

City of Kelowna

Regular Council Meeting

AGENDA



Thursday, December 8, 2022

9:00 am

Council Chamber

City Hall, 1435 Water Street

Pages

1. Call to Order

I would like to acknowledge that we are gathered today on the traditional, ancestral, unceded territory of the syilx/Okanagan people.

As an open meeting, a live audio-video feed is being broadcast and recorded on kelowna.ca.

2. Budget Discussion Schedule

3 - 3

3. 2023 Preliminary Budget

4 - 441

4. Opening Comments

9:00 AM - 9:15 AM

5. Capital Program

5.1 Airport - operating and capital requests

9:15 AM - 9:30 AM

5.2 Corporate & Protective Services - Fire Department - operating and capital requests

9:30 AM - 9:40 AM

5.3 Information Services Capital & Corporate Strategic Services Operating

9:40 AM - 9:55 AM

5.4 Real Estate & Parking

9:55 AM - 10:05 AM

5.5 Building

10:05 AM - 10:20 AM

5.6 Parks

10:20 AM - 10:40 AM

5.7 Vehicle & Mobile Equipment

10:40 AM - 10:50 AM

5.8 Transportation

10:50 AM - 11:20 AM

5.9 Water Capital

11:20 AM - 11:30 AM

5.10	Wastewater Capital	11:30 AM - 11:40 AM
5.11	Solid Waste	11:40 AM - 11:50 AM
5.12	Storm Drainage	11:50 AM - 12:00 PM
6.	Lunch Break	12:00 PM - 1:00 PM
7.	Operating Program	
7.1	Infrastructure	1:00 PM - 1:30 PM
7.2	Water Utility	1:30 PM - 1:35 PM
7.3	Wastewater Utility	1:35 PM - 1:40 PM
7.4	City Administration	1:40 PM - 1:40 PM
7.5	City Clerk	1:40 PM - 1:45 PM
7.6	Planning & Development Services	1:45 PM - 2:00 PM
7.7	Partnerships & Investments	2:00 PM - 2:15 PM
7.8	Active Living & Culture	2:15 PM - 2:30 PM
7.9	Corporate & Protective Services - Corporate Services	2:30 PM - 2:35 PM
7.10	Corporate & Protective Services - Community Safety	2:35 PM - 3:00 PM
7.11	Financial Services	3:00 PM - 3:10 PM
7.12	Debt & Other	3:10 PM - 3:30 PM
8.	Wrap-Up & Discussion (including a break to organize discussion items)	3:30 PM - 4:00 PM
9.	Termination	

Budget Deliberation Day Meeting Schedule

Thursday, December 08, 2022

9:00 a.m. - 9:15 a.m.	Opening Comments (9:00am)
	Capital Program
9:15 a.m. - 9:30 a.m.	Airport - operating and capital requests
9:30 a.m. - 9:40 a.m.	Corporate & Protective Services - Fire Department - operating and capital requests
9:40 a.m. - 9:55 a.m.	Information Services Capital & Corporate Strategic Services Operating
9:55 a.m. - 10:05 a.m.	Real Estate & Parking
10:05 a.m. - 10:20 a.m.	Building
10:20 a.m. - 10:40 a.m.	Parks
10:40 a.m. - 10:50 a.m.	Vehicle & Mobile Equipment
10:50 a.m. - 11:20 a.m.	Transportation
11:20 a.m. - 11:30 a.m.	Water Capital
11:30 a.m. - 11:40 a.m.	Wastewater Capital
11:40 a.m. - 11:50 a.m.	Solid Waste
11:50 a.m. - 12:00 p.m.	Storm Drainage
12:00 p.m. - 1:00 p.m.	Lunch Break
	Operating Program
1:00 p.m. - 1:30 p.m.	Infrastructure
1:30 p.m. - 1:35 p.m.	Water Utility
1:35 p.m. - 1:40 p.m.	Wastewater Utility
1:40 p.m. - 1:40 p.m.	City Admin
1:40 p.m. - 1:45 p.m.	City Clerk
1:45 p.m. - 2:00 p.m.	Planning & Development Services
2:00 p.m. - 2:15 p.m.	Partnerships & Investments
2:15 p.m. - 2:30 p.m.	Active Living & Culture
2:30 p.m. - 2:35 p.m.	Corporate & Protective Services - Corporate Services
2:35 p.m. - 3:00 p.m.	Corporate & Protective Services - Community Safety
3:00 p.m. - 3:10 p.m.	Financial Services
3:10 p.m. - 3:30 p.m.	Debt & Other
3:30 p.m. - 4:00 p.m.	Wrap-Up & Discussion (including a break to organize discussion items)



FINANCIAL PLAN

Kelowna, BC Canada
Preliminary Budget

2023

Volume 1



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Summary of capital budgets	TBD
Summary of Utility capital budgets	TBD
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FINAL BUDGET

Report to Council	TBD
Financial summaries.....	TBD
Analysis of tax demand	TBD
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About this Document

About this document is intended to provide a basic understanding of the Financial Plan and briefly describe the contents of each major section of this document. The Financial Plan provides detailed funding requirements over the next five years and serves as a policy document, operations guide, and communications tool.

Council changes

The Financial Plan Volumes are presented to Council as a recommendation from the City Manager. During budget deliberations, Council may choose to make changes to the presented budget resulting in a revised gross taxation demand and property owner impact for the year. This page summarizes all changes made by Council.

Introduction & overview

This section provides an introductory message from the City Manager outlining the priorities and challenges considered in the development of the 2023 Financial Plan. An overview of *Our Community*, *Our City*, and *Our Citizens* tells the story of what makes Kelowna a desirable place to live. *Budget highlights* provide a summary of how we budget for and deliver on Council and Corporate priorities.

Strong financial management

This section discusses the City of Kelowna's organizational structure, funds, debt, financial principles, strategies and policies, and goes into detail about the budget process.

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 which are revenues not specifically attributable to or generated by any particular division, Operating Budgets which represent the total cost of operation offset by any direct revenues recognized in each division, and Capital Budgets which include capital requirements for the year summarized by capital cost centre and funding source.

Operating budget

This section starts with an overview of the City's operating program and a full summary of all operating requests, followed by individual Division/Department sections that include organization charts and department descriptions; activities planned for the budget year; performance measures and a budget overview presenting information for the completed 2021 year, the estimated/revised 2022 year and the proposed/Preliminary 2023 year. This is followed by Priority One budget requests, included in budget totals, and then Priority Two, not included in budget totals, if applicable. Requests are shown in maintain, growth and new categories and contain a justification and the one- to three-

year financial impact. Operating requests related to capital are included in the associated capital request and are marked on the operating summary with "CAP". Operating requests with a vehicle or equipment capital impact are marked with a "V&E" on the summary sheet.

Capital budget

This section starts with financial analysis of the capital program including a list of operating impacts and a full summary of all capital requests. This is followed by individual capital cost centre sections that include detailed Priority One capital requests, and a summary of Priority Two requests if applicable. Capital requests are presented in the order of the Capital Plan reference number and marked as one of three types: renew, growth and new. Any operating impacts are included as part of the capital request and are marked with an "O&M" on the summary sheet. In cases where a vehicle or equipment is requested as part of a new position, the capital cost is presented as part of the operating request and marked on the capital summary with "OP".

Carryovers & Final Budget

Multi-year and unfinished projects that require budget to be moved to the next fiscal year are presented to Council in March, as part of the Carryover Budget–Volume 2.

Final Budget – Volume 3 is presented in April and includes final adjustments to the Financial Plan. This plan is mandated by the Community Charter to be approved by bylaw annually before May 15 prior to the annual property tax bylaw adoption.

Five-Year Financial Plan

The Five-Year Financial Plan is mandated by the Community Charter to include a planning period of five years, the first being the year in which the plan is specified to come into force and the following 4 years.

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. All reports are also available on kelowna.ca. For clarity of terms throughout the Financial Plan, a glossary and acronyms list is provided.

2023 Council Changes

The Financial Plan Volumes are presented to Council as a recommendation from the City Manager. During budget deliberations, Council may choose to make changes to the presented budget resulting in a revised gross taxation demand and property owner impact for the year. This page summarizes all changes made by Council in the three budget volumes.

This page will be updated after each Financial Plan Volume is approved by Council.

Analysis of tax demand – Preliminary Budget – Volume 1 (\$ thousands)

Information to be added after the December 8, 2022 Council Budget Deliberation meeting.

Items added/deleted by Council – Preliminary Budget – Volume 1

Information to be added after the December 8, 2022 Council Budget Deliberation meeting.

Analysis of tax demand – Carryover Budget – Volume 2 (\$ thousands)

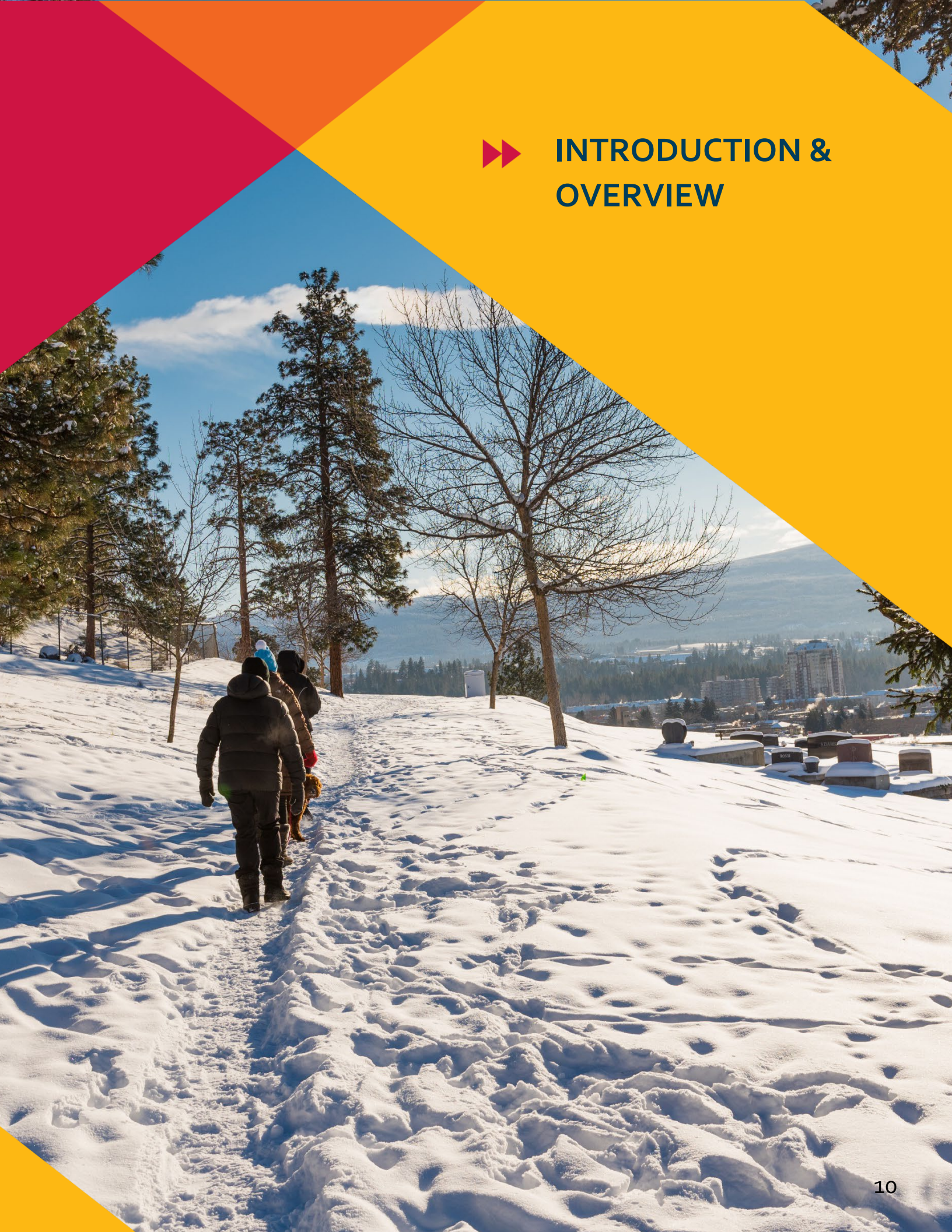
Information to be added after the March 20, 2023 Council meeting.

Analysis of tax demand – Final Budget – Volume 3 (\$ thousands)

Information to be added after the April 24, 2023 Council meeting.



INTRODUCTION & OVERVIEW



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TERRITORY ACKNOWLEDGMENT

We acknowledge that our community is located on the traditional, ancestral, unceded territory of the syilx/Okanagan people.

► MESSAGE FROM THE CITY MANAGER



I am pleased to present Council with the proposed City of Kelowna preliminary budget for 2023 and would like to convey my sincere appreciation to all City Staff who have practiced our corporate priority of Strong Financial Management in preparation of the budget that will be considered by City Council.

On the heels of a pandemic and significant global economic change, I am proud to advise Council that our organization, in many ways, has never been stronger. Our secure financial position and fiscal innovation has served us well, enabling us to respond, adapt and rescale where necessary. We have healthy financial reserves, solid long-term investments, low debt, a moderate tax level, a strong asset management program, and we continue to generate 75 per cent of the City's total revenue through sources other than annual taxation. While our pandemic recovery has been top of mind, the City's growth also continues to heavily influence our financial decisions. Between 2016 and 2021, our city's population increased 13.5 per cent, making it the fastest growing city in B.C., while having the third-fastest growing downtown in Canada. These and other economic indicators show Kelowna is thriving and investment in our city is more desirable than ever.

However, with recent labour shortages, supply chain disruptions and an inflation rate not seen in almost 40 years, cities across Canada—and the residents and families that call them home—have faced challenges, financial and otherwise, since 2020.

When faced with such challenges, our residents more than ever rely on the City to lean into our core principles and strategies for financial strength and stability, while we fulfill our mandate to serve the needs of a growing community and invest today for a strong Kelowna tomorrow.

As City Manager, I believe our strategic ability to make sound financial decisions for the collective good of our community is one of our City's greatest strengths—and our greatest responsibility. That ability is built on many things, including our staff and council's commitment to our organizational values, to innovate to make things better, act as one team, serve proudly, and lead responsibly. However, at the core, it's having a clear set of community priorities and Council approved strategies that guide our investment recommendations to Council. The *Imagine Kelowna* vision, the 2022 citizen survey, what we heard through the election, and our annual public progress reporting are all an integral part of prioritizing budget submissions.

Every year, each budget brings with it unique challenges and opportunities. The proposed 2023 budget focuses on maintaining and expanding critical

infrastructure, and directing funding toward the highest needs of the community. Public safety continues to be a top priority for the City and residents. The federal government and National Police Federation recently negotiated a 24 per cent wage increase (retroactive to 2016), resulting in an estimated \$12 million-plus impact to the City with annual ongoing wage increase costs. To help address this, and the increasing safety needs of the community, I am proposing the introduction of an annual one per cent public safety levy. If approved, the 2023 levy will be used to fund six additional RMCP members, two senior bylaw officers, and four fire fighters. The proposed levy would provide certainty to ongoing public safety funding for one of our highest community priorities and will allow for improved financial planning and forecasting for the future. Other investments in the proposed budget reflect the need to address growth, advance innovation and efficiency, and focus on the key priorities that have been identified through formal processes and the recent community conversation.

The 2023 Financial Plan prioritizes:

- Financial prudence amid inflation to **keep tax rate as low as possible**
- **Protecting existing infrastructure** and planning for a city of the future
- **Community safety** to reduce risk, vulnerability and harm in our community
- **Social wellness** to address issues such as homelessness and challenges related to affordable housing in our community
- **Transportation** with a focus on active and alternative modes to help keep Kelowna moving, now and into the future
- **Digital transformation** to improve operational efficiency, safeguard information, and make doing business with the City faster and easier
- **Protecting our natural environment** and addressing climate action through the reduction of greenhouse gas emissions

As we welcome a new Council eager to work on the issues they heard through the election, we head into 2023 with energy and excitement. Guided by clear direction and our *Imagine Kelowna* principles, I am confident that working together, with the community, we will achieve the inclusive, welcoming, prosperous and sustainable future Kelowna residents deserve.



– Doug Gilchrist
City Manager

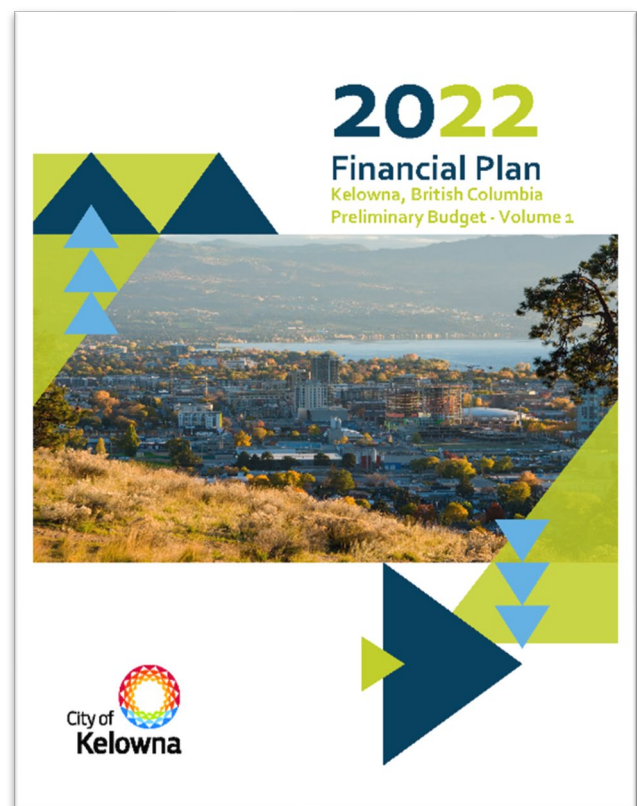
Award for Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Kelowna, British Columbia, for its Annual Budget for the fiscal year beginning January 01, 2022.

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 our 2023 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

The City of Kelowna has received the GFOA Distinguished Budget Presentation Award for 21 consecutive years.



Our Community

Lifestyle

Located along the sandy shores of the Okanagan Lake, in the heart of the Okanagan Valley, Kelowna is a four-season playground welcoming over two million visitors annually from around the world. With its proximity to water, beaches, hiking trails, ski hills, golf courses and the Okanagan Rail Trail, it's a city that embraces outdoor adventure and an active lifestyle all year long. With over 40 wineries within a 20-minute drive, Kelowna is at the centre of the world-renowned Okanagan wine country and fruit growing industry. It is home to award-winning microbreweries, distilleries, and cideries deeply rooted in the local agricultural history, and its bustling urban centre offers a passionate farm to table network, outdoor markets, live music scene, galleries, theatre and unique shopping boutiques. Nearly all citizens (90 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 great weather.

Growth

Kelowna is rapidly evolving. Between 2016 and 2021, Kelowna's population increased by 13.5 per cent making it the fastest growing city in B.C., while having the third-fastest growing downtown in Canada. As the twentieth largest metropolitan area in the country, it is becoming a more urban and dynamic city. By 2040, Kelowna is expected to be home to another 45,000 people. In 2021, for the first time, building permit values exceeded \$1 billion.

Jobs

Kelowna is an economic powerhouse, home to robust traditional sectors like agriculture and construction, and burgeoning new sectors such as information technology. It is homebase for over 600 technology companies with over \$1.8 billion in annual revenue, according to Accelerate Okanagan. The city boasts a diverse economy that also includes manufacturing, tourism, aviation and health care.

Airport

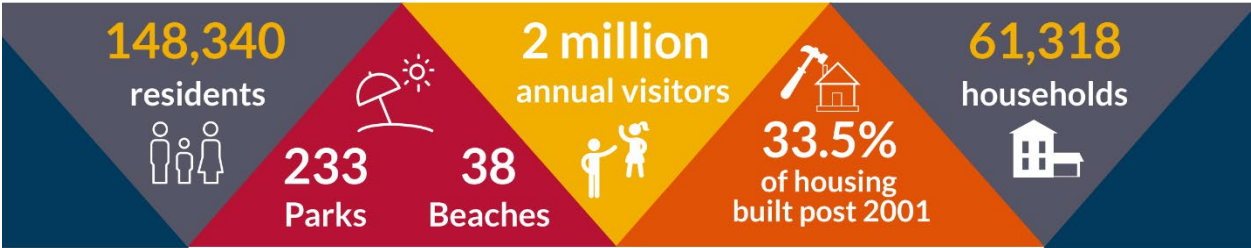
Kelowna International Airport (YLW) is the largest municipally owned and operated airport in Canada. YLW does not utilize municipal taxes as it is self-funded through user fees and charges. The aviation sector is essential for Canada's post-pandemic recovery of revenue generation for local businesses, maintaining and creating jobs for residents, and encouraging investment in the local community. Each year YLW pays a portion of revenue to the City of Kelowna which helps to reduce taxes paid by residents.

Education

Kelowna is a hub of academic and trades training excellence. It is home to the Okanagan campus of the University of British Columbia, one of the world top public universities, and Okanagan College's largest campus. Together, the two post-secondary schools welcome nearly 30,000 students a year.

Health

Kelowna offers world-class, state-of-the-art medical facilities offering the highest quality patient care. Interior Health Authority, headquartered in downtown Kelowna, and the Kelowna General Hospital serve as the leading health centre for the B.C. Interior, and a teaching hub for the UBC Okanagan medical school.



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 dedicated City Manager, Mayor and Council. More than 1,000 employees deliver quality services to ensure our city is safe, vibrant and sustainable. As 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, as well as news releases and social media. In addition, the user friendly and mobile responsive kelowna.ca website allows residents to place service requests online and stay informed.

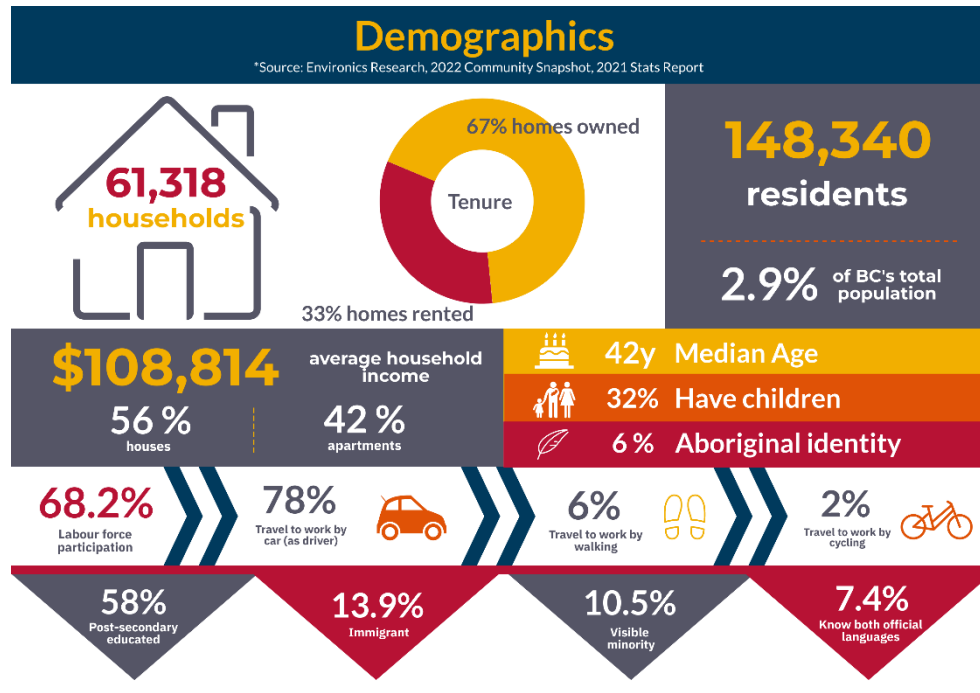
Mayor and Council

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2022-2026). Led by Mayor Tom Dyas, 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.

Top row: Councillors Luke Stack and Mohini Singh, Mayor Tom Dyas, Councillors Maxine DeHart and Charlie Hodge. Seated: Councillors Ron Cannan, Loyal Wooldridge, Gord Lovegrove and Rick Webber.



Our Citizens



The 2022 City of Kelowna Citizen Survey helped gauge public satisfaction with municipal programs and services, providing insights into citizens' priorities. For information see Appendix A.

Kelowna on the Map



THE VISION

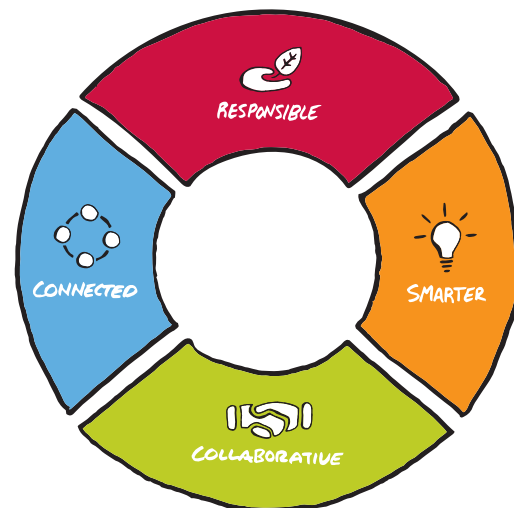
At-a-glance

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



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

SMARTER

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 change.

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.



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

CONNECTED

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.



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.



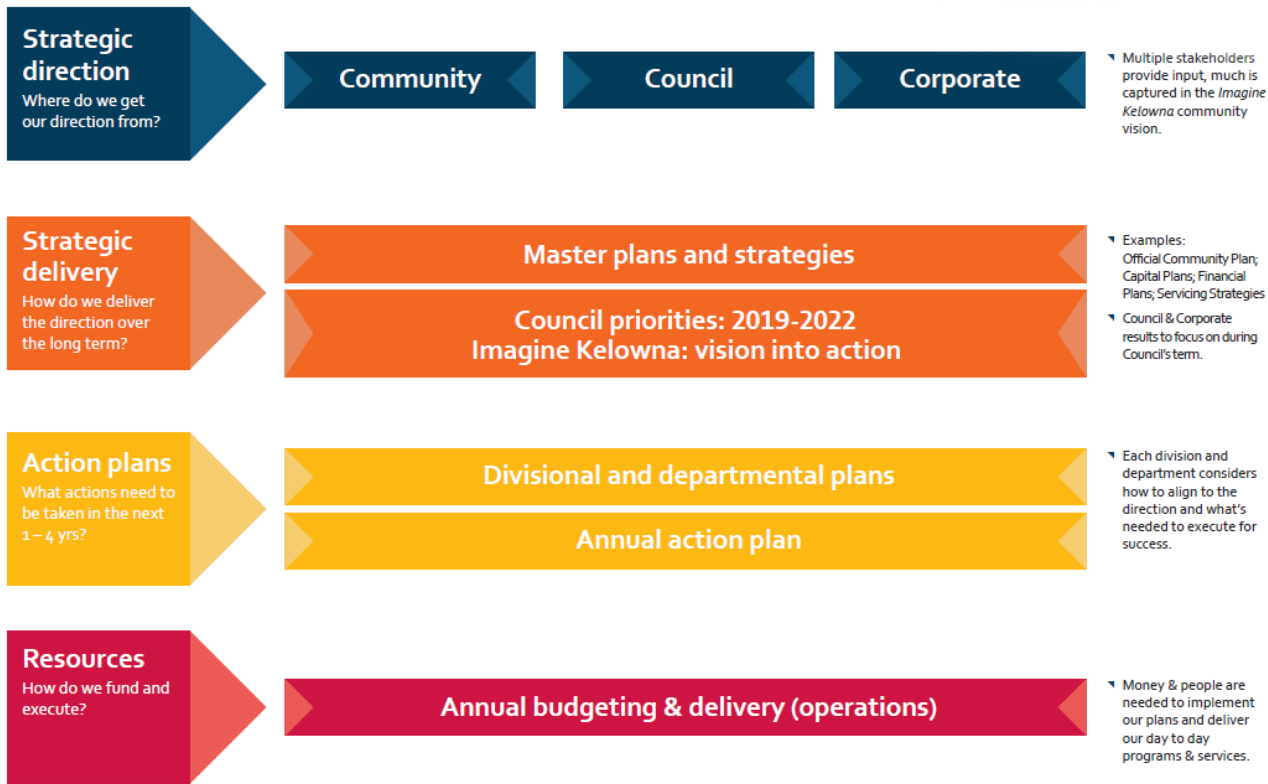
Priorities

This section will be updated when the Council priorities for the 2023 – 2026 term are published.

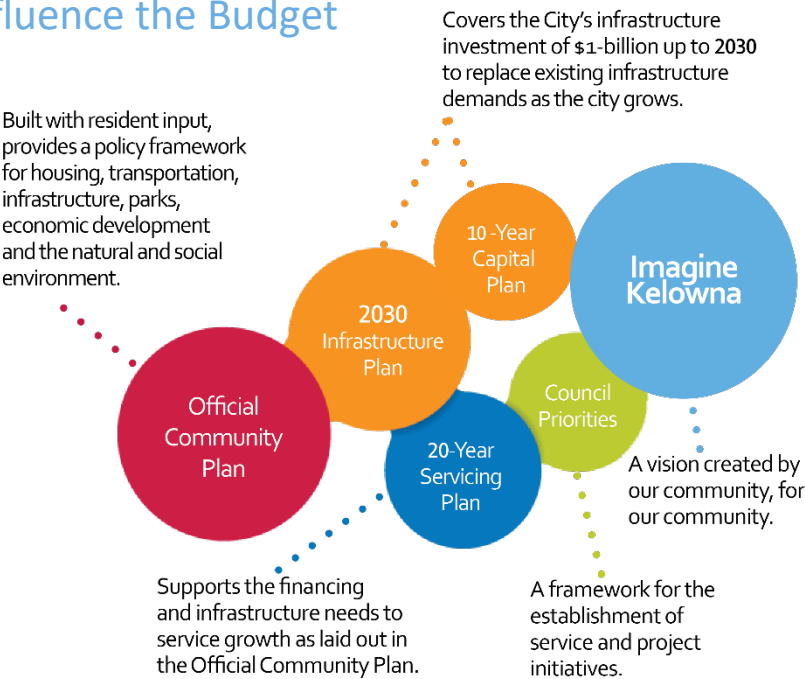
This section will be updated when the Council priorities for the 2023 – 2026 term are published.

Plans & Strategies

How City Plans Work Together



Plans that Influence the Budget



Action Plans & Measurement

Action Plans

Each year, City of Kelowna publishes its annual Action Plan. It identifies our most notable strategic and operational work to deliver results in response to Council Priorities.

The action plan captures notable operational and infrastructure improvements and initiatives to provide a clear path forward. Based on the community led Imagine Kelowna vision and our long-range strategies and plans fed public engagement, the Action Plan is developed collaboratively by all divisions, and our organization as a whole is responsible for actioning and delivering on the items.

While not an exhaustive list of projects, the Action Plan is an important part of our overall integrated strategy and corporate performance management process, which outlines how we set priorities, align the organization, execute the work, measure outcomes, and evaluate opportunities for improvement.

Build trust and accountability



- Know what difference we're making
- Track and understand cost per service level

Summary of Projects and Initiatives

The projects and initiatives included in Action Plan 2023 will represent work currently underway (multi-year, or not completed in the previous year) or planned to start sometime during the year. Many projects and initiatives will advance more than one priority area and/or result. All items will be linked directly back to Council Priorities, and our Corporate Results: Clear direction, People and Financial Management. For more information on the annual Action Plan visit kelowna.ca/actionplan.

Performance Measurement

City of Kelowna has a corporate-wide performance measurement program that is integrated into the annual Financial Plan and Annual Report in accordance with the Community Charter. Corporate performance

management is inherent in good governance and management. It is both an integral part of how we work and key to achieving our desired results. Performance measures provide us the evidence of results that informs our management decisions and actions.

Learn and improve



- Better understand our priorities and how work links to outcomes
- Improve the value we provide

Performance measures are important for both external and internal stakeholders. Measuring our corporate performance allows us to evaluate our programs, services and processes to ensure that we are providing quality programs and services that best serves our citizens. Performance measures tell the story of results, improving visibility, transparency, and accountability. They build trust as they help citizens understand what difference the City is making and provides them with a tool to track and understand costs per service level.

Performance measurement is also used by City staff as a tool for continuous improvement. Internal performance measures help staff better understand City priorities enabling quicker, well-reasoned decisions that will improve the value the City provides to the community. Reporting divisional corporate performance measures is a part of the City's financial planning process and is included in the City of Kelowna Annual Financial Plan. The performance measures are directly linked to operational goals and/or Council priorities.

At the end of 2021, the City reported that:

- 29 results are trending in the right direction
- 5 results show no change or it is the first year that data is available
- 5 results are not trending in the right direction

To view the annual interactive progress report, visit kelowna.ca/councilpriorities.

BUDGET HIGHLIGHTS

Budget at a glance

The City of Kelowna is responsible for managing public funds on behalf of our residents and making the right decisions to safeguard our city and community. We do this by having a clear set of priorities based on our community-led *Imagine Kelowna* vision, sound master plans and a steadfast commitment to strong financial management—the cornerstone principle of every decision made. This is backed by our annual online progress reporting showing how the City is actioning priority *Imagine Kelowna* processes. Public reporting not only welcomes valuable feedback and input from the community, it demonstrates Council's commitment to transparency, accountability and providing value to residents.

As we continue post-pandemic recovery and navigating changing economic factors including inflation, interest rate pressures, labour shortages and supply chain challenges, the 2023 budget focuses on financial prudence amid inflation to keep the tax rate as low as possible and directing funding toward the highest needs of the community, including maintaining and expanding critical infrastructure for a rapidly growing community and addressing key community priorities.

2023 Priorities

Financial Prudence Amid Inflation

Keeping Tax Rate as Low as Possible

Resilient financial management and innovation, strong asset management and Development Cost Charge (DCC) programs, healthy financial reserves, long-term investments and low debt have helped us create stability and minimize the tax impact on our citizens amid complex global financial challenges.

Once budget carryovers are approved, and the Financial Plan is finalized in April, only approximately 25 per cent of the City's 2023 operating and capital costs will come from annual taxation. Revenue generated from sources such as self-funding business units, including Kelowna International Airport, the City's water utility and solid waste operations, as well as grants and user fees contribute significantly to service delivery and our citizens' quality of life. This, and the ability to utilize reserve funding to offset some of the impacts of inflation, and other economic pressures, including significant increases in service contracts, is helping to keep taxes as low as possible.

Development Cost Charge revenue (\$32.5M) will fund over 26 projects, including the following:

- Parkland acquisition
- DeHart Park
- Pandosy Waterfront Park – Phase 2
- Glenmore Recreation Park – Phase 3
- Sutherland 3 DCC (Mill Creek – Spall), Road

2023 projects supported by grants

- Mill Creek Flood Protection \$2,309,900 grant
- Okanagan College Exchange Capacity Expansion \$992,000 grant
- KLO Mission Creek Sewer connection \$660,000 grant

Public Safety Levy

Dedicated Funding for one of our Highest Community Priorities

Public safety continues to be a top priority for the City and residents. The 2023 preliminary budget proposes the introduction of an annual one per cent public safety levy indexed to the greater of growth and inflation or one per cent of the previous years' taxation demand. The proposed levy would provide a dedicated and predictable ongoing funding source for one of our highest community priorities and will allow for improved financial planning and forecasting for the future. The allocation recommendation is informed by an RCMP resource deficit highlighted in the Griffiths' 2019 Report and their strategic plan; community service growth needs identified by Bylaw Services and the Fire Department 2030 Strategic Plan and 10-year Capital Plan. This request follows the estimated \$12 million-plus impact to the City, with annual ongoing wage increase costs, as a result of the 24 per cent RCMP wage increase (retroactive to 2016) negotiated by the federal government and

National Police Federation. Approval will maintain service delivery levels, enable more resources in the Community Safety Unit and improved strategic coordination with health and housing sectors. If approved, the \$1,671,00 investment will fund the following positions and all associated costs:

- 6 RCMP Members
- 2 Senior Bylaw Officers
- 4 Fire Fighters

Critical Infrastructure

Planning for a City of the Future

Between 2016 and 2021, Kelowna's population increased 13.5 per cent, making it the fastest growing city in B.C., while having the third-fastest growing downtown. In the next 20 years, we expect to welcome over 45,000 new residents. Protecting our existing critical infrastructure, and planning for the needs of our growing community is a key priority to ensure our residents and future generations have what they need to enjoy a high quality of life.

The infrastructure levy introduced in 2019 has helped fund parks, transportation and storm drainage projects. The City's civic buildings and facilities are aging, and more investment is needed to renew critical assets. The current levy generates \$5.6 million annually but is not indexed to inflation. The 2023 budget proposes to increase the levy annually by the three-year average non-residential construction price index, seven per cent for 2023.

The City will invest \$34.9 million in infrastructure renewal in 2023, including:

- \$1,400,000 in general building infrastructure renewal
- \$4,058,400 for vehicle/equipment renewal
- \$1,350,000 for Kelowna Family Y building renewal
- \$1,565,000 Airport Air Terminal Building Capital Replacement and improvements

Digital Transformation

To Advance Innovation, Efficiency and Safeguard Information

As the world becomes increasingly more digital, the City is prioritizing continued investment in digital transformation to enhance customer experience and advance innovation, efficiency and safeguard information. With the introduction of website enhancements, chat and voice bots, electronic signatures, and digital assistants, doing business and communicating with the City will be faster, easier and more secure. With increasing Information Technology complexity, need for continual upgrades, and cyber threats, we will shift to the Network as a Service model to enhance security and service, while minimizing the need for capital expenditures related to operating a traditional on-premises network. The digital transformation strategy will target highest value projects and focus on improving data driven decisions.

2023 budget requests that will support this transformation include:

- \$1,621,200 for network as a service (seven-year agreement)
- \$150,000 for cybersecurity licensing
- \$50,000 for fibre optic service line



Staffing

All new positions and changes to existing salaried or wage personnel, both permanent and temporary, are required to be supported by a business case. The business case must include the reason for the request, a cost/benefit analysis, the recommended funding source, other alternatives considered and the organizational impact. Each request must also support Council | Corporate priorities ensuring Divisions are making a difference in services, programs and infrastructure that address our community's needs. Each operating request includes a Strategic Direction selection that indicates the priority the new position is working towards.

The 2023 Financial Plan contains requests for 33 new P1 staff positions requests that support moving Council | Corporate priorities forward while also delivering on the services residents expect. The new positions include 27 full-time, one term, seven part-time and a reduction of two part-time positions that have been converted to full-time. The total 2023 taxation impacts on budget for these position changes is \$2.4 million. The table to the above shows the total positions requested by each division/department and by position type.

Division/department	Full-time positions	Part-time positions	Term Positions
City Clerk (CC)	1.0		
Airport (AIR)	3.0		
Planning & Development Services (P&DS)	2.0		1.0
Partnerships & Investments (P&I)	2.0		
Infrastructure (IN)	3.0		
Wastewater (WW)	1.0	2.0	
Water (W)	1.0	1.0	
Active Living & Culture (AL&C)	2.0	(2.0)	
Corporate & Protective Services			
Corporate Services (CS)	1.0		
Community Safety (SAFE)	5.0	2.0	
Fire Department (FD)	4.0		
Corporate Strategic Services (CSS)	1.0	2.0	
Financial Services (FS)	1.0		
Total position requests	27.0	5.0	1.0

Budgeting for community priorities

Each operating request indicates strategic alignment with key focus areas. Listed below are a few highlighted 2023 budget requests.

Community Safety

While 81 per cent of residents feel safe in the community, we recognize there is much work to do. The 2021 progress report notes we are meeting our objective to use data and analysis to better understand the root causes and specific problems and deliver targeted responses. However, our property crime, petty crime and drug crime rates are not trending in the right direction. Bolstering safety resources is necessary to address emergent issues in the community and to keep up with the growth of our community. The 2023 budget prioritizes investments to reduce risk, vulnerability and crime in our community.

Operating requests:

Furthering the City's commitment to address community safety needs, \$75k is requested for two years to support the implementation of the Community Safety Plan and its 30 Action Projects. This will be funded from the reallocation from the existing operating Kelowna Youth and Family Services budget.



Additional staffing:

If Council approves the one percent public safety levy, it will fund:

- Six additional RMCP members (SAFE)
- Two senior bylaw officers (SAFE)
- Four fire fighters (FD)

The budget also proposes a new Community Safety Advisor (SAFE) position to oversee the Community Safety Plan implementation and two additional part-time Bylaw Officers (SAFE) to support during the 12 peak summer weekends.

Capital requests:

Helping to assist our growing city's safety infrastructure, \$867k has been requested to design a new fire hall serving North Glenmore and areas further north of the City and \$95k for scoping and designing the expansion of the Rutland Community Policing Office with both requests funded from reserves.

Program requests for traffic safety initiatives include \$150k, funded \$75k from ICBC partnership funds, for road safety improvements for collision-prone locations; \$150k, funded \$75k from reserves, for upgrades to existing and adding new crosswalks to make walking a more comfortable, safer and viable travel option for residents; and \$150k for various neighbourhood traffic calming initiatives.

Social & Inclusive

Our community puts people first and we are playing an increasingly active role to address social issues. It is evident that Kelowna is experiencing significant growth and change. It's vibrancy as a thriving urban centre attracts investment, tourism, and migration from near and far. Along with this growth come significant challenges as our most vulnerable citizens struggle to find their place. The Journey Home Strategy is Kelowna's plan to address homelessness with a focus on ensuring everyone has a place to call home. The goal is to ensure a coordinated and easy to access system of care for those in Kelowna who have lost or a risk of losing their home.

Operating requests:

Continuing support for social & inclusion initiatives include \$35k that will be used to consult with appropriate Indigenous leaders to meaningfully engage with the Indigenous People on a variety of community level planning projects, and \$40k to conduct a review for recommendations regarding the ongoing implementation of the Journey Home Strategy, along with City commitments beyond 2023.

Peer Navigators are people with lived experience who have been trained to support their peers by connecting them to services and healing in an approachable way. The Peer Navigator Program, originally grant funded, is being requested to continue at the Parkinson Recreation Centre using funding reallocated from the existing operating Kelowna Youth and Family Services budget.

**Additional staffing:**

Transitioning the Community Development Coordinator – Outdoor Shelter position (AL&C) from term to a permanent position will help to continue the ongoing leadership and coordination of outdoor sheltering/day use sites, sheltering strategy implementation, social support services, and mitigating community impacts.

Transportation & Mobility

The 2040 Transportation Master Plan will help us all work together toward a smarter and more responsible approach to transportation. It includes over 100 recommended actions that will help us maintain and renew our existing infrastructure, create fast and reliable transit, improve road connections, develop comfortable cycling routes, create walkable neighbourhoods, and help people use and enjoy new ways of getting around. This year's budget continues to build on the success of delivering a balanced transportation network.

Operating requests:

Kelowna's Downtown Urban Centre is growing and evolving quickly. To support a livable, vibrant downtown without major road expansions it will be important to shift as many trips to biking, walking, transit and shared mobility as possible. \$100k, with \$25k funded from reserves, is requested to review the downtown centre to ensure intersection controls, crosswalks,

secure bike parking, sidewalks, bicycle network, shared mobility, and transit amenities, are all working together to support the rapidly growing downtown.

Capital requests:

\$6.5 million, with \$5.6 million funded from reserves, is requested to advance active transportation networks across the city:

- Abbott DCC (Cedar – Gyro) design and land acquisition
- Bertram 1 DCC (Sutherland – Cawston) design
- Casorso 3 DCC (Lanfranco – Barrera) construction
- Glenmore 4 DCC (Kane – South Yates) construction
- Houghton 2 DCC (Hollywood – Mugford) construction
- Rail Trail to Greenway DCC design
- Sutherland 1 Protected Bike Route (Lequime – Burtch) construction.

Additional transportation and mobility improvements include construction of the Stewart Road West DCC Phase 2 for \$3.3 million with \$3.2 million funded from reserves, design and land acquisition budget of \$6.2 million with \$5.4 million in reserves funding to support the future Sutherland 3 Complete Street DCC project from west of Burtch to Dayton, and \$1.2 million, with \$1.1 million funded from a potential grant and reserves, is requested for the Okanagan College Transit Exchange design and facility improvements.

Vibrant Neighbourhoods

Over the next 20 years, roughly 73 per cent of Kelowna's growth will occur in the City's five Urban Centres and surrounding Core Area. In the coming years, detailed urban centre plans, with the OCP, are needed to determine the necessary land use, urban design, public improvements and transportation enhancements to realize the long-term vision for each of the urban centres. Dedicated and committed resources are needed to plan for these multi-year projects to ensure we are achieving all the desired attributes that growth.

As we grow, so do the pressures for housing diversity and affordability. The recent period of rapid growth in population and resulting housing unaffordability has changed the housing landscape. A suite of activities is scheduled to gain understanding of the scale and nature of the unique housing challenges facing our community. This will culminate in the development of a new Housing Strategy with a suite of recommended actions to improve housing diversity and attainability across short and long term time horizons.

The City has budgeted \$75k to conduct a new Housing Needs Assessment (HNA), a land analysis to support the HNA that will evaluate the potential for public lands that are either vacant or underutilized to support affordable housing, and a new Housing Strategy that will be framed under a set of strategic housing objectives and targets with supporting actions needed to achieve them.



In addition, with a newly created Infill and Housing Policy Manager, a more focused and concerted effort is being deployed to diversify housing stock for our community. This new program is intending to create a planning framework that proactively encourages housing in the right locations and form, to advance the City's growth strategy, address affordability, and utilize City assets and infrastructure in a fiscally responsible way.

Operating requests:

To further support vibrant neighborhoods, \$52k is requested to make the downtown cleanup pilot partnership an ongoing initiative, \$150k is requested to develop a comprehensive master plan for the Kelowna Fire Department to support the KFD Strategic Plan and build towards a set of metrics to manage growth funded from reserves, and \$150k is requested for

detailed urban centre plans to determine the necessary land use, urban design, public improvements and transportation enhancements to realize the long-term vision for each of the urban centres as defined in the OCP funded \$75k from reserves.

Additional staffing:

A Development Technician position (P&DS) is requested to facilitate the strengthening of Kelowna's Urban Tree Canopy strategy, and a two-year term Project Planning Coordinator position (P&DS), funded through development, is critical to deliver on new second tiered plans that include Neighborhood and Urban Center plans as included in the 2040 OCP.

Capital requests:

Supporting the creation of vibrant neighbourhoods,

- \$17 million is requested for various DCC parkland acquisitions throughout the community funded \$15 million from reserves
- \$6.8 million is requested for construction of phase three of the Glenmore Recreation Park funded \$3.7 million from reserves
- \$3.9 million from reserves is requested to conclude the design of the Parkinson Recreation Park
- \$150k from reserves is requested for the renewal of waterslide equipment at Ben Lee Park and the replacement of the ageing playground at Kinsmen Park

Economic Resiliency

Economic resiliency is the ability to adapt to changing market conditions. Through Imagine Kelowna, 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. This year's budget highlights the City's commitment to strong financial management.

Operating requests:

To better meet departmental objectives, reduce deferred maintenance, avoid costly renewals, and maintain service levels, \$300k is requested ongoing for building maintenance deficiency.

Capital requests:

Various building projects identified through condition assessments have been requested helping to ensuring building asset preservation for building envelope renewals; mechanical, electrical, plumbing renewals; renewal at H2O and Kelowna Family Y. These projects total \$2.8 million with \$1 million funding from reserves.

The roads renewal annual program has requested \$3.3 million with \$3.3 million funded from reserves to maintain and extend pavement life with locations prioritized by pavement condition, street function and traffic loading. Projects are coordinated with other capital and development projects to maximize pavement life.



With nearly 70 per cent of the City's preliminary budget funded from non-property-tax sources, the value of self-funding operations such as the Kelowna International Airport (YLW) cannot be understated. YLW is a generator for regional and local economic activity. It is a connection point to larger urban centres (Kelowna, Vernon) but also to a vast array of smaller and rural communities in the interior of B.C. The aviation sector is essential for Canada's post-pandemic recovery for revenue generation for local businesses, maintaining and creating jobs and encouraging investments.

Over the next 10 years, YLW will invest over \$355 million in airport infrastructure and equipment, including the Air Terminal Building Expansion. Through strong financial and strategic growth management, YLW was successful in being financially prudent through the pandemic, which put it in a strong financial position for recovery. YLW is forecasting it will serve 2.1

million passengers in 2023 compared to 1.7 million forecasted in 2022, resulting in an additional \$11.6 million in forecasted revenue, excluding grants, in 2023 compared to 2022.

The Airport is requesting \$33.6 million funded from reserves to design, construct and make purchases for certain aspects of the Soaring Beyond 2.5 million Passengers AIF Program. Projects include: construction of the air terminal building expansion, airside pavement rehabilitation, purchases of new and replacement equipment and vehicles, and passenger boarding bridge programmable logic controller upgrades. The new Air Terminal Building will have the capacity to support increased travel, cargo, and air services growth will position YLW as the connection point that enables local businesses across the region to take flight.

Environmental Protection

The City of Kelowna's new 2040 Official Community Plan and 2040 Transportation Master Plan are focused on protecting our natural environment and addressing climate action through the reduction of greenhouse gas emissions. Investments we make today will impact the quality of life of our future generations.

In 2023 we will invest in active and alternate transportation to support reducing GHG emissions and take action on our commitments to environmental sustainability and protection. We will invest \$1 million in stormwater improvements, a stormwater basin plan and \$3 million wastewater mains and facilities renewal to help mitigate the impacts of flooding and climate change.



Operating requests:

To continue with Council's focus on environmental protection, \$390k from reserves is requested to implement the recommendations made through the Climate & Environment review with several initiatives in 2023, \$240k from reserves is requested to continue climate action initiatives to support such things as BC Energy Step Code compliance, the BetterHomes BC municipal top up program, a climate intern to help reduce GHG emissions, and \$200k is requested for a Stormwater Management Plan to be developed for the urbanized area bound by Mill Creek to the north, Mission Creek to the south, Okanagan lake to the west, and the Orchard Park area to the east funded \$50k from reserves.

Additional staffing:

A new Utilities Construction Supervisor position (IN) and an eight-month Source Control Co-op position (W) will help with succession planning, workload balance and improved construction management at the Gully Road Construction yard and continue on-going wastewater compliance monitoring through an extended Co-op opportunity.

Capital requests:

Encouraging resiliency and adaptability to climate change requests include: \$300k funded from reserves to continue expanding the electric vehicle charging stations in City owned parking lots and parkade facilities, \$360k, with \$25k in utility funding, is requested for the annual replacement of storm drainage mains, pump stations, and treatment facilities to continue providing a standard level of service, and \$251k from reserves is requested for renewal and replacement of inefficient energy systems within City facilities, helping to reduce GHG and energy consumption.

The Mill Creek Flood Protection project is requesting \$5.8 million, with \$2.3 million of grant and \$2.9 million of reserves funding, to continue creating the conditions to safely pass a one in 200-year flood event to Okanagan Lake. This project is part of a seven-year plan that accesses Disaster Mitigation and Adaptation federal grant funding up to \$22 million.

Financial Management

City of Kelowna practices continuous evaluation and improvement. In addition to working to increase non-tax revenue to fund programs and services, we seek to understand the customer's perspective and take action to ensure every touch point with citizens and our customers is of good value. If the service or activity is not achieving its intended outcome, we stop doing it; or we make it better by improving attributes like cost, quality, time, convenience and complexity.

Operating requests:

Changes to the Transit base operating cost adjustments include increased costs of \$2.6 million offset with anticipated increased revenues of \$3 million. Conventional and Community program revenue is expected to increase as ridership is anticipated to approach pre-COVID levels offset with inflationary expense increases. Custom Transit program expenses are increasing largely due to operational inflationary increases.

Additional staffing:

The addition of a new Accountant position (IN) will help to support the financial functions of the Infrastructure Division.

Clear Direction

Clear direction is a key corporate priority informed by and delivered through cascading plans, all guided by our community's Imagine Kelowna vision. We use divisional and department plans to focus our efforts on the most important changes and improvements we need to achieve and then conduct public reporting to demonstrate accountability and transparency and to ensure continuous learning and transformation. Through innovative thinking and sound decision making, and implementing more non-traditional ideas, we are transforming services, processes and business activities to continually improve services and outcomes for our residents.

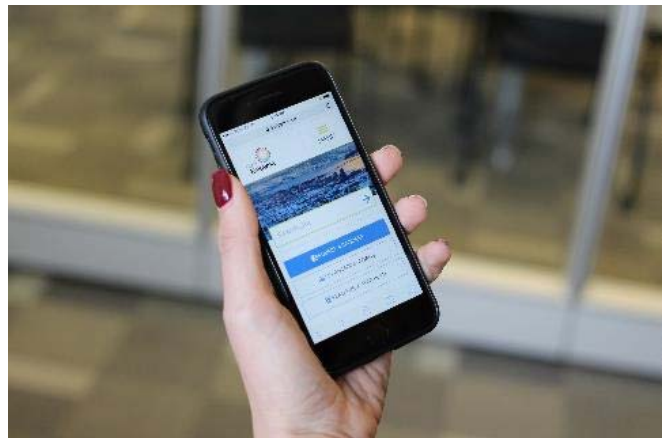
Operating requests:

Requests that support the City's commitment to setting a clear direction include \$150k for operational support of the British Columbia Urban Mayors' Caucus with \$140k funding from other member municipalities, \$50k funded from reserves for the automation of record drawing intake and \$121k from reserves for the timesheet and absences module in Unit4.

Additional staffing:

Additional staffing will help to implement digital opportunities to automate tasks, increase digital device examinations, improve efficiencies and transform processes:

- Business Systems Analyst - Digital Transformation Specialist position (CSS)
- Police Services - Digital Extraction Technician position (SAFE)
- Police Services - Administrative Assistant position (SAFE)
- Policy Analyst position (CC)



Capital requests:

Supporting innovation and transforming process, the Information Services Major Systems Project is requesting \$370k from reserves to fund data analytics solutions and dashboards to help with better decision making, as well as to continue automating and digitizing processes. Front Office Equipment program is requesting \$503k for new workstation equipment, software purchases, licensing and cyber security initiatives.

People

City of Kelowna prioritizes building a workforce that is ready and able to fit into expanded roles and adapt to our rapidly changing environment. We work on complex problems as one team, tapping into the talent and specialized expertise across the organization and community, which brings different perspectives that lead to better planning, collective problem solving and win-win solutions. We focus on employee engagement to drive performance and promote strong organizational values to generate the results our staff and community want to see.

Operating requests:

The City of Kelowna is committed to encouraging individuals from a variety of experiences and education levels to apply for vacancies in order to fully represent the community. To support the Diversity, Equity & Inclusive (DEI) Strategic Plan, \$40k from s is requested to create specific criteria to for decision-making around recruitment and career development processes, update key HR policies, development communication plans, and train leaders on how to lead with a DEI lens.

Additional staffing:

To help support growth in Airport Operations, the Airport Air Service Development Manager position (AIR), the Airport Development Services Manager position (AIR), and the Airport Operations Clerk position (AIR) are being requested for 2023. The Buildings Planning Supervisor position (P&I) and Mechanical Engineer - Facilities position (P&I) requests are to provide strategic planning in the municipal building's portfolio. Planning & Development is requesting a permanent Climate Action and Environment Stewardship Manager position as a result of the successful two-year term position that bolstered the City's Climate Change and Environmental Stewardship efforts. This position will implement recommendations related to aligning, prioritizing, and implementing additional measures related to the City's climate action and environmental stewardship efforts.



Summer student positions increase capacity and coverage for hiring departments while providing interesting and meaningful work for students. With the goal of long-term resource planning, the Communications department is requesting to create a summer student program of two Communications Summer Student positions (CSS) where students have the opportunity to work on interesting projects and have an impact in the community. The Water Fund is requesting a Water Quality Co-op Student position (W) to work with the Water Technician in gathering, analyzing and reporting on the water quality safety of the drinking system.

Other

The City of Kelowna is responsible for providing all kinds of services and programs such as drinking water, fire and police services, transportation networks, underground utilities, and recreation facilities. Budget requests for many of these services are directly aligned with Corporate and Council priorities but some are required to continue to maintain current program and service levels and infrastructure renewal.

Operating requests:

Helping to maintain current programs and service levels, various operating requests have been submitted:

- Corporate Strategic Services is requesting \$150k to enhance security features to protect digital transformation
- Infrastructure is requesting \$587k for expected contract increases for parks, beaches and mowing maintenance agreements and \$200k to maintain the roadway winter maintenance program's services levels
- Wastewater Operations is requesting \$380k to increase the chemical, water flushing and repair budgets, funded from \$35k from contributions and the remaining from the wastewater utility
- Water Operations is requesting \$164k for chemicals, repair parts and purchase services, funded from the water utility

Additional staffing:

Additional staffing will provide greater consistency and flexibility for day-to-day operations and build capacity due to growth.

- Arenas & Stadiums Attendant Position (AL&C)
- Asset Management System Manager Position (FS)
- HR Coordinator Position (CS)
- Senior Transportation Engineer Position (IN)
- Wastewater Treatment Operator Position (WW)
- Wastewater Co-op Student Positions (WW)
- Water Supply Millwright Position (W)

Capital requests:

Various capital projects have been requested by the capital programs:

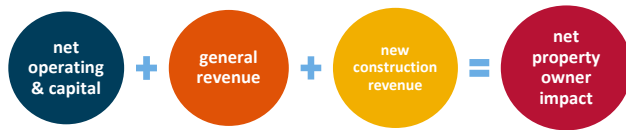
- Real Estate and Parking is requesting \$2.7 million with \$1.7 million funded from reserves for several preventative maintenance items at City owned parkades and funds to purchase land that meets the characteristics and parameters identified in the City of Kelowna's Land Strategy.
- Building capital has requested \$575k from reserves to replace existing docks at the Water Street Boat Launch and install a staging and moorage arm at the northern most launch dock.
- Parks is requesting \$538k from reserves for phase four of irrigation systems upgrades at the Kelowna Memorial Park Cemetery.
- Solid Waste has requested \$400k for new automated collection curbside carts, \$2 million for electrical supply upgrades, \$1.5 million for liner installation, \$600k for relocating the existing wet well at the Glenmore Landfill, \$6.1 million for stockpiles and reprocessing area relocation, and \$600k for various smaller projects with all projects funded from reserves.
- Fire capital is requesting \$55k for an ATTACK Digital Fire Training System, \$185k to support the implementation of Next Generation 911 (NG911) compliant equipment and \$72k for the replacement of six sets of Self-Contained Breathing Apparatus (SCBA) and fifteen air cylinders, all funded from reserves.
- Vehicle and Mobile Equipment is requesting \$4.1 million from reserves to replace 35 pieces of equipment and \$472k funded from utility and taxation, for six new pieces of equipment for various divisions.
- Airport is requesting \$4.5 million for various capital improvements including Air Terminal Building office renovations and improvements, roof replacements, purchase of two bridge gantries, refurbishments at the Combined Operations Building, technology equipment improvements and small capital purchases with all projects funded from reserves.
- Water is requesting \$4.3 million for various renewal projects within the Water utility funded from reserves and the utility. \$1.7 million funded from reserves and utility is requested for various projects including planning and design a transmission line and a new reservoir cell, new hydrants, design of the next phase for the Kelowna Water Integration Plan design process, creation of the Southeast Kelowna master plan, equipment purchases, and smaller projects relating to City growth.
- Wastewater has requested \$536k for sanitary sewer trunk design along Glenmore Rd and Lakeshore, \$1.2 million for odour control media replacement at the Wastewater Treatment Facility funded and \$7.6 million for various renewal projects in the wastewater system funded with projects funded from various sources including reserves, grants and the utility.



General fund highlights

Property taxation

The annual property taxation demand is the difference between net operating and capital expenditure requirements and the revenues generated by the City. It is the amount of money the City needs to collect from property owners for the operations, maintenance and capital improvements planned for the fiscal year. The net property owner impact is the annual property taxation demand less additional tax revenue generated through new construction.



Taxation Revenue from new construction is based on Preliminary Assessment Roll information from BC Assessment (BCA). New construction revenues are used to reduce the overall net property owner impact. In 2023, the new construction revenue is estimated to be \$1.7M. The finalized new construction assessment value will be available from BCA in the

second quarter of 2023 and will be reflected in the Final Budget volume of the Financial Plan.

It is important to note that 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 2023.

For 2023, the overall taxation demand has increased from \$167.1 million to \$175.5 million, which includes general revenue, net operating and capital. Taking into consideration the revenue generated from new construction, the average impact on existing property owners is 4.01 per cent.

Other revenue sources that are used to help fund operating and capital programs include grants and reserves. Examples of other revenue sources in the 2023 Financial Plan are Development Cost Charge (DCC) Reserves, the Community Works Fund Reserve and the Disaster Mitigation and Adaptation Fund (DMAF) grant.

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 2023 Financial Plan is projected to be \$15.3 million which is a \$3.1 million increase from 2022. The majority of the increase, \$2.4 million, is attributable to growth in investment income resulting from the Bank of Canada increasing interest rates to rein in high inflation and implementing a new forward looking investment forecasting methodology. Other General Revenue increases include: \$340k for interest and penalties; \$37k for Federal and Provincial contributions; \$317k for revenues received from utilities; and \$6k for school site acquisition administration fees in 2023.

Salaries, wages and fringe benefits

A significant portion of the annual operating budget is for staffing. The City of Kelowna has four collective agreements for municipal staff:

- CUPE Local 338 – collective agreement ratified in 2019 for the term 2019 to 2023
- IAFF Local 953 – collective agreement was renewed in 2022 for 2020 to 2024
- CUPE Local 338 - Airport – collective agreement was ratified in 2022 for the term 2020 to 2026
- IBEW Local 213 – collective agreement ratified in 2021 for the term 2020 to 2024



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

RCMP contract

The current RCMP collective agreement will expire on March 31, 2023. The 2023 General Fund Police contract staffing is at 222 members with a budgeted vacancy factor for 6 members. The average cost per member is estimated at \$202.5k for 2023.

Airport and utility fund highlights

The City of Kelowna operates the Kelowna International Airport and two major utilities that provide water and wastewater services within the municipality. The Airport's ongoing operations, maintenance and capital improvements are funded by user fees. The utilities are similar as they are funded entirely by user rates which are paid through annual parcel taxes and/or monthly user fees. Capital investments that are required for new, growth or renewal of infrastructure are identified in the 10-Year Capital Plan.

Airport

Kelowna International Airport (YLW) is the largest municipally owned and operated airport in Canada. YLW does not utilize municipal taxes as it is self-funded through user fees and charges. The aviation sector is essential for Canada's post-pandemic recovery of revenue generation for local businesses, maintaining and creating jobs for residents, and encouraging investment in the local community. Each year YLW pays a portion of revenue to the City of Kelowna which helps to reduce taxes paid by residents.

Airport - Financial Outlook – 2023

The 2023 gross revenues from Airport operations are projected to be \$51.2 million. The total operating expenditures including debt repayments for Airport operations are projected to be \$25.2 million. The total Airport Capital Program is \$39.0 million funded from reserves. Remaining revenues of \$26.0 million will be contributed to Airport reserves for future use. In 2023, it is anticipated the Airport fund surplus will remain unchanged.

Water utility

The City of Kelowna's Water Utility is one of four water providers for Kelowna residents. It sources its water from Okanagan Lake and provides water to just over half of the Kelowna population. Committed to protecting public, environmental and economic health, the Utility has adopted a source-to-tap water management approach that includes watershed protection, water quality monitoring, treatment, distribution system maintenance, cross-connection control, and water-use efficiency.

Water Utility - Financial Outlook - 2023

In 2023, the Water Utility is budgeting for a \$399k surplus. Operating revenues are projected at \$21.3 million with approximately \$13.0 million required to cover operating expenditures and debt repayment. Total capital expenditures are \$6.0 million funded \$4.3 million from current year utility revenues, \$1.5 million from reserve allocations, and \$150k from developer contributions. The Water utility is also contributing \$343k to the General Fund capital request Fleet Growth. The anticipated accumulated surplus position at the end of 2023 for the Water utility is \$9.9M.

Wastewater utility - collection & treatment

The Wastewater Utility provides a safe, reliable and efficient sanitary sewer collection system and treatment facility to ensure the protection of Okanagan Lake and the connected waterways. The Wastewater Treatment Facility serves approximately 80 per cent of Kelowna's population including residents, businesses, and industries, and is being expanded to reach un-served areas and accommodate City growth.

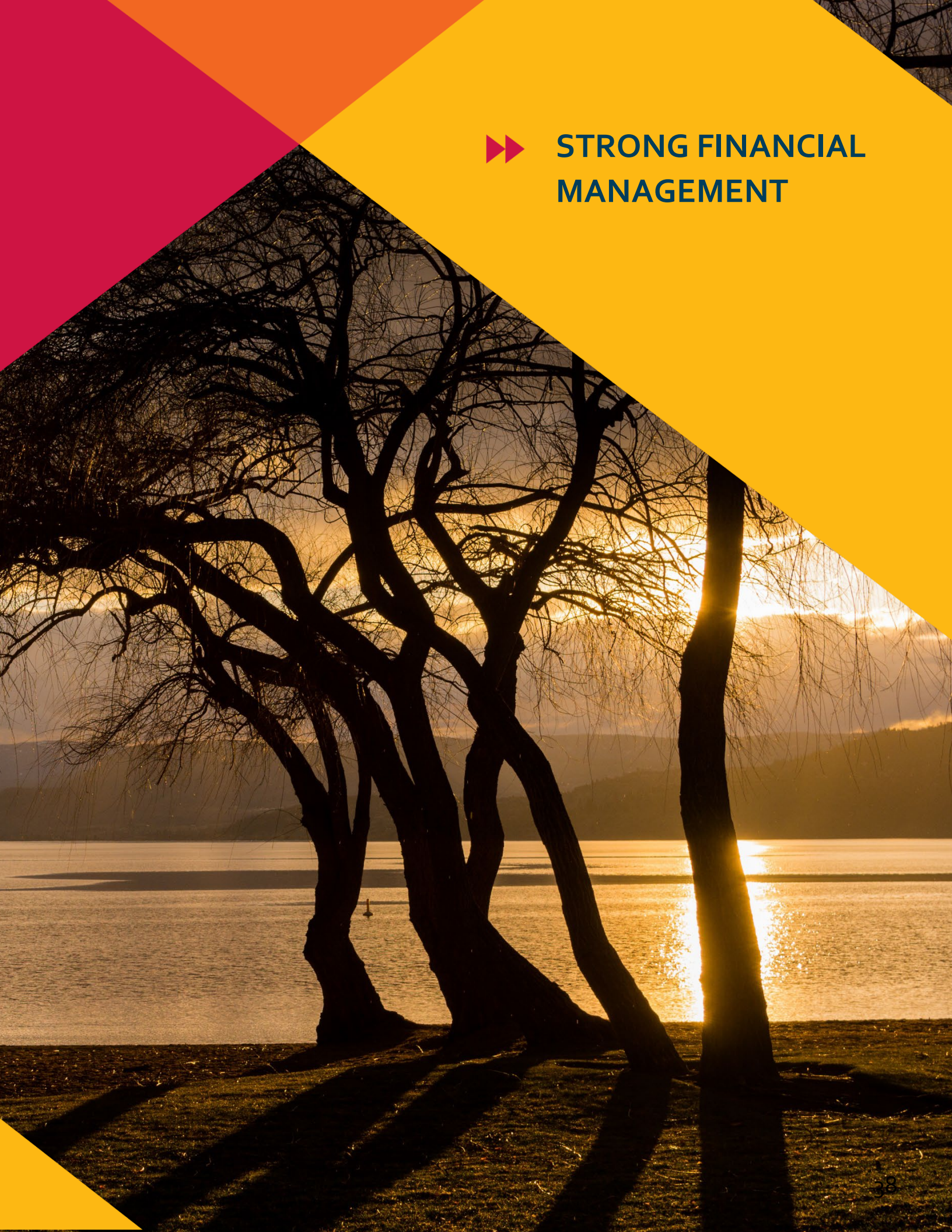
Wastewater Utility - Financial Outlook - 2023

The budgeted 2023 surplus for the Wastewater Utility is \$2.7 million. Expected operating revenues are projected to be \$25.1 million with approximately \$14.7 million required to fund wastewater operating expenditures. The total Wastewater Capital Program is \$9.4 million funded \$7.4 million from current year utility revenues, \$1.3 million from reserves, \$660k from grants, and \$37k from contributions. The Wastewater Utility is also contributing to the General Fund capital requests Linear Asset Renewal Projects for \$25k and Fleet Growth for \$20k. The anticipated accumulated surplus position at the end of 2023 for the Wastewater Utility is \$55.7 million.





STRONG FINANCIAL MANAGEMENT

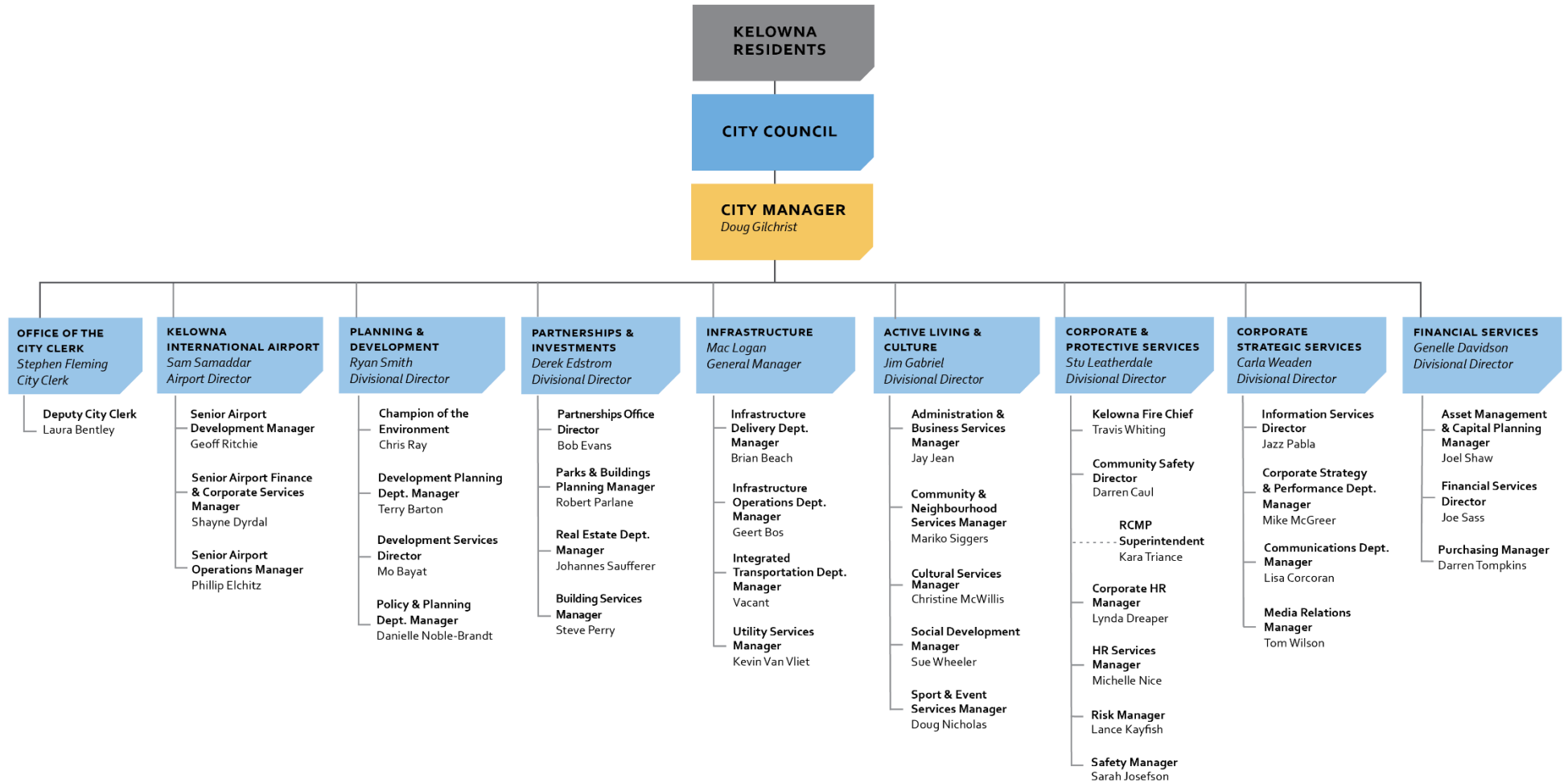


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STRONG FINANCIAL MANAGEMENT

ORGANIZATIONAL CHART



BUDGET PROCESS

City plans that influence the budget include:

- [Council Priorities](#)
- [Official Community Plan](#)
- [10-Year Capital Plan](#)
- [2030 Infrastructure Plan](#)
- [20-Year Servicing Plan](#)
- [Imagine Kelowna - Community Vision](#)
- [Community Trends report](#)

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

Public input

Public input is gathered in a variety of ways. Citizens are able to provide input through Imagine Kelowna, citizen surveys, the elected mayor and council members, and public council meetings. All of which allow for the public to engage in the decision-making process for their city, voicing concerns and recommendations for their community.

Imagine Kelowna is the result of an 18-month long conversation with over 4,000 resident contributions about the future of our City. It is the vision, principles and goals created by our community, for our community. The principles and goals of Imagine Kelowna guide the development of plans such as the Official Community Plan, the Transportation Master Plan and other initiatives, and draw on the rich data of public input and research that was compiled through the extensive engagement process. The vision of Imagine Kelowna will unify strategies and projects that already exist or are underway to make sure they work together to build the kind of community Kelowna residents want.

The Citizen Survey is conducted to determine how satisfied the public is with municipal programs and services, and to learn citizens' service priorities. Responses are weighted by age, gender and city-wide distribution to accurately reflect Kelowna's population. Results are benchmarked against other local governments. Insights gained by this research help us make important decisions regarding planning, budgeting and service improvements.

The City strives to balance the needs of all citizens in decision making and offers engagement opportunities to our communities to gather feedback and ideas on everything from community vision to park design. Engagement activities include surveys, focus groups, online discussion forums, information sessions and virtual panels.

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 our 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 Council | Corporate Priorities and therefore, have been specifically linked to a Strategic Direction and Result Statement.

Divisional Directors have outlined the activities that will be undertaken in the current year to support the Council | Corporate Priorities. These activities can be found in the first few pages of each Division's operating section and are tied back to a specific priority. Through the use of divisional 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.

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

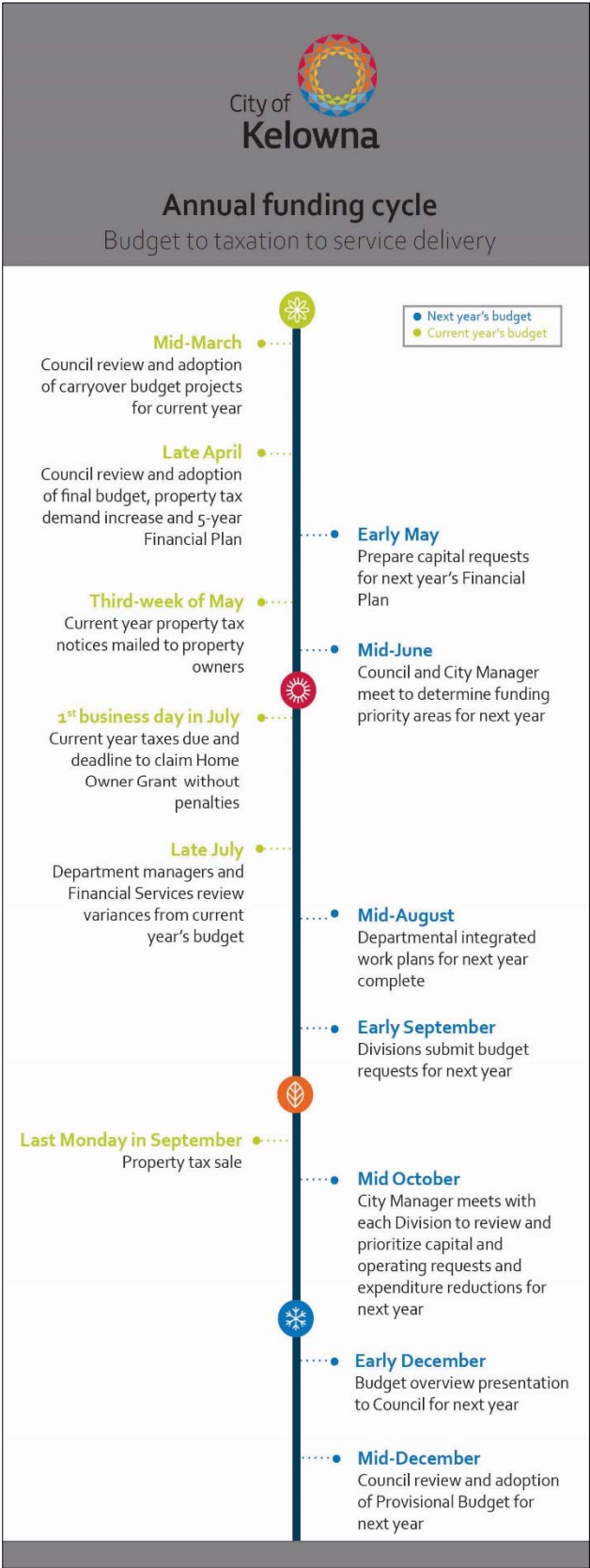
The City budget cycle is a near year-round process with the fiscal year beginning January 1 and ending December 31, guided by the requirements of the Community Charter as described in [Section 165](#) and [Section 166](#). The City Manager and Council meet in June each year to determine priority areas for the following budget year. This information is shared with all divisions to assist with the preparation of divisional goals and objectives, and the review and analysis of budget requirements to ensure they align with Council priorities.

