

**City of Kelowna
Regular Council Meeting
AGENDA**



Thursday, December 14, 2017

9:00 am

Council Chamber

City Hall, 1435 Water Street

Pages

1.	Call to Order	
2.	Budget Discussion Schedule	3 - 540
2.1	Opening Comments	9:00 AM - 9:15 AM
3.	Capital Program	
3.1	Airport - Operating & Capital Program	9:15 AM - 9:45 AM
3.2	Fire Department - Operating & Capital Program	9:45 AM - 9:55 AM
3.3	Real Estate & Parking	9:55 AM - 10:00 AM
3.4	Building	10:00 AM - 10:10 AM
3.5	Parks	10:10 AM - 10:25 AM
3.6	Transportation	10:25 AM - 11:10 AM
3.7	Solid Waste	11:10 AM - 11:20 AM
3.8	Storm Drainage	11:20 AM - 11:25 AM
3.9	Information Services	11:25 AM - 11:35 AM
3.10	Vehicle & Mobile Equipment	11:35 AM - 11:45 AM
3.11	Water	11:45 AM - 11:55 AM
3.12	Wastewater	11:55 AM - 12:05 PM

4.	Operating Program	
4.1	Infrastructure	12:05 PM - 12:15 PM
5.	Lunch Break	12:15 PM - 1:00 PM
6.	Operating Program (con't)	
6.1	Community Planning & Strategic Investments	1:00 PM - 1:15 PM
6.2	Active Living & Culture	1:15 PM - 1:25 PM
6.3	Civic Operations	1:25 PM - 2:35 PM
	Water Utility	
	Wastewater Utility	
6.4	Financial Services	2:35 PM - 2:50 PM
	General Revenue	
	Debt & Other	
	Natural Gas	
6.5	Corporate & Protective Services	2:50 PM - 3:05 PM
	Police Services	
6.6	Human Resources	3:05 PM - 3:10 PM
6.7	Corporate Strategic Services	3:10 PM - 3:15 PM
7.	Wrap-Up & Discussion	3:15 PM - 4:00 PM
8.	Termination	

2018 Financial Plan

Provisional - Volume 1
Kelowna, British Columbia
December 2017



MAINTAIN
RENEW



GROWTH



NEW



kelowna.ca

Navigating the Provisional 2018 Financial Plan

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

If reviewing online

Table of Contents

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

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

If reviewing as a downloaded PDF

Bookmarks (option 1)

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

Table of Contents (option 2)

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

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

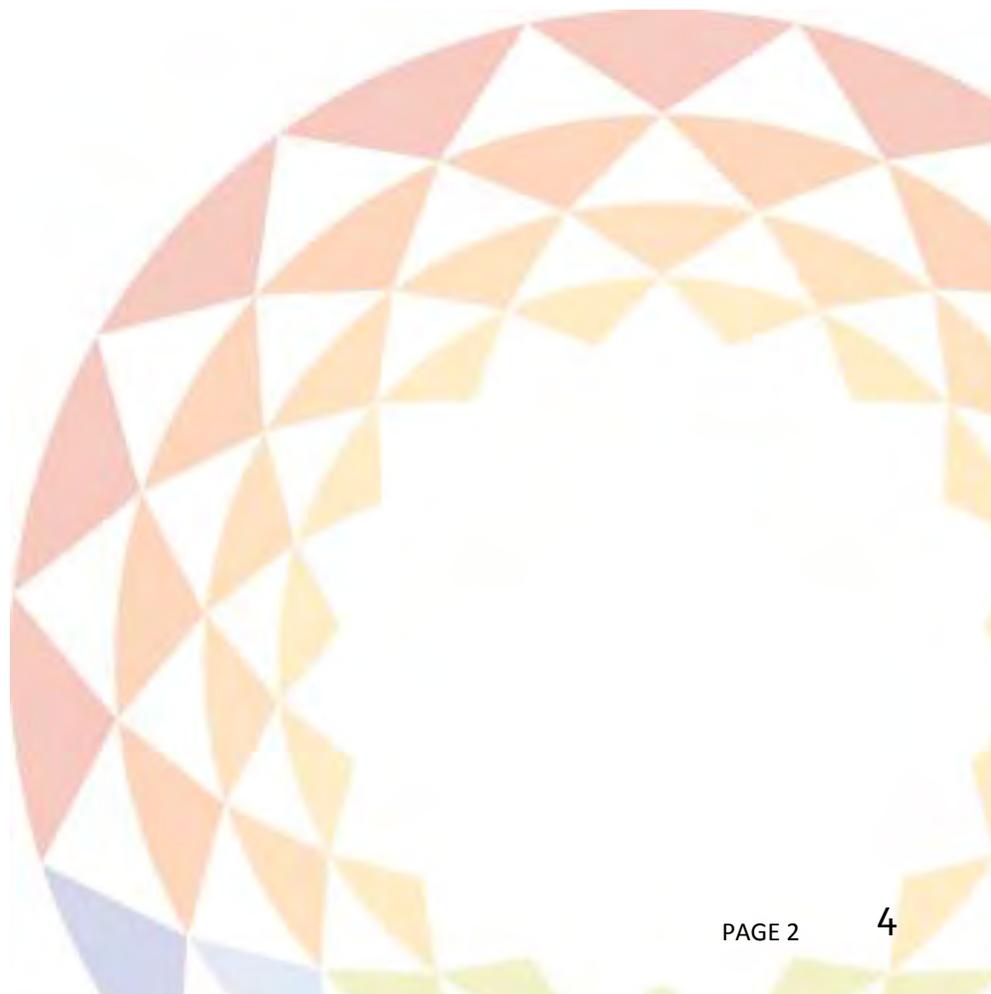


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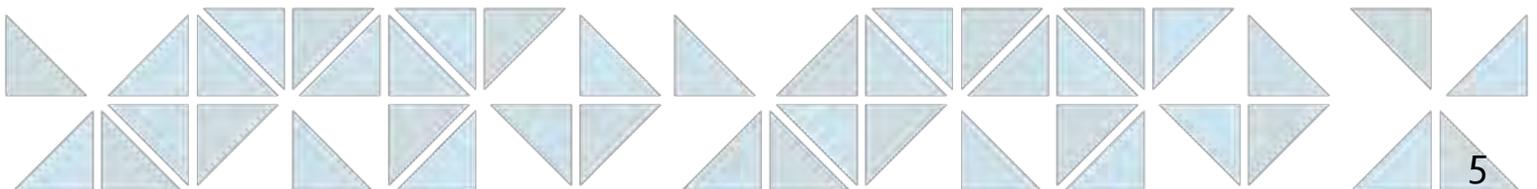
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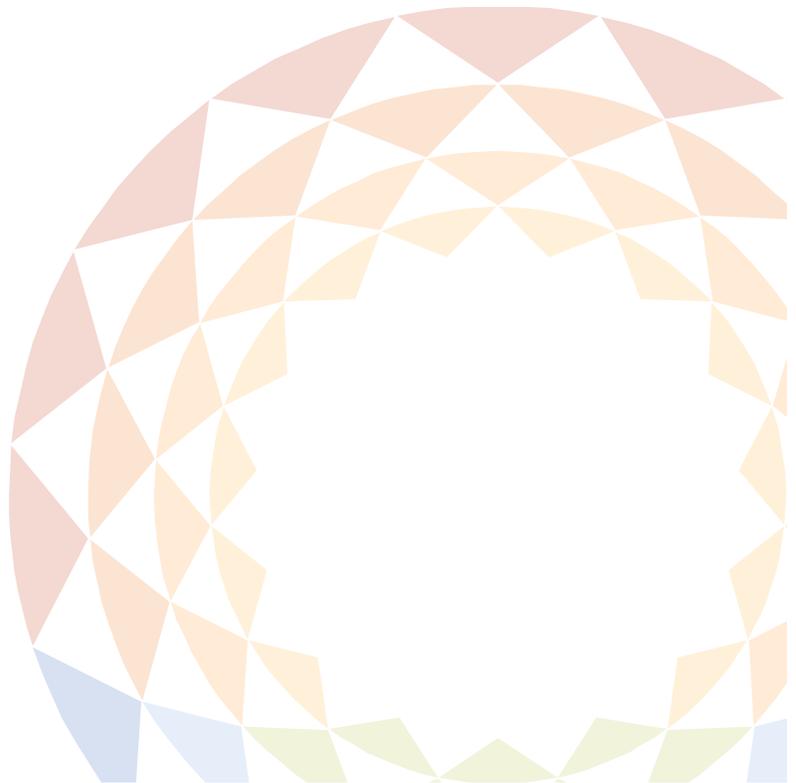
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Introduction and Overview



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INTRODUCTION & OVERVIEW

Award for Financial Reporting



Government Finance Officers Association

Canadian Award for Financial Reporting

**City of Kelowna
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2016

A handwritten signature in black ink that reads "Christopher P. Morill". The signature is written in a cursive, flowing style.

Executive Director/CEO

MESSAGE FROM THE CITY MANAGER RON MATTIUSI



Kelowna has been one of Canada's fastest growing cities for years, but the nature of that growth has started to shift: more young families and professionals are moving here, looking for a balanced quality of life. Since 2011, the 25- to 44-year-old population has grown by nearly 10 per cent. This region saw growth well above the national average in the 30- to 34-year-old category too, with an increase in that population of nearly 22 per cent between 2011 and 2016.

As our City grows, our responsibility is to ensure we continue to deliver the quantity and quality of services that motivated families to call Kelowna home, while also finding innovative ways to meet changing demographic priorities. Every year presents its unique budget challenges and difficult decisions in pursuit of our goal to serve the needs of all of our residents.

The Provisional 2018 Financial Plan looks at ways we can adapt to the emerging challenges of growth: increased safety resources, balanced and active transportation solutions, ongoing commitments to address homelessness and plans for a sustainable future in our growing city.

Fire and police services are ranked in the top five priorities for investments by our residents. Historically, our budgets have put safety at the forefront, and this year is no different. The proposed addition of 16 frontline emergency personnel highlights this year's necessary investments in resources to keep our city safe.

We are equally committed to developing a transportation network to address congestion by balancing investment in major roadway connections with alternate transportation such as public transit, pathways and bicycle routes. The budget proposes \$16.6 million in transportation capital funding for projects focused on extending active transportation networks for citizens – Active Transportation Corridors, Rails with Trails, Sidewalk and Bikeway Renewal and Expansion projects. Policies for strong financial management will see 80 per cent of transportation requests come from reserves, developer contribution fees and other government development funding.

Working together with local agencies as valued partners, for example BC Housing, the City continues to look at ways to expand housing diversity and address short- and long-term housing needs of our residents. We will continue to build on the momentum of support for the most vulnerable residents in our community. The Journey Home Strategy is underway, with recommendations from the community task force expected in June 2018. Those findings will provide direction for funding allocations in future budgets. What we can commit to this year is a permanent staff position to manage the strategy process and additional funding for the strategy's development.

The proposed tax rate increase is 3.59 per cent. For the previous two years, capital requests were evaluated as new, growth and renew categories. This year, we replicated the successful model for operational requests and focus on maintaining and growth, with smaller investments in new operational requirements.

Ten Council priorities help guide us in making our decisions as a City – clean drinking water for our residents is one. A major capital carryover from last year is the continuation of Phase 1 of the Kelowna Integrated Water Supply Plan, a project that would have been extremely challenging without a \$43.9-million grant from the Clean Water and Wastewater Fund. Phase 1 of the plan is underway and a design/build contract is expected to be awarded in 2018.

We are a well-run City that prioritizes strong financial management – a Council priority that integrates with our strategic Corporate plan. The majority of our citizens, 84 per cent, tell us they receive good value for their taxes, and the majority are willing to pay the same or more to maintain or increase services.

This proposed direction for 2018 is derived from the current financial outlook and Council's priorities for the development of a safe, vibrant and sustainable city.



R.L (Ron) Mattiussi, MCIP
City Manager

About this document

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

Introduction & overview

This section celebrates the Distinguished Budget Presentation Award presented to the City of Kelowna by the Government Finance Officers Association of the United States and Canada. An introductory message from the City Manager outlines the priorities for the 2018 Financial Plan while highlighting issues that matter to our residents and how we will address them through strong financial management. *Our community* shines a light on what makes Kelowna a desirable place to live, *Our City* describes the municipal organization, government and structure, and *Strategies* presents the plans that influence the work we do. A look back at 2017, the *CityWide accomplishments* show how the work we do has served the 10 Council priorities. *Budget highlights* provides an at a glance summary of this this year's financial plan.

Strong financial management

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

Financial summaries

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

Operating budget

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

Operating budget cont'd

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

Capital budget

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

Carryovers & Final Budget

This section will contain the carryover and final budget requests. Carryover budgets will be presented to Council in March 2018, with the final budget presentation following in April.

Financial Plan

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

Appendix

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

Our Community



LIFESTYLE

Located along the beautiful shores of Okanagan Lake, in the heart of the stunning Okanagan Valley, Kelowna is home to nearly 129,500 residents. The lake offers myriad opportunities for boating, swimming or fishing, while nearby mountains attract hikers, skiers and outdoor enthusiasts. Golfers tee-it-up at our 13 courses, and bustling urban centres offer delectable restaurants, award-winning wineries, local shopping, museums, live entertainment and cultural festivals.

Nearly all citizens (94 per cent) rate the quality of life in Kelowna as good or very good thanks to active/recreational opportunities, safety, its accessible location, job opportunities, and the great weather¹. We are active and we are drop-dead gorgeous.



GROWTH

As a desirable place to live, offering an active four-season lifestyle, Kelowna remains one of Canada's fastest growing cities — leading in 2015 and sixth in 2016². From 2011 to 2016, the Kelowna Metropolitan Area's population grew by 8.6 per cent³.



JOBS

Our economy is thriving, with employment keeping pace with population growth. In 2016, Kelowna ranked first in Canada for its job market² due in part to a booming construction and real estate industry. The 5.4 per cent unemployment rate³ is well below the national average. Dynamic tourism, cutting edge technology, and a deep rooted agriculture sectors remain pillars of the economy.



EDUCATION

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

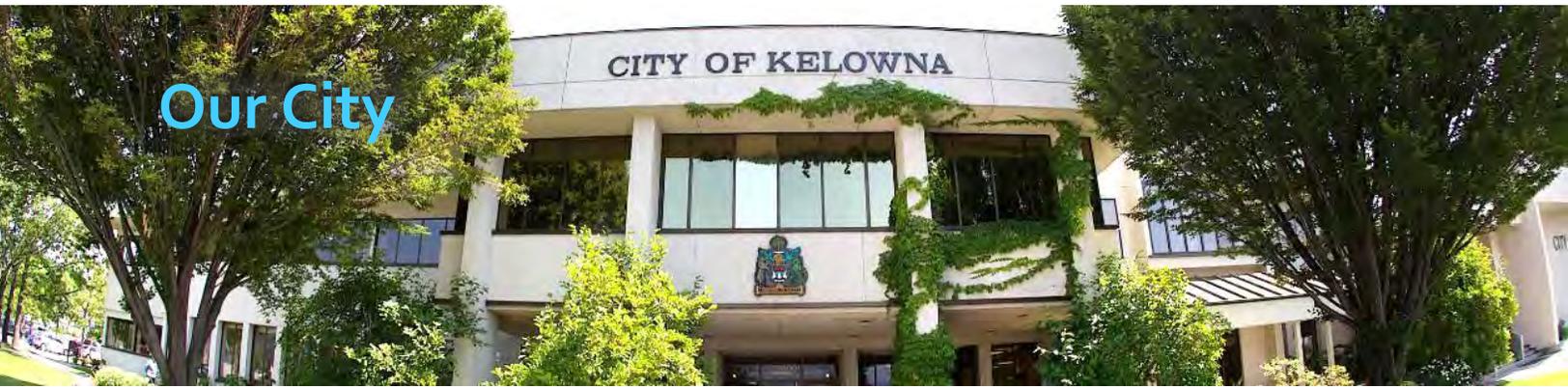
HEALTH

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

AIRPORT

As one of the top 11 busiest airports in Canada, YLW's total economic impact is 4,545 jobs and \$789 million in economic output to the province of British Columbia. Serving 1.9 million passengers in 2017, YLW offers more than 60 daily non-stop commercial flights with six airline partners. ylw.kelowna.ca

Incorporated	May 1905
Population	129,500
Ages 18-64	79,205
Ages 65+	26,435
Annual visitors	2+ million
Hockey team (WHL)	Kelowna Rockets
Wineries in City limits	17
Official flower	Arrowleaf Balsamroot
Hours of sunshine	2,000+



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

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

MAYOR AND COUNCIL

The City of Kelowna is governed by an elected Mayor and eight Councillors for a four-year term (2014-2018). Led by Mayor Colin Basran, Kelowna City Council is committed to building on the momentum of past Councils and being open for opportunity through community engagement and partnerships. It is consistent and transparent in decisions, creating a favourable environment for customer service, development and business in Kelowna.



CITIZEN SURVEY

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

- 94 % rated the quality of life as good or very good
- 90 % say they are satisfied with the overall level and quality of City services
- 84 % say they receive good value for their taxes
- 90 % describe the community as being safe

Vision

To be the best mid-sized City in North America

Mission

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

Working philosophy

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

Council priorities

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



KELOWNA

on the map



Strategies

CORPORATE FRAMEWORK

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

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



Financial strength & stability

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

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

2017 By the numbers



43,381

service requests received



expanded parking

519

new stalls
Memorial Parkade

197

new stalls
Library Parkade



427 km
sidewalk
maintained



321 km
bike
lanes



1,640km
roadway
maintained

219
parks

21

Active By
Nature
Trails



5,300
trees planted
in 2017

1.9 million
passengers through
YLW Airport

5.9 million
visitors
kelowna.ca

NEW
Police Services
building opens

48
Culture Days
events

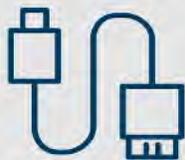
3,500+
recreation &
cultural
programs

131 day Emergency Operation Centre activation



7,431
building permits
issued
\$612 million
value

Dark Fibre Network



14
City sites connected

10
paying customers

16 km
fibre optic cable

\$97,600
revenue in 2017

g r a n t s
received

\$43.9 million
clean water

\$45 million
six capital
projects

given

\$650,000
community
development

11
rental housing
=
1,070
rental units
built

- in 2017 -



896
single detached
units



1,579
multi-family
units

Strategic Council priorities

In September 2015, Council set a framework for how it was going to work during its term (2014-2018). Six priorities were outline. At the term's halfway point Council renewed its focus to also include: housing diversity, homelessness, public safety and preserve agricultural land.

- Clean drinking water
- Building vibrant urban centres
- Ensuring a healthy, safe, active and inclusive community
- Balanced transportation network
- Catalyst for business
- Strong financial management
- Housing diversity
- Homelessness
- Preserve agricultural land
- Public Safety

Awards received

- [Distinguished Budget Presentation Award](#) for the 2017 Financial Plan – this is the highest form of recognition for governmental budgeting and represents a significant achievement for the City for over 16 years.
- [Canadian Award for Financial Reporting](#) for the 2016 Financial Statements within the Annual Report. This is the 14th consecutive year that the City has received this award that recognizes excellence in governmental accounting and reporting.
- The Kelowna Police Services building received the Community Institutional Project and the Judge's Choice Award at the [Thompson Okanagan Kootenay Commercial Building Awards](#).
- The City of Kelowna was named one of the 21 smartest cities globally by the [Intelligent Community Forum's Smart21 Communities](#) for being a model of economic, social and cultural development in the digital age.
- [PERC Award for Management Innovation and Ingenuity](#) for our Strong Neighbourhoods Program.
- [WorkSafe BC Certificate of Recognition](#) with \$190,000 premium rebate.

Meeting Council priorities

Citywide 2017 accomplishments

Clean drinking water

- Adopted a \$63.7-million 2017 Kelowna Integrated Water Supply Plan outlining a new path forward for the delivery of domestic and agricultural water in Kelowna. With five large water utility providers in Kelowna, moving to a City-wide integrated water system is estimated to provide \$95 million in cost savings.
- Received a \$43.9-million grant from the Clean Water and Wastewater Fund to integrate the South-East Kelowna Irrigation District (SEKID) and the South Okanagan Mission Irrigation District (SOMID) with the City Water Utility.
- Initiated Phase 1 of the plan that includes the separation of agricultural and domestic systems in Southeast Kelowna and delivery of a sustainable water supply to SOMID's customers. Final planning work was completed in 2017 in order to award a design/build contract worth over \$55 million in early 2018.
- Implemented new instrument methodology for the wastewater lab to discontinue use of hazardous chemicals, increase capacity and lower cost of supplies for improved water quality.
- Achieved Enhanced Water Quality Assurance accreditation for the City's drinking water lab, meeting provincial health standards to enable increased internal testing and better quality assurance.

Building vibrant urban centres

- Conducted a robust planning review of the Capri Landmark town centre, and activated public engagement to shape the future of the urban centre.
- Celebrated the opening of two significant downtown office buildings – the Okanagan Centre for Innovation and the Interior Health Authority headquarters, introducing hundreds of people to the downtown during work hours.
- Expanded the street food and activity concession program.
- Acquired lineal park properties to link our neighbourhoods and provide attractive green spaces for residents to enjoy.
- Published the Parks Development Report for a focused assessment of undeveloped and underdeveloped parks (current and projected through the 2030 Capital Plan) to address the gaps on parks development.
- Completed strategic dispositions of properties in two town centres to achieve Leadership in Energy and Environmental Design (LEED) quality, high density developments, supporting growth of the community technology industry in our downtown.
- Launched getinvolved.kelowna.ca, an online engagement platform, to connect with residents about their vision for their neighbourhoods and City, including the Imagine Kelowna long-range community visioning project.
- More than \$46 million new and \$146 million existing capital projects ranging from road improvements (e.g. Lakeshore and Collett), new downtown parkades and the Police Services building were supported by a dynamic public engagement team.
- Four new pickleball courts opened at Rutland Recreation Park marking the completion of a \$200,000 construction project.

Ensuring a healthy, safe, active and inclusive community

- Evaluated the suitability of 157 City parks and 76 City buildings to meet the needs of seniors, young children, and those with diverse abilities. The Community for All, Parks & Buildings Assessments report will guide Planning staff to identify priorities for improved access within City owned properties, as well as supporting future improved access grant applications.
- Nearly \$650,000 community development grants distributed to more than 75 community organizations, individuals and events supporting and promoting: community and social development, arts, culture and heritage, and sport and special events.
- Engaged the sport community in the development of a Community Sport Plan, based on Canadian Sport for Life (CS4L) principles to facilitate and promote quality sport in our community for years to come.
- Successfully bid to host the 2018 BreakOut West music event with the collaboration of Tourism Kelowna and Creative Okanagan.
- Ranked fifth among mid-sized cities in Canada for the level of Culture Days activities.
- Partnered with Kelowna Community Resources, Central Okanagan Foundation and Pacific Legal Education Outreach to coordinate three workshops attended by 54 social services, cultural and sport organizations to provide information about the transition into compliance with the new BC Societies Act.
- Contributed to the nation-wide Canada 150 celebration momentum with organizing community events for 12 months alongside program partners, fostering an atmosphere of Canadian excitement and national pride within our community.
- Successfully managed — despite extreme natural factors (flooding and fire season) — event logistics for more than 75 tournaments/camps and over 150 outdoor events, including the sold out Centre of Gravity, Rock the Lake and Great Okanagan Beer Festival events, plus an impressive Canada 150 fireworks display.
- Completed the 2017 Citizen Survey to gauge public satisfaction with municipal programs and services and to gain insight into citizen's service priorities. The results include 90 per cent of citizens saying they are satisfied with the overall level and quality of services they receive from the City and 84 per cent saying they receive good value for their taxes.

Balanced transportation network

- Initiated the Kelowna on the Move Strategy to address the evolving active transportation needs of our citizens, with the strategic vision expected to be delivered by early 2019.
- Built two intersection roundabouts, for the first time constructed entirely by City crews: one at Water Street and Doyle Avenue, and another on Lakeshore Road at Collett Road (bringing the total to 12 in Kelowna). Roundabouts are an effective solution to reduce vehicle accident fatalities, injuries, and crash probability compared to traditional four-way intersections.
- Demonstrated ongoing commitment to improve cycling and pedestrian corridors with the completion of Phase 3 of the Ethel Street Active Transportation Corridor, which now stretches 1.3 km from Cawston Avenue across Harvey to Sutherland.
- Implemented a new afternoon shift for snow & ice control to improve efficiency and traffic safety in winter months.
- Completed 197-stall expansion of Library Parkade and construction of the 519-stall Memorial Parkade, for a total investment of \$22 million.
- Installed a new traffic signal at Sexsmith and Cambro for better traffic flow and driver safety.

Catalyst for business

- Facilitated migration of companies to Kelowna and growth of existing employers via the City's business arm, Enterprise Kelowna. Coordinated business walks with the Mayor, liaison services, partnerships with regional economic development organizations and growth of the City's Dark Fibre Network.
- Expanded the Kelowna International Airport's (YLW) service delivery for traveler experience and efficiency with completion of construction and renovations of the Outbound Baggage facility, Airport Plaza and departures lounge.
- Purchased two properties at Bulman Road, supporting YLW's long-term land use strategy and growth forecast.
- Entered into new five-year term agreements with four car rental companies at YLW which will increase annual revenues by more than \$600,000 from 2016.
- Launched Year 4 of the national artsVest™ program for Kelowna, with 21 organizations pre-approved for \$50,000 of incentive grants upon confirmation of business sponsorships in late 2017. Total economic benefit to the local arts community over four years is expected to exceed \$1 million.
- Created a new Business Licensing Branch under Corporate & Protective Services to allow for improved focus and client service process improvements.

Strong financial management

- Brought a number of third-party provided services, in-house, including streetlight maintenance and City water and sewer utility customer care. This provides cost-savings benefits and allows better control of City services, more efficient administration and increased customer care for citizens.
- Improved environmental and financial sustainability of City fleet operations with the addition of six alternative fueled fleet vehicles and partnered with Ogo Carshare for shared City fleet and community-use vehicles (160 City employees signed-up for the carshare program).
- Procured a new computerized Asset Management System to effectively manage the City's \$3 billion infrastructure assets to ensure long-term sustainable service delivery.
- Provided significant financial services support during the regional Emergency Operations Centre activations (flood and wildfires) including: additional payroll and supplier payments, managing claims invoices and reimbursement coordination with the Province. Work continues with recovery costs and invoices to claim 80 per cent of reimbursement from the Provincial government, while also looking for a viable solution to the City funding the remaining 20 per cent of recovery costs.
- YLW completed the first year of a two-year plan to develop concepts and budget estimates for 17 projects within YLW's New Airport Improvement Fee Program. This collaborative approach with airline partners and tenants included potential expansion projects for airfield, terminal and groundside infrastructure.
- Received \$45 million in funding for six capital projects from Provincial, Federal and other sources following researched and rigorous grant application submissions. YLW also received \$1 million BC Air Access grant for its Apron 1 rehabilitation project.
- Innovated new revenue sources with the hiring of a Corporate Sponsorship & Advertising Manager to find ways to leverage City assets, and expand the existing Dark Fibre network services. The Dark Fibre project's total revenue since implementation is \$169,800, with \$97,600 invoiced in 2017, and has provided a cost avoidance of approximately \$589,680 over three years with 14 City sites now connected.

Housing diversity

- Implemented the RU7 infill housing zoning to remove barriers for residential suites in homes and increasing densities in some urban and mixed-use zones.
- Exceeded development applications for urban/suburban and single family/multi-family targets in the Official Community Plan (OCP) and application processing is keeping pace with the demand resulting from unprecedented community growth.
- Approved Rental Housing Grants for 11 properties that will see 1,070 rental units under construction in 2017 and 2018. This adds to the rental inventory of more than 1,000 units of purpose-built rental units started or built in 2016.
- Completed a Housing Needs Assessment to provide a snapshot of housing today, identify gaps in the current housing stock, and forecasts housing needs for the future (to 2040). This will guide the development of the Healthy Housing Strategy, and other master plan updates.
- Of the 7,431 building permits issued in 2017, 2,475 were residential: 1,579 are multi-family units (apartments and row houses) and 896 are single detached units (single-family, two-family, carriage house, and suite).

Public safety

- Managed and supported multiple Emergency Operation Centre activations continuously for 131 days, from May 4 to Sept. 11, dealing with response and recovery for a 105-day flood event, three forest fires, one apartment fire and Emergency Support Services for evacuees from the Cariboo and Nicola regions. In total, 202 news releases were prepared and issued, and Information Services provided valley flooding analytics and performed Geographical Information Systems (GIS) function for timely and accurate data sharing with responders and the public. Front-line workers and crews across the City's departments ensured the safety of our City and its neighbouring communities by working to protect and minimize risk, followed by significant recovery efforts.
- Completed construction and relocation of staff into the Kelowna Police Services building as the new centralized headquarters for the RCMP.
- Supported the launch of the Police and Crisis Team (PACT) in partnership with Interior Health to have — an RCMP member and mental health nurse duo, respond to calls where individuals undergoing a mental health crisis is suspected. Results have shown those needing mental health support received more timely care and policing efficiency has improved through reduced wait-times at hospitals with suspect patients.
- A proactive RCMP/Bylaw joint summer bike patrol saw collaborative work with partners and resulted in 621 bylaw notice tickets, 110 violation tickets, 114 warnings issued and 50 street checks conducted. A successful effort, the City has created a permanent two-person bike patrol unit, which in the off-season will be dedicated to other crime reduction strategies.
- Educated the public about fire safety through public prevention events including FireSmart, Youth Firesetter program, P.A.R.T.Y. (Prevent Alcohol and Risk Related Trauma to Youth), Too Hot for Tots for preschools and young mom's groups, post-secondary orientation week participation, and visits to seniors' facilities, apartment and strata managers and Interior Health Authority caregivers.

Homelessness

- Activated the Journey Home Strategy and its task force with the City acting as a facilitator for collaboration between more than 50 community groups and other levels of government to respond to immediate and emerging issues related to homelessness and other social issues.
- Launched an informative, multi-media public communications and engagement campaign led by the Social Development Manager for the Journey Home strategy and the Healthy Housing strategy to raise awareness about available services and a path to collaborative solutions.
- Established a new partnership with BC Housing and local service agencies for an extreme weather shelter and a new 55-unit Rapid Response Housing development for the homeless or those at risk of being homeless.
- Enhanced emergency services (RCMP, Fire, Bylaw) and City staff relationships with partner organizations including the Integrated Response Team, Partners for Healthy Downtown, Outdoor Events Committee, Uptown Rutland Business and other social services in a joint effort to reduce homelessness and self-harm.

A Well-Run City

The City of Kelowna is committed to dutifully serving our community and working to accomplish Council's priorities. At our core, our Corporate Plan is to be a well-run City.

- Completed the WorkSafeBC Certificate of Recognition audit, receiving an 87 per cent score, and providing the City an annual premium rebate of \$190,000.
- Significantly reduced safety incidents by nearly 20 per cent over 2016 (83 vs. 105 last year) and near-misses by more than 50 per cent (29 vs. 63 last year).
- Prioritized mental health awareness and support in the workforce with 83 supervisors and senior bargaining union staff completing training.
- Developed a social media strategy to guide and grow the City's online presence. Efforts on Twitter, Facebook and Instagram have put the City on track for a 50 per cent increase in followers (targeting 30,000 by end of 2017) and YouTube videos saw more than 400 per cent increase in views from the previous year.
- The newly launched City websites (kelowna.ca, ylw.kelowna.ca & theatre.kelowna.ca), designed for increased search functions and mobile responsiveness, had more than 5.9 million page views in 2017, showing a 5 per cent page views increase from 2016 to 2017. The overall digital communications result: an engaged public and increased awareness of City initiatives.
- Led corporate-wide divisional electronic document management system audits of 50 sites containing 131,794 documents in support of the transition to electronic document and records management.
- Improved network security by completing a security audit and implementing technology to increase redundancy and failover protection for the City's internet connections, along with improved firewalls and spam and web filtering.

Budget highlights

Budget at a glance

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

While meeting financial commitments from previous budgets, the **2018 budget focuses on ways the City can adapt to the emerging challenges of growth, including increased safety resources, balanced and active transportation solutions, ongoing commitments to address homelessness and plans for a sustainable future.**

A corporate culture of innovation and continuous improvement continues to produce the highest value for citizens when delivering Council priorities.

Previous years' budgets include commitments that impact the 2018 Financial Plan, such as a provision for contractual obligations, the Police Services building operating budget and phase two of the customer care project that includes upgrades to the property taxation system, which account for \$2.5M, or 2 per cent of the proposed 3.59 per cent tax increase.

Operating

The Financial Plan's Priority 1 (P1) Operating Requests total \$9.3M, of which \$7M is being funded from taxation. Nearly fifty per cent of the \$7M comes from four significant requests: hiring 12 additional career firefighters, four new regular RCMP members, four provincially mandated increase in Police Services Data Processors to fulfill after hours operational requirements and a provision for contractual obligations. The remainder of the City's divisional requests equal \$3.5M.

For 2018, divisions have submitted expenditure reductions totaling \$134,370.

In addition to the P1 Operating Requests, there are 19 Priority 2 (P2) requests totaling \$725,300 which are not included in the totals; however, these are included in the document for Council's consideration.

Capital

The 2018 General Fund Capital Expenditure Program (minus the Airport and Utilities) is \$46.8M, of which \$12.2M is projected to be funded from taxation. The general taxation contribution to the capital program has increased by \$44,940 compared to the 2017 Final Budget funding level. Funding from sources other than taxation is \$34.6M.

There are 16 P2 capital requests totaling \$8.3M which are not included in the budgetary totals, but similar to operating, are included in the document for Council's consideration.

2018 themes

Aside from meeting previous commitments, the City's 2018 budget focuses on ways the City can adapt to the emerging and ever-changing growth including:

- increased safety resources
- balanced and active transportation solutions
- ongoing commitments to address homelessness
- plans for a sustainable future

Increased safety resources

The City is committed to the safety of all its residents. As we grow, an increased demand is placed on the City's Protective Services.

The addition of 12 career firefighters, totaling \$860,920 alongside the temporary conversion of the un-manned Glenmore Firehall No. 8 to a manned Firehall at \$200,000 represent an important investment in our community's safety. An additional fire engine with equipment is being requested to accommodate the proposed growing Fire Services at a cost of \$962,000.

Adding four new regular RCMP members to the Police Services for \$337,490 also demonstrates steps forward in increasing the safety on our streets and within our neighborhoods. The Province of British Columbia has also mandated the need for the City's detachment to add four data processor positions for \$374,890 to provide after-hours administrative duties including the ability to respond to non-emergency calls on a 24-hour basis.

The Bylaw Services department is requesting \$3,000 for eight multi-purpose cameras that can be body worn, affixed to a bicycle or mounted easily on the dash of vehicle, to record commissions of bylaw offences and gather information for the purposes of bylaw enforcement. During the summer months, a joint patrol with the RCMP was proven to be successful in increasing presences in the community and in the safety of residents and tourists alike. A requested \$5,000 will replace two of the four mountain bikes used in the joint patrols for summer 2018, and the remaining two in 2019.

Following the introduction of the safety management system five years ago, City staff are working safer than ever. The Risk Management department is requesting \$75,000 of reserve funding for the implementation of Safety Management Software to assist in the documentation and retention of more than 12,000 safety documents generated each year.

Balanced and active transportation solutions

For the City to be able to adapt to the emerging challenges of growth, investment in balanced and active transportation solutions are required. Of the \$16.6M 2018 transportation capital budget, \$7.6M is for design, land acquisition and construction of sidewalks, active transportation corridors (ATC) and pedestrian safety projects.

To improve safety, accessibility, and the attractiveness of walking along Rutland Road, \$500,000 for sidewalk construction is requested on the west side of Hollywood Road from the end of the existing multi-use path at Hollydell Road to Highway 33.

Phase four of Ethel Street Active Transportation Corridor is being requested at \$2.1M, extending the ATC south from Sutherland Avenue to Springfield Road. The Ethel Street ATC is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan.

Sidewalk and bikeway renewal of \$100,000 will allow for completion of projects to address deteriorated conditions and functional deficiencies of existing transportation infrastructure, and \$795,000 will fund the annual Sidewalk Network and Active Transportation Corridor expansion projects improving walking and cycling safety, accessibility and convenience.

Ongoing commitments to address homelessness

Addressing Homelessness is a Council priority and the City is dedicated to finding meaningful ways, through partnerships, to help our City's most vulnerable. Over the past three years, it has become clear that community social issues are a constant and as the City addresses homelessness and other social issues, the role of the Social Development Manager becomes an important conduit between City departments and various stakeholders

The Active Living & Culture division is requesting the Social Development Manager position be made a permanent one. The position was filled in the summer of 2016 for a three-year term, with the objective to act as a convenor in collaboration with community stakeholders to develop a long term strategy to address homelessness.

The Journey Home Strategy underway is expected to be complete in the late Spring of 2018 and will include an implementation plan along with a funding strategy to address the new system coordination elements identified. While the completed strategy will provide direction for the City to consider its future role in the implementation, at this time the request is for \$75,000 to continue with the strategy development.

Plans for a sustainable future

Another focus of the 2018 budget is visioning and planning the future of Kelowna as a sustainable, vibrant, thriving City. A \$210,000 update to the Official Community Plan (OCP) is requested to respond to population growth, evolving citizen demands, Council priorities and legislative compliance. The purpose of the OCP is to make sustainable choices to guide the future of City throughout the 21st century. It examines planning directions that can be achieved over a 20-year horizon, with adaptive mechanisms to ensure it can effectively respond to changing circumstances.

Along with the OCP update, \$250,000 is requested in 2018 to start the update of the 20-Year Servicing Plan and DCC Bylaw. It is a \$500,000 project to be implemented over two years (\$250,000 each in 2018 and 2019).

For more detailed highlights from the 2018 Financial Plan, see the following sections, which cover the general fund, operating expenditures and revenues, capital expenditures and utility funds.

General fund highlights

General Revenues

General Revenues are revenues that are not specifically attributable to or generated by any particular City of Kelowna division. The General Revenue portion of the 2018 Financial Plan is projected to be \$11.8M, slightly lower than the \$12.1M in 2017.

The changes to 2018 General Revenues are attributable to a decrease of traffic fine sharing revenue of \$307,410, a decrease of the FortisBC Gas Franchise Fee of \$53,450 based on 3 per cent of the projected gross revenues from natural gas sales within the City of Kelowna during the 2017 calendar year, offset by a \$20,000 increase in expected business licence revenue, and expected increases in grant in lieu of taxes revenue of \$31,040.

Provincial Gaming revenues budgeted at \$3.85M in 2017 are expected to increase to \$3.96M for 2018. Although these revenues are 'general' in nature, they are included in the operating budget under the Police Services department as they are a conditional payment that must be allocated towards a specific program/project.

Taxation Revenues

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

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

- Taxation Revenue from new construction based on Preliminary Assessment Roll information, is projected at \$2.85M. The actual new construction assessments will not be available from BC Assessment (BCA) until the second quarter of 2018. New construction revenues are used to reduce the overall taxation demand.
- Although the overall taxation demand has increased from \$127.1M to \$134.5M, or 5.83 per cent, the average impact on existing property owners, taking into consideration the revenue generated from new construction, is 3.59 per cent.
- While it is possible to project the average property tax increase using the overall assessment base and the revenues required to operate the City, the impact on each individual property owner will vary depending on the relationship of their assessment change to the average. Further analysis will be required when BCA provides the Revised Assessment Roll in the second quarter of 2018.

Operating expenditures & revenues

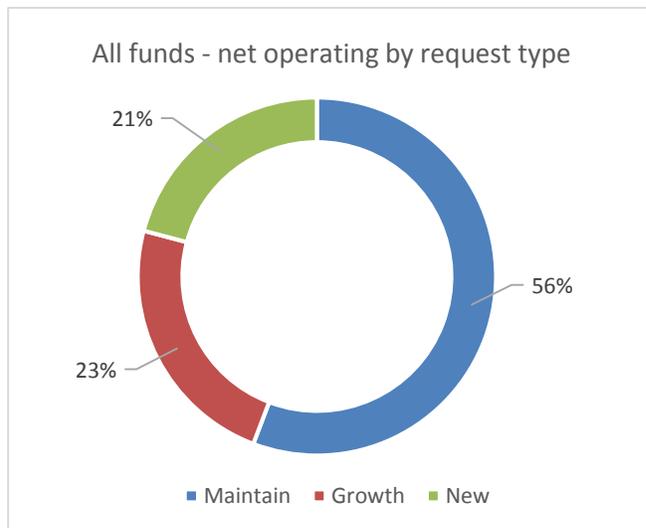
For the previous two years, capital requests have been presented in renew, growth and new categories. In this 2018 Financial Plan, this successful model has been replicated for operational requests with categories of maintain, growth and new. Maintain requests are the budgets requested to maintain current programs. Growth requests are the budgets requested for current programs due to increased demand. New requests are the budgets requested for new programs.

The City has a committed focus on maintaining and growth, with smaller investments in new operational requirements. Fifty-six per cent of the 2018 net operating budget requests, including all funds, are maintain requests. Growth requests make up 23 per cent and 21 per cent are for new programs.

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

Division: Corporate & Protective Services
Department: City Clerk
Branch: Legislative Services

The operating requests are presented under the requesting divisional and department and are presented in divisional rank order within the new categories. The exception is the Utility Funds, the Fire Department, Police Services Department, General Revenues and Debt & Other which are presented on a department level.



The highlights, as detailed below, provide Council with a more global overview of divisional operating budgets. However, the items highlighted do not necessarily include all items that may be of interest, nor are they listed in order of priority. A more detailed review of the budget on Dec. 14, 2017, will provide additional information.

2017 Financial Plan impacts

The annualization of operating costs approved in previous budgets will add \$860,640 to the 2018 Financial Plan. The removal of one-time requests approved by Council in 2017 have reduced operating costs for 2018 by \$669,540.

The Financial Plan presents reductions of \$134,370 to support net operating request of \$6.5M.

Following is a summary of the net operating impacts for 2018:

2017 Net Operating Budget	\$127,044,820
Add: 2017 One-time Requests & Expenditure Reductions (net)	(669,540)
Add: Annualized Requests (prior years)	860,640
Add: 2018 Base Adjustments (detailed in the departments)	293,720
Add: 2018 Requests (operating requests & expend. reductions)	6,541,975
2018 Net Operating Budget	\$134,071,615

Salaries, wages and fringe benefits

The 2015-2019 collective agreement for the Airport CUPE employees provides for an increase of 2 per cent in 2018 that is reflected in the budget. The City of Kelowna CUPE 2014-2018 agreement provides for a 1.5 per cent increase in 2018. The Kelowna Fire Department employees (IAFF) 2013-2019 agreement provides a 2.5 per cent increase that is reflected in the 2018 budget.

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

RCMP Contract

The 2018 General Fund Police contract staffing is at 177 members with a budgeted vacancy factor for one member. The 2018 average cost per member has increased from \$163,183 in 2017 to \$168,742 in 2018. This is a difference of \$5,559 per member or a 3.4 per cent increase. This increase requires an additional \$978,430 for 2018 of which \$633,100 was pre-emptively included in the 2017 budget in anticipation of the contract increase. The main cost increases are personnel costs and the indirect cost of division administration.

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

Additional staffing - operating requests – all funds

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

The 2018 Financial Plan contains 39 P1 requests for new staff positions which reflects the need to support core services in order to maintain current service levels, along with programs for community safety. These positions are being requested at 50 to 75 per cent in 2018 to account for hiring process delays. The 2018 taxation impacts on the budget is \$2.1M.

Within operating requests there are four term position requests: a Community Energy Specialist, an Instrument Electrician, as well as a Co-op Safety Management Software support position, and a Contract position to support the completion of the Official Community Plan review.

