction – based on feedback received from City customers, typically relate to customer satisfaction surveys or complaint receipt.
- Innovation and Learning – to encourage continuous improvement through learning, targeting knowledge and skills as a long term investment.

It is important to strive for a balance of measures for each program area. Measures are to be meaningful and significant and relate directly to the City's mission and goals.

This page was intentionally left blank

Financial Summaries



This page was intentionally left blank

FINANCIAL SUMMARIES

2019 Financial Plan summary

The following table reports the actual results for the previous year, the revised budget for the current year, and the proposed budget for the Financial Plan year. The net impact to property owners, or the change to the property tax rate, is based on the annual taxation demand less the new construction tax revenue.

	Actual 2017	Revised 2018	Provisional 2019
General revenues	(12,124,895)	(12,406,798)	(11,198,829)
Net operating budget	125,344,687	133,223,025	139,413,450
2017 surplus	2,085,926		
Pay-as-you-go capital	11,778,139	12,664,940	13,638,900
Taxation demand	127,083,857	133,481,167	141,853,521
New construction tax revenue	(2,600,000)	(2,600,000)	(2,500,000)
Infrastructure Levy			1.95%
Other			2.45%
Net property owner impact	3.84%	2.99%	4.40%

Analysis of tax demand

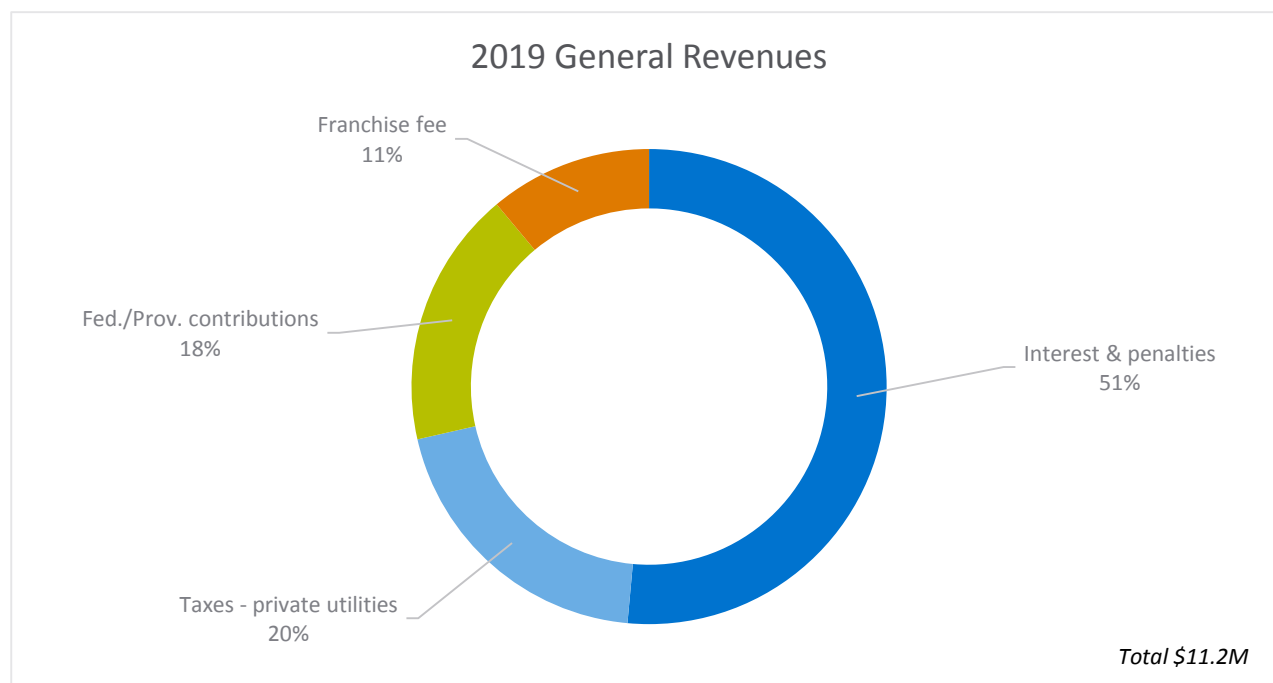
This next table goes into further detail comparing the proposed property owner impact to the previous year and provides the percentage change.

	2018	2019	Change	% change
Gross departmental operating expenditures	231,247,419	233,439,798	2,192,379	0.95%
Net departmental revenue	(102,547,789)	(98,496,711)	4,051,078	(3.95%)
Net departmental operating expenditure	128,699,630	134,943,087	6,243,457	4.85%
Net general debt	4,523,395	4,470,363	(53,032)	(1.17%)
Capital expenditures from general taxation	12,664,940	13,638,900	973,960	7.69%
General revenue	(12,406,798)	(11,198,829)	1,207,969	(9.74%)
Gross tax demand	133,481,167	141,853,521	8,372,354	6.27%
Less estimated new construction revenue	(2,600,000)	(2,500,000)		
Net property owner impact	2.99%	4.40%		1.41%

Revenues & expenditures

General revenues

The City of Kelowna receives revenues from various sources. The graph below summarizes the City's general revenues type by percentage.



The table below details the dollar value of City's general revenues (by type) and includes property taxation revenue.

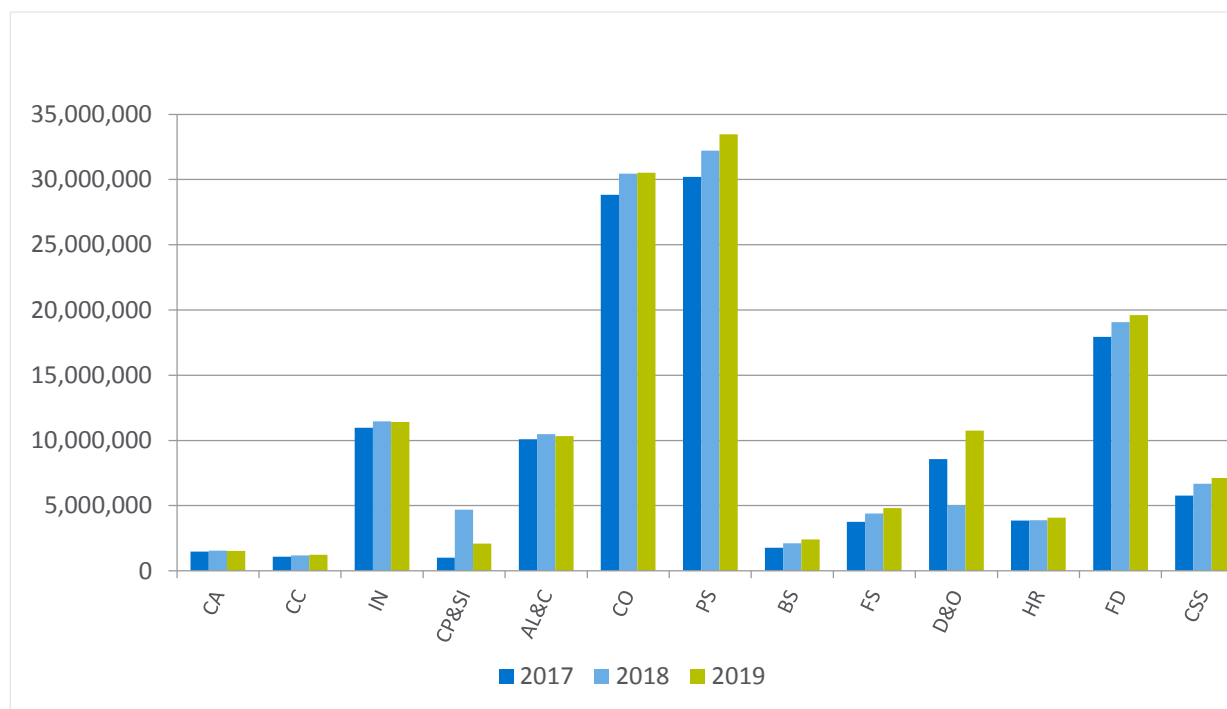
	Actual 2017	Revised 2018	Provisional 2019
Taxes - private utilities	2,084,023	2,089,989	2,261,989
Licences & permits	1,519,491	1,503,900	40,100
Franchise fee	1,029,095	1,254,100	1,254,750
Interest & penalties	5,551,296	5,764,050	5,824,050
Miscellaneous revenues	(19,038)	(164,032)	(161,151)
Fed./Prov. contributions	1,940,028	1,938,791	1,979,091
Municipal contributions	20,000	20,000	0
Total General Revenues	12,124,895	12,406,798	11,198,829
Property taxation	127,083,857	133,481,167	141,853,521
Total General Revenues & taxation	139,208,752	145,887,965	153,052,350

For 2019, Business Licence revenue has been moved to Community Planning & Strategic Investment division (\$1.5M)

General Fund – net operating expenditure by division

The Financial Plan expenditure analysis uses divisional reporting with the exception of Fire, Police Services and Debt & Other. Depicted in the graph and table below are the net operating expenditures of each over the three-year period.

Net expenditures by year



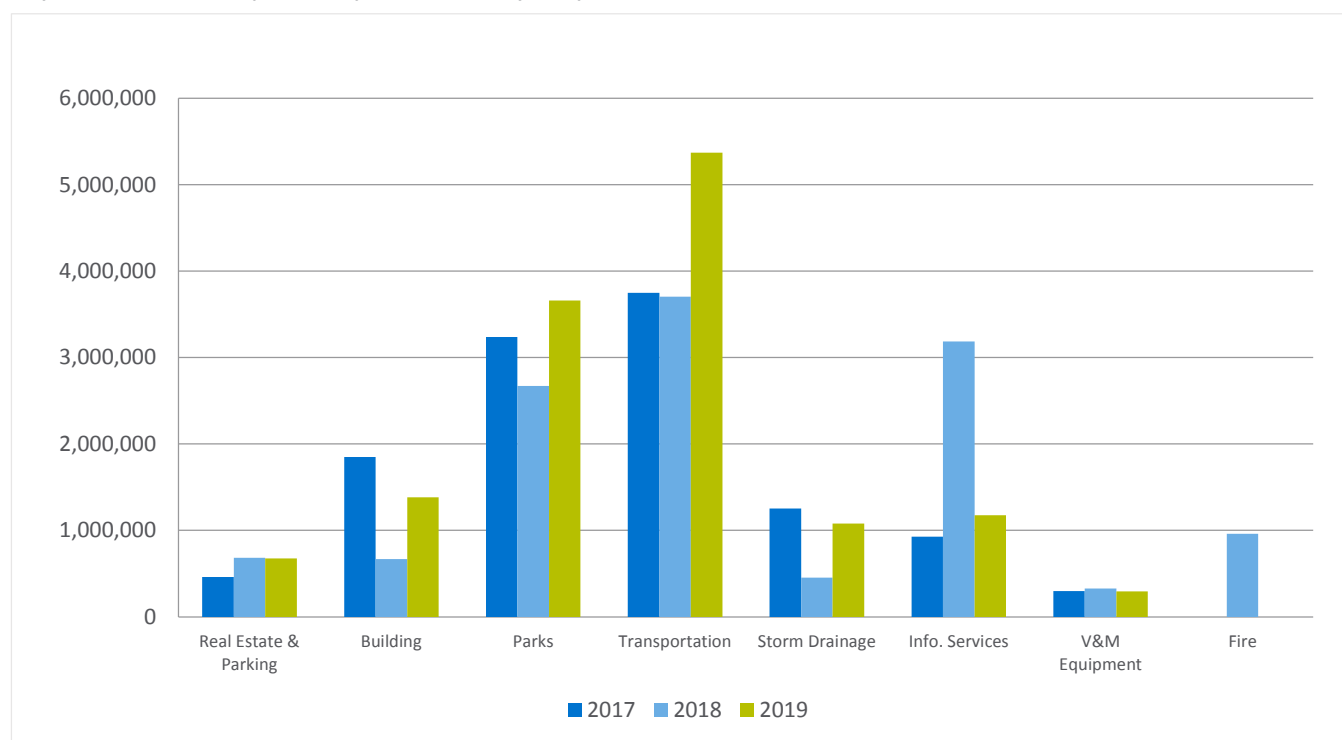
	Actual 2017	Revised 2018	Provisional 2019
City Administration (CA)	1,489,057	1,561,360	1,526,085
City Clerk (CC)	1,076,600	1,174,364	1,244,264
Infrastructure (IN)	10,983,892	11,474,426	11,421,607
Community Planning & Strategic Investments (CP&SI)	1,012,357	4,684,457	2,090,932
Active Living & Culture (AL&C)	10,094,106	10,478,041	10,332,217
Civic Operations (CO)	28,828,739	30,455,279	30,515,636
Police Services (PS)	30,197,101	32,221,547	33,471,617
Bylaw Services (BS)	1,774,790	2,126,160	2,420,460
Financial Services (FS)	3,765,936	4,393,235	4,820,569
Debt & Other (D&O)	8,563,006	5,036,064	10,748,571
Human Resources (HR)	3,856,491	3,871,399	4,084,309
Fire Department (FD)	17,928,682	19,073,333	19,607,153
Corporate Strategic Services (CSS)	5,773,930	6,673,360	7,130,030
Total Division Net Operating Exp.	125,344,687	133,223,025	139,413,450

* City Administration includes City Management and Mayor & Council

General Fund – taxation capital summary

The taxation capital summary information below is separated into eight capital infrastructure departments. The graph and table illustrate total tax capital expenditures of each infrastructure cost centre over a three-year period showing the actual amount used in the previous year, the revised budget of the current year, and the proposed use for the Financial Plan year.

Pay-As-You-Go Capital Expenditure by Department



	Actual 2017	Revised 2018	Provisional 2019
Real Estate & Parking	460,004	684,000	676,000
Building	1,848,299	670,000	1,384,100
Parks	3,238,945	2,672,950	3,659,900
Transportation	3,748,440	3,705,990	5,368,800
Storm Drainage	1,255,304	455,000	1,080,000
Information Services	929,396	3,187,000	1,176,600
Vehicle & Mobile Equipment	297,751	328,000	293,500
Fire	0	962,000	0
Total Taxation Capital	11,778,139	12,664,940	13,638,900

General Fund excluding General Revenue Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	(156,027)	(3,736)	(3,732)
Parcel Tax	(34,867)	(34,867)	(34,867)
Fees and Charges	(67,689,728)	(59,369,355)	(61,960,666)
Other Revenue	(32,485,688)	(36,585,802)	(35,192,358)
Transfers from Funds			
Special (Stat Reserve) Funds	(1,294,652)	(1,636,769)	(1,187,646)
Development Cost Charges	(1,401,826)	(2,055,696)	(653,870)
Accumulated Surplus	(2,368,385)	(6,213,725)	(1,413,900)
Total Revenue	(105,431,173)	(105,899,950)	(100,447,039)
<u>Expenditures</u>			
Salaries and Wages	70,036,855	75,404,894	77,078,028
Internal Equipment	7,587,057	6,374,140	6,484,543
Material and Other	39,186,342	50,166,376	37,741,807
Contract Services	68,475,703	72,161,112	74,379,094
Debt Interest	3,767,028	3,372,925	2,730,914
Debt Principal	4,305,937	5,151,507	4,338,653
Internal Allocations	2,478,618	2,572,342	2,660,666
Transfers to Funds			
Special (Stat Reserve) Funds	23,363,691	19,457,189	26,366,625
Development Cost Charges	0	0	0
Accumulated Surplus	11,574,629	4,462,490	8,080,159
Total Expenditures	230,775,860	239,122,975	239,860,489
Net Operating Expenditures	125,344,687	133,223,025	139,413,450
<u>Capital Expenditures</u>			
Gross Expenditures	66,080,862	104,973,630	60,939,400
Other Funding Sources	(54,302,723)	(92,308,690)	(47,300,500)
Taxation Capital	11,778,139	12,664,940	13,638,900
Net Operating & Tax Capital Exp.	137,122,826	145,887,965	153,052,350

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	490.7	467.8	521.6	541.1
Hourly	264.1	291.9	267.5	275.1

Utility Funds

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(3,158,776)	(3,143,973)	(3,152,981)
Fees and Charges	(64,269,376)	(67,387,640)	(69,878,000)
Other Revenue	(2,897,976)	(2,241,815)	(2,601,733)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	(5,461,365)	(5,461,365)	(4,971,365)
Accumulated Surplus	(5,763,561)	(9,549,597)	(5,958,609)
Total Revenue	(81,551,054)	(87,784,390)	(86,562,688)
<u>Expenditures</u>			
Salaries and Wages	10,133,886	11,828,216	12,786,311
Internal Equipment	1,140,903	1,178,087	1,382,915
Material and Other	13,537,963	15,490,911	17,610,154
Contract Services	568,030	633,765	650,690
Debt Interest	6,298,381	5,983,018	2,878,658
Debt Principal	9,848,179	10,550,096	7,469,790
Internal Allocations	6,283,503	8,520,406	6,857,774
Transfers to Funds			
Special (Stat Reserve) Funds	161,750	156,310	156,310
Development Cost Charges	0	0	0
Accumulated Surplus	23,309,073	28,939,981	30,788,886
Total Expenditures	71,281,668	83,280,790	80,581,488
Net Operating Expenditures	(10,269,386)	(4,503,600)	(5,981,200)
<u>Capital Expenditures</u>			
Gross Expenditures	34,959,214	94,559,190	21,140,700
Other Funding Sources	(28,736,262)	(90,055,590)	(15,159,500)
Utility Capital	6,222,952	4,503,600	5,981,200
Net Operating & Utility Capital Exp.	(4,046,434)	0	0

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	57.1	59.8	61.5	64.6
Salaried	57.1	58.2	63.8	68.9
Hourly				

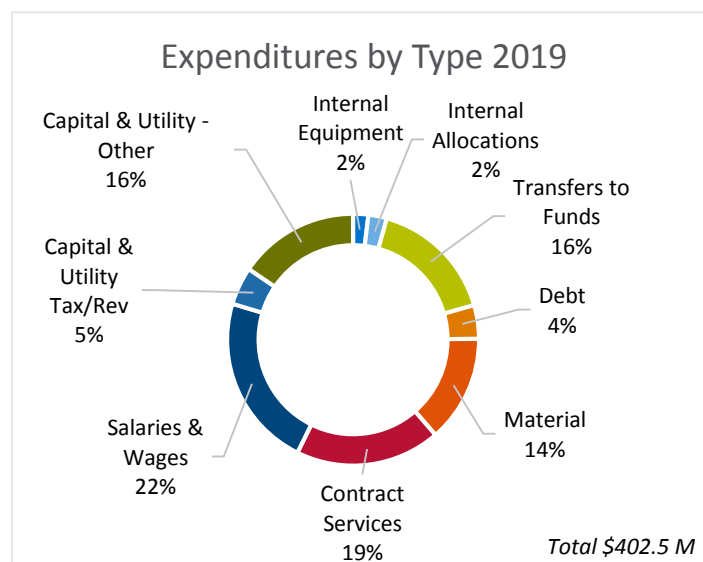
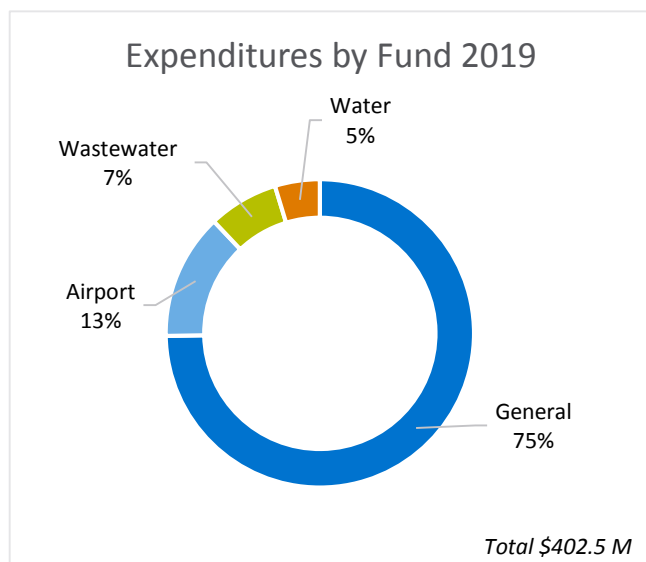
All funds – revenue/expenditure

This table is a high level summary that includes all revenues and expenditures. The General fund is reported separately. The Utility fund amounts are made up of the Airport, Water, Wastewater and Natural Gas utilities.

	Actual 2017	Revised 2018	Provisional 2019
Revenues			
General Fund			
Taxation	(127,083,857)	(133,481,167)	(141,853,521)
General Revenues	(12,124,895)	(12,406,798)	(11,198,829)
General Fund Revenues	(105,431,173)	(105,899,950)	(100,447,039)
Other Capital Funding	(54,302,723)	(92,308,690)	(47,300,500)
	(298,942,648)	(344,096,605)	(300,799,889)
Utility Funds			
Utility Fund Revenues	(81,551,054)	(87,784,390)	(86,562,688)
Other Capital Funding	(28,736,262)	(90,055,590)	(15,159,500)
	(110,287,316)	(177,839,980)	(101,722,188)
Total Revenues	(409,229,964)	(521,936,585)	(402,522,077)
Expenditures			
General Fund			
General Fund Expenditures	230,775,860	239,122,975	239,860,489
Capital Exp. from Tax Demand	11,778,139	12,664,940	13,638,900
Other Capital Expenditures	54,302,723	92,308,690	47,300,500
	296,856,722	344,096,605	300,799,889
Utility Funds			
Utility Fund Expenditures	71,281,668	83,280,790	80,581,488
Capital Exp. from Utility	6,222,952	4,503,600	5,981,200
Other Capital Expenditures	28,736,262	90,055,590	15,159,500
	106,240,882	177,839,980	101,722,188
Total Expenditures	403,097,604	521,936,585	402,522,077
	(6,132,360)		
*Difference in 2017 actuals due to:			
General Fund Surplus	(2,085,926)		
Utility Funds Surplus	(4,046,434)		
	(6,132,360)		

Analysis of total expenditures

The graphs below illustrate the total proposed expenditure budgets first by fund, and then by expenditure type.



Expenditures by Fund (millions)

This table reports the dollar value of the expenditure budget for each fund, separating the operating and capital information for the proposed Financial Plan year.

	Actual 2017	Revised 2018	Provisional 2019	
			Operating	Capital
General	296.9	344.1	239.9	60.9
Airport	61.1	67.0	43.8	9.4
Wastewater	23.6	29.4	21.1	8.5
Water	17.5	77.4	15.7	3.3
Natural Gas	4.0	4.0	0.0	0.0
Subtotal			320.4	82.1
Total	403.1*	521.9	402.5	

* Net of Surplus \$6.1M

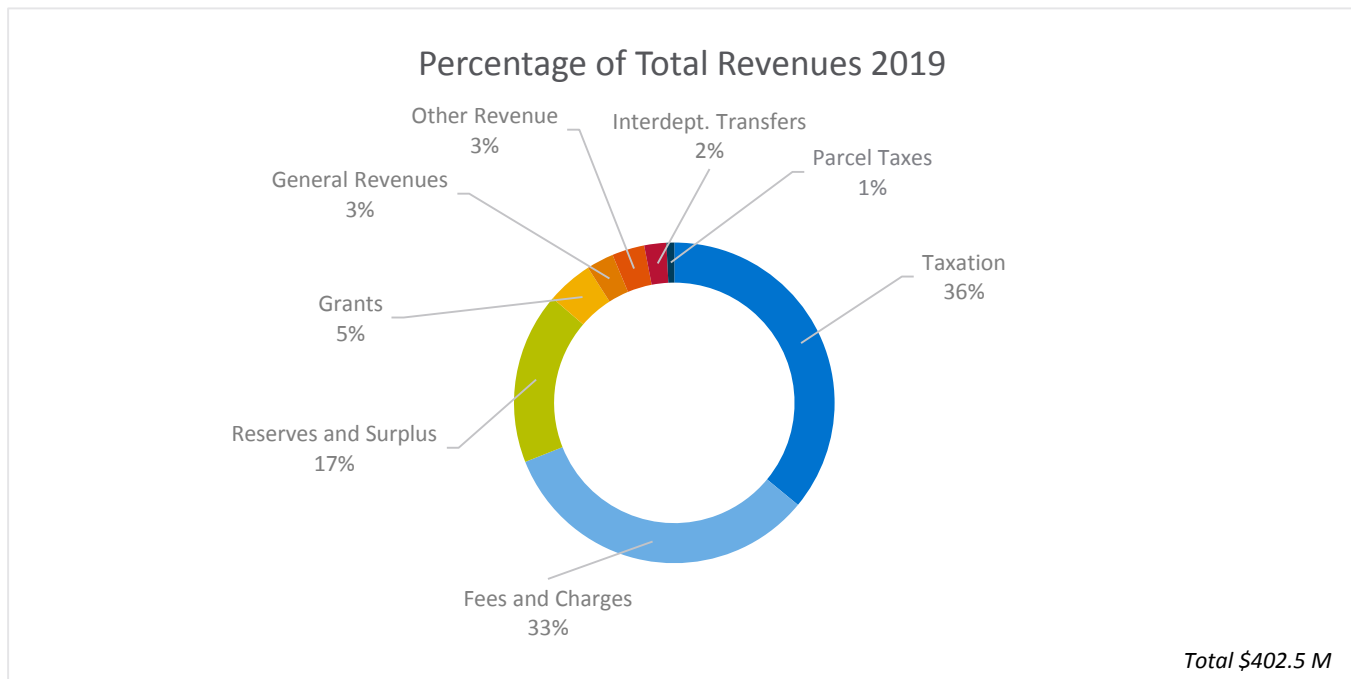
Expenditures by Type (millions)

The table below presents the same total operating and capital expenditures information for each expenditure type.

	Actual 2017	Revised 2018	Provisional 2019
Internal Equipment	8.7	7.6	7.9
Internal Allocations	8.8	11.1	9.5
Transfers to Funds	58.4	53.0	65.4
Debt	24.3	25.1	17.4
Material	52.7	65.7	55.4
Contract Services	69.0	72.8	75.0
Salaries & Wages	80.2	87.2	89.8
Capital & Utility Tax/Rev	18.0	17.2	19.6
Capital & Utility - Other	83.0	182.4	62.5
Total	403.1	521.9	402.5

Analysis of total revenues

The City of Kelowna has multiple revenue sources. Depicted in the graph below is the percentage of total proposed operating and capital revenues by source.



Total revenue (millions)

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

	Actual 2017	Revised 2018	Provisional 2019
Taxation	127.1	133.5	141.9
Parcel Taxes	3.3	3.2	3.2
Fees and Charges	132.0	126.7	131.8
Grants	18.0	76.0	18.8
Interdept. Transfers	8.3	8.8	9.0
Reserves and Surplus	69.5	130.3	66.2
Debenture/Borrowing	19.0	4.9	7.2
Other Revenue	19.9	26.1	13.3
General Revenues	12.1	12.4	11.2
Total	409.2	521.9	402.5

Revenues – total general & utility (thousands)

	Revised 2018	Provisional 2019
Net General Operating		
General Licences	1,504	40
Franchise Fee	1,254	1,255
General Interest & Tax Penalties	5,764	5,824
Federal Contribution - In Lieu	115	119
Provincial Contributions		
Traffic Fine Revenue	1,426	1,415
In Lieu	398	445
Municipal Contributions		
Natural Gas	20	0
Miscellaneous Revenue	(164)	(161)
Municipal Taxation Revenues - 1% In Lieu	2,090	2,262
Municipal Taxation Revenues	133,481	141,854
Sub-Total	145,888	153,052
Capital Funding Source		
Building Repair		200
Civic Facilities		1,700
CWME - Cemetery Replacement		102
CWME - Community Works Fund		9,209
CWME - Fire Equipment		920
CWME - Municipal Works		739
CWME - Sanitary Landfill		4,565
CWME - Vehicle and Equipment Replacement		3,727
DCC - Park A		3,789
DCC - Road A		38
DCC - Road B		2,881
DCC - Road E		1,047
DCC - Road I		2,314
Energy Management Rebate		375
Fire Dispatch		107
Future Arenas		100
H2O Center		440
Kelowna Sportsfield		35
Land Sales Reserve		1,250
Parking Reserve		1,329
Parkland Reserve		185
Parks Development		100
Public Works Reserve		750
Theatre Improvement		64
Transit Facility Enhancement		325
Unspent Budget Reserve		683
Various other funding sources		10,327
Sub-Total (2018 various Other Funding Sources)	92,309	47,301
Net General Operating & Capital Revenue	238,197	200,353
Utilities		
Water	59,567	607
Improvement District Transition	0	0
Wastewater	4,054	5,175
Natural Gas	0	0
Airport	26,434	9,378
Total Utilities	90,055	15,160
Total General & Utilities Operating & Capital	328,252	215,513

(Excluding Library, School, Hospital, B.C. Assessment Authority & Regional District)

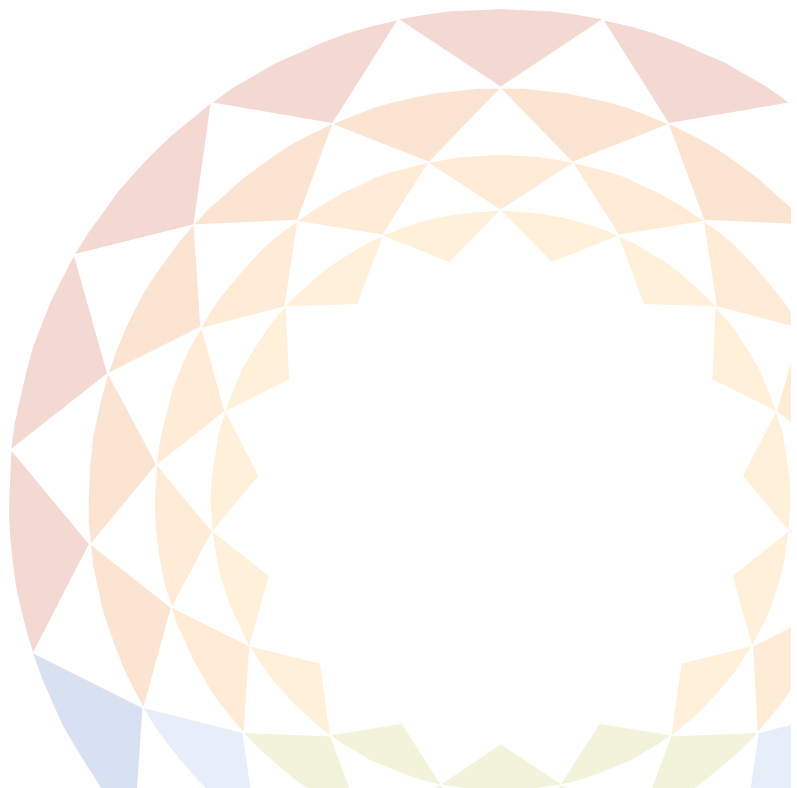
Expenditures – total general & utility (thousands)

	Revised 2018	Net Operating	Capital Expenditures		Provisional 2019
			General/ Utility Revenue	Other Funding Sources	
General					
City Administration	1,561	1,526	0	0	1,526
City Clerk	1,174	1,244	0	0	1,244
Infrastructure	11,475	11,422	0	0	11,422
Community Planning & Strategic Investments	9,311	2,091	676	3,345	6,112
Active Living & Culture	10,478	10,332	0	0	10,332
Civic Operations	118,386	30,515	11,786	42,879	85,180
Police Services	32,222	33,472	0	0	33,472
Bylaw Services	2,126	2,420	0	0	2,420
Financial Services	4,393	4,821	0	0	4,821
Debt & Other	5,036	10,749	0	0	10,749
Human Resources	3,872	4,084	0	0	4,084
Fire Department	20,747	19,607	0	1,027	20,634
Corporate Strategic Services	17,416	7,130	1,177	50	8,357
Net General Operating & Capital Expenditures	238,197	139,413	13,639	47,301	200,353
Utilities					
Water	59,567	(2,684)	2,684	607	607
Improvement District Transition	0	0	0	0	0
Wastewater	4,054	(3,297)	3,297	5,175	5,175
Natural Gas	0	0	0	0	0
Airport	26,434	0	0	9,378	9,378
Net Utilities Operating & Capital Expenditures	90,055	(5,981)	5,981	15,160	15,160
Total Expenditures	328,252	133,432	19,620	62,462	215,513

(Excluding Library, School, Hospital, B.C. Assessment Authority & Regional District)

This page was intentionally left blank

Operating Budget



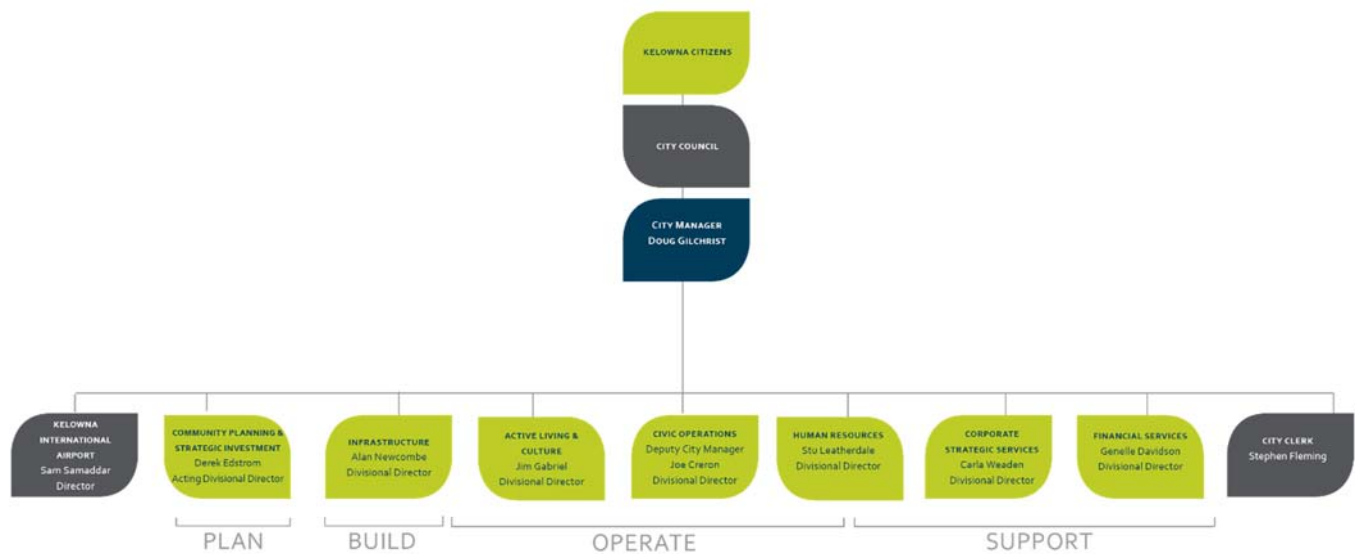
This page was intentionally left blank

OPERATING BUDGET

The City & its divisions

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2018 – 2022). City Council, which represents the City at large and our residents, has one employee – the City Manager—who administers City operations.

Reporting to the City Manager are seven Divisional Directors (including the Deputy City Manager), the Kelowna International Airport and the City Clerk. Divisional teams deliver civic services based on a plan, build and operate model, or corporate services that support the organization.



Operating budget financial analysis

Net operating budgets by Division

The following table provides a summary of the divisions/departments priority one and priority two operating request totals highlighting the amount coming from taxation or utility fees versus other funding sources. Other funding sources could include reserves, user fees, grants or community contributions.

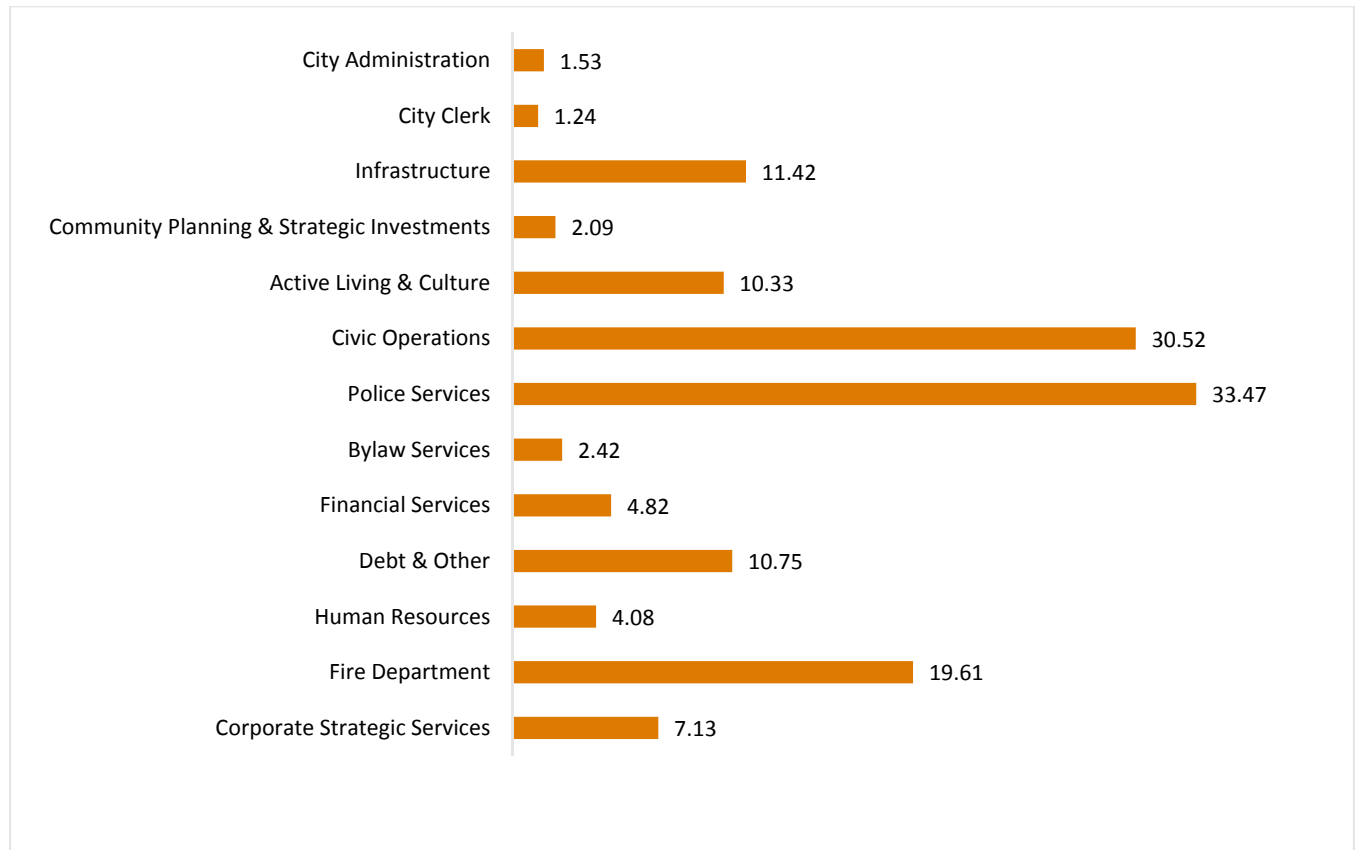
<i>Funded from</i>	Priority 1			Priority 2		
	Taxation	Other Sources	Total	Taxation	Other Sources	Total
City Administration	10,000	0	10,000	0	0	0
City Clerk	69,900	25,000	94,900	0	0	0
Infrastructure	399,100	2,011,400	2,410,500	67,500	(28,500)	39,000
Community Planning & Strategic Investments	(1,028,400)	2,160,800	1,132,400	109,000	0	109,000
Active Living & Culture	125,200	380,500	505,700	92,800	0	92,800
Civic Operations	604,300	632,400	1,236,700	0	(9,500)	(9,500)
Police Services	898,300	5,100	903,400	69,400	0	69,400
Bylaw Services	95,800	0	95,800	61,700	0	61,700
Financial Services	201,600	80,000	281,600	0	0	0
Debt & Other	5,463,300	(2,070,400)	3,392,900	0	0	0
General Revenue	(272,300)	272,300	0	0	0	0
Human Resources	179,500	0	179,500	45,300	0	45,300
Fire Department	141,100	470,500	611,600	15,000	0	15,000
Corporate Strategic Services	192,700	40,000	232,700	15,000	0	15,000
Total General Fund	7,080,100	4,007,600	11,087,700	475,700	(38,000)	437,700
<i>Funded from</i>	Utility	Other Sources	Total	Utility	Other Sources	Total
Water	738,200	418,000	1,156,200	0	0	0
Improvement District Transition	0	11,720	11,720	0	0	0
Wastewater	548,500	9,000	557,500	0	0	0
Airport	0	373,500	373,500	0	0	0
Total Utilities	1,286,700	812,220	2,098,920	0	0	0
Total All Funds Operating	8,366,800	4,819,820	13,186,620	475,700	(38,000)	437,700

The table below displays the General Fund net operating budget for the City's divisions/departments including the priority one requests from above.

	Expend/ Other	Revenues	Net	% of
City Administration	4,682,399	(3,156,314)	1,526,085	1.1%
City Clerk	1,334,264	(90,000)	1,244,264	0.9%
Infrastructure	31,175,548	(19,753,941)	11,421,607	8.2%
Community Planning & Strategic Investments	17,468,806	(15,377,874)	2,090,932	1.5%
Active Living & Culture	15,415,039	(5,082,822)	10,332,217	7.4%
Civic Operations	64,686,474	(34,170,838)	30,515,636	21.9%
Police Services	38,987,107	(5,515,490)	33,471,617	24.0%
Bylaw Services	2,711,444	(290,984)	2,420,460	1.7%
Financial Services	6,561,812	(1,741,243)	4,820,569	3.5%
Debt & Other	22,843,191	(12,094,620)	10,748,571	7.7%
Human Resources	4,145,309	(61,000)	4,084,309	2.9%
Fire Department	22,279,592	(2,672,439)	19,607,153	14.1%
Corporate Strategic Services	7,569,504	(439,474)	7,130,030	5.1%
Total Net Operating Budget	239,860,489	(100,447,039)	139,413,450	

Net operating budgets by Division/Department (millions)

The bar graph below provides a visual comparison of the level of spending for each operating division.



This page was intentionally left blank

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
City Administration									
New									
113	Leadership Development Programs	10,000	0	0	0	0	0	(10,000)	OG
	Total New	10,000	0	0	0	0	0	(10,000)	
Division Priority 1 Total									
		10,000	0	0	0	0	0	(10,000)	
City Administration									
City Clerk									
Maintain									
138	Records & Information Management Storage	25,000	0	0	0	0	0	(25,000)	OG
	Total Maintain	25,000	0	0	0	0	0	(25,000)	
Growth									
138	*Legal Expense and Review	45,000	0	0	0	(25,000)	0	(20,000)	OG
	Total Growth	45,000	0	0	0	(25,000)	0	(20,000)	
New									
139	Legislative Coordinator (FOI) Position	37,700	0	0	0	0	0	(37,700)	OG
	Total New	37,700	0	0	0	0	0	(37,700)	
Division Priority 1 Total									
		107,700	0	0	0	(25,000)	0	(82,700)	
Infrastructure Division									
Maintain									
154	Lawrence Avenue Accommodation	43,000	0	0	0	0	0	(43,000)	OT
154	Transit Advertising Revenue	0	135,700	0	0	(135,700)	0	0	OG
CAP 467	2018 Freshet Recovery Projects - Operating	1,340,300	0	0	(1,071,400)	0	0	(268,900)	OT
155	Miscellaneous Drainage	200,000	0	0	0	0	0	(200,000)	OG
CAP 447	Bridge Rehabilitation and Inspections	50,000	0	0	0	0	0	(50,000)	OG
155	*Time Series Data Extraction from SCADA	55,000	0	0	0	0	(36,600)	(18,400)	OG
156	Transit Base Operating Costs	(243,200)	0	0	(3,400)	(598,700)	0	845,300	OG
156	Traffic Count Revenue	0	0	0	0	(4,800)	0	4,800	OG
	Total Maintain	1,445,100	135,700	0	(1,074,800)	(739,200)	(36,600)	269,800	

Page	2019 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA		Cat
	Description							Utility	Taxation	
Growth										
157	Public Art	28,800	0	0	0	0	0	0	(28,800)	OG
157	Transit Service Coordinator Position	136,900	(45,000)	0	0	(67,500)	0	0	(24,400)	OG
158	Transit Security at Queensway and UBCO	30,000	0	0	0	0	0	0	(30,000)	OG
158	*Utility Planning Engineer Position	89,200	0	0	0	(10,600)	(63,400)	(15,200)	OG	
159	Okanagan Gateway Transportation Study	35,000	0	0	0	0	0	0	(35,000)	OT
159	Bike Lockers and Bike Racks Maintenance	5,000	0	0	0	0	0	0	(5,000)	OG
	Total Growth	324,900	(45,000)	0	0	(78,100)	(63,400)	(138,400)		
New										
160	Additional Staff Workstations	117,500	0	0	0	0	0	0	(117,500)	OT
160	Senior Transportation Engineer Position	46,000	0	0	0	0	0	0	(46,000)	OG
161	Landfill Nuisance Investigation and Monitoring	100,000	0	0	0	(100,000)	0	0	OG	
161	Parks Development DCC Bylaw	100,000	0	0	0	0	0	0	(100,000)	OT
418	City Hall, Phase IV - Renovations	50,000	0	0	0	0	0	0	(50,000)	OT
162	Lakeshore Road - Mission Creek Bridge Sediment Monitoring	10,000	0	0	0	0	0	0	(10,000)	OG
162	Mill Creek Long Term Maintenance Permit	75,000	0	0	0	0	0	0	(75,000)	OT
163	Flow Monitoring, Hydrology and Climate Change - Storm Drainage	45,000	0	0	0	0	0	0	(45,000)	OG
163	Community for All Improvement Program	40,000	0	0	0	0	0	0	(40,000)	OG
164	AutoCAD Training	5,000	0	0	0	0	0	0	(5,000)	OT
164	Okanagan Rail Trail Visual Identity & Communications	25,000	0	0	0	0	0	0	(25,000)	OT
165	Transit Planning Software Licensing	10,000	0	0	0	0	0	0	(10,000)	OG
165	Transit Marketing and Promotion	10,000	(10,000)	0	0	0	0	0	OG	
166	Bicycle and Pedestrian Counter Maintenance	7,000	0	0	0	0	0	0	(7,000)	OG
	Total New	640,500	(10,000)	0	0	(100,000)	0	(530,500)		
Division Priority 1 Total		2,410,500	80,700	0	(1,074,800)	(917,300)	(100,000)	(399,100)		

Community Planning & Strategic Investments Division

Maintain

182	Development Engineering Services Revenue Increase		0	0	0	0	(215,000)	0	215,000	OG
182	Development Engineering Technologist Term Position		100,100	0	0	0	0	0	(100,100)	OG
183	Rental Properties, Concessions & Kiosks Adjustments		(61,600)	42,700	0	0	(28,900)	0	47,800	OG
	Total Maintain		38,500	42,700	0	0	(243,900)	0	162,700	

2019 FINANCIAL PLAN							CITY OF KELOWNA		
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Growth									
183	Affordable Rental Housing Grant Program	60,000	0	0	0	0	0	(60,000)	OG
184	Permit Increase and o.5 Plumbing & Gas Inspector Position	32,400	0	0	0	(527,000)	0	494,600	OG
184	Community Planning Revenue Increase	0	0	0	0	(66,000)	0	66,000	OG
185	Environmental Coordinator Position	43,800	0	0	0	0	0	(43,800)	OG
185	Planning Technician II Position	38,800	0	0	0	0	0	(38,800)	OG
186	Parking Services General Operating Adjustments	222,000	370,000	0	0	(592,000)	0	0	OG
186	Administrative Clerk Position - Parking Services	47,600	(47,600)	0	0	0	0	0	OG
187	Parking Services-Summer Student Position	14,900	(14,900)	0	0	0	0	0	OG
187	Healthy Housing Strategy Implementation	70,000	0	0	0	0	0	(70,000)	OT
188	Business Licensing Revenue	0	0	0	0	(65,000)	0	65,000	OG
188	Offsite and Oversize Adjustment	43,100	(43,100)	0	0	0	0	0	OT
	Total Growth	572,600	264,400	0	0	(1,250,000)	0	413,000	
New									
189	Cannabis Regulation and Short Term Rental Compliance and Positions	255,600	0	0	0	(620,000)	0	364,400	OG
189	Strategic Land Development Projects	195,000	(195,000)	0	0	0	0	0	OT
190	Property Information Request with Term Position	61,700	0	0	0	(150,000)	0	88,300	OG
CAP 483	* Fleet Growth	9,000	(9,000)	0	0	0	0	0	OG
	Total New	521,300	(204,000)	0	0	(770,000)	0	452,700	
Division Priority 1 Total		1,132,400	103,100	0	0	(2,263,900)	0	1,028,400	
Active Living & Culture Division									
Maintain									
202	#Central Okanagan Journey Home Society Funding	0	0	0	0	0	0	0	OG
202	Recreation Facilities Janitorial Increase	40,000	0	0	0	0	0	(40,000)	OG
203	International Children's Games Grant	5,000	0	0	0	0	0	(5,000)	OG
203	Rotary Centre for the Arts Operating Funding Increase	25,000	0	0	0	0	0	(25,000)	OG
204	Kelowna Museums - Sports Hall of Fame	15,000	0	0	0	0	0	(15,000)	OG
204	Community Sport Delivery Program	15,000	0	0	0	0	0	(15,000)	OG
205	Sport Education Grant	5,000	0	0	0	0	0	(5,000)	OG
	Total Maintain	105,000	0	0	0	0	0	(105,000)	
Growth									
205	Theatre Operating Budget Adjustments	49,700	5,000	0	0	(69,000)	0	14,300	OG

2019 FINANCIAL PLAN						CITY OF KELOWNA			
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
206	Automated External Defibrillators at Recreation Facilities	8,000	0	0	0	0	0	(8,000)	OG
206	Strategic Event Fund	50,000	0	0	0	0	0	(50,000)	OG
207	*Surveillance Cameras	14,500	0	0	0	0	0	(14,500)	OT
	Total Growth	122,200	5,000	0	0	(69,000)	0	(58,200)	
New									
	207 #Recreation Clerk Position	0	0	0	0	0	0	0	OG
CAP 418	Canyon Falls Neighbourhood Learning Centre	28,500	0	0	0	(16,500)	0	(12,000)	OG
208	2020 Memorial Cup Sponsorship	225,000	(225,000)	0	0	0	0	0	OT
234	* Downtown Kelowna Association – Improved Cleanliness & Safety	25,000	0	0	0	0	0	(25,000)	OG
	Total New	278,500	(225,000)	0	0	(16,500)	0	(37,000)	
Division Priority 1 Total									
		505,700	(220,000)	0	0	(85,500)	0	(200,200)	

Civic Operations Division

Maintain

227	Contract Services - Civic Facilities	52,500	0	0	0	0	0	(52,500)	OG
227	Downtown Cleaning, Sweeping and Litter Control	35,000	0	0	0	0	0	(35,000)	OG
228	Landfill - Revenue Adjustment	0	4,155,000	0	0	(4,155,000)	0	0	OG
228	Sharps Collection Program	16,300	0	0	0	0	0	(16,300)	OG
229	Landfill Gas and Nuisance SCADA	100,000	(100,000)	0	0	0	0	0	OT
229	Chain Gates Replacement Program	25,000	0	0	0	0	0	(25,000)	OG
230	Spring Sweep and Flushing Maintenance	50,000	0	0	0	0	0	(50,000)	OG
CCP 400	#Ethel 5 DCC (Springfield-Rose), ATC	0	0	0	0	0	0	0	OG
CAP 447	#Gordon 1 DCC (Frost - South Perimeter), Road	0	0	0	0	0	0	0	OG
CAP 448	#Sutherland 1 DCC (Gordon - Burtch), ATC	0	0	0	0	0	0	0	OG
CCP 400	#Sutherland 2 DCC (Lake - Gordon), ATC	0	0	0	0	0	0	0	OG
CAP 448	#Transit - Equipment Renewal (Bus Stops and Shelters)	0	0	0	0	0	0	0	OG
CAP 450	Active Transportation Corridor	4,000	0	0	0	0	0	(4,000)	OG
CAP 450	Pedestrian & Cyclist Safety Improvement	1,800	0	0	0	0	0	(1,800)	OG
CAP 451	Sidewalk & Bikeway Renewal	5,000	0	0	0	0	0	(5,000)	OG
CAP 451	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road	16,600	0	0	0	0	0	(16,600)	OG
CAP 452	Sidewalk Network Expansion	500	0	0	0	0	0	(500)	OG
230	Ditch Maintenance	25,500	0	0	0	0	0	(25,500)	OG
231	Road Usage Permit Revenue	0	0	0	0	(35,000)	0	35,000	OG
231	Playground Surface Replacement	20,000	0	0	0	0	0	(20,000)	OG

2019 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
	Total Maintain	352,200	4,055,000	0	0	(4,190,000)	0	(217,200)	
Growth									
	232 Landfill - Leachate Re-Circulation Co-op Student Position	13,400	(13,400)	0	0	0	0	0	OT
CAP 449	Transit - New Equipment (Bus Stops)	2,000	0	0	0	0	0	(2,000)	OG
CAP 449	Intelligent Transportation Systems	600	0	0	0	0	0	(600)	OG
	232 Growth in Traffic Signal Infrastructure	22,300	0	0	0	0	0	(22,300)	OG
CAP 452	Neighbourhood Traffic Calming	400	0	0	0	0	0	(400)	OG
	233 Park Washroom Service	51,300	0	0	0	0	0	(51,300)	OG
	Total Growth	90,000	(13,400)	0	0	0	0	(76,600)	
New									
	233 Parks - Support Staff Positions	12,000	0	0	0	0	0	(12,000)	OG
	234 *Downtown Kelowna Association –Improved Cleanliness & Safety	50,000	0	0	0	0	0	(50,000)	OG
	234 *Arc Flash Study - Commonage Facility	5,000	0	0	0	(1,700)	(3,300)	0	OT
	235 Landfill - Casual or Part-time Scale House Attendant Position	34,600	(34,600)	0	0	0	0	0	OG
	235 Landfill - Equipment Operator Term Positions	(10,400)	10,400	0	0	0	0	0	OG
	236 Snow and Ice Control	200,000	0	0	0	0	0	(200,000)	OG
	236 #Building Technician Position	0	0	0	0	0	0	0	OG
CAP 430	Hobson Rd Park - Interim Access	26,500	0	0	0	0	0	(26,500)	OG
	237 Landfill - Pump Rental	175,000	(175,000)	0	0	0	0	0	OT
	237 Energy Savings Program	80,000	(80,000)	0	0	0	0	0	OT
	238 Roberts Lake Environmental Management	50,000	(50,000)	0	0	0	0	0	OT
	238 Odour Remediation - Cerise Drive	50,000	0	0	0	0	0	(50,000)	OT
	239 Median Planters	32,700	0	0	0	0	0	(32,700)	OG
	239 #Westside Gravel Pit Mine Plan	0	0	0	0	0	0	0	OT
CAP 483	*Fleet Growth	30,000	(9,000)	0	0	(37,000)	0	16,000	OG
	Total New	735,400	(338,200)	0	0	(38,700)	(3,300)	(355,200)	
Growth									
	158 * Utility Planning Engineer Position	10,600	(10,600)	0	0	0	0	0	OG
	207 * Surveillance Cameras	15,500	0	0	0	0	0	(15,500)	OT
	Total Growth	26,100	(10,600)	0	0	0	0	(15,500)	
New									
	161 * Landfill Nuisance Investigation and Monitoring	100,000	(100,000)	0	0	0	0	0	OG
	Total New	100,000	(100,000)	0	0	0	0	0	
Division Priority 1 Total		1,303,700	3,592,800	0	0	(4,228,700)	(3,300)	(664,500)	

Page	2019 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Taxation	Cat
Civic Operations Division									
<i>Police Services</i>									
Maintain									
251	RCMP Contract Services	846,200	0	0	0	0	0	(846,200)	OG
251	Provincial Keep of Prisoner	(50,000)	0	0	0	265,300	0	(215,300)	OG
	Total Maintain	796,200	0	0	0	265,300	0	(1,061,500)	
Growth									
252	Police Services Revenue Adjustments	0	0	0	0	(229,400)	0	229,400	OG
252	RCMP - 6 Regular Member Positions	0	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	(229,400)	0	229,400	
New									
253	Operational Intelligence Clerk Positions	66,200	0	0	0	0	0	(66,200)	OG
253	Forensic Video Analyst Position	41,000	0	0	0	(41,000)	0	0	OG
	Total New	107,200	0	0	0	(41,000)	0	(66,200)	
Division Priority 1 Total									
		903,400	0	0	0	(5,100)	0	(898,300)	

Civic Operations Division

Bylaw Services

New										
264	Bylaw Enforcement Officer Position		55,800	0	0	0	0	0	(55,800)	OG
264	Bylaw Services Needs Assessment		40,000	0	0	0	0	0	(40,000)	OT
	Total New		95,800	0	0	0	0	0	(95,800)	
	Division Priority 1 Total		95,800	0	0	0	0	0	(95,800)	

Financial Services Division

Maintain										
315	Contract Services	75,000	0	0	0	0	0	(75,000)	OG	
315	Unit 4 Business World Approval Workflow	80,000	(80,000)	0	0	0	0	0	OT	
316	Financial Analyst Position - Infrastructure	51,600	0	0	0	0	0	(51,600)	OG	
316	Corporate Purchasing Card Program	30,000	0	0	0	0	0	(30,000)	OT	
	Total Maintain	236,600	(80,000)	0	0	0	0	(156,600)		
New										
317	Procurement Support Software Subscriptions	25,000	0	0	0	0	0	(25,000)	OG	
317	CaseWare Software Support	20,000	0	0	0	0	0	(20,000)	OG	

Page	2019 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA		
	Description							Utility	Taxation	Cat
	Service and Licenses									
CAP 506	* Water Meter Reading and Servicing Repatriation with Positions	0	0	0	0	0	0	0	0	OG
	Total New	45,000	0	0	0	0	0	0	(45,000)	
	Division Priority 1 Total	281,600	(80,000)	0	0	0	0	0	(201,600)	
Financial Services Division										
Debt & Other										
Maintain										
324	Employer Health Tax	704,600	(504,600)	0	0	0	0	0	(200,000)	OG
324	Other Working Capital	2,663,300	0	0	0	0	0	0	(2,663,300)	OG
	Total Maintain	3,367,900	(504,600)	0	0	0	0	0	(2,863,300)	
New										
CAP 446	#Gordon 1 DCC (Frost - South Perimeter), Road Repayment	0	0	0	0	0	0	0	0	OG
	325 Infrastructure Levy	0	2,600,000	0	0	0	0	0	(2,600,000)	OG
CAP 446	#South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road Repayment	0	0	0	0	0	0	0	0	OG
	Total New	0	2,600,000	0	0	0	0	0	(2,600,000)	
Growth										
138	* Legal Expense and Review	25,000	0	0	0	(25,000)	0	0	0	OG
	Total Growth	25,000	0	0	0	(25,000)	0	0	0	
	Division Priority 1 Total	3,392,900	2,095,400	0	0	(25,000)	0	0	(5,463,300)	
Financial Services Division										
Revenue & Fees										
Growth										
332	General Revenue Adjustments	0	0	0	0	(272,300)	0	272,300	OG	
	Total Growth	0	0	0	0	(272,300)	0	272,300		
	Division Priority 1 Total	0	0	0	0	(272,300)	0	272,300		
Human Resources Division										
Maintain										
342	Insurance & Deductible Expense	82,600	0	0	0	0	0	(82,600)	OG	
	Total Maintain	82,600	0	0	0	0	0	(82,600)		
Growth										
342	Disability and Benefits Coordinator Position	35,600	0	0	0	0	0	(35,600)	OG	

Page	2019 FINANCIAL PLAN		CITY OF KELOWNA						
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
	Total Growth	35,600	0	0	0	0	0	(35,600)	
New									
343	Security & Business Continuity Manager Position	50,200	0	0	0	0	0	(50,200)	OG
343	General Duties Assistant Position	11,100	0	0	0	0	0	(11,100)	OG
	Total New	61,300	0	0	0	0	0	(61,300)	
	Division Priority 1 Total	179,500	0	0	0	0	0	(179,500)	

Human Resources Division *Fire Department*

Maintain

355	Materials & Supplies - Medical		7,000	0	0	0	0	0	(7,000)	OG
355	Fuel		14,900	0	0	0	0	0	(14,900)	OG
CAP 490	Zetron Dispatch Consoles		5,000	0	0	0	0	0	(5,000)	OG
356	*Hydrant Maintenance		33,900	0	0	0	0	(6,700)	(27,200)	OG
356	Equipment Repair Expense		5,500	0	0	0	0	0	(5,500)	OG
357	Contract Services - District of Lake Country		77,500	0	0	0	0	0	(77,500)	OT
	Total Maintain		143,800	0	0	0	0	(6,700)	(137,100)	

Growth

357	Firefighters - Eight Positions		231,300	0	0	0	0	0	(231,300)	OG
358	Fire Dispatch and Casual Fire Dispatcher Positions		231,900	0	0	0	(470,500)	0	238,600	OG
	Total Growth		463,200	0	0	0	(470,500)	0	7,300	

New

358	Subscription for Electronic Preplan License		4,600	0	0	0	0	0	(4,600)	OG
	Total New		4,600	0	0	0	0	0	(4,600)	

Division Priority 1 Total			611,600	0	0	0	(470,500)	(6,700)	(134,400)	
---------------------------	--	--	---------	---	---	---	-----------	---------	-----------	--

Corporate Strategic Services Division

Maintain

370	Software and Hardware Maintenance		135,000	0	0	0	0	0	(135,000)	OG
	Total Maintain		135,000	0	0	0	0	0	(135,000)	

Growth

370	Professional and Consulting Services		40,000	0	0	0	0	0	(40,000)	OG
	Total Growth		40,000	0	0	0	0	0	(40,000)	

Page	2019 FINANCIAL PLAN			CITY OF KELOWNA					
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
New									
CAP 475	Major Systems Projects	20,000	0	0	0	0	0	(20,000)	OG
371	Network Systems Analyst Position	55,400	0	0	0	0	0	(55,400)	OG
371	Sponsorship & Advertising Advisor Position	51,500	0	0	0	(40,000)	0	(11,500)	OG
	Total New	126,900	0	0	0	(40,000)	0	(86,900)	
	Division Priority 1 Total	301,900	0	0	0	(40,000)	0	(261,900)	
	Total Priority 1 Operating	11,236,700	5,572,000	0	(1,074,800)	(8,333,300)	(110,000)	(7,290,600)	

CCP - Combined capital project

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 2019

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
168	Storm Drainage Modeling Software Upgrades	10,000	0	0	0	0	0	(10,000)	OG
168	Traffic Bylaw Updates	20,000	0	0	0	0	0	(20,000)	OT
	Total Maintain	30,000	0	0	0	0	0	(30,000)	
Growth									
169	Parks Project Technician Position	13,700	0	0	0	0	0	(13,700)	OG
169	*Engineer in Training Position	49,300	(9,500)	0	0	0	(19,000)	(20,800)	OG
	Total Growth	63,000	(9,500)	0	0	0	(19,000)	(34,500)	
New									
170	Transit Meeting Travel Expense	3,000	0	0	0	0	0	(3,000)	OG
	Total New	3,000	0	0	0	0	0	(3,000)	
	Division Priority 2 Total	96,000	(9,500)	0	0	0	(19,000)	(67,500)	
Community Planning & Strategic Investments Division									
New									
192	Planner II Position	48,800	0	0	0	0	0	(48,800)	OG
192	Critical Response Coordinator/Assistant Manager Position	60,200	0	0	0	0	0	(60,200)	OG
	Total New	109,000	0	0	0	0	0	(109,000)	
	Division Priority 2 Total	109,000	0	0	0	0	0	(109,000)	
Active Living & Culture Division									
Growth									
210	Event Hosting Program	25,000	0	0	0	0	0	(25,000)	OG
210	Heritage Grant Program Increase	5,000	0	0	0	0	0	(5,000)	OG
	Total Growth	30,000	0	0	0	0	0	(30,000)	
New									
211	Community Development Coordinator Term Position	42,800	0	0	0	0	0	(42,800)	OG
211	Social Policy Framework	20,000	0	0	0	0	0	(20,000)	OG

Page	2019 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Taxation	Cat
	Total New	62,800	0	0	0	0	0	(62,800)	
	Division Priority 2 Total	92,800	0	0	0	0	0	(92,800)	
Civic Operations Division									
Growth									
169	* Engineer in Training Position	0	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	0	
	Division Priority 2 Total	0	0	0	0	0	0	0	
Civic Operations Division									
Police Services									
Maintain									
255	Community Policing Information Clerk Position	34,700	0	0	0	0	0	(34,700)	OG
	Total Maintain	34,700	0	0	0	0	0	(34,700)	
New									
255	Administrative Coordinator Position	34,700	0	0	0	0	0	(34,700)	OG
	Total New	34,700	0	0	0	0	0	(34,700)	
	Division Priority 2 Total	69,400	0	0	0	0	0	(69,400)	
Civic Operations Division									
Bylaw Services									
New									
266	Senior Bylaw Enforcement Officer Position	61,700	0	0	0	0	0	(61,700)	OG
	Total New	61,700	0	0	0	0	0	(61,700)	
	Division Priority 2 Total	61,700	0	0	0	0	0	(61,700)	
Human Resources Division									
New									
345	Learning Management Software and HR Training Coordinator Position	45,300	0	0	0	0	0	(45,300)	OG
	Total New	45,300	0	0	0	0	0	(45,300)	
	Division Priority 2 Total	45,300	0	0	0	0	0	(45,300)	

Page	2019 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Taxation	Cat
Human Resources Division									
<i>Fire Department</i>									
Maintain									
360	Fire Department Training	15,000	0	0	0	0	0	(15,000)	OG
	Total Maintain	15,000	0	0	0	0	0	(15,000)	
	Division Priority 2 Total	15,000	0	0	0	0	0	(15,000)	
Corporate Strategic Services Division									
New									
373	Strategic Planning (4 Year Plan and Imagine Kelowna)	15,000	0	0	0	0	0	(15,000)	OG
	Total New	15,000	0	0	0	0	0	(15,000)	
	Division Priority 2 Total	15,000	0	0	0	0	0	(15,000)	
	Total Priority 2 Operating	506,700	(9,500)	0	0	0	(19,000)	(478,200)	

CCP - Combined capital project

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 2019

2019 Operating Requests

Provisional Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Maintain								
275	Dam Safety Reviews	50,000	(50,000)	0	0	0	0	OG
275	Mechanical Equipment Replacement - Water	30,000	0	0	0	0	(30,000)	OG
276	Water Treatment Chemicals Budget Increase	45,000	0	0	0	0	(45,000)	OG
276	Safe Work Procedures Support - Water	10,000	0	0	0	0	(10,000)	OT
277	Flood Proofing - Poplar Point Pump Station	60,000	0	0	0	0	(60,000)	OT
277	Water Modeling Software Upgrades	15,000	0	0	0	0	(15,000)	OG
Total Maintain		210,000	(50,000)	0	0	0	(160,000)	
Growth								
278	Water Utility Construction	100,000	0	0	0	0	(100,000)	OG
Total Growth		100,000	0	0	0	0	(100,000)	
New								
CAP 482	*Domestic Water System Expansion (SEKID) Operating Costs and Positions	358,200	(249,700)	0	0	0	(108,500)	OG
CAP 505	*Water Meter Reading and Servicing Repatriation with Positions	223,000	0	0	0	0	(223,000)	OG
278	Public Engagement - Agricultural Water Rates	40,000	(36,000)	0	0	0	(4,000)	OT
279	Irrigation Model and Data Management	50,000	(40,000)	0	0	0	(10,000)	OG
279	Emergency Response Plan Update - Water	50,000	0	0	0	0	(50,000)	OT
280	Flow Monitoring, Hydrology and Climate Change - Water	45,000	0	0	0	0	(45,000)	OG
280	*Drought Management Plan	40,000	(20,000)	0	0	0	(20,000)	OT
281	Waterwise Landscape Material Program	30,000	0	0	0	0	(30,000)	OT
281	Water System Performance Benchmarking with UBCO	10,000	0	0	0	0	(10,000)	OG
Total New		846,200	(345,700)	0	0	(22,300)	(478,200)	
Maintain								
356	# * Hydrant Maintenance	0	0	0	0	0	0	OG
155	# * Time Series Data Extraction from SCADA	0	0	0	0	0	0	OG
Total Maintain		0	0	0	0	0	0	

Page	2019 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Cat
Growth								
158	# * <i>Utility Planning Engineer Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
	Department Priority 1 Total	1,156,200	(395,700)	0	0	(22,300)	(738,200)	
Water								
<i>Improvement District Transition</i>								
Maintain								
289	Improvement District Transition (SEKID) - Operations	11,720	402,280	0	0	(414,000)	0	OG
275	* <i>Dam Safety Reviews</i>	0	0	0	0	0	0	OG
	Total Maintain	11,720	402,280	0	0	(414,000)	0	
New								
483	# * <i>Domestic Water System Expansion (SEKID) Operating Costs and Positions</i>	0	0	0	0	0	0	OG
278	# * <i>Public Engagement - Agricultural Water Rates</i>	0	0	0	0	0	0	OT
279	# * <i>Irrigation Model and Data Management</i>	0	0	0	0	0	0	OG
280	# * <i>Drought Management Plan</i>	0	0	0	0	0	0	OT
	Total New	0	0	0	0	0	0	
	Department Priority 1 Total	11,720	402,280	0	0	(414,000)	0	
Wastewater								
Maintain								
299	Biosolids Hauling Contract Services	70,000	0	0	0	0	(70,000)	OG
299	Mechanical Equipment Replacement - Wastewater	30,000	0	0	0	0	(30,000)	OG
300	Control System Portal Upgrade	5,000	0	0	0	(5,000)	0	OT
300	Wastewater Treatment Energy Savings Projects	135,500	0	0	0	0	(135,500)	OG
301	Safe Work Procedures Support - Wastewater	15,000	0	0	0	0	(15,000)	OT
301	Wastewater Modeling Software Upgrades	15,000	0	0	0	0	(15,000)	OG
	Total Maintain	270,500	0	0	0	(5,000)	(265,500)	
Growth								
302	Wastewater Treatment I/E Technician Term Position	45,500	0	0	0	0	(45,500)	OG
	Total Growth	45,500	0	0	0	0	(45,500)	

Page New	2019 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	CITY OF KELOWNA	
	Description						Revenue	Utility Cat
302	Arc Flash Study	14,000	0	0	0	(4,000)	(10,000)	OT
303	Sewer Lift Station Condition Assessment	125,000	0	0	0	0	(125,000)	OT
303	Wastewater Treatment Effluent Use for Irrigation	95,000	0	0	0	0	(95,000)	OG
304	Sanitary Flow Monitoring	7,500	0	0	0	0	(7,500)	OG
	Total New	241,500	0	0	0	(4,000)	(237,500)	
Maintain								
155	* Time Series Data Extraction from SCADA	0	0	0	0	0	0	OG
	Total Maintain	0	0	0	0	0	0	
Growth								
158	* Utility Planning Engineer Position	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
New								
234	* Arc Flash Study - Commonage Facility	0	0	0	0	0	0	OT
CAP 506	* Water Meter Reading and Servicing Repatriation with Positions	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	
Department Priority 1 Total		557,500	0	0	0	(9,000)	(548,500)	
Airport								
Maintain								
124	Airport Improvement Fee Expenses	(275,200)	275,200	0	0	0	0	OG
124	Airport Airside Expenses	(30,000)	30,000	0	0	0	0	OG
125	Airport Groundside Expenses	172,500	(172,500)	0	0	0	0	OG
125	Airport Finance & Administration	1,674,200	(1,674,200)	0	0	0	0	OG
126	Debt Changes - Airport Debt	(1,704,700)	1,704,700	0	0	0	0	OG
	Total Maintain	(163,200)	163,200	0	0	0	0	
Growth								
126	Airport Improvement Fee Revenues	0	1,308,000	0	0	(1,308,000)	0	OG
127	Airport Airside Revenues	0	711,000	0	0	(711,000)	0	OG
127	Airport Terminal Revenues	0	777,300	0	0	(777,300)	0	OG
128	Airport Terminal Expenses	544,400	(544,400)	0	0	0	0	OG
128	Airport Groundside Revenues	0	1,244,600	0	0	(1,244,600)	0	OG
129	Manager of Airport Technology Position	(46,900)	46,900	0	0	0	0	OG
129	Airport Operations Technician Position	39,200	(39,200)	0	0	0	0	OG

Page	2019 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA	
	Description							Utility	Cat
	Total Growth		536,700	3,504,200	0	0	(4,040,900)	0	
	Department Priority 1 Total		373,500	3,667,400	0	0	(4,040,900)	0	
	Total Priority 1 Operating		2,098,920	3,673,980	0	0	(4,486,200)	(1,286,700)	

CCP - Combined capital project

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 2019

2019 Operating Requests

Provisional Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Growth								
169	* <i>Engineer in Training Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
Division Priority 2 Total								
		0	0	0	0	0	0	
Wastewater								
Growth								
169	* <i>Engineer in Training Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
Division Priority 2 Total								
		0	0	0	0	0	0	
Total Priority 2 Operating								
		0	0	0	0	0	0	

CCP - Combined capital project

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 2019

2019 Reduction Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
<u>City Administration</u>									
<u>City Clerks</u>									
141	Webcasting Council Meetings	(12,800)	0	0	0	0	0	12,800	OT
	Department Priority 1 Total	(12,800)	0	0	0	0	0	12,800	
<u>Active Living & Culture Division</u>									
213	H2O Deficit Management Fund Reduction	0	(75,000)	0	0	0	0	75,000	OG
	Department Priority 1 Total	0	(75,000)	0	0	0	0	75,000	
<u>Civic Operations Division</u>									
CAP 419	City Hall - Boiler	(4,800)	0	0	0	0	0	4,800	OG
242	Cemetery Material Budget Reduction	(6,800)	6,800	0	0	0	0	0	OG
242	Parks Operating Budget Reduction	(55,400)	0	0	0	0	0	55,400	OT
	Department Priority 1 Total	(67,000)	6,800	0	0	0	0	60,200	
<u>Corporate Strategic Services Division</u>									
375	Records and Information Management System	(29,200)	0	0	0	0	0	29,200	OT
375	Corporate Performance Management Software Licenses	(40,000)	0	0	0	0	0	40,000	OG
	Department Priority 1 Total	(69,200)	0	0	0	0	0	69,200	
	Total Priority 1 Reduction Requests	(149,000)	(68,200)	0	0	0	0	217,200	

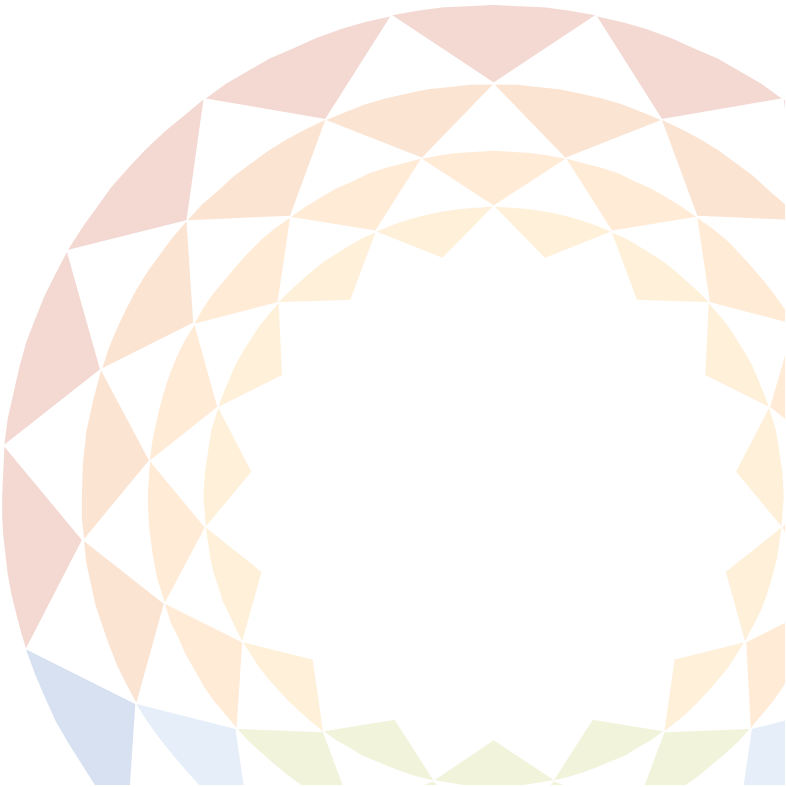
CCP - Combined capital project

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 2019

City Administration



This page was intentionally left blank

City Administration

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2018 – 2022). City Council, which represents the City at large and our residents, has one employee – the City Manager—who administers City operations.