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 the Senior Leadership Team. The divisional information and budget requests are then consolidated into the Preliminary Budget - Volume 1 and prepared for deliberation and adoption by Council in mid-December.

Projects not completed in the previous year are presented to Council, as part of the Carryover Budget – Volume 2, in March after accounts are finalized through the year-end process. Final adjustments to the Financial Plan, including requisition amounts from other taxing jurisdictions, are presented to Council in late April as part of the Final Budget – Volume 3. These three volumes combined make up the annual Financial Plan and is the first year of the City’s Five-Year Financial Plan. The Five Year Financial Plan and the associated Tax Rate Bylaws must be adopted by May 15 each year.

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 2024 for changes to the Financial Plan for all 2023 year-end requirements. Council Policies [261](#) & [262](#) cover budget transfer and amendment procedures. These policies 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 approvals and back-up documentation are required for all transfer or amendment requests.



Budget transfers involve the re-allocation of existing approved budget and do not change the overall budget total. Council approval is required to cancel an approved project or to add a new program or project. Budget amendments do increase the City's budget total and all changes greater than \$200k must be approved by Council prior to entry.

2023 budget calendar

Description	Required Date
2022	
Prepare capital requests for 2023 Financial Plan	June 16
Establish City priorities for the 2023 budget year, based on discussion with Council & City Manager	June 29
City Manager meets with each department to review and prioritize all capital and operating requests	Oct. 11-13
Council receives overview presentation of the 2023 Preliminary Budget	Dec. 5
Council reviews and adopts the 2023 Preliminary Budget – Volume 1	Dec. 8
2023	
Council reviews and adopts Carryover Budget – Volume 2	March 20
Council reviews and adopts Final Budget – Volume 3 and the Five-Year Financial Plan 2023-2027	April 24

Prioritization

There are two priority levels used for operating requests:

- **Priority 1 (P1)** items have been added to the budget and are typically required to introduce new programs, maintain a current level or standard of service, or support existing programs experiencing growth
- **Priority 2 (P2)** items are the same types of request as P1; however, they have 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 automatically made to the base budget of those years.

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



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 transactions and balances are eliminated in preparation of the consolidated financial statements.

Accrual basis of accounting

City of Kelowna revenues and expenditures are recognized on an accrual basis of accounting. Revenues are recognized in the accounting period in which the transaction or event occurred that gave rise to the revenue. Expenses are recognized in the accounting period in which the goods or services were acquired and a liability is incurred.

- Inventory is valued at the lower of cost, determined principally on a weighted average and specific item basis, or replacement cost
- Portfolio investments are recorded at cost
- Tangible capital assets on the consolidated statement of financial position will be shown at the net book value (cost, less amortization, less disposal)
- Tangible capital assets will be impaired if required
- Amortization, gain or loss on disposal, and write-downs of tangible capital assets will be a charge against annual income

Basis of budgeting

The basis of budgeting is 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.



Principles & Strategies for Financial Strength & Stability

PRINCIPLES



PRAGMATIC. Financial decisions take measured risks while ensuring appropriate service levels are protected



FLEXIBLE. Financial policies allow for opportunities and changing circumstances



SUFFICIENT. Revenues and expenses support the City's service levels and long-term goals



TRANSPARENT. Financial strategies, plans and processes are accessible and visible



BALANCED. Service levels are affordable and appropriate

STRATEGIES

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

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

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

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

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

STRATEGIES

Partnership & 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 the expertise of outside partners

The City will leverage existing assets to attract private sector involvement

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

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 & 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

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

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

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

POLICIES

The City of Kelowna is committed to a regular review and updating of the following Council & Corporate policies that guide the preparation of the Financial Plan.

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 approved by Council. The 20-Year Servicing Plan and the 2030 Infrastructure Plan sets the direction for infrastructure investment to 2030. The Council endorsed 10-Year Capital Plan is guided by these plans but is updated annually to respond to emerging issues and priority changes. 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.

Heritage Building Tax Incentive Program | The City of Kelowna is committed to the ongoing restoration, rehabilitation and maintenance of buildings on its "Heritage Register." It is acknowledged that the restoration, rehabilitation and structural maintenance of heritage buildings and particularly agricultural, commercial, industrial and institutional buildings can be costly and cost prohibitive for some property owners. The Heritage Building Tax Incentive policy has been created in order to encourage the restoration and rehabilitation of agricultural, commercial, industrial and institutional buildings listed on the City's Heritage Register

Tangible Capital Asset | 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. The Tangible Capital Asset Policy promotes sound corporate management of capital assets and complies with the Public Sector Accounting Board (PSAB). 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, quarterly 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 comply 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 the 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 | Council Policy 384 provides guidance for the responsibility of reserve oversight and the use of reserves to support the goal of providing adequate infrastructure, services, and resources to meet community requirements, and to aid in the financial sustainability of the City. Both statutory and non-statutory reserves will be maintained to achieve policy objectives to acquire, replace, and renew major capital assets; to ensure stable, predictable tax and utility levies; to minimize the financial impact of unusual and unexpected events; to achieve long-term financial stability; to balance the costs of maintaining sufficient reserve levels to current and future taxpayers and to fund asset retirement obligations.

Surplus Allocation | Any surplus generated in a year will be allocated to reserves as recommended by the City's Audit Committee. Consideration is 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. The City will maintain an accumulated surplus account within the general fund of three 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.

Tax Exemption | The Community Charter states that a council may exempt land or improvements, or both, from taxation. The City of Kelowna recognizes the significant value of volunteers, volunteer groups and agencies to the spiritual, educational, social, cultural, and physical well-being of the community. A permissive tax exemption is a means for Council to support organizations within the community that further Council's objective to enhance the quality of life while delivering services economically to the citizens of Kelowna. The Permissive Tax Exemption Policy is intended to provide clarity, consistency and certainty to the municipality, the public and prospective applicants.

Tax Distribution | The Community Charter states that the financial plan must set out the objectives and policies of the municipality in relation to the distribution of property value taxes among the property classes that may be subject to the taxes. The Tax Distribution Policy establishes the methodology for the distribution of taxation demand among property classes to reflect the assessment changes in property market values.

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 Short-term Bond 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.

Capital strategies

Previous Councils approved the following 10 major corporate strategies to provide direction for long term capital plans.

- **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 per 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 has been maintained. Maximum debt servicing should not exceed 15 per cent of City own source revenues or eight per cent of annual tax demand.

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.



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.



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.



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.

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	✓			
Kelowna International Airport				✓
Planning & Development Services	✓			
Partnerships & Investments	✓			
Infrastructure	✓	✓	✓	
Active Living & Culture	✓			
Corporate & Protective Services	✓			
Corporate Strategic Services	✓			
Financial Services	✓			

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.



Density Bonusing for Public Amenities and Streetscape Reserve Fund | This fund was established to hold payments associated with the density bonus provisions of Zoning Bylaw 12375. These funds will be utilized for urbanization and streetscape amenities, including sidewalks, curb and gutter, drainage, landscaping, street furniture, bus pullouts, improved on-street parking design and other boulevard streetscape components.



Septic Removal Specified Area Reserve Fund | This fund is to hold and manage the funds collected for the design and construction of sanitary sewer connection area projects, which are identified in Sewer Connection Area Prioritization Bylaw No. 12343.



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 parkland acquisition and development, roads, water works, sewer works, 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.



RESERVES & FUND EQUITY

Council Policy No. 384, Financial Reserves, was adopted in July 2021. This policy provides guidance for the responsibility of reserve oversight and the use of reserves to support the goal of providing adequate infrastructure, services, and resources to meet community requirements, and to aid in the financial sustainability of the City. Both statutory and non-statutory reserves will be maintained to achieve policy objectives to acquire, replace, and renew major capital assets; to ensure stable, predictable tax and utility levies; to minimize the financial impact of unusual and unexpected events; to achieve long-term financial stability; to balance the costs of maintaining sufficient reserve levels to current and future taxpayers; and to fund asset retirement obligations.

The following are audited reserve and fund equity balances at Dec. 31, 2021 and projected balances to the end of 2023. The 2023 projected balances assume all 2022 budgeted projects will be completed and funded in that year, however, some of the larger projects may take several years to complete and the reserve balance at the end of 2022 and 2023 may be higher than indicated.

(\$ thousands)	Actual Balance 2021	Projected Balance 2022	Projected Balance 2023
<u>General Fund</u>			
Fund Equity	4,852	4,852	4,852
Legacy Reserve	105,324	107,881	111,189
Reserves for Future Expenditures	130,833	90,000	86,483
Statutory Reserve Fund	104,206	74,516	68,778
	345,216	277,250	271,302
<u>Wastewater Fund</u>			
Fund Equity	51,502	53,037	55,710
Reserves for Future Expenditures	16,544	8,326	8,583
Statutory Reserve Fund	15,000	11,470	11,429
	83,046	72,833	75,722
<u>Water Fund</u>			
Fund Equity	9,963	9,467	9,866
Reserves for Future Expenditures	22,871	22,114	24,911
Statutory Reserve Fund	165	165	165
	32,999	31,746	34,941
<u>Airport Fund</u>			
Fund Equity	2,407	2,407	2,407
Reserves for Future Expenditures	34,405	38,489	34,728
	36,812	40,896	37,135
Total Reserves & Fund equity	498,074	422,724	419,100
Development Cost Charges	124,585	128,256	145,163

*Fund equity is also referred to as accumulated surplus

Note: Totals may not add due to rounding.

Reserve & fund equity summary by type

The Development Cost Charges (DCC) 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 DCC balances include a receivable portion which is not available for use at Dec. 31, 2023. Major projects being funded

by DCC reserves in the 2023 Preliminary Budget include DCC Parkland Acquisition, park development at Dehart Park and Glenmore Recreation Park, and road development for Sutherland Road and Stewart Road West.

Fund equity, also referred to as accumulated surplus, is made up of annual surplus funds. The Council adopted Principles & Strategies for Financial Strength and Stability document includes a strategy that restricts the use of these funds to emergencies such as fires and floods. There is no planned use of accumulated surplus in the 2023 Preliminary Budget.

Statutory Reserve Funds are reserves earmarked for a specified purpose by Council pursuant to section 188(2) of the Community Charter. Reserve Funds are established through Council bylaw and use must align with the established purpose. Major projects included in the 2023 Preliminary Budget consist of the continuation of construction and electrical upgrades of the new aerated static pile included in the Landfill Design, Operations and Closure Plan, funded for \$8.1M from the Sanitary Landfill reserve; Vehicle replacements, with emphasis on electric or zero emission replacements where possible, funded for \$4.1M from the Vehicle and Equipment replacement reserve; Mill creek flood protection, funded for a total of \$3.0M between the Infrastructure Levy reserve and the Future Capital project reserves.

New in 2022 are two new statutory reserve funds, the Density Bonusing for Public Amenities and Streetscape Reserve Fund, and the Septic Removal Specified Area Reserve Fund. The Density Bonusing for Public Amenities and Streetscape Reserve Fund is to collect payments associated with proposed density bonus provisions of the new Zoning Bylaw 12375. These funds will be utilized for urbanization and streetscape amenities, including sidewalks, curb and gutter, drainage, landscaping, street furniture, bus pullouts, improved on-street parking design and other boulevard streetscape components. The Septic Removal Specified Area Reserve Fund is to hold and manage the funds collected for the design and construction of sanitary sewer connection area projects, which are identified in Sewer Connection Area Prioritization Bylaw No. 12343.

General Reserves, or reserves for future expenditures, are not restricted by bylaw and therefore have more flexibility of use. The 2023 Preliminary Budget is requesting to use these reserves to fund various 2023 budget requests such as the design and replacement of a recreation center at Parkinson Recreation Park, funded \$3.9M from the Major Recreation Facilities reserve; the implementation of the Climate and Environment Review recommendations as well as the Community Climate Action plan combined, funded for \$630k from the Environmental resilience reserve.



The table below presents the same reserves and fund equity balances and projected balances at a reserve type and category level, detailing the budgeted contributions and expenditures based on Priority one budget requests.

(\$ thousands)	Actual Balance 2021	Projected balance 2022	Contribution to reserve	Budget expend	Projected balance 2023
General Fund Equity	4,852	4,852	0	0	4,852
General Reserves					
Planning Initiatives - Corporate	14,765	11,769	977	(1,725)	11,021
Major Facilities	16,521	12,263	1,210	(4,300)	9,173
Misc. Recreation Facilities	3,994	3,466	327	0	3,793
Park Development/Other Land	3,529	2,460	1,681	(312)	3,830
Upgrades/Mntc. Existing Assets	13,536	10,075	1,120	(1,451)	9,744
Operating Exp. Equalization	31,835	21,610	497	(855)	21,252
Operating Rev. Equalization	7,397	6,262	249	(301)	6,210
Transportation & Drainage Capital	12,102	8,025	442	(1,263)	7,203
Multipurpose Facility Investment*	7,014	7,162	236	0	7,398
Unspent Budget Reserve	20,140	6,910	0	(50)	6,860
General Reserves subtotal	130,833	90,000	6,739	(10,256)	86,483
Statutory (CWME, Land, Pkg, Cem)	119,371	86,151	32,094	(37,874)	80,371
Legacy Reserves	105,324	107,881	4,958	(1,650)	111,189
Wastewater Reserve/Fund Equity	68,046	61,363	2,930	0	64,293
Water Reserve/Fund Equity	32,834	31,581	4,237	(1,041)	34,777
Airport Reserve/Fund Equity	36,812	40,896	58,315	(62,076)	37,135
Total Reserves & Fund equity	498,074	422,724	109,273	(112,898)	419,100
Development Cost Charges	124,585	128,256	50,214	(33,306)	145,163

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

Note: Totals may not add due to rounding.



DEBT MANAGEMENT

The City of Kelowna has various options available to obtain, through borrowing, funds necessary to acquire assets. Debt financing will only be undertaken in compliance with the relevant sections of the Community Charter and related regulations. Policy has been established to ensure that debt financing is used strategically to maintain the City's financial strength and stability and aligns with the principles laid out in the Council adopted Principles & Strategies for Financial Strength and Stability document. The following section describes each borrowing option, the City's legal limits, and the estimated outstanding debt balances at Dec. 31, 2023.

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). To further ensure debt affordability and sustainability, the City of Kelowna debt policy also includes internal municipal debt limits of 15 per cent of City own source revenues and 8 per cent of annual tax levy revenues for tax supported debt.

The City of Kelowna does not issue bonds. Borrowings are done through the Municipal Finance Authority which has a triple A rating.

General Fund debt servicing costs

Net Debt Servicing Costs are budgeted at **\$5M in 2023** (2.8 per cent of taxation demand). The current net general debt (including internal financing) as a percentage of taxation demand is 3.4 per cent in 2023, as compared to 2.7 per cent of taxation demand in 2022.

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 January 1st of each year (\$ thousands) is:

	2021 Balance	2022 Balance	2023 Est. Bal.
General Capital Fund	61,145	56,770	52,270
Water Utility Capital Fund	5,250	4,725	4,617
Wastewater Utility Capital Fund	6,566	5,459	4,307
Airport Fund	14,062	11,904	9,675
Total debenture debt	\$87,023	\$78,858	\$70,868

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 \$7.4M based on \$50 per capita and a 2023 population estimate of 148,000. 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 all property taxes imposed for all purposes in the preceding year.

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

The City of Kelowna has a loan guarantee in place for the Kelowna Family Y Centre (\$700k).

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 is currently one capital project that is being internally financed and the estimated balance at the end of 2023 is:

- West Campus Lands - \$2.7M

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.

Borrowing over the next five years will be determined by the 10 Year Capital Plan.

Further detailed debt repayment information for 2023 and future years is illustrated on the following pages.



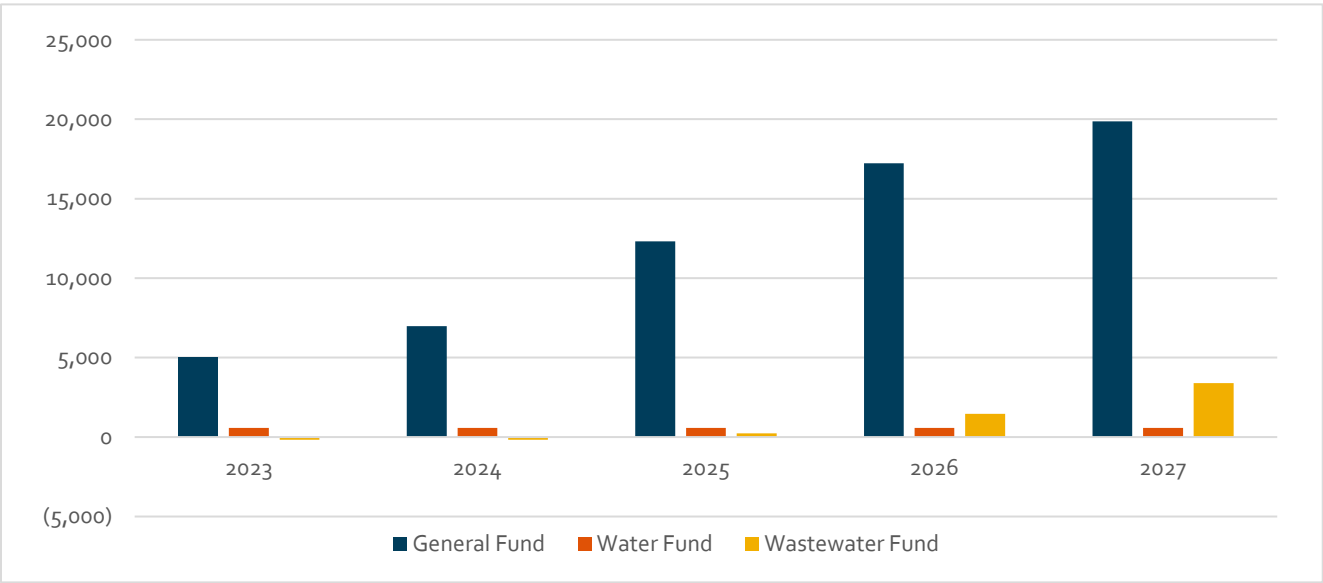
10 Year Debt Repayment Schedule (in thousands)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Remaining
General Fund											
Principal	3,142	3,142	4,800	6,679	7,995	6,932	6,865	7,083	7,083	7,083	102,186
Interest	2,714	4,694	8,384	11,419	12,743	11,639	11,731	11,880	11,880	11,880	207,288
Total Expenditures	5,856	7,836	13,185	18,098	20,738	18,571	18,596	18,963	18,963	18,963	309,474
Recoveries	(1,026)	(1,026)	(1,026)	(1,026)	(1,026)	(965)	(965)	(965)	(965)	(965)	(2,873)
Net Debenture Debt	4,830	6,810	12,159	17,072	19,712	17,606	17,631	17,998	17,998	17,998	306,601
Other Debt											
MFA Levy	11	11	11	11	11	11	11	11	11	11	282
Short Term Borrowing	0	0	0	0	0	0	0	0	0	0	0
Temporary Debt	150	150	150	150	150	150	150	150	150	150	3,600
Mortgages	0	0	0	0	0	0	0	0	0	0	0
TOTAL NET DEBT (General)	4,991	6,971	12,319	17,232	19,872	17,767	17,792	18,159	18,159	18,159	310,483
Water Fund											
Principal	359	358	357	357	357	357	93	93	93	19	183
Interest	276	275	274	274	274	274	46	46	46	16	150
Total Expenditures	635	632	631	631	631	631	138	138	138	35	333
Recoveries	(58)	(55)	(54)	(54)	(54)	(54)	(35)	(35)	(35)	(35)	(333)
Net Debenture Debt	577	577	577	577	577	577	103	103	103	0	0
Wastewater Fund											
Principal	841	841	735	924	1,160	2,887	2,660	2,660	2,660	2,660	38,480
Interest	399	399	658	1,231	2,662	3,847	3,652	3,652	3,652	3,652	50,989
Total Expenditures	1,240	1,240	1,393	2,155	3,822	6,735	6,312	6,312	6,312	6,312	89,469
Recoveries	(1,403)	(1,403)	(1,168)	(689)	(429)	(429)	0	0	0	0	0
Net Debenture Debt	(162)	(162)	225	1,466	3,393	6,306	6,312	6,312	6,312	6,312	89,469
Airport Fund											
Principal	1,897	1,897	2,501	4,707	4,147	3,449	3,622	3,794	3,880	4,484	18,109
Interest	584	738	1,614	2,085	1,864	1,796	1,883	1,949	2,124	2,278	8,059
Total Expenditures	2,481	2,635	4,114	6,792	6,011	5,245	5,505	5,743	6,005	6,762	26,168
Recoveries (AIF Revenue)	(2,481)	(2,635)	(4,114)	(6,792)	(6,011)	(5,245)	(5,505)	(5,743)	(6,005)	(6,762)	(26,168)
Net Debenture Debt	0	0	0	0	0	0	0	0	0	0	0
Total net debt payment	5,406	7,386	13,122	19,276	23,842	24,650	24,207	24,574	24,574	24,471	399,953

Note: Totals may not add due to rounding

Five-year net debt repayment (\$ thousands)

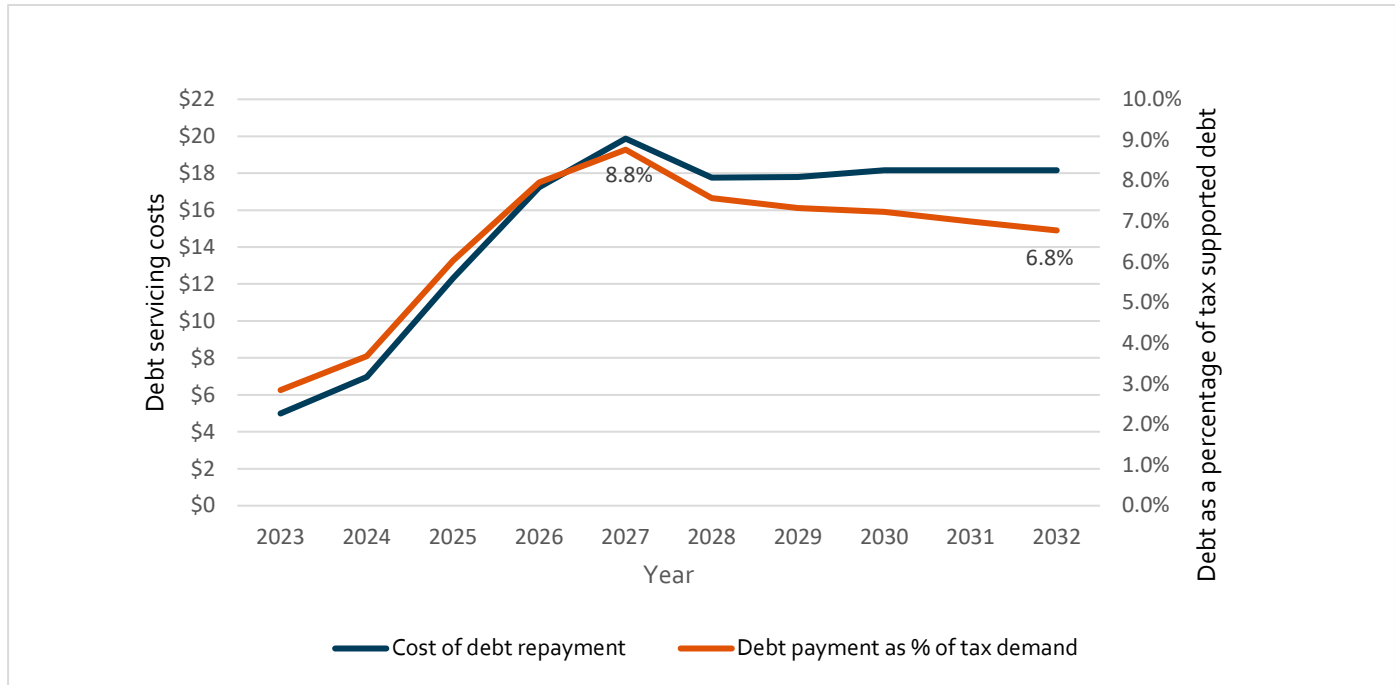
Over the next five years, the City’s net debt in the general fund is expected to increase as the Parkinson Recreation Centre building is replaced and two new ice sheets and a full-size indoor soccer field is added to the Capital News Centre. Further details on these projects can be found in the 10-Year Capital Plan.



Taxation funded debt (\$ thousands)

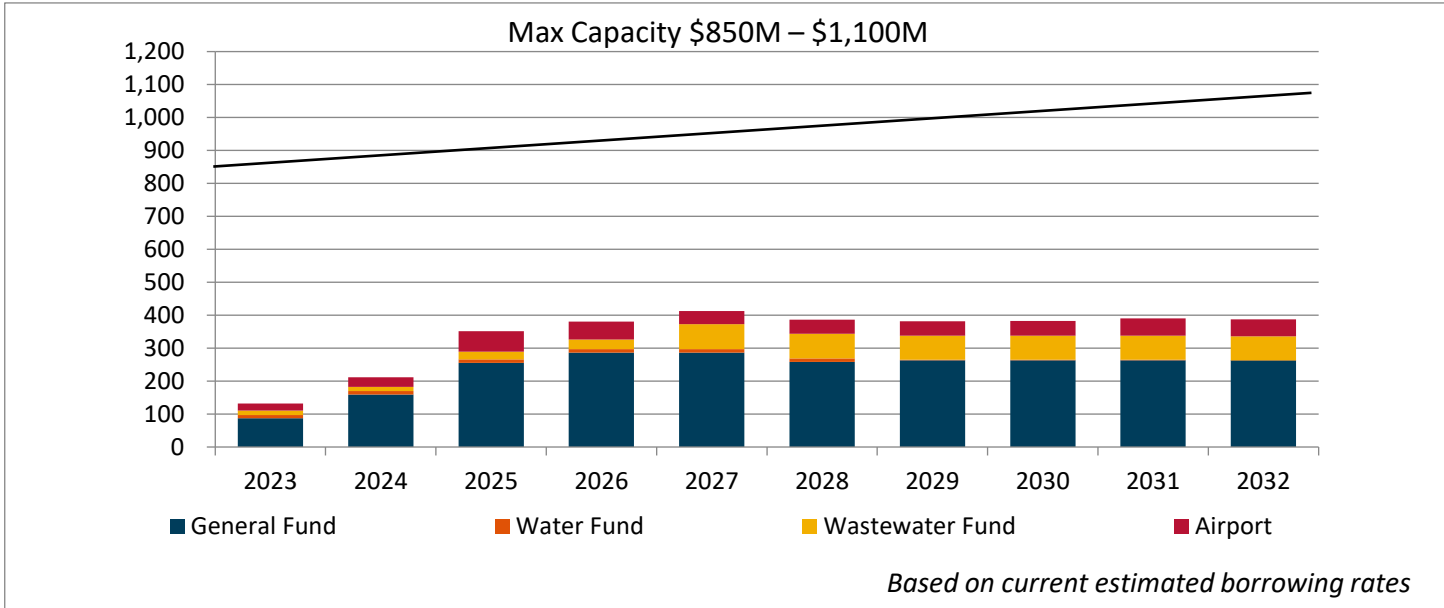
Council policy has set internal debt limits based on debt servicing costs at 15 per cent of City own source revenues, and 8 per cent of annual tax levy revenues for tax supported debt. Net debt repayment for 2023 will be 2.8 per cent and is anticipated to reach a maximum of 8.8 per cent over the next five years; decreasing to 6.8 per cent by 2032.

The following chart 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 2021 revenues, the current liability servicing limit is \$82.3M of which \$12.6M of this capacity has been used, leaving an available capacity of \$69.7M. While \$12.6M represents approved debt capacity, the total debt servicing cost payable (principal and interest) is \$12.5M. The balance of \$0.1M 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 \$69.7M for 2023 is approximately **\$714M**. The following chart shows the borrowing by various funds and the maximum borrowing limit by the solid line.



Note: Totals may not add due to rounding.



Debt charges analysis – General Fund (\$ thousands)

	Revised 2022		Preliminary 2023	
Debentures				
Parkade Extension & Memorial Parkade MFA 133	943		943	
Local Improvements - MFA 130	22		22	
Chapman Parkade - MFA 78	215		0	
Okanagan Gymnastics - MFA 102	45		61	
Mission Aquatic Centre - MFA 102 & 104	1,667		2,230	
Police Facilities	2,600	5,492	2,600	5,856
Debenture recoveries				
Local Improvement Levies	(22)		(22)	
Kokanee Gymnastic	0		0	
- Appropriation to Major Facilities Res.	4		0	
Okanagan Gymnastics	(51)		(61)	
Parking Reserve	(1,158)	(1,227)	(943)	(1,026)
Net debenture debt		4,265		4,830
Short term borrowing				
MFA levy	11		11	
Net short term debt		11		11
Temporary debt				
Mortgage payable	84			
Interest on prepaid taxes	125		125	
Bank charges/local improvements	56	265	56	181
Temporary debt - recovery				
Parking Reserve		(15)		(15)
Transit		(16)		(16)
Net temporary debt		234		150
Net debt - General		4,510		4,991
Dollar change			481	10.7%
Internal borrowing		0		0
Total including internal financing		4,510		4,991



Debt charges analysis – Water Fund (\$ thousands)

	Revised 2022	Preliminary 2023
Debentures		
Specified Area 16 - Byrns Rd - MFA 80	2	2
Specified Area 18 - Lakeshore Rd - MFA 85	1	1
Specified Area 26 - Fisher Rd - MFA 104	19	19
Cedar Creek Pump Station - MFA 104	474	474
Poplar Point Pump Station - MFA 117	132	103
Local Service Area - Aspen Rd - MFA 146	3	3
Local Service Area - SOMID - MFA 157	7	32
	<u>639</u>	<u>635</u>
Debenture recoveries		
Specified Areas	(25)	(22)
Local Service Areas	(7)	(35)
	<u>(33)</u>	<u>(58)</u>
Net debenture debt	606	577
Short term borrowing		
	0	0
Net short term debt	0	0
Temporary debt		
	0	0
	<u>0</u>	<u>0</u>
Temporary debt - recovery		
	0	0
	<u>0</u>	<u>0</u>
Net temporary debt	0	0
Net debt - Water	<u>606</u>	<u>577</u>
Dollar change		(29) -4.8%
Internal borrowing		
Net internal borrowing	0	0
Total including internal financing	<u>606</u>	<u>577</u>

Note: Totals may not add due to rounding.



Debt charges analysis – Wastewater Fund (\$ thousands)

	Revised 2022	Preliminary 2023
Debentures		
Specified Area 20 - North Rutland - MFA 95	340	340
Specified Area 21A - McKenzie Bench - MFA 85	71	71
Specified Area 22A - Gerstmar - MFA 77	2	0
Specified Area 22B - Vista Rd - MFA 85	4	4
Specified Area 22C - Hein Rd - MFA 85	14	14
Specified Area 22D - Elwyn Rd - MFA 85	8	8
Specified Area 22E - Dease Rd - MFA 85	5	5
Specified Area 22F - Mills Rd - MFA 85	18	18
Specified Area 26 - Fisher Rd - MFA 104	126	126
Specified Area 28A - Okaview - MFA 95	32	32
Specified Area 29 - Campion Cambro - MFA 85	46	46
Specified Area 30 - Ackland - MFA 85	19	19
Specified Area 34 - Country Rhodes - MFA 104	27	27
Specified Area 36 - Clifton - MFA 104	17	17
Brandt's Creek Tradewaste Treatment - MFA 117	314	260
	<u>1,043</u>	<u>988</u>
Debenture recoveries		
Specified Areas	(1,044)	(988)
Okanagan Basin Water Board	(183)	(162)
		<u>(1,151)</u>
Net debenture debt	(183)	(163)
Short term borrowing	<u>0</u>	<u>0</u>
Net temporary debt	0	0
Net debt - Wastewater	<u>(183)</u>	<u>(163)</u>
Dollar change		(20) 10.9%
Internal borrowing		
Local Area Service - Rutland	252	252
Internal borrowing recoveries		
Local Area Service - Rutland	(252)	(252)
Net internal borrowing	0	0
Total including internal financing	<u>(183)</u>	<u>(163)</u>
Note: Totals may not add due to rounding		



Debt charges analysis – Airport Fund (\$ thousands)

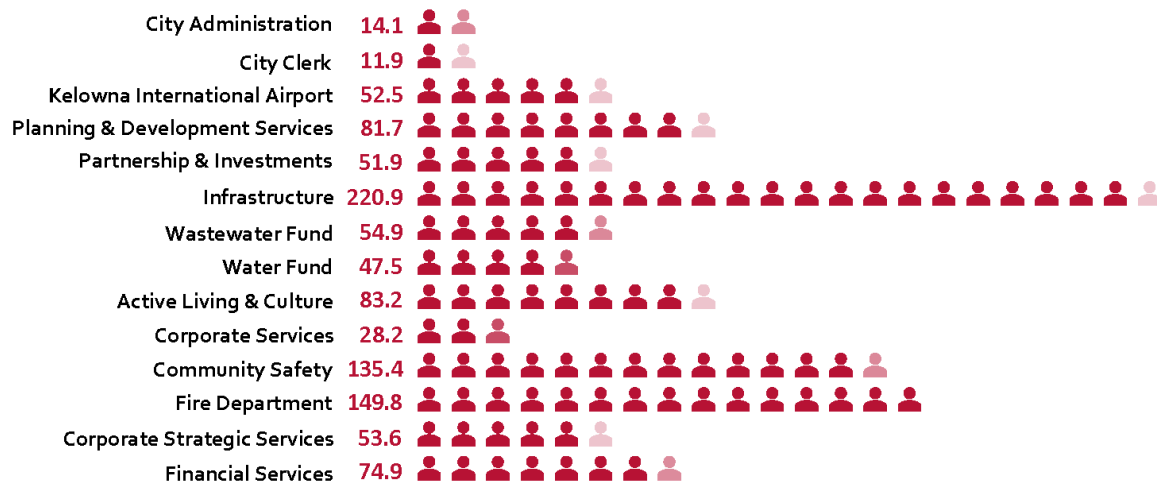
	Revised 2022	Preliminary 2023
Debentures		
Airport Expansion - MFA 133	846	846
Airport Expansion - MFA 137	389	389
Airport Expansion - MFA 139	325	325
Airport Expansion - MFA 141	922	922
	<u>2,481</u>	<u>2,481</u>
Debenture recoveries		
AIF Revenue	(2,481)	(2,481)
	<u>(2,481)</u>	<u>(2,481)</u>
Net debenture debt	0	0
Short term borrowing		
	0	0
Net short term debt	0	0
Temporary debt		
	<u>0</u>	<u>0</u>
Net temporary debt	0	0
Net debt - Airport	<u><u>0</u></u>	<u><u>0</u></u>
Dollar change		0.0%
		0
Internal borrowing		
*Municipal Services Administration Fee	342	342
*Enterprise Rental Car Kiosk	8	8
Net internal borrowing	350	350
Total including internal financing	<u><u>350</u></u>	<u><u>350</u></u>
*Not included in budget		
Note: Totals may not add due to rounding		



OPERATING FULL-TIME EQUIVALENT (FTE) POSITION SUMMARY

The City of Kelowna requires that all new positions and changes to existing salaried or wage personnel, both permanent and temporary, be supported by a business case. The business case must include the reason for the request, a cost/benefit analysis, the recommended funding source, other alternatives considered and the organizational impact.

Below is a visual representation of all 2023 operating budgeted FTEs for the City of Kelowna by division/department, if all priority one position requests included in this budget volume are approved by City Council.



The following table provides operating FTE counts for the 2021 budget, 2021 actuals, 2022 revised budget and the proposed 2023 preliminary budget. It further details these positions by separating them into the payroll groups of mayor and council, management, union hourly and union salary.

	Budget 2021	Actual 2021	Revised 2022	Preliminary 2023
<u>City Administration</u>				
Mayor and Council	9.0	9.0	9.0	9.0
Management	4.0	3.6	5.0	5.0
Union hourly	0.1	0.1	0.1	0.1
Union salary	0.0	0.4	0.0	0.0
	13.1	13.1	14.1	14.1
<u>City Clerk</u>				
Management	6.0	5.9	5.5	6.0
Union hourly	0.4	0.3	0.4	0.4
Union salary	4.0	4.2	5.0	5.5
	10.4	10.4	10.9	11.9

<i>Continued</i>	Budget 2021	Actual 2021	Revised 2022	Preliminary 2023
<u>Kelowna International Airport</u>				
Management	11.0	13.0	17.0	20.0
Union hourly	3.0	3.9	2.5	2.0
Union salary	25.0	21.5	29.5	30.5
	39.0	38.4	49.0	52.5
<u>Planning & Development Services</u>				
Management	14.7	12.7	14.0	13.2
Union hourly	2.0	8.2	3.0	3.0
Union salary	63.0	55.5	65.3	65.5
	79.7	76.4	82.3	81.7
<u>Partnerships & Investments</u>				
Management	16.8	15.4	17.3	17.7
Union hourly	17.9	12.3	18.4	20.2
Union salary	11.5	10.6	13.3	14.0
	46.2	38.3	49.0	51.9
<u>Infrastructure</u>				
General Fund				
Management	30.6	28.6	29.9	30.4
Union hourly	155.2	157.5	151.8	155.6
Union salary	35.0	36.8	34.3	34.9
	220.8	222.9	216.0	220.9
Wastewater Fund				
Management	3.5	3.7	4.7	5.2
Union hourly	34.7	29.7	46.3	42.3
Union salary	5.4	2.7	7.4	7.4
	43.6	36.1	58.4	54.9
Water Fund				
Management	4.3	4.1	4.3	4.3
Union hourly	37.5	34.9	38.2	38.7
Union salary	4.5	4.6	4.5	4.5
	46.3	43.6	47.0	47.5
<u>Active Living & Culture</u>				
Management	9.0	9.7	10.0	10.0
Union hourly	56.3	47.1	60.9	63.7
Union salary	8.0	8.0	9.0	9.5
	73.3	64.8	79.9	83.2

<i>Continued</i>	Budget 2021	Actual 2021	Revised 2022	Preliminary 2023
<u>Corporate & Protective Services</u>				
Corporate Services				
Management	19.0	22.2	21.5	22.4
Union hourly	1.7	5.6	2.5	2.5
Union salary	1.0	2.6	2.0	3.3
	21.7	30.4	26.0	28.2
Community Safety				
Management	25.5	22.3	26.5	27.5
Union hourly	27.0	30.5	28.3	27.9
Union salary	71.5	62.3	76.5	80.0
	124.0	115.1	131.3	135.4
Fire Department				
Management	4.0	4.7	5.2	6.0
Union hourly	1.8	1.9	1.8	1.8
Union salary	139.5	144.1	140.0	142.0
	145.3	150.7	147.0	149.8
<u>Corporate Strategic Services</u>				
Management	18.0	16.9	18.5	19.0
Union hourly	0.1	1.3	0.1	0.8
Union salary	31.3	34.1	32.8	33.8
	49.4	52.3	51.4	53.6
<u>Financial Services</u>				
Management	13.6	13.1	14.9	15.9
Union hourly	4.0	7.1	4.3	4.0
Union salary	53.7	46.2	53.5	55.0
	71.3	66.4	72.7	74.9
Total full-time equivalent positions (all funds)	984.1	958.9	1,035.0	1,060.5

Note: Totals may not add due to rounding

2023 Operating full-time equivalent (FTE) position changes

Each year position counts change with the addition, reduction, or movement of positions. The narrative below explains the changes that have been made, or are being requested, for 2023 by each division/department.

City Clerk

Addition 0.5 FTE for annualization of 2022 operating requests

Addition 0.5 FTE for the Policy Analyst Position operating request

Kelowna International Airport

Addition 1.0 FTE for annualization of 2022 operating requests

Addition 1.0 FTE for various positions reduced through 2021 operating requests reductions

Addition 0.5 FTE for the Airport Air Service Development Manager Position operating request

Addition 0.5 FTE for the Airport Development Services Manager Position operating request

Addition 0.5 FTE for the Airport Operations Clerk Position operating request

Planning & Development Services

Reduction 2.6 FTE for annualization of 2022 operating requests

Addition 0.5 FTE for the Climate Action and Environmental Stewardship Manager Position operating request

Addition 0.5 FTE for the Development Technician Position operating request

Addition 1.0 FTE for the Project Planning Coordinator Term Position operating request

Partnership & Investments

Addition 1.9 FTE for annualization of 2022 operating requests

Addition 0.5 FTE for the Buildings Planning Supervisor Position operating position

Addition 0.5 FTE for the Mechanical Engineer - Facilities Position operating position

Infrastructure

Addition 1.7 FTE for annualization of 2022 operating request

Addition 0.9 FTE for various Maintenance staff wages from 2022 ongoing operating requests

Addition 0.5 FTE for the Accountant operating request

Addition 0.4 FTE for the Senior Transportation Engineer Position operating position

Addition 0.1 FTE for the Utilities Construction Supervisor Position operating request

Addition 0.1 FTE for the Parks Drinking Fountain Replacement operating request

Addition 0.1 FTE for the Parks, Pathways and Parking Lot Lighting operating request

Addition 0.1 FTE for the Strategic Transportation Partnership of Central Okanagan 2023 Transition operating request

Addition 1.0 FTE for the Winter Maintenance Budget Request

Wastewater

Reduction 4.6 FTE for annualization of 2022 operating requests

Addition 0.2 FTE for the Source Control Co-op Position operating request

Addition 0.4 FTE for the Wastewater Co-op Student Positions operating request

Addition 0.5 FTE for the Wastewater Treatment Operator Position operating request

Water

Addition 0.2 FTE for the Water Quality Co-op Student Position operating request

Addition 0.3 FTE for the Water Supply Millwright Position operating request

Active Living & Culture

Addition 3.3 FTE for annualization of 2022 operating requests

Corporate & Protective Services

Corporate Services

Addition 1.7 FTE for annualization of 2022 positions

Addition 0.5 FTE for HR Coordinator Position operating request

Community Safety

Addition 1.1 FTE for annualization of 2022 operating requests

Addition 0.5 FTE for the Bylaw Services - Part-time Positions and Overtime operating request

Addition 0.5 FTE for the Community Safety Advisor Position operating request

Addition 0.5 FTE for the Police Services - Digital Extraction Technician Position operating request

Addition 0.5 FTE for the Police Services - Executive Assistant Position operating request

Addition 1.0 FTE for the Public Safety Levy operating request – Two Senior Bylaw Officers positions

Fire Department

Addition 0.8 FTE for annualization of 2022 operating requests

Addition 2.0 FTE for the Public Safety Levy operating request – Four Fire Fighter positions

Corporate Strategic Services

Addition 1.0 FTE for annualization of 2022 operating requests

Addition 0.5 FTE for the Business Systems Analyst - Digital Transformation Specialist Position operating request

Addition 0.7 FTE for the Two Communications Summer Student Positions operating request

Financial Services

Addition 1.2 FTE for annualization of 2022 operating requests

Addition 1.0 FTE for the Asset Management System Manager Position operating request



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FINANCIAL SUMMARIES



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FINANCIAL SUMMARIES

FINANCIAL PLAN SUMMARY (\$ THOUSANDS)

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 2021	Revised 2022	Preliminary 2023
General revenues	(13,737)	(12,209)	(15,286)
Net operating budget	159,441	165,624	176,608
2021 surplus	87		
Pay-as-you-go capital	11,945	13,693	14,152
Taxation demand	157,736	167,107	175,474
New construction tax revenue	(2,880)	(3,160)	(1,673)
Municipal Impact			3.01%
Public Safety Levy Impact			1.00%
Net property owner impact	4.04%	3.94%	4.01%

Note: Totals may not add due to rounding

ANALYSIS OF TAX DEMAND (\$ THOUSANDS)

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

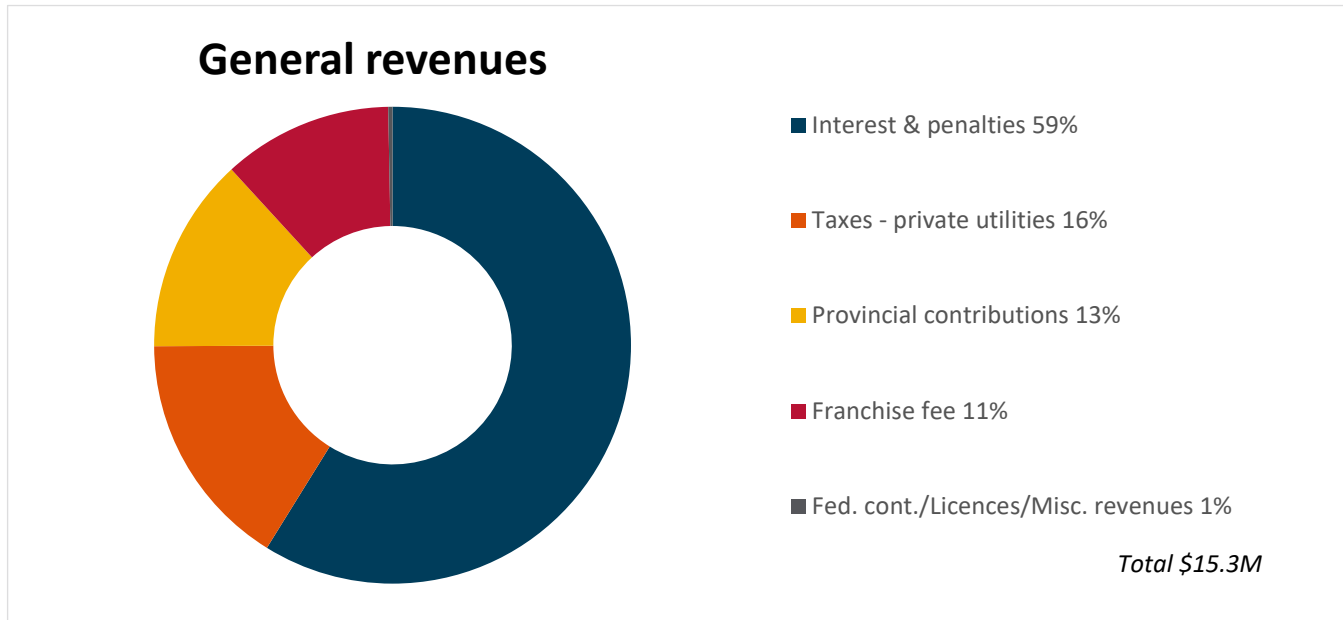
	2022	2023	Change	% change
Gross departmental operating expenditures	295,875	285,275	(10,599)	(3.58)%
Net departmental revenue	(134,556)	(114,368)	20,188	(15.00)%
Net departmental operating expenditure	161,319	170,907	9,589	5.94%
Net general debt	4,305	5,701	1,395	32.41%
Capital expenditures from general taxation	13,693	14,152	459	3.35%
General revenue	(12,209)	(15,286)	(3,076)	25.20%
Gross tax demand	167,107	175,474	8,367	5.01%
Less estimated new construction revenue	(3,160)	(1,673)		
Net property owner impact	3.94%	4.01%		0.07%

Note: Totals may not add due to rounding

REVENUES & EXPENDITURES

General revenues (\$ thousands)

General Revenues are revenues that are not specifically attributable to or generated by any particular City of Kelowna division. 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.

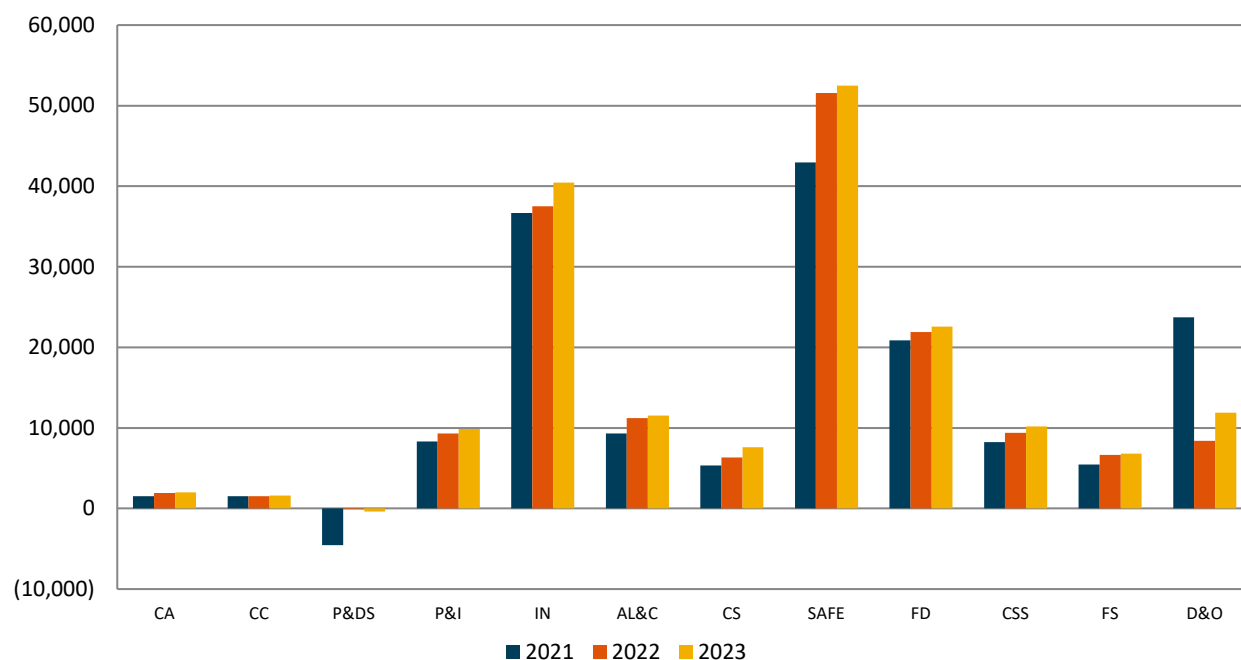
	Actual 2021	Revised 2022	Preliminary 2023
Licences	1	3	3
Franchise fee	1,338	1,605	1,761
Interest & penalties	8,436	6,288	8,993
Miscellaneous revenues	(669)	(115)	(109)
Federal contributions	145	145	150
Provincial contributions (Inc. traffic fine revenue)	2,182	1,986	2,027
Taxes - private utilities (1% in Lieu)	2,253	2,299	2,461
Total general revenues	13,737	12,209	15,286
Property taxation	157,736	167,107	175,474
Total general revenues & taxation	171,473	179,317	190,760

Note: Totals may not add due to rounding

General Fund – net operating expenditures by division (\$ thousands)

The Financial Plan expenditure analysis uses divisional reporting with the exception of Corporate Services, Community Safety, Fire Department 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 2021	Revised 2022	Preliminary 2023
City Administration (CA)*	1,533	1,944	1,988
City Clerk (CC)	1,536	1,518	1,617
Planning & Development Services (P&DS)	(4,555)	(119)	(382)
Partnerships & Investments (P&I)	8,336	9,299	9,872
Infrastructure (IN)	36,688	37,497	40,453
Active Living & Culture (AL&C)	9,331	11,210	11,517
Corporate & Protective Services			
Corporate Services (CS)	5,327	6,334	7,585
Community Safety (SAFE)	42,935	51,556	52,499
Fire Department (FD)	20,874	21,920	22,588
Corporate Strategic Services (CSS)	8,238	9,401	10,178
Financial Services (FS)	5,454	6,649	6,798
Debt & Other (D&O)	23,744	8,414	11,895
Total division net operating expenditures	159,441	165,624	176,608

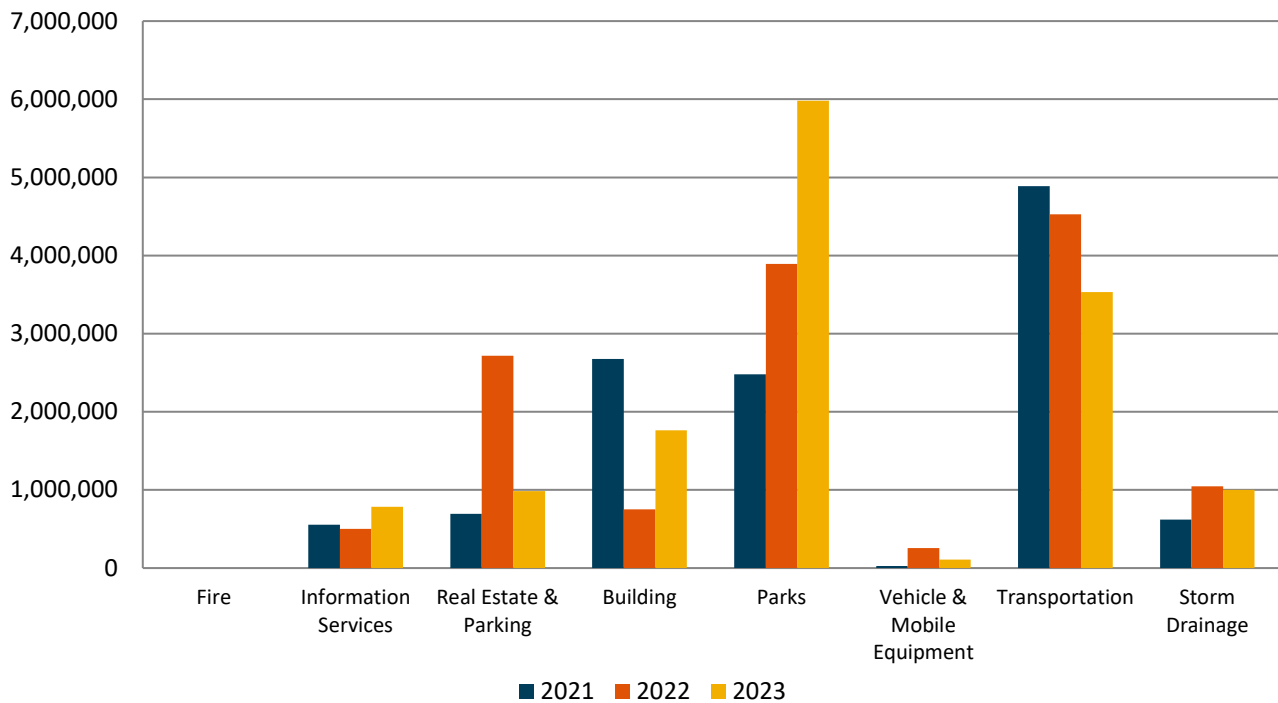
* City Administration includes City Management and Mayor & Council

Note: Totals may not add due to rounding

General Fund – taxation capital summary (\$ thousands)

The taxation capital summary information below is separated into the eight General Fund capital cost centres. The graph and table illustrate total taxation 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 expenditures by department



	Actual 2021	Revised 2022	Preliminary 2023
Fire	0	0	0
Information Services	555	503	785
Real Estate & Parking	694	2,716	984
Building	2,678	752	1,761
Parks	2,481	3,894	5,981
Vehicle & Mobile Equipment	27	255	109
Transportation	4,889	4,527	3,532
Storm Drainage	621	1,046	1,000
Total taxation capital	11,945	13,693	14,152

Note: Totals may not add due to rounding

General Fund excluding General Revenue Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(146)	(142)	(142)
Fees and Charges	(83,025)	(75,441)	(73,415)
Other Revenue	(43,765)	(38,736)	(37,166)
Transfers from Funds			
Special (Stat Reserve) Funds	(2,413)	(2,320)	(1,534)
Development Cost Charges	(654)	(1,449)	(795)
Accumulated Surplus	(7,974)	(17,849)	(2,490)
Total Revenue	(137,976)	(135,938)	(115,543)
<u>Expenditures</u>			
Salaries and Wages	89,096	93,267	93,936
Internal Equipment	8,724	8,330	8,583
Material and Other	41,326	52,791	40,143
Contract Services	82,562	99,491	97,375
Debt Interest	2,425	2,464	2,839
Debt Principal	5,142	5,922	3,948
Internal Allocations	4,165	5,748	4,463
Transfers to Funds			
Special (Stat Reserve) Funds	40,162	28,400	31,496
Development Cost Charges	0	0	0
Accumulated Surplus	23,814	5,150	9,369
Total Expenditures	297,417	301,562	292,151
Net Operating Expenditures	159,441	165,624	176,608
<u>Capital Expenditures</u>			
Gross Expenditures	61,157	154,408	94,241
Other Funding Sources	(49,212)	(140,715)	(80,089)
Taxation Capital	11,945	13,693	14,152
Net Operating & Tax Capital Exp.	171,386	179,317	190,760

Note: Totals may not add due to rounding

Utility Funds

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(3,469)	(3,286)	(3,291)
Fees and Charges	(60,468)	(80,226)	(91,177)
Other Revenue	(9,520)	(2,827)	(3,115)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(3,686)	(9,022)	(5,704)
Total Revenue	<u>(77,143)</u>	<u>(95,361)</u>	<u>(103,287)</u>
<u>Expenditures</u>			
Salaries and Wages	12,349	16,501	16,934
Internal Equipment	1,660	1,916	1,944
Material and Other	14,925	20,022	22,629
Contract Services	137	1,876	1,966
Debt Interest	1,223	1,239	1,142
Debt Principal	3,833	2,926	2,970
Internal Allocations	6,461	6,813	5,281
Transfers to Funds			
Special (Stat Reserve) Funds	168	198	198
Development Cost Charges	0	0	0
Accumulated Surplus	20,236	30,782	38,498
Total Expenditures	<u>60,992</u>	<u>82,272</u>	<u>91,564</u>
Net Operating Expenditures	<u>(16,151)</u>	<u>(13,089)</u>	<u>(11,724)</u>
<u>Capital Expenditures</u>			
Gross Expenditures	26,530	119,150	54,398
Other Funding Sources	(16,435)	(106,061)	(42,674)
Utility Capital	<u>10,096</u>	<u>13,089</u>	<u>11,724</u>
Net Operating & Utility Capital Exp.	<u>(6,055)</u>	<u>0</u>	<u>0</u>

Note: Totals may not add due to rounding

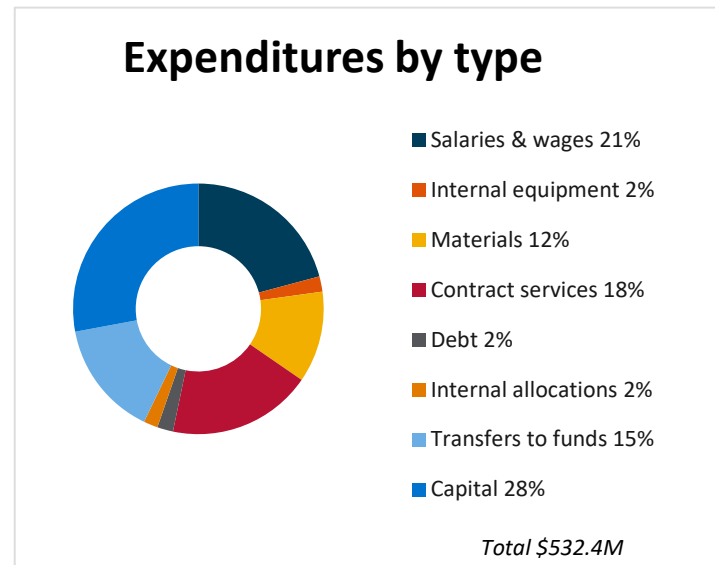
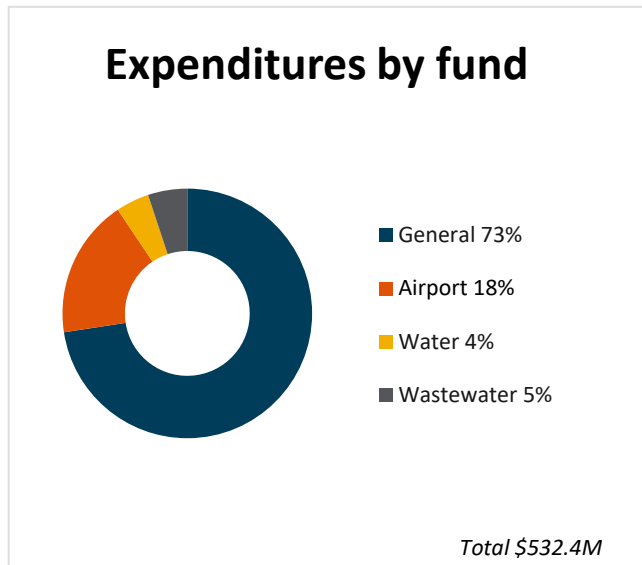
All funds – revenues/expenditures (\$ thousands)

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, and the Water and Wastewater Utilities.

	Actual 2021	Revised 2022	Preliminary 2023
Revenues			
General fund			
Taxation	(157,736)	(167,107)	(175,474)
General revenues	(13,737)	(12,209)	(15,286)
General fund revenues	(137,976)	(135,938)	(115,543)
Other capital funding	(49,212)	(140,716)	(80,089)
	(358,661)	(455,970)	(386,392)
Utility funds			
Utility fund revenues	(77,143)	(95,361)	(103,287)
Other capital funding	(16,435)	(106,061)	(42,674)
	(93,577)	(201,423)	(145,961)
Total revenues	(452,238)	(657,393)	(532,354)
Expenditures			
General fund			
General fund expenditures	297,417	301,562	292,151
Capital expenditures from tax demand	11,945	13,693	14,152
Other capital expenditures	49,212	140,716	80,089
	358,574	455,970	386,392
Utility funds			
Utility fund expenditures	60,992	82,272	91,564
Capital expenditures from utility	10,096	13,089	11,724
Other capital expenditures	16,435	106,061	42,674
	87,522	201,423	145,961
Total expenditures	446,096	657,393	532,354
Note: Totals may not add due to rounding	(6,142)		
*Difference in 2021 actuals due to:			
General fund surplus	(87)		
Utility funds surplus	(6,055)		
	(6,142)		

Analysis of total expenditures

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



Expenditures by fund (\$ thousands)

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 2021	Revised 2022	Preliminary 2023	
			Operating	Capital
General	358,574	455,970	292,151	94,241
Airport	39,262	128,940	56,891	39,025
Water	28,055	26,566	16,938	6,007
Wastewater	20,205	45,916	17,734	9,366
Subtotal			383,715	148,639
Total	446,096*	657,393	532,354	

* Net of surplus \$6,141k

Note: Totals may not add due to rounding

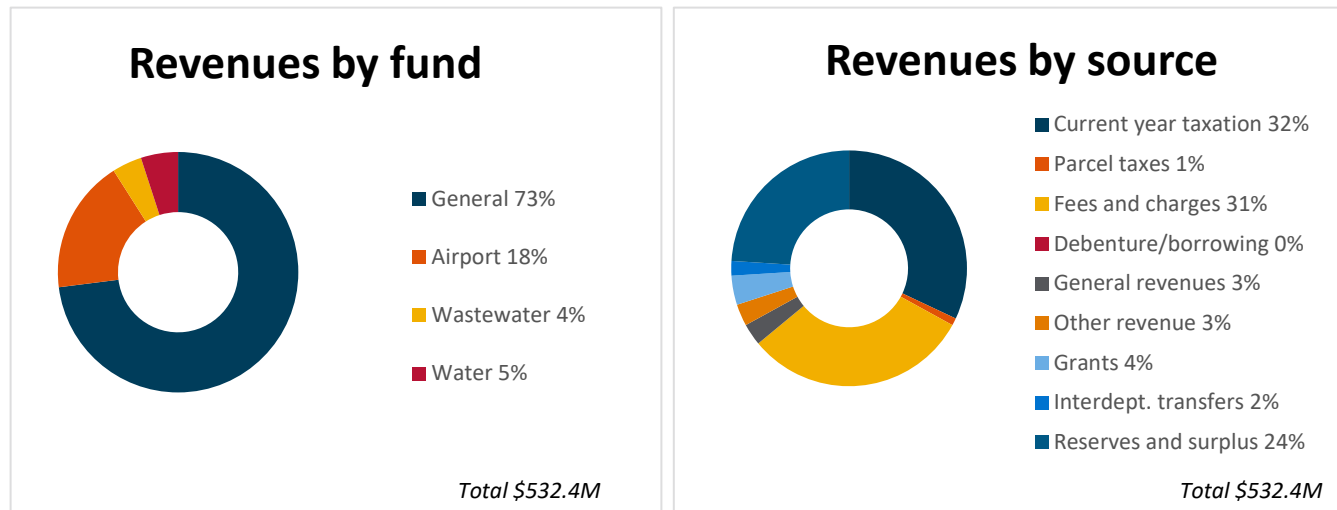
Expenditures by type (\$ thousands)

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

	Actual 2021	Revised 2022	Preliminary 2023
Salaries & wages	101,445	109,768	110,870
Internal equipment	10,384	10,245	10,527
Materials	56,251	72,813	62,772
Contract services	82,699	101,367	99,341
Debt	12,623	12,550	10,899
Internal allocations	10,626	12,562	9,744
Transfers to funds	84,381	64,530	79,561
Capital	87,687	273,559	148,639
Total	446,096	657,393	532,354

Analysis of total revenues

The City of Kelowna has multiple revenue sources. Depicted in the graphs below are the proposed revenue budgets first by fund, and then by revenue source.



Revenues by fund (\$ thousands)

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

	Actual 2021	Revised 2022	Preliminary 2023	
			Operating	Capital
General	358,661	455,970	292,151	94,241
Airport	39,262	128,940	56,891	39,025
Water	30,643	26,566	16,938	6,007
Wastewater	23,672	45,916	17,734	9,366
Subtotal			383,715	148,639
Total	452,238	657,393	532,354	

Revenues by source (\$ thousands)

The table below presents the same total operating and capital revenues information for each revenue source.

	Actual 2021	Revised 2022	Preliminary 2023
Current year taxation	157,736	167,107	175,474
Parcel taxes	3,615	3,428	3,434
Fees and charges	143,493	155,667	164,593
Debenture/borrowing	0	7,159	1,390
General revenues	13,737	12,209	15,286
Other revenue	21,599	15,509	14,680
Grants	30,507	38,438	21,229
Interdept. transfers	10,190	11,214	9,308
Reserves and surplus	71,361	246,660	126,961
Total	452,238	657,393	532,354

Note: Totals may not add due to rounding

Revenues – total general & utility (\$ thousands)

	Revised 2022	Preliminary 2023
Net general operating		
Licences	3	3
Franchise fee	1,605	1,761
Interest & penalties	6,288	8,993
Miscellaneous revenues	(115)	(109)
Federal contributions	145	150
Provincial contributions (inc. traffic fine revenue)	1,986	2,027
Taxes – private utilities (1% in lieu)	2,299	2,461
Property taxation	167,107	175,474
	179,317	190,760
Capital Funding Source		
Reserves		
CWME - Cemetery Replacement		538
CWME - Community Works Fund		7,375
CWME - Fire Equipment		127
CWME - Future Capital Projects Reserve		1,048
CWME - Infrastructure Levy Reserve		5,876
CWME - Municipal Works		923
CWME - Sanitary Landfill		12,035
CWME - Vehicle and Equipment Replacement Reserve		4,058
DCC - Park Acquisition		14,513
DCC - Park Development		6,316
DCC - Road A		144
DCC - Road B		2,824
DCC - Road I		7,193
General - Arterial Roads Reserve		254
General - Building Repair		583
General - Energy Management Rebate		251
General - Finance/Major System Software		370
General - Fire Dispatch		185
General - H2O Center		350
General - Kelowna Sportsfields		45
General - Major Recreation Facilities		3,900
General - Off-Road Bikeway		109
General - Parks Development		154
General - PPP Opportunity Reserve		1,000
General - RCMP Contract		95
General - Theatre Improvement		92
General - Transit Facility Enhancement		234
Land - Land Sales Reserve		1,250
Land - Parkland Reserve		1,452
Parking - Municipal Boating Facilities Reserve		575
Parking - Parking Reserve		705
Parking - South Pandosy Town Center Reserve		38
Various other funding sources		5,479
Subtotal	140,716	80,089
Net general operating & capital revenue	320,032	270,849
Utilities		
Airport	81,062	39,025
Water	5,054	1,647
Wastewater	19,945	2,002
Total utilities	106,061	42,674
Total general & utilities operating & capital	426,093	313,523

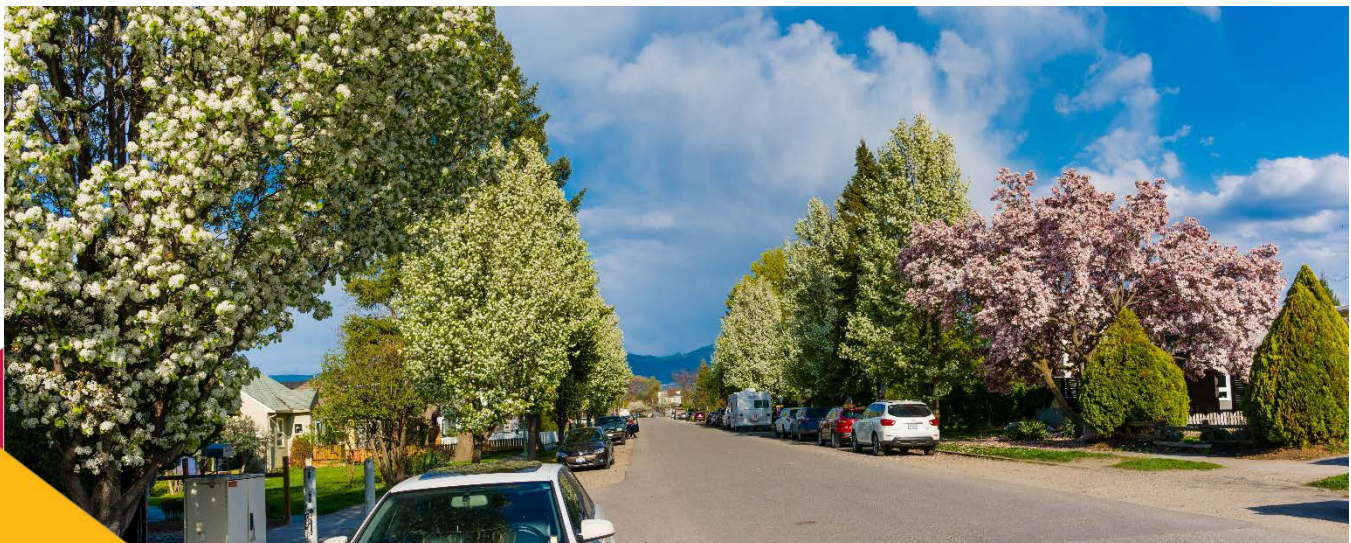
(Excluding Library, School, Hospital, B.C. Assessment Authority & Regional District), Note: Totals may not add due to rounding

Expenditures – total general & utility (\$ thousands)

	Revised 2022	Net Operating	<u>Capital Expenditures</u>		Preliminary 2023
			General/ Utility Revenue	Other Funding Sources	
General					
City Administration	1,944	1,988	0	0	1,988
City Clerk	1,518	1,617	0	0	1,617
Planning & Development Services	(119)	(382)	0	0	(382)
Partnerships & Investments	32,059	9,872	2,745	9,761	22,378
Infrastructure	161,739	40,453	10,622	68,207	119,282
Active Living & Culture	11,210	11,517	0	0	11,517
Corporate & Protective Services					
Corporate Services	6,334	7,585	0	0	7,585
Community Safety	51,556	52,499	0	0	52,499
Fire Department	25,906	22,588	0	312	22,900
Corporate Strategic Services	12,821	10,178	785	1,810	12,773
Financial Services	6,649	6,798	0	0	6,798
Debt & Other	8,414	11,895	0	0	11,895
Net general operating & capital expenditures	320,032	176,608	14,152	80,089	270,849
Utilities					
Airport	81,062	0	0	39,025	39,025
Water	5,054	(4,360)	4,360	1,647	1,647
Wastewater	19,945	(7,364)	7,364	2,002	2,002
Net utilities operating & capital expenditures	106,061	(11,724)	11,724	42,674	42,674
Total expenditures	426,093	164,884	25,876	122,763	313,523

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

Note: Totals may not add due to rounding



Ongoing budget impacts – General Fund (\$ thousands)

Below is a projection of the net property owner impacts over the next five years using the best information available at the time of preparation of the Preliminary Budget volume. This projection will be updated for the Final Budget volume in April of 2023 and additional details on projections will be provided. As with any planning exercise, the level of certainty and detail is most appropriately found in the current year. For the years after 2023, budgets have been adjusted for current one-time projects, changes in operating budgets from previously approved requests, new capital projects included in the Council endorsed 10-Year Capital Plan, growth and/or inflationary rates, and other key assumptions. Although this forward-looking information is based on what is believed to be reasonable assumptions, there can be no assurance that this information will prove to be accurate as actual results and future events could differ materially from the anticipated information contained in this forecast.

	2023	2024	2025	2026	2027
General revenues	(15,286)	(15,612)	(15,946)	(16,294)	(16,633)
Net operating budget	176,608	188,253	202,173	214,547	223,812
Pay-as-you-go capital	14,152	15,886	17,086	18,380	19,654
Taxation demand	175,474	188,528	203,313	216,632	226,833
New construction tax revenue	(1,673)	(2,790)	(2,998)	(3,233)	(3,184)
Municipal Impact	3.01%	4.85%	5.25%	3.96%	2.24%
Public Safety Levy Impact	1.00%	1.00%	1.00%	1.00%	1.00%
Net property owner impact	4.01%	5.85%	6.25%	4.96%	3.24%

Note: Totals may not add due to rounding.



▶▶ OPERATING BUDGET



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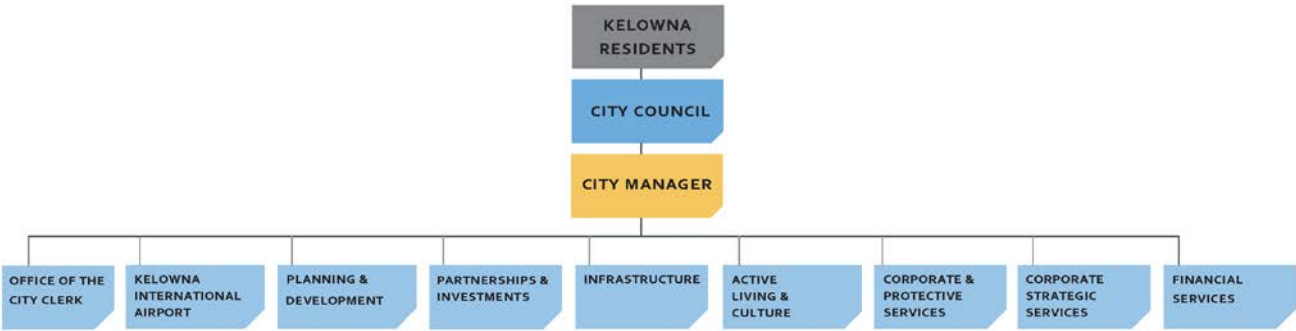


OPERATING BUDGET

THE CITY & ITS DIVISIONS

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2022 – 2026). City Council, which represents the City at large and our residents, has one employee – the City Manager—who administers City operations.

A nine-member Senior Leadership Team reports to the City Manager, representing all lines of business for the City and, by extension all contracted services.



OPERATING BUDGET SUMMARY

Operating expenditures & revenues

Operating requests are presented using the City operating structure: Division, Department and Branch. For example:

- Division:** Corporate & Protective Services
- Department:** Community Safety
- Branch:** Police Services

Each operating request is categorized into the three categories 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 requests are presented under the requesting division and are presented in divisional rank order within the three categories. Airport Fund, Water Fund, Wastewater Fund, Corporate Services, Community Safety, Fire Department, General Revenues and Debt & Other are presented on a department or fund level. Operating requests related to capital are included in the associated capital request and are marked on the operating summary with CAP. Operating requests with a capital impact are marked with a V&E on the summary sheet to indicate which operating requests have vehicle and equipment capital impacts.

General Fund

The 2023 Financial Plan includes 91 General Fund Priority one (P1) operating requests that total \$13.3M, of which \$8.2M is requested to be funded from taxation. These requests focus on a continued commitment to community safety, investing in assets to help reduce the infrastructure deficit, reviving vibrancy through accessible and multi-purpose amenities for all to enjoy, and taking action on climate change. In addition to the P1 operating requests, there are 21 Priority two (P2) General Fund requests that are included for Council's consideration totaling \$1.5M. The P2 requests are not included in the summary totals.

Operating requests by type:			
	Maintain	Growth	New
Revenue	61%	13%	26%
Expenditure	61%	9%	30%

The 2023 operating request revenues largely fall into maintaining initiatives at 61 per cent, followed by 26 per cent related to new revenue programs and 13 per cent related to growth programs. Requests for operating expenditures are primarily for maintaining existing operations at 61 per cent followed by 30 per cent of new programs and nine per cent for

growth.

Airport Fund

The Kelowna International Airport continues to recover from the COVID-19 pandemic and the operating requests reflect this recovery with a 2023 forecasted increase in passenger growth of 2.1M. The eight P1 operating requests include program increases of \$2.4M and revenue increases of \$9.9M.

Operating requests by type:			
	Maintain	Growth	New
Revenue	0%	100%	0%
Expenditure	0%	100%	0%

The 2023 operating request revenues and expenditures are 100 per cent dedicated to growth requests. There are no P2 operating requests for the Airport.