The 31 on-going operating requests include the addition of 12 career Firefighters for the Kelowna Fire Department, a Social Development Manager position to lead the Journey Home strategy to address homelessness; four additional RCMP members with a hiring date of July 1; one Corporate Energy Specialist Position as a dedicated resource for implementation of the Corporate Energy and GHG Emissions Plan; one Engineer-In-Training Position to assist with the high volume of development activity; one 0.5 FTE Building Inspector/Plan Checker Position to help provide services associated with continued growth in construction activity; one Bylaw Enforcement Clerk Position that will convert two part-time positions into one full-time position; one Senior Buyer Position to help manage the increasing workload at the Airport due to growth in operations; one Police Services Secretary Position for administration duties for the Plainclothes Unit; four Police Services Data Processor Positions to maintain the Canadian Police Information Center communication system – as mandated by the Province of British Columbia; one Communication Consultant Position increase from part-time to a full-time position to assist with the increased traffic and requests on the City's centralized social media channels; one Financial Analyst Position to help provide financial support to many new corporate programs and projects; one Airport Operations Technician Position to assist the increased focus on winter operations; one Airport Project Manager Position will support the Airport's long-term capital programs; and one Water & Wastewater Collections Operator Position in response to growth of the water distribution and wastewater pumping systems.

In addition, three part-time on-going operating requests are also included: a Recruitment Coordinator Term Position to meet increasing workload demands; a Term Labour Position to assist with compost fire prevention; and a Summer Co-op Student Position to assist with water conservation program and source control program.

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

Other Division & Department operating highlights

The financial plan includes a number of P1 Operating Requests, of which \$7M is being funded from taxation. Listed below are some of the operating request changes to the divisional operating budgets for 2018:

Corporate Strategic Services Division

Information Services is requesting an increase of \$339,030 for requests including \$185,400 for annual support and maintenance fees for new and existing software and hardware. Also included is \$50,000 to acquire orthophotography on an ongoing yearly basis, to be utilized in Geographic Information System (GIS) applications.

The Corporate Strategy & Performance Department is requesting \$15,000 for the development of a rolling Community and Organizational Strategic plan that will include priorities, desired results, key initiatives supporting the priorities, community indicators and City program measures.

Infrastructure Division

Parks & Buildings Planning is requesting \$200,000 to pursue a potential partnership between the City of Kelowna and School District 23 to replace the Parkinson Recreation Centre with a shared facility with a new proposed high school.

Infrastructure Engineering is requesting \$250,000 to perform a major system flood risk assessment. The one-time request is to identify capacity limitations of the three major creeks flowing through the City and opportunities for permanent improvements to reduce flooding risk and/or need for emergency measures.

Integrated Transportation is requesting \$279,855 for increased costs in the transit operation including transit management/labour, fuel, maintenance and lease fees and expansion. Conventional transit will increase by \$228,495 and the custom transit increase is \$51,360.

Community Planning & Strategic Investments Division

Policy & Planning is requesting \$210,000 to update the Official Community Plan (OCP) in response to population growth, evolving citizen and Council priorities and compliance with legislation. The purpose of the OCP is to make sustainable choices about what the future looks like for the City of Kelowna.

Development Services is projecting increases in permits and inspections revenue of \$180,000. The department is requesting a part-time Building Inspector position to accommodate the increase in building permit volume.

Community Planning is expecting increases in community planning revenues of \$80,000 to reflect higher fees collected and a 2 per cent fee increase in the Development Application Fee Bylaw.

Active Living & Culture Division

The Active Living and Culture division is expected to complete the Journey Home Strategy to address homelessness in the spring of 2018. The strategy will deliver an implementation plan along with a funding strategy to address the new system coordination elements identified. The division is requesting initial funding for the first three years of implementation of \$75,000 in 2018, increasing to \$150,000 for both 2019 and 2020. As the strategy continues to unfold, staff will report back to Council on use of the funds.

In acknowledgement of the importance of truth and reconciliation as a means to building a new relationship with the Okanagan/Syilx people, the City has partnered with the En'owkin Centre and the University of British Columbia Okanagan Campus (UBCO) Institute for Community Engaged Research on an education project. This project seeks to identify and create resources, reflecting an Okanagan context, that will facilitate the discovery of ways to work together effectively on the many issues and opportunities ahead in our region. The \$10,000 request is the City's share of the development of materials including workshops, documenting, photography, and publishing costs.

Sport & Event Services is requesting \$20,000 taxation to help fund the \$30,000 purchase and licensing of the E-proval software; an online event application and approval system designed for local government. It provides a more streamlined application and approval process resulting in greater efficiency and effectiveness throughout the approval process ultimately, improving customer service. The purchase is being offset by an expected increase in revenues of \$10,000 annually.

Civic Operations Division

Civic Operations Building Services is requesting a total of \$369,750. Major projects include \$75,000 for the Rotary Centre for the Arts upgrades, \$40,000 for the replacement of the cedar shake roof system atop the walls surrounding Kasugai Gardens, and \$30,000 for protective netting replacement at the Apple Bowl and Elks Stadiums.

Parks Services is requesting \$372,500 of which \$177,450 is the operating impact of various capital requests: park accesses at Bluebird South and Swick Road, snow plowing of new sidewalks on Highway 97, and beach park rehabilitation along Kelowna's beautiful sandy shores starting with Gyro Beach.

Solid waste revenue budgets are being increased by \$1.8M to reflect an increase in the volume of waste for disposal, and \$178,000 hired equipment budget is being requested for the use of an excavator to help process the increased volume of organics received at the Glenmore Landfill for composting. Oogrow operations will fund 20 per cent of the rental and the Landfill Reserve will fund the remaining cost. Oogrow is funded one-third by the City of Vernon and two-thirds by the City of Kelowna's Wastewater Utility.

Corporate & Protective Services Division

In addition to the Kelowna Fire Department, Police Services/RCMP and Bylaws request mentioned earlier in this highlight, requests by Business Licences, City Clerks and Purchasing are also included.

Business Licences is requesting \$25,000 for the review and replacement of the current Business Licence Bylaw to address outdated regulatory requirements, missing business categories, structure of fees, update current inspection costs and address inconsistencies with Zoning Bylaw 8000.

City Clerks is requesting the use of \$140,000 reserve funds allocated for Local Government Elections, to fund the 2018 election expenses. An additional \$14,300 is requested for the implementation of video/audio 'webcasting' intended to help further bridge the gap between residents and their local government by offering increased transparency and accessibility to Council Meetings.

Purchasing is requesting \$20,000 to review, plan and implement the built-in functionality of Approval Workflow for Purchasing in Unit4. Project benefits include improved automation and efficiencies for users and processors, and better compliance and utilization through the use of the audit trail enforced by the system.

Financial Services Division

Financial Services is requesting \$75,640 for a new Financial Analyst with the Internal Controls branch to provide critical financial support and strategic business analysis. Aligned with Council's strong financial management priority, the role will promote informed decision making, increased service levels to operational teams and validate the financial success and sustainability of the City's programs and projects.

Reserve funding of \$106,500 is requests for continued work on improving payroll configuration.

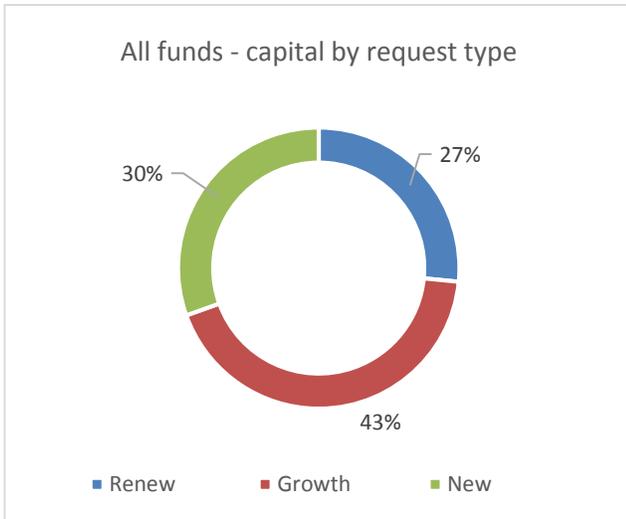
Human Resources

Human Resources is requesting \$37,310 for an annually recurring 0.5 FTE term Recruitment Coordinator to meet increasing workload demands. Over the past two years Human Resources has filled more than 300 positions per year, requiring an additional Recruitment Coordinator from January to June in each year. The increase in hiring, which is expected to continue, is driven by increasing requests for part time, student and term employees as well as increasing retirements and new full time positions due to growth.

Capital expenditures

2018 Capital submissions are coordinated by the Infrastructure Division with the integral involvement of all divisions with capital needs. The Infrastructure Division is responsible for the planning, designing and building of the Capital Plan and all capital assets.

Infrastructure investment uses a multiple bottom line approach for decision making and is moving towards a full life cycle cost analysis where capital, operating and maintenance costs are determined over the life cycle of assets. The 2018 Financial Plan is the third year where ongoing operating and maintenance costs are presented along with each capital request. The capital requests that have operating impacts are marked with OP on the summary sheet at the beginning of the cost centre.



The Infrastructure Division uses a long-term approach for capital planning that strikes a balance between renewing existing infrastructure and investing in new infrastructure to support growth and improve services. The 2018 capital program includes 27 per cent renewal projects, 43 per cent related to growth and 30 per cent of new infrastructure.

The 2030 Infrastructure Plan, adopted by Council, outlines all of the City’s infrastructure needs from now until 2030 including a funding strategy to support the projected one-billion-dollar infrastructure investment.

New to the 2018 Financial Plan is the 2030 Infrastructure Plan reference on all capital requests. At the top right hand side of each 2018 capital request, readers will find the year the project was included in the Council approved 2030 Infrastructure Plan.

All capital submissions from departments were evaluated against Tangible Capital Asset criteria. Where submissions were deemed to not meet the criteria, requests are included in the operating program. The 2018 General Fund Capital Expenditure Program (not including the Airport and Utilities) is \$46.8M of which \$12.2M is requested to be funded from general taxation sources.

The 2018 general taxation contribution to the capital program (as described above) has increased by \$44,940 over the 2017 Final Budget funding level of \$12.2M.

The following are some of the other highlights of the 2018 Capital Expenditure Program:

General Fund Program

The *general taxation* expenditure of \$12.2M. has been allocated to departmental budgets as follows:

Capital Program	Description	Amount
Real Estate & Parking	Land acquisition & parking infrastructure	\$684,000
Building	Facilities & improvements	\$670,000
Parks	Park land/trail/area development	\$2,247,950
Transportation	Roadways/pathways/traffic Signals	\$3,670,990
Storm Drainage	Drainage systems	\$455,000
Information Services	Communication hardware/software	\$3,187,000
Vehicle & Mobile Equipment	Vehicles & equipment	\$328,000
Fire	Vehicles/equipment/communications	\$962,000

Funding from sources other than taxation is \$34.6M.

Real Estate Capital requests include \$1.6M for general land acquisitions, \$2M to purchase a property on Weddell Place from Canadian National (CN) Railway as an associated condition of the purchase and sale contract for the former CN corridor, \$250,000 for strategic capital land needs, and \$125,000 for sidewalk and road land acquisitions with funding support from the Land Sales reserve. Parking Capital is requesting \$301,000 of Parking reserve funds to fund parking infrastructure renewal.

Building Capital is requesting \$750,000 of reserve funding for the demolition of the RCMP Doyle Avenue detachment building, and as mentioned earlier, a further \$200,000 to temporarily convert the unoccupied Glenmore Firehall No. 8 station

into a professional Firehall. Budget of \$650,000 is requested, \$400,000 from Community Works Fund, for the addition of a 5mm topping to the existing Apple Bowl Stadium track, and some root barrier protection from an existing large shade tree to add another 10-12 years of service life. An additional \$50,000 is also requested for the installation of a calisthenic training rack at the Apple Bowl to prevent damage to other park infrastructure due to improvised bars being set up.

Major projects in Parks Capital include \$4.5M (\$518,490 from taxation) for Development Cost Charges (DCC) parkland acquisition to be used for neighbourhood, community, City-wide and recreation type parks in accordance with the 20-Year Servicing Plan and DCC reserve funding availability. A \$1.35M request (\$621,460 from taxation) is included for phase two construction of Rowcliffe Park including urbanized road edges, landscape boulevards, a sport field, pedestrian sidewalks, a new dog park, a community garden and park landscaping. Other projects included in the total \$2.2M taxation program include \$450,000 for phase one construction of Kerry Park development, the area of the original ferry dock at the foot of Queensway, and \$440,000 for phase one of Bellevue Creek Linear Park.

Of the \$16.6M 2018 Transportation Capital requests, \$7.6M is for design, land acquisition and construction of sidewalks, active transportation corridors (ATC) and pedestrian safety projects. Included in these projects is a \$500,000 sidewalk construction budget to improve safety, accessibility, and the attractiveness of walking along Rutland Road on the west side of Hollywood Road from the end of the existing multi-use path at Hollydell Road to Highway 33. Phase four of Ethel Street ATC is being requested at \$2.1M, extending the ATC south from Sutherland Avenue to Springfield Road. The Ethel Street ATC is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan. Finally, sidewalk and bikeway renewal of \$100,000 will allow for completion of projects to address deteriorated conditions and functional deficiencies of existing transportation infrastructure, and \$795,000 will fund the annual sidewalk network and ATC expansion projects improving walking and cycling safety, accessibility and convenience. Funding for the requested transportation capital projects are a combination of reserves, contributions and taxation.

Solid Waste Management Capital program requires \$4.3M in reserve funding for 2018 for projects like the \$2.1M Landfill old entrance filling preparation project that includes the removal and relocation of existing infrastructure. A project to improve the landfill access road used by haulers and site equipment will cost \$525,000.

Storm Drainage Capital is requesting \$455,000 from taxation for projects including the extension of Mayfair Road storm sewer by nearly 340 meters across Highway 97 to Mill Creek (\$175,000), the upgrade of the Bluebird Storm Station to allow for a larger pump and the provision for an additional pump should conditions require it (\$110,000), and a power supply provision to the Smith Storm Outfall Vault at the Water Street boat launch for temporary pumps during flood events (\$100,000). Maintaining adequate drainage from this outfall will protect key infrastructure along Water Street and the downtown core.

Information Services Capital is requesting \$3.2M (\$2M from taxation) to support the replacement of the planning and permitting software with off the shelf software, affecting departments such as Development Services, Community Planning and Corporate Services. Other requests include \$398,000 for the final implementation phase of the Electronic Records Management System (ERMS), \$384,000 for the renewal and maintenance of the City's front office equipment, and \$200,000 for the renewal and maintenance of server and data storage equipment.

Vehicle & Mobile Equipment totaling \$5.2M is to be funded primarily from the Equipment Replacement Reserve. Additional funding includes \$373,670 from the Water and Wastewater Utilities, \$124,330 from the City of Vernon and \$328,000 from taxation.

Utility fund highlights

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

A Natural Gas utility was created in 2001, when the City entered into a capital lease for the gas distribution system within the municipal boundaries. The debt payments for the capital lease are offset by revenues received from an operating lease-back of the distribution network. The debt commitment ends in 2018.

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

Water utility

The primary goal of the City of Kelowna Water Utility is to provide high quality drinking water and excellent service to its customers. The delivery of safe, high quality potable water – a Council priority – will be achieved by ensuring the utility is dedicated to its continuous improvement process and by exceeding customer expectations. The water utility will promote efficient use of the water resource in keeping with Council's commitment to the Water Sustainability Action Plan. The plan to reduce overall water consumption with further implementation of landscape and irrigation standards will continue in 2018. The water utility will continue to reduce and demonstrate energy efficiency and the reduction of greenhouse gases throughout its operation in conjunction with the corporate commitment to community sustainability.

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

Water Utility - Financial Outlook - 2018

The 2018 Operating Revenues are projected at \$13.7M, with approximately \$9.9M required to cover operating expenditures and debt repayment and a budgeted surplus of \$1.9M.

The Water Utility Capital Expenditure program and the Roads and Wastewater Capital programs are closely interrelated. The total Capital Expenditure Program in the water utility is \$2.1M with funding from current year utility revenues of \$2.1M with a further \$83,330 required for utility contributions in the General Fund capital program and \$83,330 required for the General Fund operating program.

Three watermain replacement projects are requested in 2018 for a total of \$850,000. The Ethel Street watermain replacement project of \$500,000 will proceed in conjunction with the construction of the active transportation network project in the transportation capital program. Other watermain replacement projects are planned for Lawrence Avenue (\$200,000) and Birch Avenue (\$150,000).

Other capital requests include the replacement of the McClure Booster for \$500,000 and water meter replacements for \$300,000.

There is a budgeted surplus of \$1.9M for the water utility in 2018. The anticipated accumulated surplus position at the end of 2018 will be \$16.2M and is supported by reserves for future expenditures.

Wastewater utility - collection & treatment

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

Wastewater Utility - Financial Outlook - 2018

The 2018 Operating Revenues are projected at \$24.5M with approximately \$12.6M required for operating expenditures of the collection system and debt repayment. A further \$6.7M is required for treatment operations expenditures at the Wastewater Treatment Facility.

The total Wastewater Capital Program is \$2.5M, with funding from current year utility revenues of \$2.4M and \$30,000 from reserves. A further \$623,670 is required for utility contributions in the General Fund capital program.

Five sanitary replacement projects are planned for 2018 for a total of \$1.5M:

Manhattan Drive	\$550,000
Lane North of Martin Avenue	\$440,000
Lawrence Avenue	\$350,000
Flintoff Avenue	\$155,000
Ethel Street	\$50,000

Other projects include \$600,000 for the replacement of the Morrison Lift Station.

There is a budgeted surplus of \$2.8M for the wastewater utility in 2018. The anticipated accumulated surplus position at the end of 2018 will be \$31.4M.

Natural Gas

The Natural Gas Legacy Fund was established in 2001 with a 35-year capital lease of the gas distribution system within the City and a 17-year operating lease back to Fortis Inc. Each year the City of Kelowna has the option of leasing the distribution system additions from the previous year.

Natural Gas - Financial Outlook - 2018

The projected lease revenue and interest for 2018 is \$3.9M with approximately \$3.7M required for principal and interest debt repayments. The Natural Gas utility provides a contribution to the General Fund of \$20,000 for administrative services.

There is a budgeted deficit of \$16,329 for the Natural Gas Utility in 2018 and a projected accumulated surplus at the end of 2018 of \$4.4M.

Airport

Kelowna International Airport (YLW) operates on a financially self-sufficient basis, in compliance with Federal regulations and as part of the National Airport System. Passenger traffic in 2017 is anticipated to increase to approximately 1.9M passengers from 1.7M in 2016. This is ahead of all forecasts in YLW's 2045 Master Plan passenger growth forecast and would represent the highest number of annual passengers in YLW's history. In accordance with YLW's 2045 Master Plan, YLW is anticipated to reach 2M passengers in 2020.

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

Airport - Financial Outlook – 2018

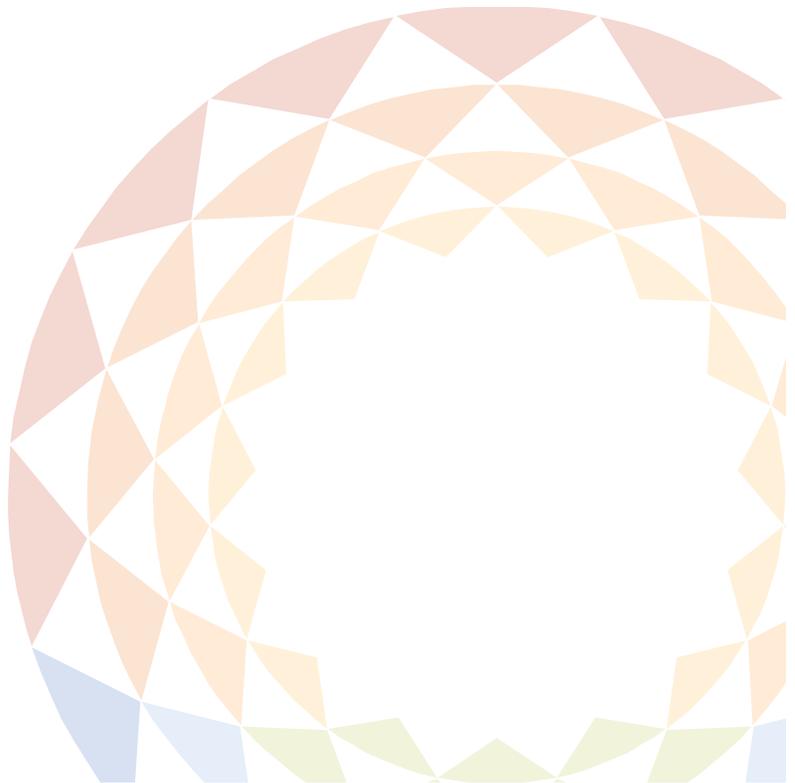
In 2018, gross revenues from Airport operations are projected to be \$32.9M, which includes \$13.2M in Airport Improvement Fee ("AIF") revenue. Total expenditures from Airport operations are projected to be \$14.7M in 2018. In addition to placing the AIF revenue into a reserve, the airport also puts excess revenue into three reserves for future capital projects. In 2018, \$7.1M is anticipated to be appropriated into these non-AIF reserves.

All \$7.9M capital expenditures at the Airport will be funded from reserves and loans received from the Municipal Finance Authority of BC. There will be a carry-over of 2017 funding for the completion of the Drive to 1.6 Million Passengers, Flight to 2020 Capital Improvement programs and certain non-AIF capital projects.

Major 2018 capital projects include \$2.6M for the Airport Roof Replacement Program, \$1.4M for a multi-purpose snow clearing unit, and \$570,000 for new parking lot equipment.

Some of these projects are multi-year projects that will be completed beyond 2018. In 2018, a total of \$5.1M of debt and interest repayment is anticipated to be made from the AIF reserve.

Strong Financial Management



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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 following funds are used for accounting and financial reporting purposes:

- General Fund
- Water Fund
- Wastewater Fund
- Airport Fund
- Natural Gas Fund
- Library Fund

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

- Land Sales Reserve Fund
- Development Cost Charges (DCC) Reserve Fund
- Parking Reserve Fund
- Capital Works, Machinery and Equipment Reserve Fund

The use of these funds is restricted by the Community Charter and associated municipal bylaws.

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

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

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

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

Natural Gas Fund | This fund provides for the costs of the capital lease of the gas distribution system and the revenues generated from the operating lease-back. This fund is required to be self-sufficient so that revenues generated must offset all operating and capital expenditures.

Library Fund | The Library Fund was created to facilitate the borrowing and repayment of the Ellis Street Branch mortgage. In March of 1997, the society acquired the land and newly constructed building from the City and borrowed \$5,100,000 to finance the unfunded portion of the acquisition. In 2017, at the retirement of the debt, the Library Society transferred the land and building to the City's General Fund and the Library fund was dissolved.

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

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

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

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

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

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

DIVISION	FUNDS				
	G	W	WW	NG	A
CITY ADMINISTRATION	X				
Airport					X
INFRASTRUCTURE	X	X	X		
COMMUNITY PLANNING & STRATEGIC INVESTMENTS	X				
ACTIVE LIVING & CULTURE	X				
CIVIC OPERATIONS	X	X	X		
FINANCIAL SERVICES	X			X	
CORPORATE & PROTECTIVE SERVICES	X				
Fire Department	X				
Police Services	X				
HUMAN RESOURCES	X				
CORPORATE STRATEGIC SERVICES	X				

G = General; W = Water; WW = Wastewater; NG = Natural Gas; A = Airport

Reserves & fund equity

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

The following are audited reserve and fund equity balances at Dec. 31, 2016 and projected balances to the end of 2018. The projected balance to the end of 2018 assumes all the budget year budgeted expenditures will be completed and funded (even though some of the projects will not be completed).

On July 10, 2017 council approved the dissolution of the Library Society effective Oct. 31, 2017. All Library Society assets were transferred to the City of Kelowna General Fund, and the Library Fund was dissolved.

	Actual Balance Dec. 31/16	Projected Balance Dec. 31/17	Projected Balance Dec. 31/18
<u>General Fund</u>			
Surplus	2,399,701	2,565,579	2,565,579
Statutory Reserve Funds	52,215,857	39,477,807	37,372,445
Reserves for Future Expenditures	72,952,395	47,169,612	44,898,497
	127,567,953	89,212,998	84,836,521
<u>Water Fund</u>			
Surplus	13,075,627	14,333,782	16,268,252
Statutory Reserve Funds	141,736	144,571	147,896
Reserves for Future Expenditures	16,063,492	16,731,582	18,972,362
	29,280,855	31,209,935	35,388,510
<u>Wastewater Fund</u>			
Surplus	28,461,724	28,705,262	31,458,522
Statutory Reserve Funds	10,293,844	10,737,282	11,250,076
Reserves for Future Expenditures	9,347,516	8,485,713	8,746,035
	48,103,084	47,928,257	51,454,633
<u>Airport Fund</u>			
Surplus / (Deficit)	596,279	596,279	596,279
Reserves for Future Expenditures	25,603,505	7,476,598	12,866,243
	26,199,784	8,072,877	13,462,522
<u>Natural Gas Fund</u>			
Surplus	4,369,234	4,457,335	4,457,335
	4,369,234	4,457,335	4,457,335
<u>Library Fund</u>			
Surplus	165,878	0	0
	165,878	0	0
Total Reserves & Surplus	235,686,788	180,881,402	189,599,521
Deferred Devt. Cost Charges	25,373,674	37,388,619	52,735,253

The Development Cost Charges are shown separately from other reserves and surplus as they are revenues received for specific projects and cannot be used for any other expenditures. Some of the Deferred Development Cost Charge balances include a receivable portion which is not available for use at Dec. 31, 2018.

The impact of the 2018 general and utility fund operating and capital requests on the reserve balances in terms of contributions to, and expenditures from reserves, are highlighted on the following schedule.

Borrowing for the Mission Recreation Park facility was deferred and is being internally financed from the general reserve balance. The Multipurpose Facility Investment reserves contain the funds committed by the City for investment into the downtown multi-purpose facility (Prospera Place).

Reserve & surplus summary

	Actual Balance Dec 31,2016	Projected Balance Dec 31,2017	Contribution to Reserve	Budget Expend	Projected Balance Dec 31,2018
General Surplus	2,399,701	2,565,579	0	0	2,565,579
General Reserves					
Planning Initiatives - Corporate	4,079,662	2,864,290	751,048	212,600	3,402,738
Major Facilities	6,136,687	5,770,722	1,055,425	320,000	6,506,147
Misc. Recreation Facilities	(965,243)	(206,655)	973,588	0	766,933
Park Purch, Dev't, Other Land	4,841,541	1,202,876	152,695	0	1,355,571
Upgrd/Maint. Existing Assets	8,070,310	2,961,531	243,461	1,351,180	1,853,812
Operating Exp. Equalization	13,179,062	12,086,917	371,286	140,000	12,318,203
Operating Rev. Equalization	6,200,489	5,426,692	228,584	1,469,500	4,185,776
Transport. & Drainage Capital	9,492,235	4,474,665	228,940	2,939,790	1,763,815
Debt Equalization Reserve	40,911	39,061	(2,646)	0	36,415
Multipurpose Facil. Investment	6,067,063	6,226,637	159,574	0	6,386,211
Unspent Budget Reserve	15,810,678	6,322,876	0	0	6,322,876
General Reserves Sub-Total	72,952,395	47,169,612	4,161,955	6,433,070	44,898,497
Statutory (CWME, Land, Pkg)	62,651,437	50,359,660	20,348,703	21,937,946	48,770,417
Water Utility Res/Surplus	29,139,119	31,065,364	4,199,550	24,300	35,240,614
Sewer Utility Res/Surplus	37,809,240	37,190,975	3,064,650	51,068	40,204,557
Airport Res/Surplus	26,199,784	8,072,877	20,677,675	15,288,030	13,462,522
Natural Gas Surplus	4,369,234	4,457,335	0	0	4,457,335
Library Society Surplus	165,878	0	0	0	0
Total Reserves & Surplus	235,686,788	180,881,402	52,452,533	45,734,414	189,599,521
Deferred Devt. Cost Charges	25,373,674	37,388,619	30,003,943	14,657,309	52,735,253

The Reserve and Surplus Summary assumes all projects budgeted will be completed in that year, however, actual expenditures on some of the larger projects may be over several years so the reserve balance at the end of 2017 and 2018 should be higher than indicated above.

The Water Fund Reserves and Surplus will have continued growth in 2018. An increase of 13.4 per cent is expected from a projected fund surplus of \$1.9M and Water Quality Revenues of \$2.2M. The Wastewater Fund expects an increase of 7.4 per cent, and the Airport Reserves expects growth of 66.8 per cent in 2018. The Statutory Reserves anticipate a decline of 3.2 per cent while the General Reserves expect a decline of 4.8 per cent. The Library Society Surplus transferred to the General Fund Surplus in 2017.

Debt management

The City of Kelowna has various options available to obtain, through borrowing, funds necessary to acquire assets. The following section describes each borrowing option, the City's legal limits, and the estimated outstanding debt balances at Dec. 31, 2017.

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

General Fund debt servicing costs

Net Debt Servicing Costs are budgeted at **\$5.8M in 2018** (4.3 per cent of taxation demand). This represents an increase of \$74k from the 2017 budgeted amount.

The current net general debt (including internal financing) as a percentage of taxation demand is 5.3 per cent in 2018, as compared to 5.6 per cent of taxation demand in 2017.

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

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

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

	2016 Balance	2017 Balance	2018 Est. Bal.
General Capital Fund	65,202,334	76,761,065	74,380,853
Water Utility Capital Fund	7,534,188	7,104,301	6,657,184
Wastewater Utility Capital Fund	31,755,702	26,353,277	20,731,598
Natural Gas Utility Capital Fund	12,790,708	8,785,466	4,527,224
Library Fund	681,878	180,052	-
Airport Fund	12,974,297	17,081,304	22,035,751
Total Debenture Debt	\$130,939,107	\$136,265,465	\$128,332,610

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 capital works programs and must be repaid over a period not to exceed five years. The City of Kelowna's short term borrowing legal capacity is approximately \$6.6M based on \$50 per capita and a 2018

population estimate of 131,600. 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 on June 30. To transact operating loans, a Revenue Anticipation Borrowing By-Law must be approved by Council and is limited to 75 per cent of taxes due in the preceding year. The City of Kelowna had no operating loans outstanding at Dec. 31, 2017.

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

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

Internal Financing

The City of Kelowna borrows funds from its own general reserves with repayment of principal and interest in order to finance capital projects. This may relate to projects \ 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. There are currently three capital programs that are being internally financed and their estimated balances at the end of 2017 are:

- Mission Recreation Park Facilities - \$3,713,200
- Protective Services Site Acquisition - \$872,000
- Compost Facility Loaders - \$11,500

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

There were two borrowing drawdowns in 2017. Funds were received for the Police Services building and the Airport. Borrowing over the next five years will be determined by the 2030 Capital Plan.

Further detailed debt repayment information for 2018 and future years is illustrated on the following pages.

10-year debt repayment schedule

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
GENERAL										
Debenture										
Principal	4,407,976	4,355,094	3,930,835	4,072,279	5,400,879	6,091,059	6,091,059	6,515,392	6,515,392	6,515,392
Interest	4,530,126	5,023,148	4,810,249	4,924,249	5,998,499	6,568,503	6,568,503	6,910,503	6,910,503	6,910,503
Total Expenditures	8,938,102	9,378,241	8,741,084	8,996,529	11,399,378	12,659,562	12,659,562	13,425,895	13,425,895	13,425,895
Recoveries	(3,306,600)	(2,937,286)	(2,300,129)	(2,300,129)	(2,272,133)	(2,063,512)	(2,063,512)	(2,063,512)	(2,063,512)	(2,063,512)
Net Debenture Debt	5,631,502	6,440,956	6,440,956	6,696,400	9,127,245	10,596,050	10,596,050	11,362,383	11,362,383	11,362,383
Other Debt										
MFA Levy	6,095	6,278	6,466	6,660	6,710	6,760	6,810	6,860	6,910	6,960
Short Term Borrowing	0	0	0	0	0	0	0	0	0	0
Temporary Debt	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000
TOTAL NET DEBT (General)	5,772,597	6,582,233	6,582,422	6,838,060	9,268,955	10,737,810	10,737,860	11,504,243	11,504,293	11,504,343
WATER										
Debenture										
Principal	423,489	423,489	423,489	423,489	423,489	423,489	422,304	421,593	421,593	421,593
Interest	569,432	569,432	569,432	569,432	569,432	569,432	568,492	568,022	568,022	568,022
Total Expenditures	992,922	992,922	992,922	992,922	992,922	992,922	990,796	989,615	989,615	989,615
Recoveries	(28,594)	(28,594)	(28,594)	(28,594)	(28,594)	(27,409)	(26,468)	(25,287)	(25,287)	(25,287)
Net Debenture Debt	964,328	964,328	964,328	964,328	964,328	965,513	964,328	964,328	964,328	964,328
WASTEWATER										
Debenture										
Principal	4,279,950	4,273,529	1,595,655	762,746	762,746	761,553	761,553	655,069	380,813	191,037
Interest	2,475,052	1,975,180	994,866	621,866	621,521	621,175	621,175	550,755	416,469	292,969
Total Expenditures	6,755,001	6,248,709	2,590,521	1,384,612	1,384,267	1,382,728	1,382,728	1,205,824	797,282	484,006

Recoveries	(7,045,421)	(6,539,129)	(2,880,941)	(1,675,032)	(1,674,686)	(1,672,057)	(1,672,057)	(1,414,417)	(807,254)	(493,978)
Net Debenture Debt	(290,420)	(290,420)	(290,420)	(290,420)	(290,420)	(289,329)	(289,329)	(208,593)	(9,972)	(9,972)

NATURAL GAS LEGACY

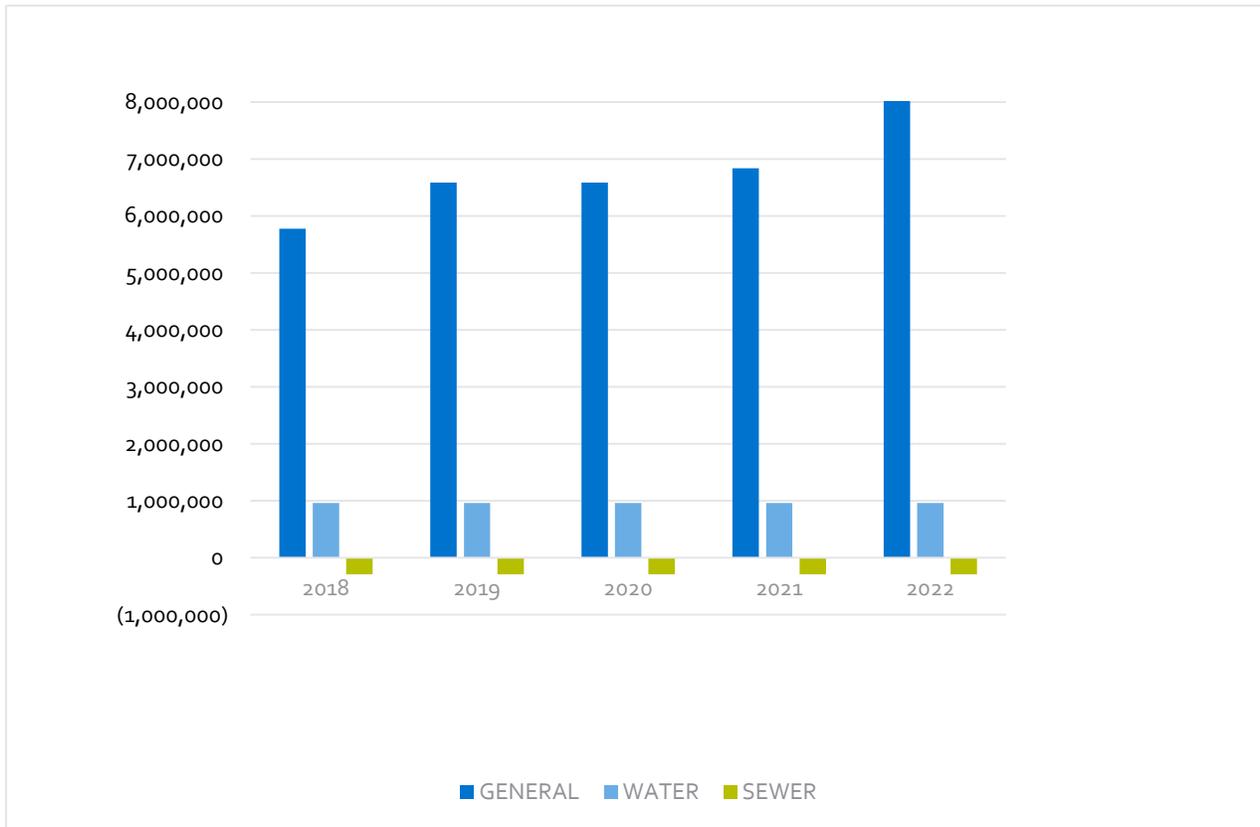
Debtenture & Capital Lease										
Principal	1,699,052	0	0	0						
Interest	2,013,740	0	0	0						
Total Expenditures	3,712,792	0	0	0						
Recoveries	(3,712,792)	0	0	0						
Net Debenture Debt	0	0	0	0						

AIRPORT

Debtenture										
Principal	3,229,846	1,897,191	1,897,191	1,897,191	1,897,191	1,897,191	1,897,191	1,897,191	1,257,881	697,844
Interest	956,250	584,250	584,250	584,250	584,250	584,250	584,250	584,250	332,500	112,000
Total Expenditures	4,186,096	2,481,441	1,590,381	809,844						
Recoveries (AIF Revenue)	(4,186,096)	(2,481,441)	(2,481,441)	(2,481,441)	(2,481,441)	(2,481,441)	(2,481,441)	(2,481,441)	(1,590,381)	(809,844)
Net Debenture Debt	0	0								

TOTAL NET DEBT PYMT	6,446,505	7,256,142	7,256,330	7,511,968	9,942,863	11,413,994	11,412,859	12,259,978	12,458,649	12,458,699
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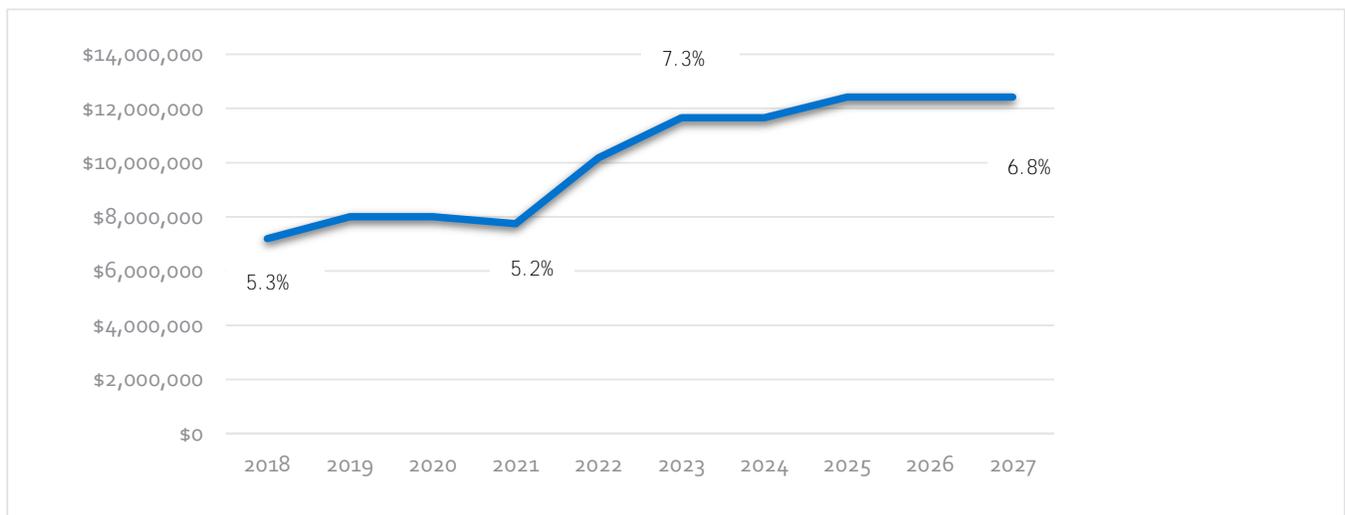
Five-year net debt repayment



Taxation funded debt

Council policy has been to limit annual net debt repayment to a maximum of 5 per cent of taxation demand. Net debt repayment for 2018 will be 5.3 per cent and anticipated to reach a maximum of 7.3 per cent over the next five years; decreasing to 6.8 per cent by 2027. This includes debt for internal financing and the debt repayment for both the Mission Aquatic Centre and Police Services facility.

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

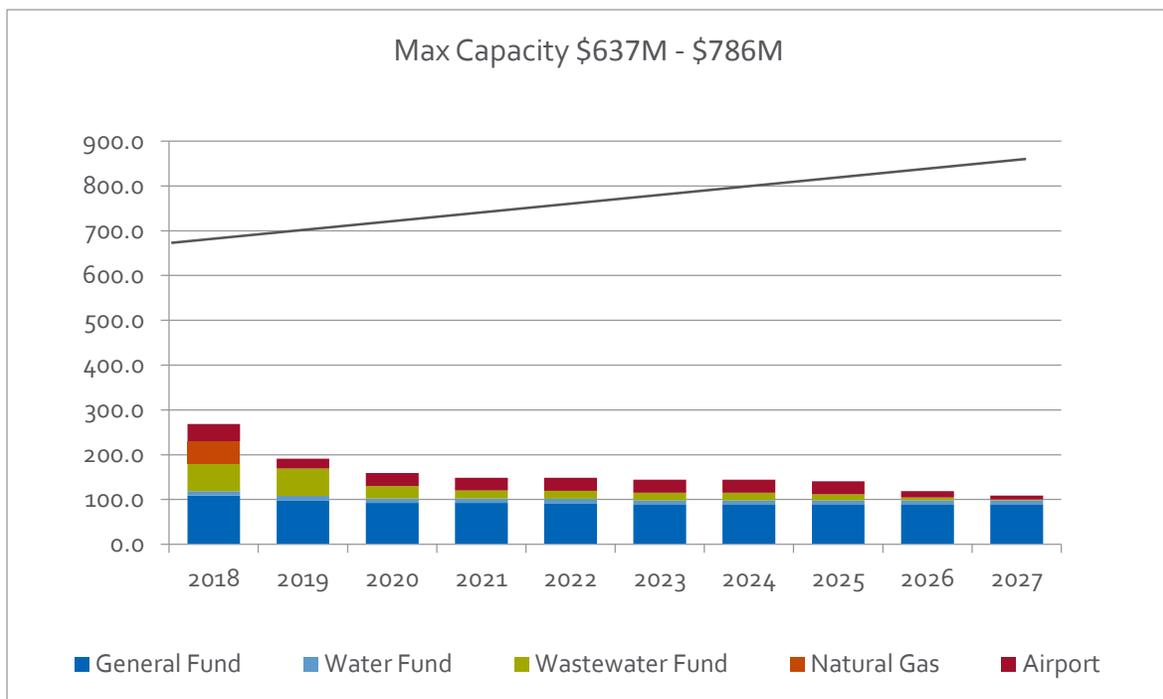


Existing Debt – All Funds

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 2016 revenues, the current liability servicing limit is \$65.0M of which \$33.2M of this capacity has been used, leaving an available capacity of \$31.8M. While \$33.2M represents approved debt capacity, the total debt servicing cost payable (principal and interest) is \$22.7M. The balance of \$10.5M 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 \$31.8M for 2018 is approximately **\$369M**.