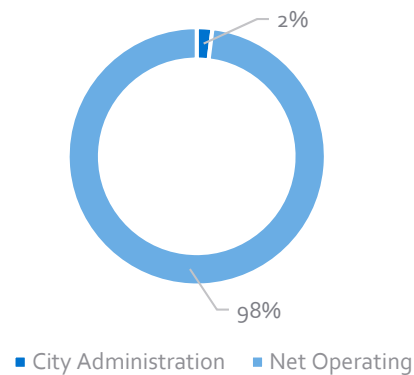
The City's administration is responsible for delivering the right infrastructure, skills, services and processes to meet Council priorities and community goals. Adopted in 2018, *Imagine Kelowna* is an over-arching vision for the community, by the community, with principles and goals to help Kelowna thrive in the face of unprecedented growth and change. Council priorities set the direction for the work we do and the City's Corporate Framework captures what the City of Kelowna does, with the Corporate Plan (a well-run City) at its core.

Divisional drivers and activities in the 2019 Financial Plan show how the City's administration serves to meet *Imagine Kelowna* principles, Council's priorities and the City's corporate goals.

View the 2018 City-wide accomplishments demonstrating how staff delivered on Council priorities on page 19.

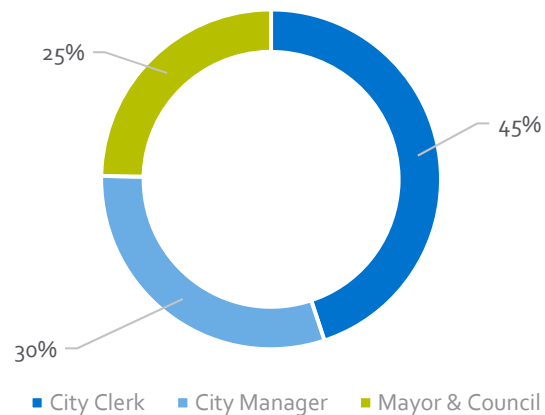
Budget overview

Per cent of General Fund operating



General fund operating = \$141.9 M

Division Summary



Total = \$2.8 M

Net Divisional expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per cent change
Operating cost centres:					
Mayor & Council					
103 Council	362,675	410,525	445,840		
104 Mayor	211,731	222,661	237,571		
	574,406	633,186	683,411	50,225	7.9%
City Clerk					
119 Legislative Services	598,521	647,974	659,624		
120 City Clerk	404,376	443,891	502,141		
228 Records & Information	73,703	82,499	82,499		
	1,076,600	1,174,364	1,244,264	69,900	6.0%
City Manager					
100 City Manager	914,651	928,174	842,674		
	914,651	928,174	842,674	(85,500)	(9.2%)
Net operating expenditure	2,565,657	2,735,724	2,770,349	34,625	1.3%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	2,565,657	2,735,724	2,770,349	34,625	1.3%

Description of operating program changes

	Total	FTE
2018 revised budget	2,735,724	21.3
2019 net impacts		
One-time operating requests	0	0.0
One-time expenditure reductions	0	
Incremental costs - prior year(s)	(1,500)	0.0
Divisional adjustments	(43,775)	
	<u>(45,275)</u>	
	<u>2,690,449</u>	21.3
2019 program additions		
2019 operating requests	92,700	0.5
2019 expenditure reductions	(12,800)	
	<u>79,900</u>	
2019 provisional	<u>2,770,349</u>	<u>21.8</u>
Unfunded 2019 requests		
2019 operating requests	0	0.0
2019 expenditure reductions	0	
Total unfunded	<u>0</u>	<u>0.0</u>

City Administration - General Fund
City Manager, Council, Mayor and City Clerk
Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(3,883)	(14,274)	(14,274)
Other Revenue	(2,515,816)	(2,973,130)	(3,232,040)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(140,000)	0
Total Revenue	(2,519,699)	(3,127,404)	(3,246,314)
<u>Expenditures</u>			
Salaries and Wages	1,535,620	1,661,148	1,745,098
Internal Equipment	6,988	13,917	6,990
Material and Other	3,054,242	3,773,803	3,825,315
Contract Services	424,618	414,260	439,260
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	63,888	0	0
Total Expenditures	5,085,356	5,863,128	6,016,663
Net Operating Expenditures	2,565,657	2,735,724	2,770,349
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	2,565,657	2,735,724	2,770,349

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	21.0	19.6	21.0	21.5
Hourly	0.2	0.2	0.3	0.3

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
City Administration									
New									
111	Leadership Development Programs	10,000	0	0	0	0	0	(10,000)	OG
	Total New	10,000	0	0	0	0	0	(10,000)	
Division Priority 1 Total									
	Division Priority 1 Total	10,000	0	0	0	0	0	(10,000)	
Total Priority 1 Operating									
	Total Priority 1 Operating	10,000	0	0	0	0	0	(10,000)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	City Manager	Priority: 1	New
Department:	City Manager		ON-GOING
Title:	Leadership Development Programs		PROVISIONAL

Justification:

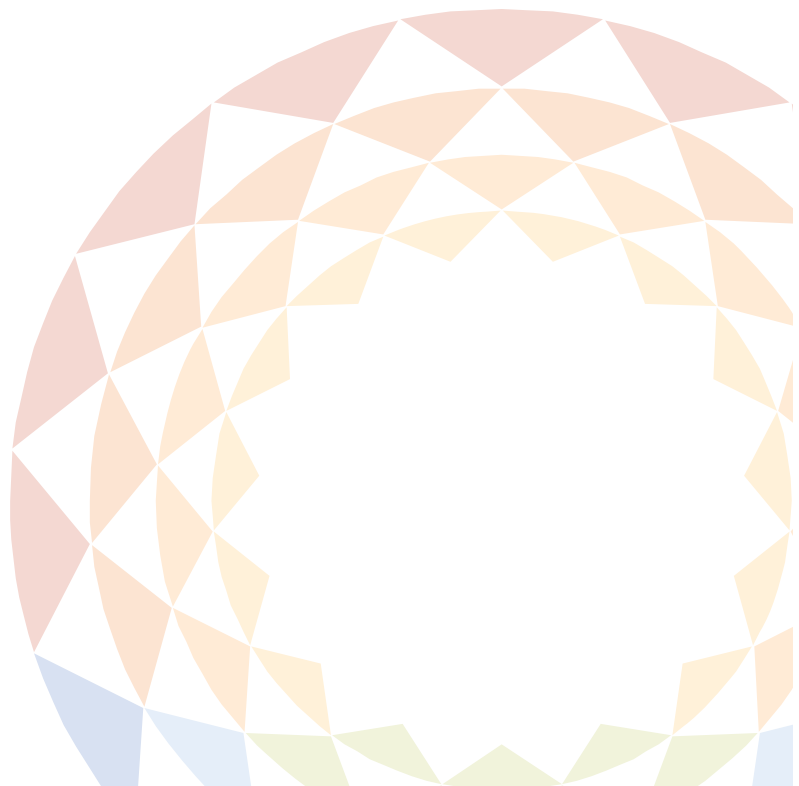
Management engagement and development is an important part of the City's Corporate engagement and training strategies. Management staff meetings occur four times a year and provide a forum to bring the entire management team together at once. Budget is requested for trainers, guest speakers and facilitators which help engage and train in this forum and to date there has not been a fixed budget to fund external experts.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	0	(10,000)

This page was intentionally left blank

Airport



This page was intentionally left blank

Kelowna International Airport

Kelowna International Airport (YLW) plays a vital part in the economic development and prosperity of the Okanagan Valley. YLW's total economic impact is 4,545 jobs and \$789 million in total economic output to the province of British Columbia. Serving 1.9 million passengers in 2017, YLW offers more than 60 daily non-stop commercial flights with Air Canada, Air North - Yukon's Airline, Alaska Airlines, Central Mountain Air, Flair Airlines, Pacific Coastal Airlines and WestJet to Calgary, Cranbrook, Edmonton, Prince George, Seattle, Toronto, Vancouver, Victoria and Whitehorse, plus seasonal service to Cabo San Lucas, Cancun, Phoenix, Puerto Vallarta, Winnipeg and Varadero.



Kelowna City Council has established an Airport Advisory Committee, which is led by the Mayor of Kelowna and includes representation from municipalities throughout the Okanagan Valley, to encourage participation from neighbouring communities. The aim is to provide high quality airport facilities in a safe and cost effective manner and assure the capability and flexibility to meet future changes in air transportation, technology and operations.

Airport Development is responsible for overseeing all capital projects at the Airport from the planning phase to the hand over to Airport Operations. These capital projects include, but are not limited to, construction and renovation.

Airport Finance & Corporate Services is responsible for overseeing the financial well-being of the Airport including, but not limited to, budgeting, analytics and forward-looking modelling. Finance and Corporate Services also oversees significant purchasing projects, contracts and acquisitions.

Airport Operations is responsible for the management, operations and maintenance of the day-to-day operations of the Airport. This includes, but is not limited to, management of the airlines and terminal building, management of groundside operations including parking, car rentals and ground transportation, safety and security, air service development, non-aeronautical business development, the customer experience, emergency preparedness and Airport fire and rescue.

2019 Departmental drivers & activities

Drivers

- Operate and maintain safe and secure best in class facilities and services
- Foster economic development for the region
- Act in a financially responsible and sustainable manner
- Exceed the customer service expectations of the travelling public in collaboration with airport partners and the community

Activities

A well-run City

- Contributions made to the Airport's Operating Reserve to provide the Airport with contingency funding during unexpected downturns in the economy or industry, or subsequent to natural disasters

- Quarterly reporting on the Airport's Strategic Plan
- Modernization and enhancement of the Airport's advertising signage and identification of new advertising nodes within the air terminal building

An active, inclusive city

- Working in partnership with the Canucks Autism Network to provide a more inclusive airport environment for families living with autism
- Working in partnership with Pets and People to provide a more calming airport environment for travelers

A safe city

- Design of the Airport's Runway End Safety Area
- Widening the sidewalk and adding lighting at the north end of the Airport terminal building to improve the safety of pedestrians who use this route extensively
- Reconfiguration of the Airport's tugway gate, to improve the level of safety on Airport Way when the aircraft tugway crossing is in use

A strong economy

- Continue to develop and retain air service
- Development of the second phase of the Aerospace Campus study, including an alternate strategy to develop and service the East Lands adjacent to the Airport
- Further design of the Airport's terminal expansion
- Leasing of the remaining West Lands groundside lots
- Implementation of infrastructure to provide shared-ride services with the opportunity to operate at the Airport

A clean, healthy environment

- Further enhancements of the Airport's glycol management plan
- Conversion of taxiway and apron edge lighting, and terminal art gallery lighting to LED, to reduce energy consumption

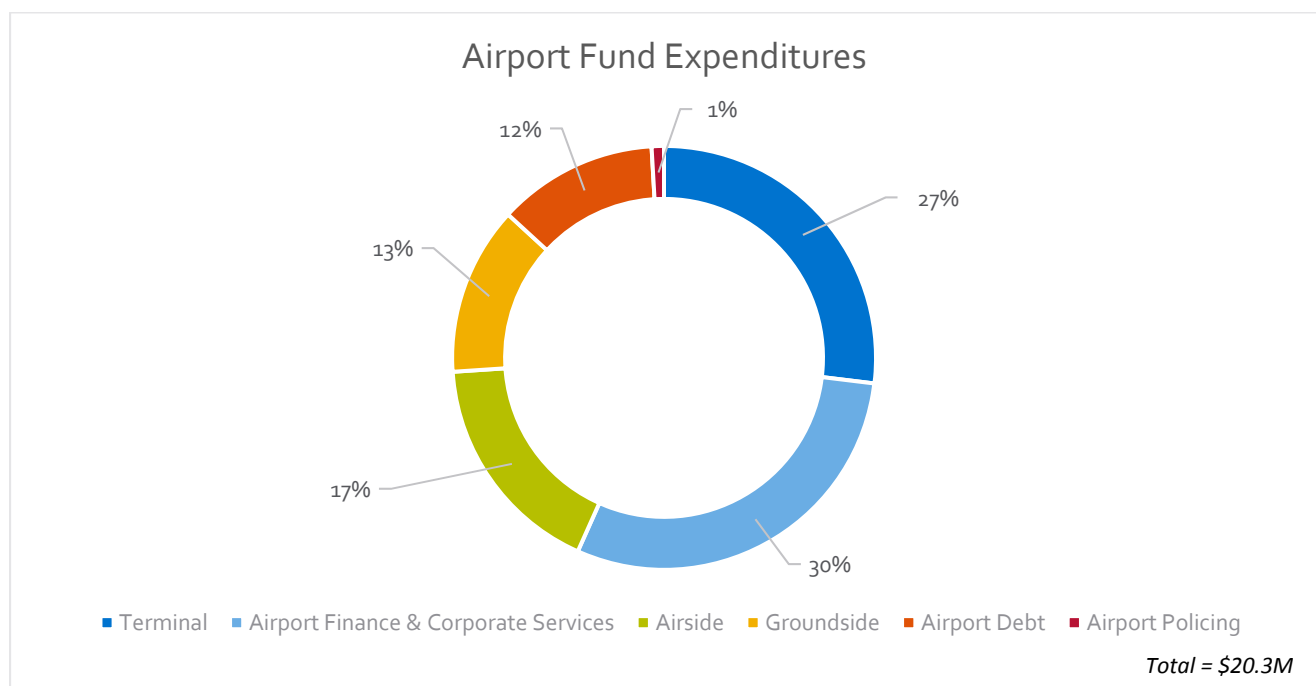
Resilient, well-managed infrastructure

- Design of the Airport's terminal expansion in partnership with key stakeholders
- Commencement of the rehabilitation of taxiway Delta as a part of a multi-year program
- Purchase of airside equipment to maintain the airfield during snow operations and to support increased aircraft movements
- Expansion of the long-term parking lot to add 300 parking stalls and paving of a portion of the gravel Convair lot to add 210 paved parking stalls, to help mitigate parking capacity issues related to passenger growth
- Replacement and modernization of parking lot equipment as the equipment is reaching the end of its useful life
- Completion of phase three of six of the roof replacement program for the air terminal building.
- Modifications and updates to the older areas of the terminal building and aging terminal building systems and equipment to ensure proper maintenance of infrastructure
- Collaborating with other departments within the City, the Ministry of Transportation and Infrastructure, and the University of British Columbia to conduct the Okanagan Gateway Transportation Study
- Development of a stormwater management plan
- Incorporation of an international and domestic swing gate coordinator to help manage concurrent international and domestic arrivals during peak periods
- Review and update of the Airport's 10 Year Capital Plan

2019 Departmental performance measures

	Actual	Estimated	Proposed
Program outputs			
Financial audits or studies	1	1	1
Monthly capital forecasting reviews	12	12	12
Program outcomes			
Meet long-term passenger activity forecast to 2025:	Medium	Medium	Medium
Efficiency measures			
Airplane enplaned cost per passenger	\$8.11	\$8.15	\$8.35
Customer satisfaction			
Airport service quality benchmark rating	4.21	4.24	4.40
Innovation & learning			
Semi-annual staff meetings	2	2	2
Management meetings	11	11	12
Finance and Corporate Services team meetings	12	12	12
Airport Operations team meetings	12	12	12
Airport Operations employee/manager	12	16	16
Project coordination meetings	48	48	48
Airport Development team meetings	12	12	12

Budget overview



Net Department expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per change
Operating cost centres:						
Airport						
106	Airport Finance & Corporate	2,749,309	4,128,868	5,970,909		
230	Airside	(977,055)	(1,146,260)	(1,743,805)		
231	Groundside	(977,054)	(1,585,661)	(2,236,427)		
232	Terminal	(977,051)	(1,585,664)	(2,183,223)		
233	Airport Improvement Fee	0	1	0		
234	Airport Policing	181,851	188,716	192,546		
Net operating expenditures		0	0	0	0	0.0%
Capital cost centres:						
312	Airport Capital	0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Department net expenditures		0	0	0	0	0.0%

Description of Operating program changes

			Total	FTE
2018 revised budget			0	45.5
2019 net impacts				
	One-time operating requests	0		
	One-time expenditure reductions	0		
	Incremental costs - prior year(s)	0		0.9
	Departmental adjustments	0	0	
			0	46.4
2019 program additions				
	2019 operating requests	0		1.3
	2019 expenditure reductions	0	0	
2019 provisional			0	47.7
Unfunded 2019 requests				
	2019 operating requests	0		0.0
	2019 expenditure reductions		0	
Total unfunded requests for			0	0.0

Comparison of 2018 and 2019 operating revenues and expenditures

	2018 Revised Budget	Variance	2019 Provisional
Revenues			
Airport Administration	100,500	0	100,500
Airport - Airside Operation	4,673,480	713,320	5,386,800
Airport - Groundside Operation	10,017,587	1,939,503	11,957,090
Airport - Terminal Operation	4,928,252	775,298	5,703,550
	19,719,819		23,147,940
Expenditures			
Airport Administration	3,350,552	1,788,841	5,139,393
Airport - Airside Operation	3,481,939	25,053	3,506,992
Airport - Groundside Operation	2,486,919	127,721	2,614,640
Airport - Terminal Operation	4,995,331	472,329	5,467,660
Airport Policing	188,716	3,830	192,546
Debt principal Payment	900,000	0	900,000
	15,403,457		17,821,231
Net of Revenue and Expenditures	4,316,362		5,326,709
Net Contribution to Reserve	3,437,546		4,394,693
Non-AIF Capital Expenditures			
From Airport Fund	9,788,050		9,378,200
Airport Improvement Fee Debt			
Revenues			
Airport Improvement Fee	13,220,000		14,528,000
	13,220,000		14,528,000
Expenditures			
Administration	325,964		30,765
Principal payments	3,229,843		1,897,138
Interest expense	956,250		584,250
	4,512,057		2,512,153
Net of Revenue and Expenditures	8,707,943		12,015,847
Net Contribution to Reserve	8,707,943		12,015,847
AIF Capital Expenditures			
From Airport Fund	13,241,280		-
From Other Funding Sources	3,404,660		-
Net of Revenue and Expenditures	4,391,581		6,689,138
Surplus/(Deficit)	878,816		932,016
Projected Accumulated Surplus	1,475,095		2,407,111

City Administration - Airport Fund

Airport

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(32,439,212)	(32,806,819)	(37,542,940)
Other Revenue	(418,922)	(273,500)	(273,500)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(5,211,926)	(7,486,310)	(5,956,196)
Total Revenue	(38,070,060)	(40,566,629)	(43,772,636)
<u>Expenditures</u>			
Salaries and Wages	4,401,832	4,727,397	5,141,712
Internal Equipment	40,487	36,490	46,990
Material and Other	8,138,202	8,420,309	10,021,575
Contract Services	135,604	136,880	153,800
Debt Interest	1,268,373	956,250	584,250
Debt Principal	3,432,002	4,129,843	2,797,138
Internal Allocations	1,480,062	1,648,845	1,728,419
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	19,173,498	20,510,615	23,298,752
Total Expenditures	38,070,060	40,566,629	43,772,636
Net Operating Expenditures	0	0	0
<u>Capital Expenditures</u>			
Gross Expenditures	23,062,740	26,433,990	9,378,200
Other Funding Sources	(23,062,740)	(26,433,990)	(9,378,200)
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	0	0	0

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	40.0	42.0	41.7	43.9
Salaried	3.8	5.3	3.8	3.8
Hourly				

2019 Operating Requests

Provisional Budget

Summary - Airport Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Airport								
Maintain								
124	Airport Improvement Fee Expenses	(275,200)	275,200	0	0	0	0	OG
124	Airport Airside Expenses	(30,000)	30,000	0	0	0	0	OG
125	Airport Groundside Expenses	172,500	(172,500)	0	0	0	0	OG
125	Airport Finance & Administration	1,674,200	(1,674,200)	0	0	0	0	OG
126	Debt Changes - Airport Debt	(1,704,700)	1,704,700	0	0	0	0	OG
	Total Maintain	(163,200)	163,200	0	0	0	0	
Growth								
126	Airport Improvement Fee Revenues	0	1,308,000	0	0	(1,308,000)	0	OG
127	Airport Airside Revenues	0	711,000	0	0	(711,000)	0	OG
127	Airport Terminal Revenues	0	777,300	0	0	(777,300)	0	OG
128	Airport Terminal Expenses	544,400	(544,400)	0	0	0	0	OG
128	Airport Groundside Revenues	0	1,244,600	0	0	(1,244,600)	0	OG
129	Manager of Airport Technology Position	(46,900)	46,900	0	0	0	0	OG
129	Airport Operations Technician Position	39,200	(39,200)	0	0	0	0	OG
	Total Growth	536,700	3,504,200	0	0	(4,040,900)	0	
Department Priority 1 Total								
		373,500	3,667,400	0	0	(4,040,900)	0	
Total Priority 1 Operating								
		373,500	3,667,400	0	0	(4,040,900)	0	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Airport Improvement Fee Expenses		PROVISIONAL

Justification:

The decrease in budgeted Airport Improvement Fee expenses is mainly due to a decrease in salaries and wages. Salaries and wages decreased due to a reallocation of costs among the Airport's cost centers based on where work is being completed.

This request is funded from the Airport Improvement Fee Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	(275,200)	275,200	0	0	0	0	0
2020	(275,200)	275,200	0	0	0	0	0
2021	(275,200)	275,200	0	0	0	0	0

Division:	City Manager	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Airport Airside Expenses		PROVISIONAL

Justification:

The slight increase in budgeted Airport Airside expenses is mainly due to increases in purchased services, fuel and chemicals, which were almost fully offset by a decrease in salaries and wages. The increase in purchased services was mainly due to the increasing cost of maintaining the airside pavement to extend its useful life. The increase in fuel and chemicals is due to increased anticipated usage based on historical data combined with increasing prices. The decrease in salaries and wages was mainly due to a reallocation of costs amongst the Airport's cost centers.

This request is funded from the Airport Airside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	(30,000)	30,000	0	0	0	0	0
2020	(30,000)	30,000	0	0	0	0	0
2021	(30,000)	30,000	0	0	0	0	0

2019 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Airport Groundside Expenses		PROVISIONAL

Justification:

The increase in budgeted Airport Groundside expenses is mainly due to increases in facility maintenance expenditures, professional and consulting fees and fuel expenditures, which are partially offset by a decrease in salaries and wages. The increase in facility maintenance expenditures is due to additional snow clearing costs for new areas anticipated to come online in 2019. The increase in professional and consulting fees is to allow for the completion of the Okanagan Gateway Study as this project is expected to be completed in 2019. The increase in fuel is due to increased anticipated usage based on historical data combined with increasing prices. The decrease in salaries and wages was mainly due to a reallocation of costs amongst the Airport's cost centers based on where the work is being completed.

This request is funded from the Airport Groundside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	172,500	(172,500)	0	0	0	0	0
2020	172,500	(172,500)	0	0	0	0	0
2021	172,500	(172,500)	0	0	0	0	0

Division:	City Manager	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Airport Finance & Administration		PROVISIONAL

Justification:

Airport Finance and Administration budgeted expenditures have increased mainly due to increases in salaries and wages and professional and consulting services. The increase in salaries and wages was mainly due to a reallocation of costs amongst the cost centers based on where the work is being completed. The increase in professional and consulting services is mainly due to the development of a stormwater management plan, an aerospace campus study and environmental consulting.

This request is funded equally from the Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	1,674,200	(1,674,200)	0	0	0	0	0
2020	1,674,200	(1,674,200)	0	0	0	0	0
2021	1,674,200	(1,674,200)	0	0	0	0	0

2019 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Debt Changes - Airport Debt		PROVISIONAL

Justification:

This request is to decrease budget to reflect the 2008 borrow of \$16 million being paid in full in 2018.

This request is funded from the Airport Improvement Fee Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	(1,704,700)	1,704,700	0	0	0	0	0
2020	(1,704,700)	1,704,700	0	0	0	0	0
2021	(1,704,700)	1,704,700	0	0	0	0	0

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Improvement Fee Revenues		PROVISIONAL

Justification:

The increase in budgeted Airport Improvement Fee (AIF) revenues is due to an anticipated growth in passengers of 1% between 2018 and 2019. Revenues are contributed to the Airport Improvement Fee Reserve.

2019 Base Budget: \$13,220,000

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	0	1,308,000	0	0	0	(1,308,000)	0
2020	0	1,308,000	0	0	0	(1,308,000)	0
2021	0	1,308,000	0	0	0	(1,308,000)	0

2019 Operating Request Details

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Airside Revenues		PROVISIONAL

Justification:

The increase in budgeted Airport Airside revenues is mainly due to an increase in landing fees. The increase in landing fees is mainly due to an increase in air service combined with a 1.5% rate increase effective January 1, 2019.

Revenues are contributed to the Airport Airside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	0	711,000	0	0	0	(711,000)	0
2020	0	711,000	0	0	0	(711,000)	0
2021	0	711,000	0	0	0	(711,000)	0

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Terminal Revenues		PROVISIONAL

Justification:

The increase in budgeted Airport Terminal revenues is mainly due to an increase in terminal fees combined with an increase in concession revenues. The increase in Terminal Fees is due to increased air service combined with a 1.5% rate increase effective January 1, 2019. The increase in concession revenues is due to an anticipated 1.1% increase in passengers between 2018 and 2019.

Revenues are contributed to the Airport Terminal Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	0	777,300	0	0	0	(777,300)	0
2020	0	777,300	0	0	0	(777,300)	0
2021	0	777,300	0	0	0	(777,300)	0

2019 Operating Request Details

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Terminal Expenses		PROVISIONAL

Justification:

The increase in budgeted Airport Terminal expenses is mainly due to increases in facility maintenance charges, purchased services and software maintenance, which were partially offset by a decrease in salaries and wages. The increase in facility maintenance charges is due to maintenance fees for the Outbound Baggage Hall coming online in 2018. The increase in purchased services expenditures is mainly due to the increasing costs to manage the arrivals area during peak periods. The increase in software maintenance expenditures is mainly due to increasing fees for existing systems at the Airport. The decrease in salaries and wages was mainly due to a reallocation of costs amongst the Airport's cost centers based on the work being completed.

This request is funded from the Airport Terminal Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	544,400	(544,400)	0	0	0	0	0
2020	544,400	(544,400)	0	0	0	0	0
2021	544,400	(544,400)	0	0	0	0	0

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Groundside Revenues		PROVISIONAL

Justification:

The increase in budgeted Airport Groundside revenues is mainly due to increases in parking and car rental concession revenues. The increase in parking revenues is due to an anticipated increase in the number of passengers at YLW. The increase in car rental concession revenues is due to a combination of increasing minimum annual guarantees and increasing passenger numbers at YLW.

Revenues are contributed to the Airport Groundside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	0	1,244,600	0	0	0	(1,244,600)	0
2020	0	1,244,600	0	0	0	(1,244,600)	0
2021	0	1,244,600	0	0	0	(1,244,600)	0

2019 Operating Request Details

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Manager of Airport Technology Position		PROVISIONAL

Justification:

Budget is requested for a Manager of Airport Technology who would develop and implement the overall strategy to advance the integration of the functions, services and resources required to operate the Airport specific systems and technologies. The Manager of Airport Technology would research and make recommendations for new technology solutions, including the development of business and revenue generating opportunities. This position would result in a \$131,250 reduction in budget for annual works currently being completed by a third party contractor.

This request will be funded equally by the Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	(46,900)	46,900	0	0	0	0	0
2020	(63,200)	63,200	0	0	0	0	0
2021	(63,200)	63,200	0	0	0	0	0

Division:	City Manager	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Operations Technician Position		PROVISIONAL

Justification:

The Airport's significant growth in the past five years has put pressure on the Airport Operations Specialist/Firefighter (AOS/FF) program for winter operations, summer airside maintenance, and increased responsibilities running the Airport Operations Centre. The hiring of an Airport Operations Technician instead of a winter casual position would reduce the annual training and escorting requirements, and increase the time spent on winter operations, summer airside maintenance as well as efficiencies in the Airports Operations Centre. This position would result in a \$17,890 reduction in budget for casual salaries and wages in 2019.

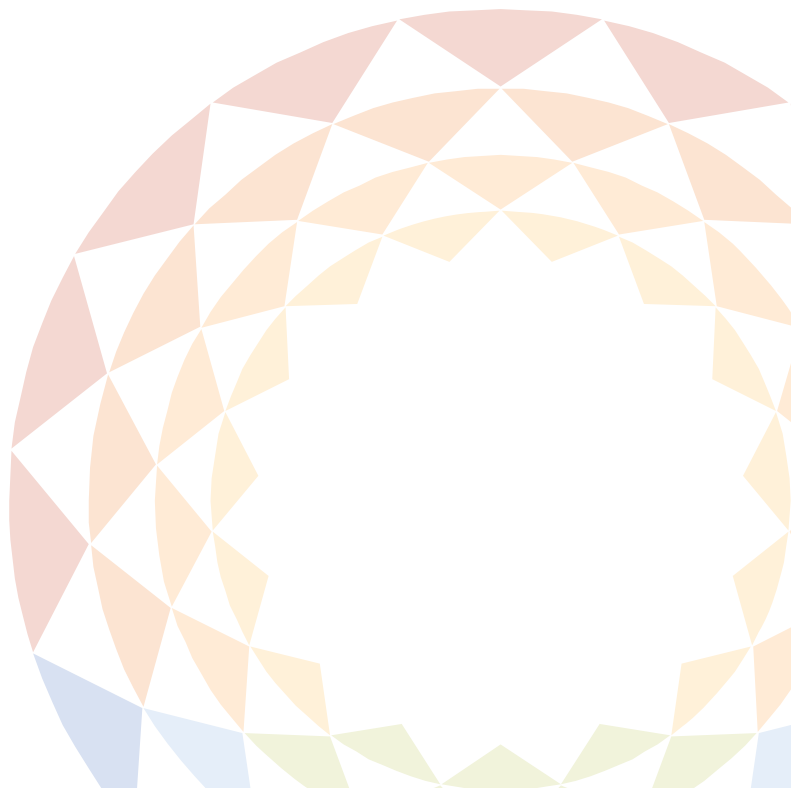
This position would be funded equally from the Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	39,200	(39,200)	0	0	0	0	0
2020	40,200	(40,200)	0	0	0	0	0
2021	40,200	(40,200)	0	0	0	0	0

This page was intentionally left blank

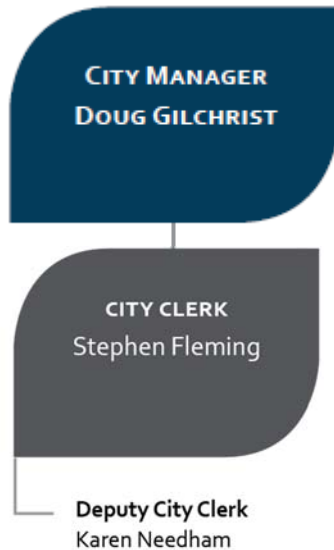
City Clerk



This page was intentionally left blank

City Clerk

The Office of the City Clerk provides legislative services to Council, their Committees, and to the corporation, providing statutory and procedural information and advice related to all levels of government legislation. Corporate responsibilities include, records and information management, public access to records and privacy, and access to legal services, while ensuring high corporate standards are maintained. The Office of the City Clerk fosters a culture of open government, with municipal information made easily accessible to the public.



2019 Departmental drivers & activities

Drivers

- Provide customer focused service
- Safeguard the assets of the City
- Build corporate and community capacity
- Ensure value for citizens always
- Enable new approaches and innovation
- Connect the organizations diverse activities

Activities

A well-run City

- Lead review of Council policies with Council
- Provide governance and meeting management support to Council and their Committees, including agenda preparation and notification, minutes, and council-directed service requests
- Prepare appropriate bylaws and legal documentation for notice and registration related to all development applications considered by Council

A safe city

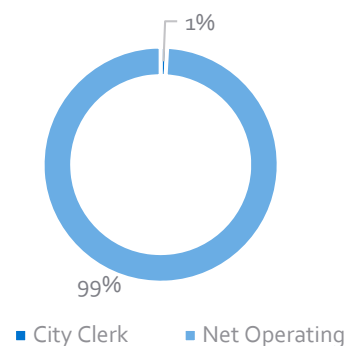
- Provide governance and procedural oversight and arrange for legal advice to various City departments in their efforts to resolve collaboratively bylaw non-compliance issues, in particular with respect to land use and the introduction of cannabis regulations
- Draft regulatory bylaws for City departments

2019 Departmental performance measures

	Actual	Estimated	Proposed
Program outputs			
Freedom of Information (FOI) requests received	99	125	100
Bylaws drafted (development & regulatory)	170	165	170
Council meeting & public hearing (days)	62	56	62
Number of agreements executed by Mayor/Clerk	488	460	475
Number of legal documents e-registered	150	160	170
Program outcomes			
Number of paper files processed for final disposition	15,030	4,682	5,011
Number of paper files processed for archive	15,685	12,765	10,000
Number of paper files in storage	147,757	104,264	109,250
Number of electronic documents (EDMS, u:drive)	934,841	1,691,229	2,447,600
Efficiency measures			
Business areas that met annual corporate archive	96%	97%	98%
Business areas that met annual corporate disposition	88%	100%	100%
Customer satisfaction			
FOI requests/responded to within 30 days	77%	83%	85%
FOI requests/responded within legislated timeline	81%	98%	100%
Council meeting packages prepared/delivered on time	100%	100%	100%
Council committee meetings attended	71%	70%	75%
Innovation & learning			
# scheduled training/education sessions provided by staff	64	25	25

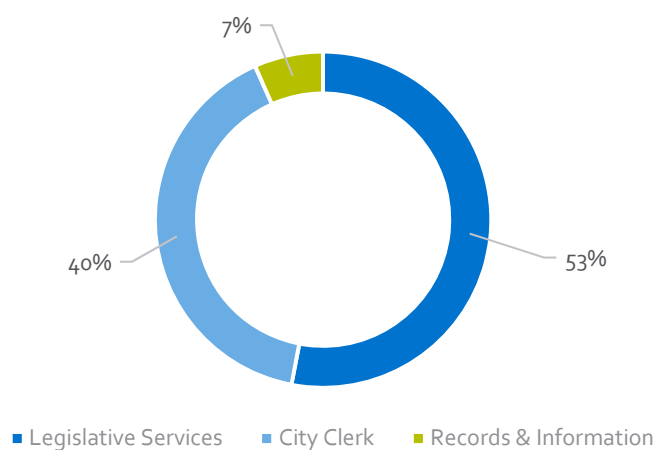
Budget overview

Per cent of General Fund operating



General fund operating = \$141.9 M

Department Summary



Total = \$1.2 M

Net Departmental expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per change
Operating cost centres:					
City Clerk					
119 Legislative Services	598,521	647,974	659,624		
120 City Clerk	404,376	443,891	502,141		
228 Records & Information	73,703	82,499	82,499		
Net operating expenditures	1,076,600	1,174,364	1,244,264	69,900	6.0%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	1,076,600	1,174,364	1,244,264	69,900	6.0%

Description of Operating program

		Total	FTE
2018 revised		1,174,364	9.1
2019 net impacts			
One-time operating requests	0		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	(1,500)		0.0
Departmental adjustments	1,500	0	
		<u>1,174,364</u>	<u>9.1</u>
2019 program additions			
2019 operating requests	82,700		0.5
2019 expenditure reductions	(12,800)	69,900	
2019 provisional		<u>1,244,264</u>	<u>9.6</u>
Unfunded 2019 requests			
2019 operating requests	0		0.0
2019 expenditure reductions		0	
Total unfunded requests for 2019		<u>0</u>	<u>0.0</u>

City Administration - General Fund
City Clerk
Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(3,776)	(10,000)	(10,000)
Other Revenue	(55,000)	(55,000)	(80,000)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(140,000)	0
Total Revenue	(58,776)	(205,000)	(90,000)
<u>Expenditures</u>			
Salaries and Wages	670,669	803,019	839,679
Internal Equipment	0	0	0
Material and Other	320,631	508,515	401,755
Contract Services	80,188	67,830	92,830
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	63,888	0	0
Total Expenditures	1,135,376	1,379,364	1,334,264
Net Operating Expenditures	1,076,600	1,174,364	1,244,264
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	1,076,600	1,174,364	1,244,264

	Budgeted 2017	Actual 2017	Revised 2018	Provisional 2019
Authorized FTE Positions	9.0	7.7	9.0	9.5
Salaried	0.1	0.1	0.1	0.1
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
City Administration									
<i>City Clerk</i>									
Maintain									
138	Records & Information Management Storage	25,000	0	0	0	0	0	(25,000)	OG
	Total Maintain	25,000	0	0	0	0	0	(25,000)	
Growth									
138	*Legal Expense and Review	45,000	0	0	0	(25,000)	0	(20,000)	OG
	Total Growth	45,000	0	0	0	(25,000)	0	(20,000)	
New									
139	Legislative Coordinator (FOI) Position	37,700	0	0	0	0	0	(37,700)	OG
	Total New	37,700	0	0	0	0	0	(37,700)	
Division Priority 1 Total		107,700	0	0	0	(25,000)	0	(82,700)	
Total Priority 1 Operating		107,700	0	0	0	(25,000)	0	(82,700)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	City Clerk		ON-GOING
Title:	Records & Information Management Storage		PROVISIONAL

Justification:

The current contract for the City's corporate record storage expires on September 30, 2018 following two, one-year options to extend, for a contract total of 7 years. Due to the specialized nature of Records Storage services, the RFP was designed to award the most points for secure storage services and costs, but also for substantiality initiatives, corporate strength and reporting abilities. At present, the number of service providers with the resources and knowledge to meet the City's records storage criteria is limited. Additional budget is required due to the increasing number of records, along with fee increases and changes within the industry for records related activity.

2019 Base Budget: \$64,830

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)
2020	25,000	0	0	0	0	0	0	(25,000)
2021	25,000	0	0	0	0	0	0	(25,000)

Division:	City Manager	Priority: 1	Growth
Department:	City Clerk		ON-GOING
Title:	Legal Expense and Review		PROVISIONAL

Justification:

Budget is requested to increase the general corporate legal budget to account for increases in legal fees and to provide sufficient funds to cover these expenses. Expenditures have been \$210,000 or more each year since 2015 and as the legal environment in which the City operates becomes more complex, an increase in the base funding is requested. Budget is also requested to support legal review of issues related to how Development Cost Charges (DCC's) are applied to development, with a request to increase DCC Administration Fee revenue collected by \$25,000 to cover increases in DCC-specific legal work.

2019 Base Budget Legal Expenses: \$190,000

2019 Base Budget for DCC Admin Fee Revenue: \$188,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	45,000	0	0	0	0	(25,000)	0	(20,000)
2020	45,000	0	0	0	0	(25,000)	0	(20,000)
2021	45,000	0	0	0	0	(25,000)	0	(20,000)

2019 Operating Request Details

Division:	City Manager	Priority: 1	New
Department:	City Clerk		ON-GOING
Title:	Legislative Coordinator (FOI) Position		PROVISIONAL

Justification:

The Freedom of Information (FOI) Legislative Coordinator coordinates and processes legal enquires, privacy and access to information requests, provides complex legislative, governance and administrative support related to Council, corporate administration and operations according to the requirements under the Local Government Act, Community Charter, Freedom of Information and Protection of Privacy Act (FOIPPA) and other relevant legislation. Budget is requested for a FOI Legislative Coordinator which would allow for the necessary focus that is required not only to respond to FOI requests, but to also increase the Office of the City Clerk's capacity to conduct privacy impact assessments and ongoing corporate training. The position can also be utilized to support Council related administrative functions such as preparing Council and Council Committee agendas and minutes, complex bylaw drafting and policy drafting support.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	37,700	0	0	0	0	0	0	(37,700)
2020	74,300	0	0	0	0	0	0	(74,300)
2021	74,300	0	0	0	0	0	0	(74,300)

2019 Reduction Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
<u>City Administration</u>									
<i>City Clerk</i>									
141	Webcasting Council Meetings	(12,800)	0	0	0	0	0	12,800	OT
	Department Priority 1 Total	(12,800)	0	0	0	0	0	12,800	
	Total Priority 1 Reduction Requests	(12,800)	0	0	0	0	0	12,800	

CCP - Combined capital project

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 2019

2019 Reduction Request Details

Division:	City Manager	Priority: 1	
Department:	City Clerk		ONE-TIME
Title:	Webcasting Council Meetings		PROVISIONAL

Justification:

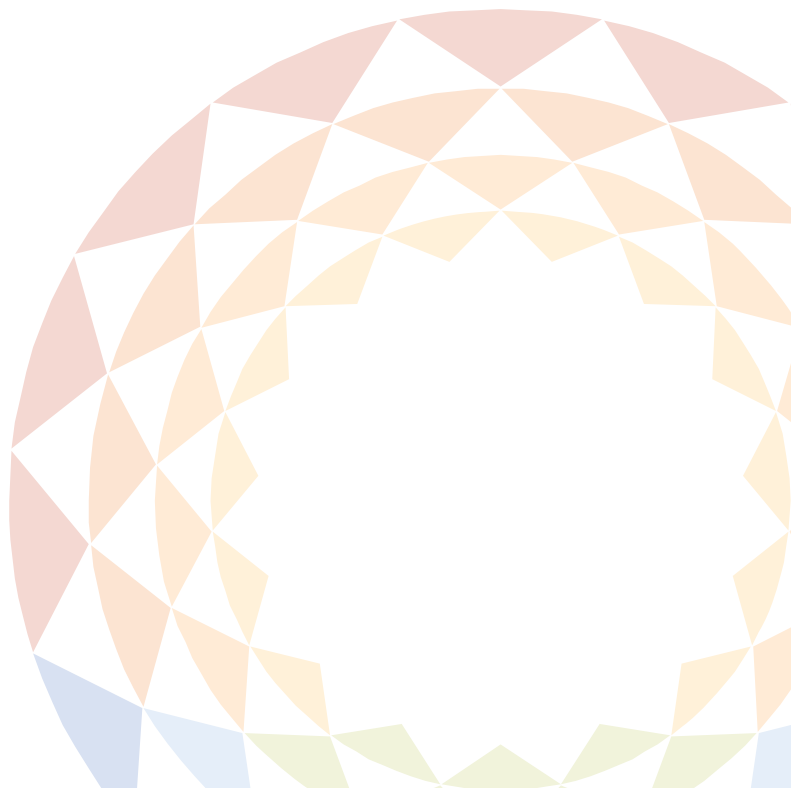
The 2018 webcasting of Council Meetings Project was delayed, therefore the operating budget for the annual maintenance costs can be delayed until 2020.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(12,800)	0	0	0	0	0	0	12,800

This page was intentionally left blank

Infrastructure



This page was intentionally left blank

Infrastructure

The Infrastructure division is responsible for all aspects of the planning, design and construction of all infrastructure (roads, active transportation, transit, water, sewer and drainage utilities, civic buildings, parks and public art) required by the community as well as the long-term replacement of aging assets. All infrastructure projects and programs include engaging stakeholders for the appropriate level of input. Asset preservation and replacement is essential to a sustainable community and the division establishes systems to maintain and report on the state of the community's infrastructure and plan for its replacement.

INFRASTRUCTURE

Alan Newcombe
Divisional Director

**Infrastructure
Delivery Dept. Manager**
Brian Beach

**Infrastructure
Engineering Manager**
Joel Shaw

**Integrated
Transportation Dept.
Manager**
Rafael Villarreal

**Parks & Building
Planning Manager**
Robert Parlane

**Infrastructure Senior
Engineer**
Ron Westlake

Infrastructure Delivery is responsible for managing the delivery of City infrastructure projects. Project delivery is provided by specialist consultants where appropriate. Projects include new construction and rehabilitation. A key focus of project delivery is to develop thoughtful and innovative processes and procedures to minimize the impact of City projects on residents and visitors, while ensuring compliance with Council approved policies and all applicable acts and regulations.

Infrastructure Engineering coordinates the annual and long-term capital plans including water, wastewater, drainage and solid waste, as well as the City's asset management plans for infrastructure renewal and the 20-Year Servicing Plan for infrastructure required to support growth. Infrastructure Engineering provides administrative and financial support services for the Division and administers the Development Cost Charge program. Infrastructure Engineering strives to guide all Division staff to understand and comply with corporate policies and best practices for capital planning, project accounting, document management and budgeting. Infrastructure Engineering also includes utility planning.

Integrated Transportation provides a strategic multi-dimensional approach to manage and plan transportation systems. The three branches of this department - *Transit & Transportation Programs*, *Strategic Transportation Planning* and *Transportation Engineering* - are responsible for transit administration, transit service and infrastructure planning, transportation demand management and shared mobility programs, strategic multi-modal transportation planning and prioritization, data collection, monitoring and analytics, corridor conceptual planning, network planning, major traffic impact reviews and road safety planning. This department also provides regional administration and inter-governmental collaboration to transportation planning and programs through management of the *Sustainable Transportation Partnership of the Central Okanagan (STPCO)*. As well, regional air quality planning and coordination is provided under contract to the Regional District of the Central Okanagan.

Parks and Buildings Planning anticipates future park, facility and public art needs with a view to providing the best value to the citizens. Individual projects are prioritized with a multiple bottom line approach that includes financial, social, cultural and environmental aspects. The department develops asset management plans for each asset class as well as short and long-range capital and related financial plans based upon new, renewal and growth requirements.

2019 Divisional drivers & activities

Drivers

- Plan for future infrastructure needs and develop strategies for funding and implementation
- Coordinate capital plans, budgets and funding sources to maximize the investment in the community where and when it is most needed
- Continuous improvement to the Asset Management Program that supports sustainable service delivery through efficient operation, maintenance and renewal of the City's \$3 billion in infrastructure assets
- Engage the community and stakeholders in project development and delivery
- Deliver value laden, quality infrastructure that meet the community needs
- Foster and maintain regional partnerships
- Focus on value for project and program delivery
- Build awareness, support and utilization of practices and programs through social media and communications
- Evidence-based and transparent decision making
- Monitoring performance through data gathering and analytics

Activities

A well-run City

- Support the strategic growth program consisting of aligning the Official Community Plan, the 20-Year Servicing Plan, the Transportation Master Plan and key components of the Subdivision, Development and Servicing Bylaw. Analysis of infrastructure, financing and quality of life impacts will be done for the different growth scenarios
- Update Development Cost Charges (DCCs) paid by Developers to reflect current land and construction costs to ensure adequate funding to service demand from growth
- Implement a re-organization of the City's internal road and utility construction group to better ensure capital projects that are assigned to City crews are completed safely, efficiently and cost effectively
- Integrate transit technology improvements (Real Time Transit Information, Automatic Passenger Counting, Fare Payment Systems) to support data driven decisions
- Pilot Intelligent Transportation Systems to improve traffic flow and transit reliability in specific corridors

An active, inclusive city

- Joint Education, Health and Wellness Facility - develop the potential partnership with School District (SD23) at the Parkinson Recreation site
- Glenmore Recreation Park, Phase 2 - construction
- Mission Recreation Park protective netting - construction
- Linear Parkland Acquisition
- Community for All, Parks & Buildings Improvement Program - develop program
- Canyon Falls Neighbourhood Learning Centre: tenant improvements construction
- Update the City Park masterplan, in conjunction with design development for the next phase of walkway improvements through the Park
- Off-leash dog parks/beach access review
- Hobson Road Interim Park Access - design & construction
- Bankhead Park, playground renewal
- High Noon Park, infrastructure renewal
- Knox Mountain Park, Paul's Tomb Trail renewal
- Art Walk extension design development
- Kelowna Community Theatre future size assessment and stage improvements

- Public Art – Police Services Building, Interior Health Building, Boyce-Gyro Beach Park, and Manhole design competition
- Water Street Firehall, exterior envelope renewal - construction
- Delivery and design of active transportation corridors (ATC) - Ethel 4 and 5, Sutherland 2
- Continue monitoring and evaluation of the bike share pilot
- Continue to support healthy living and active transportation through programming (Bike to Work Week, School Travel Planning, Bike Rodeos, Walking support programs, Open Streets)

A safe city

- Continue neighbourhood traffic calming and crosswalk safety programs
- Enhance safety and security at Transit Exchanges through provision of more security personnel and closed-circuit television (CCTV) monitoring
- Improve safety through design of Valley/Kane Roundabout

A strong economy

- Completion of the Transportation Master Plan and the Regional Transportation Plan
- Completion of the Okanagan Gateway Transportation study to support the success of the Airport and University area
- Completion of South Perimeter Road, Gordon extension and Stewart Road West
- Completion of the disruptive mobility strategy to help prepare for future changes in transportation

A clean, healthy environment

- Delivery of active transportation corridors and expansion of sidewalk network
- Continue to expand air quality programming related to health impacts of wood smoke and other pollutants

Resilient, well-managed infrastructure

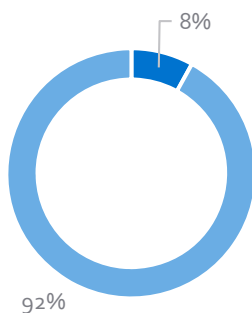
- Implement final phases of the asset management system to support the Corporate Asset Management Program
- Complete the DCC Parks Acquisition review
- Municipal Buildings Land Acquisition review
- Complete the Parks Development Funding Strategy
- Develop the Parks Masterplan
- Bylaw 7900 Parks & Trails update
- Assist on the conclusion of the Capri-Landmark Urban Centre plan
- Long-term City Yards Accommodation Plan
- Long-term City Hall Accommodation Plan
- City Hall, Phase IV renovations: design & construction
- Plan a future operation centre facility to accommodate future transit expansion, taking advantage of grant funding opportunities
- Improve wayfinding and information to support active transportation (bike route map, route signage and web presence)

2019 Divisional performance measures

	Actual	Estimated	Proposed
Program outputs			
Total lane kilometers (km) of roads resurfaced	33.19	36.6	40.4
Total meters of water main pipe replaced	3,569	1,385	870
Total meters of sanitary sewer main pipe replaced	6,484	3,450	3,450
Water main breaks	8	8	9
Water main pipes (km)	424	450	475
Water service breaks	121	130	140
Water service pipes (km)	17,544	17,800	18,000
Number of participants in Bike to Work/School Week	2,200	2,330	2,200
Number of students participating in bicycle education	1,787	2,211	2,000
Air quality - number of woodstoves exchanged for high-	12	58	70
Air quality - number of cubic meters of orchard wood	4,639.2 m ³	6,500 m ³	5,000 m ³
Program outcomes			
Total value of capital construction projects			
▪ Civic buildings	\$14.6M	\$7M	\$6.9M
▪ Parks & public spaces	\$9.8M	\$18.9M	\$11M
▪ Transportation	\$10.4M	\$38M	\$20.7M
▪ Solid waste	\$1.3M	\$9.2M	\$3.4M
▪ Storm drainage	\$286,620	\$7.9M	\$2M
▪ Water	\$5.6M	\$61.8M	\$3.5M
▪ Wastewater	\$2M	\$6.5M	\$8.5M
Total corporate greenhouse gas (GHG) emissions (CO2)	7,670	7,593	7,517
Efficiency measures			
Service request average response time by type (in calendar days)			
▪ Bus stops	6	2	2
▪ Construction	11	19	18
▪ Drainage	26	121	100
▪ Air quality	2	2	2
▪ Dog parks	32	n/a	n/a
▪ Bike lanes	53	17	20
▪ Future road plans	31	84	80
Customer satisfaction			
Transit ridership	4,927,185	5,005,054	5,083,118
Transit hours of service	194,145	198,183	200,000

Budget overview

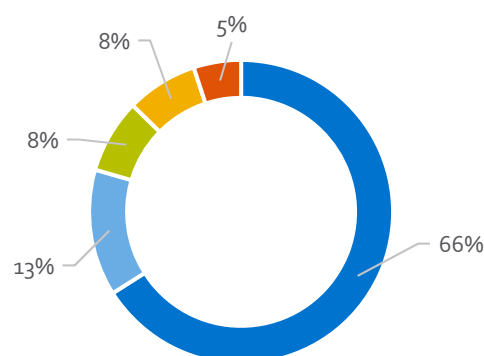
Per cent of General Fund operating



■ Infrastructure ■ Net Operating

General fund operating = \$141.9 M

Division Summary



■ Integrated Transportation ■ Infrastructure Delivery ■ Infrastructure Engineering
 ■ Parks & Building Planning ■ Infrastructure

Total = \$11.4 M

Net Divisional expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change from prior year	Per cent change
Operating cost centres:						
Infrastructure						
220	Infrastructure	768,786	307,243	576,203		
		768,786	307,243	576,203	268,960	87.5%
Infrastructure Engineering						
176	Infrastructure Administration	423,787	410,443	416,593		
221	Solid Waste Management	8,178	8,179	7,500		
223	Infrastructure Engineering	93,301	153,092	218,062		
245	Utility Planning	169,516	354,543	258,143		
*	246	Utility Planning - Wastewater	0	0		
*	247	Utility Planning - Water	0	0		
		694,782	926,257	900,298	(25,959)	(2.8%)
Parks & Buildings Planning						
173	Parks & Buildings Planning	495,063	725,282	866,382		
		495,063	725,282	866,382	141,100	19.5%
Infrastructure Delivery						
188	Roadways Construction	255,091	275,753	275,753		
214	Infrastructure Delivery	786,601	829,392	1,130,392		
215	Utilities Construction	130,760	133,931	133,931		
*	236	Wastewater Construction	0	0		
*	237	Water Construction	0	0		
*	263	Infrastructure Delivery -	0	0		
*	264	Infrastructure Delivery -	0	0		
		1,172,452	1,239,076	1,540,076	301,000	24.3%

Continued**Integrated Transportation**

185	Integrated Transportation	334,069	398,418	355,628
192	Transportation Engineering	647,701	682,453	730,123
193	Transit and Programs	141,357	135,285	140,285
224	Strategic Transportation	179,951	197,245	232,245
257	Kelowna Regional Transit	6,549,731	6,863,167	6,080,367

		7,852,809	8,276,568	7,538,648	(737,920)	(8.9%)
--	--	------------------	------------------	------------------	------------------	---------------

Net operating expenditures

		10,983,892	11,474,426	11,421,607	(52,819)	(0.5%)
--	--	-------------------	-------------------	-------------------	-----------------	---------------

Capital cost centres:

		0	0	0
--	--	---	---	---

Net capital expenditures

		0	0	0	0	0.0%
--	--	----------	----------	----------	----------	-------------

Total Division net expenditures

		10,983,892	11,474,426	11,421,607	(52,819)	(0.5%)
--	--	-------------------	-------------------	-------------------	-----------------	---------------

*Shown in Civic Operations as these cost centers are fund 40/50

Description of Operating program

		Total	FTE
2018 revised		11,474,426	32.0
2019 net impacts			
One-time operating requests	(443,720)		0.0
One-time expenditure reductions	(75,370)		
Incremental costs - prior year(s)	65,770		-0.2
Divisional adjustments	1,401	(451,919)	
		<u>11,022,507</u>	<u>31.8</u>
2019 program additions			
2019 operating requests	399,100		2.1
2019 expenditure reductions	0	399,100	
2019 provisional		<u>11,421,607</u>	<u>33.9</u>
Unfunded 2019 requests			
2019 operating request	67,500		0.6
2019 expenditure reductions		67,500	
Total unfunded requests for 2019		<u>67,500</u>	<u>0.6</u>

Infrastructure - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(6,909,611)	(7,391,467)	(7,526,467)
Other Revenue	(10,037,557)	(13,499,499)	(12,041,274)
Transfers from Funds			
Special (Stat Reserve) Funds	(235)	(40,480)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(338,290)	(3,666,730)	(186,200)
Total Revenue	(17,285,693)	(24,598,176)	(19,753,941)
<u>Expenditures</u>			
Salaries and Wages	3,354,933	3,337,115	3,507,275
Internal Equipment	111,577	215,535	171,685
Material and Other	1,792,825	9,406,983	4,334,783
Contract Services	20,936,449	22,560,361	22,456,051
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	344,585	360,708	418,774
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	1,729,216	191,900	286,980
Total Expenditures	28,269,585	36,072,602	31,175,548
Net Operating Expenditures	10,983,892	11,474,426	11,421,607
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	10,983,892	11,474,426	11,421,607

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	27.5	28.0	28.5	30.3
Hourly	3.2	5.3	3.5	3.6

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
154	Lawrence Avenue Accommodation	43,000	0	0	0	0	0	(43,000)	OT
154	Transit Advertising Revenue	0	135,700	0	0	(135,700)	0	0	OG
CAP 467	2018 Freshet Recovery Projects - Operating	1,340,300	0	0	(1,071,400)	0	0	(268,900)	OT
155	Miscellaneous Drainage	200,000	0	0	0	0	0	(200,000)	OG
CAP 447	Bridge Rehabilitation and Inspections	50,000	0	0	0	0	0	(50,000)	OG
155	*Time Series Data Extraction from SCADA	55,000	0	0	0	0	(36,600)	(18,400)	OG
156	Transit Base Operating Costs	(243,200)	0	0	(3,400)	(598,700)	0	845,300	OG
156	Traffic Count Revenue	0	0	0	0	(4,800)	0	4,800	OG
	Total Maintain	1,445,100	135,700	0	(1,074,800)	(739,200)	(36,600)	269,800	
Growth									
157	Public Art	28,800	0	0	0	0	0	(28,800)	OG
157	Transit Service Coordinator Position	136,900	(45,000)	0	0	(67,500)	0	(24,400)	OG
158	Transit Security at Queensway and UBCO	30,000	0	0	0	0	0	(30,000)	OG
158	*Utility Planning Engineer Position	89,200	(10,600)	0	0	0	(63,400)	(15,200)	OG
159	Okanagan Gateway Transportation Study	35,000	0	0	0	0	0	(35,000)	OT
159	Bike Lockers and Bike Racks Maintenance	5,000	0	0	0	0	0	(5,000)	OG
	Total Growth	324,900	(45,000)	0	0	(78,100)	(63,400)	(138,400)	
New									
160	Additional Staff Workstations	117,500	0	0	0	0	0	(117,500)	OT
160	Senior Transportation Engineer Position	46,000	0	0	0	0	0	(46,000)	OG
161	Landfill Nuisance Investigation and Monitoring	100,000	0	0	0	(100,000)	0	0	OG
161	Parks Development DCC Bylaw	100,000	0	0	0	0	0	(100,000)	OT
CAP 418	City Hall, Phase IV - Renovations	50,000	0	0	0	0	0	(50,000)	OT
162	Lakeshore Road - Mission Creek Bridge Sediment Monitoring	10,000	0	0	0	0	0	(10,000)	OG
162	Mill Creek Long Term Maintenance Permit	75,000	0	0	0	0	0	(75,000)	OT
163	Flow Monitoring, Hydrology and Climate Change - Storm Drainage	45,000	0	0	0	0	0	(45,000)	OG
163	Community for All Improvement Program	40,000	0	0	0	0	0	(40,000)	OG
164	AutoCAD Training	5,000	0	0	0	0	0	(5,000)	OT
164	Okanagan Rail Trail Visual Identity & Communications	25,000	0	0	0	0	0	(25,000)	OT

Page	2019 FINANCIAL PLAN	CITY OF KELOWNA						
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation Cat
165	Transit Planning Software Licensing	10,000	0	0	0	0	0	(10,000) OG
165	Transit Marketing and Promotion	10,000	(10,000)	0	0	0	0	0 OG
166	Bicycle and Pedestrian Counter Maintenance	7,000	0	0	0	0	0	(7,000) OG
	Total New	640,500	(10,000)	0	0	(100,000)	0	(530,500)
<hr/>								
	Division Priority 1 Total	2,410,500	80,700	0	(1,074,800)	(917,300)	(100,000)	(399,100)
<hr/>								
	Total Priority 1 Operating	2,410,500	80,700	0	(1,074,800)	(917,300)	(100,000)	(399,100)

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Parks & Buildings Planning		ONE-TIME
Title:	Lawrence Avenue Accommodation		PROVISIONAL

Justification:

Budget is requested for the continued lease and maintenance costs of the existing City offices on Level 2 at Lawrence Avenue. The office space currently accommodates Infrastructure Delivery and Purchasing. The offices were originally identified as short term lease and funded from the capital budget. This budget request is for continuation of the lease pending completion of the City Hall garden level renovation and confirmation of the long term accommodation strategy for the affected departments.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	43,000	0	0	0	0	0	0	(43,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Integrated Transportation		ON-GOING
Title:	Transit Advertising Revenue		PROVISIONAL

Justification:

Budget is requested to increase revenues from "on-bus" and "bus shelter" advertising due to new rates. These advertising categories operate under separate contracts, each with their own yearly minimum guaranteed payment schedule. The total "on-bus" revenue is shared with the local partners of the Kelowna Regional Transit System. The amount included in this budget request is the City's share, which is approximately 80%. The "bus shelter" revenue is 100% City of Kelowna (not shared). These revenues are contributed to reserve to be used for improvements to the City's transit amenities like upgrading of bus stops and purchases of new bus shelters.

2019 Base Budget: \$191,900

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	135,700	0	0	0	(135,700)	0	0
2020	0	145,700	0	0	0	(145,700)	0	0
2021	0	155,700	0	0	0	(155,700)	0	0

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Delivery		ON-GOING
Title:	Miscellaneous Drainage		PROVISIONAL

Justification:

The City has seen an unprecedented increase in the number of drainage issues in the past few years related to climate/weather changes, groundwater interactions and increased hillside development. Current estimated costs for approved miscellaneous drainage projects associated with 57 outstanding service requests is more than \$600,000 with more requests expected. Budget is requested to begin addressing this backlog.

2019 Base Budget: \$217,085

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	200,000	0	0	0	0	0	0	(200,000)
2020	200,000	0	0	0	0	0	0	(200,000)
2021	0	0	0	0	0	0	0	0

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Engineering		ON-GOING
Title:	Time Series Data Extraction from SCADA		PROVISIONAL

Justification:

Budget is requested to hire a consultant to assist with re-directing time series data, such as rainfall, temperature, creek flow, lake levels and other non-critical data series, for availability to the public and use in the Emergency Operations Centre (EOC) and other communities. Currently, the data is housed in a supervisory control and data acquisition (SCADA) server located at the Wastewater Treatment Facility, and houses a variety of live and historical time series data used to analyze, operate and monitor a variety of City utility operations. The SCADA server is tightly controlled with legislated security protocols; therefore public access is discouraged to limit risks of tampering.

This request is for a three-year term.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	55,000	0	0	0	0	0	(36,600)	(18,400)
2020	55,000	0	0	0	0	0	(36,600)	(18,400)
2021	27,500	0	0	0	0	0	(18,400)	(9,100)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Integrated Transportation		ON-GOING
Title:	Transit Base Operating Costs		PROVISIONAL

Justification:

This request is to reflect changes in revenue and costs in transit operations including transit management/labor, fuel, maintenance and lease fees, and expansion. This operating request will decrease Conventional Transit by \$647,780 and decrease Custom Transit by \$197,520.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(243,200)	0	0	(3,400)	0	(598,700)	0	845,300
2020	(243,200)	0	0	(3,400)	0	(598,700)	0	845,300
2021	(243,200)	0	0	(3,400)	0	(598,700)	0	845,300

Division:	Infrastructure	Priority: 1	Maintain
Department:	Integrated Transportation		ON-GOING
Title:	Traffic Count Revenue		PROVISIONAL

Justification:

In March 2016, the Miscellaneous Fees and Charges Bylaw No. 9381 was amended to reflect fees for Transportation Engineering related to traffic count data. Budget is requested to create an ongoing budget for revenue based on previous years' averages.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(4,800)	0	4,800
2020	0	0	0	0	0	(4,800)	0	4,800
2021	0	0	0	0	0	(4,800)	0	4,800

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Parks & Buildings Planning		ON-GOING
Title:	Public Art		PROVISIONAL

Justification:

The Public Art Program was first established by Council in 1997. It currently receives an annual budget of \$106,200 which is used to support public art commissions, community public art, temporary public art, commissions in partnership with institutions and developers, as well as promotion of our existing collection. The permanent collection currently contains 67 pieces: two new pieces were added in 2018, and three more are currently in process. Budget is requested to increase the annual budget to \$135,000 to cover increased commissioning costs.

2019 Base Budget: \$106,200

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	28,800	0	0	0	0	0	0	(28,800)
2020	28,800	0	0	0	0	0	0	(28,800)
2021	28,800	0	0	0	0	0	0	(28,800)

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ON-GOING
Title:	Transit Service Coordinator Position		PROVISIONAL

Justification:

An existing Transit Service Coordinator term position was budgeted for a 2 year term from 2017-2018. This request is for ongoing funding to establish it as a permanent position to respond to growth in complexity of the transit system, which includes service growth of 16% since implementation of Rapid Bus; 3 new routes and 5 new or expanded transit exchanges; and introduction of new technologies which require ongoing support. This position will be funded 25% from capital projects, 50% from transit advertising revenue and 25% from increased transit revenue which has been included in the Transit Base Operating Costs operating request.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	136,900	(45,000)	0	0	0	(67,500)	0	(24,400)
2020	136,500	(45,000)	0	0	0	(67,500)	0	(24,000)
2021	136,500	(45,000)	0	0	0	(67,500)	0	(24,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ON-GOING
Title:	Transit Security at Queensway and UBCO		PROVISIONAL

Justification:

Budget is requested to allow the current summer morning security shift (9am - 3pm) at the Queensway Transit Exchange to become full year in response to growing concerns about safety in the downtown core. This budget will also allow shared funding (25%) of one daytime shift of security at University of British Columbia Okanagan (UBCO) in support of the new transit exchange. The UBCO Transit Exchange, while mainly serving students, also acts as a transfer hub for other user groups e.g., transfers to airport and other City routes and locations. UBCO provides security coverage and has requested the City partner to cover some of the cost based on non-student uses of the facility. There is a similar security cost sharing arrangement with Orchard Park administration which is also a privately owned and managed site.

Corporate Framework: A safe city - Maintaining order

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	30,000	0	0	0	0	0	0	(30,000)
2020	30,000	0	0	0	0	0	0	(30,000)
2021	30,000	0	0	0	0	0	0	(30,000)

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Engineering		ON-GOING
Title:	Utility Planning Engineer Position		PROVISIONAL

Justification:

Budget is requested for a new engineering position necessary for long term coordination and capital planning for the Integrated Water System, Irrigation Water Supply, City Water utility, Wastewater utility, Landfill and storm drainage systems.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	89,200	(10,600)	0	0	0	0	(63,400)	(15,200)
2020	115,500	(14,100)	0	0	0	0	(84,600)	(16,800)
2021	115,500	(14,100)	0	0	0	0	(84,600)	(16,800)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ONE-TIME
Title:	Okanagan Gateway Transportation Study		PROVISIONAL

Justification:

Budget is requested for the Integrated Transportation's portion of the Okanagan Gateway Transportation Study. This study seeks to identify a transportation network that supports the long-term success of Okanagan Gateway and integrates the land use plans and strategic objectives of the City, Airport, Ministry of Transportation and Infrastructure (MoTI) and University of British Columbia Okanagan (UBCO). This study is jointly funded through a partnership between the City, MoTI and UBCO. This funding supplements the 2018 funding request from the Airport, forming the Integrated Transportation's contribution to the project.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	35,000	0	0	0	0	0	0	(35,000)

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ON-GOING
Title:	Bike Lockers and Bike Racks Maintenance		PROVISIONAL

Justification:

As the inventory of bike storage assets grows, ongoing maintenance budget is requested to keep these amenities in good condition. With 30 bike lockers and over 250 public bike racks in place, repair and refurbishment is necessary to maintain functionality and appearance of these amenities.

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Parks & Buildings Planning		ONE-TIME
Title:	Additional Staff Workstations		PROVISIONAL

Justification:

Budget is requested to add additional staff workstations in multiple locations within existing departments at City Hall and other office locations in the downtown core as part of the longer term strategy to improve the utilization of civic offices. The scope includes furniture, equipment and some minor renovations where existing space is either under-utilized or redundant, and includes drop-in stations for non-office based staff use.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	117,500	0	0	0	0	0	0	(117,500)

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ON-GOING
Title:	Senior Transportation Engineer Position		PROVISIONAL

Justification:

As the fastest growing metropolitan area in British Columbia between 2011 and 2016, Kelowna's transportation system is rapidly growing larger, busier and more complex. In the next 10 years the City is tasked with planning, prioritizing, and delivering approximately \$200 million of transportation capital projects. Current staff resources are insufficient to support the efficient delivery of investments and development of this magnitude. Budget is requested for a Senior Transportation Engineer to support review, planning and delivery of emerging transportation infrastructure needs for the growing community.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	46,000	0	0	0	0	0	0	(46,000)
2020	87,800	0	0	0	0	0	0	(87,800)
2021	87,800	0	0	0	0	0	0	(87,800)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ON-GOING
Title:	Landfill Nuisance Investigation and Monitoring		PROVISIONAL

Justification:

A more detailed modeling and monitoring process has been recommended as part of the risk assessment portion of the Nuisance Study for the Glenmore Landfill. Budget is requested for ongoing work to examine new monitoring options for collecting information about selected nuisances, allow for additional CalPUFF modeling of potential nuisance impacts and address concerns as they arise with neighboring properties, while assisting with long term strategies to mitigate the impacts.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	100,000	(100,000)	0	0	0	0	0	0
2020	100,000	(100,000)	0	0	0	0	0	0
2021	100,000	(100,000)	0	0	0	0	0	0

Division:	Infrastructure	Priority: 1	New
Department:	Parks & Buildings Planning		ONE-TIME
Title:	Parks Development DCC Bylaw		PROVISIONAL

Justification:

Following direction from Council, budget is requested for the 20-year Servicing Plan update is required in order to include the proposal for the Parks Development Cost Charges and the revision to the Acquisition Development Cost Charge. This work is anticipated to occur during Q1 and Q2 of 2019.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	100,000	0	0	0	0	0	0	(100,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Delivery		ON-GOING
Title:	Lakeshore Road - Mission Creek Bridge Sediment Monitoring		PROVISIONAL

Justification:

As part of the environmental approvals for the Lakeshore Road bridge replacement completed in 2014, the City is required to survey and report on the sedimentation conditions in Mission Creek upstream and downstream of the bridge on an annual basis. Budget is requested for field survey by City crews and reporting by the environmental consultant.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	0	(10,000)

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	Mill Creek Long Term Maintenance Permit		PROVISIONAL

Justification:

An in-stream permit is required for long term maintenance of Mill Creek through portions of the City. Over the years, the Province has not permitted channel maintenance, resulting in encroachment and loss of habitat. In 2018, a temporary permit was allowed in advance of the spring freshet to remove specific trees in the channel. To maintain capacity, budget is requested for this project in order to conduct the necessary riparian study updates, discussions and applications needed to make it a permanent process.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	75,000	0	0	0	0	0	0	(75,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ON-GOING
Title:	Flow Monitoring, Hydrology and Climate Change - Storm Drainage		PROVISIONAL

Justification:

The City is involved in several initiatives to investigate, analyze and support projects that help mitigate the impacts of flooding, high lake levels and climate change impacts. Budget is requested for the Storm Drainage portion of support hydrology studies, flow measurement, data acquisition, some closed-circuit television requests, and riparian systems necessary to support grant applications for major works and studies for the City. The work also includes the analysis and data required to manage internal requests for drainage design and issues as they arise from the public.

There is a separate operating request under a similar name for the Water portion of these initiatives.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	45,000	0	0	0	0	0	0	(45,000)
2020	45,000	0	0	0	0	0	0	(45,000)
2021	45,000	0	0	0	0	0	0	(45,000)

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Delivery		ON-GOING
Title:	Community for All Improvement Program		PROVISIONAL

Justification:

The 2017 Parks & Buildings Accessibility Assessments studied accessibility issues in the public parks and buildings, not just for those with mobility challenges, but also those with sensory or cognitive challenges, seniors, caregivers and parents with babies and toddlers. The report identified many deficiencies across public parks and buildings that create barriers for these groups. Budget is requested for a program to implement improvements on an annual basis. A priority list will be identified and will target the numerous minor improvements that are too small for consideration within the capital program. This budget will also allow the City to pursue matching grant funding for such improvements.

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	40,000	0	0	0	0	0	0	(40,000)
2020	40,000	0	0	0	0	0	0	(40,000)
2021	40,000	0	0	0	0	0	0	(40,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	AutoCAD Training		PROVISIONAL

Justification:

The City will be upgrading from AutoCAD 2016 to AutoCAD 2019. Budget is requested for 23 Infrastructure staff to attend training sessions to learn of new functionality in the product.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ONE-TIME
Title:	Okanagan Rail Trail Visual Identity & Communications		PROVISIONAL

Justification:

The City of Kelowna is working collaboratively as part of the interjurisdictional staff committee in the further development, maintenance and use of the Okanagan Rail Trail corridor. Budget is requested for the City's share, as per the formula for sharing costs in the Committee Terms of Reference, in the development of a trail-wide visual identity program. The outcome would be used for general communication material for the Okanagan Rail Trail including web content, interpretive facilities, signage, supporting collateral material and marketing the trail to local residents.

Corporate Framework: A strong economy - Building & maintaining partnerships

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ON-GOING
Title:	Transit Planning Software Licensing		PROVISIONAL

Justification:

Budget is requested for software licensing to facilitate modeling and costing of transit routings at a complexity not currently offered by BC Transit. This enhanced level of transit planning is requested to increase ridership and to improve resource and cost efficiencies.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	0	(10,000)

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ON-GOING
Title:	Transit Marketing and Promotion		PROVISIONAL

Justification:

Budget is requested for a two-year pilot transit marketing strategy. This request is to support ridership and revenue growth through targeted marketing promotions such as sampling promotions, targeted social marketing campaigns, mailouts, public events and advertising placement. Specifically, the Glenmore and Rutland route changes will be promoted to grow ridership and revenue.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	10,000	(10,000)	0	0	0	0	0	0
2020	10,000	(10,000)	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ON-GOING
Title:	Bicycle and Pedestrian Counter Maintenance		PROVISIONAL

Justification:

Budget is requested for the Eco-Counter bicycle and pedestrian counter network. The budget will cover maintenance, battery replacement, automated daily Global System for Mobile communications uploads of counts from each counter and the publicly accessible Eco-Visio web portal for the bicycle and pedestrian counters that the City of Kelowna owns and operates.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	7,000	0	0	0	0	0	0	(7,000)
2020	7,000	0	0	0	0	0	0	(7,000)
2021	7,000	0	0	0	0	0	0	(7,000)

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
168	Storm Drainage Modeling Software Upgrades	10,000	0	0	0	0	0	(10,000)	OG
168	Traffic Bylaw Updates	20,000	0	0	0	0	0	(20,000)	OT
	Total Maintain	30,000	0	0	0	0	0	(30,000)	
Growth									
169	Parks Project Technician Position	13,700	0	0	0	0	0	(13,700)	OG
169	*Engineer in Training Position	49,300	(9,500)	0	0	0	(19,000)	(20,800)	OG
	Total Growth	63,000	(9,500)	0	0	0	(19,000)	(34,500)	
New									
170	Transit Meeting Travel Expense	3,000	0	0	0	0	0	(3,000)	OG
	Total New	3,000	0	0	0	0	0	(3,000)	
	Division Priority 2 Total	96,000	(9,500)	0	0	0	(19,000)	(67,500)	
	Total Priority 2 Operating	96,000	(9,500)	0	0	0	(19,000)	(67,500)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Infrastructure	Priority: 2	Maintain
Department:	Infrastructure Engineering		ON-GOING
Title:	Storm Drainage Modeling Software Upgrades		PROVISIONAL

Justification:

The Utility Planning branch uses specialized software to manage each of its utility services. Budget is requested for annual maintenance and upgrade fees per software product. The models are used for work on the Official Community Plan, development requests and servicing.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	0	(10,000)

Division:	Infrastructure	Priority: 2	Maintain
Department:	Integrated Transportation		ONE-TIME
Title:	Traffic Bylaw Updates		PROVISIONAL

Justification:

Budget is requested to review, research and add items not currently addressed in the Traffic Bylaw, including emerging issues like electric scooter use on sidewalks/bike lanes and skateboard use. Some of these items were presented in the Pedestrian & Bike Master Plan adopted in 2016.