Water Fund

The City of Kelowna's Water Utility is requesting to spend \$485k over six P1 operating requests. The operating requests will help the utility to maintain current programs, increase services levels through new positions, help to fund operations maintenance cost increases, and assess the reservoir dam decommissioning.

Operating requests by type:			
	Maintain	Growth	New
Revenue	0%	0%	0%
Expenditure	47%	40%	12%

2023 Water utility operating requests are categorized by 47 per cent of maintain requests, while growth is 40 per cent followed by 12 per cent for new requests. There are no P2 operating requests for the Water Utility.

Wastewater Fund

The Wastewater Utility has five P1 operating requests totaling \$492k. The 2023 operating requests focus on operations management and succession planning, system wide sampling program, and operating impacts for a new sewer connection area.

Operating requests by type:			
	Maintain	Growth	New
Revenue	100%	0%	0%
Expenditure	80%	2%	18%

Wastewater utility revenue budgets have been adjusted for Council approved rate changes of three per cent and growth and have been completed through divisional adjustments. Requests for operating expenditures are primarily maintaining initiatives at 80 per cent, 18 percent related to new programs and two per cent due to growth. There are no P2 operating requests for the Wastewater Utility.

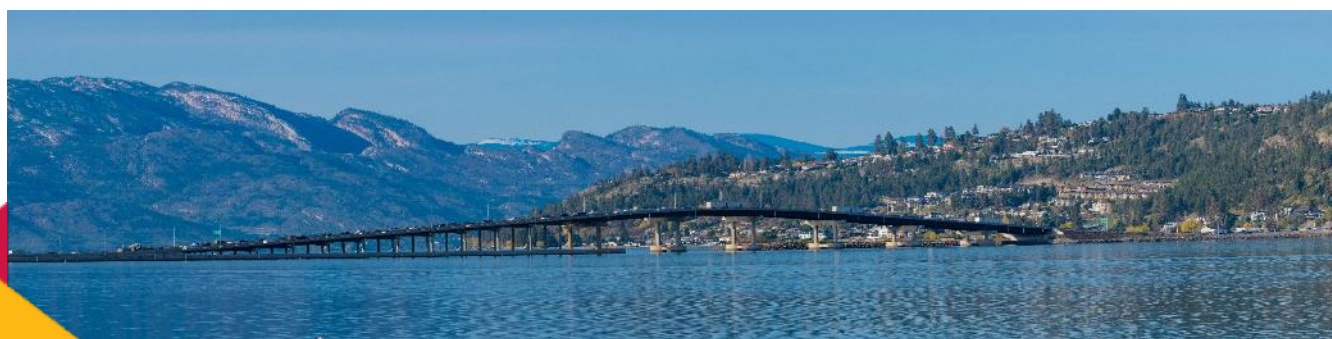
Division/department operating requests funding sources (\$ thousands)

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/developer contributions.

Operating requests summary

<i>Funded from</i>	Priority 1			Priority 2		
	Taxation	Other Sources	Total	Taxation	Other Sources	Total
City Administration	0	0	0	0	0	0
City Clerk	125	0	125	0	0	0
Planning & Development Services	174	1,004	1,179	0	0	0
Partnerships & Investments	508	290	798	286	0	286
Infrastructure	996	4,273	5,268	167	10	177
Active Living & Culture	(76)	155	79	30	0	30
Corporate & Protective Services		0	0	0	0	0
Corporate Services	812	105	917	0	0	0
Community Safety	715	300	1015	718	0	718
Fire Department	444	(55)	389	0	0	0
Corporate Strategic Services	332	171	503	238	0	238
Financial Services	132	65	197	42	0	42
General Revenues	0	0	0	0	0	0
Debt & Other	4,038	(1,223)	2,815	0	0	0
Total general fund	8,198	5,086	13,284	1,481	10	1,491
<i>Funded from</i>	Priority 1			Priority 2		
	Utility	Other Sources	Total	Utility	Other Sources	Total
Airport	0	2,439	2,439	0	0	0
Water	485	0	485	0	0	0
Wastewater	457	35	492	0	0	0
Total utilities	942	2,474	3,416	0	0	0
Total all funds operating	9,140	7,560	16,700	1,481	10	1,491

Note: Totals may not add due to rounding



Net operating budgets by division (\$ thousands)

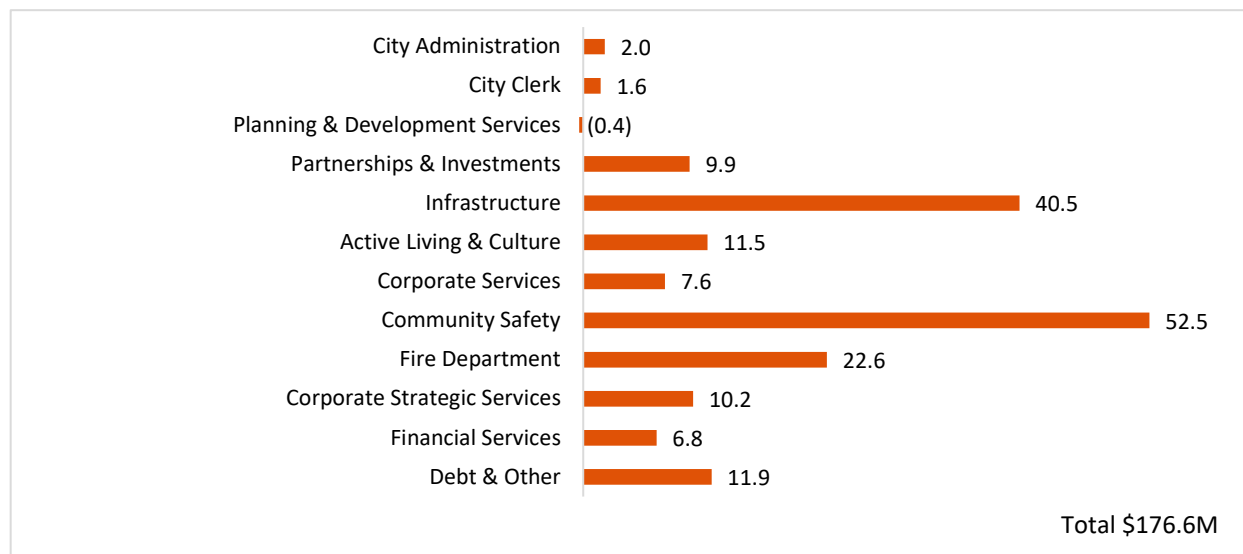
The table below displays the General, Airport and Utility Funds net operating budget by division/department including the priority one requests.

	Expend/ other	Revenues	Net	Per cent of Total
City Administration	1,988	0	1,988	1.1%
City Clerk	1,707	(90)	1,617	0.9%
Planning & Development Services	11,358	(11,740)	(382)	(0.2%)
Partnerships & Investments	20,662	(10,790)	9,872	5.6%
Infrastructure	99,218	(58,765)	40,453	22.9%
Active Living & Culture	17,452	(5,935)	11,517	6.5%
Corporate & Protective Services				
Corporate Services	8,231	(647)	7,585	4.3%
Community Safety	59,535	(7,036)	52,499	29.7%
Fire Department	25,936	(3,347)	22,588	12.8%
Corporate Strategic Services	10,573	(394)	10,178	5.8%
Financial Services	8,348	(1,550)	6,798	3.9%
Debt & Other	27,143	(15,249)	11,895	6.7%
Total net operating budget - general fund	292,151	(115,543)	176,608	100.0%
Airport	56,891	(56,891)	0	0.0%
Water	16,938	(21,298)	(4,360)	37.2%
Wastewater	17,734	(25,098)	(7,364)	62.8%
Total net operating budget - airport and utility funds	91,564	(103,287)	(11,724)	100.0%

Note: Totals may not add due to rounding

General fund – net operating budget by division/department (\$ millions)

The bar graph below compares the level of spending for each General Fund operating divisions in millions.



Note: Totals may not add due to rounding

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
City Clerk									
Growth									
112	Legal Expense	65,000	0	0	0	0	0	(65,000)	OG
	Total Growth	65,000	0	0	0	0	0	(65,000)	
New									
112	Policy Analyst Position	59,700	0	0	0	0	0	(59,700)	OG
	Total New	59,700	0	0	0	0	0	(59,700)	
Division Priority 1 Total		124,700	0	0	0	0	0	(124,700)	
Planning & Development Services Division									
Maintain									
137	Development Technician Position	61,000	(61,000)	0	0	0	0	0	OG
137	Climate Action and Environmental Stewardship Manager Position	74,300	0	0	0	0	0	(74,300)	OG
	Total Maintain	135,300	(61,000)	0	0	0	0	(74,300)	
Growth									
138	Reproduction Services	20,000	(20,000)	0	0	0	0	0	OG
138	North End Neighbourhood Plan	40,000	(40,000)	0	0	0	0	0	OT
139	Project Planning Coordinator Term Position	103,300	0	0	0	(103,300)	0	0	OG
139	Infill and Housing Policy Program Base Budget	25,000	0	0	0	0	0	(25,000)	OG
	Total Growth	188,300	(60,000)	0	0	(103,300)	0	(25,000)	
New									
140	Urban Center Planning and OCP Implementation	150,000	0	0	0	(75,000)	0	(75,000)	OG
140	Diversifying our Housing Options	75,000	(75,000)	0	0	0	0	0	OT
141	Climate and Environment Review Recommendations	390,000	(390,000)	0	0	0	0	0	OT
141	Community Climate Action Implementation	240,000	(240,000)	0	0	0	0	0	OT
	Total New	855,000	(705,000)	0	0	(75,000)	0	(75,000)	
Division Priority 1 Total		1,178,600	(826,000)	0	0	(178,300)	0	(174,300)	

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Partnerships & Investments Division									
Maintain									
153	Building Maintenance Deficiency & Escalation Adjustment	300,000	0	0	0	0	0	(300,000)	OG
153	Strategic Land Development Projects	100,000	(100,000)	0	0	0	0	0	OT
154	H2O - Mechanical Room Slab Repair	50,000	(50,000)	0	0	0	0	0	OT
Total Maintain		450,000	(150,000)	0	0	0	0	(300,000)	
New									
154	Intergovernmental Relations Advisor	150,000	0	0	0	(140,000)	0	(10,000)	OG
155	Buildings Planning Supervisor Position	67,700	0	0	0	0	0	(67,700)	OG
155	Accelerate Okanagan OKGN Angel Summit Sponsorship	4,000	0	0	0	0	0	(4,000)	OG
156	Mechanical Engineer - Facilities Position	59,100	0	0	0	0	0	(59,100)	OG
156	Safety, Security and Regulatory Maintenance	52,500	0	0	0	0	0	(52,500)	OG
157	Partnerships Consulting Services	15,000	0	0	0	0	0	(15,000)	OG
Total New		348,300	0	0	0	(140,000)	0	(208,300)	
Maintain									
225	* Security - Additional Patrols	0	0	0	0	0	0	0	OG
Total Maintain		0	0	0	0	0	0	0	
Division Priority 1 Total		798,300	(150,000)	0	0	(140,000)	0	(508,300)	

Infrastructure Division

Maintain

170	Landfill - Leachate Aeration and Bin Repairs	125,000	(125,000)	0	0	0	0	0	OG
170	Transit Base Operating Cost	2,609,100	0	0	(1,335,200)	(1,759,000)	0	485,100	OG
171	Winter Maintenance Budget Request	200,000	0	0	0	0	0	(200,000)	OG
171	Parks Beaches & Mowing Contract Increases	627,800	(40,900)	0	0	0	0	(586,900)	OG
172	Strategic Transportation Partnership of Central Okanagan 2023 Transition	124,300	0	0	(4,500)	(37,800)	0	(82,000)	OT
356 CAP	Robotic Sports Field Line Painter	10,000	0	0	0	0	0	(10,000)	OG
172	Asphalt Maintenance Operating Request	75,000	0	0	0	0	0	(75,000)	OG
173	Irrigation 4G Communications	10,000	0	0	0	0	0	(10,000)	OG
173	Landfill - Design, Operations and Closure Plan update	600,000	(600,000)	0	0	0	0	0	OT
364 CAP	Stewart DCC (Crawford - Swamp)	0	0	0	0	0	0	0	OG
348 CAP	Knox Mountain Park Improvements	12,000	0	0	0	0	0	(12,000)	OG

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
174	Parks, Pathways and Parking Lot Lighting	30,000	(30,000)	0	0	0	0	0	OG
351 CAP	Parks Large Capacity Waste Receptacles	17,500	0	0	0	0	0	(17,500)	OG
349 CAP	Irrigation Renewal	0	0	0	0	0	0	0	OG
174	Cemetery Materials and Supplies Increase	31,000	(31,000)	0	0	0	0	0	OG
175	Parks Drinking Fountain Replacement	45,500	(45,500)	0	0	0	0	0	OG
Total Maintain		4,517,200	(872,400)	0	(1,339,700)	(1,796,800)	0	(508,300)	

Growth

370 CAP	Local Street Urbanization Program	0	0	0	0	0	0	0	OG
175	Utilities Construction Supervisor Position	14,000	0	0	0	0	(9,000)	(5,000)	OG
347 CAP	Glenmore Recreation Park (DCC) - Phase 3	0	0	0	0	0	0	0	OG
367 CAP	Casorso 3 DCC (Lanfranco - Barrera), ATC	12,000	0	0	0	0	0	(12,000)	OG
375 CAP	Crosswalk Safety, Signals and Flashers	1,200	0	0	0	0	0	(1,200)	OG
369 CAP	Glenmore 4 DCC (Kane - South Yates), ATC	4,000	0	0	0	0	0	(4,000)	OG
377 CAP	Okanagan College Exchange Capacity Expansion	0	0	0	0	0	0	0	OG
375 CAP	Sidewalk Network Expansion Program	0	0	0	0	0	0	0	OG
176	Downtown Transportation Review	100,000	(25,000)	0	0	0	0	(75,000)	OT
176	Miscellaneous Drainage Program Increase	50,000	0	0	0	0	0	(50,000)	OG
374 CAP	Bicycle Network Improvement Program	0	0	0	0	0	0	0	OG
356 CAP	Fleet Growth - General Fund	16,700	0	0	0	0	0	(16,700)	OG
Total Growth		197,900	(25,000)	0	0	0	(9,000)	(163,900)	

New

177	Downtown Cleanup Patrol	51,800	0	0	0	0	0	(51,800)	OG
177	Senior Transportation Engineer Position	72,200	0	0	0	0	0	(72,200)	OG
178	FireSmart Chipping Program	40,000	(40,000)	0	0	0	0	0	OG
378 CAP	Transit - Bus Stop and Amenity Improvements	0	0	0	0	0	0	0	OG
178	Stormwater Utility Business Case and Implementation Plan	100,000	(100,000)	0	0	0	0	0	OT
179	Stormwater Basin Plan - Central Area	200,000	(50,000)	0	0	0	0	(150,000)	OT
179	Accountant Position	49,400	0	0	0	0	0	(49,400)	OG
180	Time Series Data Analytics	40,000	0	0	0	0	(40,000)	0	OG
270	* Asset Management System Manager Position	0	0	0	0	0	0	0	OG
270	* Asset Management Consulting Support	0	0	0	0	0	0	0	OG
Total New		553,400	(190,000)	0	0	0	(40,000)	(323,400)	

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Division Priority 1 Total		5,268,500	(1,087,400)	0	(1,339,700)	(1,796,800)	(49,000)	(995,600)	
Active Living & Culture Division									
Maintain									
# 212	Community Development Coordinator - Outdoor Shelter Position	0	0	0	0	0	0	0	OG
212	Future Adaptability and Sustainability Program	75,000	(75,000)	0	0	0	0	0	OT
# 213	Peer Navigator Program	0	0	0	0	0	0	0	OG
339 CAP	Kelowna Community Theatre Improvements	3,600	0	0	0	(5,000)	0	1,400	OG
Total Maintain		78,600	(75,000)	0	0	(5,000)	0	1,400	
Growth									
# 213	Arenas & Stadiums Attendant Position	0	0	0	0	0	0	0	OG
# 214	Community & Event Support Grant Increase	0	0	0	0	0	0	0	OG
Total Growth		0	0	0	0	0	0	0	
New									
214	Journey Home Strategy Implementation Review	40,000	(40,000)	0	0	0	0	0	OT
215	Engagement with Indigenous Communities	35,000	(35,000)	0	0	0	0	0	OT
Total New		75,000	(75,000)	0	0	0	0	0	
Growth									
237	<i>* Community Safety Plan Implementation Initiatives</i>	(75,000)	0	0	0	0	0	75,000	OG
Total Growth		(75,000)	0	0	0	0	0	75,000	
Division Priority 1 Total		78,600	(150,000)	0	0	(5,000)	0	76,400	

Corporate & Protective Services Division*Corporate Services*

Maintain

225	Security - Additional Patrols	55,000	(30,000)	0	0	0	0	(25,000)	OG
Total Maintain		55,000	(30,000)	0	0	0	0	(25,000)	

New

225	HR Coordinator Position	41,300	0	0	0	0	0	(41,300)	OG
226	Diversity, Equity and Inclusion Action Items	40,000	(40,000)	0	0	0	0	0	OT
226	Professional Consulting for Health & Wellness Strategies	35,000	(35,000)	0	0	0	0	0	OG
283	<i>* Public Safety Levy</i>	745,320	0	0	0	0	0	(745,320)	OG

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
	Total New	861,620	(75,000)	0	0	0	0	(786,620)	
	Department Priority 1 Total	916,620	(105,000)	0	0	0	0	(811,620)	

Corporate & Protective Services Division*Community Safety*

Growth

235	Community Safety Advisor Position	46,000	0	0	0	0	0	(46,000)	OG
235	Police Services - Administrative Assistant Position	46,500	0	0	0	0	0	(46,500)	OG
236	Bylaw Services - Part-time Positions and Overtime	65,900	0	0	0	0	0	(65,900)	OG
236	Outdoor Overnight Sheltering	300,000	(300,000)	0	0	0	0	0	OG
237	Community Safety Plan Implementation Initiatives	75,000	0	0	0	0	0	(75,000)	OG
	Total Growth	533,400	(300,000)	0	0	0	0	(233,400)	

New

# 237	Police Services - Digital Extraction Technician Position	0	0	0	0	0	0	0	OG
283	* <i>Public Safety Levy</i>	481,680	0	0	0	0	0	(481,680)	OG
	Total New	481,680	0	0	0	0	0	(481,680)	

Department Priority 1 Total	1,015,080	(300,000)	0	0	0	0	0	(715,080)	
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Corporate & Protective Services Division*Fire Department*

Growth

246	Kelowna Fire Department Master Plan	150,000	(150,000)	0	0	0	0	0	OT
	Total Growth	150,000	(150,000)	0	0	0	0	0	

New

283	* <i>Public Safety Levy</i>	239,000	205,000	0	0	0	0	(444,000)	OG
	Total New	239,000	205,000	0	0	0	0	(444,000)	

Department Priority 1 Total	389,000	55,000	0	0	0	0	0	(444,000)	
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Corporate Strategic Services Division

Growth

256	Cybersecurity Microsoft Licensing	150,000	0	0	0	0	0	(150,000)	OG
256	Financial System Unit4 Cloud 2.0	0	0	0	0	0	0	0	OG
	Total Growth	150,000	0	0	0	0	0	(150,000)	

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
New									
323	CAP Network as a Service	36,000	0	0	0	0	0	(36,000)	OG
257	After Hours Support Services	54,000	0	0	0	0	0	(54,000)	OG
257	Business Systems Analyst - Digital Transformation Specialist Position	60,300	0	0	0	0	0	(60,300)	OG
258	Record Drawing – Citizen/Customer Facing Intake Process	50,000	(50,000)	0	0	0	0	0	OT
258	Unit4 Implement Timesheets and Absences Modules	121,000	(121,000)	0	0	0	0	0	OT
259	Two Communications Summer Student Positions	31,600	0	0	0	0	0	(31,600)	OG
Total New		352,900	(171,000)	0	0	0	0	(181,900)	

Division Priority 1 Total	502,900	(171,000)	0	0	0	0	(331,900)
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Financial Services Division

New

270	Asset Management System Manager Position	121,600	(15,400)	0	0	0	(30,800)	(75,400)	OG
270	Asset Management Consulting Support	50,000	(6,200)	0	0	0	(12,500)	(31,300)	OG
271	Infrastructure Data Solutions Software Subscription	25,000	0	0	0	0	0	(25,000)	OG
Total New		196,600	(21,600)	0	0	0	(43,300)	(131,700)	

Division Priority 1 Total	196,600	(21,600)	0	0	0	(43,300)	(131,700)
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Financial Services Division*Debt & Other*

Maintain

282	Other Working Capital	2,815,000	0	0	0	0	0	(2,815,000)	OG
282	PRC Replacement Financial Planning	0	828,000	0	0	0	0	(828,000)	OG
283	Infrastructure Levy	0	394,500	0	0	0	0	(394,500)	OG
Total Maintain		2,815,000	1,222,500	0	0	0	0	(4,037,500)	

New

283	Public Safety Levy	0	0	0	0	0	0	0	OG
Total New		0	0	0	0	0	0	0	

Department Priority 1 Total	2,815,000	1,222,500	0	0	0	0	(4,037,500)
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Total Priority 1 Operating	13,283,900	(1,533,500)	0	(1,339,700)	(2,120,100)	(92,300)	(8,198,300)
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2023 Operating Requests

Preliminary Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Airport								
Maintain								
122	Airport Improvement Fee	0	4,721,000	0	0	(4,721,000)	0	OG
	Total Maintain	0	4,721,000	0	0	(4,721,000)	0	
Growth								
122	Airport Airside	560,600	778,700	0	0	(1,339,300)	0	OG
123	Airport Terminal	373,700	643,200	0	0	(1,016,900)	0	OG
123	Airport Groundside	946,100	1,827,900	0	0	(2,774,000)	0	OG
124	Airport Finance & Administration	391,900	(330,900)	0	0	(61,000)	0	OG
124	Airport Air Service Development Manager Position	64,200	(64,200)	0	0	0	0	OG
125	Airport Operations Clerk Position	35,800	(35,800)	0	0	0	0	OG
125	Airport Development Services Manager Position	67,000	(67,000)	0	0	0	0	OG
	Total Growth	2,439,300	2,751,900	0	0	(5,191,200)	0	
	Division Priority 1 Total	2,439,300	7,472,900	0	0	(9,912,200)	0	
Water								
Maintain								
190	Water Supply Ongoing Major Equipment Renewal	120,000	0	0	0	0	(120,000)	OG
190	Long Meadow Reservoir Dam Decommissioning	110,000	0	0	0	0	(110,000)	OT
	Total Maintain	230,000	0	0	0	0	(230,000)	
Growth								
191	Water Operations Maintenance and Cost Increase	163,500	0	0	0	0	(163,500)	OG
CAP	Fleet Growth - Water Fund	31,900	0	0	0	0	(31,900)	OG
	Total Growth	195,400	0	0	0	0	(195,400)	
New								
191	Water Supply Millwright Position	45,900	0	0	0	0	(45,900)	OG
192	Water Quality Co-op Student Position	13,900	0	0	0	0	(13,900)	OG
	Total New	59,800	0	0	0	0	(59,800)	
Growth								
175	* Utilities Construction Supervisor Position	0	0	0	0	0	0	OG

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Total Growth		0	0	0	0	0	0	
New								
270	* Asset Management System Manager Position	0	0	0	0	0	0	OG
270	* Asset Management Consulting Support	0	0	0	0	0	0	OG
180	* Time Series Data Analytics	0	0	0	0	0	0	OG
Total New		0	0	0	0	0	0	
Division Priority 1 Total								
		485,200	0	0	0	0	(485,200)	
Wastewater								
Maintain								
200	Wastewater Operations and Maintenance	380,000	0	0	0	(35,000)	(345,000)	OG
200	Source Control Co-op Position	14,000	0	0	0	0	(14,000)	OG
Total Maintain		394,000	0	0	0	(35,000)	(359,000)	
Growth								
400	CAP KLO Rd Mission Creek Sewer Connection	11,300	0	0	0	0	(11,300)	OG
Total Growth		11,300	0	0	0	0	(11,300)	
New								
201	Wastewater Treatment Operator Position	48,900	0	0	0	0	(48,900)	OG
201	Wastewater Co-op Student Positions	37,500	0	0	0	0	(37,500)	OG
Total New		86,400	0	0	0	0	(86,400)	
Growth								
175	* Utilities Construction Supervisor Position	0	0	0	0	0	0	OG
Total Growth		0	0	0	0	0	0	
New								
270	* Asset Management System Manager Position	0	0	0	0	0	0	OG
270	* Asset Management Consulting Support	0	0	0	0	0	0	OG
180	* Time Series Data Analytics	0	0	0	0	0	0	OG
Total New		0	0	0	0	0	0	
Division Priority 1 Total								
		491,700	0	0	0	(35,000)	(456,700)	
Total Priority 1 Operating								
		3,416,200	7,472,900	0	0	(9,947,200)	(941,900)	

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Partnerships & Investments Division									
Maintain									
	Parks & Building Planning Consulting Services	50,000	0	0	0	0	0	(50,000)	OG
	Public Art	65,000	0	0	0	0	0	(65,000)	OG
	Total Maintain	115,000	0	0	0	0	0	(115,000)	
New									
V&E	Facilities Services Position	51,900	0	0	0	0	0	(51,900)	OG
V&E	Facility Operations Coordinator Position	59,200	0	0	0	0	0	(59,200)	OG
	Bernard Avenue Parklets	60,000	0	0	0	0	0	(60,000)	OG
	Total New	171,100	0	0	0	0	0	(171,100)	
Division Priority 2 Total		286,100	0	0	0	0	0	(286,100)	
Infrastructure Division									
Maintain									
352	CAP Irrigation Renewal	10,000	0	0	0	0	0	(10,000)	OG
	Parks CityWorks Hardware	45,600	0	0	0	0	0	(45,600)	OG
	Traffic Technician Position	43,000	0	0	0	0	0	(43,000)	OG
	Total Maintain	98,600	0	0	0	0	0	(98,600)	
New									
	Asset Management Coordinator Position	58,000	0	0	0	0	0	(58,000)	OG
	Sanitary-Storm Service Interconnects Policy Development	20,000	0	0	0	0	(10,000)	(10,000)	OT
	Total New	78,000	0	0	0	0	(10,000)	(68,000)	
Division Priority 2 Total		176,600	0	0	0	0	(10,000)	(166,600)	
Active Living & Culture Division									
Growth									
	Social Development Working Funds	30,000	0	0	0	0	0	(30,000)	OG
	Total Growth	30,000	0	0	0	0	0	(30,000)	

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Division Priority 2 Total		30,000	0	0	0	0	0	(30,000)	
Corporate & Protective Services Division									
<i>Community Safety</i>									
Growth									
	Bylaw Services - Operations Supervisor Position	58,600	0	0	0	0	0	(58,600)	OG
	Total Growth	58,600	0	0	0	0	0	(58,600)	
New									
	Designated Outdoor Sheltering Site - Personal Storage	67,500	0	0	0	0	0	(67,500)	OG
	Police Services - Casual Positions	62,900	0	0	0	0	0	(62,900)	OG
	RCMP Regular Members (6)	333,800	0	0	0	0	0	(333,800)	OG
	Police Services - Watch Coordinators (4) Positions	195,300	0	0	0	0	0	(195,300)	OG
	Total New	659,500	0	0	0	0	0	(659,500)	
Department Priority 2 Total		718,100	0	0	0	0	0	(718,100)	
Corporate Strategic Services Division									
Growth									
	Communications Consultant Position	50,200	0	0	0	0	0	(50,200)	OG
	Total Growth	50,200	0	0	0	0	0	(50,200)	
New									
	Innovation Consultant Position	49,300	0	0	0	0	0	(49,300)	OG
	Cloud Consumption	80,000	0	0	0	0	0	(80,000)	OG
	Information Services Project Coordinator Position	58,600	0	0	0	0	0	(58,600)	OG
	Total New	187,900	0	0	0	0	0	(187,900)	
Division Priority 2 Total		238,100	0	0	0	0	0	(238,100)	
Financial Services Division									
New									
	Payroll Technician Position	41,600	0	0	0	0	0	(41,600)	OG
	Total New	41,600	0	0	0	0	0	(41,600)	
Division Priority 2 Total		41,600	0	0	0	0	0	(41,600)	
Total Priority 2 Operating		1,490,500	0	0	0	0	(10,000)	(1,480,500)	

2023 Operating Requests
Preliminary Budget
Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Wastewater								
New								
	* <i>Sanitary-Storm Service Interconnects Policy Development</i>	0	0	0	0	0	0	OT
	Total New	0	0	0	0	0	0	
	Department Priority 2 Total	0	0	0	0	0	0	
	Total Priority 2 Operating	0	0	0	0	0	0	

CAP - denotes operating request that has been moved to the capital section
V&E - denotes operating request that has vehicle & equipment capital impacts included in the request
* italics - denotes that this is a shared (part of another department) operating request
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 2023

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▶▶ CITY ADMINISTRATION



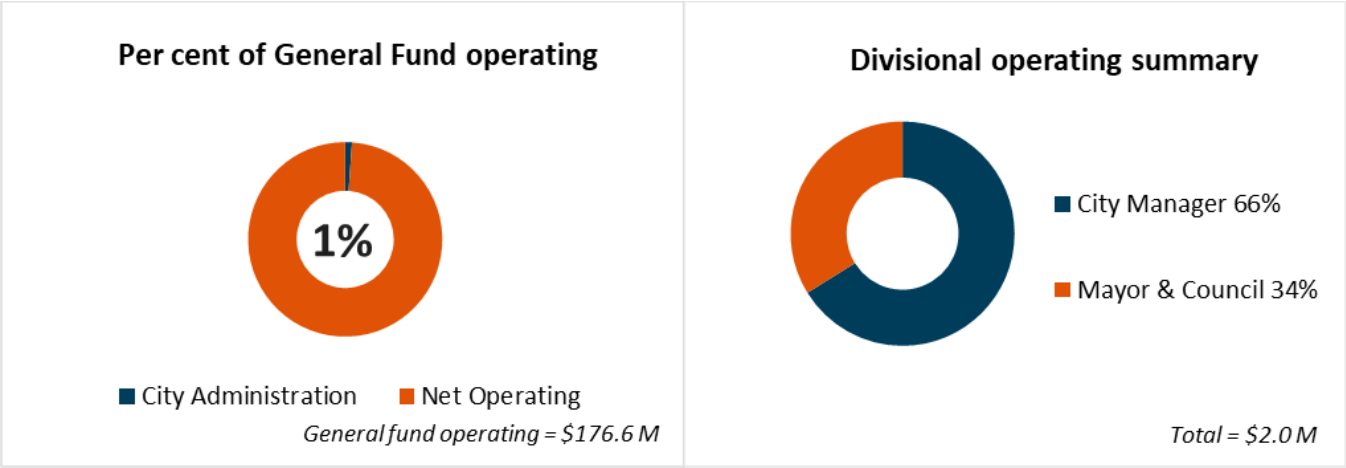
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CITY ADMINISTRATION

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. Building on *Imagine Kelowna*, Kelowna City Council develops a set of council priorities they will work on during their term. Council priorities are the results Council and the organization want to achieve or significantly advance during Council’s term. The guiding strategic document outlines primary focus areas and desired corporate and council results. Activities in the Financial Plan show how the City’s administration serves to meet *Imagine Kelowna* principles and Council priorities results.

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Mayor & Council					
103 Council	398	468	492		
104 Mayor	143	165	180		
	541	633	672	39	6.2%
City Manager					
100 City Manager	992	1,311	1,316		
	992	1,311	1,316	5	0.4%
Net operating expenditure	1,533	1,944	1,988	44	2.3%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	1,533	1,944	1,988	44	2.3%
Operating full-time equivalent positions:					
Mayor and Council	9.0	9.0	9.0		
Management	3.6	5.0	5.0		
Union hourly	0.1	0.1	0.1		
Union salary	0.4	0.0	0.0		
Total operating full-time equivalent positions	13.1	14.1	14.1	0.0	0.0%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	1,944	14.1
2023 net impacts		
One-time operating requests	0	0.0
Prior years ongoing adjustments	0	0.0
Divisional adjustments	44	0.0
	1,988	14.1
2023 Program additions (P1)		
2023 operating requests:	0	0.0
Total	1,988	14.1
Unfunded 2023 requests (P2)		
2023 operating request	0	0.0
Total unfunded requests for 2023	0	0.0

Note: Totals may not add due to rounding.

City Administration
City Manager, Council and Mayor - General Fund
Revenues/Expenditures by Category (\$ thousands)

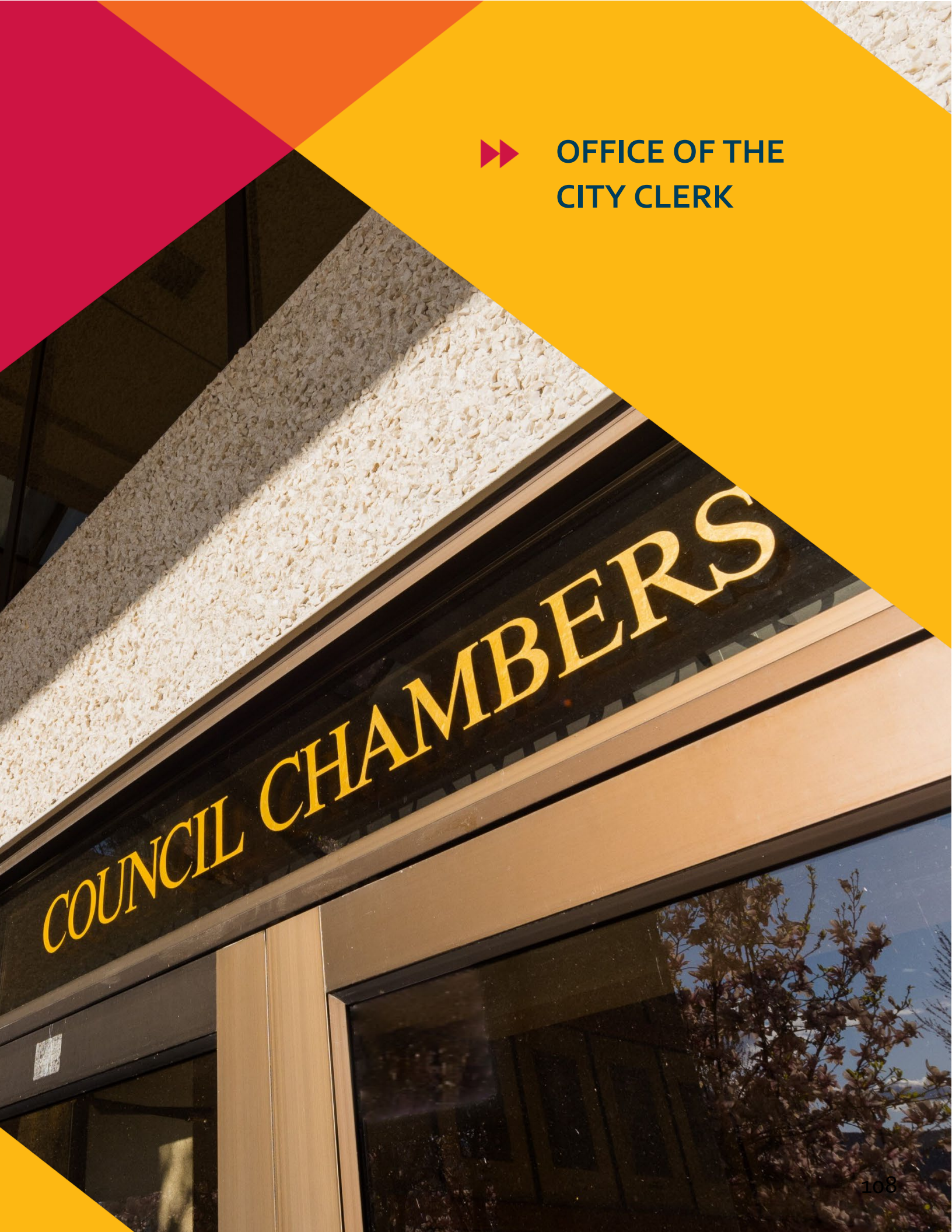
	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(1)	0	0
Other Revenue	0	0	0
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Revenue	<u>(1)</u>	<u>0</u>	<u>0</u>
<u>Expenditures</u>			
Salaries and Wages	1,053	1,199	1,228
Internal Equipment	12	15	21
Material and Other	124	383	393
Contract Services	344	346	346
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	<u>1,535</u>	<u>1,944</u>	<u>1,988</u>
Net Operating Expenditures	<u>1,533</u>	<u>1,944</u>	<u>1,988</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>1,533</u>	<u>1,944</u>	<u>1,988</u>

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OFFICE OF THE CITY CLERK

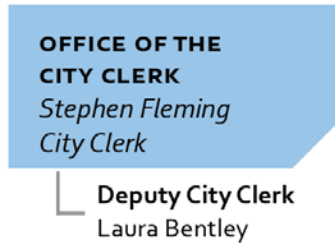


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OFFICE OF THE CITY CLERK

The Office of the City Clerk fosters a culture of open government in the provision of corporate administrative services to Council, their Committees, and the organization. Along with statutory and procedural information and advice related to all levels of government legislation, responsibilities include Council meeting management, corporate access to legal services, the management of corporate records and information, public access to records and protection of privacy, elector approval processes and general local elections.



Divisional Activities

Clear Direction

- Add records management function to SharePoint Online to ensure compliance with access to information and protection of privacy legislation, support collaboration and modern business needs, and to manage electronic records and information from creation to disposition
- Develop corporate policy function with a clear and consistent framework that supports initiatives across City departments and maximizes alignment with Council and corporate priorities. Develop, review, and evaluate Council and corporate policies and manage the policy libraries
- Enhance protection of privacy by developing and implementing a privacy management program, advising on privacy considerations associated with digital transformation and partnership initiatives, and updating privacy resources, policies, and procedures

People

- Provide training for new and existing employees on governance, Council reports and procedures, access to information and protection of privacy, and records management

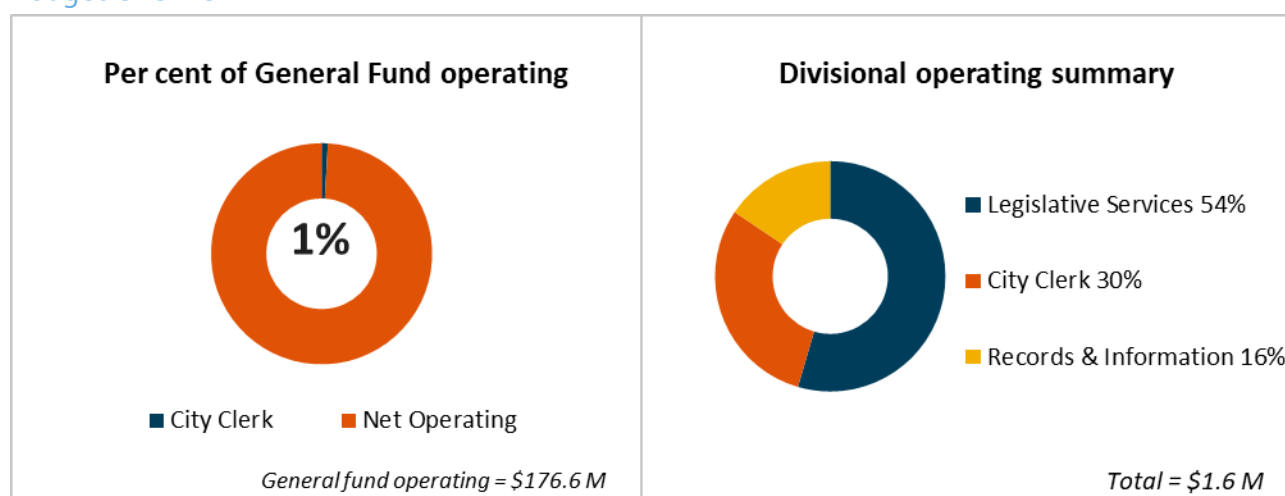
Base Business

- Conduct annual archiving and disposition across City business areas
- Ensure public access to information and protection of privacy in accordance with provincial legislation and City policies
- Communicate opportunities for the public to engage with Council and learn about City governance
- Provide governance and meeting management to Council and their Committees, including agenda preparation, minutes, and statutory notices
- Draft regulatory bylaws for and provide policy and procedural advice to City departments

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
# of Freedom of Information (FOI) requests received	74	100	100
# of bylaws drafted (development & regulatory)	194	125	160
# of Council meeting & public hearing (days)	52	49	42
# of agreements executed by Mayor/Clerk	477	356	450
# of legal documents e-registered	232	153	200
# of paper files processed for final disposition	5,398	3,978 (actual)	3,958
# of paper files processed for archive	3017	4530	3370
# of paper files in storage	96,928	100,106	99,520
Business areas that met annual corporate archive deadline (%)	100%	100%	100%
Business areas that met annual corporate disposition deadline (%)	100%	100%	100%
FOI requests/responded to within 30 days (%)	91%	92%	95%
FOI requests/responded within legislated timeline (including extensions up to 60 days or over) (%)	95%	98%	100%
Council meeting packages prepared/delivered on time (%)	100%	100%	100%
Council committee meetings attended (%)	100%	98%	100%
# of scheduled training/education sessions provided by staff	44	45	50

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
City Clerk					
119 Legislative Services	814	825	882		
120 City Clerk	631	492	483		
228 Records & Information	91	201	252		
Net operating expenditure	1,536	1,518	1,617	99	6.5%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	1,536	1,518	1,617	99	6.5%
Operating full-time equivalent positions:					
Management	5.9	5.5	6.0		
Union hourly	0.3	0.4	0.4		
Union salary	4.2	5.0	5.5		
Total operating full-time equivalent positions	10.4	10.9	11.9	1.0	9.2%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	1,518	10.9
2023 net impacts		
One-time operating requests	(78)	0.0
Prior years ongoing adjustments	52	0.5
Divisional adjustments	0	0.0
	1,492	11.4
2023 Program additions (P1)		
2023 operating requests:	125	0.5
Total	1,617	11.9
Unfunded 2023 requests (P2)		
2023 operating request	0	0.0
Total unfunded requests for 2023	0	0.0

Note: Totals may not add due to rounding.

City Clerk - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(82)	(10)	(10)
Other Revenue	(80)	(80)	(80)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(260)	0
Total Revenue	<u>(162)</u>	<u>(350)</u>	<u>(90)</u>
<u>Expenditures</u>			
Salaries and Wages	980	1,022	1,130
Internal Equipment	0	0	0
Material and Other	578	751	482
Contract Services	72	95	95
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	68	0	0
Total Expenditures	<u>1,698</u>	<u>1,869</u>	<u>1,707</u>
Net Operating Expenditures	1,536	1,518	1,617
<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>1,536</u>	<u>1,518</u>	<u>1,617</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
City Clerk									
Growth									
112	Legal Expense	65,000	0	0	0	0	0	(65,000)	OG
	Total Growth	65,000	0	0	0	0	0	(65,000)	
New									
112	Policy Analyst Position	59,700	0	0	0	0	0	(59,700)	OG
	Total New	59,700	0	0	0	0	0	(59,700)	
Division Priority 1 Total									
		124,700	0	0	0	0	0	(124,700)	
Total Priority 1 Operating									
		124,700	0	0	0	0	0	(124,700)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	City Clerk	Priority: 1	Growth
Department:	City Clerk		ON-GOING
Title:	Legal Expense		PRELIMINARY

Justification:

The City uses external legal services to provide advice, prepare legal documents, and represent the City as needed. Budget is requested to increase the legal budget based on the past three years of actual costs. In addition to base business needs, innovative City initiatives require more in-depth legal review and advice, and legal representation is needed on more files. Legal services also support community safety efforts through the City's Property Standards Compliance Team and major bylaw enforcement files.

2023 Base budget: \$235k

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	65,000	0	0	0	0	0	0	(65,000)
2024	115,000	0	0	0	0	0	0	(115,000)
2025	165,000	0	0	0	0	0	0	(165,000)

Division:	City Clerk	Priority: 1	New
Department:	Legislative Services		ON-GOING
Title:	Policy Analyst Position		PRELIMINARY

Justification:

The Office of the City Clerk manages and provides direction on Council and corporate policies and procedures. Budget is requested for a Policy Analyst position which will develop the policy function into a corporate service that supports a common understanding of future direction, transforms business processes, and reduces lower value activities. The position will also draft complex bylaws and ensure the appropriate policy tools are used to deliver City initiatives.

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	59,700	0	0	0	0	0	0	(59,700)
2024	115,700	0	0	0	0	0	0	(115,700)
2025	115,700	0	0	0	0	0	0	(115,700)



KELOWNA INTERNATIONAL AIRPORT

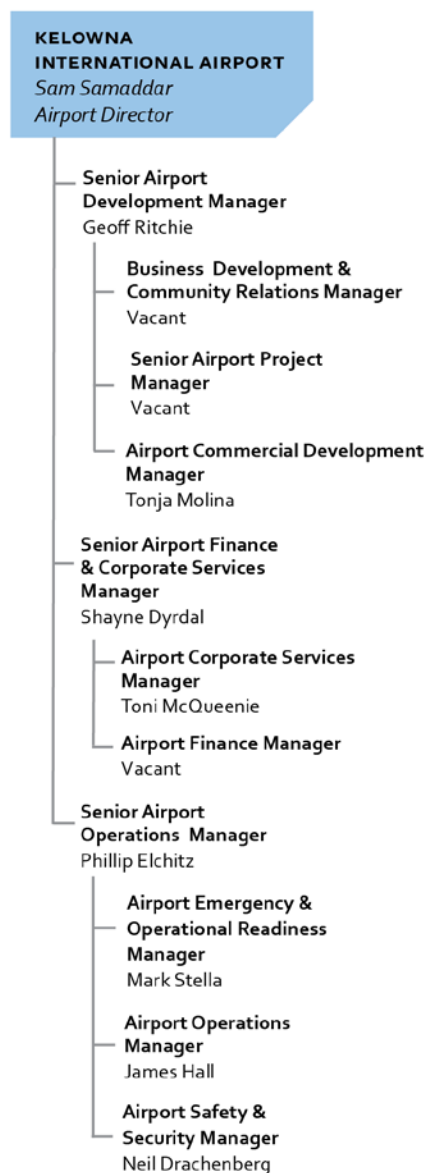


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KELOWNA INTERNATIONAL AIRPORT

Kelowna International Airport (YLW) plays a vital part in the economic development and prosperity of the Okanagan Valley. Based on the 2015 economic impact report, a year in which YLW served 1.6M passengers, YLW's total economic impact was 4,545 jobs and \$789M in total economic output to the province of British Columbia. In 2019, prior to the significant impacts of COVID-19, YLW served over 2M passengers, offered more than 70 daily non-stop commercial flights with eight airlines (Air Canada, Air North - Yukon's Airline, Alaska Airlines, Central Mountain Air, Flair Airlines, Swoop, Pacific Coastal Airlines and WestJet) to 16 destinations (Calgary, Cranbrook, Edmonton, Prince George, Seattle, Winnipeg, Toronto, Vancouver, Victoria and Whitehorse, plus seasonal service to Cabo San Lucas, Las Vegas, Phoenix, Cancun, Puerto Vallarta and Varadero). Due to the continued impact of COVID-19, YLW is forecasting to serve over 1.7M passengers in 2022 and return to serving over 2M passengers in 2023.



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. The aim is to provide high quality facilities in a safe and cost-effective manner while also ensuring the capability and flexibility to meet future changes in air transportation, technology and operations.

Airport Development is responsible for overseeing and coordinating all planning, programming and development programs at YLW including master planning, conceptual design, project development, commercial real estate development projects, land use planning and tenant relations. In addition, Airport Development is also responsible for preparing strategic Airport plans, strategic air service recovery and development, community relations and engagement, and the management of the lifecycle of capital projects design and construction at the Airport until handover to Airport Operations.

Airport Finance & Corporate Services is responsible for overseeing the financial well-being of the Airport including, but not limited to, reporting, budgeting, forecasting and cash management. Finance and Corporate Services also oversees agreements, significant purchasing projects, acquisitions and insurance.

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, groundside operations including parking, car rentals and ground transportation, safety and security, the customer experience, emergency preparedness, aircraft fire fighting as well as airside operations and regulatory compliance.

Divisional Activities

Community Safety

- Residents feel safe:
 - Rehabilitation of airside pavement to further improve the safety of aircraft and passengers
 - Construction of the runway end safety area to further improve the safety of aircraft and passengers
 - ACI-NA Health Accreditation maintained
 - Commence enabling works for the construction of the new combined operations building
 - Purchase of two runway snow sweeper combos
- Data and analysis is used to understand problems and target responses:
 - Accomplish the goals set out in the Airport's safety management system
 - Ongoing review of wildlife data to enhance aviation safety

Social & Inclusive

- Inclusivity and diversity are increasing:
 - Work in partnership with the Canucks Autism Network to provide a more inclusive environment for families living with autism
 - Work in partnership with Pets and People to provide a more calming environment for travelers
 - Continued implementation of the Accessible Transportation for Persons with Disabilities Regulations to ensure all citizens have full access to airport facilities
 - Utilize feedback from the Rick Hansen Foundation to further improve the accessibility of the current and future Air Terminal Building

Vibrant Neighbourhoods

- Key sites are proactively planned:
 - Continue to actively pursue commercial development opportunities in and around YLW
 - Enter into an agreement for the development of the East Lands
 - Pursue retail and commercial developments that lead to regionally accessible destination services and facilities

Economic Resiliency

- Key economic sector impact is increasing:
 - Fully recover from the COVID-19 pandemic
 - Recovery of air service post pandemic to allow citizens access to travel for business, pleasure and health-related reasons
 - Leasing and development of commercial lands at YLW
 - Complete a new economic impact study
 - Commence the construction of the Air Terminal Building expansion
 - Complete the servicing required for the construction of a hotel on-site at the Airport
 - Build new common use counters to allow for further development of air service
 - Renovate the development offices to provide the additional space needed for relocations during the construction of the air terminal building expansion

Environmental Protection

- Greenhouse gas (GHG) emissions are decreasing:
 - Continue to work towards the Airport's environmental goal of becoming carbon neutral by 2030
 - Maintain Airport Carbon Accreditation Level 2
 - Amend the ground handler agreement to move towards the use of equipment that is non-carbon fuel based

Financial Management

- Non-tax revenues are increasing:
 - Pursue commercial development opportunities to increase revenues

Clear Direction

- Common understanding of future direction:
 - Consistent and transparent communication of YLW's recovery
- Progress on results is measured, monitored and reported:
 - Quarterly financial updates provided to the YLW team
- Services, processes and business activities are transformed:
 - Real-time assessment of YLW's recovery from COVID-19, assessment of corresponding operational changes, and implementation of corresponding changes

People

- Ability to attract, select and retain talent:
 - Continue to explore all options to keep people engaged in meaningful work
 - Develop an innovation bank
 - Improve communication channels with the YLW campus

Base Business

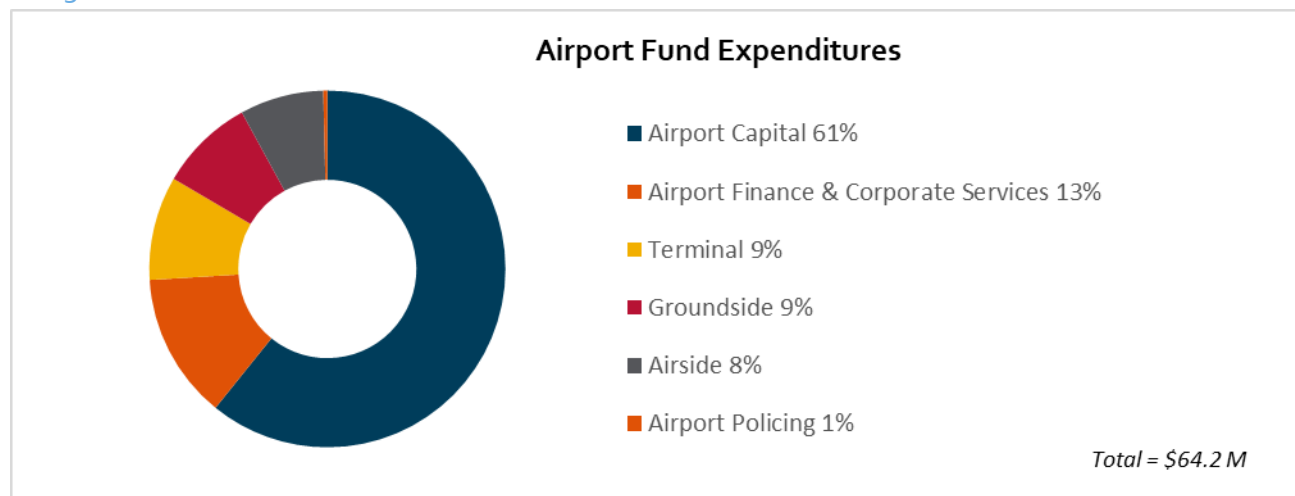
- Completion of the phased replacement of the Air Terminal Building roof
- Renewal of certain infrastructure in the Air Terminal Building to extend the useful life of the infrastructure
- Renewal of certain infrastructure in the Combined Operations Building to extend the useful life of the infrastructure
- Replacement of certain components of the passenger bridges to extend the useful lives of the bridges
- Lifecycle replacement of common use self-serve and common use terminal equipment

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Economic Resiliency – Key Economic Sector Impact is Increasing			
Meet long-term medium passenger activity forecast to 2025: 2.25M	0.8M	1.7M	2.1M
Environmental Protection – Greenhouse Gas Emissions Are Decreasing			
Carbon Accreditation Level	1	2	2
Financial Management - Non-tax Revenues Are Increasing			
Payment to City of Kelowna (\$)	1.6M	1.2M	1.3M
Financial Management – Cost to deliver services is quantified			
Aeronautical Revenues per Landed Air Carrier Seat (\$)	\$6.64	\$6.22	\$6.45
Base Business - Customer satisfaction			
Airport service quality benchmark rating (out of 5.0) *			

* The ASQ benchmarking survey was suspended in 2020, due to the impact of COVID-19

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Airport					
106 Airport Finance & Corporate Services	(3,164)	5,172	5,835		
230 Airside	1,001	(1,770)	(2,067)		
231 Groundside	1,001	(1,830)	(2,009)		
232 Terminal	1,001	(1,756)	(1,989)		
233 Airport Improvement Fee	(0)	0	0		
234 Airport Policing	162	183	230		
Net operating expenditures	0	0	0	0	0.0%
Divisional capital cost centres (\$ thousands):					
312 Airport Capital	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	0	0	0	0	0.0%
Operating full-time equivalent positions:					
Management	13.0	17.0	20.0		
Union hourly	3.9	2.5	2.0		
Union salary	21.5	29.5	30.5		
Total operating full-time equivalent positions	38.4	49.0	52.5	3.5	7.1%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		0	49.0
2023 net impacts			
One-time operating requests	0		0.0
Prior years ongoing adjustments	0		1.0
Divisional adjustments	0	0	0.0
		0	50.0
2023 Program additions (P1)			
2023 operating requests:	0	0	2.5
Total		0	52.5
Unfunded 2023 requests (P2)			
2023 operating request		0	0.0
Total unfunded requests for 2023		0	0.0

Note: Totals may not add due to rounding.

Airport - Airport Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(22,423)	(41,052)	(50,940)
Other Revenue	(7,453)	(223)	(248)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(3,444)	(6,603)	(5,704)
Total Revenue	<u>(33,320)</u>	<u>(47,878)</u>	<u>(56,891)</u>
<u>Expenditures</u>			
Salaries and Wages	4,304	5,995	6,732
Internal Equipment	21	31	32
Material and Other	8,272	11,280	13,027
Contract Services	18	1,096	1,142
Debt Interest	584	584	584
Debt Principal	2,805	1,897	1,905
Internal Allocations	2,018	1,573	1,733
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	15,297	25,422	31,735
Total Expenditures	<u>33,320</u>	<u>47,878</u>	<u>56,891</u>
Net Operating Expenditures	0	0	0
<u>Capital Expenditures</u>			
Gross Expenditures	5,942	81,062	39,025
Other Funding Sources	(5,942)	(81,062)	(39,025)
Utility Capital	<u>0</u>	<u>0</u>	<u>0</u>
Net Operating & Utility Capital Exp.	<u>0</u>	<u>0</u>	<u>0</u>

2023 Operating Requests

Preliminary Budget

Summary - Airport Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Airport								
Maintain								
122	Airport Improvement Fee	0	4,721,000	0	0	(4,721,000)	0	OG
	Total Maintain	0	4,721,000	0	0	(4,721,000)	0	
Growth								
122	Airport Airside	560,600	778,700	0	0	(1,339,300)	0	OG
123	Airport Terminal	373,700	643,200	0	0	(1,016,900)	0	OG
123	Airport Groundside	946,100	1,827,900	0	0	(2,774,000)	0	OG
124	Airport Finance & Administration	391,900	(330,900)	0	0	(61,000)	0	OG
124	Airport Air Service Development Manager Position	64,200	(64,200)	0	0	0	0	OG
125	Airport Operations Clerk Position	35,800	(35,800)	0	0	0	0	OG
125	Airport Development Services Manager Position	67,000	(67,000)	0	0	0	0	OG
	Total Growth	2,439,300	2,751,900	0	0	(5,191,200)	0	
	Department Priority 1 Total	2,439,300	7,472,900	0	0	(9,912,200)	0	
	Total Priority 1 Operating	2,439,300	7,472,900	0	0	(9,912,200)	0	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Airport	Priority: 1	Maintain
Department:	Airport		ON-GOING
Title:	Airport Improvement Fee		PRELIMINARY

Justification:

The increase in budgeted Airport Improvement Fees is based on the forecast that the Airport will recover to 2.1M passengers in 2023. The 2022 budget was based on passenger numbers of 1.7M.

Revenues are contributed to the Airport Improvement Fee Reserve.

2023 Base Budget: \$19.7M.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	0	4,721,000	0	0	0	(4,721,000)	0
2024	0	4,721,000	0	0	0	(4,721,000)	0
2025	0	4,721,000	0	0	0	(4,721,000)	0

Division:	Airport	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Airside		PRELIMINARY

Justification:

The increase in budgeted Airport Airside revenues and expenditures is based on the forecast that the Airport will continue to recover from the COVID-19 pandemic in 2023. The 2023 budget is based on forecasted passenger numbers of 2.1M. The 2022 budget was based on passenger numbers of 1.7M.

Revenues are contributed to the Airport Airside Reserve and expenditures are appropriated from the Airport Airside Reserve.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	560,600	778,700	0	0	0	(1,339,300)	0
2024	505,300	834,000	0	0	0	(1,339,300)	0
2025	505,300	834,000	0	0	0	(1,339,300)	0

2023 Operating Request Details

Division:	Airport	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Terminal		PRELIMINARY

Justification:

The increase in budgeted Airport Terminal revenues and expenditures is based on the forecast that the Airport will continue to recover from the COVID-19 pandemic in 2023. The 2023 budget is based on forecasted passenger numbers of 2.1M. The 2022 budget was based on passenger numbers of 1.7M.

Revenues are contributed to the Airport Terminal Reserve and expenditures are appropriated from the Airport Terminal Reserve.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	373,700	643,200	0	0	0	(1,016,900)	0
2024	369,500	647,400	0	0	0	(1,016,900)	0
2025	369,500	647,400	0	0	0	(1,016,900)	0

Division:	Airport	Priority: 1	Growth
Department:	Airport		ON-GOING
Title:	Airport Groundside		PRELIMINARY

Justification:

The increase in budgeted Airport Groundside revenues and expenditures is based on the forecast that the Airport will continue to recover from the COVID-19 pandemic in 2023. The 2023 budget is based on forecasted passenger numbers of 2.1M. The 2022 budget was based on passenger numbers of 1.7M.

Revenues are contributed to the Airport Groundside Reserve and expenditures are appropriated from the Airport Groundside Reserve.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	946,100	1,827,900	0	0	0	(2,774,000)	0
2024	941,900	1,832,100	0	0	0	(2,774,000)	0
2025	941,900	1,832,100	0	0	0	(2,774,000)	0

2023 Operating Request Details

Division:	Airport	Priority: 1	Growth
Department:	Airport Finance & Corporate Services		ON-GOING
Title:	Airport Finance & Administration		PRELIMINARY

Justification:

The increase in budgeted Airport Finance and Administration revenues and expenditures is based on the forecast that the Airport will continue to recover from the COVID-19 pandemic in 2023. The 2023 budget is based on forecasted passenger numbers of 2.1M. The 2022 budget was based on passenger numbers of 1.7M.

Revenues are contributed to the Airport Airside, Groundside and Terminal Reserves, evenly. Expenditures are appropriated from the Airport Airside, Groundside and Terminal Reserves, evenly.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	391,900	(330,900)	0	0	0	(61,000)	0
2024	264,400	(203,400)	0	0	0	(61,000)	0
2025	264,400	(203,400)	0	0	0	(61,000)	0

Division:	Airport	Priority: 1	Growth
Department:	Airport Finance & Corporate Services		ON-GOING
Title:	Airport Air Service Development Manager Position		PRELIMINARY

Justification:

Budget is requested for an Airport Air Service Development Manager position that would execute all the requirements to attract, incentivize, and maintain air service at the Airport. The COVID-19 pandemic resulted in the loss of nearly all air service at the Airport and the competition for air service has become much more intense and needs to be the main focus of a portfolio to ensure the Airport continues to provide access for tourism, business travel, family and friends travel, air cargo and air ambulance services.

Strategic Direction: People - Ability to attract, select & retain talent

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	64,200	(64,200)	0	0	0	0	0
2024	125,400	(125,400)	0	0	0	0	0
2025	125,400	(125,400)	0	0	0	0	0

2023 Operating Request Details

Division:	Airport	Priority: 1	Growth
Department:	Airport Finance & Corporate Services		ON-GOING
Title:	Airport Operations Clerk Position		PRELIMINARY

Justification:

Budget is requested for an Airport Operations Clerk position which would help ensure restricted area identification cards continue to be processed in accordance with targeted timeframes, despite passenger levels increasing to forecasted levels of 2.1M passengers and capital projects moving forward at historic levels. This will ensure operations and construction continue effectively and efficiently at the Airport.

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

Strategic Direction: People - Ability to attract, select & retain talent

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	35,800	(35,800)	0	0	0	0	0
2024	71,300	(71,300)	0	0	0	0	0
2025	71,300	(71,300)	0	0	0	0	0

Division:	Airport	Priority: 1	Growth
Department:	Airport Finance & Corporate Services		ON-GOING
Title:	Airport Development Services Manager Position		PRELIMINARY

Justification:

Budget is requested for an Airport Development Services Manager position that would liaise between the Airport Development and Airport Operations teams to ensure the safe and efficient expedition of projects while ensuring the Airport continues to operate efficiently. The extra capacity and skills this position would bring would add significantly to the Airport's ability to meet the current and future requirements for the Airport Project Management and Airport Commercial Development teams.

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

Strategic Direction: People - Ability to attract, select & retain talent

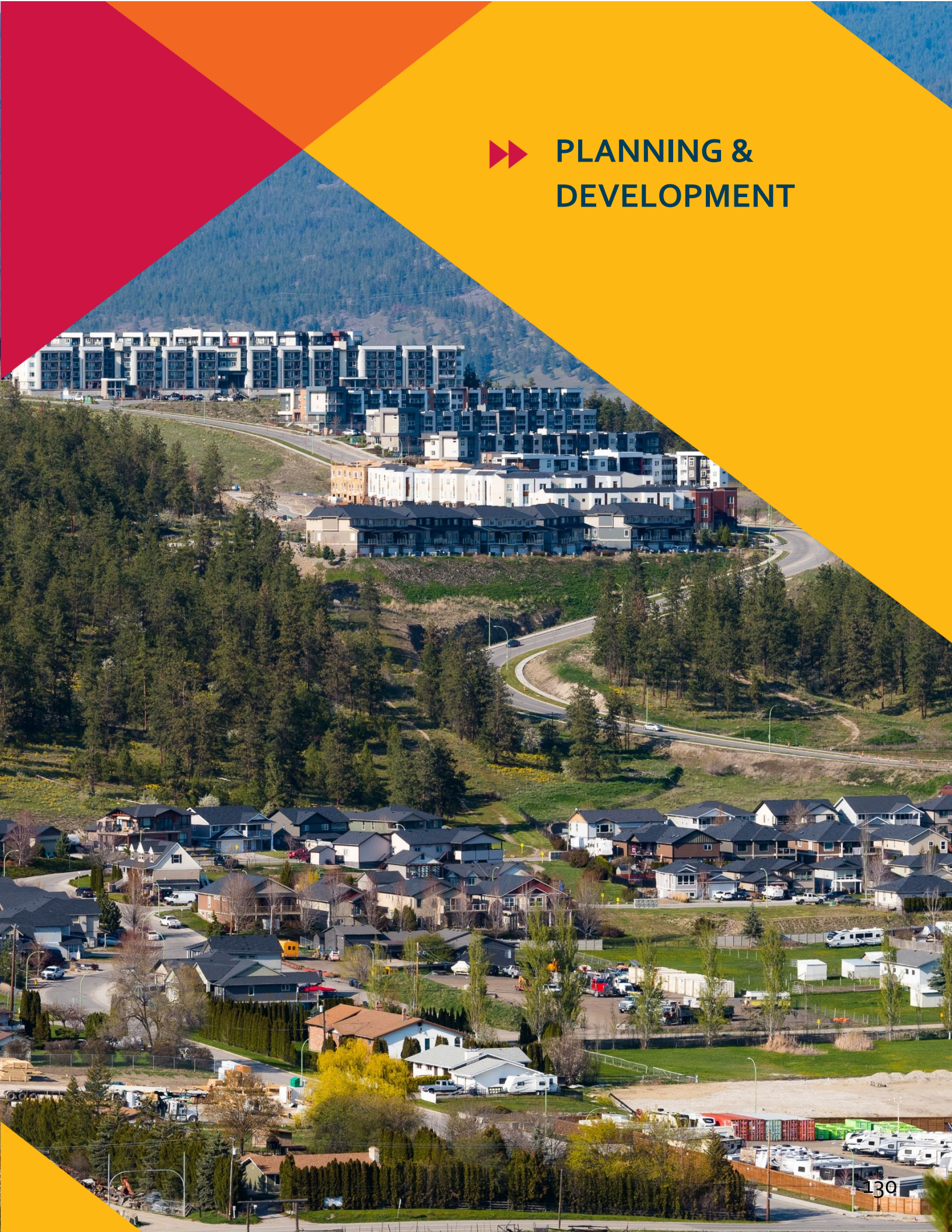
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	67,000	(67,000)	0	0	0	0	0
2024	129,900	(129,900)	0	0	0	0	0
2025	129,900	(129,900)	0	0	0	0	0

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PLANNING & DEVELOPMENT



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PLANNING & DEVELOPMENT SERVICES

The Planning & Development Services Division focuses on long-term planning and development-related planning and services. The division has three departments; Policy & Planning, Development Planning and Development Services; and one two-year term position focused on climate and environment programs.

**PLANNING &
DEVELOPMENT SERVICES**

*Ryan Smith
Divisional Director*



Champion of the Environment is a two-year term position (April 2021 – March 2023) focused on reviewing the City’s climate and environment (C&E) related policies, programs, actions, and systems, and completing a report with a series of recommendations for improvements and coordination. The overarching objective of the position is to develop and advance long-term climate action and environmental protection solutions in line with Council and community priorities.

Development Planning is a progressive department that reviews, plans, promotes and advocates change that moves the City towards the Kelowna envisioned by Imagine Kelowna and the policy direction of the Official Community Plan (OCP). The work of this department is focused on processing land use and development permit applications, and providing advice and information on planning processes to Council and the public.

Development Services develops and implements operational policies, processes and practices to ensure compliance with bylaws, codes, regulations and Council policies with respect to building/development approvals and business licensing in the City. These rules govern the development process for road construction, utilities installation, building construction and the licensing of businesses in buildings through to completion and occupancy.

Policy & Planning is a future-forward department that sets the course for Kelowna’s future by anticipating trends, understanding best practices and shaping innovative policies for short and long-term community goals. It develops leading-edge planning policies based on extensive research in land use, housing, built and natural environments, heritage, and data analytics that builds a foundation for strong and diverse community neighbourhoods. Research outputs are also used to help inform the work undertaken by other City Divisions.

Divisional Activities

Community Safety

- Support the Property Standards Compliance Team in efforts to bring problem properties into compliance with applicable bylaws and standards
- Lead the creation of an Agricultural Property Compliance team that will work with partners to remove non-compliant land uses and businesses from agricultural land

Social & Inclusive

- Administer ~ \$300k in rental housing grants to encourage the construction of new non-market rental housing across the community
- Implement the Affordable Housing Land Acquisition Strategy (AHLAS) as a means to encourage new affordable rental housing
- Explore options for the Housing Opportunities Reserve Fund Program to purchase new parcel(s) for the development of affordable rental housing in the long-term
- Deliver the Annual Housing Report to provide clear insights into local housing market dynamics
- Partner with UBC's School of Community and Regional Planning to complete pre-planning for the development of an Equity Strategy
- Investigate options for Rental Housing and Replacement Regulations to protect existing rental stock
- Update the Housing Needs Assessment as part of a legislative requirement to identify existing and projected gaps in the community's housing needs

Vibrant Neighbourhoods

- Complete and then begin implementation of Phase 1 of the Infill Strategy: Infill Options Program, which will lay the groundwork to commence a comprehensive Infill Residential Strategy to promote various housing forms, tenures, and design responses in our Core Area
- Implement a Fast Track Permitting Program targeted towards the City's residential infill permitting process, to streamline processes and improve efficiencies to onboard this housing supply
- Initiate work on Phase 2 of the Infill Options focusing on development along Transit Supportive Corridors.
- Update the Heritage Conservation Guidelines following select stakeholder engagement and best practice review.
- Complete the North End Plan to provide clear long-term vision and direction for one of the most diverse and rapidly changing parts of Kelowna. This flexible, staged approach to delivering the North End Plan alongside the Mill Site Area Redevelopment Plan will result in an accelerated process that remains committed to community priorities
- Process the Mill Site Area Redevelopment Plan in tandem with the North End Plan
- Initiate the next Urban Centre Plan to establish a clear long-term vision for the area

Economic Resiliency

- Construction activity and permit volume in Kelowna for 2023 are anticipated to continue to be strong with a forecast of \$900 Million
- Represent the City at the International Accreditation Service (IAS), Urban Development Institute and the Canadian Home Builder Association of the Central Okanagan (CHBA CO).

Environmental Protection

- Replace the Development Services vehicle fleet with electric vehicles
- Develop a Climate Resilient Kelowna Strategy to mitigate and adapt to climate change (based on results of GHG Modelling Study and the Climate Vulnerability and Risk Assessment)
- Meet provincial reporting requirements to obtain the Local Government Climate Action Program (LGCAP) grant
- Complete the update to the Sustainable Urban Forest Strategy to increase the resilience of the City's urban forest
- Updating regional Sensitive Ecosystem Inventory (SEI) mapping (partnership with RDCO and neighbouring municipalities)
- Implement Energy Step Code for Part 3 and Part 9 buildings to increase building efficiency

- Continue the Energy Step Code Compliance Assurance Program and make recommendations to optimize the program
- Work in partnership with FortisBC to offer a pilot energy concierge program
- Update GHG emission inventory with new provincial data release to track how we are progressing on GHG emission reduction goals
- Offer provincial top up incentives for fuel switching to low carbon, energy efficient heat pumps
- Implement the Community Electric Vehicle & E-Bike Strategy including EV readiness and public charging infrastructure
- Continue the partnership with Natural Resources Canada (NRCan) through a research collaboration to create retrofit options based on a community energy emissions map prototype to reduce energy, emissions, and operating energy costs for the residents of Kelowna
- Collaborate with Carleton University on the randomized control trial heat pump survey to better understand the barriers to low carbon heat pump adoption
- Continue to work with Fortis BC to provide relevant information regarding potential rebates to the building community through BC building code upgrades
- Create new Landscape Maintenance Bylaw to support tree retention and replacement efforts

Financial Management

- Integrate all online payments and building permit applications available to the general public
- Update application fees in all processes to reflect costs based on inflation.

Clear Direction

- Monitor permit turnaround times to ensure more than 28% of building permits are issued within 2-business days as part of the fast-track program
- Implementation of Zoning Bylaw No. 12375
- Review and update short-term rental and secondary suite regulations
- Update of Council Liquor Policy
- Assist the development and implementation of artificial intelligence (Chat Bot) for permit and inspection inquiries
- Review and update Cannabis Regulation and fees
- Review opportunities for Development Variance Permit process streamlining
- Help industry to adapt to new Zoning and Official Community Plan terminology and requirements

People

- Implement updated Divisional Strategic Plan with staff led team

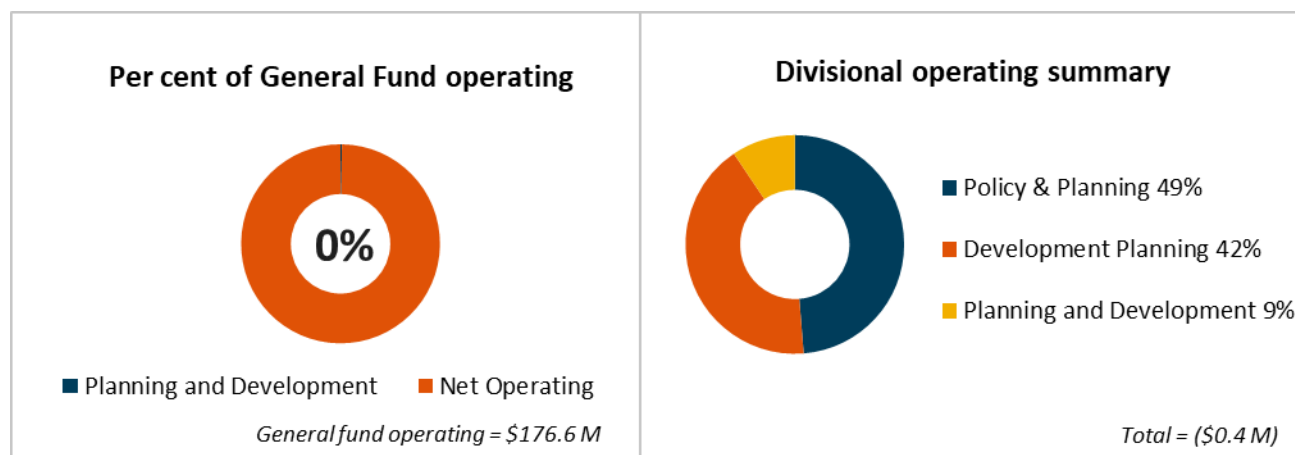
Base Business

- Improve/modernize property addressing program with help from stakeholders
- Improve the online permitting process by moving towards a full digital application process
- Promote the Energy Step code 3 and 4 initiatives to reduce the carbon footprint
- The Building and Permitting Branch continues to ensure quality and exceptional service with help from the International Accreditation Services (IAS)
- The evaluation and audit will be conducted by IAS and the goal is to achieve a clean bill of audit with no corrective actions
- Implement full digital plan examination for all types of buildings for Building Permit applications
- Update the Business Licensing, Cannabis, Pawn broker, and Plumbing and Gas Bylaws
- Implement new Business System throughout the Planning and Development Services Division

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Construction Value of Building permits	\$1.1B	\$945M	\$900M
# of Building Inspections	11,833	11,259	12,060
# of Plumbing and Gas Inspections	10,428	10,050	10,000
# of Building Permits	2,841	2,250	2,055
# of gas permits	4,756	4,330	4,151
# of plumbing permits	2,171	1,747	1,695
1-2 family complete building permit applications approved for issuance within 10 working days (%)	95%	96%	96.5%
Inspections made within 48 hours or request (%)	98%	96%	98%
Inspection costs recovered by permit revenues (%)	100%	100%	100%
Building permits for small projects issued within 2 days or less (%)	23%	25%	28%
# of information booklets/bulletins created by Building & Permitting	12	15	17
# of staff initiated Zoning Bylaw amendments (improvements)	3	4	3
# of Agricultural Advisory Committee meetings (staff supported)	12	9	10
% growth in the urban core	53%	78%	
Urban vs suburban split of residential building permits	53%/47%	78%/22%	70%/30%
# of rental units with occupancy permit	837	None to date	1500
# Rental units supported by Tax Relief	460	Not available	
Total # of residential housing units approved	3,187	2,683	2,000
Open files that were processed to completion (%)	71%	65%	75%
# of Director approved development/heritage permits	185	140	150
# of development applications per planner	72	66	60
# of closed service requests: Development Planning	152	140	140
# of engineering construction drawings reviewed by Dev. Eng.	208	194	200
# of utility drawings reviewed by Dev. Eng.	582	636	476
# of building permit applications reviewed by Dev. Eng.	109	122	90
# of strata applications reviewed by Dev. Eng.	9	4	9
# of deferred revenue releases by Dev. Eng.	20	12	19
# of 3 rd Party release of Right of Ways by Dev. Eng.	39	41	45
# of As-Builts drawings reviewed by Dev. Eng.	20	21	43
# of development applications reviewed by Development Engineering	436	391	416
# of Business Licenses	11,025	11,572	11,803
# of new business license applications	2,323	2,449	2,498
# of total mobile licences by year	1,294	1,680	1,710
Ensuring timely license release within 2 weeks (%)	57%	70%	80%

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Planning and Development					
144 Planning and Development	236	257	342		
	236	257	342	85	33.0%
Development Planning					
146 Urban Planning Management	810	1,067	964		
147 Development Planning	(456)	(269)	(269)		
181 Suburban & Rural Planning	909	828	827		
	1,263	1,626	1,521	(105)	(6.5%)
Development Services					
138 Business License	(1,946)	(1,438)	(1,784)		
148 Development Services	(9,137)	(6,557)	(6,591)		
149 Building, Plumbing & Gas Inspections	1,643	1,710	1,710		
151 Building & Permitting	1,692	2,339	2,378		
178 Development Engineering	177	273	273		
	(7,572)	(3,674)	(4,015)	(341)	9.3%
Policy & Planning					
153 Policy & Planning	1,164	1,322	1,419		
235 Long Range Policy Planning	354	350	350		
	1,517	1,672	1,769	97	5.8%
Net operating expenditures	(4,555)	(119)	(382)	(264)	222.1%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	(4,555)	(119)	(382)	(264)	222.1%
Operating full-time equivalent positions:					
Management	12.7	14.0	13.2		
Union hourly	8.2	3.0	3.0		
Union salary	55.5	65.3	65.5		
Total operating full-time equivalent positions	76.4	82.3	81.7	-0.6	(0.7%)

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		(119)	82.3
2023 net impacts			
One-time operating requests	(50)		(1.3)
Prior years ongoing adjustments	29		(0.3)
Divisional adjustments	(417)	(438)	(1.0)
		(557)	79.7
2023 Program additions (P1)			
2023 operating requests:	174	174	2.0
Total		(382)	81.7
Unfunded 2023 requests (P2)			
2023 operating request		0	1.0
Total unfunded requests for 2023		0	1.0

Note: Totals may not add due to rounding.