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

Existing debt & maximum borrowing



(Based on current estimated borrowing rates)

Debt charges analysis – General Fund

	Revised 2017		Provisional 2018	
Debentures				
Parkade Extension & Memorial Parkade MFA 133	942,916		942,916	
Local Improvements - MFA 70	3,732		3,732	
Local Improvements - MFA 130	21,936		21,936	
South Pandosy Spec Area 1 & 2 - MFA 71	34,867		34,867	
Kokanee Gymnastic Facility - MFA 75	23,871		23,871	
Chapman Parkade - MFA 78	208,621		208,621	
Okanagan Gymnastics - MFA 102	65,425		65,425	
Mission Aquatic Centre - MFA 102&104	2,419,162		2,419,162	
DCC Roads	1,401,826		1,401,826	
Ellis Street Library	180,555		0	
Police Facilities	3,216,464		3,216,464	
Automated Collection Carts	599,282	9,118,657	599,282	8,938,103
Debenture recoveries				
Local Improvement Levies	(29,939)		(25,669)	
Kokanee Gymnastic's Repayment	(27,995)		(27,995)	
- Appropriation to Major Facilities Res.	4,124		4,124	
Okanagan Gymnastics	(65,425)		(65,425)	
South Pandosy Spec Area 1 & 2	(34,867)		(34,867)	
Parking Reserve	(1,151,537)		(1,151,537)	
DCC Roads	(1,401,826)		(1,401,826)	
Library Board	(258,183)		0	
Landfill Reserve (Auto. Carts)	(599,282)	(3,564,931)	(599,282)	(3,302,478)
Net debenture debt		5,553,726		5,635,625

Debt charges analysis – General Fund

	Revised 2017	Provisional 2018
Short term borrowing		
MFA levy	5,520	5,520
Net short term debt	5,520	5,520
Temporary debt		
Interest on prepaid taxes	105,000	105,000
Bank charges/local improvements	90,000	90,000
	<u>195,000</u>	<u>195,000</u>
Temporary debt - recovery		
Parking Reserve	(60,000)	(60,000)
	<u>(60,000)</u>	<u>(60,000)</u>
Net temporary debt	135,000	135,000
Net debt - General	<u>5,694,246</u>	<u>5,776,145</u>
Dollar change		81,898 1.4%
Internal borrowing		
Mission Recreation Park Facilities	939,660	939,660
Protective Services Property	504,000	504,000
Total including internal financing	7,137,906	7,219,805

Ongoing budget impacts – General Fund

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

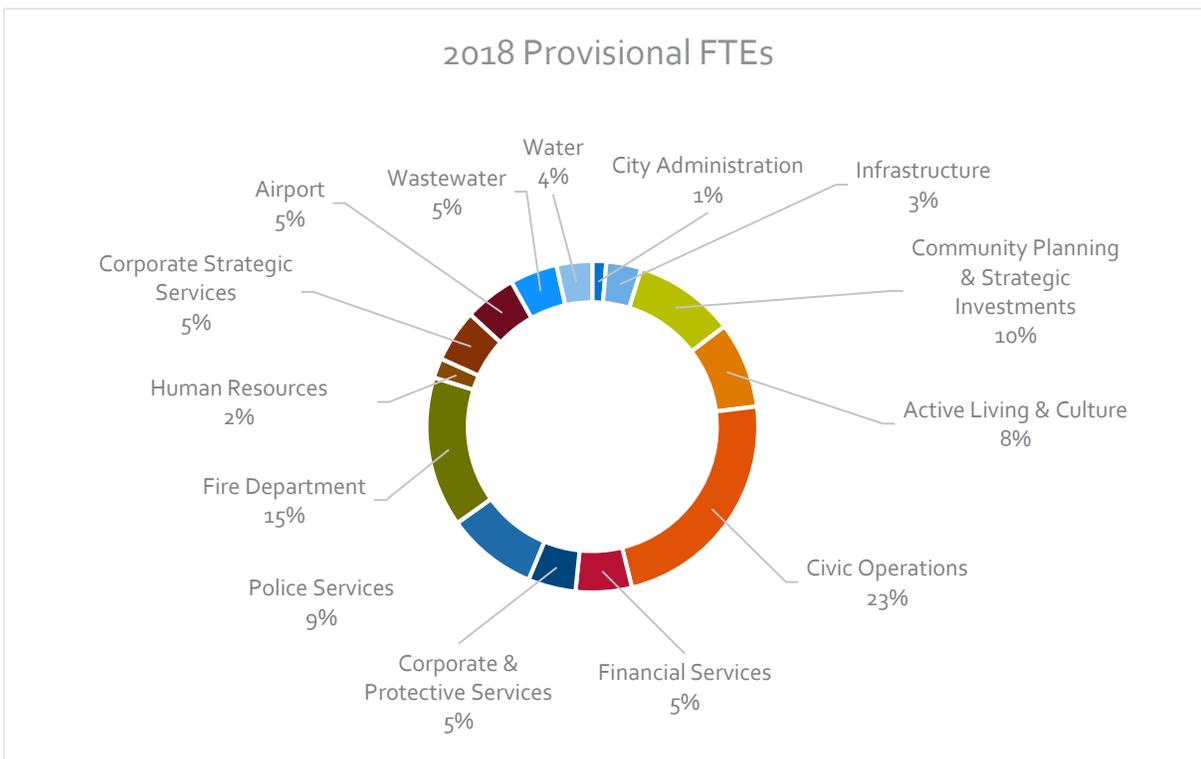
Also included are the estimated contract increase impacts on the 2019 and 2020 budget.

The impact on 2019 and 2020 from the adoption of the 2018 financial plan as submitted is summarized as follows:

	2019 Impact	2020 Impact	2019 % Impact	2020 % Impact
2018 One-Time Requests	(944,990)	0	(0.70%)	0.00%
2018 One-Time Reductions		0	0.06%	0.00%
	75,370			
Additional Full Year Costs:				
2017 Operating Requests	264,560	0	0.20%	0.00%
2017 Reductions	(251,000)	0	(0.19%)	0.00%
2018 Operating Requests	666,930	22,842	0.50%	0.02%
2018 Reductions	0	0	0.00%	0.00%
Total Budget Request Impacts	(189,130)	22,842	(0.14%)	0.02%
Estimated Contract Increases	3,438,205	3,485,921	2.56%	2.51%
Total Impacts	3,249,075	3,508,763	2.42%	2.53%

There is a 2.42 per cent increase for 2019 and a 2.42 per cent increase for 2020 before considering the impacts of borrowing or inflation.

Full time equivalent (FTE) summary



	Budget 2016	Actual 2016	Revised 2017	Provisional 2018
General Fund				
City Administration	12.1	12.2	12.1	12.2
Infrastructure	27.9	30.1	30.6	30.9
Community Planning & Strategic Investments	83.5	81.7	85.5	88.8
Active Living & Culture	60.3	61.4	76.4	75.5
Civic Operations	220.6	204.6	208.4	208.0
Financial Services	40.5	39.2	44.0	49.2
Corporate & Protective Services	37.5	35.7	40.4	41.9
Police Services	74.6	74.6	74.8	79.6
Fire Department	124.0	123.0	123.0	132.0
Human Resources	16.2	20.6	16.6	17.4
Corporate Strategic Services	40.4	41.9	43.3	46.0
Total General Fund	737.6	725.0	755.1	781.5
Airport & Utility Funds				
Airport	43.8	46.4	43.8	45.5
Wastewater	39.9	37.4	40.4	41.6
Water	29.8	25.7	30.4	31.3
Natural Gas				
Total Airport & Utility Funds	113.5	109.5	114.6	118.4
Total FTEs	851.1	834.5	869.7	899.9

General Fund

City Administration

2018 Addition 0.1 FTE for additional part-time wage coverage

Infrastructure

2016 Reduction 0.5 FTE from reversal of 2015 onetime budget amendment and transfer

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

Addition 3.0 FTE to transfer Transportation Engineering positions from Civic Operations

Reduction 1.0 FTE transfer the Financial Analyst position to Financial Services

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

Community Planning & Strategic Investments

2016 Addition 0.7 FTE for onetime Microfiche Scanning Project - Term Position operating request

Addition 0.3 FTE ongoing from Parking Services General Operating Adjustments operating request

Addition 0.6 FTE for onetime Co-op Student Position operating request

Addition 0.6 FTE from annualizing 2015 operating requests

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

Addition 0.8 FTE for Development Technician Position operating request

Addition 0.7 FTE for Planner Specialist Position operating request

Addition 1.0 FTE for Development Engineering Technologist Term Position operating request

Addition 0.4 FTE for Sustainability Coordinator Position operating request

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

2018 Addition 0.4 FTE for annualization of 2017 operating requests

Addition 2.5 FTE for Building Inspector/Plan Checker Position, 2040 Official Community Plan Update Position and Community Energy Specialist Term Position operating requests

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

Active Living & Culture

2016 Addition 0.8 FTE Social Issues Coordinator - Term Position operating request

Addition 0.4 FTE Aquatics Revenue & Wage Adjustment operating request

Addition 0.4 FTE Outdoor Events Volunteer Program Adjustment operating request

Addition 0.1 FTE Strong Neighbourhood Program operating request

Reduction 0.2 FTE for reversal of 2015 onetime operating requests

2017 Addition 0.2 FTE annualizing of 2016 operating requests

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

Addition 0.4 FTE for Partnership Manager Position operating request

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

Addition 0.8 FTE Journey Home Strategy Governance Structure position budget amendment

2018 Reduction 1.0 FTE for reversal of 2017 onetime operating requests

Addition 0.1 FTE for Arena/Stadium wages operating requests

Civic Operations

2016 Addition 1.0 FTE One-time Special Financial Project Support Term Position operating request

Addition 2.3 FTE for various ongoing 2016 operating requests

Reduction 0.1 FTE from increase of Operations Clerk position funding to capital

Addition 1.0 FTE for Operations Clerk/First Aid Attendant budget transfer

Reduction 0.5 FTE for onetime 2016 Special Financial Project Support Term Position operating request

2017 request

- Addition 1.0 FTE for Energy Program Manager
- Addition 0.3 FTE for annualization of 2016 operating requests
- Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- Addition 0.8 FTE for Scale House Attendant Part-time Position operating request
- Addition 0.8 FTE for Street Lighting Technologist Position operating request
- Addition 1.8 FTE from various 2017 ongoing operating requests for wages
- Reduction 0.4 FTE to allocate a Operating Clerk/First Aid Attendent position to the Utility Funds
- Addition 0.8 FTE for Performance Improvement Consultant transfer
- Reduction 3.0 FTE to transfer Transportation Engineering positions to Infrastructure Division
- Reduction 14.0 FTE to transfer Arena & Stadium Staff to Active Living & Culture
- 2018 Reduction 0.2 FTE for annualization of 2017 requests onetime and ongoing wages
- Reduction 1.8 FTE for removal of 2017 onetime budget transfers
- Additional 0.3 FTE annualization 2017 salary operating requests
- Addition 1.0 FTE from various 2018 ongoing operating requests for wages
- Reduction 0.5 FTE from 2018 onetime reduction requests for wages
- Addition 0.8 FTE for 2018 operating request Corporate Energy Specialist Position

Financial Services

- 2016 Addition 0.8 FTE for Accounting Technician Position operating request
- Addition 1.5 FTE for Two Accountant Positions operating request
- 2017 Addition 0.7 FTE for annualization of 2016 operating requests
- Addition 0.6 FTE for Financial Analyst Position operating request
- Addition 2.0 FTE for Financial Analysts transferred from Infrastructure and Fire Department
- Addition 0.2 FTE from Controller Department realignment transfer
- 2018 Addition 0.6 FTE for annualization of 2017 operating requests
- Addition 4.0 FTE from 2017 operating request Utility Billing and Property Tax System annualization
- Addition 0.8 FTE for Financial Analyst Position operating request
- Reduction 0.2 FTE for removal of 2017 onetime budget transfer

Corporate & Protective Services

- 2016 Addition 0.5 FTE Bylaw Administrative Support Position operating request
- Addition 1.0 FTE Bylaw Enforcement Officers - Two Positions operating request
- Reduction 0.4 FTE for reversal of 2015 onetime budget transfer
- Addition 1.0 FTE for onetime EDMS Project Manager request
- Addition 0.2 FTE from Corporate Purchasing Card Program Term Position operating request
- 2017 Reduction 1.0 FTE for reversal of 2016 onetime positions
- Addition 0.1 FTE for annualization of 2016 operating requests
- Addition 0.8 FTE for Bylaw Services Enforcement Positions operating request
- Addition 0.8 FTE Bylaw Services Enforcement Positions - Supervisor operating request
- Addition 0.7 FTE for Business License Manager Position operating request
- Addition 0.5 FTE for Procurement Management Supervisor Position operating request
- Addition 1.0 FTE for Bylaw Enforcement Officer Seasonal Support Positions operating request
- Reduction 0.8 FTE from Summer Bylaw positions moving from salary to hourly
- 2018 Addition 1.1 FTE for annualization of 2017 operating requests
- Removal 0.2 FTE for Corporate Purchasing Card Program Term Position 2017 request
- Reduction 0.2 FTE hrly for Bylaw Enforcement Clerk Position operating request

Addition 0.8 FTE for Senior Buyer Position and Bylaw Enforcement Clerk Position operating requests

Police Services

- 2016 Addition 0.5 FTE for annualization of 2015 operating requests
- Reduction 1.3 FTE for reversal of 2015 Police Services budget transfers
- Reduction 0.7 FTE for reversal of 2015 onetime operating requests
- Addition 0.8 FTE for Client Support Technician Position operating request
- 2017 Addition 0.2 FTE for annualization of 2016 operating requests
- 2018 Addition 0.8 FTE for Police Services Secretary Position operating request
- Addition 4.0 FTE for Police Services - Data Processor Position operating request

Fire Department

- 2017 Reduction 1.0 FTE Financial Analyst transferred to Financial Services
- 2018 Addition 9.0 FTE for Firefighters - 12 Positions operating request

Human Resources & Corporate Performance

- 2016 Additional 0.3 FTE for onetime Term HR Recruitment Coordinator Position operating request
- Addition 0.2 FTE Human Resources Co-op Student Position operating request
- 2017 Reduction 0.3 FTE from 2016 onetime operating request
- Addition 0.2 FTE for Part-Time HR Administrative Clerk Position operating request
- Addition 0.3 FTE for Term HR Recruitment Coordinator Position operating request
- Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- 2018 Addition 0.4 FTE for Safety Management System Co-op Student Position operating request
- Addition 0.5 FTE for Recruitment Coordinator Term Position operating request
- Addition 0.1 FTE for reversal of 2017 onetime operating requests
- Reduction 0.3 FTE for reversal of 2017 onetime operating requests
- Addition 0.1 FTE for annualization of 2017 operating requests

Corporate Strategic Services

- 2016 Addition 0.5 FTE for Spatial Data BSA Position operating request
- Addition 0.5 FTE for Analytics/Open Data Business Systems Analyst Position operating request
- Addition 0.3 FTE for Communications Coordinator Position operating request
- Addition 0.7 FTE for Virtual City Business Systems Analyst Position operating request
- Addition 0.2 FTE decreasing capital allocation for Communications Advisor budget transfer
- Reduction 0.1 FTE from Adopt-A-Stream and Communications Consultant budget transfer
- 2017 Addition 1.5 FTE from annualization from 2016 Operating Requests
- Addition 0.5 FTE for Sponsorship & Advertising Manager Position operating request
- Addition 0.5 FTE for Performance Improvement Consultant Position operating request
- Addition 0.7 FTE from Communications Advisor Position operating request
- Reduction 0.5 FTE from 2017 budget transfers
- Addition 0.2 FTE increasing Part-Time Communication Consultant
- 2018 Addition 1.0 FTE for Communication Consultant Position operating request - salary
- Reduction 0.5 FTE for Communicaiton Consultant Position operating request - hourly
- Addition 1.3 FTE for annualizing 2017 position requests
- Addition 0.5 FTE from 2017 budget transfer reversals
- Addition 0.4 FTE to remove Communications Advisor allocation from the Water fund

Airport and Utility Funds

Airport

- 2016 Addition 1.0 FTE for Airport Duty Manager operating request
- 2018 Addition 1.7 FTE for Senior Buyer, Operations Technician and Project Manager operating requests

Wastewater

- 2016 Addition 0.1 FTE for Cedar Ave Lift Station Kiosk onetime operating request
- Addition 0.2 FTE for McKinley Landing Sewer Lift Stations O & M Costs operating request
- Addition 0.1 FTE for Equipment Operator V operating request
- 2017 Reduction 0.1 FTE for reversal of 2016 onetime operating requests
- Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- Addition 0.2 FTE for Data Radio Replacement - Wastewater operating request
- Addition 0.2 FTE for Operating Clerk/First Aid Attendent position allocation
- 2018 Addition 1.1 FTE for Summer Co-op Student Position, Wastewater Operations Developer Capital Growth, Pump Operations - Instrument Electrician Term Position and Water & Wastewater Collections Operator Position operating request
- Addition 0.1 FTE for annualization of 2017 operating requests

Water

- 2016 Addition 0.2 FTE Equipment Operator V operating request
- Addition 0.2 FTE for Kettle Valley UV Facility operating request ongoing
- Reduction 0.2 FTE from 2016 budget transfers
- 2017 Addition 0.2 FTE for Safety Coordinator - 3 Year Term Position operating request
- Addition 0.2 FTE for Data Radio Replacement - Water and Vintage Terrace Pressure Reducing Station operating requests
- Addition 0.2 FTE for a Operating Clerk/First Aid Attendent position
- 2018 Reduction 0.4 FTE to remove Communications Advisor water allocation
- Addition 0.1 FTE for annualization of 2017 operating requests
- Addition 1.2 FTE for various 2018 operating requests

Basis of accounting/budgeting

Basis of accounting

Definition

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

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

Modified accrual basis of accounting

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

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

Basis of budgeting

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

Financial principles & strategies

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

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

The five financial principles are for the City to be:

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

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

Strategies

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

Assets – new

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

Assets – renew

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

Debt

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

Development financing

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

Grants

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

Operations

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

Partnerships & enterprise

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

Property taxation

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

Reserves & surplus funds

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

User fees & charges

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

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

Policies

There are various policies adopted by Council or long-standing principles that guide the City of Kelowna and are used in the preparation of the Financial Plan.

Financial planning policies

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

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

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

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

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

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

Revenue & expenditure policies

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

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

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

Debt | Debt will not be used to fund current operating expenses. For capital improvements the repayment period shall not exceed the reasonable life expectancy of the asset. The maximum debt servicing should not exceed 5 per cent of annual tax demand and cannot exceed debt servicing limits established by the Province.

Reserves | The City will maintain a surplus account within the general fund of 5 per cent of the previous year's taxation requirement to assist with the expenses of unforeseen emergencies and to ensure a continued strong financial position. Additional reserve accounts should be maintained for revenue and expenditure stabilization including reserves for snow removal, street cleaning, flood control, insurance deductible and permit revenue averaging. Under expenditures in these areas should be placed into reserve at year end and over expenditures should be funded from the reserve to avoid the requirement to reduce service levels or raise taxes/fees for a temporary issue.

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

Investment & cash management policies

The City will maintain sufficient short term liquid assets to enable it to meet its annual operating budget as required. Due to the uncertain nature of future expenses, the portfolio will focus on high quality, liquid securities. The goal is to maximize the investment return on the fund, while ensuring that the liquidity, quality and diversification requirements are satisfied. The primary performance objective is to achieve a rate of return over a moving three-year period of greater than the Canada Consumer Price Index for All Items. Additionally, the fund's performance should match or exceed the Municipal Finance Authority of BC Intermediate Fund and Money Market Fund for the same period. Permitted investments in the fund are eligible securities defined in Section 183 of the Community Charter and investments in internally financed City of Kelowna projects. All securities held in the portfolio shall have a maturity of 10 years or less and the total portfolio shall have an average quality rating of at least AA. Bonds held by the fund will be diversified by sector and rating with the 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 Fund and the maximum exposure for all internally financed projects is 30 per cent of the total Fund. Funds will also not be borrowed to acquire securities or otherwise deal in margin trading. Reports on the fund's performance will be provided at a minimum annually to City Council.

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

These strategies are:

- **Park Acquisition Strategy** | This plan provides for the park land acquisition standard of 2.2 hectares per thousand of population and the acquisition of natural space by means other than cash outlay.
- **Parks Development Strategy** | Parks development costs will be a function of the capital allocation deemed reasonable annually and are to be shared by the community rather than through increased development cost charge fees.
- **Waterfront Amenities Strategy** | An annual allocation is provided for some waterfront land acquisitions but the emphasis is on private enterprise or community contributions to develop other amenities.
- **Major Recreational Facilities Strategy** | Major recreational/cultural facilities are budgeted with substantial emphasis on funding from public private partnerships, public sector partnering and other contributions. Pay-as-you-go capital and reserve funding will be required to minimize long-term debt financing.
- **Civic Buildings Strategy** | Buildings will be planned and constructed as required, subject to funding availability, with a focus on Public Private Partnerships in the development of these future civic buildings.
- **Pavement Management Strategy** | Annual general revenue contributions are to increase from the baseline of \$1.9M over the 10-year program to achieve an overall roads condition of 73 out of 100.
- **Storm Drainage Retrofit Strategy** | Annual general revenue contribution of \$1.6M to this program over the 10-year plan.
- **Generation/Disposition of Surplus Strategy** | \$1,000,000 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** | Forty 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 thirty per cent.
- **Debt Management Strategy** | The existing strategy of using alternative funding for discretionary expenditures, capitalizing on debt reduction opportunities and using short term borrowing and agreements for sale has been maintained. Maximum debt servicing should not exceed five per cent of annual taxation demand.

Budget process

City plans, including the Official Community Plan and Council Priorities, influence development of the City of Kelowna’s budget. Input from City staff, City Council, outside agencies funded by the City, citizens, and various City committees all helps to build a solid annual and five-year financial plan that meets the needs of our growing community.

Budget cycle & timeline

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

A year-round process

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

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

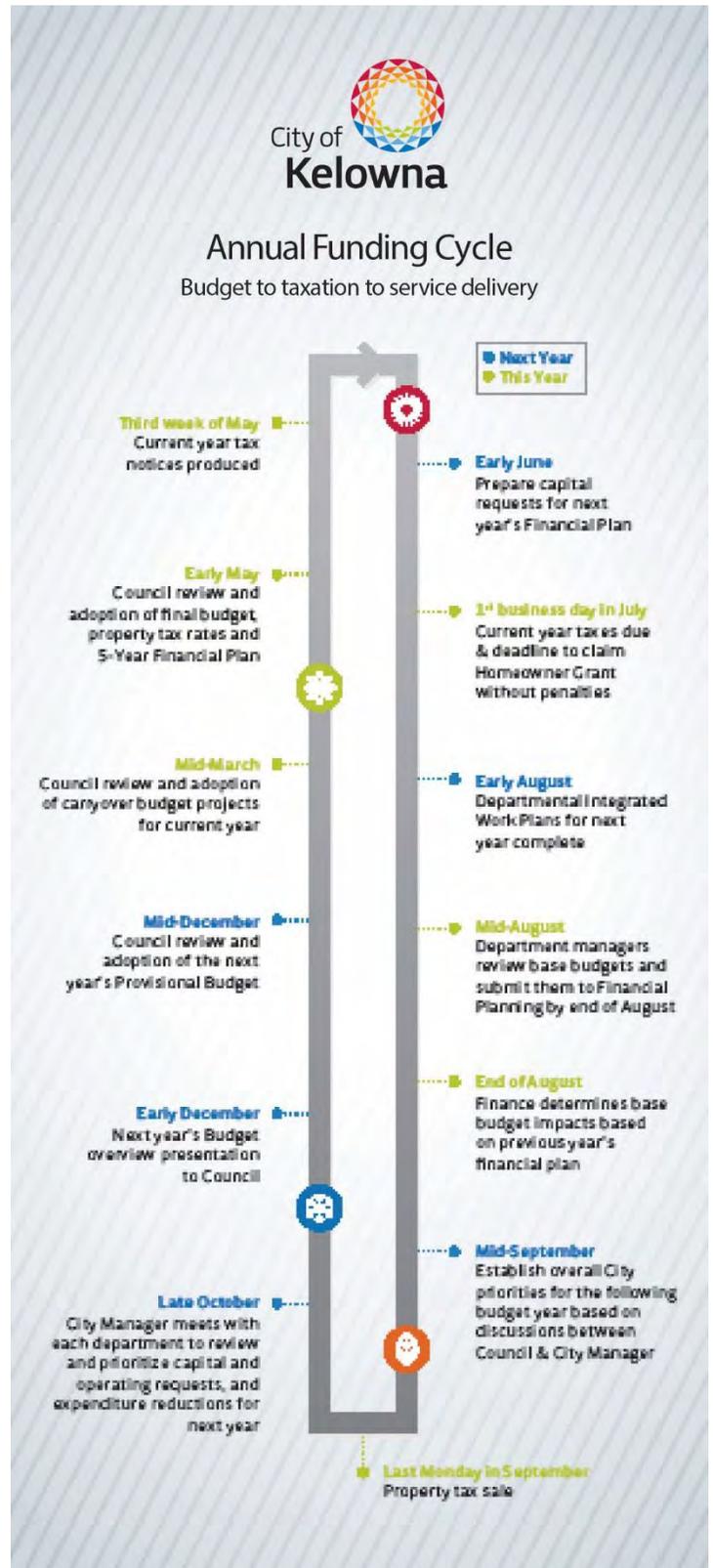
In October, the City Manager meets with each division to go over budget adjustments and requests. After this review, requests are ranked on a City-wide basis and reviewed by Senior Management.

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

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

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

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



Budget transfers & amendments

As per section 165 (2) of the Community Charter, the Financial Plan may be amended by bylaw at any time. A bylaw amendment is planned for April 2018 for changes to the Financial Plan for all 2017 year-end requirements. Corporate policies 261 & 262 cover the budget transfer and amendment procedures. A formal policy is in place to ensure that the City's overall internal control objectives are maintained and that there are no material changes to the original budget approved by Council. Appropriate signatures and back-up documentation are required with the transfer or amendment forms.

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

2018 budget calendar

Description	Required Date
2017	
Prepare capital requests for 2018 Financial Plan	Jun. 10
Departmental Integrated Work Plans complete	Aug. 23
Establish City priorities for the 2018 budget year, based on discussion with Council & City Manager	Sept. 6
City Manager meets with each department to review and prioritize capital requests, supplements, and expenditure reductions	Oct. 16/17
Council receives overview presentation of the provisional 2018 Financial Plan	Dec. 11
Council reviews and adopts the Provisional 2018 Financial Plan	Dec. 14
2018	
Council reviews and adopts carryover projects from 2017	Mar. 12
Council reviews and adopts final budget requests, property tax rates and the five-year Financial Plan	Apr. 30

Prioritization

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

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

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

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

Budget development

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

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

Linking to strategic plans

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

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

Performance measurement

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

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

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

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

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

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



Within each Division/Department there are current-year strategic activities that are linked to Corporate Framework goals and/or Council Priorities. These relate to project-type works that are planned for 2018.

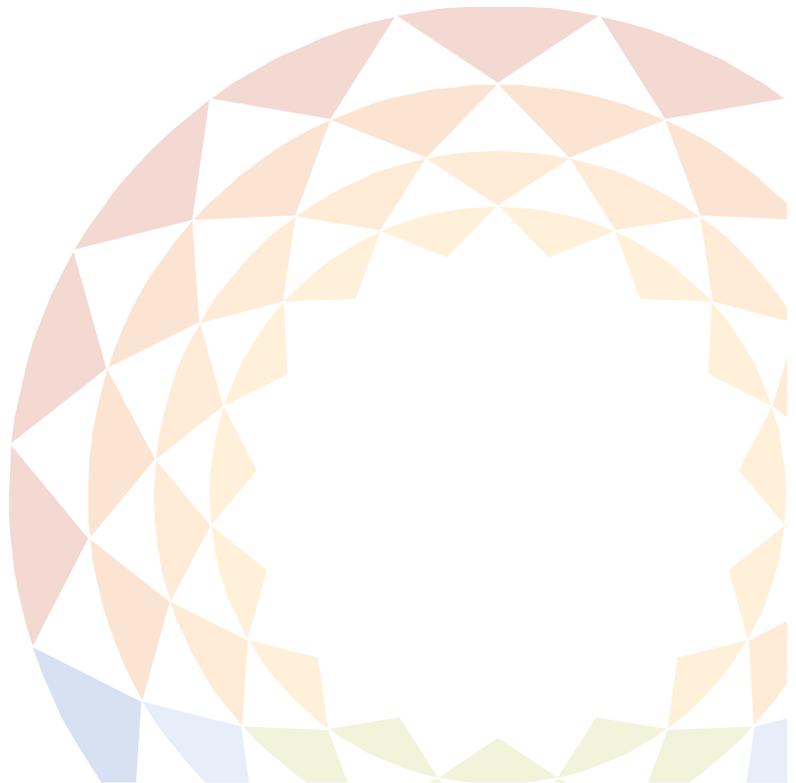
Following a description of the various Division functions, there is a performance measurement section that deals with the ongoing programs in each area, measured on a three-year basis. These categories will be described in further detail:

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

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

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Financial Summaries



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FINANCIAL SUMMARIES

2018 Financial Plan summary

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

	Actual 2016	Revised 2017	Provisional 2018
General revenues	(12,259,088)	(12,120,800)	(11,779,798)
Net operating budget	120,106,984	127,044,820	134,071,615
2016 surplus	151,970		
Pay-as-you-go capital	11,880,182	12,160,000	12,204,940
Taxation demand	119,880,048	127,084,020	134,496,757
New construction tax revenue	(1,667,000)	(2,600,000)	(2,850,000)
Fire Department			1.59%
Other			2.00%
Net property owner impact	4.11%	3.84%	3.59%

Analysis of tax demand

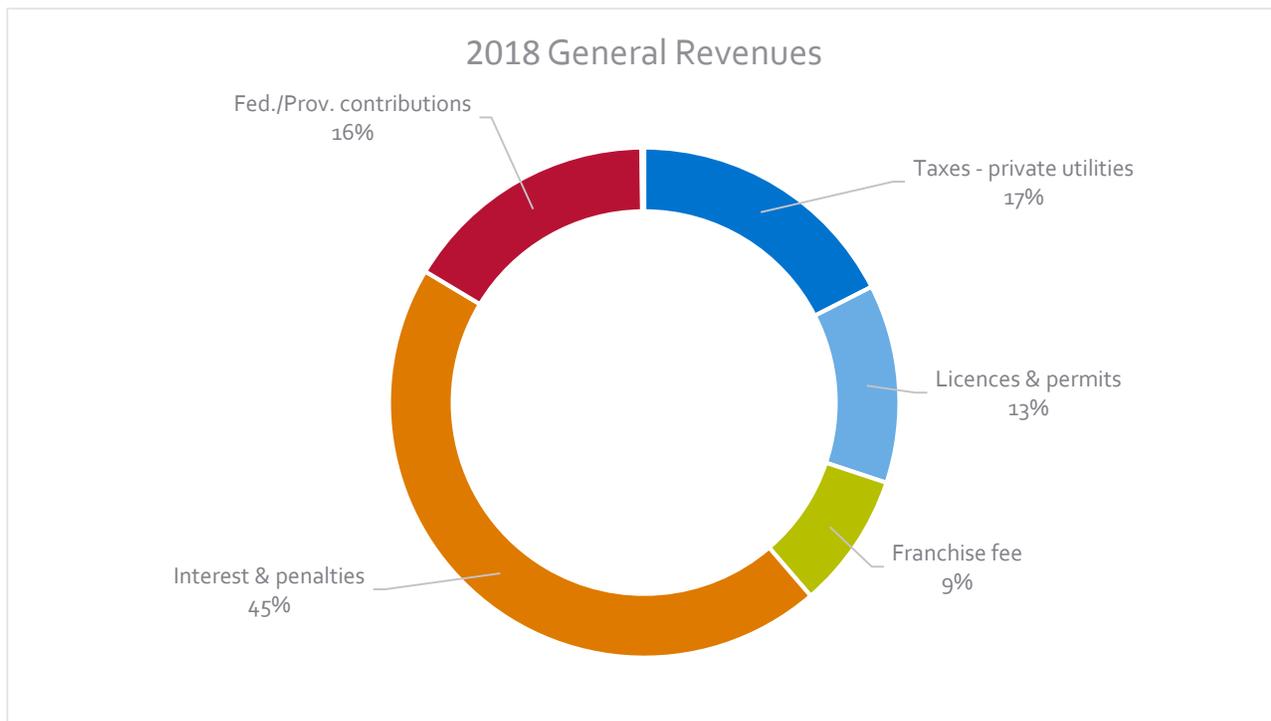
This next table goes into further detail comparing the proposed property owner impact to the previous year and provides the percentage change.

	2017	2018	Change	% change
Gross departmental operating expenditures	213,153,701	215,592,201	2,438,500	1.14%
Net departmental revenue	(91,807,400)	(87,296,731)	4,510,669	(4.91%)
Net departmental operating expenditure	121,346,301	128,295,470	6,949,169	5.73%
Net general debt	5,698,519	5,776,145	77,626	1.36%
Capital expenditures from general taxation	12,160,000	12,204,940	44,940	0.37%
General revenue	(12,120,800)	(11,779,798)	341,002	(2.81%)
Gross tax demand	127,084,020	134,496,757	7,412,737	5.83%
Less estimated new construction revenue	(2,600,000)	(2,850,000)		
Net property owner impact	3.84%	3.59%		(0.25%)

Revenues & expenditures

General revenues

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



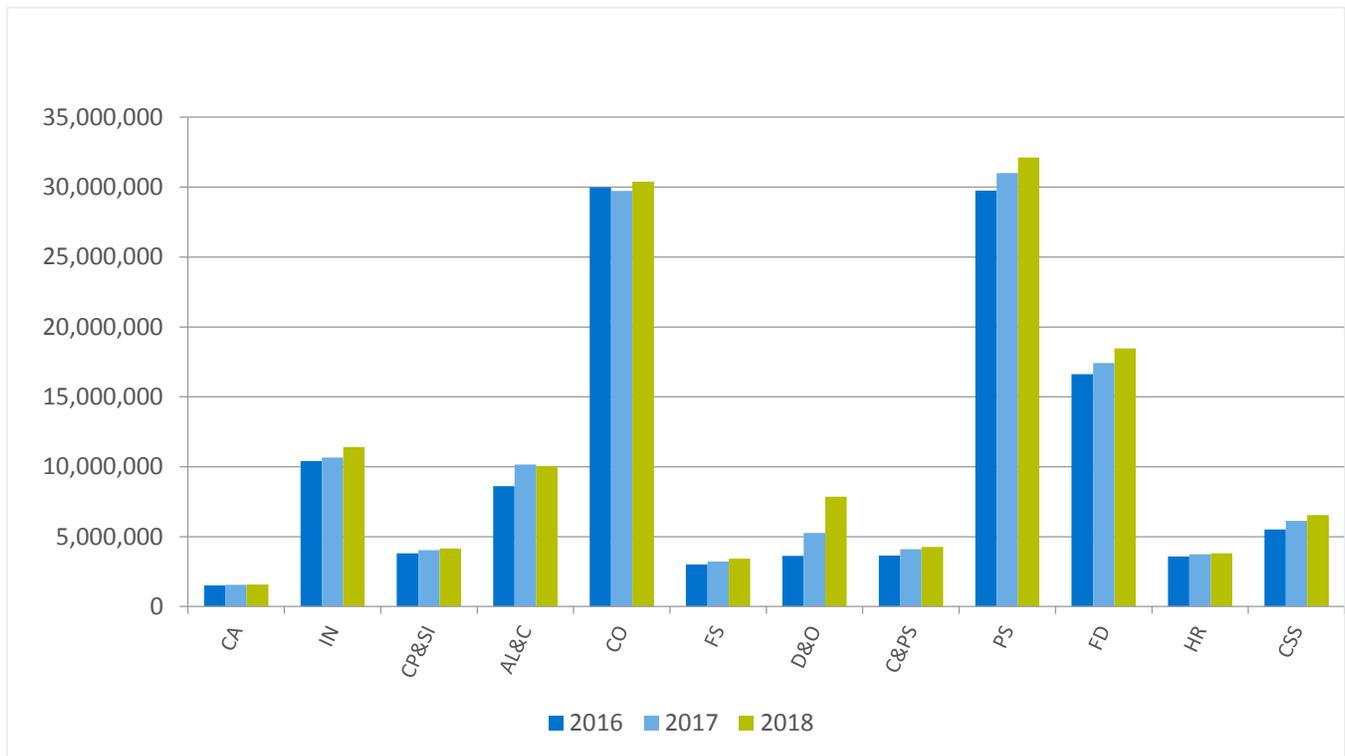
The table below details the dollar value of City's general revenues (by type) and includes property taxation revenue.

	Actual 2016	Revised 2017	Provisional 2018
Taxes - private utilities	2,089,050	2,084,029	2,089,989
Licences & permits	1,468,437	1,483,900	1,503,900
Franchise fee	1,152,144	1,080,550	1,027,100
Interest & penalties	5,604,808	5,407,050	5,364,050
Miscellaneous revenues	(88,029)	(169,890)	(164,032)
Fed./Prov. contributions	2,012,678	2,215,161	1,938,791
Municipal contributions	20,000	20,000	20,000
Total General Revenues	12,259,088	12,120,800	11,779,798
Property taxation	119,880,048	127,084,020	134,496,757
Total General Revenue & taxation	132,139,136	139,204,820	146,276,555

General Fund – net operating expenditure by division

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

Net expenditures by year



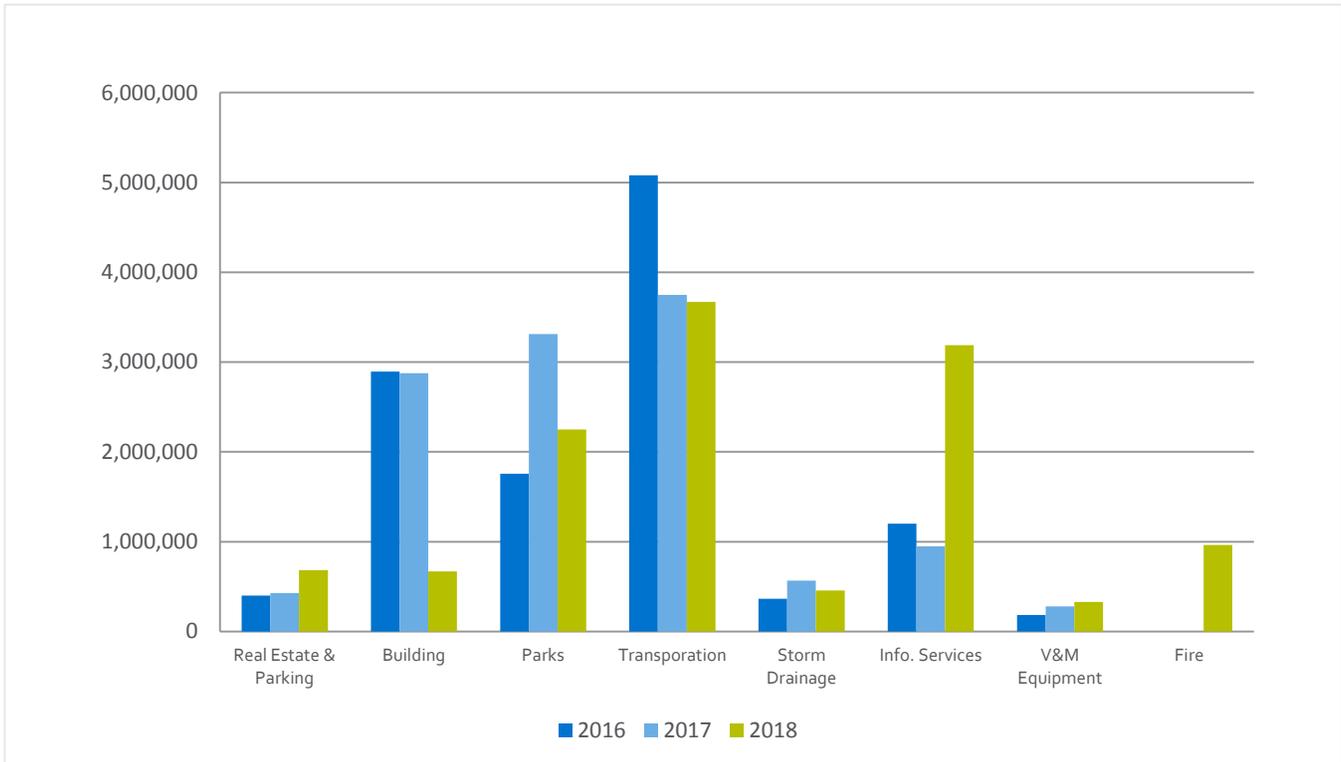
	Actual 2016	Revised 2017	Provisional 2018
City Administration (CA)	1,521,140	1,564,472	1,580,422
Infrastructure (IN)	10,419,541	10,651,618	11,401,813
Community Planning & Strategic Investments (CP&SI)	3,808,238	4,047,123	4,161,386
Active Living & Culture (AL&C)	8,606,371	10,169,445	10,043,071
Civic Operations (CO)	29,978,266	29,716,545	30,393,220
Financial Services (FS)	3,018,130	3,218,554	3,435,064
Debt & Other (D&O)	3,620,310	5,265,451	7,854,444
Corporate & Protective Services (C&PS)	3,654,996	4,115,466	4,271,306
Police Services (PS)	29,748,555	31,007,212	32,112,387
Fire Department (FD)	16,625,334	17,417,204	18,465,764
Human Resources (HR)	3,581,899	3,737,474	3,812,444
Corporate Strategic Services (CSS)	5,524,204	6,134,256	6,540,294
Total Division Net Operating Exp.	120,106,984	127,044,820	134,071,615

* City Administration includes City Management and Mayor & Council

General Fund – taxation capital summary

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

Pay-As-You-Go Capital Expenditure by Department



	Actual 2016	Revised 2017	Provisional 2018
Real Estate & Parking	399,986	430,000	684,000
Buildings	2,895,412	2,875,000	670,000
Parks	1,756,502	3,313,980	2,247,950
Transportation	5,079,408	3,749,020	3,670,990
Storm Drainage	364,244	565,000	455,000
Information Services	1,199,272	948,000	3,187,000
Vehicle & Mobile Equipment	185,358	279,000	328,000
Fire	0	0	962,000
Total Taxation Capital	11,880,182	12,160,000	12,204,940

General Fund excluding General Revenue Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	(165,692)	(8,008)	(3,736)
Parcel Tax	(34,867)	(34,867)	(34,867)
Fees and Charges	(61,149,202)	(55,554,182)	(52,218,225)
Other Revenue	(31,112,681)	(33,072,961)	(33,895,889)
Transfers from Funds			
Special (Stat Reserve) Funds	(2,136,535)	(1,719,149)	(1,181,539)
Development Cost Charges	(1,401,826)	(1,401,826)	(2,055,696)
Accumulated Surplus	(3,586,385)	(3,645,470)	(1,273,390)
Total Revenue	(99,587,188)	(95,436,463)	(90,663,342)
Expenditures			
Salaries and Wages	67,182,070	70,856,367	73,142,626
Internal Equipment	6,522,424	6,410,572	6,497,115
Material and Other	36,220,725	42,006,222	35,894,298
Contract Services	63,836,873	71,129,449	71,935,772
Debt Interest	3,760,203	4,645,991	4,640,125
Debt Principal	3,770,125	4,592,467	5,151,507
Internal Allocations	2,288,202	2,612,165	2,553,287
Transfers to Funds			
Special (Stat Reserve) Funds	20,102,543	16,879,461	19,215,893
Development Cost Charges	0	0	0
Accumulated Surplus	16,011,007	3,348,589	5,704,334
Total Expenditures	219,694,172	222,481,283	224,734,957
Net Operating Expenditures	120,106,984	127,044,820	134,071,615
Capital Expenditures			
Gross Expenditures	78,299,955	93,810,190	46,820,490
Other Funding Sources	(66,419,773)	(81,650,190)	(34,615,550)
Taxation Capital	11,880,182	12,160,000	12,204,940
Net Operating & Tax Capital Exp.	131,987,166	139,204,820	146,276,555

	Budgeted	Actual	Revised	Provisional
	2016	2016	2017	2018
Authorized FTE				
Positions				
Salaried	479.4	470.9	490.5	517.3
Hourly	258.2	254.1	264.6	264.2

Utility Funds

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	(3,122,658)	(3,085,843)	(3,085,843)
Fees and Charges	(60,512,831)	(60,261,054)	(64,610,050)
Other Revenue	(2,855,342)	(2,328,284)	(2,224,884)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	(5,354,097)	(5,461,365)	(5,461,365)
Accumulated Surplus	(4,126,059)	(5,811,836)	(7,464,727)
Total Revenue	(75,970,987)	(76,948,382)	(82,846,869)
Expenditures			
Salaries and Wages	9,854,572	10,610,790	11,066,950
Internal Equipment	1,160,425	1,141,247	1,178,087
Material and Other	13,357,810	13,818,864	14,358,061
Contract Services	545,415	597,215	633,765
Debt Interest	6,291,448	6,246,878	5,983,018
Debt Principal	8,219,640	9,848,392	10,550,096
Internal Allocations	5,946,865	8,164,152	6,800,277
Transfers to Funds			
Special (Stat Reserve) Funds	213,306	156,310	156,310
Development Cost Charges	0	0	0
Accumulated Surplus	18,939,279	19,673,904	27,616,705
Total Expenditures	64,528,760	70,257,752	78,343,269
Net Operating Expenditures	(11,442,227)	(6,690,630)	(4,503,600)
Capital Expenditures			
Gross Expenditures	37,046,191	52,543,790	12,632,200
Other Funding Sources	(32,719,068)	(45,853,160)	(8,128,600)
Utility Capital	4,327,123	6,690,630	4,503,600
Net Operating & Tax Capital Exp.	(7,115,104)	0	0