Corporate Framework: A safe city - Maintaining order

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	20,000	0	0	0	0	0	0	(20,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 2	Growth
Department:	Infrastructure Delivery		ON-GOING
Title:	Parks Project Technician Position		PROVISIONAL

Justification:

Budget is requested for the addition of a Project Technician for Infrastructure Delivery that specializes in the planning, design and construction of landscape architecture related Parks projects. This position will address the current and projected workload issues for the Parks capital project delivery team and the imbalance of management staff time spent on simpler tasks resulting in improved customer service, more efficient project delivery and a reduction in dependency on external consultants, resulting in reduced capital costs.

Position will be funded 25% from taxation and 75% from capital projects.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	13,700	0	0	0	0	0	0	(13,700)
2020	25,500	0	0	0	0	0	0	(25,500)
2021	25,500	0	0	0	0	0	0	(25,500)

Division:	Infrastructure	Priority: 2	Growth
Department:	Infrastructure Engineering		ON-GOING
Title:	Engineer in Training Position		PROVISIONAL

Justification:

The City currently employs 14 professional engineers of varying professional expertise to plan, design and deliver infrastructure that supports services to the community. Finding and retaining qualified engineers within the municipal environment is challenging, particularly when the economy is strong and there are ample opportunities within the private sector. Budget is requested to establish an Engineer In Training (EIT) classification to attract young professionals to the City and provide opportunity for them to gain experience in the municipal environment and earn their professional engineering designation. It is anticipated that these new engineers will move into more senior roles as they become more experienced ensuring the City maintains a staff of well trained and experienced engineers. The EIT will also provide much needed additional capacity with the Infrastructure Division and will be rotated to balance workload within the Division.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	49,300	(9,500)	0	0	0	0	(19,000)	(20,800)
2020	96,690	(18,980)	0	0	0	0	(37,960)	(39,730)
2021	96,690	(18,980)	0	0	0	0	(37,960)	(39,730)

2019 Operating Request Details

Division:	Infrastructure	Priority: 2	New
Department:	Integrated Transportation		ON-GOING
Title:	Transit Meeting Travel Expense		PROVISIONAL

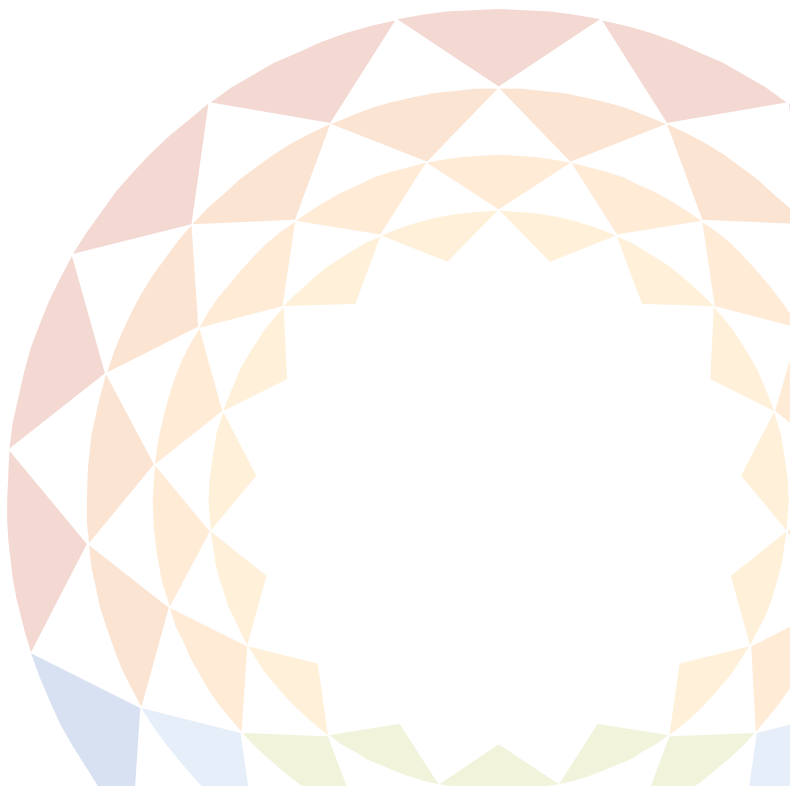
Justification:

Travel budget is requested for meetings with BC Transit, annual workshop attendance and participation in Request for Proposal processes, which are essential to ensure the City has input in decisions impacting local operations and budgets.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	3,000	0	0	0	0	0	0	(3,000)
2020	3,000	0	0	0	0	0	0	(3,000)
2021	3,000	0	0	0	0	0	0	(3,000)

Community Planning & Strategic Investments



This page was intentionally left blank

Community Planning & Strategic Investments

The Community Planning & Strategic Investments division plans for and facilitates the orderly, sustainable growth of our City, manages all City land assets and secures, promotes and invests in innovative solutions to civic challenges. All public and private sector development in the City is approved through this division; including strategic City initiatives that strive to deliver on the multiple bottom line objectives of the community – environmental, social and economic.



Policy & Planning is primarily responsible for developing, monitoring and reporting out on land use policies. This department also develops a long-range vision for the City and delivers this vision through partnerships, policy and program administration.

2019 Divisional drivers & activities

Drivers

- *One Team* approach
- Quality
- Adding value for citizens and customers

- Innovating through measured risk taking
- Collaborating and communicating effectively
- Following through – a focus on results
- Balancing facilitation and regulation

Activities

A well-run City

- Administer a preventative maintenance program for the residential rental portfolio
- Review and dispose of excess parcels of municipal land to ensure strategic value of City's real estate holdings are maximized
- Deliver the Downtown Area Parking Plan
- Support the Heritage Advisory Committee (Council Committee)
- Support the Agricultural Advisory Committee (Council Committee)
- Create and implement regulations for Short Term Rentals (STR)
- Continue with future phases of the *2040 Official Community Plan* update that will establish the vision, strategies and objectives for the community's growth strategy and provide policies and goals to achieve this vision
- Develop strategies and innovative approaches as a means of generating revenue and/or reduce costs through exploration of existing City capital assets, internal knowledge and expertise, local legislated powers and any other singular or partnership opportunities to benefit Kelowna citizens
- Continue to roll out advisory services to divisions and encourage new revenue generating opportunities, examining a minimum of six proposals
- Undertake analysis of alternative service delivery opportunities and partnerships for municipal services and programs as a means of producing operational efficiencies, financial returns or improved service
- Further develop in-house strategic negotiation training to deal with increasing level of complexity that now exists. An inventory of key negotiations will also be updated to ensure connection with skills and those negotiating
- Enhance sales and marketing of City's Dark Fibre network with new expansion of Phase II and Phase III
- Improve the Building Permit issuance process and conduct customer satisfaction surveys
- Continue implementation of Property Information Request program
- Train building officials to achieve mandatory certification required by Building Act
- Initiate the creation of an Advisory Design Team to help improve the quality of urban development in Kelowna

An active, inclusive city

- Pursue acquisition of various key park properties through the City's Development Cost Charge (DCC) program
- Review and assess Bikeshare pilot program as a viable business
- Implement the *Healthy Housing Strategy* which is an ambitious 5-year strategy that aims to address the community's most pressing housing issues under 19 actions, primarily led by local government, with the support of a diverse range of partners
- Support coordination among the owners and stakeholders of the Okanagan Rail Trail (ORT) Interjurisdictional Committee to ensure that the ORT is managed as a world class rail trail to link communities across the Okanagan Valley
- Continue to strengthen partnerships with Interior Health Authority (IHA), Okanagan College and UBCO to share data and research, and collaborate on joint initiatives where feasible

A safe city

- Maintaining an on-going dialogue with BC Housing to explore land acquisition opportunities that can be used in partnership with BC Housing to meet our community's on-going housing needs
- Periodic review and assessment of full-time camera monitoring project in key problem areas of the downtown

- Work with stakeholders to update the City's Liquor Licensing policies to respond to provincial regulation updates
- Retail cannabis regulation implementation
- Collaborate with internal City departments and industry groups to update retaining wall and site grading regulations and requirement
- Update policies and procedures to reflect the recommendations of the Community Wildfire Protection Plan
- Building & Permitting in 2019 will again be subject to a review conducted by the International Accreditation Service. This independent organization reviews policies, procedures and operational manual of the service delivery as it relates to quality assurance and management procedures. Currently the City of Kelowna Building Department is the only accredited building department in British Columbia, as well as Canada

A strong economy

- Strategic review and assessment of municipal business cases to ensure municipal and community interests are maximized
- Assess and act on land acquisition opportunities that align with the Land Strategy and maximize triple-bottom line returns for the city
- Continue to support growth of Kelowna International Airport (YLW) through the acquisition and development of adjacent lands
- Continue to review and explore optimal redevelopment options related to the city-owned lands at 350 Doyle Ave
- Update Parking and Loading Bylaw to reflect changes in development trends and implement policy directions from various plans endorsed in 2016, 2017 and 2018
- Update Urban Centre commercial zoning to complement the adoption of the Capri-Landmark Plan
- Review and update RU7 – Infill Housing zone based on audit results
- Explore future infill housing options/strategies in accordance with the Healthy Housing Strategy
- Continue to implement Land Use Contract termination strategy
- Promote the Rental Housing Grants program that offers \$420k for eligible rental housing projects
- Implement the *Our Kelowna As We Take Action: Community Climate Action Plan*, which examines mitigation options at a community-wide level to reduce emissions to achieve both short-term and long-term greenhouse gas (GHG) reduction targets
- Advance progress on the Energy Step Code Implementation Strategy. This work will prepare the City to deliver on the requirements of the *BC Energy Step Code*, which is a provincial standard designed to help both local government and industry incrementally move toward a future in which all new construction across the province is "net-zero energy ready" by 2032
- Coordinate reporting to the province on behalf of the City in order to receive funds in excess of \$285,000 through the Climate Action Revenue Incentive Program (CARIP)
- Work to continue to build technology brand for Kelowna thru promotion of the sector, with activities including involvement with the Okanagan Centre for Innovation, Metabridge and Techstars initiatives
- Build on site visitation to Kelowna businesses with visits to up to 30 firms to provide connection and service, including visitation with the Mayor to larger employers
- Business Inquiry and location service, acting as a feeder network with the Central Okanagan Economic Development Commission
- Maintain and build partnerships with business service providers such as the Central Okanagan Economic Development Commission, Kelowna Chamber of Commerce, Accelerate Okanagan, Downtown Kelowna Association, Uptown Rutland Business Association and others
- Finalize implementation strategy for the Economic Scorecard initiative
- Initiate a Deferred Revenue re-utilization project to leverage funds on hand into infrastructure development opportunities

- Introduce business licence process improvements incorporating new Business Licence Bylaw updates and front counter service improvements
- Introducing Short Term Rental licensing regulation and compliance oversight
- Update Retail & associated Cannabis Business Licensing regulation

A clean, healthy environment

- Continue to collaborate with the Agricultural Land Commission to ensure agricultural interests are protected in the implementation of major city infrastructure initiatives
- Continue to support the Okanagan Rail Trail through the acquisition of necessary land tenure rights
- Implement improved landscape standards and accountability for new development
- Advance the implementation of policies and regulations to ensure the recently endorsed Agriculture Plan is following through on results

Resilient, well-managed infrastructure

- Acquire key land holdings as required to construct Transportation initiatives scheduled for 2019 and 2020
- Implement and support business systems replacement for the City's development and business licensing functions
- Continue to advance progress on the *Capri Landmark Urban Centre Plan*, which represents the City's first effort to translate the goals of the Urban Centres Roadmap into a detailed, long-term plan. The Plan will provide a framework to guide redevelopment and civic investment over the next 20 or more years
- Complete the microfiche conversion project which will see the City's building permit history completely digitized into PDF format

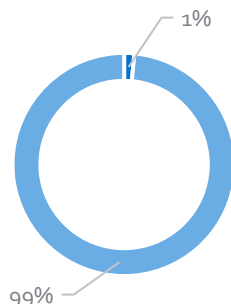
2019 Divisional performance measures

	Actual	Estimated	Proposed
Program outputs			
# of fibre network customers	8	9	15
# of enquiries handled	580	464	380
# of site visits	40	25	30
# of companies provided direct follow up assistance post site visit	21	11	15
# of Mayor company site tours	12	8	12
# of business licenses	9,251	9,619	9,705
# of business license applications	3,491	3,489	3,510
# of licensing compliance files	358	254	270
Development applications processed	879	900	780
Development files authorized by Council	343	300	330
Construction value of building permits	\$696M	\$720M	\$680M
Building permits	2,338	2,125	2,050
Gas permits	4,089	3,900	3,800
Plumbing permits	2,104	2,013	1,920
Total # of building inspections	13,041	13,011	12,800
Total # of plumbing & gas inspections	14,406	13,925	13,250
Development applications reviewed	420	430	461
Engineering construction drawings reviewed	89	112	133
Utility drawings reviewed	559	294	505
Building permit applications reviewed by Development Engineering	76	81	104
Strata applications reviewed by Development Engineering	9	10	10
Road release reviewed	20	20	20
Deferred revenue releases	63	24	50

Continued			
3 rd Party release of Right of Ways	49	39	62
As-Builts drawings reviewed	7	15	36
Total # of site inspections conducted by Development Engineering	23	30	30
Property acquisition			
Park property acquisition			
Arrears ratio building (amount collected / amount due)	98%	98%	98%
Rental vacancy rate	0.5%	1.5%	2.0%
Residential parking permits issued	1,948	2,457	2,600
Accessible parking permits issued	3,451	3,491	3,500
PayByPhone system transactions	127,806	217,640	260,000
Online payment transactions	14,788	16,598	17,500
Monthly parking wait list entries (end of year)	1,824	850	750
Program outcomes			
Staff initiated Zoning Bylaw amendments (improvements)	13	9	10
Community Heritage Commission meeting (staff supported)	10	7	9
Agricultural Advisory Committee meetings (staff supported)	10	7	8
1-2 family building permit applications approved for issuance within 10	93%	93%	94%
Inspections made within 48 hours or request	95%	96%	96%
Building permit applications for commercial, multi-family, industrial and	83%	85%	85%
Open files that were processed to completion	70%	75%	80%
# of Director approved development/heritage permits	165	150	140
Total mobile licences by year	1,058	1,071	1,131
Total new licences by year	1,513	1,546	1,586
Delinquent licences by year	1,524	1,310	1,164
Total licences by year	9,251	9,512	10,200
Assessed value of City real estate			
Efficiency measures			
# of development applications per planner	98	100	83
# of development applications per planner (similar municipalities)	71	66	60
# of inspections per inspector per word day	11.8	11.9	11.5
Inspection costs recovered by permit revenues	100%	100%	100%
Building permits issued within 2 days or less	32%	35%	37%
Response time to opening and auctioning all files within 24hrs	68%	73%	75%
Ensuring timely and complete inspections and license release within 2	76%	81%	85%
# of service requests per staff member – Parking Services	143	150	160
Customer satisfaction			
Closed service requests:			
External stakeholder & community meetings	76	85	85
Consultation	1,813	3,025	3,000
Canadian Federation of Independent Business	n/a	86%	90%
Innovation & learning			
# of Building & Permitting staff that achieved certification	22	22	21
# of information booklets/bulletins created by Building & Permitting	6	6	6
Development application process review improvements	8	6	7
New (or renewed) partnerships formed (Policy & Planning)	7	6	6
# of scheduled training/education sessions provided by staff	1	2	4

Budget overview

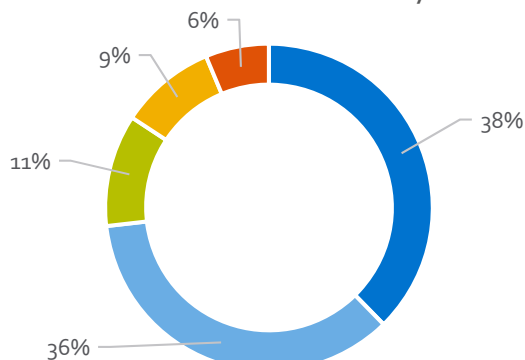
Per cent of General Fund operating



- Community Planning & Strategic Investments
- Net Operating

General fund operating = \$141.9 M

Division Summary



- Policy & Planning
- Community Planning
- Strategic Investments
- Business & Entrepreneurial Development
- Community Planning & Strategic Investments

Total = \$2.1 M

Net Divisional expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per cent change
Operating cost centres:					
Business Licensing					
138 Business License	146,540	337,863	(1,501,237)		
Net operating expenditures	146,540	337,863	(1,501,237)	(1,839,100)	(544.3%)
Community Planning & Strategic Investments					
144 Community Planning & Strategic	215,701	235,072	236,072		
Net operating expenditures	215,701	235,072	236,072	1,000	0.4%
Development Services					
148 Development Services	(5,463,232)	(3,203,769)	(3,889,779)		
149 Building, Plumbing & Gas Inspections	1,394,673	1,442,491	1,468,321		
151 Building & Permitting	1,695,889	1,923,503	2,003,653		
178 Development Engineering	133,507	337,132	246,782		
Net operating expenditures	(2,239,163)	499,357	(171,023)	(670,380)	(134.2%)
Policy & Planning					
153 Policy & Planning	841,047	1,132,815	1,102,645		
235 Long Range Policy Planning	349,095	314,343	314,343		
Net operating expenditures	1,190,142	1,447,158	1,416,988	(30,170)	(2.1%)
Community Planning					
146 Urban Planning Management	640,448	818,526	868,836		
147 Community Planning	(292,109)	(265,284)	(408,324)		
181 Suburban & Rural Planning	573,346	699,462	742,382		
253 Community Planning Services	77,753	96,215	134,135		
Net operating expenditures	999,438	1,348,919	1,337,029	(11,890)	(0.9%)
Enterprise Kelowna - Business and Entrepreneurial Development					
250 Business and Entrepreneurial Development	327,766	356,829	356,829		
Net operating expenditures	327,766	356,829	356,829	0	0.0%

Continued**Strategic Investments**

116	Real Estate Services	343,561	398,393	399,543		
118	Strategic Land Development	117,161	123,909	123,909		
155	Strategic Investments	241,451	250,752	251,852		
157	Property Management	(130,245)	(163,795)	(209,030)		
252	Parking Services	(199,995)	(150,000)	(150,000)		
Net operating expenditures		371,933	459,259	416,274	(42,985)	(9.4%)
Net operating expenditures		1,012,357	4,684,457	2,090,932	(2,593,525)	(55.4%)
Capital cost centres:						
300	Real Estate & Parking Capital	460,004	684,000	676,000		
Net capital expenditures		460,004	684,000	676,000	(8,000)	(1.2%)
Total Division net expenditures		1,472,361	5,368,457	2,766,932	(2,601,525)	(48.5%)

Description of Operating program

		Total	FTE
2018 revised budget		4,684,457	92.3
2019 net impacts			
One-time operating requests	(37,000)		(1.0)
One-time expenditure reductions	0		
Incremental costs - prior year(s)	(27,940)		0.1
Divisional adjustments	(1,500,185)	(1,565,125)	
		<u>3,119,332</u>	<u>91.4</u>
2019 program additions			
2019 operating requests	(1,028,400)		5.4
2019 expenditure reductions	0	(1,028,400)	
2019 provisional		<u>2,090,932</u>	<u>96.8</u>
Unfunded 2019 requests			
2019 operating requests	109,000		1.0
2019 expenditure reductions		109,000	
Total unfunded requests for 2019		<u>109,000</u>	<u>1.0</u>

Community Planning & Strategic Investments - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(15,847,977)	(11,440,274)	(15,127,474)
Other Revenue	(113,273)	(134,153)	(12,300)
Transfers from Funds			
Special (Stat Reserve) Funds	(71,342)	(128,640)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(336,734)	(1,020,375)	(238,100)
Total Revenue	(16,369,326)	(12,723,442)	(15,377,874)
<u>Expenditures</u>			
Salaries and Wages	7,930,990	9,112,904	9,434,984
Internal Equipment	145,162	141,759	156,609
Material and Other	2,477,435	3,613,049	2,859,000
Contract Services	1,105,659	1,142,865	1,290,365
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	269,379	252,630	252,630
Transfers to Funds			
Special (Stat Reserve) Funds	3,926,084	3,116,730	3,461,561
Development Cost Charges	0	0	0
Accumulated Surplus	1,526,974	27,962	13,657
Total Expenditures	17,381,683	17,407,899	17,468,806
Net Operating Expenditures	1,012,357	4,684,457	2,090,932
<u>Capital Expenditures</u>			
Gross Expenditures	16,608,193	4,626,340	4,020,700
Other Funding Sources	(16,148,189)	(3,942,340)	(3,344,700)
Taxation Capital	460,004	684,000	676,000
Net Operating & Tax Capital Exp.	1,472,361	5,368,457	2,766,932

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	81.1	71.4	83.2	85.4
Salaried	7.7	13.4	9.1	11.4
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Community Planning & Strategic Investments Division									
Maintain									
182	Development Engineering Services Revenue Increase	0	0	0	0	(215,000)	0	215,000	OG
182	Development Engineering Technologist Term Position	100,100	0	0	0	0	0	(100,100)	OG
183	Rental Properties, Concessions & Kiosks Adjustments	(61,600)	42,700	0	0	(28,900)	0	47,800	OG
	Total Maintain	38,500	42,700	0	0	(243,900)	0	162,700	
Growth									
183	Affordable Rental Housing Grant Program	60,000	0	0	0	0	0	(60,000)	OG
184	Permit Increase and 0.5 Plumbing & Gas Inspector Position	32,400	0	0	0	(527,000)	0	494,600	OG
184	Community Planning Revenue Increase	0	0	0	0	(66,000)	0	66,000	OG
185	Environmental Coordinator Position	43,800	0	0	0	0	0	(43,800)	OG
185	Planning Technician II Position	38,800	0	0	0	0	0	(38,800)	OG
186	Parking Services General Operating Adjustments	222,000	370,000	0	0	(592,000)	0	0	OG
186	Administrative Clerk Position - Parking Services	47,600	(47,600)	0	0	0	0	0	OG
187	Parking Services-Summer Student Position	14,900	(14,900)	0	0	0	0	0	OG
187	Healthy Housing Strategy Implementation	70,000	0	0	0	0	0	(70,000)	OT
188	Business Licensing Revenue	0	0	0	0	(65,000)	0	65,000	OG
188	Offsite and Oversize Adjustment	43,100	(43,100)	0	0	0	0	0	OT
	Total Growth	572,600	264,400	0	0	(1,250,000)	0	413,000	
New									
189	Cannabis Regulation and Short Term Rental Compliance and Positions	255,600	0	0	0	(620,000)	0	364,400	OG
189	Strategic Land Development Projects	195,000	(195,000)	0	0	0	0	0	OT
190	Property Information Request with Term Position	61,700	0	0	0	(150,000)	0	88,300	OG
CAP 483	* Fleet Growth	9,000	(9,000)	0	0	0	0	0	OG
	Total New	521,300	(204,000)	0	0	(770,000)	0	452,700	
Division Priority 1 Total									
		1,132,400	103,100	0	0	(2,263,900)	0	1,028,400	
Total Priority 1 Operating									
		1,132,400	103,100	0	0	(2,263,900)	0	1,028,400	

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Maintain
Department:	Development Services		ON-GOING
Title:	Development Engineering Services Revenue Increase		PROVISIONAL

Justification:

This request is to increase revenue budgets to reflect the projected actuals for Development Engineering Services revenue.

2019 Base Budget \$365,000

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(215,000)	0	215,000
2020	0	0	0	0	0	(215,000)	0	215,000
2021	0	0	0	0	0	(215,000)	0	215,000

Division:	Community Planning & Strategic Investments	Priority: 1	Maintain
Department:	Development Services		ON-GOING
Title:	Development Engineering Technologist Term Position		PROVISIONAL

Justification:

The City continues to experience record growth and heightened development activity causing significant workload that strains current resources and challenges staff's ability to meet service delivery expectations. Budget is requested to renew the term position, created in 2017 to address peak workload, for a further two-year term. This extension will maintain current staffing levels, retain talented and trained staff, keep the resources needed to serve clients and help with succession planning.

Funding for this request will come from increased revenues shown on a separate operating request.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	100,100	0	0	0	0	0	0	(100,100)
2020	100,100	0	0	0	0	0	0	(100,100)
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Maintain
Department:	Strategic Investments		ON-GOING
Title:	Rental Properties, Concessions & Kiosks Adjustments		PROVISIONAL

Justification:

The Property Management Branch administers the City of Kelowna's real estate assets, including vacant land, water lots, residential, commercial and industrial rental properties, and a portfolio of food and activity concessions throughout the City. This request reflects projected changes in the number and types of properties and concessions managed by the City in the 2019 calendar year. A summary of revenues by category are as follows:

Commercial rental revenue increase of \$67,190; Residential rental revenue decrease of \$19,628; Concession revenue decreases of \$4,500 and Patio revenue increase of \$5,298.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(61,600)	42,700	0	0	0	(28,900)	0	47,800
2020	(61,600)	42,700	0	0	0	(28,900)	0	47,800
2021	(61,600)	42,700	0	0	0	(28,900)	0	47,800

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Policy & Planning		ON-GOING
Title:	Affordable Rental Housing Grant Program		PROVISIONAL

Justification:

The Healthy Housing Strategy identified an action item to increase the annual housing reserve grant program by \$180,000 to offset Development Cost Charges (DCC's) for non-market, purpose-built affordable rental housing. The current City practice has been combining funding from the Housing Opportunities Reserve Fund to bolster the DCC offset grants, however they have only covered approximately 10% of a project's total DCC's in recent years. Budget is requested to increase the City's ability to create partnerships that deliver affordable housing in Kelowna phased in over three years.

2019 Base Budget: \$120,000

Corporate Framework: An active, inclusive city - Housing diversity

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	60,000	0	0	0	0	0	0	(60,000)
2020	120,000	0	0	0	0	0	0	(120,000)
2021	180,000	0	0	0	0	0	0	(180,000)

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Development Services		ON-GOING
Title:	Permit Increase and 0.5 Plumbing & Gas Inspector Position		PROVISIONAL

Justification:

This request is to increase revenue budgets to reflect the projected actuals for annual revenue from permits fees. Building and Permitting has been experiencing a steady growth in the number of daily inspections to where an additional part-time Plumbing & Gas Inspector position is required to deliver the quality and number of inspections needed to meet customer demand.

Funding for this request will come from increased revenues as per Council policy #224 with no impact on taxation.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	32,400	0	0	0	0	(527,000)	0	494,600
2020	60,600	0	0	0	0	(527,000)	0	466,400
2021	60,600	0	0	0	0	(480,000)	0	419,400

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Community Planning		ON-GOING
Title:	Community Planning Revenue Increase		PROVISIONAL

Justification:

Budget is requested to increase the Community Planning revenue budget to reflect higher fees collected for the review and approval of Subdivision and Development Applications and a fee increase in the Development Application Fee Bylaw.

2018 Base Budget: \$461,560

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(66,000)	0	66,000
2020	0	0	0	0	0	(66,000)	0	66,000
2021	0	0	0	0	0	(66,000)	0	66,000

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Community Planning		ON-GOING
Title:	Environmental Coordinator Position		PROVISIONAL

Justification:

The Community Planning Department is seeking 1 full time Environmental Coordinator in order to strengthen resources for inquiry response, application review and processing for Environmental, Natural Hazard and Wildfire Development Permits. The position is intended to provide enhanced capacity for input on a variety of planning processes as well as professional report review, recommendations and implementation strategies. The current work load in this planning area is exceeding the capacity of the one Environmental Coordinator. The number of applications involving the Environmental Coordinator and the amount of work in each file has increased. Adding another Environmental Coordinator is anticipated to provide the resources necessary to keep development application processes moving and allow us to provide continuity in service to internal and external customers.

Funding for this request will come from increased revenues shown on a separate operating request.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	43,800	0	0	0	0	0	0	(43,800)
2020	86,600	0	0	0	0	0	0	(86,600)
2021	86,600	0	0	0	0	0	0	(86,600)

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Community Planning		ON-GOING
Title:	Planning Technician II Position		PROVISIONAL

Justification:

Budget is requested for a full-time Planning Technician II position in order to strengthen front end customer service through One Window as a planning resource for inquiry response, initial application review and planning application processing. The position is intended to provide enhanced planning customer support, assist with enhancing planning application processing efficiency and ensure applications meet standards for completeness and quality. Development application volumes and revenues have risen steadily since 2012 with 2017 being the busiest year (revenue and application volume) in the last 15 for the Community Planning team. Adding experienced resources on the front end of the planning processes are anticipated to increase the Planners file efficiency by providing more complete and higher quality applications.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	38,800	0	0	0	0	0	0	(38,800)
2020	76,600	0	0	0	0	0	0	(76,600)
2021	76,600	0	0	0	0	0	0	(76,600)

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Strategic Investments		ON-GOING
Title:	Parking Services General Operating Adjustments		PROVISIONAL

Justification:

This request includes revenue and expenses related to annual parking rate and contract adjustments including revenue from new parking lots and a \$32k increase for additional security enhancements in parkades.

Net of revenue and expenses, \$301,000 from Downtown and \$63,000 from South Pandosy will be contributed to their respective Parking reserves.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	222,000	370,000	0	0	0	(592,000)	0	0
2020	222,000	370,000	0	0	0	(592,000)	0	0
2021	222,000	370,000	0	0	0	(592,000)	0	0

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Strategic Investments		ON-GOING
Title:	Administrative Clerk Position - Parking Services		PROVISIONAL

Justification:

Parking Services has experienced exponential growth in recent years, combined with the addition of pay parking in two new areas of the City; South Pandosy and around the hospital. Budget is requested for a dedicated Administrative Clerk to ensure the branch is able to continue providing an acceptable level of customer service. Over the last five years, service requests have increased by 142 per cent, from 400 in 2012 to just under 1,000 in 2017. During the same period, revenue increased by 194 per cent from \$2.1M to \$6.1M. Currently, the branch relies on administrative support from other departments, putting a strain on overall department/division resources.

Funding for this request will come from increased revenues shown on a separate operating request.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	47,600	(47,600)	0	0	0	0	0	0
2020	63,300	(63,300)	0	0	0	0	0	0
2021	63,300	(63,300)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Strategic Investments		ON-GOING
Title:	Parking Services-Summer Student Position		PROVISIONAL

Justification:

Budget is requested to hire a summer student for 4-months each year to assist in responding to service requests and take the lead in gathering occupancy and turnover data to determine effectiveness of existing parking management restrictions. This data will allow for an ongoing review of services provided by the branch and support evidence based decision making.

Funding for this request will come from increased revenues shown on a separate operating request.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	14,900	(14,900)	0	0	0	0	0	0
2020	14,900	(14,900)	0	0	0	0	0	0
2021	14,900	(14,900)	0	0	0	0	0	0

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Policy & Planning		ONE-TIME
Title:	Healthy Housing Strategy Implementation		PROVISIONAL

Justification:

As part of the Healthy Housing Strategy implementation, one of the action items identified is to improve housing affordability and reduce barriers for affordable housing. Three actions will be delivered: 1) development of an Affordable Housing Land Strategy, 2) developer contributions analysis, 3) rental housing inventory. Budget is requested for external resources for the items above to be successfully analyzed and explored for implementation reality.

Corporate Framework: An active, inclusive city - Housing diversity

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	70,000	0	0	0	0	0	0	(70,000)

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Business Licence		ON-GOING
Title:	Business Licensing Revenue		PROVISIONAL

Justification:

With the creation of the business licensing section in late 2017 and through 2018, a focus on process and regulatory efficiencies has been achieved. This has allowed a focus on reducing outstanding files with use of additional licence officers that were utilized to pursue proactive enforcement of delinquent business licensing fees. Budget is requested to increase general licensing revenue resulting from this realignment.

2019 Base Budget: \$1,465,700

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(65,000)	0	65,000
2020	0	0	0	0	0	(65,000)	0	65,000
2021	0	0	0	0	0	(65,000)	0	65,000

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Development Services		ONE-TIME
Title:	Offsite and Oversize Adjustment		PROVISIONAL

Justification:

The City of Kelowna has in excess of \$10 million in deferred revenue that must be utilized or returned. Development Engineering has undertaken two co-op placements to evaluate the projects, recover or release funds for completed works, and evaluate the outstanding projects. Budget is requested to use Offsite and Oversize accounts, specifically reserves, to top up existing Development Services Offsite and Oversize base budgets to complete deferred revenue projects. Planned 2019 works include: 747 Fitzpatrick sidewalk & curb works - \$35,000, Barnaby Sidewalk & Drainage - \$45,000 and Tower Ranch Drainage - \$20,000.

2019 Base Budget: \$56,900

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	43,100	(43,100)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Business Licence		ON-GOING
Title:	Cannabis Regulation and Short Term Rental Compliance and Positions		PROVISIONAL

Justification:

Budget is requested to recognize two new programs: Recreational Cannabis and Short-Term Rental regulations. These new programs will see an increase in revenues for permitting and licencing from the new retail cannabis business licence category, short-term vacation rental category, the amended cannabis commercial production licence fees and development applications fees. To facilitate the programs, one full-time Inspections and Compliance Officer and one full-time Administrative Clerk are requested to address the processing, inspections and regulation oversight workload. These resources will be supported by a contracted discovery & compliance software service, that will reduce the need for multiple officers. As well, onetime budget is requested for professional consulting services for possible updates to the associated bylaws and potential legal review.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	255,600	0	0	0	0	(620,000)	0	364,400
2020	315,400	0	0	0	0	(520,000)	0	204,600
2021	315,400	0	0	0	0	(520,000)	0	204,600

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Strategic Investments		ONE-TIME
Title:	Strategic Land Development Projects		PROVISIONAL

Justification:

The realization of the Official Community Plan and corporate objectives through creative real estate strategies encompass the mandate of this branch. Several initiatives have been identified that have the potential of returning social, economic, environmental, and cultural benefits to the City. To deliver many of these projects, budget is requested to cover expenditures on legal advice, property appraisal, urban design, surveying, and other professional services. These costs will often be recovered through redevelopment and disposition.

Key projects undertaken with this funding will include the RCMP site redevelopment, Willits Road redevelopment, and various site redevelopment.

Corporate Framework: A well-run City - Pioneering leadership

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	195,000	(195,000)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Development Services		ON-GOING
Title:	Property Information Request with Term Position		PROVISIONAL

Justification:

Budget is requested for a one-year term position for a new user pay service for the research, preparation and dispersal of historical building and property file information until an automated approach is found. The projected revenue included in the request will satisfy staff compensation and falls within Council Policy 224 for cost recovery with no impact on taxation.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	61,700	0	0	0	0	(150,000)	0	88,300
2020	0	0	0	0	0	(150,000)	0	150,000
2021	0	0	0	0	0	(150,000)	0	150,000

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Community Planning & Strategic Investments Division									
New									
192	Planner II Position	48,800	0	0	0	0	0	(48,800)	OG
192	Critical Response Coordinator/Assistant Manager Position	60,200	0	0	0	0	0	(60,200)	OG
	Total New	109,000	0	0	0	0	0	(109,000)	
	Division Priority 2 Total	109,000	0	0	0	0	0	(109,000)	
	Total Priority 2 Operating	109,000	0	0	0	0	0	(109,000)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 2	New
Department:	Policy & Planning		ON-GOING
Title:	Planner II Position		PROVISIONAL

Justification:

Budget is requested for this position which would add a required technical skill set to advance the City's livability as the community grows at a rapid pace. This Planner II position will focus on the role of data analytics to assist planning efforts to understand impacts of population density, transportation, the public realm and visualization of density. The use of analytics in urban planning will aid the Department's strategies to turn findings into data-driven solutions and responses. When used and analyzed from the appropriate professional lens, reliable data can facilitate interagency collaboration, improve partnerships with the private sector, and expand public engagement. Innovative uses of data will advance the City's efforts in long range planning, development application review, development of urban centre and neighborhood scale plans, and aid in the optimization of capital expenditures for infrastructure investment.

Corporate Framework: Resilient, well-managed infrastructure - Livable urban density

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	48,800	0	0	0	0	0	0	(48,800)
2020	95,700	0	0	0	0	0	0	(95,700)
2021	95,700	0	0	0	0	0	0	(95,700)

Division:	Community Planning & Strategic Investments	Priority: 2	New
Department:	Development Services		ON-GOING
Title:	Critical Response Coordinator/Assistant Manager Position		PROVISIONAL

Justification:

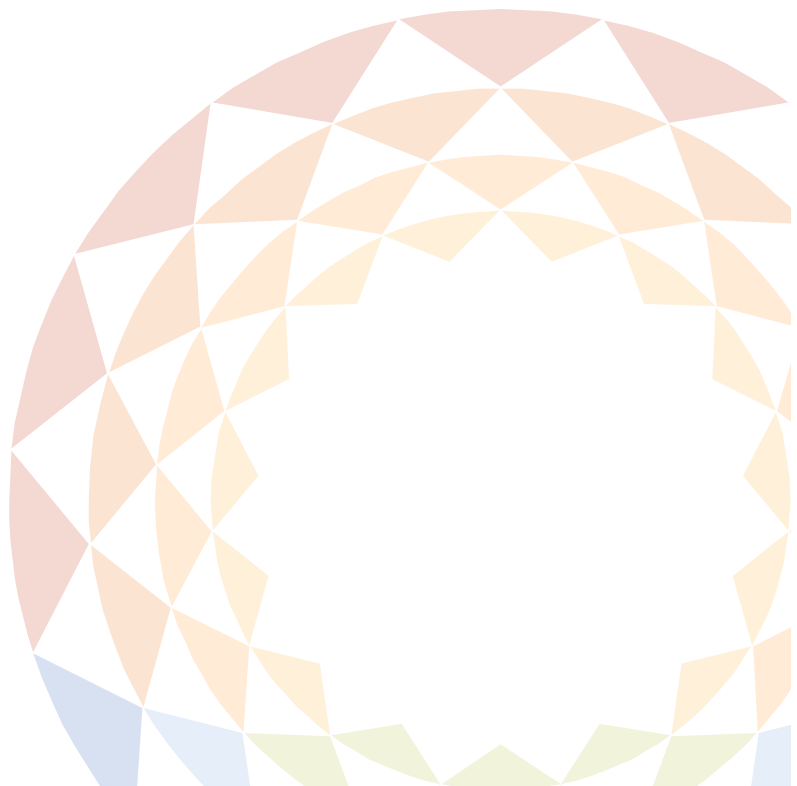
Budget is requested for a Critical Response Coordinator/Assistant Development Engineering Manager position which is proposed specifically to lead and address Critical Response to High Importance Trouble (HIT) that arises throughout the City. Development Engineering is best-suited to coordinate and address these non-EOC-related events: groundwater, localized flooding, stormwater impacts, spring runoff, blasting, retaining walls, etc. The Critical Response Coordination of HIT will serve a crucial risk-management function, address immediate safety issues, manage communication and media responses, protect and inform our residents, as well as protect the City's interests in crucial situations that have significant potential impact and cost to the City.

Funding for this request could come from increased revenues shown on a separate operating request.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	60,200	0	0	0	0	0	0	(60,200)
2020	116,100	0	0	0	0	0	0	(116,100)
2021	116,100	0	0	0	0	0	0	(116,100)

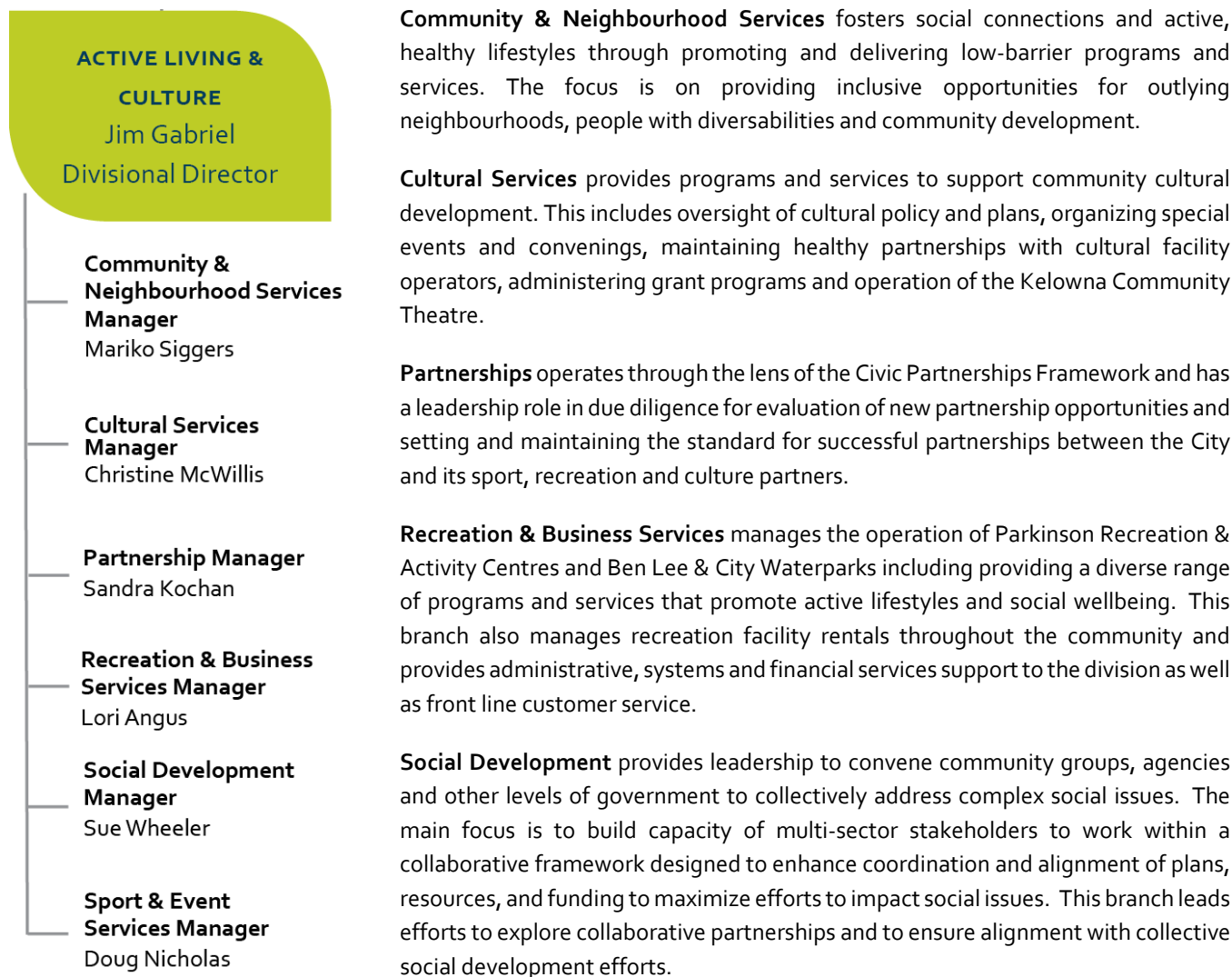
Active Living & Culture



This page was intentionally left blank

Active Living & Culture

Active Living & Culture provides a leadership role in enriching community life and social wellbeing through various programs and services. The Division's delivery model involves direct provision, support and facilitation and partnership development.



Sport & Event Services provides strategic direction and organizational leadership to Kelowna's sport and event community through the facilitation and provision of a wide variety of recreation, sport and special event initiatives. Key areas of focus include: Canadian Sport for Life (CS4L) promotion and implementation; event permitting, development and procurement; organizational development and facility operations support.

2019 Divisional drivers & activities

Drivers

- Encourage active healthy lifestyles
- Build strong neighbourhoods
- Nurture lifelong participation in sport
- Enhance cultural vibrancy

- Facilitate development of events
- Enhance social sustainability
- Support effective management and operation of sport, recreation and cultural facilities

Activities

A well-run City

- Complete an update to the Cultural Plan, Cultural Report Card and Economic Impact Assessment of the Creative Sector which reflects current and future needs, priorities and realities
- Update divisional grant framework to include development of overarching guiding policies, renewed program guidelines, streamlined application process, and community reporting on results
- Review and refresh the Active Living & Culture (ALC) partnership inventory with an objective to identify agreements due for renewal or updating, review the performance of partnership relationships, identify areas where partnership performance can be improved and generate a report to guide work planning and/or training for ALC staff
- Investigate opportunities for the next level of functionality with IntelliLeisure, the division's recreation management software, and implement
- Conduct a rental contract process review to maximize efficiency and effectiveness of operational practices
- Research and actively pursue funding from Provincial, Federal and other sources for City projects, events and initiatives

An active, inclusive City

- Conduct research and preliminary consultation to set the foundation for building a Social Sustainability Framework focused on planning for the social success of the community with the goal of promoting a safe, inclusive, and healthy community
- Finalize and commence the implementation strategy for the Community Sport Plan that supports the key directions outlined in the plan by providing priorities, schedules, budget implications and responsibility assignments
- Further integrate CS4L principles into ALC practices through quality program delivery, policy and strategy development, leadership and engagement opportunities, and education and training
- Conduct sport-audit meetings with Local Sport Organizations to discuss organization development, CS4L initiatives and Sport Plan implementation
- Finalize agreement with School District No. 23 (SD23) and commence operations of Canyon Falls Middle School Neighbourhood Learning Centre to expand programming into the Upper Mission
- Work with local organizing committees to support the planning, coordination and delivery of the Kelowna 2019 55+ BC Games
- Partnership with University of British Columbia - Okanagan (UBCO) to examine the factors that lead to continued participation and/or dropout from recreation and sport programs as well as examine how reframing participant's views on exercise may prove to be effective in promoting continued participation
- Continue the review and transition of the City's role in supporting youth and family needs with an upstream community focus
- Continue support of the Central Okanagan Journey Home Society (COJHS) in their work with the "homeless-serving sector", lived experience groups, community stakeholders, and other City Departments to implement the recommendations outlined in the Journey Home Strategy to End Homelessness
- Continue to provide input to the implementation of the Healthy Housing Strategy and support working towards achieving healthy housing options that are diverse, affordable, and attainable
- Complete an update to the Kelowna Events Strategy that provides a strategic, proactive approach to the identification and pursuit of events

A safe city

- Continue to work with the Community Action Team on a community-based response to the overdose emergency by implementing an action-oriented strategy that is tailored to local community needs

A strong economy

- Refine and apply the Civic Partnership Framework as the City considers new partnership opportunities and management of current partnerships
- Convene capacity building training, resources and workshops for the sport and cultural sector, with a focus on responding to sector needs and governance for volunteer-run organizations
- Conduct a review of the direct funding arrangement with Tourism Kelowna and develop a Service Agreement
- Administer Community Building Grants; Community and Social Development, Arts, Culture and Heritage and Sport & Events

Resilient, well-managed infrastructure

- Continue to support the ongoing planning for the replacement of Parkinson Recreation Centre (PRC), reconfiguration of the surrounding recreation park, and the City's optimum potential for partnership opportunities

2019 Divisional performance measures

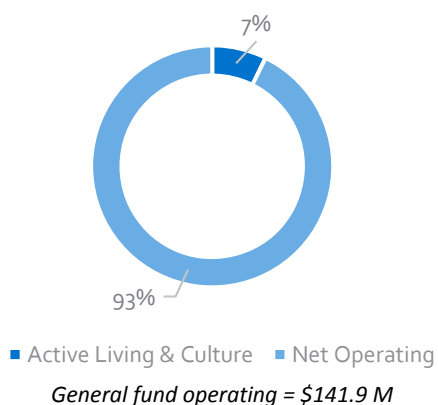
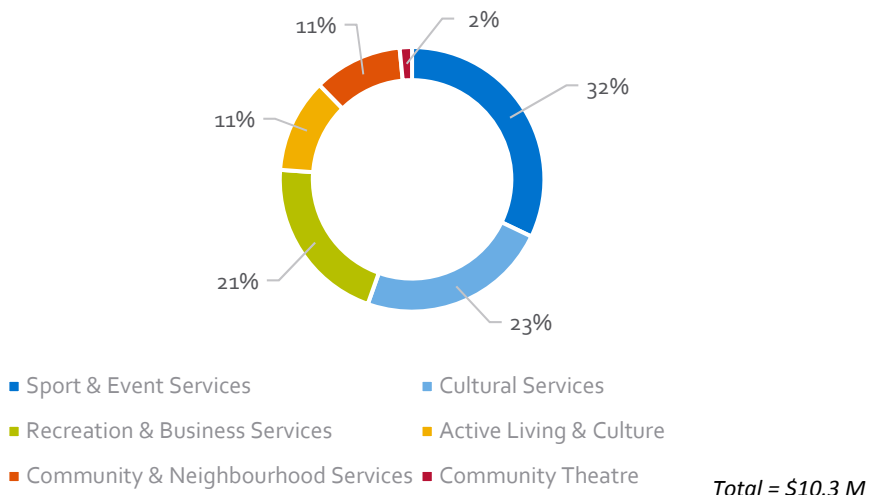
	Actual	Estimated	Proposed
Program outputs			
# of program registrations	27,513	28,000	28,500
# of general program hours offered (land & aquatic)	4,077	4,200	4,200
# of general program drop ins	30,958	32,000	33,000
# of facility PRC drop ins – gym/fitness centre	6,146	6,200	6,300
# of facility PRC drop ins – pool	16,566	17,000	17,500
# of PRC pool passes sold	1,296	1,350	1,400
# of PRC facility passes sold	2,532	2,600	2,650
# of total memberships scanned at PRC – pool & facility	108,422	110,590	112,000
# of access passes sold	919	915	920
# of recreation opportunity coupons redeemed	11,836	12,000	12,000
# of outdoor event applications (excluding film permits)	159	172	175
# of film permits (<i>new</i>)	6	3	5
# of Category A bookings (includes park bookings +	91	99	100
Investment in arts, culture & heritage by CoK per capita	20.57	23.59	24.00
# of theatre rentals	297	223	239
# of theatre black box rentals	191	145	179
# of Athletic Excellence Grants approved	26	35	40
# of Sport Development Grants provided	10	12	15
# of cultural orgs receiving support through grants & lease	47	41	41
# of cultural initiatives & orgs receiving other support	83	123	133
# of volunteers (includes programs and theatre)	277	285	290
# of volunteer hours (includes programs and theatre)	14,480	13,960	14,100
# of participants in free community events (i.e. Park n Play	14,452	15,000	15,500
# of hours booked in arenas	11,800	12,000	12,000
# of hours booked in stadiums/sportsfields	30,400	30,500	31,000

Continued**Efficiency measures**

# of general programs delivered vs planned	74%	75%	76%
# of aquatic lessons delivered vs planned	91%	92%	93%

Customer satisfaction

# of pool memberships renewed	62%	64%	68%
# of facility memberships renewed	60%	65%	69%
# of service requests completed in two days or less	54%	60%	66%

Budget overview**Per cent of General Fund operating****Division Summary****Net Divisional expenditures**

Departments		Actual 2017	Revised 2018	Provisional 2019	Change from prior year	Per cent change
Operating cost centres:						
Active Living & Culture						
159	Cultural Services	2,383,519	2,362,427	2,409,427		
161	Community Theatre	156,742	168,863	155,458		
164	Active Living & Culture	1,280,564	1,183,862	1,187,013		
165	Recreation & Business Services	2,065,283	2,126,598	2,141,508		
166	Sport & Event Services	3,237,228	3,612,341	3,317,971		
167	Community & Neighbourhood Services	970,770	1,023,950	1,120,840		
Net operating expenditure		10,094,106	10,478,041	10,332,217	(145,824)	(1.4%)
Capital cost centres:						
309	Recreation Capital	0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Division net expenditures		10,094,106	10,478,041	10,332,217	(145,824)	(1.4%)

Description of operating program changes

		Total	FTE
2018 revised budget		10,478,041	76.3
2019 net impacts			
One-time operating requests	(35,000)		(0.2)
One-time expenditure reductions	0		
Incremental costs - prior year(s)	173,620		0.2
Divisional adjustments	(409,644)	(271,024)	
		<u>10,207,017</u>	<u>76.3</u>
2019 program additions			
2019 operating requests	200,200		0.0
2019 expenditure reductions	(75,000)	125,200	
2019 provisional		<u>10,332,217</u>	<u>76.3</u>
<i>Unfunded 2019 requests</i>			
2019 operating request	92,800		0.0
2019 expenditure reductions		92,800	
Total unfunded requests for 2019		<u>92,800</u>	<u>0.0</u>

Active Living & Culture - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(5,109,044)	(4,534,327)	(4,683,672)
Other Revenue	(222,938)	(249,150)	(174,150)
Transfers from Funds			
Special (Stat Reserve) Funds	0	(50,000)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(40,910)	(114,420)	(225,000)
Total Revenue	(5,372,892)	(4,947,897)	(5,082,822)
<u>Expenditures</u>			
Salaries and Wages	5,771,792	5,994,759	6,014,050
Internal Equipment	78,140	216,938	205,788
Material and Other	3,872,881	4,382,180	4,340,255
Contract Services	3,540,439	3,960,517	4,042,342
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	680,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	1,523,746	871,544	812,604
Total Expenditures	15,466,998	15,425,938	15,415,039
Net Operating Expenditures	10,094,106	10,478,041	10,332,217
<u>Capital Expenditures</u>			
Gross Expenditures	50,801	0	0
Other Funding Sources	(50,801)	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	10,094,106	10,478,041	10,332,217

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	17.4	16.1	17.5	18.3
Salaried	59.7	64.0	58.8	58.0
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Active Living & Culture Division									
Maintain									
202	#Central Okanagan Journey Home Society Funding	0	0	0	0	0	0	0	OG
202	Recreation Facilities Janitorial Increase	40,000	0	0	0	0	0	(40,000)	OG
203	International Children's Games Grant	5,000	0	0	0	0	0	(5,000)	OG
203	Rotary Centre for the Arts Operating Funding Increase	25,000	0	0	0	0	0	(25,000)	OG
204	Kelowna Museums - Sports Hall of Fame	15,000	0	0	0	0	0	(15,000)	OG
204	Community Sport Delivery Program	15,000	0	0	0	0	0	(15,000)	OG
205	Sport Education Grant	5,000	0	0	0	0	0	(5,000)	OG
	Total Maintain	105,000	0	0	0	0	0	(105,000)	
Growth									
205	Theatre Operating Budget Adjustments	49,700	5,000	0	0	(69,000)	0	14,300	OG
206	Automated External Defibrillators at Recreation Facilities	8,000	0	0	0	0	0	(8,000)	OG
206	Strategic Event Fund	50,000	0	0	0	0	0	(50,000)	OG
207	*Surveillance Cameras	14,500	0	0	0	0	0	(14,500)	OT
	Total Growth	122,200	5,000	0	0	(69,000)	0	(58,200)	
New									
207	#Recreation Clerk Position	0	0	0	0	0	0	0	OG
CAP 418	Canyon Falls Neighbourhood Learning Centre	28,500	0	0	0	(16,500)	0	(12,000)	OG
208	2020 Memorial Cup Sponsorship	225,000	(225,000)	0	0	0	0	0	OT
234	* Downtown Kelowna Association – Improved Cleanliness & Safety	25,000	0	0	0	0	0	(25,000)	OG
	Total New	278,500	(225,000)	0	0	(16,500)	0	(37,000)	
Division Priority 1 Total									
		505,700	(220,000)	0	0	(85,500)	0	(200,200)	
Total Priority 1 Operating									
		505,700	(220,000)	0	0	(85,500)	0	(200,200)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ON-GOING
Title:	Central Okanagan Journey Home Society Funding		PROVISIONAL

Justification:

Council endorsed the five year Journey Home Strategy in June 2018. The plan identified the need to establish a backbone organization, which is registered as Central Okanagan Journey Home Society (COJHS), to continue to provide leadership and coordination in ensuring the strategy is delivered. The current City funding commitment to COJHS, including transition period, is \$125k for 2018 and \$150k for both 2019 and 2020. When Council endorsed the strategy they were asked to consider a further \$150K contribution in 2021 which would bring the implementation of the strategy to the three year check in point. Beyond the financial commitment, it is anticipated that the City's ongoing role will be further defined throughout the Journey Home transition period and will lead to a formalized partnership arrangement between the City and COJHS. Budget is requested for one-time funding in 2021.

2019 Base Budget: \$150,000

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	150,000	0	0	0	0	0	0	(150,000)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Sport & Event Services		ON-GOING
Title:	Recreation Facilities Janitorial Increase		PROVISIONAL

Justification:

The janitorial budget for Ben Lee Park, Quilchena Park, Kinsmen Fieldhouse and Kinsmen Media Centre needs to be increased to meet current market rates. Through an RFP process in 2018, the fee of the successful incumbent was significantly higher than the current budget of \$42,500. Budget is requested to cover the increased costs of the new contract which is expected to deliver the appropriate level of service standards.

2019 Stadiums Base Budget: \$24,500

2019 Waterparks Base Budget: \$18,000

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	40,000	0	0	0	0	0	0	(40,000)
2020	40,000	0	0	0	0	0	0	(40,000)
2021	40,000	0	0	0	0	0	0	(40,000)

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ON-GOING
Title:	International Children's Games Grant		PROVISIONAL

Justification:

Since hosting the 2011 International Children's Winter Games, the local International Children's Games (ICG) committee has provided opportunities for athletes (12-15 yr olds) to represent Kelowna at ICG around the world, sending over 300 athletes and coaches to 11 games since the Kelowna event. These young athletes have been able to experience international travel, participate in high level competition and gain exposure to other cultures. In 2013, the City provided the local committee with an annual grant of \$5,000 to support their work and attendance at one game per year and contribute to the team's uniform expenses. All other expenses were covered by participants and subsidized through fundraising events, community sponsorship and local sport organizations. In 2017, an additional \$2,000 was added to the grant in order to increase participation to three games every two years. The funding for this program ends in 2018. This funding request is to support the continuation of the program for another three years.

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Cultural Services		ON-GOING
Title:	Rotary Centre for the Arts Operating Funding Increase		PROVISIONAL

Justification:

The Rotary Centre for the Arts is operated by Kelowna Visual & Performing Arts Centre Society (KVPACS) pursuant to a lease and operating agreement that expires in 2023. The City provides an annual operating grant of \$280,300 and in 2014 provided an increase of \$25,000 for five years to assist with establishing financial sustainability and cash flow. Although progress and improvements have been made, it has become evident that the \$25k increase is required to the base grant to support KVPACS while they continue to pursue opportunities to stabilize their financial position.

This budget submission will extend the increase for an additional two years.

2019 Base Budget: \$280,300

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)
2020	25,000	0	0	0	0	0	0	(25,000)
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Cultural Services		ON-GOING
Title:	Kelowna Museums - Sports Hall of Fame		PROVISIONAL

Justification:

The partnership between the Kelowna Museums Society (KMS) and the Sports Legacy Committee continues to recognize and celebrate sports heritage in the Central Okanagan through the Central Okanagan Sports Hall of Fame (COSHOF). Since 2014, the City has provided \$15,000 annually to KMS to support the Sports Hall of Fame with the funding commitment ending in 2018. The COSHOF is driven by a team of 21 volunteers, who contribute thousands of hours to the project and its success is reliant on the capacity to subcontract a qualified project coordinator which is not possible without City support. Budget is requested to maintain the current level of support on an ongoing basis.

2019 Base Budget: \$610,230

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)
2021	15,000	0	0	0	0	0	0	(15,000)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ON-GOING
Title:	Community Sport Delivery Program		PROVISIONAL

Justification:

In 2015, the Community Sport Delivery Program was created to support the staffing needs of local sport organizations and to address the challenges related to organizational capacity and sustainability planning with the local sport system. The City's initial contribution of \$35,000 was matched by PacificSport Okanagan and then again by seven participating local sport organizations for a total investment of \$140,000. In 2017, the City provided renewed funding for two more years to support the inclusion of six new sport organizations. The program has proven to be a great success. Budget is requested to support it on an ongoing basis, so that when leveraged with additional matching funds, will become a \$60,000 annual investment to the local sport system.

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)
2021	15,000	0	0	0	0	0	0	(15,000)

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Sport & Event Services		ON-GOING
Title:	Sport Education Grant		PROVISIONAL

Justification:

In December 2009, approximately \$45,000 of surplus funds from the 2008 BC Summer Games Society were transferred to the City as part of a legacy from the Games. These legacy funds were used to create two new sport development programs: initially the Sport Education Grant and later the Community Sport Delivery Program. The Sport Education Grant was designed to provide financial assistance to local coaches or officials interested in upgrading their training or certification beyond introductory levels, and to local sport organizations hosting advanced sport development courses/seminars for local coaches and officials. The funding for the Sport Education Grant has been fully utilized and applications are no longer being accepted. Budget is requested to reestablish the grant and provide ongoing, needed support to local coaches, officials and sport organizations.

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Cultural Services		ON-GOING
Title:	Theatre Operating Budget Adjustments		PROVISIONAL

Justification:

The Theatre continues to be a very busy venue experiencing growth with respect to revenue and expenses. This request recognizes increased revenue for the bar & concession as a result of a new Front of House contract model and increased Capital Improvement Fee (CIF) revenue as a result of the increased CIF fee. This request also recognizes increased expenses for bar & concession operation and establishes a budget that will fund operational improvements such as Green Room furniture and equipment updates. Budget is requested to ensure the customer and client experience is maximized and the Theatre budget more accurately reflects actual activity.

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	49,700	5,000	0	0	0	(69,000)	0	14,300
2020	49,700	5,000	0	0	0	(69,000)	0	14,300
2021	49,700	5,000	0	0	0	(69,000)	0	14,300

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Sport & Event Services		ON-GOING
Title:	Automated External Defibrillators at Recreation Facilities		PROVISIONAL

Justification:

Automated External Defibrillators (AEDs) are an effective intervention for sudden cardiac arrest. The presence of publicly accessible AEDs is becoming more common in community facilities and the City already has more than fifteen units installed at various sites. Budget is requested to expand the current AED program to include three major Recreation Facilities; Elks Stadium, King Stadium and the Apple Bowl. The budget will cover the one-time purchase and installation of each unit and ongoing costs for replacement batteries and pads.

2019 Base Budget AED Program: \$1,800

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	8,000	0	0	0	0	0	0	(8,000)
2020	500	0	0	0	0	0	0	(500)
2021	500	0	0	0	0	0	0	(500)

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Sport & Event Services		ON-GOING
Title:	Strategic Event Fund		PROVISIONAL

Justification:

Event hosting has become increasingly competitive as municipalities and event right holders recognize the value of hosting major events. There is a greater expectation for host communities to provide a significant financial commitment to secure events. The Strategic Event Fund was established to allow the City to compete for major events, and currently provides \$50,000 annually towards event procurement. While this budget amount has been effective in supporting bids for small to mid-level events (ie. Skate Canada International, Breakout West), it is insufficient when considering larger scale events (ie. Brier, Memorial Cup, Canadian Country Music Awards). Budget is requested to support an increased event development fund, providing expanded resources to pursue large-scale events and positioning Kelowna more effectively in the event hosting market.

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	0	0	0	0	0	0	(50,000)
2020	50,000	0	0	0	0	0	0	(50,000)
2021	50,000	0	0	0	0	0	0	(50,000)

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Sport & Event Services		ONE-TIME
Title:	Surveillance Cameras		PROVISIONAL

Justification:

Surveillance cameras are crucial with respect to ensuring public safety and protecting City property and have proven effective for investigations of inappropriate or unlawful behaviour. Rutland Arena, the Apple Bowl, Parkinson Recreation Centre, and the Kelowna Community Theatre (KCT) have been increasingly targeted for this type of behavior. Additional cameras will be added to improve coverage. Budget is requested for installation of a total of 14 new cameras plus hardware and signage as required in these four facilities.

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	30,000	0	0	0	0	0	0	(30,000)

Division:	Active Living & Culture	Priority: 1	New
Department:	Recreation & Business Services		ON-GOING
Title:	Recreation Clerk Position		PROVISIONAL

Justification:

Active Living & Culture provides front line customer services at Parkinson Recreation Centre seven days a week from 6:00 am to as late as 10:30 pm, plus at three other locations. Currently, there are five full-time Recreation Clerks and eight part-time which provide this service as well as administrative support to the Division. As the Division diversifies to meet community need, administrative support must be responsive, so flexibility of this team is imperative. Also, new systems have created new opportunities but have also added complexity into the customer service function, which now more than ever, relies on continuity of full-time staff to maximize efficiency and effectiveness, since part-time clerks' hours can be irregular and inconsistent. Budget is requested to add a sixth full-time Recreation Clerk. The operational expenditure of \$47,400 in 2019 and \$63,100 ongoing, will be funded by a portion of the part-time clerk wage budget, to provide overall improved coverage and customer services, as well as greater flexibility to meet Divisional needs.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Active Living & Culture		ONE-TIME
Title:	2020 Memorial Cup Sponsorship		PROVISIONAL

Justification:

The Kelowna Memorial Cup 2020 Society was successful with their bid to host the Memorial Cup from May 21 to June 1, 2020. Over the 10 day festival, this event brings together the top teams from the Canadian Hockey League in a round-robin format to determine a national champion. Along with the tournament, the event provides a unique opportunity to highlight Kelowna's culture and active lifestyle, bringing people together in celebration of music, arts and sport. It is anticipated that more than 10,000 visitors will come to Kelowna with an economic spinoff of \$12M to the local community. Budget is requested to provide a \$225,000 grant to the host organization funded through existing reserves.

Corporate Framework: A strong economy - Tourism interest

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	225,000	(225,000)	0	0	0	0	0	0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Active Living & Culture Division									
Growth									
210	Event Hosting Program	25,000	0	0	0	0	0	(25,000)	OG
210	Heritage Grant Program Increase	5,000	0	0	0	0	0	(5,000)	OG
	Total Growth	30,000	0	0	0	0	0	(30,000)	
New									
211	Community Development Coordinator Term Position	42,800	0	0	0	0	0	(42,800)	OG
211	Social Policy Framework	20,000	0	0	0	0	0	(20,000)	OG
	Total New	62,800	0	0	0	0	0	(62,800)	
	Division Priority 2 Total	92,800	0	0	0	0	0	(92,800)	
	Total Priority 2 Operating	92,800	0	0	0	0	0	(92,800)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 2	Growth
Department:	Sport & Event Services		ON-GOING
Title:	Event Hosting Program		PROVISIONAL

Justification:

Events are valuable for the local economy and the community's quality of life. The City has a number of funding programs which serve to attract and support events in a competitive environment. These programs are heavily subscribed. Through a grant policy review which is nearing completion, a new framework for investment in events has been developed. The framework includes a strategic approach to allocation of resources for attracting new events, retaining and sustaining events, and exploring new opportunities to recognize and celebrate long-standing events which uniquely reflect authentic local identity. The Event Hosting Program, which already exists and will continue within the new framework, is designed to provide an incentive for event organizers to host events in Kelowna by assisting with event hosting costs, including offset of City-related expenses. This funding request supplements the existing budget and assists in meeting increased demand.

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)
2020	25,000	0	0	0	0	0	0	(25,000)
2021	25,000	0	0	0	0	0	0	(25,000)

Division:	Active Living & Culture	Priority: 2	Growth
Department:	Cultural Services		ON-GOING
Title:	Heritage Grant Program Increase		PROVISIONAL

Justification:

The Heritage Grant Program is successful in providing heritage property owners with funding to improve the longevity of existing heritage properties. However, the program is missing the opportunity to build the capacity of these same property owners through education on how to best care for their heritage properties themselves. This same education allows the opportunity for the general public to better understand heritage conservation and the importance of built heritage to tell the story about our community identity. The type of education and means of its delivery will be determined by Central Okanagan Heritage Society in close partnership with the City to determine impact. The current overall budget is \$44,500 (\$35,000 grant distribution, \$9,500 grant administration) and budget is requested for an increase of \$5,000 for the COHS's grant administration contract to include an additional education component. All other existing deliverables of the program would remain unchanged.

Corporate Framework: An active, inclusive city - Honouring our history

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 2	New
Department:	Active Living & Culture		ON-GOING
Title:	Community Development Coordinator Term Position		PROVISIONAL

Justification:

Social issues that impact the community are complex and require community collaborations to address. The City's convening role related to the Journey Home Strategy was an effective model resulting in community mobilizations and capacity building. As the Central Okanagan Journey Home Society transitions into the leadership role for advancing the strategy, the Social Development Manager will support the efforts of the new Society and increase focus and attention on other social issues that impact the social health of the community. Budget is requested for a Community Development Coordinator to provide leadership in convening stakeholders around specific issues to facilitate solutions and encourage integrated and coordinated action planning that will address the social needs, well-being, development and sustainability of the community. This request is for a two year term position to support immediate needs and while the City continues to examine its ongoing role regarding broad social issues that impact the community.

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	42,800	0	0	0	0	0	0	(42,800)
2020	83,600	0	0	0	0	0	0	(83,600)
2021	0	0	0	0	0	0	0	0

Division:	Active Living & Culture	Priority: 2	New
Department:	Active Living & Culture		ON-GOING
Title:	Social Policy Framework		PROVISIONAL

Justification:

There is significant evidence that planning for the social success and sustainability of a community can prevent or, at a minimum, mitigate the likelihood of future social issues. Such investment costs a fraction of the overall costs related to the long term management of the impacts of social issues. This project's focus will be on strengthening the community's ability to plan for, coordinate and integrate efforts, and take action to address the overall social needs and well-being of the community in order to create and maintain a safe, inclusive, and healthy community. Budget is requested to develop a Social Policy Framework that will define the role of the City, measure ongoing community social health and identify trends, and guide prioritization for decision-making on allocating resources to address existing, emerging, and future issues.

Corporate Framework: An active, inclusive city - Considering diverse community needs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	20,000	0	0	0	0	0	0	(20,000)
2020	30,000	0	0	0	0	0	0	(30,000)
2021	0	0	0	0	0	0	0	0

2019 Reduction Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
<u>Active Living & Culture Division</u>									
213	H ₂ O Deficit Management Fund Reduction	0	(75,000)	0	0	0	0	75,000	OG
	Department Priority 1 Total	0	(75,000)	0	0	0	0	75,000	
	Total Priority 1 Reduction Requests	0	(75,000)	0	0	0	0	75,000	

2019 Reduction Request Details

Division:	Active Living & Culture	Priority: 1	
Department:	Sport & Event Services		ON-GOING
Title:	H2O Deficit Management Fund Reduction		PROVISIONAL

Justification:

The H2O Adventure & Fitness Centre is operated by the YMCA through a Management and Operating Agreement that continues until December 2021. The financial model of the agreement establishes an annual balanced budget with incentives for better than budget performance, as well as strategies to deal with budget deficits. The City budgets \$225,000 annually as a Deficit Management/Building Fund with any unspent funds being applied to the H2O Facility Reserve along with the City's share of contractual budget surplus. Financial performance of the facility has demonstrated a pattern where the deficit management fund has not been accessed. This request is to reduce the annual contribution to \$150,000 until the end of the agreement in 2021 at which time need will be reassessed.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	(75,000)	0	0	0	0	0	75,000
2020	0	(75,000)	0	0	0	0	0	75,000
2021	0	(75,000)	0	0	0	0	0	75,000

This page was intentionally left blank

Civic Operations



This page was intentionally left blank

Civic Operations

The Civic Operations division is responsible for managing, operating and maintaining the City's infrastructure in a sustainable manner to meet community needs. The infrastructure that this division is responsible for includes the transportation network, water and wastewater utilities, the biosolids plant, drainage systems, parks, beaches, sports fields, natural areas, urban forests, public open spaces, corporate fleet, waste management and landfill, plus civic buildings and civic facilities such as pools and arenas. This division also plays a critical role during emergencies.



Building Services operates and maintains more than 100 civic buildings and facilities including arenas, pools and stadiums. This team also provides trades services to all City departments on an as needed basis for plumbing, electrical, heating, ventilation and air conditioning (HVAC), carpentry, painting, janitorial and general maintenance. This team leads energy management for the City.

Civic Operations Finance and Administration is responsible for overall divisional financial administration, clerical support, budget coordination, customer call centre, customer service requests and permit administration.

Fleet Services is responsible for overall management, procurement and maintenance of the City's fleet plus contract equipment procurement and management.

Park Services is responsible for management, operations and maintenance of more than 200 parks including beaches, sports fields, natural areas, forests, and beautification of the City. This branch also manages Kelowna Memorial Park Cemetery and leads graffiti removal and prevention.

Public Works is responsible for managing, operating and maintaining roads, sidewalks, walkways/multi-use corridors, bike paths, City owned parking lots, transit and bus shelters, litter control, snow and ice control, traffic signs, road markings, traffic systems and signals, street lights, waste management, and the City gravel pit.

Utility Services is responsible for delivering essential services such as water and water conservation programs, plus management, operations and maintenance of the wastewater treatment plants, the biosolids plant, the Glenmore Landfill, and the underground water and wastewater utilities and drainage systems.