Planning & Development Services - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(14,599)	(10,246)	(10,653)
Other Revenue	(618)	(440)	(261)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	(75)
Development Cost Charges	0	0	0
Accumulated Surplus	(277)	(1,228)	(751)
Total Revenue	<u>(15,494)</u>	<u>(11,914)</u>	<u>(11,740)</u>
<u>Expenditures</u>			
Salaries and Wages	7,658	9,129	8,694
Internal Equipment	86	112	118
Material and Other	1,013	2,156	2,120
Contract Services	75	69	70
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	55	55	55
Transfers to Funds			
Special (Stat Reserve) Funds	477	275	300
Development Cost Charges	0	0	0
Accumulated Surplus	1,575	0	0
Total Expenditures	<u>10,939</u>	<u>11,795</u>	<u>11,358</u>
Net Operating Expenditures	<u>(4,555)</u>	<u>(119)</u>	<u>(382)</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>(4,555)</u>	<u>(119)</u>	<u>(382)</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Planning & Development Services Division									
Maintain									
137	Development Technician Position	61,000	(61,000)	0	0	0	0	0	OG
137	Climate Action and Environmental Stewardship Manager Position	74,300	0	0	0	0	0	(74,300)	OG
	Total Maintain	135,300	(61,000)	0	0	0	0	(74,300)	
Growth									
138	Reproduction Services	20,000	(20,000)	0	0	0	0	0	OG
138	North End Neighbourhood Plan	40,000	(40,000)	0	0	0	0	0	OT
139	Project Planning Coordinator Term Position	103,300	0	0	0	(103,300)	0	0	OG
139	Infill and Housing Policy Program Base Budget	25,000	0	0	0	0	0	(25,000)	OG
	Total Growth	188,300	(60,000)	0	0	(103,300)	0	(25,000)	
New									
140	Urban Center Planning and OCP Implementation	150,000	0	0	0	(75,000)	0	(75,000)	OG
140	Diversifying our Housing Options	75,000	(75,000)	0	0	0	0	0	OT
141	Climate and Environment Review Recommendations	390,000	(390,000)	0	0	0	0	0	OT
141	Community Climate Action Implementation	240,000	(240,000)	0	0	0	0	0	OT
	Total New	855,000	(705,000)	0	0	(75,000)	0	(75,000)	
	Division Priority 1 Total	1,178,600	(826,000)	0	0	(178,300)	0	(174,300)	
	Total Priority 1 Operating	1,178,600	(826,000)	0	0	(178,300)	0	(174,300)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Planning & Development Services	Priority: 1	Maintain
Department:	Development Services		ON-GOING
Title:	Development Technician Position		PRELIMINARY

Justification:

The Development Planning and Development Engineering Department are requesting funding for a Development Technician position. Staff held a workshop with Council in June 2022 on various ways to strengthen Kelowna's Urban Tree Canopy. The recommended strategy included several new actions including the review of detailed site planning and landscape drawings, as well as introducing field inspections, monitoring and increased third-party professional reliance of development projects through the construction process. The introduction of a new Development Technician position would not only facilitate these new work activities, but also help ensure quality control on other closely associated aspects of development including site grading, drainage, retaining walls, parking and overall landscape and civil requirements.

Strategic Direction: Vibrant neighbourhoods - Site design & architecture is high quality, context sensitive

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	61,000	(61,000)	0	0	0	0	0	0
2024	119,800	0	0	0	0	0	0	(119,800)
2025	119,800	0	0	0	0	0	0	(119,800)

Division:	Planning & Development Services	Priority: 1	Maintain
Department:	Planning & Development Services		ON-GOING
Title:	Climate Action and Environmental Stewardship Manager Position		PRELIMINARY

Justification:

In 2021 Council approved a request for a term position that was responding to concerns about the City's Climate Change and Environmental indicators that were not trending in the correct direction. The two year term position bolstered the City's efforts by completing a review along with recommendations for improvement. The position provided expert advice on other related climate and environment initiatives. A report to Council in August 2022 with recommendations related to aligning, prioritizing, and implementing additional measures related to the City's climate action and environmental stewardship efforts. To effectively implement the recommendations and ensure climate action and environmental stewardship receive the leadership and strategic thinking required for on-going progress, a permanent position is to be created.

Strategic Direction: People - Organizational values prepare us for the future

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	74,300	0	0	0	0	0	0	(74,300)
2024	195,500	0	0	0	0	0	0	(195,500)
2025	195,500	0	0	0	0	0	0	(195,500)

2023 Operating Request Details

Division:	Planning & Development Services	Priority: 1	Growth
Department:	Development Services		ON-GOING
Title:	Reproduction Services		PRELIMINARY

Justification:

Budget is requested to complete additional document scanning in the Permitting department. The record-breaking construction activity in 2021 caused an increase in the number of permits and supporting documents which require scanning. Staff are working on a new permitting tracking system which includes a digital plan examination capability.

2023 base budget: \$36k

Expected Completion: Dec 2024

Strategic Direction: Financial management - Cost to deliver services is quantified

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	20,000	(20,000)	0	0	0	0	0	0
2024	20,000	(20,000)	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0

Division:	Planning & Development Services	Priority: 1	Growth
Department:	Policy & Planning		ONE-TIME
Title:	North End Neighbourhood Plan		PRELIMINARY

Justification:

The North End Plan is the first major second tiered plan under the new 2040 OCP. This project is being executed in tandem with the Mill Site Area Redevelopment Plan. The complexity and alignment of these two plans is significant, and has required additional time and technical analysis to arrive at a high quality, directional plan document. This additional budget will finalize public engagement, infrastructure and transportation analysis, among other technical reports.

Expected Completion: Oct 2023

Strategic Direction: Vibrant neighbourhoods - Number of urban centre development plans is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	40,000	(40,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Planning & Development Services	Priority: 1	Growth
Department:	Policy & Planning		ON-GOING
Title:	Project Planning Coordinator Term Position		PRELIMINARY

Justification:

As per the 2040 OCP implementation, a critical ingredient to its success will be for the City to deploy resources to delivering on new second tiered plans that include Neighborhood and Urban Center plans. The major goal of these next level plans will be to deliver on the adopted growth strategy objectives, address housing affordability, & embed infrastructure & community amenities in a fiscally responsible way. The pace to implement many of the OCP activities has been accelerated due to development pressures, housing unaffordability, and rapid growth rates. This 2 year term contract will be funded from an external source to project coordinate on numerous complex, high profile plan updates to ensure their successful delivery.

Expected Completion: Dec 2025

Strategic Direction: Vibrant neighbourhoods - Number of urban centre development plans is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	103,300	0	0	0	0	(103,300)	0	0
2024	103,300	0	0	0	0	(103,300)	0	0
2025	0	0	0	0	0	0	0	0

Division:	Planning & Development Services	Priority: 1	Growth
Department:	Policy & Planning		ON-GOING
Title:	Infill and Housing Policy Program Base Budget		PRELIMINARY

Justification:

With a newly created Infill and Housing Policy Manager, a more focused and concerted effort is being deployed to diversify housing stock for our community. This new program is intending to create a planning framework that proactively encourages housing in the right locations and form, to advance the City's growth strategy, address affordability, and utilize City assets and infrastructure in a fiscally responsible way. This base budget will allow key activities to be annually resourced.

Strategic Direction: Vibrant neighbourhoods - Affordable & attainable housing mix options

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	25,000	0	0	0	0	0	0	(25,000)
2024	25,000	0	0	0	0	0	0	(25,000)
2025	25,000	0	0	0	0	0	0	(25,000)

2023 Operating Request Details

Division:	Planning & Development Services	Priority: 1	New
Department:	Policy & Planning		ON-GOING
Title:	Urban Center Planning and OCP Implementation		PRELIMINARY

Justification:

Over the next 20 years, roughly 73 per cent of Kelowna's growth will occur in the City's five Urban Centres and surrounding Core Area. The 2040 OCP projects 48 per cent of new units will be accommodated within the Urban Centres. Currently, the OCP defines a general vision for the urban centres but in the absence of detailed plans, our centres are shaped on an ad-hoc basis as individual development applications come forward. In the coming years, detailed urban centre plans will determine the necessary land use, urban design, public improvements and transportation enhancements to realize the long-term vision for each of the urban centres. Dedicated and committed resources are needed to plan for these multi-year projects to ensure we are achieving all of the desired attributes that growth can deliver.

Strategic Direction: Vibrant neighbourhoods - Number of urban centre development plans is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	150,000	0	0	0	0	(75,000)	0	(75,000)
2024	150,000	0	0	0	0	(75,000)	0	(75,000)
2025	150,000	0	0	0	0	(75,000)	0	(75,000)

Division:	Planning & Development Services	Priority: 1	New
Department:	Policy & Planning		ONE-TIME
Title:	Diversifying our Housing Options		PRELIMINARY

Justification:

The recent period of rapid growth in population and resulting housing unaffordability has changed the housing landscape. A suite of activities is scheduled to gain understanding of the scale and nature of the unique housing challenges facing our community. This will culminate in the development of a new Housing Strategy with a suite of recommended actions to improve housing diversity and attainability across short and long term time horizons. This funding will accomplish: a new Housing Needs Assessment (HNA), a land analysis to support the HNA that will evaluate the potential for public lands that are either vacant or underutilized to support affordable housing, and lastly, a new Housing Strategy that will be framed under a set of strategic housing objectives and targets with supporting actions needed to achieve them.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Affordable & attainable housing mix options

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	75,000	(75,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Planning & Development Services	Priority: 1	New
Department:	Planning & Development Services		ONE-TIME
Title:	Climate and Environment Review Recommendations		PRELIMINARY

Justification:

Budget is requested to implement the recommendations through the Climate & Environment Review with several initiatives being proposed for 2023. Corporate Climate Leadership: Initiate a climate lens decisions making tool, develop an internal carbon price, and develop a corporate green building policy. Community Emissions: Develop resources for resident climate action. Climate Adaptation: Complete an options analysis for resilient roof space and expand FireSmart Programs. Natural Areas: Analyze key environment indicators from LiDAR and initiate a strategy to monitor changes to sensitive ecosystems. Circular Economy: Support a Construction & Demolition Debris Study and complete a policy analysis for low-carbon concrete.

Expected Completion: Dec 2023

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	390,000	(390,000)	0	0	0	0	0	0

Division:	Planning & Development Services	Priority: 1	New
Department:	Planning & Development Services		ONE-TIME
Title:	Community Climate Action Implementation		PRELIMINARY

Justification:

Budget is requested to help address Council's priority of reducing GHG emissions through the following initiatives: update community GHG emissions inventory to 2020; Low Carbon New Buildings to support Energy Step Code compliance initiative and capacity building; Low Carbon Existing Buildings to support BetterHomes BC municipal top up program energy concierge pilot potentially partnering with Fortis, community energy financing design program matching funds for potential grant, and promotion/education; Low Carbon Transportation to support EV charging program, public EV charging electrical feasibility assessment and promotion/education, Climate Intern to support various climate initiatives.

Expected Completion: Dec 2023

Strategic Direction: Environmental protection - Greenhouse gas emissions are decreasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	240,000	(240,000)	0	0	0	0	0	0

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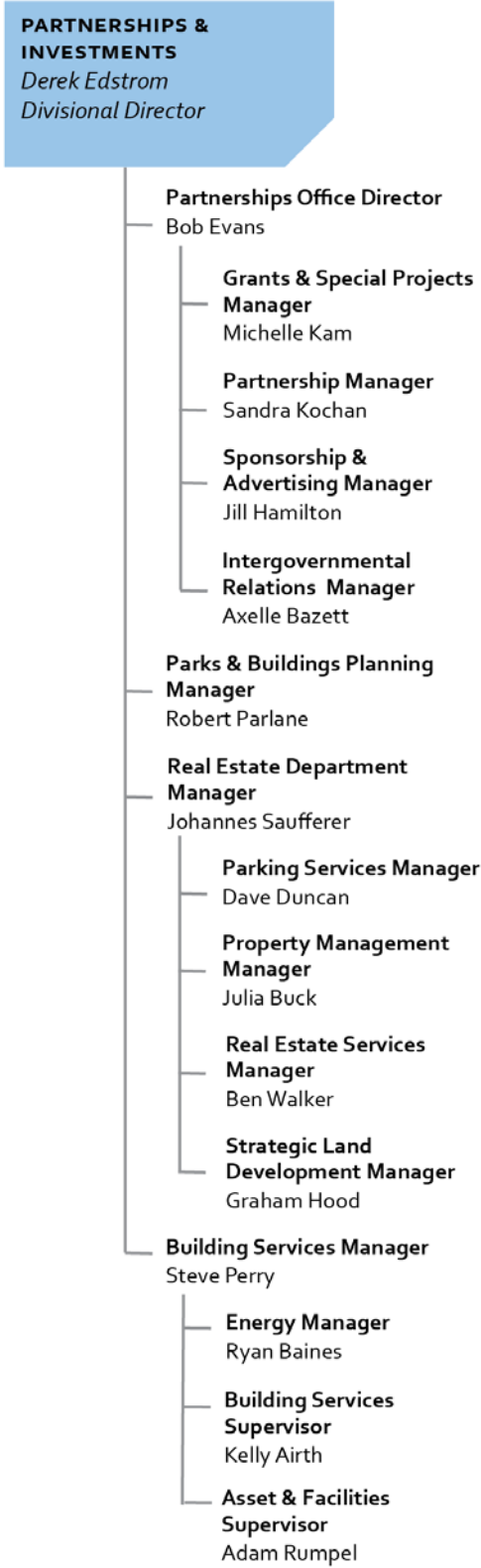
▶ PARTNERSHIPS & INVESTMENTS



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PARTNERSHIPS & INVESTMENTS



The Partnerships & Investments division focuses on strategic investments in real estate, including investment in parks and city buildings. The division has an expanded mandate which includes a partnership office (initiatives to bring new revenue, partnership opportunities and grants to the City), as well as a new focus on intergovernmental affairs. The division has four departments: Partnerships Office, Parks and Building Planning, Real Estate and Building Services.

Partnerships Office is the partnerships and business arm of the City that seeks innovative opportunities to achieve community goals. Grants, sponsorships, partnership development, strategic negotiations and governance advisory services are the strategies employed to achieve the defined goals of this office.

Parks and Buildings Planning anticipates future park, facility, and public art needs with a view to providing the best value to 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.

Real Estate serves to leverage municipal real estate assets in a manner that creates innovative solutions in support of Council and Corporate Priorities, and the community’s vision as set out in *Imagine Kelowna*. In order to accomplish this, the department is committed to being fair, equitable and efficient when acquiring, developing, managing, maintaining, and disposing of the City’s real estate and building assets.

Building Services provides safe, clean and well-maintained facilities, through a focus on asset and energy management best practices. This team manages a variety of facilities and unique assets including civic buildings, community protection facilities and major public facilities. Their responsive results are credited to a team of skilled trades and technical professionals.

Divisional Activities

Community Safety

- Continue renewal of older parkade security cameras to improve real-time monitoring capabilities.
- Staff will collaborate with BCH and IH for the appropriate location of Emergency Shelter, Purpose Built Shelter, Supportive Housing and Complex Care Housing locations within our community
- Manage the design, maintenance, servicing, and repairs of all City security systems

Social & Inclusive

- Implement Accessible Parking program changes
- Evaluated municipal role in affordable housing to guide where the City invests resources to ensure citizens of Kelowna have affordable and attainable housing mix options
- Explore land acquisition and disposition opportunities that can be used in partnership with BC Housing to meet our community's purpose-built shelter and affordable housing needs
- Continue with Phase II of the Parks Masterplan to consider park distribution, amenity needs and preferences and priority setting tools

Transportation & Mobility

- Complete development of a parking plan for the Capri-Landmark area
- Develop a curb space management strategy to facilitate alternative uses of parking assets, such as loading/pick-up zones to support the increase in ridesharing and food delivery services
- Study sustainable transportation opportunities for the forthcoming PRC redevelopment, including mode shifts and traffic demand management methods
- Obtain necessary lands to maximize public access to community Multi-Use and Active-Transportation Corridors and Linear Parks (Abbott Street and Houghton ATC, Mill Creek Linear Park)
- Support relocation of regional transit facility to 4690 Highway 97 N
- Support delivery of Central Green pedestrian overpass
- Undertake schematic design planning for Mill Creek Linear Park

Vibrant Neighbourhoods

- Develop a new Residential Parking Permit program/system to provide better customer service for residents.
- Explore the disposition of municipal lands at Dougall Road and Roxby Plaza in a manner that achieves strong site design, ensures architecture is high quality and is contextually sensitive while animating the public realm
- Undertake the adaptive reuse of key heritage sites (Cameron House and Grist Mill) in a manner that achieves multiple objectives
- Research and recommend best practices for downtown mobile food vendor program
- Ensure delivery of objectives of the Civic Precinct Plan through the delivery of residential units, community space and artwalk on 350 Doyle Avenue development
- Create the Alternative parks policies within the 2040 Official Community Plan (OCP) to provide public recreational spaces outside of the traditional City-owned park land
- Ensure delivery of public space and rental residential units at former McDonalds and Husky sites
- Expansion of the Patio Program to Pandosy/Lakeshore neighborhood
- Work with local stakeholders on an updated laneway / placemaking initiative (Pandosy Village / Rutland as possible locations)
- Create the Alternative parks policies within the 2040 Official Community Plan (OCP) to provide public recreational spaces outside of the traditional City-owned park land, such as Bernard Avenue
- Complete the Schematic Design and Riparian Assessment for the Cold Sands Promenade through City Park
- Continue with the partnership with Kelowna Paddle Centre to ultimately integrate a new facility into the new park
- Develop the functional program for the potential construction of additional ice sheets at the Capital News Centre

- Complete the construction of the Mission Recreation Park softball diamond expansion, Ballou Park, and Tallgrass Park
- Undertake Schematic Design for the next phases of Glenmore Recreation Park
- Complete the Detailed Design and initiate construction for Dehart Park
- Complete the construction of Pandosy Waterfront Park
- Move forward with the designs for the Cook Road Boat Launch
- Move forward with neighbourhood park acquisitions at Kirschner Mountain and the Ponds
- Work with Development Planning to acquire parkland along Mill Creek at 2755 McCurdy Road
- Complete Detailed Design of Kerry Park
- Continue planning and undertake an alternative approval process (AAP) for the Kelowna Community Campus
- Plan for the replacement of the North Glenmore Firehall

Economic Resiliency

- Work with internal City divisions and departments to prioritize and acquire development cost charge (DCC) park properties in a strategic and pragmatic manner
- Implement rental property asset management program
- Work with Airport to secure long-term land leases to generate alternate forms of revenue for YLW
- Explore utilization of City real estate assets in partnership with telecommunication companies
- Work with Finance to develop a Facilities Renewal Reserve to ensure adequate funding for current requirements

Environmental Protection

- Continue expanding EV Charging Infrastructure to support the procurement of EV's
- Continue to pursue grants and alternative funding source to support climate and energy related projects
- Protection of Mill Creek through disposition of former McDonalds Property
- Pursue permitting and construction of shoreline protection measures at Hobson Beach, Maude Roxby, Kinsmen and adjacent to the mouth of Thompson Brook

Financial Management

- Complete audit to identify unrealized revenue generation opportunities – Parking Services
- Formalize Real Estate Acquisition strategic plan focusing on the utilization of the Land Sales Reserve
- Explore and implement a user pay system for clients of municipal boat launch facilities
- Review of the 5-year polit program for Sponsorships & Advertising to gain an understanding of the pilots results and opportunities for improvement
- Alternative revenue opportunities to gain an understanding of current inventory of non-taxation revenue sources within the City and to identify opportunities for increasing revenue within current sources and potential new revenue options
- Grant Strategy to identify senior government priorities and upcoming grants through research and building connections with senior government staff
- Sponsorship Strategy development to build a long-term program framework that will identify sponsorship opportunities for priority projects, programs, and facilities
- Senior Government Relationships & Priorities Framework will focus on understanding the current Federal and Provincial political climate which is critical for aligning priority City projects with senior government priorities and funding
- Formalize Real Estate Acquisition strategic plan focusing on the utilization of the Land Sales Reserve

Clear Direction

- Continue the Strategic Facilities Masterplan to assess divergent priorities across all municipally owned buildings

People

- Completion of the renovation to the garden level of City hall, which will increase the number of employees and create a more collaborative work environment

Base Business

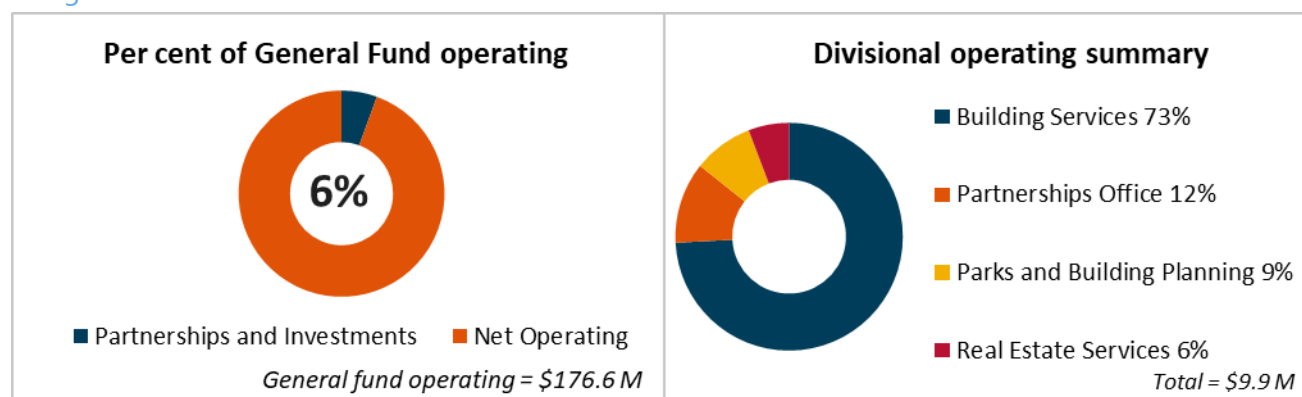
- Complete updated condition assessments of City parkades
- Complete equipment upgrades to support EMV Credit Card Processing Standard
- Support community groups in their Partners in Parks submissions
- Implementation of the Cityworks maintenance and asset management system
- Update of the 2017 Corporate Emission Plan with a new 2022 Strategic Management Plan
- Provide oversight to maintenance operations and manage renewal work of leased facilities
- Facilities management for utilities facilities
- Ongoing Sponsorship & Advertising Management which includes the prospecting and discovery of potential new external partners, along with the activation, fulfillment and renewal of current sponsorship and advertising contracts
- Ongoing liaison with City departments to inform and build upon partnership opportunities related to revenue generation
- Ongoing Grant Management which includes planning, securing, and managing external grants for the City of Kelowna, including maintaining the Grant Management Database, library, and dashboard
- Development and launch of new Relationship Management pilot program to identify, track, and manage relationships with key partners in our community and other levels of government
- Addressing enquiries from the public regarding parks planning
- Reviewing all development applications for parks, public spaces, and landscaping considerations
- Support community groups in their Partners in Parks submissions
- Manage capital budget submissions and priorities for the buildings and parks cost centres
- Kelowna Family Y energy reduction infrastructure renewal
- Upgrading of existing City facilities through the Community for All Program
- City Hall and Stuart Park partial mechanical system renewal
- Continue to run the Parklet and Sona Tube Programs for Meet Me on Bernard

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Success rate on grants applications bases on 20 applications submitted per year (target = 50% approved per year)	63%	70%	60%
Percentage of Strategic Category partnerships reporting through Reporting Framework	73%	73%	82%
Number of sponsorship contract renewals	1	1	2
Number of new sponsorship contracts signed	2	7	10
Number of significant park acquisitions each year	2	2	2
Annual increase in non-taxation revenue Property Management	3%	22.7%	12%
Annual Increase (decrease) in parking revenue	19%	10%	7%
Citizen satisfaction survey (very & somewhat satisfied) with parks & sports fields (target 80%) (* 2022 Citizen survey)	91%	88%	88%

Total value of parks projects completed in previous year (target \$9 million)	\$6M	\$5.9M	\$11.4M
Percentage of City staff who rate user experience of workspaces favourably (target 80%) (* 2019 Employee Engagement Survey)	70%	70%	70%
% of occupied major facilities with current facility condition assessment data	27%	59%	78%

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Partnerships Office					
250 Business and Entrepreneurial Development	481	825	856		
273 Sponsorship & Advertising	16	20	20		
276 Partnerships and Investments	250	260	263		
	746	1,106	1,139	33	3.0%
Parks and Building Planning					
173 Parks and Building Planning	598	786	842		
	598	786	842	56	7.1%
Real Estate Services					
116 Real Estate Services	434	411	413		
118 Strategic Land Development	172	146	149		
155 Real Estate Services Department	213	294	294		
157 Property Management	(6)	103	(134)		
252 Parking Services	(150)	(150)	(150)		
	663	803	571	(232)	(28.8%)

<i>Continued</i>					
Building Services					
156	Building Services	4,398	4,388	5,083	
204	Property Maintenance - Library	14	0	0	
277	Energy Management	1,917	2,217	2,236	
		6,328	6,604	7,320	10.8%
Net operating expenditure		8,336	9,299	9,872	6.2%
Divisional capital cost centres (\$ thousands):					
300	Real Estate and Parking Capital	694	2,716	984	
301	Building Capital	2,678	752	1,761	
Net capital expenditures		3,372	3,468	2,745	(20.9%)
Total divisional net expenditures		11,708	12,767	12,616	(1.2%)
Operating full-time equivalent positions:					
	Management	15.4	17.3	17.7	
	Union hourly	12.3	18.4	20.2	
	Union salary	10.6	13.3	14.0	
Total operating full-time equivalent positions		38.3	49.0	51.9	5.9%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		9,299	49.0
2023 net impacts			
	One-time operating requests	(30)	0.0
	Prior years ongoing adjustments	212	2.0
	Divisional adjustments	(117)	(0.1)
		9,363	50.9
2023 Program additions (P1)			
	2023 operating requests:	508	1.0
Total		9,872	51.9
Unfunded 2023 requests (P2)			
	2023 operating request	286	1.0
Total unfunded requests for 2023		286	1.0

Note: Totals may not add due to rounding.

Partnership & Investments - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(9,538)	(9,253)	(10,088)
Other Revenue	(644)	(479)	(518)
Transfers from Funds			
Special (Stat Reserve) Funds	(216)	(767)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(732)	(1,195)	(184)
Total Revenue	<u>(11,130)</u>	<u>(11,694)</u>	<u>(10,790)</u>
<u>Expenditures</u>			
Salaries and Wages	4,735	5,362	5,662
Internal Equipment	253	286	311
Material and Other	6,765	7,816	6,622
Contract Services	2,775	2,802	3,139
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	159	578	673
Transfers to Funds			
Special (Stat Reserve) Funds	4,014	3,649	3,709
Development Cost Charges	0	0	0
Accumulated Surplus	765	500	546
Total Expenditures	<u>19,466</u>	<u>20,993</u>	<u>20,662</u>
Net Operating Expenditures	8,336	9,299	9,872
<u>Capital Expenditures</u>			
Gross Expenditures	15,470	22,760	12,506
Other Funding Sources	(12,098)	(19,292)	(9,761)
Taxation Capital	<u>3,372</u>	<u>3,468</u>	<u>2,745</u>
Net Operating & Tax Capital Exp.	<u>11,708</u>	<u>12,767</u>	<u>12,616</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Partnerships & Investments Division									
Maintain									
153	Building Maintenance Deficiency & Escalation Adjustment	300,000	0	0	0	0	0	(300,000)	OG
153	Strategic Land Development Projects	100,000	(100,000)	0	0	0	0	0	OT
154	H2O - Mechanical Room Slab Repair	50,000	(50,000)	0	0	0	0	0	OT
	Total Maintain	450,000	(150,000)	0	0	0	0	(300,000)	
New									
154	Intergovernmental Relations Advisor	150,000	0	0	0	(140,000)	0	(10,000)	OG
155	Buildings Planning Supervisor Position	67,700	0	0	0	0	0	(67,700)	OG
155	Accelerate Okanagan OKGN Angel Summit Sponsorship	4,000	0	0	0	0	0	(4,000)	OG
156	Mechanical Engineer - Facilities Position	59,100	0	0	0	0	0	(59,100)	OG
156	Safety, Security and Regulatory Maintenance	52,500	0	0	0	0	0	(52,500)	OG
157	Partnerships Consulting Services	15,000	0	0	0	0	0	(15,000)	OG
	Total New	348,300	0	0	0	(140,000)	0	(208,300)	
Maintain									
225	<i>* Security - Additional Patrols</i>	0	0	0	0	0	0	0	OG
	Total Maintain	0	0	0	0	0	0	0	
Division Priority 1 Total									
		798,300	(150,000)	0	0	(140,000)	0	(508,300)	
Total Priority 1 Operating									
		798,300	(150,000)	0	0	(140,000)	0	(508,300)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Partnerships & Investments	Priority: 1	Maintain
Department:	Building Services		ON-GOING
Title:	Building Maintenance Deficiency & Escalation Adjustment		PRELIMINARY

Justification:

Budget is requested to better meet departmental objectives, reduce deferred maintenance, avoid costly renewals, and maintain service levels. Annually, for the past three-years, the building maintenance expenditures have exceeded the budget by approximately \$450K and will have further cost pressures due to inflation. The current operation and maintenance budget is funded at 0.27 per cent of the total current replacement value.

2023 Base Budget: \$438k

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	300,000	0	0	0	0	0	0	(300,000)
2024	300,000	0	0	0	0	0	0	(300,000)
2025	300,000	0	0	0	0	0	0	(300,000)

Division:	Partnerships & Investments	Priority: 1	Maintain
Department:	Real Estate		ONE-TIME
Title:	Strategic Land Development Projects		PRELIMINARY

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 Harvey Avenue redevelopment sites and planning for future civic facilities.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Key sites are proactively planned

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	100,000	(100,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Partnerships & Investments	Priority: 1	Maintain
Department:	Building Services		ONE-TIME
Title:	H2O - Mechanical Room Slab Repair		PRELIMINARY

Justification:

Budget is requested to repair the mechanical room concrete slab located over the fitness area. The recommended work includes repairing several cracks and slab coating. Currently occasional water from the mechanical room drips down to the fitness area below and has damaged fitness equipment. If left unaddressed, over time, water infiltration will cause the reinforcing to corrode, deterioration of the slab, and possible damaged fitness equipment.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	50,000	(50,000)	0	0	0	0	0	0

Division:	Partnerships & Investments	Priority: 1	New
Department:	Partnerships Office		ON-GOING
Title:	Intergovernmental Relations Advisor		PRELIMINARY

Justification:

The British Columbia Urban Mayors' Caucus is a 13 Mayor membership group of large urban municipalities, representing 55 per cent of BC's population (membership to increase to 17 in 2022). Kelowna has been the co-chair and provided the leading staff support to the caucus since its inception in 2020. Building on the success of complex care, repeat offenders, and transit funding advocacy, budget is requested to sustain the staff and operational support of the caucus for continued intergovernmental relations work, including revising the blueprint priorities for focused advocacy. While Kelowna is one partner, by being co-chair and managing the staff support, it positions Kelowna as a leading municipality with senior levels of government. The position would be funded through shared contributions of all member municipalities.

Strategic Direction: Clear direction - Common understanding of future direction

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	150,000	0	0	0	0	(140,000)	0	(10,000)
2024	150,000	0	0	0	0	(140,000)	0	(10,000)
2025	150,000	0	0	0	0	(140,000)	0	(10,000)

2023 Operating Request Details

Division:	Partnerships & Investments	Priority: 1	New
Department:	Parks & Buildings Planning		ON-GOING
Title:	Buildings Planning Supervisor Position		PRELIMINARY

Justification:

The Municipal buildings portfolio is large and complex, and as the City continues to grow the demand for additional amenities and services this portfolio will continue to grow. While funding has been available for strategic planning across the portfolio, lack of staff resources has resulted in very limited progress. The diversity of the buildings portfolio makes any prioritization a complex challenge to resolve. Therefore, a new Supervisor position is requested both to oversee the two existing Project Architect positions within Buildings Planning and to provide resources dedicated to strategic planning and prioritization.

Strategic Direction: People - Ability to attract, select & retain talent

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	67,700	0	0	0	0	0	0	(67,700)
2024	131,100	0	0	0	0	0	0	(131,100)
2025	131,100	0	0	0	0	0	0	(131,100)

Division:	Partnerships & Investments	Priority: 1	New
Department:	Partnerships Office		ON-GOING
Title:	Accelerate Okanagan OKGN Angel Summit Sponsorship		PRELIMINARY

Justification:

Budget is requested to support Accelerate Okanagan's annual OKGN Angel Summit. The Summit brings together early-stage start ups looking for growth capital, and accredited investors or 'angels' who are interested in building the capital ecosystem and investment opportunities. As a sponsor, the City will have a number of benefits and networking opportunities.

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	4,000	0	0	0	0	0	0	(4,000)
2024	4,000	0	0	0	0	0	0	(4,000)
2025	4,000	0	0	0	0	0	0	(4,000)

2023 Operating Request Details

Division:	Partnerships & Investments	Priority: 1	New
Department:	Building Services		ON-GOING
Title:	Mechanical Engineer - Facilities Position		PRELIMINARY

Justification:

A Mechanical Engineer - Facilities position is being requested. As the City's facility related assets continue to age and as new assets are being built, the need for additional technical support in Building Services has become urgent. The scope of this position will be vast, but will be guided by a mission to preserve existing asset condition for pool equipment, arena refrigeration, HVAC, plumbing, building utility services and other related mechanical systems.

Strategic Direction: People - Ability to attract, select & retain talent

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	59,100	0	0	0	0	0	0	(59,100)
2024	114,500	0	0	0	0	0	0	(114,500)
2025	114,500	0	0	0	0	0	0	(114,500)

Division:	Partnerships & Investments	Priority: 1	New
Department:	Building Services		ON-GOING
Title:	Safety, Security and Regulatory Maintenance		PRELIMINARY

Justification:

Budget is requested to fund increased regulated testing and servicing requirements, improved fall protection safety measures, and heightened security needs. Building assets requiring this funding include generators, elevators, fire suppression systems, guardrails, fixed ladders, and facility locking systems. Adequate funding will ensure regulatory compliance, safety risks are reduced, and service levels are maintained. Measures requiring additional funding are identified as follows: Generator Testing and Service; Security; Fall protection; Fire Suppression Testing; Elevator Inspection and Maintenance.

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	52,500	0	0	0	0	0	0	(52,500)
2024	52,500	0	0	0	0	0	0	(52,500)
2025	52,500	0	0	0	0	0	0	(52,500)

2023 Operating Request Details

Division:	Partnerships & Investments	Priority: 1	New
Department:	Partnerships Office		ON-GOING
Title:	Partnerships Consulting Services		PRELIMINARY

Justification:

Budget is requested to advance strategic development at both the local and federal levels to work through the Inter Government Relationships (IGR), policy development and professional strategic advice. Funding will help to plan an Ottawa Government Relations (GR) tour to secure meetings with ministers, provide policy research and strategic direction on opportunities to advance Kelowna advocacy priorities especially for infrastructure funding (transit operations centre and KCC). Engaging with an Ottawa-based GR consulting firm with "boots on the ground" will fast-track access to Ministers' office and their staff. This is a similar approach to what is being done by other municipalities: Victoria has an Ottawa-based agency on retainer to provide strategic Federal GR advice and facilitate connections and build strategic relationships.

Strategic Direction:	People - Staff engagement has increased							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	15,000	0	0	0	0	0	0	(15,000)
2024	15,000	0	0	0	0	0	0	(15,000)
2025	15,000	0	0	0	0	0	0	(15,000)

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Partnerships & Investments Division									
Maintain									
	Parks & Building Planning	50,000	0	0	0	0	0	(50,000)	OG
	Consulting Services								
	Public Art	65,000	0	0	0	0	0	(65,000)	OG
	Total Maintain	115,000	0	0	0	0	0	(115,000)	
New									
V&E	Facilities Services Position	51,900	0	0	0	0	0	(51,900)	OG
V&E	Facility Operations Coordinator Position	59,200	0	0	0	0	0	(59,200)	OG
	Bernard Avenue Parklets	60,000	0	0	0	0	0	(60,000)	OG
	Total New	171,100	0	0	0	0	0	(171,100)	
Division Priority 2 Total									
		286,100	0	0	0	0	0	(286,100)	
Total Priority 2 Operating									
		286,100	0	0	0	0	0	(286,100)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

Vehicle & Mobile Equipment Capital Impacts - Priority 2

2023

Fleet Growth - Facilities Operations Coordinator Position 80,000

Fleet Growth - Facilities Services Position 80,000

Grand Total	160,000	Taxation
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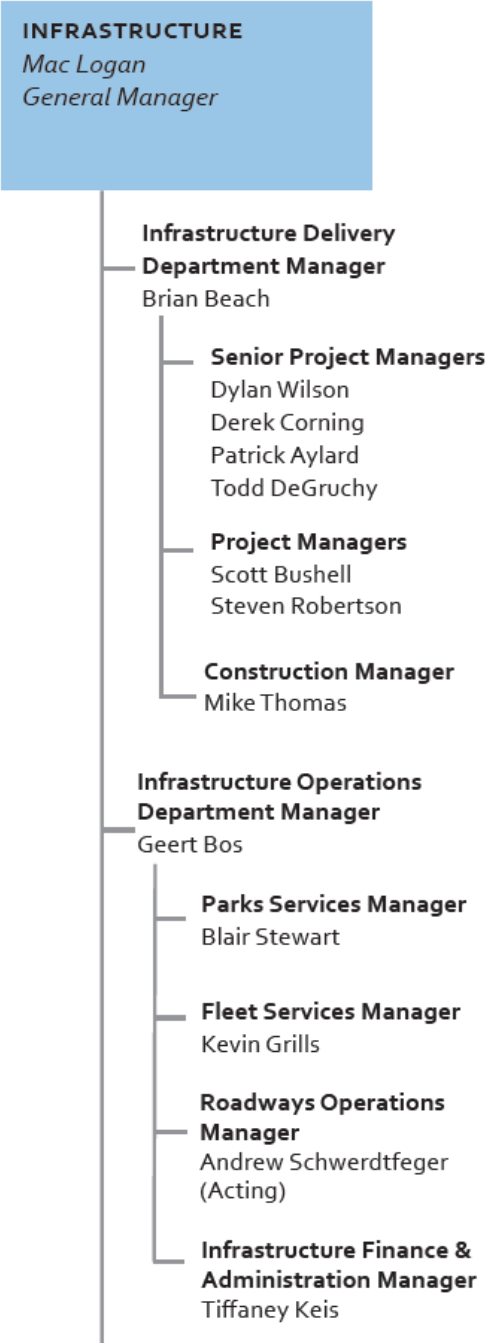


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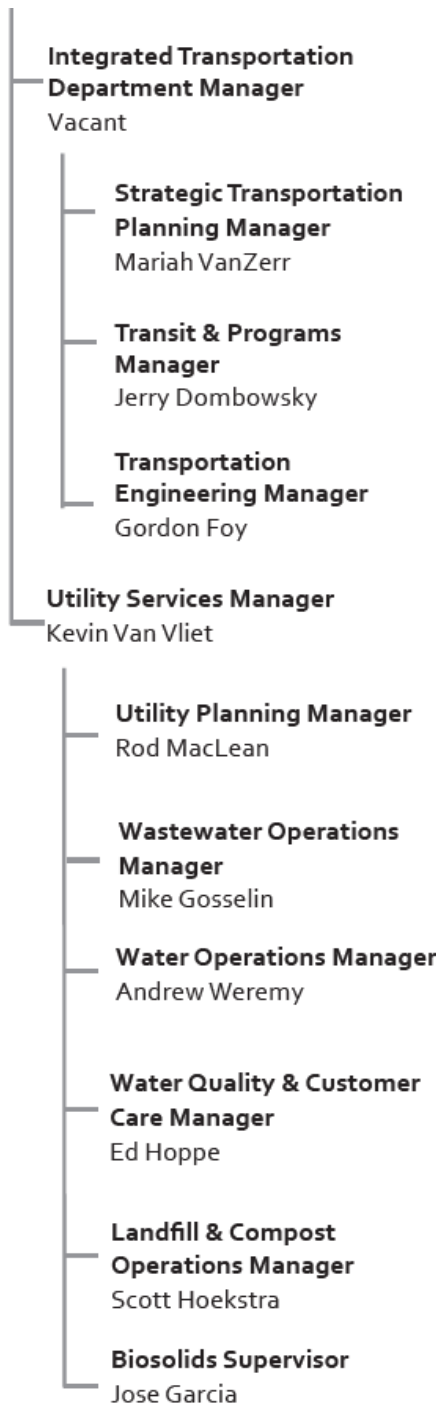
As a output of a corporate reorganization in late 2021, a new Infrastructure Division was created incorporating the roles and responsibilities of the previous Infrastructure Division with the Civic Operations Division. This change integrates both the infrastructure planning, design and construction of almost all City infrastructure with their ongoing operations and maintenance. This change improves the organization efficiency and effectiveness in delivering high quality services to the citizens of Kelowna. The areas of responsibility included within this Division are transportation, water, wastewater, drainage, solid waste, as well as parks and cemetery operations and maintenance. Parks and Building planning are included as part of the Partnership and Investments Division. Responsibility for managing transit governance and liaising with BC Transit also lies with Infrastructure.



Infrastructure Delivery manages the delivery of City infrastructure projects. Project delivery is a combined effort of City staff and appropriate specialist consultants. Projects include both new construction and rehabilitation. A key focus of Infrastructure Delivery is to consistently and thoughtfully delivery project that minimize the impact of City projects on residents and visitors, while seeking innovation and ensuring compliance with Council approved policies as well as all applicable Acts and regulations.

Infrastructure Operations is responsible for managing, operating, and maintaining the City’s fleet, parks, and street infrastructure in a sustainable manner meeting community need. Infrastructure that the branch is responsible for includes: the corporate fleet, transportation network, parks, beaches, sports fields, natural areas, urban forests, public open spaces, and Kelowna Memorial Park Cemetery. The branch also has a critical role during emergencies and provides Financial / Administrative support to the department.

Integrated Transportation provides a strategic approach to plan and manage transportation system. There are three branches of this department; Transit & Transportation Programs, Strategic Transportation Planning and Transportation Engineering. This team works in liaison with BC Transit on contract administration, service planning, and infrastructure planning. The team also delivers transportation demand management and shared mobility programs; multi-modal transportation planning; data collection, monitoring and analytics; major traffic impact reviews, preliminary project design and road safety planning. This department also provides regional administration and inter-governmental collaboration to



transportation planning and programs. As well, regional air quality planning and coordination is provided under contract to the Regional District of the Central Okanagan

Utility Services is responsible for planning, preliminary design, management, operations, and maintenance of essential services including water supply (potable and non-potable systems), water conservation programs, source water protection programs, wastewater collection and treatment, stormwater systems, biosolids composting, and the Glenmore Landfill.

Divisional Activities

Community Safety

- Proactively participate in design reviews and bylaw updates, to ensure new spaces are safe, easy to clean, sustainable and inviting
- Implement a training program for Crime Prevention through Environmental Design (CPTED) for key staff to help ensure CPTED principles are considered
- Regular communication with RCMP, Bylaw and partners for a better understanding of community concerns and areas for improvement especially as it related to the transportation system

Social & Inclusive

- As part of the Transportation Master Plan (TMP) ensuring projects accommodate social and economic demographic needs

Transportation & Mobility

- Technical review of the transportation section of Subdivision, Development and Servicing Bylaw
- Completion of design and start of construction on the Bertram pedestrian and bicycle overpass
- Start construction of the Casorso 3 Active Transportation Corridor (ATC) (KLO to LanFranco)
- Continue working on securing the funding and preparing the site for a state-of-the-art transit maintenance facility
- Construction of the 2nd phase of Houghton ATC Multiuse Pathway
- Planning and functional design of Commonwealth Rd connection to Jim Bailey Rd

Vibrant Neighbourhoods

- Participate in and improve land development review process to ensure proper consultation on new/renewed infrastructure (as per the new Development Process Review Guide)

Economic Resiliency

- Implement updated business plan for Kelowna Memorial Park Cemetery (completed in 2021)
- In Partnership with Ministry of Transportation and Infrastructure (MoTI) deliver the first Goods Movement Study for the region

Environmental Protection

- Improve protection of the City-owned urban tree canopy and provide advice on protecting private tree canopy
- Identify ways to reduce wasteful practices and opportunities and develop plans to reduce waste
- Develop baseline surface water quality monitoring program and create public key performance indicators (KPI)
- Develop and monitor Emergency Response Plans for each service area
- Use grant funding programs for expand sanitary collection system areas still serviced by septic fields

Financial Management

- Regularly monitor budgets and variance through an automated process
- Document service levels and funding
- Use of dashboards and reports through the implementation of Cityworks
- Quarterly Capital Project Financial and Delivery status reports implemented

Clear Direction

- Review and update performance measures to meaningful, measurable KPI's (and benchmarks where available) for each branch
- Develop system to track and report on innovation for continuous improvement in Operations
- Create responsibility matrix to clarify roles & responsibilities for assets within Operations and regularly review
- Develop comprehensive list of External Relationships in which Operations has a role

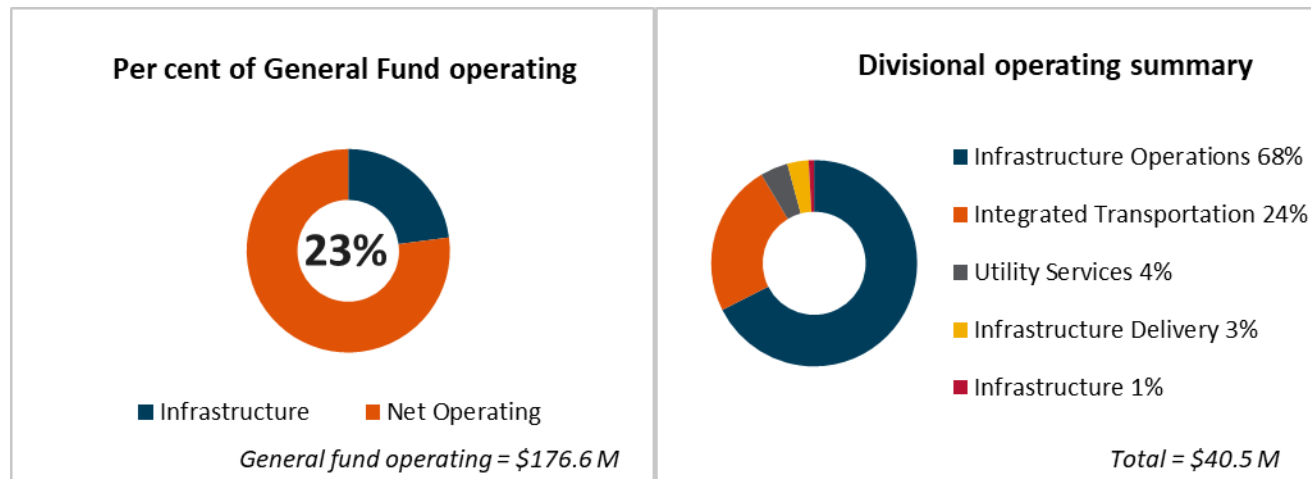
People

- Develop Employee Engagement Action Plans
- Address divisional growth and associated space needs
- Conduct regular Senior Leadership meetings with Staff
- Annually update branch succession plans with HR assistance
- Ensure staff are adequately trained to improve service quality

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Administration			
Service requests	16,220	18,000	19,500
Fleet Services			
% of electric light duty fleet vehicles	6%	7%	8%
# fleet electric vehicle chargers	4	6	24
Parks			
Average cost to maintain parks per hectare	\$8,975	\$9,194	\$9,664
# of full-time staff per hectare	0.046	0.047	0.047
Public Works			
Average maintenance cost per lane km (excludes snow & construction)	\$9,000	\$9,194	\$9,664
% of pothole requests fixed within 5 days (target 90%)	68%	85%	90%
Snow & ice control budget performance (target 100%)	116%	117%	120%
Landfill and compost operations			
Biosolids composted (tonnes)	31,121	32,000	30,000
Odour reports - ogogrow	9	3	5
Garbage landfilled (tonnes)	154,078	162,500	165,000
Materials recovered at landfill (% of total received)	31.2	32.0	32.5
Landfill gas Captured (m ³)	3,851,545	4,020,000	4,190,000
Infrastructure Delivery			
Total lane kilometres of roads resurfaced (km)	33	20	22
Air quality - # of woodstoves exchanged for high-efficiency stoves	9	8	12
Total value of capital construction projects (\$)			
Civic buildings (incl KCC)	\$7.0M	\$5.1M	\$3.9M
Parks & public spaces	\$14.7M	\$23.8M	\$30.4M
Transportation	\$17.1M	\$14.7M	\$25.1M
Solid waste	\$3.0M	\$4.4M	\$12.1M
Storm drainage	\$2.9M	\$9.7M	\$7.0M
Water	\$13.5M	\$5.4M	\$6.0M
Wastewater	\$7.1M	\$20.0M	\$9.4M
Integrated Transportation			
Corporate Green House Gas Emissions (tCO ₂ e)	7,448	8,944	8,957
Transit ridership (# of rides per year)	3,424,587	4,433,884	4,988,929
Wastewater (See Wastewater Utility)			
Water Supply (See Water Utility)			

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Infrastructure					
220 Infrastructure	214	342	344		
226 Civic Operations	230	0	0		
	444	342	344	3	0.7%
Integrated Transportation					
185 Integrated Transportation	144	329	426		
192 Transportation Engineering	909	877	908		
193 Transit and Programs	164	175	175		
224 Strategic Transportation Planning	403	244	319		
257 Kelowna Regional Transit	6,592	6,595	7,845		
	8,212	8,221	9,673	1,452	17.7%
Infrastructure Delivery					
214 Infrastructure Delivery	874	1,226	1,194		
215 Utilities Construction	121	157	161		
	995	1,383	1,355	(28)	(2.0%)
Infrastructure Operations					
168 Infrastructure Operations	107	202	203		
169 Park Services	572	588	647		
170 Cemetery	0	0	0		
172 Sportsfields & Irrigation	10,246	10,235	11,123		
174 Urban Forestry	2,443	2,699	2,724		
180 Street Lights	1,906	1,873	1,919		
188 Roadways Construction	144	147	161		
189 Roadways Operations	6,559	5,995	6,370		
190 Traffic Operations & Technical Support	1,062	1,363	1,358		
191 Fleet Services	26	51	51		
211 Civic Operations Finance & Administration	742	1,016	1,066		
212 Public Works	164	149	149		
219 Traffic Signals & Systems	1,085	1,203	1,218		

<i>Continued</i>					
258	Westside Gravel Pit	(0)	0	0	
287	Technical Support Services	310	329	329	
		25,365	25,851	27,318	1,468 5.7%
Utility Services					
267	Water Quality & Customer Care - General	360	376	377	
199	Pumpstations - Stormwater	26	20	19	
201	Utility - Stormwater	999	1,068	1,061	
183	Solid Waste	(200)	(200)	(200)	
184	Biosolids	0	0	0	
213	Utility Services	58	53	52	
221	Solid Waste Management	0	0	0	
245	Utility Planning	430	384	453	
		1,672	1,700	1,762	62 3.7%
Net operating expenditures		36,688	37,497	40,453	2,956 7.9%
Divisional capital cost centres (\$ thousands):					
302	Parks Capital	2,481	3,894	5,981	
304	Transportation Capital	4,889	4,527	3,532	
305	Solid Waste Capital	(0)	0	0	
306	Storm Drainage Capital	621	1,046	1,000	
310	Vehicle & Mobile Equipment	27	255	109	
Net capital expenditures		8,018	9,722	10,622	901 9.3%
Total divisional net expenditures		44,706	47,218	51,075	3,857 8.2%
Operating full-time equivalent positions:					
	Management	28.6	29.9	30.4	
	Union hourly	157.5	151.8	155.6	
	Union salary	36.8	34.3	34.9	
Total operating full-time equivalent positions		222.9	216.0	220.9	4.9 2.3%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	37,497	216.0
2023 net impacts		
One-time operating requests	(115)	(0.5)
Prior years ongoing adjustments	2,015	2.4
Divisional adjustments	60	(0.2)
	39,458	217.7
2023 Program additions (P1)		
2023 operating requests:	996	3.2
Total	40,453	220.9
Unfunded 2023 requests (P2)		
2023 operating request	167	1.0
Total unfunded requests for 2023	167	1.0

Note: Totals may not add due to rounding.

Infrastructure - General
General - General Fund
Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(42,811)	(39,410)	(42,064)
Other Revenue	(18,681)	(16,042)	(15,671)
Transfers from Funds			
Special (Stat Reserve) Funds	(455)	(395)	(176)
Development Cost Charges	0	0	0
Accumulated Surplus	(499)	(3,375)	(854)
Total Revenue	(62,446)	(59,222)	(58,765)
<u>Expenditures</u>			
Salaries and Wages	21,650	21,450	21,858
Internal Equipment	7,788	7,361	7,600
Material and Other	13,593	15,738	14,251
Contract Services	37,137	36,892	40,139
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	3,645	4,831	3,450
Transfers to Funds			
Special (Stat Reserve) Funds	12,789	9,558	10,991
Development Cost Charges	0	0	0
Accumulated Surplus	2,532	889	928
Total Expenditures	99,134	96,719	99,218
Net Operating Expenditures	36,688	37,497	40,453
<u>Capital Expenditures</u>			
Gross Expenditures	42,238	124,242	78,830
Other Funding Sources	(34,219)	(114,521)	(68,207)
Taxation Capital	8,018	9,722	10,622
Net Operating & Tax Capital Exp.	44,706	47,218	51,075

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
170	Landfill - Leachate Aeration and Bin Repairs	125,000	(125,000)	0	0	0	0	0	OG
170	Transit Base Operating Cost	2,609,100	0	0	(1,335,200)	(1,759,000)	0	485,100	OG
171	Winter Maintenance Budget Request	200,000	0	0	0	0	0	(200,000)	OG
171	Parks Beaches & Mowing Contract Increases	627,800	(40,900)	0	0	0	0	(586,900)	OG
172	Strategic Transportation Partnership of Central Okanagan 2023 Transition	124,300	0	0	(4,500)	(37,800)	0	(82,000)	OT
356	CAP Robotic Sports Field Line Painter	10,000	0	0	0	0	0	(10,000)	OG
172	Asphalt Maintenance Operating Request	75,000	0	0	0	0	0	(75,000)	OG
173	Irrigation 4G Communications	10,000	0	0	0	0	0	(10,000)	OG
173	Landfill - Design, Operations and Closure Plan update	600,000	(600,000)	0	0	0	0	0	OT
364	CAP Stewart DCC (Crawford - Swamp)	0	0	0	0	0	0	0	OG
348	CAP Knox Mountain Park Improvements	12,000	0	0	0	0	0	(12,000)	OG
174	Parks, Pathways and Parking Lot Lighting	30,000	(30,000)	0	0	0	0	0	OG
351	CAP Parks Large Capacity Waste Receptacles	17,500	0	0	0	0	0	(17,500)	OG
349	CAP Irrigation Renewal	0	0	0	0	0	0	0	OG
174	Cemetery Materials and Supplies Increase	31,000	(31,000)	0	0	0	0	0	OG
175	Parks Drinking Fountain Replacement	45,500	(45,500)	0	0	0	0	0	OG
Total Maintain		4,517,200	(872,400)	0	(1,339,700)	(1,796,800)	0	(508,300)	
Growth									
370	CAP Local Street Urbanization Program	0	0	0	0	0	0	0	OG
175	Utilities Construction Supervisor Position	14,000	0	0	0	0	(9,000)	(5,000)	OG
347	CAP Glenmore Recreation Park (DCC) - Phase 3	0	0	0	0	0	0	0	OG
367	CAP Casorso 3 DCC (Lanfranco - Barrera), ATC	12,000	0	0	0	0	0	(12,000)	OG
375	CAP Crosswalk Safety, Signals and Flashers	1,200	0	0	0	0	0	(1,200)	OG
369	CAP Glenmore 4 DCC (Kane - South Yates), ATC	4,000	0	0	0	0	0	(4,000)	OG
377	CAP Okanagan College Exchange Capacity Expansion	0	0	0	0	0	0	0	OG
375	CAP Sidewalk Network Expansion Program	0	0	0	0	0	0	0	OG
176	Downtown Transportation Review	100,000	(25,000)	0	0	0	0	(75,000)	OT
176	Miscellaneous Drainage Program	50,000	0	0	0	0	0	(50,000)	OG

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
	Increase								
374 CAP	Bicycle Network Improvement Program	0	0	0	0	0	0	0	OG
356 CAP	Fleet Growth - General Fund	16,700	0	0	0	0	0	(16,700)	OG
	Total Growth	197,900	(25,000)	0	0	0	(9,000)	(163,900)	
	New								
177	Downtown Cleanup Patrol	51,800	0	0	0	0	0	(51,800)	OG
177	Senior Transportation Engineer Position	72,200	0	0	0	0	0	(72,200)	OG
178	FireSmart Chipping Program	40,000	(40,000)	0	0	0	0	0	OG
378 CAP	Transit - Bus Stop and Amenity Improvements	0	0	0	0	0	0	0	OG
178	Stormwater Utility Business Case and Implementation Plan	100,000	(100,000)	0	0	0	0	0	OT
179	Stormwater Basin Plan - Central Area	200,000	(50,000)	0	0	0	0	(150,000)	OT
179	Accountant Position	49,400	0	0	0	0	0	(49,400)	OG
180	Time Series Data Analytics	40,000	0	0	0	0	(40,000)	0	OG
270	* <i>Asset Management System Manager Position</i>	0	0	0	0	0	0	0	OG
270	* <i>Asset Management Consulting Support</i>	0	0	0	0	0	0	0	OG
	Total New	553,400	(190,000)	0	0	0	(40,000)	(323,400)	
	Division Priority 1 Total	5,268,500	(1,087,400)	0	(1,339,700)	(1,796,800)	(49,000)	(995,600)	
	Total Priority 1 Operating	5,268,500	(1,087,400)	0	(1,339,700)	(1,796,800)	(49,000)	(995,600)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Landfill - Leachate Aeration and Bin Repairs		PRELIMINARY

Justification:

Budget is requested to install additional leachate pre-treatment capacity using aeration and air scrubbing at the Glenmore Landfill. This would reduce onsite odors, impacts to sewer lines, and reduce chemical addition and costs. Ongoing annual budget will be required for replacement filter media and maintenance of the system. Maintenance and repairs to the existing roll off bins used to haul waste from the landfill transfer station to the active face are required and is expected to be completed by June 2023.

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	125,000	(125,000)	0	0	0	0	0	0
2024	7,500	(7,500)	0	0	0	0	0	0
2025	7,500	(7,500)	0	0	0	0	0	0

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

Justification:

This request is to reflect the anticipated changes in transit operations including revenue, management/labour, fuel, maintenance and lease fees and expansion. During the COVID-19 pandemic, ridership had decreased considerably resulting in a substantial decrease in revenues, however services levels remained. In 2023, Conventional and Community program revenue is expected to increase as ridership is anticipated to approach pre-COVID levels offset with inflationary expense increases. The Custom Transit program expenses are increasing largely due to operational inflationary increases. Additional budget is being requested for transit security to address market conditions and maintain service levels.

Strategic Direction: Financial management - Cost to deliver services is quantified

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	2,609,100	0	0	(1,335,200)	0	(1,759,000)	0	485,100
2024	2,609,100	0	0	(1,335,200)	0	(1,759,000)	0	485,100
2025	2,609,100	0	0	(1,335,200)	0	(1,759,000)	0	485,100

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Winter Maintenance Budget Request		PRELIMINARY

Justification:

Roadway's winter maintenance project has been consistently over budget (20-40%) for the last 5 years. Budget is requested to increase the base budget to reflect actual costs affiliated with maintaining current winter service levels.

2023 Base Budget: \$694k

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	200,000	0	0	0	0	0	0	(200,000)
2024	400,000	0	0	0	0	0	0	(400,000)
2025	600,000	0	0	0	0	0	0	(600,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Parks Beaches & Mowing Contract Increases		PRELIMINARY

Justification:

The existing Parks Beaches & Mowing Maintenance contracts expired in October 2022. It is expected that these contracts will have significant increases based on information provided by the current long term vendors. Contract price increases will be due to increases in fuel, wages for staff, hauling and tipping fees. Current contractors are having challenges retaining staff and will be increasing their wages significantly to maintain staff and service levels. The 2022 operational season was subject to deficiencies due to the challenges the current contractor had in being able to meet the new market demands for wages and supplies/materials.

2023 Base Budget: \$3M

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	627,800	(40,900)	0	0	0	0	0	(586,900)
2024	627,800	(40,900)	0	0	0	0	0	(586,900)
2025	627,800	(40,900)	0	0	0	0	0	(586,900)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Integrated Transportation		ONE-TIME
Title:	Strategic Transportation Partnership of Central Okanagan 2023 Transition		PRELIMINARY

Justification:

Budget is requested for the City's portion of the regional transportation programs run on behalf of the Strategic Transportation Partnership of the Central Okanagan (STPCO). The STPCO dissolved at the end of 2020 and per agreements, the City is providing transitional services during the interim period until a formal contract can be put in place that flows through the Regional District of Central Okanagan.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	124,300	0	0	(4,500)	0	(37,800)	0	(82,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Asphalt Maintenance Operating Request		PRELIMINARY

Justification:

Budget is requested for asphalt maintenance. The increased cost of operating has surpassed the existing budget. Specifically, traffic control personnel and equipment rental costs have created budget overruns.

2023 Base Budget: \$239k

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	75,000	0	0	0	0	0	0	(75,000)
2024	100,000	0	0	0	0	0	0	(100,000)
2025	125,000	0	0	0	0	0	0	(125,000)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Irrigation 4G Communications		PRELIMINARY

Justification:

Budget is requested to fund the 4G connection upgrade required for irrigation central control. During the 2021 heat dome it was determined that the current controllers were out of date; and not functioning which compounded the weather situation. Half of the controllers have been updated, but more units require a 4G upgrade. This budget will cover the additional telecom subscription cost required to make the new controllers operational.

2023 Base Budget: \$0

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	10,000	0	0	0	0	0	0	(10,000)
2024	15,000	0	0	0	0	0	0	(15,000)
2025	20,000	0	0	0	0	0	0	(20,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Landfill - Design, Operations and Closure Plan update		PRELIMINARY

Justification:

Budget is requested to complete the 2023 update to the Glenmore Landfill Design, Operations and Closure Plan (DOCP). The DOCP is required by permit to be updated every 5 years and in order to bring the site into full compliance with the permit and landfill guidelines, additional supplemental studies are also required. These include a Groundwater Impact Assessment, Hydrogeological and Hydrology Report, and an updated Geotechnical Survey. All studies will be funded under this budget request. There would be no additional ongoing budgets impacts related to this request.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	600,000	(600,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Parks, Pathways and Parking Lot Lighting		PRELIMINARY

Justification:

The responsibility for lighting of the parks, pathways and parking lots has moved to the street light department. Budget is requested to allow for safe operation and maintenance of the assets.

2023 Base Budget: \$187k

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	30,000	(30,000)	0	0	0	0	0	0
2024	30,000	(30,000)	0	0	0	0	0	0
2025	30,000	(30,000)	0	0	0	0	0	0

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Cemetery Materials and Supplies Increase		PRELIMINARY

Justification:

Cost of materials and supplies to run the Kelowna Memorial Park Cemetery have increased drastically over the last 2-3 years (30 - 40% price increases from suppliers). These materials are necessary as they are used to produce revenue in this self funded area.

2023 Base Budget: \$65k

Strategic Direction: Financial management - Non-tax revenues are increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	31,000	(31,000)	0	0	0	0	0	0
2024	31,000	(31,000)	0	0	0	0	0	0
2025	31,000	(31,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Operations		ON-GOING
Title:	Parks Drinking Fountain Replacement		PRELIMINARY

Justification:

In 2021, the parks team removed 10 aged drinking water fountains that were not operational for many years and were due to be replaced. An operational needs assessment to determine demand for these units was done in 2021-2022; however due to COVID-19 and fiscal constraints; operational funding and replacement fountains were not available. New fountains are now available for purchase with improved functionality and accessibility standards. The replacement of the fountains is proposed as a 3 year project.

2023 Base Budget: \$1.2M

Expected Completion: Dec 2025

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	45,500	(45,500)	0	0	0	0	0	0
2024	45,500	(45,500)	0	0	0	0	0	0
2025	28,500	(28,500)	0	0	0	0	0	0

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Delivery		ON-GOING
Title:	Utilities Construction Supervisor Position		PRELIMINARY

Justification:

Budget is requested for the addition of a Utilities Construction Supervisor for the Infrastructure Delivery Utilities Construction team. At the Gulley Road Construction yard location, the team is led by the City Construction Manager. There are no other management/exempt positions to assist the manager at this location for vacation backfill or other support functions. The manager is being temporarily supported by a Design Technician from Infrastructure Delivery, but that position is needed for other duties. The position will be funded 75 per cent from capital construction projects and the remaining 25 per cent will be cost shared between the Water Fund, Wastewater Fund and taxation (Drainage).

Strategic Direction: Environmental protection - Emergency response & preparation

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	14,000	0	0	0	0	0	(9,000)	(5,000)
2024	27,100	0	0	0	0	0	(17,400)	(9,700)
2025	27,100	0	0	0	0	0	(17,400)	(9,700)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ONE-TIME
Title:	Downtown Transportation Review		PRELIMINARY

Justification:

Kelowna's Downtown Urban Centre is growing and evolving quickly. To support a livable, vibrant downtown without major road expansions it will be important to shift as many trips to biking, walking, transit and shared mobility as possible. To support local economic growth, it will be important to consider goods movement and deliveries as the downtown densifies. While the TMP was able to identify major infrastructure projects to support the OCP, a finer-grained review of the downtown will help ensure things like intersection controls, crosswalks, secure bike parking, sidewalks, bicycle network, shared mobility, and transit amenities, are all working together to support the rapidly growing downtown. This review will inform the prioritization of capital programs and help inform the redevelopment process in a timely manner.

Expected Completion: Jun 2024

Strategic Direction:	Transportation & mobility - More trips by transit, carpooling, cycling & walking							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	100,000	(25,000)	0	0	0	0	0	(75,000)

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Delivery		ON-GOING
Title:	Miscellaneous Drainage Program Increase		PRELIMINARY

Justification:

The City continues to have an unprecedented increase in the number of drainage issues related to climate/weather changes, groundwater interactions and increased hillside development. Additionally, recent trends in construction inflation have significantly increased the costs of the small drainage projects included in this program. It is anticipated that the program's project backlog will continue to grow at an unsustainable rate unless annual budgets are increased. An ongoing budget increase is requested to help with the backlog of miscellaneous drainage projects.

2023 Base Budget: \$225k

Strategic Direction:	Economic resiliency - Infrastructure deficit is reduced							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	50,000	0	0	0	0	0	0	(50,000)
2024	75,000	0	0	0	0	0	0	(75,000)
2025	100,000	0	0	0	0	0	0	(100,000)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Operations		ON-GOING
Title:	Downtown Cleanup Patrol		PRELIMINARY

Justification:

Budget is requested to make the downtown cleanup pilot partnership an ongoing initiative. The pilot project had great results. The funds will go toward a needle patrol, litter and garbage pickup Downtown and along the Rail Trail. The partnership would include the PEOPLE Project which hires people with lived experience to help complete the tasks and support people returning to the work force.

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	51,800	0	0	0	0	0	0	(51,800)
2024	62,000	0	0	0	0	0	0	(62,000)
2025	62,000	0	0	0	0	0	0	(62,000)

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

Justification:

The Senior Transportation Engineer position supports the operation, optimization and design of signals, roundabouts and other traffic control devices. It is the department's expert on transportation operations and supports the development review process. As Kelowna has grown, the number of traffic control devices (170+ locations), and their complexity, have rapidly increased. Existing infrastructure requires regular updates to respond to changing conditions, maintain performance, mitigate congestion and improve safety. Recently, traffic service requests and traffic signal updates have been impacted by limited staff resources. Demand for this position's skill set is growing.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	72,200	0	0	0	0	0	0	(72,200)
2024	141,300	0	0	0	0	0	0	(141,300)
2025	141,300	0	0	0	0	0	0	(141,300)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Operations		ON-GOING
Title:	FireSmart Chipping Program		PRELIMINARY

Justification:

In 2022 the City of Kelowna applied for funds from the UBCM Community Resiliency Investment program to introduce a FireSmart Chipping Program. The program was designed to assist with removal of combustible vegetation on private properties that are within high to extreme wildfire risk areas. The homeowners would remove combustible vegetation and move it to the roadside for the contractor to chip and haul away. The updated Community Wildfire Resiliency Plan highlighted a need for this type of program to reduce the overall wildfire risk to the community. Budget is requested to continue the program.

Strategic Direction:	Environmental protection - Resiliency & adaptability to climate change							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	40,000	(40,000)	0	0	0	0	0	0
2024	40,000	(40,000)	0	0	0	0	0	0
2025	40,000	0	0	0	0	0	0	(40,000)

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Stormwater Utility Business Case and Implementation Plan		PRELIMINARY

Justification:

The adoption of Storm Water utilities by other Canadian cities presents a viable path forward to ensure dedicated, non-taxation revenue for municipal Storm Water services. Budget is requested to develop a Kelowna-specific business case and implementation plan to infer the future consideration of adopting a Storm Water utility. The intent of the work will be to explore options and feasibility for a dedicated, sustainable Storm Water funding approach that generates revenues to offset costs for traditional Storm Water related services and projects, facilitate financial incentives to property owners to more effectively manage Storm Water, position the City to meaningfully respond to the impacts of climate change, and maintain the high water quality in Okanagan Lake.

Expected Completion: Dec 2023

Strategic Direction:	Financial management - Non-tax revenues are increasing							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	100,000	(100,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Stormwater Basin Plan - Central Area		PRELIMINARY

Justification:

Budget is requested for a Stormwater Management Plan (SWMP) to be developed for the urbanized area bound by Mill Creek to the north, Mission Creek to the south, Okanagan lake to the west, and the Orchard Park area to the east. The basin hosts the entirety of Fascieux Creek and associated tributaries, as well as portions of the Mill Creek and Mission Creek basins. The Central Area Basin also includes three special planning areas identified in the 2040 Official Community Plan - Pandosy Urban Centre, Midtown Urban Centre, and the Casorso Road Neighbourhood Plan. This SWMP will help identify minor and major system infrastructure projects and water quality improvements to assist with future capital and development planning.

Expected Completion: Dec 2023

Strategic Direction:	Environmental protection - Resiliency & adaptability to climate change							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	200,000	(50,000)	0	0	0	0	0	(150,000)

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Operations		ON-GOING
Title:	Accountant Position		PRELIMINARY

Justification:

Budget is requested for a permanent, full-time Accountant (1.0 FTE) to support the expansion of the division through the re-organization and merger of the Infrastructure and Civic Operations divisions and the decentralizing of tasks from Financial Services. The realigned finance and administration department now supports 55 cost centres, 91 projects and 45 managers and supervisors with their financial and administrative functions.

Strategic Direction:	Financial management - Cost to deliver services is quantified							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	49,400	0	0	0	0	0	0	(49,400)
2024	98,500	0	0	0	0	0	0	(98,500)
2025	98,500	0	0	0	0	0	0	(98,500)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Time Series Data Analytics		PRELIMINARY

Justification:

Budget is requested to purchase access to time-series analytics software to analyze trends in water, wastewater and stormwater processes. The deliverables from these packages will be analytics feeding new digital dashboards that report trends and comparison to key performance indicators. The analytics provides a quality assurance aspect in support of the new public time-series data produced by different City operations. Staff will strive to make this data available for public and Emergency Operations Centre (EOC) consumption. Staff will also address security risks and operations change opportunities. This request is for a two year term.

Expected Completion: Dec 2024

Strategic Direction:	Clear direction - Services, processes & business activities are transformed							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	40,000	0	0	0	0	0	(40,000)	0
2024	40,000	0	0	0	0	0	(40,000)	0
2025	0	0	0	0	0	0	0	0

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
CAP	Irrigation Renewal	10,000	0	0	0	0	0	(10,000)	OG
	Parks CityWorks Hardware	45,600	0	0	0	0	0	(45,600)	OG
	Traffic Technician Position	43,000	0	0	0	0	0	(43,000)	OG
	Total Maintain	98,600	0	0	0	0	0	(98,600)	
New									
	Asset Management Coordinator Position	58,000	0	0	0	0	0	(58,000)	OG
	Sanitary-Storm Service Interconnects Policy Development	20,000	0	0	0	0	(10,000)	(10,000)	OT
	Total New	78,000	0	0	0	0	(10,000)	(68,000)	
	Division Priority 2 Total	176,600	0	0	0	0	(10,000)	(166,600)	
	Total Priority 2 Operating	176,600	0	0	0	0	(10,000)	(166,600)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

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WATER UTILITY

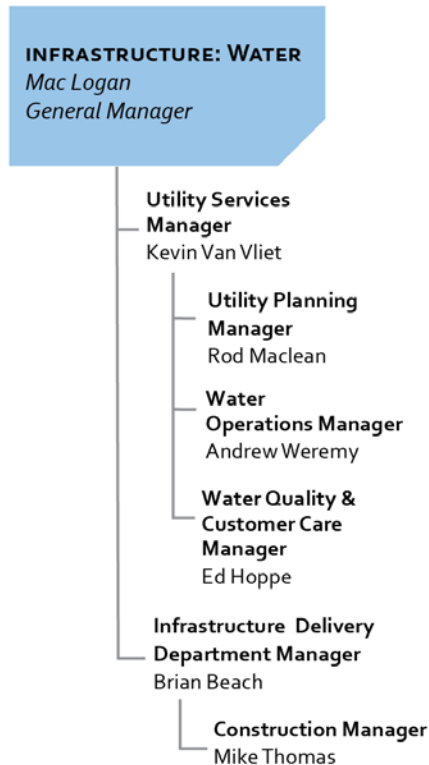


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WATER UTILITY

The City Water Utility sources its drinking water from Okanagan Lake and provides water to just over half of the Kelowna population. The City serves approximately 86,000 customers from the Poplar Point, Eldorado, Cedar Creek, and the Swick Road pump stations. The City also provides non-potable water for irrigation in Southeast Kelowna from Hydraulic Creek. The City water systems can deliver up to 210 million litres of water per day and requires over 630km of pipes, 4 treatment & water pump stations, 20 booster stations, 29 reservoirs and 86 pressure reducing stations to support water delivery.



Local health authorities have described our Water Utility's Source-to-Tap program as one of the best in BC. The program's goal is to identify hazards and weaknesses that can affect the safety and quality of our drinking water supply. The framework of the Source-to-Tap program is the multi-barrier approach.