	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Authorized FTE Positions				
Salaried	55.3	55.4	56.1	57.6
Hourly	58.2	54.1	58.5	60.8

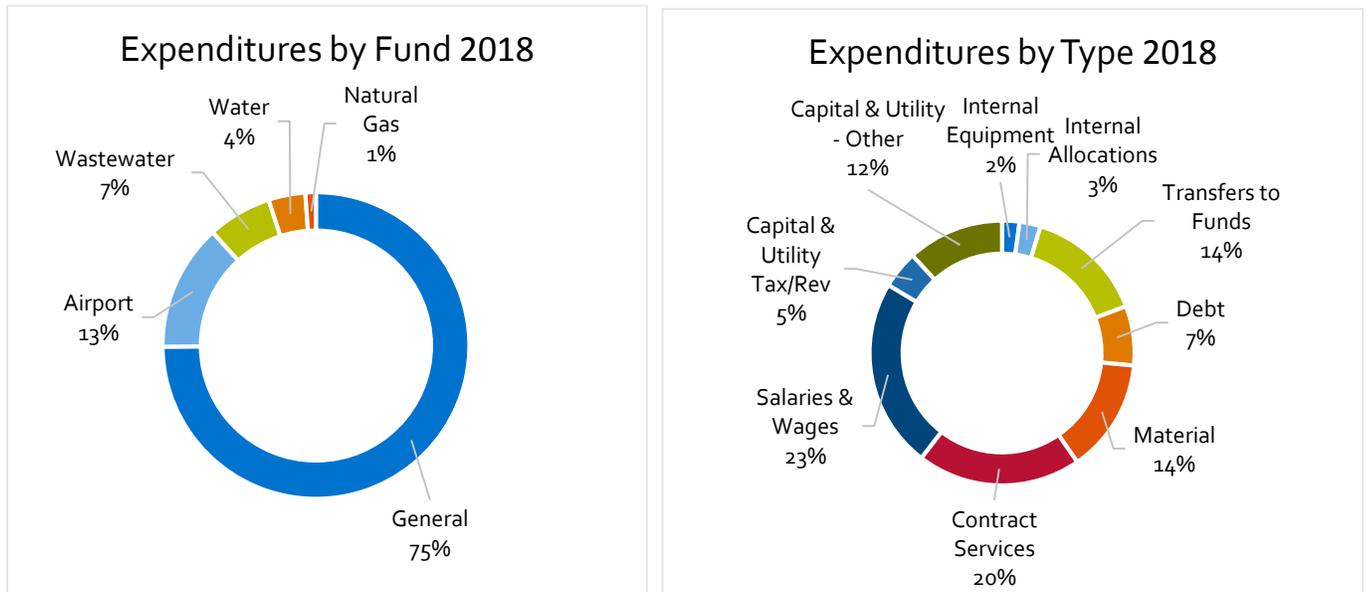
All funds – revenue/expenditure

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

	Actual 2016	Revised 2017	Provisional 2018
Revenues			
General Fund			
Taxation	(119,880,048)	(127,084,020)	(134,496,757)
General Revenues	(12,259,088)	(12,120,800)	(11,779,798)
General Fund Revenues	(99,587,188)	(95,436,463)	(90,663,342)
Other Capital Funding	(66,419,773)	(81,650,190)	(34,615,550)
	<u>(298,146,097)</u>	<u>(316,291,473)</u>	<u>(271,555,447)</u>
Utility Funds			
Utility Fund Revenues	(75,970,987)	(76,948,382)	(82,846,869)
Other Capital Funding	(32,719,068)	(45,853,160)	(8,128,600)
	<u>(108,690,055)</u>	<u>(122,801,542)</u>	<u>(90,975,469)</u>
Total Revenues	(406,836,152)	(439,093,015)	(362,530,916)
Expenditures			
General Fund			
General Fund Expenditures	219,694,172	222,481,283	224,734,957
Capital Exp. from Tax Demand	11,880,182	12,160,000	12,204,940
Other Capital Expenditures	66,419,773	81,650,190	34,615,550
	<u>297,994,127</u>	<u>316,291,473</u>	<u>271,555,447</u>
Utility Funds			
Utility Fund Expenditures	64,528,760	70,257,752	78,343,269
Capital Exp. from Utility	4,327,123	6,690,630	4,503,600
Other Capital Expenditures	32,719,068	45,853,160	8,128,600
	<u>101,574,951</u>	<u>122,801,542</u>	<u>90,975,469</u>
Total Expenditures	399,569,078	439,093,015	362,530,916
	(7,267,074)		
*Difference in 2016 actuals due to:			
General Fund Surplus	(151,970)		
Utility Funds Surplus	(7,115,104)		
	<u>(7,267,074)</u>		

Analysis of total expenditures

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



Expenditures by Fund (millions)

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

	Actual	Revised	Provisional	
	2016	2017	2018	
			Operating	Capital
General	298.0	316.3	224.7	46.8
Airport	63.7	76.2	40.5	7.9
Wastewater	21.2	26.8	22.0	2.5
Water	12.4	15.7	11.8	2.3
Natural Gas	4.2	4.1	4.0	0.0
Subtotal			303.0	59.5
Total	399.5 *	439.1		362.5

* Net of Surplus \$7.3M

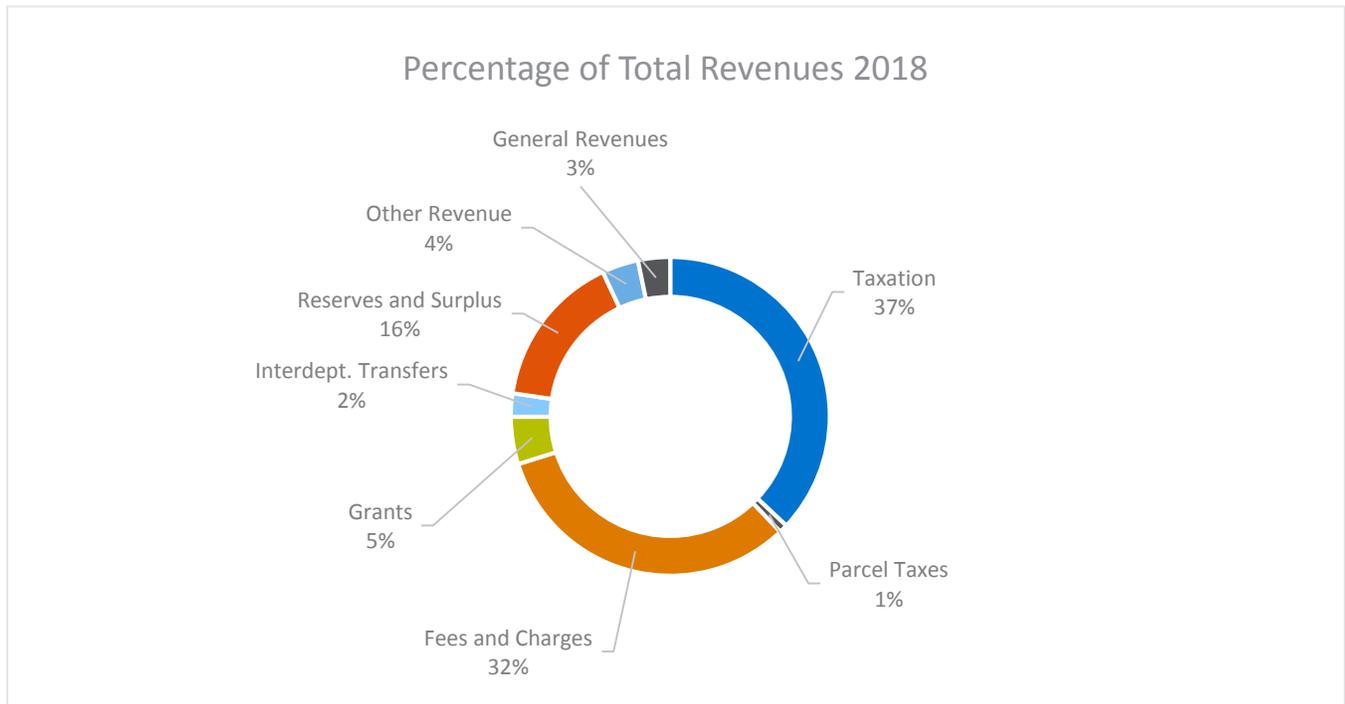
Expenditures by Type (millions)

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

	Actual 2016	Revised 2017	Provisional 2018
Internal Equipment	7.7	7.6	7.7
Internal Allocations	8.2	10.8	9.4
Transfers to Funds	55.3	40.1	52.7
Debt	22.0	25.3	26.3
Material	49.6	55.8	50.3
Contract Services	64.4	71.7	72.6
Salaries & Wages	77.0	81.5	84.1
Capital & Utility Tax/Rev	16.2	18.8	16.7
Capital & Utility - Other	99.1	127.5	42.7
Total	399.5	439.1	362.5

Analysis of total revenues

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



Total revenue (millions)

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

	Actual 2016	Revised 2017	Provisional 2018
Taxation	119.9	127.1	134.5
Parcel Taxes	3.3	3.1	3.1
Fees and Charges	121.7	115.8	116.8
Grants	13.8	29.9	17.4
Interdept. Transfers	7.7	8.7	8.6
Reserves and Surplus	53.2	112.6	56.9
Debenture/Borrowing	58.4	15.9	0.0
Other Revenue	16.5	13.9	13.4
General Revenues	12.3	12.1	11.8
Total	406.8	439.1	362.5

Revenues – total general & utility (thousands)

	Revised 2017	Provisional 2018
Net General Operating		
General Licences	1,484	1,504
Franchise Fee	1,081	1,027
General Interest & Tax Penalties	5,407	5,364
Federal Contribution - In Lieu	110	115
Provincial Contributions		
Traffic Fine Revenue	1,734	1,426
In Lieu	371	398
Municipal Contributions		
Natural Gas	20	20
Miscellaneous Revenue	(170)	(164)
Municipal Taxation Revenues - 1% In Lieu	2,084	2,090
Municipal Taxation Revenues	127,084	134,497
SubTotal	139,205	146,277
Capital Funding Source		
Building Repair		385
CWME - Community Works Fund		7,443
CWME - Fire Equipment		500
CWME - Vehicle and Equipment Replacement		4,010
CWME - Sanitary Landfill		4,730
DCC - Park A		4,030
DCC - Road A		1,809
DCC - Road B		85
DCC - Road E		128
DCC - Road I		1,026
Finance/Major System Software		310
H ₂ O Equipment Replacement & Improvement Reserve		240
Land Sales Reserve		3,801
Parking Reserve		301
Permit Revenue Averaging		1,000
RCMP Building		550
Sidewalk Network		120
Transit Facility Enhancement		1,055
Various other funding sources		3,093
Sub-Total (2017 various Other Funding Sources)	81,650	34,616
Net General Operating & Capital Revenue	220,855	180,893
Utilities		
Water	1,443	184
Wastewater	2,370	30
Natural Gas	0	0
Airport	42,040	7,915
Total Utilities	45,853	8,129
Total General & Utilities Operating & Capital	266,708	189,022

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

Expenditures – total general & utility (thousands)

	Revised 2017	Net Operating	Capital Expenditures		Provisional 2018
			General/ Utility Revenue	Other Funding Sources	
General					
City Administration	1,564	1,580			1,580
Infrastructure	10,652	11,402			11,402
Community Planning & Strategic Investments	7,945	4,161	684	3,558	8,403
Active Living & Culture	10,169	10,043			10,043
Civic Operations	108,787	30,393	7,372	29,248	67,013
Financial Services	3,219	3,435			3,435
Debt & Other	5,265	7,854			7,854
Corporate & Protective Services	4,115	4,271			4,271
Police Services	31,007	32,113			32,113
Fire Department	19,963	18,467	962	500	19,929
Human Resources	3,738	3,813			3,813
Corporate Strategic Services	14,431	6,540	3,187	1,310	11,037
Net General Operating & Capital Expenditures	220,855	134,072	12,205	34,616	180,893
Utilities					
Water	1,443	(2,069)	2,069	184	184
Wastewater	2,370	(2,435)	2,435	30	30
Natural Gas					
Airport	42,040			7,915	7,915
Net Utilities Operating & Capital Expenditures	45,853	(4,504)	4,504	8,129	8,129
Total Expenditures	266,708	129,568	16,709	42,745	189,022

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

Revenue sources & trends

This section will be completed prior to final budget consideration at the end of April in conjunction with the Five-Year Financial Plan.

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Operating Budget



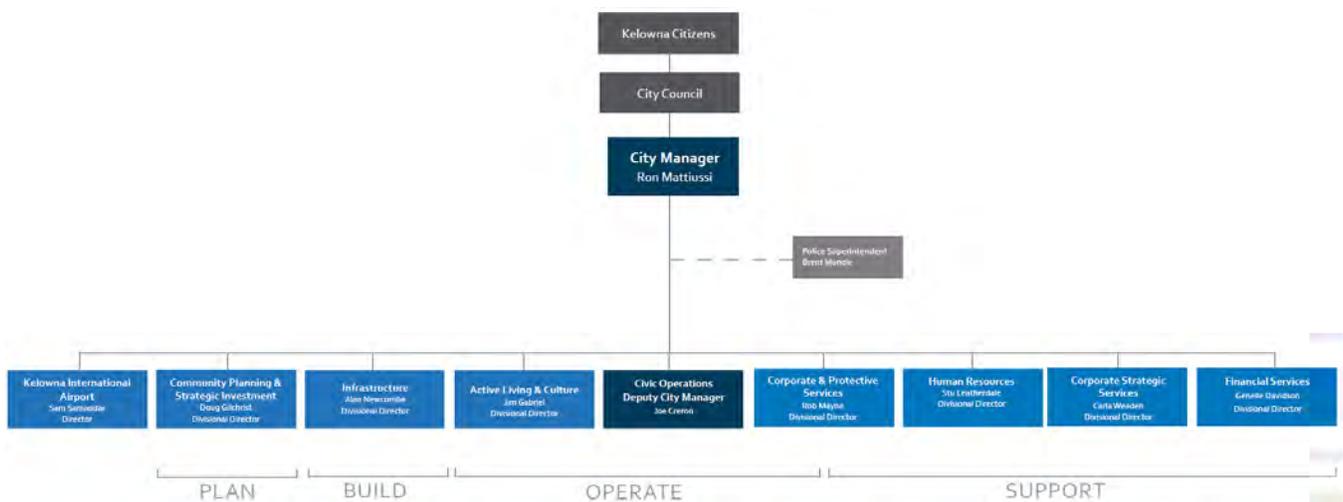
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OPERATING BUDGET

The City & its divisions

City Manager Ron Mattiussi provides leadership and coordination to all City Divisions to ensure City operations provide excellent customer service to the citizens of Kelowna.

Seven Divisional Directors and the Deputy City Manager report to the City Manager, along with the Police Superintendent and the director of the Kelowna International Airport. City Divisions can be generally categorized into teams that deliver community services or corporate services. Community focused divisions work to deliver civic services based on a *plan, build and operate* model.



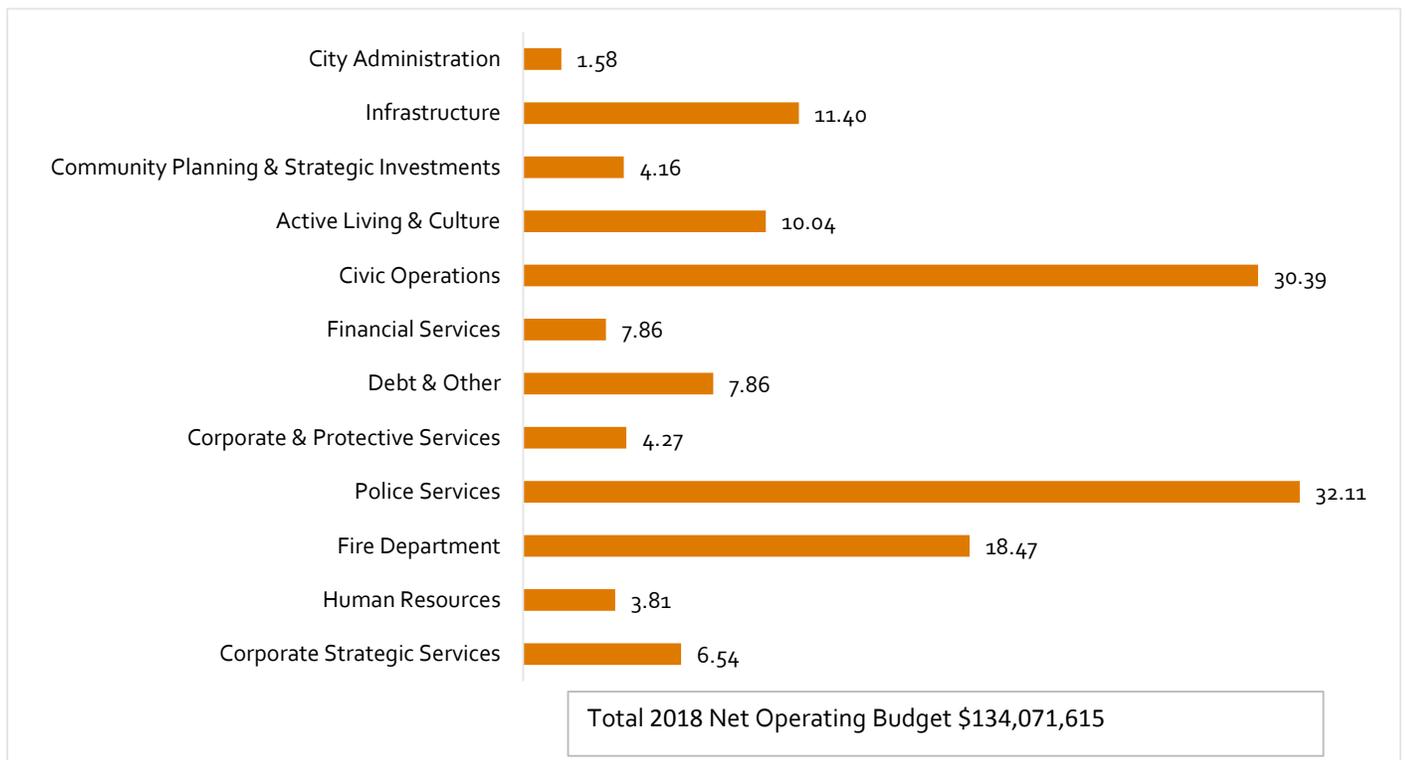
Operating budget

Net operating budgets by Division

The following table and graph display the net operating budgets for the City's divisions/departments.

	Expend/ Other	Revenues	Net	% of Total
City Administration	4,502,826	(2,922,404)	1,580,422	1.2%
Infrastructure	29,729,569	(18,327,756)	11,401,813	8.5%
Community Planning & Strategic Investments	15,905,518	(11,744,132)	4,161,386	3.0%
Active Living & Culture	14,750,548	(4,707,477)	10,043,071	7.6%
Civic Operations	60,452,916	(30,059,696)	30,393,220	22.7%
Financial Services	4,975,096	(1,540,032)	3,435,064	2.6%
Debt & Other	20,673,104	(12,818,660)	7,854,444	5.9%
Corporate & Protective Services	4,891,288	(619,982)	4,271,306	3.2%
Police Services	37,233,647	(5,496,150)	31,737,497	23.7%
Fire Department	20,393,063	(1,927,299)	18,465,764	13.8%
Human Resources	3,993,364	(180,920)	3,812,444	2.9%
Corporate Strategic Services	6,859,128	(318,834)	6,540,294	4.9%
Total Net Operating Budget	224,360,067	(90,663,342)	133,696,725	

Net operating budgets by Division/Department (millions)



2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
140	Concrete Sales Revenue	0	0	0	0	(7,000)	0	7,000	OG
	Total Maintain	0	0	0	0	(7,000)	0	7,000	
Growth									
140	Biosolids Management Plan	300,000	0	0	0	(300,000)	0	0	OT
141	Transit Base Operating Costs	529,705	0	0	(90,870)	(158,980)	0	(279,855)	OG
141	20 Year Servicing Plan and DCC Bylaw Update	250,000	(176,200)	0	0	0	(21,000)	(52,800)	OG
142	2018 Household Travel Survey	189,600	(36,000)	0	0	(103,510)	0	(50,090)	OT
142	Canadian Urban Transit Association Membership Fees Increase	2,200	0	0	0	0	0	(2,200)	OG
	Total Growth	1,271,505	(212,200)	0	(90,870)	(562,490)	(21,000)	(384,945)	
New									
143	Avocet Wetland Restoration	150,000	0	0	0	(150,000)	0	0	OT
143	Parkinson Recreation Centre - Joint Education, Health and Wellness Facility	200,000	0	0	0	0	0	(200,000)	OT
144	Major System Flood Risk Assessment	250,000	0	0	0	0	0	(250,000)	OT
144	Summer Streets Kelowna (Pilot)	19,000	0	0	0	0	0	(19,000)	OT
	Total New	619,000	0	0	0	(150,000)	0	(469,000)	
	Division Priority 1 Total	1,890,505	(212,200)	0	(90,870)	(719,490)	(21,000)	(846,945)	

Community Planning & Strategic Investments Division

Maintain

160	Training & Education	8,000	0	0	0	0	0	(8,000)	OG
160	Building Code Subscriptions	12,000	0	0	0	0	0	(12,000)	OT
161	Rental Properties, Concessions & Kiosks Adjustments	0	0	0	0	(43,870)	0	43,870	OG
	Total Maintain	20,000	0	0	0	(43,870)	0	23,870	

Growth

161	2040 Official Community Plan Update & Position	210,000	0	0	0	0	0	(210,000)	OG
162	.5 FTE Building Inspector / Plan Checker Position	43,670	0	0	0	0	0	(43,670)	OG
162	Engineer-In-Training Position	75,710	0	0	0	0	0	(75,710)	OG
163	Permit and Inspection Revenue	0	0	0	0	(180,000)	0	180,000	OG

Page	2018 FINANCIAL PLAN		CITY OF KELOWNA						
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
	Increase								
163	Parking Services General Operating Adjustments	89,500	297,010	0	0	(386,510)	0	0	OG
164	Community Planning Revenue Increase	0	0	0	0	(80,000)	0	80,000	OG
	Total Growth	418,880	297,010	0	0	(646,510)	0	(69,380)	
	New								
164	Strategic Land Development Projects	134,500	(134,500)	0	0	0	0	0	OT
165	Community Energy Specialist Term Position	100,000	0	0	(100,000)	0	0	0	OT
165	Membership to the Alliance for Innovation (Pilot)	10,000	0	0	0	0	0	(10,000)	OG
	Total New	244,500	(134,500)	0	(100,000)	0	0	(10,000)	
	Division Priority 1 Total	683,380	162,510	0	(100,000)	(690,380)	0	(55,510)	
	Active Living & Culture Division								
	Maintain								
177	Social Development Manager Position	1,160	0	0	0	0	0	(1,160)	OG
177	Kelowna Community Theatre Revenues	0	0	0	0	(49,780)	0	49,780	OG
178	Cultural Plan Update	15,000	0	0	0	0	0	(15,000)	OT
178	Community Programs Growth	(560)	0	0	0	560	0	0	OG
179	E-proval Event Software	30,000	0	0	0	(10,000)	0	(20,000)	OG
	Total Maintain	45,600	0	0	0	(59,220)	0	13,620	
	Growth								
179	Arena/Stadium Wages	5,000	0	0	0	0	0	(5,000)	OG
	Total Growth	5,000	0	0	0	0	0	(5,000)	
	New								
180	Journey Home Implementation Funding	75,000	0	0	0	0	0	(75,000)	OG
180	Truth and Reconciliation Project	10,000	0	0	0	0	0	(10,000)	OT
473 CAP	Arenas/Stadiums Vehicle	11,250	0	0	0	0	0	(11,250)	OG
181	Special Events & Tournaments Support	10,000	0	0	0	0	0	(10,000)	OG
181	Waste & Recycling Program - Rutland & Memorial Arenas	10,000	0	0	0	0	0	(10,000)	OT
	Total New	116,250	0	0	0	0	0	(116,250)	
	Division Priority 1 Total	166,850	0	0	0	(59,220)	0	(107,630)	

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
Maintain									
198	H2o Flowrider Space Study	50,000	(50,000)	0	0	0	0	0	OT
198	Secondary Odour Mitigation Method	75,000	0	0	0	(25,000)	(50,000)	0	OT
405	CAP Kerry Park - Phase 1 Construction	8,600	0	0	0	0	0	(8,600)	OG
199	Emissions Review Study - Commonage	40,000	0	0	0	(13,333)	(26,667)	0	OT
199	ICBC Premium Increase	24,800	(24,800)	0	0	0	0	0	OG
200	Excavator Hired Equipment	178,000	(120,800)	0	0	(19,070)	(38,130)	0	OG
200	Term Labourer Position	41,850	(20,920)	0	0	(6,980)	(13,950)	0	OG
201	Paddle Trail Buoy Maintenance	8,800	0	0	0	0	0	(8,800)	OG
201	Contract Services - City Hall	15,000	0	0	0	0	0	(15,000)	OG
202	Fire Station Overhead Door Renewal	40,000	0	0	0	0	0	(40,000)	OT
202	Kelowna Police Services Building - Janitorial	67,280	0	0	0	0	0	(67,280)	OG
203	Beach Park Rehabilitation	50,000	0	0	0	0	0	(50,000)	OG
203	Landfill Gas Building Assessment	25,000	(25,000)	0	0	0	0	0	OT
204	Rotary Centre for the Arts - Building Renewal	75,000	0	0	0	0	0	(75,000)	OT
204	Biofilter Cover	50,000	(50,000)	0	0	0	0	0	OT
205	Security Cameras	25,000	(25,000)	0	0	0	0	0	OT
205	North East Road Fencing	45,000	(45,000)	0	0	0	0	0	OT
206	Equipment Air Filters	65,000	(65,000)	0	0	0	0	0	OT
206	SCADA - Hot Boxes	25,000	(25,000)	0	0	0	0	0	OT
207	Park Sign Replacement	10,000	0	0	0	0	0	(10,000)	OG
207	Stadiums - Protective Netting	30,000	0	0	0	0	0	(30,000)	OT
208	Kasugai Gardens Shake Replacement	40,000	0	0	0	0	0	(40,000)	OT
208	Electrical Upgrade - Parks Yard	65,000	0	0	0	0	0	(65,000)	OT
	Total Maintain	1,054,330	(451,520)	0	0	(64,383)	(128,747)	(409,680)	
Growth									
432	CAP Rails with Trails DCC (Dilworth - Commerce Ave), ATC	6,000	0	0	0	0	0	(6,000)	OG
433	CAP Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network	26,000	0	0	0	0	0	(26,000)	OG
209	Corporate Energy Specialist Position	73,870	(36,400)	0	0	0	0	(37,470)	OG
209	Additional Crosswalks, Safety Signs and Markings	5,500	0	0	0	0	0	(5,500)	OG
210	Additional Traffic Signal Infrastructure	8,000	0	0	0	0	0	(8,000)	OG
210	McKinley Beach Washrooms Partnership	10,000	0	0	0	0	0	(10,000)	OG
434	CAP Pandosy 1 DCC (Birch - McKay) Sidewalk	2,700	0	0	0	0	0	(2,700)	OG
435	CAP Ethel 4 DCC (Sutherland-Springfield), ATC	9,300	0	0	0	0	0	(9,300)	OG
211	Additional Bike Lane Signs and Marking	5,750	0	0	0	0	0	(5,750)	OG
211	Spring Sweep	12,000	0	0	0	0	0	(12,000)	OG

2018 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
212	Equipment Storage Building	65,000	0	0	0	0	0	(65,000)	OT
436 CAP	Hollywood 9 DCC (Hollydell - Hwy 33), ATC	8,500	0	0	0	0	0	(8,500)	OG
212	Solid Waste Revenue	0	1,840,000	0	0	(1,840,000)	0	0	OG
437 CAP	Stewart Road West 3 DCC (Crawford-Swamp), Road	0	0	0	0	0	0	0	OG
213	Lake Ave Storm Main Upgrade	20,000	0	0	0	0	0	(20,000)	OT
	Total Growth	252,620	1,803,600	0	0	(1,840,000)	0	(216,220)	
New									
432 CAP	Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC	42,000	0	0	0	0	0	(42,000)	OG
433 CAP	UBCO-University South Pedestrian-Cycling Bridge	7,500	0	0	0	0	0	(7,500)	OG
434 CAP	Active Transportation Corridor	20,000	0	0	0	0	0	(20,000)	OG
435 CAP	Sidewalk Network Expansion	6,250	0	0	0	0	0	(6,250)	OG
405 CAP	Interim Park Access	20,000	0	0	0	0	0	(20,000)	OG
436 CAP	Rutland Transit Exchange - Phase 2	20,600	0	0	0	0	0	(20,600)	OG
F3	* Avocet Wetland Restoration	150,000	(150,000)	0	0	0	0	0	OT
	Total New	266,350	(150,000)	0	0	0	0	(116,350)	
Division Priority 1 Total		1,573,300	1,202,080	0	0	(1,904,383)	(128,747)	(742,250)	

Financial Services Division

Maintain

265	GST Compliance	5,000	0	0	0	0	0	(5,000)	OG
265	Payroll System Improvements	106,500	(106,500)	0	0	0	0	0	OT
	Total Maintain	111,500	(106,500)	0	0	0	0	(5,000)	

Growth

266	Financial Analyst Position	75,640	0	0	0	0	0	(75,640)	OG
266	Operating Budget Adjustments	5,000	0	0	0	(16,750)	0	11,750	OG
	Total Growth	80,640	0	0	0	(16,750)	0	(63,890)	

New

267	Enterprise Resource Planning Operating Budget Increase	5,000	0	0	0	0	0	(5,000)	OG
	Total New	5,000	0	0	0	0	0	(5,000)	

Division Priority 1 Total		197,140	(106,500)	0	0	(16,750)	0	(73,890)	
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Financial Services Division

Revenue & Fees

Maintain

275	1% in Lieu of Taxes	0	0	0	0	(5,960)	0	5,960	OG
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2018 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
275	Certificate of Recognition Rebate	0	5,140	0	0	(5,140)	0	0	OG
276	FortisBC Gas Franchise Fee	0	0	0	0	53,450	0	(53,450)	OG
276	Grants in Lieu of Taxes	0	0	0	0	(31,040)	0	31,040	OG
277	Penalties and Interest	0	0	0	0	43,000	0	(43,000)	OG
277	Traffic Fine Sharing Revenue	0	0	0	0	307,410	0	(307,410)	OG
	Total Maintain	0	5,140	0	0	361,720	0	(366,860)	
Growth									
278	Business Licence Revenue	0	0	0	0	(20,000)	0	20,000	OG
278	School Site Acquisition Revenue	0	0	0	0	(5,000)	0	5,000	OG
	Total Growth	0	0	0	0	(25,000)	0	25,000	
New									
279	Library Lease Revenue	0	677,390	0	0	(677,390)	0	0	OG
	Total New	0	677,390	0	0	(677,390)	0	0	
Division Priority 1 Total		0	682,530	0	0	(340,670)	0	(341,860)	
Financial Services Division									
<i>Debt & Other</i>									
Maintain									
287	Other Working Capital	1,919,860	0	0	0	0	0	(1,919,860)	OG
	Total Maintain	1,919,860	0	0	0	0	0	(1,919,860)	
New									
287	Future Municipal Works	0	500,000	0	0	0	0	(500,000)	OG
	Total New	0	500,000	0	0	0	0	(500,000)	
Growth									
142	* 2018 Household Travel Survey	0	0	0	0	(9,600)	0	9,600	OT
	Total Growth	0	0	0	0	(9,600)	0	9,600	
Division Priority 1 Total		1,919,860	500,000	0	0	(9,600)	0	(2,410,260)	
Corporate & Protective Services Division									
Maintain									
309	Workflow Approval For Purchasing	20,000	0	0	0	0	0	(20,000)	OT
309	Bylaw Enforcement Clerk Position	280	0	0	0	0	0	(280)	OG
310	Bicycle Replacement	5,000	0	0	0	0	0	(5,000)	OG
310	2018 Local Government Election	140,000	(140,000)	0	0	0	0	0	OT
	Total Maintain	165,280	(140,000)	0	0	0	0	(25,280)	

2018 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Growth									
311	Senior Buyer Position	22,210	0	0	0	0	0	(22,210)	OG
	Total Growth	22,210	0	0	0	0	0	(22,210)	
New									
311	Webcasting Council Meetings	14,300	0	0	0	0	0	(14,300)	OG
312	Review & Re-Write of Business Licence Bylaw	25,000	0	0	0	0	0	(25,000)	OT
312	Dash/Body Camera Systems	3,000	0	0	0	0	0	(3,000)	OT
	Total New	42,300	0	0	0	0	0	(42,300)	
	Division Priority 1 Total	229,790	(140,000)	0	0	0	0	(89,790)	

Corporate & Protective Services Division

Police Services

Maintain

335	RCMP Contract Services	345,330	0	0	0	0	0	(345,330)	OG
	Total Maintain	345,330	0	0	0	0	0	(345,330)	

Growth

335	RCMP - 4 Regular Member Positions	337,490	0	0	0	0	0	(337,490)	OG
336	Harm Reduction Supplies	20,000	0	0	0	0	0	(20,000)	OG
336	Police Services Secretary Position	46,700	0	0	0	0	0	(46,700)	OG
337	Fingerprint Fee Revenue	0	0	0	0	(5,000)	0	5,000	OG
337	Casino Revenues	0	0	0	0	(112,000)	0	112,000	OG
	Total Growth	404,190	0	0	0	(117,000)	0	(287,190)	

New

338	Police Services - Data Processor Positions	374,890	0	0	0	0	0	(374,890)	OG
	Total New	374,890	0	0	0	0	0	(374,890)	

Division Priority 1 Total 1,124,410 0 0 0 0 (117,000) 0 (1,007,410)

Corporate & Protective Services Division

Fire Department

Maintain

323	Fire Department Uniforms and Personal Protective Equipment	21,000	0	0	0	0	0	(21,000)	OG
323	Fire Department Memberships	4,000	0	0	0	0	0	(4,000)	OG
324	Firefighting Supplies	5,000	0	0	0	0	0	(5,000)	OG
	Total Maintain	30,000	0	0	0	0	0	(30,000)	

Growth

324	Firefighters - 12 Positions	860,920	0	0	0	0	0	(860,920)	OG
325	Fire Dispatch Contracts	0	0	0	0	(41,410)	0	41,410	OG

2018 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
	Total Growth	860,920	0	0	0	(41,410)	0	(819,510)	
	New								
482	CAP Engine 5	5,000	0	0	0	0	0	(5,000)	OG
325	Fire Department Trailer	5,500	0	0	0	0	0	(5,500)	OT
	Total New	10,500	0	0	0	0	0	(10,500)	
	Division Priority 1 Total	901,420	0	0	0	(41,410)	0	(860,010)	
	Human Resources Division								
	Maintain								
348	Safety Management Software	90,000	(75,000)	0	0	0	0	(15,000)	OG
348	Recruitment Coordinator Term Position	37,310	0	0	0	0	0	(37,310)	OG
349	Safety Management System Co-op Student Position	26,310	(26,310)	0	0	0	0	0	OT
349	Collective Bargaining	5,000	0	0	0	0	0	(5,000)	OG
350	Legal Expenses	46,000	0	0	0	0	0	(46,000)	OG
	Total Maintain	204,620	(101,310)	0	0	0	0	(103,310)	
	Division Priority 1 Total	204,620	(101,310)	0	0	0	0	(103,310)	
	Corporate Strategic Services Division								
	Maintain								
362	Software and Hardware Maintenance	185,400	0	0	0	0	0	(185,400)	OG
362	Professional and Consulting Services	35,000	0	0	0	0	0	(35,000)	OG
462	CAP Major Systems Projects	50,000	0	0	0	0	0	(50,000)	OG
363	Orthophotography	50,000	0	0	0	0	0	(50,000)	OG
363	Fibre Optics Network	0	41,000	0	0	(41,000)	0	0	OG
	Total Maintain	320,400	41,000	0	0	(41,000)	0	(320,400)	
	Growth								
364	Communication Consultant Position - from 20 to 35 hours	25,310	0	0	0	0	0	(25,310)	OG
	Total Growth	25,310	0	0	0	0	0	(25,310)	
	New								
462	CAP Records and Information Management System	6,630	0	0	0	0	0	(6,630)	OG
364	Strategic Priorities Plan	15,000	0	0	0	0	0	(15,000)	OG
463	CAP Financial Reporting System	12,000	0	0	0	0	0	(12,000)	OG
	Total New	33,630	0	0	0	0	0	(33,630)	

Page	2018 FINANCIAL PLAN	CITY OF KELOWNA							
	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
	Division Priority 1 Total	379,340	41,000	0	0	(41,000)	0	(379,340)	
	Total Priority 1 Operating	9,270,615	2,028,110	0	(190,870)	(3,939,903)	(149,747)	(7,018,205)	

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

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

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

2018 FINANCIAL PLAN
2018 Operating Requests
Provisional Budget
Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
145	Bluebird Outfall Servicing Area Report	20,000	0	0	0	0	0	(20,000)	OT
	Total Maintain	20,000	0	0	0	0	0	(20,000)	
Growth									
145	Transportation Engineering Co-op Student Term Position	30,330	0	0	0	0	0	(30,330)	OT
	Total Growth	30,330	0	0	0	0	0	(30,330)	
New									
146	Transit Marketing - New John Hindle Drive Service	10,000	0	0	0	0	0	(10,000)	OT
	Total New	10,000	0	0	0	0	0	(10,000)	
	Division Priority 2 Total	60,330	0	0	0	0	0	(60,330)	

Community Planning & Strategic Investments Division

Growth									
166	Administrative Clerk Position	46,900	(46,870)	0	0	0	0	(30)	OG
166	Development Technician Position	950	0	0	0	0	0	(950)	OG
	Total Growth	47,850	(46,870)	0	0	0	0	(980)	
	Division Priority 2 Total	47,850	(46,870)	0	0	0	0	(980)	

Active Living & Culture Division

Maintain									
182	# Recreation Clerk Position	0	0	0	0	0	0	0	OG
182	Kelowna Community Theatre - Technician Position	49,780	0	0	0	0	0	(49,780)	OG
	Total Maintain	49,780	0	0	0	0	0	(49,780)	
New									
183	Kelowna Art Gallery Community Engagement Pilot Project	30,000	0	0	0	0	0	(30,000)	OG
	Total New	30,000	0	0	0	0	0	(30,000)	

Page	2018 FINANCIAL PLAN Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA Utility	Taxation	Cat
	Division Priority 2 Total	79,780	0	0	0	0	0	(79,780)	
Civic Operations Division									
Maintain									
214	Crosswalk Maintenance	25,000	0	0	0	0	0	(25,000)	OG
214	Median Rehabilitation	40,000	0	0	0	0	0	(40,000)	OG
215	Playground Surface Replacement	20,000	0	0	0	0	0	(20,000)	OG
	Total Maintain	85,000	0	0	0	0	0	(85,000)	
Growth									
215	Building Technician Position	940	0	0	0	0	0	(940)	OG
216	CCTV Security Monitoring	30,000	0	0	0	0	0	(30,000)	OG
216	Graffiti Removal - Ben Lee Skate Park	20,000	0	0	0	0	0	(20,000)	OG
217	Sport Kelowna Office Renovation	30,000	0	0	0	0	0	(30,000)	OT
	Total Growth	80,940	0	0	0	0	0	(80,940)	
New									
217	Compost Sales Coordinator Term Position	60,220	8,050	0	0	(36,090)	(32,180)	0	OG
	Total New	60,220	8,050	0	0	(36,090)	(32,180)	0	
	Division Priority 2 Total	226,160	8,050	0	0	(36,090)	(32,180)	(165,940)	
Corporate & Protective Services Division									
Growth									
313	2 Senior Bylaw Enforcement Officer Positions	175,760	0	0	0	0	0	(175,760)	OG
313	Bylaw Enforcement Officer Position	79,170	0	0	0	0	0	(79,170)	OG
	Total Growth	254,930	0	0	0	0	0	(254,930)	
New									
463 CAP	Records and Information Management Technician Position	56,250	0	0	0	0	0	(56,250)	OG
	Total New	56,250	0	0	0	0	0	(56,250)	
	Division Priority 2 Total	311,180	0	0	0	0	0	(311,180)	
	Total Priority 2 Operating	725,300	(38,820)	0	0	(36,090)	(32,180)	(618,210)	

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

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

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

2018 Reduction Requests Provisional Budget Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
219	Energy Reduction - Natural Gas	(34,000)	0	0	0	0	0	34,000	OG
219	Queensway Transit Pavilion	(25,000)	0	0	0	0	0	25,000	OG
220	Parks Operating Budget Reduction	(75,370)	0	0	0	0	0	75,370	OT
Department Priority 1 Total		(134,370)	0	0	0	0	0	134,370	
Total Priority 1 Reduction Requests		(134,370)	0	0	0	0	0	134,370	

2018 Reduction Requests Provisional Budget Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
220	Land Application of Biosolids	(80,000)	0	0	0	26,400	53,600	0	OG
Department Priority 2 Total		(80,000)	0	0	0	26,400	53,600	0	
Total Priority 2 Reduction Requests		(80,000)	0	0	0	26,400	53,600	0	

2018 Operating Requests

Provisional Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Maintain								
230	Online Water Quality Monitoring Equipment	15,000	0	0	0	0	(15,000)	OT
230	Ongoing Electrical Equipment Replacement	35,000	0	0	0	0	(35,000)	OG
231	Flood Resilience of Water Sources	50,000	0	0	0	0	(50,000)	OT
231	Water Projects, Designs	20,000	0	0	0	0	(20,000)	OG
232	Cedar Creek Pump Repair	30,000	0	0	0	0	(30,000)	OT
232	Source Water Protection Plan	28,000	0	0	0	0	(28,000)	OT
233	Daon Booster Station Ceiling Repairs	20,000	0	0	0	0	(20,000)	OT
233	Poplar Point Pump Station Rock Slope Stabilization	60,000	0	0	0	0	(60,000)	OT
234	UV Water Treatment System Manufacturer Service Visit	20,000	0	0	0	0	(20,000)	OT
234	Varty Creek Environmental Assessment	20,000	0	0	0	0	(20,000)	OT
	Total Maintain	298,000	0	0	0	0	(298,000)	
Growth								
235	Water Operations Developer Capital Growth	15,200	0	0	0	0	(15,200)	OG
474	CAP Water & Wastewater Collections Operator Position	46,880	0	0	0	0	(46,880)	OG
	Total Growth	62,080	0	0	0	0	(62,080)	
New								
504	CAP Dehart Road Bulkwater Fill Station	14,740	0	0	0	0	(14,740)	OG
474	CAP Pump Operations - Instrument Electrician Term Position	50,520	0	0	0	0	(50,520)	OG
235	Landscape Training Certification	10,000	0	0	0	0	(10,000)	OT
236	Quality Control Proficiency Testing	2,000	0	0	0	0	(2,000)	OG
	Total New	77,260	0	0	0	0	(77,260)	
Growth								
141	* #20 Year Servicing Plan and DCC Bylaw Update	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
	Division Priority 1 Total	437,340	0	0	0	0	(437,340)	

Wastewater

Maintain

249	Ongoing Electrical Equipment Replacement	40,000	0	0	0	0	(40,000)	OG
249	Sanitary Projects, Designs	20,000	0	0	0	0	(20,000)	OG
250	Source Control Field Monitoring Equipment Replacement	4,000	0	0	0	0	(4,000)	OT
250	Wastewater Operations Developer Capital Growth	31,400	0	0	0	0	(31,400)	OG
251	Water Street Lift Station Roof Replacement	10,000	0	0	0	0	(10,000)	OT
251	Composite Sampler - Backup	8,000	0	0	0	0	(8,000)	OT
Total Maintain		113,400	0	0	0	0	(113,400)	

Growth

252	Wastewater Revenues	0	0	0	0	(277,057)	277,057	OG
Total Growth		0	0	0	0	(277,057)	277,057	

New

252	Water Street Lift Station Emergency Pump Bypass	50,000	0	0	0	0	(50,000)	OT
253	Cedar Creek Pump Station Upgrade	25,000	0	0	0	0	(25,000)	OT
253	Summer Co-op Student Position	12,000	0	0	0	0	(12,000)	OG
Total New		87,000	0	0	0	0	(87,000)	

Maintain

198	* #Secondary Odour Mitigation Method	0	0	0	0	0	0	OT
199	* #Emissions Review Study - Commonage	0	0	0	0	0	0	OT
200	* #Excavator Hired Equipment	0	0	0	0	0	0	OG
200	* #Term Labourer Position	0	0	0	0	0	0	OG
Total Maintain		0	0	0	0	0	0	

Growth

140	* #Biosolids Management Plan	0	0	0	0	0	0	OT
141	* #20 Year Servicing Plan and DCC Bylaw Update	0	0	0	0	0	0	OG
474	CAP * Water & Wastewater Collections Operator Position	28,630	0	0	0	0	(28,630)	OG
Total Growth		28,630	0	0	0	0	(28,630)	

New

473	CAP * Pump Operations - Instrument Electrician Term Position	29,080	0	0	0	0	(29,080)	OG
Total New		29,080	0	0	0	0	(29,080)	

Page	2018 FINANCIAL PLAN		Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA	
	Description							Utility	Cat
	Division Priority 1 Total		258,110	0	0	0	(277,057)	18,947	
Airport									
Maintain									
120	Airport Improvement Fee Expenses	(406,599)	406,599	0	0	0	0	0	OG
120	Airport Terminal Expenses	129,357	(129,357)	0	0	0	0	0	OG
	Total Maintain	(277,242)	277,242	0	0	0	0	0	
Growth									
121	Airport Improvement Fee Revenues	0	1,476,670	0	0	(1,476,670)	0	0	OG
121	Airport Project Manager Position	114,650	(114,650)	0	0	0	0	0	OG
122	Airport Operations Technician Position	24,590	(24,590)	0	0	0	0	0	OG
122	Airport Airside Revenues	0	181,060	0	0	(181,060)	0	0	OG
123	Airport Airside Expenses	499,480	(499,480)	0	0	0	0	0	OG
123	Airport Terminal Revenues	0	(1,743,758)	0	0	1,743,758	0	0	OG
124	Airport Groundside Revenues	0	4,220,897	0	0	(4,220,897)	0	0	OG
124	Airport Groundside Expenses	83,358	(83,358)	0	0	0	0	0	OG
125	Airport Finance & Administration - Revenues	0	41,500	0	0	(41,500)	0	0	OG
125	Airport Finance & Administration Expenditures	373,259	(373,259)	0	0	0	0	0	OG
	Total Growth	1,095,337	3,081,032	0	0	(4,176,369)	0	0	
New									
126	Airport Debt	437,844	(437,844)	0	0	0	0	0	OG
126	Airport Operating Reserve	0	0	0	0	0	0	0	OG
	Total New	437,844	(437,844)	0	0	0	0	0	
Growth									
311	* Senior Buyer Position	45,420	(45,420)	0	0	0	0	0	OG
	Total Growth	45,420	(45,420)	0	0	0	0	0	
Division Priority 1 Total		1,301,359	2,875,010	0	0	(4,176,369)	0		
Natural Gas									
Maintain									
296	Lease revenue / Interest costs	0	0	0	0	104,430	(104,430)	0	OG
	Total Maintain	0	0	0	0	104,430	(104,430)	0	
Division Priority 1 Total		0	0	0	0	104,430	(104,430)	0	

Total Priority 1 Operating	1,996,809	2,875,010	0	0	(4,348,996)	(522,823)
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CAP – denotes operating request that has been moved to the capital section.