2019 Divisional Drivers & Activities

Drivers

- A well-run City
- An active, inclusive City
- Excellent Customer Service
- Flexible service delivery
- A clean, healthy environment
- Resilient, well-managed infrastructure
- Improve public safety and deter crime

- Deliver safe, efficient and sustainable operations
- Continuously improve
- Continue to provide and conserve clean, safe drinking water
- Conserve energy and reduce utility costs

Activities

A well-run City

- Invest in staff and technology to enhance performance and create opportunity
- Excellent Customer Service
- Flexible service delivery
- Improve bottom line
- Deliver safe, efficient and sustainable operations
- Continuously improve
- Adopt utility organization to accommodate the integration of South East Kelowna Irrigation District (SEKID) and possible future Improvement District integrations
- Explore opportunities for cost-effective renewal of irrigation systems, as this is an area with few qualified contractors

An active, inclusive city

- Continue to deliver beautiful well maintained parks and public land
- Deliver Park Services Communications Plan
- Deliver Public Engagement Program regarding dogs in parks
- Waive landfill tipping fees for 9 non-profit groups involved in waste reduction (Thrift Store Operations)

A safe city

- Improve public safety and deter crime (e.g. enhancements to the hypodermic needle reporting and tracking program)
- Continue to reduce forest fuels and fire hazards
- Continue to provide and conserve clean, safe drinking water
- Improve snow/ice removal through program enhancements including snow routes, public communications and increased use of contractors

A strong economy

- Conserve energy and reduce utility costs
- Develop new revenue opportunities

A clean, healthy environment

- Continue to establish Energy Management as a core function for Building Services and the City of Kelowna
- Continue to deliver excellent water quality within our utility boundaries
- Continue to provide effective wastewater treatment
- Continue exploring feasibility and practicality of carshare partnerships
- Develop a new Source Water Protection Plan and implement recommendations
- Increase oil and grease discharge compliance from food establishments and residents

Resilient, well-managed infrastructure

- Implementation of new Asset Management software to improve efficiency and reduce costs
- Chiller replacement for the Kelowna Library

- Kelowna Family YMCA elevator modernization
- H2O Flowrider renewal
- Rutland Arena East HVAC renewal
- Wastewater Treatment Facility (WWTF) Admin roof & HVAC replacement
- City Hall boiler replacement
- City Hall Council audio-visual upgrade
- Understanding and operating SEKID irrigation water system as well as accommodating the operation of new domestic water infrastructure in southeast Kelowna

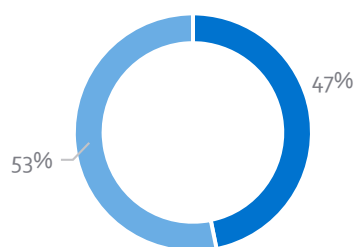
2019 Divisional performance measures

		Actual	Estimated	Proposed
Program outputs				
Admin	# of garage work orders	5,786	5,720	5,800
	# of locates	4,889	4,800	4,850
	# of road usage permits	938	900	950
	# of service requests processed	21,571	22,500	22,500
	# of hydrant permits and water bulk filling cards	327	300	300
	Traffic orders	197	205	210
Buildings	# of service requests	3,690	3,800	3,900
Parks	# of off-leash dog parks per 100,000 residents	9	9	9
	# of sports fields maintained	68	70	70
	# of outdoor events supported	208	210	212
	# of trees (streets and developed parks) maintained annually	3,900	3,500	3,500
	# of trees and seedlings planted on City property	3,000	3,500	3,500
	# of funerals administered	424	428	430
	# of parks service requests administered	3,660	3,800	3,750
	# of graffiti service requests administered	6,100	5,500	6,000
Solid Waste	Construction/demolition waste buried (tonnes)	52,380	57,618	63,379
	Friable asbestos handled (tonnes)	736	809	890
Roads	Road maintained (lane kilometers)	1,670	1,680	1,700
	Bike lanes (lane kilometers)	350	360	370
	Curb & gutter (lane kilometers)	830	855	880
	Operating cost of spring sweeping	\$692,000	\$796,000	\$700,000
	Cost of snow removal	\$2.2M	\$2.1M	\$2.1M
	# of service requests closed	3,920	3,900	3,500
Fleet Services	Operating costs	\$5.2M	\$5.0M	\$5.0M
	Fuel costs	\$1.2M	\$1.4M	\$1.5M
	Fleet size	574	580	593
	External hired equipment	\$2.6M	\$3.0M	\$2.8M
	Napa parts inventory	\$576k	\$534k	\$570k
Utilities – Compost	Biosolids processed by composting (tonnes)	30,368	31,700	33,000
	Volume of Ogogrow compost sold (cubic meters)	48,292	65,000	50,000
	Volume of Glengrow compost sold (cubic meters)	19,776	19,000	19,500

Continued					
Utilities	-	Drainage pipes cleaned (km)	33	35	35
Drainage		Catch basins cleaned (number)	11,035	11,000	11,100
		Creek maintenance (person hours)	2,973	3,000	3,000
Utilities	-	# of "Field Advices" responded to	1,233	N/A	N/A
Networks		# of requests - water on/off	N/A	1,450	1,500
Program outcomes					
Admin		Revenue collected for road usage permits	\$251,213	\$300,000	\$300,000
		Revenue collected for hydrant permits and water cards	\$103,803	\$100,000	\$100,000
Buildings		Average Facility Condition Index for community protection	5.5%	5.5%	5.5%
		Average Facility Condition Index for major public buildings	7.3%	7.1%	6.9%
		Average Facility Condition Index for Civic Operations buildings	5.3%	5.3%	5.3%
		Average Facility Condition Index for community buildings	6.0%	6.0%	6.0%
		Value of deferred maintenance/repairs, end of service life,	\$9.4M	\$9.0M	\$8.8M
Solid Waste		Landfill scale revenues	\$10.9M	\$14.1M	\$15.5M
		Landfill site visits	169,352	219,212	221,952
		Organics diverted from disposal (tonnes)	49,945	49,872	53,000
		Gypsum diverted from disposal (tonnes)	3,975	2,033	4,000
Utilities	-	Sales revenue from Glengrow	\$204,662	\$250,000	\$350,000
Compost		Sales revenue from Ogogrow	\$550,073	\$250,000	\$350,000
Efficiency measures					
Parks		Cost to maintain all parks per capita	\$89	\$90	\$91
		Average cost to maintain parks per hectare	\$10,100	\$10,200	\$10,200
		# of full time staff per hectare	0.06	0.06	0.06
		Average cost to maintain a playground for a year	\$1,000	\$1,010	\$1,010
Buildings		City building electrical consumption (Kwh/yr)	20,920,94	19,500,000	19,000,000
		City building natural gas consumption (GJ/yr)	68,564	67,000	66,000
Solid Waste		Mandatory 'Recyclables in Garbage' surcharge	46,893	53,877	54,000
		Landfill gas managed (flaring or FortisBC) (standard cubic feet)	5,467,853	5,721,389	5,979,287
Utilities	-	Net cost per tonne biosolids processed	\$71.45	\$91.16	\$85
Compost		Gross cost per tonne biosolids processed	\$89.55	\$99.05	\$95
Customer satisfaction					
Parks		Service requests completed in five days or less	88%	80%	85%
		Graffiti service requests completed in five days or less	95%	90%	90%
Buildings		Service requests completed within 48hrs	64%	65%	65%
Traffic		Road marking service requests	106	110	120
		Road sign & street name requests	662	675	700
		Traffic signal service requests	221	237	250
Utilities	-	Biosolids composting odour reports	65	40	40

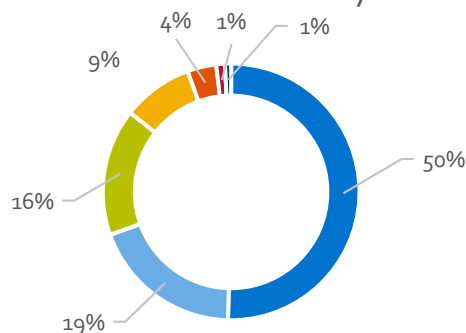
Continued**Innovation & learning**

Admin	Staff Attending Unit4, Service Request and SharePoint and City	10	10	10
	Staff attending Professional Financial and Strategic, Wellness	2	2	2
Buildings	Professional association memberships	2	2	2
Roadways	Staff attending core training	15	15	15
	Staff trained as Geo-tab super users	1	2	3
	Staff trained on using the scale at the Westside gravel pit	3	4	6
	Staff enrolled in training opportunities	3	4	5
	Staff trained in Big Belly software	1	1	
	Staff completing BC Municipal Safety Association (BCMSA)	6	6	8
Utilities	Operators with Target level of certification	100%	100%	100%
Utilities	Operators with Target level of certification	91%	91%	100%
Utilities	Operators with Target level of certification	88%	83%	100%

Budget overview**Per cent of General Fund operating**

■ Civic Operations ■ Net Operating

General fund operating = \$141.9 M

Division Summary

■ Police Services ■ Parks Services
 ■ Public Works ■ Building Services
 ■ Bylaw Services ■ Civic Operations Administration
 ■ Civic Operations

Total = \$66.4 M

Net Divisional expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per cent change
Operating cost centres:						
Civic Operations						
226	Civic Operations	244,654	252,130	252,130		
115	Corporate & Protective Services	243,952	239,616	0		
168	Infrastructure Operations	217,029	254,296	255,296		
		705,635	746,042	507,426	(238,616)	(32.0%)
Civic Operations Administration						
211	Civic Operations Finance & Administration	722,891	725,162	725,162		
		722,891	725,162	725,162	0	0.0%
Building Services						
156	Building Services	5,747,389	5,896,508	5,919,865		
204	Property Maintenance - Library	(943)	0	0		
		5,746,446	5,896,508	5,919,865	23,357	0.4%
Park Services						
169	Park Services	786,833	926,405	926,405		
170	Cemetery	0	0	0		
172	Parks, Beaches & Sports Fields	8,532,212	9,169,945	9,269,681		
174	Urban Forestry	2,248,224	2,506,412	2,557,862		
		11,567,269	12,602,762	12,753,948	151,186	1.2%
Public Works						
180	Street Lights	2,242,940	2,242,716	1,990,796		
189	Roadways Operations	4,845,379	4,788,911	5,123,521		
190	Traffic Operations & Technical Support	1,079,885	1,335,682	1,306,832		
201	Utility - Stormwater	960,338	996,239	1,028,629		
212	Public Works	146,302	146,167	147,167		
219	Traffic Signals & Systems	849,673	1,000,634	1,036,084		
		10,124,517	10,510,349	10,633,029	122,680	1.2%
Utility Services						
183	Solid Waste	(199,994)	(200,000)	(200,000)		
184	Biosolids	0	0	0		
199	Pumpstations - Stormwater	5,965	8,862	9,612		
213	Utility Services	47,586	49,738	49,738		
267	Water Quality & Customer Care - General	108,424	115,856	116,856		
		161,975	174,456	(23,794)	(198,250)	(113.6%)
Fleet Services						
191	Fleet Services	0	0	0		
		0	0	0	0	0.0%
Bylaw Services						
150	Bylaw Services	1,774,790	2,126,160	2,420,460		
		1,774,790	2,126,160	2,420,460	294,300	13.8%

Continued**Police Services**

111	Police Services	24,273,383	25,390,617	26,558,582	
112	Police Client Services	2,134,198	2,463,576	2,542,706	
113	Police Quality Assurance	1,997,762	849,264	838,814	
114	Police Facility Operations	1,353,139	700,406	713,831	
251	Crime Prevention	438,619	563,799	563,799	
272	Police Information Management	0	2,253,885	2,253,885	

		30,197,101	32,221,547	33,471,617	1,250,070	3.9%
--	--	-------------------	-------------------	-------------------	------------------	-------------

Net operating expenditures		60,800,630	64,802,986	66,407,713	1,604,727	2.5%
-----------------------------------	--	-------------------	-------------------	-------------------	------------------	-------------

Capital cost centres:

301	Building Capital	1,848,299	670,000	1,384,100	
302	Parks Capital	3,238,945	2,672,950	3,659,900	
304	Transportation Capital	3,748,440	3,705,990	5,368,800	
305	Solid Waste Capital	0	0	0	
306	Storm Drainage Capital	1,255,304	455,000	1,080,000	
310	Vehicle & Mobile Equipment	297,751	328,000	293,500	

Net capital expenditures		10,388,739	7,831,940	11,786,300	3,954,360	50.5%
---------------------------------	--	-------------------	------------------	-------------------	------------------	--------------

Total Division net expenditures		71,189,369	72,634,926	78,194,013	5,559,087	7.7%
--	--	-------------------	-------------------	-------------------	------------------	-------------

Description of operating program changes

		Total	FTE
2018 revised budget		64,802,986	309.8
2019 net impacts			
One-time operating requests	(87,260)		(1.1)
One-time expenditure reductions	(75,370)		
Incremental costs - prior year(s)	413,700		1.4
Divisional adjustments	(244,743)	6,327	
		<u>64,809,313</u>	<u>310.1</u>
2019 program additions			
2019 operating requests	1,658,600		6.6
2019 expenditure reductions	(60,200)	1,598,400	(0.2)
2019 provisional		<u>66,407,713</u>	<u>316.5</u>
Unfunded 2019 requests			
2019 operating requests	131,100		1.5
2019 expenditure reductions	0	131,100	
Total unfunded requests for 2019		<u>131,100</u>	<u>1.5</u>

Civic Operations - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(28,338,712)	(26,705,072)	(30,978,124)
Other Revenue	(8,674,619)	(9,054,451)	(8,889,188)
Transfers from Funds			
Special (Stat Reserve) Funds	(71,538)	(260,000)	(30,000)
Development Cost Charges	0	0	0
Accumulated Surplus	(756,470)	(325,750)	(80,000)
Total Revenue	(37,841,339)	(36,345,273)	(39,977,312)
<u>Expenditures</u>			
Salaries and Wages	23,523,531	25,985,285	25,935,509
Internal Equipment	6,668,687	5,648,935	5,806,315
Material and Other	15,294,923	15,772,264	14,992,379
Contract Services	40,954,210	43,602,855	45,561,822
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	1,597,713	1,643,159	1,641,717
Transfers to Funds			
Special (Stat Reserve) Funds	9,848,430	7,907,793	11,872,398
Development Cost Charges	0	0	0
Accumulated Surplus	754,475	587,968	574,885
Total Expenditures	98,641,969	101,148,259	106,385,025
Net Operating Expenditures	60,800,630	64,802,986	66,407,713
<u>Capital Expenditures</u>			
Gross Expenditures	44,945,728	87,931,080	54,665,200
Other Funding Sources	(34,556,989)	(80,099,140)	(42,878,900)
Taxation Capital	10,388,739	7,831,940	11,786,300
Net Operating & Tax Capital Exp.	71,189,369	72,634,926	78,194,013

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	116.0	112.8	122.6	124.7
Hourly	185.2	191.6	187.2	191.8

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
Maintain									
227	Contract Services - Civic Facilities	52,500	0	0	0	0	0	(52,500)	OG
227	Downtown Cleaning, Sweeping and Litter Control	35,000	0	0	0	0	0	(35,000)	OG
228	Landfill - Revenue Adjustment	0	4,155,000	0	0	(4,155,000)	0	0	OG
228	Sharps Collection Program	16,300	0	0	0	0	0	(16,300)	OG
229	Landfill Gas and Nuisance SCADA	100,000	(100,000)	0	0	0	0	0	OT
229	Chain Gates Replacement Program	25,000	0	0	0	0	0	(25,000)	OG
230	Spring Sweep and Flushing Maintenance	50,000	0	0	0	0	0	(50,000)	OG
CCP 400	#Ethel 5 DCC (Springfield-Rose), ATC	0	0	0	0	0	0	0	OG
CAP 447	#Gordon 1 DCC (Frost - South Perimeter), Road	0	0	0	0	0	0	0	OG
CAP 448	#Sutherland 1 DCC (Gordon - Burtch), ATC	0	0	0	0	0	0	0	OG
CCP 400	#Sutherland 2 DCC (Lake - Gordon), ATC	0	0	0	0	0	0	0	OG
CAP 448	#Transit - Equipment Renewal (Bus Stops and Shelters)	0	0	0	0	0	0	0	OG
CAP 450	Active Transportation Corridor	4,000	0	0	0	0	0	(4,000)	OG
CAP 450	Pedestrian & Cyclist Safety Improvement	1,800	0	0	0	0	0	(1,800)	OG
CAP 451	Sidewalk & Bikeway Renewal	5,000	0	0	0	0	0	(5,000)	OG
CAP 451	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road	16,600	0	0	0	0	0	(16,600)	OG
CAP 452	Sidewalk Network Expansion	500	0	0	0	0	0	(500)	OG
230	Ditch Maintenance	25,500	0	0	0	0	0	(25,500)	OG
231	Road Usage Permit Revenue	0	0	0	0	(35,000)	0	35,000	OG
231	Playground Surface Replacement	20,000	0	0	0	0	0	(20,000)	OG
Total Maintain		352,200	4,055,000	0	0	(4,190,000)	0	(217,200)	
Growth									
232	Landfill - Leachate Re-Circulation Co-op Student Position	13,400	(13,400)	0	0	0	0	0	OT
CAP 449	Transit - New Equipment (Bus Stops)	2,000	0	0	0	0	0	(2,000)	OG
CAP 449	Intelligent Transportation Systems	600	0	0	0	0	0	(600)	OG
232	Growth in Traffic Signal Infrastructure	22,300	0	0	0	0	0	(22,300)	OG
CAP 452	Neighbourhood Traffic Calming	400	0	0	0	0	0	(400)	OG
233	Park Washroom Service	51,300	0	0	0	0	0	(51,300)	OG
Total Growth		90,000	(13,400)	0	0	0	0	(76,600)	

2019 FINANCIAL PLAN						CITY OF KELOWNA			
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
New									
233	Parks - Support Staff Positions	12,000	0	0	0	0	0	(12,000)	OG
234	*Downtown Kelowna Association –Improved Cleanliness & Safety	50,000	0	0	0	0	0	(50,000)	OG
234	*Arc Flash Study - Commonage Facility	5,000	0	0	0	(1,700)	(3,300)	0	OT
235	Landfill - Casual or Part-time Scale House Attendant Position	34,600	(34,600)	0	0	0	0	0	OG
235	Landfill - Equipment Operator Term Positions	(10,400)	10,400	0	0	0	0	0	OG
236	Snow and Ice Control	200,000	0	0	0	0	0	(200,000)	OG
236	Building Technician Position	0	0	0	0	0	0	0	OG
CAP 430	Hobson Rd Park - Interim Access	26,500	0	0	0	0	0	(26,500)	OG
237	Landfill - Pump Rental	175,000	(175,000)	0	0	0	0	0	OT
237	Energy Savings Program	80,000	(80,000)	0	0	0	0	0	OT
238	Roberts Lake Environmental Management	50,000	(50,000)	0	0	0	0	0	OT
238	Odour Remediation - Cerise Drive	50,000	0	0	0	0	0	(50,000)	OT
239	Median Planters	32,700	0	0	0	0	0	(32,700)	OG
239	Westside Gravel Pit Mine Plan	0	0	0	0	0	0	0	OT
CAP 483	*Fleet Growth	30,000	(9,000)	0	0	(37,000)	0	16,000	OG
Total New		735,400	(338,200)	0	0	(38,700)	(3,300)	(355,200)	
Growth									
158	* <i>Utility Planning Engineer Position</i>	10,600	(10,600)	0	0	0	0	0	OG
207	* <i>Surveillance Cameras</i>	15,500	0	0	0	0	0	(15,500)	OT
Total Growth		26,100	(10,600)	0	0	0	0	(15,500)	
New									
161	* <i>Landfill Nuisance Investigation and Monitoring</i>	100,000	(100,000)	0	0	0	0	0	OG
Total New		100,000	(100,000)	0	0	0	0	0	
Division Priority 1 Total		1,303,700	3,592,800	0	0	(4,228,700)	(3,300)	(664,500)	
Total Priority 1 Operating		1,303,700	3,592,800	0	0	(4,228,700)	(3,300)	(664,500)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Contract Services - Civic Facilities		PROVISIONAL

Justification:

Based on a competitive bidding process and increased regulatory or maintenance requirements, contract costs have increased for several Civic Facilities. Additional budget is requested to offset increased costs for janitorial services, boiler maintenance and generator testing for the Kelowna Community Theatre, Cedar Creek Community Centre, OK Mission Activity Centre, Rutland Activity Centre and Kelowna Police Services Building.

2019 Base Budget: \$3,501,853

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	52,500	0	0	0	0	0	0	(52,500)
2020	52,500	0	0	0	0	0	0	(52,500)
2021	52,500	0	0	0	0	0	0	(52,500)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Downtown Cleaning, Sweeping and Litter Control		PROVISIONAL

Justification:

Since the revitalization of the downtown core, pedestrian traffic has grown substantially. Demands on maintaining a clean town center have become more challenging. Budget is requested to retain a contractor to pressure wash sidewalks throughout the spring, summer and fall. As well, a portion of the funds will be used to enhance sweeping and litter control.

2019 Base Budget: \$85,702

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	35,000	0	0	0	0	0	0	(35,000)
2020	35,000	0	0	0	0	0	0	(35,000)
2021	35,000	0	0	0	0	0	0	(35,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Landfill - Revenue Adjustment		PROVISIONAL

Justification:

This request is to adjust revenues to reflect an increase in the volume of waste received and the tipping fee increase approved by Council October 2, 2017.

2019 Base Budget: \$11,890,957

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	4,155,000	0	0	0	(4,155,000)	0	0
2020	0	4,155,000	0	0	0	(4,155,000)	0	0
2021	0	4,155,000	0	0	0	(4,155,000)	0	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Sharps Collection Program		PROVISIONAL

Justification:

The City has received increasing public concerns about discarded hypodermic syringes in parks and public spaces. Budget is requested to help centralize the sharps collection program within Parks Services and provide additional funding for standby and overtime for evenings and weekend coverage year-round.

2019 Base Budget: \$32,500

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	16,300	0	0	0	0	0	0	(16,300)
2020	16,300	0	0	0	0	0	0	(16,300)
2021	16,300	0	0	0	0	0	0	(16,300)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Landfill Gas and Nuisance SCADA		PROVISIONAL

Justification:

Budget is requested for a study and partial implementation of follow up work which is required for the Supervisory Control and Data Acquisition (SCADA) upgrades for the landfill gas system and future nuisance monitoring system.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	100,000	(100,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Chain Gates Replacement Program		PROVISIONAL

Justification:

Budget is requested for removal of higher risk chain gates with solid metal gates. The ongoing funds will see the installation and replacement of signs and reflection to increase visibility.

2019 Base Budget: \$15,000

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)
2020	10,000	0	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	0	(10,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Spring Sweep and Flushing Maintenance		PROVISIONAL

Justification:

Changing weather patterns over the past years have resulted in longer winters, extreme storms and several more freeze thaw events, all of which contribute to a higher sand usage. This sand has to be removed and disposed of in the spring. Air quality and cycling safety are directly impacted by this program. Additional budget is requested to be used for the sweeping of roadways, sidewalks and medians. The majority of funds are attributed to contract services and internal equipment.

2019 Base Budget: \$606,854

Corporate Framework: A clean healthy environment - Improved air quality

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	0	0	0	0	0	0	(50,000)
2020	50,000	0	0	0	0	0	0	(50,000)
2021	50,000	0	0	0	0	0	0	(50,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Ditch Maintenance		PROVISIONAL

Justification:

Increased flooding issues along the road network have been impacting roads and adjacent private properties. Additional budget is requested to upgrade and repair existing ditch inventory.

2019 Base Budget: \$94,511

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,500	0	0	0	0	0	0	(25,500)
2020	25,500	0	0	0	0	0	0	(25,500)
2021	25,500	0	0	0	0	0	0	(25,500)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Road Usage Permit Revenue		PROVISIONAL

Justification:

This request is to align permit and inspection revenue to the increase in Road Usage Permit application volume.

2019 Base Budget: \$(60,000)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(35,000)	0	35,000
2020	0	0	0	0	0	(35,000)	0	35,000
2021	0	0	0	0	0	(35,000)	0	35,000

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Playground Surface Replacement		PROVISIONAL

Justification:

Budget is requested to remove pea gravel and replace it with soft fall/wood fibers. The pea gravel becomes compacted over time and may not meet the Canadian Standards Association (CSA) standard for fall protection, requiring additional maintenance costs. Soft fall fiber is becoming the industry standard as it is 30% cheaper to install, requires less maintenance and provides accessibility for everyone. With 58 playgrounds in pea gravel the funds will allow Park Services to prioritize sites and replace all pea gravel playgrounds in 10 years.

2019 Base Budget: \$78,171

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)
2021	20,000	0	0	0	0	0	0	(20,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ONE-TIME
Title:	Landfill - Leachate Re-Circulation Co-op Student Position		PROVISIONAL

Justification:

Budget is requested to provide additional seasonal personnel to assist in the implementation of the Landfill Leachate Re-Circulation project. This project involves ongoing pumping of landfill leachate back into the landfill to increase waste degradation and settlement which in turn creates additional landfill gas for capture. A staged approach with limited systems was used in 2018. Based on the time needed to perform this work plus the required daily monitoring, additional resources that would be covered by a Co-op Student are needed during the re-circulation events.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	13,400	(13,400)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Growth in Traffic Signal Infrastructure		PROVISIONAL

Justification:

Budget is requested to fund the ongoing maintenance and operation of new traffic signals (related to recent growth or development), that have been added on the Rails with Trails at Dilworth and Sexsmith, John Hindle and Academy Way, and at Glenmore and Begbie, as well as two pedestrian flashing beacons added at Benchview and Rutland and Gordon and Mayer.

2019 Base Budget: \$395,988

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	22,300	0	0	0	0	0	0	(22,300)
2020	22,300	0	0	0	0	0	0	(22,300)
2021	22,300	0	0	0	0	0	0	(22,300)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Park Washroom Service		PROVISIONAL

Justification:

Budget is requested for additional washroom cleaning at high profile beach parks during peak times. Public service requests in these areas have increased by 24% between 2017 & 2018. Budget is also requested for additional portable toilets. Park Services has seen a significant increase in portable toilet requests, particularly in winter time when most washrooms are closed.

2019 Base Budget: \$348,871

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	51,300	0	0	0	0	0	0	(51,300)
2020	51,300	0	0	0	0	0	0	(51,300)
2021	51,300	0	0	0	0	0	0	(51,300)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Parks - Support Staff Positions		PROVISIONAL

Justification:

Budget is requested for two full-time Groundsperson I positions to help Park Services irrigation department, one full-time Parks Groundsperson II for new park maintenance and two Urban Forestry term Labourer positions. This request has minimal taxation impact as when new parks are developed each year, an operating impact budget is requested alongside the capital project. This previously approved budget will be used to fund the majority of the cost of these positions and the associated equipment and materials.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	12,000	0	0	0	0	0	0	(12,000)
2020	12,000	0	0	0	0	0	0	(12,000)
2021	12,000	0	0	0	0	0	0	(12,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Downtown Kelowna Association – Improved Cleanliness & Safety		PROVISIONAL

Justification:

The Downtown Kelowna Association (DKA) is requesting funding to address cleanliness and increased safety and security in the downtown. The Downtown Clean Team consists of two full-time employees and funding is requested for a third employee during the peak season plus associated equipment. In addition to the above, the Downtown on Call (DOC) Team assists with keeping the downtown safe and this service will be expanded to address increased need. Calls for service have increased significantly over the past year. In the past twelve months, DOC has assisted 691 safety issues that normally would have been attended to by the RCMP or/and Bylaw Services.

2019 Base Budget: \$\$64,000

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	75,000	0	0	0	0	0	0	(75,000)
2020	55,000	0	0	0	0	0	0	(55,000)
2021	40,000	0	0	0	0	0	0	(40,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Arc Flash Study - Commonage Facility		PROVISIONAL

Justification:

Budget is requested for an arc flash study which is now part of the electrical code as a requirement for all electrical installations. An arc flash study is the evaluation of a workplace facility by an electrical safety expert to determine arc flash hazards and risks in relation to electrical systems. The on-site study results in arc flash equipment labeling, fault current and coordination analysis, recommendations for improvements and requirements for proper personal protective equipment. The study will be conducted at the Commonage Facility.

Commonage costs will be shared one-third with the City of Vernon and two-thirds with the City of Kelowna's Wastewater utility.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	(1,700)	(3,300)	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Landfill - Casual or Part-time Scale House Attendant Position		PROVISIONAL

Justification:

Budget is requested to provide ongoing funding for a casual/part time scale house attendant. This will allow for the second landfill scale to be opened to ensure timely service through the scales and minimize line ups. This is especially critical to ensure that line ups do not extend to the now open John Hindle Drive which would impede traffic.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	34,600	(34,600)	0	0	0	0	0	0
2020	34,600	(34,600)	0	0	0	0	0	0
2021	34,600	(34,600)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Landfill - Equipment Operator Term Positions		PROVISIONAL

Justification:

Budget is requested to fund two annual term Equipment Operators for coverage at the Landfill. One of the term positions would be to provide holiday relief coverage to minimize overtime. The second position would be to operate the existing water truck to mitigate nuisance dust, assist in case of fire suppression, and minimize use of the current water truck which is external hired equipment.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(10,400)	10,400	0	0	0	0	0	0
2020	(10,400)	10,400	0	0	0	0	0	0
2021	(10,400)	10,400	0	0	0	0	0	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Snow and Ice Control		PROVISIONAL

Justification:

Recent changing weather patterns have challenged the way the City conducts the business of snow and ice control. In order to maintain or improve current service levels, additional budget is requested. These funds will be used for snow clearing of roadways, sidewalks and active transportation corridors. To help with these tasks the City will add more contract services, additional stand by, and improved public communications.

2019 Base Budget: \$1,751,858

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	200,000	0	0	0	0	0	0	(200,000)
2020	200,000	0	0	0	0	0	0	(200,000)
2021	200,000	0	0	0	0	0	0	(200,000)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Building Technician Position		PROVISIONAL

Justification:

Budget is requested to hire a full-time Building Technician position for continued support of operations, maintenance, asset management and project workload from an increasing inventory of facilities. Since 2009 Building Services staffing levels have not increased, however in consideration of new responsibilities for three new buildings (71,000 sq ft), management of corporate furniture and equipment, building security systems (door access, maintenance of an additional 305 security cameras, building alarms), boat launch water works and changes to WorksafeBC regulations, the workload increase is becoming unmanageable and negatively impacting the ability to complete projects and respond to unplanned work activities. The wages of \$67,400 in 2019 and \$89,900 ongoing are proposed to be funded from existing operational and capital budgets. If not funded there is a risk that projects will not be completed or work may need to be outsourced to consultants at a higher cost. 2019 Base Budget: \$1,563,602

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Landfill - Pump Rental		PROVISIONAL

Justification:

In 2018 the landfill was required to actively divert surface water using rental pump systems to mitigate flooding in the Glenmore Valley. This was funded under a request to the Province from the Emergency Operations Center. Based on the continued high groundwater and surface water elevations in the region, it is expected that this pumping will also be required in 2019. Budget is requested to ensure the funds are available for this program and would include items such as permitting, monitoring, equipment rental and operations. Surface water planning to manage this issue on a long term basis is in progress.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	175,000	(175,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ONE-TIME
Title:	Energy Savings Program		PROVISIONAL

Justification:

In 2018, the City of Kelowna will spend approximately \$8.65M on energy, including electricity, natural gas, gasoline, diesel, and propane. With the adoption of the 2017 Corporate Energy and Greenhouse Gas (GHG) Emissions Plan, the mandate of the Energy Program is to develop and prioritize new energy conservation projects.

To accomplish this objective, the Energy Committee is requesting a project budget for 2019, funded by the Energy Carbon Reserve. This budget will allow the Energy Committee the flexibility to investigate corporate energy reduction initiatives, develop business cases and implement energy conservation measures throughout the year as they are identified.

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	80,000	(80,000)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Roberts Lake Environmental Management		PROVISIONAL

Justification:

Budget is requested to study impacts of the 2018 flood release from the landfill to Roberts Lake, and examine future mitigation options.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	(50,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ONE-TIME
Title:	Odour Remediation - Cerise Drive		PROVISIONAL

Justification:

Budget is requested for remedial works which are required to resolve the ongoing odour problem from the storm sewer system for the past five years in the Cerise Drive neighbourhood.

Corporate Framework: A clean healthy environment - Improved air quality

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	0	0	0	0	0	0	(50,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Median Planters		PROVISIONAL

Justification:

Budget is requested for planters to be placed along center medians to improve safety and beautification in four major intersections along Highway 97. Staff initiated a pilot project this year to limit panhandling along medians at Dilworth and Highway 97 by installing petunia planters. The pilot reduced the presence of panhandlers, increased public safety and helped beautify the median. This budget request would expand the pilot to include Cooper Rd, Gordon Dr and Spall Rd.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	32,700	0	0	0	0	0	0	(32,700)
2020	19,000	0	0	0	0	0	0	(19,000)
2021	19,000	0	0	0	0	0	0	(19,000)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ONE-TIME
Title:	Westside Gravel Pit Mine Plan		PROVISIONAL

Justification:

Budget is requested for geotechnical consulting services for the Westside gravel pit. The services will include updating the current Mine Plan which is mandatory under the Mines Act. The Mine Plan will give best methods of mining the existing property under the regulations. The plan will give life expectancy of the pit as well as reclamation guidelines.

The operating expenditure of \$25,000 will be funded from revenues collected.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
Growth									
169	# * <i>Engineer in Training Position</i>	0	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	0	
Division Priority 2 Total									
Total Priority 2 Operating									

CCP - Combined capital project

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 2019

2019 Reduction Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
<u>Civic Operations Division</u>									
CAP 416	City Hall - Boiler	(4,800)	0	0	0	0	0	4,800	OG
242	Cemetery Material Budget Reduction	(6,800)	6,800	0	0	0	0	0	OG
242	Parks Operating Budget Reduction	(55,400)	0	0	0	0	0	55,400	OT
Department Priority 1 Total		(67,000)	6,800	0	0	0	0	60,200	
Total Priority 1 Reduction Requests		(67,000)	6,800	0	0	0	0	60,200	

CCP - Combined capital project

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 2019

2019 Reduction Request Details

Division:	Civic Operations	Priority: 1	
Department:	Civic Operations		ON-GOING
Title:	Cemetery Material Budget Reduction		PROVISIONAL

Justification:

In 2017, Kelowna Memorial Park Cemetery made the change from bronze markers to engraving of the stone covers on the niches for memorialization. The cost of engraving is approximately half the cost of the bronze markers to the cemetery. It is estimated that will reduce material expenses by \$6,800 per year.

2019 Base Budget: \$61,750

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(6,800)	6,800	0	0	0	0	0	0
2020	(6,800)	6,800	0	0	0	0	0	0
2021	(6,800)	6,800	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	
Department:	Civic Operations		ONE-TIME
Title:	Parks Operating Budget Reduction		PROVISIONAL

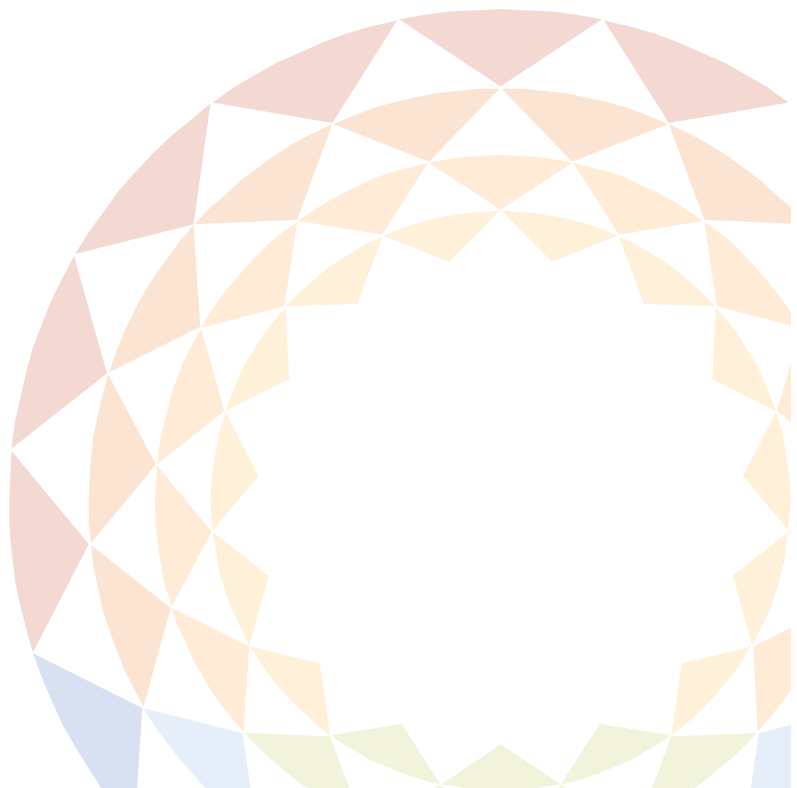
Justification:

Construction of the Rowcliffe and Glenmore Recreation Parks has commenced, however complete development of these sites has not been completed. The full operating budget increases can be post-poned for another year.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(55,400)	0	0	0	0	0	0	55,400

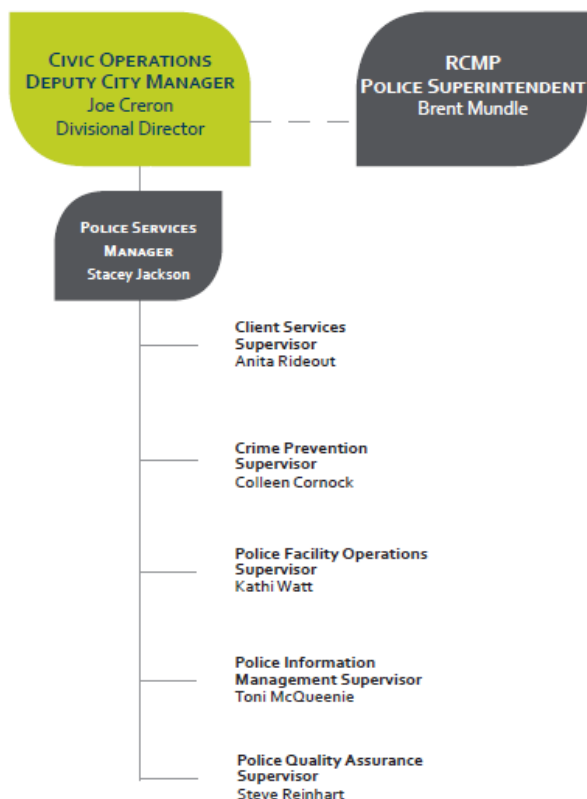
Police Services



This page was intentionally left blank

Police Services

The City of Kelowna Police Services Department provides operational support to the RCMP. The RCMP Detachment was established in 1950 when the RCMP absorbed the BC Provincial Police. The RCMP Detachment is an integrated unit consisting of City members, West Kelowna members (27), Lake Country members (12), Peachland members (4) and Provincially funded members (19), totaling 257 officers. Police Services (City) operates 24/7, with 195 officers and 74 permanent municipal support staff. The City Detachment includes a General Duty Section, who are uniformed first responders, an Investigative Services Section which handles serious and complex crimes, a Traffic Section and a Crime Prevention Section. Police Services Management manages all administrative facets of Police Services.



Client Services provides support to the RCMP General Duty Section, the Investigative Section and the Traffic Section through the Stenography Unit, the Operational Intelligence Clerks and the Police Services Clerks. The Client Services Supervisor is responsible for the cell block operation contract for the Detachment.

Crime Prevention provides a direct source of police expertise to community partners, residents, and internal City departments to develop, implement and coordinate crime reduction and prevention strategies within the City of Kelowna. Crime Prevention provides management oversight to more than 100 RCMP Volunteers who carry out a variety of crime prevention activities on behalf of the RCMP. Crime Prevention staff are appointed Special Provincial Constables for the purposes of document service and are also certified practitioners in Crime Prevention Through Environmental Design.

Facility Operations manages all aspects of facility maintenance, janitorial maintenance, building security and security clearances. The section provides operational support to the RCMP and the general public through the Front Counter.

Information Management is accountable for all facets of operational records management. The Supervisor is responsible for the creation, implementation, administration and effective communication of policies and procedures to all Municipal personnel with the goal of improving records efficiency and ensuring the quality and integrity of the records management system.

Quality Assurance is a hybrid of the Crime Reviewer and Supervisor positions. The position provides quality assurance of all investigational files, accurate and detailed uniform crime reporting (UCR) as required by Canadian Centre for Justice Statistics (CCJS). This position provides operational and administrative corrective direction as required and is responsible for the creation, implementation and effective communication of policies and procedures to municipal and detachment employees.

2019 Departmental drivers & activities

Drivers

- Customer focused service
- To safeguard the assets of the City
- To protect the well-being of staff, contractors and citizens
- To build corporate and community capacity
- Enable new approaches and innovation
- To connect the organization's diverse activities

Activities

A well-run City

- Continue to develop the divisional performance measures for Police Services

An active, inclusive city

- *Strengthen the collaboration between Crime Prevention Unit and Communications to increase usage of social media as a medium for circulating real-time, neighbourhood specific crime prevention material*
- *Targeted volunteer recruitment specific to Speed Watch*
- *Develop and implement Citizens Academy to address most prevalently requested crime and safety topics, i.e. FAQs for Canadian Law, Personal Safety; Who to Call, When to Call, Sharps Disposal and Harm Reduction, Crime prevention through environmental design (CPTED)*

A safe city

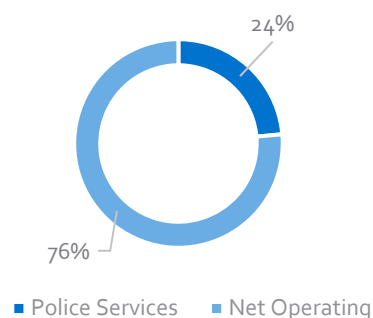
- Continue to conduct General Duty staffing analysis to determine resource requirements and intelligence based deployment
- Continue with bi-weekly CompStat (intelligence-led, issue-focused) crime reduction meetings
- Continue with drug and property crime enforcement in the downtown to reduce crime
- Continuing our efforts to further develop the PACT (Police and Crisis Team) project with Interior Health

2019 Departmental performance measures

	Actual	Estimated	Proposed
Program outputs			
Take a proactive approach to crime	n/a	n/a	n/a
Collaborate with other agencies	n/a	n/a	n/a
Leverage crime data to best deploy resources	n/a	n/a	n/a
Employ proactive communications approach	n/a	n/a	n/a
Program outcomes			
To deter or prevent crime before it occurs (CC per 1,000	97.97	102	102
# of agencies Police Services is working with (to build	15	15	15
Patrol availability factor – percentage per shift for	5%	25%	25%
# of Reports to Council (to effectively message to	4	4	4
Efficiency measures			
Response time to priority one calls (minutes)	11.77	7.00	7.00
Customer satisfaction			
Overall community safety (citizen survey)	94%	94%	94%
Innovation & learning			
# of courses and/or training	300	301	301
# of members/employees attending	792	773	773

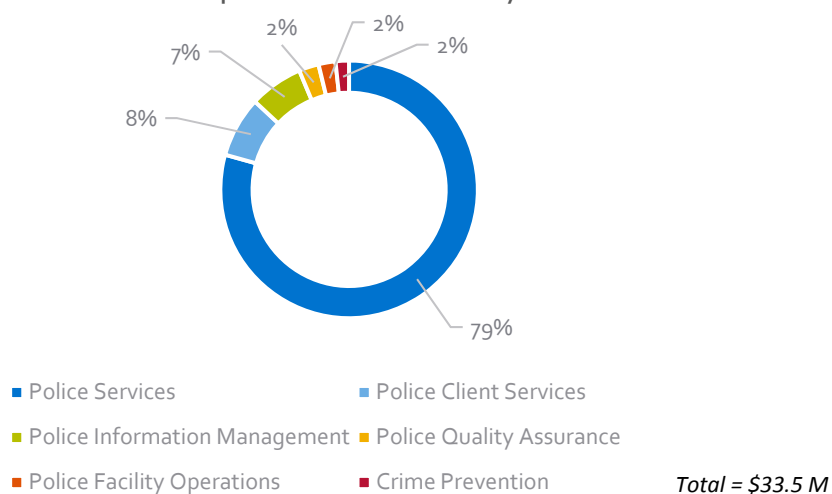
Budget overview

Per cent of General Fund operating



General fund operating = \$141.9 M

Department Summary



Net Department expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior	Per change
Operating cost centres:						
Police Services						
111	Police Services	24,273,383	25,390,617	26,558,582		
112	Police Client Services	2,134,198	2,463,576	2,542,706		
113	Police Quality Assurance	1,997,762	849,264	838,814		
114	Police Facility Operations	1,353,139	700,406	713,831		
251	Crime Prevention	438,619	563,799	563,799		
272	Police Information	0	2,253,885	2,253,885		
Net operating		30,197,101	32,221,547	33,471,617	1,250,070	3.9%
Capital cost centres:						
		0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Department net expenditures		30,197,101	32,221,547	33,471,617	1,250,070	3.9%

Description of operating program changes

		Total	FTE
2018 revised budget		32,221,547	79.6
2019 net impacts			
One-time operating requests	0		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	352,960		0.2
Departmental adjustments	(1,190)	351,770	
		<u>32,573,317</u>	<u>79.8</u>
2019 program additions			
2019 operating requests	898,300		2.5
2019 expenditure reductions	0	898,300	
2019 provisional		<u><u>33,471,617</u></u>	<u><u>82.3</u></u>
<i>Unfunded 2019 requests</i>			
2019 operating requests	69,400		1.0
2019 expenditure reductions		69,400	
Total unfunded requests for 2019		<u><u>69,400</u></u>	<u><u>1.0</u></u>

Civic Operations - General Fund

Police Services

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(545,324)	(397,932)	(510,372)
Other Revenue	(5,092,634)	(5,098,218)	(5,005,118)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Revenue	(5,637,958)	(5,496,150)	(5,515,490)
<u>Expenditures</u>			
Salaries and Wages	5,347,689	5,942,808	5,544,248
Internal Equipment	27,826	28,468	28,168
Material and Other	347,009	412,352	428,542
Contract Services	29,397,535	31,334,069	32,986,149
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	715,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Expenditures	35,835,059	37,717,697	38,987,107
Net Operating Expenditures	30,197,101	32,221,547	33,471,617
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	30,197,101	32,221,547	33,471,617

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	68.0	65.6	72.8	75.5
Hourly	6.8	9.7	6.8	6.8

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
<i>Police Services</i>									
Maintain									
251	RCMP Contract Services	846,200	0	0	0	0	0	(846,200)	OG
251	Provincial Keep of Prisoner	(50,000)	0	0	0	265,300	0	(215,300)	OG
	Total Maintain	796,200	0	0	0	265,300	0	(1,061,500)	
Growth									
252	Police Services Revenue Adjustments	0	0	0	0	(229,400)	0	229,400	OG
252	RCMP - 6 Regular Member Positions	0	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	(229,400)	0	229,400	
New									
253	Operational Intelligence Clerk Positions	66,200	0	0	0	0	0	(66,200)	OG
253	Forensic Video Analyst Position	41,000	0	0	0	(41,000)	0	0	OG
	Total New	107,200	0	0	0	(41,000)	0	(66,200)	
	Division Priority 1 Total	903,400	0	0	0	(5,100)	0	(898,300)	
	Total Priority 1 Operating	903,400	0	0	0	(5,100)	0	(898,300)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Police Services		ON-GOING
Title:	RCMP Contract Services		PROVISIONAL

Justification:

This request reflects the contract cost increases for 2019. The total number of RCMP members are 183 with a budgeted cost per member of \$173k.

2019 Base Budget \$30,373,577

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	846,200	0	0	0	0	0	0	(846,200)
2020	846,200	0	0	0	0	0	0	(846,200)
2021	846,200	0	0	0	0	0	0	(846,200)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Police Services		ON-GOING
Title:	Provincial Keep of Prisoner		PROVISIONAL

Justification:

Revenue collected last year for keep of provincial prisoners was significantly less than the budgeted amount. This is a direct result of the Oliver Correctional Center opening in January 2017 as it lowered local prisoner count, therefore reducing recoveries and contract services for guards.

2019 Base Budget for recovery: (\$560,238)

2019 Base Budget for contract services: \$918,513

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(50,000)	0	0	0	0	265,300	0	(215,300)
2020	(50,000)	0	0	0	0	265,300	0	(215,300)
2021	(50,000)	0	0	0	0	265,300	0	(215,300)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	Police Services Revenue Adjustments		PROVISIONAL

Justification:

Budget for the following revenue sources have been adjusted to reflect actual experience: Casino Revenue (\$103,600); Cost Recovery of Regular Member Policing at Special Events (\$40,000); Disclosure Service Fee - Service Revenue (\$8,000); Fingerprint Fee - Service Revenue (\$5,000); Municipal Keep of Prisoner Recovery (\$15,100); RDCO Alarm Control Bylaw Fines Revenue (\$14,000); RDCO Space Lease Utilization (\$12,600); School District #23 Police Information Checks (\$19,100); and Towing Contract - Service Revenue (\$12,000).

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(229,400)	0	229,400
2020	0	0	0	0	0	(229,400)	0	229,400
2021	0	0	0	0	0	(229,400)	0	229,400

Division:	Civic Operations	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	RCMP - 6 Regular Member Positions		PROVISIONAL

Justification:

Budget is requested for 6 Regular Member positions to supplement existing investigative units in meeting their mandates supporting the 2016-19 Crime Reduction Strategy. The increase will contribute to the four strategy goals: taking a proactive approach to crime, working with partner agencies for more effective policing, maximizing the effectiveness of resources using an intelligence led model and leveraging effective communications.

Six Regular Members at the Constable rank will be allocated to the Downtown Enforcement Unit and General Duty policing. Operational expenditures of \$520,400 in 2019 and \$1,040,800 ongoing will be funded from surplus due to vacancies.

2019 Base Budget: \$30,373,577

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Police Services		ON-GOING
Title:	Operational Intelligence Clerk Positions		PROVISIONAL

Justification:

Budget is requested for two Operational Intelligence Clerk positions. In July 2016, the Supreme Court of Canada decision R v Jordan drastically changed the way police need to manage investigations, particularly disclosure. Provincial Crown Counsel has now implemented a mandatory 30-day full disclosure requirement before charges will be considered. This has resulted in the need for additional support in the Investigative Services Unit to comply with the deadlines imposed by Provincial Crown Counsel and the Courts.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	66,200	0	0	0	0	0	0	(66,200)
2020	131,800	0	0	0	0	0	0	(131,800)
2021	131,800	0	0	0	0	0	0	(131,800)

Division:	Civic Operations	Priority: 1	New
Department:	Police Services		ON-GOING
Title:	Forensic Video Analyst Position		PROVISIONAL

Justification:

Budget is requested for one Forensic Video Analyst (FVA). Forensic video analysis now plays a significant role in law enforcement and criminal investigations. FVA's are court recognized experts in analysis interpretation and identification from recorded images who recover video from different storage facilities and repair damaged media. Police use the video to identify possible suspects and/or capture the crime being committed to support Regular Members charges to Crown Counsel.

Police Services currently utilizes the Forensic Video Analyst at the West Kelowna RCMP Detachment. If this position is approved, the City will no longer pay West Kelowna for this service.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	41,000	0	0	0	0	(41,000)	0	0
2020	82,000	0	0	0	0	(82,000)	0	0
2021	82,000	0	0	0	0	(82,000)	0	0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
<i>Police Services</i>									
Maintain									
255	Community Policing Information Clerk Position	34,700	0	0	0	0	0	(34,700)	OG
	Total Maintain	34,700	0	0	0	0	0	(34,700)	
New									
255	Administrative Coordinator Position	34,700	0	0	0	0	0	(34,700)	OG
	Total New	34,700	0	0	0	0	0	(34,700)	
	Division Priority 2 Total	69,400	0	0	0	0	0	(69,400)	
	Total Priority 2 Operating	69,400	0	0	0	0	0	(69,400)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 2	Maintain
Department:	Police Services		ON-GOING
Title:	Community Policing Information Clerk Position		PROVISIONAL

Justification:

Budget is requested for a Community Policing Information Clerk to provide full front counter services at the Rutland Community Policing Office (CPO). Introducing a full time employee at the Rutland Community office will enable standardization of hours of operation of the CPO and facilitate expanded services to the community that the current volunteers cannot provide. In addition to providing front counter service, this position will manage the RCMP volunteer program.

Corporate Framework: A well-run City - Passionate public service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	34,700	0	0	0	0	0	0	(34,700)
2020	69,000	0	0	0	0	0	0	(69,000)
2021	69,000	0	0	0	0	0	0	(69,000)

Division:	Civic Operations	Priority: 2	New
Department:	Police Services		ON-GOING
Title:	Administrative Coordinator Position		PROVISIONAL

Justification:

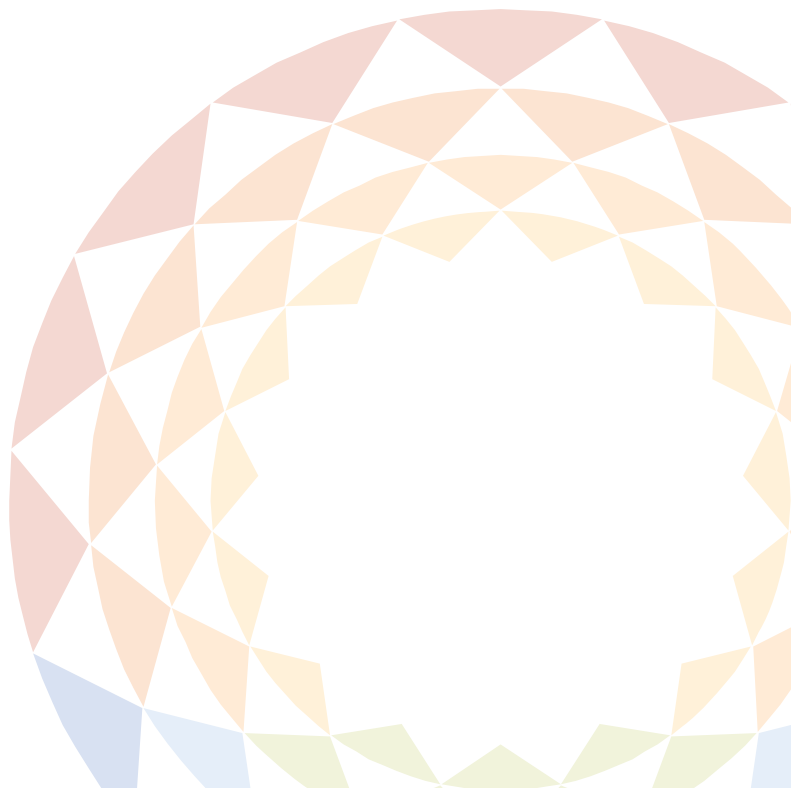
The Kelowna RCMP Detachment has been relying on support from West Kelowna Detachment to perform specific tasks/responsibilities. West Kelowna will be pulling back their resource to their Detachment, which leaves the City responsible to coordinate policing including but not limited to: special events and enhanced policing; review and approve special event permits and liaise with liquor inspectors; manage and schedule the Reservist program; and administer and proctor RCMP promotional exams. Budget is requested for an Administrative Coordinator position to perform these responsibilities.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	34,700	0	0	0	0	0	0	(34,700)
2020	69,000	0	0	0	0	0	0	(69,000)
2021	69,000	0	0	0	0	0	0	(69,000)

This page was intentionally left blank

Bylaw Services



This page was intentionally left blank

Bylaw Services

Bylaw Services enables citizens of Kelowna to live in an environment that is quiet, peaceful and enjoyable that comes from a predictable and respectful society. Through their sustained fair but firm compliance driven practices, Bylaw Services staff work with citizens to enhance the safety of visitors and residents of the city.



General Duty officers investigate bylaw complaints regarding improper use of zones, agricultural land misuse, building and permitting, unsightly premises, graffiti, traffic complaints and many other civil bylaw matters with a goal of gaining compliance. Each watch member is assigned a district and enforce accordingly.

Community Response Unit team members provide a sustained presence and visibility in the downtown area and interact with residents, visitors and the business community in support of public safety and the well-being of citizens. They provide outreach and collaborate with partnering agencies on shelter, food and other social assistance to help meet the needs of our marginalized community.

RCMP / Bylaw Combined Patrols are seasonal bike and foot patrol teams that pair up during the summer months, enhancing visibility and providing proactive enforcement in City parks, downtown and other public spaces where low level crime and public disorder may occur.

2019 Departmental drivers & activities

Drivers

- Prevent crime before it occurs through a proactive approach
- Work with partner agencies for more effective policing
- Maximize the effectiveness of resources using data driven intelligence
- Effectively communicate public safety

Activities

A well-run City

- Performance excellence demonstrated by accountability at all levels of Bylaw to clients, management and each other
- Prioritizing workloads and responding to bylaw issues based on best practices and innovative ideas.
- Responsive customer service by ensuring complainants remain informed of investigations and their results and successful conclusion
- Actively participate in a "Hub Model" that is RCMP driven with the goal of immediately identifying risk and facilitating support and services to those in need

An active, inclusive city

- Continue to be proactive with enforcement activities, look for opportunities to engage citizens and promote visibility at city events and programs

A safe city

- Continue to work in partnership with the RCMP and provide effective & targeted policing and explore information sharing with the assistance of Memorandums of Understanding (MOU's)

A strong economy

- Encourage business development at the same time discourage unfair business practices such as improper signage and seek compliance for the betterment of the business community as a whole

A clean, healthy environment

- Continue to reduce fuel consumption and man-hours spent driving through the advent of a Zoning/District Enforcement model and the use of an electric vehicle for administrative purposes, as well as ordering two new hybrid vehicles

Resilient, well-managed infrastructure

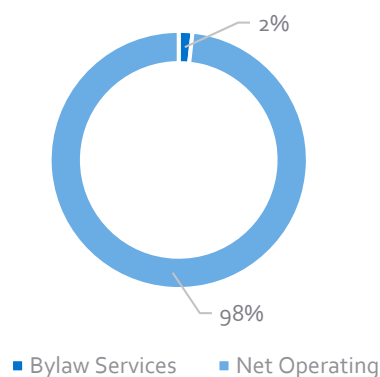
- Continue to manage equipment, utilize bikes and foot patrols for enforcement and look at other transit options such as a utility transport vehicle to create a more balanced transportation system

2019 Departmental performance measures

	Actual	Estimated	Proposed
Program outputs			
Take a proactive approach to Bylaw Enforcement	n/a	n/a	n/a
Collaborate with other agencies	n/a	n/a	n/a
Leverage service request data to best deploy	n/a	n/a	n/a
Employ proactive communications approach	n/a	n/a	n/a
Program outcomes			
Incidents by year	13,243	11,650 YTD	15,000
# of agencies Bylaw Services is working with (to build	16	16	20
Patrol availability factor – percentage per shift for	5%	10%	20%
# of Reports to Council - statistical information	2	2	4
Efficiency measures			
Response time to opening and actioning all files	48 hrs	24 hrs	12 hrs
Ensuring timely and complete investigations			2 weeks
Customer satisfaction			
Overall client satisfaction (citizen survey)	75 %	80%	100%
Innovation & learning			
# of courses and/or training	1	3	5
# of members/employees attending	2	10	20

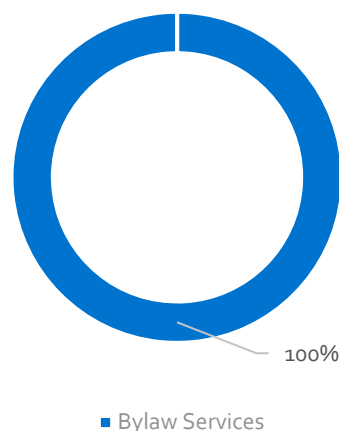
Budget overview

Per cent of General Fund operating



General fund operating = \$141.9 M

Department Summary



Total = \$2.4 M

Net Department expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per change
Operating cost centres:					
Bylaw Services					
150 Bylaw	1,774,790	2,126,160	2,420,460		
Net operating expenditure	1,774,790	2,126,160	2,420,460	294,300	13.8%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	1,774,790	2,126,160	2,420,460	294,300	13.8%

Description of operating program changes

	Total	FTE
2018 revised budget	2,126,160	21.5
2019 net impacts		
One-time operating requests	(3,000)	
One-time expenditure reductions	0	
Incremental costs - prior year(s)	201,500	2.0
Departmental adjustments	0	
	<u>198,500</u>	
	<u>2,324,660</u>	<u>23.5</u>
2019 program additions		
2019 operating requests	95,800	0.5
2019 expenditure reductions	0	
	<u>95,800</u>	
2019 provisional	<u>2,420,460</u>	<u>24.0</u>
Unfunded 2019 requests		
2019 operating request	61,700	0.5
2019 expenditure reductions		
	<u>61,700</u>	
Total unfunded requests for 2019	<u>61,700</u>	<u>0.5</u>

Civic Operations - General Fund

Bylaw Services

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(136,723)	(290,984)	(290,984)
Other Revenue	0	0	0
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Revenue	(136,723)	(290,984)	(290,984)
<u>Expenditures</u>			
Salaries and Wages	1,720,362	2,149,196	2,396,546
Internal Equipment	70,507	52,200	52,200
Material and Other	110,294	175,086	222,036
Contract Services	10,350	40,662	40,662
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Expenditures	1,911,513	2,417,144	2,711,444
Net Operating Expenditures	1,774,790	2,126,160	2,420,460
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	1,774,790	2,126,160	2,420,460

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	4.5	3.0	5.0	5.0
Hourly	14.5	17.4	16.5	19.0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
<i>Bylaw Services</i>									
New									
264	Bylaw Enforcement Officer Position	55,800	0	0	0	0	0	(55,800)	OG
264	Bylaw Services Needs Assessment	40,000	0	0	0	0	0	(40,000)	OT
	Total New	95,800	0	0	0	0	0	(95,800)	
Division Priority 1 Total									
		95,800	0	0	0	0	0	(95,800)	
Total Priority 1 Operating									
		95,800	0	0	0	0	0	(95,800)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Bylaw Services		ON-GOING
Title:	Bylaw Enforcement Officer Position		PROVISIONAL

Justification:

Budget is requested to add one Bylaw Enforcement Officer Position. Demands on Bylaw Service staff continue to escalate each year with a growing city and increased calls for service plus enforcement of the new sign bylaw.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	55,800	0	0	0	0	0	0	(55,800)
2020	104,800	0	0	0	0	0	0	(104,800)
2021	104,800	0	0	0	0	0	0	(104,800)

Division:	Civic Operations	Priority: 1	New
Department:	Bylaw Services		ONE-TIME
Title:	Bylaw Services Needs Assessment		PROVISIONAL

Justification:

Kelowna Bylaw Services has an increasingly complex role in community safety from overdose prevention to working with community partners to support at risk populations. Review of Bylaw Officer authorities, service levels, safe work procedures and training is required to ensure officer safety is maintained while community needs are met.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	40,000	0	0	0	0	0	0	(40,000)

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
<i>Bylaw Services</i>									
New									
266	Senior Bylaw Enforcement Officer Position	61,700	0	0	0	0	0	(61,700)	OG
	Total New	61,700	0	0	0	0	0	(61,700)	
Division Priority 2 Total									
		61,700	0	0	0	0	0	(61,700)	
Total Priority 2 Operating									
		61,700	0	0	0	0	0	(61,700)	

CCP - Combined capital project

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 2019C

2019 Operating Request Details

Division:	Civic Operations	Priority: 2	New
Department:	Bylaw Services		ON-GOING
Title:	Senior Bylaw Enforcement Officer Position		PROVISIONAL

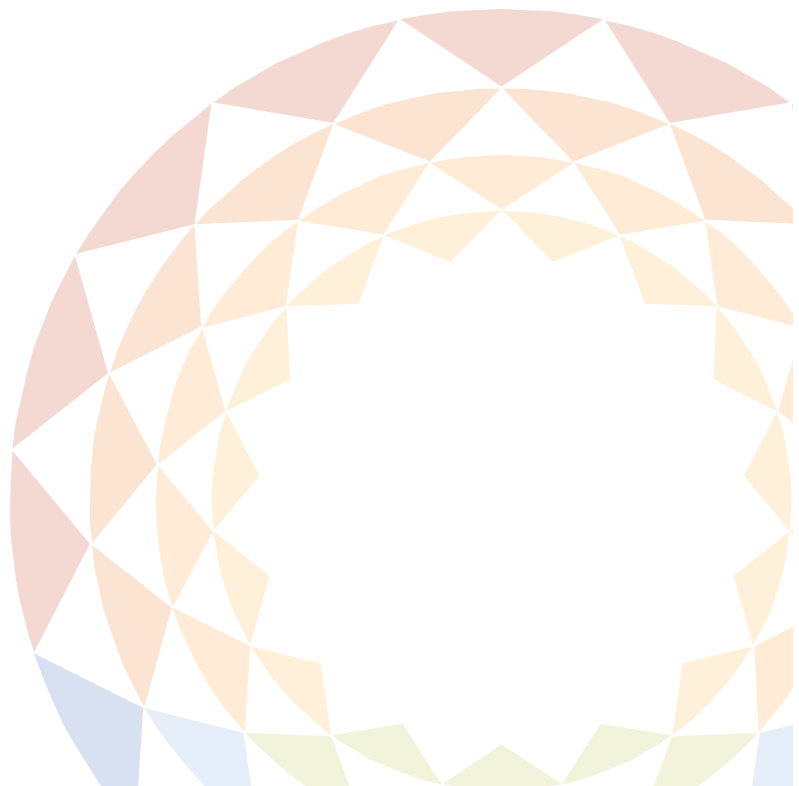
Justification:

Budget is requested to add one Senior Bylaw Enforcement Officer Position. Demands on Bylaw Service staff continue to escalate each year with a growing city and increased calls for service plus enforcement of the new sign bylaw.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	61,700	0	0	0	0	0	0	(61,700)
2020	116,500	0	0	0	0	0	0	(116,500)
2021	116,500	0	0	0	0	0	0	(116,500)

Water



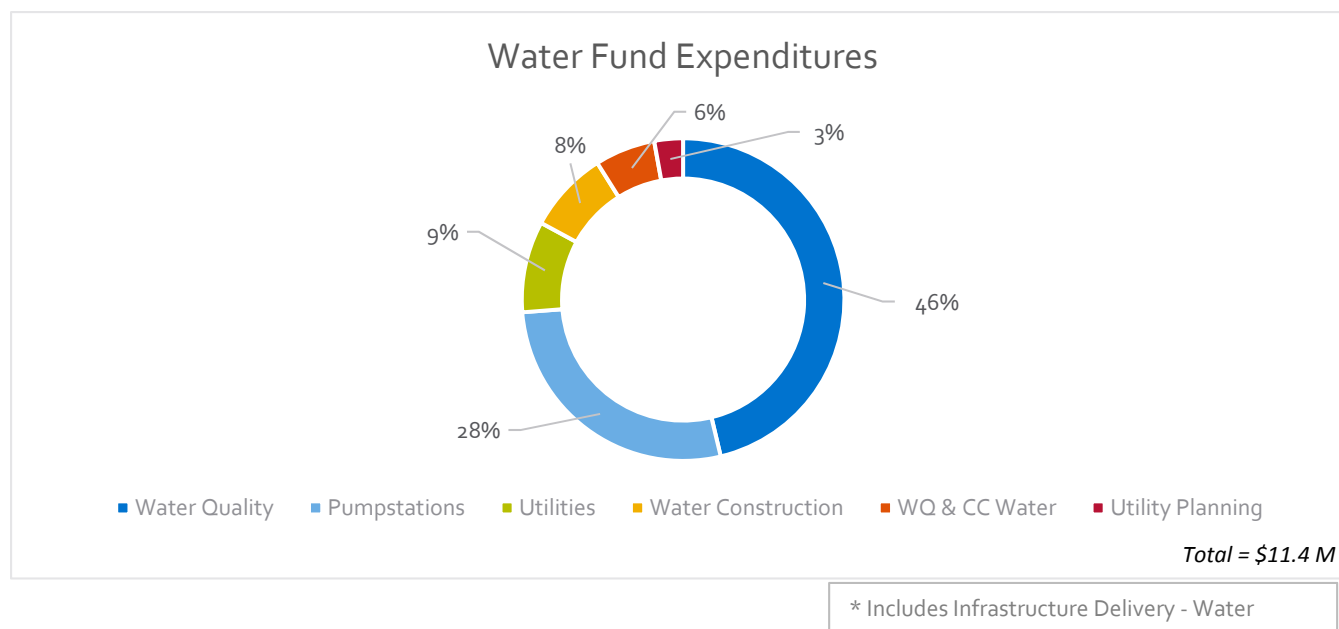
This page was intentionally left blank

Water utility - Performance measures

	Actual	Estimated	Proposed
Program outputs			
Water main flushed (km)	285	360	464
Hydrants maintained (annual service)	2,179	2,245	2,329
Mainline valves exercised	865	1,028	2,500
Curb stops (service valves) exercised	1,026	540	1,400
Landscape water use applications received	27	28	30
# of irrigation inquiries received	221	265	290
Millions of cubic meters treated and distributed	15,727,235	16,511,496	17,337,070
Program outcomes			
Valves cycled (preventative maintenance)	24%	24%	24%
Hydrants inspected (annual checks)	100%	100%	100%
Days turbidity co-efficient > 1 Nephelometric Turbidity	45	41	20*
Number of water outages due to equipment failures	0	0	0
# of days Water Quality Advisory (WQA) issued –	41	27	10*
# of days Water Quality Advisory issued – Kelowna south	68	37	15*
# of days Water Quality Advisory issued – Swick Road	71	27	10*
# of days drinking water advisories / boil water notices –	365	365	365
Efficiency measures			
Electrical energy cost (per cubic meter water produced)	\$0.06	\$0.07	\$0.07
Customer satisfaction			
# of water quality complaints	9	10	5

*Note: Number of Turbidity events and WQA events are theoretical based on past two years of data and commentary from Ministry of Environment. Very much dependent on weather and snow pack conditions.

Budget overview



Net Department expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change from prior year	Per cent change
Operating cost centres:						
Water						
196	Water Quality - Water	(8,522,039)	(7,052,927)	(8,154,207)		
198	Pumpstations - Water	2,438,802	2,769,956	2,870,646		
200	Utility - Water	704,624	816,483	809,873		
*	237 Water Construction	824,157	702,323	802,323		
*	247 Utility Planning - Water	243,256	107,968	216,268		
*	264 Infrastructure Delivery - Water	26,733	128,626	128,626		
266	Water Quality & Customer Care - Water	374,796	458,971	642,671		
274	Improvement District Transition	0	0	0		
Net operating expenditures		(3,909,671)	(2,068,600)	(2,683,800)	(615,200)	29.7%
Capital cost centres:						
313	Water Capital	2,026,470	2,068,600	2,683,800		
Net capital expenditures		2,026,470	2,068,600	2,683,800	615,200	29.7%
Total Department net expenditures		(1,883,201)	0	0	0	0.0%

* These cost centers belong to Infrastructure

Description of operating program changes

			Total	FTE
2018 revised budget			(2,068,600)	37.8
2019 net impacts				
One-time operating requests			(253,000)	0.0
One-time expenditure reductions			0	
Incremental costs - prior year(s)			37,150	1.1
Departmental adjustments			(1,137,550)	
			<u>(1,353,400)</u>	
			<u>(3,422,000)</u>	38.9
2019 program additions				
2019 operating requests			738,200	3.9
2018 expenditure reductions			0	
			<u>738,200</u>	
2019 provisional			<u>(2,683,800)</u>	<u>42.8</u>
Unfunded 2019 requests				
2019 operating requests			0	0.0
2019 expenditure reductions			0	
Total unfunded requests for 2019			<u>0</u>	<u>0.0</u>

Comparison of 2018 and 2019 operating revenues and expenditures

	2018 Revised Budget	Variance	2019 Provisional
Revenues			
Water Quality - Water			
Domestic	7,489,496	560,000	8,049,496
Commercial	2,217,586	190,390	2,407,976
Beaver Lake Rd	23,416	0	23,416
Fire line	35,751	0	35,751
Frontage tax	1,433,797	25,300	1,459,097
Sale to own municipality	257,255	0	257,255
Flat rate (misc)	1,000	0	1,000
Other revenue			
Interest earned	37,500	0	37,500
Water debt	28,597	0	28,597
Water quality	2,170,800	0	2,170,800
Miscellaneous	87,500	0	87,500
Cost recovery - SEKID	0	395,700	395,700
Appropriations from reserve	860,110	(790,830)	69,280
	14,642,808	380,560	15,023,368
Utilities - Water			
Water utilities network	134,725	11,700	146,425
Flat rate (misc)	5,000	(5,000)	0
Hydrant rentals	81,551	0	81,551
	221,276	6,700	227,976
Pumpstations - Water	2,500	0	2,500
Water Quality & Customer Care - Water	21,500	22,300	43,800
Utilities Planning - Water	204,710	(204,710)	0
	15,092,794	204,850	15,297,644
Expenditures			
Water Quality - Water			
Water operations	2,422,680	(337,102)	2,085,578
Water quality	5,000	90,000	95,000
Water debt	805,426	0	805,426
Contribution to reserve	2,265,080	0	2,265,080
	5,498,186	(247,102)	5,251,084
Utilities - Water			
Utilities water	53,255	0	53,255
Water utilities network	984,504	90	984,594
	1,037,759	90	1,037,849
Pumpstations Water	2,772,456	350,390	3,122,846
Utilities Planning - Water	312,678	13,590	326,268
Water Quality & Customer Care - Water	480,471	206,000	686,471
Water Construction	830,949	100,000	930,949
	10,932,499	422,968	11,355,467
Net operating	4,160,295	(218,118)	3,942,177
Capital Expenditures			
Transfer to general capital fund	817,190	*(402,390)	414,800
From general utility revenue	2,068,600	615,200	2,683,800
Capital - other funding sources	59,567,300	(58,960,600)	606,700
Surplus/(Deficit)	2,091,695	(833,318)	1,258,377
Projected accumulated surplus	15,574,480	1,258,377	16,832,857

* Amount is included in Water Operations Expenditures.

Civic Operations - Water Fund

Water Utility

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(1,760,595)	(1,743,065)	(1,768,365)
Fees and Charges	(12,039,193)	(12,045,284)	(12,795,674)
Other Revenue	(665,954)	(308,905)	(337,905)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(378,939)	(995,540)	(395,700)
Total Revenue	(14,844,681)	(15,092,794)	(15,297,644)
<u>Expenditures</u>			
Salaries and Wages	2,425,051	2,767,299	3,172,229
Internal Equipment	482,118	365,974	484,298
Material and Other	2,495,464	2,593,727	2,837,583
Contract Services	356,286	447,965	447,970
Debt Interest	471,697	471,940	471,940
Debt Principal	333,490	333,486	333,486
Internal Allocations	1,331,732	1,756,308	1,412,161
Transfers to Funds			
Special (Stat Reserve) Funds	5,440	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	3,033,732	4,287,495	3,454,177
Total Expenditures	10,935,010	13,024,194	12,613,844
Net Operating Expenditures	(3,909,671)	(2,068,600)	(2,683,800)
<u>Capital Expenditures</u>			
Gross Expenditures	6,541,088	61,635,900	3,290,500
Other Funding Sources	(4,514,618)	(59,567,300)	(606,700)
Taxation Capital	2,026,470	2,068,600	2,683,800
Net Operating & Tax Capital Exp.	(1,883,201)	0	0

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	7.9	8.7	10.6	11.3
Hourly	21.7	20.6	27.2	31.5

2019 Operating Requests

Provisional Budget

Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Maintain								
275	*Dam Safety Reviews	50,000	(50,000)	0	0	0	0	OG
275	Mechanical Equipment Replacement - Water	30,000	0	0	0	0	(30,000)	OG
276	Water Treatment Chemicals Budget Increase	45,000	0	0	0	0	(45,000)	OG
276	Safe Work Procedures Support - Water	10,000	0	0	0	0	(10,000)	OT
277	Flood Proofing - Poplar Point Pump Station	60,000	0	0	0	0	(60,000)	OT
277	Water Modeling Software Upgrades	15,000	0	0	0	0	(15,000)	OG
Total Maintain		210,000	(50,000)	0	0	0	(160,000)	
Growth								
278	Water Utility Construction	100,000	0	0	0	0	(100,000)	OG
Total Growth		100,000	0	0	0	0	(100,000)	
New								
CAP 482	*Domestic Water System Expansion (SEKID) Operating Costs and Positions	358,200	(249,700)	0	0	0	(108,500)	OG
CAP 505	*Water Meter Reading and Servicing Repatriation with Positions	223,000	0	0	0	(22,300)	(200,700)	OG
278	*Public Engagement - Agricultural Water Rates	40,000	(36,000)	0	0	0	(4,000)	OT
279	*Irrigation Model and Data Management	50,000	(40,000)	0	0	0	(10,000)	OG
279	Emergency Response Plan Update - Water	50,000	0	0	0	0	(50,000)	OT
280	Flow Monitoring, Hydrology and Climate Change - Water	45,000	0	0	0	0	(45,000)	OG
280	*Drought Management Plan	40,000	(20,000)	0	0	0	(20,000)	OT
281	Waterwise Landscape Material Program	30,000	0	0	0	0	(30,000)	OT
281	Water System Performance Benchmarking with UBCO	10,000	0	0	0	0	(10,000)	OG
Total New		846,200	(345,700)	0	0	(22,300)	(478,200)	
Maintain								
256	# * Hydrant Maintenance	0	0	0	0	0	0	OG
155	# * Time Series Data Extraction from SCADA	0	0	0	0	0	0	OG
Total Maintain		0	0	0	0	0	0	

Page	2019 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA	
	Description							Utility	Cat
Growth									
158	#	* <i>Utility Planning Engineer Position</i>	0	0	0	0	0	0	OG
		Total Growth	0	0	0	0	0	0	
		Department Priority 1 Total	1,156,200	(395,700)	0	0	(22,300)	(738,200)	
		Total Priority 1 Operating	1,156,200	(395,700)	0	0	(22,300)	(738,200)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Engineering		ON-GOING
Title:	Dam Safety Reviews		PROVISIONAL

Justification:

Budget is requested to create and maintain a long term dam safety review process for all City owned dams. The incorporation of South East Kelowna Irrigation District (SEKID) assets includes over a dozen dams and related structures that require regular annual inspections and dam safety reviews every 5 to 10 years. The degree of review depends on the risk hazard classification of each dam, which are determined by Provincial regulation. The expectation is for two reviews to be conducted annually and to incorporate the dam safety work already conducted on other dams owned and operated by the City. Any major repairs recommended from these reviews will be covered by other capital budget requests.