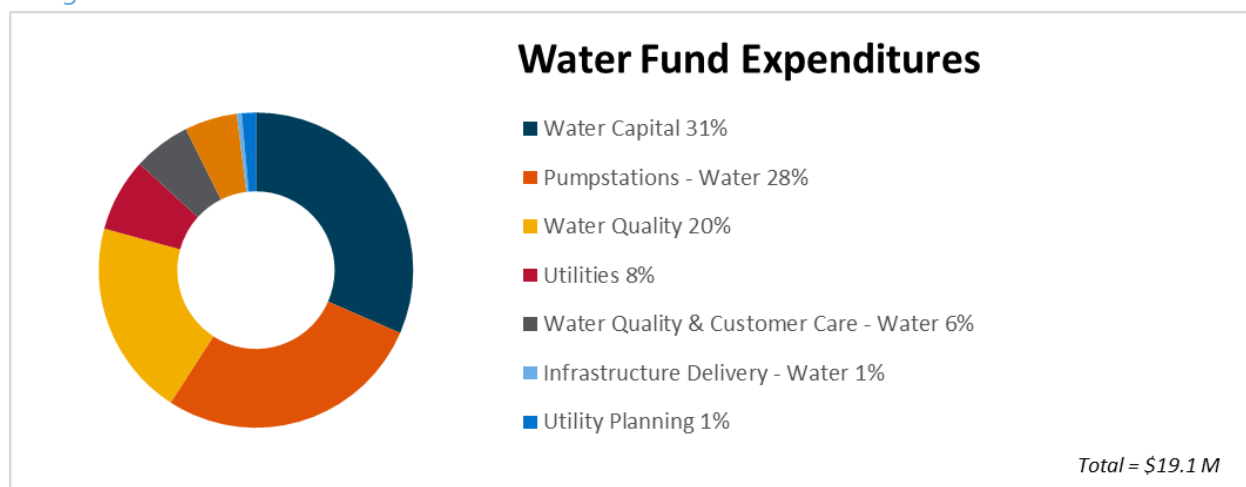
Extension of the Cedar Creek system into Southeast Kelowna completed in 2021 continues to supply potable water to 6,560 people that were supplied from ex-SEKID irrigation system. Work to renew and upgrade the non-potable irrigation system is on-going to ensure reliable water delivery to agricultural customers.

Staff continue to work on water conservation and efficiency programs to be able to sustainably provide water for our community. Coupled with the fact that new water fixtures and appliances continue to be more efficient, per capita residential water consumption continues to drop in the City. The growth rate of total production of potable water remains lower than the population growth rate.

Water Utility – Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Potable water production (1,000 m ³)	16,070	15,500	16,000
Non-Potable water production (1,000 m ³)	9,825	8,000	8,500
Number water quality complaints (potable system)	19	15	17
# water main breaks (potable & non-potable systems)	20	15	18
# water service breaks	80	92	88
Infrastructure renewal / total infrastructure asset value	0.4%	0.5%	0.4%
Renewal water main installed (m)	2930	580	1800

Budget Overview



Utility summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Water					
196 Water Operations	(14,312)	(12,977)	(13,243)		
198 Pumpstations - Water	4,427	4,780	5,254		
200 Utility - Water	867	1,124	1,189		
237 Water Construction	1,014	977	1,030		
247 Utility Planning - Water	210	257	277		
264 Infrastructure Delivery - Water	16	95	95		
266 Water Quality & Customer Care - Water	992	1,044	1,038		
Net operating expenditures	(6,787)	(4,700)	(4,360)	340	(7.2%)
Divisional capital cost centres (\$ thousands):					
313 Water Capital	4,199	4,700	4,360		
Net capital expenditures	4,199	4,700	4,360	(340)	(7.2%)
Total departmental net expenditures	(2,588)	0	0	0	0.0%
Operating full-time equivalent positions:					
Management	4.1	4.3	4.3		
Union hourly	34.9	38.2	38.7		
Union salary	4.6	4.5	4.5		
Total operating full-time equivalent positions	43.6	47.0	47.5	0.5	1.1%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		(4,700)	47.0
2023 net impacts			
One-time operating requests	(35)		0.0
Prior years ongoing adjustments	268		0.0
Divisional adjustments	(378)	(145)	0.0
		(4,845)	47.0
2023 Program additions (P1)			
2023 operating requests:	485	485	0.5
Total		(4,360)	47.5
Unfunded 2023 requests (P2)			
2023 operating request		0	0.0
Total unfunded requests for 2023		0	0.0

Infrastructure - Water

Water Utility - Water Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(2,176)	(1,990)	(2,051)
Fees and Charges	(18,657)	(17,919)	(18,650)
Other Revenue	(440)	(395)	(597)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(101)	(1,208)	0
Total Revenue	<u>(21,374)</u>	<u>(21,512)</u>	<u>(21,298)</u>
<u>Expenditures</u>			
Salaries and Wages	4,289	4,695	4,741
Internal Equipment	784	712	738
Material and Other	3,328	4,337	4,992
Contract Services	45	112	156
Debt Interest	289	304	276
Debt Principal	335	335	359
Internal Allocations	1,271	2,659	1,782
Transfers to Funds			
Special (Stat Reserve) Funds	12	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	4,233	3,659	3,895
Total Expenditures	<u>14,587</u>	<u>16,812</u>	<u>16,938</u>
Net Operating Expenditures	<u>(6,787)</u>	<u>(4,700)</u>	<u>(4,360)</u>
<u>Capital Expenditures</u>			
Gross Expenditures	13,468	9,755	6,007
Other Funding Sources	(9,269)	(5,054)	(1,647)
Utility Capital	<u>4,199</u>	<u>4,700</u>	<u>4,360</u>
Net Operating & Utility Capital Exp.	<u>(2,588)</u>	<u>0</u>	<u>0</u>

2023 Operating Requests

Preliminary Budget

Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Water								
Maintain								
190	Water Supply Ongoing Major Equipment Renewal	120,000	0	0	0	0	(120,000)	OG
190	Long Meadow Reservoir Dam Decommissioning	110,000	0	0	0	0	(110,000)	OT
	Total Maintain	230,000	0	0	0	0	(230,000)	
Growth								
191	Water Operations Maintenance and Cost Increase	163,500	0	0	0	0	(163,500)	OG
356 CAP	Fleet Growth - Water Fund	31,900	0	0	0	0	(31,900)	OG
	Total Growth	195,400	0	0	0	0	(195,400)	
New								
191	Water Supply Millwright Position	45,900	0	0	0	0	(45,900)	OG
192	Water Quality Co-op Student Position	13,900	0	0	0	0	(13,900)	OG
	Total New	59,800	0	0	0	0	(59,800)	
Growth								
175	<i>* Utilities Construction Supervisor Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
New								
270	<i>* Asset Management System Manager Position</i>	0	0	0	0	0	0	OG
270	<i>* Asset Management Consulting Support</i>	0	0	0	0	0	0	OG
180	<i>* Time Series Data Analytics</i>	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	
Department Priority 1 Total		485,200	0	0	0	0	(485,200)	
Total Priority 1 Operating		485,200	0	0	0	0	(485,200)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Water Supply Ongoing Major Equipment Renewal		PRELIMINARY

Justification:

Costs associated with replacing major equipment in the water supply system have increased dramatically. To ensure equipment is renewed at the proper intervals and a reliable system is maintained, budget is requested to fund the ongoing maintenance of the HVAC system in the Poplar Point Low Lift Pump Station and for the purchase of an electric motor at the Poplar Point High Lift Pump Station.

2023 Base Budget: \$853,500

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	120,000	0	0	0	0	0	(120,000)
2024	120,000	0	0	0	0	0	(120,000)
2025	120,000	0	0	0	0	0	(120,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Long Meadow Reservoir Dam Decommissioning		PRELIMINARY

Justification:

The Long Meadow Reservoir is no longer a viable water storage reservoir for the non-potable water system. The reservoir was removed from service by South East Kelowna Irrigation District (SEKID) well before the system was transferred to the City. This request is to properly decommission the reservoir's three dams and reduce ongoing liability to the City.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	110,000	0	0	0	0	0	(110,000)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Water Operations Maintenance and Cost Increase		PRELIMINARY

Justification:

Budget is requested for chemicals, repair parts and purchase services in the area of Water Supply and Treatment, Water Distribution and Utilities Construction. These areas are experiencing price increases in excess of inflation due to supply chain issues and the current economic climate.

This request also includes budget to fund overgrowth vegetation maintenance at easements and hydrant painting maintenance.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	163,500	0	0	0	0	0	(163,500)
2024	157,500	0	0	0	0	0	(157,500)
2025	157,500	0	0	0	0	0	(157,500)

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Water Supply Millwright Position		PRELIMINARY

Justification:

Budget is requested to add one Water Supply Millwright position. The addition of the non-potable water supply system includes 11 dams, the intake facility and over 30 pressure reducing stations adding a significant workload for the Water Supply group, estimated at 2,000 hours annually. The added Millwright position will ensure these assets are maintained and operate reliably.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	45,900	0	0	0	0	0	(45,900)
2024	97,100	0	0	0	0	0	(97,100)
2025	97,100	0	0	0	0	0	(97,100)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Water Quality Co-op Student Position		PRELIMINARY

Justification:

Budget is requested for a Drinking Water Co-op position to work with the Water Technician in gathering, analyzing and reporting on the water quality safety of the drinking system. The Co-op will be involved in the weekly sample collection of beach water samples and are responsible for submitting them to the Interior Health associated lab to ensure water quality remains within swimming guidelines. The position will perform stream/creek sampling and testing to assess the impact of freshet on drinking water sources, as well as assist with special projects that are given to the department, and assist in vacation coverage throughout the summer months.

Strategic Direction:	People - Ability to attract, select & retain talent						
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	13,900	0	0	0	0	0	(13,900)
2024	13,900	0	0	0	0	0	(13,900)
2025	13,900	0	0	0	0	0	(13,900)



WASTEWATER UTILITY

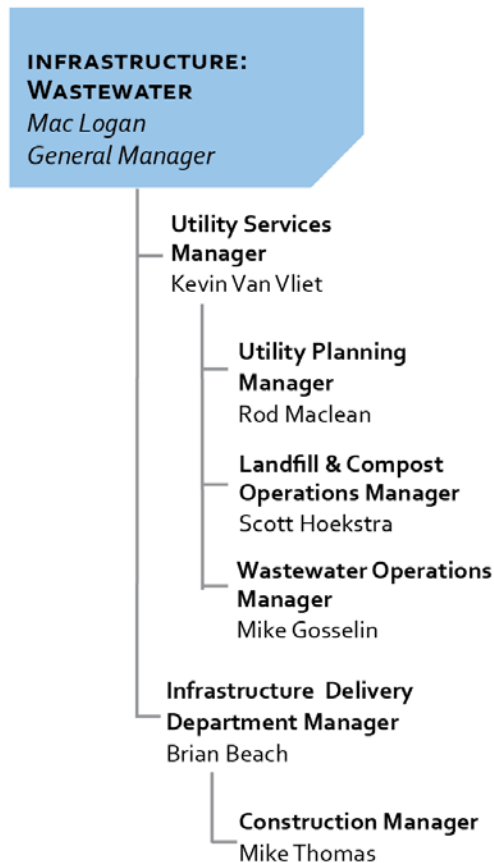


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WASTEWATER UTILITY

The City of Kelowna's Wastewater collection and treatment infrastructure serves approximately 85 per cent of Kelowna's population (including residents, businesses and industries) and is being expanded to reach unserved areas and to accommodate the City's growth.



The City's wastewater treatment program is to protect Okanagan Lake and the connected waterways. If wastewater is not treated, it would flow directly into our freshwater sources - where we get our drinking water from. This would threaten public health, wildlife habitats, fisheries, tourism, and recreation opportunities.

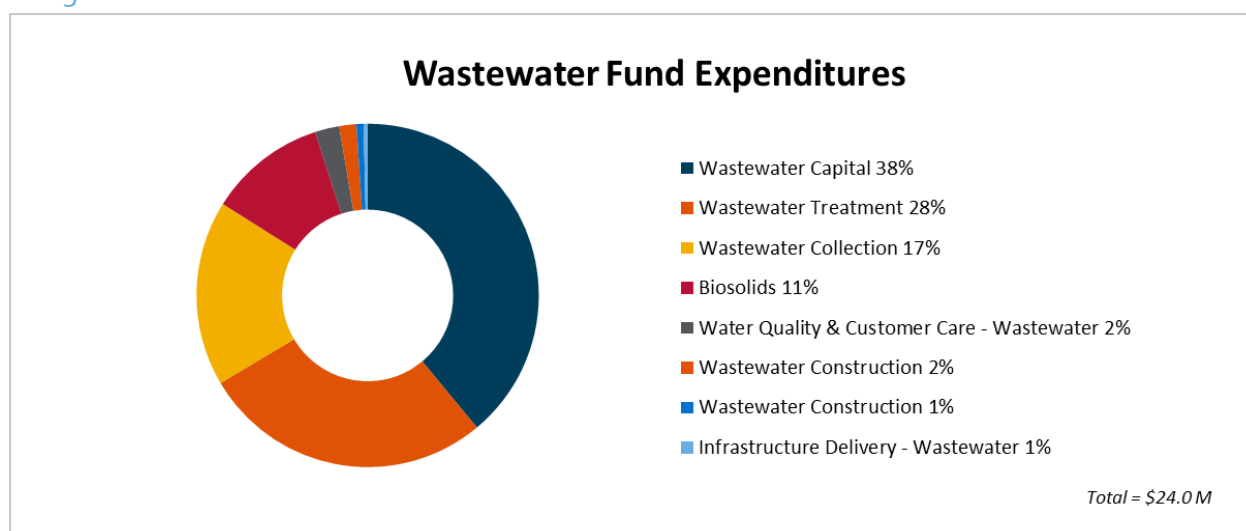
In 2011, the City completed an expansion of the Wastewater Treatment Facility (WWTF). With this project, the facility has been able to increase its capacity to treat water from 40 to 70 million litres a day. This will accommodate the City's sewer servicing needs beyond 2030.

The next substantial wastewater treatment project is to address biosolids capacity and treatment, possibly through the development of a solids digestion plant which is currently under review.

Wastewater Utility – Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Renewal investment / total system value	0.5%	0.6%	0.5%
Renewal sanitary mains (m)	1,060	1,510	2,330
# blocked mains / 100 km of sewer length	3	1	1
Wastewater Treatment Facility			
Wastewater total phosphorous [Permit: 0.25] (mg/l)	0.19	0.23	0.20
Wastewater total nitrogen [Permit: 6.0] (mg/l)	5.30	5.35	5.25
Wastewater b.o.d. [Permit: 10.0] (mg/l)	2.7	2.7	2.7
# odour complaints WWTF	0	0	0

Budget Overview



Utility summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Wastewater					
194 Wastewater Collection	(16,593)	(16,697)	(15,722)		
195 Wastewater Treatment	6,029	5,728	5,730		
225 Biosolids	0	1,436	1,436		
236 Wastewater Construction	347	391	389		
263 Infrastructure Delivery - Wastewater	43	90	90		
265 Water Quality & Customer Care - Wastewater	520	520	551		
246 Utility Planning - Wastewater	290	142	162		
Net operating expenditures	(9,364)	(8,389)	(7,364)	1,025	(12.2%)
Divisional capital cost centres (\$ thousands):					
314 Wastewater Capital	5,897	8,389	7,364		
Net capital expenditures	5,897	8,389	7,364	(1,025)	(12.2%)
Total departmental net expenditures	(3,467)	0	0	0	0.0%
Operating full-time equivalent positions:					
Management	3.7	4.7	5.2		
Union hourly	29.7	46.3	42.3		
Union salary	2.7	7.4	7.4		
Total operating full-time equivalent positions	36.1	58.4	54.9	-3.5	(6.0%)

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		(8,389)	58.4
2023 net impacts			
One-time operating requests	(36)		(2.6)
Prior years ongoing adjustments	(180)		(2.0)
Divisional adjustments	784	569	0.0
		(7,820)	53.8
2023 Program additions (P1)			
2023 operating requests:	457	457	1.1
Total		(7,364)	54.9
Unfunded 2023 requests (P2)			
2023 operating request		0	0.0
Total unfunded requests for 2023		0	0.0

Note: Totals may not add due to rounding.

Infrastructure - Wastewater**Wastewater Utility - Wastewater Fund****Revenues/Expenditures by Category (\$ thousands)**

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(1,293)	(1,296)	(1,240)
Fees and Charges	(19,388)	(21,255)	(21,588)
Other Revenue	(1,626)	(2,209)	(2,270)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(141)	(1,211)	0
Total Revenue	<u>(22,449)</u>	<u>(25,971)</u>	<u>(25,098)</u>
<u>Expenditures</u>			
Salaries and Wages	3,756	5,811	5,461
Internal Equipment	854	1,173	1,174
Material and Other	3,324	4,406	4,610
Contract Services	74	668	669
Debt Interest	350	350	282
Debt Principal	693	693	706
Internal Allocations	3,171	2,581	1,766
Transfers to Funds			
Special (Stat Reserve) Funds	156	198	198
Development Cost Charges	0	0	0
Accumulated Surplus	706	1,701	2,869
Total Expenditures	<u>13,085</u>	<u>17,582</u>	<u>17,734</u>
Net Operating Expenditures	<u>(9,364)</u>	<u>(8,389)</u>	<u>(7,364)</u>
<u>Capital Expenditures</u>			
Gross Expenditures	7,120	28,334	9,366
Other Funding Sources	(1,224)	(19,945)	(2,002)
Utility Capital	<u>5,897</u>	<u>8,389</u>	<u>7,364</u>
Net Operating & Utility Capital Exp.	<u>(3,467)</u>	<u>0</u>	<u>0</u>

2023 Operating Requests

Preliminary Budget

Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Wastewater								
Maintain								
200	Wastewater Operations and Maintenance	380,000	0	0	0	(35,000)	(345,000)	OG
200	Source Control Co-op Position	14,000	0	0	0	0	(14,000)	OG
	Total Maintain	394,000	0	0	0	(35,000)	(359,000)	
Growth								
400 CAP	KLO Rd Mission Creek Sewer Connection	11,300	0	0	0	0	(11,300)	OG
	Total Growth	11,300	0	0	0	0	(11,300)	
New								
201	Wastewater Treatment Operator Position	48,900	0	0	0	0	(48,900)	OG
201	Wastewater Co-op Student Positions	37,500	0	0	0	0	(37,500)	OG
	Total New	86,400	0	0	0	0	(86,400)	
Growth								
175	<i>* Utilities Construction Supervisor Position</i>	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
New								
270	<i>* Asset Management System Manager Position</i>	0	0	0	0	0	0	OG
270	<i>* Asset Management Consulting Support</i>	0	0	0	0	0	0	OG
180	<i>* Time Series Data Analytics</i>	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	
Department Priority 1 Total		491,700	0	0	0	(35,000)	(456,700)	
Total Priority 1 Operating		491,700	0	0	0	(35,000)	(456,700)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Wastewater Operations and Maintenance		PRELIMINARY

Justification:

Budget is requested to increase the chemical budget specifically related to Bioxide and add budget to purchase water for flushing, add funds to mechanical and electrical equipment repair budget and complete maintenance on the centrifuge at the Brandt's Creek Trade-waste facility that is due for a major mechanical inspection and replacement of some components.

2023 Base Budget: \$712K

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	380,000	0	0	0	0	(35,000)	(345,000)
2024	345,000	0	0	0	0	0	(345,000)
2025	345,000	0	0	0	0	0	(345,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Source Control Co-op Position		PRELIMINARY

Justification:

Source Control is responsible for wastewater compliance monitoring that includes industrial discharge and over 800 Food establishment inspections annually. Budget is requested to increase the current four month Co-op position to an eight month term in order to prevent on-going, delinquent inspections and provide staff coverage.

2023 Base Budget: \$13k

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	14,000	0	0	0	0	0	(14,000)
2024	14,500	0	0	0	0	0	(14,500)
2025	15,000	0	0	0	0	0	(15,000)

2023 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Wastewater Treatment Operator Position		PRELIMINARY

Justification:

Budget is requested to add an additional full time Wastewater Treatment Operator II. Operators work at both the treatment facilities and on lift stations. The additional operator time required for lift stations is being accomplished by re-allocating staff from the wastewater treatment facilities which is leaving work uncompleted at these facilities. This position would allow the department to maintain current service levels and help address growing needs for the highly sophisticated wastewater systems.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	48,900	0	0	0	0	0	(48,900)
2024	95,700	0	0	0	0	0	(95,700)
2025	95,700	0	0	0	0	0	(95,700)

Division:	Infrastructure	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Wastewater Co-op Student Positions		PRELIMINARY

Justification:

This request is for the addition of two Co-op Student positions for wastewater. Co-op students have received education in wastewater treatment, collection and network activities and provide exceptional value in supporting utility operational and maintenance activities. Currently there are two Co-op positions for wastewater treatment, the additional four-month Co-op positions will provide wastewater collection, wastewater network and lift stations with additional support to help maintain current service levels during busy times.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	37,500	0	0	0	0	0	(37,500)
2024	37,500	0	0	0	0	0	(37,500)
2025	37,500	0	0	0	0	0	(37,500)

2023 Operating Requests

Preliminary Budget

Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Cat
Wastewater								
New								
	* <i>Sanitary-Storm Service Interconnects Policy Development</i>	0	0	0	0	0	0	OT
	Total New	0	0	0	0	0	0	
	Department Priority 2 Total	0	0	0	0	0	0	
	Total Priority 2 Operating	0	0	0	0	0	0	

CAP - denotes operating request that has been moved to the capital section
V&E - denotes operating request that has vehicle & equipment capital impacts included in the request
* italics - denotes that this is a shared (part of another department) operating request
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 2023



ACTIVE LIVING & CULTURE



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ACTIVE LIVING & CULTURE

The Active Living & Culture (ALC) Division provides a leadership role in enriching the health and well-being of the community. Divisional focus areas include promoting healthy active lifestyles, building neighbourhood connections, supporting and developing an integrated sport system, enabling cultural vibrancy, encouraging a dynamic events community and addressing complex social issues. Recently, the division has undertaken a larger role in advancing the City of Kelowna’s commitment to Truth and Reconciliation and supporting the elevation of work related to creating an equitable, diverse and inclusive environment where all members of the community can thrive. The Division’s service delivery model involves direct provision, support & facilitation, and partnership development. Activities are delivered through the following departments:



Administration & Business Services is responsible for divisional financial management processes and reporting; systems application and administration; business management, including supporting the development and maintenance of business plans and performance measurements; front line customer service and management of division-wide marketing and promotion.

Community & Neighbourhood Services delivers programs throughout the community which engage, activate and connect people. This includes Strong Neighbourhoods, outlying area programs and the Parkinson Recreation Centre. The focus of this team is to reduce barriers to participation, animate spaces, and promote a healthy, active and inclusive community.

Cultural Services provides programs and services to support cultural development in the community. This includes oversight of cultural policies and plans, organizing special events and convenings, maintaining healthy partnerships with cultural facility operators, community organizations and professional and emerging artists, administering grant programs and operating the Kelowna Community Theatre (KCT). Cultural Services works directly with other City departments on Truth and Reconciliation and transforming systems that create barriers to equitable, diverse and inclusive participation in our community.

Social Development provides leadership to convene community groups, agencies and other levels of government to collectively address complex social issues. The main focus is to build capacity of multi-sector stakeholders to work within a collaborative framework which aligns plans, resources, and funding to maximize efforts to impact social issues. Social Development works with other levels of government and partners to utilize integrated data to drive decisions on priorities and to advocate for both system change and resources.

Sport & Event Services provides strategic direction and organizational leadership to Kelowna's sport and event sectors through the facilitation and provision of a wide variety of recreation, sport and special event initiatives. Key areas of focus include Sport for Life (S4L) promotion and implementation, event permitting, development and procurement, organizational development and facility operations.

Divisional Activities

Community Safety

- Continue strengthening the Block Connector program to enhance neighbourhood connections, safety and emergency preparedness

Social & Inclusive

- Develop and deepen relationships with groups and individuals in our community who have been systemically marginalized
- Work collectively within the City to establish a framework for principled partnerships with syilx/Okanagan People
- Responding to the Child Care Needs assessment and the federal/provincial priorities, complete a review of the City's licensed child care operations to increase the sustainability and quality of the program.
- Determine future commitment to funding, support and role in advancing the Journey Home Strategy to address homelessness
- Continue to work with COJHS and partners to achieve integration of Homeless Serving System data to achieve system-wide, real-time data dashboard to inform investment decisions and continuous improvement
- Work with Regional partners to continue to advocate for systems change to support Complex Care Housing and continue to participate in the work to design and implement the integration of community, health and housing services
- Work with partners on the Outdoor Sheltering Strategy implementation of programs to improve health and safety of unsheltered persons, enhance health and social support coordination, and mitigate community impacts
- Advance the youth-related action items from the Community Safety Plan through the creation of upstream programs and services for youth
- Continue with enhanced governance and design work for the successful development of the Creative Hub/ Civic Plaza and ArtWalk at 350 Doyle
- Advance discussions with School District No. 23 (SD23) towards a community-wide reciprocal use agreement which considers a broad range of both City and SD23 facilities with the objective of expanding facility use and reach into all areas of the City
- Host youth forum on arts and culture that will provide opportunity for local youth to discuss challenges and opportunities for participation in the arts
- Assess City-funded events (i.e. Kelowna Made, MMOB, Apple Triathlon, Fat Cat Children's Festival) and determine next steps for development & funding within a Civic-event framework

Economic Resiliency

- Review and update current policies and practice related to the contribution to facility-based and program reserve accounts funded through ALC fees and charges to ensure alignment with corporate financial strategies and best practice
- Enhance value of PRC memberships to improve customer satisfaction and increase membership sales through the addition of fitness classes, workshops and expanded gymnasium drop-in programs

Financial Management

- Direct oversight and evaluation of the first full year of KCT Box Office operations and assessment of future possibilities for enhanced community service and revenue generating opportunities
- Implement a digital first strategy for our Activity & Program Guide to replace our pre-COVID-19 hardcopy standard with a robust, easy-to-use, customer focused online solution

- Continue implementation of a new benefits-based approach model for ALC fees and charges to ensure that the associated infrastructure, maintenance and operating costs associated with the City's recreation and cultural programs and services are fairly allocated to all customers
- Conduct a review of the Financial Assistance opportunities for recreation to reduce financial barriers, increase equity, accessibility and financial transparency

Clear Direction

- Complete the Community Impact Report for Application Based Programs (years 2021-2022)
- Review and revise the current facility-based Advisory Committee structure to reflect up-to-date practice with a continued focus on effective support and advocacy for Sport
- Renew divisional performance measures to increase focus on outcomes versus outputs
- Complete registration software updates to allow for online client account setup, multiple user fees functionality and reporting enhancements
- Establish a long-term plan for use of the Capital Improvement Fee (CIF) at Kelowna Community Theatre

People

- Develop training opportunities, recruitment campaigns, employment incentives, celebrations and recognition programs to recruit, retain and improve the Recreation Contract Instructor program

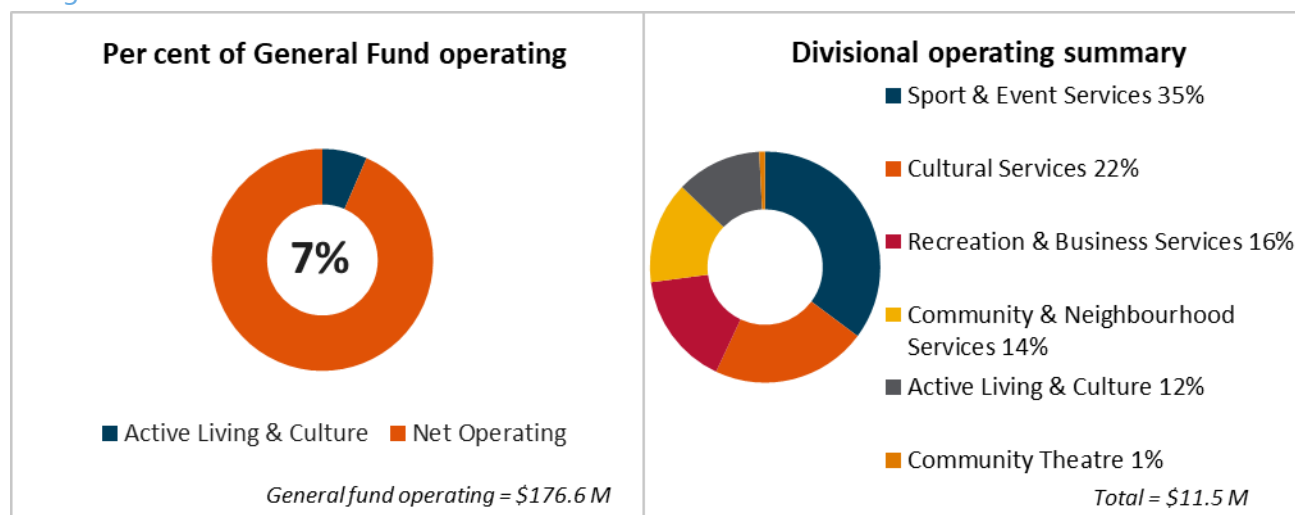
Base Business

- Based on the provincially-endorsed Quality Sport (QS) framework, work with key stakeholders and local sport organizations to develop and implement a QS program in Kelowna
- Continue advancement of Sport League/Program management software app and build-out a web-based microsite to support sport league marketing, promotions and enhanced customer service
- Strive to advance new partnership opportunities while continually refining management of existing facility, operating and program agreements

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
% Satisfied with City-operated recreational & cultural facilities/programs (data from Citizen Survey)	89%	84%	90%
# of hours booked in sport and recreation facilities (arenas, sportsfield and stadiums)	45,484	49,178	60,000
# of permitted outdoor events and tournaments on City-owned land	105	251	282
# of individuals/organizations supported by application based grants	82	115	157
# of participants in City recreation programs	14,700	18,500	19,000
Investment in arts, culture & heritage by City of Kelowna per capita	\$24.96	\$22.12	\$23.65
Attendance at KCT	9,800	62,000	80,000
% of people experiencing homelessness in database designed to match individuals to housing and supports	n/a	Database in development	80%

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Active Living & Culture					
159 Cultural Services	2,119	2,292	2,514		
161 Community Theatre	145	175	95		
164 Active Living & Culture	1,032	1,301	1,381		
165 Recreation & Business Services	1,515	1,680	1,831		
166 Sport & Event Services	3,080	3,907	4,051		
167 Community & Neighbourhood Services	1,440	1,855	1,645		
Net operating expenditure	9,331	11,210	11,517	307	2.7%
Divisional capital cost centres (\$ thousands):					
309 Recreation Capital	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	9,331	11,210	11,517	307	2.7%
Operating full-time equivalent positions:					
Management	9.7	10.0	10.0		
Union hourly	47.1	60.9	63.7		
Union salary	8.0	9.0	9.5		
Total operating full-time equivalent positions	64.8	79.9	83.2	3.3	4.1%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	11,210	79.9
2023 net impacts		
One-time operating requests	(110)	0.0
Prior years ongoing adjustments	124	3.3
Divisional adjustments	369	0.0
	11,594	83.2
2023 Program additions (P1)		
2023 operating requests:	(76)	0.0
Total	11,517	83.2
Unfunded 2023 requests (P2)		
2023 operating request	30	0.0
Total unfunded requests for 2023	30	0.0

Note: Totals may not add due to rounding.

Active Living & Culture - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(3,274)	(4,813)	(5,590)
Other Revenue	(829)	(599)	(185)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	(40)
Development Cost Charges	0	0	0
Accumulated Surplus	(866)	(1,013)	(120)
Total Revenue	<u>(4,969)</u>	<u>(6,425)</u>	<u>(5,935)</u>
<u>Expenditures</u>			
Salaries and Wages	5,608	7,041	7,300
Internal Equipment	204	194	194
Material and Other	3,289	5,153	3,554
Contract Services	3,704	4,355	5,215
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	1,495	892	1,189
Total Expenditures	<u>14,300</u>	<u>17,635</u>	<u>17,452</u>
Net Operating Expenditures	9,331	11,210	11,517
<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>9,331</u>	<u>11,210</u>	<u>11,517</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Active Living & Culture Division									
Maintain									
212	Community Development Coordinator - Outdoor Shelter Position	0	0	0	0	0	0	0	OG
212	Future Adaptability and Sustainability Program	75,000	(75,000)	0	0	0	0	0	OT
213	Peer Navigator Program	0	0	0	0	0	0	0	OG
339 CAP	Kelowna Community Theatre Improvements	3,600	0	0	0	(5,000)	0	1,400	OG
Total Maintain		78,600	(75,000)	0	0	(5,000)	0	1,400	
Growth									
213	Arenas & Stadiums Attendant Position	0	0	0	0	0	0	0	OG
214	Community & Event Support Grant Increase	0	0	0	0	0	0	0	OG
Total Growth		0	0	0	0	0	0	0	
New									
214	Journey Home Strategy Implementation Review	40,000	(40,000)	0	0	0	0	0	OT
215	Engagement with Indigenous Communities	35,000	(35,000)	0	0	0	0	0	OT
Total New		75,000	(75,000)	0	0	0	0	0	
Growth									
237	<i>* Community Safety Plan Implementation Initiatives</i>	(75,000)	0	0	0	0	0	75,000	OG
Total Growth		(75,000)	0	0	0	0	0	75,000	
Division Priority 1 Total		78,600	(150,000)	0	0	(5,000)	0	76,400	
Total Priority 1 Operating		78,600	(150,000)	0	0	(5,000)	0	76,400	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ON-GOING
Title:	Community Development Coordinator - Outdoor Shelter Position		PRELIMINARY

Justification:

Current shelter demand exceeds capacity with many people sheltering outdoors. Due to a legal requirement to allow outdoor sheltering when shelter capacity is insufficient, a site is designated. A term position was funded in 2022-2024, to oversee designated outdoor sheltering/day use sites, sheltering strategy implementation, social support services coordination, and mitigation of community impacts. The City's ongoing leadership is crucial to support the level of coordination required. Budget is requested to transition this role to permanent to address recruitment/retention challenges. The budget impact is an addition of benefits for two years (2023/24) funded from a reallocation of \$4k from existing operations (Kelowna Youth and Family Services budget) and funding a fulltime position from taxation starting in 2025.

Strategic Direction: Social & inclusive - Homelessness is decreasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	91,200	0	0	0	0	0	0	(91,200)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ONE-TIME
Title:	Future Adaptability and Sustainability Program		PRELIMINARY

Justification:

The Recovery & Future Sustainability Program supported 18 nonprofit organizations to build capacity by enhancing performance in foundational organization components over a one-year period. Post outcome evaluation demonstrated that all organizations improved their pre-assessment scores overall. Building on this success, budget is requested for a Future Adaptability & Sustainability Program to work directly with an additional 9-12 non-profit organizations, who continue to navigate the post COVID reality, through a similar program that explores sustainability with individualized organization assessments. Each organization will complete a sustainability plan and is provided a grant to begin their initiatives. The program will be available to non-profit organizations where similar provincial/federal funding is not available.

Expected Completion: Dec 2023

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	75,000	(75,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Community & Neighbourhood Services		ON-GOING
Title:	Peer Navigator Program		PRELIMINARY

Justification:

Peer Navigators are people with lived experience who have been trained to support their peers by connecting them to services and healing in an approachable way. In 2021, Peers were employed at multiple locations including Parkinson Rec Centre (PRC). Originally, grant funding was secured and the program was facilitated by Urban Matters. Staff and the public benefitted from this program through training, understanding stigma and systemic challenges. Budget is requested to continue the program at PRC funded from a \$59.2k reallocation of existing operations (Kelowna Youth and Family Services budget) to support the employment of one peer for 20 hours/week along with staff training, peer mentorship, cultural and employment supports.

Strategic Direction: Social & inclusive - Homelessness is decreasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Sport & Event Services		ON-GOING
Title:	Arenas & Stadiums Attendant Position		PRELIMINARY

Justification:

The demand for facility access/coverage, improved maintenance and enhanced service have dramatically increased. Further, the volume and complexity of programs, tournaments and special events within recreation facilities has continued to grow. As a result, the current staffing model has challenges in managing the increased demand for facility access, staff workload and public expectation. Budget is requested for a full-time position to provide greater consistency and flexibility for day-to-day operations and build capacity within the branch. Specifically, it will support the provision of: increased weekend coverage; greater access to Memorial Arena; enhanced service levels; and additional event support. The position will be partially funded from existing part-time wages budget.

2023 Base Budget:\$41k

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	40,700	0	0	0	0	0	0	(40,700)
2025	40,700	0	0	0	0	0	0	(40,700)

2023 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Cultural Services		ON-GOING
Title:	Community & Event Support Grant Increase		PRELIMINARY

Justification:

Community development is a shared responsibility of government, private sector, non-profit sector and individuals, recognizing that financial support through grants can leverage additional support and enable the delivery of necessary services. Many current grant programs are oversubscribed and stretched to support the growing needs of the community. Budget is requested to increase annually, by the average BC CPI (not to exceed five per cent), the event support and community grant programs contained within the established focus areas (Community & Social Development, Arts, Culture & Heritage, Capacity Building & Community Sport Delivery). The first three years (\$39.3K in 2023, \$64.1K in 2024 and \$81.1K in 2025) will be funded from a reallocation of funds from existing operations (Kelowna Youth and Family Services budget). Council Policy 380 & 381 will be amended.

Strategic Direction: Financial management - Cost to deliver services is quantified

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0

Division:	Active Living & Culture	Priority: 1	New
Department:	Active Living & Culture		ONE-TIME
Title:	Journey Home Strategy Implementation Review		PRELIMINARY

Justification:

Through a Memorandum of Understanding (MOU) between the City and Central Okanagan Journey Home Society (COJHS), the Society assumes the responsibility for implementation of the Journey Home Strategy. Designed to accommodate the evolving nature of COJHS, as they work to increase their capacity, the MOU includes a framework for working collaboratively, describes partner's roles/expectations, and outlines City's 2019-2023 financial commitments. For the Society's first two years of operation the City contribution was \$150K annually, and increased to \$250K for the remaining 3 years of the Strategy implementation. With no City commitment beyond the end of 2023, this request is for funding to conduct a review which will include recommendations regarding ongoing implementation of the Strategy along with City commitment beyond 2023.

Expected Completion: Dec 2023

Strategic Direction: Social & inclusive - Homelessness is decreasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	40,000	(40,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Cultural Services		ONE-TIME
Title:	Engagement with Indigenous Communities		PRELIMINARY

Justification:

Multiple City-led projects would benefit from principled engagement with Indigenous Communities. As stated within the OCP Policy 9.2.2 we are committed to "collaborate with syilx/Okanagan people...in a way that recognizes the traditions, knowledge, wisdom and governance of syilx people."

Under the ongoing guidance of a consultant from the syilx/Okanagan community, this project will utilize direction from appropriate Indigenous leaders to meaningfully engage with the Indigenous People on a variety of community level planning projects. Additionally, the project will work to build capacity through process development and institutional learning that will support ongoing engagement practices that are fair, equitable and appropriate. Budget is requested to implement the engagement process.

Expected Completion: Dec 2023

Strategic Direction:	Social & inclusive - Inclusivity and diversity are increasing							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	35,000	(35,000)	0	0	0	0	0	0

2023 Operating Requests

Preliminary Budget

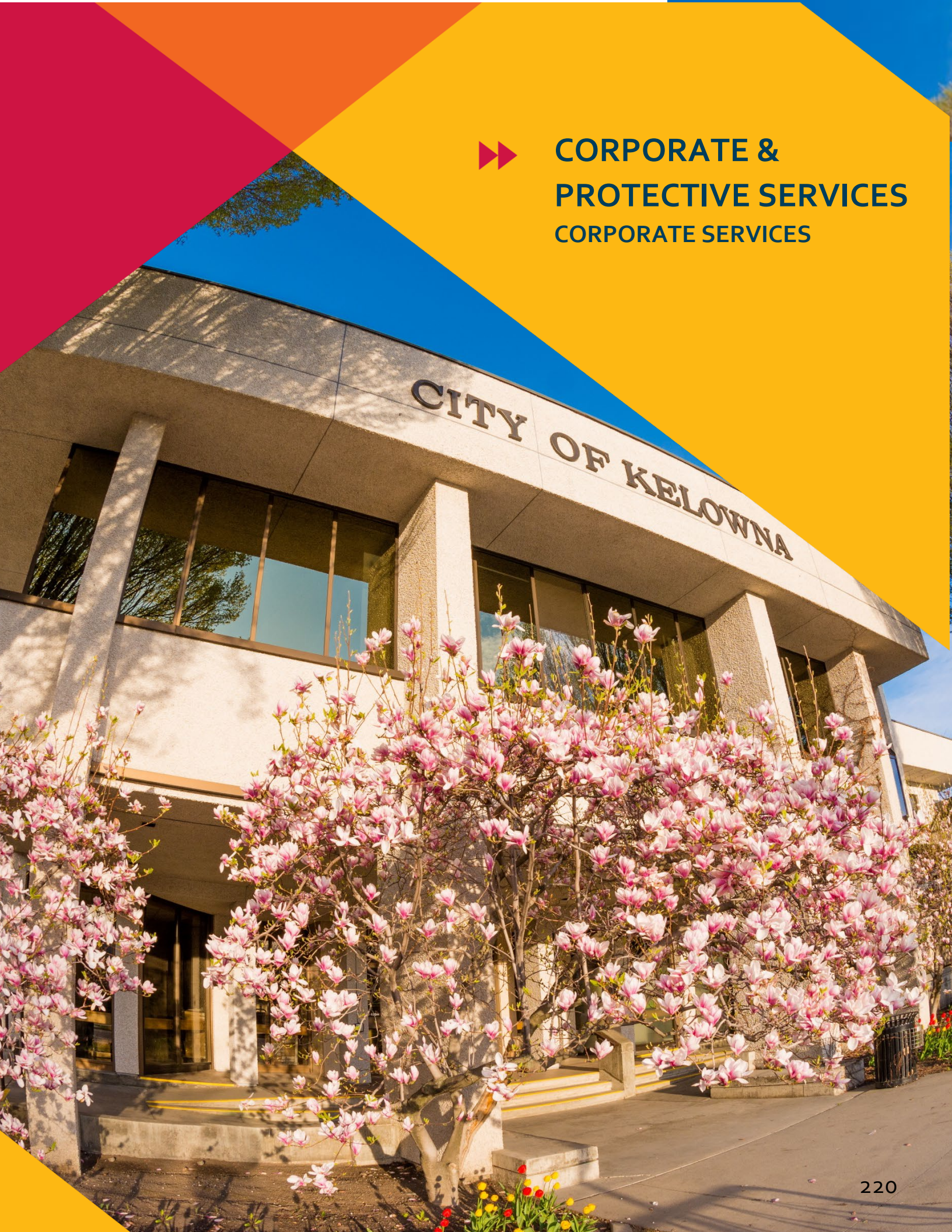
Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Active Living & Culture									
Growth									
	Social Development Working Funds	30,000	0	0	0	0	0	(30,000)	OG
	Total Growth	30,000	0	0	0	0	0	(30,000)	
	Department Priority 2 Total	30,000	0	0	0	0	0	(30,000)	
	Total Priority 2 Operating	30,000	0	0	0	0	0	(30,000)	

CAP - denotes operating request that has been moved to the capital section
V&E - denotes operating request that has vehicle & equipment capital impacts included in the request
* italics - denotes that this is a shared (part of another department) operating request
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 2023



**CORPORATE &
PROTECTIVE SERVICES**
CORPORATE SERVICES



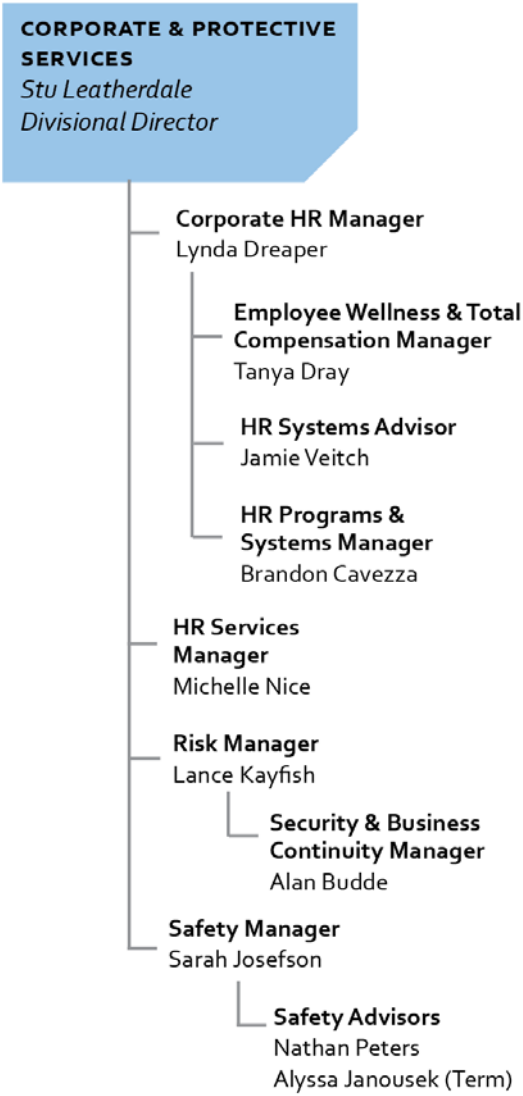
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CORPORATE & PROTECTIVE SERVICES

CORPORATE SERVICES

Whether ensuring that the City attracts, retains and develops the best quality public servants or building corporate and community capacity through knowledgeable management strategies, the end goal of this division is to help improve organizational performance and provide superior services to staff and citizens.



The **Corporate Human Resources** department develops and implements corporate wide human resources systems, programs, processes and best practices that make the City a leading employer in the community. Within this department, **Human Resources Programs and Systems** develops and maintains corporate-wide talent management programs. From learning and development programs to succession planning, this branch is building a high performing, accountable workforce committed to the City’s vision. Key initiatives include; employee training, leadership and career development programs, the provision of performance management programs, and employee engagement initiatives. The branch also manages system and HR corporate projects, employee community involvement and recognition programs. The **Employee Wellness and Total Compensation** branch 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.

The **Human Resources Services** team is the primary day to day contact for all HR matters and provides HR services including; recruitment & selection, performance management, employee & labour relations, employee engagement, workforce planning and various other HR enquiries. All City teams have an HR Business Partner assigned to them.

Risk Management is responsible for the development, implementation, and administration of the City’s risk management and security programs. This branch leads the City’s work to minimize losses and reduce hazards within the community through prevention programs, insurance and integrated risk management. The unit is an integral part of the

City’s security, maintaining a secure environment for staff, public and assets, including the oversight of security cameras.

The **Safety Department** is responsible for development and implementation of the corporate Safety program, *Safety 8*. The team coaches all levels of the organization regarding meeting regulated safety requirements, workplace inspections, risk assessments, safe work procedures, training, incident and near miss reporting. The overall purpose of the Safety 8 framework is to proactively reduce workplace incidents and injuries.

Divisional Activities

Social & Inclusive

- Operationalize the 4-year Diversity, Equity and Inclusion strategic plan
- Research and identify Truth and Reconciliation training opportunities for staff

Economic Resiliency

- Expand business continuity plans for essential services such as: roadways, water and wastewater, to enhance community resiliency during emergencies

Financial Management

- Complete Certificate of Recognition Audit through the BC Municipal Safety Association
- Reduce exposure to financial loss due to accidents, natural disaster, acts of aggression and the growing threat of cyber crime by maintaining and adapting insurance programs

Clear Direction

- To be more innovative, continue to leverage technology and improve processes through the Safety Management software and the Learning Management system
- Use enterprise risk management to support strategic decision making, enhance public safety and promote innovation

People

- Develop new efficiencies through a Disability Management Process Review
- Implement a Mental health workplace program
- Implement departmental safety training matrices to ensure all staff receive necessary safety training, especially for employees doing high risk work, and conduct reviews as needed
- Protect City staff and physical assets through the use of security services and technology

Base Business

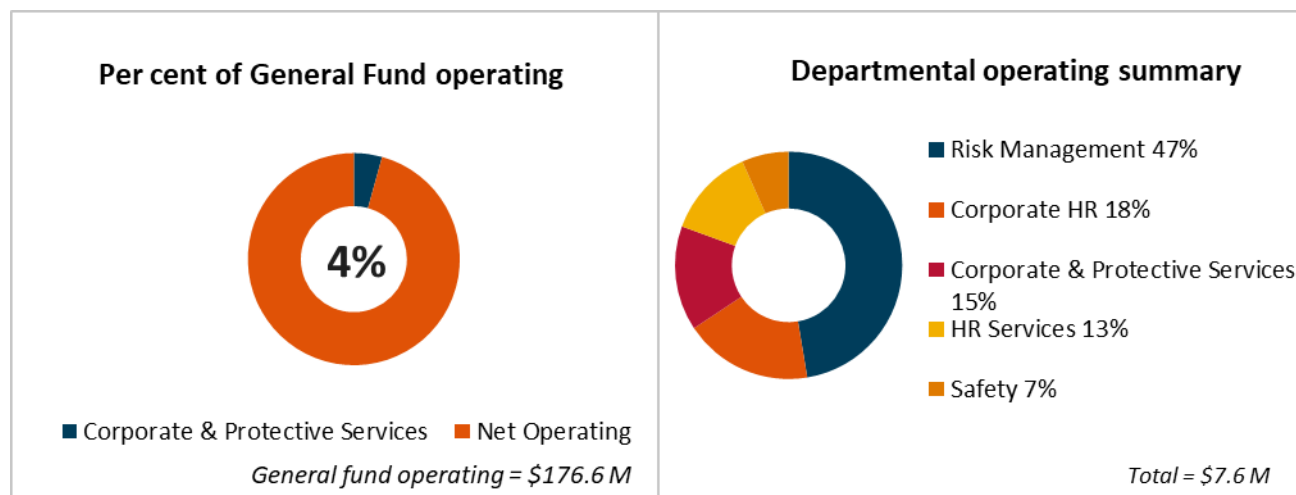
- Corporate action plan to improve ground disturbance (excavation) and electrical safety record
- Launch departmental health and safety action plans
- Manage annual Corporate Training programs including online training for staff

Departmental Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
# of third-party claim/incidents managed	189	150	140
Cost of risk / capita (\$)	12.98	13.49	14.03
# of WorkSafe claims processed	75	72	80
Merit rating discount for WCB claims (%)	2.22%	2.35%	2.40%
# of reported safety incidents	107	111	105
# of facility inspections	39	45	50
# of job site safety inspections	41	35	40
# of average work days lost (illness and injury)	66	50	60
# of vacant positions filled	420	470	450
Time to fill external job postings (average number of days)	47	55	52
Staff turnover – full time (%)	10.3%	9%	8%

# of employees participating in corporate training	418	1,472	620
# of Service Awards presented	279	279	350

Budget Overview



Departmental summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Corporate & Protective Services					
139 Corporate & Protective Services	338	387	1,130		
	338	387	1,130	743	192.2%
Corporate HR					
140 HR Health, Safety & Labour	595	148	148		
143 HR Programs & Systems	569	556	565		
249 Compensation and Benefits	649	604	673		
	1,813	1,309	1,387	78	5.9%
HR Services					
141 HR Services & EE Relations	834	963	969		
	834	963	969	6	0.6%
Risk Management					
132 Risk Management	2,341	3,172	3,593		
	2,341	3,172	3,593	421	13.3%
Safety					
282 Safety	0	504	506		
	0	504	506	2	0.4%
Net operating expenditures	5,327	6,334	7,585	1,250	19.7%

*Continued***Divisional capital cost centres (\$ thousands):**

Net capital expenditures	0	0	0	0	0.0%
Total departmental net expenditures	5,327	6,334	7,585	1,250	19.7%
Operating full-time equivalent positions:					
Management	22.2	21.5	22.4		
Union hourly	5.6	2.5	2.5		
Union salary	2.6	2.0	3.3		
Total operating full-time equivalent positions	30.4	26.0	28.2	2.2	8.5%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		6,334	26.0
2023 net impacts			
One-time operating requests	0		0.0
Prior years ongoing adjustments	48		1.3
Divisional adjustments	391	439	0.4
		6,773	27.7
2023 Program additions (P1)			
2023 operating requests:	812	812	0.5
Total		7,585	28.2
Unfunded 2023 requests (P2)			
2023 operating request		0	0.0
Total unfunded requests for 2023		0	0.0

Note: Totals may not add due to rounding.

Corporate & Protective Services
Corporate Services - General Fund
Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(411)	(61)	(61)
Other Revenue	(63)	(283)	(326)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(613)	(551)	(260)
Total Revenue	(1,088)	(895)	(647)
<u>Expenditures</u>			
Salaries and Wages	3,076	2,926	3,100
Internal Equipment	7	1	1
Material and Other	2,506	3,131	3,032
Contract Services	415	1,172	1,353
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	22	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	389	0	745
Total Expenditures	6,414	7,229	8,231
Net Operating Expenditures	5,327	6,334	7,585
<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.	5,327	6,334	7,585

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate & Protective Services Division									
<i>Corporate Services</i>									
Maintain									
225	Security - Additional Patrols	55,000	(30,000)	0	0	0	0	(25,000)	OG
	Total Maintain	55,000	(30,000)	0	0	0	0	(25,000)	
New									
225	HR Coordinator Position	41,300	0	0	0	0	0	(41,300)	OG
226	Diversity, Equity and Inclusion Action Items	40,000	(40,000)	0	0	0	0	0	OT
226	Professional Consulting for Health & Wellness Strategies	35,000	(35,000)	0	0	0	0	0	OG
283	<i>* Public Safety Levy</i>	745,320	0	0	0	0	0	(745,320)	OG
	Total New	861,620	(75,000)	0	0	0	0	(786,620)	
	Department Priority 1 Total	916,620	(105,000)	0	0	0	0	(811,620)	
	Total Priority 1 Operating	916,620	(105,000)	0	0	0	0	(811,620)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Risk Management		ON-GOING
Title:	Security - Additional Patrols		PRELIMINARY

Justification:

Incident trends of crime occurring against City property late at night such as break and enters, vandalism, graffiti and inappropriate use of public space past closure times in parks and parkades are resulting in significant costs associated with losses and damage. This request is for an additional security personnel to provide late night patrols and rapid response to suspicious activity to deter and prevent crime against City assets.

2023 Base Budget: \$869k

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	55,000	(30,000)	0	0	0	0	0	(25,000)
2024	55,000	(30,000)	0	0	0	0	0	(25,000)
2025	55,000	(30,000)	0	0	0	0	0	(25,000)

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Corporate HR Department		ON-GOING
Title:	HR Coordinator Position		PRELIMINARY

Justification:

Budget is requested for a Human Resources (HR) Coordinator position. The sole HR Coordinator is identified as a critical position as this employee is responsible for the accurate and timely review and data entry of all pay, benefits, and pension related information, as well as the direct liaison with the Recruitment and Payroll teams.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	41,300	0	0	0	0	0	0	(41,300)
2024	81,900	0	0	0	0	0	0	(81,900)
2025	81,900	0	0	0	0	0	0	(81,900)

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Corporate HR Department		ONE-TIME
Title:	Diversity, Equity and Inclusion Action Items		PRELIMINARY

Justification:

Building a Diversity, Equity & Inclusive (DEI) Strategic Plan was a primary component of the Human Resources (HR) Division's 5-Year Strategic Plan. The City of Kelowna is committed to encouraging individuals from a variety of experiences and education levels to apply for vacancies in order to fully represent the community. Funding will be used to hire a consultant to create DEI specific criteria to support decision-making around recruitment and career development processes, update key HR policies to operationalize DEI strategic action plans, support the development of a communication plan, as well as train leaders on how to lead with a DEI lens.

Expected Completion: Dec 2023

Strategic Direction: People - Ability to attract, select & retain talent

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	40,000	(40,000)	0	0	0	0	0	0

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Corporate HR Department		ON-GOING
Title:	Professional Consulting for Health & Wellness Strategies		PRELIMINARY

Justification:

Budget is requested for professional consulting to support health and wellness strategies. With a continued increase in mental health absences and the need to support first responders, budget is requested for an external consultant to conduct a review of current health and wellness services, provide a gap analysis, and support the implementation of recommended initiatives. By increasing supports and initiatives for mental health and wellness, this consulting initiative will align with WorkSafeBC's mandate of ensuring the health and safety of all workers. In turn, claims and risk will decrease while mental health and wellness awareness will increase. This would be conducted in four phases over two years (2023-2024).

Expected Completion: Dec 2024

Strategic Direction: People - Staff engagement has increased

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	35,000	(35,000)	0	0	0	0	0	0
2024	39,000	(39,000)	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0



**CORPORATE &
PROTECTIVE SERVICES**
COMMUNITY SAFETY



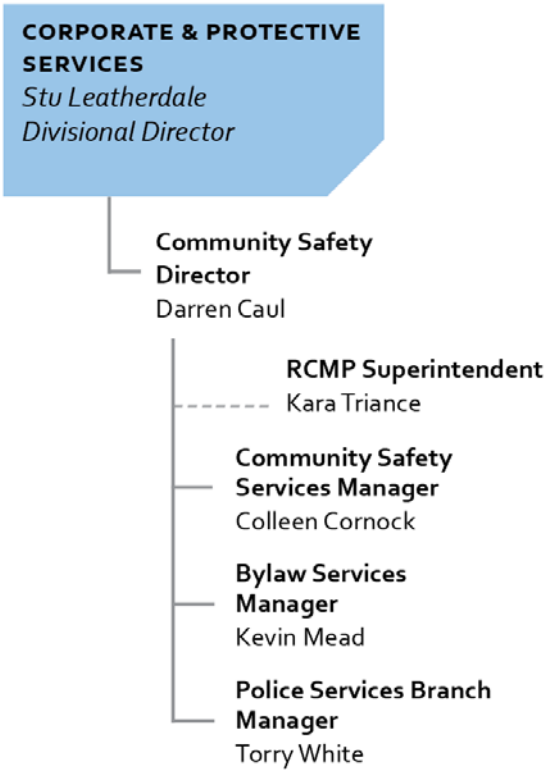
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CORPORATE & PROTECTIVE SERVICES

COMMUNITY SAFETY

The Community Safety Department provides strategic and operational leadership to preserve and enhance safety – and sense of safety – in our community. Composed of Police Services, Bylaw Services and Community Safety, the Department strives to efficiently and effectively deliver preventative programs and reactive responses and to enable frontline police personnel through professional support. As a convener of community / governmental partners and stakeholders who are integral to community safety, the Department also aims to drive collaborative and multi-disciplinary strategies to reduce criminality, crime and victimization. Together, the team serves proudly as it delivers a balanced approach of education, prevention, intervention and enforcement for all who live, work and play in Kelowna.



Community Safety Services leads efforts to enhance communitiy well-being and safety for all through leadership, education, engagement, coordination and collaboration. With an increasing focus on research, innovation and evidence-based approaches, the Branch works to reduce the impacts of social issues in our community while leading multi-disciplinary preventative initiatives (i.e., Community Safety Plan) to reduce criminality and victimization.

Bylaw Services affects education and compliance to foster a predictable and respectful community for all citizens. Bylaw Services includes a General Duty Section to investigate complaints, a Community Response Unit providing visibility and response with partnering agencies for priority areas and issues, and during summer months, a supplementary Bicycle / Utility Task Vehicle (UTV) Patrol Section. Through a principle-based model of compassionate enforcement, and fair but firm compliance-driven practices, Bylaw Services staff work to enhance the safety of visitors and residents, alike.

Police Services, comprised of more than 95 permanent municipal staff, provides 24/7 operational support services to the Royal Canadian Mounted Police (RCMP) to ensure public safety in our community. Services include information management, frontline supports, facility operations, quality assurance and all other administrative facets necessary for effective, efficient, and responsive policing in Kelowna.

Departmental Activities

Community Safety

- Implement a Community Safety Plan of upstream strategies and actionable initiatives through continued coordination of key systems as well as engagement and collaboration with community stakeholders
- Enhance coordination and collaboration among security, compliance and enforcement agencies as part of a “safety and security continuum”

- Implement recommended changes arising from the 2021 Bylaw Services Operational Review
- Continue to implement recommended changes arising from the 2019 Review of Police Services with a focus on resourcing, efficiency, effectiveness, performance measurement and monitoring
- Complete the implementation of recommended changes arising from the 2020 Crime Prevention Review with a focus on evidence-based initiatives that address identified priority issues in our community
- Develop and implement initiatives to address issues uncovered in the 2021 Public Safety and Crime Survey
- Advance longer-term evidence-based initiatives to appropriately address upstream demands on police
- Based on data, enhance enforcement visibility, proactivity and responsiveness in priority areas (i.e., business districts)

Social & Inclusive

- Continue to support a multi-agency effort to enable successful inclusion of housing with supports

Financial Management

- Develop and implement a quarterly RCMP contract performance dashboard
- Optimize efficiency and effectiveness of support services for Police Services

Clear Direction

- Further develop performance metrics for the Community Safety Department and its branches to drive actions and deliver impactful and meaningful results

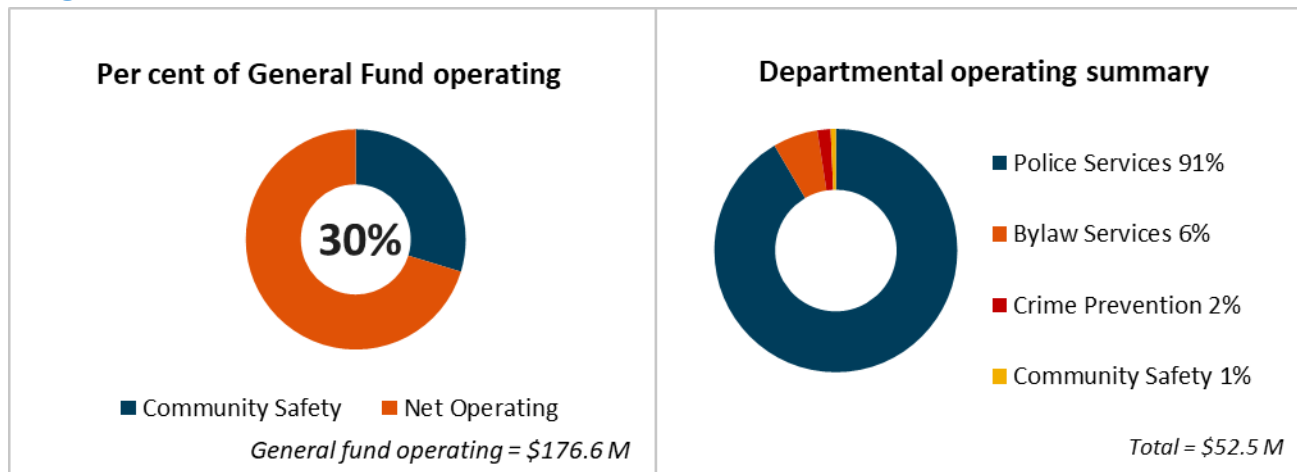
People

- Increase individual and departmental capacity through targeted engagement strategies and enhanced training / professional and leadership development

Departmental Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Community Safety / Crime Prevention			
Overall sense of safety (citizen survey)	N/A	81%	N/A
Bylaw Services			
# of Bylaw Service Requests generated annually	15,564	16,030	16,512
Average number of days to close a Bylaws Service Request	7.5	4.1	3.5
# of files actioned by the Property Standards Compliance Team	12	15	21
Citizen satisfaction on delivery of Bylaw Services (Citizen Survey)	N/A	77%	N/A
Police Services			
Citizen satisfaction on delivery of Police Services (citizen survey)	N/A	74%	N/A
Crime Severity Index (overall ranking of 35 Census Metropolitan Areas)	2 nd	2 nd	4 th
Response time to priority one calls	8.2 mins	8.2 mins	8.0 mins

Budget Overview



Departmental summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Community Safety					
115 Community Safety	341	686	361		
	341	686	361	(325)	(47.4%)
Bylaw Services					
150 Bylaw Services	2,812	2,924	3,140		
	2,812	2,924	3,140	217	7.4%
Crime Prevention					
251 Community Safety Services	847	900	927		
	847	900	927	26	2.9%
Police Services					
111 Police Services	31,487	38,004	38,800		
112 Police Client Services	2,762	3,200	2,074		
113 Police Quality Assurance	1,286	1,529	1,530		
114 Police Facility Operations	707	1,022	1,033		
272 Police Information Management	1,463	1,857	1,949		
288 Police Services Watch Support	1,229	1,433	2,595		
291 Police Investigative Services	0	0	48		
292 Police Services Operations	0	0	43		
	38,935	47,046	48,072	1,026	2.2%
Net operating expenditure	42,935	51,556	52,499	943	1.8%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total departmental net expenditures	42,935	51,556	52,499	943	1.8%
Operating full-time equivalent positions:					
Management	22.3	26.5	27.5		
Union hourly	30.5	28.3	27.9		
Union salary	62.3	76.5	80.0		
Total operating full-time equivalent positions	115.1	131.3	135.4	4.1	3.1%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		51,556	131.3
2023 net impacts			
One-time operating requests	(252)		(1.6)
Prior years ongoing adjustments	1,205		2.7
Divisional adjustments	(725)	228	0.0
		51,784	132.4
2023 Program additions (P1)			
2023 operating requests:	715	715	3.0
Total		52,499	135.4
Unfunded 2023 requests (P2)			
2023 operating request		718	3.4
Total unfunded requests for 2023		718	3.4

Note: Totals may not add due to rounding.

Corporate & Protective Services
Community Safety - General Fund
Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(718)	(886)	(934)
Other Revenue	(4,062)	(6,682)	(5,801)
Transfers from Funds			
Special (Stat Reserve) Funds	(19)	0	(300)
Development Cost Charges	0	0	0
Accumulated Surplus	(2,599)	(9,225)	0
Total Revenue	(7,397)	(16,793)	(7,036)
<u>Expenditures</u>			
Salaries and Wages	10,387	11,207	11,349
Internal Equipment	179	171	148
Material and Other	1,407	3,502	1,265
Contract Services	37,860	53,469	46,773
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	340	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	159	0	0
Total Expenditures	50,332	68,349	59,535
Net Operating Expenditures	42,935	51,556	52,499
<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.	42,935	51,556	52,499

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate & Protective Services Division									
<i>Community Safety</i>									
Growth									
235	Community Safety Advisor Position	46,000	0	0	0	0	0	(46,000)	OG
235	Police Services - Administrative Assistant Position	46,500	0	0	0	0	0	(46,500)	OG
236	Bylaw Services - Part-time Positions and Overtime	65,900	0	0	0	0	0	(65,900)	OG
236	Outdoor Overnight Sheltering	300,000	(300,000)	0	0	0	0	0	OG
237	Community Safety Plan Implementation Initiatives	75,000	0	0	0	0	0	(75,000)	OG
	Total Growth	533,400	(300,000)	0	0	0	0	(233,400)	
New									
237	Police Services - Digital Extraction Technician Position	0	0	0	0	0	0	0	OG
283	* <i>Public Safety Levy</i>	481,680	0	0	0	0	0	(481,680)	OG
	Total New	481,680	0	0	0	0	0	(481,680)	
Department Priority 1 Total									
		1,015,080	(300,000)	0	0	0	0	(715,080)	
Total Priority 1 Operating									
		1,015,080	(300,000)	0	0	0	0	(715,080)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Community Safety		ON-GOING
Title:	Community Safety Advisor Position		PRELIMINARY

Justification:

A Community Safety Advisor position is requested to ensure the Branch remains highly responsive and sustains current service delivery as it relates to addressing safety and sense of safety concerns raised by citizens/businesses and community partners. The position seeks to fulfill the City's obligation to provide leadership and secretariat support for the 5-year, multi-sectoral Community Safety Plan (CSP). Specifically, the position will lead efforts to establish inclusive, collaborative Action Teams, ensuring community-based participation and subject matter expertise is focused on areas where implementation occurs. Supported by the Community Safety Services Manager, the proposed position will play a key role in monitoring and evaluating CSP Actions and in the preparation of formal progress report/s annually for public presentation.

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	46,000	0	0	0	0	0	0	(46,000)
2024	90,700	0	0	0	0	0	0	(90,700)
2025	90,700	0	0	0	0	0	0	(90,700)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Community Safety		ON-GOING
Title:	Police Services - Administrative Assistant Position		PRELIMINARY

Justification:

Within the Kelowna RCMP Detachment, the Operations Officer (OO) and the Investigative Service Officer (ISO) are tasked with overseeing over 200 Frontline and investigative services members with a focus on strategic change, continuous improvement, and the development of new initiatives to further align Council's community safety priorities with the RCMP's 2021-24 Strategic Plan. Kelowna RCMP responded to approximately 64,000 service calls in 2021, all attended by frontline members. Budget is requested for one additional Police Services Administrative Assistant to facilitate and manage the daily administration duties of the OO and ISO to help to improve efficiency and operation allowing for focus on strategic goals. The need for administrative support to the OO and ISO arose from the implementation of the 2019 Griffiths' Report.

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	46,500	0	0	0	0	0	0	(46,500)
2024	82,500	0	0	0	0	0	0	(82,500)
2025	82,500	0	0	0	0	0	0	(82,500)

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Community Safety		ON-GOING
Title:	Bylaw Services - Part-time Positions and Overtime		PRELIMINARY

Justification:

Requested funding will enable increased uniformed Bylaw presence (two additional Officers) throughout all City parks and public spaces, in coordination with RCMP, during 12 peak summer weekends. Further, approval of funding will enable Bylaw Services to meet essential and increased Officer training needs (ie: officer safety and wellness, legal, and other relating to social issues) throughout the year; something that is operationally challenging given the 7-day per week, frontline / operational nature of their work for which overtime is often required to overcome.

2023 Base Budget: \$225k

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	65,900	0	0	0	0	0	0	(65,900)
2024	65,900	0	0	0	0	0	0	(65,900)
2025	65,900	0	0	0	0	0	0	(65,900)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Community Safety		ON-GOING
Title:	Outdoor Overnight Sheltering		PRELIMINARY

Justification:

In 2021, Council approved funding for overnight sheltering as a two year program. Ongoing funding, from reserve for 2023, is requested to mediate the impacts of outdoor sheltering. Due to the City's ongoing legal obligation to not prohibit overnight sheltering in public spaces for people unhoused, maintaining cleaning/sanitation, security, and basic services at the designated overnight sheltering site is necessary for health, safety and security. Additionally, funding will enable ongoing identification, prevention (ie: Crime Prevention Through Environmental Design (CPTED)), intervention and remediation (ie: disposal of abandoned materials) of an increasing number of dispersed, temporary, overnight sheltering locations throughout the city.

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	300,000	(300,000)	0	0	0	0	0	0
2024	300,000	0	0	0	0	0	0	(300,000)
2025	300,000	0	0	0	0	0	0	(300,000)

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Community Safety		ON-GOING
Title:	Community Safety Plan Implementation Initiatives		PRELIMINARY

Justification:

This request is for professional and consulting services and seed funding to leverage partnerships and community engagement which is necessary to support implementation of the Community Safety Plan (CSP) and its 30 Action Projects. City Council directed the development and implementation of a CSP to bring a more comprehensive, partnership-based and prevention focused approach to community safety. Kelowna's CSP was finalized and presented as a five-year action plan in spring 2022. Implementation of initial projects is now underway. Funding is requested for two years through a funding reallocation of \$75k from existing operations (Kelowna Youth and Family Services budget).

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Community Safety		ON-GOING
Title:	Police Services - Digital Extraction Technician Position		PRELIMINARY

Justification:

Kelowna RCMP continues to experience an increase in digital device examinations as part of police investigations and for evidentiary purposes in child pornography, drugs, robberies, homicides and attempted murder files. Currently, RCMP Members are working overtime and outsourcing the examination to third party contractors at a significant cost. If approved, this municipal position would augment a dedicated police officer (funded in Budget 2022) to form a two-person unit, marking a progressive step in the direction to combat criminal activity in Kelowna. The cost has been reduced by the expected decrease in third-party contractor expenses of \$51.9k in 2023 and \$70k in 2024, ongoing.

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	23,800	0	0	0	0	0	0	(23,800)
2025	23,800	0	0	0	0	0	0	(23,800)

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate & Protective Services Division									
<i>Community Safety</i>									
Growth									
	Bylaw Services - Operations Supervisor Position	58,600	0	0	0	0	0	(58,600)	OG
	Total Growth	58,600	0	0	0	0	0	(58,600)	
New									
	Designated Outdoor Sheltering Site - Personal Storage	67,500	0	0	0	0	0	(67,500)	OG
	Police Services - Casual Positions	62,900	0	0	0	0	0	(62,900)	OG
	RCMP Regular Members (6)	333,800	0	0	0	0	0	(333,800)	OG
	Police Services - Watch Coordinators (4) Positions	195,300	0	0	0	0	0	(195,300)	OG
	Total New	659,500	0	0	0	0	0	(659,500)	
	Division Priority 2 Total	718,100	0	0	0	0	0	(718,100)	
	Total Priority 2 Operating	718,100	0	0	0	0	0	(718,100)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* *italics* - denotes that this is a shared (part of another department) operating request

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 2023



CORPORATE & PROTECTIVE SERVICES FIRE DEPARTMENT



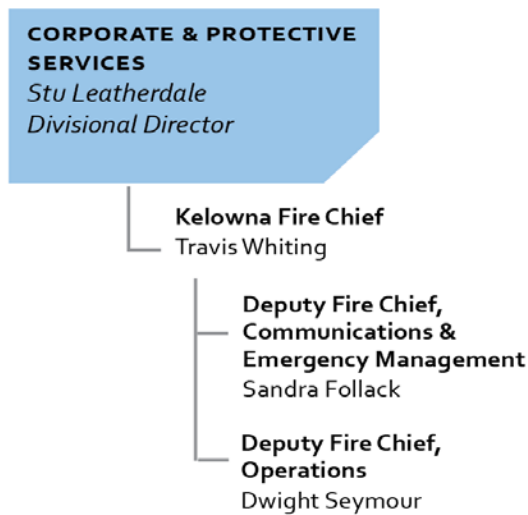
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CORPORATE & PROTECTIVE SERVICES

FIRE DEPARTMENT

The goal of the Kelowna Fire Department (KFD) is to provide effective fire protection and public safety services to all areas of the City of Kelowna. This includes fire suppression and rescue, fire prevention, fire safety inspections, fire training, first medical responses, hazardous material response, specialty rescue, pre-incident planning, dispatch and emergency management. The Kelowna Fire Department operates from seven fire stations located strategically throughout the City. Each has a full complement of modern, up-to-date vehicles and equipment. There are 140 full time personnel and 46 paid-on-call volunteers.



Communications & Emergency Program provides fire dispatch services to over 70 fire departments from Vernon, the Regional Districts of Central Okanagan, Okanagan Similkameen, Kootenay Boundary, and East Kootenay. This branch also administers the Emergency Program for Central Okanagan, activated to support any community requiring support for major incidents. In 2021, the Emergency Operating Centre (EOC) was open extensively to support incidents in Kelowna, West Kelowna and the Regional District of Central Okanagan (RDCO) communities impacted by the White Rock Lake Fire. Additionally, the Emergency Support Services (ESS) Reception Centre supported evacuees from across BC.

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 four-person engine

companies and one two-person squad 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), as well as paid-on-call members continuing to support the Glenmore Fire Hall. **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.

Departmental Activities

Community Safety

- Continue to evolve specialized training in areas such as interface wildfire
- Working towards implementation of NG911 in our Dispatch Centre

Social & Inclusive

- Continue to implement best practices in recruitment and retention relating to Diversity, Equity and Inclusion, reducing barriers for those considering a career in the fire service

Vibrant Neighbourhoods

- Integrating public safety initiatives with existing and new neighbourhoods through programs such as FireSmart

Financial Management

- Development of long term financial planning, balancing capital and operational requirements
- Review of Fire Dispatch financials and development of a long term business plan

Clear Direction

- Complete a review of available data to develop robust metrics in all areas of the organization
- Development of a Fire Master Plan

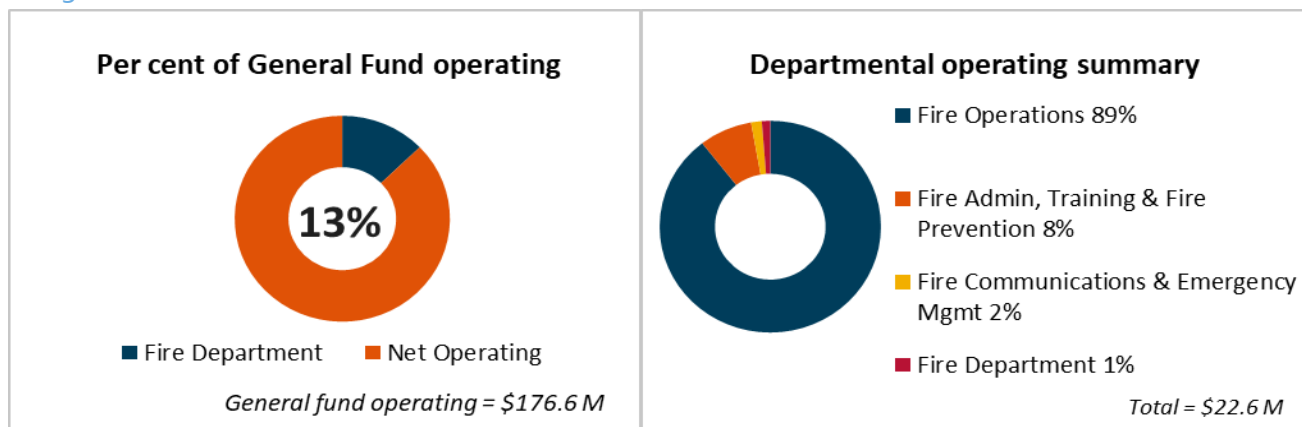
People

- Continued work on development of healthy workplace initiatives focusing on the physical and mental well being of all staff
- Focus on staff that support the Emergency Program and Regional Emergency Operations Centre to ensure a robust program remains to provide the highest level of support to our community and the communities around us.