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

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

2018 Operating Requests

Provisional Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Wastewater								
New								
217	* #Compost Sales Coordinator Term Position	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	
Division Priority 2 Total								
		0	0	0	0	0	0	
Airport								
New								
127	Airport Environmental Manager Position	74,180	(74,180)	0	0	0	0	OG
	Total New	74,180	(74,180)	0	0	0	0	
Division Priority 2 Total								
		74,180	(74,180)	0	0	0	0	
Total Priority 2 Operating								
		74,180	(74,180)	0	0	0	0	

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

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

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

2018 Reduction Requests

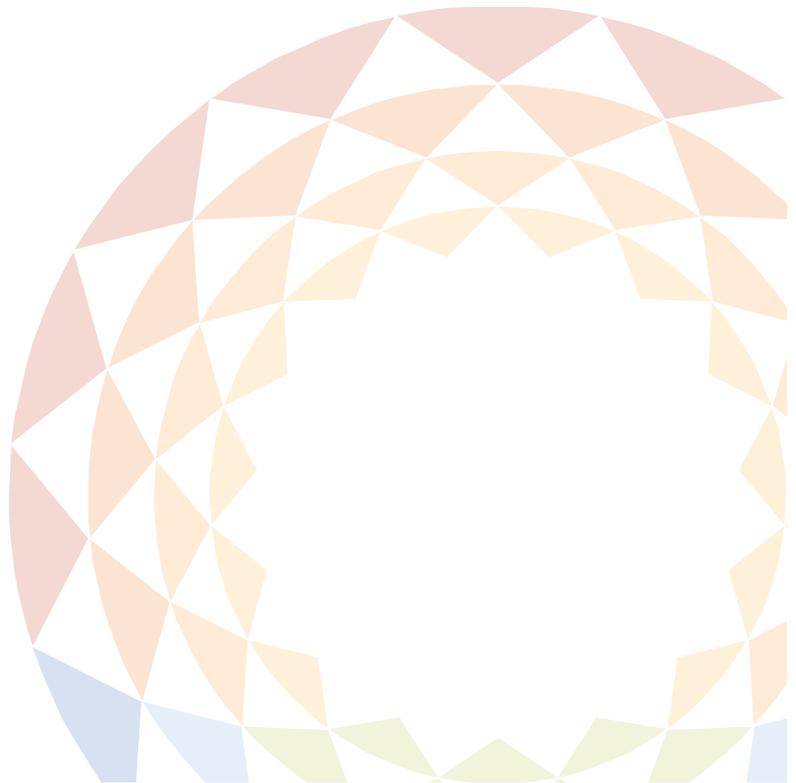
Provisional Budget

Summary - Utility Funds

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
<u>Water</u>								
238	Water Energy Reduction - Electricity	(12,000)	0	0	0	0	12,000	OG
	Division Priority 1 Total	(12,000)	0	0	0	0	12,000	
<u>Wastewater</u>								
255	Wastewater Energy Reduction - Electricity	(17,800)	0	0	0	0	17,800	OG
	Division Priority 1 Total	(17,800)	0	0	0	0	17,800	
	Total Priority 1 Reduction Requests	(29,800)	0	0	0	0	29,800	

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City Administration



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City Administration

A Mayor and eight Councillors govern the City of Kelowna. Every four years, Kelowna citizens elect our Council to represent the city at large. In British Columbia, the Community Charter and the Local Government Act grant Council authority to establish policies that guide the growth, development and operation of the City, set budgets and levy taxes to provide services.

Council’s priorities and the Corporate Framework guide the City Manager, who administers City operations.

Council Priorities

- clean drinking water
- building vibrant urban centres
- ensuring a healthy, safe, active & inclusive community
- delivering a balanced transportation network
- acting as a catalyst for business
- providing strong financial management

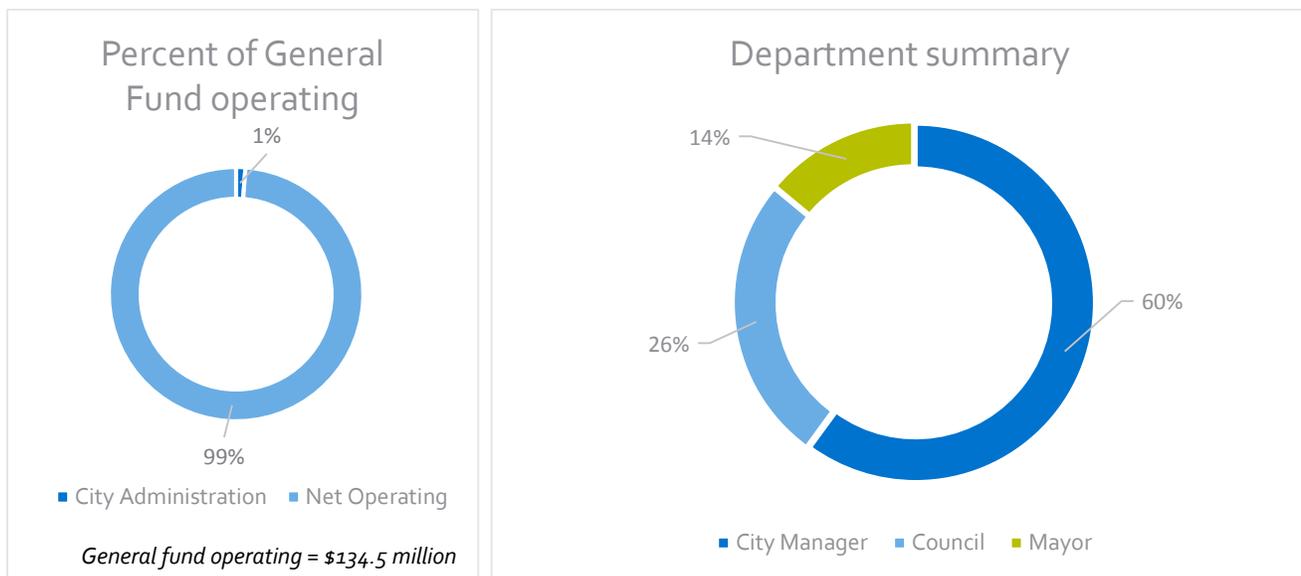
Corporate Framework

- a well-run City
- an active, inclusive city
- a safe city
- a strong economy
- a clean, healthy environment
- resilient, well-managed infrastructure

Seven Divisional Directors and the Deputy City Manager report to the City Manager. City divisions deliver either community or corporate services. Divisional drivers and activities in the 2018 Financial Plan show how Council’s priorities and corporate goals guide the work done at the divisional level.

Community divisions deliver civic services based on a plan, build and operate model, while corporate divisions provide a variety of services to support the operation of the City of Kelowna as an efficient organization and employer.

City Administration budget overview



Net Divisional expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Mayor & Council					
103 Council	379,703	400,376	410,525		
104 Mayor	214,314	217,749	220,935		
	594,017	618,125	631,460	13,335	2.2%
City Manager					
100 City Manager	927,123	946,347	948,962		
	927,123	946,347	948,962	2,615	0.3%
Net operating expenditures	1,521,140	1,564,472	1,580,422	15,950	1.0%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	1,521,140	1,564,472	1,580,422	15,950	1.0%

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

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(370)	(4,274)	(4,274)
Other Revenue	(1,945,422)	(1,779,310)	(2,918,130)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(42,552)	(150,020)	0
Total Revenue	(1,988,344)	(1,933,604)	(2,922,404)
Expenditures			
Salaries and Wages	863,789	866,278	877,191
Internal Equipment	6,988	13,917	13,917
Material and Other	2,219,277	2,136,101	3,265,288
Contract Services	344,430	346,430	346,430
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	75,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	135,350	0
Total Expenditures	3,509,484	3,498,076	4,502,826
Net Operating Expenditures	1,521,140	1,564,472	1,580,422
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	1,521,140	1,564,472	1,580,422

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	12.0	12.1	12.0	12.0
Hourly	0.1	0.1	0.1	0.2

Description of Operating program changes

		Total	FTE
2017 revised budget		1,564,472	12.1
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	-		
Salary adjustments	8,798		
Other adjustments	3,752		0.1
Departmental adjustments	3,400	15,950	
		<u>1,580,422</u>	12.2
2018 program additions			
2018 operating requests	-		
2018 expenditure reductions	-		
2018 provisional		<u>1,580,422</u>	<u>12.2</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

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. YLW's total economic impact is 4,545 jobs and \$789 million in total economic output to the province of British Columbia. Serving 1.7 million passengers in 2016, YLW offers more than 60 daily non-stop commercial flights with Air Canada, Air North - Yukon's Airline, Alaska Airlines, Central Mountain Air, Flair Airlines, Pacific Coastal Airlines and WestJet to Calgary, Cranbrook, Edmonton, Prince George, Seattle, Toronto, Vancouver, Victoria and Whitehorse, plus seasonal service to Cabo San Lucas, Cancun, Phoenix, Puerto Vallarta, Winnipeg and Varadero.

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



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

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

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

2018 Departmental drivers & activities

Drivers

- Provide a safe, secure, functional and comfortable facility
- Increase YLW's role as a catalyst for economic development across the Okanagan Valley
- Provide excellence in customer experience
- Enhance and develop new marketing and communications initiatives
- Seek new markets to deliver a wide range of customer services to

Activities

A well-run City

- Commencement of an Operating Reserve to provide YLW with additional comfort with regards to cash flow during unexpected downturns in the economy or industry, or natural disasters.
- Additional \$130K paid by the Airport to the City of Kelowna for administration and municipal services.
- Implementation of a YLW Strategic Plan, including a Balanced Scorecard, that is aligned with the Kelowna International Airport Master Plan 2045.

An active, inclusive city

- Working in partnership with the Canucks Autism Network to provide a more inclusive airport environment for families living with autism.

A safe city

- Relocation and replacement of instrument landing system and runway approach lighting at YLW.
- Completion of creek maintenance for both Mill Creek and Scotty Creek to help mitigate future flooding.
- Replacement of the Airport hazard beacons and towers.
- Addition of an Airport Operations Technician to YLW's team.

A strong economy

- Continue to develop and retain air service.
- Leasing and development of the five YLW West Lands groundside lots.
- Implementation of a new concession in the concourse of the air terminal building.
- Upgrade of existing kitchen at YLW to improve efficiency.
- Implementation of infrastructure to provide shared-ride services with the opportunity to operate at YLW.

A clean, healthy environment

- Addition of an Airport Environmental Manager to YLW's team.
- Implementation of an Environmental Management System at YLW.
- Obtaining Level 1 Airport Carbon Accreditation.
- Commencement of primary capture of aircraft de-icing fluid (glycol) during winter operations.
- Implementation of two electric vehicle charging stations in YLW's parking lots.

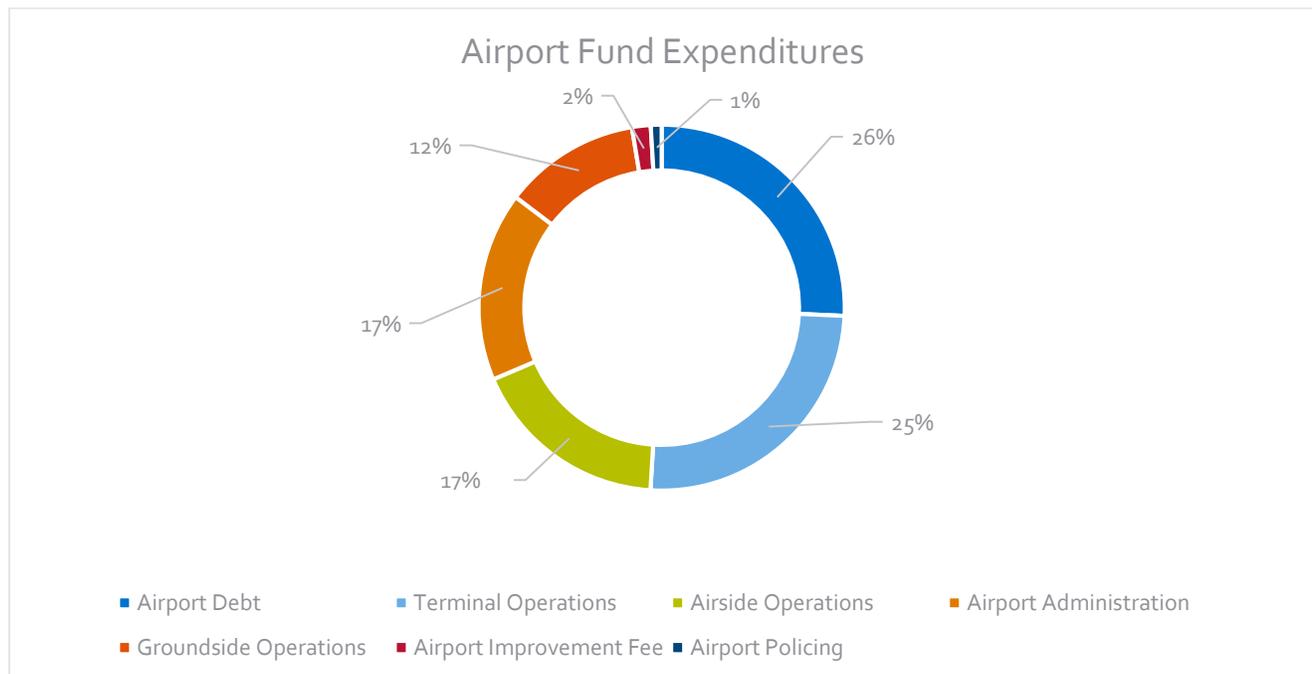
Resilient, well-managed infrastructure

- Participation in and partial funding of the Gateway 2 Study
- Review and update of YLW's 10-year Capital Plan.
- Completion of development of YLW's new Airport Improvement Fee (AIF) Program, including scope definition, conceptual design, phasing plan and cost estimates.
- Widening of Airport Way and at-grade intersection upgrades to provide improved traffic accessibility onto Highway 97 to minimize current traffic flow issues.
- Upgrade of YLW's WiFi system to current technologies in order to satisfy customer needs.
- Replacement of parking lot equipment as the equipment is reaching the end of its useful life.
- Mechanical refurbishment of bridges at YLW to maximize the bridges' life expectancies.
- Completion of phase two of six of the roof replacement program for the air terminal building.
- Replacement of YLW's paging system, as the system was reaching the end of its useful life.
- Preliminary design of a future quick turn around facility for the vehicle rental companies.
- Modifications to the older areas of the terminal building as well as updates to mechanical equipment to ensure proper maintenance of infrastructure.

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Financial audits or studies	1	1	1
Program outcomes			
Safety management system audit	1	1	1
Terminal and airside safety audits	4	4	4
Security audits	4	4	4
Key control audits	2	2	2
Airport policing contract audits	1	2	2
After hours operational audits	5	10	10
Tenant leasehold audits	20	20	20
License/concession inspections	40	70	70
Meet long-term passenger activity forecast to 2025: High – 2.9M, Medium – 2.4M, Low – 1.8M	Medium	Medium	Medium
Efficiency measures			
Airplane enplaned cost per passenger (less than \$8.00 is considered exceptional in the industry)	\$8.02	\$8.00	\$7.83
Customer satisfaction			
Airport service quality benchmark rating (out of a total score of 5.0)	4.32	4.25	4.50
Innovation & learning			
Semi-annual staff meetings	2	2	2
Management meetings	11	11	10
Finance and Corporate Services team meetings	12	12	12
Airport Operations team meetings	20	24	24
Airport Operations employee/manager one-on-one meetings	12	12	12
Airport operations regulatory training	100%	100%	100%
Airport operations discretionary training	80%	80%	80%

Airport budget overview



Net Department expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Airport					
106 Airport Finance & Corporate Services	2,883,180	2,741,275	4,089,028		
230 Airside	(1,021,317)	(974,377)	(1,132,980)		
231 Groundside	(1,021,326)	(974,370)	(1,572,381)		
232 Terminal	(1,021,327)	(974,374)	(1,572,384)		
233 Airport Improvement Fees	0	0	1		
234 Airport Policing	180,790	181,846	188,716		
Net operating expenditures	0	0	0	0	0.0%
Capital cost centres:					
312 Airport Capital	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	0	0	0	0	0.0%

City Administration
Airport - Airport Fund
Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(29,164,861)	(28,630,450)	(32,806,819)
Other Revenue	(370,228)	(273,500)	(273,500)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(3,615,634)	(5,295,723)	(7,373,030)
Total Revenue	(33,150,723)	(34,199,673)	(40,453,349)
Expenditures			
Salaries and Wages	4,309,910	4,404,274	4,717,737
Internal Equipment	54,048	29,140	36,490
Material and Other	7,986,643	7,789,883	8,320,309
Contract Services	41,851	128,080	136,880
Debt Interest	1,029,147	1,216,250	956,250
Debt Principal	1,971,965	3,431,999	4,129,843
Internal Allocations	1,431,632	1,475,011	1,618,665
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	16,325,527	15,725,036	20,537,175
Total Expenditures	33,150,723	34,199,673	40,453,349
Net Operating Expenditures	0	0	0
Capital Expenditures			
Gross Expenditures	30,538,276	42,039,720	7,915,000
Other Funding Sources	(30,538,276)	(42,039,720)	(7,915,000)
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	0	0	0

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	40.0	41.1	40.0	41.7
Hourly	3.8	5.3	3.8	3.8

Comparison of 2017 and 2018 operating revenues and expenditures

	2017 Revised Budget	Variance	2018 Provisional
Revenues			
Airport administration	59,000	41,500	100,500
Airport - airside operation	4,492,420	181,060	4,673,480
Airport - groundside operation	5,796,690	4,220,896	10,017,586
Airport - terminal operation	6,672,010	(104,295)	4,928,252
Appropriation from reserve	140,500	-	1,779,963
	17,160,620	4,339,161	21,499,781
Expenditures			
Airport administration	2,800,275	510,437	3,310,712
Airport - airside operation	2,950,512	531,427	3,481,939
Airport - groundside operation	2,271,684	115,235	2,386,919
Airport - terminal operation	4,834,097	161,234	4,995,331
Airport policing	181,846	6,870	188,716
Contribution to reserve	4,122,206	3,013,958	7,136,164
	17,160,620	4,339,161	21,499,781
Net operating	-	-	-
Airport Improvement Fee (AIF) & Debt			
Revenues			
Airport improvement fee	11,743,330	1,476,670	13,220,000
Appropriation from reserve	5,295,723	437,845	5,733,568
	17,039,053	1,914,515	18,953,568
Expenditures			
Airport improvement fee	647,474	(321,510)	325,964
Airport debt	4,648,249	437,844	5,086,093
Contribution to reserve	11,743,330	1,798,181	13,541,511
	17,039,053	1,914,515	18,953,568
Net AIF & debt	-	-	-
Net overall	-	-	-
Capital Expenditures			
Transfer to general capital fund			
From general utility fund	42,039,720	(34,124,720)	7,915,000
Surplus/(Deficit)			
Projected accumulated surplus	596,279		596,279

Description of Operating program changes

		Total	FTE
2017 revised budget		-	43.8
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	(300)		
Salary adjustments	-		
Other adjustments	300		
Departmental adjustments	-	-	43.8
		-	
2018 program additions			
2018 operating requests	-		1.7
2018 expenditure reductions	-		
2018 provisional		-	45.5
Unfunded 2018 requests			
2018 operating requests	-		0.8
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		0	0.8

2018 Operating Requests

Provisional Budget

Summary - Airport Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Airport								
Maintain								
120	Airport Improvement Fee Expenses	(406,599)	406,599	0	0	0	0	OG
120	Airport Terminal Expenses	129,357	(129,357)	0	0	0	0	OG
	Total Maintain	(277,242)	277,242	0	0	0	0	
Growth								
121	Airport Improvement Fee Revenues	0	1,476,670	0	0	(1,476,670)	0	OG
121	Airport Project Manager Position	114,650	(114,650)	0	0	0	0	OG
122	Airport Operations Technician Position	24,590	(24,590)	0	0	0	0	OG
122	Airport Airside Revenues	0	181,060	0	0	(181,060)	0	OG
123	Airport Airside Expenses	499,480	(499,480)	0	0	0	0	OG
123	Airport Terminal Revenues	0	(1,743,758)	0	0	1,743,758	0	OG
124	Airport Groundside Revenues	0	4,220,897	0	0	(4,220,897)	0	OG
124	Airport Groundside Expenses	83,358	(83,358)	0	0	0	0	OG
125	Airport Finance & Administration - Revenues	0	41,500	0	0	(41,500)	0	OG
125	Airport Finance & Administration Expenditures	373,259	(373,259)	0	0	0	0	OG
	Total Growth	1,095,337	3,081,032	0	0	(4,176,369)	0	
New								
126	Airport Debt	437,844	(437,844)	0	0	0	0	OG
126	Airport Operating Reserve	0	0	0	0	0	0	OG
	Total New	437,844	(437,844)	0	0	0	0	
Growth								
311	* <i>Senior Buyer Position</i>	45,420	(45,420)	0	0	0	0	OG
	Total Growth	45,420	(45,420)	0	0	0	0	
Division Priority 1 Total		1,301,359	2,875,010	0	0	(4,176,369)	0	
Total Priority 1 Operating		1,301,359	2,875,010	0	0	(4,176,369)	0	

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

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

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

2018 Operating Requests

Provisional Budget

Summary - Airport Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Airport								
New								
127	Airport Environmental Manager Position	74,180	(74,180)	0	0	0	0	OG
	Total New	74,180	(74,180)	0	0	0	0	
	Division Priority 2 Total	74,180	(74,180)	0	0	0	0	
	Total Priority 2 Operating	74,180	(74,180)	0	0	0	0	

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

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

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

2018 Operating Request Details

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

Justification:

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

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	(406,599)	406,599	0	0	0	0	0
2019	(406,599)	406,599	0	0	0	0	0
2020	(406,599)	406,599	0	0	0	0	0

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

Justification:

The increase in budgeted Airport Terminal expenses is mainly due to increases in salaries, wages, software maintenance, and telephone fees which are partially offset by decreases in facility maintenance charges and professional and consulting fees. The increase in salaries and wages is mainly due to a reallocation of costs among the Airport's cost centers based on work being completed. The increase in software maintenance expenditures is due to the increasing complexity of systems implemented at the Airport. The increase in telephone fees is due to the reallocation of fees from software maintenance. The decrease in facility maintenance charges is due to maintenance fees for the Outbound Baggage Hall being lower than anticipated in 2017.

This request is funded from the Airport Terminal Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	129,357	(129,357)	0	0	0	0	0
2019	129,357	(129,357)	0	0	0	0	0
2020	129,357	(129,357)	0	0	0	0	0

2018 Operating Request Details

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

Justification:

The increase in budgeted Airport Improvement Fee revenues is due to a 1.8% anticipated growth in passengers between 2017 and 2018.

Revenues are contributed to the Airport Improvement Fee Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	1,476,670	0	0	0	(1,476,670)	0
2019	0	1,476,670	0	0	0	(1,476,670)	0
2020	0	1,476,670	0	0	0	(1,476,670)	0

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

Justification:

This request is to change the existing term Airport Project Manager position into a permanent Airport Project Manager position. The term Airport Project Manager position was created to help manage the increasing workload at the Airport due to significant growth in operations and infrastructure development. The permanent Airport Project Manager position would continue to support the Airport's long-term capital programs.

This position will be funded from the Airport Airside, Groundside, Terminal and Airport Improvement Fee reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	114,650	(114,650)	0	0	0	0	0
2019	114,650	(114,650)	0	0	0	0	0
2020	114,650	(114,650)	0	0	0	0	0

2018 Operating Request Details

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

Justification:

The Airport's operations and facilities have grown significantly in the last five years, which has continued to put pressure on the Airport Operations Staff/Firefighting (AOS/FF) program for winter operations, summer airside maintenance, and customer service. Historically, the Airport has managed through the use of winter and summer casual positions but there is difficulty finding individuals with airport experience and security clearances already in place; which results in significant resources used for training and escorting. This request is for a permanent Airport Operations Technician (AOT) to increase the focus on winter operations, summer airside maintenance and customer service. The implementation of an AOT position would also allow for the AOS/FF teams to train as a complete unit and increase the experienced resources at the Airport. This position would be funded equally from the Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	24,590	(24,590)	0	0	0	0	0
2019	73,200	(73,200)	0	0	0	0	0
2020	73,200	(73,200)	0	0	0	0	0

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

Justification:

The increase in budgeted Airport Airside revenues is mainly due to an increase in landing fees. The increase in landing fees is mainly due to an increase in air service combined with a 1.5% rate increase effective January 1, 2018.

Revenues are contributed to the Airport Airside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	181,060	0	0	0	(181,060)	0
2019	0	181,060	0	0	0	(181,060)	0
2020	0	181,060	0	0	0	(181,060)	0

2018 Operating Request Details

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

Justification:

The increase in budgeted Airport Airside expenses is mainly due to increases in salaries and wages, professional and consulting fees, purchased services and chemicals, which were partially offset by a decrease in operating materials and supplies. The increase in salaries and wages was mainly due to a reallocation of costs amongst the Airport's cost centers. The increases in chemicals and decrease in operating materials and supplies were due to a reallocation from one account to the other.

This request is funded from the Airport Airside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	499,480	(499,480)	0	0	0	0	0
2019	499,480	(499,480)	0	0	0	0	0
2020	499,480	(499,480)	0	0	0	0	0

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

Justification:

The decrease in budgeted Airport Terminal revenues is mainly due to a decrease in car rental concession revenues, which was partially offset by an increase in terminal fees. The decrease in car rental concession revenues is due to the reallocation of these revenues from the Terminal Reserve to the Groundside Reserve as the nature of these revenues is more aligned with Groundside. The increase in Terminal Fees is from increased air service, combined with a 1.5% rate increase effective January 1, 2018.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	(1,743,758)	0	0	0	1,743,758	0
2019	0	(1,743,758)	0	0	0	1,743,758	0
2020	0	(1,743,758)	0	0	0	1,743,758	0

2018 Operating Request Details

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

Justification:

The increase in budgeted Airport Groundside revenues is mainly due to increases in car rental concession and parking revenues. The increase in car rental concession revenues is due to the reallocation of these revenues from the Terminal Reserve to the Groundside Reserve as the nature of the revenues is more aligned with Groundside, and an increase in car rental concession revenues due to the commencement of new contracts. The increase in parking revenues is directly related to the increase in passenger numbers at YLW.

Revenues are contributed to the Airport Groundside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	4,220,897	0	0	0	(4,220,897)	0
2019	0	4,220,897	0	0	0	(4,220,897)	0
2020	0	4,220,897	0	0	0	(4,220,897)	0

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

Justification:

The increase in budgeted Airport Groundside expenses is mainly due to increases in salaries and wages, professional and consulting fees, facility maintenance and security expenses, which were partially offset by a decrease in internal allocations. The increase in salaries and wages was mainly due to a reallocation of costs amongst the Airport's cost centers based on where the work is being completed.

This request is funded from the Airport Groundside Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	83,358	(83,358)	0	0	0	0	0
2019	83,358	(83,358)	0	0	0	0	0
2020	83,358	(83,358)	0	0	0	0	0

2018 Operating Request Details

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

Justification:

Airport Finance and Administration budgeted revenues have increased mainly due to increases in both recovery revenues and fuel recovery revenues. The increase in fuel recovery revenues is due to an increase in volume consumed as well as an increase in the price of fuel.

This request will be contributed equally to the Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	41,500	0	0	0	(41,500)	0
2019	0	41,500	0	0	0	(41,500)	0
2020	0	41,500	0	0	0	(41,500)	0

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

Justification:

Airport finance and administration budgeted expenditures have increased mainly due to increases in salaries and wages, marketing and media expenditures, publication expenditures and advertising expenditures, which were partially offset by a decrease in professional and consulting services. The increase in salaries and wages was mainly due to a reallocation of costs amongst the cost centers based on where the work is being completed.

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

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	373,259	(373,259)	0	0	0	0	0
2019	373,259	(373,259)	0	0	0	0	0
2020	373,259	(373,259)	0	0	0	0	0

2018 Operating Request Details

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

Justification:

To increase budget to reflect actual principal and interest associated with the Spring 2017 borrowing of \$8 million and to reduce the budget to reflect that only one interest payment will remain for the Spring 2008 borrowing of \$16 million.

This request is funded from the Airport Improvement Fee Reserve.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	437,844	(437,844)	0	0	0	0	0
2019	437,844	(437,844)	0	0	0	0	0
2020	437,844	(437,844)	0	0	0	0	0

Division:	City Manager	Priority: 1	New
Department:	Airport		ON-GOING
Title:	Airport Operating Reserve		PROVISIONAL

Justification:

The Airport Operating Reserve has been created as a part of the 2018 budget to provide the Airport with added comfort with regards to cash flow. This reserve will be funded from the Groundside and Terminal reserves and will be built up over ten years to equal six months' worth of operating cash outflows. This reserve would only be drawn down on in the event that the Airport is experiencing cash flow difficulties due to unusual circumstances such as a significant and unexpected downturn in the economy or industry, or a natural disaster.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0

2018 Operating Request Details

Division:	City Manager	Priority: 2	New
Department:	Airport		ON-GOING
Title:	Airport Environmental Manager Position		PROVISIONAL

Justification:

The request is for an Airport Environmental Manager that would be accountable for compliance with Federal and Provincial Regulations, influencing regulatory change, implementation of and adherence to the Airport's Environmental Management System and Environmental Management Plan, and ongoing management and oversight of the Airport's day-to-day operational plan, policies and procedures to ensure regulatory and business compliance is maintained in an operationally safe, secure and efficient manner. The Airport Environmental Manager would also provide recommendations as the Airport moves towards environmental based accreditations.

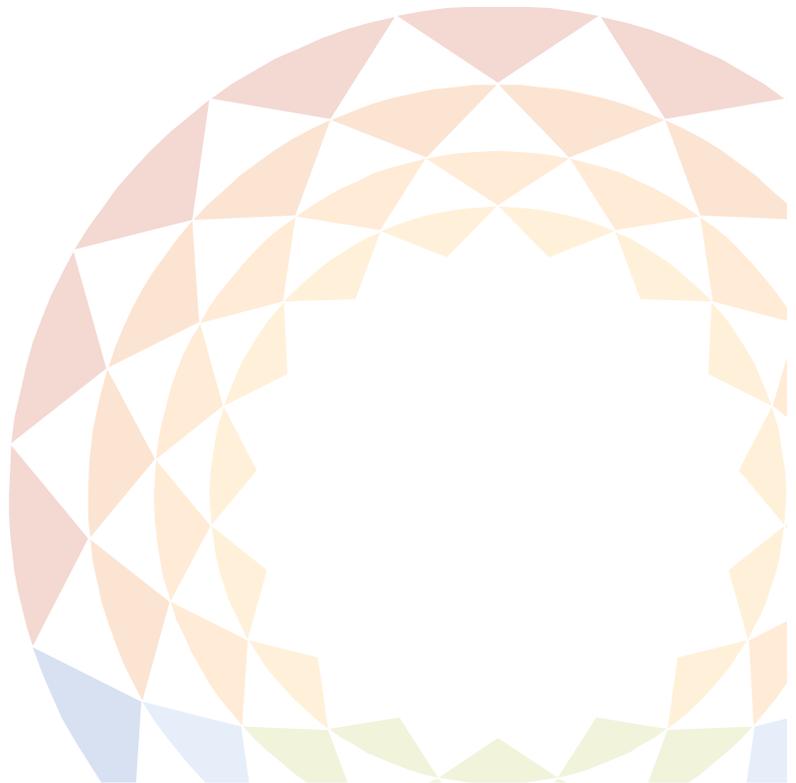
This request will be funded equally by the Airside, Groundside and Terminal Reserves, starting in 2018 at \$74,180 and increasing to \$97,690 thereafter.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	74,180	(74,180)	0	0	0	0	0
2019	97,690	(97,690)	0	0	0	0	0
2020	97,690	(97,690)	0	0	0	0	0

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Infrastructure



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Infrastructure

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



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

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

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

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

2018 Divisional drivers & activities

Drivers

- Plan for future infrastructure needs and develop strategies for implementation
- Coordinate capital financial plans, budgets and funding sources
- Engage the community and stakeholders in project development and delivery
- Deliver value laden, quality infrastructure that meet the community need
- Foster and maintain regional partnerships
- Focus on value for project and program delivery
- Build awareness, support and utilization of practices and programs through social marketing and communications
- Evidence-based and transparent decision making
- Monitoring performance through data gathering and analytics

Activities

A well-run City

- Provide a balance of infrastructure to support and meet the demands of current and new development in support of the Official Community Plan
- Update Parks Master Plan
- Update the Transportation Master Plan
- Update Water Master Plan
- Assist residents of several areas to assess the cost and feasibility of providing City water and sanitary service to these residents through a local area service (LAS) process.
- Amend the Glenmore Landfill fill plan to add an additional 25 years of capacity, extending the life of the landfill to 2090.
- Support the strategic growth program consisting in aligning the Official Community Plan, the 20-Year Servicing Plan, the Transportation Master Plan and key components of the Subdivision, Development and Servicing Bylaw
- Support the result-based accountability framework
- Analyze the infrastructure, financial and quality of life impacts of different growth scenarios

An active, inclusive city

- Develop Phase 1 of the Bellevue Linear Park linking Lakeshore Road to Gordon Drive, and providing a safe walk to school route for the various schools in the area.
- Continue to provide information to the public on alternative and healthy choices of transportation through the SmartTrips website and through sustainable transportation programs
- Develop a communications and engagement strategy for the Biosolids Management Plan
- Prepare the schematic design for a future renovation of the Island Stage within the Waterfront Park to facilitate greater diversity of events
- Design and construction of the 4th Phase of the Ethel Street multi-use corridor from Sutherland Avenue to Springfield Road
- Develop the tools to prioritize inclusive and welcoming public spaces and community amenities

A safe city

- Reconfigure the existing parking area and create a drop-off area at Boyce-Gyro Park
- Complete the pre-design of the detention area along Gopher Creek to mitigate flood potential
- Build awareness and increase safety of active transportation choices through the Bike to Work/School Week event and through bike safety programs at the elementary school level

A strong economy

- Develop the Art Walk Extension design, incorporating the Kelowna Theatre study and partial disposition of the Royal Canadian Mounted Police (RCMP) site

- conceptDevelop the Regional Strategic Transportation Plan in collaboration with local governments of the Central Okanagan

A clean, healthy environment

- Commence design and construction of the Phase 1 Water Integration Project, which will incorporate South East Kelowna Irrigation District (SEKID) and South Okanagan Mission Irrigation District (SOMID) into the City water system
- Reduce regional air pollution through continued participation in partnership programs such as the woodstove exchange and agricultural chipping
- Upgrade and replace water, wastewater and drainage infrastructure within Kelowna's water utility boundary

Resilient, well-managed infrastructure

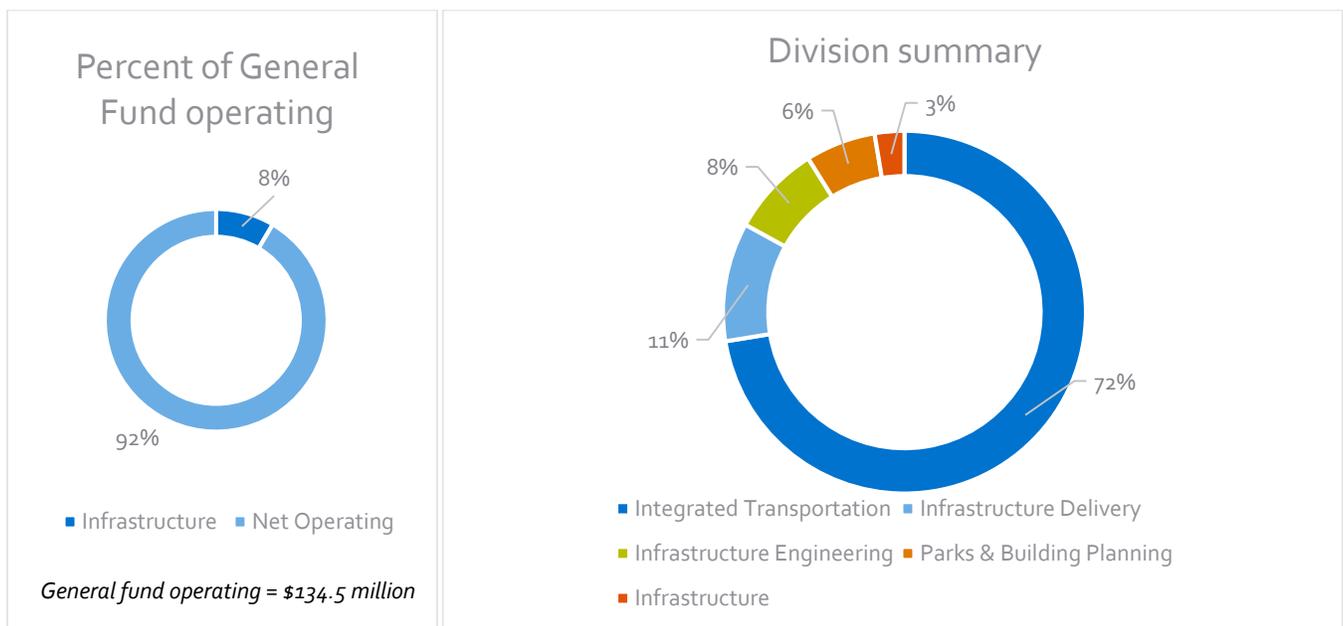
- Implement an asset management system to support the Corporate Asset Management Program
- Convert 10,000 street lights to LED technology to reduce utility and maintenance costs for street lighting
- Update the City of Kelowna Water Master Plan
- Complete improvements to the Transit Operations Center to meet the growing needs of the regional transit service.
- Liaise with Ministry of Transportation and Infrastructure (MoTI) to complete construction of John Hindle Drive

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Total Lane Kms of Roads Resurfaced	46.4	36	38
Total Meters of Water Main Pipe Replaced	3,062	1,351	2,345
Total Meters of Sanitary Sewer Main Pipe Replaced	1,354	1,235	2,739
Number of Participants in Bike to Work/School Week	5,192	5,376	5,500
Number of Students participating in Bicycle Education Programs	2,378	1,787	1,850
Air Quality-Number of Woodstoves Exchanged for High-Efficiency Stoves	18	43	30
Air Quality-Number of Cubic Meters of Orchard Woodwaste Chipped	8,117	6,062	6,600
Program outcomes			
Total Value of Capital Construction Projects			
• Civic Buildings	\$45.3M	\$12.8M	\$4.0M
• Parks & Public Spaces	\$2.4M	\$2.2M	\$12.2M
• Transportation	\$13.2M	\$9.5M	\$17.4M
• Solid Waste	\$872K	\$911K	\$3.9M
• Storm Drainage	\$347K	\$128K	\$1.2M
• Water	\$870K	\$1.5M	\$21.1M
• Wastewater	\$1.7M	\$780K	\$6.5M

Total Corporate Green House Gas (GHG) Emissions (CO ₂) Reduction (tonnes)	7,748	7,670	7,593
Efficiency measures			
Service Request Average Response Time by Type (in calendar days)			
• Bus Stops	9	26	21
• Construction	219	58	166
• Drainage	121	31	91
• Air Quality	1	2	1
• Dog Parks	3	32	21
• Bike Lanes	14	56	42
• Future Road Plans	35	34	41
Customer satisfaction			
Transit Ridership	4,840,000	4,993,444	5,043,378
Transit Hours of Service	185,000	190,392	190,392

Infrastructure budget overview



Net Divisional expenditures

Departments		Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:						
Infrastructure						
220	Infrastructure	538,043	301,231	301,231		
		538,043	301,231	301,231	0	0.0%
Infrastructure Engineering						
176	Infrastructure Administration	386,413	421,551	413,851		
221	Solid Waste Management	4,898	8,179	8,179		
223	Infrastructure Engineering	84,552	94,941	147,741		
245	Utility Planning	109,285	178,287	353,287		
*246	Utility Planning - Wastewater	0	0	0		
*247	Utility Planning - Water	0	0	0		
		585,148	702,958	923,058	220,100	31.3%
Parks & Buildings Planning						
173	Parks & Buildings Planning	597,846	531,339	712,889		
		597,846	531,339	712,889	181,550	34.2%
Infrastructure Delivery						
188	Roadways Construction	279,990	277,459	271,359		
214	Infrastructure Delivery	836,934	804,365	804,365		
215	Utilities Construction	143,685	130,939	130,939		
*236	Wastewater Construction	0	0	0		
*237	Water Construction	0	0	0		
	Infrastructure Delivery -					
*263	Wastewater	0	0	0		
*264	Infrastructure Delivery - Water	0	0	0		
		1,260,609	1,212,763	1,206,663	(6,100)	(0.5%)
Integrated Transportation						
185	Integrated Transportation	342,033	336,444	404,234		
192	Transportation Engineering	446,859	745,017	752,017		
193	Transit and Programs	144,122	132,139	132,139		
224	Strategic Transportation Planning	52,698	106,415	106,415		
257	Kelowna Regional Transit	6,452,183	6,583,312	6,863,167		
		7,437,895	7,903,327	8,257,972	354,645	4.5%
Net operating expenditures		10,419,541	10,651,618	11,401,813	750,195	7.0%
Capital cost centres:						
		0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Division net expenditures		10,419,541	10,651,618	11,401,813	750,195	7.0%

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

Infrastructure - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(6,411,564)	(6,611,387)	(6,822,887)
Other Revenue	(9,427,929)	(11,554,029)	(11,198,379)
Transfers from Funds			
Special (Stat Reserve) Funds	(13,850)	(40,710)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(103,328)	(969,820)	(306,490)
Total Revenue	(15,956,671)	(19,175,946)	(18,327,756)
Expenditures			
Salaries and Wages	3,108,558	3,242,862	3,266,112
Internal Equipment	164,138	161,485	161,685
Material and Other	1,502,087	3,794,103	3,210,013
Contract Services	19,230,440	22,091,626	22,539,151
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	345,670	351,108	360,708
Transfers to Funds			
Special (Stat Reserve) Funds	24,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	2,001,319	186,380	191,900
Total Expenditures	26,376,212	29,827,564	29,729,569
Net Operating Expenditures	10,419,541	10,651,618	11,401,813
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	10,419,541	10,651,618	11,401,813

Authorized FTE Positions	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Salaried	24.8	25.0	27.5	27.8
Hourly	3.1	5.1	3.1	3.1

Description of Operating program

		Total	FTE
2017 revised budget		10,651,618	30.6
2018 net impacts			
One-time operating requests	(98,500)		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	(2,400)		0.3
Salary adjustments	-		
Other adjustments	2,000		
Departmental adjustments	2,150	(96,750)	
		<u>10,554,868</u>	<u>30.9</u>
2018 program additions			
2018 operating requests	846,945		0.0
2018 expenditure reductions	-	846,945	
2018 provisional		<u>11,401,813</u>	<u>30.9</u>
Unfunded 2018 requests			
2018 operating requests	60,330		0.5
2018 expenditure reductions	-	60,330	
Total unfunded requests for 2018		<u>60,330</u>	<u>0.5</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
140	Concrete Sales Revenue	0	0	0	0	(7,000)	0	7,000	OG
	Total Maintain	0	0	0	0	(7,000)	0	7,000	
Growth									
140	Biosolids Management Plan	300,000	0	0	0	(300,000)	0	0	OT
141	Transit Base Operating Costs	529,705	0	0	(90,870)	(158,980)	0	(279,855)	OG
141	20 Year Servicing Plan and DCC Bylaw Update	250,000	(176,200)	0	0	0	(21,000)	(52,800)	OG
142	2018 Household Travel Survey	189,600	(36,000)	0	0	(103,510)	0	(50,090)	OT
142	Canadian Urban Transit Association Membership Fees Increase	2,200	0	0	0	0	0	(2,200)	OG
	Total Growth	1,271,505	(212,200)	0	(90,870)	(562,490)	(21,000)	(384,945)	
New									
143	Avocet Wetland Restoration	150,000	0	0	0	(150,000)	0	0	OT
143	Parkinson Recreation Centre - Joint Education, Health and Wellness Facility	200,000	0	0	0	0	0	(200,000)	OT
144	Major System Flood Risk Assessment	250,000	0	0	0	0	0	(250,000)	OT
144	Summer Streets Kelowna (Pilot)	19,000	0	0	0	0	0	(19,000)	OT
	Total New	619,000	0	0	0	(150,000)	0	(469,000)	
	Division Priority 1 Total	1,890,505	(212,200)	0	(90,870)	(719,490)	(21,000)	(846,945)	
	Total Priority 1 Operating	1,890,505	(212,200)	0	(90,870)	(719,490)	(21,000)	(846,945)	

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

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

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

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Infrastructure Division									
Maintain									
145	Bluebird Outfall Servicing Area Report	20,000	0	0	0	0	0	(20,000)	OT
	Total Maintain	20,000	0	0	0	0	0	(20,000)	
Growth									
145	Transportation Engineering Co-op Student Term Position	30,330	0	0	0	0	0	(30,330)	OT
	Total Growth	30,330	0	0	0	0	0	(30,330)	
New									
146	Transit Marketing - New John Hindle Drive Service	10,000	0	0	0	0	0	(10,000)	OT
	Total New	10,000	0	0	0	0	0	(10,000)	
	Division Priority 2 Total	60,330	0	0	0	0	0	(60,330)	
	Total Priority 2 Operating	60,330	0	0	0	0	0	(60,330)	

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

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

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

2018 Operating Request Details

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Delivery		ON-GOING
Title:	Concrete Sales Revenue		PROVISIONAL

Justification:

The Roadways Construction Department produces a variety of precast concrete products used by different City departments on various projects throughout the year. This request is to more accurately reflect estimated sales going forward.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(7,000)	0	7,000
2019	0	0	0	0	0	(7,000)	0	7,000
2020	0	0	0	0	0	(7,000)	0	7,000

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Engineering		ONE-TIME
Title:	Biosolids Management Plan		PROVISIONAL

Justification:

The Regional Biosolids Compost Facility (RBCF) receives biosolids from Kelowna, Vernon and Lake Country and converts biosolids from wastewater treatment to a safe and highly-effective soil conditioner, known as OgoGrow. The RBCF has been in operation for 10-years and is nearing capacity. In addition, the RBCF produces more OgoGrow than can distribute resulting in a surplus each year. There is an equivalent of one year's supply of surplus OgoGrow stockpiled at the Composting Facility currently.