The dam safety review will be funded from SEKID operating reserves.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	50,000	(50,000)	0	0	0	0	0
2020	50,000	(50,000)	0	0	0	0	0
2021	50,000	0	0	0	0	0	(50,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Mechanical Equipment Replacement - Water		PROVISIONAL

Justification:

A large majority of the mechanical equipment in the water system is greater than 20 years old and is requiring increased maintenance and replacement. Additional budget is requested to maintain this critical infrastructure and minimize service disruptions.

2019 Base Budget: \$277,958

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	30,000	0	0	0	0	0	(30,000)
2020	35,000	0	0	0	0	0	(35,000)
2021	40,000	0	0	0	0	0	(40,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Water Treatment Chemicals Budget Increase		PROVISIONAL

Justification:

This request is to increase the available budget for water treatment chemicals (mainly chlorine) to ensure there is sufficient budget available for the anticipated costs and a price increase expected in 2018/2019.

2019 Base Budget: \$27,600

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	45,000	0	0	0	0	0	(45,000)
2020	45,000	0	0	0	0	0	(45,000)
2021	45,000	0	0	0	0	0	(45,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Safe Work Procedures Support - Water		PROVISIONAL

Justification:

In order to meet WorkSafeBC requirements, budget is requested for consultant support to work with staff to update and create safe work procedures.

Corporate Framework: A well-run City - Passionate public service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	10,000	0	0	0	0	0	(10,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Flood Proofing - Poplar Point Pump Station		PROVISIONAL

Justification:

Budget is requested to enhance the foreshore protection for elevated lake levels at the City of Kelowna's main water intake Poplar Point Pump Station. Rip rap will be increased in height to new flood level elevations and 2017 damage will be repaired.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	60,000	0	0	0	0	0	(60,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Engineering		ON-GOING
Title:	Water Modeling Software Upgrades		PROVISIONAL

Justification:

The Utility Planning branch uses specialized software to manage each of its utility services. Budget is requested for annual maintenance and upgrade fees per software product. The models are used for work on the Official Community Plan, development requests and servicing.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	15,000	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	(15,000)
2021	15,000	0	0	0	0	0	(15,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Delivery		ON-GOING
Title:	Water Utility Construction		PROVISIONAL

Justification:

The City's surge in development and aging water infrastructure has generated an increase in required maintenance and emergency water repairs. This has resulted in a higher demand for internal equipment and staff time from various departments. When emergency repairs are required, it is typical that responding staff work over-time or double-time to ensure that the repairs are completed quickly. The budget request will more accurately reflect current expenditures.

2019 Base Budget: \$47,843

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	100,000	0	0	0	0	0	(100,000)
2020	100,000	0	0	0	0	0	(100,000)
2021	100,000	0	0	0	0	0	(100,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Public Engagement - Agricultural Water Rates		PROVISIONAL

Justification:

With the integration of the South East Kelowna Irrigation District (SEKID) and the City's goal of having one water system, budget is requested to undertake a community engagement process to help develop a water pricing policy for agriculture and irrigation water and finalize a proposed water rate structure for agriculture / irrigation water. After further technical work by Utilities planning, this budget will also include work to engage the community on developing an irrigation water allocation and development process. This work will establish policies that are required prior to 2021 but are intended to be able to be carried through any future Irrigation District amalgamations.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	40,000	(36,000)	0	0	0	0	(4,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ON-GOING
Title:	Irrigation Model and Data Management		PROVISIONAL

Justification:

Budget is requested for irrigation data management as decisions and licenses require annual measurements and data compilation. The results are used to address water consumption, operational issues and calibration information for long term irrigation modeling. The project information will help generate the City's Drought Management Plan, Water Conservation Plan and the irrigation water rate structure. The work will include an update of the Irrigation Model and Geographic Information Systems. A portion of the irrigation modeling will be funded from South East Kelowna Irrigation District (SEKID) operating reserve.

Corporate Framework: A clean healthy environment - Water conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	50,000	(40,000)	0	0	0	0	(10,000)
2020	20,000	(18,000)	0	0	0	0	(2,000)
2021	20,000	0	0	0	0	0	(20,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Emergency Response Plan Update - Water		PROVISIONAL

Justification:

The City's Water Utility Emergency Response Plan has not had a significant update since 2015. The Auditor General for Local Government recommended that the City ensure that the Emergency Response Plan is regularly updated and tested and that the Utility complete business continuity planning to ensure continuation of service. Interior Health has also requested that the Utility provide an updated Emergency Response Plan. Budget is requested to hire a consultant to lead utility operations through an emergency plan update and make recommendations on how to test the plan and begin to plan for business continuity.

Corporate Framework: A safe city - Clean drinking water

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	50,000	0	0	0	0	0	(50,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ON-GOING
Title:	Flow Monitoring, Hydrology and Climate Change - Water		PROVISIONAL

Justification:

The City is involved in several initiatives to investigate, analyze and support projects that help mitigate the impacts of flooding, high lake levels and climate change impacts. Budget is requested for the Water portion of support hydrology studies, flow measurement, data acquisition, some closed circuit television (CCTV) requests, and riparian systems necessary to support grant applications for major works and studies for the City. The work also includes the analysis and data required to manage internal requests for drainage design and issues as they arise from the public.

There is a separate operating request under a similar name for the Storm Drainage portion of these initiatives.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	45,000	0	0	0	0	0	(45,000)
2020	45,000	0	0	0	0	0	(45,000)
2021	45,000	0	0	0	0	0	(45,000)

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	Drought Management Plan		PROVISIONAL

Justification:

Budget is requested to upgrade the current drought policies to new drought parameters coordinated through the Okanagan Basin Water Board and the Province. A City of Kelowna Drought Management Plan was a key recommendation from the Water Audit commissioned by the Provincial Auditor General. The Drought Management Plan needs to include the City's irrigation customers. A portion of the Drought Management Plan will be funded from the South East Kelowna Irrigation District (SEKID) operating reserve.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	40,000	(20,000)	0	0	0	0	(20,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Waterwise Landscape Material Program		PROVISIONAL

Justification:

Budget is requested for a water conservation rebate program that would incentivize customers to reduce irrigation water usage by 20-30 per cent. Rebate would apply to pre-screened multi-family complexes and single family residences that are committed to remediating poor soil conditions, updating inefficient irrigation systems, and replacing existing high water use landscaping for climate suitable waterwise plant material. Benefits of the program include decreasing seasonal high water consumption, decreased water treatment and energy costs, increased use of Ogogrow product, and provides a practical tool for utility customers to make climate appropriate choices. Matching funds will be requested from the Okanagan Basin Water Board through grants. An evaluation would take place during 2019 to determine if this program should be ongoing. Similar rebate incentives have been successfully implemented in other BC municipalities. This program supports the Connected and Environmentally Responsible vision principle endorsed by the City.

Corporate Framework: A clean healthy environment - Water conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	30,000	0	0	0	0	0	(30,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Water System Performance Benchmarking with UBCO		PROVISIONAL

Justification:

Budget is requested to enter into an innovative partnership with UBCO engineering and other local water purveyors to develop a long term water benchmarking tool that would facilitate decision-making processes around improving reliability and sustainability of safe drinking water. This program supports the Collaborative Vision principle endorsed by Imagine Kelowna. Funding would be leveraged by UBCO research to obtain additional Natural Sciences and Engineering Research Council of Canada (NSERC) government funding along with participation of other municipal water utilities in the Okanagan valley, would produce a unique reporting tool for the Utility to evaluate the quality and resiliency of our local water supply.

Corporate Framework: A safe city - Clean drinking water

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	10,000	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	(10,000)
2021	10,000	0	0	0	0	0	(10,000)

2019 Operating Requests

Provisional Budget

Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Growth								
169	* <i>Engineer in Training Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
Department Priority 2 Total								
Total Priority 2 Operating								

CCP - Combined capital project

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 2019

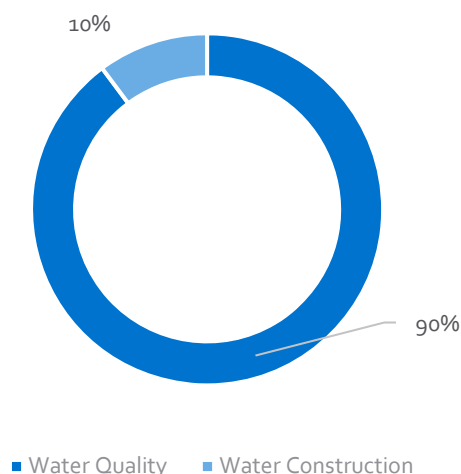
Improvement District Transition



This page was intentionally left blank

Improvement district transition budget overview

Improvement District Transition Expenditures



Total = \$2.9 M

* Includes Infrastructure Delivery - Water

Net Department expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per change
Water					
274 Improvement District Transition	0	0	0		
Net operating expenditures	0	0	0	0	0.0%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	0	0	0	0	0.0%

Description of operating program changes

				Total
2018 revised budget				0 7.3
2019 net impacts				
One-time operating requests		0		0.0
One-time expenditure reductions		0		
Incremental costs - prior year(s)		0		0.0
Departmental adjustments		0	0	
			0	7.3
2019 program additions				
2019 operating requests		0		0.0
2018 expenditure reductions			0	
2019 provisional				0 7.3
Unfunded 2019 requests				
2019 operating requests		0		0.0
2019 expenditure reductions			0	
Total unfunded requests for 2019				0 0.0

Comparison of 2018 and 2019 operating revenues and expenditures

	2018 Revised Budget	Variance	2019 Provisional
Revenues			
Water Quality - Water			
Agricultural	607,550	0	607,550
Domestic	1,555,760	7,330	1,563,090
Fire line	16,620	(8,200)	8,420
Other revenue			
Water quality	412,420	412,410	824,830
Miscellaneous	36,940	2,460	39,400
Appropriations from reserve	85,000	(85,000)	0
	2,714,290	329,000	3,043,290
Expenditures			
Water Quality - Water			
Water operations	1,165,000	(5,030)	1,159,970
Water quality	31,900	0	31,900
Cost allocations - water	0	395,700	395,700
Contributions to reserve	1,243,720	(266,470)	977,250
	2,440,620	124,200	2,564,820
Water Construction	273,670	16,750	290,420
	2,714,290	140,950	2,855,240
Surplus/(Deficit)	0 *	188,050 *	188,050

* SEKID Operating Surplus Reserve

Civic Operations - Water Fund

Improvement District Transition - SEKID

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	0	(2,617,490)	(3,021,290)
Other Revenue	0	(11,800)	(22,000)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(85,000)	0
Total Revenue	<u>0</u>	<u>(2,714,290)</u>	<u>(3,043,290)</u>
<u>Expenditures</u>			
Salaries and Wages	0	647,520	692,950
Internal Equipment	0	0	0
Material and Other	0	823,050	789,340
Contract Services	0	0	0
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	1,243,720	1,561,000
Total Expenditures	<u>0</u>	<u>2,714,290</u>	<u>3,043,290</u>
Net Operating Expenditures	0	0	0
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	<u>0</u>	<u>0</u>	<u>0</u>
Net Operating & Tax Capital Exp.	<u>0</u>	<u>0</u>	<u>0</u>

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	0	0	3.0	3.0
Hourly	0	0	4.3	4.3

2019 Operating Requests

Provisional Budget

Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
<i>Improvement District Transition</i>								
Maintain								
289	Improvement District Transition (SEKID) - Operations	11,720	402,280	0	0	(414,000)	0	OG
275	* <i>Dam Safety Reviews</i>	0	0	0	0	0	0	OG
Total Maintain		11,720	402,280	0	0	(414,000)	0	
New								
CAP 483	* <i>Domestic Water System Expansion (SEKID) Operating Costs and Positions</i>	0	0	0	0	0	0	OG
278	* <i>Public Engagement - Agricultural Water Rates</i>	0	0	0	0	0	0	OT
279	* <i>Irrigation Model and Data Management</i>	0	0	0	0	0	0	OG
280	* <i>Drought Management Plan</i>	0	0	0	0	0	0	OT
Total New		0	0	0	0	0	0	
Department Priority 1 Total		11,720	402,280	0	0	(414,000)	0	
Total Priority 1 Operating		11,720	402,280	0	0	(414,000)	0	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Improvement District Transition (SEKID) - Operations		PROVISIONAL

Justification:

This budget request is to adjust the South East Kelowna Irrigation District Revenue and Expenses to reflect new operating income and to make changes that eliminate redundancies and bring operations more inline with City operational standards.

2019 Base Budget for Expenses: \$(1,470,570)

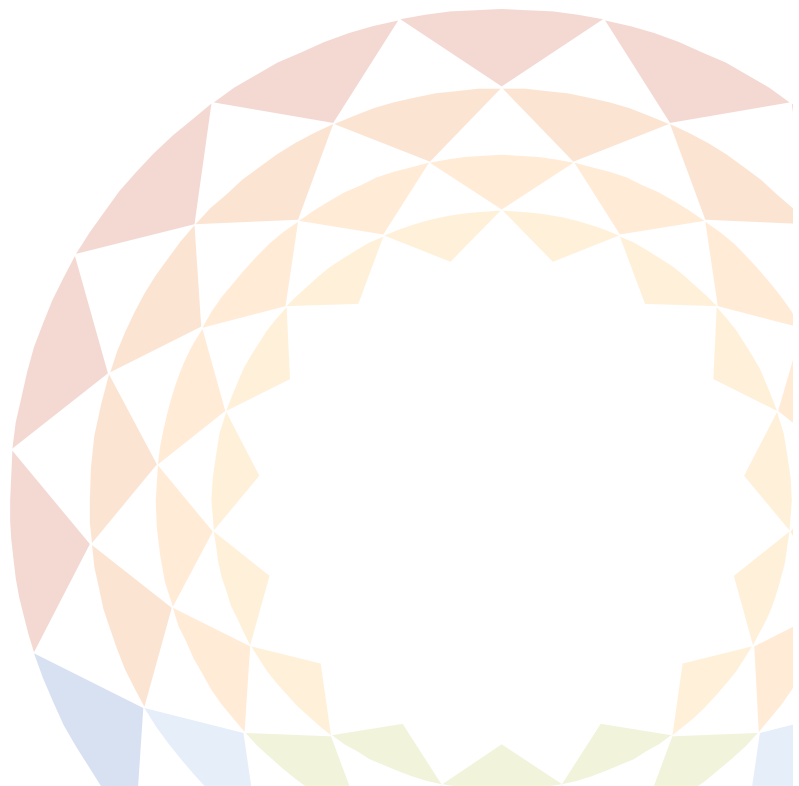
2019 Base Budget for Revenues: \$(2,714,290)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	11,720	402,280	0	0	0	(414,000)	0
2020	11,720	402,280	0	0	0	(414,000)	0
2021	11,720	402,280	0	0	0	(414,000)	0

This page was intentionally left blank

Wastewater

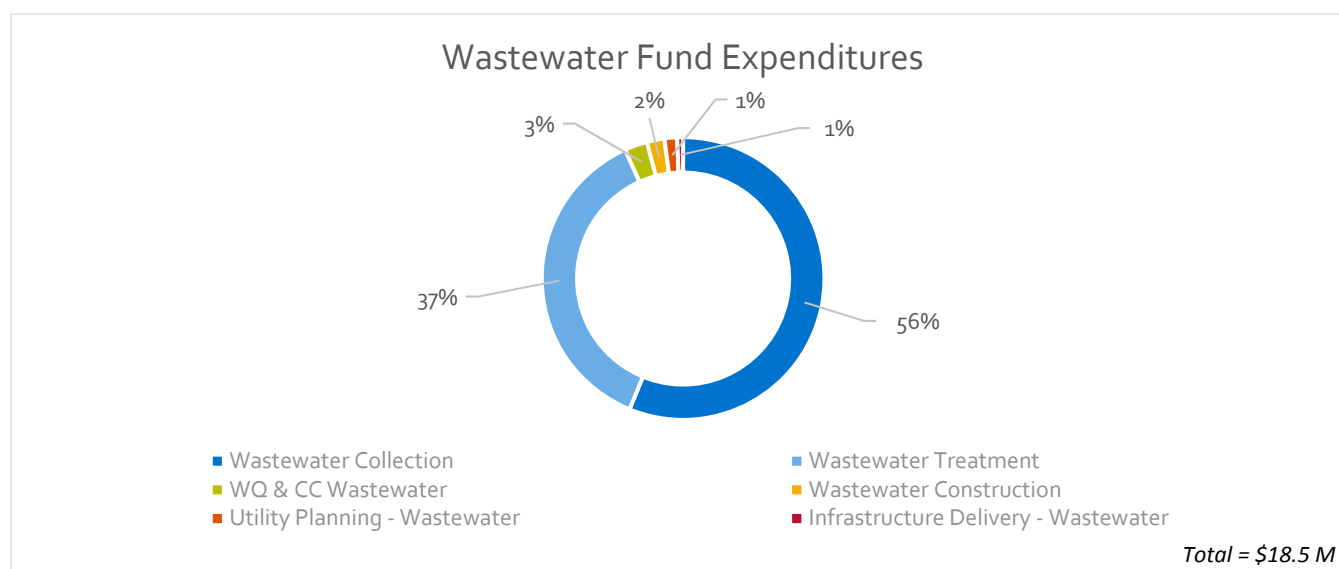


This page was intentionally left blank

Wastewater utility - Performance measures

	Actual	Estimated	Proposed
Program outputs			
Sewer pipes cleaned (km)	136	208	200
# of blocked mains	11	15	15
# of blocked services	99	105	110
Length of pipe closed-circuit TV (CCTV) inspected (km)	62	45	65
Million cubic metres of wastewater effluent	13,163	14,000	14,000
# of temporary discharge permits issued	19	20	20
Program outcomes			
# of blocked sewers / 100km of sewer length (system)	1.9	2.5	2.5
Sewer length cleaned	23%	35%	33%
Length of pipe CCTV inspected	11%	8%	11%
# of blocked service connections / 1000 service	4	4	4
Annual average effluent total nitrogen (mg/l) – Permit	4.97	5.0	5.0
Total phosphorous removed by Wastewater Treatment	97.42%	97.0%	97.0%
Efficiency measures			
Electrical energy consumed by collection system (kWh/	0.15	0.15	0.16
Electrical energy consumed at WWTF (kWh/Million liters	803	800	800
Customer satisfaction			
# of odour complaints WWTF	0	0	0
# of odour complaints Tradewaste Treatment Facility	1	1	0

Budget overview



Net Department expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per cent change
Operating cost centres:						
Wastewater						
194	Wastewater Collection	(12,330,228)	(9,122,467)	(10,489,065)		
195	Wastewater Treatment	5,205,949	5,590,889	5,948,137		
* 236	Wastewater Construction	370,213	370,290	370,290		
* 246	Utility Planning - Wastewater	69,970	108,718	267,018		
Infrastructure Delivery -						
* 263	Wastewater	57,401	123,626	123,626		
Water Quality & Customer Care -						
265	Wastewater	370,212	493,944	482,594		
Net operating expenditures		(6,256,483)	(2,435,000)	(3,297,400)	(862,400)	35.4%
Capital cost centres:						
314	Wastewater Capital	4,196,482	2,435,000	3,297,400		
Net capital expenditures		4,196,482	2,435,000	3,297,400	862,400	35.4%
Total Department net expenditures		(2,060,001)	0	0	0	0.0%

Description of operating program changes

			Total	FTE
2018 revised budget			(2,435,000)	42.0
2019 net impacts				
One-time operating requests			(97,000)	0.0
One-time expenditure reductions			0	
Incremental costs - prior year(s)			35,740	0.5
Departmental adjustments			(1,349,640)	
			<u>(1,410,900)</u>	
			<u>(3,845,900)</u>	42.5
2019 program additions				
2019 operating requests			548,500	0.5
2019 expenditure reductions			0	
			<u>548,500</u>	
2019 provisional			<u>(3,297,400)</u>	<u>43.0</u>
Unfunded 2019 requests				
2019 operating request			0	0.0
2019 expenditure reductions			0	
Total unfunded requests for 2019			<u>0</u>	<u>0.0</u>

Comparison of 2018 and 2019 operating revenues and expenditures

	2018 Revised Budget	Variance	2019 Provisional
Revenues			
Utilities Planning - Wastewater	5,090	(5,090)	0
Wastewater			
Wastewater operations	408,348	0	408,348
Commercial charges	3,480,380	0	3,480,380
Domestic charges	12,162,100	500,000	12,662,100
Sewer discharge fees	220,000	0	220,000
Sewer lift stations operations	11,560	0	11,560
Sanitary network operations	958,915	(958,915)	0
Sewer debt	1,693,727	(16,292)	1,677,435
Appropriations from reserve	5,576,755	(490,000)	5,086,755
	<u>24,516,875</u>	<u>(970,297)</u>	<u>23,546,578</u>
Wastewater Treatment			
Wastewater treatment facility operations	20,000	(20,000)	0
Wastewater treatment - trade operations	868,140	34,400	902,540
	<u>888,140</u>	<u>14,400</u>	<u>902,540</u>
	25,405,015	(955,897)	24,449,118
Expenditures			
Utilities Planning - Wastewater	113,808	153,210	267,018
Water Quality & Customer Care - Wastewater	493,944	(11,350)	482,594
Infrastructure Delivery - Wastewater	123,626	0	123,626
Wastewater			
Wastewater operations	3,633,544	(1,857,917)	1,775,627
Sewer lift stations operations	808,365	(23,335)	785,030
Sanitary network operations	1,109,625	83,240	1,192,865
Sewer debt	6,667,933	(506,299)	6,161,634
Contribution to reserve	467,700	0	467,700
	<u>12,687,167</u>	<u>(2,304,311)</u>	<u>10,382,856</u>
Wastewater Construction			
Sanitary installation and repair	370,290	0	370,290
	<u>370,290</u>	<u>0</u>	<u>370,290</u>
Wastewater Treatment			
Wastewater treatment facility operations	5,610,889	337,248	5,948,137
Wastewater treatment - trade operations	868,140	34,400	902,540
	<u>6,479,029</u>	<u>371,648</u>	<u>6,850,677</u>
	20,267,864	(1,790,803)	18,477,061
Net operating	5,137,151	834,906	5,972,057
Capital Expenditures			
Transfer to general capital fund	1,533,930 *	(1,493,930)	40,000 *
From general utility revenue	2,435,000	862,400	3,297,400
Capital - other funding sources	4,054,300	1,120,300	5,174,600
Surplus/(Deficit)	2,702,151	(27,494)	2,674,657
Projected accumulated surplus	33,223,906	2,674,657	35,898,563

* Amounts are included in Wastewater Operations Expenditures.

Civic Operations - Wastewater Fund

Wastewater Utility

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(1,398,181)	(1,400,908)	(1,384,616)
Fees and Charges	(15,801,266)	(16,018,096)	(16,518,096)
Other Revenue	(1,706,501)	(1,558,228)	(1,572,628)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	(5,461,365)	(5,461,365)	(5,461,365)
Accumulated Surplus	(172,696)	(966,418)	(2,413)
Total Revenue	(24,540,009)	(25,405,015)	(24,939,118)
<u>Expenditures</u>			
Salaries and Wages	3,307,003	3,686,000	3,779,420
Internal Equipment	618,298	775,623	851,627
Material and Other	2,904,297	3,641,825	3,961,656
Contract Services	76,140	48,920	48,920
Debt Interest	2,322,563	2,322,346	2,312,468
Debt Principal	4,345,363	4,345,587	4,339,166
Internal Allocations	3,451,709	5,095,253	3,321,494
Transfers to Funds			
Special (Stat Reserve) Funds	156,310	156,310	156,310
Development Cost Charges	0	0	0
Accumulated Surplus	1,101,843	2,898,151	2,870,657
Total Expenditures	18,283,526	22,970,015	21,641,718
Net Operating Expenditures	(6,256,483)	(2,435,000)	(3,297,400)
<u>Capital Expenditures</u>			
Gross Expenditures	5,355,386	6,489,300	8,472,000
Other Funding Sources	(1,158,904)	(4,054,300)	(5,174,600)
Taxation Capital	4,196,482	2,435,000	3,297,400
Net Operating & Tax Capital Exp.	(2,060,001)	0	0

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	9.2	9.1	9.2	9.4
Hourly	31.6	32.3	32.8	33.6

2019 Operating Requests

Provisional Budget

Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Wastewater								
Maintain								
299	Biosolids Hauling Contract Services	70,000	0	0	0	0	(70,000)	OG
299	Mechanical Equipment Replacement - Wastewater	30,000	0	0	0	0	(30,000)	OG
300	Control System Portal Upgrade	5,000	0	0	0	(5,000)	0	OT
300	Wastewater Treatment Energy Savings Projects	135,500	0	0	0	0	(135,500)	OG
301	Safe Work Procedures Support - Wastewater	15,000	0	0	0	0	(15,000)	OT
301	Wastewater Modeling Software Upgrades	15,000	0	0	0	0	(15,000)	OG
Total Maintain		270,500	0	0	0	(5,000)	(265,500)	
Growth								
302	Wastewater Treatment I/E Technician Term Position	45,500	0	0	0	0	(45,500)	OG
Total Growth		45,500	0	0	0	0	(45,500)	
New								
302	Arc Flash Study	14,000	0	0	0	(4,000)	(10,000)	OT
303	Sewer Lift Station Condition Assessment	125,000	0	0	0	0	(125,000)	OT
303	Wastewater Treatment Effluent Use for Irrigation	95,000	0	0	0	0	(95,000)	OG
304	Sanitary Flow Monitoring	7,500	0	0	0	0	(7,500)	OG
Total New		241,500	0	0	0	(4,000)	(237,500)	
Maintain								
155	# * Time Series Data Extraction from SCADA	0	0	0	0	0	0	OG
Total Maintain		0	0	0	0	0	0	
Growth								
158	# * Utility Planning Engineer Position	0	0	0	0	0	0	OG
Total Growth		0	0	0	0	0	0	
New								
234	# * Arc Flash Study - Commonage Facility	0	0	0	0	0	0	OT
CAP 506	# * Water Meter Reading and Servicing Repatriation	0	0	0	0	0	0	OG
Total New		0	0	0	0	0	0	

Page	2019 FINANCIAL PLAN							CITY OF KELOWNA	
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue		Utility	Cat
	Department Priority 1 Total	557,500	0	0	0	(9,000)		(548,500)	
	Total Priority 1 Operating	557,500	0	0	0	(9,000)		(548,500)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Biosolids Hauling Contract Services		PROVISIONAL

Justification:

This request is to increase the biosolids hauling service budget to support a new contract that will be awarded in 2019.

2019 Base Budget: \$275,708

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	70,000	0	0	0	0	0	(70,000)
2020	70,000	0	0	0	0	0	(70,000)
2021	70,000	0	0	0	0	0	(70,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Mechanical Equipment Replacement - Wastewater		PROVISIONAL

Justification:

A large majority of the mechanical equipment in the wastewater collection system is greater than 20 years old and is requiring increased maintenance and replacement. Additional budget is requested to maintain this critical infrastructure and minimize or eliminate service disruptions.

2019 Base Budget: \$92,250

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	30,000	0	0	0	0	0	(30,000)
2020	35,000	0	0	0	0	0	(35,000)
2021	40,000	0	0	0	0	0	(40,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Control System Portal Upgrade		PROVISIONAL

Justification:

Budget is requested for an updated version of the control system portal. This newer version keeps the control system up to date for technical support and will allow for easier configuration of the Supervisory Control and Data Acquisition (SCADA) system which controls the Brandt's Creek Tradewaste Treatment Facility (TWTF).

2019 Base Budget: \$7,500

TWTF costs are funded by industry partners.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	5,000	0	0	0	0	(5,000)	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Wastewater Treatment Energy Savings Projects		PROVISIONAL

Justification:

As part of the 2018 Wastewater Treatment Energy Review, three pump related projects at the Wastewater Treatment Plant were recommended with a total cost of \$135,500 and a total annual energy savings estimated at \$34,650 for a simple payback of approximately 4 years. These projects will not only save energy but will improve operational control some facility components.

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	135,500	0	0	0	0	0	(135,500)
2020	(34,650)	0	0	0	0	0	34,650
2021	(34,650)	0	0	0	0	0	34,650

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Safe Work Procedures Support - Wastewater		PROVISIONAL

Justification:

In order to meet WorkSafeBC requirements, budget is requested for consultant support to work with staff to update and create safe work procedures.

Corporate Framework: A well-run City - Passionate public service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	15,000	0	0	0	0	0	(15,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Engineering		ON-GOING
Title:	Wastewater Modeling Software Upgrades		PROVISIONAL

Justification:

The Utility Planning branch uses specialized software to manage each of its utility services. Budget is requested for annual maintenance and upgrade fees per software product. The models are used for work on the Official Community Plan, development requests and servicing.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	15,000	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	(15,000)
2021	15,000	0	0	0	0	0	(15,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Wastewater Treatment I/E Technician Term Position		PROVISIONAL

Justification:

The Instrumentation/Electrical (I/E) Technician position provides highly technical and complex electrical and instrumentation support and service to two Wastewater Treatment Facilities, the Landfill Gas System and the Bio-solids Composting Facility in Vernon. Currently the department has three Instrumentation/electrical staff. New staff take significant time in learning the specifics of the complex control, electrical and SCADA systems. Budget is requested for a two year term position to allow for training and knowledge transfer to provide for successful succession management. This position will also allow for a seamless transition and aid in the completion of the Wastewater Treatment SCADA project upgrade which is planned for completion in 2020.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	45,500	0	0	0	0	0	(45,500)
2020	89,900	0	0	0	0	0	(89,900)
2021	0	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Arc Flash Study		PROVISIONAL

Justification:

Budget is requested for an arc flash study which is now part of the electrical code as a requirement for all electrical installations. An arc flash study is the evaluation of a workplace facility by an electrical safety expert to determine arc flash hazards and risks in relation to electrical systems. The on-site study results in arc flash equipment labeling, fault current and coordination analysis, recommendations for improvements and requirements for proper personal protective equipment. The study will be conducted at the sewer lift stations and the Tradewaste Treatment Facility (TWTF).

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	14,000	0	0	0	0	(4,000)	(10,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	Sewer Lift Station Condition Assessment		PROVISIONAL

Justification:

The City owns and operates 32 sewer lift stations that must remain in operation with backup capabilities at all times. Budget is requested to engage a consultant to inspect and review all existing facilities and compare current operational parameters against design expectations. The results of this work will lead to a recommended priority list for repair or full replacement, and assist with long term capital planning. The last assessment was completed in 1998.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	125,000	0	0	0	0	0	(125,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Wastewater Treatment Effluent Use for Irrigation		PROVISIONAL

Justification:

The Ministry of Environment has approved the reuse of treated effluent for application as irrigation water to green space. This approval is based on the high quality of the effluent and onsite disinfection of that effluent prior to it being applied as irrigation. Currently the effluent is being used on site at the wastewater facility for pump flush water and hose stations throughout the facility. A review of the existing reuse system was completed to assess the requirements needed to update the system to meet irrigation needs for the wastewater treatment facility green space and potentially expand the reuse to surrounding green space. Budget is requested for replacement of sprinkler heads, updated and additional irrigation controllers and replacement of some piping, which were highlighted as necessary in the review. Total annual energy cost savings is estimated at \$9,500. With a project cost of \$95,000, simple payback is estimated at 10 years.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	95,000	0	0	0	0	0	(95,000)
2020	(9,500)	0	0	0	0	0	9,500
2021	(9,500)	0	0	0	0	0	9,500

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Sanitary Flow Monitoring		PROVISIONAL

Justification:

Budget is requested for acquiring key sanitary flow monitoring data that will help gauge important lift station and trunk main capacities. Due to recent and future planned development, these flows are required more frequently for accurately forecasting capital upgrades.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	7,500	0	0	0	0	0	(7,500)
2020	7,500	0	0	0	0	0	(7,500)
2021	7,500	0	0	0	0	0	(7,500)

2019 Operating Requests

Provisional Budget

Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Wastewater								
Growth								
169	<i>*# Engineer in Training Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
Department Priority 2 Total								
Department Priority 2 Total		0	0	0	0	0	0	
Total Priority 2 Operating								
Total Priority 2 Operating		0	0	0	0	0	0	

CCP - Combined capital project

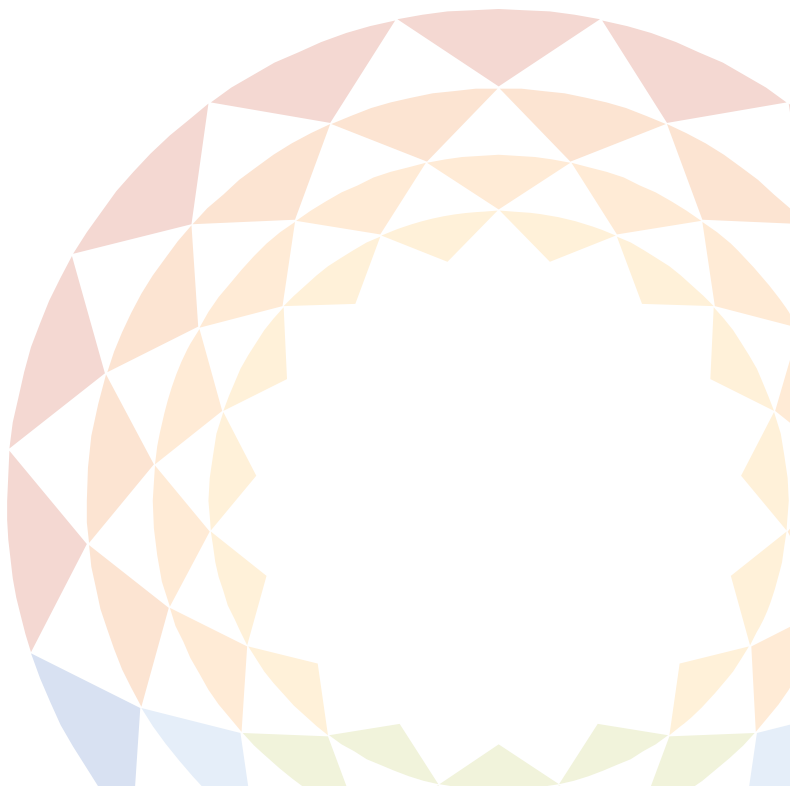
CAP – denotes operating request that has been moved to the capital section

* 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 2019

This page was intentionally left blank

Financial Services



This page was intentionally left blank

Financial Services

The Finance Division provides financial services to Council, City Management and staff through financial management policies that form a framework for the City's overall fiscal planning, investment and management of City assets and resources. Financial accountability is achieved through reporting, monitoring, and internal control programs managed by the Division. Annual and Provisional Five-Year Financial Plans and Year-end Financial Reports and Statements provide key financial information and results to keep taxpayers, residents, business leaders and other interested parties informed on the financial performance and delivery of City programs and services. Financial Services Division also levies and collects property taxes and utility fees, processes accounts payable and accounts receivable, develops and maintains financial systems, invests and safeguards the City's financial assets, arranges sourcing and acquisition of goods and services and provides customer services such as transit passes, parking ticket and bylaw fee payments.

FINANCIAL SERVICES

Genelle Davidson
Divisional Director

Controller

Jackie Dueck

Financial Planning Manager

George King

Payroll & Internal Controls Manager

Carson Chan

Purchasing Manager

Darren Tompkins

Controller, is responsible for the operations side of Financial Services. This includes all forms of revenue collection with the most significant amount of work around collecting taxation revenue. They are also responsible for administering the permissive tax exemption program, transit, systems and reporting, financial reporting, general ledger, accounts payable and accounts receivable.

Financial Planning, is responsible for budget preparation and monitoring, reserve management and projections, debt management, investment portfolio to maximize returns and minimize risk ensuring adequate funding for ongoing City business requirements, utility rate modeling, financial planning, tangible capital asset accounting, financial analysis and decision support.

Payroll & Internal Controls, is responsible for preparation and administration of the City's payroll function and corporate financial compliance. They manage and oversee the corporate financial and system controls to ensure compliance with Generally Accepted Accounting Principles (GAAP), Public Sector Accounting Standards (PSAS), federal and provincial excise tax legislation, City bylaws, policies and procedures as well as best practices. They administer and manage the City's corporate banking controls and Treasury services ensuring the safekeeping of the City's financial assets.

Purchasing Services provides transparent, fair and effective procurement services and strategies across the organization. The Branch is responsible for the acquisition of materials, goods, equipment and services required by all City departments. Purchasing also manages the City Yards warehouse and inventory that provides materials and supplies to City crews and work groups. Disposal of surplus materials and obsolete items are also managed by this Branch.

2019 Divisional drivers & activities

Drivers

- One Team approach
- To provide customer focused service
- To safeguard the assets of the City
- To ensure value for citizens always
- To enable new approaches and innovation
- To promote a culture of engagement

Activities

A well-run City

- Complete the Financial Services Division Strategic Plan
- Continue to provide financial support and leadership for the Water Integration Project, which will incorporate South East Kelowna Irrigation District (SEKID) and South Okanagan Mission Irrigation District (SOMID) into the City water system.
- Phase III of the corporate Financial Plan Budget Software Replacement project will be to assess the information received from the public Request For Information and other municipal inquiries; in order to determine a budget amount for the 2020 budget intake.
- A budget process review to determine what changes can be incorporated over the next couple of years utilizing current budget software in order to reduce low value activities
- Development of branch key performance indicators (KPI) to seek meaningful KPI's for Financial Services that demonstrate how effectively the division is achieving key organizational objectives
- Implementation of new Public Sector Accounting Standards
- Design and implementation of Unit 4 workflow for accounts payable
- Update Unit 4 software
- Accounts receivable process review to ensure the City is following current best practices
- Design and develop a functional internal controls framework and compliance program
- GST Contract reviews
- Flex rollover and Year End valuation process review
- GST allocation capital purchases
- Payroll module update
- Amalgamation and development of Corporate Financial Policies and Guidelines
- Purchasing card (PCard) integration Unit4
- Promote sustainability themes in procurement that support corporate goals
- Requisition workflow implementation
- Continue implementation operational business partners

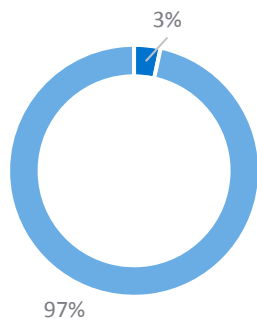
2019 Divisional performance measures

	Actual	Estimated	Proposed
Program outputs			
# of budget transfers processed	114	127	131
# of budget amendments processed	90	112	111
# of vouchers processed in Accounts Payable	23,759	25,660	28,230
# of payments made through Payroll	25,280	26,300	26,300
# of tax payers enrolled in prepayment plan (PAWS)	9,260	8,992	8,900
Amount collected monthly on PAWS	\$2.8 M	\$2.9 M	\$3.0M
# of property tax notices mailed	54,000	54,850	55,630
% of tax payers who pay prior to the 1st penalty	95%	95%	95%
# of property owners deferring taxes	1,050	1,135	1,200
Value of property taxes deferred	\$4.2 M	\$4.4 M	\$4.6 M
# of customers serviced by City owned water/sewer	17,500	17,694	17,800

Continued			
# of households serviced by City curbside collections	37,600	38,370	39,000
Program outcomes			
Consecutive years receiving:			
The Government Finance Officers Association (GFOA)	16	17	18
The GFOA Financial Reporting Award	15	16	17

Budget overview

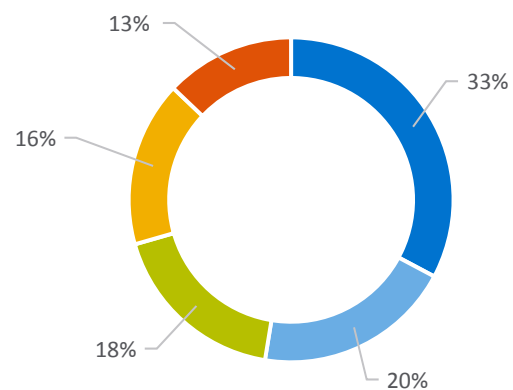
Per cent of General Fund operating



■ Financial Services ■ Net Operating

General fund operating = \$141.9 M

Division Summary



■ Controller

■ Financial Planning

■ Financial Services

■ Purchasing

■ Payroll & Internal Controls

Total = \$4.8 M

Net Divisional expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per cent change
Operating cost centres:						
Financial Services						
124	Financial Services	412,685	535,083	868,403		
		412,685	535,083	868,403	333,320	62.3%
Payroll & Internal Controls						
125	Payroll & Internal	462,138	597,411	623,201		
		462,138	597,411	623,201	25,790	4.3%
Financial Planning						
126	Financial Planning	645,391	949,755	951,889		
269	Budget	280,666	1,120	0		
		926,057	950,875	951,889	1,014	0.1%
Controller						
127	Accounting Operations	928,839	918,595	938,995		
128	Systems & Reporting	15,523	25,400	30,000		
130	Revenue	314,774	454,196	454,096		
268	Controller	152,111	159,402	159,402		
		1,411,247	1,557,593	1,582,493	24,900	1.6%
Purchasing						
129	Purchasing	553,809	752,273	794,583		
		553,809	752,273	794,583	42,310	5.6%
Net operating expenditure		3,765,936	4,393,235	4,820,569	427,334	9.7%
Capital cost centres:						
		0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Division net expenditures		3,765,936	4,393,235	4,820,569	427,334	9.7%

Description of operating program changes

		Total	FTE
2018 revised budget		4,393,235	60.5
2019 net impacts			
One-time operating requests	(20,000)		(0.2)
One-time expenditure reductions	0		
Incremental costs - prior year(s)	128,660		1.7
Divisional adjustments	117,074	225,734	
		<u>4,618,969</u>	<u>62.0</u>
2019 program additions			
2019 operating requests	201,600		0.5
2019 expenditure reductions	0	201,600	
2019 provisional		<u>4,820,569</u>	<u>62.5</u>
Unfunded 2019 requests			
2019 operating request	0		0.0
2019 expenditure reductions		0	
Total unfunded requests for 2019		<u>0</u>	<u>0.0</u>

Financial Services - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(565,829)	(526,551)	(531,101)
Other Revenue	(1,453,059)	(1,096,732)	(1,130,142)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(75,313)	(377,290)	(80,000)
Total Revenue	(2,094,201)	(2,000,573)	(1,741,243)
<u>Expenditures</u>			
Salaries and Wages	4,027,490	5,338,334	5,443,033
Internal Equipment	5,004	5,980	5,880
Material and Other	270,399	777,824	706,768
Contract Services	1,086,894	271,670	380,670
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	470,350	0	25,461
Total Expenditures	5,860,137	6,393,808	6,561,812
Net Operating Expenditures	3,765,936	4,393,235	4,820,569
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	3,765,936	4,393,235	4,820,569

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	49.5	42.4	57.0	59.0
Salaried	3.5	7.5	3.5	3.5
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services Division									
Maintain									
315	Contract Services	75,000	0	0	0	0	0	(75,000)	OG
315	Unit 4 Business World Approval Workflow	80,000	(80,000)	0	0	0	0	0	OT
316	Financial Analyst Position - Infrastructure	51,600	0	0	0	0	0	(51,600)	OG
316	Corporate Purchasing Card Program	30,000	0	0	0	0	0	(30,000)	OT
	Total Maintain	236,600	(80,000)	0	0	0	0	(156,600)	
New									
317	Procurement Support Software Subscriptions	25,000	0	0	0	0	0	(25,000)	OG
317	CaseWare Software Support Service and Licenses	20,000	0	0	0	0	0	(20,000)	OG
CAP 506	#* <i>Water Meter Reading and Servicing Repatriation</i>	0	0	0	0	0	0	0	OG
	Total New	45,000	0	0	0	0	0	(45,000)	
	Division Priority 1 Total	281,600	(80,000)	0	0	0	0	(201,600)	
	Total Priority 1 Operating	281,600	(80,000)	0	0	0	0	(201,600)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Contract Services		PROVISIONAL

Justification:

Budget is requested for value for money audits which will provide objective, professional and systematic examinations of systems, procedures and programs. Additionally, budget is requested to secure professional services such as technical accounting advice, reporting and various related project work.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	75,000	0	0	0	0	0	0	(75,000)
2020	75,000	0	0	0	0	0	0	(75,000)
2021	75,000	0	0	0	0	0	0	(75,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Purchasing		ONE-TIME
Title:	Unit 4 Business World Approval Workflow		PROVISIONAL

Justification:

The City's financial software has the ability to automatically request approvals for order and invoice payments, however it has never been set up. Currently approvals are completed by attaching a picture of the Unit4 requisition to an email for orders or physically circulating copies of invoices for signatures through an in-house mail system. Budget is requested to implement electronic workflow to create more efficient processes, enable a more robust audit trail and to expedite processing.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	80,000	(80,000)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Financial Analyst Position - Infrastructure		PROVISIONAL

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. A Professional Accountant will be a dedicated business partner to Infrastructure.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	51,600	0	0	0	0	0	0	(51,600)
2020	101,900	0	0	0	0	0	0	(101,900)
2021	101,900	0	0	0	0	0	0	(101,900)

Division:	Financial Services	Priority: 1	Maintain
Department:	Purchasing		ONE-TIME
Title:	Corporate Purchasing Card Program		PROVISIONAL

Justification:

Additional budget is requested for the Corporate Purchasing Card Program to create stronger controls and greater integration resulting in increased efficiencies . The original budget for this project was \$20,000. Program deliverables are electronic process for reconciliation of monthly statements and approvals, electronic workflow and a spend analysis of card purchases creating stronger controls and greater integration resulting in increased efficiencies.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	30,000	0	0	0	0	0	0	(30,000)

2019 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Purchasing		ON-GOING
Title:	Procurement Support Software Subscriptions		PROVISIONAL

Justification:

To increase capacity of Purchasing to support the corporation with public procurement, the City trialed an online bidding and evaluation platform in 2016 and 2017. The trial has proven to be well received and adopted. Budget is requested for ongoing funding to cover subscription rates for the application. In addition to the Bidding and Evaluation module (\$20k), the Vendor Performance module (\$5k) will also be implemented.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	25,000	0	0	0	0	0	0	(25,000)
2020	25,000	0	0	0	0	0	0	(25,000)
2021	25,000	0	0	0	0	0	0	(25,000)

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	CaseWare Software Support Service and Licenses		PROVISIONAL

Justification:

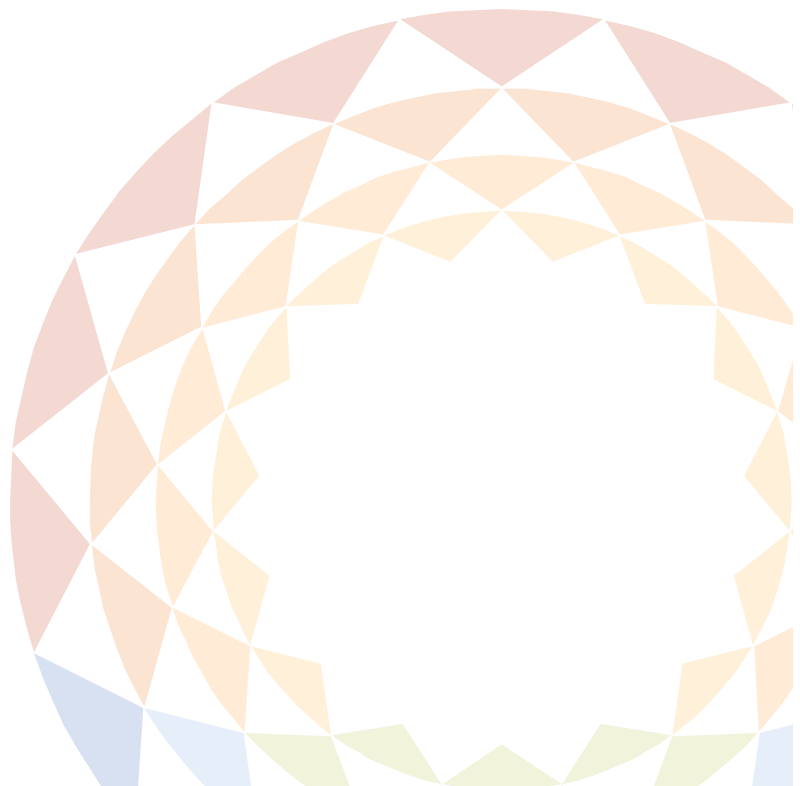
Budget is requested for five annual user licenses, eight working paper licenses and annual maintenance costs for the CaseWare software that was implemented in 2018. This software is used by Financial Services to assist with financial reporting. The aftercare maintenance costs supporting the system's functionality will commence on January 1, 2019.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)
2021	20,000	0	0	0	0	0	0	(20,000)

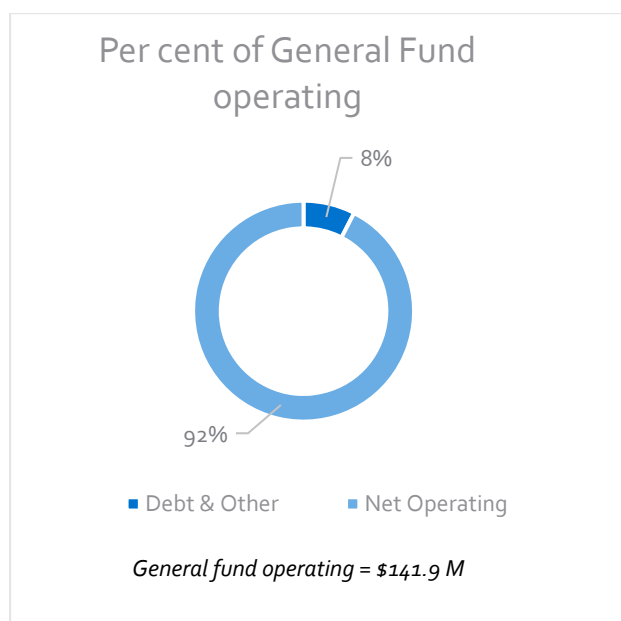
This page was intentionally left blank

Debt & Other



This page was intentionally left blank

Debt & Other budget overview



Net Department expenditure

Department	Actual 2017	Revised 2018	Provisional 2019	Change prior	Per change
Operating cost centres:					
Debt & Other					
205 Debt & Other	8,563,006	5,036,064	10,748,571		
Net operating expenditure	8,563,006	5,036,064	10,748,571	5,712,507	113.4%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	8,563,006	5,036,064	10,748,571	5,712,507	113.4%

Description of operating program changes

		Total	FTE
2018 revised budget		5,036,064	0.0
2019 net impacts			
One-time operating requests	9,600		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	0		0.0
Departmental adjustments	239,607	249,207	
		<u>5,285,271</u>	0.0
2019 program additions			
2019 operating requests	5,463,300		0.0
2019 expenditure reductions	0	5,463,300	
2019 provisional		<u>10,748,571</u>	<u>0.0</u>
Unfunded 2019 requests			
2019 operating requests	0		0.0
2019 expenditure reductions		0	
Total unfunded requests for 2019		<u>0</u>	<u>0.0</u>

Financial Services - General Fund

Debt & Other

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	(156,027)	(3,736)	(3,732)
Parcel Tax	(34,867)	(34,867)	(34,867)
Fees and Charges	(6,771,720)	(6,491,287)	(329,341)
Other Revenue	(9,092,099)	(9,256,767)	(9,310,564)
Transfers from Funds			
Special (Stat Reserve) Funds	(1,151,537)	(1,157,649)	(1,157,646)
Development Cost Charges	(1,401,826)	(2,055,696)	(653,870)
Accumulated Surplus	(432,177)	(250,000)	(604,600)
Total Revenue	(19,040,253)	(19,250,002)	(12,094,620)
<u>Expenditures</u>			
Salaries and Wages	(134,584)	(1,064,325)	(1,064,325)
Internal Equipment	0	0	0
Material and Other	6,508,268	6,606,317	409,851
Contract Services	46,656	0	0
Debt Interest	3,767,028	3,372,925	2,730,914
Debt Principal	4,305,937	5,151,507	4,338,653
Internal Allocations	136,197	188,000	213,000
Transfers to Funds			
Special (Stat Reserve) Funds	8,159,177	7,632,666	10,232,666
Development Cost Charges	0	0	0
Accumulated Surplus	4,814,580	2,398,976	5,982,432
Total Expenditures	27,603,259	24,286,066	22,843,191
Net Operating Expenditures	8,563,006	5,036,064	10,748,571
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	8,563,006	5,036,064	10,748,571

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	0	0	0	0
Hourly	0	0	0	0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services Division									
<i>Debt & Other</i>									
Maintain									
324	Employer Health Tax	704,600	(504,600)	0	0	0	0	(200,000)	OG
324	Other Working Capital	2,663,300	0	0	0	0	0	(2,663,300)	OG
	Total Maintain	3,367,900	(504,600)	0	0	0	0	(2,863,300)	
New									
CAP 446	#Gordon 1 DCC (Frost - South Perimeter), Road Repayment	0	0	0	0	0	0	0	OG
325	Infrastructure Levy	0	2,600,000	0	0	0	0	(2,600,000)	OG
CAP 446	#South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road Repayment	0	0	0	0	0	0	0	OG
	Total New	0	2,600,000	0	0	0	0	(2,600,000)	
Growth									
138	<i>* Legal Expense and Review</i>	25,000	0	0	0	(25,000)	0	0	OG
	Total Growth	25,000	0	0	0	(25,000)	0	0	
	Division Priority 1 Total	3,392,900	2,095,400	0	0	(25,000)	0	(5,463,300)	
	Total Priority 1 Operating	3,392,900	2,095,400	0	0	(25,000)	0	(5,463,300)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Employer Health Tax		PROVISIONAL

Justification:

The BC Provincial Government announced the Medical Services Premiums (MSP) will be phased out and replaced with an Employer's Health Tax (EHT) by 2020. This new EHT is estimated to increase payroll expenditures by \$230,000.

Budget is requested to fund 87 per cent or \$200,000 of the increase from taxation with the remaining balance funded through self funding areas.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	704,600	(504,600)	0	0	0	0	0	(200,000)
2020	200,000	0	0	0	0	0	0	(200,000)
2021	200,000	0	0	0	0	0	0	(200,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Other Working Capital		PROVISIONAL

Justification:

This request is to provide for contracts and other requirements that have been negotiated or are not resolved at the time the budget is prepared, but will become due during 2019.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	2,663,300	0	0	0	0	0	0	(2,663,300)
2020	2,663,300	0	0	0	0	0	0	(2,663,300)
2021	2,663,300	0	0	0	0	0	0	(2,663,300)

2019 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Infrastructure Levy		PROVISIONAL

Justification:

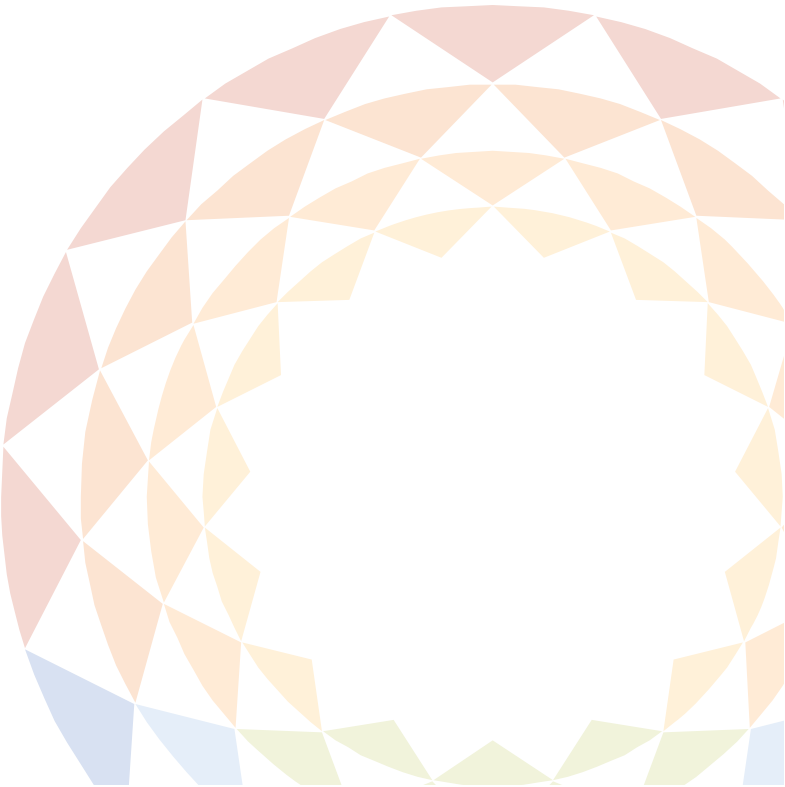
The City of Kelowna is one of the fastest growing communities in Canada with the population expected to surpass 150,000 in the next 10 years, placing a significant demand on the City's infrastructure needs. Based on the Council endorsed 10-Year Capital Plan (2018 to 2027), the general fund requires \$1.05B in infrastructure investment to renew existing assets, accommodate growth and improve services. Funding is forecasted to be \$573M leaving the City with a \$477M infrastructure deficit for the 10-years. Budget is requested to reduce this deficit starting with \$2.6M in 2019 then \$5.2M thereafter. This ongoing contribution towards the Capital program deficit would total \$44.2M by 2027.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	2,600,000	0	0	0	0	0	(2,600,000)
2020	0	5,200,000	0	0	0	0	0	(5,200,000)
2021	0	5,200,000	0	0	0	0	0	(5,200,000)

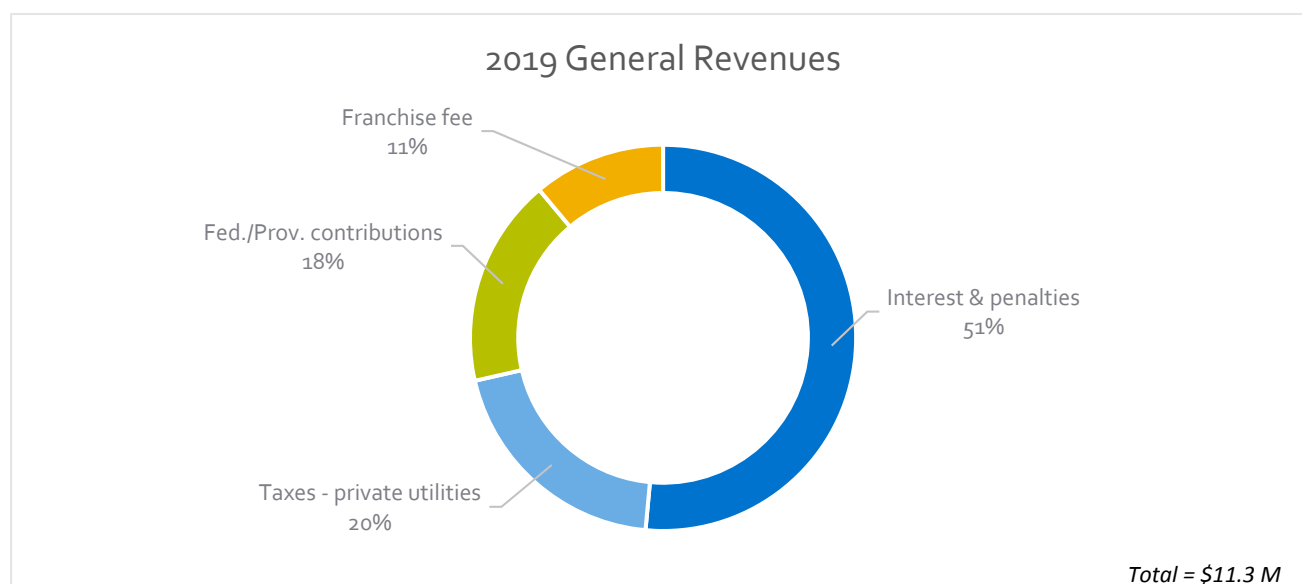
This page was intentionally left blank

General Revenues



This page was intentionally left blank

General Revenues budget overview



Net Department expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change prior year	Percent change
Operating cost centres:					
Revenue & Fees					
206 Revenue & Fees	(139,208,752)	(145,887,965)	(153,052,350)		
Net operating expenditure	(139,208,752)	(145,887,965)	(153,052,350)	(7,164,385)	4.9%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	(139,208,752)	(145,887,965)	(153,052,350)	(7,164,385)	4.9%

Description of operating program changes

		Total	FTE
2018 revised budget		(145,887,965)	0.0
2019 net impacts			
One-time operating requests	0		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	0		0.0
Departmental adjustments	(6,892,085)	(6,892,085)	
		<u>(152,780,050)</u>	0.0
2019 program additions			
2019 operating requests	(272,300)		0.0
2019 expenditure reductions	0	(272,300)	
2019 provisional		<u>(153,052,350)</u>	<u>0.0</u>
Unfunded 2019 requests			
2019 operating requests	0		0.0
2019 expenditure reductions		0	
Total unfunded requests		<u>0</u>	<u>0.0</u>

Financial Services - General Fund

General Revenues

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	(129,553,997)	(135,776,594)	(144,369,848)
Parcel Tax	0	0	0
Fees and Charges	(2,830,829)	(3,716,500)	(2,258,350)
Other Revenue	(10,056,557)	(5,844,791)	(5,874,072)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(1,601,158)	(1,650,000)	(1,650,000)
Total Revenue	<u>(144,042,541)</u>	<u>(146,987,885)</u>	<u>(154,152,270)</u>
<u>Expenditures</u>			
Salaries and Wages	0	0	0
Internal Equipment	0	0	0
Material and Other	2,966,021	0	0
Contract Services	0	0	0
Debt Interest	37,712	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	385,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	1,445,056	1,099,920	1,099,920
Total Expenditures	<u>4,833,789</u>	<u>1,099,920</u>	<u>1,099,920</u>
Net Operating Expenditures	<u>(139,208,752)</u>	<u>(145,887,965)</u>	<u>(153,052,350)</u>
<u>Capital Expenditures</u>			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	<u>0</u>	<u>0</u>	<u>0</u>
Net Operating & Tax Capital Exp.	<u>(139,208,752)</u>	<u>(145,887,965)</u>	<u>(153,052,350)</u>

	Budgeted 2017	Actual 2017	Revised 2018	Provisional 2019
Authorized FTE				
Positions				
Salaried	0	0	0	0
Hourly	0	0	0	0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services Division									
<i>Revenue & Fees</i>									
Growth									
332	General Revenue Adjustments	0	0	0	0	(272,300)	0	272,300	OG
	Total Growth	0	0	0	0	(272,300)	0	272,300	
Division Priority 1 Total									
		0	0	0	0	(272,300)	0	272,300	
Total Priority 1 Operating									
		0	0	0	0	(272,300)	0	272,300	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Financial Services	Priority: 1	Growth
Department:	Financial Services		ON-GOING
Title:	General Revenue Adjustments		PROVISIONAL

Justification:

This request is to adjust General Revenue budgets to reflect actual experience for the following revenues:

-1% in lieu of property taxes received from Utility companies based on 2017 gross revenues within the City of Kelowna boundaries. Increase of \$172,000.

-Grants in Lieu of Taxes received from other levels of government - Federal, Provincial and Municipal Rate BC Building Corp. Increase of \$51,900

-Penalties and Interest revenue on Utilities and Property Taxes. Increase of \$60,000

-Traffic Fine revenue. Decrease of \$11,600

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	(272,300)	0	272,300
2020	0	0	0	0	0	(272,300)	0	272,300
2021	0	0	0	0	0	(272,300)	0	272,300

Human Resources



This page was intentionally left blank

Human Resources

The Human Resources (HR) Division ensures the City has the necessary talent, leadership and workplace culture for the organization to achieve its goals. Recruiting passionate public servants and helping them flourish and grow professionally in a safe, diverse and inclusive work environment is the mission of this division.



Risk Management & Safety is responsible for the development, implementation, coordination and administration of the City's risk management programs and safety management system. Risk Management minimizes the City's loss exposure through programs and insurance and manages third-party claims against the City. The Occupational Health & Safety Branch also coordinates employee safety programs and policies as part of the Safety 8 system. This unit is an integral part of the City's security, maintaining a secure environment for staff, public and assets, including the oversight of the security cameras.

Compensation & Benefits is responsible for total compensation, benefit administration, disability management and return to work programs, as well as other employee support programs such as the Employee and Family Assistance and Wellness programs. From smoking cessation to mental and physical fitness programs, the City's Wellness Program encourages staff to choose positive, active lifestyles that support high productivity levels and a healthy work-life balance. This branch is also responsible for maintaining human resource information systems.

Community & Corporate Human Resource Services helps divisions and departments with recruitment, labour and employee relations. This branch is the primary contact for all internal human resource matters as well as for applicants, community educational institutions and various community employment agencies interested in City of Kelowna careers. In addition to recruitment and labour services, they partner with line managers on succession planning, training, career development, change management and other corporate development initiatives such as the "BEST" awards for employees demonstrating outstanding Balance, Excellence, Service and Teamwork.

HR Programs and Systems develops and maintains corporate-wide talent management programs. From succession plans to learning and development strategies, the branch is building a high performing, accountable workforce committed to the City's vision and adaptable to new challenges. Key initiatives include career, management and leadership development, supporting performance management programs and change management. The Branch also oversees human resource performance metrics, employee community involvement and recognition programs.

2019 Divisional drivers & activities

Drivers

- To protect the well-being of staff, contractors and citizens
- To attract, select, develop and retain employees to meet organizational goals, which includes workforce planning, recruitment, selection, corporate on-boarding, training & development, leadership development, employee performance and succession planning

- To promote employee engagement through effective employee and labour relations practices, which includes employee retention, engagement, labour relations, employee brand, wellness, recognition, disability management, investigations, conflict resolution and employee communications
- To promote an employee value proposition that supports the City's talent management needs, which includes pension, benefits, compensation and classification
- To maintain leading human resources information systems that meet the analytic and administrative needs of the organization

Activities

A well-run City

- CUPE Collective Bargaining
- Finalize & implement 3-5 year HR Strategic Plan
- Electronic Union performance reviews
- Finalize and implement the City of Kelowna Disability Management Program
- Implement a City of Kelowna University - Certification program
- Employee Engagement Survey
- Task inventories developed for each position to outline operational risk assessments and safety procedures

A safe city

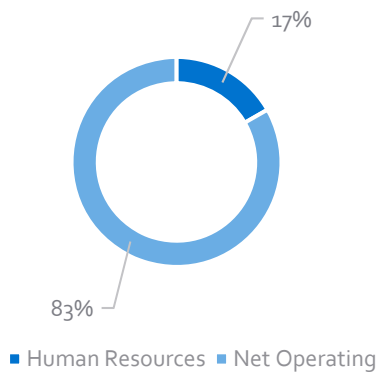
- Development of corporate security priorities
- Risk assessment and safe work procedures reviewed and expanded for Pump Operations, Landfill and other operating areas
- Expanded occupational first aid services to include Police Services at RCMP building
- Support Recreation & Culture in developing Lock Down procedures
- Employee Family Assistance Wellness Program Request for Proposal (RFP) selection

2019 Divisional performance measures

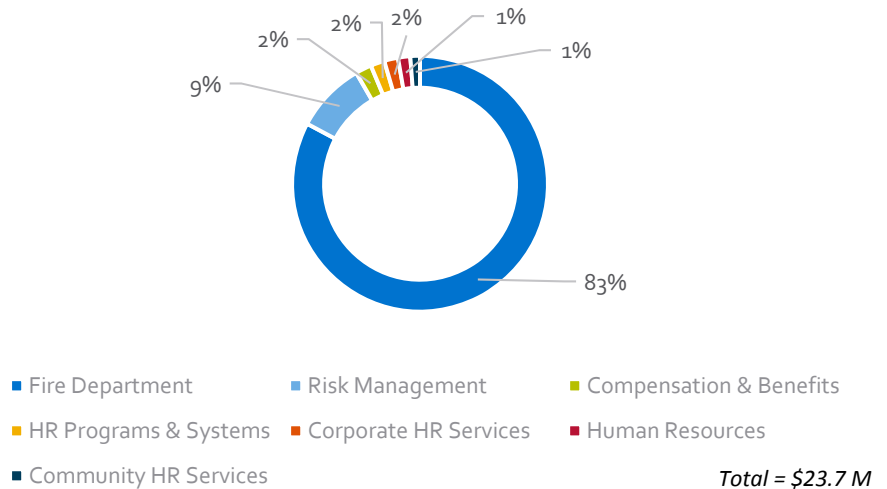
	Actual	Estimated	Proposed
Program outputs			
# of vacant positions filled	313	290	320
# of WorkSafe BC claims processed	49	60	60
# of transition Return to Work placements (CUPE)	31	30	35
# of service awards presented	157	173	160
Total third party claims/incidents managed	152	180	160
Program outcomes			
% merit rating discount for WorkSafe BC Claims	19.8%	10.5%	15.0%
Total absences per employee (average)	2.15	2.0	2.10
Efficiency measures			
Average # of days to post permanent positions	17.3	17.0	16.0
Average # of days to fill an internal vacancy	25.5	25.0	25.0
Average # of days to fill an external vacancy	56.6	55.0	55.0
Cost of Risk per Capita	\$10.83	\$10.83	\$11.47
# of work days lost to work related injuries	744	600	500
Customer satisfaction			
% match between employees hired and preferred job	95%	97%	97%
% of staff turnover – full time	6.7%	6.5%	6.5%
Linkedin followers	3,200	3,900	3,900
E-Subscribers to the career page on kelowna.ca	9,500	9,000	9,000

Continued**Innovation & learning**

# of employees participating in corporate training	320	500	440
# of individual employee posted training opportunity	16	15	15

Budget overview**Per cent of General Fund operating**

General fund operating = \$141.9 M

Division Summary

Net Divisional expenditures

Departments		Actual 2017	Revised 2018	Provisiona 2019	Change prior	Per cent change
Operating cost centres:						
Human Resources						
139	Human Resources	386,300	356,311	368,021		
		386,300	356,311	368,021	11,710	3.3%
Corporate HR Services						
140	Corporate HR Services	380,183	399,726	410,826		
		380,183	399,726	410,826	11,100	2.8%
Community HR Services						
141	Community HR Services	257,421	289,724	289,724		
		257,421	289,724	289,724	0	0.0%
HR Programs & Systems						
143	HR Programs & Systems	471,760	415,270	421,170		
		471,760	415,270	421,170	5,900	1.4%
Compensation & Benefits						
249	Compensation & Benefits	429,150	443,986	478,806		
		429,150	443,986	478,806	34,820	7.8%
Risk Management						
132	Risk Management	1,931,677	1,966,382	2,115,762		
		1,931,677	1,966,382	2,115,762	149,380	7.6%
Fire Department						
133	Fire Department	176,318	239,909	245,929		
134	Fire Operations	14,453,784	15,841,94	16,514,27		
135	Fire Communications &	415,775	518,094	287,620		
136	EOC Operations & Hydrants	488,132	0	0		
137	Fire Admin, Training & Fire	2,394,673	2,473,386	2,559,329		
		17,928,682	19,073,33	19,607,15	533,820	2.8%
Net operating expenditures		21,785,173	22,944,73	23,691,46	746,730	3.3%
Capital cost centres:						
311	Fire Capital	0	962,000	0		
Net capital expenditures		0	962,000	0	(962,000)	(100.0%)
Total Division net expenditures		21,785,173	23,906,73	23,691,46	(215,270)	(0.9%)

Description of operating program changes

		Total	FTE
2018 revised budget		22,944,732	149.7
2019 net impacts			
One-time operating requests	(5,500)		(0.4)
One-time expenditure reductions	0		
Incremental costs - prior year(s)	55,850		3.0
Divisional adjustments	375,780	426,130	
		<u>23,370,862</u>	<u>152.3</u>
2019 program additions			
2019 operating requests	320,600		7.3
2019 expenditure reductions	0	320,600	
2019 provisional		<u>23,691,462</u>	<u>159.6</u>
<i>Unfunded 2019 requests</i>			
2019 operating request	45,300		0.5
2019 expenditure reductions		45,300	
Total unfunded requests for 2019		<u>45,300</u>	<u>0.5</u>

Human Resources - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(4,041,552)	(2,005,703)	(2,469,813)
Other Revenue	(293,423)	(263,486)	(263,626)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(302,830)	(229,410)	0
Total Revenue	(4,637,805)	(2,498,599)	(2,733,439)
<u>Expenditures</u>			
Salaries and Wages	19,636,413	20,059,894	20,916,534
Internal Equipment	565,083	124,576	124,776
Material and Other	4,508,136	3,848,692	3,966,722
Contract Services	380,778	208,584	208,584
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	130,744	127,845	134,545
Transfers to Funds			
Special (Stat Reserve) Funds	700,000	800,000	800,000
Development Cost Charges	0	0	0
Accumulated Surplus	501,824	273,740	273,740
Total Expenditures	26,422,978	25,443,331	26,424,901
Net Operating Expenditures	21,785,173	22,944,732	23,691,462
<u>Capital Expenditures</u>			
Gross Expenditures	2,228,562	1,673,990	1,026,900
Other Funding Sources	(2,228,562)	(711,990)	(1,026,900)
Taxation Capital	0	962,000	0
Net Operating & Tax Capital Exp.	21,785,173	23,906,732	23,691,462

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	135.5	135.7	145.2	153.7
Salaried	4.0	7.9	4.5	5.9
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Human Resources Division									
Maintain									
342	Insurance & Deductible Expense	82,600	0	0	0	0	0	(82,600)	OG
	Total Maintain	82,600	0	0	0	0	0	(82,600)	
Growth									
342	Disability and Benefits Coordinator Position	35,600	0	0	0	0	0	(35,600)	OG
	Total Growth	35,600	0	0	0	0	0	(35,600)	
New									
343	Security & Business Continuity Manager Position	50,200	0	0	0	0	0	(50,200)	OG
343	General Duties Assistant Position	11,100	0	0	0	0	0	(11,100)	OG
	Total New	61,300	0	0	0	0	0	(61,300)	
	Division Priority 1 Total	179,500	0	0	0	0	0	(179,500)	
	Total Priority 1 Operating	179,500	0	0	0	0	0	(179,500)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Risk Management		ON-GOING
Title:	Insurance & Deductible Expense		PROVISIONAL

Justification:

Self-insured losses and insurance deductible expenses have steadily risen and for the past five years this area has been underfunded. These costs vary from year to year and can be difficult to predict, staff have monitored the trend and identified the need to increase the on-going budget by \$82,600 which represents a 6% increase.

2019 Base Budget: \$1,377,040

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	82,600	0	0	0	0	0	0	(82,600)
2020	82,600	0	0	0	0	0	0	(82,600)
2021	82,600	0	0	0	0	0	0	(82,600)

Division:	Human Resources	Priority: 1	Growth
Department:	Compensation & Benefits		ON-GOING
Title:	Disability and Benefits Coordinator Position		PROVISIONAL

Justification:

Budget is requested to increase the hours of a part-time Disability and Benefits Coordinator to full-time. The current coordinator has worked three days a week over the past two years, but full-time is now required due to an increase in the number, duration and complexity of the City's WorkSafe and Disability claims. The increase in claims and claims duration is having an impact on the City's Worksafe premiums and benefit expenses as well as additional costs for lost productivity and replacement employees. This request will help manage these claims and reduce costs through early intervention. In 2017, two consultants working on Disability and Worksafe claims both identified the need for a full-time Disability and Benefits Coordinator.