Departmental Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
# of incidents handled by Fire Dispatch – all customers	39,374	42,524	46,000
# of incidents responded to by KFD	10,790	13,668	15,308
# of inspections completed	5,113	4,500	5,200

Budget Overview



Departmental summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Fire Department					
133 Fire Department	309	273	275		
134 Fire Operations	18,537	19,536	20,205		
135 Fire Communications & Emergency Mgmt	254	357	355		
136 EOC Operations & Hydrants	99	0	0		

<i>Continued</i>					
137 Fire Admin, Training & Fire Prevention	1,675	1,755	1,754		
Net operating expenditure	20,874	21,920	22,588	668	3.0%
Divisional capital cost centres (\$ thousands):					
311 Fire Capital	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total departmental net expenditures	20,874	21,920	22,588	668	3.0%
Operating full-time equivalent positions:					
Management	4.7	5.2	6.0		
Union hourly	1.9	1.8	1.8		
Union salary	144.1	140.0	142.0		
Total operating full-time equivalent positions	150.7	147.0	149.8	2.8	1.9%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	21,920	147.0
2023 net impacts		
One-time operating requests	0	0.0
Prior years ongoing adjustments	150	0.8
Divisional adjustments	74	0.0
	<u>22,144</u>	<u>147.8</u>
2023 Program additions (P1)		
2023 operating requests:	444	2.0
Total	22,588	149.8
Unfunded 2023 requests (P2)		
2023 operating request	0	0.0
Total unfunded requests for 2023	<u>0</u>	<u>0.0</u>

Note: Totals may not add due to rounding.

Corporate & Protective Services
Fire Department - General Fund
Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(3,360)	(2,666)	(2,761)
Other Revenue	(302)	(415)	(437)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(160)	(182)	(150)
Total Revenue	(3,822)	(3,263)	(3,347)
<u>Expenditures</u>			
Salaries and Wages	21,481	21,957	22,259
Internal Equipment	160	177	177
Material and Other	1,335	1,417	1,549
Contract Services	165	248	201
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	17	16	16
Transfers to Funds			
Special (Stat Reserve) Funds	992	900	1,255
Development Cost Charges	0	0	0
Accumulated Surplus	546	469	480
Total Expenditures	24,696	25,183	25,936
Net Operating Expenditures	20,874	21,920	22,588
<u>Capital Expenditures</u>			
Gross Expenditures	1,089	3,986	312
Other Funding Sources	(1,089)	(3,986)	(312)
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	20,874	21,920	22,588

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate & Protective Services Division									
<i>Fire Department</i>									
Growth									
246	Kelowna Fire Department Master Plan	150,000	(150,000)	0	0	0	0	0	OT
	Total Growth	150,000	(150,000)	0	0	0	0	0	
New									
283	* <i>Public Safety Levy</i>	239,000	205,000	0	0	0	0	(444,000)	OG
	Total New	239,000	205,000	0	0	0	0	(444,000)	
Department Priority 1 Total									
		389,000	55,000	0	0	0	0	(444,000)	
Total Priority 1 Operating									
		389,000	55,000	0	0	0	0	(444,000)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Fire Department		ONE-TIME
Title:	Kelowna Fire Department Master Plan		PRELIMINARY

Justification:

Budget is requested to develop a comprehensive Master Plan for the Kelowna Fire Department (KFD), which will support the KFD Strategic Plan and build towards a comprehensive set of metrics to manage growth. A KFD Master Plan reviews all aspect of the fire department, providing comparisons to comparable communities and relevant standards. Using comprehensive data and analysis, it provides a benchmark for the department to build for the future. The Master Plan will provide information used to evaluate the long-term staffing plan on a continuous basis.

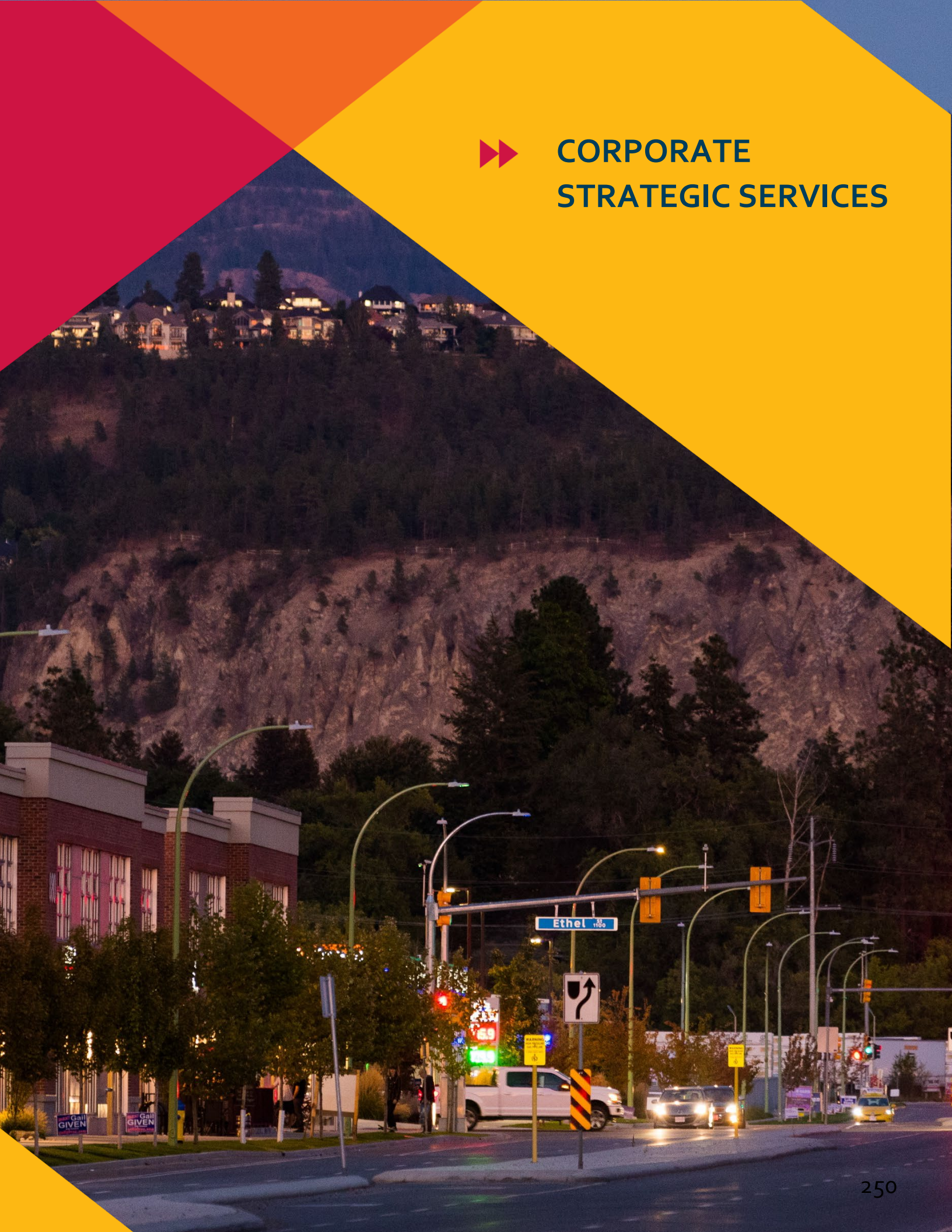
Expected Completion: Nov 2023

Strategic Direction: Vibrant neighbourhoods - Key sites are proactively planned

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	150,000	(150,000)	0	0	0	0	0	0



CORPORATE STRATEGIC SERVICES



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CORPORATE STRATEGIC SERVICES

CORPORATE STRATEGIC SERVICES
Carla Weaden
Divisional Director



The Corporate Strategic Services Division provides citizens and staff with convenient, accurate and timely access to City services and information.

Information Services (I.S.) provides direction, support and maintenance of the City’s information systems and technology infrastructure. Today, technology is a key driver in the delivery of customer service, economic development and communications. This department strategically considers technology options that reduce costs, improve revenue streams, build efficiency and deliver better overall service.

Corporate Strategy & Performance (CSP) helps staff envision, plan, deliver and measure progress towards results that are important to our community. CSP provides internal advisory services and facilitates the process to set corporate level strategy (Council and Corporate priorities), monitor strategies and key projects (Strategy Blocks, Action Plan) and track and improve performance (annual progress report on Council and Corporate priorities, reporting on performance of base business and services).

Communications provides strategic communications planning to inform, consult, involve, collaborate and empower internal and external stakeholders. Using an audience-centered model, Communications aims to support major City projects and provide accurate and timely information to citizens and staff through research, branding standards, media relations, crisis communications, development and maintenance of print and electronic communications channels, corporate advertising and public engagement programs.

Media Relations supports the City of Kelowna’s goal to be open with the media and to be respected and valued by our citizens. The Media Relations department works directly with the media and also provides support for those who are designated spokespeople for the City.

Divisional Activities

Community Safety

- Continue to bring data together to provide information on community safety
- Provide the community with regular information, in a variety of media formats, to demonstrate the measures taken by the City to address citizens' concerns

Social & Inclusive

- Ongoing strategic guidance and participation in groups like the Community Inclusion Team and the Social Development Committee
- Provide the community with regular information, in a variety of media formats, to demonstrate the measures taken by the City to address citizens' concerns regarding social wellness and inclusivity

Transportation & Mobility

- Use emerging technologies, such as Light Detection and Ranging (LiDAR) and Big Data, to better understand transportation and mobility
- Support the transition of the Transportation Master Plan to a digital-first format to create a better user experience for citizens

Vibrant Neighbourhoods

- Progress and add additional data to Model City, to better understand how changes to the City will look in the future
- Support on-going Official Community Plan (OCP) engagement and the transition of the OCP to be a digital-first document to create a better experience for citizens

Economic Resiliency

- Collaboratively build a framework for the implementation of 5G

Environmental Protection

- Shift services to Cloud Providers which will help reach environmental goals by reducing the need for building resources
- Enable a more mobile workforce, reducing our carbon emissions

Financial Management

- Begin moving to a consumption-based model for technology infrastructure, by transitioning services to cloud-based technologies allowing accrual of costs based on exact usage (utility model)
- Monitor and review time tracking data to ensure efficiencies and strategic alignment on project and operational tasks
- Implement a Cyber Security Strategy to provide a clear roadmap to protecting the City's digital assets
- Develop a strategy for Digital Business Transformation to fully understand the effort and resources required to shift to a digital first delivery model
- Implement Data Governance to empower staff to use data for decision making while ensuring the quality of the data
- Further enhance AI powered chatbots on both the City and Airport's websites to provide more information to our citizens 24/7 in the face of increased citizen need for information around operations
- Provide the community with regular information, in a variety of media formats, to make the annual budget process transparent and accessible – this includes relatable storytelling on the budget, annual report and property taxes
- Explore opportunities to increase the practice of multi-year operational budgeting and forecasting across the organization, in collaboration with the Finance Department

Clear Direction

- Implement a more consistent approach to the use and reporting of base business and service performance measures across the organization

- Implement strategy management software to provide more visibility into the organization's plans, work in progress and performance measures
- Develop and communicate Council & Corporate priorities for the 2023 – 2026 Council term to inform prioritization of resources and budget

People

- Progress with updating legacy applications and shifting services to the cloud to support a seamless experience for staff, regardless of location, engage staff and train with technology to ensure growth in digital literacy
- Provide training and development opportunities for staff
 - Topics for 2023 will include diversity and inclusion, leadership, position-related technology skills
- Continued support for the implementation of a hybrid workforce within the Division and sustaining high levels of engagement across the Division
- Internal communications to support various corporate initiatives

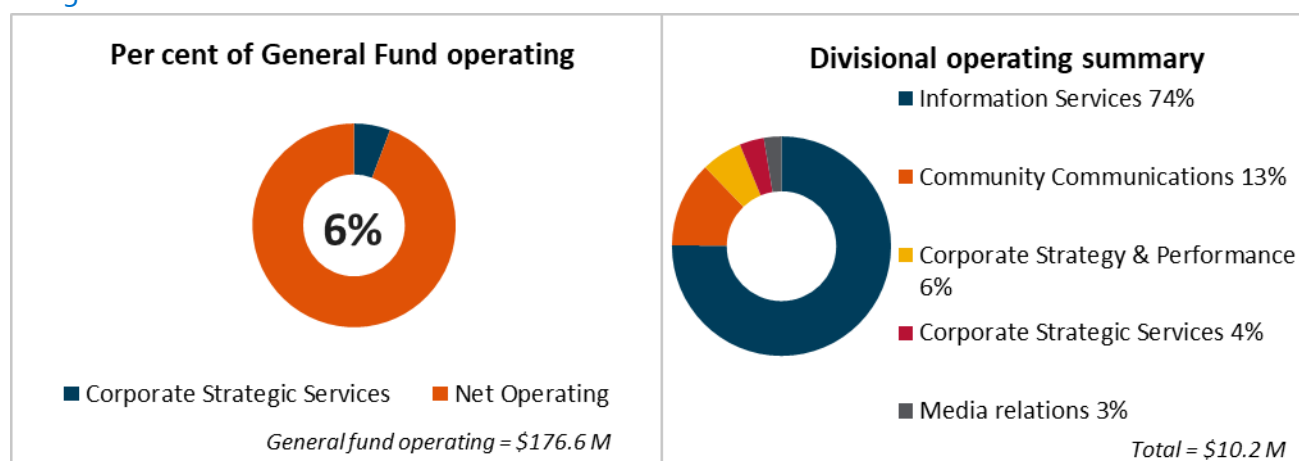
Base Business

- Develop resources and explore the use of technology to enhance the end-to-end customer experience for residents, businesses and visitors
- Improve online notification service based on user feedback and involvement
- Redevelopment of the City's service request system to improve the customer experience through agile methodology and customer centricity
- Update tools for internal and external communication including moving Kelowna.ca to cloud-hosting environments, replacing the intranet and the email marketing systems
- Improve the user experiences and interactions with the City in online environments
- Emergency Operating Centre (EOC) Activation support
- Create engagement and communications plans for infrastructure investments, major projects and programs undertaken by the City
- Create and curate content for all City-owned communications channels including the City's website, social media and podcast

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Information Services Net Promoter Score (NPS). NPS helps us measure the quality and experience of the services IS offers.	8.9/10	9/10	9.5/10
Growth in City-owned channels; both in terms of use and engagement			
Website users:	1.8M	1.9M	2M
Website pageviews:	5.5M	5.6M	5.7M
Getinvolved registered users:	3,600	4,500	6,000
Social Media users:	88K	97K	105K
Social media engagement	485K	533K	580K
Social inbound messages:	10K	10K	10K
Email subscribers:	60K	66K	72K
% survey respondents that indicate CSP services are increasing the respondent's ability to make well-reasoned decisions	84%	85%	90%
Airport and City Chatbot interactions stats. Heavy focus on COVID and services.	1,700 (interactions)	3,500 (interactions)	4,500 (interactions)

Budget Overview



Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Divisional operating cost centres (\$ thousands):					
Corporate Strategic Services					
101 Corporate Strategic Services	332	367	367		
	332	367	367	0	0.0%
Information Services					
121 Information Services	6,083	6,946	7,647		
	6,083	6,946	7,647	701	10.1%
Community Communications					
248 Communications	460	557	592		
260 Community Communications	601	693	693		
	1,062	1,250	1,285	35	2.8%
Media Relations					
229 Media Relations	255	262	264		
	255	262	264	2	0.8%
Corporate Strategy & Performance					
154 Corporate Strategy & Performance	506	576	615		
	506	576	615	39	6.7%
Net operating expenditure	8,238	9,401	10,178	777	8.3%
Divisional capital cost centres (\$ thousands):					
308 Information Services Capital	555	503	785		
Net capital expenditures	555	503	785	282	56.0%

<i>Continued</i>					
Total divisional net expenditures	8,793	9,905	10,963	1,059	10.7%
Operating full-time equivalent positions:					
Management	16.9	18.5	19.0		
Union hourly	1.3	0.1	0.8		
Union salary	34.1	32.8	33.8		
Total operating full-time equivalent positions	52.3	51.4	53.6	2.2	4.3%

Detailed operating program changes (\$ thousands)

		Total	FTE
2022 revised budget		9,401	51.4
2023 net impacts			
One-time operating requests	0		0.0
Prior years ongoing adjustments	270		1.0
Divisional adjustments	175	445	0.0
		9,846	52.4
2023 Program additions (P1)			
2023 operating requests:	332	332	1.2
Total		10,178	53.6

Unfunded 2023 requests (P2)

2023 operating request	238	1.5
Total unfunded requests for 2023	238	1.5

Note: Totals may not add due to rounding.

Corporate Strategic Services - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(148)	(134)	(110)
Other Revenue	(333)	(348)	(113)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	(222)	(171)
Total Revenue	<u>(481)</u>	<u>(705)</u>	<u>(394)</u>
<u>Expenditures</u>			
Salaries and Wages	5,925	6,254	6,457
Internal Equipment	11	7	7
Material and Other	2,542	3,669	3,921
Contract Services	0	0	36
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	240	177	153
Total Expenditures	<u>8,719</u>	<u>10,106</u>	<u>10,573</u>
Net Operating Expenditures	8,238	9,401	10,178
<u>Capital Expenditures</u>			
Gross Expenditures	2,360	3,420	2,595
Other Funding Sources	(1,806)	(2,916)	(1,810)
Taxation Capital	<u>555</u>	<u>503</u>	<u>785</u>
Net Operating & Tax Capital Exp.	<u>8,793</u>	<u>9,905</u>	<u>10,963</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate Strategic Services Division									
Growth									
256	Cybersecurity Microsoft Licensing	150,000	0	0	0	0	0	(150,000)	OG
256	Financial System Unit4 Cloud 2.0	0	0	0	0	0	0	0	OG
	Total Growth	150,000	0	0	0	0	0	(150,000)	
New									
323	CAP Network as a Service	36,000	0	0	0	0	0	(36,000)	OG
257	After Hours Support Services	54,000	0	0	0	0	0	(54,000)	OG
257	Business Systems Analyst - Digital Transformation Specialist Position	60,300	0	0	0	0	0	(60,300)	OG
258	Record Drawing – Citizen/Customer Facing Intake Process	50,000	(50,000)	0	0	0	0	0	OT
258	Unit4 Implement Timesheets and Absences Modules	121,000	(121,000)	0	0	0	0	0	OT
259	Two Communications Summer Student Positions	31,600	0	0	0	0	0	(31,600)	OG
	Total New	352,900	(171,000)	0	0	0	0	(181,900)	
	Division Priority 1 Total	502,900	(171,000)	0	0	0	0	(331,900)	
	Total Priority 1 Operating	502,900	(171,000)	0	0	0	0	(331,900)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	Growth
Department:	Information Services		ON-GOING
Title:	Cybersecurity Microsoft Licensing		PRELIMINARY

Justification:

Cyber Security is the most significant digital threat the City faces. As the City continues to increase its mobile offerings to citizens and employees, it is imperative that the proper technology is in place to protect all digital assets including devices and information used outside the physical office environment. Microsoft requires a specific license for security features that protect digital transformation.

2023 Base Budget: \$450k

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	150,000	0	0	0	0	0	0	(150,000)
2024	260,000	0	0	0	0	0	0	(260,000)
2025	370,000	0	0	0	0	0	0	(370,000)

Division:	Corporate Strategic Services	Priority: 1	Growth
Department:	Information Services		ON-GOING
Title:	Financial System Unit₄ Cloud 2.0		PRELIMINARY

Justification:

This funding request is to increase the licensing costs to move the solution to the vendor's Cloud offering. Moving to the Cloud allows the City to improve scalability, reducing the need for technical expertise to maintain the system by eliminating the need to perform upgrades and back-ups and securing the data using best-in-class security services provided by Microsoft. Cost avoidance will be realized through a reduction in staff involvement and capital hardware investment. Work in 2023 will include preparation and change management for the Financial Services Division who are the largest users.

2023 Base Budget: \$187k

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	120,000	0	0	0	0	0	0	(120,000)
2025	120,000	0	0	0	0	0	0	(120,000)

2023 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	After Hours Support Services		PRELIMINARY

Justification:

Technology is common in all services provided to citizens, providing access to critical systems and information 24/7. With the increased use of technology outside core business hours, the City requires a structured approach to after-hour services. This funding request is to provide an after-hours service for technical support from a 24x7 service provider and City staff time due to escalations.

Strategic Direction:	Clear direction - Services, processes & business activities are transformed							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	54,000	0	0	0	0	0	0	(54,000)
2024	54,000	0	0	0	0	0	0	(54,000)
2025	54,000	0	0	0	0	0	0	(54,000)

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	Business Systems Analyst - Digital Transformation Specialist Position		PRELIMINARY

Justification:

With the onset of new automation tools and unprecedented staff resourcing demands, enhancements in technology are providing a timely opportunity to digitize manual tasks and improve inefficient processes. Budget is requested for a Business Systems Analyst - Digital Transformation Specialist position that will provide the capacity to work with each business area across the City to look for digital transformation opportunities and implement the tools needed to automate tasks, integrate processes with existing enterprise solutions and eliminate manual processes.

Strategic Direction:	Clear direction - Services, processes & business activities are transformed							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	60,300	0	0	0	0	0	0	(60,300)
2024	120,400	0	0	0	0	0	0	(120,400)
2025	120,400	0	0	0	0	0	0	(120,400)

2023 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ONE-TIME
Title:	Record Drawing – Citizen/Customer Facing Intake Process		PRELIMINARY

Justification:

The Record Drawing Intake Automation Project will see the City adopt and promote infrastructure design standards for digital engineering drawing submissions, including file format, layer assignments, projection, symbolization, and attribution. Once the standard is in place, existing tools will be used to automate the entire intake process. This will significantly increase the speed and ease at which data is imported, making them available for asset and work management. In addition, validation and governance will ensure the City receives consistent, high quality and complete data for informed decision-making. Further, this automation will make it possible to eliminate the current record drawing backlog and support the development community with better data.

Expected Completion: Dec 2023

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	50,000	(50,000)	0	0	0	0	0	0

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ONE-TIME
Title:	Unit4 Implement Timesheets and Absences Modules		PRELIMINARY

Justification:

The current Unit4 ERP system the City uses includes a timesheet and absence module that has not been activated. Configuring these modules will allow the City to retire the legacy system that currently handles employee timesheets for 2/3 of staff, thereby reducing the weekly time entry and the maintenance that both Payroll and Information Services presently have to perform to integrate these systems. In addition, the Absences module further automates Disability Management processes by tracking and reporting the City's short-term and long-term disability programs and Worksafe claims, which are currently completed manually. Implementation will also provide automation of key metrics reporting to Senior Leadership Team, Managers and Human Resources. This request is to design, configure, test and train City staff.

Expected Completion: Sep 2024

Strategic Direction: Clear direction - Services, processes & business activities are transformed

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	121,000	(121,000)	0	0	0	0	0	0

2023 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Communications Department		ON-GOING
Title:	Two Communications Summer Student Positions		PRELIMINARY

Justification:

For professional communicators, the City is a place to grow a career, work on interesting projects and have an impact in the community. The challenge is that the City is not necessarily seen or considered by candidates. With a goal of long-term resource planning, a summer communications student program supports the talent pipeline by positioning the City as a place to do interesting and meaningful work amongst talent entering their field. Due to several prolonged vacancies in 2022, two university students were hired for the summer which not only increased capacity of the Communications team, but created mentorship opportunities for two senior team members supporting their own professional development plans and retention. Budget is requested for two summer student positions.

Strategic Direction:	People - Ability to attract, select & retain talent							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	31,600	0	0	0	0	0	0	(31,600)
2024	31,600	0	0	0	0	0	0	(31,600)
2025	31,600	0	0	0	0	0	0	(31,600)

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Corporate Strategic Services Division									
Growth									
	Communications Consultant Position	50,200	0	0	0	0	0	(50,200)	OG
	Total Growth	50,200	0	0	0	0	0	(50,200)	
New									
	Innovation Consultant Position	49,300	0	0	0	0	0	(49,300)	OG
	Cloud Consumption	80,000	0	0	0	0	0	(80,000)	OG
	Information Services Project Coordinator Position	58,600	0	0	0	0	0	(58,600)	OG
	Total New	187,900	0	0	0	0	0	(187,900)	
	Division Priority 2 Total	238,100	0	0	0	0	0	(238,100)	
	Total Priority 2 Operating	238,100	0	0	0	0	0	(238,100)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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FINANCIAL SERVICES



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FINANCIAL SERVICES

The Financial Services Division provides 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 budgets, Five-Year Financial Plans, 10-Year Capital Plans, 20-Year Servicing Plans, Year-end Financial and Annual 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. The Financial Services Division also levies and collects property taxes and utility fees, processes accounts payable and accounts receivable, provides purchasing support, develops and maintains financial systems, invests and safeguards the City's financial and tangible capital assets, manages and administers the Development Cost Charge (DCC) program and provides customer services such as transit passes, parking ticket and bylaw fee payments.



Asset Management and Capital Planning (AMCP) coordinate the annual and 10-year capital plans for all service areas as well as the City's asset management plans for infrastructure renewal and the 20-Year Servicing Plan for infrastructure required to support growth. AMCP administers the DCC program and manages the City's Asset Management Program through the development of policy, strategy, planning and system implementation for an asset portfolio of \$3.9B.

Financial Services Director oversees the Controller, Corporate Finance and Financial Planning; and is responsible for the Value for Money Review program. **Controller** is responsible for the operations side of Financial Services, including all forms of revenue collection with the most significant amount of work around the collection of taxation revenue. The department is also responsible for administering the permissive tax exemption program, transit, financial systems, internal reporting, general ledger, accounts payable, accounts receivable, payroll and financial services projects. **Corporate Finance** is responsible for the management and oversight of a team of Business Partners, preparation and administration of internal corporate financial compliance, external financial reporting, and administers and manages the City's corporate banking controls and Treasury services ensuring the safekeeping of the City's financial assets. External financial reporting includes the Consolidated Financial Statements, Statement of Financial Information, Local Government Data Entry and the Annual Report. **Financial Planning** is responsible for managing the City's budget including annual budget preparation, monitoring, and approval for all budget amendments and budget transfers. The department manages the City's reserves through application of Council Policy and reserve balance projections to ensure alignment with the 10-year capital plan, and manages and administers the City's debt, closely monitoring it to ensure that the debt limit threshold is kept within Council Policy. The department safeguards the City's significant investment portfolio while working to maximize returns and minimize risk. Long term financial models and financial planning for the City's Wastewater, Water and Landfill models are stewarded by this department to ensure adequate funding for ongoing City business requirements and appropriate utility rate setting. The tangible capital

asset accounting, internal overhead allocations, and financial analysis/ decision support are also provided by this department.

Purchasing Services provides transparent, fair and effective procurement services and strategies across the organization. The department is responsible for the acquisition of goods, services, and construction 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, as well as the disposal of surplus materials and obsolete items.

Divisional Activities

Social & Inclusive

- Continue to work with corporate stakeholders to increase the use of suitable suppliers that provide a community benefit (social enterprise, not for profits, aboriginal)

Environmental Protection

- Continue to work with internal subject matter experts and to act as a catalyst to reduce the City's negative impact on the environment including working with suppliers who endeavour to achieve the same ends

Financial Management

- Continue to refine the quarterly internal financial reporting tool that was rolled to the Corporation (SMOR – Strategic Management Owned Report)
- Automation of accounts payable, Pcard function and invoice approvals to increase efficiency and timeliness of the process
- Complete the annual payroll system upgrade
- Continue streamlining the payroll system for improved processing
- Investigate and improve the accounts receivable and collections process to ensure the City meets current best practices
- Implement paperless process for Unit4 financial suites
- Provide finance support to the Kelowna Community Theatre for their front office system implementation
- Bi-monthly Procurement Forecasts, due to volatile supply markets, are being produced and circulated to SLT and business leaders to inform on best procurement approaches and conditions of the market

Clear Direction

- Implement the refreshed Division Strategic Plan with new goals that tie in with Council and Corporate priorities
- Complete workplans included in the 2021-2023 Division Plan assigned for the 2022 time frame
- Continue to refine and report on meaningful branch key performance indicators (KPI) for Financial Services that demonstrate effective achievement of key organization objectives
- Implement new internal allocations policy and guideline, providing clear direction and consistency in allocation of Corporate Shared Service costs
- Continue development of a Reserves Policy that provides clear direction on creation and usage of reserves to provide adequate infrastructure and services
- Coordinate annual update to the capital plan, with new touch points incorporated for Council
- Comprehensive update to Asset Management Plans for infrastructure assets valued at close to \$4B

People

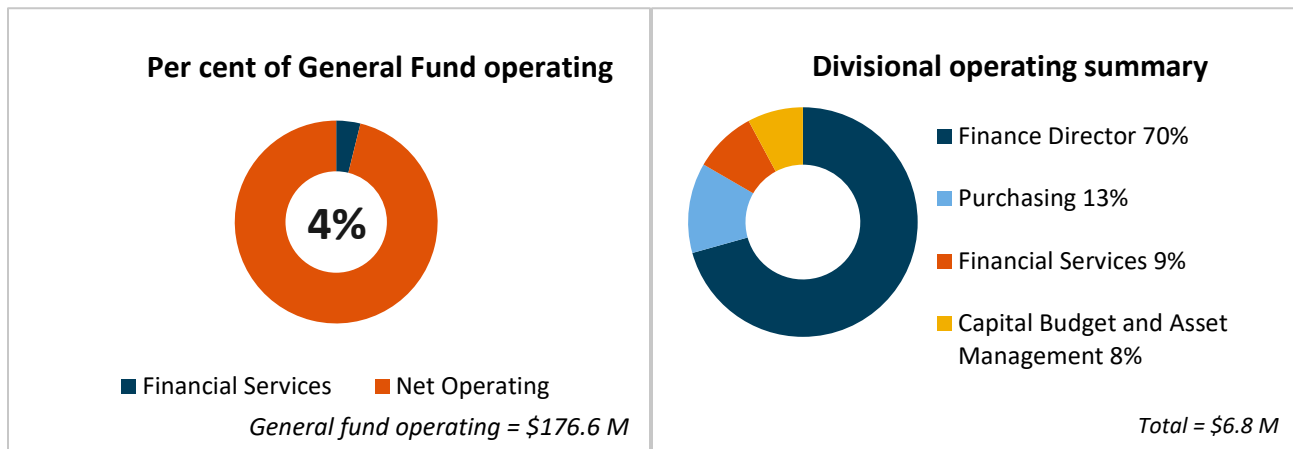
- Continued support of the Employee Engagement teams: Worklife Balance; Communication, Innovation; to lead and complete initiatives specific to SMART goals

Base Business

- Complete annual update to 10-Year Capital Plan
- Prepare and coordinate the annual capital plan for Preliminary Budget
- Prepare and present the annual Preliminary, Carryover and Final Budget Volumes
- Prepare and present the Five-Year Financial Plan as mandated by the Community Charter
- Continued development and renewal of corporate financial policies, procedures and guidelines: Internal allocations; Reserves; Surety; DCC's; Performance Deposits; Return on investment (ROI)-Self funded Areas
- Development and execution of internal control compliance programs and reviews: pcard; Accounts Payable; Payroll
- Prepare and present the 2021 consolidated financial statements to the Audit Committee and Council, which is also included in the Annual Report for public reporting
- Complete annual and quarterly financial reporting as required by the provincial and federal governments

Divisional Performance Measures

	2021 Actual	2022 Estimate	2023 Forecast
Consecutive years receiving:			
The Government Finance Officers Association (GFOA) Budget Award	21	22	23
The GFOA Financial Reporting Award	20	21	22
% Property Taxes paid online or received electronically	77	72	78
% Taxpayers with Electronic Property Accounts	39	45	52
% Taxpayers receiving an e-bill	25	28	32
# of payments made through Payroll	29,165	29,300	29,300
# of vouchers processed in Accounts Payable	24,597	25,000	25,000

Budget Overview

Divisional summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Financial Services					
124 Financial Services	516	598	599		
	516	598	599	1	0.1%
Capital Budget and Asset Management					
176 Capital Planning	413	200	225		
223 Capital Budget and Asset Management	209	302	308		
	622	502	533	31	6.2%
Finance Director					
125 Corporate Finance	521	581	581		
126 Financial Planning	901	1,038	1,042		
127 Accounting Operations	1,076	1,252	1,261		
128 ERP Systems	9	28	28		
130 Revenue	168	450	420		
268 Controller	186	192	192		
270 Finance Director	0	181	181		
275 Corporate Financial Support	600	970	1,098		
	3,461	4,693	4,803	111	2.4%
Purchasing					
129 Purchasing	856	857	863		
	856	857	863	6	0.7%
Net operating expenditure	5,454	6,649	6,798	149	2.2%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total divisional net expenditures	5,454	6,649	6,798	149	2.2%
Operating full-time equivalent positions:					
Management	13.1	14.9	15.9		
Union hourly	7.1	4.3	4.0		
Union salary	46.2	53.5	55.0		
Total operating full-time equivalent positions	66.4	72.7	74.9	2.2	3.0%

Detailed operating program changes (\$ thousands)

	Total	FTE
2022 revised budget	6,649	72.7
2023 net impacts		
One-time operating requests	(101)	(0.3)
Prior years ongoing adjustments	141	1.5
Divisional adjustments	(23)	0.0
	6,666	73.9
2023 Program additions (P1)		
2023 operating requests:	132	1.0
Total	6,798	74.9
Unfunded 2023 requests (P2)		
2023 operating request	42	0.5
Total unfunded requests for 2023	42	0.5

Note: Totals may not add due to rounding.

Financial Services - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(474)	(508)	(536)
Other Revenue	(1,005)	(1,080)	(1,014)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(276)	(514)	0
Total Revenue	<u>(1,755)</u>	<u>(2,103)</u>	<u>(1,550)</u>
<u>Expenditures</u>			
Salaries and Wages	6,333	7,285	7,529
Internal Equipment	24	6	6
Material and Other	701	1,362	750
Contract Services	11	44	9
Debt Interest	1	0	0
Debt Principal	0	0	0
Internal Allocations	55	55	55
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	83	0	0
Total Expenditures	<u>7,209</u>	<u>8,752</u>	<u>8,348</u>
Net Operating Expenditures	5,454	6,649	6,798
<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>5,454</u>	<u>6,649</u>	<u>6,798</u>

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Financial Services Division									
New									
270	Asset Management System Manager Position	121,600	(15,400)	0	0	0	(30,800)	(75,400)	OG
270	Asset Management Consulting Support	50,000	(6,200)	0	0	0	(12,500)	(31,300)	OG
271	Infrastructure Data Solutions Software Subscription	25,000	0	0	0	0	0	(25,000)	OG
	Total New	196,600	(21,600)	0	0	0	(43,300)	(131,700)	
<hr/>									
	Division Priority 1 Total	196,600	(21,600)	0	0	0	(43,300)	(131,700)	
<hr/>									
	Total Priority 1 Operating	196,600	(21,600)	0	0	0	(43,300)	(131,700)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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2023 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Capital Planning and Asset Management		ON-GOING
Title:	Asset Management System Manager Position		PRELIMINARY

Justification:

Budget is request for a full-time Asset Management System Manager Position to lead and manage Cityworks. The position is required to manage the system and to implement improvements systematically to ensure system effectiveness and to recognize expected return on investment. The position will replace the term project manager position that is currently in place and funded from the capital project. Cityworks implementation is in the final phase with completion scheduled for end 2022, and it is important to establish this position now for continuity and to leverage and retain the skills and the knowledge of the implementation. Many municipalities across the county experience significant challenges in the absence of such leadership role. This budget will be partially funded from the Water fund, Wastewater fund and Landfill.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	121,600	(15,400)	0	0	0	0	(30,800)	(75,400)
2024	121,600	(15,400)	0	0	0	0	(30,800)	(75,200)
2025	121,600	(15,400)	0	0	0	0	(30,800)	(75,200)

Division:	Financial Services	Priority: 1	New
Department:	Capital Planning and Asset Management		ON-GOING
Title:	Asset Management Consulting Support		PRELIMINARY

Justification:

Service delivery is supported by well maintained and resilient infrastructure. The City owns and operates \$4B in infrastructure assets and good asset management is needed to ensure acceptable service delivery, manage risk of service interruption and operate, maintain and renew assets in a timely and efficient manner. Budget is requested for consulting support for the City's asset management system (Cityworks) that tracks maintenance and condition of the City's asset portfolio. Consulting support is needed on an ongoing basis for system upgrades and improvements so Cityworks meets the needs of the infrastructure business owners and ensures efficient and safe service delivery. This budget will be partially funded from the Water fund, Wastewater fund and Landfill.

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	50,000	(6,200)	0	0	0	0	(12,500)	(31,300)
2024	50,000	(6,200)	0	0	0	0	(12,500)	(31,300)
2025	50,000	(6,200)	0	0	0	0	(12,500)	(31,300)

2023 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Capital Planning and Asset Management		ON-GOING
Title:	Infrastructure Data Solutions Software Subscription		PRELIMINARY

Justification:

In 2021, the City undertook a pilot to evaluate advanced infrastructure asset data modeling with Infrastructure Data Solutions software to further support capital planning decision making. The free license trial has now concluded. This request is for an annual software license subscription to continue to advance capabilities to make transparent, defensible, and repeatable data-driven decisions about the City's \$4.7B asset portfolio now and into the future.

Strategic Direction:	Clear direction - Services, processes & business activities are transformed							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	25,000	0	0	0	0	0	0	(25,000)
2024	25,000	0	0	0	0	0	0	(25,000)
2025	25,000	0	0	0	0	0	0	(25,000)

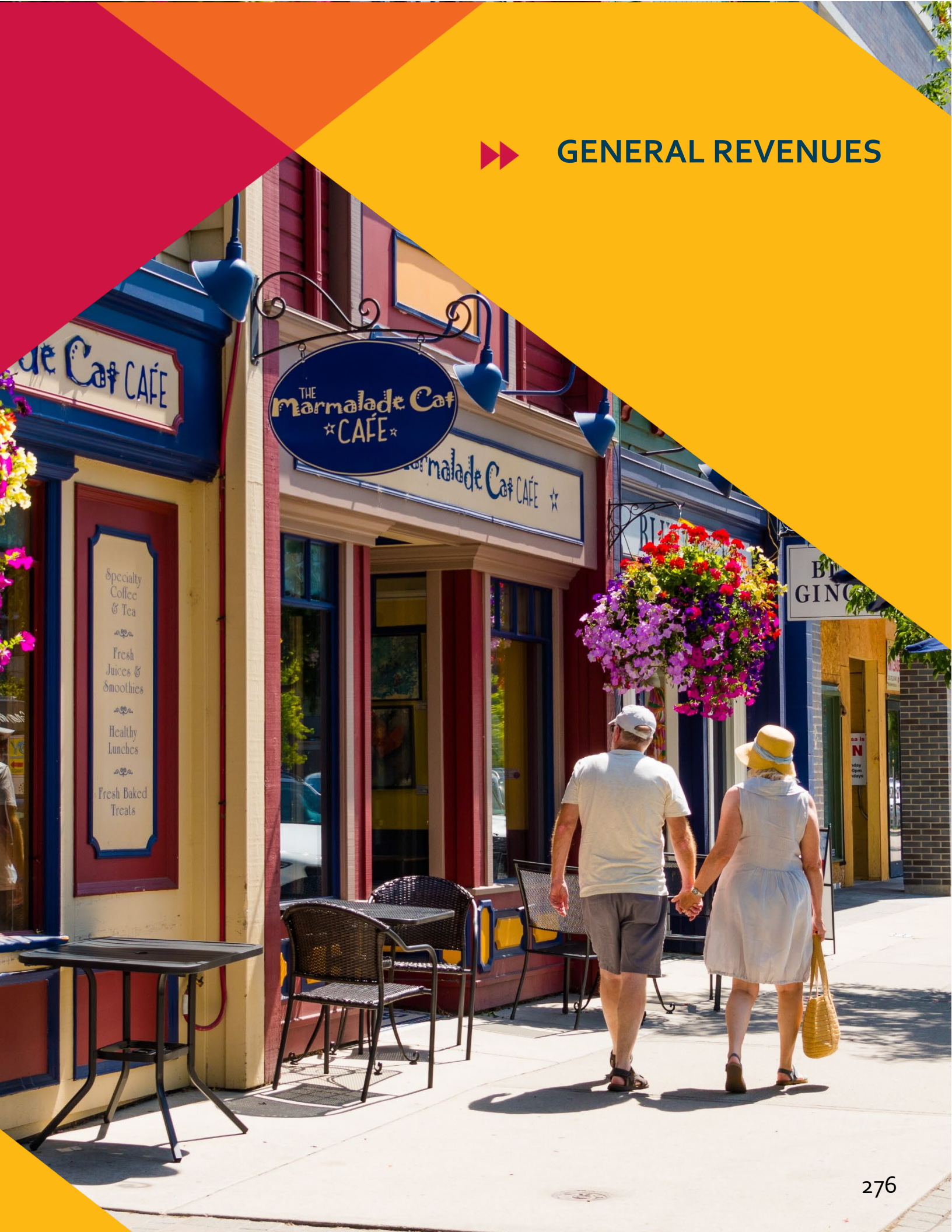
2023 Operating Requests
Preliminary Budget
Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Financial Services Division									
New									
	Payroll Technician Position	41,600	0	0	0	0	0	(41,600)	OG
	Total New	41,600	0	0	0	0	0	(41,600)	
	Division Priority 2 Total	41,600	0	0	0	0	0	(41,600)	
	Total Priority 2 Operating	41,600	0	0	0	0	0	(41,600)	

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GENERAL REVENUES

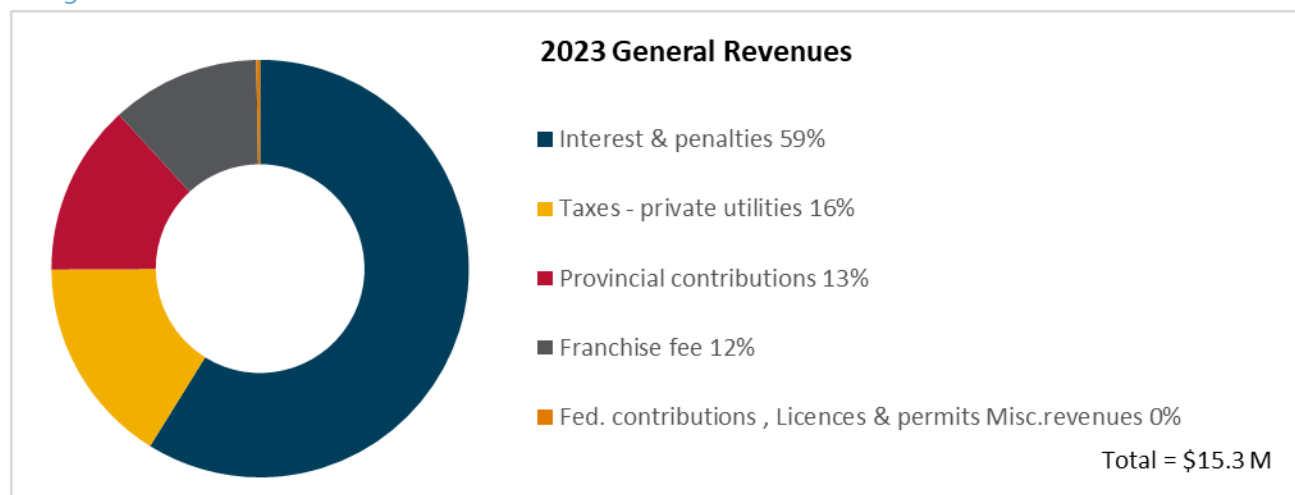


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GENERAL REVENUES

Budget Overview



Departmental summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Revenue & Fees					
206 General Revenue	(171,473)	(179,317)	(190,760)		
Net operating expenditure	(171,473)	(179,317)	(190,760)	(11,443)	6.4%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total departmental net expenditures	(171,473)	(179,317)	(190,760)	(11,443)	6.4%

Detailed operating program changes (\$thousands)

	Total	FTE
2022 revised budget	(179,317)	0.0
2023 net impacts		
One-time operating requests	0	0.0
Prior years ongoing adjustments	0	0.0
Divisional adjustments	(11,443)	0.0
	(190,760)	0.0
2023 Program additions (P1)		
2023 operating requests:	0	0.0
Total	(190,760)	0.0
Unfunded 2023 requests (P2)		
2023 operating request	0	0.0
Total unfunded requests for 2023	0	0.0

Note: Totals may not add due to rounding.

Financial Services

General Revenues - General Fund

Revenues/Expenditures by Category (\$ thousands)

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	(160,301)	(169,686)	(178,251)
Parcel Tax	0	0	0
Fees and Charges	(2,451)	(2,563)	(2,724)
Other Revenue	(16,341)	(13,849)	(16,907)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(1,676)	(1,650)	(1,650)
Total Revenue	(180,768)	(187,747)	(199,532)
<u>Expenditures</u>			
Salaries and Wages	0	0	0
Internal Equipment	0	0	0
Material and Other	6,785	7,210	7,552
Contract Services	0	0	0
Debt Interest	25	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	540	400	400
Development Cost Charges	0	0	0
Accumulated Surplus	1,946	820	820
Total Expenditures	9,295	8,430	8,772
Net Operating Expenditures	(171,473)	(179,317)	(190,760)
<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.	(171,473)	(179,317)	(190,760)



DEBT & OTHER

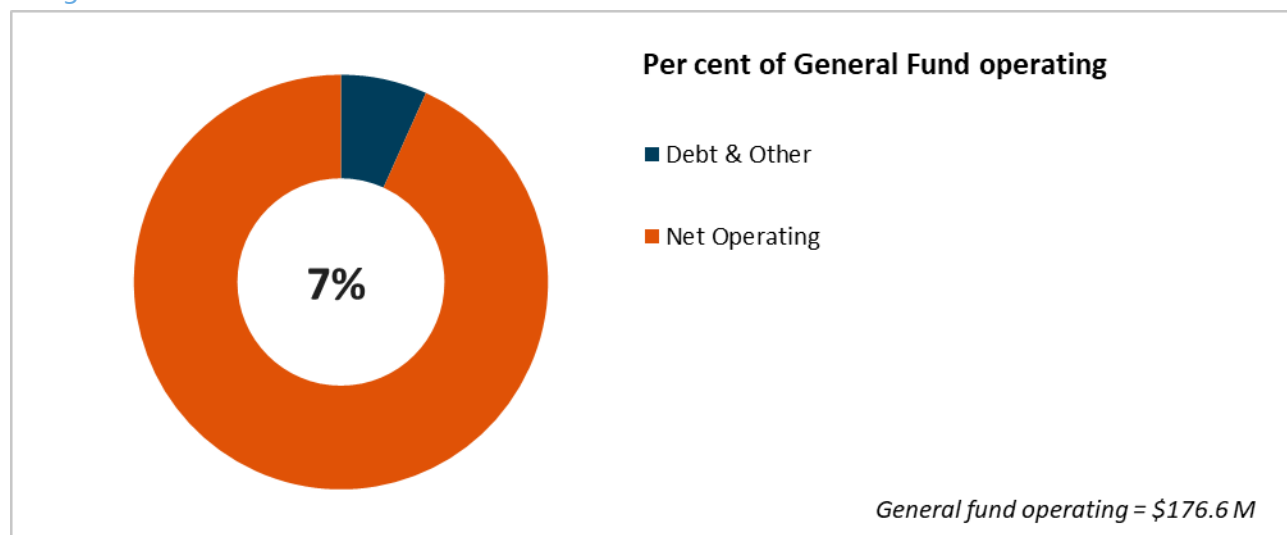


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DEBT & OTHER

Budget Overview



Departmental summary

	Actual 2021	Revised 2022	Preliminary 2023	Change from prior year	Per cent change
Departmental operating cost centres (\$ thousands):					
Debt & Other					
205 Debt & Other	23,744	8,414	11,895		
Net operating expenditure	23,744	8,414	11,895	3,481	41.4%
Divisional capital cost centres (\$ thousands):					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total departmental net expenditures	23,744	8,414	11,895	3,481	41.4%

Detailed operating program changes (\$thousands)

	Total	FTE
2022 revised budget	8,414	0.0
2023 net impacts		
One-time operating requests	0	0.0
Prior years ongoing adjustments	0	0.0
Divisional adjustments	(557)	0.0
	7,857	0.0
2023 Program additions (P1)		
2023 operating requests:	4,038	0.0
Total	11,895	0.0
Unfunded 2023 requests (P2)		
2023 operating request	0	0.0
Total unfunded requests for 2023	0	0.0

Note: Totals may not add due to rounding.

Financial Services**Debt & Other - General Fund****Revenues/Expenditures by Category (\$ thousands)**

	Actual 2021	Revised 2022	Preliminary 2023
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	(146)	(142)	(142)
Fees and Charges	(7,610)	(7,454)	(608)
Other Revenue	(17,149)	(12,288)	(12,760)
Transfers from Funds			
Special (Stat Reserve) Funds	(1,723)	(1,158)	(943)
Development Cost Charges	(654)	(1,449)	(795)
Accumulated Surplus	(1,951)	(84)	0
Total Revenue	(29,232)	(22,575)	(15,249)
<u>Expenditures</u>			
Salaries and Wages	207	(1,564)	(2,629)
Internal Equipment	0	0	0
Material and Other	7,472	7,713	2,203
Contract Services	4	0	0
Debt Interest	2,423	2,464	2,839
Debt Principal	5,142	5,922	3,948
Internal Allocations	213	213	213
Transfers to Funds			
Special (Stat Reserve) Funds	21,552	14,018	15,241
Development Cost Charges	0	0	0
Accumulated Surplus	15,962	2,223	5,329
Total Expenditures	52,976	30,989	27,143
Net Operating Expenditures	23,744	8,414	11,895
<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.	23,744	8,414	11,895

2023 Operating Requests

Preliminary Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
Financial Services Division									
<i>Debt & Other</i>									
Maintain									
282	Other Working Capital	2,815,000	0	0	0	0	0	(2,815,000)	OG
282	PRC Replacement Financial Planning	0	828,000	0	0	0	0	(828,000)	OG
283	Infrastructure Levy	0	394,500	0	0	0	0	(394,500)	OG
	Total Maintain	2,815,000	1,222,500	0	0	0	0	(4,037,500)	
New									
283	Public Safety Levy	0	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	0	
	Department Priority 1 Total	2,815,000	1,222,500	0	0	0	0	(4,037,500)	
	Total Priority 1 Operating	2,815,000	1,222,500	0	0	0	0	(4,037,500)	

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

V&E - denotes operating request that has vehicle & equipment capital impacts included in the request

* italics - denotes that this is a shared (part of another department) operating request

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 2023

2023 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Other Working Capital		PRELIMINARY

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 2023.

Strategic Direction: Other - Supports Base Business

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	2,815,000	0	0	0	0	0	0	(2,815,000)
2024	2,815,000	0	0	0	0	0	0	(2,815,000)
2025	2,815,000	0	0	0	0	0	0	(2,815,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	PRC Replacement Financial Planning		PRELIMINARY

Justification:

Originally constructed in 1972, PRC is a full-service, multi-use space that has undergone several upgrades and renovations through the years and has now reached the end of its service life. The redevelopment of the PRC is a Council priority, identified in the 10-year Capital Plan, and is recognized as a unique opportunity for delivering a landmark wellness facility that will serve the community for generations. Debt financing will be required to fund this new facility. This request is for budget to help prepare for and smooth out the taxation impact of this borrowing. Funds will be contributed to reserve in 2023 and then reallocated to cover debt servicing costs when appropriate.

Strategic Direction: Vibrant neighbourhoods - Accessible and multi-purpose amenities

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	828,000	0	0	0	0	0	(828,000)
2024	0	828,000	0	0	0	0	0	(828,000)
2025	0	828,000	0	0	0	0	0	(828,000)

2023 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Infrastructure Levy		PRELIMINARY

Justification:

The Infrastructure Levy was introduced in 2019 and has helped fund parks, transportation and storm drainage projects. The City's civic buildings and facilities are aging and more investment is needed to renew these important assets. Given the success of the 2019 Infrastructure Levy in supporting key capital projects, budget is requested to increase the levy annually by the three-year average non-residential construction price index, seven per cent for 2023, to support building renewal. The current Infrastructure Levy generates \$5.6M annually but is not indexed to inflation. This budget request adjusts the Infrastructure Levy annually to keep pace with inflation.

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	394,500	0	0	0	0	0	(394,500)
2024	0	422,100	0	0	0	0	0	(422,100)
2025	0	451,600	0	0	0	0	0	(451,600)

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Public Safety Levy		PRELIMINARY

Justification:

Budget is requested to establish an annual 1% Public Safety Levy to provide a dedicated and predictable funding source to help address the public safety needs of the community. Staff will work with Council to determine the strategic allocation of these funds with approval included as part of the annual budget. The 2023 allocation is recommended to fund six RCMP Members, two Senior Bylaw Officers and four Fire Fighters. This allocation is a balance of resources to improve overall service, reduce overtime, and to support planning for the future. The allocation recommendation is informed by an RCMP resource deficit highlighted in the Griffiths' 2019 Report and their strategic plan; community service growth needs identified by Bylaw Services and the Fire Department 2030 Strategic Plan and 10-year Capital Plan.

Strategic Direction: Community Safety - Residents feel safe

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	1,466,000	205,000	0	0	0	0	0	(1,671,000)
2024	3,402,000	0	0	0	0	0	0	(3,402,000)
2025	5,195,100	0	0	0	0	0	0	(5,195,100)

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CAPITAL BUDGET



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CAPITAL BUDGET

CAPITAL BUDGET SUMMARY

The 10-Year Capital Plan and the annual capital program are coordinated by the Capital Planning department with the integral involvement of all divisions with capital needs. The Capital Planning team uses a long-term, multiple bottom line approach for capital planning that strikes a balance between renewing existing infrastructure and investing in new infrastructure to support growth and improved services.

In April 2016, Council endorsed the 2030 Infrastructure Plan, which set the direction for infrastructure investment until 2030, including a funding strategy. 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. The planning horizon for the 10-Year Capital Plan referenced in this document is 2022 – 2031.

The City of Kelowna's capital structure includes twelve capital cost centres: Airport, Fire Equipment, Information Services, Real Estate & Parking, Buildings, Parks, Vehicle & Mobile Equipment, Transportation, Water, Wastewater, Solid Waste and Storm Drainage. Funding for projects within these cost centres could come from a variety of sources including utility revenues, financial reserves, borrowing, grants or taxation.



Capital expenditures

At the top right-hand side of each 2023 capital request, readers will find the capital reference and the year the project was included in the Council endorsed 10-Year Capital Plan, along with the corresponding dollar amount. All capital submissions from departments have been evaluated to ensure alignment with Council Policy No. 342 Tangible Capital Assets. The evaluation is based on the minimum cost threshold and the useful life threshold as seen in the table below.

Asset Category	Useful Life (in years)	Minimum Threshold
Land	No Amortization	Capitalize
Land Improvement	15-60	\$50,000
Parks Infrastructure	15-60	\$50,000
Buildings	40-75	\$100,000
Building Improvement	10-40	\$100,000
Machinery and Equipment	5-15	\$10,000
IT Infrastructure	4-10	\$10,000
Infrastructure	20-100	\$100,000

Where submissions were deemed to not meet the Tangible Capital Asset thresholds, requests were included in the operating program. Operating and maintenance costs are included in the related capital request when applicable. Capital requests that have operating impacts are marked with O&M on the capital summary sheet. When a vehicle or equipment is required as part of a new position, the capital cost is presented in the operating request and marked on the capital summary with OP.

Each capital request is categorized into the three categories renew, growth and new. Renewal projects will renew current capital assets, maintaining current service levels. Growth projects are new capital assets that are required due to increased growth and service demand. New project requests are for new capital assets that will provide an improved level of service.


General Fund

The 2023 Financial Plan includes 83 General Fund Priority one (P1) requests that total \$94.2M of which \$14.2M is requested to be funded from taxation. The general taxation expenditure of \$14.2M has been allocated to infrastructure budgets as follows.

Department	Description	Amount
Fire	Vehicles & equipment	0
Information Services	Communication hardware/software	785
Real Estate & Parking	Land acquisition & parking infrastructure	984
Building	Facilities & improvements	1,761
Parks	Park land/trail/area development	5,981
Vehicle & Mobile Equipment	Vehicles & equipment	109
Transportation	Roadways/pathways/traffic signals/public transit	3,532
Solid Waste	Landfill infrastructure	0
Storm Drainage	Drainage systems	1,000
Total		14,152

Note: Totals may not add due to rounding


Priority one requests focus on growth through cultivating vibrant neighbourhoods with a commitment to environmental sustainability while maintaining essential services. In addition to the P1 capital requests, there are 21 Priority two (P2) General Fund requests that are included for Council's consideration totaling \$9.9M of which \$8.7M is requested from taxation. P2 requests are not included in summary totals.

General Capital by type:		
Renew	Growth	New
 23%	55%	22%

The 2023 general capital program includes 23 per cent related to renewal, 55 per cent to growth projects, and 22 per cent for new infrastructure.

Airport Fund

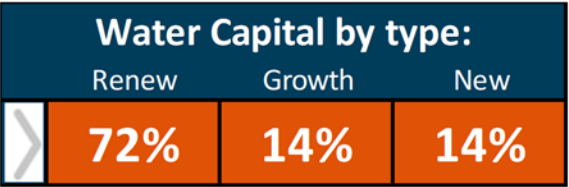
The recovery from the COVID-19 pandemic and the easing of travel restrictions, has increased passenger volumes at the Kelowna International Airport. The 2023 Airport capital ask totals \$39.0M which is a \$34.8M increase over 2022. There are no P2 capital requests for the Airport.

Airport Capital by type:		
Renew	Growth	New
 9%	89%	2%

The 2023 capital requests are comprised of nine per cent renewal projects, 89 per cent is related to growth, followed by two per cent for new capital projects.

Water Fund

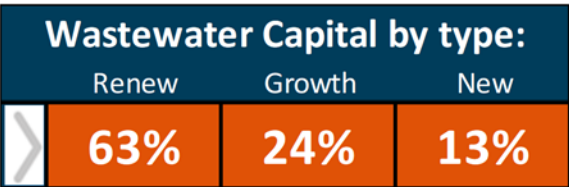
The City of Kelowna’s Water Utility provides water to just over half of the Kelowna population. The 2023 capital program focuses on infrastructure renewal and includes 13 requests for a total of \$6.0M funded by \$4.4M of utility revenue. There is one P2 capital request for the Water Utility in the amount of \$0.5M which is funded from utility revenue.



The 2023 water capital requests are categorized by renewal projects at 72 per cent, followed by 14 per cent for growth, and 14 per cent for new capital programs.

Wastewater Fund

The Wastewater Utility has 10 capital requests using \$7.4M of utility revenues to fund \$9.4M worth of projects, with the balance of funding from provincial grant. These projects focus on growth through various sewer connection projects and infrastructure renewal at mains, trunks and lift stations. There are no P2 capital requests for the Wastewater Utility.



The wastewater utility capital requests are 63 per cent renewal projects, with 24 per cent related to growth, and 13 per cent are related to new capital infrastructure.



Requests by Department (\$ thousands)

The following table provides a summary of the priority one and priority two capital request totals highlighting the funding from Taxation, Reserves, Borrowing, Grant Funding, External Contributions and Utility Funds (user fees).

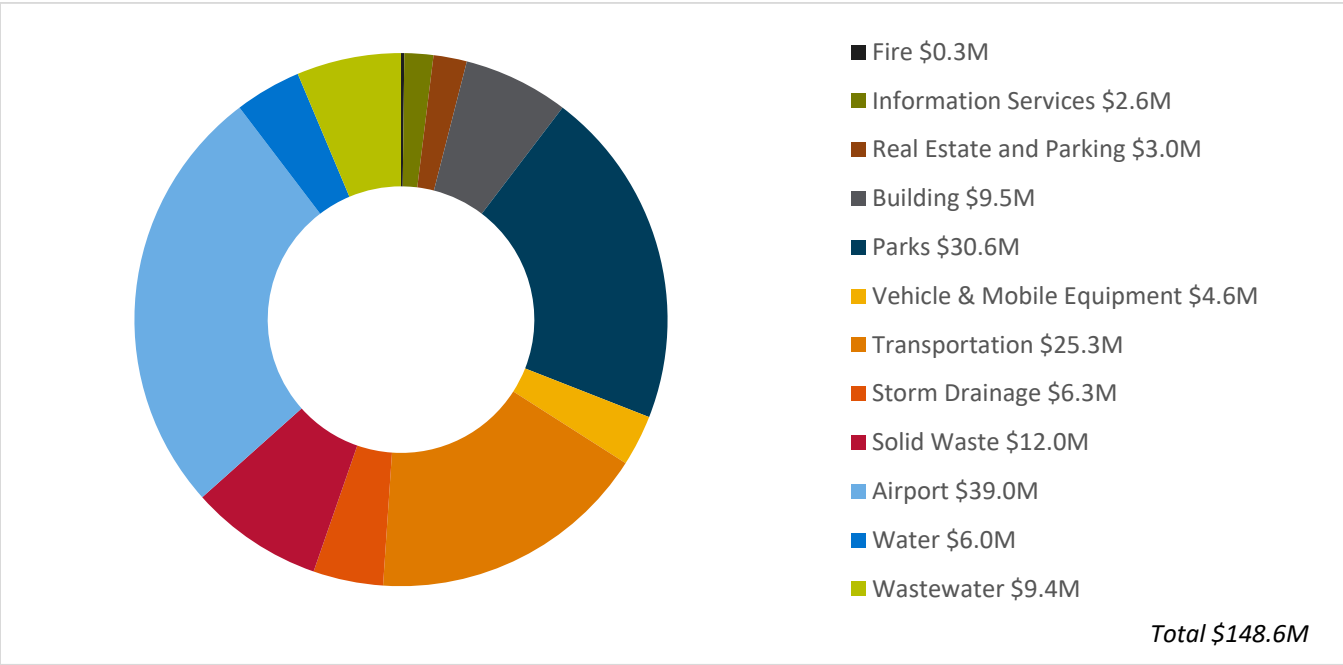
Department	Asset	Reserve	Borrow	Fed/Prov	Contribution	Utility	Taxation
Priority 1							
Fire	312	312	0	0	0	0	0
Information Services	2,595	370	1,390	0	50	0	785
Real Estate & Parking	2,976	1,993	0	0	0	0	984
Building	9,529	7,768	0	0	0	0	1,761
Parks	30,631	24,650	0	0	0	0	5,981
Vehicle & Mobile Equipment	4,575	4,103	0	0	0	363	109
Transportation	25,284	20,410	0	992	350	0	3,532
Storm Drainage	6,304	2,970	0	2,310	0	25	1,000
Solid Waste	12,035	12,035	0	0	0	0	0
Total General Fund	94,241	74,611	1,390	3,302	400	388	14,152
Airport	39,025	39,025	0	0	0	0	0
Water	6,007	1,497	0	0	150	4,360	0
Wastewater	9,366	1,306	0	660	37	7,364	0
Total Utility Fund	54,398	41,828	0	660	187	11,724	0
Total Priority 1	148,639	116,439	1,390	3,962	587	12,112	14,152
Priority 2							
Real Estate & Parking	448	0	0	0	0	0	448
Building	2,221	0	0	0	0	0	2,221
Parks	3,285	0	0	0	0	0	3,285
Transportation	459	0	0	0	0	0	459
Storm Drainage	3,291	0	0	1,177	0	0	2,115
Vehicle & Mobile Equipment	160	0	0	0	0	0	160
Total General Fund	9,865	0	0	1,177	0	0	8,688
Water	500	0	0	0	0	500	0
Total Utility Fund	500	0	0	0	0	500	0
Total Priority 2	10,365	0	0	1,177	0	500	8,688
Total All Funds	159,004	116,439	1,390	5,139	587	12,612	22,840

Note: Totals may not add due to rounding



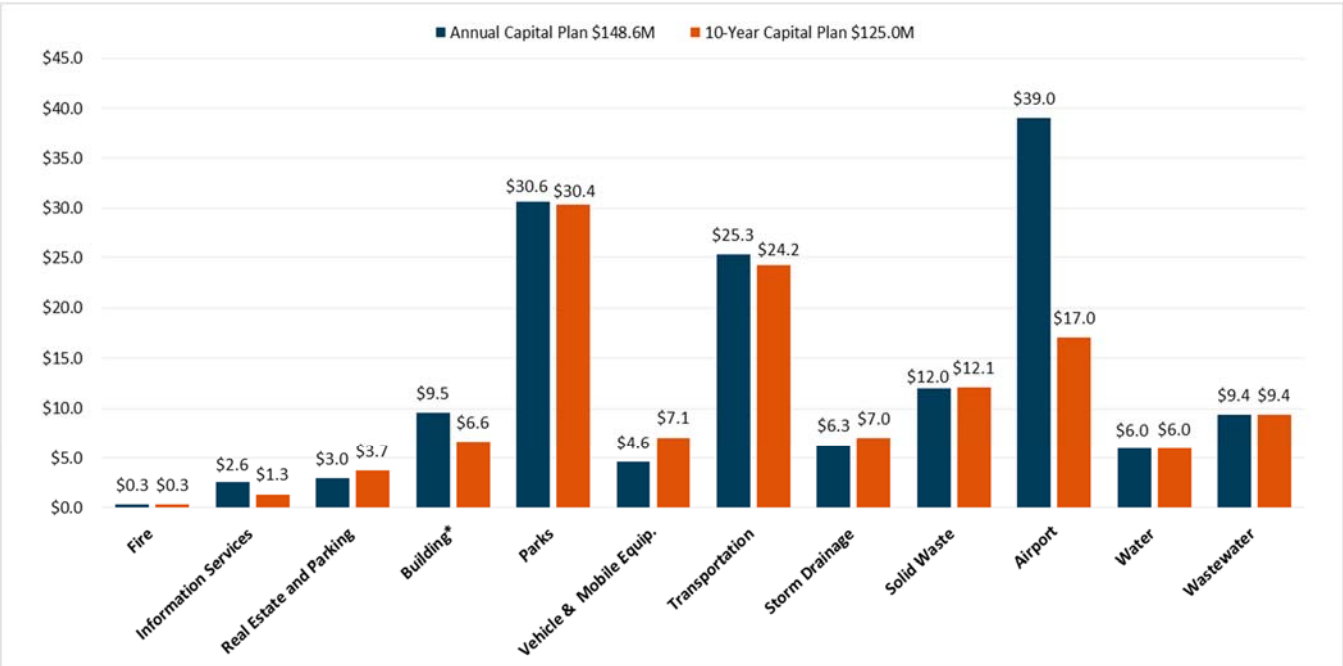
All funds expenditures – priority 1 (\$ millions)

This pie chart provides a visual comparison of the level of spending in all funds by capital cost centre.



Note: Totals may not add due to rounding

The following table provides a comparison of priority one requests included in this year’s annual capital program versus the 10 Year Capital Plan for the 2023 year (\$ millions).



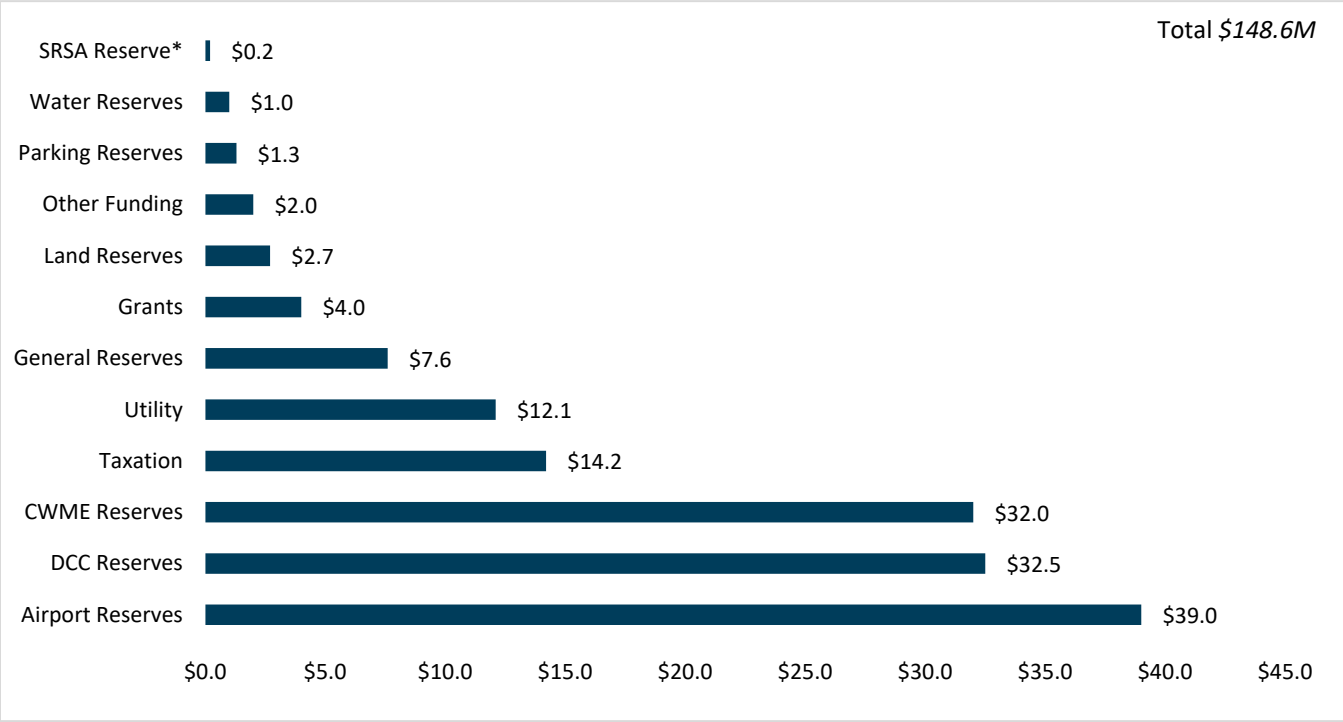
*Parkinson Recreation Building Replacement – construction costs not included

Note: Totals may not add due to rounding

CAPITAL FUNDING SUMMARY

The Council approved Principles and Strategies for Financial Strength and Stability helps to guide decision making and funding strategies. The bar graph below visually compares the various capital funding sources used in the annual capital plan. Other funding includes external contributions such as developer contributions, partnership contributions, or user fees.

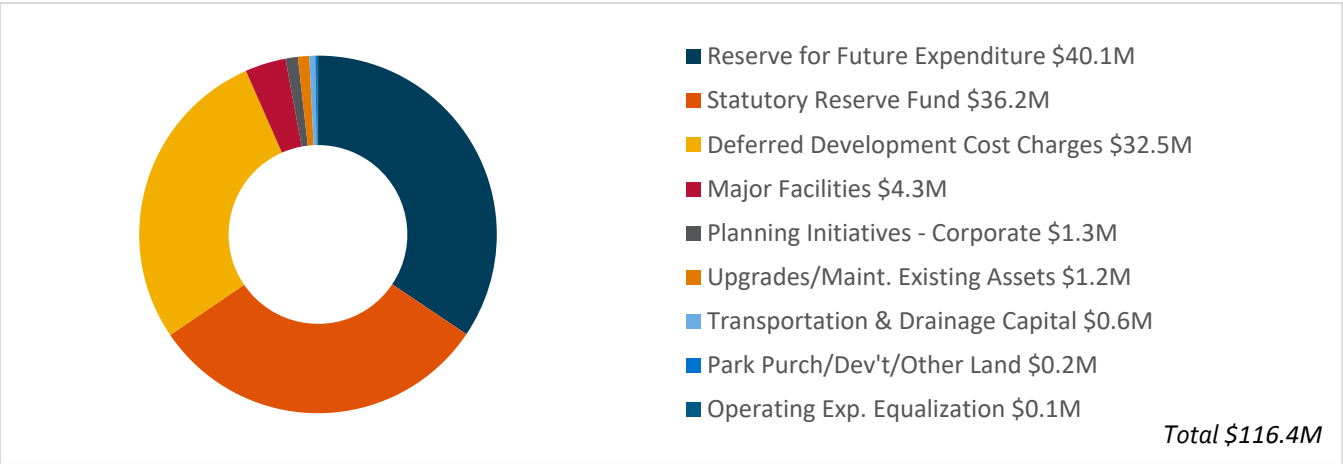
All funds funding sources – priority 1 (\$ millions)



*Septic Removal Specified Area Reserve
Note: Totals may not add due to rounding

Capital reserve funding – priority 1 (\$ millions)

The City is prudent with funding from reserves and fund equity in order to protect the current and future financial viability of the municipality. Reserve funds are maintained to support the capital program to prevent taxation fluctuations due to capital expenditure requirements. This chart is depicting the \$116.4M of reserves being used in this year’s capital program.



Note: Totals may not add due to rounding

CAPITAL INVESTMENT OPERATING IMPACTS

The City of Kelowna considers operational impacts when making capital investment decisions. This is important as the operating impacts can amount to 70 – 80 per cent of an asset's life cycle cost. The operating and maintenance impacts in the table below are included in the related capital request to present the full budget cost of the capital asset. All operating requests are ongoing.