The Biosolids Management Plan will continue on previous work to look at treatment technology and new markets to bring the supply and demand of OgoGrow into balance.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	300,000	0	0	0	0	(300,000)	0	0

2018 Operating Request Details

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

Justification:

This request is to reflect increased costs in the transit operation including transit management/labor, fuel, maintenance and lease fees, and expansion.

For Conventional Transit the increase is \$228,495 and for Custom Transit the increase is \$51,360.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	529,705	0	0	(90,870)	0	(158,980)	0	(279,855)
2019	529,705	0	0	(90,870)	0	(158,980)	0	(279,855)
2020	529,707	0	0	(90,870)	0	(158,980)	0	(279,857)

Division:	Infrastructure	Priority: 1	Growth
Department:	Infrastructure Engineering		ON-GOING
Title:	20 Year Servicing Plan and DCC Bylaw Update		PROVISIONAL

Justification:

Budget is requested to update the 20 Year Servicing Plan and DCC bylaw based on the Official Community Plan (OCP) changes resulting from the 2040 OCP update project. Total project cost is \$500K with funding split over two years, \$250K in 2018 and \$250K in 2019. Staff will provide key roles in this process and will be collaborating with the consultant throughout. This is a multi year project. It will be conducted in five phases beginning in October 2018 and complete by the 4th quarter of 2019. The timeline consists of reviewing existing information (2 months), updating data and models to reflect the existing situation (3 months), reviewing draft OCP and identifying infrastructure impacts (6 months), updating the 20 Year Servicing Plan (3 months), and updating DCC calculations and the corresponding DCC Bylaw (4 months).

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	250,000	(176,200)	0	0	0	0	(21,000)	(52,800)
2019	250,000	(176,200)	0	0	0	0	(21,000)	(52,800)
2020	0	0	0	0	0	0	0	0

2018 Operating Request Details

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ONE-TIME
Title:	2018 Household Travel Survey		PROVISIONAL

Justification:

The Regional Household Travel Survey (RHTS) is to be delivered as a partnership between all 6 partners in the Central Okanagan, the City of Vernon, Coldstream and potentially the Ministry of Transportation. The RHTS asks a sample of residents to record their travel for a 24-hour period, including origins, destinations, purposes, and times. It provides a comprehensive picture of where, how, and why Central Okanagan residents are moving throughout the day. Previous surveys were conducted in Spring 2007 and Fall 2013. Budget is requested to maintain a five-year interval, which would involve updating the survey in Fall 2018. Conducting the survey in 2018 will allow for the full release of data from the 2016 Census, which is used to weight responses and ensure a representative sample. Delaying further beyond 2018 will make it more challenging to utilize Census data as a reference.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	189,600	(36,000)	0	0	0	(113,110)	0	(40,490)

Division:	Infrastructure	Priority: 1	Growth
Department:	Integrated Transportation		ON-GOING
Title:	Canadian Urban Transit Association Membership Fees Increase		PROVISIONAL

Justification:

The City has a corporate membership with the Canadian Urban Transit Association. Budget is requested for an expected 20% fee increase in 2018.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	2,200	0	0	0	0	0	0	(2,200)
2019	2,200	0	0	0	0	0	0	(2,200)
2020	2,200	0	0	0	0	0	0	(2,200)

2018 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	Avocet Wetland Restoration		PROVISIONAL

Justification:

This project is for detail design and regulatory approvals in order to provide suitable alternate habitat for the Avocet outside of landfill operational limits. In order to proceed with landfill operations within phase 3 (slough) this issue must be completed. It's anticipated that it will take a number of years and multiple budgets to ensure a successful relocation.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	300,000	(150,000)	0	0	0	(150,000)	0	0

Division:	Infrastructure	Priority: 1	New
Department:	Parks & Buildings Planning		ONE-TIME
Title:	Parkinson Recreation Centre - Joint Education, Health and Wellness Facility		PROVISIONAL

Justification:

A potential partnership is being pursued between the City and School District 23. The replacement of Parkinson Recreation Centre and a proposed high school could be built as a shared facility. This exciting opportunity seeks to closely integrate the operations between the two organizations for the mutual benefit of both parties through increased gymnasium and other indoor recreation spaces, shared programming, additional sports fields, shared operating costs, etc. Most significant would be the greater focus for all Kelowna residents on healthy living across generations. Budget is requested to develop the indicative design in order to pursue funding opportunities and establish the partnership details.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	200,000	0	0	0	0	0	0	(200,000)

2018 Operating Request Details

Division:	Infrastructure	Priority: 1	New
Department:	Infrastructure Engineering		ONE-TIME
Title:	Major System Flood Risk Assessment		PROVISIONAL

Justification:

In 2017 a significant rainfall event in combination with snow melt and very high groundwater levels resulted in major flooding on Mill Creek. The Major Systems Flood Risk Assessment will look at the 3 major creeks flowing through the City from a capacity perspective as well as review the impact of high lake levels on the city's foreshore. Budget is requested for this review to identify capacity limitations in those systems and opportunities for permanent improvements to reduce flooding risk and/or need for emergency measures. Its primary focus will be on Mill Creek comparing current City flood modeling standards with conditions observed on Mill Creek during the runoff event. The assessment will review and update the City's 10 Year Drainage Capital Plan to incorporate the recommended projects.

Federal and Provincial funding up to 100% may be available through the National Disaster Mitigation Program.

However, this project should proceed if this funding is not achieved recognizing the major impacts of the flooding and its costs to the community.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	250,000	0	0	0	0	0	0	(250,000)

Division:	Infrastructure	Priority: 1	New
Department:	Integrated Transportation		ONE-TIME
Title:	Summer Streets Kelowna (Pilot)		PROVISIONAL

Justification:

This request is to deliver Summer Streets Kelowna, in partnership with community groups and the private sector. This pilot will be two summer Saturdays of exciting all-inclusive community celebration on Bernard Avenue and on a still to be determined corridor in Rutland.

Similar events (also called Cyclovia or Open Streets) are rapidly growing in cities all across North America and around the world. Opening streets to people and temporarily shutting them to cars provides safe space for walking, bicycling and social activities, and promotes local economic development helping people reimagine their streets as vibrant public spaces. Summer Streets Kelowna is an open streets event that will showcase all the best Kelowna has to offer: local businesses, vendors, activities, live music, food, and much more. We will work to link this festival with existing nearby initiatives such as the Downtown Kelowna Farmers' and Crafters' Market, and Rutland Centennial Park events to complement their offering.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	19,000	0	0	0	0	0	0	(19,000)

2018 Operating Request Details

Division:	Infrastructure	Priority: 2	Maintain
Department:	Infrastructure Engineering		ONE-TIME
Title:	Bluebird Outfall Servicing Area Report		PROVISIONAL

Justification:

Budget is requested to commission an engineering report on capacity and detailed design for upgrades to the existing pump station due to an increase in drainage flows from the redesign of the Lakeshore Road project and area.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)

Division:	Infrastructure	Priority: 2	Growth
Department:	Integrated Transportation		ONE-TIME
Title:	Transportation Engineering Co-op Student Term Position		PROVISIONAL

Justification:

Budget is requested for an additional Transportation Engineering Co-op Student for eight months to support staff to complete data collection, analysis and reporting for the various transportation planning studies underway in 2018.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,330	0	0	0	0	0	0	(30,330)

2018 Operating Request Details

Division:	Infrastructure	Priority: 2	New
Department:	Integrated Transportation		ONE-TIME
Title:	Transit Marketing - New John Hindle Drive Service		PROVISIONAL

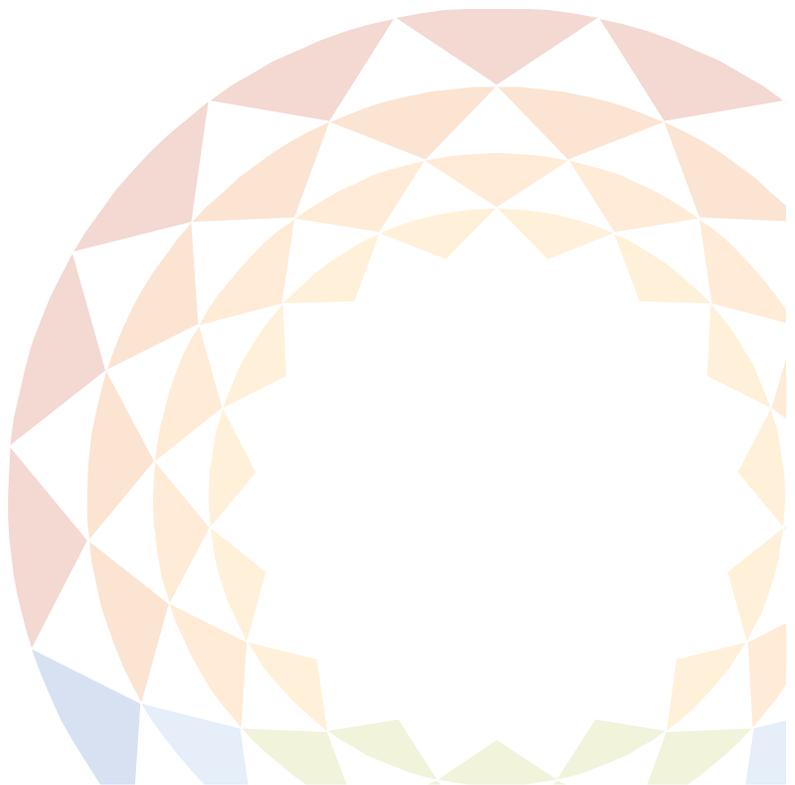
Justification:

Marketing budget is requested to promote the introduction of a new transit service which utilizes John Hindle Drive - providing a transportation link between South Pandosy, Okanagan College, Orchard Park, Glenmore/North Glenmore and UBCO. Marketing activities will include public engagement on multiple levels to capitalize on the large ridership potential for this new transit service.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)

Community Planning & Strategic Investments



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Community Planning & Strategic Investments

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



Enterprise Kelowna is the business arm of the City that seeks innovative opportunities to achieve community goals. Business and economic development, financial and business investment evaluation, strategic negotiations and governance advisory services are the strategies employed to achieve the defined goals of this program.

Community Planning is a forward-looking branch that plans, promotes and advocates change that moves this city towards the Kelowna envisioned by our residents. The work of this Department is concentrated on planning and implementing for the development needs of today; processing land use and development permit applications, and providing advice and information on planning processes.

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

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

Strategic Investments serves to maximize the value and utility of Kelowna's Real Estate Assets to a standard that sets the benchmark for the best mid-sized city in North America. In order to accomplish this goal, they are committed to being fair, equitable and efficient when acquiring, developing, managing, maintaining and disposing of the City's real estate and building assets.

2018 Divisional drivers & activities

Drivers

- *One Team* approach
- Adding value for citizens and customers
- Innovating through measured risk taking
- Collaborating and communicating effectively
- Following through – a focus on results
- Balancing facilitation and regulation

Activities

A well-run City

- Establish and administered a preventative maintained program for the residential rental portfolio

- Finalize property negotiations associated with South Perimeter Road
- Planning for the redevelopment of the old RCMP site on Doyle Avenue in line with the Civic Precinct planning
- Implementation of Strategic Land Strategy that addresses the City's current inventory and its land acquisition / disposition goals over the next 20 years
- Development Application procedures bylaw update.
- To launch the *2040 Official Community Plan* update that will establish the vision, strategies and objectives for the community's growth strategy and provide policies and plans to achieve this vision.
- Develop strategies and innovative approaches as a means of generating revenue and/or reduce costs through exploration of existing City capital assets, internal knowledge and expertise, local legislated powers and any other singular or partnership opportunities to benefit of Kelowna citizens
- Establish and implement Business Evaluation Template
 - Pursuing Organizational Quality Management Accreditation for Development Engineering;
 - Evaluating digital filing and processing opportunities for streamlined review and approval processes;
 - Advancing Deferred Revenue re-utilization project to eliminate liabilities and deliver infrastructure projects.
 - Conduct a customer satisfaction survey and action plan for permit application, plan review and inspections.
 - The newly adapted Building Act requires the mandatory certification of building officials. Continue to ensure compliance through implementation of a training program.
 - Hosting the 2018 Building Official Association of BC annual Educational Conference in Kelowna.

An active, inclusive city

- Expand the street food program in the area of Knox Mountain/Sutherland Bay in order to enhance the service offering.
- Review the Accessible Parking Permit program and make changes to reduce misuse and unsure spaces are available for those who need it.
- Update RU₁ zone to consider allowance of 'carriage houses' as permitted use without the need for rezoning.
- Completion of the *Healthy Housing* theme area of the Healthy City Strategy. The completion of a *Healthy Housing Strategy* will identify and prioritize housing needs, and determine the most appropriate and effective strategies to address those needs.
- Continue to advance the *Healthy City Strategy* development, and resource the next theme chapter.
- Continue to strengthen partnerships with Interior Health Authority (IHA), Okanagan College and the University of British Columbia - Okanagan (UBCO) to share data and research, and collaborate on joint initiatives where feasible.

A safe city

- The development of the Henderson's site to promote significant residential development in the downtown with more eyes on the street.
- Oversee the Bernard Avenue laneway partnership and consider expansion of the program to address key under-utilized public spaces in the City.
- Continue to use technology to enhance security in City parking facilities.
- Create short term rental housing policy and regulations.

A strong economy

- Actively seek revenue generating and partnership opportunities utilizing City land
- Complete the disposition of the former Lakeshore Mobile Home Park site to support Gyro beach parking needs and provide significant funding for capital improvement.
- Secure tenants of 3 new commercial retail units in the Library Parkade to support the area user
- Undertake leasing of groundside commercial development at the airport to support the aviation industry
- Investigate the possibility of establishing a water taxi concession opportunity on the dock located at the former Queensway boat launch
- Review and improve the scope and intent of Commercial zones in Zoning Bylaw No.8000.
- Review and improve City's Agriculture 1 zone for consistency with Agriculture Plan.

- Create policy and regulation for short term agri-retail pop-up business.
- Create agri-signage program.
- Aid in the growth and progress of Kelowna as a desirable place to do business with a focus on the technology/innovation sector
- Assist business owners and investors in navigating government resources and services
- Connect new entrepreneurs to the existing business community
- Build partnerships, programs and services to support economic development
- Work to continue to build technology brand for Kelowna thru promotion of the sector
- Build on site visitation to Kelowna businesses increasing visits to up to 80 firms
- Maintain and build partnerships with business service providers such as the Central Okanagan Economic Development Commission, Kelowna Chamber of Commerce, Accelerate Okanagan, Downtown Kelowna Association (DKA), Uptown Rutland Business Association and others.
- Continue to Focus efforts on workforce development by fostering input into the curriculum development of post-secondary institutions.
- Development of an economic scorecard

A clean, healthy environment

- Continue to promote Leadership in Energy and Environmental Design (LEED) certification as a condition of property disposition to raise the bar for sustainable development in the region
- Create/implement policy and regulation related to the retail sale of marijuana.
- Review Section 8 – Parking and Loading of Zoning Bylaw No.8000.
- Complete the *Community Climate Action Plan* Update with a goal to formulate a revised Greenhouse Gas reduction target for the community.

Resilient, well-managed infrastructure

- Complete and begin implementation of an updated Downtown Area Parking Plan
- Review the Chapman Parkade structure to ensure maximum life expectancy is achieved and explore opportunities for expansion
- Eliminate the ability to develop carriage houses in the Agriculture 1 zone.
- To receive endorsement of the *Capri Landmark Area Redevelopment Plan*, that will guide development approvals and establish the infrastructure priorities for this area.
- Add additional fibre customers, seeking a minimum of 12 paid fibre pairs
 - Update marketing direction and sales platform to match Phase 2 and 3 for City's Dark Fibre network.
 - Supporting/Facilitating Bylaw 7900 & Policy 265/266 Updating
 - Complete microfiche files conversion to PDF-A in 2018 (2 million images).

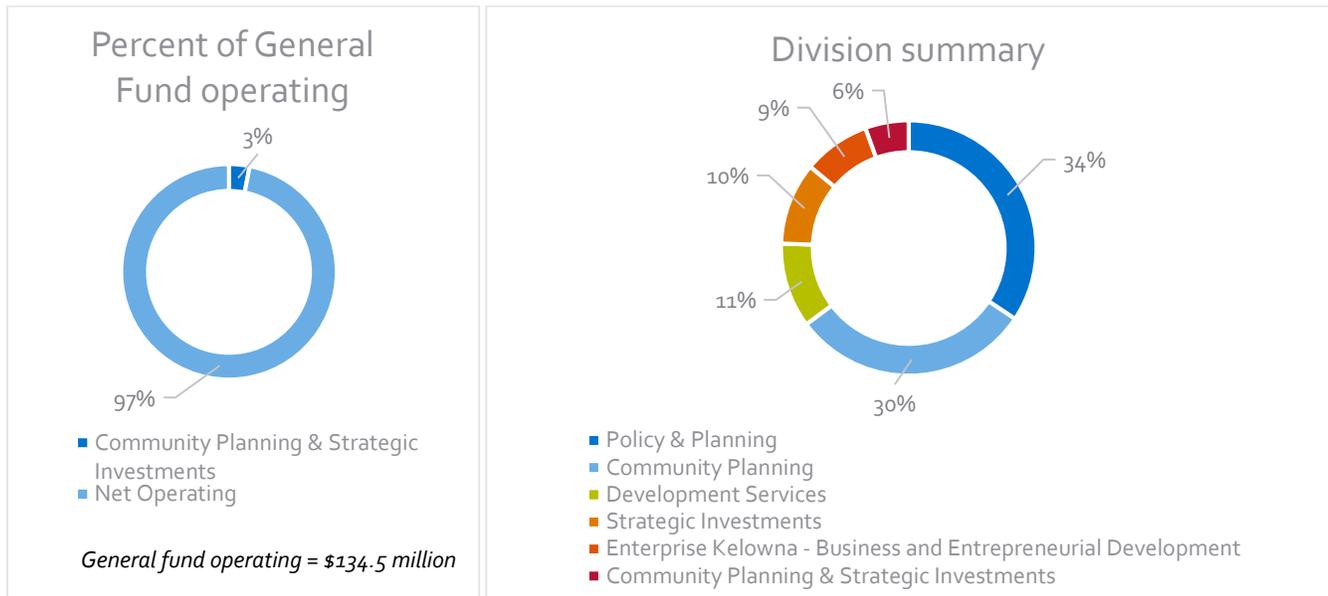
Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
# of Fibre network customers	2	9	12
# of enquiries handled	414	580	600
# of site visits			
# of companies provided direct follow up assistance post site visit	40	21	20
# of Mayor company site tours	8	10	12
# of business licenses	10,014	10,286	10,310
Development Applications Processed	865	810	800
Development Files Authorized by Council	321	380	320

Construction value of Building Permits (million \$)	\$538	\$600	\$575
Building Permits	2,338	2,591	2,450
Gas Permits	3,717	3,883	3,800
Plumbing Permits	1,754	2,072	1,950
Total # of Building Inspections	11,974	14,300	13,500
Total # of Plumbing & Gas Inspections	11,282	14,000	12,775
Development Applications reviewed	432	455	501
Engineering Construction Drawings reviewed	141	185	203
Utility Drawings reviewed	893	630	693
Building Permit Applications reviewed by Dev. Engineering	72	78	85
Strata Applications reviewed by Dev. Engineering	14	12	13
Road Release Reviewed	7	20	22
Deferred Revenue Releases	22	28	31
3 rd Party Release of Right of Ways	63	51	56
As-Builts Drawings reviewed	56	7	7
Total # of Site Inspections conducted by Dev. Engineering	65	23	25
Property Acquisition			
Total Value	\$6.8m	\$20m	\$7m
Area (acres)	131 acres	300 acres	130 acres
Parcels acquired	51	55	50
Park Property Acquisition			
Value	\$2.5m	\$1.9m	\$3m
Area (acre)	62 acres	50 acres	5 acres
Parcels acquired	9	10	10
Arrears ratio building (Amount Collected / Amount Due)	98.2%	97.5%	95%
Rental Vacancy Rate	0.00%	0.00%	1%
Residential Parking Permits Issued	1,948	2,457	2,600
Accessible Parking Permits Issued	3,451	3,491	3,500
PayByPhone System Transactions	127,806	217,640	260,000
Online Payment Transactions	14,788	16,598	17,500
Monthly Parking Wait List Entries (End of Year)	1,824	850	750
Program outcomes			
Staff initiated Zoning Bylaw amendments (improvements)	15	12	10
Community Heritage Commission Meeting (staff supported)	7	10	9
Agricultural Advisory Committee Meetings (staff supported)	10	11	9
% of 1-2 family building permit applications approved for issuance within 10 working days	95	93	94
% of inspections made within 48 hours or request	95	96	96
% of building permit applications for commercial, multi-family, industrial and institutional approved for issuance within 20 working days	83	85	85

% of open files that were processed to completion	93	95	92
% of open files that were processed to completion	75%	70%	80%
Number of Director Approved Development/Heritage Permits	234	165	
Assessed value of City Real Estate Assets			
Land	\$947m	\$1.089b	\$1.150b
Improvements	\$256m	\$300m	\$350m
Efficiency measures			
Average number of development applications per Planner	100	115	90
Average number of development applications per Planner (similar municipalities)	64	74	60
Average number of inspections per inspector	11.1	14.6	13.5
% of inspection costs recovered by permit revenues	100	100	100
% of building permits issued within 2 days or less	32%	40%	40%
Average number of Service Requests per staff member – Parking Services	150	172	180
Customer satisfaction			
Closed service requests:			
Policy & Planning	49	41	55
Community Planning	195	107	150
Development Services	367	257	312
Parking Services	946	1030	1100
Overall Customer Service Ranking – General Satisfaction	85%	85.5%	86%
Overall Customer Service Ranking – General Satisfaction	98%	91%	95%
% Customers that felt their phone calls were returned promptly	88.5%	78%	90%
% Customers that feel their file manager explained the process development well	88.5%	85%	90%
% Customers that agree they received a clear idea of application submission requirements	81%	82%	90%
External stakeholder & community meetings	97	80	80
Consultation	3,234	750	3,500
Innovation & learning			
Building & Permitting staff achieved certification	22	22	21
Building & Permitting created an information booklet/bulletin	6	6	6
Development Application Process Review Improvements	6	8	5
New (or renewed) Partnerships formed (Policy & Planning)	8	8	8

Community Planning & Strategic Investments budget overview



Net Divisional expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Community Planning & Strategic Investments					
144	Community Planning & Strategic Investments	366,497	218,135	229,135	
		366,497	218,135	229,135	11,000 5.0%
Development Services					
148	Development Services	(3,042,063)	(3,050,309)	(3,207,609)	
149	Building, Plumbing & Gas Inspections	1,528,839	1,395,135	1,395,135	
151	Building & Permitting	1,567,962	1,844,858	1,888,628	
178	Development Engineering	350,769	297,928	371,638	
		405,507	487,612	447,792	(39,820) (8.2%)
Policy & Planning					
153	Policy & Planning	818,205	912,240	1,123,240	
235	Long Range Policy Planning	296,477	306,860	306,860	
		1,114,682	1,219,100	1,430,100	211,000 17.3%
Community Planning					
146	Urban Planning Management	622,044	730,854	755,504	
147	Community Planning	(199,603)	(193,348)	(272,348)	
181	Suburban & Rural Planning	598,870	666,170	691,320	
253	Community Planning Services	79,265	92,185	92,185	
		1,100,576	1,295,861	1,266,661	(29,200) (2.3%)
Enterprise Kelowna - Business and Entrepreneurial Development					
250	Business and Entrepreneurial Development	324,169	353,637	353,637	
		324,169	353,637	353,637	0 0.0%
Strategic Investments					
116	Real Estate Services	368,093	389,369	390,369	
118	Strategic Land Development	112,709	118,261	119,261	
155	Strategic Investments	241,270	243,572	244,572	
157	Property Management	(25,265)	(128,424)	(170,141)	
252	Parking Services	(200,000)	(150,000)	(150,000)	
		496,807	472,778	434,061	(38,717) (8.2%)
Net operating expenditures		3,808,238	4,047,123	4,161,386	114,263 2.8%
Capital cost centers:					
300	Real Estate & Parking Capital	399,986	430,000	684,000	
Net capital expenditures		399,986	430,000	684,000	254,000 59.1%
Total Division net expenditures		4,208,224	4,477,123	4,845,386	368,263 8.2%

Community Planning & Strategic Investments - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(13,590,192)	(10,742,202)	(11,401,774)
Other Revenue	(486,695)	(33,270)	(108,278)
Transfers from Funds			
Special (Stat Reserve) Funds	(50,909)	(200,000)	0
Development Cost Charges	0	0	0
Accumulated Surplus	(296,369)	(1,166,930)	(234,080)
Total Revenue	(14,424,165)	(12,142,402)	(11,744,132)
Expenditures			
Salaries and Wages	7,621,804	8,361,643	8,639,123
Internal Equipment	311,021	132,172	138,722
Material and Other	2,556,349	3,483,286	2,584,959
Contract Services	1,012,130	1,100,865	1,132,365
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	245,630	252,630	252,630
Transfers to Funds			
Special (Stat Reserve) Funds	3,653,737	2,830,967	3,129,757
Development Cost Charges	0	0	0
Accumulated Surplus	2,831,732	27,962	27,962
Total Expenditures	18,232,403	16,189,525	15,905,518
Net Operating Expenditures	3,808,238	4,047,123	4,161,386
Capital Expenditures			
Gross Expenditures	1,366,245	3,897,470	4,242,000
Other Funding Sources	(966,259)	(3,467,470)	(3,558,000)
Taxation Capital	399,986	430,000	684,000
Net Operating & Tax Capital Exp.	4,208,224	4,477,123	4,845,386

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	76.0	70.2	78.5	81.4
Hourly	7.5	11.5	7.0	7.4

Description of Operating program

		Total	FTE
2017 revised budget		4,047,123	85.5
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	47,300		0.4
Salary adjustments	-		
Other adjustments	553		
Departmental adjustments	10,900	<u>58,753</u>	
		<u>4,105,876</u>	85.9
2018 program additions			
2018 operating requests	55,510		2.9
2018 expenditure reductions	-	55,510	
2018 provisional		<u>4,161,386</u>	<u>88.8</u>
<i>Unfunded 2018 requests</i>			
2018 operating requests	980		0.8
2018 expenditure reductions	-	980	
Total unfunded requests for 2018		<u>980</u>	<u>0.8</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Community Planning & Strategic Investments Division									
Maintain									
160	Training & Education	8,000	0	0	0	0	0	(8,000)	OG
160	Building Code Subscriptions	12,000	0	0	0	0	0	(12,000)	OT
161	Rental Properties, Concessions & Kiosks Adjustments	0	0	0	0	(43,870)	0	43,870	OG
	Total Maintain	20,000	0	0	0	(43,870)	0	23,870	
Growth									
161	2040 Official Community Plan Update & Position	210,000	0	0	0	0	0	(210,000)	OG
162	.5 FTE Building Inspector / Plan Checker Position	43,670	0	0	0	0	0	(43,670)	OG
162	Engineer-In-Training Position	75,710	0	0	0	0	0	(75,710)	OG
163	Permit and Inspection Revenue Increase	0	0	0	0	(180,000)	0	180,000	OG
163	Parking Services General Operating Adjustments	89,500	297,010	0	0	(386,510)	0	0	OG
164	Community Planning Revenue Increase	0	0	0	0	(80,000)	0	80,000	OG
	Total Growth	418,880	297,010	0	0	(646,510)	0	(69,380)	
New									
164	Strategic Land Development Projects	134,500	(134,500)	0	0	0	0	0	OT
164	Community Energy Specialist Term Position	100,000	0	0	(100,000)	0	0	0	OT
165	Membership to the Alliance for Innovation (Pilot)	10,000	0	0	0	0	0	(10,000)	OG
	Total New	244,500	(134,500)	0	(100,000)	0	0	(10,000)	
	Division Priority 1 Total	683,380	162,510	0	(100,000)	(690,380)	0	(55,510)	
	Total Priority 1 Operating	683,380	162,510	0	(100,000)	(690,380)	0	(55,510)	

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

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

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

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Community Planning & Strategic Investments Division									
Growth									
166	Administrative Clerk Position	46,900	(46,870)	0	0	0	0	(30)	OG
166	Development Technician Position	950	0	0	0	0	0	(950)	OG
	Total Growth	47,850	(46,870)	0	0	0	0	(980)	
	Division Priority 2 Total	47,850	(46,870)	0	0	0	0	(980)	
	Total Priority 2 Operating	47,850	(46,870)	0	0	0	0	(980)	

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

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

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

2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Maintain
Department:	Development Services		ON-GOING
Title:	Training & Education		PROVISIONAL

Justification:

Adoption of the new Building Act by the Province requires mandatory certification for building, plumbing, gas inspectors and plan checkers. To maintain the required credentials, staff are required to acquire continuing education and professional development points (CPD). The existing training budget is not sufficient to achieve the necessary training for 22 certified staff members. Approximately, \$350 per employee is required additionally in order to meet the new standards.

Corporate Framework: A well-run City - Performance excellence

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

Division:	Community Planning & Strategic Investments	Priority: 1	Maintain
Department:	Development Services		ONE-TIME
Title:	Building Code Subscriptions		PROVISIONAL

Justification:

With the anticipated adoption of the 2017 edition of the new British Columbia Building Code and plumbing code both hard copy and a digital versions will be required for the building, plumbing inspectors and the plan checking staff to deliver the service.

2018 Base Budget: \$2,975

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	12,000	0	0	0	0	0	0	(12,000)

2018 Operating Request Details

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

Justification:

The Property Management Branch administers the City of Kelowna's real estate assets, including vacant land, water lots, residential, commercial and industrial rental properties, and a portfolio of food and activity concessions throughout the City. This request reflects projected changes in the number and types of properties and concessions managed by the City in the 2018 calendar year. A summary of revenues by category are as follows:

Commercial rental revenue: increase of \$7,318;

Residential rental revenue: increase of \$56,861;

Concession revenue: decreases of \$20,306.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(43,870)	0	43,870
2019	0	0	0	0	0	(43,870)	0	43,870
2020	0	0	0	0	0	(43,870)	0	43,870

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Policy & Planning		ON-GOING
Title:	2040 Official Community Plan Update & Position		PROVISIONAL

Justification:

In order to respond to population growth, evolving citizen & Council priorities, & compliance with legislation, an update to the OCP is required. The purpose of the OCP is to make sustainable choices about the future City that Kelowna will be in the 21st century. The OCP examines planning directions that can be achieved over a 20 year horizon, with adaptive mechanisms to ensure it can respond to changing circumstances. This update will influence major policy direction on the: Transportation Master Plan, Utility Master Plan(s), 20 Yr Servicing Plan, Healthy City Strategy, Transit Future Plan, Wildfire Protection Plan, & related bylaws (Zoning/Subdivision & Servicing Bylaws).

The request is for a 2 year term position to conduct a review in 4 phases: 1) population & land analysis 2) current trends & public engagement 3) policy updates & growth options, & 4) develop the final plan, servicing analysis/DCC update review. This will be a multi-year project & will conclude in 2020.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	210,000	0	0	0	0	0	0	(210,000)
2019	93,330	0	0	0	0	0	0	(93,330)
2020	23,330	0	0	0	0	0	0	(23,330)

2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Development Services		ON-GOING
Title:	.5 FTE Building Inspector / Plan Checker Position		PROVISIONAL

Justification:

Development Services requires additional resources to provide the services associated with continued growth in construction activity. YTD (Aug 2017) there has been a 15 per cent increase in building permit volume and a 35 per cent increase in construction value compared to the same period in 2016.

Accordingly, this trend reflects directly in increased staff work load. This request is to increase the building inspection resource by a 0.5 full time equivalent (FTE) position. The expenditures will be recovered by the associated permit revenue without a taxation impact.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	43,670	0	0	0	0	0	0	(43,670)
2019	57,540	0	0	0	0	0	0	(57,540)
2020	57,540	0	0	0	0	0	0	(57,540)

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Development Services		ON-GOING
Title:	Engineer-In-Training Position		PROVISIONAL

Justification:

The Engineer-in-Training (EIT) request replaces the current use of a term Co-op position with greater capability and capacity to process applications, improve timely reviews and production to meet the significantly increased demand in development activity.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,710	0	0	0	0	0	0	(75,710)
2019	100,260	0	0	0	0	0	0	(100,260)
2020	100,260	0	0	0	0	0	0	(100,260)

2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	Growth
Department:	Development Services		ON-GOING
Title:	Permit and Inspection Revenue Increase		PROVISIONAL

Justification:

This request is to increase revenue budgets to reflect the projected actuals for annual revenue for permit fees in the following categories: Commercial new, commercial alteration, industrial new, plumbing and residential accessory alteration.

2018 Base Budget: (\$3,067,491)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(180,000)	0	180,000
2019	0	0	0	0	0	(180,000)	0	180,000
2020	0	0	0	0	0	(180,000)	0	180,000

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

Justification:

This request includes revenue and expenses related to annual parking rate and contract adjustments. Also included is an expense increase of \$50k for security enhancements in parkades and parking lots consisting of equipment, camera monitoring and security patrols.

Net of revenue and expenses \$254,900 from Downtown and \$42,110 from South Pandosy will be contributed to Parking Reserve Funds.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	89,500	297,010	0	0	0	(386,510)	0	0
2019	89,500	297,010	0	0	0	(386,510)	0	0
2020	89,500	297,010	0	0	0	(386,510)	0	0

2018 Operating Request Details

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

Justification:

This request is to increase the Community Planning revenue budget to reflect higher fees collected and a 2% fee increase in the Development Application Fee Bylaw. Revenue is associated with the review and approval of Subdivision and Development Applications.

2018 Base Budget: (\$372,950)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(80,000)	0	80,000
2019	0	0	0	0	0	(80,000)	0	80,000
2020	0	0	0	0	0	(80,000)	0	80,000

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Enterprise Kelowna		ONE-TIME
Title:	Strategic Land Development Projects		PROVISIONAL

Justification:

The realization of the Official Community Plan and corporate objectives through creative real estate strategies encompass the mandate of this Branch. Several initiatives have been identified that have the potential of returning social, economic, environmental, and cultural benefits to the City. To deliver many of these projects, an investment is needed to cover expenditures on legal advice, property appraisal, urban design, surveying, and other professional services. These costs will often be recovered through redevelopment and disposition.

Key projects undertaken with this funding will include the RCMP site redevelopment, Central Green Leadership in Energy and Environmental Design (LEED) certification, Willits Road redevelopment, McDonalds site redevelopment, and the CN railway surplus dispositions.

Corporate Framework: A well-run City - Pioneering leadership

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	134,500	(134,500)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Policy & Planning		ONE-TIME
Title:	Community Energy Specialist Term Position		PROVISIONAL

Justification:

FortisBC's Climate Action Partners pilot program is an opportunity to assist local governments in developing, promoting and delivering low carbon energy solutions throughout BC. This program provides a grant up to \$100,000 to employ a 1 year Community Energy Specialist contract position. The City has identified 3 projects: Energy Step Code Implementation Plan; Community Energy Retrofit Strategy; and Leverage municipal touch points to provide information of FortisBC. Further opportunities if time and resources are available: Research best practices for a Community Electric Vehicle Strategy; Investigate options for natural gas vehicle refueling infrastructure; Explore policy to encourage use of renewable natural gas; Implementation of other actions of the updated Community Climate Action Plan; and Best practices research and scoping of a Climate Adaptation Plan for Kelowna.

The position will focus on the deliverables as noted above and identify gaps where additional staff capacity is needed to advance a policy, plan or programs in line with FortisBC's Climate Action Partners program.

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	100,000	0	0	(100,000)	0	0	0	0

Division:	Community Planning & Strategic Investments	Priority: 1	New
Department:	Community Planning & Strategic Investments		ON-GOING
Title:	Membership to the Alliance for Innovation (Pilot)		PROVISIONAL

Justification:

The Alliance for innovation is a group of Local Governments in North America dedicated to innovation. This community accelerates the adoption of new ideas while furthering the work of local government. As part of Imagine Kelowna the City joined the Alliance for Innovation. This request is to pilot the membership for two more years and evaluate the benefit of the resources provided by the Alliance and the City participation as part of this group.

Corporate Framework: A well-run City - Pioneering leadership

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	0	0	0	0	0	0	0	0

2018 Operating Request Details

Division:	Community Planning & Strategic Investments	Priority: 2	Growth
Department:	Enterprise Kelowna		ON-GOING
Title:	Administrative Clerk Position		PROVISIONAL

Justification:

Over the past 6 years, Parking Services has experienced exponential growth with the addition of pay parking in two new areas of the City (South Pandosy and Hospital) along with an expansion to the Library Parkade and construction of the new Memorial Parkade. An in-house administrative clerk is needed to assist in providing an acceptable level of customer service. From 2011 to 2017, service requests received have increased by 264 per cent and revenues by 175 per cent. Currently, the branch relies on staff from other departments to complete administrative tasks, putting a strain on overall department/division resources.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	46,900	(46,870)	0	0	0	0	0	(30)
2019	62,380	(62,350)	0	0	0	0	0	(30)
2020	62,380	(62,350)	0	0	0	0	0	(30)

Division:	Community Planning & Strategic Investments	Priority: 2	Growth
Department:	Development Services		ON-GOING
Title:	Development Technician Position		PROVISIONAL

Justification:

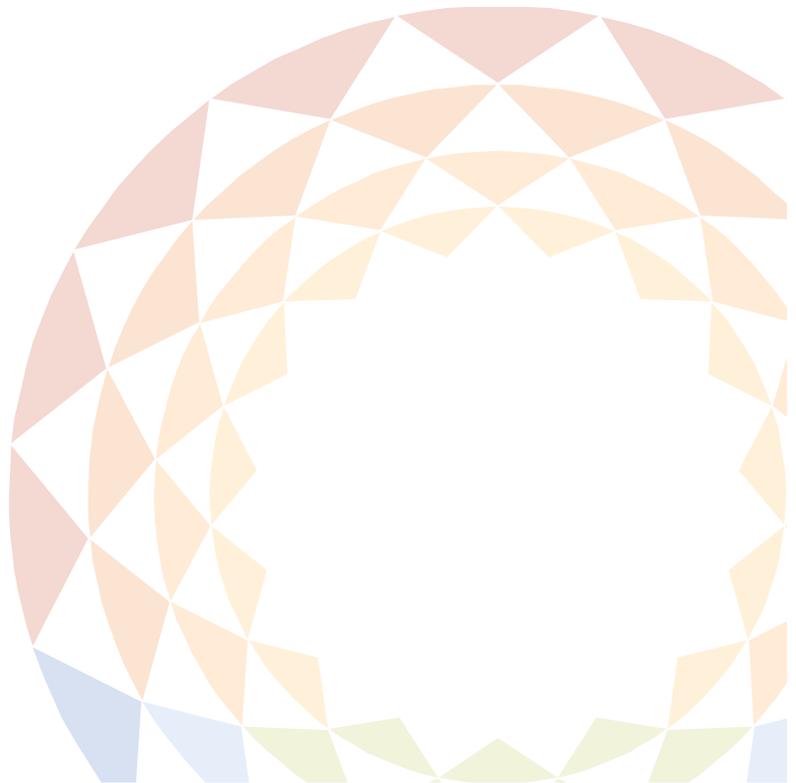
The Development Engineering Branch has experienced significant increases in applications, servicing agreements and construction activity since 2014. The request is to make the Development Engineering Technician two-year term position (2017-2018) into a full time position. This position is crucial to service delivery and keeping up with industry demand.