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	35,600	0	0	0	0	0	0	(35,600)
2020	35,600	0	0	0	0	0	0	(35,600)
2021	35,600	0	0	0	0	0	0	(35,600)

2019 Operating Request Details

Division:	Human Resources	Priority: 1	New
Department:	Risk Management		ON-GOING
Title:	Security & Business Continuity Manager Position		PROVISIONAL

Justification:

Each year the City spends \$1.4 million directly on security contractors, camera operations and alarm services. Indirectly, over 30 staff spend between 5 - 50 per cent of their job duties on tasks related to security functions. As the city grows, so does the number and complexity of corporate security threats. Community security needs are also changing and will benefit from better coordination between security resources used in City parks, transit exchanges, facility grounds and in problem areas. Budget is requested for a Security and Business Continuity Manager position. This function will also lead corporate emergency preparedness and business continuity planning.

Corporate Framework: A safe city - Maintaining order

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,200	0	0	0	0	0	0	(50,200)
2020	97,500	0	0	0	0	0	0	(97,500)
2021	97,500	0	0	0	0	0	0	(97,500)

Division:	Human Resources	Priority: 1	New
Department:	Corporate HR Services		ON-GOING
Title:	General Duties Assistant Position		PROVISIONAL

Justification:

A General Duties Assistant helps with a wide variety of general maintenance duties and conducts regular, daily inspections of City Hall for damages, garbage and overall cleanliness of City Hall property. Budget is requested to create a part-time (15 hours per week, three hours per day) position for City Hall, as a job opportunity specifically for a person with a learning or cognitive disability.

Corporate Framework: A well-run City - Pioneering leadership

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	11,100	0	0	0	0	0	0	(11,100)
2020	14,800	0	0	0	0	0	0	(14,800)
2021	14,800	0	0	0	0	0	0	(14,800)

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Human Resources Division									
New									
345	Learning Management Software and HR Training Coordinator Position	45,300	0	0	0	0	0	(45,300)	OG
	Total New	45,300	0	0	0	0	0	(45,300)	
Division Priority 2 Total									
Total Priority 2 Operating									

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Human Resources	Priority: 2	New
Department:	HR Programs & Systems		ON-GOING
Title:	Learning Management Software and HR Training Coordinator Position		PROVISIONAL

Justification:

As the City becomes more complex, there is an increased need to provide a wider variety of skills and procedural based training to a larger variety of City positions in a just-in-time format. Budget is requested for a Learning Management System (LMS) that allows for training to be developed and delivered in an online format to meet critical corporate training needs such as cyber security, code of conduct and other internal policy training. An LMS system will also give the ability to move existing corporate training to an online format which will result in future cost savings. The cost breakdown is based on a one time project fee of \$5,000 and 1/2 year annual licensing fee of \$10,000 in 2019 with a \$20,000 annual licensing fee going forward. To oversee the maintenance of the Learning Management system, an HR Training Coordinator position is included in this request. This position will take a lead role in online content and assessment development.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	45,300	0	0	0	0	0	0	(45,300)
2020	93,500	0	0	0	0	0	0	(93,500)
2021	93,500	0	0	0	0	0	0	(93,500)

This page was intentionally left blank

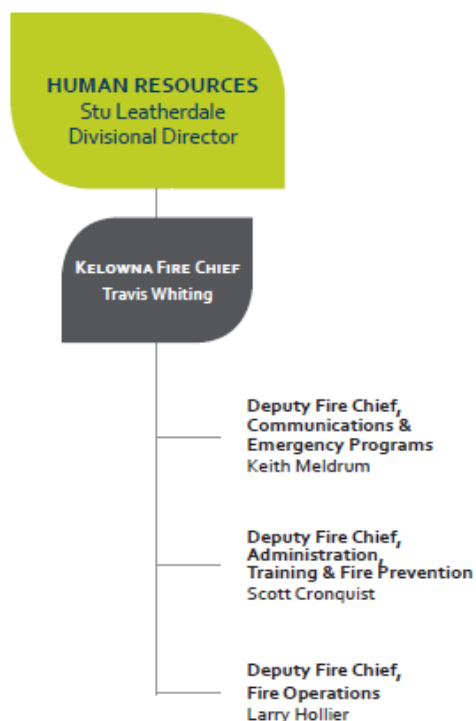
Fire Department



This page was intentionally left blank

Fire Department

The Kelowna Fire Department (KFD) has 135 full time personnel and 40 paid on call members operating out of seven fire stations located strategically throughout the city. Each station has a full complement of modern, up-to-date vehicles and equipment. In 2017 the department responded to 13,244 incidents ranging from structural fires, vehicle fires, alarms, motor vehicle incidents, technical rescue, hazardous material incidents and first medical responses.



Communications & Emergency Program provides fire dispatch services to over 40 fire departments from the Regional Districts of Central Okanagan, Okanagan Similkameen, Kootenay Boundary, Central Kootenay, and East Kootenay with the addition of the City of Vernon and the Okanagan Indian Band in the fall of 2018. This branch also administers the Emergency Program for Central Okanagan, activated to support any community requiring support for major incidents. In 2017, the program was activated for well over 140 days to deal with the extraordinary season of both flooding and wildfire events.

Administration, Training & Fire Prevention provides fire inspection services, fire investigations and enforcement of the Fire Services Act and the BC Fire Code. They also provide numerous public education opportunities, working with local schools and community groups through the year. The Training Branch ensures all members of KFD meet required standards, building capacity for all members from recruit training up to our Fire Officer program.

Fire Operations is responsible for fire suppression, first medical response, auto extrication, technical rescue (low embankment, high angle, tower crane, ice rescue, swift water rescue, confined space rescue, and marine rescue) and hazmat response. The Operations branch is staffed 24/7 with five 4-person engine companies operating from five career stations, providing 24/7 coverage for the city. Our career staff are supported by two Paid-on-Call stations (East Kelowna and McKinley).

2019 Departmental drivers & activities

Drivers

- Efficiently plan for future growth to create a sustainable, vibrant and safe City
- Maintain a training system for a progressive and modern fire service
- Fiscal responsibility through partnerships & service agreements that enhance services
- Optimize public safety through a leading practices communication centre
- Deliver service excellence in public education for our evolving community
- Safe and effective response standards for the protection of life, property and the environment

Activities

A well-run City

- Continue to maintain training for a progressive and modern fire service
- Enhance fire dispatch centre staffing to ensure the most effective use of resources

- Implement master service agreements for monitoring and proactive support of critical systems and technologies
- Continue to use analytics to ensure resources are being best allocated

A safe city

- Conduct fire prevention and public education programs and events including FireSmart, Youth Firesetter Program, UBCO and Okanagan College Orientation week, P.A.R.T.Y. (Prevent Alcohol and Risk Related Trauma to Youth), Too Hot for Tots for preschools and young mom's groups, fire and life safety educational support for local industry, senior's facilities, apartment and strata managers, and Interior Health Authority (IHA) caregivers, etc., burn cubicle demonstrations, Fire Safety House with elementary classes, Kelowna Fire Department Open House
- Conduct Emergency Scene Management 1&2, Incident Command System (ICS) 200 & 300, Live Fire, Wildland Fire Fighting Auto Extrication, train an ice rescue instructor
- Continue to train staff in emergency management and emergency operations center operations
- Maintain operational readiness to activate the emergency operations centre to support emergency events throughout the Regional District of Central Okanagan
- Upgrade the backup fire dispatch centre critical dispatch and communications technology
- Continue to use Electronic pre fire plan system
- Continue to promote FireSmart

Resilient, well-managed infrastructure

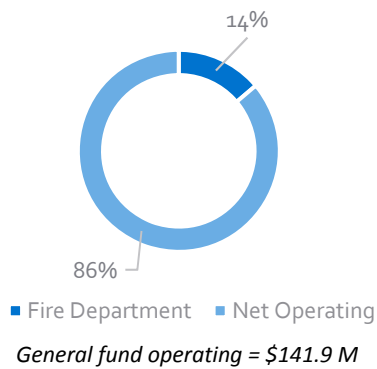
- Continue to review and manage the dispatch financial model to accurately plan and forecast costs versus revenues on an annual basis
- Consider and evaluate opportunities for additional fire dispatch service contracts that meet the dispatch business plan
- Complete a comprehensive review and update of the fire department's records management system
- Realize cost efficiencies as the host department of Joint Regional Fire Training

2019 Departmental performance measures

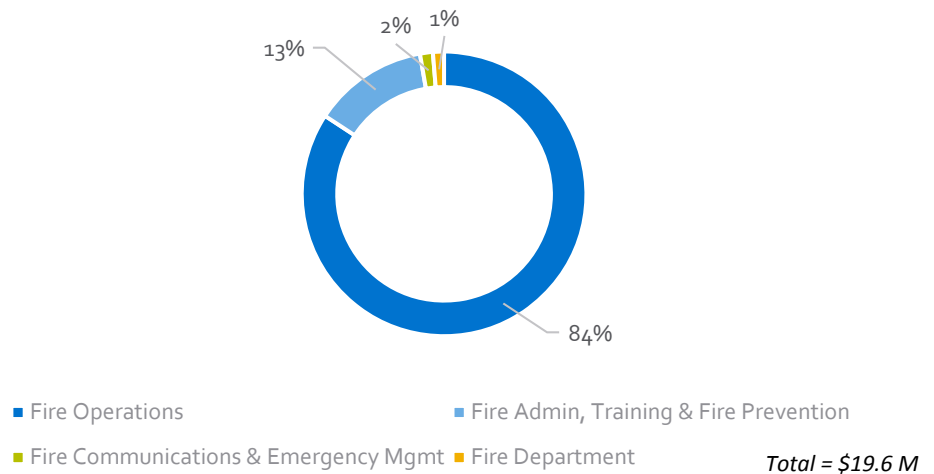
	Actual	Estimated	Proposed
Program outputs			
Incidents by year – Kelowna	13,244	9,985	10,485
Structure fires	104	107	111
Vehicle fires	55	57	59
Regional Dispatch Centre – total incidents	24,902	20,936	21,982
Inspections completed according to City schedule	4,635	4,463	4,500
Program outcomes			
Incidents per 1000 population	97.1	98.6	99.9
Total dollar loss (millions)	\$3.3	\$1.47	\$1.54
Efficiency measures			
Percentage within 7:40 minute response time (inside)	92%	92%	92%

Budget overview

Per cent of General Fund operating



Department Summary



Net Department expenditures

Departments	Actual 2017	Revised 2018	Provisional 2019	Change from prior year	Per cent change
Operating cost centres:					
Fire Department					
133 Fire Department	176,318	239,909	245,929		
134 Fire Operations	14,453,784	15,841,944	16,514,275		
135 Fire Communications & Emergency Mgmt	415,775	518,094	287,620		
136 EOC Operations & Hydrants	488,132	0	0		
137 Fire Admin, Training & Fire Prevention	2,394,673	2,473,386	2,559,329		
Net operating expenditure	17,928,682	19,073,333	19,607,153	533,820	2.8%
Capital cost centres:					
311 Fire Capital	0	962,000	0		
Net capital expenditures	0	962,000	0	(962,000)	(100.0%)
Total Department net expenditures	17,928,682	20,035,333	19,607,153	(428,180)	(2.1%)

Description of Operating program changes

		Total	FTE
2018 revised budget		19,073,333	132.0
2019 net impacts			
One-time operating requests	(5,500)		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	32,240		3.0
Departmental adjustments	365,980	392,720	
		<u>19,466,053</u>	<u>135.0</u>
2019 program additions			
2019 operating requests	141,100		6.0
2019 expenditure reductions	0	141,100	
2019 provisional		<u>19,607,153</u>	<u>141.0</u>
<i>Unfunded 2019 requests</i>			
2019 operating requests	15,000		0.0
2019 expenditure reductions		15,000	
Total unfunded requests for 2019		<u>15,000</u>	<u>0.0</u>

Human Resources - General Fund

Fire Department

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(3,738,656)	(1,937,553)	(2,408,813)
Other Revenue	(277,315)	(263,486)	(263,626)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(19,210)	0
Total Revenue	(4,015,971)	(2,220,249)	(2,672,439)
<u>Expenditures</u>			
Salaries and Wages	17,632,288	18,189,755	18,979,345
Internal Equipment	564,609	123,676	123,876
Material and Other	2,200,001	1,577,382	1,766,902
Contract Services	377,973	201,184	201,184
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	130,744	127,845	134,545
Transfers to Funds			
Special (Stat Reserve) Funds	700,000	800,000	800,000
Development Cost Charges	0	0	0
Accumulated Surplus	339,038	273,740	273,740
Total Expenditures	21,944,653	21,293,582	22,279,592
Net Operating Expenditures	17,928,682	19,073,333	19,607,153
<u>Capital Expenditures</u>			
Gross Expenditures	2,228,562	1,673,990	1,026,900
Other Funding Sources	(2,228,562)	(711,990)	(1,026,900)
Taxation Capital	0	962,000	0
Net Operating & Tax Capital Exp.	17,928,682	20,035,333	19,607,153

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2017	2017	2018	2019
Salaried	121.0	119.4	130.0	137.0
Hourly	2.0	4.4	2.0	4.0

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Human Resources Division									
<i>Fire Department</i>									
Maintain									
355	Materials & Supplies - Medical	7,000	0	0	0	0	0	(7,000)	OG
355	Fuel	14,900	0	0	0	0	0	(14,900)	OG
CAP 490	Zetron Dispatch Consoles E10	5,000	0	0	0	0	0	(5,000)	OG
356	Hydrant Maintenance	33,900	0	0	0	0	(6,700)	(27,200)	OG
356	Equipment Repair Expense	5,500	0	0	0	0	0	(5,500)	OG
357	Contract Services - District of Lake Country	77,500	0	0	0	0	0	(77,500)	OT
	Total Maintain	143,800	0	0	0	0	(6,700)	(137,100)	
Growth									
357	Firefighters - Eight Positions	231,300	0	0	0	0	0	(231,300)	OG
358	Fire Dispatch and Casual Fire Dispatcher Positions	231,900	0	0	0	(470,500)	0	238,600	OG
	Total Growth	463,200	0	0	0	(470,500)	0	7,300	
New									
358	Subscription for Electronic Preplan License	4,600	0	0	0	0	0	(4,600)	OG
	Total New	4,600	0	0	0	0	0	(4,600)	
	Division Priority 1 Total	611,600	0	0	0	(470,500)	(6,700)	(134,400)	
	Total Priority 1 Operating	611,600	0	0	0	(470,500)	(6,700)	(134,400)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Materials & Supplies - Medical		PROVISIONAL

Justification:

Budget is requested for the increased cost and usage of medical supplies including oxygen, gloves and other various medical supplies required.

2019 Base Budget: \$21,000

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	7,000	0	0	0	0	0	0	(7,000)
2020	7,000	0	0	0	0	0	0	(7,000)
2021	7,000	0	0	0	0	0	0	(7,000)

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Fuel		PROVISIONAL

Justification:

Budget is requested for the increased cost and consumption of fuel. Fuel prices have increased by 20% and usage has increased by 11% in the last year.

2019 Base Budget: \$79,840

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	14,900	0	0	0	0	0	0	(14,900)
2020	14,900	0	0	0	0	0	0	(14,900)
2021	14,900	0	0	0	0	0	0	(14,900)

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Hydrant Maintenance		PROVISIONAL

Justification:

Budget is requested for the increased cost of ongoing maintenance of the fire hydrants within the City of Kelowna. The cost of maintaining hydrants has increased with the growth in the number of hydrants within the city. Maintenance for hydrants is provided by the City's Public Works Department, or the respective Irrigation District. The cost of the maintenance flows through the fire department budget.

2019 Base Budget: \$204,760

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	33,900	0	0	0	0	0	(6,700)	(27,200)
2020	36,900	0	0	0	0	0	(8,400)	(28,500)
2021	40,000	0	0	0	0	0	(10,100)	(29,900)

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Equipment Repair Expense		PROVISIONAL

Justification:

Budget is requested for the increase cost of ongoing repair of firefighting equipment including the repair of atmospheric monitoring equipment, fire hose and self-contained breathing apparatus (SCBA).

2019 Base Budget: \$22,500

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,500	0	0	0	0	0	0	(5,500)
2020	5,500	0	0	0	0	0	0	(5,500)
2021	5,500	0	0	0	0	0	0	(5,500)

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ONE-TIME
Title:	Contract Services - District of Lake Country		PROVISIONAL

Justification:

Budget is requested to match anticipated actual costs for the contract with the District of Lake Country (DLC) to provide fire service within the City of Kelowna. Based on the Fire Suppression contract with DLC, rates are equivalent to the rate paid by the DLC Taxpayers for fire services. These rates have steadily increased in the last few years. Staff is currently working with DLC on transitioning away from this service and it is expected this budget will be reduced once that process is complete.

2019 Base Budget: \$286,371

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	77,500	0	0	0	0	0	0	(77,500)

Division:	Human Resources	Priority: 1	Growth
Department:	Fire Department		ON-GOING
Title:	Firefighters - Eight Positions		PROVISIONAL

Justification:

Budget is requested to hire eight firefighters including incidental costs for these staff positions. These positions will be phased over two years with four hired in 2019 and four in 2020 to re-establish the Station 1 rescue squad by 2020. This operational request is the balance of firefighters requested in the Kelowna Fire Department Strategic Plan to complete the addition of a full-time career station in Glenmore.

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	231,300	0	0	0	0	0	0	(231,300)
2020	610,300	0	0	0	0	0	0	(610,300)
2021	758,100	0	0	0	0	0	0	(758,100)

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Growth
Department:	Fire Department		ON-GOING
Title:	Fire Dispatch and Casual Fire Dispatcher Positions		PROVISIONAL

Justification:

Over the past year, work has been done to increase resiliency within the dispatch centre that aligns with the growth in revenue. Budget is requested to add two Casual Fire Dispatcher positions, dispatcher training, and technical support to the fire dispatch centre to accommodate contracts for fire dispatch services to other local governments as well as support and maintain current and future public safety systems and technologies. This request recognizes the increase in revenues from the contracts for fire dispatch services and the net result is a reduction in the City taxation requisition.

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	231,900	0	0	0	0	(470,500)	0	238,600
2020	237,100	0	0	0	0	(486,800)	0	249,700
2021	238,600	0	0	0	0	(503,000)	0	264,400

Division:	Human Resources	Priority: 1	New
Department:	Fire Department		ON-GOING
Title:	Subscription for Electronic Preplan License		PROVISIONAL

Justification:

Budget is requested for an annual electronic Preplan license. The electronic Preplan shows critical information about a building for fire suppression. Moving to electronic preplan production from manual production will significantly reduce workload on Geographical Information Systems (GIS) staff and frontline responders.

2019 Base Budget: \$1,030

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	4,600	0	0	0	0	0	0	(4,600)
2020	4,600	0	0	0	0	0	0	(4,600)
2021	4,600	0	0	0	0	0	0	(4,600)

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Human Resources Division									
<i>Fire Department</i>									
Maintain									
360	Fire Department Training	15,000	0	0	0	0	0	(15,000)	OG
	Total Maintain	15,000	0	0	0	0	0	(15,000)	
Division Priority 2 Total									
		15,000	0	0	0	0	0	(15,000)	
Total Priority 2 Operating									
		15,000	0	0	0	0	0	(15,000)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Human Resources	Priority: 2	Maintain
Department:	Fire Department		ON-GOING
Title:	Fire Department Training		PROVISIONAL

Justification:

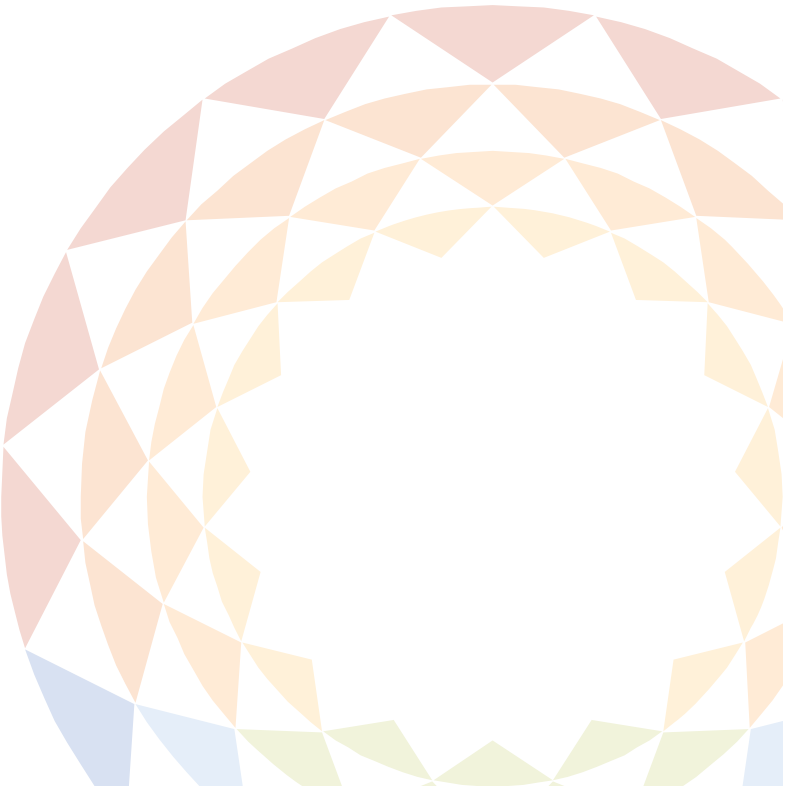
Budget is requested for Fire Department training. The training budget has not been increased since 2011. Due to retirements and higher training requirements, an increase to Officer training costs is required.

2019 Base Budget: \$82,870

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	15,000	0	0	0	0	0	0	(15,000)
2020	17,000	0	0	0	0	0	0	(17,000)
2021	19,000	0	0	0	0	0	0	(19,000)

**Corporate Strategic
Services**



This page was intentionally left blank

Corporate Strategic Services

Providing citizens and staff with convenient, accurate and timely access to City services and information.



Community Communications Manager

Jodie Foster

Community Engagement Manager

Kari O'Rourke

Corporate Communications Manager

Tom Wilson

Corporate Strategy & Performance Manager

Mike McGreer

Information Services Manager

Rob Entwistle

Sponsorship & Advertising Manager

Janine Taylor

Communications provides strategic communications planning to inform, consult, involve, collaborate and empower internal and external stakeholders. Using an audience-centred model, Communications supports major City projects by delivering information to citizen and staff through: research, branding standards, media relations, crisis communications (including managing Emergency Operation Centre), development and maintenance of print and electronic communications channels (including kelowna.ca and social media platforms), corporate advertising and public engagement programs.

Corporate Strategy & Performance focuses on advancing corporate performance accountability, customer service excellence, and strategy execution through the development and implementation of innovative systems, processes, and continuous improvement initiatives. The department contributes to ensuring the City's resources are spent on work that directly supports community, Council and corporate priorities.

Information Services provides direction, support and maintenance for the City's information systems and technology infrastructure including Kelowna's dark fibre network. Technology is a driving force for economic, service delivery and communications in today's digital age. This guides Information Services' strategy to implement technology solutions that reduce costs, improve revenue streams, build efficiency and deliver better overall service for the City's customers and staff. The department also facilitates storage and access standards to provide data analysis that empowers decision making.

Sponsorship & Advertising was created to increase City revenues to enhance facilities, programs and services by leveraging sponsorship and advertising opportunities with qualified organizations that align with the City's values. Sponsorship & Advertising works with internal departments and external community partners, including non-profit organizations, to build awareness about the value of sponsorship and how it can benefit the parties involved as well as the community. In its infancy, the program is defining the City's Corporate Sponsorship & Advertising Policy & Strategy.

2019 Divisional drivers & activities

Drivers

- To drive the development of e-services for customer service
- To provide strategic, meaningful and efficient communications and information services that support business objectives and reach target audiences
- To develop, implement and maintain Communications, Information Services, and corporate service excellence policies, standards and guidelines
- To engage citizens, staff and stakeholders
- To protect and promote corporate achievements and reputation

- To protect our corporate data and digital infrastructure
- To develop, implement and maintain corporate communication channels
- To advocate for innovative public engagement that support and increase citizen involvement
- To develop and implement market research protocols to support the organization's objectives
- To define, implement and maintain performance management systems for accountability and to track measurable results
- To research best practices and be innovative for continual improvement of service delivery
- To deliver results while maintaining core services
- To generate new revenue to enhance facilities, programs and services for residents
- To improve the capacity of sponsorship within community partners and organizations
- To lead the development and ongoing management of a four-year business plan for the organization, including implementation and reporting

Activities

A well-run City

- Develop an Intelligent City Strategy to guide the community in being a leader in the digital age
- Use of technology to enhance the customer experience
- Investigate and implement a new Service Request system to better serve the community with improved customer experience and functionality
- Further develop analytic capabilities to support evidence based decisions
- Publish a four-year business plan that identifies the results of strategic shifts and improvement projects that are most important for the organization. This includes developing a one-year operational plan that identifies the specific projects and initiatives that will advance the results identified in the four-year business plan
- Advance corporate performance management by creating indicators and performance measures for the four-year business plan and one-year operational plan
- Discovery, scoping and budgeting for redevelopment of the City's intranet to make it more collaborative, social, flexible and accessible
- Discovery, scoping and budgeting for a digital asset management platform for the City's photography, videos, branding and other digital files that need to be shared with various audiences including staff, contractors and the public

An active, inclusive city

- Support the Journey Home Transition Team as the Journey Home Society to address homelessness in Kelowna
- Undertake a statistically valid Public Safety Survey as input to updating the Crime Reduction Strategy and other crime reduction programs
- Implement the social media strategy and Corporate Communications Strategy
- Continue to promote and improve the City's online platforms to enhance service delivery

A safe city

- Complete and implement a Corporate Crisis Communication Plan to address potential threats to the City's operations, services, infrastructure or reputation

A strong economy

- Collaborate and share information with community partners such as Tourism Kelowna, Downtown Kelowna Association, Uptown Rutland Business Association (URBA) and Interior Health to achieve consistent messages about ongoing and emergent challenges and successes
- Generate \$200,000 in revenue through the Dark Fibre Network
- Generate \$170,000 in revenue through the Sponsorship and Advertising program. Continue to build out this program

Resilient, well-managed infrastructure

- Support planning and implementation communications of priority community projects including Our Kelowna as we Grow (Official Community Plan update), Our Kelowna as we Move (Transportation Master Plan), Connecting our Region (Regional Transportation Plan) and Kelowna Integrated Water Phase 1 construction, among others
- Continued work on major systems projects that will deliver modern solutions to Asset Management, Planning, Permitting and Licensing

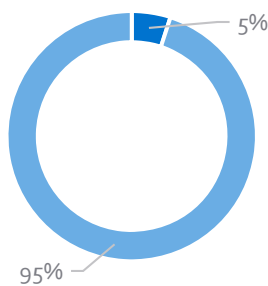
2019 Divisional performance measures

		Actual	Estimated	Proposed
Program outputs				
Media	# media releases	244	260	260
	# Emergency Operations Centre (EOC)	202	71	TBD
	# media information requests	652	350	400
Mayor & Council	# of email correspondence	1640	1795	1700
	Briefing notes	86	80	80
Online	External website visits (kelowna.ca)	6,083,100	6,200,000	6,400,000
	E-Subscribers	35,023	39,350	42,000
Intranet	InSites page views	1,197,029	1,250,000	1,300,000
	Interactions (navigation to a second page	31.6%	32%	33%
Social media	Reach (impressions: Facebook, Twitter	49,623	55,750	60,400
	Engagement	47,120	85,700	128,000
Video	Video views (YouTube)	81,107	35,000	40,000
Engagement	Face-to-face engagement	17 activities/	17 activities/	1000
	Survey Responses	7770	1906	1000
Get Involved	Visitors (launch March 2017)	13.9K visitors	14.2K visitors	n/a
	Registered users	778	379	n/a
	Imagine.kelowna.ca	3.7K visitors	1.4K visitors	n/a
Information Services	<i>Percentage of time key Information Services systems were available. 99.8% represents a high availability with less than 21 hours of combined outage over the year.</i>			
	Email	99.9%	99.9%	99.9%
	InSites	99.9%	99.9%	99.9%
	kelowna.ca	99.9%	99.9%	99.9%
	Servers	99.8%	99.9%	99.9%
	Phones	99.9%	99.9%	99.9%
	Internal Help Desk requests	11,614	12,400	13,300
Program outcomes				
Website	Per cent of resident visits to Kelowna.ca in the last 12 months	This website stat will not be available until the next Communications Survey is completed (was 55% in 2016)		
Dark Fibre	Revenue	\$101,400	\$102,000	\$220,000
	# of connections	10	9	14
Sponsorship & Advertising	Revenue generated	n/a	\$27,950	\$170,000

Continued				
Efficiency measures				
Correspondence turnaround times (rounded %)	Within 1 day	73%	71%	75%
	Within 2-5	11%	8%	10%
	Within 6-10	7%	7%	7%
	Within 11-20	3%	8%	3%
	Over 21 days	6%	6%	6%
	% of service requests that comply to our expected quality standards	n/a	90%	90%
Innovation & learning				
# of participants in media spokesperson training		18	15	20

Budget overview

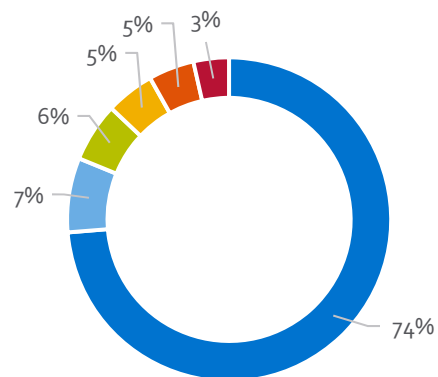
Per cent of General Fund operating



- Communications & Information Services
- Net Operating

General fund operating = \$141.9 M

Division Summary



- Information Services
- Corporate Communications
- Corporate Strategy & Performance
- Community Communications
- Corporate Strategic Services
- Community Engagement

Total = \$7.1 M

Net Divisional expenditures

Departments		Actual 2017	Revised 2018	Provisional 2019	Change prior year	Per change
Operating cost centres:						
Corporate Strategic Services						
101	Corporate Strategic Services	344,739	337,986	325,016		
		344,739	337,986	325,016	(12,970)	(3.8%)
Information Services						
121	Information Services	4,136,388	4,771,920	5,264,090		
		4,136,388	4,771,920	5,264,090	492,170	10.3%
Community Communications						
248	Community Communications	259,642	346,425	347,425		
		259,642	346,425	347,425	1,000	0.3%
Corporate Communications						
229	Corporate Communications	440,215	529,932	529,932		
		440,215	529,932	529,932	0	0.0%
Community Engagement						
260	Community Engagement	205,794	253,183	253,183		
		205,794	253,183	253,183	0	0.0%
Corporate Strategy & Performance						
154	Corporate Strategy &	387,152	455,793	420,793		
		387,152	455,793	420,793	(35,000)	(7.7%)
Sponsorship & Advertising						
273	Sponsorship & Advertising	0	(21,879)	(10,409)		
		0	(21,879)	(10,409)	11,470	(52.4%)
Net operating expenditure		5,773,930	6,673,360	7,130,030	456,670	6.8%
Capital cost centres:						
308	Information Services Capital	929,396	3,187,000	1,176,600		
Net capital expenditures		929,396	3,187,000	1,176,600	(2,010,400)	(63.1%)
Total Division net expenditures		6,703,326	9,860,360	8,306,630	(1,553,730)	(15.8%)

Description of operating program changes

		Total	FTE
2018 revised		6,673,360	47.2
2019 net impacts			
One-time operating requests	0		0.0
One-time expenditure reductions	0		
Incremental costs - prior year(s)	251,870		0.6
Divisional adjustments	12,100	263,970	
		<u>6,937,330</u>	<u>47.8</u>
2019 program additions			
2019 operating requests	261,900		1.0
2019 expenditure reductions	(69,200)	192,700	
2019 provisional		<u>7,130,030</u>	<u>48.8</u>
Unfunded 2019 requests			
2019 operating requests	15,000		0.0
2019 expenditure reductions		15,000	
Total unfunded requests for 2019		<u>15,000</u>	<u>0.0</u>

Corporate Strategic Services - General Fund

Revenues/Expenditures by Category

	Actual 2017	Revised 2018	Provisional 2019
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(101,400)	(260,400)	(300,400)
Other Revenue	(82,904)	(58,434)	(139,074)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(85,661)	(89,750)	0
Total Revenue	(269,965)	(408,584)	(439,474)
<u>Expenditures</u>			
Salaries and Wages	4,390,670	4,979,780	5,145,870
Internal Equipment	6,416	6,500	6,500
Material and Other	1,407,233	1,985,264	2,306,734
Contract Services	0	0	0
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	50,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	189,576	110,400	110,400
Total Expenditures	6,043,895	7,081,944	7,569,504
Net Operating Expenditures	5,773,930	6,673,360	7,130,030
<u>Capital Expenditures</u>			
Gross Expenditures	2,247,578	10,742,220	1,226,600
Other Funding Sources	(1,318,182)	(7,555,220)	(50,000)
Taxation Capital	929,396	3,187,000	1,176,600
Net Operating & Tax Capital Exp.	6,703,326	9,860,360	8,306,630

	Budgeted	Actual	Revised	Provisional
Authorized FTE	2017	2017	2018	2019
Positions	42.7	41.8	46.6	48.2
Salaried	0.6	2.0	0.6	0.6
Hourly				

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate Strategic Services Division									
Maintain									
370	Software and Hardware Maintenance	135,000	0	0	0	0	0	(135,000)	OG
	Total Maintain	135,000	0	0	0	0	0	(135,000)	
Growth									
370	Professional and Consulting Services	40,000	0	0	0	0	0	(40,000)	OG
	Total Growth	40,000	0	0	0	0	0	(40,000)	
New									
CAP 475	Major Systems Projects	20,000	0	0	0	0	0	(20,000)	OG
371	Network Systems Analyst Position	55,400	0	0	0	0	0	(55,400)	OG
371	Sponsorship & Advertising Advisor Position	51,500	0	0	0	(40,000)	0	(11,500)	OG
	Total New	126,900	0	0	0	(40,000)	0	(86,900)	
	Division Priority 1 Total	301,900	0	0	0	(40,000)	0	(261,900)	
	Total Priority 1 Operating	301,900	0	0	0	(40,000)	0	(261,900)	

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Software and Hardware Maintenance		PROVISIONAL

Justification:

Budget is requested to cover the increase in annual support and maintenance fees for new and existing software and hardware.

2019 Base Budget \$1,106,050

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	135,000	0	0	0	0	0	0	(135,000)
2020	135,000	0	0	0	0	0	0	(135,000)
2021	135,000	0	0	0	0	0	0	(135,000)

Division:	Corporate Strategic Services	Priority: 1	Growth
Department:	Information Services		ON-GOING
Title:	Professional and Consulting Services		PROVISIONAL

Justification:

Budget is requested for the increased cost of professional and consulting services as specialized consultants are required to assist staff in the delivery of projects and support systems like network installation, configuration and maintenance; Microsoft database design and configuration; security audits; Geographic Information System (GIS/CAD) Design, support and training; phone configuration and maintenance; and miscellaneous computer repairs to equipment not under warranty.

Priorities for 2019 will be an Intelligent City strategy and digital service delivery, privacy impact analysis on city systems and website enhancements.

2019 Base Budget: \$108,668

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	40,000	0	0	0	0	0	0	(40,000)
2020	40,000	0	0	0	0	0	0	(40,000)
2021	40,000	0	0	0	0	0	0	(40,000)

2019 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	Network Systems Analyst Position		PROVISIONAL

Justification:

Budget is requested for a Network Systems Analyst position to address the security and growth of computer infrastructure systems. Increased sophistication and complexity of cyber attacks require additional resources to protect systems. The increasing complexity and scope of network and server technology requires additional resources to implement, configure and support new and existing infrastructure. The number of supported servers and disk space have more than doubled since 2012 and 30 kilometres of fibre network and new technologies such as video surveillance, video conferencing, internet redundancy and security systems have been added. As the technology footprint continues to grow, additional capacity is required to manage the growth of associated servers, storage and networks. This position will enhance the City's ability to implement new technology, function as a technical resource on multi-departmental project teams, maintain and support existing technology and improve cross-coverage for critical systems.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	55,400	0	0	0	0	0	0	(55,400)
2020	108,800	0	0	0	0	0	0	(108,800)
2021	108,800	0	0	0	0	0	0	(108,800)

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Sponsorship & Advertising		ON-GOING
Title:	Sponsorship & Advertising Advisor Position		PROVISIONAL

Justification:

A Sponsorship and Advertising Advisor position is requested as part of the City's Sponsorship and Advertising Program. The overall program is a five-year pilot, forecasted to generate an additional \$800,000 annually (net) in sponsorship and advertising revenue off-setting all program costs over time. The position will report to the Sponsorship & Advertising Manager. The request is based on the business plan which identifies once \$150,000 is reached, additional resources would be required to continue to increase revenue. The request includes salary and program delivery costs including building sponsorship capacity with community partners.

Corporate Framework: A well-run City - Engaged communities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	51,500	0	0	0	0	(40,000)	0	(11,500)
2020	97,200	0	0	0	0	(350,000)	0	252,800
2021	97,200	0	0	0	0	(350,000)	0	252,800

2019 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate Strategic Services Division									
New									
373	Strategic Planning (4 Year Plan and Imagine Kelowna)	15,000	0	0	0	0	0	(15,000)	OG
	Total New	15,000	0	0	0	0	0	(15,000)	
Division Priority 2 Total									
Total Priority 2 Operating									

CCP - Combined capital project

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 2019

2019 Operating Request Details

Division:	Corporate Strategic Services	Priority: 2	New
Department:	Corporate Strategy & Performance		ON-GOING
Title:	Strategic Planning (4 Year Plan and Imagine Kelowna)		PROVISIONAL

Justification:

Budget is requested to deliver Imagine Kelowna through the development, publishing and roll-out of a multi-year strategic plan. The increase in funds in year two recognizes the need to work with the community to deliver Imagine Kelowna.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	15,000	0	0	0	0	0	0	(15,000)
2020	30,000	0	0	0	0	0	0	(30,000)
2021	15,000	0	0	0	0	0	0	(15,000)

2019 Reduction Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
<u>Corporate Strategic Services Division</u>									
375	Records and Information Management System	(29,200)	0	0	0	0	0	29,200	OT
375	Corporate Performance Management Software Licenses	(40,000)	0	0	0	0	0	40,000	OG
Department Priority 1 Total		(69,200)	0	0	0	0	0	69,200	
Total Priority 1 Reduction Requests		(69,200)	0	0	0	0	0	69,200	

CCP - Combined capital project

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 2019

2019 Reduction Request Details

Division:	Corporate Strategic Services	Priority: 1	
Department:	Information Services		ONE-TIME
Title:	Records and Information Management System		PROVISIONAL

Justification:

The Records and Information Management System (RIM) implementation has been delayed due to incorporating the new strategic plan for the Corporate RIM Program into the project. A project manager is currently being recruited to move the capital project forward in 2019. Operating budget for the annual maintenance costs can be delayed until 2020.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(29,200)	0	0	0	0	0	0	29,200

Division:	Corporate Strategic Services	Priority: 1	
Department:	Corporate Strategy & Performance		ON-GOING
Title:	Corporate Performance Management Software Licenses		PROVISIONAL

Justification:

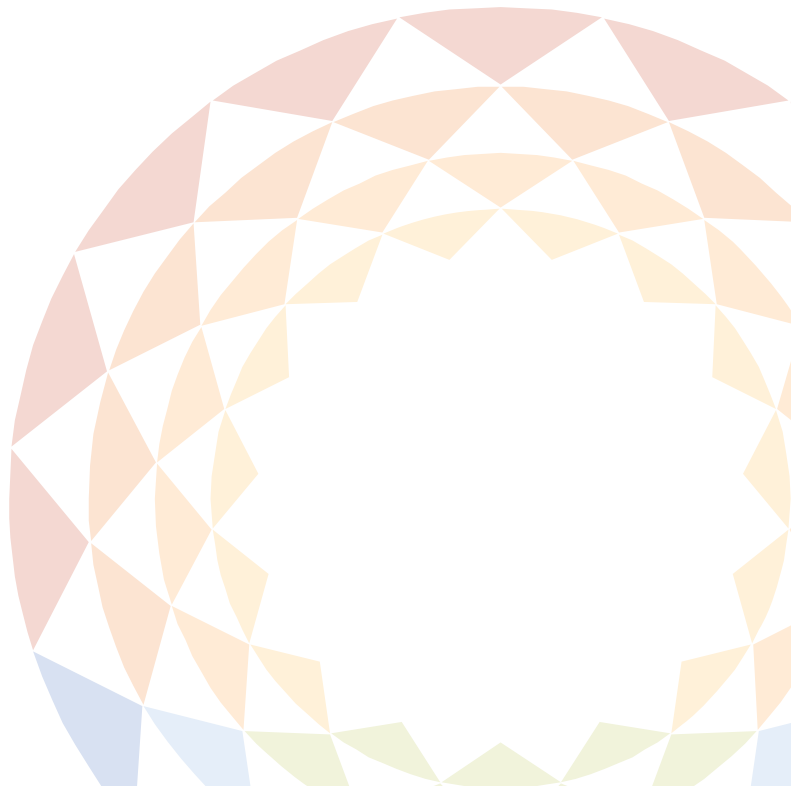
An ongoing request was approved in 2017 to implement Corporate Performance Management System (CPMS) software in 2018. CPMS software was not implemented in 2018 as planned and therefore the funds are not required in 2019. Budget will be requested when staff are ready to proceed with a software solution.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(40,000)	0	0	0	0	0	0	40,000
2020	(40,000)	0	0	0	0	0	0	40,000
2021	(40,000)	0	0	0	0	0	0	40,000

This page was intentionally left blank

Capital Budget



This page was intentionally left blank

CAPITAL BUDGET

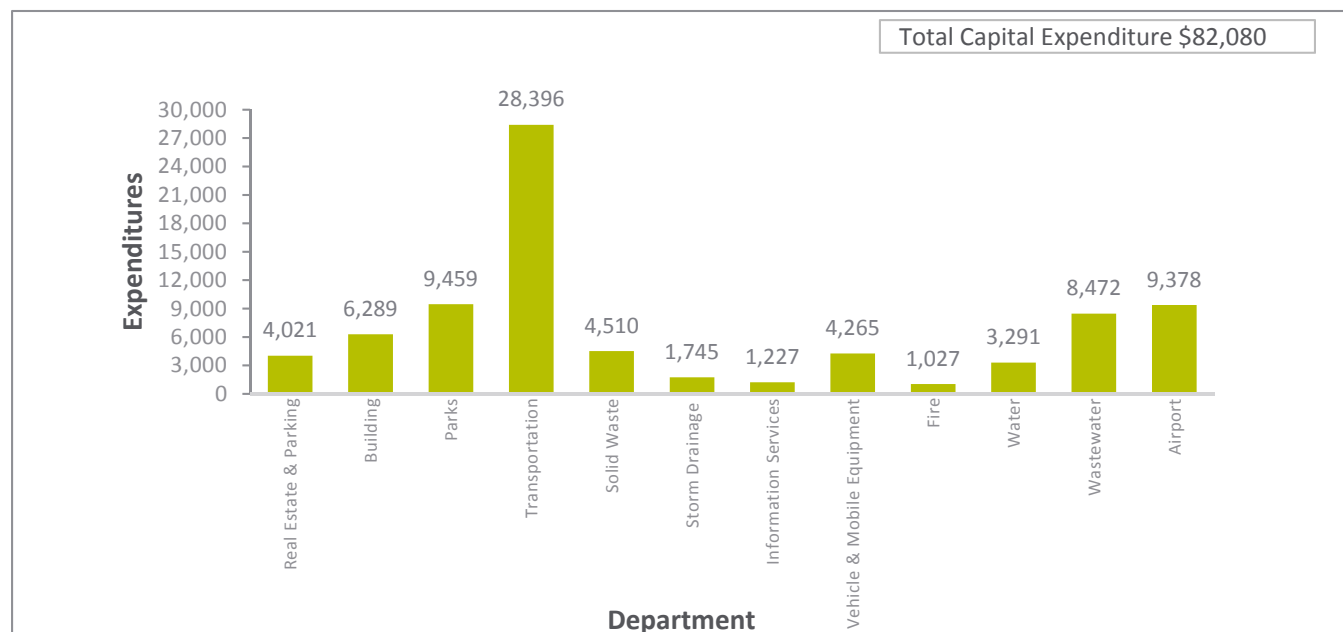
Capital Expenditure Summary

The following table provides a summary of the priority one and priority two capital request totals highlighting the amount coming from General Fund (taxation) or Utility Funds (user fees) versus other funding sources. The bar graph below the table provides a visual comparison of the level of spending for each Department.

All Funds (thousands)

<i>Funded from</i>	Priority 1			Priority 2		
	Taxation	Other Sources	Total	Taxation	Other Sources	Total
Real Estate & Parking	676	3,345	4,021	3,099	0	3,099
Building	1,384	4,905	6,289	6,400	0	6,400
Parks	3,660	5,799	9,459	4,377	0	4,377
Transportation	5,369	23,027	28,396	11,077	9,050	20,127
Solid Waste	0	4,510	4,510	0	0	0
Storm Drainage	1,080	665	1,745	215	25	240
Information Services	1,177	50	1,227	245	0	245
Vehicle & Mobile Equipment	293	3,972	4,265	0	0	0
Fire	0	1,027	1,027	0	0	0
Total General Fund	13,639	47,300	60,939	25,413	9,075	34,488
	From Utility	From Other Sources	Total	From Utility	From Other Sources	Total
Water	2,684	607	3,291	0	0	0
Wastewater	3,297	5,175	8,472	0	0	0
Airport	0	9,378	9,378	0	0	0
Total Utility Funds	5,981	15,160	21,141	0	0	0
Total All Funds Capital	19,620	62,460	82,080	25,413	9,075	34,488

All Funds Expenditures – Priority 1 (thousands)



Operating Impacts

Impact of Capital Investments on Operating Budgets – General Fund Priority 1

The Infrastructure Division uses a multiple bottom line approach for infrastructure investment decision making and is moving towards a full life cycle cost analysis where capital, operating and maintenance costs are determined over the life cycle of assets. The operating and maintenance costs in the table below are requested alongside the related capital request with the same request title.

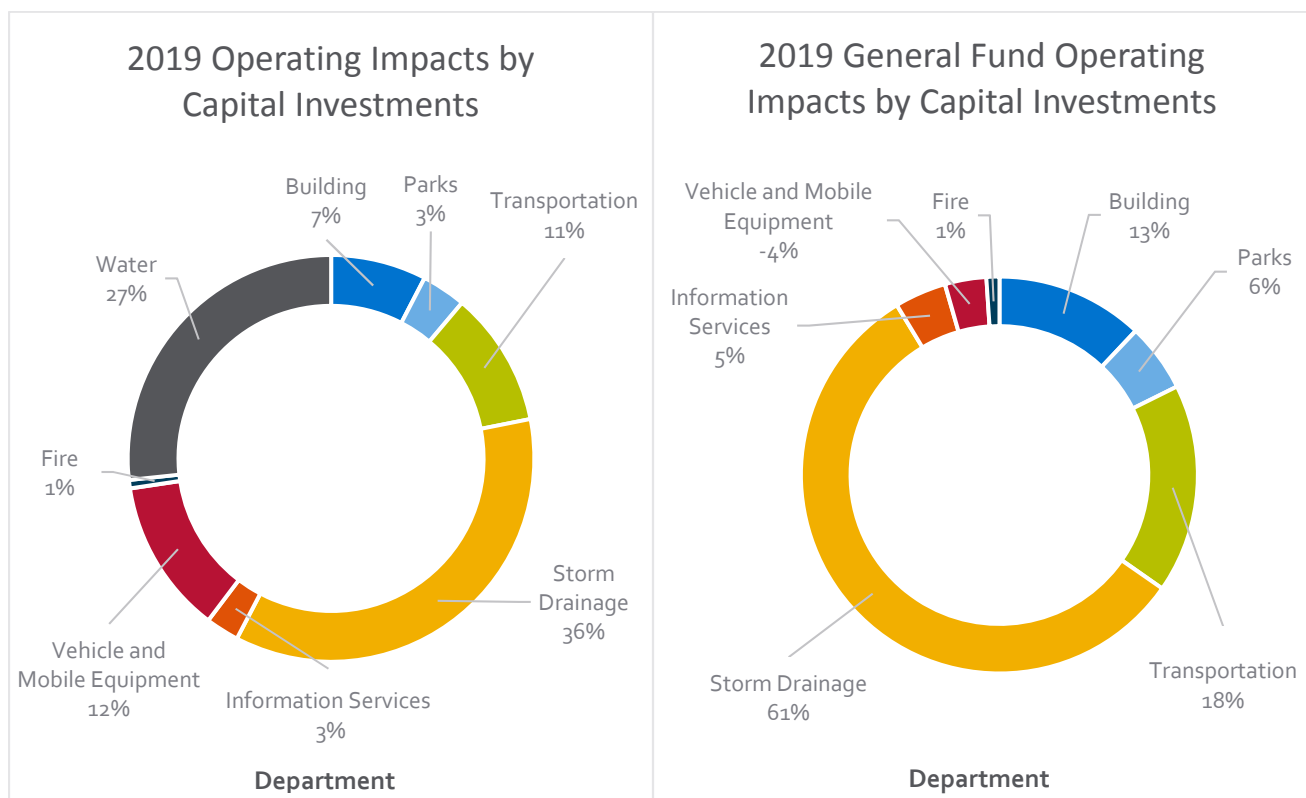
Request Title	2019	2020	2021
General Fund			
Building			
Canyon Falls Neighbourhood Learning Centre	12,000	10,000	9,800
City Hall, Phase IV - Renovations	50,000	0	0
City Hall - Boiler	(4,800)	(9,800)	(9,800)
Total Building	57,200	200	0
Parks			
Hobson Rd Park - Interim Access	26,500	26,500	26,500
Total Parks	26,500	26,500	26,500
Transportation			
Bridge Rehabilitation and Inspections	50,000	50,000	50,000
South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road Repayment	0	0	0
Gordon 1 DCC (Frost - South Perimeter), Road Repayment	0	0	0
Ethel 5 DCC (Springfield-Rose), ATC	0	5,600	11,200
Sidewalk Network Expansion	500	2,000	2,000
Sutherland 2 DCC (Lake - Gordon), ATC	0	26,500	26,500
Sutherland 1 DCC (Gordon - Burtch), ATC	0	0	11,600
Gordon 1 DCC (Frost - South Perimeter), Road	0	8,500	8,500
South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road	16,600	16,600	16,600
Active Transportation Corridor	4,000	4,000	4,000
Pedestrian & Cyclist Safety Improvement	1,800	1,800	1,800
Neighbourhood Traffic Calming	400	1,500	1,500
Sidewalk & Bikeway Renewal	5,000	5,000	5,000
Transit - Equipment Renewal (Bus Stops and Shelters)	0	4,000	4,000
Transit - New Equipment (Bus Stops)	2,000	7,900	7,900
Intelligent Transportation Systems	600	600	600
Total Transportation	80,900	134,000	151,200
Storm Drainage			
2018 Freshet Recovery Projects – Operating	268,900	0	0
Total Storm Drainage	268,900	0	0
Information Services			
Major Systems Projects	20,000	40,000	40,000
Total Information Services	20,000	40,000	40,000
Vehicle and Mobile Equipment			
Fleet Growth	(16,000)	(16,000)	(16,000)
Total Vehicle and Mobile Equipment	(16,000)	(16,000)	(16,000)
Fire			
Zetron Dispatch Consoles	5,000	5,000	5,000
Total Fire	5,000	5,000	5,000
Total General Fund operating impacts from Capital Investment	442,500	189,700	206,700

Impact of Capital Investments on Operating Budgets – Utility Funds Priority 1

Request Title	2019	2020	2021
Wastewater Fund			
Water			
Water Meter Reading and Servicing Repatriation with Positions	0	0	0
Total Water	0	0	0
Total Wastewater Fund operating impacts from Capital Investment	0	0	0
Water Fund			
Vehicle and Mobile Equipment			
Domestic Water System Expansion (SEKID) Operating Costs and Positions	108,500	100,700	615,300
Total Vehicle and Mobile Equipment	108,500	100,700	615,300
Water			
Water Meter Reading and Servicing Repatriation with Positions	200,700	(156,500)	(156,500)
Total Water	200,700	(156,500)	(156,500)
Total Water Fund operating impacts from Capital Investment	309,200	(55,800)	458,800

Impact of Capital Investments on Operating Budgets

The graph on the left depicts the per cent of operating impact each Department has on either General Fund (taxation) or Utility Funds (user fees). The graph on the right depicts the per cent of operating taxation impact for each General Fund Department.



Capital Budget Funding Summary

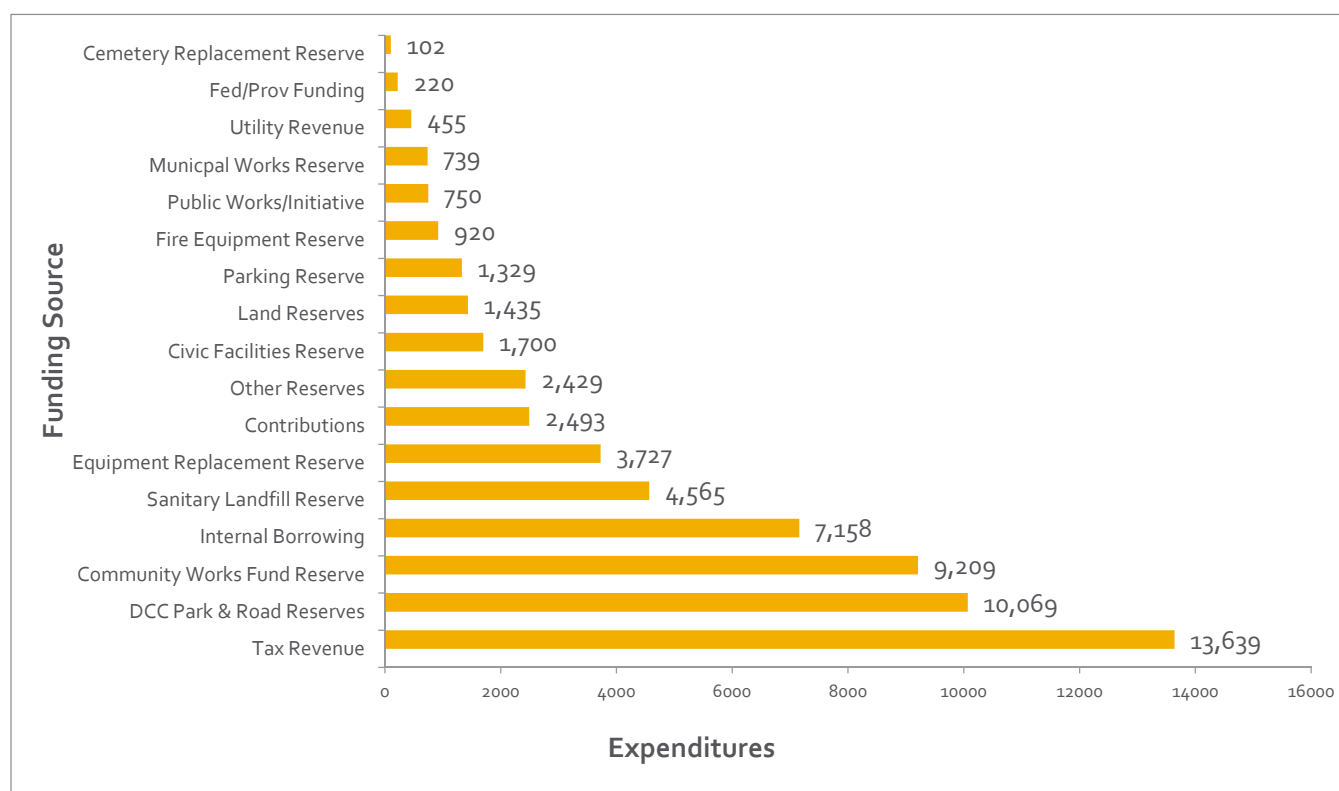
This table details the General Fund funding strategy by Department. The City of Kelowna uses Principals and Strategies for Financial Strength and Stability to guide decision making and funding strategies.

General Fund – Priority 1 (thousands)

Department	Asset	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate & Parking	4,021	3,345	0	0	0	0	676
Building	6,289	4,605	0	0	0	300	1,384
Parks	9,459	5,749	0	0	50	0	3,660
Transportation	28,396	13,476	7,158	0	2,393	0	5,369
Solid Waste	4,510	4,510	0	0	0	0	0
Storm Drainage	1,745	445	0	220	0	0	1,080
Information Services	1,227	0	0	0	50	0	1,177
Vehicle & Mobile Equipment	4,265	3,817	0	0	0	155	293
Fire	1,027	1,027	0	0	0	0	0
Funding Source Totals	60,939	36,974	7,158	220	2,493	455	13,639

General Fund funding sources – Priority 1 (thousands)

The bar graph below visually compares the various capital funding sources used in the annual capital plan.



General Fund Capital – Priority 1 Reserve Funding (thousands)

Below is a list of reserves being used in this year's annual budget.

Building Repair	200
Civic Facilities	1,700
CWME - Cemetery Replacement	102
CWME - Community Works Fund	9,209
CWME - Fire Equipment	920
CWME - Municipal Works	739
CWME - Public Works/Initiative	750
CWME - Sanitary Landfill	4,565
CWME - Vehicle and Equipment Replacement Reserve	3,727
DCC - Park A	3,789
DCC - Road A	38
DCC - Road B	2,881
DCC - Road E	1,047
DCC - Road I	2,314
Energy Management Rebate	375
Fire Dispatch Reserve	107
Future Arenas	100
H2O Centre	440
Kelowna Sportsfields	35
Land Sales Reserve	1,250
Parking Reserve	1,329
Parkland Reserve	185
Parks Development	100
Theatre Improvement Reserve	64
Transit Facility Enhancement	325
Unspent Budget	683
Total Reserve Funding	36,974

2019 Capital Requests

Provisional Budget

CAPITAL BUDGET Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate and Parking Capital - Priority 1									
Renew									
404	308201	Parking Equipment and Facilities	415,000	(415,000)	0	0	0	0	0
404	308206	Chapman Parkade - Infrastructure Renewal	499,000	(499,000)	0	0	0	0	0
Total Renew			914,000	(914,000)	0	0	0	0	0
Growth									
405	2003	DCC Road Widening, Land Acquisition	60,000	(50,700)	0	0	0	0	(9,300)
405	XXXX	Chapman Parkade - Expansion	300,000	(300,000)	0	0	0	0	0
Total Growth			360,000	(350,700)	0	0	0	0	(9,300)
New									
406	3XXX	Affordable Housing Land Acquisition	750,000	(750,000)	0	0	0	0	0
406	2000	General Land, Acquisition	1,586,700	(1,000,000)	0	0	0	0	(586,700)
407	2002	Road & Sidewalk, Land Acquisition	80,000	0	0	0	0	0	(80,000)
407	3082XX	Chapman Parkade - Secure Parking Area	80,000	(80,000)	0	0	0	0	0
408	2004	Strategic Land Servicing Requirements	250,000	(250,000)	0	0	0	0	0
Total New			2,746,700	(2,080,000)	0	0	0	0	(666,700)
Cost Center Totals			4,020,700	(3,344,700)	0	0	0	0	(676,000)

Building Capital - Priority 1

Renew									
OP	412	3174	City Hall, Phase IV - Renovations	3,300,000	(2,800,000)	0	0	0	(500,000)
	412	XXXX	Rutland Firehall Roof Repair	55,000	0	0	0	0	(55,000)
	413	XXXX	Kelowna Library, Chiller - Replacement	400,000	(400,000)	0	0	0	0
	413	XXXX	Water St Firehall #2 - Repairs	800,000	(486,500)	0	0	0	(313,500)
	414	XXXX	City Hall, Council Chambers - Audiovisual System	200,000	(65,000)	0	0	0	(135,000)
	414	XXX1XX	Kelowna Family Y Infrastructure Renewal Projects	220,000	(25,000)	0	0	0	(195,000)
	415	XXX1XX	H2O Infrastructure Renewal Projects	440,000	(440,000)	0	0	0	0
	415	XXXX	Kelowna Community Theatre, Stage - Curtains & Piano	64,000	(64,000)	0	0	0	0
RED	416	XXXX	City Hall - Boiler	350,000	(224,400)	0	0	0	(125,600)
	416	XXXX	Rutland Arena, East - HVAC Equipment	100,000	(100,000)	0	0	0	0
Total Renew			5,929,000	(4,604,900)	0	0	0	0	(1,324,100)

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
New									
OP	417	3175	Canyon Falls Neighbourhood Learning Centre	60,000	0	0	0	0	(60,000)
	417	XXXX	Water Support Facilities - Yards Location	300,000	0	0	0	(300,000)	0
Total New			360,000	0	0	0	0	(300,000)	(60,000)
Cost Center Totals			6,289,000	(4,604,900)	0	0	0	(300,000)	(1,384,100)

Parks Capital - Priority 1

Renew									
	424	2591	Strathcona-Royal Waterfront	490,000	(183,000)	0	0	0	(307,000)
	424	XXXX	Knox Mountain Park, Paul's Tomb Trail	250,000	0	0	0	0	(250,000)
	425	XXXX	City Park Promenade Design - Phase 2	200,000	0	0	0	0	(200,000)
OP	425	XXXX	Hobson Rd Park - Interim Access	50,000	0	0	0	0	(50,000)
	426	3184XX	Kelowna Memorial Park Cemetery	202,000	(102,000)	0	0	0	(100,000)
	426	XXXX	Bankhead Park - Playground	30,000	0	0	0	0	(30,000)
	427	XXXX	High Noon Park - Phase 3 Renewal	50,000	0	0	(25,000)	0	(25,000)
Total Renew			1,272,000	(285,000)	0	0	(25,000)	0	(962,000)
Growth									
	427	2917	Glenmore Recreation Park, Phase 2 - Construction	3,300,000	(1,454,600)	0	0	0	(1,845,400)
	428	2030	DCC Parkland Acquisition	4,276,700	(3,974,200)	0	0	0	(302,500)
	428	XXXX	Barlee Park Expansion	300,000	0	0	0	0	(300,000)
Total Growth			7,876,700	(5,428,800)	0	0	0	0	(2,447,900)
New									
	429	2031	Natural/Linear Park Acquisition	200,000	0	0	0	0	(200,000)
	429	XXXX	Mission Recreation Park, Protective Netting - Construction	110,000	(35,000)	0	0	(25,000)	(50,000)
Total New			310,000	(35,000)	0	0	(25,000)	0	(250,000)
Cost Center Totals			9,458,700	(5,748,800)	0	0	(50,000)	0	(3,659,900)

Transportation Capital - Priority 1

Renew									
	435	2083	Roads Resurfacing	3,744,300	(3,003,900)	0	0	0	(740,400)
OP	435	2086	Bridge Rehabilitation and Inspections	516,900	0	0	0	0	(516,900)
OP	436	2091T	Neighbourhood Traffic Calming	50,000	0	0	0	0	(50,000)
OP	436	3289	Sidewalk & Bikeway Renewal	100,000	0	0	0	0	(100,000)
	437	3233	Street Light Replacement - Pole & Wiring	308,400	0	0	0	0	(308,400)
	437	3239	Traffic Signal and Communications Upgrades and Renewals	260,000	0	0	0	0	(260,000)
OP	438	207601	Transit - Equipment Renewal (Bus Stops and Shelters)	150,000	(150,000)	0	0	0	0

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Total Renew			5,129,600	(3,153,900)	0	0	0	0	(1,975,700)
Growth									
OP	438	XXXX	Intelligent Transportation Systems	65,000	0	0	0	0	(65,000)
OP	439	331601	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road	7,870,700	(2,000,000)	(5,870,700)	0	0	0
OP	439	3XXX01	Gordon 1 DCC (Frost - South Perimeter), Road	1,842,900	(555,000)	(1,287,900)	0	0	0
OP	440	3362XX	Pedestrian & Cyclist Safety Improvement	150,000	0	0	0	0	(150,000)
CCP	398	329001	Ethel 4 DCC (Sutherland - Springfield), ATC	200,000	(44,600)	0	0	0	(155,400)
CCP	OP	398	335901	Ethel 5 DCC (Springfield-Rose), ATC	2,400,000	(1,428,800)	0	0	(971,200)
CCP	OP	399	323604	Sutherland 2 DCC (Lake - Gordon), ATC	4,500,000	(3,458,300)	0	0	(1,041,700)
OP	440	323603	Sutherland 1 DCC (Gordon - Burtch), ATC	2,883,100	(489,700)	0	0	(2,393,400)	0
	441	2866XX	Lakeshore 1 DCC Bridge at Bellevue Creek	280,000	(236,600)	0	0	0	(43,400)
	441	XXXX01	Clement 1 DCC (Ellis - Graham), Road	200,000	(156,000)	0	0	0	(44,000)
	442	XXXX01	Lakeshore 4 DCC (Lanfranco - Richter), Road	75,000	(60,800)	0	0	0	(14,200)
	442	3048L	Hollywood 7 DCC (Sexsmith - Appaloosa), Land	1,656,000	(1,396,000)	0	0	0	(260,000)
	443	321002	Stewart Road West 3 DCC (Crawford - Swamp), Road	150,000	(126,800)	0	0	0	(23,200)
Total Growth			22,272,700	(9,952,600)	(7,158,600)	0	(2,393,400)	0	(2,768,100)
New									
OP	443	2085	Active Transportation Corridor	320,000	(110,000)	0	0	0	(210,000)
OP	444	2084	Sidewalk Network Expansion	300,000	(85,000)	0	0	0	(215,000)
	444	XXXX	Traffic Signals and Roundabouts	200,000	0	0	0	0	(200,000)
OP	445	207602	Transit - New Equipment (Bus Stops)	175,000	(175,000)	0	0	0	0
Total New			995,000	(370,000)	0	0	0	0	(625,000)
Cost Center Totals			28,397,300	(13,476,500)	(7,158,600)	0	(2,393,400)	0	(5,368,800)

Solid Waste Capital - Priority 1

Renew

456	XXXX	Landfill Bin Replacement	90,000	(90,000)	0	0	0	0	0
456	XXXX	Landfill Equipment GPS Replacement	120,000	(120,000)	0	0	0	0	0
457	2831	Automated Collection Curbside Carts	300,000	(300,000)	0	0	0	0	0
Total Renew			510,000	(510,000)	0	0	0	0	0

New

457	XXXX	Landfill Liner Design and Construction	2,700,000	(2,700,000)	0	0	0	0	0
458	3187XX	Landfill Gas & Leachate Recirculation Laterals	450,000	(450,000)	0	0	0	0	0
458	XXXX	Landfill Drainage & Groundwater Management	250,000	(250,000)	0	0	0	0	0
459	3188	Leachate and Landfill Gas Header	600,000	(600,000)	0	0	0	0	0

Total New		4,000,000	(4,000,000)	0	0	0	0	0
Cost Center Totals		4,510,000	(4,510,000)	0	0	0	0	0

Storm Drainage Capital - Priority 1

Renew

OP 464	3XXX	2018 Freshet Recovery Projects - Capital	275,000	0	0	(220,000)	0	0	(55,000)
464	XXXX	Bubna Road Culvert Replacement at Upper Vernon Creek	1,000,000	(445,000)	0	0	0	0	(555,000)
465	3410	Spencer Road Mill Creek Drainage Improvements	270,000	0	0	0	0	0	(270,000)
465	XXXX	Jean Road Drainage Improvements	100,000	0	0	0	0	0	(100,000)
Total Renew			1,645,000	(445,000)	0	(220,000)	0	0	(980,000)

New

466	XXXX	Adams Rd Drainage Improvement	100,000	0	0	0	0	0	(100,000)
Total New			100,000	0	0	0	0	0	(100,000)
Cost Center Totals			1,745,000	(445,000)	0	(220,000)	0	0	(1,080,000)

Information Services Capital - Priority 1

Renew

472	2133	Server and Data Storage Equipment	180,000	0	0	0	0	0	(180,000)
472	2130	Front Office Equipment	386,000	0	0	0	0	0	(386,000)
473	2132	Communications Networks Upgrades	105,000	0	0	0	0	0	(105,000)
OP 473	3382	Major Systems Projects	505,600	0	0	0	0	0	(505,600)
Total Renew			1,176,600	0	0	0	0	0	(1,176,600)

New

474	3343	Fibre Optic Service Lines	50,000	0	0	0	(50,000)	0	0
Total New			50,000	0	0	0	(50,000)	0	0
Cost Center Totals			1,226,600	0	0	0	(50,000)	0	(1,176,600)

Vehicle & Mobile Equipment - Priority 1

Renew

480	XXXX	Equipment and Vehicle Replacement	3,726,900	(3,726,900)	0	0	0	0	0
480	XXXX	Fleet Service Bay Equipment	50,000	0	0	0	0	0	(50,000)
Total Renew			3,776,900	(3,726,900)	0	0	0	0	(50,000)

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
New									
	481	XXXX Wheel Load Scales	16,800	0	0	0	0	0	(16,800)
OP	481	2804XX Fleet Growth	396,700	(90,000)	0	0	0	(80,000)	(226,700)
OP	482	2802XX Domestic Water System Expansion (SEKID) - Service Truck	74,800	0	0	0	0	(74,800)	0
Total New			488,300	(90,000)	0	0	0	(154,800)	(243,500)
Cost Center Totals			4,265,200	(3,816,900)	0	0	0	(154,800)	(293,500)

Fire Capital - Priority 1 Renew

488	XXXX	Tenders 1 and 4	800,400	(800,400)	0	0	0	0	0
Total Renew			800,400	(800,400)	0	0	0	0	0

New

OP	488	XXXX Zetron Dispatch Consoles	106,500	(106,500)	0	0	0	0	0
	489	XXXX Ancillary Equipment for Engine 5	120,000	(120,000)	0	0	0	0	0
Total New			226,500	(226,500)	0	0	0	0	0
Cost Center Totals			1,026,900	(1,026,900)	0	0	0	0	0
Grand Total			60,939,400	(36,973,700)	(7,158,600)	(220,000)	(2,493,400)	(454,800)	(13,638,900)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Requests

Provisional Budget

CAPITAL BUDGET Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
------	---------	-------------	------------	---------	--------	----------	---------	---------

Airport Capital - Priority 1

Renew

494	3413	Airport Convair Way Parking Lot Upgrades	2,750,000	(2,750,000)	0	0	0	0
494	2901	Airport Terminal Complex Capital Replacements	527,500	(527,500)	0	0	0	0
495	3416	Airport Air Terminal Building Advertising Nodes	175,000	(175,000)	0	0	0	0
495	3415	Airport Tugway Gate Upgrade	53,200	(53,200)	0	0	0	0
496	3417	Airport Air Terminal Building Stairway	200,000	(200,000)	0	0	0	0
496	3414	Airport Road Improvements	171,500	(171,500)	0	0	0	0
Total Renew			3,877,200	(3,877,200)	0	0	0	0

Growth

497	3412	Airport Long-term Parking Lot Expansion	5,351,000	(5,351,000)	0	0	0	0
Total Growth			5,351,000	(5,351,000)	0	0	0	0

New

497	2221	Airport Small Capital	150,000	(150,000)	0	0	0	0
Total New			150,000	(150,000)	0	0	0	0

Cost Center Totals			9,378,200	(9,378,200)	0	0	0	0
--------------------	--	--	-----------	-------------	---	---	---	---

Water Capital - Priority 1

Renew

CCP	398	329001	Ethel 4 Watermain Replacement, Sutherland - Springfield	230,000	0	0	0	0	(230,000)
	502	3XXX	Poplar Point Pump Station Electrical Power Upgrades	75,000	0	0	0	0	(75,000)
CCP OP	398	XXXX	Ethel 5 Watermain, Springfield - Rose	700,000	0	0	0	0	(700,000)
	502	XXXX	Skyline Pump Station DCC - Electrical Building Upgrades	1,000,000	(373,100)	0	0	0	(626,900)
CCP OP	399	323602	Sutherland Avenue Connections and Valves Replacement, Pandosy - Ethel	400,000	0	0	0	0	(400,000)
	503	3038	Water Meter Replacement Program	500,000	0	0	0	0	(500,000)
Total Renew				2,905,000	(373,100)	0	0	0	(2,531,900)

Growth

503	2407	Water Meter New Installations	150,000	0	0	0	(150,000)	0
504	2070W	Offsite & Oversize DCC - Water	117,200	(83,600)	0	0	0	(33,600)
Total Growth			267,200	(83,600)	0	0	(150,000)	(33,600)

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
New								
504	3xxx	Mobile Water Refill Station	20,000	0	0	0	0	(20,000)
OP 505	XXXX	Water Meter Reading and Servicing Repatriation	98,300	0	0	0	0	(98,300)
Total New			118,300	0	0	0	0	(118,300)
Cost Center Totals			3,290,500	(456,700)	0	0	(150,000)	(2,683,800)
Wastewater Capital - Priority 1								
Renew								
CCP 398	329001S	Ethel 4 Sanitary Replacement, Sutherland - Springfield	40,000	0	0	0	0	(40,000)
CCP 398	XXXX	Ethel 5 Sanitary Improvements, Springfield - Rose	80,000	0	0	0	0	(80,000)
510	3392XX	Sanitary Replacement	545,000	0	0	0	0	(545,000)
CCP 399	3236XXS	Sutherland Avenue Sanitary Replacement, Richter - Ethel	360,000	0	0	0	0	(360,000)
510	XXXX	Guy St Lift Station Renewal DCC	1,200,000	(900,000)	0	0	0	(300,000)
511	XXXX	Edwards Lift Station Upgrade	317,000	0	0	0	0	(317,000)
511	XXXX	Clement Avenue Sanitary Replacement, Kelview - Cerise	200,000	0	0	0	0	(200,000)
512	XXXX	WWTF Administration Building	400,000	0	0	0	0	(400,000)
512	XXXX	Laneway Sanitary (Bay Ave. Northwards, East of Richter)	215,000	0	0	0	0	(215,000)
513	XXXX	Gaston Avenue Sanitary Replacement, St. Paul - Richter	430,000	0	0	0	0	(430,000)
Total Renew			3,787,000	(900,000)	0	0	0	(2,887,000)
Growth								
513	XXXX	Water Street DCC Force Main	944,000	(919,500)	0	0	0	(24,500)
514	XXXX	Gyro Forcemain DCC	2,106,000	(2,080,700)	0	0	0	(25,300)
514	2070S	Offsite & Oversize DCC - Wastewater	110,000	(80,000)	0	0	0	(30,000)
515	XXXX	Swordy DCC Sanitary Sewer Upgrades	1,225,000	(1,194,400)	0	0	0	(30,600)
Total Growth			4,385,000	(4,274,600)	0	0	0	(110,400)
New								
515	XXXX	Wastewater Support Facilities	300,000	0	0	0	0	(300,000)
Total New			300,000	0	0	0	0	(300,000)
Cost Center Totals			8,472,000	(5,174,600)	0	0	0	(3,297,400)
Grand Total			21,140,700	(15,009,500)	0	0	(150,000)	(5,981,200)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Requests

Provisional Budget

CAPITAL BUDGET Summary - General Fund

Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate and Parking Capital - Priority 2								
New								
2000	General Land, Acquisition	18,000	0	0	0	0	0	(18,000)
2002	Road & Sidewalk, Land Acquisition	81,000	0	0	0	0	0	(81,000)
2004	Strategic Capital Land Needs	3,000,000	0	0	0	0	0	(3,000,000)
	Total New	3,099,000	0	0	0	0	0	(3,099,000)
Cost Center Totals								
		3,099,000	0	0	0	0	0	(3,099,000)
Building Capital - Priority 2								
Renew								
3XXX	Cameron House - Adaptive Reuse	500,000	0	0	0	0	0	(500,000)
	Total Renew	500,000	0	0	0	0	0	(500,000)
Growth								
3XXX	City Hall Accomodation	5,300,000	0	0	0	0	0	(5,300,000)
XXXX	Mission Recreation Field House - Construction	400,000	0	0	0	0	0	(400,000)
	Total Growth	5,700,000	0	0	0	0	0	(5,700,000)
New								
XXXX	Rotary Centre for the Arts - Orchestra Pit	200,000	0	0	0	0	0	(200,000)
	Total New	200,000	0	0	0	0	0	(200,000)
Cost Center Totals								
		6,400,000	0	0	0	0	0	(6,400,000)
Parks Capital - Priority 2								
Renew								
3XXX	Access for All Improvements	50,000	0	0	0	0	0	(50,000)
XXXX	Parking Renewal	100,000	0	0	0	0	0	(100,000)
	Total Renew	150,000	0	0	0	0	0	(150,000)
Growth								
3XXX	Bennett Plaza - Improvements (50% renewal)	300,000	0	0	0	0	0	(300,000)
3XXX	Boat Launch - Land Acquisition and Facility Renewal	1,000,000	0	0	0	0	0	(1,000,000)
3XXX	Cemetery Improvements	396,900	0	0	0	0	0	(396,900)
3XXX	City Wide Park Development	200,000	0	0	0	0	0	(200,000)

2019 FINANCIAL PLAN

Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	CITY OF KELOWNA		Taxation
						Dev/Com	Utility	
3XXX	Neighbourhood Park Development	700,000	0	0	0	0	0	(700,000)
3XXX	Recreation Park Development - New Baseball Diamond	200,000	0	0	0	0	0	(200,000)
XXXX	Ponds Community Park - Sports Field Construction	600,000	0	0	0	0	0	(600,000)
Total Growth		3,396,900	0	0	0	0	0	(3,396,900)

New

3XXX	Art Walk - Extension Doyle to Queensway	180,000	0	0	0	0	0	(180,000)
3XXX	Capital Opportunities and Partnership Fund	100,000	0	0	0	0	0	(100,000)
3XXX	Mill Creek Linear Park - Development Future Phases	550,000	0	0	0	0	0	(550,000)
Total New		830,000	0	0	0	0	0	(830,000)
Cost Center Totals		4,376,900	0	0	0	0	0	(4,376,900)

Transportation Capital - Priority 2
Renew

3XXX	Transit Renewal - Glenmore Network Restructure	200,000	(200,000)	0	0	0	0	0
3XXX	Transportation Renewal	3,802,500	0	0	0	0	0	(3,802,500)
Total Renew		4,002,500	(200,000)	0	0	0	0	(3,802,500)

Growth

3XXX	Road Safety & Operations Partnership with ICBC	250,000	0	0	0	0	0	(250,000)
Total Growth		250,000	0	0	0	0	0	(250,000)

New

3XXX	Gravel Shoulder Paving, Streetscaping in Urban Centres	500,000	0	0	0	0	0	(500,000)
3XXX	Sidewalk Network Expansion	225,000	0	0	0	0	0	(225,000)
3XXX	Traffic Signals and Roundabouts	150,000	0	0	0	0	0	(150,000)
3XXX	Transit Facility	15,000,000	0	0(8,850,000)		0	0	(6,150,000)
Total New		15,875,000	0	0(8,850,000)		0	0	(7,025,000)
Cost Center Totals		20,127,500	(200,000)	0(8,850,000)		0	0	(11,077,500)

Storm Drainage Capital - Priority 2
New

XXXX	Containment Devices	90,000	(25,000)	0	0	0	0	(65,000) P1
XXXX	Beach Ave Stormwater Upgrades	100,000	0	0	0	0	0	(100,000)
XXXX	Intersection of Hobson Rd & Sarsons Rd	50,000	0	0	0	0	0	(50,000) P1
Total New		240,000	(25,000)	0	0	0	0	(215,000)

Cost Center Totals		240,000	(25,000)	0	0	0	0	(215,000)
--------------------	--	---------	----------	---	---	---	---	-----------

Information Services Capital - Priority 2

Renew

3XXX	Major Systems Projects	244,500	0	0	0	0	0	(244,500)
Total Renew		244,500	0	0	0	0	0	(244,500)
Cost Center Totals		244,500	0	0	0	0	0	(244,500)
Grand Total		34,487,900	(225,000)	0	(8,850,000)	0	0	(25,412,900)

CCP - Combined capital project

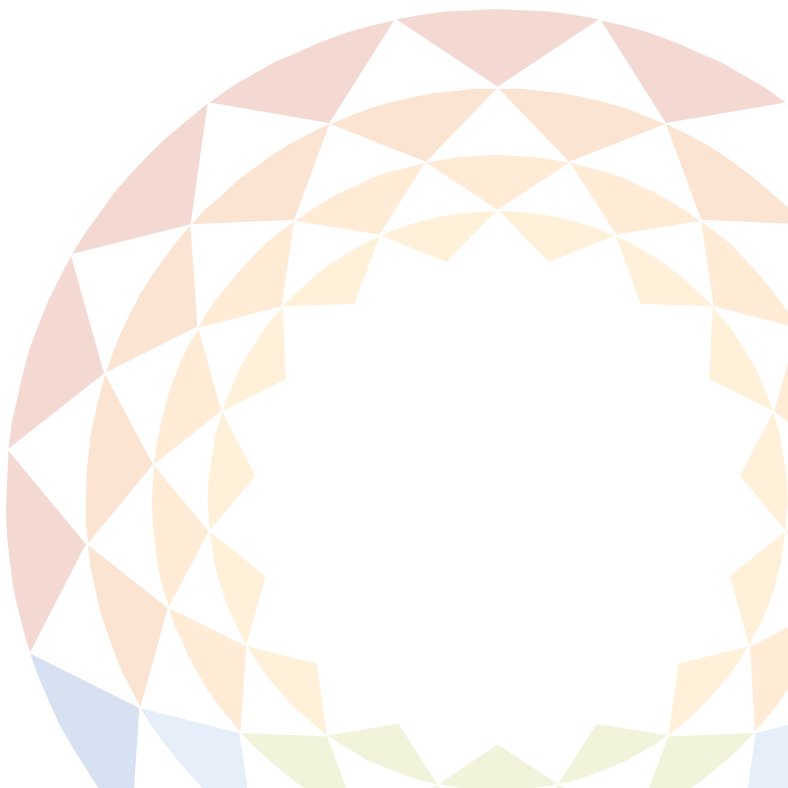
OP – See related operating request with a similar title at the end of this section

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

This page was intentionally left blank

Combined Capital Projects



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Combined Capital Projects Summary - General, Water, Wastewater Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
------	---------	-------------	------------	---------	--------	----------	---------	---------	----------

Combined Capital Projects - Priority 1

Growth/Renew

CCP	398	XXXXXX Ethel 4 DCC (Sutherland - Springfield) - ATC, Watermain and Sanitary Imp	470,000	(44,600)	0	0	0	(270,000)	(155,400)
CCP	398	XXXXXX Ethel 5 DCC (Springfield - Rose) - ATC, Watermain and Sanitary Improvements	3,180,000	(1,428,800)	0	0	0	(780,000)	(971,200)
CCP	399	XXXXXX Sutherland 2 DCC (Lake - Gordon) - ATC, Water and Sanitary Replacement	5,260,000	(3,458,300)	0	0	0	(760,000)	(1,041,700)
Total Growth			8,910,000	(4,931,700)	0	0	0	0	0
Cost Center Totals			8,910,000	(4,931,700)	0	0	0	0	0
Grand Total			8,910,000	(4,931,700)	0	0	0	0	0

CCP - Combined capital project amounts above are for presentation only as they are included in the appropriate Department summary.