Impact of capital investments on operating budgets – priority 1

Request Title	2023	2024	2025
Building			
Kelowna Community Theatre Improvements: <i>theatre operations revenues</i>	(1,400)	(1,400)	(1,400)
Total Building	(1,400)	(1,400)	(1,400)
Parks			
Glenmore Recreation Park (DCC) - Phase 3: <i>area maintenance (turf, building, security)</i>	0	75,000	103,100
Irrigation Renewal: <i>maintenance (system)</i>	0	15,000	15,000
Knox Mountain Park Improvements: <i>area maintenance (forest management)</i>	12,000	37,100	37,100
Parks Large Capacity Waste Receptacles: <i>maintenance (furniture, buildings)</i>	17,500	21,500	26,500
Total Parks	29,500	148,600	181,700
Transportation			
Bicycle Network Improvement Program: <i>maintenance (sweeping, road marking)</i>	0	60,200	60,200
Casorso 3 DCC (Lanfranco - Barrera), ATC: <i>maintenance (snow and ice control, sweeping, tree, irrigation, paving)</i>	12,000	26,750	26,750
Crosswalk Safety, Signals and Flashers: <i>maintenance (sweeping, litter control)</i>	1,200	1,800	2,400
Glenmore 4 DCC (Kane - South Yates), ATC: <i>maintenance (snow and ice control, sweeping and litter control, paving, vegetation control)</i>	4,000	12,800	12,800
Local Street Urbanization Program: <i>traffic control symbols painting</i>	0	0	23,500
Okanagan College Exchange Capacity Expansion: <i>maintenance (bus stop repair)</i>	0	0	1,500
Sidewalk Network Expansion Program: <i>maintenance (snow and ice, vegetation control)</i>	0	1,900	1,900
Stewart DCC (Crawford - Swamp): <i>maintenance (snow and ice, vegetation control)</i>	0	4,000	4,000
Transit - Bus Stop and Amenity Improvements: <i>maintenance (bus stop repair)</i>	0	1,800	1,800
Total Transportation	17,200	109,250	134,850
Information Services			
Network as a Service: <i>network improvements</i>	36,000	267,600	267,600
Total Information Services	36,000	267,600	267,600
Vehicle and Mobile Equipment			
Fleet Growth - General Fund: <i>internal equipment costs for infrastructure delivery and maintenance</i>	16,700	33,400	33,400
Fleet Growth - Water Fund: <i>internal equipment costs for installation and repair</i>	31,900	63,700	63,700
Robotic Sports Field Line Painter: <i>maintenance (turf)</i>	10,000	10,000	10,000
Total Vehicle and Mobile Equipment	58,600	107,100	107,100
Wastewater			
KLO Rd Mission Creek Sewer Connection: <i>maintenance (sanitary blockage removal and operations inspections)</i>	11,300	45,000	45,000
Total Wastewater	11,300	45,000	45,000
Total operating impacts from Capital Investment	151,200	676,150	734,850

2023 Capital Requests

Preliminary Budget

Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Real Estate and Parking Capital - Priority 1									
328	New	General Land, Acquisition	1,958,600	(1,000,000)	0	0	0	0	(958,600)
		L1 - General Land	1,958,600	(1,000,000)	0	0	0	0	(958,600)
328	New	Road & Sidewalk, Land Acquisition	25,000	0	0	0	0	0	(25,000)
		L2 - Road and Sidewalk Land Acquisition	25,000	0	0	0	0	0	(25,000)
329	Renew	Downtown Parkades-Major Maintenance	250,000	(250,000)	0	0	0	0	0
329	Renew	Parking Equipment and Facilities	192,500	(192,500)	0	0	0	0	0
330	New	Electric Vehicle Infrastructure and Strategic Initiatives	300,000	(300,000)	0	0	0	0	0
		L3 - Parking Infrastructure	742,500	(742,500)	0	0	0	0	0
330	New	Strategic Land Servicing Requirements	250,000	(250,000)	0	0	0	0	0
		L4 - Strategic Land Redevelopment	250,000	(250,000)	0	0	0	0	0
		Cost Center Totals	2,976,100	(1,992,500)	0	0	0	0	(983,600)

Building Capital - Priority 1

**	336	Renew	Kelowna Community Campus - Building and Site Works	3,900,000	(3,900,000)	0	0	0	0	0
			B1 - Parks and Recreation Buildings	3,900,000	(3,900,000)	0	0	0	0	0
	336	New	North Glenmore Fire Hall No.5 - Design	866,600	(814,600)	0	0	0	0	(52,000)
	337	Growth	Rutland Community Policing Office Expansion - Design	95,200	(95,200)	0	0	0	0	0
			B3 - Civic/Protective Service Buildings	961,800	(909,800)	0	0	0	0	(52,000)
	337	Growth	Capital Opportunities & Partnership Fund	1,000,000	(1,000,000)	0	0	0	0	0
			B6 - Capital Opportunities and Partnerships	1,000,000	(1,000,000)	0	0	0	0	0
	338	Renew	Kelowna Family Y - Building Renewal	1,350,000	(108,000)	0	0	0	0	(1,242,000)
	338	Renew	General Building Infrastructure Renewal - Critical Renewal	1,400,000	(933,000)	0	0	0	0	(467,000)
	339	Renew	Water Street Boat Launch Renewal	575,000	(575,000)	0	0	0	0	0
O&M	339	Renew	Kelowna Community Theatre Improvements	92,000	(92,000)	0	0	0	0	0
	340	Renew	Facility Energy Modernization Renewal	250,600	(250,600)	0	0	0	0	0
			B7 - Renewal, Rehabilitation & Infra.	3,667,600	(1,958,600)	0	0	0	0	(1,709,000)

****This item is to be removed from the 2023 Preliminary Budget and brought forward later in 2023 as Council approves related project milestones**

Page Type		Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Cost Center Totals			9,529,400	(7,768,400)	0	0	0	0	(1,761,000)
Parks Capital - Priority 1									
346	Growth	DCC Parkland Acquisition	16,936,300	(15,346,300)	0	0	0	0	(1,590,000)
P1 - DCC Parkland Acquisition			16,936,300	(15,346,300)	0	0	0	0	(1,590,000)
346	Growth	Burne Park (DCC) - Design	279,200	(174,200)	0	0	0	0	(105,000)
P3 - Neighbourhood Park Development			279,200	(174,200)	0	0	0	0	(105,000)
347	Growth	DeHart Park (DCC)	4,928,800	(4,355,900)	0	0	0	0	(572,900)
P4 - Community Park Development			4,928,800	(4,355,900)	0	0	0	0	(572,900)
O&M 347	Growth	Glenmore Recreation Park (DCC) - Phase 3	6,830,400	(3,721,600)	0	0	0	0	(3,108,800)
P5 - Recreation Park Development			6,830,400	(3,721,600)	0	0	0	0	(3,108,800)
348	Growth	Pandosy Waterfront Park (DCC) - Phase 2	168,000	(93,000)	0	0	0	0	(75,000)
P6 - City-wide Park Development			168,000	(93,000)	0	0	0	0	(75,000)
O&M 348	Renew	Knox Mountain Park - Improvements	276,500	0	0	0	0	0	(276,500)
P7 - Linear/Natural Area Park Development			276,500	0	0	0	0	0	(276,500)
O&M 349	Renew	Irrigation Renewal	300,000	(117,300)	0	0	0	0	(182,700)
349	New	Kelowna Memorial Park Cemetery - Improvements	538,000	(538,000)	0	0	0	0	0
350	Renew	Park Infrastructure Renewal	70,000	0	0	0	0	0	(70,000)
350	Renew	Sport Courts/Water Parks/Skate Parks Renewal & Replacements	150,000	(150,000)	0	0	0	0	0
O&M 351	New	Parks Large Capacity Waste Receptacles	153,500	(153,500)	0	0	0	0	0
P8 - Renewal, Rehabilitation & Infra			1,211,500	(958,800)	0	0	0	0	(252,700)
Cost Center Totals			30,630,700	(24,649,800)	0	0	0	0	(5,980,900)

Transportation Capital - Priority 1

363	Growth	Sutherland 3 DCC (Mill Creek - Spall), Road	6,150,000	(5,407,800)	0	0	0	0	(742,200)
363	Growth	McCulloch Area DCC (KLO/Hall/Spier)	190,000	(175,300)	0	0	0	0	(14,700)
O&M 364	Growth	Stewart DCC (Crawford - Swamp)	3,342,500	(3,224,300)	0	0	0	0	(118,200)
364	Growth	Lakeshore 5 DCC (Swordy - Barrera), Road	75,000	(59,600)	0	0	0	0	(15,400)
365	Growth	Major Intersection Capacity Improvements DCC	120,000	(120,000)	0	0	0	0	0
365	Growth	Road Safety Improvements DCC	200,000	(200,000)	0	0	0	0	0
366	Growth	Traffic Signals and Roundabouts DCC	200,000	(175,100)	0	0	0	0	(24,900)
T1 - DCC Roads			10,277,500	(9,362,100)	0	0	0	0	(915,400)

	Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
	366	Growth	Houghton 2 DCC (Hollywood - Mugford), ATC	1,218,600	(1,141,900)	0	0	0	0	(76,700)
O&M	367	Growth	Casorso 3 DCC (Lanfranco - Barrera), ATC	2,750,000	(2,467,900)	0	0	0	0	(282,100)
	367	Growth	Bertram 1 DCC (Sutherland - Cawston), ATC	200,000	(149,200)	0	0	0	0	(50,800)
	368	Growth	Abbott DCC (Cedar - Gyro), ATC	250,000	(81,000)	0	0	0	0	(169,000)
	368	Growth	Sutherland 1 Protected Bike Route (Lequime - Burtch)	1,568,000	(1,390,700)	0	0	0	0	(177,300)
	369	Growth	Rail Trail to Greenway DCC, ATC	85,000	(78,900)	0	0	0	0	(6,100)
O&M	369	Growth	Glenmore 4 DCC (Kane - South Yates), ATC	409,200	(304,400)	0	0	0	0	(104,800)
T2 - DCC Roads - Active Transportation				6,480,800	(5,614,000)	0	0	0	0	(866,800)
	370	Growth	Hwy 97 Right Turn Lane to Pandosy	343,000	(250,000)	0	0	0	0	(93,000)
O&M	370	Growth	Local Street Urbanization Program	200,000	(100,000)	0	0	0	0	(100,000)
	371	Growth	Roadway Urbanization	350,000	0	0	0	(350,000)	0	0
T3 - Non-DCC Roads				893,000	(350,000)	0	0	(350,000)	0	(193,000)
	371	Renew	KLO Road Mission Creek Bridge Replacement	85,000	(50,000)	0	0	0	0	(35,000)
	372	Renew	Bridge Rehabilitation and Renewal Program	400,000	(300,000)	0	0	0	0	(100,000)
	372	Renew	Road Renewal Program	3,342,900	(3,299,800)	0	0	0	0	(43,100)
	373	Renew	Sidewalk & Bikeway Renewal Program	150,000	0	0	0	0	0	(150,000)
	373	Renew	Street Lighting Renewal Program	235,000	(200,000)	0	0	0	0	(35,000)
	374	Renew	Traffic Signal and Communications Renewal Program	260,000	(200,000)	0	0	0	0	(60,000)
T4 - Transportation System Renewal				4,472,900	(4,049,800)	0	0	0	0	(423,100)
O&M	374	Growth	Bicycle Network Improvement Program	500,000	(250,000)	0	0	0	0	(250,000)
T5 - Bicycle Network				500,000	(250,000)	0	0	0	0	(250,000)
O&M	375	Growth	Crosswalk Safety, Signals and Flashers	150,000	(75,000)	0	0	0	0	(75,000)
O&M	375	Growth	Sidewalk Network Expansion Program	650,000	(350,000)	0	0	0	0	(300,000)
T6 - Sidewalk Network				800,000	(425,000)	0	0	0	0	(375,000)
	376	New	Safe Routes to School Program	100,000	(50,000)	0	0	0	0	(50,000)
	376	New	Road Safety Partnerships with ICBC	150,000	(75,000)	0	0	0	0	(75,000)
	377	New	Neighbourhood Traffic Calming Program	150,000	0	0	0	0	0	(150,000)
T7 - Safety and Operational Improvements				400,000	(125,000)	0	0	0	0	(275,000)
O&M	377	Growth	Okanagan College Exchange Capacity Expansion	1,240,000	(124,000)	0	(992,000)	0	0	(124,000)
O&M	378	New	Transit - Bus Stop and Amenity Improvements	150,000	(75,000)	0	0	0	0	(75,000)
	378	New	Transit - Land Acquisition	70,000	(35,000)	0	0	0	0	(35,000)
T9 - Transit Facilities				1,460,000	(234,000)	0	(992,000)	0	0	(234,000)

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Cost Center Totals		25,284,200	(20,409,900)	0	(992,000)	(350,000)	0	(3,532,300)

Solid Waste Capital - Priority 1

404	Growth	Automated Collection Curbside Carts	400,000	(400,000)	0	0	0	0
SW1 - Equipment			400,000	(400,000)	0	0	0	0
404	New	Landfill Liner Design and Construction	1,500,000	(1,500,000)	0	0	0	0
405	New	Electrical Supply Upgrades	2,000,000	(2,000,000)	0	0	0	0
405	Growth	General Site Works and Investigations	100,000	(100,000)	0	0	0	0
406	New	Landfill - Electric Equipment Charging Station	85,000	(85,000)	0	0	0	0
SW2 - Site Improvement			3,685,000	(3,685,000)	0	0	0	0
406	Growth	Landfill Gas & Leachate Recirculation Laterals	450,000	(450,000)	0	0	0	0
SW3 - Gas Management			450,000	(450,000)	0	0	0	0
407	New	Odour Control and Leachate Treatment	100,000	(100,000)	0	0	0	0
SW4 - Leachate Management			100,000	(100,000)	0	0	0	0
407	Renew	Wet Well Relocation	600,000	(600,000)	0	0	0	0
408	Growth	Stormwater Bypass System	300,000	(300,000)	0	0	0	0
SW5 - Drainage & Groundwater Management			900,000	(900,000)	0	0	0	0
408	New	Stockpiles and Reprocessing Areas Relocation	6,100,000	(6,100,000)	0	0	0	0
409	New	Mechanical Shop Expansion - Equipment Storage Bay	400,000	(400,000)	0	0	0	0
SW7 - Landfill Area Development			6,500,000	(6,500,000)	0	0	0	0
Cost Center Totals			12,035,000	(12,035,000)	0	0	0	0

Storm Drainage Capital - Priority 1

414	New	Mill Creek Flood Protection	5,773,700	(2,969,900)	0	(2,309,500)	0	0	(494,300)
D1 - Hydraulic Upgrading Program			5,773,700	(2,969,900)	0	(2,309,500)	0	0	(494,300)
414	Renew	Stormwater Pond Asset Renewal Program	170,500	0	0	0	0	0	(170,500)
415	Renew	Linear Asset Renewal Projects	360,000	0	0	0	0	(25,000)	(335,000)
D3 - Storm Water Renewal			530,500	0	0	0	0	(25,000)	(505,500)
Cost Center Totals			6,304,200	(2,969,900)	0	(2,309,500)	0	(25,000)	(999,800)

	Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Information Services Capital - Priority 1									
322	Renew	Front Office Equipment	503,300	0	0	0	0	0	(503,300)
		I1 - Front Office Equipment	503,300	0	0	0	0	0	(503,300)
322	Renew	Server and Data Storage	50,000	0	0	0	0	0	(50,000)
		I2 - Server & Data Storage	50,000	0	0	0	0	0	(50,000)
323	Renew	Major Systems Projects	370,000	(370,000)	0	0	0	0	0
		I3 - Major System Projects	370,000	(370,000)	0	0	0	0	0
O&M 323	Renew	Network as a Service	1,621,200	0	(1,389,600)	0	0	0	(231,600)
324	New	Fibre Optic Service Line	50,000	0	0	0	(50,000)	0	0
		I4 - Communications Systems	1,671,200	0	(1,389,600)	0	(50,000)	0	(231,600)
Cost Center Totals			2,594,500	(370,000)	(1,389,600)	0	(50,000)	0	(784,900)
Vehicle & Mobile Equipment - Priority 1									
O&M 356	Growth	Fleet Growth	472,000	0	0	0	0	(362,700)	(109,300)
O&M 356	New	Robotic Sports Field Line Painter	45,000	(45,000)	0	0	0	0	0
		V1 - Additional Vehicles / Equipment	517,000	(45,000)	0	0	0	(362,700)	(109,300)
357	Renew	Vehicle/Equipment Renewal	4,058,400	(4,058,400)	0	0	0	0	0
		V2 - Vehicle / Equipment Renewal	4,058,400	(4,058,400)	0	0	0	0	0
Cost Center Totals			4,575,400	(4,103,400)	0	0	0	(362,700)	(109,300)
Fire Capital - Priority 1									
316	Renew	Fire Equipment Replacement	72,000	(72,000)	0	0	0	0	0
316	New	Digital Fire Training System	55,000	(55,000)	0	0	0	0	0
		F2 - Additional Vehicles / Equipment	127,000	(127,000)	0	0	0	0	0
317	Renew	Fire Communications Equipment Renewal	184,500	(184,500)	0	0	0	0	0
		F3 - Communications Systems	184,500	(184,500)	0	0	0	0	0
Cost Center Totals			311,500	(311,500)	0	0	0	0	0
Grand Total			94,241,000	(74,610,400)	(1,389,600)	(3,301,500)	(400,000)	(387,700)	(14,151,800)

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2023 Capital Requests

Preliminary Budget

Summary - Utility Funds

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Airport Capital - Priority 1								
308	New	Bridge Gantries	140,000	(140,000)	0	0	0	0
308	New	Taxiway and Utilities Construction	390,000	(390,000)	0	0	0	0
309	Renew	Small Capital Projects	180,000	(180,000)	0	0	0	0
A1 - Airside			710,000	(710,000)	0	0	0	0
309	New	Groundside Technology	280,000	(280,000)	0	0	0	0
A2 - Groundside			280,000	(280,000)	0	0	0	0
310	Renew	Airport Roof Replacement Program	1,200,000	(1,200,000)	0	0	0	0
310	Renew	Airport Air Terminal Building Capital Replacement & Improvement	1,565,000	(1,565,000)	0	0	0	0
311	Growth	Common Use Counter Expansion	510,000	(510,000)	0	0	0	0
311	Renew	Combined Operations Building Refurbishment	440,000	(440,000)	0	0	0	0
312	Growth	Air Terminal Building Office Renovation	720,000	(720,000)	0	0	0	0
A3 - Terminal			4,435,000	(4,435,000)	0	0	0	0
312	Growth	Airport Soaring Beyond 2.5 Million Passengers AIF Program	33,600,000	(33,600,000)	0	0	0	0
A4 - AIF			33,600,000	(33,600,000)	0	0	0	0
Cost Center Totals			39,025,000	(39,025,000)	0	0	0	0

Water Capital - Priority 1

384	Growth	Royal View Transmission Mainline - Knox to Gordon	608,000	(283,900)	0	0	0	(324,100)
W1 - DCC Pipes (Mains)			608,000	(283,900)	0	0	0	(324,100)
384	Growth	Summit Reservoir DCC	231,000	(100,000)	0	0	0	(131,000)
W4 - DCC Reservoirs & Filling Stations			231,000	(100,000)	0	0	0	(131,000)
385	New	Offsite & Oversize - Water	143,800	(71,900)	0	0	0	(71,900)
W5 - DCC Offsite & Oversize			143,800	(71,900)	0	0	0	(71,900)
385	Renew	Water Meter Replacement Program	1,930,000	0	0	0	0	(1,930,000)
386	Renew	Water Network and Facility Renewal	1,170,000	0	0	0	0	(1,170,000)
386	Renew	PRV Renewal - Potable System	350,000	0	0	0	0	(350,000)
W6 - Network and Facility Renewal			3,450,000	0	0	0	0	(3,450,000)

	Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
387	Renew		Fireflow Upgrades	363,000	0	0	0	0	(363,000)
387	New		Kelowna Water Integration Plan	300,000	(300,000)	0	0	0	0
388	New		Water Meter - New Installations	150,000	0	0	0	(150,000)	0
W7 - Network and Facility Improvements				813,000	(300,000)	0	0	(150,000)	(363,000)
388	New		Non-Potable System Capital Plan	200,000	(200,000)	0	0	0	0
389	Renew		PRV Renewal - Non Potable System	500,000	(500,000)	0	0	0	0
389	New		Hydrants	20,000	0	0	0	0	(20,000)
390	New		Non-Potable System Watershed Monitoring Equipment	41,000	(41,000)	0	0	0	0
W8 - Irrigation Network Improvements				761,000	(741,000)	0	0	0	(20,000)
Cost Center Totals				6,006,800	(1,496,800)	0	0	(150,000)	(4,360,000)

Wastewater Capital - Priority 1

396	Growth		Glenmore Connection - Glenmore Rd from Cross Rd to Scenic Rd	296,900	(269,300)	0	0	0	(27,600)
396	Growth		Lakeshore Trunk - (Swordy - Barrera)	239,000	(150,300)	0	0	0	(88,700)
WW1 - DCC Pipes (Mains)				535,900	(419,600)	0	0	0	(116,300)
397	Growth		Water St Lift Station	1,550,000	(585,900)	0	0	0	(964,100)
WW2 - DCC Lift Stations				1,550,000	(585,900)	0	0	0	(964,100)
397	Growth		Offsite & Oversize - Wastewater	120,000	(60,000)	0	0	0	(60,000)
WW4 - DCC Oversize				120,000	(60,000)	0	0	0	(60,000)
398	Renew		Renewal - Wastewater Mains and Facilities	3,021,700	0	0	0	0	(3,021,700)
398	Renew		Burtch Trunk	1,250,000	0	0	0	0	(1,250,000)
399	Renew		Lift Station Renewal	728,300	0	0	0	0	(728,300)
WW5 - Network and Facility Renewal				5,000,000	0	0	0	0	(5,000,000)
399	New		Air Filtration Commonage Mix Building	110,000	0	0	0	(36,700)	(73,300)
400	New		Wastewater Treatment Odour Control Media Replacement	1,150,000	0	0	0	0	(1,150,000)
O&M 400	Renew		KLO Rd Mission Creek Sewer Connection	900,000	(240,000)	0	(660,000)	0	0
WW6 - Network and Facility Improvements				2,160,000	(240,000)	0	(660,000)	(36,700)	(1,223,300)
Cost Center Totals				9,365,900	(1,305,500)	0	(660,000)	(36,700)	(7,363,700)
Grand Total				54,397,700	(41,827,300)	0	(660,000)	(186,700)	(11,723,700)

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2023 Capital Requests

Preliminary Budget

Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
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Real Estate and Parking Capital - Priority 2

New	General Land, Acquisition	258,400	0	0	0	0	0	(258,400)
L1 - General Land		258,400	0	0	0	0	0	(258,400)
Growth	DCC Road Widening, Land Acquisition	140,000	0	0	0	0	0	(140,000)
New	Road & Sidewalk, Land Acquisition	50,000	0	0	0	0	0	(50,000)
L2 - Road and Sidewalk Land Acquisition		190,000	0	0	0	0	0	(190,000)
Cost Center Totals		448,400	0	0	0	0	0	(448,400)

Building Capital - Priority 2

Renew	Parks Washrooms Renovations or Replacement	911,200	0	0	0	0	0	(911,200)
B1 - Parks and Recreation Buildings		911,200	0	0	0	0	0	(911,200)
Growth	Rutland Fire Hall No.3, Renovation - Design	95,200	0	0	0	0	0	(95,200)
Growth	North Glenmore Fire Training Centre - Design	190,400	0	0	0	0	0	(190,400)
B3 - Civic/Protective Service Buildings		285,600	0	0	0	0	0	(285,600)
Renew	Heritage Asset Management Program	149,600	0	0	0	0	0	(149,600)
B5 - Heritage Buildings		149,600	0	0	0	0	0	(149,600)
New	EV Infrastructure Upgrades	625,000	0	0	0	0	0	(625,000)
Renew	H2O - Renewal	250,000	0	0	0	0	0	(250,000)
B7 - Renewal, Rehabilitation & Infra.		875,000	0	0	0	0	0	(875,000)
Cost Center Totals		2,221,400	0	0	0	0	0	(2,221,400)

Parks Capital - Priority 2

Renew	Access For All Improvements	200,000	0	0	0	0	0	(200,000)
O&M	Renew Irrigation Renewal	1,730,000	0	0	0	0	0	(1,730,000)
Renew	Park Infrastructure Renewal - Protective Netting & Garbage Cans	230,000	0	0	0	0	0	(230,000)
Renew	Parking Renewal	325,000	0	0	0	0	0	(325,000)
Renew	Pedestrian Bridge Renewal	300,000	0	0	0	0	0	(300,000)
P8 - Renewal, Rehabilitation & Infra		2,785,000	0	0	0	0	0	(2,785,000)

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
New	Capital Opportunities & Partnership Fund	500,000	0	0	0	0	0	(500,000)
P9 - Capital Opportunities Partnership		500,000	0	0	0	0	0	(500,000)
Cost Center Totals		3,285,000	0	0	0	0	0	(3,285,000)

Transportation Capital - Priority 2

Renew	Road Renewal Program	459,000	0	0	0	0	0	(459,000)
T4 - Transportation System Renewal		459,000	0	0	0	0	0	(459,000)
Cost Center Totals		459,000	0	0	0	0	0	(459,000)

Storm Drainage Capital - Priority 2

New	Mill Creek Flood Protection	2,941,700	0	0 (1,176,700)	0	0	0	(1,765,000)
D1 - Hydraulic Upgrading Program		2,941,700	0	0 (1,176,700)	0	0	0	(1,765,000)
Renew	Catch Basin Trapping Hood Retrofit Program	120,000	0	0	0	0	0	(120,000)
D2 - Storm Drainage Quality Program		120,000	0	0	0	0	0	(120,000)
Renew	Stormwater Pond Asset Renewal Program	229,500	0	0	0	0	0	(229,500)
D3 - Storm Water Renewal		229,500	0	0	0	0	0	(229,500)
Cost Center Totals		3,291,200	0	0 (1,176,700)	0	0	0	(2,114,500)

Vehicle & Mobile Equipment - Priority 2

OP	Growth	Fleet Growth - Facilities Services Position	80,000	0	0	0	0	0	(80,000)
OP	Growth	Fleet Growth - Facility Operations Coordinator Position	80,000	0	0	0	0	0	(80,000)
V1 - Additional Vehicles / Equipment			160,000	0	0	0	0	0	(160,000)
Cost Center Totals			160,000	0	0	0	0	0	(160,000)
Grand Total			9,865,000	0	0 (1,176,700)	0	0	0	(8,688,300)

2023 Capital Requests
Preliminary Budget
Summary - Utility Funds

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Water Capital - Priority 2							
	Growth UV Treatment Systems Upgrades	500,000	0	0	0	0	(500,000)
	W3 - DCC Water Treatment	500,000	0	0	0	0	(500,000)
	Cost Center Totals	500,000	0	0	0	0	(500,000)
	Grand Total	500,000	0	0	0	0	(500,000)

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AIRPORT



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2023 Capital Requests

Preliminary Budget

Airport Capital Summary - Airport Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Airport Capital - Priority 1								
308	New	Bridge Gantries	140,000	(140,000)	0	0	0	0
308	New	Taxiway and Utilities Construction	390,000	(390,000)	0	0	0	0
309	Renew	Small Capital Projects	180,000	(180,000)	0	0	0	0
A1 - Airside			710,000	(710,000)	0	0	0	0
309	New	Groundside Technology	280,000	(280,000)	0	0	0	0
A2 - Groundside			280,000	(280,000)	0	0	0	0
310	Renew	Airport Roof Replacement Program	1,200,000	(1,200,000)	0	0	0	0
310	Renew	Airport Air Terminal Building Capital Replacement & Improvement	1,565,000	(1,565,000)	0	0	0	0
311	Growth	Common Use Counter Expansion	510,000	(510,000)	0	0	0	0
311	Renew	Combined Operations Building Refurbishment	440,000	(440,000)	0	0	0	0
312	Growth	Air Terminal Building Office Renovation	720,000	(720,000)	0	0	0	0
A3 - Terminal			4,435,000	(4,435,000)	0	0	0	0
312	Growth	Airport Soaring Beyond 2.5 Million Passengers AIF Program	33,600,000	(33,600,000)	0	0	0	0
A4 - AIF			33,600,000	(33,600,000)	0	0	0	0
Cost Center Totals			39,025,000	(39,025,000)	0	0	0	0
Grand Total			39,025,000	(39,025,000)	0	0	0	0

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not Included A1	
Title:	Bridge Gantries		PRELIMINARY

Justification:

Budget is requested for the purchase of two bridge gantries. A bridge gantry provides a connection from a passenger boarding bridge to an aircraft. Certain passenger boarding bridges at the Airport are currently not able to load Q400 aircraft and these bridge gantries would allow these passenger boarding bridges to load Q400's going forward, which would improve customer service and meet incoming Accessible Transportation for Persons with Disabilities Regulations.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
140,000	(140,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2023 A1 - \$389.3k	
Title:	Taxiway and Utilities Construction		PRELIMINARY

Justification:

Budget is requested to construct a taxiway for small aircraft and extend utilities on the east side of the runway at the north end. This would provide two flying schools with the ability to relocate to this location, which would help the growth of flying schools at the Airport.

There are no operation and maintenance budget impacts associated with this request for 2023. Future operation and maintenance budget impacts will be included in the appropriate years, once construction is complete.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
390,000	(390,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2023 A1 - \$177.9k	
Title:	Small Capital Projects		PRELIMINARY

Justification:

Budget is requested for smaller capital projects that need to be implemented expeditiously. Historically, Airport Small Capital has been used to fund projects such as the replacement of lights on the apron's edge, the purchase of a disabled aircraft remover and the addition of drainage near the outbound oversized baggage system.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
180,000	(180,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not Included A2	
Title:	Groundside Technology		PRELIMINARY

Justification:

Budget is requested for the purchase of parking equipment for the Convair parking lot, radio frequency identification (RFID) equipment for the front curb, and a portable digital programmable sign. The purchase of parking equipment would allow for automated payment and will integrate with the Airport's existing parking lot equipment systems. The implementation of RFID equipment will help manage curbside activity and allow the Airport to seamlessly process payment for taxis and ride-share services, which will increase efficiencies. The programmable sign will allow for more agile roadside communication with the public.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
280,000	(280,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A3	
Title:	Airport Roof Replacement Program		PRELIMINARY

Justification:

The roof replacement program is a multi-year project that is anticipated to be completed in 2023. The work that was planned for 2020 and 2021 was deferred as a part of the Airport's cost saving initiatives implemented in response to the significant impact of COVID-19. Budget is requested to complete the roof replacement program, as inflationary pressures were experienced in 2022.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,200,000	(1,200,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2023 A3 - \$1.3M	
Title:	Airport Air Terminal Building Capital Replacement & Improvement		PRELIMINARY

Justification:

The Air Terminal Building (ATB) capital replacements and improvements project consists of modifications to the ATB and the equipment within it to improve the operations of the Airport. Budget is requested for the most significant replacements and improvements including the replacement of high-intensity discharge (HID) lighting with light emitting diode (LED) lighting, further improvements to the public announcement system, transition to common use terminal equipment at check-in and departures, and replacement of air handling units and fan coils.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,565,000	(1,565,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not Included A3	
Title:	Common Use Counter Expansion		PRELIMINARY

Justification:

Budget is requested to expand the number of common use counters and common use self-serve units at the check-in area in the air terminal building. As YLW is forecasting 2.1M passengers for 2023, this project would increase check-in capacity and decrease customer wait times.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
510,000	(510,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2023 A3 - \$167k	
Title:	Combined Operations Building Refurbishment		PRELIMINARY

Justification:

Budget is requested to complete a lifecycle replacement of the heating, ventilation and air conditioning system in the Combined Operations Building, and to design conceptual options and determine corresponding costs for the future refurbishment and use of the existing Combined Operations Building after the new Combined Operations Building is built.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
440,000	(440,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A3	
Title:	Air Terminal Building Office Renovation		PRELIMINARY

Justification:

Budget is requested for design and renovation of the Airport offices used by the City of Kelowna. This renovation would provide additional work spaces aligned with the Airport's 5-Year Human Resources Plan and the office demolition required as a part of the Airport terminal building expansion.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
720,000	(720,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2023 A4 - \$9.9M	
Title:	Airport Soaring Beyond 2.5 Million Passengers AIF Program		PRELIMINARY

Justification:

The Airport is requesting budget to design, construct and make purchases for certain aspects of the Soaring Beyond 2.5 Million Passengers AIF Program. The funding would be allocated as follows: construction of the air terminal building expansion, airside pavement rehabilitation on Apron 3 and Taxiway Charlie, CUSS/CUTE (common use) equipment replacement at the end of its useful life, purchase of two runway snow plow sweeper combos, purchase of a multi-purpose vehicle, passenger boarding bridge programmable logic controller upgrades, and purchase of a light electric vehicle. \$67.3M was approved in the 2020 Budget for construction of the air terminal building. Additional budget is being requested due to inflationary pressures.

Expected Completion: Dec 2026

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
33,600,000	(33,600,000)	0	0	0	0

►► FIRE

FIRE



DEPARTMENT

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2023 Capital Requests

Preliminary Budget

Fire Capital Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Fire Capital - Priority 1									
316	Renew	Fire Equipment Replacement	72,000	(72,000)	0	0	0	0	0
316	New	Digital Fire Training System	55,000	(55,000)	0	0	0	0	0
F2 - Additional Vehicles / Equipment			127,000	(127,000)	0	0	0	0	0
317	Renew	Fire Communications Equipment Renewal	184,500	(184,500)	0	0	0	0	0
F3 - Communications Systems			184,500	(184,500)	0	0	0	0	0
Cost Center Totals			311,500	(311,500)	0	0	0	0	0
Grand Total			311,500	(311,500)	0	0	0	0	0

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: 2023 F2 - \$63k	
Title:	Fire Equipment Replacement		PRELIMINARY

Justification:

Budget is requested for the replacement of six sets of Self Contained Breathing Apparatus (SCBA) and fifteen air cylinders. The fire equipment reserve will fund both the SCBA and the air cylinders. The Fire Department has developed a long term replacement strategy to ensure SCBA units are replaced as they reach the end of useful life.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
72,000	(72,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: 2023 F2 - \$55k	
Title:	Digital Fire Training System		PRELIMINARY

Justification:

Budget is requested for an ATTACK Digital Fire Training System (DFTS). The ATTACK DFTS combines digital flames, sound and smoke to create a range of fire conditions that respond directly to hose line application either water or laser in areas that would be water sensitive. This system allows firefighters to quickly run repeatable and variable evolutions in a wide variety of environments such as acquired structures, training towers or any other location where live fire is not practical. The DFTS allows training of new recruits in a safe environment and greatly reduces the exposure to heat and harmful carcinogens during training exercises for all fire suppression and training branch personnel. Further, there is a decreased environmental impact as this system would drastically decrease the need for real live fires for training purposes.

Expected Completion: Sep 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
55,000	(55,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Fire Capital	10 Yr Cap Plan Ref: 2023 F3 - \$185k	
Title:	Fire Communications Equipment Renewal		PRELIMINARY

Justification:

Budget is requested to support the implementation of Next Generation 911 (NG911) compliant equipment, to support Kelowna Fire Department Dispatch as it works to meet the Canadian Radio-television and Telecommunications (CRTC) mandated NG911 launch before 2025. This work includes phone and required technology upgrades as planned for in the 10-year Capital Plan. Budget is also requested for a phone system specific software upgrade to support computer software which will allow callers to text and video call 911. The softphone allows users to make telephone calls over the internet via a computer or smartphone.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
184,500	(184,500)	0	0	0	0	0

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INFORMATION SERVICES



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2023 Capital Requests

Preliminary Budget

Information Services Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Information Services Capital - Priority 1								
322	Renew Front Office Equipment	503,300	0	0	0	0	0	(503,300)
	I1 - Front Office Equipment	503,300	0	0	0	0	0	(503,300)
322	Renew Server and Data Storage	50,000	0	0	0	0	0	(50,000)
	I2 - Server & Data Storage	50,000	0	0	0	0	0	(50,000)
323	Renew Major Systems Projects	370,000	(370,000)	0	0	0	0	0
	I3 - Major System Projects	370,000	(370,000)	0	0	0	0	0
O&M 323	Renew Network as a Service	1,621,200	0	(1,389,600)	0	0	0	(231,600)
324	New Fibre Optic Service Line	50,000	0	0	0	(50,000)	0	0
	I4 - Communications Systems	1,671,200	0	(1,389,600)	0	(50,000)	0	(231,600)
Cost Center Totals		2,594,500	(370,000)	(1,389,600)	0	(50,000)	0	(784,900)
Grand Total		2,594,500	(370,000)	(1,389,600)	0	(50,000)	0	(784,900)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2023 I1 - \$503k	
Title:	Front Office Equipment		PRELIMINARY

Justification:

This capital program funds the lifecycle of roughly 1,200 staff desktop computers, laptops, tablets, monitors and systems that enable all meeting spaces (virtual and in-person). With recent changes to how staff work, the shift to providing a mobile-friendly environment for information workers is imminent. Budget is requested for new software purchases, annual Microsoft licensing, as well as cyber security initiatives that are also covered under this program. Without up-to-date workstations (eg. laptops, desktop computers), service levels will decrease resulting in higher service incidents and hardware failures.

Expected Completion: Dec 2023

Strategic Direction: Clear direction - Services, processes & business activities are transformed

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
503,300	0	0	0	0	0	(503,300)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2023 I2 - \$50k	
Title:	Server and Data Storage		PRELIMINARY

Justification:

The Server and Data Storage project funds capital investments for the data center. Budget is requested to continue to build and implement disaster recovery infrastructure. This project also supports the cyber security program to help protect the City's digital assets.

Expected Completion: Dec 2023

Strategic Direction: Clear direction - Services, processes & business activities are transformed

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2023 I3 - \$370k	
Title:	Major Systems Projects		PRELIMINARY

Justification:

Budget is requested to fund data analytics solutions and dashboards to help with better decision making. This request will also fund the continued effort to automate and digitize processes with the goal of providing a better staff and citizen experience. The City's Bylaw request system will also be replaced with this funding request. A new system will give staff and citizens a modern experience with Bylaw Services and provide better analytics on incoming requests.

Expected Completion: Dec 2023

Strategic Direction: Clear direction - Services, processes & business activities are transformed

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
370,000	(370,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2023 I4 - \$361k	
Title:	Network as a Service		PRELIMINARY

Justification:

The City is moving to network as a service versus on-premise network due to the constantly increasing complexity, number of upgrades, extensive training requirements and cyber threats. The network is the foundation for all City IT infrastructure and systems. This contract includes all implementation, deployment and ongoing upgrades and security patches. The contract will assess needs and renegotiate the next contract in year six.

Expected Completion: Dec 2023

Strategic Direction: Clear direction - Services, processes & business activities are transformed

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,621,200	0	(1,389,600)	0	0	0	(231,600)

Operating Impact: Network as a Service

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	36,000	0	0	0	0	0	0	(36,000)
2024	267,600	0	0	0	0	0	0	(267,600)
2025	267,600	0	0	0	0	0	0	(267,600)

2023 Capital Request Details

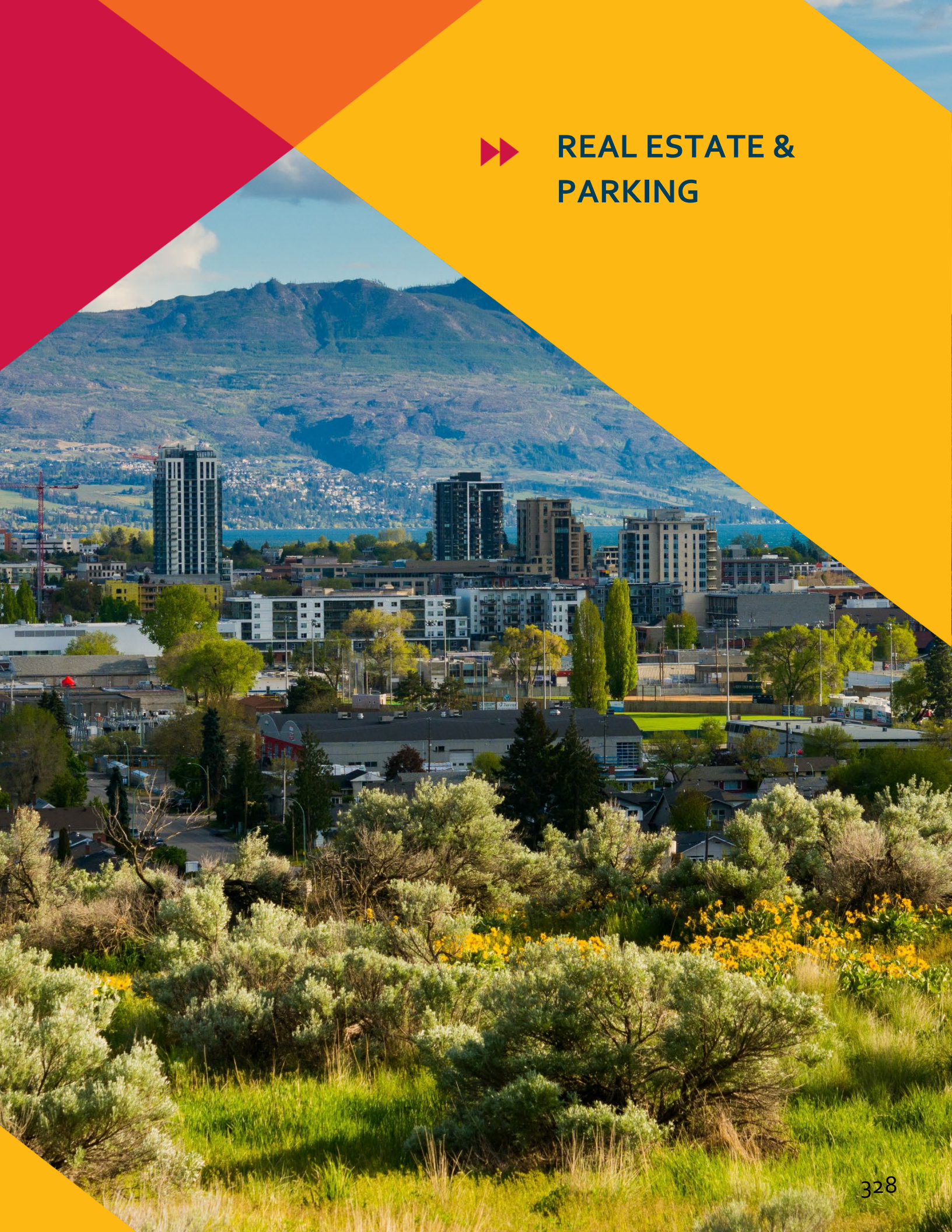
Department:	Capital Projects	Priority: 1	New
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2023 I4 - \$50k	
Title:	Fibre Optic Service Line		PRELIMINARY

Justification:
Budget is requested for the installation of fibre optic service lines to new customers. New customers will cover all costs associated with the installation.

Expected Completion: Dec 2023						
Strategic Direction: Financial management - Non-tax revenues are increasing						
Operating Impact: There are no operation and maintenance budget impacts associated with this request						
Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	(50,000)	0	0



REAL ESTATE & PARKING



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2023 Capital Requests

Preliminary Budget

Real Estate and Parking Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Real Estate and Parking Capital - Priority 1								
328	New General Land, Acquisition	1,958,600	(1,000,000)	0	0	0	0	(958,600)
	L1 - General Land	1,958,600	(1,000,000)	0	0	0	0	(958,600)
328	New Road & Sidewalk, Land Acquisition	25,000	0	0	0	0	0	(25,000)
	L2 - Road and Sidewalk Land Acquisition	25,000	0	0	0	0	0	(25,000)
329	Renew Downtown Parkades-Major Maintenance	250,000	(250,000)	0	0	0	0	0
329	Renew Parking Equipment and Facilities	192,500	(192,500)	0	0	0	0	0
330	New Electric Vehicle Infrastructure and Strategic Initiatives	300,000	(300,000)	0	0	0	0	0
	L3 - Parking Infrastructure	742,500	(742,500)	0	0	0	0	0
330	New Strategic Land Servicing Requirements	250,000	(250,000)	0	0	0	0	0
	L4 - Strategic Land Redevelopment	250,000	(250,000)	0	0	0	0	0
	Cost Center Totals	2,976,100	(1,992,500)	0	0	0	0	(983,600)
	Grand Total	2,976,100	(1,992,500)	0	0	0	0	(983,600)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L1 - \$1.96M	
Title:	General Land, Acquisition	PRELIMINARY	

Justification:

Budget is requested to purchase land that meets the characteristics and parameters identified in the City of Kelowna's Land Strategy. Potential considerations in the purchase of specific lands includes: facilitating land assemblies of strategic value to the City, creating a revenue generating land bank, and enhancing the City's ability to revitalize and redevelop areas within our community. The City has successfully acquired strategic lands to facilitate a number of unique initiatives in recent years, including the Innovation Centre, Interior Health Authority, Ella site, and Central Green. Given the ability of land to meet the ever-increasing complex challenges of our community, it is imperative that the City continue to capitalize on opportunities as they come available.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,958,600	(1,000,000)	0	0	0	0	(958,600)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L2 - \$25k	
Title:	Road & Sidewalk, Land Acquisition	PRELIMINARY	

Justification:

As documented by the Infrastructure Division, budget is requested to fund the acquisition of land necessary for the widening of roads and the expansion of the City's sidewalk network. Budget will also be used to fund road widenings in excess of the 20 metre width that is a requirement of the development approval process.

Acquisitions are targeted towards key missing connections in the City's existing road and sidewalk network and will be focused in the City's core.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

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

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L3 - \$250k	
Title:	Downtown Parkades-Major Maintenance		PRELIMINARY

Justification:

Budget is requested to complete several preventative maintenance items necessary to ensure maximum life expectancy for City owned parkades. The Library Parkade requires exterior waterproofing, caulking, flashing replacement and staircase crack repairs. The Chapman Parkade requires replacement of sprinkler system piping and exterior masonry repairs.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L3 - \$193k	
Title:	Parking Equipment and Facilities		PRELIMINARY

Justification:

Budget is requested to renew parking infrastructure and invest in efficient parking management by replacing equipment that has reached its end of life or to allow for expansion into new areas. Renewal of parking pay stations/meters, enforcement equipment, servers, and security cameras are included.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
192,500	(192,500)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L3 - \$150k	
Title:	Electric Vehicle Infrastructure and Strategic Initiatives	PRELIMINARY	

Justification:

Budget is requested for funds to continue expanding the number of electric vehicle charging stations in City owned parking lots and parkade facilities. This may include an increase in the quantity of Level 1 & 2 chargers in the City Hall lot and three city parkades or new locations identified by the EV Infrastructure gap analysis. Any new installations will continue to follow the Electric Vehicle Strategy. Staff will continue to pursue partnership and grant opportunities to maximize the value of these funds. The amount of this request was increased from the 10-year capital plan to ensure funding is available to address results of the EV Infrastructure gap analysis, completed in late 2022.

Expected Completion: Dec 2023

Strategic Direction: Environmental protection - Greenhouse gas emissions are decreasing

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

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:	Real Estate and Parking Capital	10 Yr Cap Plan Ref: 2023 L4 - \$250k	
Title:	Strategic Land Servicing Requirements	PRELIMINARY	

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. Budget is requested to fund several projects and properties that have been identified to have the potential to return social, economic, environmental and cultural benefits to the City.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

2023 Capital Requests
Preliminary Budget
Real Estate and Parking Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Real Estate and Parking Capital - Priority 2								
New	General Land, Acquisition	258,400	0	0	0	0	0	(258,400)
	L1 - General Land	258,400	0	0	0	0	0	(258,400)
Growth	DCC Road Widening, Land Acquisition	140,000	0	0	0	0	0	(140,000)
New	Road & Sidewalk, Land Acquisition	50,000	0	0	0	0	0	(50,000)
	L2 - Road and Sidewalk Land Acquisition	190,000	0	0	0	0	0	(190,000)
	Cost Center Totals	448,400	0	0	0	0	0	(448,400)
	Grand Total	448,400	0	0	0	0	0	(448,400)

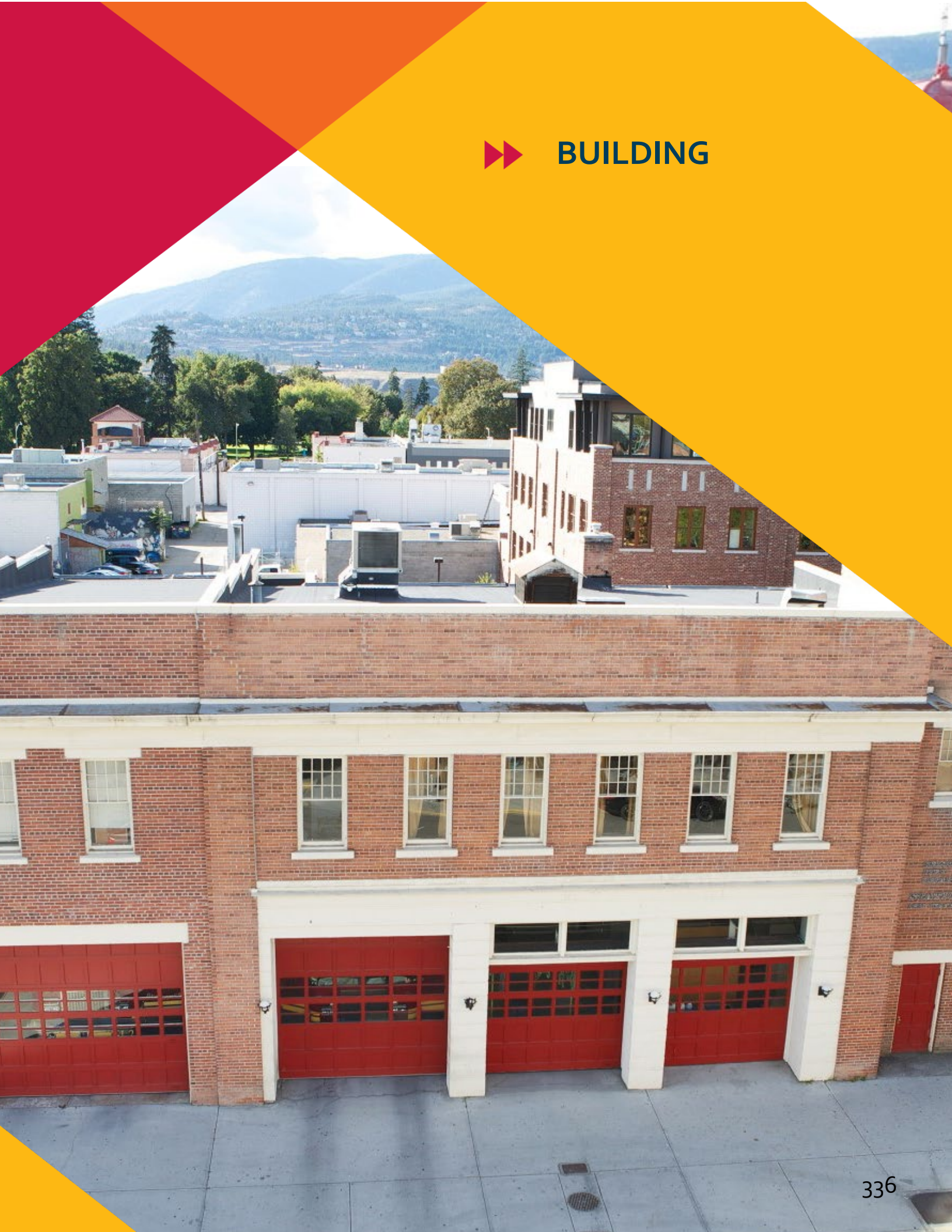
OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

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BUILDING



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2023 Capital Requests

Preliminary Budget

Building Capital Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Building Capital - Priority 1									
**	336	Renew	Kelowna Community Campus - Building and Site Works	3,900,000	(3,900,000)	0	0	0	0
			B1 - Parks and Recreation Buildings	3,900,000	(3,900,000)	0	0	0	0
	336	New	North Glenmore Fire Hall No.5 - Design	866,600	(814,600)	0	0	0	(52,000)
	337	Growth	Rutland Community Policing Office Expansion - Design	95,200	(95,200)	0	0	0	0
			B3 - Civic/Protective Service Buildings	961,800	(909,800)	0	0	0	(52,000)
	337	Growth	Capital Opportunities & Partnership Fund	1,000,000	(1,000,000)	0	0	0	0
			B6 - Capital Opportunities and Partnerships	1,000,000	(1,000,000)	0	0	0	0
	338	Renew	Kelowna Family Y - Building Renewal	1,350,000	(108,000)	0	0	0	(1,242,000)
	338	Renew	General Building Infrastructure Renewal - Critical Renewal	1,400,000	(933,000)	0	0	0	(467,000)
	339	Renew	Water Street Boat Launch Renewal	575,000	(575,000)	0	0	0	0
O&M	339	Renew	Kelowna Community Theatre Improvements	92,000	(92,000)	0	0	0	0
	340	Renew	Facility Energy Modernization Renewal	250,600	(250,600)	0	0	0	0
			B7 - Renewal, Rehabilitation & Infra.	3,667,600	(1,958,600)	0	0	0	(1,709,000)
			Cost Center Totals	9,529,400	(7,768,400)	0	0	0	(1,761,000)
			Grand Total	9,529,400	(7,768,400)	0	0	0	(1,761,000)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

****This item is to be removed from the 2023 Preliminary Budget and brought forward later in 2023 as Council approves related project milestones**

2023 Capital Request Details

Department:	Capital Projects	Priority:	1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref:	2023 B1 - \$164.8M	
Title:	Kelowna Community Campus - Building and Site Works			PRELIMINARY

Justification:

The design process for a replacement recreation centre and associated site works is in progress. The volatile construction market and considerable cost increases have resulted in the requirement of a greater level of detail before finalizing costs. Budget of \$3.9M is requested for design and construction. A subsequent budget request for construction funding will be submitted in 2024, which will be subject to community consultation.

This item is to be removed from the 2023 Preliminary Budget and brought forward later in 2023 as Council approves related project milestones.

Expected Completion: Dec 2026

Strategic Direction: Vibrant neighbourhoods - Accessible and multi-purpose amenities

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,900,000	(3,900,000)	0	0	0	0	0

Department:	Capital Projects	Priority:	1	New
Cost Center:	Building Capital	10 Yr Cap Plan Ref:	2023 B3 - \$866k	
Title:	North Glenmore Fire Hall No.5 - Design			PRELIMINARY

Justification:

A site has been identified for a new fire hall to serve North Glenmore and areas of our City further north. Budget is requested for the design of this fire hall as a priority to maintain adequate fire coverage for this part of the City. A subsequent budget request for construction funding will be submitted in 2024.

Expected Completion: Dec 2023

Strategic Direction: Community Safety - Residents feel safe

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
866,600	(814,600)	0	0	0	0	(52,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2023 B3 - \$95k	
Title:	Rutland Community Policing Office Expansion - Design		PRELIMINARY

Justification:

The need for additional space at the Rutland Community Policing Office (CPO) has been identified. Budget is requested for the scoping and design of the expansion of this CPO, as a priority to maintain adequate service for this part of the City.

A subsequent budget request for construction funding will be submitted in 2024.

Expected Completion: Dec 2023

Strategic Direction: Community Safety - Residents feel safe

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
95,200	(95,200)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2023 B6 - \$1M	
Title:	Capital Opportunities & Partnership Fund		PRELIMINARY

Justification:

The City receives multiple unsolicited proposals for partnerships in our building portfolio, often from the community, sports or special interest groups. Budget is requested for the Capital Opportunities and Partnership program which provides capital funding for any municipal commitments associated with these partnerships.

Expected Completion: Dec 2024

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,000,000	(1,000,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2023 B7 - \$1.35M	
Title:	Kelowna Family Y - Building Renewal		PRELIMINARY

Justification:

Budget is requested to fund energy improvements, end of life building system renewals, and address regulatory deficiencies at the Kelowna Family Y, identified through building condition assessment and energy studies. Work includes building envelope, electrical systems, and pool mechanical.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,350,000	(108,000)	0	0	0	0	(1,242,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2023 B7 - \$466k	
Title:	General Building Infrastructure Renewal - Critical Renewal		PRELIMINARY

Justification:

Budget is requested to fund various end of life building system projects identified through condition assessments include building envelope renewals, Mechanical, Electrical, Plumbing (MEP) Renewals, and H2O Renewal.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,400,000	(933,000)	0	0	0	0	(467,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B7 - \$0	
Title:	Water Street Boat Launch Renewal		PRELIMINARY

Justification:

Budget is requested to replace existing docks at the Water Street Boat Launch, which have been identified as being at the end of their lifecycle, as well as to install a staging and moorage arm at the end of the northern most launch dock. This will enhance the overall safety of the launch and increase the efficiency of traffic flow for launch users.

Expected Completion: Mar 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
575,000	(575,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B7	
Title:	Kelowna Community Theatre Improvements		PRELIMINARY

Justification:

Budget is requested for a series of improvement and replacement projects to enhance operations at the Kelowna Community Theatre (KCT). These items include upgrading the Juliet Balcony to renovate storage area and create staff office space, replacement of the stage deck and the replacement of the stage drape. The KCT exterior sign requires updating and installation which will provide advertising and wayfinding for the box office housed in the building. Finally, the Concession display fridges are nearing the end of their useful life and require replacement.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Accessible and multi-purpose amenities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
92,000	(92,000)	0	0	0	0	0

Operating Impact: Kelowna Community Theatre Improvements

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	3,600	0	0	0	0	(5,000)	0	1,400
2024	3,600	0	0	0	0	(5,000)	0	1,400
2025	3,600	0	0	0	0	(5,000)	0	1,400

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2023 B7 - \$250k	
Title:	Facility Energy Modernization Renewal		PRELIMINARY

Justification:
In support of corporate goals to reduce Greenhouse Gas (GHG) emissions and energy consumption, budget is requested for the renewal and replacement of inefficient energy systems within City facilities. Work includes energy loss retrofits, LED lighting retrofits, variable frequency drive (VFD) installations, building envelope maintenance, consulting services, etc. Rebate and grant opportunities will exist for the variety of proposed work. This work will keep buildings operational while lowering operating costs over the life of the facility. This work is a proposed ongoing program beginning in Q1 2023. A reduction in energy costs will be achieved.

Expected Completion: Dec 2023						
Strategic Direction: Environmental protection - Greenhouse gas emissions are decreasing						
Operating Impact: There are no operation and maintenance budget impacts associated with this request						
Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,600	(250,600)	0	0	0	0	0

2023 Capital Requests

Preliminary Budget

Building Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Building Capital - Priority 2								
Renew	Parks Washrooms Renovations or Replacement	911,200	0	0	0	0	0	(911,200)
	B1 - Parks and Recreation Buildings	911,200	0	0	0	0	0	(911,200)
Growth	Rutland Fire Hall No.3, Renovation - Design	95,200	0	0	0	0	0	(95,200)
Growth	North Glenmore Fire Training Centre - Design	190,400	0	0	0	0	0	(190,400)
	B3 - Civic/Protective Service Buildings	285,600	0	0	0	0	0	(285,600)
Renew	Heritage Asset Management Program	149,600	0	0	0	0	0	(149,600)
	B5 - Heritage Buildings	149,600	0	0	0	0	0	(149,600)
New	EV Infrastructure Upgrades	625,000	0	0	0	0	0	(625,000)
Renew	H2O - Renewal	250,000	0	0	0	0	0	(250,000)
	B7 - Renewal, Rehabilitation & Infra.	875,000	0	0	0	0	0	(875,000)
	Cost Center Totals	2,221,400	0	0	0	0	0	(2,221,400)
	Grand Total	2,221,400	0	0	0	0	0	(2,221,400)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

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PARKS



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2023 Capital Requests

Preliminary Budget

Parks Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Parks Capital - Priority 1								
346	Growth DCC Parkland Acquisition	16,936,300	(15,346,300)	0	0	0	0	(1,590,000)
	P1 - DCC Parkland Acquisition	16,936,300	(15,346,300)	0	0	0	0	(1,590,000)
346	Growth Burne Park (DCC) - Design	279,200	(174,200)	0	0	0	0	(105,000)
	P3 - Neighbourhood Park Development	279,200	(174,200)	0	0	0	0	(105,000)
347	Growth DeHart Park (DCC)	4,928,800	(4,355,900)	0	0	0	0	(572,900)
	P4 - Community Park Development	4,928,800	(4,355,900)	0	0	0	0	(572,900)
O&M 347	Growth Glenmore Recreation Park (DCC) - Phase 3	6,830,400	(3,721,600)	0	0	0	0	(3,108,800)
	P5 - Recreation Park Development	6,830,400	(3,721,600)	0	0	0	0	(3,108,800)
348	Growth Pandosy Waterfront Park (DCC) - Phase 2	168,000	(93,000)	0	0	0	0	(75,000)
	P6 - City-wide Park Development	168,000	(93,000)	0	0	0	0	(75,000)
O&M 348	Renew Knox Mountain Park - Improvements	276,500	0	0	0	0	0	(276,500)
	P7 - Linear/Natural Area Park Development	276,500	0	0	0	0	0	(276,500)
O&M 349	Renew Irrigation Renewal	300,000	(117,300)	0	0	0	0	(182,700)
349	New Kelowna Memorial Park Cemetery - Improvements	538,000	(538,000)	0	0	0	0	0
350	Renew Park Infrastructure Renewal	70,000	0	0	0	0	0	(70,000)
350	Renew Sport Courts/Water Parks/Skate Parks Renewal & Replacements	150,000	(150,000)	0	0	0	0	0
O&M 351	New Parks Large Capacity Waste Receptacles	153,500	(153,500)	0	0	0	0	0
	P8 - Renewal, Rehabilitation & Infra.	1,211,500	(958,800)	0	0	0	0	(252,700)
Cost Center Totals		30,630,700	(24,649,800)	0	0	0	0	(5,980,900)
Grand Total		30,630,700	(24,649,800)	0	0	0	0	(5,980,900)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P1 - \$16.9M	
Title:	DCC Parkland Acquisition		PRELIMINARY

Justification:

Budget is requested for the acquisition of land to be used for neighbourhood, community, city-wide, recreation and linear type parks. This is in accordance with the 20-Year Servicing Plan and Development Cost Charges (DCC) reserve funding availability.

This is a multi-year program.

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
16,936,300	(15,346,300)	0	0	0	0	(1,590,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P3 - \$279k	
Title:	Burne Park (DCC) - Design		PRELIMINARY

Justification:

The creation of a neighbourhood park on Burne Ave adjacent to Mill Creek has been a long-term goal for the City, and properties have been acquired over many years. Budget is now requested for the design of Burne Park, which has been identified as the next priority within the DCC neighbourhood park program. Design work will be coordinated with the Mill Creek Linear Park design and flood mitigation works. A subsequent budget request for construction funding will be submitted in 2024.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
279,200	(174,200)	0	0	0	0	(105,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P4 - \$4.9M	
Title:	DeHart Park (DCC)		PRELIMINARY

Justification:

DeHart Park is the first priority of three major community parks in the Parks Development DCC program. A budget of \$6.4M was approved in 2022 for design and construction. Budget is now requested for the balance of the funding for construction. Construction of both budgets will be brought into a single contract to realize savings.

Expected Completion: Sep 2024

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
4,928,800	(4,355,900)	0	0	0	0	(572,900)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P5 - \$6.8M	
Title:	Glenmore Recreation Park (DCC) - Phase 3		PRELIMINARY

Justification:

Glenmore Recreation Park is the primary recreation park project in the Parks Development DCC program, and will be constructed over multiple phases. The park also serves as an important community park space serving North Glenmore. Phases one and two have been completed, and were available for public use in 2021. Budget for the design of Phase three was approved in 2022, and budget is now requested for the construction. The prioritization of new sports courts and fields at this park will be closely coordinated with the design development of Parkinson Recreation Park, in order to accommodate relocated sports, and minimize disruption to field access during construction.

Expected Completion: Jun 2024

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
6,830,400	(3,721,600)	0	0	0	0	(3,108,800)

Operating Impact: Glenmore Recreation Park (DCC) - Phase 3

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	75,000	0	0	0	0	0	0	(75,000)
2025	103,100	0	0	0	0	0	0	(103,100)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P6 - \$75k	
Title:	Pandosy Waterfront Park (DCC) - Phase 2		PRELIMINARY

Justification:

Budget is requested for the design of Phase two of Pandosy Waterfront Park. This phase includes hard landscaping works around the proposed new facility for the Kelowna Paddle Centre in accordance with the partnership agreement, road frontage improvements and a small parking lot. This budget request also includes the demolition of the existing building. The design and construction of the new facility will be funded by the Kelowna Paddle Centre. This is a multi-year project with completion of the design dependent on design and funding progress made by our partner. A subsequent budget request for the construction of the City's scope of work will be brought forward in 2024.

Expected Completion: Dec 2024

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
168,000	(93,000)	0	0	0	0	(75,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P7 - \$276k	
Title:	Knox Mountain Park - Improvements		PRELIMINARY

Justification:

Knox Mountain Park continues to be one of the City's most popular parks, however it is a delicate ecosystem and the increasing numbers of users puts a heavy strain on the existing park infrastructure. The 2011 Council endorsed Knox Mountain Park, Management Plan is currently being updated in consideration of the large increase in use. The update includes a ten-year development plan covering both capital and operational items. Budget is requested for improvements to the first lookout, updated signage, and crib step replacement. This is a multi-year project with capital budget requests identified for the following eight years.

Expected Completion: Dec 2024

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
276,500	0	0	0	0	0	(276,500)

Operating Impact: Knox Mountain Park - Improvements

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	12,000	0	0	0	0	0	0	(12,000)
2024	37,100	0	0	0	0	0	0	(37,100)
2025	37,100	0	0	0	0	0	0	(37,100)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P8 - \$300k	
Title:	Irrigation Renewal		PRELIMINARY

Justification:

Based on irrigation system audits, the life expectancy of the system, and the City's assessment criteria, budget is requested for the replacement of aging irrigation controllers throughout the City that are having an impact on the irrigation central control system, as well as for irrigation system renewal at city parks and sport fields.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(117,300)	0	0	0	0	(182,700)

Operating Impact: Irrigation Renewal

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	15,000	0	0	0	0	0	0	(15,000)
2025	15,000	0	0	0	0	0	0	(15,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P8 - \$526k	
Title:	Kelowna Memorial Park Cemetery - Improvements		PRELIMINARY

Justification:

Budget is requested for phase four of irrigation system upgrades at the Kelowna Memorial Park Cemetery (KMPC). This work includes a new irrigation extension to the entrance section of the park. KMPC is a highly sensitive site and efforts are made to ensure the construction does not affect other activities as much as possible. Additional works include office HVAC improvements, scheduled re-caulking of the Promontory Green and improvements to the Legacy Gardens.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
538,000	(538,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P8 - \$70k	
Title:	Park Infrastructure Renewal		PRELIMINARY

Justification:

Glenmore Road North Greenspace was created with the construction of Glenmore Road North but has never had a water supply. Budget is requested for a water supply for the Glenmore Road North Greenspace to service the park space, including a proposed community garden and drinking water for dogs.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

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

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: 2023 P8 - \$150k	
Title:	Sport Courts/Water Parks/Skate Parks Renewal & Replacements		PRELIMINARY

Justification:

Budget is requested for the renewal of waterslide equipment at Ben Lee Park, and the replacement of the ageing playground at Kinsmen Park which is thought to have been installed in the 1970's.

Expected Completion: Dec 2023

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(150,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: Not included P8	
Title:	Parks Large Capacity Waste Receptacles	PRELIMINARY	

Justification:

Parks Services manages over 1,200 waste receptacles throughout the City parks. Data collected from the Smart Waste Sensor Pilot (approved in 2022) shows that waste collection in many parks is required four or more times per day in peak season. Current waste containers have similar capacity as a residential unit. Budget is requested to start phasing out the older receptacles with large capacity units where data shows highest concentration. These larger units will reduce the staff time required to service the sites. Furthermore, many of these receptacles are not wildlife proof in the City's natural parks.

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
153,500	(153,500)	0	0	0	0	0

Operating Impact: Parks Large Capacity Waste Receptacles

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	17,500	0	0	0	0	0	0	(17,500)
2024	21,500	0	0	0	0	0	0	(21,500)
2025	26,500	0	0	0	0	0	0	(26,500)

2023 Capital Requests
Preliminary Budget
Parks Capital Summary - General Fund

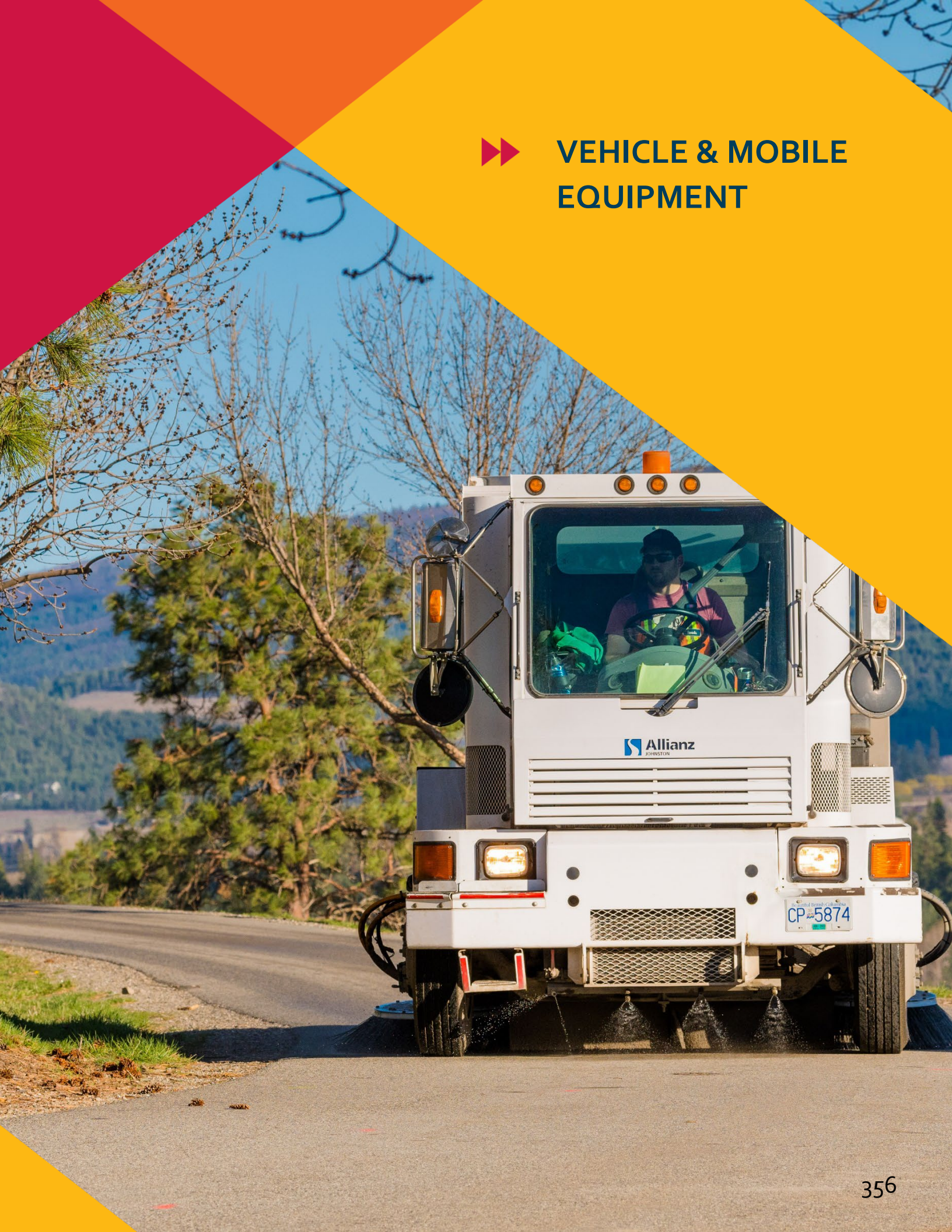
Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Parks Capital - Priority 2								
O&M	Renew Access For All Improvements	200,000	0	0	0	0	0	(200,000)
	Renew Irrigation Renewal	1,730,000	0	0	0	0	0	(1,730,000)
	Renew Park Infrastructure Renewal - Protective Netting & Garbage Cans	230,000	0	0	0	0	0	(230,000)
	Renew Parking Renewal	325,000	0	0	0	0	0	(325,000)
	Renew Pedestrian Bridge Renewal	300,000	0	0	0	0	0	(300,000)
P8 - Renewal, Rehabilitation & Infra		2,785,000	0	0	0	0	0	(2,785,000)
New	Capital Opportunities & Partnership Fund	500,000	0	0	0	0	0	(500,000)
Pg - Capital Opportunities Partnership		500,000	0	0	0	0	0	(500,000)
Cost Center Totals		3,285,000	0	0	0	0	0	(3,285,000)
Grand Total		3,285,000	0	0	0	0	0	(3,285,000)

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

Infrastructure Operating Impacts - Priority 2		<u>2023</u>	<u>2024</u>	<u>2025</u>	
	Irrigation Renewal	10,000	20,000	20,000	
Grand Total		10,000	20,000	20,000	Taxation



VEHICLE & MOBILE EQUIPMENT



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2023 Capital Requests
Preliminary Budget
Vehicle & Mobile Equipment Summary - General Fund

	Page Type		Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Vehicle & Mobile Equipment - Priority 1										
O&M	356	Growth	Fleet Growth	472,000	0	0	0	0	(362,700)	(109,300)
O&M	356	New	Robotic Sports Field Line Painter	45,000	(45,000)	0	0	0	0	0
V1 - Additional Vehicles / Equipment				517,000	(45,000)	0	0	0	(362,700)	(109,300)
357	Renew	Vehicle/Equipment Renewal		4,058,400	(4,058,400)	0	0	0	0	0
V2 - Vehicle / Equipment Renewal				4,058,400	(4,058,400)	0	0	0	0	0
Cost Center Totals				4,575,400	(4,103,400)	0	0	0	(362,700)	(109,300)
Grand Total				4,575,400	(4,103,400)	0	0	0	(362,700)	(109,300)

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2023 V1 - \$991k	
Title:	Fleet Growth		PRELIMINARY

Justification:

As a result of increased service and maintenance demands, and regulatory requirements, budget is requested for an additional six pieces of equipment for various divisions within the City of Kelowna. Electric or Zero Emission Vehicles will be selected where possible.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
472,000	0	0	0	0	(362,700)	(109,300)

Operating Impact: Fleet Growth

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	48,600	0	0	0	0	0	(31,900)	(16,700)
2024	97,100	0	0	0	0	0	(63,700)	(33,400)
2025	97,100	0	0	0	0	0	(63,700)	(33,400)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: Not included V1	
Title:	Robotic Sports Field Line Painter		PRELIMINARY

Justification:

City of Kelowna sports fields are known for their high quality of play. Staff take pride in their work, but as new fields are added to inventory, there is difficulty in keeping up with the line painting demand. Current inventory includes 36 regular fields, 3 mini/practice fields and 28 ball fields that are lined weekly. Tournaments require additional lining. Staff have hosted a new innovation in sports field lining. Budget is requested for a robotic line painter that utilizes GPS, and can complete a soccer field in less than half of the standard time. The new unit would allow staff to complete more fields and maintain the high standard as more fields continue to be added. Ongoing cost is the digital subscription; licensing and paint.

Expected Completion: Feb 2023

Strategic Direction: Vibrant neighbourhoods - Animated parks & public spaces

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
45,000	(45,000)	0	0	0	0	0

Operating Impact: Robotic Sports Field Line Painter

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	10,000	0	0	0	0	0	0	(10,000)
2024	10,000	0	0	0	0	0	0	(10,000)
2025	10,000	0	0	0	0	0	0	(10,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2023 V2 - \$6.1M	
Title:	Vehicle/Equipment Renewal	PRELIMINARY	

Justification:
Internal rental rates contribute to the equipment replacement reserve throughout the course of the vehicle/equipment service life. Factoring in equipment type, seasonal use and equipment condition it was determined that 35 of these units required replacement. Budget is requested for the replacement of these units. Electric or Zero Emission Vehicles will be selected where possible.

Expected Completion: Dec 2023						
Strategic Direction: Other - Supports Base Business						
Operating Impact: There are no operation and maintenance budget impacts associated with this request						
Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
4,058,400	(4,058,400)	0	0	0	0	0

2023 Capital Requests

Preliminary Budget

Vehicle & Mobile Equipment Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Vehicle & Mobile Equipment - Priority 2								
OP	Growth Fleet Growth - Facilities Services Position	80,000	0	0	0	0	0	(80,000)
OP	Growth Fleet Growth - Facility Operations Coordinator Position	80,000	0	0	0	0	0	(80,000)
V1 - Additional Vehicles / Equipment		160,000	0	0	0	0	0	(160,000)
Cost Center Totals		160,000	0	0	0	0	0	(160,000)
Grand Total		160,000	0	0	0	0	0	(160,000)

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request



▶▶ TRANSPORTATION

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2023 Capital Requests

Preliminary Budget

Transportation Capital Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Transportation Capital - Priority 1									
	363	Growth Sutherland 3 DCC (Mill Creek - Spall), Road	6,150,000	(5,407,800)	0	0	0	0	(742,200)
	363	Growth McCulloch Area DCC (KLO/Hall/Spier)	190,000	(175,300)	0	0	0	0	(14,700)
O&M	364	Growth Stewart DCC (Crawford - Swamp)	3,342,500	(3,224,300)	0	0	0	0	(118,200)
	364	Growth Lakeshore 5 DCC (Swordy - Barrera), Road	75,000	(59,600)	0	0	0	0	(15,400)
	365	Growth Major Intersection Capacity Improvements DCC	120,000	(120,000)	0	0	0	0	0
	365	Growth Road Safety Improvements DCC	200,000	(200,000)	0	0	0	0	0
	366	Growth Traffic Signals and Roundabouts DCC	200,000	(175,100)	0	0	0	0	(24,900)
T1 - DCC Roads			10,277,500	(9,362,100)	0	0	0	0	(915,400)
	366	Growth Houghton 2 DCC (Hollywood - Mugford), ATC	1,218,600	(1,141,900)	0	0	0	0	(76,700)
O&M	367	Growth Casorso 3 DCC (Lanfranco - Barrera), ATC	2,750,000	(2,467,900)	0	0	0	0	(282,100)
	367	Growth Bertram 1 DCC (Sutherland - Cawston), ATC	200,000	(149,200)	0	0	0	0	(50,800)
	368	Growth Abbott DCC (Cedar - Gyro), ATC	250,000	(81,000)	0	0	0	0	(169,000)
	368	Growth Sutherland 1 Protected Bike Route (Lequime - Burtch)	1,568,000	(1,390,700)	0	0	0	0	(177,300)
	369	Growth Rail Trail to Greenway DCC, ATC	85,000	(78,900)	0	0	0	0	(6,100)
O&M	369	Growth Glenmore 4 DCC (Kane - South Yates), ATC	409,200	(304,400)	0	0	0	0	(104,800)
T2 - DCC Roads - Active Transportation			6,480,800	(5,614,000)	0	0	0	0	(866,800)
	370	Growth Hwy 97 Right Turn Lane to Pandosy	343,000	(250,000)	0	0	0	0	(93,000)
O&M	370	Growth Local Street Urbanization Program	200,000	(100,000)	0	0	0	0	(100,000)
	371	Growth Roadway Urbanization	350,000	0	0	0	(350,000)	0	0
T3 - Non-DCC Roads			893,000	(350,000)	0	0	(350,000)	0	(193,000)
	371	Renew KLO Road Mission Creek Bridge Replacement	85,000	(50,000)	0	0	0	0	(35,000)
	372	Renew Bridge Rehabilitation and Renewal Program	400,000	(300,000)	0	0	0	0	(100,000)
	372	Renew Road Renewal Program	3,342,900	(3,299,800)	0	0	0	0	(43,100)
	373	Renew Sidewalk & Bikeway Renewal Program	150,000	0	0	0	0	0	(150,000)
	373	Renew Street Lighting Renewal Program	235,000	(200,000)	0	0	0	0	(35,000)
	374	Renew Traffic Signal and Communications Renewal Program	260,000	(200,000)	0	0	0	0	(60,000)
T4 - Transportation System Renewal			4,472,900	(4,049,800)	0	0	0	0	(423,100)

	Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
O&M	374	Growth	Bicycle Network Improvement Program	500,000	(250,000)	0	0	0	0	(250,000)
T5 - Bicycle Network				500,000	(250,000)	0	0	0	0	(250,000)
O&M	375	Growth	Crosswalk Safety, Signals and Flashers	150,000	(75,000)	0	0	0	0	(75,000)
O&M	375	Growth	Sidewalk Network Expansion Program	650,000	(350,000)	0	0	0	0	(300,000)
T6 - Sidewalk Network				800,000	(425,000)	0	0	0	0	(375,000)
	376	New	Safe Routes to School Program	100,000	(50,000)	0	0	0	0	(50,000)
	376	New	Road Safety Partnerships with ICBC	150,000	(75,000)	0	0	0	0	(75,000)
	377	New	Neighbourhood Traffic Calming Program	150,000	0	0	0	0	0	(150,000)
T7 - Safety and Operational Improvements				400,000	(125,000)	0	0	0	0	(275,000)
O&M	377	Growth	Okanagan College Exchange Capacity Expansion	1,240,000	(124,000)	0	(992,000)	0	0	(124,000)
O&M	378	New	Transit - Bus Stop and Amenity Improvements	150,000	(75,000)	0	0	0	0	(75,000)
	378	New	Transit - Land Acquisition	70,000	(35,000)	0	0	0	0	(35,000)
T9 - Transit Facilities				1,460,000	(234,000)	0	(992,000)	0	0	(234,000)
Cost Center Totals				25,284,200	(20,409,900)	0	(992,000)	(350,000)	0	(3,532,300)
Grand Total				25,284,200	(20,409,900)	0	(992,000)	(350,000)	0	(3,532,300)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$6.1M	
Title:	Sutherland 3 DCC (Mill Creek - Spall), Road		PRELIMINARY

Justification:

Budget is requested for design and land acquisition to support the future Sutherland 3 Complete Street DCC project from west of Burtch to Dayton. This future project will run through the heart of Landmark providing drivers with an improved access option to Burtch, Harvey and Springfield. It will support travel by all modes - providing comfortable sidewalks, protected bike lanes, and transit for Landmark workers and residents. The project is identified in both the Capri-Landmark Urban Centre Plan and Transportation Master Plan. As a condition of development, the Landmark 7 office project will construct part of Sutherland Ave between Dickson Ave and Dayton St dependent on the City completing design and acquiring three properties.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - Investments are connecting high density areas

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
6,150,000	(5,407,800)	0	0	0	0	(742,200)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$190k	
Title:	McCulloch Area DCC (KLO/Hall/Spiers)		PRELIMINARY

Justification:

The KLO bridge over Mission Creek is approaching the end of its service life. This project will replace the existing bridge, accommodate the Mission Creek Greenway under the west abutment, accommodate updated flood levels and improve the safety of road approaches. The McCulloch Area DCC Project addresses the east bridge approach. Replacement was planned in 2019, but was deferred in 2020 due to COVID-19 funding cuts. Construction is now planned for 2024/25. Budget is requested to update cost estimates, complete design and supplement funding for land acquisitions / Agricultural Land Commission (ALC) application. Updated cost estimates will be completed to assess the impacts of recent inflation and inform next steps.