This position is funded through Department revenue and has no impact on taxation.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	950	0	0	0	0	0	0	(950)
2019	100,510	0	0	0	0	0	0	(100,510)
2020	100,510	0	0	0	0	0	0	(100,510)

Active Living & Culture



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Active Living & Culture

Active Living & Culture (ALC) provides a leadership role in enriching community life and social wellbeing through various programs and services. The Division’s delivery model involves direct provision, support and facilitation, and partnership development. Branch areas are:



Community & Neighbourhood Services fosters social connections and active, healthy lifestyles through promoting and delivering low-barrier programs and services. The focus is on providing inclusive opportunities for outlying neighbourhoods, people with disabilities and community development.

Cultural Services provides programs and services to support community cultural development. This includes oversight of cultural policy and plans, organizing special events and convenings, maintaining healthy partnerships with cultural facility operators, administering grant programs, and operation of the Kelowna Community Theatre.

Partnerships operates through the lens of the Civic Partnerships Framework and has a leadership role in due diligence for evaluation of new partnership opportunities, and setting and maintaining the standard for successful partnerships between the City and its sport, recreation and culture partners.

Grants & Special Projects identifies available funding opportunities for City projects and coordinates the grant application process for all Departments. This area also provides support on special projects within the Division.

Recreation & Business Services manages the operation of Parkinson Recreation & Activity Centres and Ben Lee & City Waterparks including providing a diverse range of programs and services that promote active lifestyles and social wellbeing. This branch also manages recreation facility rentals throughout the community and provides administrative, systems and financial services support to the division as well as front line customer service.

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 designed to enhance coordination and alignment of plans, resources, and funding to maximize efforts to impact social issues. This branch leads efforts to explore collaborative partnerships and to ensure alignment with collective social development efforts.

Sport & Event Services provides strategic direction and organizational leadership to Kelowna’s sport and event community through the facilitation and provision of a wide variety of recreation, sport and special event initiatives. Key areas of focus include: Canadian Sport for Life (CS4L) promotion and implementation; event permitting, development and procurement; organizational development; and facility operations support.

2018 Divisional drivers & activities

Drivers

- Encourage active healthy lifestyles
- Build strong neighbourhoods
- Nurture lifelong participation in sport
- Enhance cultural vibrancy
- Facilitate development of events
- Enhance social sustainability
- Support effective management and operation of sport, recreation and cultural facilities

Activities

A well-run City

- Continue to promote a culture of collaboration within, and between, both the “homeless-serving sector” and City Departments by building capacity based on a best practices approaches applied within the local context
- Evaluate opportunities and implement new functionality for improved customer service and efficiency with the recreation management software
- Various process reviews to maximize efficiency and effectiveness of operational practices such as rental contract administration, the Recreation Opportunities Coupon Program and the financial assistance program
- Complete an update to the Cultural Plan which reflects current and future needs, priorities and realities
- Complete a review of the ALC activity & program delivery model and implement changes that support intentional, responsive programming and improved efficiencies
- Development of education resources for staff in response to the Truth & Reconciliation Commission Report and Calls to Action
- Develop a business plan for the Neighbourhood Learning Centre at the new middle school in upper Mission in order to determine the best use of space, budget implications and to ensure the partnership will benefit the community
- Research and actively pursue funding from Provincial, Federal and other sources for City projects, events and initiatives

An active, inclusive city

- Work with the “homeless-serving sector”, community stakeholders, and other City Departments to undertake the development of the Journey Home Strategy to End Homelessness utilizing a best practice multi-sector systems approach
- Provide input to the Healthy Housing Strategy to identify and prioritize housing needs and determine the most effective strategies to achieve healthy housing options that are diverse, affordable, and attainable
- Convene capacity building workshops for the sport and cultural sector, with a focus on governance for volunteer-run organizations
- Provide leadership and support to local organizations with the planning and hosting of various community events including 2018 BreakOut West, 2018 Fringe Festival, inaugural “Kelowna Legacy Games” and 2019 55+ BC Summer Games
- Revise the Social Development Grant program to align with major community planning initiatives such as *Journey Home* and *Community For All*
- Incorporate the Paddle Trail into the Active by Nature program. Promote and program the paddle trail in order to raise awareness, enhance the experience of participants and maximize the benefit to the community
- Begin implementation of the Community Sport Plan initiatives and recommendations
- Continue to integrate Canadian Sport for Life principles into ALC practices through quality program delivery, policy and strategy development, leadership and engagement opportunities, and education and training

A strong economy

- Refine and apply the Civic Partnership Framework as the City considers new partnership opportunities and management of current partnerships
- Administer community building grants; Community and Social Development, Arts, Culture and Heritage, and Sport and Events
- Develop a “Kelowna Events Strategy” that provides a strategic, proactive approach to the identification and pursuit of events in our community, and supports the growth and development of locally-based events and host organizations

Resilient, well-managed infrastructure

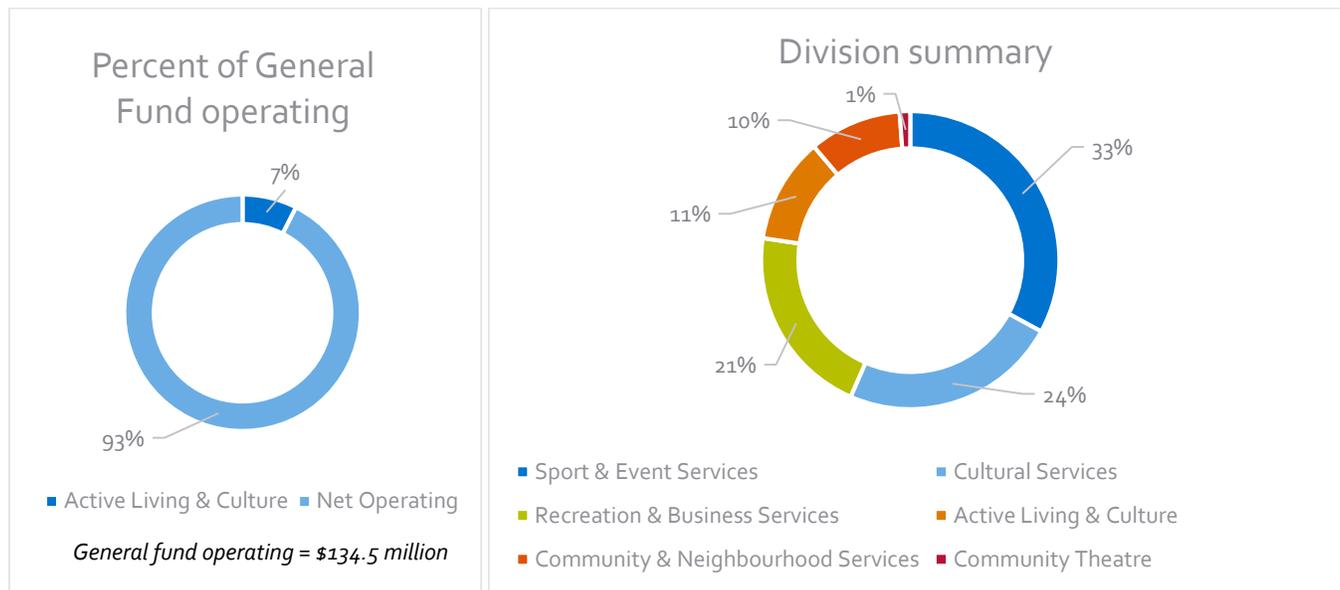
- Long-range planning, including feasibility for a new Performing Arts Centre to replace the Kelowna Community Theatre
- Upgrades to Kelowna Community Theatre outdoor digital screens and audio visual components, funded through Capital Improvement Fees
- Continue to update various leases in overholding applying principles from the Civic Partnership Framework
- Continue to support the ongoing feasibility studies for the replacement of Parkinson Recreation Centre (PRC), reconfiguration of the surrounding Recreation Park, and the City’s optimum potential for partnership opportunities should they arise

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
# of Program Registrations	28,363	28,000	30,000
# of General Program hours offered (land & aquatic)	40,673	42,900	43,950
# of General Program Drop Ins	28,914	24,415	24,500
# of Facility PRC Drop Ins – gym/fitness centre	6,229	5,800	6,000
# of Facility PRC Drop Ins – pool	16,268	16,500	16,600
# of PRC Pool Passes Sold	1,350	1,400	1,425
# of PRC Facility Passes Sold	3,348	3,200	3,300
# of Total Memberships scanned at PRC – pool & facility	112,521	112,000	112,500
# of Recreation Opportunity Coupons Redeemed	14,033	13,200	12,900
# of Outdoor Event Applications processed	93	110	115
# of Film Permits processed	8	5	10
# of Park bookings processed (including weddings)	66	55	60
Investment in Arts, Culture & Heritage by City of Kelowna per capita	22.09	20.57	21.00
# of Theatre Rentals	273	288	270
# of Theatre Black Box Rentals	180	133	150
# of Rentals in Recreation Facilities	469	420	425
Program outcomes			
# of Athletic Excellence Grants approved	35	55	60
# of Sport Development Grants provided	17	15	25
# of Cultural orgs receiving support through grants & Lease and Operating Agreements (LOA)	44	47	50

# of Participants in free community events (i.e. Park n Play, Family FunDay, Dancing in the Park)	18,482	14,415	14,500
# of Hours booked in Arenas	11,624	12,000	12,100
# of Hours booked in Stadiums/Sportsfields	29,166	28,500	29,500
Efficiency measures			
% of General Programs delivered vs planned	70%	67%	70%
% of Aquatic lessons delivered vs planned	89%	90%	90%

Active Living & Culture budget overview



Net Divisional expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Active Living & Culture					
159 Cultural Services	2,382,028	2,370,244	2,370,769		
161 Community Theatre	144,591	167,335	114,615		
164 Active Living & Culture	1,038,065	1,287,027	1,149,122		
165 Recreation & Business Services	2,038,264	2,097,511	2,091,488		
166 Sport & Event Services	2,026,857	3,238,474	3,308,253		
167 Community & Neighbourhood Services	976,566	1,008,854	1,008,824		
Net operating expenditures	8,606,371	10,169,445	10,043,071	(126,374)	(1.2%)
Capital cost centres:					
309 Recreation Capital	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	8,606,371	10,169,445	10,043,071	(126,374)	(1.2%)

Active Living & Culture - General Fund Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(4,547,446)	(4,428,226)	(4,533,327)
Other Revenue	(195,993)	(281,510)	(174,150)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(116,624)	(88,150)	0
Total Revenue	(4,860,063)	(4,797,886)	(4,707,477)
<u>Expenditures</u>			
Salaries and Wages	4,589,871	5,849,361	5,821,624
Internal Equipment	82,962	96,115	105,048
Material and Other	3,743,737	4,367,872	4,193,410
Contract Services	3,537,509	3,795,439	3,758,922
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	1,512,355	858,544	871,544
Total Expenditures	13,466,434	14,967,331	14,750,548
Net Operating Expenditures	8,606,371	10,169,445	10,043,071
<u>Capital Expenditures</u>			
Gross Expenditures	207,402	0	0
Other Funding Sources	(207,402)	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	8,606,371	10,169,445	10,043,071

Authorized FTE Positions	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Salaried	15.8	16.3	16.4	16.5
Hourly	44.5	45.1	60.0	59.0

Description of operating program changes

		Total	FTE
2017 revised budget		10,169,445	76.4
2018 net impacts			
One-time operating requests	(200,000)		(1.0)
One-time expenditure reductions	-		
Incremental costs - prior year(s)	(2,100)		0.0
Salary adjustments	-		
Other adjustments	(33,421)		
Departmental adjustments	<u>1,517</u>	<u>(234,004)</u>	
		<u>9,935,441</u>	75.4
2018 program additions			
2018 operating requests	107,630		0.1
2018 expenditure reductions	-	107,630	
2018 provisional		<u>10,043,071</u>	<u>75.5</u>
<i>Unfunded 2018 requests</i>			
2018 operating request	79,780		0.6
2018 expenditure reductions	-	<u>79,780</u>	
Total unfunded requests for 2018		<u>79,780</u>	<u>0.6</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Active Living & Culture Division									
Maintain									
177	Social Development Manager Position	1,160	0	0	0	0	0	(1,160)	OG
177	Kelowna Community Theatre Revenues	0	0	0	0	(49,780)	0	49,780	OG
178	Cultural Plan Update	15,000	0	0	0	0	0	(15,000)	OT
178	Community Programs Growth	(560)	0	0	0	560	0	0	OG
179	E-proval Event Software	30,000	0	0	0	(10,000)	0	(20,000)	OG
	Total Maintain	45,600	0	0	0	(59,220)	0	13,620	
Growth									
179	Arena/Stadium Wages	5,000	0	0	0	0	0	(5,000)	OG
	Total Growth	5,000	0	0	0	0	0	(5,000)	
New									
180	Journey Home Implementation Funding	75,000	0	0	0	0	0	(75,000)	OG
180	Truth and Reconciliation Project	10,000	0	0	0	0	0	(10,000)	OT
473	CAP Arenas/Stadiums Vehicle	11,250	0	0	0	0	0	(11,250)	OG
181	Special Events & Tournaments Support	10,000	0	0	0	0	0	(10,000)	OG
181	Waste & Recycling Program - Rutland & Memorial Arenas	10,000	0	0	0	0	0	(10,000)	OT
	Total New	116,250	0	0	0	0	0	(116,250)	
	Division Priority 1 Total	166,850	0	0	0	(59,220)	0	(107,630)	
	Total Priority 1 Operating	166,850	0	0	0	(59,220)	0	(107,630)	

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

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

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

2018 Operating Requests Provisional Budget Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Active Living & Culture Division									
Maintain									
182	#Recreation Clerk Position	0	0	0	0	0	0	0	OG
172	Kelowna Community Theatre - Technician Position	49,780	0	0	0	0	0	(49,780)	OG
	Total Maintain	49,780	0	0	0	0	0	(49,780)	
New									
183	Kelowna Art Gallery Community Engagement Pilot Project	30,000	0	0	0	0	0	(30,000)	OG
	Total New	30,000	0	0	0	0	0	(30,000)	
	Division Priority 2 Total	79,780	0	0	0	0	0	(79,780)	
	Total Priority 2 Operating	79,780	0	0	0	0	0	(79,780)	

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

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

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

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Active Living & Culture		ON-GOING
Title:	Social Development Manager Position		PROVISIONAL

Justification:

Funding was approved for a three year (2016-18) term position to address homelessness issues in the City of Kelowna. The Social Development Manager position was filled in the summer of 2016 with the objective to act as a convenor in collaboration with community stakeholders to develop a long term strategy to address homelessness. While work is currently underway to develop the Journey Home Strategy and is targeted for completion in the spring of 2018, it is clear that community social issues are a constant and as the City addresses homelessness and other social issues, the role of the Social Development Manager becomes an important conduit between City departments and various stakeholders. This request is to provide ongoing funding for this position commencing in 2019.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	1,160	0	0	0	0	0	0	(1,160)
2019	121,780	0	0	0	0	0	0	(121,780)
2020	121,780	0	0	0	0	0	0	(121,780)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Cultural Services		ON-GOING
Title:	Kelowna Community Theatre Revenues		PROVISIONAL

Justification:

This budget request is to adjust facility rental revenues to recognize consistent patterns of increased facility use.

2018 Base Budget: \$193,400

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(49,780)	0	49,780
2019	0	0	0	0	0	(69,900)	0	69,900
2020	0	0	0	0	0	(69,900)	0	69,900

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Cultural Services		ONE-TIME
Title:	Cultural Plan Update		PROVISIONAL

Justification:

The current Cultural Plan covers the period from 2012 to 2017 so an update is required for the next period. A process to update the plan will commence early in 2018 and will reflect on progress made, identify changes and emerging trends, restate and reinforce existing goal areas where appropriate, and identify new priorities through research and community and stakeholder consultation. Funding is required to support research and consulting fees, design and printing, and costs associated with public consultation processes. New funding will supplement the existing budget of \$10,000 related to Cultural Plan Implementation.

2018 Base Budget: \$10,000

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	15,000	0	0	0	0	0	0	(15,000)

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Community & Neighbourhood Services		ON-GOING
Title:	Community Programs Growth		PROVISIONAL

Justification:

Programs and services are frequently evaluated to ensure effective resource allocation to low cost, inclusive events and activities that promote social connection and physical activity. In recent years, the "Park & Play" and the "Dancing in the Park" programs have received a lot of positive feedback and experienced growth. To accommodate the demand and expand both of these programs, funds from Family Fun Day, a program that has seen reduced participation in recent years, will be reallocated to strengthen these two programs.

Corporate Framework: An active, inclusive city - Strengthening our neighbourhoods

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	(560)	0	0	0	0	560	0	0
2019	(560)	0	0	0	0	560	0	0
2020	(560)	0	0	0	0	560	0	0

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Sport & Event Services		ON-GOING
Title:	E-proval Event Software		PROVISIONAL

Justification:

The event landscape is growing with an increase in events year after year including a growing film industry. The current permitting process is extremely time consuming and onerous for the event organizer and staff alike, making it difficult to manage the increased number of events. E-proval is an online event application and approval system designed for local government. It provides a more streamlined application and approval process resulting in greater efficiency and effectiveness throughout the approval process ultimately, improving customer service. Additionally, this software will allow for a more thorough and efficient response to event requirements and provide increased capacity for staff to further evolve event development initiatives in Kelowna. This funding request is for three years after which, the new process will be evaluated and a new budget request will be submitted as required.

2018 Facility Rental Revenue Base Budget: \$58,580

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,000	0	0	0	0	(10,000)	0	(20,000)
2019	25,000	0	0	0	0	(10,000)	0	(15,000)
2020	25,000	0	0	0	0	(10,000)	0	(15,000)

Division:	Active Living & Culture	Priority: 1	Growth
Department:	Sport & Event Services		ON-GOING
Title:	Arena/Stadium Wages		PROVISIONAL

Justification:

Elks Stadium and the Apple Bowl are traditionally scheduled to be opened each year by the first week in April however, there is an increased demand by user groups and the public to open these sites two weeks earlier. In order to open early, additional staff time is required beginning March 1 to ensure that these sites are ready to meet the scheduling needs for use. Start-up work includes: servicing the sites, making the washrooms accessible, performing minor maintenance tasks & winter clean-up, ensuring the concessions are fully operational, and completing all facility/licensing inspections. Funds will be directed towards part-time staff hours to manage the start-up work required to open both sites early and provide user groups with advanced access to these facilities.

2018 Base Budget: \$915,618

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Active Living & Culture		ON-GOING
Title:	Journey Home Implementation Funding		PROVISIONAL

Justification:

Canadian communities are demonstrating that a multi-sector collaborative approach is required for effective long term strategies to address homelessness. Cities are committing to contribute to multi-sector funding frameworks to support implementation of strategies which has proven effective in leveraging senior government and partner contributions. The Journey Home Strategy is expected to be complete in the Spring of 2018 and will include an implementation plan along with a funding strategy to address the new system coordination elements identified. While the completed strategy will provide direction for the City to consider its future role in the implementation, research demonstrates that Cities have an important role to play. This request is for initial funding for the first three years of implementation, further demonstrating the City's continued commitment, along with other senior government and community partners in the implementation. As the strategy continues to unfold, staff will report back to Council on use of the funds.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,000	0	0	0	0	0	0	(75,000)
2019	150,000	0	0	0	0	0	0	(150,000)
2020	150,000	0	0	0	0	0	0	(150,000)

Division:	Active Living & Culture	Priority: 1	New
Department:	Cultural Services		ONE-TIME
Title:	Truth and Reconciliation Project		PROVISIONAL

Justification:

In acknowledgement of the importance of truth and reconciliation as a means to building a new relationship with the Okanagan/Syilx people, the City has partnered with the En'owkin Centre and the University of British Columbia Okanagan Campus (UBCO) Institute for Community Engaged Research on an education project. This project seeks to identify and create resources, reflecting an Okanagan context, that will facilitate the discovery of ways to work together effectively on the many issues and opportunities ahead in our region. Project costs for the development of materials including workshops, documenting, photography, and publishing will be shared by project partners. One-time funding is requested for the City's share of the anticipated expenses.

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Sport & Event Services		ON-GOING
Title:	Special Events & Tournaments Support		PROVISIONAL

Justification:

In order for City staff to meet the increased expectations of event organizers and remain competitive within the sport hosting marketplace, a new standard of service and support is required. The current budget provides a suitable level of support for regular league play & small tournaments however there are limitations when it comes to supporting the larger ones with some of the ancillary expenses associated with hosting at outdoor sport facilities. This becomes a particular challenge as other municipalities recognize the value of hosting and are providing various incentive programs to attract tournaments and events to their communities. This funding will be directed towards the provision of event hosting contract services which may include but is not limited to extra janitorial work, security, waste removal, porta potty servicing and on-site support.

Corporate Framework: A strong economy - Tourism interest

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)

Division:	Active Living & Culture	Priority: 1	New
Department:	Sport & Event Services		ONE-TIME
Title:	Waste & Recycling Program - Rutland & Memorial Arenas		PROVISIONAL

Justification:

A waste audit was conducted at Rutland Arena to assess the effectiveness of the current waste and recycling program so improvements could be made at both Rutland and Memorial Arenas. The audit revealed that 30% of the waste collected could be diverted through improved recycling efforts, thereby reducing the total waste created within the arena. This budget request is to create an improved Waste & Recycling Program for implementation at both arenas. The program will focus on four key areas: waste bins, custodial practices, concession regulations and signage/awareness.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 2	Maintain
Department:	Recreation & Business Services		ON-GOING
Title:	Recreation Clerk Position		PROVISIONAL

Justification:

Active Living & Culture provides front line customer services at Parkinson Recreation Centre seven days a week from 6:00am to as late as 10:30pm, plus at three other locations. Currently, there are five full-time Recreation Clerks and eight part-time, which provide this service as well as administrative support to the Division. As the Division diversifies and administrative support needs change, flexibility of this team is imperative. Also, new systems have created new opportunities but have also added complexity into the customer services function which, now more than ever, relies on continuity of full-time staff to ensure efficiency and effectiveness since part-time clerks' hours can be irregular and inconsistent. This operating request is to add a sixth full-time Recreation Clerk, funded by the part-time clerk wage budget, to provide overall improved coverage and customer service, as well as greater flexibility to meet Divisional needs.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0

Division:	Active Living & Culture	Priority: 2	Maintain
Department:	Cultural Services		ON-GOING
Title:	Kelowna Community Theatre - Technician Position		PROVISIONAL

Justification:

The technical services provided by Theatre staff have a significant impact on the reputation of the venue and the current model of two full-time Technicians supported by a casual Tech pool has proven inadequate with respects to availability and consistency of technical support. This request is to add a third full-time Technician, primarily funded through a reallocation of casual Tech wages and Theatre rental revenue (shown on a separate request), which has consistently exceeded budget. The addition of this position will improve customer service, enhance maintenance and safe operation of the Theatre and its valuable equipment, reduce scheduling issues related to use of on-call casual Theatre Technicians, and enable more comprehensive and regular training of all staff in usage of complex digital lighting and sound systems.

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	49,780	0	0	0	0	0	0	(49,780)
2019	69,900	0	0	0	0	0	0	(69,900)
2020	69,900	0	0	0	0	0	0	(69,900)

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 2	New
Department:	Cultural Services		ON-GOING
Title:	Kelowna Art Gallery Community Engagement Pilot Project		PROVISIONAL

Justification:

Through an organizational review, the Gallery has identified a need to extend its mandate beyond traditional art programming to attract and engage new audiences, solidify partnerships and introduce responsive, timely and relevant programs. A three-year Community Engagement Pilot Project will forge new connections between the Gallery and the community through innovative experiential and educational offerings including attention to reconciliation with First Nations. This budget request is for a contribution of fifty percent of the total project cost through equal annual contributions. The pilot project will be reviewed in year three to determine if the objectives of increased participation, partnerships and collaboration have been met, and if the project can be sustained through alternative revenue sources.

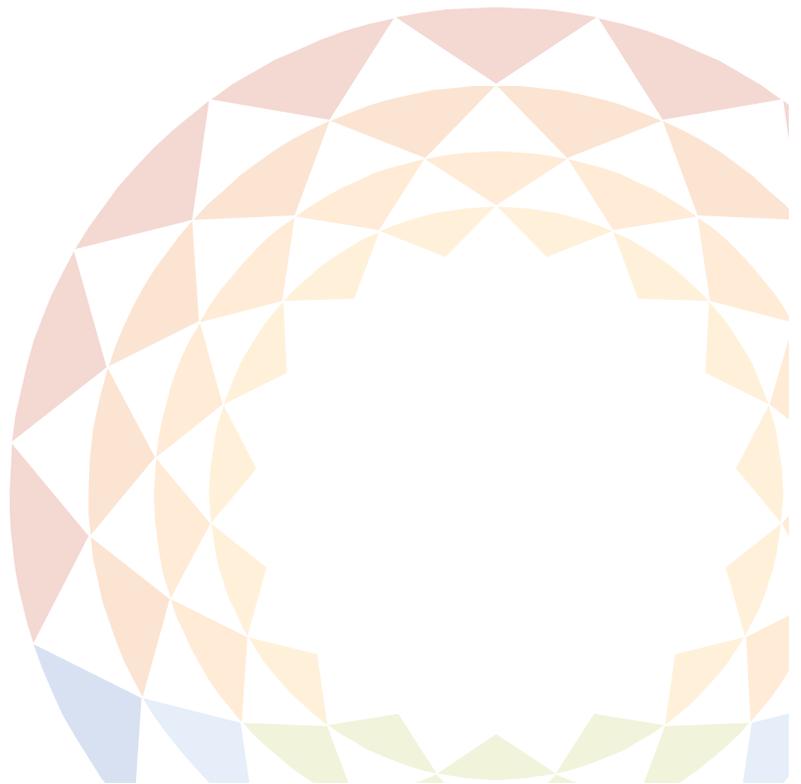
2018 Base Budget: \$477,193

Corporate Framework: An active, inclusive city - Cultural experiences

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,000	0	0	0	0	0	0	(30,000)
2019	30,000	0	0	0	0	0	0	(30,000)
2020	30,000	0	0	0	0	0	0	(30,000)

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Civic Operations



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Civic Operations

The Civic Operations division is responsible for managing, operating and maintaining the City's infrastructure in a sustainable manner to meet community needs. The infrastructure that this division is responsible for includes the transportation network, water and wastewater utilities, bio solids plant, drainage systems, parks, beaches, sports fields, natural areas, urban forests, public open spaces, corporate fleet, waste management and landfill, plus civic buildings and civic facilities such as pools and arenas. This division plays a critical role during emergencies.



Building Services operates and maintains more than 100 civic buildings and facilities including arenas, pools and stadiums. This team also provides trades services to all City departments on an as needed basis for plumbing, electrical, heating, ventilation, and air conditioning (HVAC), carpentry, painting, janitorial and general maintenance. This team leads energy management for the City.

Civic Operations Finance and Administration is responsible for overall divisional financial administration of \$100 million, plus clerical support, budget coordination, customer call centre, customer service requests and permits administration.

Fleet Services is responsible for overall management, procurement and maintenance of the City's fleet of 605 units comprised of 45 cars, 201 light duty trucks and 325 pieces of equipment plus contract equipment procurement and management.

Park Services is responsible for management, operations and maintenance of more than 200 parks, including beaches, sports fields, natural areas, forests, and beautification of the City. This branch also manages Kelowna Memorial Park Cemetery and leads graffiti removal and prevention.

Public Works is responsible for managing, operating and maintaining over 1600 lane km of road, 450 km of sidewalk, 36 km of walkways/multi-use corridors, 325 km of bike paths, City owned parking lots, all transit and bus shelters, litter control, snow and ice control, traffic signs, road markings, traffic systems and signals, street lights, waste management, and the City gravel pit.

Utility Services is responsible for delivering essential services such as water and water conservation programs, plus management, operations and maintenance of the wastewater treatment plants, bio solids plant, operations of the Glenmore Landfill, and the underground water and wastewater utilities and drainage systems.

2018 Divisional drivers & activities

Drivers

- A well-run City
- An active, inclusive City
- Excellent Customer Service
- Flexible service delivery
- A clean, healthy environment
- Resilient, well-managed infrastructure
- Improve public safety and deter crime

- Deliver safe, efficient and sustainable operations
- Continuously improve
- Continue to provide and conserve clean, safe drinking water
- Conserve energy and reduce utility costs

Activities

A well-run City

- Invest in staff and technology to enhance performance and create opportunity
- Excellent Customer Service
- Flexible service delivery
- Improve bottom line
- Deliver safe, efficient and sustainable operations
- Continuously improve

An active, inclusive city

- Continue to deliver beautiful well maintained parks and public land
- Deliver Park Services Communications Plan
- Deliver Public Engagement Program regarding dogs in parks
- The landfill waived tipping fees for 9 non-profit groups involved in waste reduction (Thrift Store Operations)

A safe city

- Improve public safety and deter crime
- Continue to reduce forest fuels and fire hazards
- Continue to provide and conserve clean, safe drinking water

A strong economy

- Conserve energy and reduce utility costs
- Completed the business case for a fully developed, construction ready, project to convert all compatible High Pressure Sodium lighting to LED technology. The business case verifies a simple payback of 3.7 years complete with a return on investment, over the 15-year life of the project, \$13 million.
- Develop new revenue opportunities

A clean, healthy environment

- Continue to establish Energy Management as a core function for Building Services and the City of Kelowna
- Update the City's Corporate Energy and GHG Emissions Plan
- Continue to deliver excellent water quality within our utility boundaries.
- Continue to provide effective wastewater treatment
- Continue exploring feasibility and practicality of the carshare partnerships
- Planning and Operations personnel participated in the Regional District of Central Okanagan Solid Waste Management Plan amendment.

Resilient, well-managed infrastructure

- Work with the South Okanagan Mission Improvement District to meet their water needs and dissolution of SOMID.
- Yards/Windsor Rd accommodation renovation

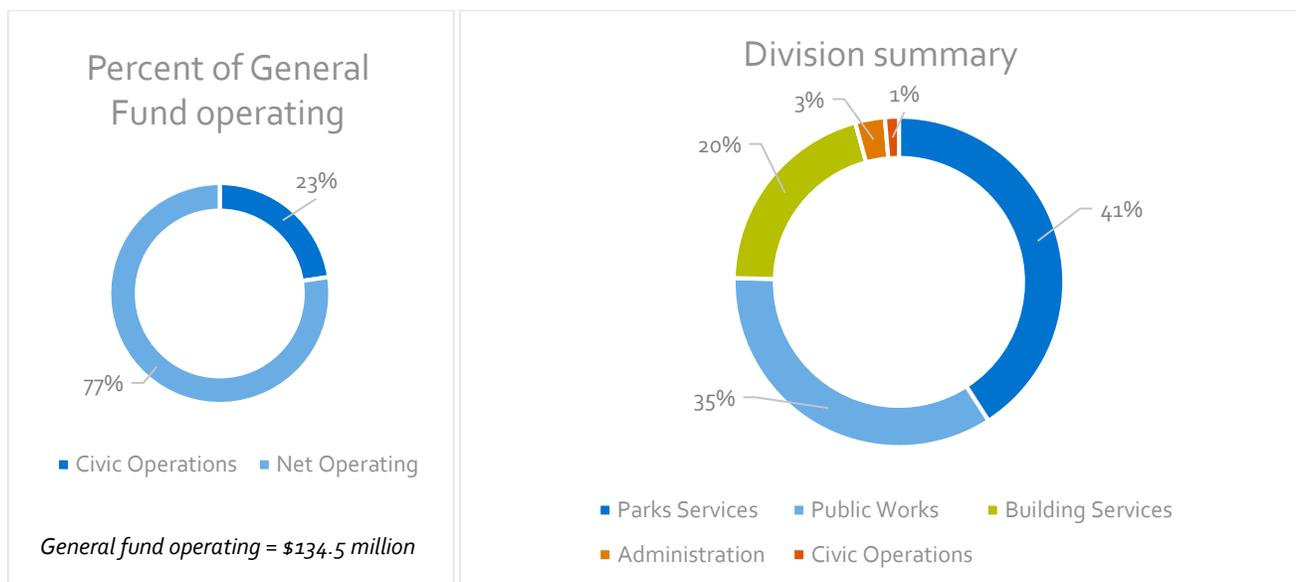
Performance measures

		Actual 2016	Estimated 2017	Proposed 2018
Program outputs				
Admin	Number of Garage Work Orders	2,937	3,500	3,500
	Number of Locates	5,612	5,000	5,000
	Number of Road Usage Permits	918	900	900
	Number of Service Requests Processed	20,032	21,000	21,000
	Number of Hydrant permits and water bulk filling cards	217	250	250
	Traffic Orders	266	250	250
Parks	Number of off-leash dog parks per 100,000 residents	6	9	9
	Number of sports fields maintained	68	68	70
	Number of outdoor events supported	201	203	210
	Number of urban trees (streets and developed parks) maintained	3,700	3,900	3,500
	Number of trees and seedlings planted on city property	4,000	3,000	3,500
	Number of funerals administered	400	424	449
	Number of parks service requests administered	2,726	2,558	2,700
	Number of graffiti service requests administered	7,449	4,500	6,000
Solid Waste	Construction/demolition waste buried (tons)	44,682	49,500	50,000
	Friable Asbestos handled (tons)	519	600	700
	Tolko ash handled (tons)	218	0	0
Roads	Lane Kilometers of Road Maintained	1640	1660	1690
	Lane Kilometers of Bike Lanes	325	350	360
Roads (cont'd)	Lane Kilometers of Curb & Gutter	735	785	825
	Operating cost of Spring Sweeping	543,170	668,178	600,000
	Cost of snow removal	1,630,850	1,776,371	1,800,000
Fleet Services	Operating Costs	3,655,909	3,747,181	3,800,000
	Fuel Costs	1,100,840	1,064,385	1,250,000
	Fleet Size	530	540	546
	External Hired Equipment	2,274,237.19	2,200,000	2,250,000
	Napa Parts Inventory	456,100	535,854	550,000
Utilities – Compost	Tones of Biosolids Processed by Composting	28,745	30,119	30,781
	Volume of Odogrow compost sold (cubic meters)	32,004	30,228	28,867
	Volume of Glengrow compost sold (cubic meters)	13,344	12,867	13,105
Utilities - Drainage	Drainage pipes cleaned (km)	19	20	20
	Catch basins cleaned (number)	10,391	10,000	10,000

	Hours spent on Creek Maintenance (person hours)	2,283	3,000	2,300
Utilities - Networks	Number of "Field Advices" responded to	1,191	1,200	1,200
Program Outcomes				
Admin	Revenue collected for Road Usage permits	309,440	278,000	278,000
	Revenue collected for Hydrant permits and water cards	76,693	75,000	75,000
Buildings	Average Facility Condition Index for Community Protection Buildings	8.1%	5.3%	4.8%
	Average Facility Condition Index for Major Public Buildings	8.9%	8.4%	8.4%
	Average Facility Condition Index for Civic Operations Buildings	4.4%	5.3%	5.3%
	Average Facility Condition Index for Community Buildings	6.0%	6.0%	6.0%
	Total Value of Deferred Maintenance/Repairs, End of Service Life, Code/Safety, Capital Renewal and tenant Improvement work required in Civic, Recreational and leased facilities over the next 5 years to maintain current service levels.	9,500,450	9,400,000	8,600,450
Solid Waste	Landfill scale revenues	10,300,000	10,500,000	11,000,000
	Landfill site visits	241,435	242,000	244,500
	Organics diverted from disposal (tons)	51,056	50,000	51,000
Solid Waste (cont'd)	Gypsum diverted from disposal (tons)	4,979	7,000	7,500
Utilities – Compost	Sales Revenue from Glengrow (\$)	222,432	218,054	220,243
	Sales Revenue from Ogogrow (\$)	509,644	465,890	46,5896
Efficiency Measures				
Parks	Cost to maintain all parks per capita	89	89	91
	Average cost to maintain parks per hectare	9,800	10,100	10,200
	Number of full time staff per hectare	0.06	0.06	0.06
	Average cost to maintain a playground for a year	980	1,010	1,010
Buildings	City Building Electrical consumption – Kwh/yr	22,150,000	21,750,000	19,500,000
	City Building Natural Gas consumption GJ/yr	58,000	57,500	57,500
Solid Waste	Mandatory 'Recyclables in Garbage' Surcharge	31,769	40,000	44,000
	Landfill gas managed (Flaring or FortisBC) (standard cubic feet)	97,662,407	110,000,000	121,000,000
Roads	Number of Service requests closed	3316	13300	3300
Utilities – Compost	Net cost per ton biosolids processed	70.84	68.90	69.33
	Gross cost per ton biosolids processed	88.57	84.37	84.47
Customer satisfaction				
Parks	% service requests completed in 5 days or less	86%	89%	87%
	% graffiti service requests completed in 5 days or less	92%	95%	90%

Buildings	Number of Service requests	3,603	3,700	3,800
	Service Request % completed within 48hrs	65%	65%	65%
Traffic	Road Marking Service requests	108	110	120
	Road Sign & Street Name requests	604	590	620
	Traffic Signal Service requests	181	185	190
	Traffic Calming Service requests	225	Moved to Infrastructure	
Utilities – Compost	Biosolids Composting Odor Reports	71	73	75
Innovation & Learning				
Admin	Staff Attending Agresso, Service Request and SharePoint training	17	17	17
Admin (cont'd)	Staff attending Professional Financial and Strategic, Communication and Crest Com. training	2	2	2
Buildings	Professional Association Memberships	2	2	2
Roadways	Staff attending core training	22	24	26
	Staff trained as super users Geo-tab	2	2	4
	Staff trained on scale at Westside gravel	4	6	8
	Staff enrolled in training programs	5	5	5
	Staff trained in Big Belly software	3	3	3
	Staff completing BC Municipal Safety Association (BCMSA) supervisor certification	4	6	6
Utilities	% of operators with Target level of certification	100	100	100

Civic Operations budget overview



Net Divisional expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Civic Operations					
226 Civic Operations	215,292	240,879	240,879		
168 Infrastructure Operations	227,094	174,494	174,494		
	442,386	415,373	415,373	0	0.0%
Civic Operations Administration					
211 Civic Operations Finance & Administration	885,473	884,314	884,314		
	885,473	884,314	884,314	0	0.0%
Building Services					
156 Building Services	6,718,509	5,787,381	6,213,605		
204 Property Maintenance - Library	0	0	0		
	6,718,509	5,787,381	6,213,605	426,224	7.4%
Parks Services					
169 Parks Services	825,806	856,169	866,169		
170 Cemetery	0	0	0		
172 Parks, Beaches & Sports Fields	8,712,225	8,874,501	9,103,132		
174 Urban Forestry	2,240,311	2,425,039	2,501,339		
	11,778,342	12,155,709	12,470,640	314,931	2.6%
Public Works					
180 Street Lights	2,155,583	2,248,389	2,263,389		
189 Roadways Operations	4,450,679	4,882,720	4,754,110		
190 Traffic Operations	1,381,491	1,307,560	1,319,710		
201 Utility - Stormwater	1,049,170	1,037,937	1,061,137		
212 Public Works	147,233	142,013	142,013		
219 Traffic Signals & Systems	1,111,642	960,153	973,933		
	10,295,798	10,578,772	10,514,292	(64,480)	(0.6%)
Utility Services					
183 Solid Waste	(200,000)	(200,000)	(200,000)		
184 Biosolids	0	0	0		
199 Pumpstations - Stormwater	9,018	8,789	8,789		
213 Utility Services	48,740	45,718	45,718		
267 Water Quality & Customer Care - General	0	40,489	40,489		
	(142,242)	(105,004)	(105,004)	0	0.0%
Fleet Services					
191 Fleet Services	0	0	0		
	0	0	0	0	0.0%
Net operating expenditures	29,978,266	29,716,545	30,393,220	676,675	2.3%
Capital cost centers:					
301 Building Capital	2,895,412	2,875,000	670,000		
302 Parks Capital	1,756,502	3,313,980	2,247,950		
304 Transportation Capital	5,079,408	3,749,020	3,670,990		
305 Solid Waste Capital	0	0	0		
306 Storm Drainage Capital	364,244	565,000	455,000		
310 Vehicle & Mobile Equipment	185,358	279,000	328,000		
Net capital expenditures	10,280,924	10,782,000	7,371,940	(3,410,060)	(31.6%)
Total Division net expenditures	40,259,190	40,498,545	37,765,160	(2,733,385)	(6.7%)

Civic Operations
Fund 10 - General Fund
Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(26,384,408)	(24,286,612)	(25,939,195)
Other Revenue	(3,111,685)	(3,759,739)	(3,974,101)
Transfers from Funds			
Special (Stat Reserve) Funds	(70,401)	(326,900)	(30,000)
Development Cost Charges	0	0	0
Accumulated Surplus	(322,394)	(420,860)	(116,400)
Total Revenue	(29,888,888)	(28,794,111)	(30,059,696)
Expenditures			
Salaries and Wages	17,162,095	17,331,549	17,369,419
Internal Equipment	5,723,778	5,794,622	5,863,482
Material and Other	13,964,310	15,396,918	14,884,294
Contract Services	11,086,301	11,766,929	12,234,989
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	1,411,590	1,692,582	1,624,104
Transfers to Funds			
Special (Stat Reserve) Funds	8,853,563	6,453,234	7,890,876
Development Cost Charges	0	0	0
Accumulated Surplus	1,665,517	74,822	585,752
Total Expenditures	59,867,154	58,510,656	60,452,916
Net Operating Expenditures	29,978,266	29,716,545	30,393,220
Capital Expenditures			
Gross Expenditures	74,328,898	79,070,390	36,619,810
Other Funding Sources	(64,047,974)	(68,288,390)	(29,247,870)
Taxation Capital	10,280,924	10,782,000	7,371,940
Net Operating & Tax Capital Exp.	40,259,190	40,498,545	37,765,160

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	45.1	47.2	44.5	43.8
Hourly	175.5	157.4	163.9	164.2