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth/Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Refs:	2018 T2 - \$2.1M/W6 - \$500k/2019 WW5 - \$40k
Title:	Ethel 4 DCC (Sutherland - Springfield) - ATC, Watermain and Sanitary Imp		
			PROVISIONAL

Justification:

The Ethel Street Active Transportation Corridor (ATC) is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan. The 2018 construction project included 3 parts: The replacement of 785m of 250mm cast iron pipe with new 250mm polyvinyl chloride (PVC) watermain, the replacement or reconnection of sanitary collection services, and construction of the ATC. Due to construction market conditions and tender results in 2018, the Ethel 4 project was delayed and is proposed to be constructed in coordination with Ethel 5, in 2019, as one combined project. Additional budget is being requested to match updated construction cost estimates and to address increased complexities of the watermain replacement construction. The combined construction of the Ethel Street ATC (Phase 4/5, Sutherland to Rose) will result in a complete 2.1km ATC from Cawston to Rose.

There are no operation and maintenance budget impacts associated with this request, as they were approved in the 2018 budget.

Project Drivers: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
470,000	(44,600)	-	-	-	(270,000)	(155,400)

Department:	Capital Projects	Priority: 1	Growth/Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Refs:	2019 T2 - \$1.7M/W6 - \$700k/WW5 - \$80k
Title:	Ethel 5 DCC (Springfield - Rose) - ATC, Watermain and Sanitary Improvements		
			PROVISIONAL

Justification:

Ethel Street Active Transportation Corridor (ATC) is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan. Budget is requested for phase 5 of the project which will include: the extension of the ATC south from Springfield Road/Cadder Avenue to Guisachan Road/Rose Avenue, the renewal of sanitary connections along approximately 400 m of sanitary sewer main, the reconfiguration of sanitary facilities at the Ethel/Springfield intersection, and the replacement of 390m of 250mm ductile iron pipe with new 250mm polyvinyl chloride (PVC) watermain which has reached the end of its service life. Future phases will extend south to Raymer Avenue, KLO Road and Casorso Road.

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

Project Drivers: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,180,000	(1,428,800)	-	-	-	(780,000)	(971,200)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth/Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Refs:	2019 T2 - \$5.5M/W6 - \$400k/WW5 - \$360k
Title:	Sutherland 2 DCC (Lake - Gordon) - ATC, Water and Sanitary Replacement		PROVISIONAL

Justification:

Sutherland Ave is identified as a key corridor in the Pedestrian Bicycle Master Plan. Budget is requested to add a protected 2-way bicycle lane facility along the north side of Sutherland Ave from Pandosy St to Gordon Dr and along the west side of Pandosy St from Sutherland Ave to Lake Ave. Works will include protected bike lanes along the north side of the roadway, widening / traffic signal upgrades at major intersections, curb and sidewalk changes, relocation of bus stops, enhanced road markings, signage and street lighting upgrades. In addition, aging property connections and valves will be replaced between Pandosy and Ethel as well as 410m of aging 200mm vitrified clay pipe sewer mainline will be replaced with polyvinyl chloride (PVC) from Richter to Ethel. This project is proposed to be constructed in coordination with the Ethel 4 project in 2019, as part of a combined contract.

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

Project Drivers: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
5,260,000	(3,458,300)	-	-	-	(760,000)	(1,041,700)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Ethel 5 DCC (Springfield-Rose), ATC		PROVISIONAL

Justification:

Budget is requested for the ongoing operating and maintenance costs for the Ethel 5 Springfield to Rose project.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	5,600	0	0	0	0	0	0	(5,600)
2021	11,200	0	0	0	0	0	0	(11,200)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Sutherland 2 DCC (Lake - Gordon), ATC		PROVISIONAL

Justification:

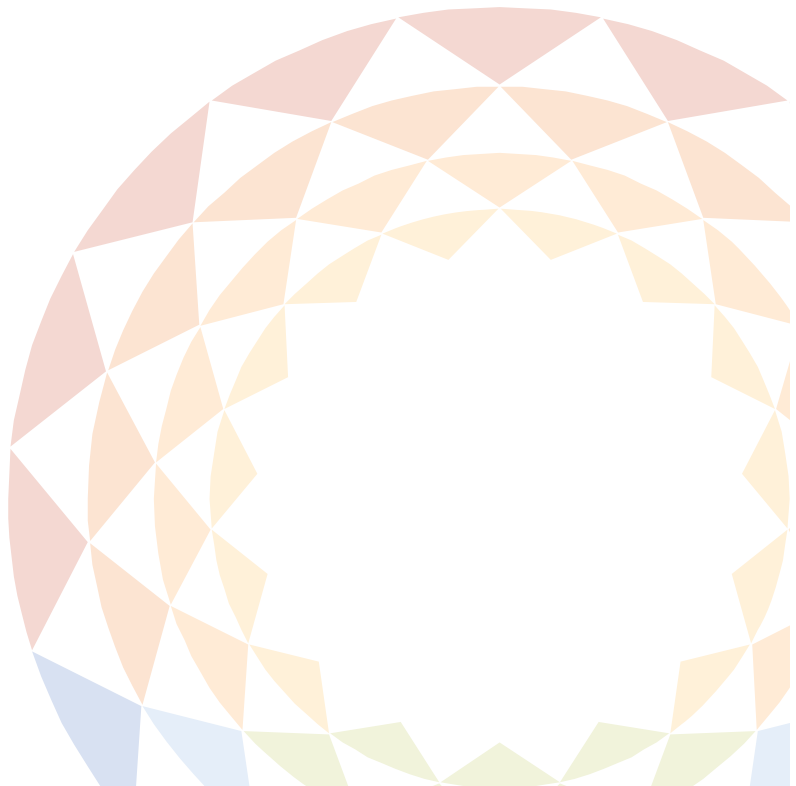
Budget is requested for operating and maintenance costs for the Sutherland Avenue/Lake Avenue to Gordon Drive project.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	26,500	0	0	0	0	0	0	(26,500)
2021	26,500	0	0	0	0	0	0	(26,500)

Real Estate & Parking



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Real Estate and Parking Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate and Parking Capital - Priority 1									
Renew									
404	308201	Parking Equipment and Facilities	415,000	(415,000)	0	0	0	0	0
404	308206	Chapman Parkade - Infrastructure Renewal	499,000	(499,000)	0	0	0	0	0
Total Renew			914,000	(914,000)	0	0	0	0	0
Growth									
405	2003	DCC Road Widening, Land Acquisition	60,000	(50,700)	0	0	0	0	(9,300)
405	XXXX	Chapman Parkade - Expansion	300,000	(300,000)	0	0	0	0	0
Total Growth			360,000	(350,700)	0	0	0	0	(9,300)
New									
406	3XXX	Affordable Housing Land Acquisition	750,000	(750,000)	0	0	0	0	0
406	2000	General Land, Acquisition	1,586,700	(1,000,000)	0	0	0	0	(586,700)
407	2002	Road & Sidewalk, Land Acquisition	80,000	0	0	0	0	0	(80,000)
407	3082XX	Chapman Parkade - Secure Parking Area	80,000	(80,000)	0	0	0	0	0
408	2004	Strategic Land Servicing Requirements	250,000	(250,000)	0	0	0	0	0
Total New			2,746,700	(2,080,000)	0	0	0	0	(666,700)
Cost Center Totals			4,020,700	(3,344,700)	0	0	0	0	(676,000)
Grand Total			4,020,700	(3,344,700)	0	0	0	0	(676,000)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L3 - \$407k	
Title:	Parking Equipment and Facilities		PROVISIONAL

Justification:

Budget is requested to renew parking infrastructure and invest in efficient parking management by replacing parking meters with pay stations as part of a multi-year renewal program for equipment that has reached end of life and to add new locations as required. Ongoing renewal of enforcement equipment, servers and pavement in pay parking lots is also included in this annual request.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parking Services contract services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
415,000	(415,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L3 - \$499k	
Title:	Chapman Parkade - Infrastructure Renewal		PROVISIONAL

Justification:

A structural evaluation of the Chapman Parkade, constructed in 2002, was performed in 2017. The engineer recommended a number of preventative measures for completion over the next 10 years. Ongoing rehabilitation work is necessary to ensure the facility's maximum life expectancy is achieved. Budget is requested to allow for the completion of work identified for 2019 including repairs to the deck surface and reapplication of the protective traffic deck coating on Levels 2, 5 and the up/down ramps. Repainting of the parkade interior is also included in this work.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parking Services contract services operating budget.

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
499,000	(499,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L2 - \$60k	
Title:	DCC Road Widening, Land Acquisition		PROVISIONAL

Justification:

Budget is requested to fund the purchase of land required for widening of roads identified in the DCC program. The land acquisitions will be made when required and are subject to Council approval. Available budget provides the opportunity to purchase land when land becomes accessible therefore preventing missed opportunities.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
60,000	(50,700)	0	0	0	0	(9,300)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L3 - \$300k	
Title:	Chapman Parkade - Expansion		PROVISIONAL

Justification:

The Chapman Parkade was designed with potential to add additional floors. A consultant was retained in 2018 to complete a detailed design development report to establish costs and options for the project once the new BC building code is released. Budget is requested to complete detailed design work in 2019 to allow construction to begin in 2020.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parking Services contract services operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(300,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: Not included L1	
Title:	Affordable Housing Land Acquisition		PROVISIONAL

Justification:

The City regularly partners with BC Housing for the development of affordable and supportive housing in the community. The City has a Housing Opportunity Reserve Fund to provide funds for these land purchases however, the Housing Opportunity Reserve Fund does not currently have the necessary funds to acquire a parcel of land. Given the current need for affordable housing and ability to partner with other levels of government, budget is requested to acquire land for this purpose.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Housing diversity

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
750,000	(750,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L1 - \$1.7M	
Title:	General Land, Acquisition		PROVISIONAL

Justification:

Budget is requested to purchase land as unique and time-sensitive opportunities arise. This may allow for acquiring strategic properties to facilitate land assemblies, create a revenue generating land bank and provide trade potential. Strategically purchased land has been used for numerous unique initiatives in recent years (Innovation Center, Interior Health Authority, Henderson's site, Central Green, Drysdale site, BC Housing, affordable housing, etc.) and it is imperative that the City continue to find acquisitions of this nature in order to ensure future opportunities are maximized.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,586,700	(1,000,000)	0	0	0	0	(586,700)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L2 - \$19k	
Title:	Road & Sidewalk, Land Acquisition		PROVISIONAL

Justification:

As identified by Infrastructure Planning, budget is requested to fund the purchase of land required for widening of roads and the expansion of the City's sidewalk network. The funds will also be used to acquire road widenings in excess of the 20m width that is a requirement of the development approval process. Acquisitions are targeted toward key missing linkages in the City's existing road and sidewalk network. Identified target areas include the Rutland Town Centre, Clifton Road and Gordon Drive. Historically the budget allocation in the 10 year capital plan has proven to be inadequate, especially during periods of high development, and will be addressed in the next 10 year capital plan update. The proposed budget request of \$80k would allow for 2 typical acquisitions (\$40K per acquisition) in 2019.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
80,000	0	0	0	0	0	(80,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: Not Included L3	
Title:	Chapman Parkade - Secure Parking Area		PROVISIONAL

Justification:

The reserved area of the Chapman Parkade is utilized primarily on weekdays and experiences a disproportionate amount of undesirable activity, especially in the evening/overnight and weekend periods due to its great location and multiple access points. Budget is requested to allow for the installation of gates and doors to transition this level into secure parking, similar to the existing reserved area at the Library Parkade.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parking Services contract services operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Public safety programs

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
80,000	(80,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2019 L4 - \$250k	
Title:	Strategic Land Servicing Requirements	PROVISIONAL	

Justification:

The mandate of the Strategic Land Development department is to identify future strategic land assemblies, add value to real property dispositions, and realize corporate objectives and the Official Community Plan through creative real estate strategies.

Several projects and properties have been identified that have the potential to return social, economic, environmental, and cultural benefits to the City such as the current RCMP/Civic Block site. To deliver many of these projects, budget is requested to cover the servicing required. The department's intent is to grow the funding available for development servicing requirements for major projects.

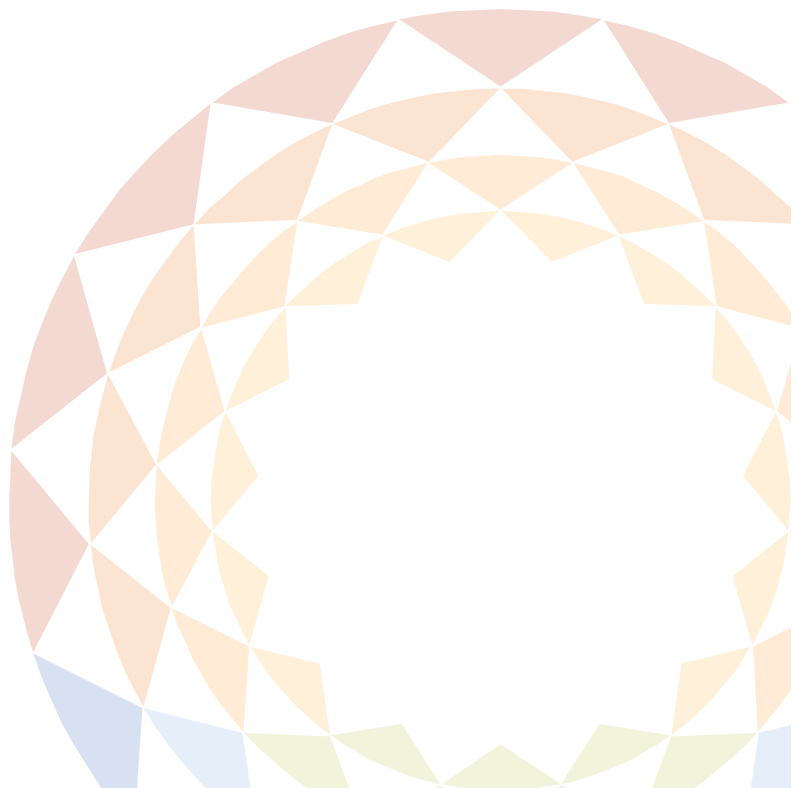
There are no operation and maintenance budget impacts associated with this request.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: A well-run City - Pioneering leadership

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

Building



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Building Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Building Capital - Priority 1									
Renew									
OP	412	3174	City Hall, Phase IV - Renovations	3,300,000	(2,800,000)	0	0	0	(500,000)
	412	XXXX	Rutland Firehall Roof Repair	55,000	0	0	0	0	(55,000)
	413	XXXX	Kelowna Library, Chiller - Replacement	400,000	(400,000)	0	0	0	0
	413	XXXX	Water St Firehall #2 - Repairs	800,000	(486,500)	0	0	0	(313,500)
	414	XXXX	City Hall, Council Chambers - Audiovisual System	200,000	(65,000)	0	0	0	(135,000)
	414	XXX1XX	Kelowna Family Y Infrastructure Renewal Projects	220,000	(25,000)	0	0	0	(195,000)
	415	XXX1XX	H2O Infrastructure Renewal Projects	440,000	(440,000)	0	0	0	0
	415	XXXX	Kelowna Community Theatre, Stage - Curtains & Piano	64,000	(64,000)	0	0	0	0
RED	416	XXXX	City Hall - Boiler	350,000	(224,400)	0	0	0	(125,600)
	416	XXXX	Rutland Arena, East - HVAC Equipment	100,000	(100,000)	0	0	0	0
Total Renew			5,929,000	(4,604,900)	0	0	0	0	(1,324,100)
New									
OP	417	3175	Canyon Falls Neighbourhood Learning Centre	60,000	0	0	0	0	(60,000)
	417	XXXX	Water Support Facilities - Yards Location	300,000	0	0	0	(300,000)	0
Total New			360,000	0	0	0	0	(300,000)	(60,000)
Cost Center Totals			6,289,000	(4,604,900)	0	0	0	(300,000)	(1,384,100)
Grand Total			6,289,000	(4,604,900)	0	0	0	(300,000)	(1,384,100)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B3 - \$2.8M	
Title:	City Hall, Phase IV - Renovations	PROVISIONAL	

Justification:

Budget is requested for the Phase IV renovations in the basement level, as part of the ongoing renovations to improve the effective use of City Hall. The existing basement is poorly laid out with less than thirty workstations. The renovations will more than double the number of workstations available to meet staffing demands, reduce reliance on lease space, and create a more modern working environment. This will be followed with a 2020 Capital budget request for Phase V Renovations to Level 1. When the approved project was put on hold, part of the funds were used to cover the 2017 flood damage. Additional funding is now requested to cover the escalation in construction costs over the past 2 years. The project scope has also been increased to include energy improvements to the external envelope, heating and lighting. These were not anticipated in the 10 year capital plan.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,300,000	(2,800,000)	0	0	0	0	(500,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B3	
Title:	Rutland Firehall Roof Repair	PROVISIONAL	

Justification:

Budget is requested to replace a roof section on the Rutland Firehall. This project is the result of ongoing evaluation of roof conditions on all City-owned facilities and the implementation of an ongoing capital renewal work program. There are two roof sections on the Rutland Fire Hall that were identified as having reached their anticipated service life. The highest priority roof sections will be replaced in 2019 and the other section will be included in a budget request to replace in 2020.

There are no operation and maintenance budget impacts associated with this request.

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
55,000	0	0	0	0	0	(55,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B2	
Title:	Kelowna Library, Chiller - Replacement		PROVISIONAL

Justification:

Budget is requested to replace the 23 year-old heating, ventilation and air conditioning (HVAC) chiller serving the Kelowna Library which has reached the end of its service life.

There are no operation and maintenance budget impacts associated with this request.

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
400,000	(400,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B3 - \$800k	
Title:	Water St Firehall #2 - Repairs		PROVISIONAL

Justification:

A masonry conditions assessment of this iconic heritage building in downtown Kelowna completed in 2014 made several recommendations to maintain or improve the exterior envelope of the building. These included bracing the original unrestrained brick parapets, replacing parapet and cornice flashings, and replacing failed mortar. Further delay will result in further degradation of the building envelope, and greater cost as a result. Budget is requested to undertake these repairs to the external building envelope.

There are no operation and maintenance budget impacts associated with this request.

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
800,000	(486,500)	0	0	0	0	(313,500)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B3 - \$200k	
Title:	City Hall, Council Chambers - Audiovisual System	PROVISIONAL	

Justification:

Budget is requested to upgrade and replace the Audio, Video and Control equipment serving the Council Chambers that have reached the end of service life and no longer meet the requirements for reliability and/or serviceability.

There are no operation and maintenance budget impacts with this request.

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
200,000	(65,000)	0	0	0	0	(135,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B1 - \$220k	
Title:	Kelowna Family Y Infrastructure Renewal Projects	PROVISIONAL	

Justification:

Budget is requested for the following Infrastructure Renewal projects at the Kelowna Family Y Rutland location:

Elevator Modernization: To upgrade the elevator which has been in service for 32 years. Reliability and serviceability are becoming concerns due to the age of the mechanical components. Modernization of the elevator will include a full mechanical and cosmetic upgrade which will bring the elevator up to current code requirements and add another 20-25 years of service life (\$150K).

Chlorine Auto Shut-off Regulators: To install automatic shut-off valves on the chlorine system as per Part 6 of the WorkSafe BC Occupational Health and Safety Regulations (\$45K).

Replacement of pool equipment: Includes new diving boards, diving blocks, stanchions and ropes (\$25K).

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
220,000	(25,000)	0	0	0	0	(195,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B1 - \$440k	
Title:	H2O Infrastructure Renewal Projects		PROVISIONAL

Justification:

Budget is requested for the following Infrastructure Renewal projects:

FlowRider feature: To replace the mechanical and rider support systems on the H2O FlowRider attraction which have reached the end of their service life. A feasibility study report was completed in 2018 to identify the best option for capital investment regarding the H2O Adventure & Fitness Centre's FlowRider feature. The study evaluated the work and financial impact associated with redevelopment of the space and concluded renewal of the FlowRider feature to be the best value for the aquatic centre and community as a whole (\$300K).

Chlorine Auto Shut-Off Regulators: To install automatic shut-off valves on the chlorine system as per Part 6 of the WorkSafe BC Occupational Health & Safety Regulations (\$65K).

Replacement of pool equipment: Includes new diving boards, diving blocks, stanchions and ropes (\$75K).

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
440,000	(440,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B2 - \$64k	
Title:	Kelowna Community Theatre, Stage - Curtains & Piano		PROVISIONAL

Justification:

Budget is requested for the replacement of 20 year old stage curtains which are visibly worn, and lack adequate fire resistance. Funding is also requested for the refurbishment, structural repair and refinishing of the 1961 concert grand piano. This request is to be funded from the Theatre's Capital Improvement Fund.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: An active, inclusive city - Cultural experiences

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
64,000	(64,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B3	
Title:	City Hall - Boiler		PROVISIONAL

Justification:

Budget is requested to replace the City Hall boilers which will include an upgrade to higher efficiency equipment and incorporate a new heat exchanger for the domestic hot water system. The existing heating boilers serving City hall are 27 years old and are at the end of their service life. The new system is estimated to reduce natural gas consumption for City Hall by 607 GJ/Year, reduce corporate GHG emissions by 31 Tonnes/Year and reduce operational cost by \$9,800/Year. The estimated payback term on the incremental cost to upgrade from low to high efficiency equipment is 3.3 years.

The ongoing impacts for this request are included in this capital section as a reduction request with the same title.

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
350,000	(224,400)	0	0	0	0	(125,600)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B1 - \$100k	
Title:	Rutland Arena, East - HVAC Equipment		PROVISIONAL

Justification:

Budget is requested to replace the heating, ventilation, and air conditioning (HVAC) equipment serving Rutland Arena East which have reached the end of their service life.

There are no operation and maintenance budget impacts associated with this request.

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
100,000	(100,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2019 B6 - \$232k	
Title:	Canyon Falls Neighbourhood Learning Centre	PROVISIONAL	

Justification:

A new Neighbourhood of Learning Centre (NLC) is currently being constructed in partnership with School District No. 23, at the new Canyon Falls Middle School in the Upper Mission. The proposed NLC space will include dedicated multi-functional spaces for City community programming, a larger gymnasium for shared use by both the community and the school, and external year-round washrooms to service the adjacent community park. Capital costs are funded by the Ministry of Education. Funding is requested for additional fit out costs associated with the new NLC, including multi-purpose sports flooring, fixtures & furniture. There are no other budget requests for the balance of the \$232k outlined in the Capital Opportunities and Partnership Program within the 10 year Capital plan in 2019.

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: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A strong economy - Building & maintaining partnerships

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
60,000	0	0	0	0	0	(60,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B4	
Title:	Water Support Facilities - Yards Location	PROVISIONAL	

Justification:

The Southeast Kelowna Irrigation District (SEKID) integration and City upgrades will require a restructuring of the current Utility Services branch. This restructuring will require the relocation of some staff, shop space and operating equipment between City Yards and the Wastewater Treatment Facility.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Water Operations budget

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	0	0	0	0	(300,000)	0

2019 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Community & Neighbourhood Services		ON-GOING
Title:	Canyon Falls Neighbourhood Learning Centre		PROVISIONAL

Justification:

The City intends to enter into an agreement with School District No. 23 (SD23) to operate a Neighbourhood Learning Centre (NLC) in the new Canyon Falls Middle School which will open in September 2019. The location of this new NLC will enable Active Living & Culture to expand programming in this area. As the operator of the NLC, the City will share annual operating costs and will realize program revenue and expenses which will be prorated for the last three months of 2019 due to the opening date. This request recognizes these budget requirements and a budget for start up equipment. The agreement will be reviewed after three years of operation.

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

Corporate Framework: An active, inclusive city - Active living opportunities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	28,500	0	0	0	0	(16,500)	0	(12,000)
2020	60,000	0	0	0	0	(50,000)	0	(10,000)
2021	62,800	0	0	0	0	(53,000)	0	(9,800)

Division:	Infrastructure	Priority: 1	New
Department:	Parks & Buildings Planning		ONE-TIME
Title:	City Hall, Phase IV - Renovations		PROVISIONAL

Justification:

Budget is requested for the lease and maintenance costs of temporary office space to accommodate staff currently located on the Garden Level of City Hall while renovations are being completed. The budget request is based on lease costs rates for appropriate office space currently available on the market, as well as moving costs, data connection costs, additional furniture costs, and ongoing janitorial and maintenance costs.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	0	0	0	0	0	0	(50,000)

2019 Reduction Request Details

Division:	Civic Operations	Priority: 1	
Department:	Civic Operations		ON-GOING
Title:	City Hall - Boiler		PROVISIONAL

Justification:

Improved boiler efficiency at City Hall will reduce natural gas and electrical consumption.

This is the ongoing budget reduction associated with the capital request.

2019 Base Budget:

Natural Gas \$26,520

Electricity \$91,400

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	(4,800)	0	0	0	0	0	0	4,800
2020	(9,800)	0	0	0	0	0	0	9,800
2021	(9,800)	0	0	0	0	0	0	9,800

This page was intentionally left blank

Parks



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Parks Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Parks Capital - Priority 1									
Renew									
424	2591	Strathcona-Royal Waterfront	490,000	(183,000)	0	0	0	0	(307,000)
424	XXXX	Knox Mountain Park, Paul's Tomb Trail	250,000	0	0	0	0	0	(250,000)
425	XXXX	City Park Promenade Design - Phase 2	200,000	0	0	0	0	0	(200,000)
OP 425	XXXX	Hobson Rd Park - Interim Access	50,000	0	0	0	0	0	(50,000)
426	3184XX	Kelowna Memorial Park Cemetery	202,000	(102,000)	0	0	0	0	(100,000)
426	XXXX	Bankhead Park - Playground	30,000	0	0	0	0	0	(30,000)
427	XXXX	High Noon Park - Phase 3 Renewal	50,000	0	0	0	(25,000)	0	(25,000)
Total Renew			1,272,000	(285,000)	0	0	(25,000)	0	(962,000)
Growth									
427	2917	Glenmore Recreation Park, Phase 2 - Construction	3,300,000	(1,454,600)	0	0	0	0	(1,845,400)
428	2030	DCC Parkland Acquisition	4,276,700	(3,974,200)	0	0	0	0	(302,500)
428	XXXX	Barlee Park Expansion	300,000	0	0	0	0	0	(300,000)
Total Growth			7,876,700	(5,428,800)	0	0	0	0	(2,447,900)
New									
429	2031	Natural/Linear Park Acquisition	200,000	0	0	0	0	0	(200,000)
429	XXXX	Mission Recreation Park, Protective Netting - Construction	110,000	(35,000)	0	0	(25,000)	0	(50,000)
Total New			310,000	(35,000)	0	0	(25,000)	0	(250,000)
Cost Center Totals			9,458,700	(5,748,800)	0	0	(50,000)	0	(3,659,900)
Grand Total			9,458,700	(5,748,800)	0	0	(50,000)	0	(3,659,900)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: Not included P6	
Title:	Strathcona-Royal Waterfront	PROVISIONAL	

Justification:

In 2014, \$350k was approved by Council to protect City-owned shoreline between Strathcona and Royal Avenues from erosion and to develop a waterfront pedestrian path and landscape park space. A lengthy design and permitting process ensued. Provincial approval of the works was finally received in September 2018. Due to the lengthy approval process, consultant effort and cost increased beyond that originally anticipated and the costs of construction increased significantly. For these reasons, an additional \$307k is requested to complete the project.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
490,000	(183,000)	0	0	0	0	(307,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P7 - \$250k	
Title:	Knox Mountain Park, Paul's Tomb Trail	PROVISIONAL	

Justification:

Knox Mountain Park is one of the City's most popular parks and as a result has experienced significant erosion and wear. In 2011, the Council endorsed Knox Mountain Management Plan proposed a number of specific capital improvements to the park over two decades, to a current total value of \$2.85 million. In order to provide a degree of financial viability, the improvements are phased throughout the duration of the 2030 Infrastructure Plan. The Paul's Tomb trail was damaged by rock fall in 2016, restricting access for both emergency vehicles and vehicles to service the portable toilets. Damage to the trail was assessed by consultants in 2016. Budget is therefore requested to restore the damaged crib walls and widen the trail for vehicular access as a priority for 2019, and resume the Management Plan works with a budget request for 2020.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	0	0	0	0	0	(250,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2020 P6 - \$1.5M	
Title:	City Park Promenade Design - Phase 2	PROVISIONAL	

Justification:

Budget is requested for schematic design of waterfront walkway and surrounding areas in City Park from Hot Sands Washroom to the Sails. The existing walkway is functionally obsolete and is in poor condition due to its age, settlement and damage from tree roots. A detailed cost estimate for construction would be developed from the schematic design leading to budget requests in subsequent years. Construction of the walkway from the washroom to the point is identified in the 10-Year Capital Plan for completion in 2020. The remaining phase of the works, from the Point to the Sails, is identified in 2024 as a priority 2.

There are no operating and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	0	0	0	0	0	(200,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P6 - \$50k	
Title:	Hobson Rd Park - Interim Access	PROVISIONAL	

Justification:

Parkland has been recently acquired on Hobson Road and the existing house will be demolished in Spring 2019. In order to deter undesirable use of the land, budget is requested to facilitate an interim opening of the parkland for safe public access until such time when funding is achieved for the full development. Costs include some tree removal, earthworks, and irrigation modifications to allow views into the site for safety and crime prevention.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P8 - \$387k	
Title:	Kelowna Memorial Park Cemetery	PROVISIONAL	

Justification:

Kelowna Memorial Park Cemetery (KMPC) is over 125 years old and much of the infrastructure is aging. In particular, the irrigation system is in need of renewal. The cemetery's irrigation system is 29 years old and at the end of its anticipated life expectancy. Full replacement of the irrigation system at this location will improve the watering efficiency from 57% to 75%, which would save enough water to supply 37 homes in Kelowna per year. Budget is therefore requested for the following: irrigation flow sensing capability to protect the cemetery property from any major leaks, the first phase of irrigation system renewal (total replacement estimated at \$820k), the first of three phases for the Wayfinding Strategy as identified in the KMPC, and general site infrastructure repairs and replacement of aging infrastructure as identified in the KMPC. This request is reduced from the 10 year capital plan as a budget request will be made in a subsequent year for the balance of the irrigation system renewal. There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
202,000	(102,000)	0	0	0	0	(100,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P8 - \$30k	
Title:	Bankhead Park - Playground	PROVISIONAL	

Justification:

Budget is requested for the replacement of playground equipment and resurfacing at Bankhead Park. The equipment is over fifty years old, in need of repair, of poor play value, and not to current safety standards.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
30,000	0	0	0	0	0	(30,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: Not included P8	
Title:	High Noon Park - Phase 3 Renewal		PROVISIONAL

Justification:

Budget is requested to continue support for the Kelowna Minor Fastball Society user group at High Noon Park, who are providing half of the funding. The Phase 3 renewal includes fencing replacement, bleacher replacements, and dugout improvements.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	(25,000)	0	(25,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P5 - \$3.3M	
Title:	Glenmore Recreation Park, Phase 2 - Construction		PROVISIONAL

Justification:

Budget is requested for the next phase of development of Glenmore Recreation Park. The initial phase of construction, which was completed in spring 2018, was for utility servicing, site earthworks and drainage, construction of a road base and installation of Agricultural Land Reserve buffering. This budget request is for the installation of two multi-use grass sport fields, footpaths, access roadway, and parking. The City has a contractual obligation to provide a road to the existing properties within two years of the start of construction. The operating and maintenance budget for this project were included with the first phase. The operation and maintenance budget will therefore be minimal with this request and will be accommodated within the Parks Services contract services operating budget.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: An active, inclusive city - Active living opportunities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,300,000	(1,454,600)	0	0	0	0	(1,845,400)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P1 - \$4.3M	
Title:	DCC Parkland Acquisition		PROVISIONAL

Justification:

Budget is requested for the acquisition of land to be used for Neighbourhood, Community, City-wide and Recreation type parks in accordance with the 20-Year Servicing Plan and DCC reserve funding availability.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
4,276,700	(3,974,200)	0	0	0	0	(302,500)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P3 - \$300k	
Title:	Barlee Park Expansion		PROVISIONAL

Justification:

Budget is requested for design and construction of an expansion to Barlee Park, a neighbourhood-level park in the central city sector. This is the City's highest priority area for a new neighbourhood park as the surrounding area has witnessed significant residential development over the past decade and is in need of neighbourhood amenities and green space. The expansion will require the demolition of an old house along with the installation of a new playground and grassy play area.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Park Services operating budget.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Strengthening our neighbourhoods

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	0	0	0	0	0	(300,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P2 - \$500k	
Title:	Natural/Linear Park Acquisition		PROVISIONAL

Justification:

Budget is requested to support the City's ongoing acquisition program for natural area and linear parks in accordance with the Council approved Parkland Acquisition Strategy, Official Community Plan and Linear Park Master Plan. Linear parks are amongst the most heavily used park types and this is the only funding source for such acquisitions. Several large sections are close to being fully realized and while some significant opportunities are anticipated in 2019, it is less than projected in the 10 year capital plan.

There are no operation and maintenance budget impacts associated with this request.

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
200,000	0	0	0	0	0	(200,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2019 P5 - \$100k	
Title:	Mission Recreation Park, Protective Netting - Construction		PROVISIONAL

Justification:

The Mission Recreation Park Softball Quad was built approximately 20 years ago based on softball standards of the day. As the park has developed, amenities have been added around the complex that support general park purposes including: a dog park, community gardens, greenway access point, additional parking, etc. Due to advances in sport technologies and athletic performance, there has been an increased frequency of balls being hit out of the park into the surrounding amenities. Budget is requested for a protective netting structures to prevent the number of balls leaving the softball quad.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
110,000	(35,000)	0	0	(25,000)	0	(50,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Hobson Rd Park - Interim Access		PROVISIONAL

Justification:

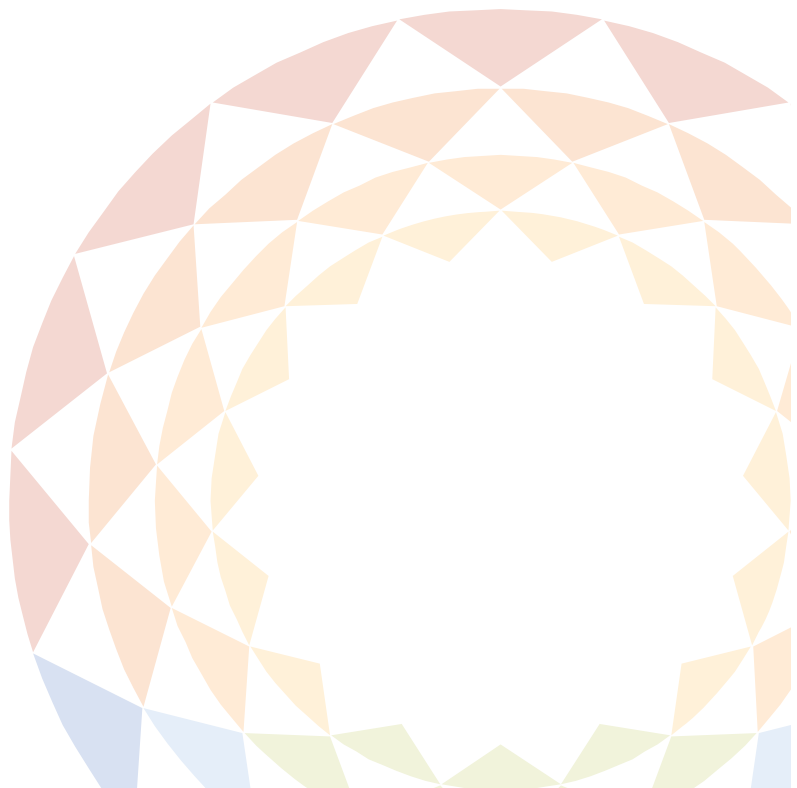
Budget is requested for park maintenance costs for the newly acquired Hobson Park. Initially this park will be maintained to a very basic standard to allow safe public access, until the site can be fully developed in future. Budget will cover beach cleaning, rough mowing, weed control and general maintenance.

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
2019	26,500	0	0	0	0	0	0	(26,500)
2020	26,500	0	0	0	0	0	0	(26,500)
2021	26,500	0	0	0	0	0	0	(26,500)

Transportation



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Transportation Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
------	---------	-------------	------------	---------	--------	----------	---------	---------	----------

Transportation Capital - Priority 1

Renew

	435	2083	Roads Resurfacing	3,744,300	(3,003,900)	0	0	0	0	(740,400)
OP	435	2086	Bridge Rehabilitation and Inspections	516,900	0	0	0	0	0	(516,900)
OP	436	2091T	Neighbourhood Traffic Calming	50,000	0	0	0	0	0	(50,000)
OP	436	3289	Sidewalk & Bikeway Renewal	100,000	0	0	0	0	0	(100,000)
	437	3233	Street Light Replacement - Pole & Wiring	308,400	0	0	0	0	0	(308,400)
	437	3239	Traffic Signal and Communications Upgrades and Renewals	260,000	0	0	0	0	0	(260,000)
OP	438	207601	Transit - Equipment Renewal (Bus Stops and Shelters)	150,000	(150,000)	0	0	0	0	0
Total Renew				5,129,600	(3,153,900)	0	0	0	0	(1,975,700)

Growth

OP	438	XXXX	Intelligent Transportation Systems	65,000	0	0	0	0	0	(65,000)
OP	439	331601	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road	7,870,700	(2,000,000)	(5,870,700)	0	0	0	0
OP	439	3XXX01	Gordon 1 DCC (Frost - South Perimeter), Road	1,842,900	(555,000)	(1,287,900)	0	0	0	0
OP	440	3362XX	Pedestrian & Cyclist Safety Improvement	150,000	0	0	0	0	0	(150,000)
CCP	398	329001	Ethel 4 DCC (Sutherland - Springfield), ATC	200,000	(44,600)	0	0	0	0	(155,400)
CCP	OP	398	335901	Ethel 5 DCC (Springfield-Rose), ATC	2,400,000	(1,428,800)	0	0	0	(971,200)
CCP	OP	399	323604	Sutherland 2 DCC (Lake - Gordon), ATC	4,500,000	(3,458,300)	0	0	0	(1,041,700)
	OP	440	323603	Sutherland 1 DCC (Gordon - Burtch), ATC	2,883,100	(489,700)	0	(2,393,400)	0	0
	441	2866XX	Lakeshore 1 DCC Bridge at Bellevue Creek	280,000	(236,600)	0	0	0	0	(43,400)
	441	XXXX01	Clement 1 DCC (Ellis - Graham), Road	200,000	(156,000)	0	0	0	0	(44,000)
	442	XXXX01	Lakeshore 4 DCC (Lanfranco - Richter), Road	75,000	(60,800)	0	0	0	0	(14,200)
	442	3048L	Hollywood 7 DCC (Sexsmith - Appaloosa), Land	1,656,000	(1,396,000)	0	0	0	0	(260,000)
	443	321002	Stewart Road West 3 DCC (Crawford - Swamp), Road	150,000	(126,800)	0	0	0	0	(23,200)
Total Growth				22,272,700	(9,952,600)	(7,158,600)	0	(2,393,400)	0	(2,768,100)

New

OP	443	2085	Active Transportation Corridor	320,000	(110,000)	0	0	0	0	(210,000)
OP	444	2084	Sidewalk Network Expansion	300,000	(85,000)	0	0	0	0	(215,000)
	444	XXXX	Traffic Signals and Roundabouts	200,000	0	0	0	0	0	(200,000)
OP	445	207602	Transit - New Equipment (Bus Stops)	175,000	(175,000)	0	0	0	0	0
Total New				995,000	(370,000)	0	0	0	0	(625,000)

Cost Center Totals	28,397,300	(13,476,500)	(7,158,600)		0	(2,393,400)	0	(5,368,800)
Grand Total	28,397,300	(13,476,500)	(7,158,600)		0	(2,393,400)	0	(5,368,800)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$3.7M	
Title:	Roads Resurfacing		PROVISIONAL

Justification:

Budget is requested for the road resurfacing program which is anticipated to include (preliminary): K.L.O. Rd (Gordon Dr to Benvoulin Rd), Benvoulin Rd (KLO Rd to Chamberlain Rd), Gordon Dr (Springfield Rd to KLO Rd), Summit Dr (Glenmore Dr to Valley Rd), Clifton Rd (Mountain Ave to Caraglen Way), Valley Rd (Cross Rd to Union Rd), Gerstmar Rd (Highway 33 to Springfield Rd), and High Rd (Clifton Rd to Glenmore Dr).

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,744,300	(3,003,900)	0	0	0	0	(740,400)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$300k	
Title:	Bridge Rehabilitation and Inspections		PROVISIONAL

Justification:

Budget is requested for this annual program which undertakes inspections and rehabilitation of the City's bridges. Each year 50 per cent of bridges are inspected, 20 per cent in detail and 30 per cent at a high level. Issues identified through inspections are prioritized for rehabilitation in the current or following years. Additional funding, beyond the 10-Year Capital Plan is requested to address issues identified in 2018.

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

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
516,900	0	0	0	0	0	(516,900)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: Not included T7	
Title:	Neighbourhood Traffic Calming		PROVISIONAL

Justification:

Traffic calming provides safer streets and improves quality of life for existing neighbourhoods experiencing short-cutting and speeding traffic. There are more than 250 service requests for traffic calming in various locations. Potential traffic calming locations are selected based on technical evaluation and neighbourhood support. Budget is requested to implement typical improvements such as speed humps and traffic circles but also may include other speed mitigation strategies where applicable.

The ongoing impacts for this request are included in this capital section as an ongoing request with same title.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A well-run City - Responsive customer service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$100k	
Title:	Sidewalk & Bikeway Renewal		PROVISIONAL

Justification:

Budget is requested to allow for completion of projects to address deteriorated conditions and functional deficiencies of existing transportation infrastructure.

2019 projects include:

- 1) Add or replace existing bike lanes with buffered bike lanes in conjunction with resurfacing - \$60,000
- 2) Replace existing sidewalk segments with degrading surface and profile - \$40,000

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

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
100,000	0	0	0	0	0	(100,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$308k	
Title:	Street Light Replacement - Pole & Wiring		PROVISIONAL

Justification:

Budget is requested to replace street light poles and wiring that are at the end of their service life. Poles typically fail through rusting at their bases where they can be exposed to damp conditions. This program maintains safe and reliable street light assets.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
308,400	0	0	0	0	0	(308,400)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$225k	
Title:	Traffic Signal and Communications Upgrades and Renewals		PROVISIONAL

Justification:

Budget is requested for this renewal program which replaces aging traffic signals and associated communication equipment based on the current inspection and maintenance report.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
260,000	0	0	0	0	0	(260,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T4 - \$50k	
Title:	Transit - Equipment Renewal (Bus Stops and Shelters)		PROVISIONAL

Justification:

This annual program improves/upgrades existing transit stop facilities - responding to operating/safety and accessibility needs, furnishing replacements/additions and general bus stop enhancements associated with public requests and developments. Well designed and maintained transit facilities improve customer comfort, transit accessibility and the overall attractiveness of the system, contributing to increased ridership. Proposed 2019 projects include; Rutland Rd S. at Gray Rd (Design+Construction - \$35k); Hwy 33 at Kneller Rd (Design+Construction - \$35k); Hwy 33 at Oswell Dr (New Pad + Shelter Relocate - \$10k); Glenmore Rd at Bernard Ave (Construction - \$60k); and General Improvements - bench seating, accessible platforms - community bus stops (\$10k). Funding for transit stop improvements is generated through transit advertising revenues. This funding request reflects an increase in available revenues than what was anticipated in the 10-Year Capital Plan.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(150,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T8 - \$50k	
Title:	Intelligent Transportation Systems		PROVISIONAL

Justification:

Budget is requested to update and coordinate traffic signal timings along the Gordon Dr and Springfield Rd corridors. Over time, traffic signal timings and coordination shift out of sync with changing traffic patterns. This project will update timings / coordination to match current traffic conditions with the goal of improving overall traffic flow and the reliability of transit travel times along the corridors. Traffic signal timings will be updated and hardware to detect transit vehicles will be installed at key intersections.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
65,000	0	0	0	0	0	(65,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$7.6M	
Title:	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road		PROVISIONAL

Justification:

With the anticipated construction of South Perimeter Road from Gordon Dr to Stewart Rd W expected to be complete by the end of 2019, this budget is requested for the first of a series of annual repayments over an estimated 9-year period to repay the project's construction costs of \$7.87 million. Actual repayment costs are dependent on the amount of DCC revenue collected within Sector B.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
7,870,700	(2,000,000)	(5,870,700)	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$1.6M	
Title:	Gordon 1 DCC (Frost - South Perimeter), Road		PROVISIONAL

Justification:

With the anticipated construction of South Perimeter Road from Gordon Dr to Stewart Rd W expected to be complete by the end of 2019, this budget is requested for the first of a series of annual repayments over an estimated 9-year period to repay the project's construction costs of \$1.84 million capital cost. Actual repayment costs are dependent on the amount of DCC revenue collected within Sector B.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,842,900	(555,000)	(1,287,900)	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T7 - \$150k	
Title:	Pedestrian & Cyclist Safety Improvement		PROVISIONAL

Justification:

Budget is requested to improve accessibility and safety of pedestrians and other road users. Priority 2019 projects include: Baron Rd & Underhill Rd - Pedestrian warning flashers - \$30k; Raymer Ave & Gosnell / East Campus Rd - Curb extensions, sidewalk connection and delineator posts - \$30k; Richter St / South of K.L.O. Rd - Refuge island at crosswalk and revise road markings - \$25k; Franklyn Rd & Leathead Rd - New curb let downs, improved flashing warning light visibility - \$15k; Chute Lake Rd & South Crest Dr - Median pedestrian refuge and revised road markings to improve crossing - \$15k; Chute Lake Rd & Quilchena Dr - Median pedestrian refuge, add transit stop pad and revise road markings to shorten the crossing length - \$35k. The ongoing impacts for this request are included in this capital section as an operating request with the same title.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	0	0	0	0	0	(150,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T2 - \$2.9M	
Title:	Sutherland 1 DCC (Gordon - Burtch), ATC		PROVISIONAL

Justification:

Sutherland Avenue is a key east-west Active Transportation Corridor (ATC) within the Pedestrian Bicycle Master Plan linking the Abbott Street Corridor to the Ethel ATC, Capri Centre, Landmark Centre and the Okanagan Rail Trail via Angel Way. As a rezoning condition, the developer of the Capri Centre site is required to construct the Sutherland ATC from Burtch Road through Gordon Drive. Capri Centre intends to construct the Sutherland ATC in coordination with their first residential tower, anticipated in 2019. Improvements by the developer would include 2-way separated bike lanes along the north side of Sutherland from Burtch through Gordon, a new traffic signal at Capri/Sutherland and changes to the intersections/traffic signals at Gordon Drive and Burtch Road. Budget is requested for works not covered by the development servicing agreement, including portions of sidewalk, crosswalk and bus stop improvements on the south side of Sutherland Avenue.

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

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,883,100	(489,700)	0	0	(2,393,400)	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$1.6M	
Title:	Lakeshore 1 DCC Bridge at Bellevue Creek		PROVISIONAL

Justification:

Budget is requested to develop a detailed design and cost estimate for replacement of the Lakeshore Rd crossing of Bellevue Creek. A condition assessment report, completed in 2018, identified the need to replace the crossing in the next 2-5 years. This budget request, for a portion of the 10-Year Capital Plan budget, is for the completion of detailed design only. An additional funding request for construction is anticipated in the next 2-5 years.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
280,000	(236,600)	0	0	0	0	(43,400)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$980k	
Title:	Clement 1 DCC (Ellis - Graham), Road		PROVISIONAL

Justification:

The Clement Avenue Corridor is currently undergoing significant redevelopment with a number of sites under construction or with active development applications. Budget is requested to fund works outside the scope of development frontage improvements as sites along the north side of the roadway redevelop. This budget request is reduced from the 10-Year Capital Plan as it only relates to a portion of the ultimate Clement 1 project and reflects the estimated cost of work to be completed with current active developments. The timing and scope of improvements will be coordinated with development.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(156,000)	0	0	0	0	(44,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$150k	
Title:	Lakeshore 4 DCC (Lanfranco - Richter), Road		PROVISIONAL

Justification:

Budget is requested to develop an overall street design for Lakeshore Road between Richter and Lanfranco. The objective of the design project would be to better coordinate street frontage improvements by adjacent development sites through an overall corridor plan. Budget has been reduced from the 10-Year Capital Plan to reflect the anticipated cost of design work.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
75,000	(60,800)	0	0	0	0	(14,200)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$1.9M	
Title:	Hollywood 7 DCC (Sexsmith - Appaloosa), Land		PROVISIONAL

Justification:

Budget is requested for the acquisition of land and final design of Hollywood Rd between Academy Way and Appaloosa Rd.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,656,000	(1,396,000)	0	0	0	0	(260,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T1 - \$150k	
Title:	Stewart Road West 3 DCC (Crawford - Swamp), Road		PROVISIONAL

Justification:

Budget is requested to complete planning and design work to identify, design and update cost estimates for safety and capacity improvements between the intersections of Saucier / Bedford and DeHart / Casorso / Swamp. This project is phase 2 of the Stewart Rd DCC project; a 3 phased improvement plan for this north-south corridor that links the end of South Perimeter Road with Casorso and Swamp roads. Construction of phase 2 is planned for 2021.

Improvements would accommodate increased traffic volumes projected with the completion of the South Perimeter Road connection to the Upper Mission.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(126,800)	0	0	0	0	(23,200)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T5 - \$300k	
Title:	Active Transportation Corridor		PROVISIONAL

Justification:

Budget is requested for this program which expands the cycling network, including improvements identified in the Pedestrian & Bicycle Master Plan to help make cycling an easier and safer option for more residents. Projects are coordinated with pavement rehabilitation where feasible to reduce costs.

Priority 2019 construction projects include: Bike lanes - Ellis St (Bernard to Buckland) - \$70K; Bike lanes - Ellis St (Roanoke to Broadway) - \$55K; Okanagan Rail Trail - Spot Improvements (Gordon to Spall) - \$60K; Bike Lanes - Bernard Ave (Richter to Ethel) - \$15K; Bike Lanes - Union Rd (Millard to Valley) - \$80K; Bike Racks and Lockers - Program / Various Locations - \$20K; and Cycling Data Collection Station - One Location - \$20K.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
320,000	(110,000)	0	0	0	0	(210,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T6 - \$300k	
Title:	Sidewalk Network Expansion		PROVISIONAL

Justification:

Budget is requested for this annual program which implements sidewalks identified in the Pedestrian and Bicycle Master Plan. Sidewalks improve walking safety, accessibility, and convenience. The 2019 sidewalk projects include the following: construction at Leckie Rd (north side)/ Hunter to Enterprise (\$50K) and Richter St (east side) / Raymer to Wardlaw (\$75K). Design & construction at Cadder Ave (south side)/ Richter to Ethel (\$165K). Design only at Belgo Rd / Rutland to Molnar (\$5K) and Casorso Rd (west side)/ Swordy to Bechard (\$5K).

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: An active, inclusive city - Active living opportunities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(85,000)	0	0	0	0	(215,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T8 - \$450k	
Title:	Traffic Signals and Roundabouts		PROVISIONAL

Justification:

Budget is requested to advance detailed design, update cost estimates and assess potential watercourse impacts of a roundabout at the intersection of Valley and Kane roads. Valley Rd is an important component of the major road network within the Glenmore Valley and has been previously identified for a potential roundabout location at Kane Rd. Recent development on the west side of Valley Rd has accommodated a roundabout footprint at this location. This budget has been reduced from the 10 year capital plan to only include the detailed design and potential environmental assessment. A future budget request for construction funding would be made based on updated cost estimates.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	0	0	0	0	0	(200,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2019 T9 - \$50k	
Title:	Transit - New Equipment (Bus Stops)		PROVISIONAL

Justification:

Budget is requested to implement new or enhanced transit facilities in response to transit service changes on existing routes or adjacent developments. Well designed transit facilities improve the comfort and accessibility of transit making it a more attractive travel option for more residents. Proposed 2019 projects include; Glenmore Rd at High Rd - Major Bus Stop (Design+Construction - \$100k); Rutland Rd at Bach Rd - New Stop (Design+Construction - \$20k); Cadder Ave at Richter St - Enhance Stop (Construction - \$20k); Springfield Rd at Ethel St - New Stop (Construction - \$10k); and KLO Rd at Casorso Rd - New Shelter (Construction - \$25k). Funding for transit stop improvements is generated through transit advertising revenues. This funding request reflects an increase in available revenues than was originally anticipated in the 10-Year Capital Plan.

The ongoing impacts for this request are included in this capital section as an operating request with same name.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
175,000	(175,000)	0	0	0	0	0

2019 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Gordon 1 DCC (Frost - South Perimeter), Road Repayment		PROVISIONAL

Justification:

Budget is requested for the annual repayment to the developer for the Gordon 1 Road project. Quarterly payments will begin in 2020 with the estimated final payment in 2028. Actual repayment costs are dependent on the amount of DCC revenue collected within Sector B.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	143,100	(143,100)	0	0	0	0	0	0
2021	143,100	(143,100)	0	0	0	0	0	0

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road Repayment		PROVISIONAL

Justification:

Budget is requested for the annual repayment to the developer for the South Perimeter 1 Road project. Quarterly payments will begin in 2020 with the estimated final payment in 2028. Actual repayment costs are dependent on the amount of DCC revenue collected within Sector B.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	652,300	(652,300)	0	0	0	0	0	0
2021	652,300	(652,300)	0	0	0	0	0	0

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Delivery		ON-GOING
Title:	Bridge Rehabilitation and Inspections		PROVISIONAL

Justification:

Budget is requested for consulting services which are required to support bridge inspections which will take place annually with a detailed inspection every 5 years, in order to meet current safety practice standards and effective asset management. Furthermore, pedestrian and cyclist bridges will also be added to the inspection list.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	50,000	0	0	0	0	0	0	(50,000)
2020	50,000	0	0	0	0	0	0	(50,000)
2021	50,000	0	0	0	0	0	0	(50,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Gordon 1 DCC (Frost - South Perimeter), Road		PROVISIONAL

Justification:

Budget is requested for maintenance and operating costs of the Gordon Drive component of the South Perimeter Road construction.

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

2019 Base Budget: \$1,841,726

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	8,500	0	0	0	0	0	0	(8,500)
2021	8,500	0	0	0	0	0	0	(8,500)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Sutherland 1 DCC (Gordon - Burtch), ATC		PROVISIONAL

Justification:

Budget is requested for maintenance and operating costs for the Sutherland Avenue / Gordon Drive to Burtch Road project.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	11,600	0	0	0	0	0	0	(11,600)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Transit - Equipment Renewal (Bus Stops and Shelters)		PROVISIONAL

Justification:

Budget is requested for operating and maintenance costs for accessibility and safety improvements to transit shelters and stops.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	0	0	0	0	0	0	0	0
2020	4,000	0	0	0	0	0	0	(4,000)
2021	4,000	0	0	0	0	0	0	(4,000)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Transit - New Equipment (Bus Stops)		PROVISIONAL

Justification:

Budget is requested for operating and maintenance costs for the transit route and facilities expansion.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	2,000	0	0	0	0	0	0	(2,000)
2020	7,900	0	0	0	0	0	0	(7,900)
2021	7,900	0	0	0	0	0	0	(7,900)

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Intelligent Transportation Systems		PROVISIONAL

Justification:

Budget is requested to fund the operations and maintenance costs to update and coordinate traffic signal timings along the Gordon Dr and Springfield Rd corridors.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	600	0	0	0	0	0	0	(600)
2020	600	0	0	0	0	0	0	(600)
2021	600	0	0	0	0	0	0	(600)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Active Transportation Corridor		PROVISIONAL

Justification:

Budget is requested for operating and maintenance costs for the capital projects adding bike lanes on exiting roads.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	4,000	0	0	0	0	0	0	(4,000)
2020	4,000	0	0	0	0	0	0	(4,000)
2021	4,000	0	0	0	0	0	0	(4,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Pedestrian & Cyclist Safety Improvement		PROVISIONAL

Justification:

Budget is requested for maintenance and operation costs for improvements at intersections, crosswalks, and connections to schools.

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

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	1,800	0	0	0	0	0	0	(1,800)
2020	1,800	0	0	0	0	0	0	(1,800)
2021	1,800	0	0	0	0	0	0	(1,800)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Sidewalk & Bikeway Renewal		PROVISIONAL

Justification:

Budget is requested for operation and maintenance costs for adding buffered bike lanes.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	South Perimeter 1 DCC (Gordon Dr - Stewart 1), Road		PROVISIONAL

Justification:

Budget is requested for maintenance and operating costs of the new South Perimeter Road from Gordon Road to Crawford Road.

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

Corporate Framework: Resilient, well-managed infrastructure - Balanced transportation systems

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	16,600	0	0	0	0	0	0	(16,600)
2020	16,600	0	0	0	0	0	0	(16,600)
2021	16,600	0	0	0	0	0	0	(16,600)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Sidewalk Network Expansion		PROVISIONAL

Justification:

Budget is requested to cover crack, crevice weed control and drainage maintenance.

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

2019 Base Budget: \$38,000

Corporate Framework: A well-run City - Responsive customer service

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	500	0	0	0	0	0	0	(500)
2020	2,000	0	0	0	0	0	0	(2,000)
2021	2,000	0	0	0	0	0	0	(2,000)

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Neighbourhood Traffic Calming		PROVISIONAL

Justification:

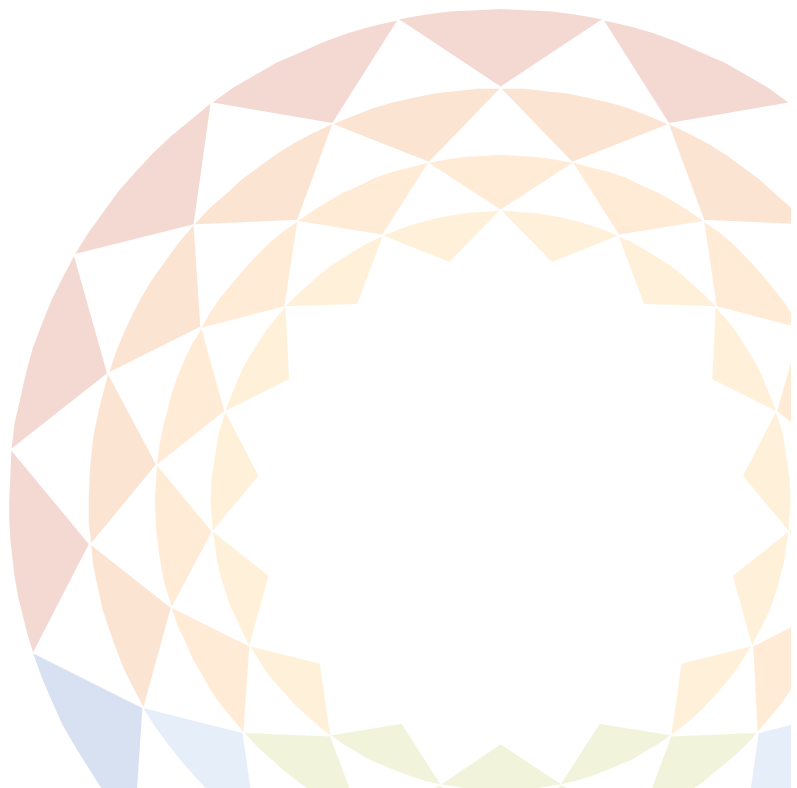
Budget is requested for operation and maintenance costs for new neighbourhood traffic calming.

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

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	400	0	0	0	0	0	0	(400)
2020	1,500	0	0	0	0	0	0	(1,500)
2021	1,500	0	0	0	0	0	0	(1,500)

Solid Waste



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Solid Waste Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Solid Waste Capital - Priority 1									
Renew									
456	XXXX	Landfill Bin Replacement	90,000	(90,000)	0	0	0	0	0
456	XXXX	Landfill Equipment GPS Replacement	120,000	(120,000)	0	0	0	0	0
457	2831	Automated Collection Curbside Carts	300,000	(300,000)	0	0	0	0	0
Total Renew			510,000	(510,000)	0	0	0	0	0
New									
457	XXXX	Landfill Liner Design and Construction	2,700,000	(2,700,000)	0	0	0	0	0
458	3187XX	Landfill Gas & Leachate Recirculation Laterals	450,000	(450,000)	0	0	0	0	0
458	XXXX	Landfill Drainage & Groundwater Management	250,000	(250,000)	0	0	0	0	0
459	3188	Leachate and Landfill Gas Header	600,000	(600,000)	0	0	0	0	0
Total New			4,000,000	(4,000,000)	0	0	0	0	0
Cost Center Totals			4,510,000	(4,510,000)	0	0	0	0	0
Grand Total			4,510,000	(4,510,000)	0	0	0	0	0

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW9 - \$460k	
Title:	Landfill Bin Replacement		PROVISIONAL

Justification:

Budget is requested to replace eight historical roll off bins now at end of life. Replacement units will match the operational hitch design and function of the current bin trucks. This budget request is a reduction from the 10-Year Capital Plan as the need for Infrastructure renewal was lower than what was anticipated in plan.

There are no operation and maintenance budget impacts associated with this capital request.

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

Corporate Framework: A well-run City - Responsive customer service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
90,000	(90,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW1 - \$150k	
Title:	Landfill Equipment GPS Replacement		PROVISIONAL

Justification:

The landfill equipment uses a specific GPS program to construct and operate the landfill for items such as monitoring compaction, site elevations and slope grading. This ensures maximizing of the airspace, an efficient filling operation, and maintains compliance with the Operations Plan. Budget is requested to update the hardware and software program which is seven years old.

There are no operation and maintenance budget impacts associated with this capital request.

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
120,000	(120,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW1 - \$300k	
Title:	Automated Collection Curbside Carts		PROVISIONAL

Justification:

Budget is requested to purchase new curbside carts as part of the City of Kelowna's curbside refuse, recycling and yard waste program. These new receptacles are necessary to address residential growth and residential needs for larger recycling and yard waste receptacles. This helps maintain an inventory to provide improved customer service.

There are no operation and maintenance budget impacts associated with this capital request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(300,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW2 - \$3.3M	
Title:	Landfill Liner Design and Construction		PROVISIONAL

Justification:

With the Design Operation and Closure Plan now complete, design and construction of the extended impervious liner to contain leachate and control greenhouse gases will now proceed according to the updated fill plan. This project supplements existing work initiated in 2018 to prepare the site for the liner construction and will involve design, construction, new road access and liner installation as defined in the updated Fill Plan. This project combines the "Liner Design and Construction - North Phase" (2019 and 2020 amounts) and "Liner Design and Construction - Horseshoe" projects outlined in the 10-Year Capital Plan. Budget has been reduced from the 10-Year Capital Plan to reflect costs that are lower than initially anticipated.

There are no operation and maintenance budget impacts associated with this capital request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,700,000	(2,700,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW3 - \$400k	
Title:	Landfill Gas & Leachate Recirculation Laterals	PROVISIONAL	

Justification:

Budget is requested for the construction of landfill gas and leachate recirculation pipes that are installed horizontally within the landfill. This project includes a one-time pump upgrade (\$50k) identified in the 10-Year Capital Plan. The construction is required in order to meet regulatory requirements as well as to ensure landfill gas is supplied to the FortisBC Biogas plant.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A clean healthy environment - Energy conservation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
450,000	(450,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW5 - \$250k	
Title:	Landfill Drainage & Groundwater Management	PROVISIONAL	

Justification:

Budget is requested to complete the preliminary and detailed design phase of the stormwater management system. The concept is currently being developed with the Design Operation and Closure Plan process. This stormwater will eventually bypass the entire facility using storage and mainline design.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2019 SW3 - \$600k	
Title:	Leachate and Landfill Gas Header	PROVISIONAL	

Justification:

Budget is requested to construct a recirculation pipe to manage leachate, and accelerate the decomposition of refuse and landfill gas generation. The leachate system has been coupled with the landfill gas system that collects landfill gas and converts the gas into energy. The generation of landfill gas will be necessary for the power conversion process to be viable. Further, the acceleration of the decomposition of refuse will increase the amount of useable landfill space. The City's landfill operations certificate is currently under review with the Province. Staff expect that the leachate recirculation system will become a requirement of the Province.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

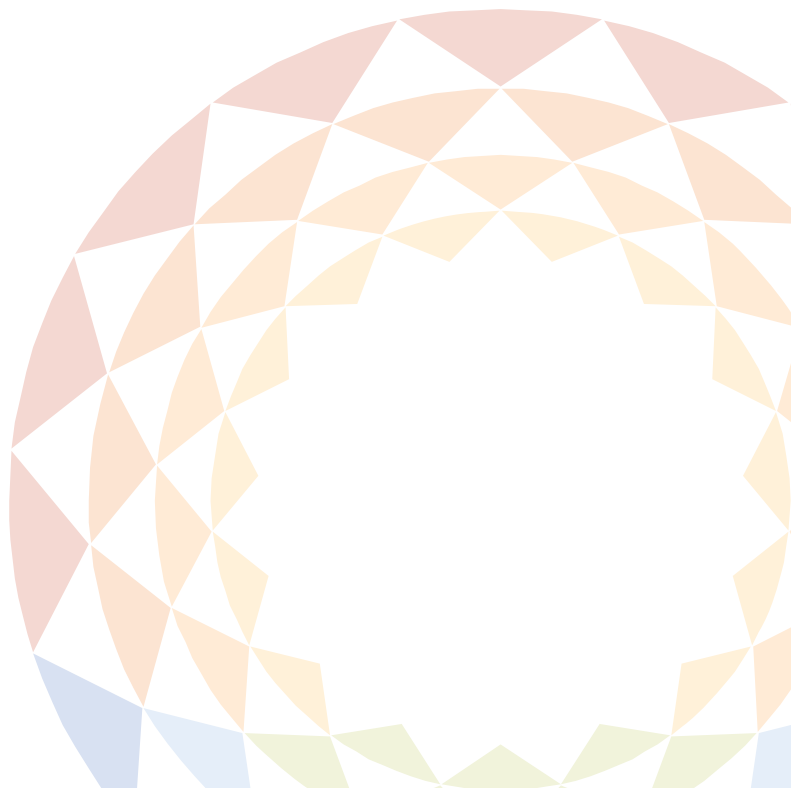
Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A clean healthy environment - Protecting our natural land & water resources

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
600,000	(600,000)	0	0	0	0	0

This page was intentionally left blank

Storm Drainage



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Storm Drainage Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Storm Drainage Capital - Priority 1									
Renew									
OP	464	3XXX	2018 Freshet Recovery Projects - Capital	275,000	0	0	(220,000)	0	(55,000)
	464	XXXX	Bubna Road Culvert Replacement at Upper Vernon Creek	1,000,000	(445,000)	0	0	0	(555,000)
	465	3410	Spencer Road Mill Creek Drainage Improvements	270,000	0	0	0	0	(270,000)
	465	XXXX	Jean Road Drainage Improvements	100,000	0	0	0	0	(100,000)
Total Renew			1,645,000	(445,000)	0	(220,000)	0	0	(980,000)
New									
	466	XXXX	Adams Rd Drainage Improvement	100,000	0	0	0	0	(100,000)
Total New			100,000	0	0	0	0	0	(100,000)
Cost Center Totals			1,745,000	(445,000)	0	(220,000)	0	0	(1,080,000)
Grand Total			1,745,000	(445,000)	0	(220,000)	0	0	(1,080,000)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: Not included D3	
Title:	2018 Freshet Recovery Projects - Capital		PROVISIONAL

Justification:

The velocity and volume of water during Spring 2018 Freshet caused damage that is capital in nature at three locations: Kerry Park beach access stairs(\$30k), Maude Roxby pilings (\$20k) and City Park concrete stairs and seawall (\$225k). The City will apply for Disaster Financial Assistance Funding to cover 80% of expenditures.

An associated operating request is located in this section for the 2018 freshet operating costs.