Expected Completion: Dec 2024

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
190,000	(175,300)	0	0	0	0	(14,700)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$3.3M	
Title:	Stewart DCC (Crawford - Swamp)		PRELIMINARY

Justification:

Budget is requested for the construction of the Stewart Road West DCC Phase 2 which includes the north end of Stewart Road West, Bedford Road from Stewart Road to Dehart Road, including intersection improvements at both locations. In 2022, detailed design was completed and required real estate acquisitions were initiated. This rural arterial corridor includes several segments of sub-standard road alignment, geometrics and intersection configurations. With the opening of South Perimeter Road in 2022, volumes are expected to increase and continue increasing with growth in the Upper Mission / Ponds neighbourhoods. Vertical and horizontal alignment adjustments and intersection upgrades are proposed to improve the safety performance and capacity of the corridor.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - Travel times are optimized

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,342,500	(3,224,300)	0	0	0	0	(118,200)

Operating Impact: There are operation and maintenance budget impacts and are included below

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	4,000	0	0	0	0	0	0	(4,000)
2025	4,000	0	0	0	0	0	0	(4,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2026 T1 - \$0	
Title:	Lakeshore 5 DCC (Swordy - Barrera), Road		PRELIMINARY

Justification:

Budget is requested for design of the Lakeshore 5 DCC Project between Swordy Road and Barrera Road. This work will explore opportunities to coordinate street improvements with upcoming utility replacements. Dependent on outcomes from the design phase, a budget request for construction in coordination with utility works may follow in 2024.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
75,000	(59,600)	0	0	0	0	(15,400)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$120k	
Title:	Major Intersection Capacity Improvements DCC	PRELIMINARY	

Justification:

Budget is requested for the new Major Intersection Capacity Improvements DCC program introduced in the Transportation Master Plan. This program aims to expand vehicle capacity at key arterial intersections that have network-level impacts and are experiencing traffic growth due to development. 2023 funding will undertake network screening, prioritization and design work. Project development work will support the delivery of future projects. As traffic volumes grow, and intersections reach capacity, safety issues can also arise. In many cases, the capacity improvements will be coordinated with safety improvements. 2023 funding will advance work on several intersections, including Springfield/Benvoulin/Dilworth.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - Travel times are optimized

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
120,000	(120,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$200k	
Title:	Road Safety Improvements DCC	PRELIMINARY	

Justification:

Budget is requested for the new Road Safety Improvements DCC program introduced in the 2040 Transportation Master Plan. This program aims to address safety issues at arterial road intersections that are experiencing traffic and user growth. 2023 funding will undertake prioritization and design work. This project development work will support the delivery of future projects. As traffic volumes grow, and intersections reach capacity, safety issues also often arise. In many cases, safety improvements will be coordinated with capacity improvements. 2023 funding will advance work on several intersections, including Springfield/Benvoulin/Dilworth.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - People of all ages & abilities can easily get around

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(200,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T1 - \$200k	
Title:	Traffic Signals and Roundabouts DCC		PRELIMINARY

Justification:

Budget is requested for this annual program that improves intersection capacity and safety. The program is focused on existing major road intersections that require, or will require, new traffic control (traffic signals or roundabouts) to address rising traffic volumes. 2023 funding will advance design for several intersections evaluated and prioritized in 2022.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - Travel times are optimized

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(175,100)	0	0	0	0	(24,900)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$1.2M	
Title:	Houghton 2 DCC (Hollywood - Mugford), ATC		PRELIMINARY

Justification:

Budget is requested to fund the construction of the Houghton Active Transportation Corridor (ATC) between Hollywood Road and Rutland Road. Additional funding is requested to address property cost inflation, construction inflation and additional crossing infrastructure at Rutland Road. The Houghton ATC is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan. This project is the last phase of the Houghton ATC linking Rutland to the Okanagan Rail Trail and the larger primary cycling network. This project will connect the Rutland Urban Centre, the Shepherd Transit Exchange and Rutland Centennial Park to the rest of the City. Completion date is dependent on land acquisitions. Operation and maintenance budget impacts were identified concurrently with the original 2022 capital budget.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,218,600	(1,141,900)	0	0	0	0	(76,700)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$2.8M	
Title:	Casorso 3 DCC (Lanfranco - Barrera), ATC		PRELIMINARY

Justification:

Budget is requested for the construction of the Casorso Active Transportation Corridor (ATC) from Lanfranco to Barrera. This is the last phase of the Casorso all ages and abilities cycling facility, which in combination with Ethel, will link together significant parts of the ATC network to the north (Sutherland, Cawston) and to the south (Barrera, Lakeshore, Gordon) creating a continuous corridor from Downtown to Okanagan College, Kelowna Secondary School (KSS), Pandosy Village, Casorso Elementary School and points south. The project includes protected bike lanes along Casorso, improvements at the intersection of Swordy and Bechard, and improvements for bicyclists and pedestrians in front of Casorso Elementary School, including consideration of school loading.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,750,000	(2,467,900)	0	0	0	0	(282,100)

Operating Impact: There are operation and maintenance budget impacts and are included below

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	12,000	0	0	0	0	0	0	(12,000)
2024	26,750	0	0	0	0	0	0	(26,750)
2025	26,750	0	0	0	0	0	0	(26,750)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$200k	
Title:	Bertram 1 DCC (Sutherland - Cawston), ATC		PRELIMINARY

Justification:

Budget is requested to undertake the conceptual design of the Bertram Active Transportation Corridor (ATC) north-south through downtown from the Okanagan Rail Trail to the Sutherland ATC. The Bertram ATC was identified in the 2040 Transportation Master Plan as a new north-south protected bike connection through downtown to support continued growth & development. The route will link from downtown to surrounding ATC facilities including the Okanagan Rail Trail, Cawston, Leon/Lawrence (future), the Bertram Multiuse Overpass and Sutherland. This route will support the new UBCO downtown campus. Concept designs will help inform current and future development applications, future budget requests and construction. This process will include stakeholder consultation.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(149,200)	0	0	0	0	(50,800)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$250k	
Title:	Abbott DCC (Cedar - Gyro), ATC		PRELIMINARY

Justification:

Budget is requested for preliminary design and land acquisition of the Abbott Active Transportation Corridor (ATC) from Cedar Ave to Gyro Beach. In 2022 the City constructed the Abbott ATC from Kelowna General Hospital (KGH) to Cedar Ave using a mix of ultimate and quick build materials. Requested budget for 2023 will advance work on the remaining gap between Cedar Ave and Gyro Beach. Between Cedar and Walnut, preliminary design along Meikle will explore alternatives to cyclist travel through South Pandosy Waterfront Park. Scope includes option evaluation, preliminary design and cost estimates. Between Walnut and Gyro Beach, the Abbott ATC is planned to be delivered in partnership with development at 3340 Lakeshore Rd. A series of minor frontage and corner land acquisitions will be completed to support future construction.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(81,000)	0	0	0	0	(169,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$1.6M	
Title:	Sutherland 1 Protected Bike Route (Lequime - Burtch)		PRELIMINARY

Justification:

Budget is requested for the Sutherland Active Transportation Corridor (ATC) - Lequime to Burtch. With this network gap filled, Sutherland will provide an all-ages and abilities route between the OK Rail Trail, Landmark, Ethel and Abbott. Sutherland ATC is a requirement of the Capri Mall redevelopment. Anticipating Capri moving forward, acquisition of land for the ultimate ATC was started in 2021. It is proposed to use a mix of quick build/ultimate materials to fill this gap in the interim. Completion of ultimate infrastructure would replace interim works, by future redevelopment. When replaced, some quick build materials can be redeployed to other projects. Detailed design for interim improvements was completed in 2022.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,568,000	(1,390,700)	0	0	0	0	(177,300)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$85k	
Title:	Rail Trail to Greenway DCC, ATC		PRELIMINARY

Justification:

Budget is requested for detailed design of the Rail Trail to Greenway Active Transportation Corridor (ATC). This project will fill in gaps to provide an all-ages and abilities bicycling facility between the Okanagan Rail Trail and the Mission Creek Greenway via Leckie Road. In early 2022, the Costco development constructed a multiuse pathway on Leckie Rd between Springfield Rd and Harvey Ave. In 2022 preliminary design and stakeholder engagement were initiated for the remaining segments. This funding will complete detailed design in anticipation of construction, planned for 2024. This project crosses Highway 97 and will require Ministry of Transportation Infrastructure approvals. Access from Springfield to the Mission Creek Greenway will be coordinated with the Regional District of Central Okanagan.

Expected Completion: Jun 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
85,000	(78,900)	0	0	0	0	(6,100)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T2 - \$409k	
Title:	Glenmore 4 DCC (Kane - South Yates), ATC		PRELIMINARY

Justification:

Budget is requested to complete the construction of a section of the Glenmore 4 Active Transportation Corridor (ATC) Multi-Use Path (MUP) from Glenmore Road along Kane and Yates Roads. This segment is a priority component of the larger Glenmore ATC project within the Pedestrian and Bicycle Master Plan and Transportation Master Plan. The goal is to develop a connected 'all ages and abilities' bicycling network through Glenmore. This project will extend the multiuse pathway on Glenmore Rd and bike lanes on Kane (constructed in 2022) to the existing multiuse path on Yates, linking to the south.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
409,200	(304,400)	0	0	0	0	(104,800)

Operating Impact: Glenmore 4 DCC (Kane - South Yates), ATC

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	4,000	0	0	0	0	0	0	(4,000)
2024	12,800	0	0	0	0	0	0	(12,800)
2025	12,800	0	0	0	0	0	0	(12,800)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T3 - \$343k	
Title:	Hwy 97 Right Turn Lane to Pandosy		PRELIMINARY

Justification:

Budget is requested to fund the construction of an eastbound right-turn lane from Highway 97 onto Pandosy St. Funding is required to address the approved project scope and inflation. This project includes work on Highway 97. Detailed design and Ministry of Transportation and Infrastructure (MoTI) approval are complete and construction is expected to be completed by the end of 2023. This project is a MoTI condition for the City, tied to the previous approval of development in the area.

Expected Completion: Oct 2023

Strategic Direction: Transportation & mobility - Travel times are optimized

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
343,000	(250,000)	0	0	0	0	(93,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T3 - \$200k	
Title:	Local Street Urbanization Program		PRELIMINARY

Justification:

Budget is requested to complete a funding and delivery model for the urbanization of local streets in the core area. Redevelopment is occurring in core area neighbourhoods and is expected to accelerate under the new Official Community Plan creating a higher demand on local streets for walking, biking, parking and driving. Existing funding models have had limited success in advancing urbanization. In 2022 a draft model utilizing a mix of funding sources to fund and prioritize urbanization was developed. Work in 2023 would seek to finalize a draft framework, including consultation, and deliver a pilot construction project. Lessons learned from the pilot would inform next steps.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - People of all ages & abilities can easily get around

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(100,000)	0	0	0	0	(100,000)

Operating Impact: There are operation and maintenance budget impacts and are included below

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	23,500	0	0	0	0	0	0	(23,500)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T3 - \$350k	
Title:	Roadway Urbanization		PRELIMINARY

Justification:

Budget is requested to deliver roadway urbanization projects in conjunction with the Offsite and Oversize Program allowing for infrastructure extensions to be completed in coordination with nearby development.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
350,000	0	0	0	(350,000)	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$85k	
Title:	KLO Road Mission Creek Bridge Replacement		PRELIMINARY

Justification:

The KLO bridge over Mission Creek is approaching the end of its service life. This project will replace the existing bridge, accommodate the Mission Creek Greenway under the west abutment, accommodate updated flood levels and improve the safety of road approaches. Replacement was planned in 2019, but was deferred in 2020 due to COVID funding cuts. Construction is now planned for 2024/25. Budget is requested to update cost estimates, complete design and supplement funding for land acquisitions / ALC applications. Updated cost estimates will be completed to assess the impacts of recent inflation and inform next steps.

Expected Completion: Dec 2024

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
85,000	(50,000)	0	0	0	0	(35,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$400k	
Title:	Bridge Rehabilitation and Renewal Program		PRELIMINARY

Justification:

Budget is requested for this annual program which inspects, assesses and undertakes rehabilitation of the City's bridges. Each year half of the City's bridges are inspected and issues identified are prioritized for rehabilitation. Regular inspection and maintenance of bridges supports efficient asset management, extends asset lifespans and reduces long-term costs. Work in 2023 focuses on deck and abutment repairs on several structures that will extend their lifespans and reduce/defer larger capital investments in the future.

Expected Completion: Jun 2024

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
400,000	(300,000)	0	0	0	0	(100,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$3.3M	
Title:	Road Renewal Program		PRELIMINARY

Justification:

Budget is requested for this annual program that maintains the paved surface of the City's streets. Pavement renewal locations are prioritized by pavement condition, street function and traffic loading. While most projects involve removing then repaving the top surface of the roadway, strategies to extend the pavement life are also used. Renewal is coordinated with other capital and development projects to maximize pavement life.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,342,900	(3,299,800)	0	0	0	0	(43,100)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$150k	
Title:	Sidewalk & Bikeway Renewal Program		PRELIMINARY

Justification:

Budget is requested for this annual program that rehabilitates and updates walking and biking facilities that are deteriorated or do not meet current guidelines. Typical projects include bike lane, sidewalk, intersection and crosswalk rehabilitation/upgrades. Improvements are often coordinated with pavement renewal projects to reduce costs. Priority locations are selected based on network review, operational issues, service requests and coordination with other major projects.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	0	0	0	0	0	(150,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$235k	
Title:	Street Lighting Renewal Program		PRELIMINARY

Justification:

Budget is requested for this annual program that replaces light poles and wiring that have reached the end of their service life. Replacement poles are galvanized steel with a lifespan of 50+ years, however, the majority of the City's existing 9300+ street light poles are painted steel, with significantly shorter lifespans. This request will fund the replacement of an estimated 150 poles by the end of 2023.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
235,000	(200,000)	0	0	0	0	(35,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T4 - \$260k	
Title:	Traffic Signal and Communications Renewal Program		PRELIMINARY

Justification:

Budget is requested to replace aging traffic signal infrastructure. This request is based on maintenance inspections and equipment lifespans to ensure reliable and safe operation. The City's traffic signal system is growing, by 5% last year alone, with 139 signalized intersections and crosswalks. Pedestrian warning flashers are now installed at 53 locations. 2023 priorities include replacing LED displays (10-year life cycle), cabinets (25-year life cycle), uninterruptible power supply batteries (5-year life cycle), detection and communications equipment (20-year life cycle), transit/emergency signal priority (20-year life cycle), traffic signal poles, bases and underground infrastructure.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - Infrastructure deficit is reduced

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
260,000	(200,000)	0	0	0	0	(60,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T5 - \$500k	
Title:	Bicycle Network Improvement Program		PRELIMINARY

Justification:

Budget is requested for this annual program that supports cycling networks making cycling an easier and safer option for more residents. Projects include bike lanes, other on-street facilities and intersection improvements.

Improvement priorities are guided by service requests, existing operating issues, network gaps and the Pedestrian and Bicycle Master Plan (PBMP). Projects planned include DeHart Road bike lanes (improved linkage between the Lakeshore ATC and planned DeHart Park and improvements to bike lanes toward Swamp Road) and KLO Road bike path (improved access to Okanagan College and Transit Exchange). Both projects are coordinated with concurrent capital projects.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
500,000	(250,000)	0	0	0	0	(250,000)

Operating Impact: There are operation and maintenance budget impacts and are included below

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	60,200	0	0	0	0	0	0	(60,200)
2025	60,200	0	0	0	0	0	0	(60,200)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T6 - \$150k	
Title:	Crosswalk Safety, Signals and Flashers		PRELIMINARY

Justification:

Budget is requested for this annual program that upgrades existing and adds new crosswalks to make walking a more comfortable, safer and viable travel option for more residents. Typical improvements include pedestrian-activated warning flashers, median refuge islands, curb extensions, road markings/signage, lighting or other works.

Expected Completion: Jun 2024

Strategic Direction: Community Safety - Residents feel safe

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(75,000)	0	0	0	0	(75,000)

Operating Impact: There are operation and maintenance budget impacts and are included below

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	1,200	0	0	0	0	0	0	(1,200)
2024	1,800	0	0	0	0	0	0	(1,800)
2025	2,400	0	0	0	0	0	0	(2,400)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T6 - \$700k	
Title:	Sidewalk Network Expansion Program		PRELIMINARY

Justification:

Budget is requested for this annual program that constructs sidewalks to complete gaps in the walking network or adds new sidewalk segments as identified in the Pedestrian & Bicycle Master Plan (PBMP). Recommendations from the Safe Routes for Schools Program are also considered. Locations where sidewalks improve safety, accessibility and convenience while increasing the viability of walking as a mode of travel are prioritized.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
650,000	(350,000)	0	0	0	0	(300,000)

Operating Impact: Sidewalk Network Expansion Program

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	1,900	0	0	0	0	0	0	(1,900)
2025	1,900	0	0	0	0	0	0	(1,900)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T7 - \$100k	
Title:	Safe Routes to School Program		PRELIMINARY

Justification:

Budget is requested to construct improvements identified through the Safe Routes to School Program. This program is a partnership with School District 23 officials, school principal/vice principals, teachers, parent advisory councils, regional traffic safety officers, and the Regional District of Central Okanagan. The program identifies improvements near schools that make walking and biking to school a safer and more accessible option. This funding is used to implement identified improvements. This year, Springvalley Elementary will be participating in the program. Improvements from this process and emerging issues will be constructed in 2023.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - People of all ages & abilities can easily get around

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
100,000	(50,000)	0	0	0	0	(50,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T7 - \$150k	
Title:	Road Safety Partnerships with ICBC		PRELIMINARY

Justification:

Budget is requested for construction to improve the road safety performance of collision-prone locations through funding partnerships with the Insurance Corporation of British Columbia (ICBC). Locations are identified through intersection safety screening, service requests and operational reviews. This program focuses on intersections with existing safety issues that are experiencing limited growth and/or non-arterial streets. Where beneficial, coordination with other ongoing projects are pursued.

Expected Completion: Dec 2023

Strategic Direction: Community Safety - Residents feel safe

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(75,000)	0	0	0	0	(75,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T7 - \$100k	
Title:	Neighbourhood Traffic Calming Program	PRELIMINARY	

Justification:

Budget is requested for this annual program that seeks to improve safety and residents' quality of life by moderating speeding and short-cutting on local neighbourhood streets. Traffic calming locations are selected based on technical evaluation and neighbourhood support. Current funding addresses 2-5 locations per year from 250+ annual service requests.

Expected Completion: Dec 2023

Strategic Direction: Community Safety - Residents feel safe

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

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: 2023 T9 - \$248k	
Title:	Okanagan College Exchange Capacity Expansion	PRELIMINARY	

Justification:

Budget is requested to undertake detailed design and construction of improvements at the Okanagan College (OC) Transit Exchange, which services the OC campus, surrounding neighbourhood, two of the City's busiest transit routes and several local transit routes. These improvements will address existing operating issues, future service capacity and improve integration with other travel modes including connections to the surrounding Active Transportation Network. Upgrades to the exchange include additional/relocation of an existing transit bays, shelters, and bicycle parking/micro-mobility hub elements. An application will be submitted with BC Transit to the Federal Investing in Canada Infrastructure Program (ICIP), to fund 80% of the project. This project will not proceed until funding is confirmed.

Expected Completion: Dec 2024

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,240,000	(124,000)	0	(992,000)	0	0	(124,000)

Operating Impact: Okanagan College Exchange Capacity Expansion

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0
2025	1,500	0	0	0	0	0	0	(1,500)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T9 - \$150k	
Title:	Transit - Bus Stop and Amenity Improvements	PRELIMINARY	

Justification:

Budget is requested to address needs at transit stops with high or growing ridership, to provide new stops associated with expanded or restructured transit services or in coordination with development.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(75,000)	0	0	0	0	(75,000)

Operating Impact: Transit - Bus Stop and Amenity Improvements

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	0		0
2024	1,800	0	0	0	0	0	0	(1,800)
2025	1,800	0	0	0	0	0	0	(1,800)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2023 T9 - \$70k	
Title:	Transit - Land Acquisition	PRELIMINARY	

Justification:

Budget is requested to fund land acquisitions to support current and future bus stop improvements. Limited road rights-of-way make land acquisition an integral component of many bus stop improvements.

Expected Completion: Dec 2023

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
70,000	(35,000)	0	0	0	0	(35,000)

2023 Capital Requests
Preliminary Budget
Transportation Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Transportation Capital - Priority 2								
Renew	Road Renewal Program	459,000	0	0	0	0	0	(459,000)
	T4 - Transportation System Renewal	459,000	0	0	0	0	0	(459,000)
Cost Center Totals		459,000	0	0	0	0	0	(459,000)
Grand Total		459,000	0	0	0	0	0	(459,000)

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

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WATER



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2023 Capital Requests

Preliminary Budget

Water Capital Summary - Water Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Water Capital - Priority 1							
384	Growth Royal View Transmission Mainline - Knox to Gordon	608,000	(283,900)	0	0	0	(324,100)
	W1 - DCC Pipes (Mains)	608,000	(283,900)	0	0	0	(324,100)
384	Growth Summit Reservoir DCC	231,000	(100,000)	0	0	0	(131,000)
	W4 - DCC Reservoirs & Filling Stations	231,000	(100,000)	0	0	0	(131,000)
385	New Offsite & Oversize - Water	143,800	(71,900)	0	0	0	(71,900)
	W5 - DCC Offsite & Oversize	143,800	(71,900)	0	0	0	(71,900)
385	Renew Water Meter Replacement Program	1,930,000	0	0	0	0	(1,930,000)
386	Renew Water Network and Facility Renewal	1,170,000	0	0	0	0	(1,170,000)
386	Renew PRV Renewal - Potable System	350,000	0	0	0	0	(350,000)
	W6 - Network and Facility Renewal	3,450,000	0	0	0	0	(3,450,000)
387	Renew Fireflow Upgrades	363,000	0	0	0	0	(363,000)
387	New Kelowna Water Integration Plan	300,000	(300,000)	0	0	0	0
388	New Water Meter - New Installations	150,000	0	0	0	(150,000)	0
	W7 - Network and Facility Improvements	813,000	(300,000)	0	0	(150,000)	(363,000)
388	New Non-Potable System Capital Plan	200,000	(200,000)	0	0	0	0
389	Renew PRV Renewal - Non Potable System	500,000	(500,000)	0	0	0	0
389	New Hydrants	20,000	0	0	0	0	(20,000)
390	New Non-Potable System Watershed Monitoring Equipment	41,000	(41,000)	0	0	0	0
	W8 - Irrigation Network Improvements	761,000	(741,000)	0	0	0	(20,000)
	Cost Center Totals	6,006,800	(1,496,800)	0	0	(150,000)	(4,360,000)
	Grand Total	6,006,800	(1,496,800)	0	0	(150,000)	(4,360,000)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W1 - \$608k	
Title:	Royal View Transmission Mainline - Knox to Gordon		PRELIMINARY

Justification:

Budget is requested to initiate the planning and design of the 20 year water supply enhancements needed to accommodate growth in the City from the Poplar Point pump station to the Dilworth Reservoir on Dilworth Mountain. This is the first installment of a three year project to design and install a transmission mainline from the Knox Mountain Reservoir in Knox Mountain Park to Gordon Drive.

Expected Completion: Dec 2026

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
608,000	(283,900)	0	0	0	(324,100)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W4 - \$231k	
Title:	Summit Reservoir DCC		PRELIMINARY

Justification:

Budget is requested to initiate the planning and design of a new reservoir cell for Summit Reservoir supporting the 525 metre pressure zone on Dilworth Mountain. The new reservoir will provide the additional fire flow capacity for larger density developments in the area and support anticipated growth.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
231,000	(100,000)	0	0	0	(131,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W5 - \$143k	
Title:	Offsite & Oversize - Water		PRELIMINARY

Justification:

Every year the City partners with the development community to oversize/extend water infrastructure to accommodate future projected development. The current 10-Year Capital Plan amount will accommodate several downtown replacement projects along with infill and 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.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
143,800	(71,900)	0	0	0	(71,900)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W6 - \$2.7M	
Title:	Water Meter Replacement Program		PRELIMINARY

Justification:

Budget is requested to replace water meters with new modernized units in the City. The 10-Year Capital Plan includes budget to replace all water meters in the City over a seven year period up until the end of 2027.

Expected Completion: Dec 2027

Strategic Direction: Other - Supports Base Business

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,930,000	0	0	0	0	(1,930,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W6 - \$450k	
Title:	Water Network and Facility Renewal		PRELIMINARY

Justification:

Budget is requested for watermain and facility renewal projects. Work will include the renewal of aging cast iron watermain on Coronation Avenue between Graham Street and Ethel Street, mechanical renewal at Daon Pumping station, and some electrical, mechanical and chlorine system renewal at the Eldorado supply station to ensure worker safety for the remaining life of this station.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,170,000	0	0	0	0	(1,170,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W6 - \$300k	
Title:	PRV Renewal - Potable System		PRELIMINARY

Justification:

Budget is requested to upgrade pressure reducing valves (PRV) on the City potable water system. The City completed a recent PRV condition assessment that ultimately determined a renewal sequence, implementation plan and budget for these important assets. This work will include renewal to valves, entrance conditions and operability, and is a subset of the water renewal budget for 2023.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
350,000	0	0	0	0	(350,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W7 - \$363k	
Title:	Fireflow Upgrades		PRELIMINARY

Justification:

Budget is requested to improve fire protection by increasing pipe size and adding hydrants under Altura Road north of Monte Road.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
363,000	0	0	0	0	(363,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W7 - \$300k	
Title:	Kelowna Water Integration Plan		PRELIMINARY

Justification:

Budget is requested to initiate the next phase of the Kelowna Water Integration Plan design process following the successful completion of the Phase 1 project in 2021. This work will involve planning with local water suppliers to plan and implement a more resilient system. The work will also include a study to revise the scope of the Water Quality Enhancement Fund (WQEF) to include resiliency of supply to support water quality improvements in all areas of the City. The deliverable will be an implementation and sequencing plan for construction projects using the Water Quality Enhancement Fund.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
300,000	(300,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W7 - \$150k	
Title:	Water Meter - New Installations		PRELIMINARY

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.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	0	0	0	(150,000)	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W8 - \$200k	
Title:	Non-Potable System Capital Plan		PRELIMINARY

Justification:

The non-potable (irrigation) network in Southeast Kelowna requires a master plan to address renewal needs and priorities for the next 20 years. As much of this infrastructure was built in the late 1960's and operated by others, budget is requested for a thorough condition assessment of the linear network in order to assess liability and develop a renewal plan. The plan will also include an implementation plan for dam repair needs noted in the dam safety plans currently being delivered in 2022.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
200,000	(200,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W8 - \$500k	
Title:	PRV Renewal - Non Potable System		PRELIMINARY

Justification:

Budget is requested to upgrade two pressure reducing valves on the non-potable water system that services agricultural properties. This work will include upgrades to mechanical components, entrance safety conditions and operability.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
500,000	(500,000)	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: 2023 W8 - \$20k	
Title:	Hydrants		PRELIMINARY

Justification:

Budget is requested for infill hydrant installation throughout the City. This typically represents two hydrant installations per year. The locations of the new hydrants will be determined once staff complete prioritization.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
20,000	0	0	0	0	(20,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W8	
Title:	Non-Potable System Watershed Monitoring Equipment		PRELIMINARY

Justification:
Regulatory requirements and operational service levels require staff to monitor, inspect and maintain dams & diversions in the McCulloch Lake watershed through the winter months. Currently the required equipment is rented which requires staff to drive to and from Vernon to pick-up and return snowmobiles. Having equipment on-hand allows for better work scheduling and emergency response which will result in improved monitoring and operations of the diversions and reservoirs related to the non-potable water system. Funds will be used to purchase the snowmobiles and a proper trailer.

Expected Completion: Dec 2023					
Strategic Direction: Other - Supports Base Business					
Operating Impact: There are no operation and maintenance budget impacts associated with this request					
Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
41,000	(41,000)	0	0	0	0

2023 Capital Requests
Preliminary Budget
Water Capital Summary - Utility Funds

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Water Capital - Priority 2							
Growth	UV Treatment Systems Upgrades	500,000	0	0	0	0	(500,000)
	W3 - DCC Water Treatment	500,000	0	0	0	0	(500,000)
	Cost Center Totals	500,000	0	0	0	0	(500,000)
	Grand Total	500,000	0	0	0	0	(500,000)

OP - denotes capital request that has been moved to the operating section
O&M – denotes capital request has operating & maintenance impacts included in the request

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WASTEWATER



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2023 Capital Requests

Preliminary Budget

Wastewater Capital Summary - Wastewater Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Wastewater Capital - Priority 1								
396	Growth	Glenmore Connection - Glenmore Rd from Cross Rd to Scenic Rd	296,900	(269,300)	0	0	0	(27,600)
396	Growth	Lakeshore Trunk - (Swordy - Barrera)	239,000	(150,300)	0	0	0	(88,700)
WW1 - DCC Pipes (Mains)			535,900	(419,600)	0	0	0	(116,300)
397	Growth	Water St Lift Station	1,550,000	(585,900)	0	0	0	(964,100)
WW2 - DCC Lift Stations			1,550,000	(585,900)	0	0	0	(964,100)
397	Growth	Offsite & Oversize - Wastewater	120,000	(60,000)	0	0	0	(60,000)
WW4 - DCC Oversize			120,000	(60,000)	0	0	0	(60,000)
398	Renew	Renewal - Wastewater Mains and Facilities	3,021,700	0	0	0	0	(3,021,700)
398	Renew	Burtch Trunk	1,250,000	0	0	0	0	(1,250,000)
399	Renew	Lift Station Renewal	728,300	0	0	0	0	(728,300)
WW5 - Network and Facility Renewal			5,000,000	0	0	0	0	(5,000,000)
399	New	Air Filtration Commonage Mix Building	110,000	0	0	0	(36,700)	(73,300)
400	New	Wastewater Treatment Odour Control Media Replacement	1,150,000	0	0	0	0	(1,150,000)
O&M 400	Renew	KLO Rd Mission Creek Sewer Connection	900,000	(240,000)	0	(660,000)	0	0
WW6 - Network and Facility Improvements			2,160,000	(240,000)	0	(660,000)	(36,700)	(1,223,300)
Cost Center Totals			9,365,900	(1,305,500)	0	(660,000)	(36,700)	(7,363,700)
Grand Total			9,365,900	(1,305,500)	0	(660,000)	(36,700)	(7,363,700)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW1 - \$297k	
Title:	Glenmore Connection - Glenmore Rd from Cross Rd to Scenic Rd		PRELIMINARY

Justification:

Budget is requested for the design phase of 1500 meters of new sanitary sewer trunk along Glenmore Rd from Cross Rd to 200 meters north of Scenic Rd.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
296,900	(269,300)	0	0	0	(27,600)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW1 - \$239k	
Title:	Lakeshore Trunk - (Swordy - Barrera)		PRELIMINARY

Justification:

Budget is requested for the design phase for the installation of new 600m sanitary sewer trunk (twin) along Lakeshore Rd from Swordy Rd at the Gyro Lift Station upstream to Barrera Rd. The growth related project also supports new development occurring in areas south.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
239,000	(150,300)	0	0	0	(88,700)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW2 - \$1.55M	
Title:	Water St Lift Station		PRELIMINARY

Justification:

Budget is requested for the second stage of infrastructure asset renewal at the Water Street Lift Station. This project was set up in two stages, and will include new pumps, electrical upgrades, hydraulic modifications, odour and noise management upgrades, and structural repairs to ensure the facility can remain operational for another 20-30 year cycle. A detailed assessment was completed in 2021 to provide additional detail and budget needs. The total project costs has been adjusted to \$3M according to the new 20 year Servicing Plan to accommodate new growth expectations downtown.

Expected Completion: Jun 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,550,000	(585,900)	0	0	0	(964,100)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW4 - \$120k	
Title:	Offsite & Oversize - Wastewater		PRELIMINARY

Justification:

Every year the City contributes a portion to oversize/extend wastewater infrastructure to accommodate future projected development, with the remaining portion provided by the development community. Budget is requested to supplement funds where required to provide additional capacity or access to City infrastructure, which will minimize service disruptions for future developments.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
120,000	(60,000)	0	0	0	(60,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW5 - \$3M	
Title:	Renewal - Wastewater Mains and Facilities		PRELIMINARY

Justification:

Budget is requested for a number of renewal projects in the wastewater system: new bioreactor lead blower and secondary clarifier replacement at the Wastewater Treatment Plant (WWTP), the design and land acquisition for the Cassiar Lift Station decommissioning and gravity bypass, linear works around the Water Street Lift Station upgrades, and the renewal of approximately 600 meters of old vitrified clay and asbestos cement sanitary sewers between Richter St and Ethel St, north of Raymer Ave.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
3,021,700	0	0	0	0	(3,021,700)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW5 - \$1.25M	
Title:	Burtch Trunk		PRELIMINARY

Justification:

Budget is requested for the second stage of the Burtch Trunk repairs for over 1600 metres of existing 600 mm reinforced concrete trunk from damage caused by hydrogen sulphide gas formation. A recent condition assessment concluded significant damage to the concrete, and a slip lining repair has been recommended for design and installation.

Expected Completion: Dec 2025

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,250,000	0	0	0	0	(1,250,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW5 - \$728k	
Title:	Lift Station Renewal		PRELIMINARY

Justification:

Budget is requested for annual renewal of sanitary lift station assets across the City. For 2023, the budget will be focused primarily on the renewal of the Hillsborough sanitary lift station which requires a major overhaul.

Expected Completion: Mar 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
728,300	0	0	0	0	(728,300)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: Not included WW6	
Title:	Air Filtration Commonage Mix Building		PRELIMINARY

Justification:

Air quality sampling in the fall of 2021 identified air quality concerns for staff working within the mix building. Budget is requested for an air filtration system which will improve air quality by increasing fresh air from outside and filtering the exhaust air from the building.

Expected Completion: Sep 2023

Strategic Direction: People - Ability to attract, select & retain talent

Operating Impact: Minimal operation and maintenance impact accommodated within an existing operating budget

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
110,000	0	0	0	(36,700)	(73,300)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW6 - \$1.15M	
Title:	Wastewater Treatment Odour Control Media Replacement	PRELIMINARY	

Justification:

Budget is requested to complete the replacement of the Odour Control Media system at the City's Wastewater Treatment Facility.

Expected Completion: Jun 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,150,000	0	0	0	0	(1,150,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: 2023 WW6 - \$900k	
Title:	KLO Rd Mission Creek Sewer Connection	PRELIMINARY	

Justification:

Budget is requested to assist in the extension of sanitary sewer across Mission Creek along KLO Rd and provide some initial sanitary sewer servicing to the Hall Rd Sewer Connection Area. This project is part of the City's Sewer Connection Area program and the budget includes grant funding from the Investing in Canada Infrastructure program in an effort to reduce the number of septic systems in the City.

Expected Completion: Sep 2023

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
900,000	(240,000)	0	(660,000)	0	0

Operating Impact: KLO Rd Mission Creek Sewer Connection

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility
2023	11,300	0	0	0	0	0	(11,300)
2024	45,000	0	0	0	0	0	(45,000)
2025	45,000	0	0	0	0	0	(45,000)



SOLID WASTE



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2023 Capital Requests

Preliminary Budget

Solid Waste Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Solid Waste Capital - Priority 1								
404	Growth Automated Collection Curbside Carts	400,000	(400,000)	0	0	0	0	0
	SW1 - Equipment	400,000	(400,000)	0	0	0	0	0
404	New Landfill Liner Design and Construction	1,500,000	(1,500,000)	0	0	0	0	0
405	New Electrical Supply Upgrades	2,000,000	(2,000,000)	0	0	0	0	0
405	Growth General Site Works and Investigations	100,000	(100,000)	0	0	0	0	0
406	New Landfill - Electric Equipment Charging Station	85,000	(85,000)	0	0	0	0	0
	SW2 - Site Improvement	3,685,000	(3,685,000)	0	0	0	0	0
406	Growth Landfill Gas & Leachate Recirculation Laterals	450,000	(450,000)	0	0	0	0	0
	SW3 - Gas Management	450,000	(450,000)	0	0	0	0	0
407	New Odour Control and Leachate Treatment	100,000	(100,000)	0	0	0	0	0
	SW4 - Leachate Management	100,000	(100,000)	0	0	0	0	0
407	Renew Wet Well Relocation	600,000	(600,000)	0	0	0	0	0
408	Growth Stormwater Bypass System	300,000	(300,000)	0	0	0	0	0
	SW5 - Drainage & Groundwater Management	900,000	(900,000)	0	0	0	0	0
408	New Stockpiles and Reprocessing Areas Relocation	6,100,000	(6,100,000)	0	0	0	0	0
409	New Mechanical Shop Expansion - Equipment Storage Bay	400,000	(400,000)	0	0	0	0	0
	SW7 - Landfill Area Development	6,500,000	(6,500,000)	0	0	0	0	0
	Cost Center Totals	12,035,000	(12,035,000)	0	0	0	0	0
	Grand Total	12,035,000	(12,035,000)	0	0	0	0	0

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW1 - \$400k	
Title:	Automated Collection Curbside Carts		PRELIMINARY

Justification:

Budget is requested to purchase new curbside carts. This request is part of the City of Kelowna's curbside refuse, recycling and yard waste program. These new receptacles are necessary to address residential growth and the need for larger recycling and yard waste receptacles. This keeps an inventory of carts to renew end of life carts and maintain customer service.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
400,000	(400,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW2 - \$1.5M	
Title:	Landfill Liner Design and Construction		PRELIMINARY

Justification:

The preliminary design for Area 3 is complete and was used to formulate the site blasting performed in 2022. Budget is requested to complete the final design and remaining site preparation for the liner installation to occur in another phase.

Expected Completion: Jun 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,500,000	(1,500,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW2 - \$2M	
Title:	Electrical Supply Upgrades		PRELIMINARY

Justification:

The new aerated static pile will require a power supply as part of its operations. Budget is requested for the electrical design and installation, which must be completed prior to commencing planned road and earthworks construction. The work will include purchase of transformers, conduit installation, substation connectivity, area lighting and connection to the grid. This expanded electrical capacity allowance included for EV charging of mobile and heavy equipment, and is consistent with the City Green Fleet Policy and Community Climate Action Plan.

Expected Completion: Sep 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,000,000	(2,000,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW2 - \$100k	
Title:	General Site Works and Investigations		PRELIMINARY

Justification:

Budget is requested for addressing the regulatory capital requirements recommended from the 2019 Design Operation and Closure Plan (DOCP). This includes a number of smaller consulting projects required to complete tasks in the Upgrading Plan to ensure compliance with the BC Landfill Guidelines.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

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

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW2 - \$2m	
Title:	Landfill - Electric Equipment Charging Station	PRELIMINARY	

Justification:

Budget is requested to install EV charging infrastructure at the Glenmore Landfill transfer station for the use of City vehicles and equipment. This is consistent with the Green Fleet Policy and will support the Electric Compact Loader that has been ordered. Two charging stations would be installed in 2023, with the capacity to add future charging stations as the City expands EV fleet at the landfill.

Expected Completion: Oct 2023

Strategic Direction: Environmental protection - Greenhouse gas emissions are decreasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
85,000	(85,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW3 - \$450k	
Title:	Landfill Gas & Leachate Recirculation Laterals	PRELIMINARY	

Justification:

Budget is requested for the installation of landfill gas laterals and leachate recirculation systems as sections of the landfill continue to grow.

Expected Completion: Dec 2023

Strategic Direction: Environmental protection - Greenhouse gas emissions are decreasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
450,000	(450,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW4 - \$100k	
Title:	Odour Control and Leachate Treatment		PRELIMINARY

Justification:

Budget is requested for a preliminary study in advance of a design for the leachate treatment system to be installed in the near future. Controlling odour and Hydrogen Sulphide (H₂S) gas will be important for both nuisance prevention and corrosion protection within the mechanical components.

Expected Completion: Dec 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

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

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: Not included SW5	
Title:	Wet Well Relocation		PRELIMINARY

Justification:

Budget is requested to relocate an existing wet well at the Glenmore Landfill. An updated building code evaluation was performed in 2022 and found the potential for landfill gas build up within the existing building. The relocation of the wet well to an outdoor location will eliminate the need for more expensive building upgrades, ensure consistency with current City lift station design practices, and mitigate the potential health and safety concerns. Work can be performed in conjunction with replacing other end of life infrastructure (Leachate Management Project) resulting in a more cost effective construction. The 10 Year Capital Plan will be updated to include this project.

Expected Completion: Aug 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
600,000	(600,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2023 SW5 - \$300k	
Title:	Stormwater Bypass System		PRELIMINARY

Justification:

Budget is requested to conduct site surveys and preliminary alignment design for the Glenmore Landfill Surface Water Bypass system. This work would include consideration of water levels in and around Robert Lake to mitigate potential flooding in this water basin.

Expected Completion: Sep 2023

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

Operating Impact: There are no operation and maintenance budget impacts associated with this request

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: 2023 SW7 - \$6.1M	
Title:	Stockpiles and Reprocessing Areas Relocation		PRELIMINARY

Justification:

Budget is requested for the second phase of a four-year plan to move materials from Area 3 to the aerated static pile (ASP) being constructed west of the entrance. This includes purchase of the mechanical and structural works for the aerated static pile operation. The work includes continuation of the addition and movement of materials, as well as additional phases of construction of the new aerated static pile compost process as per the approved Landfill Design, Operations and Closure Plan.

Expected Completion: Dec 2024

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
6,100,000	(6,100,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: 2024 SW7 - \$0	
Title:	Mechanical Shop Expansion - Equipment Storage Bay		PRELIMINARY

Justification:

Budget is requested for the second of three phases in the construction of the mechanic shop. The equipment storage bay is required to store landfill equipment and storage for equipment for general repairs. This is a building extension to the shop which is covered but open to the elements. The project will be delivered under a 3rd party design-build contract. Phase 1 of this project was delayed and so phase 2 was scheduled for 2024. Phase 1 is now complete, and the project can proceed.

Expected Completion: Sep 2023

Strategic Direction: Other - Supports Base Business

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
400,000	(400,000)	0	0	0	0	0

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STORM DRAINAGE



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2023 Capital Requests

Preliminary Budget

Storm Drainage Capital Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Storm Drainage Capital - Priority 1									
414	New	Mill Creek Flood Protection	5,773,700	(2,969,900)	0	(2,309,500)	0	0	(494,300)
		D1 - Hydraulic Upgrading Program	5,773,700	(2,969,900)	0	(2,309,500)	0	0	(494,300)
414	Renew	Stormwater Pond Asset Renewal Program	170,500	0	0	0	0	0	(170,500)
415	Renew	Linear Asset Renewal Projects	360,000	0	0	0	0	(25,000)	(335,000)
		D3 - Storm Water Renewal	530,500	0	0	0	0	(25,000)	(505,500)
Cost Center Totals			6,304,200	(2,969,900)	0	(2,309,500)	0	(25,000)	(999,800)
Grand Total			6,304,200	(2,969,900)	0	(2,309,500)	0	(25,000)	(999,800)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: 2023 D1 - \$5.7M	
Title:	Mill Creek Flood Protection		PRELIMINARY

Justification:

The Mill Creek Flood Protection project creates the conditions to safely pass a one in 200 year flood event to Okanagan Lake. Budget is requested as part of a seven year plan that accesses funding up to \$22M of the Disaster Mitigation and Adaptation Fund (DMAF) federal grant. This project element will include flood protection on City-owned areas along lower Mill Creek and investigations of the industrial corridor. The final designs all include a balanced approach that considers localized goals, flood protection needs, water quality improvements, and improving fish spawning habitat.

Expected Completion: Dec 2027

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
5,773,700	(2,969,900)	0	(2,309,500)	0	0	(494,300)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: 2023 D3 - \$171k	
Title:	Stormwater Pond Asset Renewal Program		PRELIMINARY

Justification:

Budget is requested to support the annual renewal and replacement of stormwater ponds including retention/detention/infiltration ponds and tanks. Stormwater ponds play a vital role in managing both stormwater flows and pollutants. This project is part of a larger stormwater pond asset renewal program (partially funded in the 10-Year Capital Plan). The first year of this project includes developing an assessment framework and the first phase of assessing existing stormwater ponds. The assessment will inform the program's future capital renewal projects.

Expected Completion: Sep 2023

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
170,500	0	0	0	0	0	(170,500)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: 2023 D3 - \$360k	
Title:	Linear Asset Renewal Projects	PRELIMINARY	

Justification:

Budget is requested to support the annual replacement of storm drainage mains, pump stations, and treatment facilities. Although stormwater infrastructure is newer in relation to other utilities, a number of stormwater mains are approaching the end of service life and will require renewal in order to continue providing a standard level of service. The projects identified for replacement in 2023 are to address the significant root intrusion in culverts along the mainstem of Brandt's Creek upstream of Millard Glen Park, funding renewal-related portions of the miscellaneous drainage program projects for the Dilworth and Glacier Ct drywell, Garner Rd pond trench dam, Sutherland and Ethel drywell, Elm St drywell, Lynwood Cr catch basin, Buckland Ave OGS, and for a vacuum truck pre-treatment facility renewal study

Expected Completion: Sep 2023

Strategic Direction: Environmental protection - Resiliency & adaptability to climate change

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
360,000	0	0	0	0	(25,000)	(335,000)

2023 Capital Requests

Preliminary Budget

Storm Drainage Capital Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Storm Drainage Capital - Priority 2								
New	Mill Creek Flood Protection	2,941,700	0	0 (1,176,700)		0	0	(1,765,000)
	D1 - Hydraulic Upgrading Program	2,941,700	0	0 (1,176,700)		0	0	(1,765,000)
Renew	Catch Basin Trapping Hood Retrofit Program	120,000	0	0	0	0	0	(120,000)
	D2 - Storm Drainage Quality Program	120,000	0	0	0	0	0	(120,000)
Renew	Stormwater Pond Asset Renewal Program	229,500	0	0	0	0	0	(229,500)
	D3 - Storm Water Renewal	229,500	0	0	0	0	0	(229,500)
Cost Center Totals		3,291,200	0	0 (1,176,700)		0	0	(2,114,500)
Grand Total		3,291,200	0	0 (1,176,700)		0	0	(2,114,500)

OP - denotes capital request that has been moved to the operating section

O&M – denotes capital request has operating & maintenance impacts included in the request



FINANCIAL PLAN

Kelowna, BC Canada
Carryover Budget - Volume 2

2023

Carryover Budget information will be provided
when presented to Council in March 2023



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FINANCIAL PLAN

Kelowna, BC Canada
Final Budget - Volume 3

2023

Final Budget information will be provided
when presented to Council in April 2023



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FINANCIAL PLAN

Kelowna, BC Canada
Five-Year Financial Plan
2023-2027

2023

Five-Year Financial Plan information will be
provided when presented to Council in April 2023. ►►

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APPENDIX



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APPENDIX

SUPPLEMENTAL INFORMATION

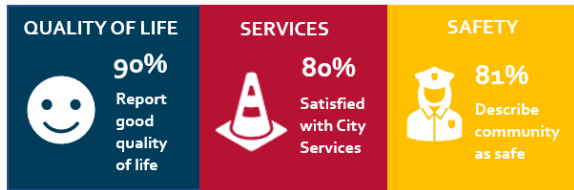
Citizen Survey Results

The [Citizen Survey](#) is conducted to determine how satisfied the public is with municipal programs and services, and to learn what citizens’ service priorities are.

Responses are weighted by age, gender and city-wide distribution to accurately reflect Kelowna’s population. Results are benchmarked against other local governments.

Insights gained by this research help us make important decisions regarding planning, budgeting and service improvements. Ipsos has conducted the Citizen Survey for the City in 2022, 2020, 2018, 2017, 2015 and 2012.

Full results can be found at [kelowna.ca](#).



The latest Citizen Survey reports that:

- **90%** of citizens have a good quality of life
- **80%** of citizens are satisfied with the overall level and quality of City services
- **80%** of citizens agree that the City is inclusive and accepting of all
- **81%** of citizens feel safe in the community
- **81%** of citizens were satisfied with the customer service they received
- **75%** of citizens believe they receive good value for their tax dollars

Important issues for citizens include addressing social issues such as homelessness (57%), transportation (23%) and crime (12%).



41% prioritize building new infrastructure

55% prioritize renewing existing infrastructure

Citizens’ top three priorities for investment are addressing social issues, encouraging a diverse supply of housing, and traffic flow management.

While all evaluated services are important to citizens, the services most important to our residents in 2022 include:

- Drinking Water Quality
- Fire Services
- Community Cleanliness
- Road Maintenance
- Police Services

Areas of strength amongst City services include drinking water quality for City Water Utility customers, fire and police services, bike lanes, pedestrian sidewalks, parks and sports fields and community cleanliness.

Areas of improvement identified are road maintenance and snow removal, traffic flow management, city growth management, addressing climate change and public transit.

Citizens were also asked if they would prefer tax increases over service reductions:

Increase taxes to enhance services	28%
Increase taxes to maintain services	25%
Reduce services to maintain tax rate	24%
Reduce services to reduce taxes	12%

2040 OFFICIAL COMMUNITY PLAN

Our Kelowna as we Grow

Kelowna is one of Canada’s fastest growing cities, with another 45,000 citizens expected by 2040. This growth will bring both opportunities and challenges that require us to plan strategically to ensure Kelowna remains prosperous, vibrant and resilient in the years to come.

Our city’s approach to growth will be shaped by the recently adopted [2040 Official Community Plan \(OCP\)](#), a guiding document which sets a strategic course for the next two decades. An OCP provides a decision-making framework for Council with policies and objectives aimed at growth management and issues related to housing, transportation, infrastructure, parks, economic development, and the natural and social environment.

The 2040 OCP also strives to bring our community’s [Imagine Kelowna](#) vision of an equitable, inclusive, sustainable city to life. This will mean making smart choices about how and where we grow, protecting our environment, making meaningful progress towards Reconciliation, and ensuring that everybody who lives here can make a living, find suitable housing, and get around easily and safely.

Building on the goals laid out in *Imagine Kelowna*, the Plan contains the following 10 Pillars:



Prioritize sustainable transportation and shared mobility



Take action on climate



Focus investment in Urban Centres



Target growth along transit corridors



Stop planning new suburban neighbourhoods



Strengthen Kelowna as the region’s economic hub



Protect and restore our environment



Incorporate equity into city building



Promote more housing diversity



Protect agriculture

The 2040 OCP includes updated land uses, mapping and policies to reflect these Pillars and clearly signal where development will be prioritized and supported with infrastructure and amenities.

Now that the Plan has been adopted, putting it into action will require several key implementation actions throughout its lifespan. A comprehensive implementation table is being used to guide the timing and resourcing of OCP implementation actions, with due recognition of available budget and other work planning considerations.

2021 COMMUNITY TRENDS REPORT

Housing Unaffordability: Crisis or Crossroads?

The [Community Trends Report](#) is prepared annually to explore how important trends or challenges are impacting our cities and communities. The report is a research-based document that sets the stage for future action by identifying the local implications of broader national or global trends. Examining complex topics in an accessible format, the Community Trends Report is intended to serve as a resource for City of Kelowna staff and Council, while informing residents, businesses and local community organizations about how key trends might impact our region.

A recent surge in housing prices across the country leaves many talking about housing unaffordability. Locally, provincially, and nationally, the topic of unaffordability, and increasing housing costs growing more detached from incomes, has moved beyond a topical 'trend' and there is growing acceptance at all levels of government that more significant action towards housing affordability is needed.

As we navigate this crossroads, we are faced with compounding challenges. Economic uncertainty of the COVID-19 pandemic has exacerbated housing unaffordability across the country. This state of unaffordability is despite significant and continued efforts of the City and our partners to address the community's housing needs. Importantly, without these efforts, unaffordability in Kelowna today would likely be worse.

The Community Trends Report reflects on this impasse by posing a few key questions:

- What is the state of housing in Kelowna today?
- How is affordability discussed and why does it matter?
- How can we change the conversation to be more productive?
- Will the housing system and the role of the actors need to evolve?
- As a local government, do we need to re-examine our role in housing affordability?



STATISTICS

Top 10 corporate taxpayers

2021			2022		
Rank	Business (owner) name	Type of property	Rank	Business (owner) name	Type of property
1	Al Stober Construction Ltd	Commercial Building	1	Al Stober Construction Ltd	Commercial Building
2	FortisBC Inc	Electrical Utility	2	FortisBC Inc	Electrical Utility
3	Orchard Park Shopping Centre	Shopping Mall	3	Orchard Park Shopping Centre	Shopping Mall
4	Victor Projects Ltd	Shopping Mall	4	McIntosh Properties Ltd	Shopping Mall
5	McIntosh Properties Ltd	Shopping Mall	5	Victor Projects Ltd	Shopping Mall
6	Inland Natural Gas Co Ltd	Gas Utility	6	Inland Natural Gas Co Ltd	Gas Utility
7	Callahan Construction Company Ltd	Multiple Types	7	Midwest Ventures Ltd	Multiple Types
8	3752 Investments Ltd	Multiple Types	8	Callahan Construction Company Ltd	Multiple Types
9	Midwest Ventures Ltd	Multiple Types	9	Jabs Constructions Ltd	Multiple Types
10	RG Properties Ltd	Shopping Mall	10	3752 Investments Ltd	Multiple Types

Tax comparison analysis – 2021 & 2022

Business	2021	2022	Difference	Change
Assessed value	1,716,100	1,958,300	242,200	14.11%

Municipal

General Tax Levy	11,876	12,827	950	7.71%
Infrastructure Levy	465		-465	-3.77%
	12,342	12,827	485	3.94%

School

General Tax Levy	6,624	6,893	269	4.06%
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Other Taxing Jurisdictions

Regional District Levy	1,064	996	-68	-6.41%
Hospital Levy	1,100	1,012	-88	-8.02%
Library Levy	540	540	0	-0.07%
BC Assessment Levy	195	203	8	3.98%

Total Tax Levy	21,865	22,470	606	2.77%
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Residential	2021	2022	Difference	Change
Assessed value	689,990	888,420	198,430	28.76%

Municipal

General Tax Levy	2,200	2,286	86	3.93%
Infrastructure Levy				
	2,200	2,286	86	3.93%

Other Municipal User Fees

Garbage Collection/Waste Reduction	180	181	1	0.63%
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School

General Tax Levy	996	1,049	53	5.34%
Homeowner Grant	-770	-770	0	
	226	279	53	23.58%

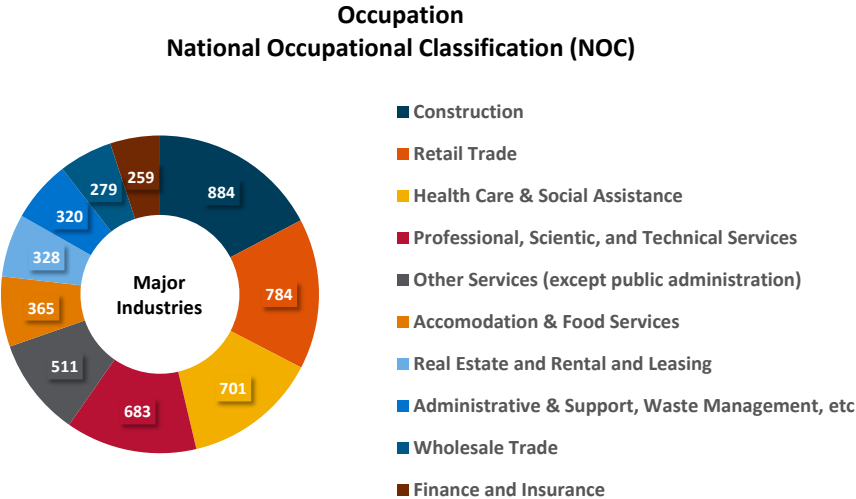
Other Taxing Jurisdictions

Regional District Levy	175	184	10	5.59%
Hospital Levy	181	187	7	3.78%
Library Levy	96	96	0	-0.07%
BC Assessment	28	31	3	9.33%

Total Tax Levy	3,085	3,245	160	5.18%
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Local economy

The City of Kelowna is the largest city in the Central Okanagan. It borders the beautiful Okanagan Lake and has the best of rural and urban lifestyles packed into one unique city. With a diverse economy supported by quality post-secondary institutions, Kelowna has become the main marketing and distribution centre of the Okanagan Valley. Kelowna also has a thriving arts and culture scene combined with all the outdoor activities that make the Central Okanagan a must-see tourism destination, as well as a popular place to live. Settled in 1879 and incorporated in 1905, Kelowna is known for its agriculture and forestry roots and has grown into a modern city.



Source: Canadian Business Patterns, 2017

Doing Business in the Community

Development Incentives

The City of Kelowna offers several developer incentives to encourage alignment with the City’s strategic priorities for urban development. Tax incentives are available for development in City Centre and Rutland Urban Centres, and grants and tax incentives are available to promote the development of purpose-built rental housing throughout Kelowna. Further information regarding development incentives in Kelowna may be found Kelowna.ca/homes & buildings/developers/developer incentives

Commercial Land

The major commercial areas within Kelowna are the downtown, Highway 97, and Mission/ South Pandosy districts. Kelowna’s Official Community Plan projects the need for 90 acres of land for commercial development and emphasizes land re-use and densification over continued expansion into greenfield areas.

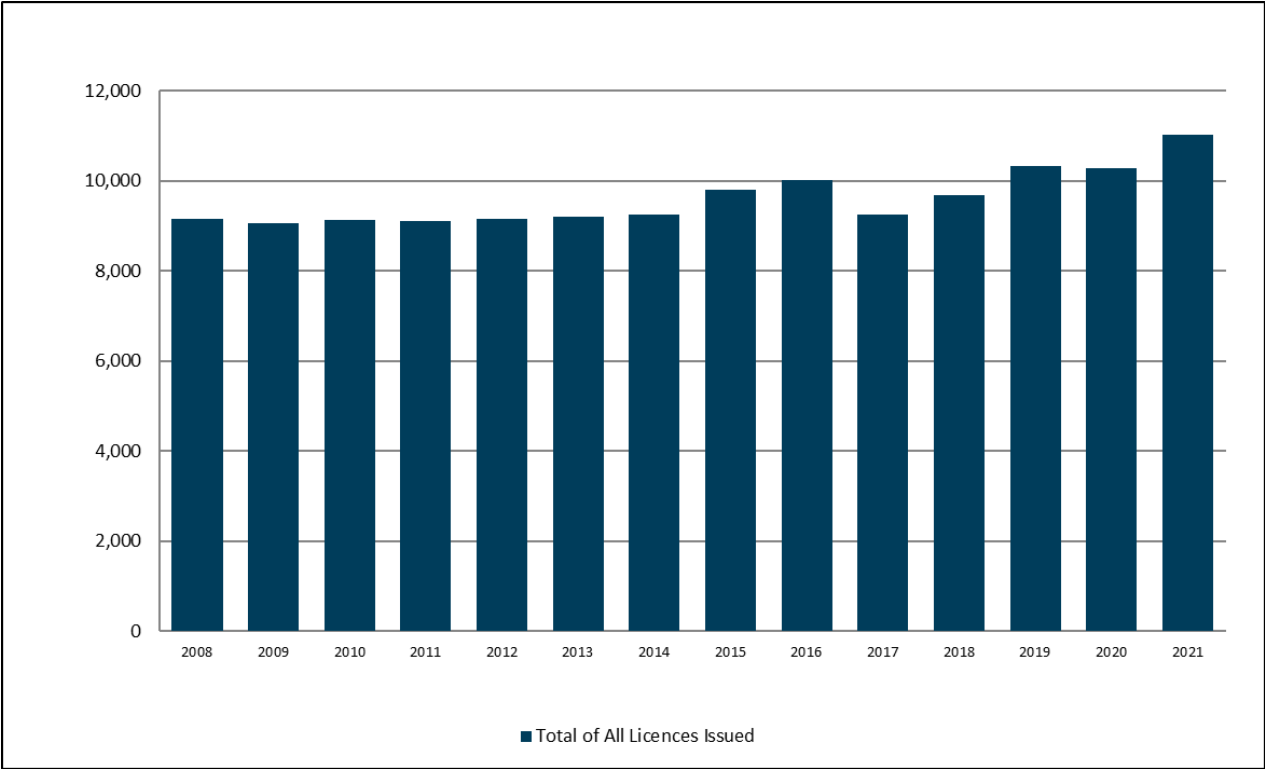
Industrial Land

There are 1,320 acres of existing zoned industrial land within Kelowna’s boundaries. Kelowna has also identified 1,721 acres of land identified for future industrial development in the Official Community Plan. Industrial vacancy rates are currently low, and the market is active and dynamic.

For more information on the local economy, visit www.investkelowna.com.

Source: [2018 Central Okanagan Economic Profile](#)

Business licences



**The City of Kelowna stopped issuing secondary suite licences in 2017. The business licence stats are measured December 1st to December 1st due to business licence rollover.*

Access to markets

Kelowna’s central location provides the city with access to key markets, as well as their population base.

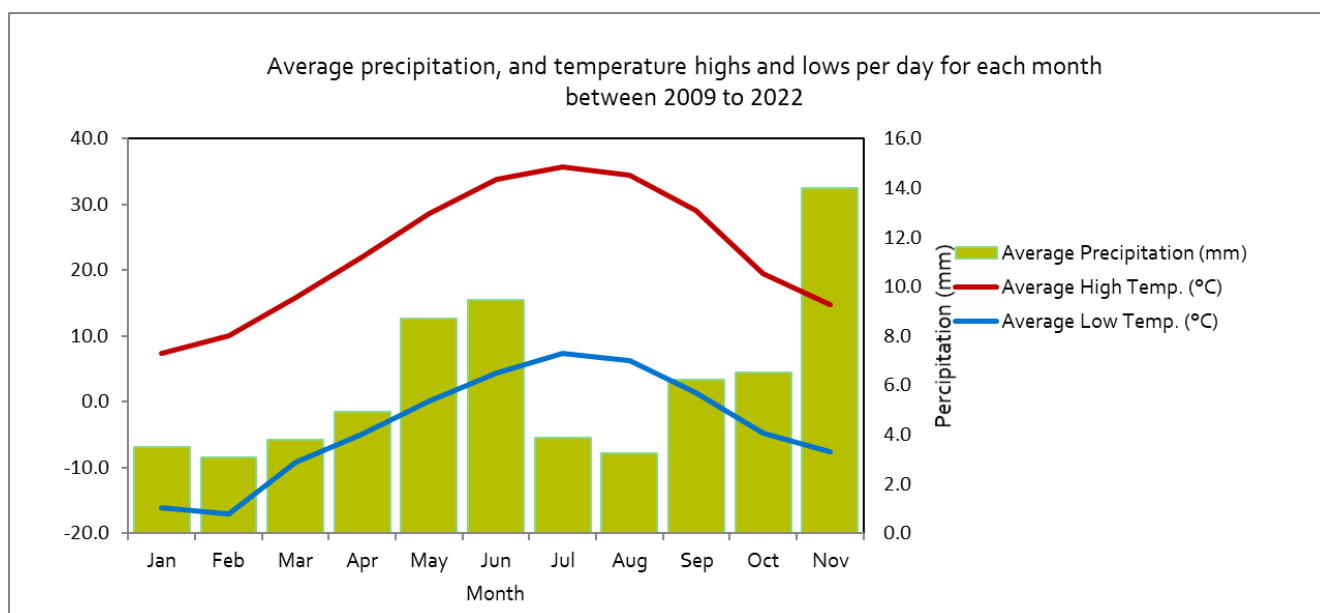
Distance (km) to Kelowna from:

- 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

Historic Temperatures (°C)												
Recorded Highs												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	11.2	8.1		12.0		7.1		5.8	8.7	7.5	6.1	11.2
February	6.8	10.4		9.9	12.8	13.8				9.6	12.3	12.2
March		13.5	17.6		19.3	20.3			17.1	14.1		14.6
April		25.8	22.6	22.7	25.8	27.4		25.4	17.5	19.1	24.6	
May			30.3	25.1	29.5	28.4	31.8	31.9	30.5		29.5	
June	29.8			31.2	38.7	35.7	32.8	33.3	33.9	27.5	44.6	
July	33.2	34.7	36.6	37.1	37.6	35.7	33.9	36.8		34.6	38.9	38.8
August	32.8	36.3		34.7	37.8	33.5	34.0	36.8	36.1	37.7	36.7	35.3
September	32.1	27.7	30.7	27.3		28.7	35.6			31.5	27.2	34.2
October	17.1	20.7		18.1	19.5	12.5		17.1	17.6	22.7		25.3
November	11.2	15.4		15.2	14.3	16.6		14.0	11.9			
December	9.5	11.9	4.4	10.0	11.9	6.1		9.6				
Highest Temperature per year	33.2	36.3	36.6	37.1	38.7	35.7	35.6	36.8	36.1	37.7	44.6	38.8
Record highs by month	Jan 13 2014	Feb 27 2016	Mar 31 2016	Apr 21 2016	May 23 2018	Jun 28 2018	Jul 9 2015	Aug 13 2015	Sep 2 2015	Oct 3 2022	Nov 8 2016	Dec 18 & 2012 & 2015
	12	13.8	20.3	27.4	31.9	38.7	37.6	37.8	35.6	25.3	16.6	11.9
Recorded Lows												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	-9.0	-20.5	-3.4	-15.6		-19.4	-24.8	-13.4	-10.2	-22.3	-12.8	-24.7
February	-11.8	-5.7		-21.3			-21.6	-20.7	-20.9		-21.0	-14.6
March	-9.4		-7.9	-7.4		-7.5	-8.6	-8.0	-20.0	-12.2	-9.5	
April	-5.8	-3.7	-4.8	-4.0	-3.8		-4.4		-4.0	-9.9	-6.7	-7.4
May	-0.4	-2.7	-3.9	-2.8	-0.8	0.9	1.3		1.5		-1.9	0.2
June		0.4	4.8	2.6	3.1	0.9	4.1	2.1	5.1	1.5	0.9	
July	4.8	6.2	5.9	8.9	7.2	5.7	6.4	6.3	6.4	3.8		
August	4.6	3.6	5.8		4.6	6.9	5.2	7.9	6.3	5.3	3.6	7.3
September	1.3	2.0		-1.2	-1.3	3.3	0.3	2.5		2.7	-0.4	0.1
October	-5.2	-5.7	-3.9		-3.8	0.9		-4.1	-10.9			
November	-15.2	-9.5	-12.6	-19.4	-14.6		-14.5	-7.8	-11.4			-6.9
December	-10.9	-11.6	-18.3	-17.6	-18.0	-24.1	-19.9					
Lowest Temperature per year	-15.2	-20.5	-18.3	-21.3	-18.0	-24.1	-24.8	-20.7	-20.9	-22.3	-21.0	-24.7
Record lows by month	Jan 12 2017	Feb 8 2017	Mar 4 2019	Apr 2 2020	May 1 2013	Jun 7 2012	Jul 13 2020	Aug 28 2010	Sep 28 2015	Oct 11 2009	Nov 23 2010	Dec 17 2016
	-24.8	-21.6	-20	-9.9	-3.9	0.4	3.8	2.4	-1.3	-11.6	-21	-24.1

Historic Precipitation (mm)												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	14.3	6.3	9.7	11.1	8.1			7.3	7.8	18.9	4.9	15.2
February	8.9	19.6	5.1	4.4	19.8		5.0	10.9			2.0	13.1
March	6.8	15.4	14.4	14.5	6.5	4.0	25.9	10.7	5.6	7.7	1.4	9.5
April	9.2	36.9	17.4	27.4	1.5	6.0	16.5	8.5	3.9	8.0	8.6	2.9
May	32.6		40.3	19.3	26.3	19.6	26.1	22.1	1.2	57.4		16.3
June	8.0	66.1	57.6	25.3	27.7	25.5	8.5	8.2	8.5	31.4		31.8
July	14.4	28.5	4.9	5.8		20.9			26.6	15.7		8.7
August	6.3		17.4	2.9		23.4		2.3	13.1	10.1	20.8	6.3
September	3.3		55.2	23.5		8.9	1.7	16.6	28.0		12.4	
October	40.4	32.7		3.4		40.4	8.6	15.1	9.4		18.0	
November	2.8	16.4	36.3	23.5		21.4	11.4	13.8	14.7			
December	2.6	9.8	11.7	14.6		4.6	15.5	8.2	36.5			
Total Recorded Precipitation per year	91.4	159.8	239.5	290.7	183.5	96.5	174.7	119.2	125.3	108.0	149.2	149.2
Record Daily Precipitation by month	Jan 4 2019	Feb 28 2022	Mar 13 2013	Apr 26 2018	May 17 2016	Jun 20 2018	Jul 22 2013	Aug 2 2014	Sep 28 2013	Oct 17 2015	Nov 2 2010	Dec 6 2015



Source: Government of Canada: Station Results - Almanac Averages and Extremes; Kelowna 14-year data.

GLOSSARY

Accrual basis 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.

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.

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 (formerly known as 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 centre | 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. (i.e. Division – Financial Services; Department – Financial Planning; Branch – Budget).

Depreciation | Accounting method used to allocate the cost of a tangible or physical asset over its useful life.

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.



Expenditure | The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

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.

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 four main funds: general, water, wastewater, 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, 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.

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 two utilities: water, and wastewater. 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 & ABBREVIATIONS

AHLAS	Affordable Housing Land Acquisition Strategy	DMAF	Disaster Mitigation Adaptation Fund
AIF	Airport Improvement Fee	DMAF	Disaster Mitigation and Adaption Fund
AL&C	Active Living & Culture	DOCP	Design Operation and Closure Plan
ALC	Agricultural Land Commission	EMV	Europay, Mastercard and Visa
ALR	Agricultural Land Reserve	EOC	Emergency Operating Centre
AMCP	Asset Management and Capital Planning	ESS	Emergency Support Services
		EV	Electric Vehicle
AMS	Asset Management System	FCA	Facility Condition Assessment
ASQ	Airport Service Quality	FD	Fire Department
ATC	Active Transportation Corridor	FOI	Freedom of Information
BCA	BC Assessment	FS	Financial Services
BOD	Biochemical Oxygen Demand	FTE	Full-time Equivalent
C&E	Climate and Environment	GAAP	Generally Accepted Accounting Principles
C.C.	Community Charter	GFOA	Government Finance Officers Association
CA	City Administration	GHG	Greenhouse Gas
CAC	Child Advocacy Centre	GIS	Geographical Information Systems
CAP	Capital	GPS	Global Positioning System
CC	City Clerk	GR	Government Relations
CCTV	Closed-circuit television	HID	High-Intensity Discharge
CIF	Capital Improvement Fee	HNA	Housing Needs Assessment
CLS	Corporate Land System	HR	Human Resources
COJHS	Central Okanagan Journey Home Society	HVAC	Heating, Ventilation and Air Conditioning
COK	City of Kelowna	IAFF	International Association of Fire Fighters Union
COVID-19	Coronavirus Disease 2019	IAS	International Accreditation Service
CPIC	Canadian Police Information Centre	IBEW	International Brotherhood of Electrical Workers
CPO	Community Policing Office	ICBC	Insurance Corporation of British Columbia
CPTED	Crime Prevention through Environmental Design	ICG	International Children's Games
CRTC	Canadian Radio-television and	ICIP	Investing in Canada Infrastructure Program
CS	Corporate Services	IGR	Inter Government Relationships
CSP	Corporate Strategy and Performance	IHA	Interior Health Authority
CSP	Community Safety Plan	IK	Imagine Kelowna
CSS	Corporate Strategic Services	IN	Infrastructure
CUPE	Canadian Union of Public Employees	IoT	Internet of Things
CWME	Capital Works Machinery & Equipment – statutory reserve fund	IS	Information Services
D&O	Debt & Other	ISO	Investigative Service Officer
DAR	Development Application Review	ITIL	Information Technology Infrastructure Library
DCC	Development Cost Charge	KCC	Kelowna Community Campus
DEI	Diversity, Equity & Inclusive	KCT	Kelowna Community Theatre
DFTS	Digital Fire Training System	KFD	Kelowna Fire Department
DKA	Downtown Kelowna Association	KMMFA	Kelowna Major Men's Fastball Association

KMPC	Kelowna Memorial Park Cemetery	Q4	Fourth Quarter
KPI	Key Performance Indicators	QS	Quality Sport
KSS	Kelowna Secondary School	RCMP	Royal Canadian Mounted Police
LAS	Local Area Service	RDCO	Regional District of the Central Okanagan
LED	Light Emitting Diode	RFI	Request for Information
LiDAR	Light Detection and Ranging	RFID	Radio Frequency Identification
LOA	Lease and Operating Agreement	RFP	Request for Proposal
MBL	Multiple Bottom Line	RIM	Records & Information Management
MEP	Mechanical, Electrical, Plumbing	ROI	Return on Investment
MFA	Municipal Finance Authority	S4L	Sport For Life
MMOB	Meet Me On Bernard	SAFE	Community Safety
MoTI	Ministry of Transportation and Infrastructure	SCA	Sewer Connection Area
MOU	Memorandum of Understanding	SCADA	Supervisory Control and Data Acquisition
MUP	Multi-Use Path	SCBA	Self Contained Breathing Apparatus
NG911	Next Generation 911 compliant equipment	SD23	School District No. 23
NPS	Net Promoter Score	SEI	Sensitive Ecosystem Inventory
NRCan	Natural Resources Canada	SEK	South East Kelowna
O&M	Operation & Maintenance	SEKID	South East Kelowna Irrigation District
OC	Okanagan College	SMART	Specific, Measurable, Achievable, Relevant, Timely
OCP	Official Community Plan	SMOR	Strategic Management Owned Report
OGS	Oil-Grit Separator	SOMID	South Okanagan Mission Irrigation District
OKGN	Okanagan	SRSA	Septic Removal Specified Area - statutory reserve fund
OO	Operations Officer	STPCO	Sustainable Transportation Partnership of the Central Okanagan
OP	Operating	SWMP	Stormwater Management Plan
ORT	Okanagan Rail Trail	TCA	Tangible Capital Assets
P&DS	Planning & Development Services	TMP	Transportation Master Plan
P1	Priority 1	TWTF	Tradewaste Treatment Facility
P2	Priority 2	UBCM	Union of British Columbia Municipalities
PAC	Performing Arts Centre	UBCO	University of British Columbia – Okanagan
PAWS	Pre-Authorized Withdrawal System	URBA	Uptown Rutland Business Association
PBMP	Pedestrian & Bicycle Master Plan	UTV	Utility Vehicle
PBMP	Pedestrian and Bicycle Master Plan	V&E	Vehicle or Equipment
PCARD	Purchasing Card	VFD	Variable Frequency Drive
PEOPLE	Paid Employment Opportunities for People with Lived Experiences	W	Water
PRC	Parkinson Recreation Centre	WQA	Water Quality Advisory
PRV	Pressure Reducing Valve	WQEF	Water Quality Enhancement Fund
PSAB	Public Sector Accounting Board	WW	Wastewater
PSAS	Public Sector Accounting Standards	WWTF	Waste Water Treatment Facility
Q1	First Quarter	WWTP	Wastewater Treatment Plant
Q2	Second Quarter	YLW	Kelowna International Airport
Q3	Third Quarter		



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