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

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
275,000	0	0	(220,000)	0	0	(55,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: Not included D3	
Title:	Bubna Road Culvert Replacement at Upper Vernon Creek		PROVISIONAL

Justification:

A rectangular concrete structure on Bubna Road is required to pass a revised 1 in 200 year flood event with consideration of climate change for Upper Vernon Creek. The existing culvert has failed and is being managed temporarily until the larger structure is in place.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,000,000	(445,000)	0	0	0	0	(555,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: Not included D3	
Title:	Spencer Road Mill Creek Drainage Improvements		PROVISIONAL

Justification:

Budget is requested to replace three damaged culverts on Mill Creek crossing Spencer Road upstream of the Kelowna Airport. A single arch or box culvert replacement will help reduce flooding of adjacent homes, assist with fish passage and eliminate potential for debris blockages. In 2018, the Union of BC Municipalities awarded the City a \$750K grant for this project under the Community Emergency Preparedness Fund for the 2018 Structural Flood Mitigation funding stream. This request is for expected construction costs that exceed the maximum fund allocation.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
270,000	0	0	0	0	0	(270,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: 2019 D3 - \$100k	
Title:	Jean Road Drainage Improvements		PROVISIONAL

Justification:

Budget is requested to address existing drainage deficiencies in the area. The intent would be to install a drainage collection system at the rear of 3970 Jean Road which would route flows eastwards to the nearest storm inlet at Mahonia Drive.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Utility - Stormwater operating budget.

Project Driver: Addressing Existing Drainage Deficiencies

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
100,000	0	0	0	0	0	(100,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: 2019 D3 - \$100k	
Title:	Adams Rd Drainage Improvement	PROVISIONAL	

Justification:

Budget is requested to design and construct a small stormwater pump station to alleviate backwater effects from Mill Creek during the annual spring freshet.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Utility - Stormwater operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
100,000	0	0	0	0	0	(100,000)

2019 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure		ONE-TIME
Title:	2018 Freshet Recovery Projects - Operating		PROVISIONAL

Justification:

Budget is requested to repair damages resulting from the 2018 flood. Operating expenditures for repair work is estimated to be \$1.34M. Provincial funding will cover 80 per cent of eligible expenditures with the City's obligation to cover the remaining 20 per cent plus any ineligible expenses. There are 13 operating projects to begin in 2019 that have been assessed by engineering and environmental consultants for damages and costs for repairs to pre-existing condition. During 2018, Council approved three operating projects through Budget Amendments for a cost of up to \$600k with up to \$400k being recoverable by the Province resulting in up to \$200,000 to be funded from the flood control averaging reserve. The total cost of the 2018 freshet is approximately \$2.1M.

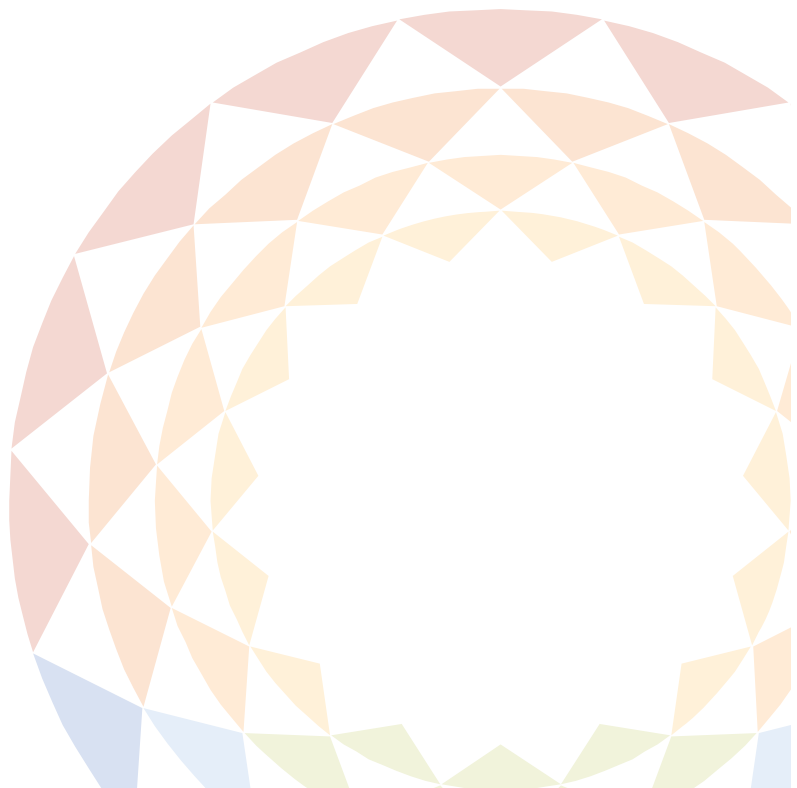
An associated capital request is located in this section for the 2018 freshet capital projects.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	1,340,300	0	0	(1,071,400)	0	0	0	(268,900)

This page was intentionally left blank

Information Services



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Information Services Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
------	---------	-------------	------------	---------	--------	----------	---------	---------	----------

Information Services Capital - Priority 1

Renew

	472	2133	Server and Data Storage Equipment	180,000	0	0	0	0	0	(180,000)
	472	2130	Front Office Equipment	386,000	0	0	0	0	0	(386,000)
	473	2132	Communications Networks Upgrades	105,000	0	0	0	0	0	(105,000)
OP	473	3382	Major Systems Projects	505,600	0	0	0	0	0	(505,600)
Total Renew				1,176,600	0	0	0	0	0	(1,176,600)

New

	474	3343	Fibre Optic Service Lines	50,000	0	0	0	(50,000)	0	0
Total New				50,000	0	0	0	(50,000)	0	0

Cost Center Totals	1,226,600	0	0	0	(50,000)	0	(1,176,600)
--------------------	-----------	---	---	---	----------	---	-------------

Grand Total	1,226,600	0	0	0	(50,000)	0	(1,176,600)
-------------	-----------	---	---	---	----------	---	-------------

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2019 I2 - \$180k	
Title:	Server and Data Storage Equipment		PROVISIONAL

Justification:

Budget is requested for the renewal and maintenance of the application and database servers as well as corporate data storage needs for the City. Included are virtual and physical servers, disk storage, backup solutions and the related software. This budget allows Information Services to provide equipment and software in the corporate data centres to support a variety of systems for City staff. Information Services plans to upgrade end of life components of the corporate virtualization infrastructure and increase back end data storage capacity to keep up with increasing corporate data growth. These upgrades will position the City to implement enhanced business continuity and disaster recovery capability.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Information Services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
180,000	0	0	0	0	0	(180,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2019 I1 - \$386k	
Title:	Front Office Equipment		PROVISIONAL

Justification:

Budget is requested for the renewal and maintenance of the desktop computer needs for the City. The City has different replacement cycles for its approximate \$2M investment in current front office technology equipment. The replacement cycle for desktop computers and tablets is four years to take advantage of improvements in speed and memory. Monitors, printers and phones are on a longer cycle and are replaced when warranted.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Information Services purchase services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
386,000	0	0	0	0	0	(386,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2019 I4 - \$105k	
Title:	Communications Networks Upgrades		PROVISIONAL

Justification:

Budget is requested for the renewal and expansion of the City's network environment. The network supports high speed data connections within and between City facilities as well as connections to the internet. New technologies will be deployed to improve service levels and replace components that have reached the end of their serviceable life.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Information Services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
105,000	0	0	0	0	0	(105,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2019 I3 - \$506k	
Title:	Major Systems Projects		PROVISIONAL

Justification:

The Information Services Digital Strategy has identified the need to replace the current in-house developed and supported systems. This funding will support the replacement of the service request system with a next generation platform focusing on an improved customer experience. Budget is requested to cover software licenses and consulting for design and implementation that will begin in 2019 with completion in 2020.

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

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
505,600	0	0	0	0	0	(505,600)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2019 I4 - \$50k	
Title:	Fibre Optic Service Lines		PROVISIONAL

Justification:

Installation of fibre lines for new customers requires capital works from City infrastructure into the client's building. Information Services will at times contract the work and bill back the amount to the customer. Budget is requested to allow for the initial payment for the contracted work.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A well-run City - Pioneering leadership

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	(50,000)	0	0

2019 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	Major Systems Projects		PROVISIONAL

Justification:

Budget is requested for the maintenance cost for the software procured for this project. Software maintenance is typically 20 per cent of the purchase cost which is estimated at \$200,000 for this project.

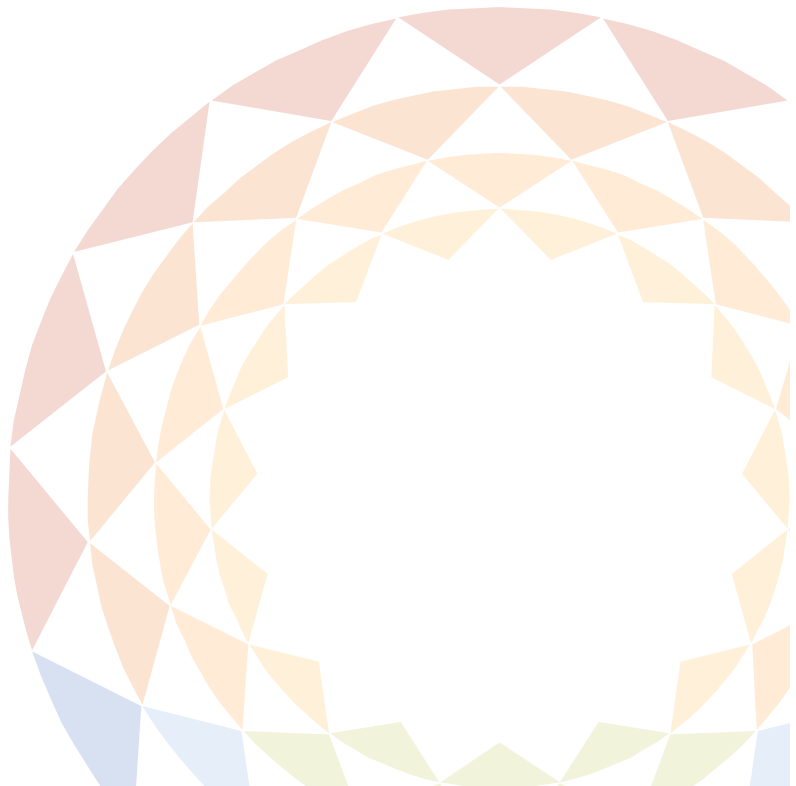
This is the ongoing operation and maintenance budget impacts associated with the capital request.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	20,000	0	0	0	0	0	0	(20,000)
2020	40,000	0	0	0	0	0	0	(40,000)
2021	40,000	0	0	0	0	0	0	(40,000)

This page was intentionally left blank

Vehicle & Mobile Equipment



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Vehicle & Mobile Equipment Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Vehicle & Mobile Equipment - Priority 1									
Renew									
480	XXXX	Equipment and Vehicle Replacement	3,726,900	(3,726,900)	0	0	0	0	0
480	XXXX	Fleet Service Bay Equipment	50,000	0	0	0	0	0	(50,000)
Total Renew			3,776,900	(3,726,900)	0	0	0	0	(50,000)
New									
481	XXXX	Wheel Load Scales	16,800	0	0	0	0	0	(16,800)
OP 481	2804XX	Fleet Growth	396,700	(90,000)	0	0	0	(80,000)	(226,700)
OP 482	2802XX	Domestic Water System Expansion (SEKID) - Service Truck	74,800	0	0	0	0	(74,800)	0
Total New			488,300	(90,000)	0	0	0	(154,800)	(243,500)
Cost Center Totals			4,265,200	(3,816,900)	0	0	0	(154,800)	(293,500)
Grand Total			4,265,200	(3,816,900)	0	0	0	(154,800)	(293,500)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2019 V2 - \$4.1M	
Title:	Equipment and Vehicle Replacement		PROVISIONAL

Justification:

Vehicle rental rates contribute to the equipment replacement reserve throughout the course of vehicle/equipment service life. Factoring in equipment type, seasonal use and equipment condition it was determined that 22 units from 58 being considered require replacement.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A well-run City - Responsive customer service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,726,900	(3,726,900)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: Not included V2	
Title:	Fleet Service Bay Equipment		PROVISIONAL

Justification:

Fleet Services has acquired a service bay that was the former Building Services paint bay. This service bay will provide much needed space for fleet technicians. Budget is requested to optimize this space and increase productivity by adding equipment such as a vehicle hoist, work benches and oil dispensing equipment.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A well-run City - Responsive customer service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2019 V1 - \$17k	
Title:	Wheel Load Scales	PROVISIONAL	

Justification:

Budget is requested for the purchase of wheel load scales equipment. With the vast amounts of money associated to the maintenance of city roads, it is vital that city owned streets receive protection from overweight vehicles. There are many legal weights and dimensions for vehicles and vehicle combinations. Some of the City's Bylaw Enforcement Officers are trained in the use of wheel load scales thereby require this equipment to deter this misuse. Enforcement officers would then conduct random stops in tandem with the RCMP or Commercial Vehicle Safety and Enforcement agency.

There are no operation and maintenance budget impacts associated with this capital request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Effective & targeted policing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
16,800	0	0	0	0	0	(16,800)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2019 V1 - \$397k	
Title:	Fleet Growth	PROVISIONAL	

Justification:

As a result of increased service and maintenance demands and regulatory requirements, an additional seven pieces of equipment is required as follows: Two pieces funded from reserve for Parking Services and Solid Waste (\$90K); four pieces funded from taxation for Infrastructure Delivery, Parks Services, and Traffic Systems (\$187K); and one piece funded from Taxation and Utilities (\$120K).

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A well-run City - Responsive customer service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
396,700	(90,000)	0	0	0	(80,000)	(226,700)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2019 V1 - \$75k	
Title:	Domestic Water System Expansion (SEKID) - Service Truck		PROVISIONAL

Justification:

With the South East Kelowna Irrigation District (SEKID) infrastructure and operations integration into the City's water distribution system, additional technical support will be added. Budget is requested for a service truck that will transport Pump Operations personnel and materials to all field water/irrigation sites.

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

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
74,800	0	0	0	0	(74,800)	0

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Domestic Water System Expansion (SEKID) Operating Costs and Positions		PROVISIONAL

Justification:

Budget is requested to fund the operations and maintenance costs of the new infrastructure being constructed to bring City drinking water into Southeast Kelowna (former SEKID service area) and to provide adequate water for the dissolving South Okanagan Mission Irrigation District (SOMID). The Integrated Water Construction Project will expand the City's drinking water supply infrastructure by almost 20 per cent. The operational staff requirement are two additional full-time Millwright positions and one additional full-time Utility Service Person position. This operating request also includes funding for energy, chemicals and equipment to operate the new facilities and provide Okanagan Lake water to all SEKID customers. A portion of the expansion operating costs will be funded from SEKID operating reserve.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	358,200	(249,700)	0	0	0	0	(108,500)	0
2020	514,300	(413,600)	0	0	0	0	(100,700)	0
2021	615,300	0	0	0	0	0	(615,300)	0

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Fleet Growth		PROVISIONAL

Justification:

Budget is requested for the internal equipment charges to cover operating and future replacements and to increase ongoing rental revenue collected.

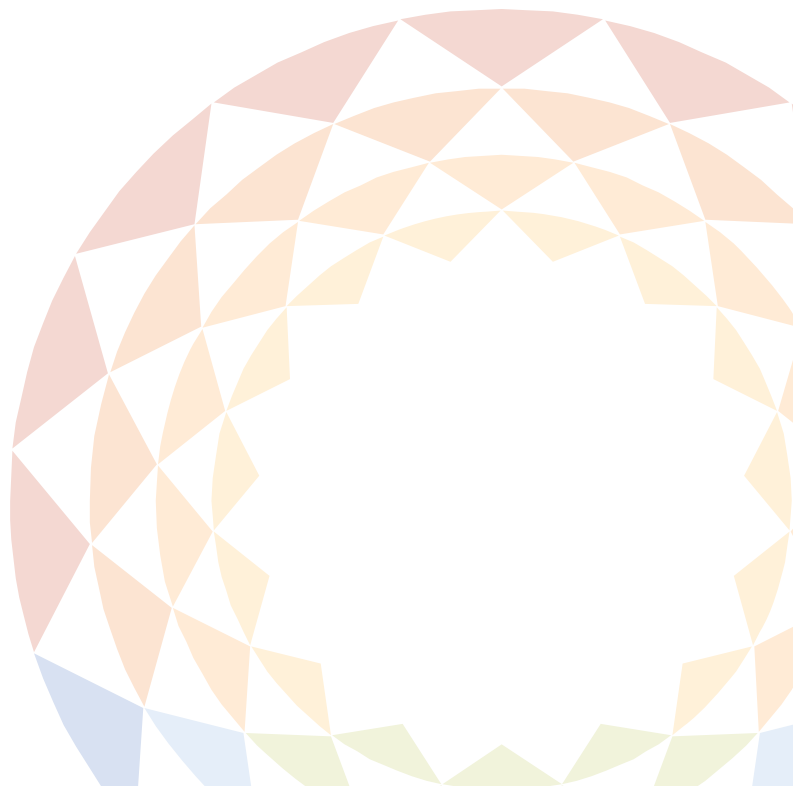
This is the ongoing operation and maintenance budget impacts associated with the capital request.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	39,000	(18,000)	0	0	0	(37,000)	0	16,000
2020	39,000	(18,000)	0	0	0	(37,000)	0	16,000
2021	39,000	(18,000)	0	0	0	(37,000)	0	16,000

This page was intentionally left blank

Fire



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Fire Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Fire Capital - Priority 1									
Renew									
488	XXXX	Tenders 1 and 4	800,400	(800,400)	0	0	0	0	0
Total Renew			800,400	(800,400)	0	0	0	0	0
New									
OP 488	XXXX	Zetron Dispatch Consoles	106,500	(106,500)	0	0	0	0	0
489	XXXX	Ancillary Equipment for Engine 5	120,000	(120,000)	0	0	0	0	0
Total New			226,500	(226,500)	0	0	0	0	0
Cost Center Totals			1,026,900	(1,026,900)	0	0	0	0	0
Grand Total			1,026,900	(1,026,900)	0	0	0	0	0

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: 2019 F1 - \$676k	
Title:	Tenders 1 and 4		PROVISIONAL

Justification:

Budget is requested to replace Kelowna Fire Department's (KFD) 1993 International (Tender 1) and 1999 Western Star (Tender 4). In 2014, KFD initiated a 20 year equipment reserve as well as a life cycle strategy that provides the framework for planned apparatus replacement with a scheduled timeline that includes serviceability and mechanical assessments. This purchase has the possibility of being in US Funds which has been built into the request.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Fire protection & prevention

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
800,400	(800,400)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: 2019 F3 - \$167k	
Title:	Zetron Dispatch Consoles		PROVISIONAL

Justification:

Budget is requested for two Zetron dispatch consoles which are required to complete the backup fire dispatch site. Following National Fire Protection Association standards, as well as dispatch contractual obligations with service clients, it is required to have a fully functional backup fire dispatch site. Technical analysis determined that it is more costly and less operationally effective to repurpose the current back-up console technology. The additional backup consoles will be an extension of the primary site thereby allowing for operational functionality that mirrors the primary site, allowing for uninterrupted dispatch services.

Current budgeted costs are lower than anticipated in the 10-Year Capital Plan.

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

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Fire protection & prevention

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
106,500	(106,500)	0	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: Not included F2	
Title:	Ancillary Equipment for Engine 5	PROVISIONAL	

Justification:

Budget is requested to purchase ancillary equipment for the new Fire Engine 5 that was approved for purchase in 2018 for the fire protection area of North Glenmore. As the current RFP for the new Engine 5 does not include equipment, this request is being submitted for 2019 (when the apparatus is anticipated to arrive). There is usually an 18 month turn around to complete the process and design of the Fire Engine. Due to the complexity of equipment and various suppliers of the required equipment, it cannot be included in the original Apparatus tendering process.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Fire protection & prevention

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
120,000	(120,000)	0	0	0	0	0

2019 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Zetron Dispatch Consoles		PROVISIONAL

Justification:

Budget is requested to increase the existing annual maintenance agreement for the Zetron consoles as the agreement will need to include the additional consoles at the Water Street Firehall No.2 back up dispatch site.

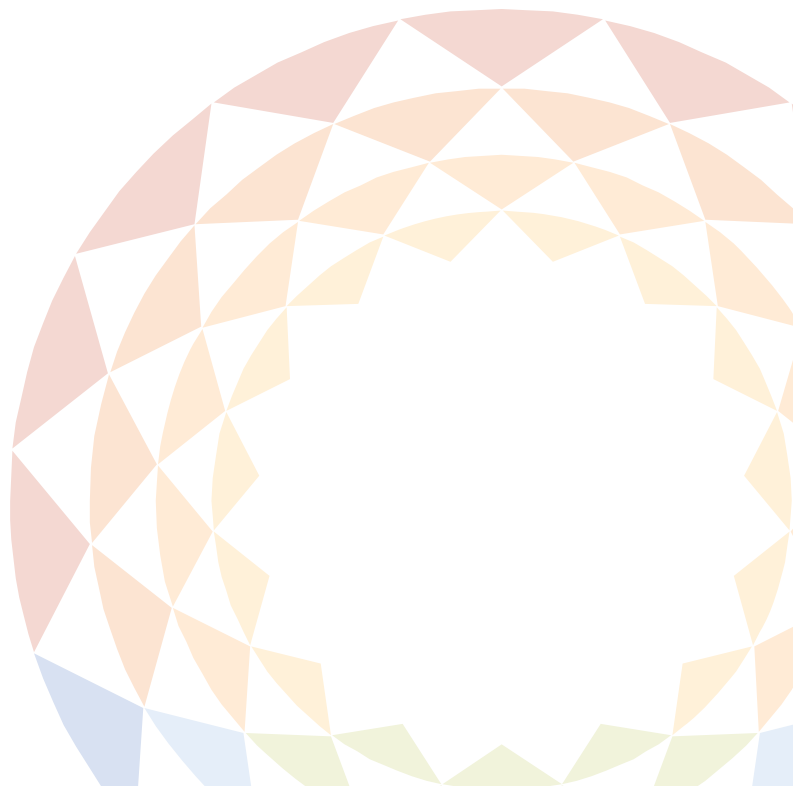
This is the ongoing operation and maintenance budget impacts associated with the capital request.

2019 Base Budget: \$13,100

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)
2021	5,000	0	0	0	0	0	0	(5,000)

Airport



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Airport Capital Summary - Airport Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
Airport Capital - Priority 1								
Renew								
494	3413	Airport Convair Way Parking Lot Upgrades	2,750,000	(2,750,000)	0	0	0	0
494	2901	Airport Terminal Complex Capital Replacements	527,500	(527,500)	0	0	0	0
495	3416	Airport Air Terminal Building Advertising Nodes	175,000	(175,000)	0	0	0	0
495	3415	Airport Tugway Gate Upgrade	53,200	(53,200)	0	0	0	0
496	3417	Airport Air Terminal Building Stairway	200,000	(200,000)	0	0	0	0
496	3414	Airport Road Improvements	171,500	(171,500)	0	0	0	0
Total Renew			3,877,200	(3,877,200)	0	0	0	0
Growth								
497	3412	Airport Long-term Parking Lot Expansion	5,351,000	(5,351,000)	0	0	0	0
Total Growth			5,351,000	(5,351,000)	0	0	0	0
New								
497	2221	Airport Small Capital	150,000	(150,000)	0	0	0	0
Total New			150,000	(150,000)	0	0	0	0
Cost Center Totals			9,378,200	(9,378,200)	0	0	0	0
Grand Total			9,378,200	(9,378,200)	0	0	0	0

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A2 - \$2.7M	
Title:	Airport Convair Way Parking Lot Upgrades		PROVISIONAL

Justification:

The Convair Way parking lot is seeing greater year-round use for valet, staff and aircrew parking during several months of the year. Budget is requested to pave and service a portion of this lot that is currently gravel. This would result in an additional 210 paved parking stalls.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
2,750,000	(2,750,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A3 - \$352k	
Title:	Airport Terminal Complex Capital Replacements		PROVISIONAL

Justification:

Budget is requested to continue with the necessary upgrades to the older areas of the air terminal that are reaching the end of their life cycle. These items include mechanical and electrical systems and equipment, as well as building finishes.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
527,500	(527,500)	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A3 - \$100k	
Title:	Airport Air Terminal Building Advertising Nodes		PROVISIONAL

Justification:

Budget is requested to allow for the modernization and enhancement of the existing advertising signage, and identify new advertising nodes within the air terminal building.

There are no operating and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
175,000	(175,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A2 - \$53k	
Title:	Airport Tugway Gate Upgrade		PROVISIONAL

Justification:

Budget is requested to reconfigure the system that operates the Airport's tugway gate. The tugway is used to transport aircraft across an active road, Airport Way, to and from KF Aerospace. These upgrades would reduce the human resources needed to operate the tugway gate and improve the level of safety on Airport Way when the tugway is in use.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
53,200	(53,200)	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A3 - \$200k	
Title:	Airport Air Terminal Building Stairway		PROVISIONAL

Justification:

Budget is requested to demolish and relocate the stairway within the air terminal building to allow for better passenger traffic flow, provide better way finding and mitigate any congestion.

There are no operating and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
200,000	(200,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A2 - \$172k	
Title:	Airport Road Improvements		PROVISIONAL

Justification:

Budget is requested to widen the sidewalk and add lighting at the north end of the Airport terminal building, adjacent to Airport Way to improve the safety of pedestrians who use this route extensively to access parking lots and the terminal facilities.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Airport electricity operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
171,500	(171,500)	0	0	0	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A2	
Title:	Airport Long-term Parking Lot Expansion		PROVISIONAL

Justification:

Budget is requested to expand the long-term parking lot to the south of Mill Creek. This expansion would include a bridge across Mill Creek and the addition of 300 parking stalls.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Airport Facility Maintenance operating budget.

The 2018 10 Year Capital Plan identified funding for parking in 2022. In accordance with the Airport's 2045 Master Plan, the Airport anticipated reaching 2.0 million passengers in 2020 and 2.25 million passengers in 2025. The Airport has realized higher passenger growth than anticipated, and is expecting to reach 2.085 million passengers in 2018. As a result, the expansion of the long-term parking lot is being requested as a part of the 2019 budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
5,351,000	(5,351,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A1, A2, A3 - \$50K	
Title:	Airport Small Capital		PROVISIONAL

Justification:

Budget is requested for smaller capital projects that need to be implemented expeditiously. The Airport Director will approve these projects and individual project spending will be under \$30,000.

There are no operation and maintenance budget impacts associated with this request.

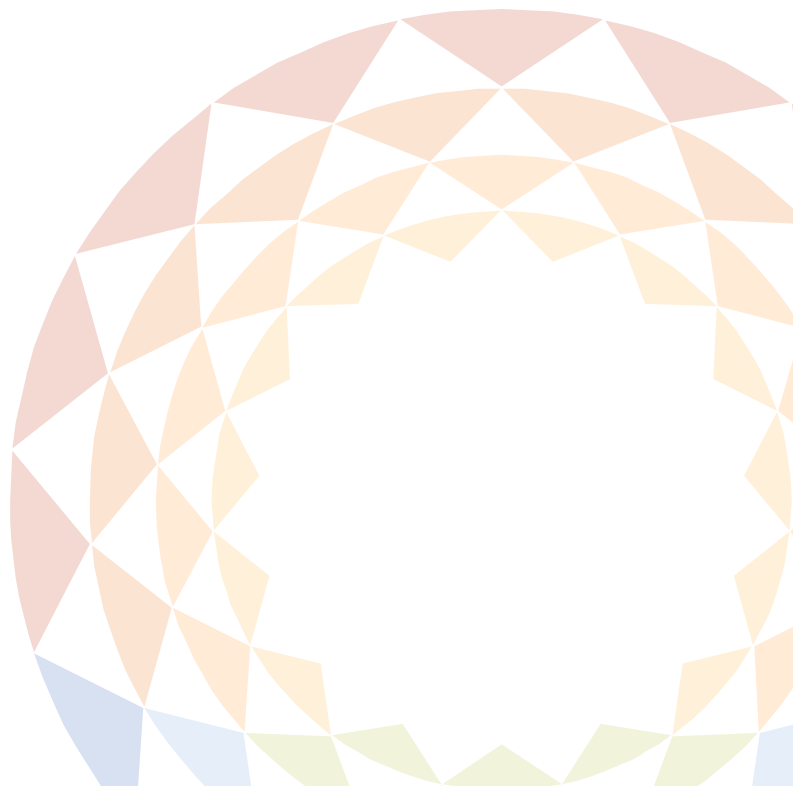
Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	(150,000)	0	0	0	0

This page was intentionally left blank

Water



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Water Capital Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
Water Capital - Priority 1								
Renew								
CCP	398	329001 Ethel 4 Watermain Replacement, Sutherland - Springfield	230,000	0	0	0	0	(230,000)
	502	3XXX Poplar Point Pump Station Electrical Power Upgrades	75,000	0	0	0	0	(75,000)
CCP	398	XXXX Ethel 5 Watermain, Springfield - Rose	700,000	0	0	0	0	(700,000)
	502	XXXX Skyline Pump Station DCC - Electrical Building Upgrades	1,000,000	(373,100)	0	0	0	(626,900)
CCP	399	323602 Sutherland Avenue Connections and Valves Replacement, Pandosy - Ethel	400,000	0	0	0	0	(400,000)
	503	3038 Water Meter Replacement Program	500,000	0	0	0	0	(500,000)
Total Renew			2,905,000	(373,100)	0	0	0	(2,531,900)
Growth								
	503	2407 Water Meter New Installations	150,000	0	0	0	(150,000)	0
	504	2070W Offsite & Oversize DCC - Water	117,200	(83,600)	0	0	0	(33,600)
Total Growth			267,200	(83,600)	0	0	(150,000)	(33,600)
New								
	504	3xxx Mobile Water Refill Station	20,000	0	0	0	0	(20,000)
OP	505	XXXX Water Meter Reading and Servicing Repatriation	98,300	0	0	0	0	(98,300)
Total New			118,300	0	0	0	0	(118,300)
Cost Center Totals			3,290,500	(456,700)	0	0	(150,000)	(2,683,800)
Grand Total			3,290,500	(456,700)	0	0	(150,000)	(2,683,800)

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W7	
Title:	Poplar Point Pump Station Electrical Power Upgrades		PROVISIONAL

Justification:

Budget is requested to complete the replacement of two power management relays that are aging and no longer supported by the supplier. Installation of new updated power management relays will improve the operational redundancy of the station and limit interruption of the water supply during power outages. Upon completion of the upgrades an ARC Flash Study will be developed for this location and other sites in the Water system.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
75,000	0	0	0	0	(75,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2019 W2 - \$378k	
Title:	Skyline Pump Station DCC - Electrical Building Upgrades		PROVISIONAL

Justification:

Budget is requested to remove the electrical and controls from the existing buried chamber to provide safer access for Operations. A failed heating, ventilation, and air conditioning (HVAC) waterline flooded the entire pump station causing water shortages and dangerous site conditions during repairs. The project was originally slated as a simple transformer upgrade for \$378K, however a more comprehensive approach is now required to remove all electrical components from the underground chamber. The work will include the connection of the new FortisBC transformer and a new building which will enclose the new electrical equipment.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,000,000	(373,100)	0	0	0	(626,900)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2019 W6 - \$1.5M	
Title:	Water Meter Replacement Program		PROVISIONAL

Justification:

Budget is requested to replace water meters in the City. The 10-Year Capital Plan includes budget to replace all water meters in the City over a 5 year period. Due to budget reallocations from projects in the Phase 1 Water Integration Project, this project has been extended by 2 years to accommodate the annual budget needs. The new meters will be read through an automated system and allow individual residences to monitor their water use.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
500,000	0	0	0	0	(500,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2019 W7 - \$150k	
Title:	Water Meter New Installations		PROVISIONAL

Justification:

Budget is requested for this annual requirement for the installation of new water meters for new development within the City of Kelowna's water utility. The City is responsible to supply and install all water meters purchased by developers as part of their site requirements.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth) and water

Corporate Framework: A clean healthy environment - Water conservation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	0	0	0	(150,000)	0

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2019 W5 - \$67k	
Title:	Offsite & Oversize DCC - Water		PROVISIONAL

Justification:

Every year the City partners with the development community to oversize/extend water infrastructure to accommodate future projected development. This year the costs are expected to be slightly higher than the 10-Year Capital Plan due to several downtown replacement projects with RU7 zoning changes impacting future fire flow needs. This saves construction costs and disruption by not having to upsize/extend infrastructure in the future when development occurs. Budget is requested for the City's annual share of costs to oversize/extend water infrastructure in excess of the developer's own needs as a result of City requirements.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
117,200	(83,600)	0	0	0	(33,600)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W7	
Title:	Mobile Water Refill Station		PROVISIONAL

Justification:

Budget is requested for a mobile water refill station to provide drinking water at designated outdoor events and venues around Kelowna. This project supports the Connected and Responsible vision principles endorsed by Imagine Kelowna. In 2018, a trial water dispensing unit was located at Stuart Park and special events, such as the Fat Cat Festival and Center of Gravity, providing the equivalent of 12,000 disposable water bottles which were diverted from the landfill. Unfortunately, the mobility, weight and transportation requirements of the existing unit makes it prohibitive for moving to event sites. A total of 20-30 private and public outdoor events in 2019 have already been identified as suitable venues for a second portable unit. Maintenance, security, reservations, storage and transportation would be coordinated through the Kelowna Outdoor Events and Park Services.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Clean drinking water

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
20,000	0	0	0	0	(20,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W7	
Title:	Water Meter Reading and Servicing Repatriation		PROVISIONAL

Justification:

Budget is requested for the one-time cost to prepare the appropriate facilities and tools to support the repatriation of water meter servicing and water meter reading. Bringing these services in house will see an annual cost savings estimated of about \$240,000 per year beginning in 2020. The up-front capital cost is to purchase the meter reading equipment and set up shop and operating cost is to have staff trained and in place prior to the end of the current contract in December 2019. Payback is approximately 1.5 years.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
98,300	0	0	0	0	(98,300)

2019 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Water Meter Reading and Servicing Repatriation with Positions		PROVISIONAL

Justification:

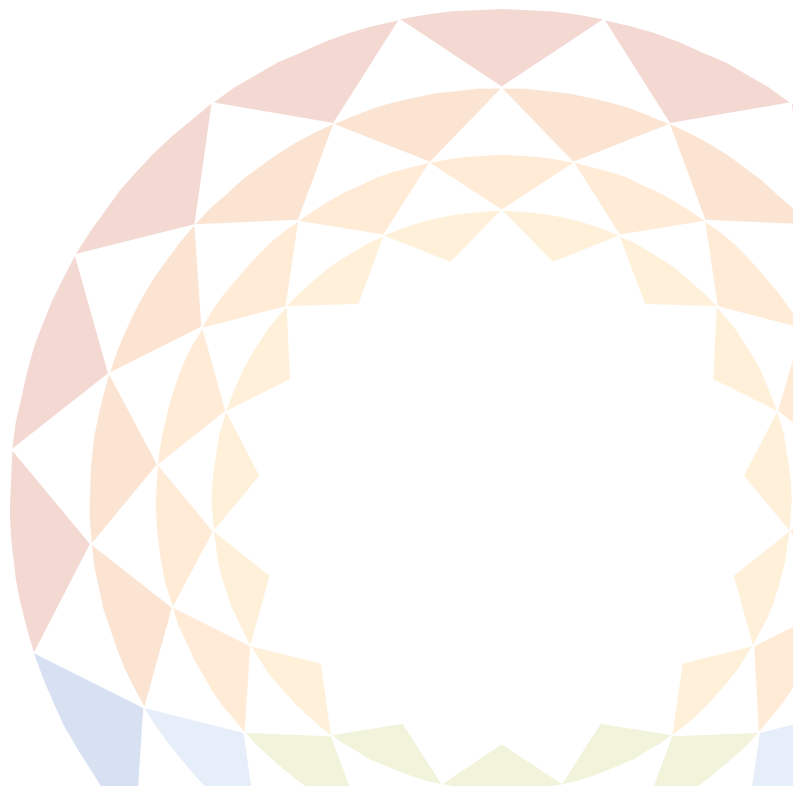
Budget is requested for the repatriation of water meter reading and meter maintenance services. Repatriation will save the City approximately \$200,000 per year beginning in 2020. This will require an upfront capital investment and an operating budget in 2019 to transition water meter services from Tribus to City services, including salary, training, and consulting costs. Annual operating budget includes two Meter Technician positions, one part-time Meter Reader position, maintenance shop space, water meter inventory, related tools, leased vehicles, and support equipment needed to carry out meter reading and maintenance services.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2019	223,000	0	0	0	0	0	(223,000)
2020	(322,250)	0	0	0	0	0	322,250
2021	(322,250)	0	0	0	0	0	322,250

Wastewater



This page was intentionally left blank

2019 Capital Requests

Provisional Budget

Wastewater Capital Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
------	---------	-------------	------------	---------	--------	----------	---------	---------

Wastewater Capital - Priority 1

Renew

CCP	398	329001S	Ethel 4 Sanitary Replacement, Sutherland - Springfield	40,000	0	0	0	0	(40,000)
CCP	398	XXXX	Ethel 5 Sanitary Improvements, Springfield - Rose	80,000	0	0	0	0	(80,000)
	510	3392XX	Sanitary Replacement	545,000	0	0	0	0	(545,000)
CCP	399	3236XXS	Sutherland Avenue Sanitary Replacement, Richter - Ethel	360,000	0	0	0	0	(360,000)
	510	XXXX	Guy St Lift Station Renewal DCC	1,200,000	(900,000)	0	0	0	(300,000)
	511	XXXX	Edwards Lift Station Upgrade	317,000	0	0	0	0	(317,000)
	511	XXXX	Clement Avenue Sanitary Replacement, Kelview - Cerise	200,000	0	0	0	0	(200,000)
	512	XXXX	WWTF Administration Building	400,000	0	0	0	0	(400,000)
	512	XXXX	Laneway Sanitary (Bay Ave. Northwards, East of Richter)	215,000	0	0	0	0	(215,000)
	513	XXXX	Gaston Avenue Sanitary Replacement, St. Paul - Richter	430,000	0	0	0	0	(430,000)
Total Renew				3,787,000	(900,000)	0	0	0	(2,887,000)

Growth

	513	XXXX	Water Street DCC Force Main	944,000	(919,500)	0	0	0	(24,500)
	514	XXXX	Gyro Forcemain DCC	2,106,000	(2,080,700)	0	0	0	(25,300)
	514	2070S	Offsite & Oversize DCC - Wastewater	110,000	(80,000)	0	0	0	(30,000)
	515	XXXX	Swordy DCC Sanitary Sewer Upgrades	1,225,000	(1,194,400)	0	0	0	(30,600)
Total Growth				4,385,000	(4,274,600)	0	0	0	(110,400)

New

	515	XXXX	Wastewater Support Facilities	300,000	0	0	0	0	(300,000)
Total New				300,000	0	0	0	0	(300,000)

Cost Center Totals	8,472,000	(5,174,600)	0	0	0	(3,297,400)
--------------------	-----------	-------------	---	---	---	-------------

Grand Total	8,472,000	(5,174,600)	0	0	0	(3,297,400)
-------------	-----------	-------------	---	---	---	-------------

CCP - Combined capital project

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

P1 - denotes that a request was identified as Priority 1 in the 10-Year Capital Plan

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$545k	
Title:	Sanitary Replacement		PROVISIONAL

Justification:

Additional budget is requested for the combined Manhattan (\$400K) and Flintoff (\$145K) projects originally approved in 2018. The Guy Street Lift Station installation has been moved to 2019 as well, and will set the new elevations deeper to increase grade in the area. This will improve maintenance needs in the catchment area, and is important to accommodate future lakefront development. A more detailed preliminary design has determined that additional sections of pipe will need to be replaced to meet the project objectives.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
545,000	0	0	0	0	(545,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2021 WW2 - \$2.0M	
Title:	Guy St Lift Station Renewal DCC		PROVISIONAL

Justification:

Budget is requested for final detailed design and construction works associated with the renewal and operational upgrades required to the Guy St. Lift Station. This budget request has been revised from the original 10-Year Capital Plan following a more detailed analysis completed of requirements in the Manhattan/Flintoff area. The project sequencing has been modified to design and install the lift station first to the required depth, then install the mainlines, initiating this change from the 10-Year Capital Plan.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Pump Operations operating budget.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,200,000	(900,000)	0	0	0	(300,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$317k	
Title:	Edwards Lift Station Upgrade		PROVISIONAL

Justification:

The existing lift station was inoperable during the 2017 flood event. Budget was originally allocated to move the lift station, however following a more detailed assessment, it was concluded that the most cost-effective solution was to flood proof the existing lift station, purchase an additional right-of-way and install a more resilient backup generator.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Wastewater Operations budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
317,000	0	0	0	0	(317,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$300k	
Title:	Clement Avenue Sanitary Replacement, Kelview - Cerise		PROVISIONAL

Justification:

Budget is requested to replace the mainline which has settled. The area is known for the presence of pockets of poor deep underlying soils which are prone to settlement due to high traffic as a main truck route. A recent closed-circuit television (CCTV) inspection confirmed that approximately 75 metres of mainline requires replacement, less than the 120 metres anticipated in the 10-Year Capital Plan. The revised budget request has been reduced from the original \$300k in the 10-Year Capital Plan.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
200,000	0	0	0	0	(200,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$400k	
Title:	WWTF Administration Building		PROVISIONAL

Justification:

Budget is requested for both the heating, ventilation, and air conditioning (HVAC) (\$60k) and roof (\$340k) work resulting from the ongoing evaluation of roof conditions on all Waste Water Treatment Facility (WWTF) buildings and the implementation of an ongoing capital renewal work program. Both the Administration building roof and HVAC systems were identified as having reached their anticipated service life.

There are no operation and maintenance budget impacts associated with this request.

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
400,000	0	0	0	0	(400,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$215k	
Title:	Laneway Sanitary (Bay Ave. Northwards, East of Richter)		PROVISIONAL

Justification:

Budget is requested to replace the sanitary sewer in the laneway between Richter St. and Walrod St. starting on Bay Ave. northwards due to minor system failures.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
215,000	0	0	0	0	(215,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW5 - \$430k	
Title:	Gaston Avenue Sanitary Replacement, St. Paul - Richter		PROVISIONAL

Justification:

Budget is requested for this project which will replace old mainline installed in 1949 from St Paul St. to Gaston Ave. and west from Richter St. As per recent closed circuit television (CCTV) inspection, the pipe is compromised with tree root intrusions.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Asset Renewal

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
430,000	0	0	0	0	(430,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW1 - \$944k	
Title:	Water Street DCC Force Main		PROVISIONAL

Justification:

Budget is requested for this force main upgrade which will provide capacity improvements from the Water Street Lift Station and helps extend the life of that facility. This will be a multi year project phased over 2019 and 2020. The 2019 work coincides with road and Active Transportation Corridor (ATC) upgrades on Ethel 5 DCC (Springfield - Rose) ATC project construction. Design and phased construction is required, with a majority of the installation being completed during 2020 construction season.

There are no operation and maintenance budget impacts associated with this capital request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
944,000	(919,500)	0	0	0	(24,500)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW1 - \$2.1M	
Title:	Gyro Forcemain DCC		PROVISIONAL

Justification:

Budget is requested to upsize the sanitary forcemain that connects the Gyro Lift Station to the Wastewater Treatment Facility. This project will be completed in conjunction with the Swordy Sanitary Replacement project.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Wastewater Operations operating budget.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
2,106,000	(2,080,700)	0	0	0	(25,300)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW4 - \$60k	
Title:	Offsite & Oversize DCC - Wastewater		PROVISIONAL

Justification:

Every year the City partners with the development community to oversize/extend wastewater infrastructure to accommodate future projected development. This year the costs are expected to be slightly higher than the 10-Year Capital Plan due to several downtown replacement projects with RU7 zoning changes impacting future sizing. This saves construction costs and disruption by not having to upsize/extend infrastructure in the future when development occurs. Budget is requested for the City's annual share of costs to oversize/extend wastewater infrastructure and work in excess of the developer's own needs as a result of City requirements.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
110,000	(80,000)	0	0	0	(30,000)

2019 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW1 - \$853k	
Title:	Swordy DCC Sanitary Sewer Upgrades		PROVISIONAL

Justification:

Budget is requested to upsize a 450m section of sanitary sewer along Swordy Road and Casorso Road starting at Lakeshore Road, in order to provide additional hydraulic capacity for future growth. This is an increase from what was in the 10-Year Capital Plan because this section of pipe is 5-6m deep and will require significant dewatering during construction, which was not anticipated in the original plan.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,225,000	(1,194,400)	0	0	0	(30,600)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2019 WW6 - \$100k	
Title:	Wastewater Support Facilities		PROVISIONAL

Justification:

The Southeast Kelowna Irrigation District (SEKID) integration and City upgrades will require a restructuring of the current water and wastewater division. This restructuring will require the relocation of some staff, shop space and operating equipment between the Yards and the Wastewater Treatment Facility. Budget is requested to facilitate the construction of some new garage space as well as fund required renovation work to accommodate the restructuring.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Wastewater Operations budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: Resilient, well-managed infrastructure - Well-maintained utilities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
300,000	0	0	0	0	(300,000)

This page was intentionally left blank

Carryover Budget



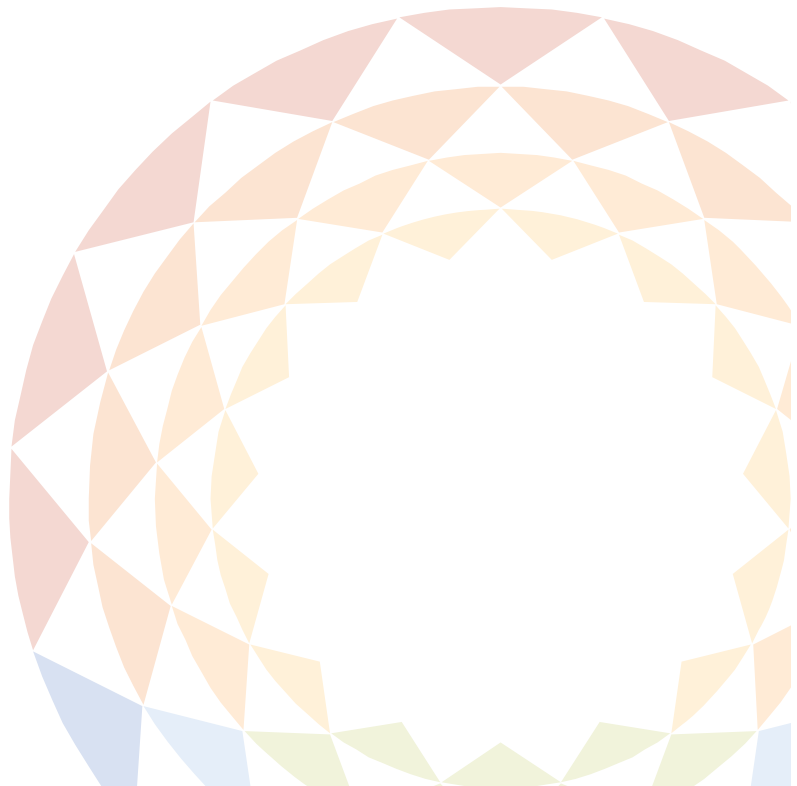
This page was intentionally left blank

CARRYOVER BUDGET

Added after carryover budget is approved in March 2019.

This page was intentionally left blank

Final Budget



This page was intentionally left blank

FINAL BUDGET

Added after final budget is approved in April 2019.

This page was intentionally left blank

Five-Year Financial Plan



This page was intentionally left blank

FIVE-YEAR FINANCIAL PLAN

Added after final budget is approved in April 2019.

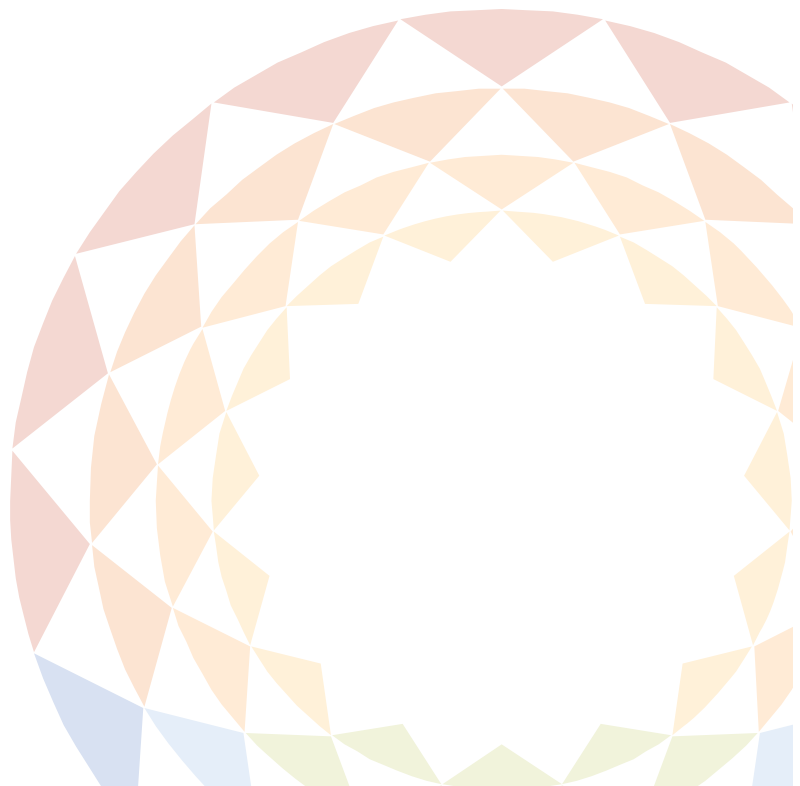
This page was intentionally left blank

Revenue sources & trends

This section will be completed prior to final budget consideration at the end of April in conjunction with the Five-Year Financial Plan.

This page was intentionally left blank

Appendix



This page was intentionally left blank

APPENDIX

Supplemental information

Citizen survey results

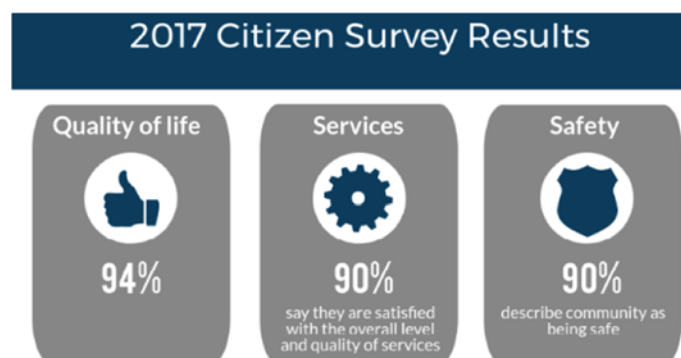
The citizen survey is an excellent tool to gather citizen feedback about priorities for municipal spending, as well as satisfaction with City programs and services. Results of the City of Kelowna's statistically-valid 2017 Citizen Survey (conducted by Ipsos Reid) are weighted by age, gender and city-wide distribution to accurately reflect Kelowna's population. Results are benchmarked against other local governments.

The 2017 survey focused on seven key areas:

- Quality of life
- Issue identification
- Community safety
- City services and infrastructure
- Financial planning
- Priority setting
- Customer service

The survey results are predominantly positive for the City of Kelowna, with responses indicating that residents:

- Have a good quality of life
- Live in a safe community
- Are satisfied with services
- Receive good value for tax dollars
- Prefer to see a tax increase over service reductions
- Are satisfied with customer service



Top of mind issues for citizens include social issues (affordable housing and homelessness), transportation (traffic congestion and condition of streets), as well as growth and development.

Top priorities for City investment include encouraging a diverse supply of housing, improvements to traffic flow, provision of clean drinking water, and ongoing police and fire services.

To review the detailed report, visit kelowna.ca and search for Citizen Survey.

Official Community Plan: indicators report

The Official Community Plan (OCP) is our shared vision for Kelowna as a sustainable city over the next 20 years. It illustrates how we want to grow and what we want our city to be like.

Importantly, it outlines what our city needs to be successful in the future — a great place to live, work and play. To achieve this, the OCP sets goals, objectives and policies to guide our growth and change. The plan was developed with significant public involvement and responds to the community's vision for a livable and thriving community.

According to community input into the Official Community Plan (OCP) 2010 - 2030, residents want a city where:

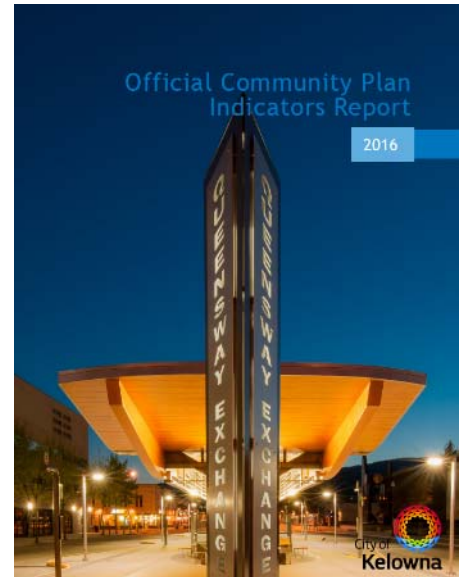
- Urban communities are compact and walkable
- Housing is available and affordable for all residents
- People feel safe downtown and in their own neighbourhoods
- The natural environment (land and water) is protected and preserved
- Walking paths and bicycle routes connect to key destinations
- The economy is growing, vibrant and bringing in new businesses
- Buildings and public spaces are attractive places
- Recreation and cultural opportunities are plentiful

OCP Indicators Report

Updating of Kelowna's Official Community Plan is underway. This multi-year project is anticipated for completion in 2020.

The most recent OCP Indicators Report was prepared in 2016 and suggests that the City is moving towards achieving OCP goals. The intent of the report is to produce a yearly snapshot report providing data relative to previous years. The OCP is a living document and data from these reports is used to support OCP amends on an ongoing basis. On a larger scale, the data from the indicators reports will be fundamental to informing any potential changes as part of the upcoming OCP Update process.

For the full 2016 report, visit kelowna.ca and search for Official Community Plan 2016 Indicators Report.



2017 Community Trends Report

The City of Kelowna's Community Trends Report aims to provide an engaging examination of key trends that will influence Kelowna's future. In doing so, the report offers the City, businesses, community groups, and residents the necessary information to prepare for and respond to the impacts of these trends. Given the extreme weather events of 2017 – flooding and wildfires resulting in a 131 day Emergency Operation Centre activation – this fourth annual edition looks at how those extreme events of 2017 are similar to those expected in a future influenced by climate change¹.

Executive Summary

In Kelowna, 2017 is a year defined by extremes: a community in the midst of an economic boom, and a community challenged by extreme weather events that are expected to become more regular.

Booming economy

Our population is growing rapidly – estimated at 129,500 – with over 12,000 new residents in the past six years alone. The city's appeal is broadening its reach and attracting more and more young families from the Lower Mainland. Our educational institutions are continuing to grow and to invest with more students choosing to stay in the Okanagan after graduation. At the same time our airport is busier than ever.

Summer of extremes

Despite a banner year for many sectors, the spring and summer of 2017 were largely defined by extreme weather events and our community's responses to them.

Starting with a wet spring that led to exceptional volumes of water entering Lake Okanagan, Kelowna was faced with serious flooding. And while the lake level was still elevated and the cleanup effort was underway, the drought began in many parts of the province, setting up ideal conditions for forest fires. The Emergency Operations Centre finally closed its doors in September, marking its longest continuous operation.

Through the four lenses of environment, people/health, economy and infrastructure, this year's Community Trends Report looks at these extreme weather events to help us understand what we can expect in the years to come and what we might be able to do to prepare.

The impacts – both positive and negative – could be far-reaching, from changing what crops to grow and to challenging the capacity of our infrastructure to deal with spring storm events. The City is already taking positive action, protecting green infrastructure like our valuable agricultural lands and watercourses, and undertaking wild re mitigation work in our interface areas.

Taking Action

Looking ahead, further action is needed in a few key areas:

- Develop a Community Climate Adaptation Strategy
- Update the 2040 Official Community Plan and 20-Year Servicing Plan from a resiliency lense and have a responsive growth strategy, that helps the City adapt to new realities
- Look for opportunities to create more green infrastructure
- Examine infrastructure design and enforcement standards to see if they need to be updated
- Ensure a sustainable and dynamic emergency response model remains in place

For the full report, visit kelowna.ca and search for Community Trends Report.



Statistics

Top 10 corporate taxpayers

2018

Rank	Business (owner) name	Type of property
1	Orchard Park Shopping Centre	Shopping Mall
2	FortisBC Inc	Electrical Utility
3	DHL No 48 Holdings Ltd	Hotel & Convention Centre
4	Inland Natural Gas Co Ltd	Gas Utility
5	McIntosh Properties Ltd	Shopping Mall
6	4231 Investments Ltd	Shopping Mall
7	Victor Projects Ltd	Shopping Mall
8	RG Properties Ltd	Shopping Mall
9	Dilworth Shopping Centre Ltd	Shopping Mall
10	Wal-Mart Canada Corp	Shopping Mall

2017

Rank	Business (owner) name	Type of property
1	Orchard Park Shopping Centre	Shopping Mall
2	FortisBC Inc	Electrical Utility
3	Delta Hotels No 48 Holdings Ltd	Hotel & Convention Centre
4	Inland Natural Gas Co Ltd	Gas Utility
5	McIntosh Properties Ltd	Shopping Mall
6	Victor Projects Ltd	Shopping Mall
7	4231 Investments Ltd	Shopping Mall
8	Dilworth Shopping Centre Ltd	Shopping Mall
9	RG Properties Ltd	Shopping Mall
10	Wal-Mart Canada Corp	Shopping Mall

Tax comparison analysis – 2017 & 2018

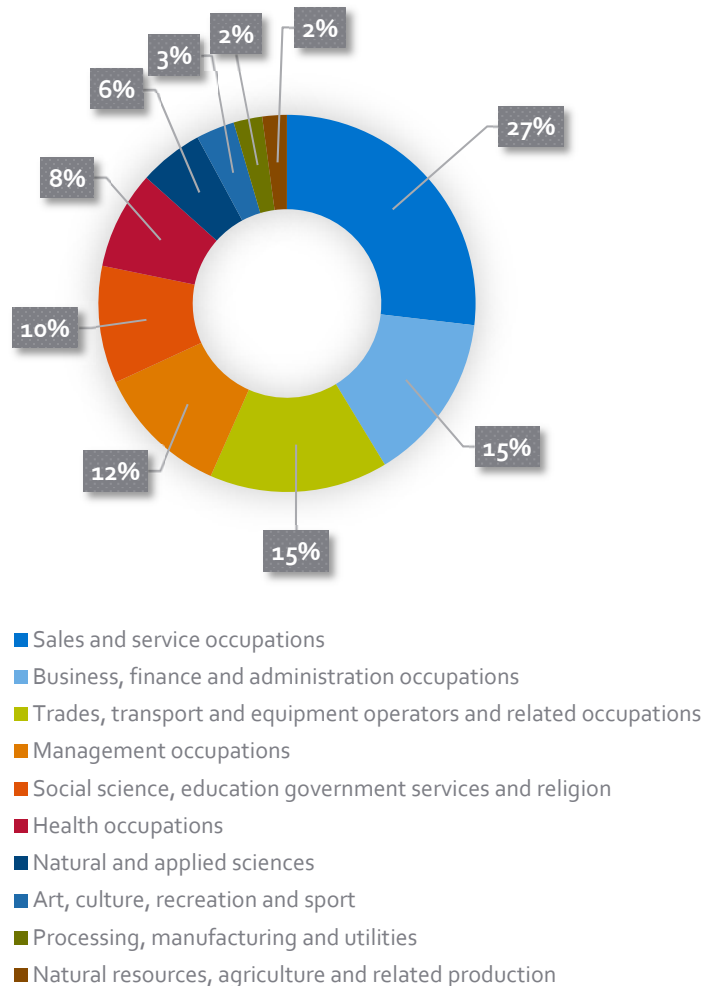
<i>Business</i>	2017	2018	Difference	Change
Assessed value	1,359,000	1,514,610	155,610	11.45%
Municipal				
General Tax Levy	10,843.72	11,167.90	324.18	2.99%
School				
General Tax Levy	6,523.20	6,361.36	(161.84)	(2.48%)
Other Taxing Jurisdictions				
Regional District Levy	990.43	970.75	(19.68)	(1.99%)
Hospital Levy	1,007.23	978.78	(28.45)	(2.82%)
Library Levy	506.74	517.62	10.87	2.15%
BC Assessment Levy	189.31	187.96	(1.35)	(0.71%)
Total Tax Levy	20,060.63	20,184.37	123.74	0.62%

<i>Residential</i>	2017	2018	Difference	Change
Assessed value	556,210	641,760	85,550	15.38%
Municipal				
General Tax Levy	1,932.39	1,990.17	57.78	2.99%
Other Municipal User Fees				
Garbage Collection/Waste Reduction	162.30	174.30	12.00	7.39%
School				
General Tax Levy	892.55	930.49	37.94	4.25%
Homeowner Grant	(770.00)	(770.00)	0.00	
	122.55	160.49	37.94	30.96%
Other Taxing Jurisdictions				
Regional District Levy	165.45	167.89	2.43	1.47%
Hospital Levy	168.26	169.27	1.01	0.60%
Library Levy	90.30	92.24	1.94	2.15%
BC Assessment	24.03	25.86	1.83	7.63%
Total Tax Levy	2,665.29	2,780.22	114.93	4.31%

Local economy¹

Occupation

National Occupational Classification (NOC) 2016



For more information on the local economy, visit www.investkelowna.com.

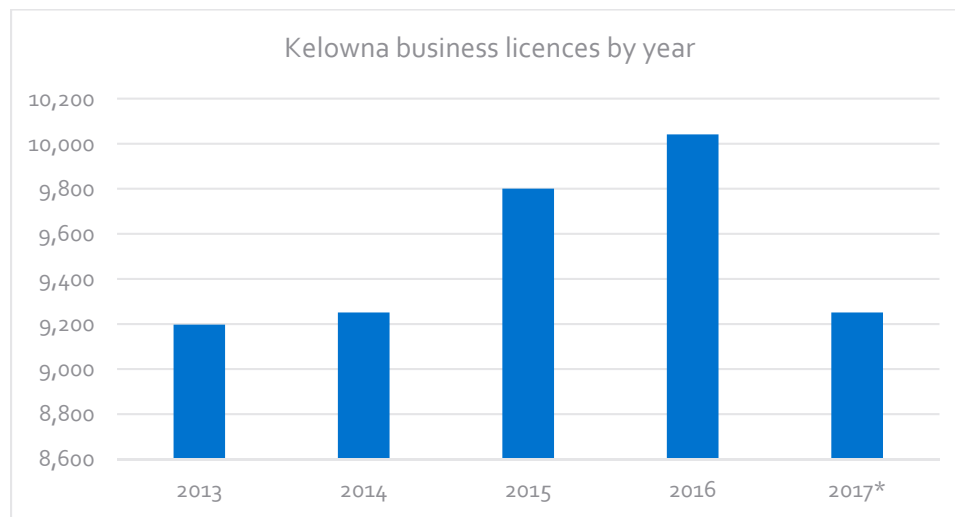
¹ Note:

[1] For the 2011 National Household Survey (NHS) estimates, the global non-response rate (GNR) is used as an indicator of data quality. This indicator combines complete non-response (household) and partial non-response (question) into a single rate. The value of the GNR is presented to users. A smaller GNR indicates a lower risk of non-response bias and as a result, lower risk of inaccuracy. The threshold used for estimates' suppression is a GNR of 50% or more. For more information, please refer to the National Household Survey User Guide, 2011.

[2] Includes self-employed with an incorporated business and self-employed with an unincorporated business. Also included among the self-employed are unpaid family workers.

Source: Statistics Canada - 2011 National Household Survey. Catalogue Number 99-012-X2011033.

Business licences



*The City of Kelowna stopped issuing secondary suite licences in 2017

Access to markets

Kelowna's central location provides the city with access to key markets, as well as their population base.

Distance (km) to Kelowna from:

- Vancouver – 457
- Seattle – 579
- Calgary – 612
- Portland – 826
- Saskatoon – 1,233
- Salt Lake City – 1,614
- San Francisco – 1,872
- Winnipeg – 1,970
- Los Angeles – 2,494
- Denver – 3,215

Kelowna weather

This data has been collected from [The Weather Network](#).

Temperature (°C)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average high	1.4	4.5	10	16	20.7	24.2	29.2	28.3	23	13.3	6	1.5
Average low	-4.6	-3.6	-0.8	2.7	6.6	10	13.1	12.2	8.3	2.7	-0.9	-4.6
Average	-1.6	0.5	4.6	9.3	13.7	17.1	21.1	20.3	15.7	8	2.5	-1.5
Record daily high	9.5	12.4	21.5	26.3	33.2	34.9	40.4	41	34.8	23.7	13.2	11.4
Date	Jan 29 1999	Feb 22 1995	Mar 31 1994	Apr 25 2001	May 29 1995	Jun 22 1994	Jul 24 1994	Aug 04 1998	Sep 02 1998	Oct 01 1998	Nov 01 1997	Dec 16 1999
Record daily low	-27.5	-22.3	-12.3	-6	-2.1	3	7	3.3	-1.6	-5.8	-21.8	-22
Date	Jan 30 1996	Feb 01 1996	Mar 05 1996	Apr 04 1997	May 09 1999	Jun 07 1999	Jul 19 1996	Aug 28 2000	Sep 23 2000	Oct 31 1996	Nov 23 1996	Dec 28 1996

Precipitation

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Monthly rainfall (mm)	10	14	17	24	35	40	34	27	34	37	24	12
	Annual average: 308											
Monthly snowfall (cm)	28	9	5	1	0	0	0	0	0	0	22	36
	Annual average: 100											
Monthly precipitation (mm)	38	23	23	25	35	40	34	27	34	37	46	48
	Annual average: 409											
Single day record rainfall (mm)	11	10	6	12	19	16	32	17	33	18	9	11
Date	Jan 31 1995	Feb 17 1994	Mar 13 2000	Apr 05 2001	May 29 1996	Jun 23 1999	Jul 21 1997	Aug 08 1994	Sep 02 2000	Oct 28 1996	Nov 14 1998	Dec 29 1997
Single day record snowfall (cm)	14	7	7	6	0	0	0	0	0	0	15	15
Date	Jan 20 1996	Feb 11 1997	Mar 02 1998	Apr 13 2000	May 01 1994	Jun 01 1994	Jul 01 1994	Aug 01 1994	Sep 01 1994	Oct 01 1994	Nov 16 1996	Dec 25 1998
Single day record precipitation (mm)	14	10	8	12	19	16	32	17	33	18	17	15
Date	Jan 20 1996	Feb 17 1994	Mar 02 1998	Apr 05 2001	May 29 1996	Jun 23 1999	Jul 21 1997	Aug 08 1994	Sep 02 2000	Oct 28 1996	Nov 27 1995	Dec 25 1998

Glossary

Accrual method of accounting | A method of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Accumulated surplus | The balance in a fund that represents the cumulative excess in revenues over expenditures. This term also refers to reserve accounts.

Alternative approval process | To provide electors the opportunity to seek a vote on a particular matter being proposed by Council. Approval is obtained if fewer than 10% of eligible electors in the area submit elector response forms (former counter petition process).

Amortization | Is the gradual reduction of debt by means of equal periodic payments sufficient to meet current interest and liquidate the debt at maturity.

Appropriation | Term used to refer to the setting aside of monies into a reserve account or fund.

Balanced budget | Budgeted expenditures and transfers to funds are equal to budgeted revenues and transfers from funds.

Base budget | The initial budget that provides for the existing levels of service in the current year.

Capital assets | Is a long-term asset that is not purchased or sold in the normal course of business. Generally, it includes fixed assets.

Capital expenditures | Expenditures of a non-operating or maintenance nature, such as costs to acquire equipment, land, buildings and costs associated with new infrastructure or improvements to existing infrastructure.

Capital lease | Is a lease obligation that has to be capitalized on the balance sheet.

Cost center | Within the City's reporting structure a cost center refers to a specific director, manager, supervisor or division (see Department/Division/Branch).

Conditional grants | Grants (e.g. Federal and Provincial Government) that are dependent on annual approval and potentially limited in how they may be expended.

Debenture | A form of long term corporate debt that is not secured by the pledge of specific assets.

Debt service | The amount of interest and payments due annually on long term debt.

Deficit | An excess of expenditure over revenue. A loss in business operations.

Division/Department/Branch | Part of the City's organization structure. Divisions are the highest level grouping, departments are sections under the division and branches are sections under department. (ie. Division – Corporate & Protective Services; Department – Financial Services; Branch – Financial Planning).

Depreciation | To lower the price or estimated value of a capital asset.

Development Cost Charges (DCCs) | Monies collected from land developers to offset some of the infrastructure expenditures required to service new development. Charges are intended to facilitate development by providing a method to finance capital projects related to water, sewer, drainage, roads and parkland acquisition.

Drivers & activities | Details how Council, Corporate and Divisional priorities lead the work done at the divisional level. Activities are work plans to be accomplished in the current year.

Expenditure | The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expensed projects | A project which does not meet the criteria as established by the City's Tangible Capital Asset policy based on PSAB 1350 requirements. These project budgets are recognized in department operating budgets.

Expenditure reduction | A request to reduce an existing expenditure level.

Fees and charges | A source of revenue generated by the activities, works or facilities undertaken or provided by or on behalf of the City.

Financial Plan | Section 165 of the Community Charter requires that a municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted. The financial plan may be amended by bylaw at any time and is for a period of 5 years. The financial plan identifies the revenue sources and the proposed expenditures to be incurred to meet the outlined objectives.

Franchise fee | A charge made to a privately owned utility for the ongoing use of City property. The City of Kelowna has one franchise fee agreement with Terasen Gas Inc.

Full Time Equivalents (FTEs) | A conversion measure to express all staffing (temporary, part-time, etc.) in terms of a common fulltime denominator.

Fund | A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific activity. The City has five main funds: general, water, wastewater, natural gas and airport. There are also various statutory reserve funds.

General Fund | This fund is used to account for general operations and activities and includes most city departments except the enterprise funds of water, wastewater, natural gas and airport. The departmental activities in the general fund are funded wholly or in part by property taxes.

General revenue | Refers to the revenues which are not specifically attributable to or generated by any particular department within the City's reporting structure.

Grants-in-lieu | Properties within a municipality that are owned by the Federal or Provincial governments are exempt from taxation. The City may receive a grant-in-lieu in place of a tax levy.

Infrastructure | Facilities and improvements such as buildings, roads, sidewalks, storm drainage, waterworks, sanitary sewer systems.

Internal control | Include policies and procedures that pertain to the maintenance of accurate and reasonably detailed records.

Internal equipment revenue | Revenue generated from a charge against current operations for the use of a City vehicle or equipment. The charge is similar for a class of vehicles and is based on full recovery plus inflation.

Local Government Act (LGA) | Provincial legislation that provides authority for municipal expenditure and revenue collection. Some sections of the LGA have been replaced by the Community Charter.

Modified accrual basis | Modified accrual accounting recognizes revenues when they become available and measurable and with a few exceptions, recognizes expenditures when liabilities are incurred.

Official Community Plan (OCP) | A City bylaw that defines policies for land use and development.

Operating expenses | The cost for personnel, internal equipment, materials, contract services and transfers required for a department to function.

Operating request | A request for operating budget that is required to provide a new service or expand an existing service beyond the current funding level.

Operating revenue | Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees and charges from specific services, interest earnings, and grant revenues.

Pay-as-you-go Capital | Capital expenditures that are financed from current year taxation revenues.

Parcel tax | A tax imposed on the basis of a single amount for each parcel, the taxable area of the parcel, or the taxable frontage of a parcel.

Property taxation | The process by which the City obtains the required funds to pay for the General Fund Operating and Capital expenditures of any given year not funded from another source. This is provided by a levy on each property of various classes within the municipality.

Reserve account | Part of the Accumulated Surplus that has been earmarked for future operating or capital expenditures.

Reserve Fund (statutory reserves) | A reserve fund is established by Council by bylaw for a specified purpose that is within the powers of the municipality within the powers of the LGA or another Act.

Revenue | Sources of income financing the operations of the City.

TDAR technology | Tailgate detection, alarm and recording system. Biometric system that uses fingerprinting and cards to access restricted areas.

Time Resource Management (TRM) | Recording system for payroll, equipment use and materials used by the operations group.

Tradewaste Treatment Facility (TWTF) | Wastewater treatment facility run by the City but charged back to specific commercial users.

UPASS | A program where students pay a fee per semester that lets them use their student card as a bus pass.

Utility | The City owns three utilities; water, wastewater and natural gas. The airport is also treated like a separate utility. These utilities pay for themselves through a separate revenue structure specific to each one that pays for their respective operating costs, debt servicing costs and capital projects not funded from other sources.

Working capital | The excess of current assets over current liabilities.

Acronyms

AIF	Airport Improvement Fee	ORT	Okanagan Rail Trail
ALC	Active Living & Culture	PACT	Police and Crisis Team
ATC	Active Transportation Corridor	P.A.R.T.Y.	Prevent Alcohol and Risk Related Trauma to Youth
BCA	BC Assessment		
BCMSA	BC Municipal Safety Association	PAWS	Pre-Authorized Withdrawal System
CARIP	Climate Action Revenue Incentive Program	PCARD	Purchasing Card
C.C.	Community Charter	PGB	Personal Growth Boundary
CCJS	Canadian Centre for Justice Statistics	POC	Paid-on-Call
CCTV	Closed-circuit television	PRC	Parkinson Recreation Centre
COJHS	Central Okanagan Journey Home Society	PSAB	Public Sector Accounting Board
COK	City of Kelowna	PSAS	Public Sector Accounting Standards
CPO	Community Policing Office	RCMP	Royal Canadian Mounted Police
CPTED	Crime Prevention through Environmental Design	RDCO	Regional District of the Central Okanagan
		RFI	Request for Information
CS4L	Canadian Sport for Life	RFP	Request for Proposal
CUPE	Canadian Union of Public Employees	RIM	Records & Information Management
CWME	Capital Works Machinery & Equipment – statutory reserve fund	SCADA	Supervisory control and data acquisition
		SD23	School District No. 23
DKA	Downtown Kelowna Association	SEKID	South East Kelowna Irrigation District
EDMS	Electronic Data Management System	SOMID	South Okanagan Mission Irrigation District
EOC	Emergency Operating Centre	STPCO	Sustainable Transportation Partnership of the Central Okanagan
FOI	Freedom of Information		
FTE	Full-time Equivalent	STR	Short-term Rentals
FVA	Forensic Video Analyst	TCA	Tangible Capital Assets
GAAP	Generally Accepted Accounting Principles	TWTF	Tradewaste Treatment Facility
GFOA	Government Finance Officers Association	UBCM	Union of British Columbia Municipalities
GHG	Greenhouse Gas	UCR	Uniform Crime Reporting
HIT	High Importance Trouble	UBCO	University of British Columbia – Okanagan
GIS	Geographical Information Systems	URBA	Uptown Rutland Business Association
HR	Human Resources	WQA	Water Quality Advisory
HVAC	Heating, Ventilation and Air Conditioning	WWTF	Waste Water Treatment Facility
IAFF	International Association of Fire Fighters – Union	YLW	Kelowna International Airport
ICBC	Insurance Corporation of British Columbia		
ICS	Incident Command System		
IHA	Interior Health Authority		
IK	Imagine Kelowna		
KFD	Kelowna Fire Department		
KPI	Key Performance Indicator		
LAS	Local Area Service		
LEED	Leadership in Energy and Environmental Design		
LOA	Lease and Operating Agreement		
MFA	Municipal Finance Authority		
MoTI	Ministry of Transportation and Infrastructure		
MOU	Memorandum of Understanding		
NSERC	National Sciences and Engineering Research Council of Canada		
NTU	Nephelometric Turbidity Unit		
OCP	Official Community Plan		
OMMLRA	Okanagan Mainline Municipal Labour Relations Association		