Description of operating program changes

		Total	FTE
2017 revised budget		29,716,545	208.4
2018 net impacts			
One-time operating requests	(292,000)		(2.7)
One-time expenditure reductions	-		
Incremental costs - prior year(s)	285,880		1.0
Salary adjustments	-		
Other adjustments	72,915		
Departmental adjustments	2,000	68,795	
		<u>29,785,340</u>	<u>206.7</u>
2018 program additions			
2018 operating requests	742,250		1.8
2018 expenditure reductions	(134,370)	607,880	(0.5)
2018 provisional		<u>30,393,220</u>	<u>208.0</u>
<i>Unfunded 2018 requests</i>			
2018 operating requests	165,940		1.1
2018 expenditure reductions	-	165,940	
Total unfunded requests for 2018		<u>165,940</u>	<u>1.1</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
Maintain									
198	H2o Flowrider Space Study	50,000	(50,000)	0	0	0	0	0	OT
198	Secondary Odour Mitigation Method	75,000	0	0	0	(25,000)	(50,000)	0	OT
405 CAP	Kerry Park - Phase 1 Construction	8,600	0	0	0	0	0	(8,600)	OG
199	Emissions Review Study - Commonage	40,000	0	0	0	(13,333)	(26,667)	0	OT
199	ICBC Premium Increase	24,800	(24,800)	0	0	0	0	0	OG
200	Excavator Hired Equipment	178,000	(120,800)	0	0	(19,070)	(38,130)	0	OG
200	Term Labourer Position	41,850	(20,920)	0	0	(6,980)	(13,950)	0	OG
201	Paddle Trail Buoy Maintenance	8,800	0	0	0	0	0	(8,800)	OG
201	Contract Services - City Hall	15,000	0	0	0	0	0	(15,000)	OG
202	Fire Station Overhead Door Renewal	40,000	0	0	0	0	0	(40,000)	OT
202	Kelowna Police Services Building - Janitorial	67,280	0	0	0	0	0	(67,280)	OG
203	Beach Park Rehabilitation	50,000	0	0	0	0	0	(50,000)	OG
203	Landfill Gas Building Assessment	25,000	(25,000)	0	0	0	0	0	OT
204	Rotary Centre for the Arts - Building Renewal	75,000	0	0	0	0	0	(75,000)	OT
204	Biofilter Cover	50,000	(50,000)	0	0	0	0	0	OT
205	Security Cameras	25,000	(25,000)	0	0	0	0	0	OT
205	North East Road Fencing	45,000	(45,000)	0	0	0	0	0	OT
206	Equipment Air Filters	65,000	(65,000)	0	0	0	0	0	OT
206	SCADA - Hot Boxes	25,000	(25,000)	0	0	0	0	0	OT
207	Park Sign Replacement	10,000	0	0	0	0	0	(10,000)	OG
207	Stadiums - Protective Netting	30,000	0	0	0	0	0	(30,000)	OT
208	Kasugai Gardens Shake Replacement	40,000	0	0	0	0	0	(40,000)	OT
208	Electrical Upgrade - Parks Yard	65,000	0	0	0	0	0	(65,000)	OT
	Total Maintain	1,054,330	(451,520)	0	0	(64,383)	(128,747)	(409,680)	
Growth									
432 CAP	Rails with Trails DCC (Dilworth - Commerce Ave), ATC	6,000	0	0	0	0	0	(6,000)	OG
433 CAP	Hwy 97 Six Lining - Sidewalk and Fibre Conduit Network	26,000	0	0	0	0	0	(26,000)	OG
209	Corporate Energy Specialist Position	73,870	(36,400)	0	0	0	0	(37,470)	OG
209	Additional Crosswalks, Safety Signs and Markings	5,500	0	0	0	0	0	(5,500)	OG
210	Additional Traffic Signal Infrastructure	8,000	0	0	0	0	0	(8,000)	OG
210	McKinley Beach Washrooms Partnership	10,000	0	0	0	0	0	(10,000)	OG
434 CAP	Pandosy 1 DCC (Birch - McKay) Sidewalk	2,700	0	0	0	0	0	(2,700)	OG

2018 FINANCIAL PLAN		CITY OF KELOWNA							
Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
435	CAP Ethel 4 DCC (Sutherland-Springfield), ATC	9,300	0	0	0	0	0	(9,300)	OG
211	Additional Bike Lane Signs and Marking	5,750	0	0	0	0	0	(5,750)	OG
211	Spring Sweep	12,000	0	0	0	0	0	(12,000)	OG
212	Equipment Storage Building	65,000	0	0	0	0	0	(65,000)	OT
436	CAP Hollywood 9 DCC (Hollydell - Hwy 33), ATC	8,500	0	0	0	0	0	(8,500)	OG
212	Solid Waste Revenue	0	1,840,000	0	0	(1,840,000)	0	0	OG
437	CAP #Stewart Road West 3 DCC (Crawford-Swamp), Road	0	0	0	0	0	0	0	OG
213	Lake Ave Storm Main Upgrade	20,000	0	0	0	0	0	(20,000)	OT
Total Growth		252,620	1,803,600	0	0	(1,840,000)	0	(216,220)	
New									
432	CAP Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC	42,000	0	0	0	0	0	(42,000)	OG
433	CAP UBCO-University South Pedestrian-Cycling Bridge	7,500	0	0	0	0	0	(7,500)	OG
434	CAP Active Transportation Corridor	20,000	0	0	0	0	0	(20,000)	OG
435	CAP Sidewalk Network Expansion	6,250	0	0	0	0	0	(6,250)	OG
405	CAP Interim Park Access	20,000	0	0	0	0	0	(20,000)	OG
436	CAP Rutland Transit Exchange - Phase 2	20,600	0	0	0	0	0	(20,600)	OG
143	* <i>Avocet Wetland Restoration</i>	150,000	(150,000)	0	0	0	0	0	OT
Total New		266,350	(150,000)	0	0	0	0	(116,350)	
Division Priority 1 Total		1,573,300	1,202,080	0	0	(1,904,383)	(128,747)	(742,250)	
Total Priority 1 Operating		1,573,300	1,202,080	0	0	(1,904,383)	(128,747)	(742,250)	

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

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

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

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
Maintain									
214	Crosswalk Maintenance	25,000	0	0	0	0	0	(25,000)	OG
214	Median Rehabilitation	40,000	0	0	0	0	0	(40,000)	OG
215	Playground Surface Replacement	20,000	0	0	0	0	0	(20,000)	OG
	Total Maintain	85,000	0	0	0	0	0	(85,000)	
Growth									
215	Building Technician Position	940	0	0	0	0	0	(940)	OG
216	CCTV Security Monitoring	30,000	0	0	0	0	0	(30,000)	OG
216	Graffiti Removal - Ben Lee Skate Park	20,000	0	0	0	0	0	(20,000)	OG
217	Sport Kelowna Office Renovation	30,000	0	0	0	0	0	(30,000)	OT
	Total Growth	80,940	0	0	0	0	0	(80,940)	
New									
217	Compost Sales Coordinator Term Position	60,220	8,050	0	0	(36,090)	(32,180)	0	OG
	Total New	60,220	8,050	0	0	(36,090)	(32,180)	0	
	Division Priority 2 Total	226,160	8,050	0	0	(36,090)	(32,180)	(165,940)	
	Total Priority 2 Operating	226,160	8,050	0	0	(36,090)	(32,180)	(165,940)	

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

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

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

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	H2O Flowrider Space Study		PROVISIONAL

Justification:

The H2O FlowRider attraction has reached the anticipated service life of the mechanical and rider support systems. Taking into account the high cost of capital renewal and increasing demands for pool and program space, a feasibility study report was commissioned in 2017 with a focus on determining alternative options for the FlowRider space. The report captured, in a broad sense, alternative design concepts in enough detail to provide a framework to support future discussion and business case development. The report identified a multi-use programming tank as an alternate concept to capital renewal that would serve to maximize varied & flexible programming, incorporate specific features for accessibility and minimize the cost of adaptive reuse. This budget request is to further develop the preferred option, provide enough detail to advance the business case development and identify the best option for capital investment regarding the H2O Adventure & Fitness Centre's FlowRider feature.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	50,000	(50,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Secondary Odour Mitigation Method		PROVISIONAL

Justification:

Budget is requested for the selection of a secondary odour mitigation method prepared by a qualified professional consultant. This is a requirement of the Ministry of Environment under Permit #108537 and is due October 31, 2018. The total cost of the project will be shared one-third with the City of Vernon and two-thirds with the City of Kelowna's Wastewater Utility.

Corporate Framework: A clean healthy environment - Improved air quality

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,000	0	0	0	0	(25,000)	(50,000)	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Emissions Review Study - Commonage		PROVISIONAL

Justification:

An emissions review study is required by the Ministry of Environment under Permit 108537. A qualified professional consultant will conduct a review and analysis of all emissions data from e-noses, hydrogen sulfide monitoring and odourous gas measurements. This review is required to be completed no later than March 31, 2018. The cost of this study will be shared one-third with the City of Vernon and two-thirds with the City of Kelowna's Wastewater Utility.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	40,000	0	0	0	0	(13,333)	(26,667)	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	ICBC Premium Increase		PROVISIONAL

Justification:

The B.C. Utilities Commission has approved an ICBC premium rate increase of 10%. The 2017/2018 ICBC premiums is \$248,000.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	24,800	(24,800)	0	0	0	0	0	0
2019	24,800	(24,800)	0	0	0	0	0	0
2020	24,800	(24,800)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Excavator Hired Equipment		PROVISIONAL

Justification:

Volumes of organics received at the Glenmore Landfill for Composting have exceeded the ability for the Scarab Windrow Turner to process the materials. Until a more efficient compost facility is constructed, the only way to process the materials is with excavators turning large blocks of compost. A second excavator is required to maintain the compost piles and will replace the Scarab Windrow Turner. Hired equipment budget is requested for an excavator and will be funded by reducing the internal equipment budget for the Scarab, Ogogrow covering 20% of the rental and the Landfill Reserve funding the remaining rental cost. Ogogrow is funded one-third by the City of Vernon and two-thirds by the City of Kelowna's Wastewater Utility.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	178,000	(120,800)	0	0	0	(19,070)	(38,130)	0
2019	178,000	(120,800)	0	0	0	(19,070)	(38,130)	0
2020	178,000	(120,800)	0	0	0	(19,070)	(38,130)	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Term Labourer Position		PROVISIONAL

Justification:

Production of Ogogrow and Glengrow compost have exceeded sales since 2011. The excess inventory is stored at the Glenmore Landfill where it must be turned and watered regularly to ensure that it does not catch on fire. A term labourer is required to assist with watering piles of compost for 8 months, cost to be shared with Ogogrow and Glengrow.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	41,850	(20,920)	0	0	0	(6,980)	(13,950)	0
2019	41,850	(20,920)	0	0	0	(6,980)	(13,950)	0
2020	41,850	(20,920)	0	0	0	(6,980)	(13,950)	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Paddle Trail Buoy Maintenance		PROVISIONAL

Justification:

In 2017, funding was approved for a paddle trail between Cedar Creek Park and McKinley Landing consisting of 22 buoys being place along the route. This budget request is for ongoing maintenance and replacement of buoys.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	8,800	0	0	0	0	0	0	(8,800)
2019	8,800	0	0	0	0	0	0	(8,800)
2020	8,800	0	0	0	0	0	0	(8,800)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Contract Services - City Hall		PROVISIONAL

Justification:

Based on Request For Proposal (RFP) results and changing regulatory requirements, operational costs continue to rise for City Hall. Additional budget is requested to offset increased cost for janitorial services, waste disposal, operating permits and elevator maintenance.

2018 Base Budget: \$103,275

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	15,000	0	0	0	0	0	0	(15,000)
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	Fire Station Overhead Door Renewal		PROVISIONAL

Justification:

Budget is request to replace four overhead doors including mechanical operators and door seals that have reached the end of their service life at Rutland, Southeast Kelowna and Glenmore Firehalls.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	40,000	0	0	0	0	0	0	(40,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Kelowna Police Services Building - Janitorial		PROVISIONAL

Justification:

This request is to cover an increase in cost for the janitorial contract that has now been tendered for the new Police Services building.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	67,280	0	0	0	0	0	0	(67,280)
2019	67,280	0	0	0	0	0	0	(67,280)
2020	67,280	0	0	0	0	0	0	(67,280)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Beach Park Rehabilitation		PROVISIONAL

Justification:

Beach parks throughout the City require significant rehabilitation along the sandy beaches. The sand buildup along walkways, trees and turfed areas requires on-going maintenance to solve some aesthetics and safety concerns. This budget request for annual funding would be used to rehabilitate one beach park annually starting with Gyro Beach. This work would consist of excavating the sand buildup and re-establishing irrigation, turf and cleaning hard surface transitions.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	50,000	0	0	0	0	0	0	(50,000)
2019	50,000	0	0	0	0	0	0	(50,000)
2020	50,000	0	0	0	0	0	0	(50,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Landfill Gas Building Assessment		PROVISIONAL

Justification:

As of 2016, landfill gas regulations require that certain structures within 300m of a landfill foot print have continuous air monitoring, alarms and possibly upgraded electrical or HVAC systems. This budget request is to hire a landfill gas consultant to evaluate the need and provide recommendations for historical site buildings. This request also includes a contingency to allow for immediate remedial work on any high priority buildings.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	25,000	(25,000)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	Rotary Centre for the Arts - Building Renewal		PROVISIONAL

Justification:

The Rotary Centre for the Arts has been in operation for 15 years and is performing well. This budget request is to address renewal needs for interior finishes, door assemblies and exterior lighting that are at the end of their service life. The scope of work includes new flooring throughout the public access corridors, replacement of the store front assembly for the 2nd floor meeting room, upgrade to the exterior lighting for security purposes and replacement of the rear stage door assembly

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,000	0	0	0	0	0	0	(75,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Biofilter Cover		PROVISIONAL

Justification:

During sewer lift station construction in 2015, a biofilter (i.e. air scrubbing system) was installed to remove odours from the aeration system in the new sewer lift station servicing landfill leachate as well as sewage from the McKinley Landing area. The biofilter has insulated piping and valves that need to be inspected and maintained daily. Due to the size and layout of the system, there is insufficient room to properly remove snow from the infrastructure and creates a slipping hazard for the technicians. Budget is requested for a cover that will be designed to allow access to change out filter materials, provide weather protection and security.

Corporate Framework: A clean healthy environment - Improved air quality

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	50,000	(50,000)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Security Cameras		PROVISIONAL

Justification:

The north west corner of the Landfill is where the Fortis Biogas Plant, Landfill Leachate Treatment System, sewer force main and Landfill Gas Flare are located. These significant investments are the only area gate accessible from a paved road (Glenmore Rd) that does not have security cameras in the immediate vicinity. The installation of analytical cameras that can identify vehicles and notifying security contractors will provide better protection and assist in enforcement of unauthorized access to the Landfill.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	25,000	(25,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	North East Road Fencing		PROVISIONAL

Justification:

The north east section of the Landfill is an access point for unauthorized site entry, mostly by dirt bikes. Installation of a chain link fence along this unpaved road would eliminate this access point. Any remaining fencing installation requirements to achieve full compliance with the 2016 BC Landfill Guidelines will be completed during future design work.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	45,000	(45,000)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Equipment Air Filters		PROVISIONAL

Justification:

Currently selected equipment at the Landfill use a positive air system with particulate filters to provide a safe environment in the cab for equipment operators. Newer systems are now available and have been installed on similar equipment at the City Composting Operations that have an improved particulate filter plus second stage that will also remove other items such as organic vapour and odours. This budget is to upgrade the three most used pieces of equipment with this new air filter system to improve the health and safety of the operators working near the strongest odours and during fire control.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	65,000	(65,000)	0	0	0	0	0	0

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	SCADA - Hot Boxes		PROVISIONAL

Justification:

The Landfill installed four hot boxes over the last 2 years for various potable water connections. These hot boxes have thermostats and electrical heaters to ensure that the pipes do not freeze during winter months. During winter months, these boxes must be manually inspected daily to ensure the power and electrical systems are operating. Budget is requested to install temperature sensors with radio transmitters that would connect these hot boxes to the existing Landfill SCADA system to remotely monitor operation and protect this infrastructure during winter months. This improvement will result in reducing staff time and resources.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	25,000	(25,000)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Park Sign Replacement		PROVISIONAL

Justification:

Many park name signs are reaching the end of their life cycle and the Parks department has come up with a cost effective way to replace them while following current signage guidelines. Aluminum signs are cost effective and require less maintenance than wood. This budget request would allow for replacement/renovation of a sign every 10 years based on 150 developed parks.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	Stadiums - Protective Netting		PROVISIONAL

Justification:

The protective netting for the Hammer Cage at the Apple Bowl Stadium protects persons and property from track and field implements (hammer/discus). Similarly, the protective netting for the batting cage at Elks Stadium protects persons and property from baseballs. Both sites are well used for practices, games, meets and camps and provide a valuable resource to the sport community. Minor repairs of the netting has occurred through the years to maintain their usability and ensure safety, however both are at the end of their service life. Budget is requested to replace the protective netting at the Apple Bowl Hammer Cage and the Elks Batting Cage.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,000	0	0	0	0	0	0	(30,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	Kasugai Gardens Shake Replacement		PROVISIONAL

Justification:

Budget is requested to replace the cedar shake roof system atop the walls surrounding Kasugai Gardens which has reached the end of its service life.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	40,000	0	0	0	0	0	0	(40,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ONE-TIME
Title:	Electrical Upgrade - Parks Yard		PROVISIONAL

Justification:

Budget is requested to upgrade the Parks Yard electrical service which is under-sized in relation to current power requirements of this growing facility and the City greenhouses. Electrical services are becoming over-loaded in the fall and winter due to increased power needs for equipment block heaters and hybrid vehicle charging systems. Parks has also added several pieces of equipment for snow clearing that require plug-ins to start. The extra power required has led to breakers tripping, productivity loss and a risk that plant materials growing in the greenhouses may be lost.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	65,000	0	0	0	0	0	0	(65,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Corporate Energy Specialist Position		PROVISIONAL

Justification:

This request is to convert the Term Energy Specialist position to a full-time Corporate Energy Specialist position for the City as a dedicated resource for implementation of the Corporate Energy and GHG Emissions Plan to serve as a sustainable energy management guide for the City moving forward. The current term position has been working for the City since June 2015. In support of successful energy reduction initiatives implemented to-date, FortisBC has provided three consecutive terms of energy specialist program funding for a total of \$180,000. Expenditure reductions included in the 2017 budget cycle total in excess of \$70,000 annually. Another \$510,000 in savings are anticipated for 2018 as the Street Lighting Retrofit project is rolled out across the City. These results demonstrate the value of this position from a financial perspective.

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	73,870	(36,400)	0	0	0	0	0	(37,470)
2019	97,810	0	0	0	0	0	0	(97,810)
2020	97,810	0	0	0	0	0	0	(97,810)

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Additional Crosswalks, Safety Signs and Markings		PROVISIONAL

Justification:

Budget is requested to cover the maintenance of the signs and markings on additional crosswalks and traffic calming safety upgrades on Lawrence Avenue, Richter Street, Abbott Street and Raymer Avenue.

2018 Base Budget: \$227,272

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,500	0	0	0	0	0	0	(5,500)
2019	5,500	0	0	0	0	0	0	(5,500)
2020	5,500	0	0	0	0	0	0	(5,500)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Additional Traffic Signal Infrastructure		PROVISIONAL

Justification:

New traffic signals have been added at Sexsmith Road and Cambro Road as well as Doyle Avenue and Richter Street. In addition, pedestrian crosswalks at Lawrence Avenue and Burtch Avenue plus Richter Street and Lanfranco Road have been added.

2018 Base Budget: \$123,622

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

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

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	McKinley Beach Washrooms Partnership		PROVISIONAL

Justification:

This funding is to cover the City portion of a proposed partnership with the developers of McKinley Beach in order to provide public washroom facilities at the new public beach. Under the proposal, the developer would cover the costs of construction for the new building, while the City would be responsible for washroom cleaning costs during the peak summer months (approximately May-October). The strata would be responsible for washroom cleaning during the remainder of the year.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	10,000	0	0	0	0	0	0	(10,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	10,000	0	0	0	0	0	0	(10,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Additional Bike Lane Signs and Marking		PROVISIONAL

Justification:

Budget is requested to cover the maintenance of the signs and markings on additional bike pathways added to Bernard Avenue, Banks Road, Doyle Avenue and Glenmore Road.

2018 Base Budget: \$418,911

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,750	0	0	0	0	0	0	(5,750)
2019	5,750	0	0	0	0	0	0	(5,750)
2020	5,750	0	0	0	0	0	0	(5,750)

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Spring Sweep		PROVISIONAL

Justification:

Addition funding is requested for Sweeping of highway 97. Highway 97 has been urbanized from Highway 33 to Edwards Rd and will become the City of Kelowna's responsibility to sweep. This includes the annual spring sweep and ongoing monthly sweeps during summer and fall months.

2018 Base Budget: \$371,746

Corporate Framework: A clean healthy environment - Improved air quality

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	12,000	0	0	0	0	0	0	(12,000)
2019	12,000	0	0	0	0	0	0	(12,000)
2020	12,000	0	0	0	0	0	0	(12,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ONE-TIME
Title:	Equipment Storage Building		PROVISIONAL

Justification:

In 2017, Parks Services purchased additional sports field equipment which requires to be stored. This budget request is to construct a building to protect equipment from the elements and have the ability to be on-site and reduce the congestion around the service shop.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	65,000	0	0	0	0	0	0	(65,000)

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Solid Waste Revenue		PROVISIONAL

Justification:

This request is to adjust revenues to reflect an increase in the volume of waste for disposal.

2018 Base Budget: \$9,790,957

Corporate Framework: A clean healthy environment - Solid waste reduction

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	1,840,000	0	0	0	(1,840,000)	0	0
2019	0	1,840,000	0	0	0	(1,840,000)	0	0
2020	0	1,840,000	0	0	0	(1,840,000)	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ONE-TIME
Title:	Lake Ave Storm Main Upgrade		PROVISIONAL

Justification:

Budget is requested to connect 20m of 300mm storm main from Lake Avenue to the Abbott Street system as the dry-wells in this area are insufficient for drainage.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 2	Maintain
Department:	Civic Operations		ON-GOING
Title:	Crosswalk Maintenance		PROVISIONAL

Justification:

Budget is requested for temporary intersection traffic control and equipment rental during crosswalk maintenance to meet WorkSafe regulations. Crosswalk maintenance costs are increasing due to greater vehicle volumes accelerating wear and rising material costs.

2018 Base Budget: \$99,364

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

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

Division:	Civic Operations	Priority: 2	Maintain
Department:	Civic Operations		ON-GOING
Title:	Median Rehabilitation		PROVISIONAL

Justification:

Landscaped medians along arterial roads throughout the City are due for rehabilitation. In many cases, this is due to winter sand/salt build up and increase traffic volume. This annual budget request would be used to rehabilitate one or two problem medians per year. The work would consist of new plant material, mulch and addition of irrigation where possible. Requests would be prioritized and the highest priority areas would be addressed annually. First priority would be Glenmore Rd between Bernard Avenue and High Road.

Corporate Framework: Resilient, well-managed infrastructure - Livable urban density

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	40,000	0	0	0	0	0	0	(40,000)
2019	45,000	0	0	0	0	0	0	(45,000)
2020	50,000	0	0	0	0	0	0	(50,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 2	Maintain
Department:	Civic Operations		ON-GOING
Title:	Playground Surface Replacement		PROVISIONAL

Justification:

Budget is requested to remove pea gravel and replace it with soft fall/wood fibers. The pea gravel is now failing to meet Canadian Standards Association (CSA) standard for fall protection and to bring it back to standard is costly with a 2 year maintenance cycle. Both products have pros and cons, but soft fall is 30% cheaper to install, requires less maintenance and provides accessibility for everyone. With 58 playgrounds in pea gravel the funds will allow parks to prioritize sites and replace all pea gravel playgrounds in 10 years.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)

Division:	Civic Operations	Priority: 2	Growth
Department:	Civic Operations		ON-GOING
Title:	Building Technician Position		PROVISIONAL

Justification:

This request is to convert a Term Building Technician position into a full-time Building Technician position for continued support of Building Services due to increased inventory, project work and operational challenges. Since 2009 Building Services staffing levels have not increased, however in consideration of new responsibilities for three new buildings (71,000 sq ft), management of corporate Furniture and Equipment, building security systems (door access, maintenance of an additional 305 security cameras, building alarms), boat launch water works and changes to WorksafeBC regulations; which have refocused responsibilities to trades work, the workload increase is becoming unmanageable. This position would also lead some key projects such as demolition of the RCMP building, City Hall elevator renewal [etc]. The wages for this position are proposed to be funded from existing operational and capital budgets which are currently funding the existing term position.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	940	0	0	0	0	0	0	(940)
2019	940	0	0	0	0	0	0	(940)
2020	940	0	0	0	0	0	0	(940)

2018 Operating Request Details

Division:	Civic Operations	Priority: 2	Growth
Department:	Civic Operations		ON-GOING
Title:	CCTV Security Monitoring		PROVISIONAL

Justification:

Each year there is a marked increase in security issues in the downtown core. Areas of concern include, but are not limited to, the Parkades, Queensway Transit Exchange, Cityhall, Stuart Park, Kasugia Garden, etc. In 2017, during July and August, a Closed-circuit Television (CCTV) Monitoring and Rapid Response Coordination pilot program was implemented. During this time, all CCTV cameras were monitored 24-hours per day, seven days per week and produced 425 coordinated responses to emergent situations involving criminal activity, mischief, loitering and vandalism. By all accounts the pilot was very successful, particularly the Rapid Response component. This budget request is to increase security funding and implement a full-time CCTV monitoring program for the City. The deliverable is a safer City through proactive response to security concerns related to intoxication, drug use, theft and confrontational/aggressive behavior from transients, homeless, youth and individuals known to law enforcement.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,000	0	0	0	0	0	0	(30,000)
2019	30,000	0	0	0	0	0	0	(30,000)
2020	30,000	0	0	0	0	0	0	(30,000)

Division:	Civic Operations	Priority: 2	Growth
Department:	Civic Operations		ON-GOING
Title:	Graffiti Removal - Ben Lee Skate Park		PROVISIONAL

Justification:

Funding is being requested to introduce a zero tolerance to graffiti at Ben Lee Skate Park. This is currently one of the few sites in the City where graffiti is not removed on a regular basis. Current service levels will not allow resources to get to this site on a daily basis which is required to eliminate this issue.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 2	Growth
Department:	Civic Operations		ONE-TIME
Title:	Sport Kelowna Office Renovation		PROVISIONAL

Justification:

With the transition of the Arenas and Stadiums Department to the Active Living and Culture Division and the coming closure of the Glenmore office, additional staff work spaces are required at the Sport Kelowna office at Rutland Arena. Budget is requested to convert the current open space area into two additional offices to be used by the Management staff of the Sport & Event Services Department.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	30,000	0	0	0	0	0	0	(30,000)

Division:	Civic Operations	Priority: 2	New
Department:	Utility Services		ON-GOING
Title:	Compost Sales Coordinator Term Position		PROVISIONAL

Justification:

More compost is produced each year than is sold. The stored compost must be turned to prevent fires and control weed seed germination. Just over 60,000 yds of compost was sold in 2016 There is will be about 90,000 yds that will be unsold at the end of 2017. A sales associate will connect with existing customers and find new customers to increase sales. The sales associate will develop strategies and recommendations to improve markets. Shared expense Ogogrow 80% / Glengrow 20%. Three year term.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	60,220	8,050	0	0	0	(36,090)	(32,180)	0
2019	80,280	4,080	0	0	0	(41,450)	(42,910)	0
2020	80,280	4,080	0	0	0	(41,450)	(42,910)	0

2018 Reduction Requests Provisional Budget Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
219	Energy Reduction - Natural Gas	(34,000)	0	0	0	0	0	34,000	OG
219	Queensway Transit Pavilion	(25,000)	0	0	0	0	0	25,000	OG
220	Parks Operating Budget Reduction	(75,370)	0	0	0	0	0	75,370	OT
Department Priority 1 Total		(134,370)	0	0	0	0	0	134,370	
Total Priority 1 Reduction Requests		(134,370)	0	0	0	0	0	134,370	

2018 Reduction Requests Provisional Budget Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Civic Operations Division									
220	Land Application of Biosolids	(80,000)	0	0	0	26,400	53,600	0	OG
Department Priority 2 Total		(80,000)	0	0	0	26,400	53,600	0	
Total Priority 2 Reduction Requests		(80,000)	0	0	0	26,400	53,600	0	

2018 Reduction Request Details

Division:	Civic Operations	Priority: 1
Department:	Civic Operations	ON-GOING
Title:	Energy Reduction - Natural Gas	PROVISIONAL

Justification:

Recent heat recovery upgrades at Rutland Arena and improved boiler efficiency at the City Works Yard have resulted in reduced natural gas consumption.

2018 Base Budget: Rutland Arena \$75,000

City Works Yard \$32,000

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	(34,000)	0	0	0	0	0	0	34,000
2019	(34,000)	0	0	0	0	0	0	34,000
2020	(34,000)	0	0	0	0	0	0	34,000

Division:	Civic Operations	Priority: 1
Department:	Civic Operations	ON-GOING
Title:	Queensway Transit Pavilion	PROVISIONAL

Justification:

The Queensway transit Pavilion was not constructed as planned resulting in an operating budget that is not required.

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

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

2018 Reduction Request Details

Division:	Civic Operations	Priority: 1
Department:	Civic Operations	ONE-TIME
Title:	Parks Operating Budget Reduction	PROVISIONAL

Justification:

Initial construction of the new Rowcliffe and Glenmore Recreation Parks has been delayed, therefore operating budget increases for these sites can be delayed for another year. This is a one-time operating reduction.

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	(75,370)	0	0	0	0	0	0	75,370

Division:	Civic Operations	Priority: 2
Department:	Utility Services	ON-GOING
Title:	Land Application of Biosolids	PROVISIONAL

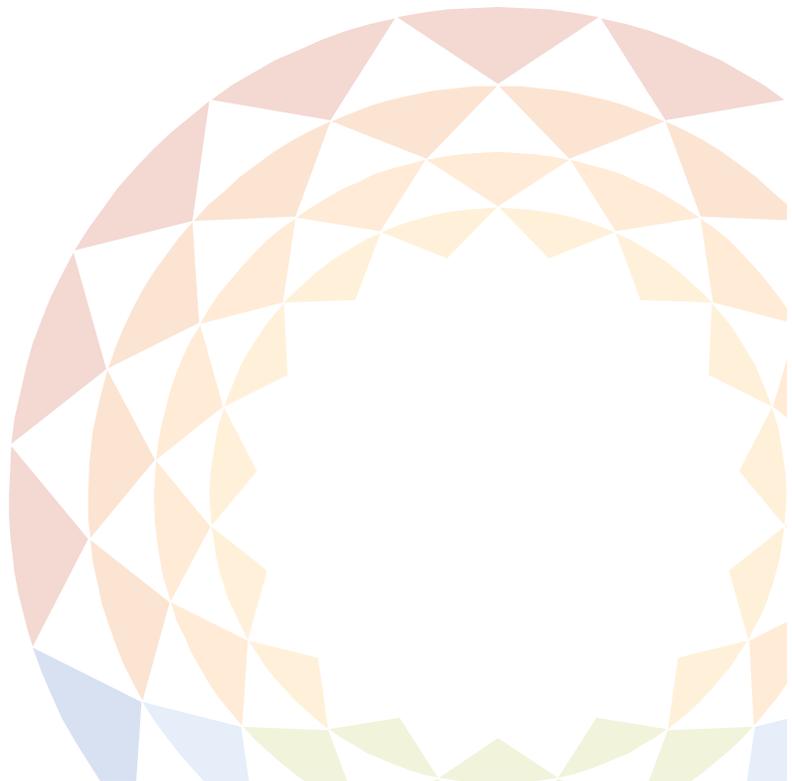
Justification:

Significant funding exists in the Biosolids contract services budget to allow for diversion of biosolids to land application to help address capacity issues at the Commonage Facility. Land application is not likely to occur within the next three years due to a variety of governmental, political and financial reasons. This request is to reduce the budget for three years to help offset the costs of increasing marketing and sales of compost.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	(80,000)	0	0	0	0	26,400	53,600	0
2019	(80,000)	0	0	0	0	26,400	53,600	0
2020	(80,000)	0	0	0	0	26,400	53,600	0

Water

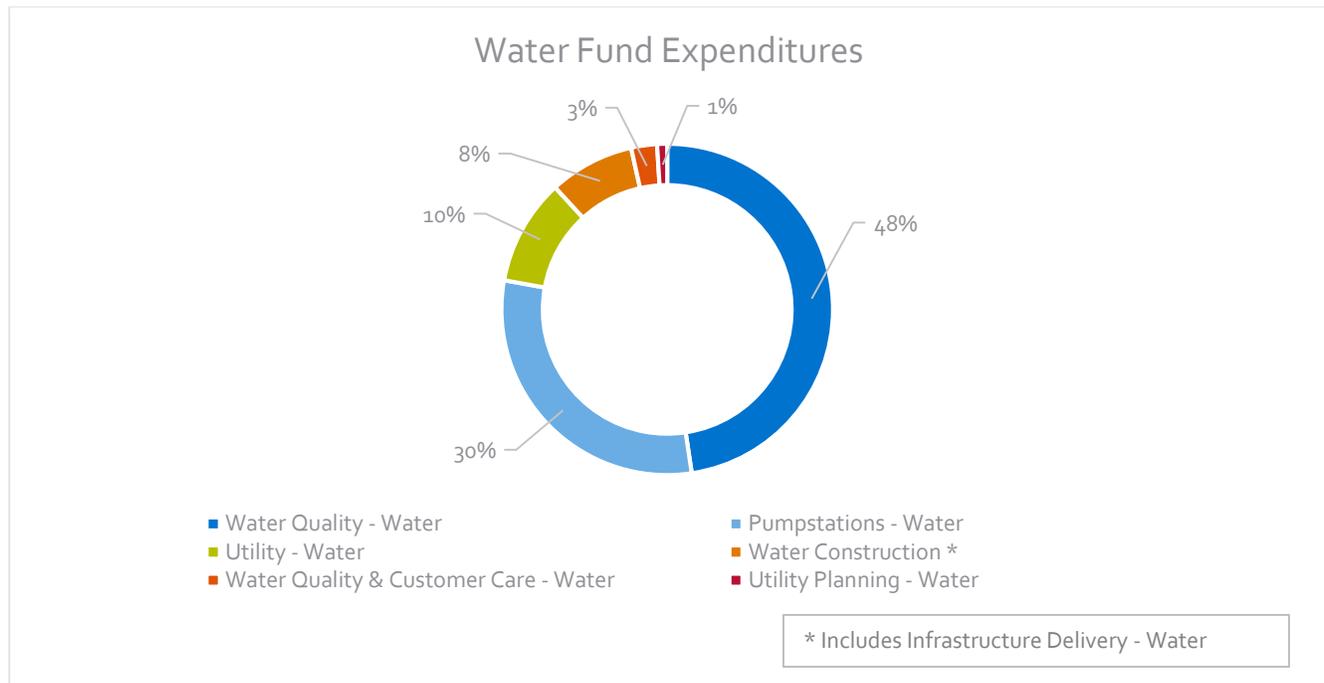


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Water utility - Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Water main Flushed (km)	398	250	400
Hydrants Maintained (annual service)	2,140	2,165	2,400
Mainline Valves exercised	991	1,000	1,000
Number of main breaks repaired	11	10	10
Number of service leaks repaired	112	110	110
Curb stops (service valves) exercised	3,420	3,500	3,500
Landscape Water Use Applications Received	49	32	50
Number of Irrigation inquiries received	56	43	50
Millions of cubic meters treated and distributed	15.4	16.0	16.0
Program Outcomes			
# of main breaks / 100 km Length (system reliability)	2.61	2.3	2.3
# of service break repair / 1000 services	5.66	5.81	5.78
% of valves cycled (PM)	29	29	29
% of Hydrants inspected (annual checks)	100	100	100
Days Turbidity Co-efficient > 1 NTU	0	22	0
Number of water outages due to equipment failures	0	0	0
# of drinking water advisories / boil water notices	0	2	0
Efficiency Measures			
Electrical Energy Cost \$/cubic meter water produced	0.060	0.060	0.062
Customer satisfaction			
# of water quality complaints	3	2	2

Water utility budget overview



Net Department expenditures

Departments		Actual	Revised	Provisional	Change	Percent change
		2016	2017	2018	from prior year	
Water						
196	Water Quality - Water	(8,817,181)	(6,659,990)	(7,007,636)		
198	Pumpstations - Water	2,564,577	2,569,932	2,986,088		
200	Utility - Water	703,497	792,440	804,380		
*237	Water Construction	764,490	696,518	696,518		
*247	Utility Planning - Water	191,538	266,690	96,690		
*264	Infrastructure Delivery - Water	21,864	107,110	127,110		
266	Water Quality & Customer Care - Water	500	167,300	228,250		
Net operating expenditures		(4,570,715)	(2,060,000)	(2,068,600)	(8,600)	0.4%
Capital cost centres:						
313	Water Capital	1,837,157	2,060,000	2,068,600		
Net capital expenditures		1,837,157	2,060,000	2,068,600	8,600	0.4%
Total Department net expenditures		(2,733,558)	0	0	0	0.0%

*These cost centers belong to Infrastructure

Comparison of 2017 and 2018 operating revenues and expenditures

	2017 Revised Budget	Variance	2018 Provisional
Revenues			
Water Quality - Water			
Domestic	7,329,396	0	7,329,396
Commercial	2,217,586	0	2,217,586
Beaver Lake Rd	24,276	0	24,276
Fire line	35,751	0	35,751
Frontage tax	1,374,807	0	1,374,807
Sale to own municipality	257,255	0	257,255
Flat rate (misc)	1,000	0	1,000
Other revenue			
Interest earned	37,500	0	37,500
Water debt	28,597	0	28,597
Water quality	2,170,800	0	2,170,800
Miscellaneous	87,500	0	87,500
Appropriations from reserve	93,580	0	93,580
	<u>13,658,048</u>	<u>0</u>	<u>13,658,048</u>
Utilities - Water			
Water utilities network	133,925	800	134,725
Flat rate (misc)	5,000	0	5,000
Hydrant rentals	81,551	0	81,551
	<u>220,476</u>	<u>800</u>	<u>221,276</u>
Pumpstations - Water	30,000	(27,500)	2,500
Water Quality & Customer Care - Water	21,500	0	21,500
Utilities Planning - Water	281,750	(281,750)	0
	<u>14,211,774</u>	<u>(308,450)</u>	<u>13,903,324</u>
Expenditures			
Water Quality - Water			
Water operations	2,667,637	(1,037,201)	1,630,436
Water quality	15,000	0	15,000
Water debt	805,426	0	805,426
Contribution to reserve	2,265,080	0	2,265,080
	<u>5,753,143</u>	<u>(1,037,201)</u>	<u>4,715,942</u>
Utilities - Water			
Utilities water	52,911	0	52,911
Water utilities network	960,005	12,740	972,745
	<u>1,012,916</u>	<u>12,740</u>	<u>1,025,656</u>
Pumpstations Water	2,599,932	388,656	2,988,588
Utilities Planning - Water	548,440	(451,750)	96,690
Water Quality & Customer Care - Water	188,800	60,950	249,750
Water Construction	803,628	20,000	823,628
	<u>10,906,859</u>	<u>(1,006,605)</u>	<u>9,900,254</u>
Net operating	<u>3,304,915</u>	<u>698,155</u>	<u>4,003,070</u>
Capital Expenditures			
Transfer to general capital fund	930,860	*(847,530)	83,330
From general utility revenue	2,060,000	8,600	2,068,600
Surplus/(Deficit)	1,244,915	689,555	1,934,470
Projected accumulated surplus	14,320,543		16,255,013

* Amount is included in Water Operations Expenditures.

Civic Operations

Water Utility - Water Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	(1,723,965)	(1,684,935)	(1,684,935)
Fees and Charges	(11,789,475)	(11,885,184)	(11,885,184)
Other Revenue	(564,937)	(308,105)	(308,905)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(220,947)	(333,550)	(24,300)
Total Revenue	(14,299,324)	(14,211,774)	(13,903,324)
Expenditures			
Salaries and Wages	2,288,305	2,658,970	2,726,337
Internal Equipment	453,283	346,094	365,974
Material and Other	2,283,779	2,492,791	2,389,017
Contract Services	404,265	427,965	447,965
Debt Interest	471,932	471,940	471,940
Debt Principal	333,490	333,486	333,486
Internal Allocations	1,113,346	1,979,813	969,735
Transfers to Funds			
Special (Stat Reserve) Funds	13,103	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	2,367,106	3,440,715	4,130,270
Total Expenditures	9,728,609	12,151,774	11,834,724
Net Operating Expenditures	(4,570,715)	(2,060,000)	(2,068,600)
Capital Expenditures			
Gross Expenditures	2,697,319	3,503,440	2,252,200
Other Funding Sources	(860,162)	(1,443,440)	(183,600)
Taxation Capital	1,837,157	2,060,000	2,068,600
Net Operating & Tax Capital Exp.	(2,733,558)	0	0

	Budgeted	Actual	Revised	Provisional
Authorized FTE				
Positions	2016	2016	2017	2018
Salaried	6.9	6.4	7.3	7.0
Hourly	22.9	19.3	23.1	24.3

Description of operating program changes

		Total	FTE
2017 revised budget		29,716,545	208.4
2018 net impacts			
One-time operating requests	(292,000)		(2.7)
One-time expenditure reductions	-		
Incremental costs - prior year(s)	285,880		1.0
Salary adjustments	-		
Other adjustments	72,915		
Departmental adjustments	2,000	68,795	
		<u>29,785,340</u>	<u>206.7</u>
2018 program additions			
2018 operating requests	742,250		1.8
2018 expenditure reductions	(134,370)	607,880	(0.5)
2018 provisional		<u>30,393,220</u>	<u>208.0</u>
<i>Unfunded 2018 requests</i>			
2018 operating requests	165,940		1.1
2018 expenditure reductions	-	165,940	
Total unfunded requests for 2018		<u>165,940</u>	<u>1.1</u>

2018 Operating Requests

Provisional Budget

Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Water								
Maintain								
230	Online Water Quality Monitoring Equipment	15,000	0	0	0	0	(15,000)	OT
230	Ongoing Electrical Equipment Replacement	35,000	0	0	0	0	(35,000)	OG
231	Flood Resilience of Water Sources	50,000	0	0	0	0	(50,000)	OT
231	Water Projects, Designs	20,000	0	0	0	0	(20,000)	OG
232	Cedar Creek Pump Repair	30,000	0	0	0	0	(30,000)	OT
232	Source Water Protection Plan	28,000	0	0	0	0	(28,000)	OT
233	Daon Booster Station Ceiling Repairs	20,000	0	0	0	0	(20,000)	OT
233	Poplar Point Pump Station Rock Slope Stabilization	60,000	0	0	0	0	(60,000)	OT
234	UV Water Treatment System Manufacturer Service Visit	20,000	0	0	0	0	(20,000)	OT
234	Varty Creek Environmental Assessment	20,000	0	0	0	0	(20,000)	OT
	Total Maintain	298,000	0	0	0	0	(298,000)	
Growth								
235	Water Operations Developer Capital Growth	15,200	0	0	0	0	(15,200)	OG
474 CAP	Water & Wastewater Collections Operator Position	46,880	0	0	0	0	(46,880)	OG
	Total Growth	62,080	0	0	0	0	(62,080)	
New								
504 CAP	Dehart Road Bulkwater Fill Station	14,740	0	0	0	0	(14,740)	OG
473 CAP	Pump Operations - Instrument Electrician Term Position	50,520	0	0	0	0	(50,520)	OG
235	Landscape Training Certification	10,000	0	0	0	0	(10,000)	OT
236	Quality Control Proficiency Testing	2,000	0	0	0	0	(2,000)	OG
	Total New	77,260	0	0	0	0	(77,260)	
Growth								
141	* 20 Year Servicing Plan and DCC Bylaw Update	0	0	0	0	0	0	OG
	Total Growth	0	0	0	0	0	0	
	Division Priority 1 Total	437,340	0	0	0	0	(437,340)	
	Total Priority 1 Operating	437,340	0	0	0	0	(437,340)	

2018 Operating Requests Provisional Budget Summary - Water Fund

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

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

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

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Online Water Quality Monitoring Equipment		PROVISIONAL

Justification:

Funds are requested to replace 4 pH meters and add an UV transmittance meter at the Swick pump station. The pH existing meters are now 16 years old and repair parts are no longer available. The Swick Road UV system is the only UV system without a UV Transmittance meter. Online pH meters and UV transmittance meters provide valuable real time data to ensure clean drinking water is provided by the Water Utility as well as to ensure optimal use of energy.

Corporate Framework: A safe city - Clean drinking water

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	15,000	0	0	0	0	0	(15,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Ongoing Electrical Equipment Replacement		PROVISIONAL

Justification:

A large majority of the electrical equipment in the water system is greater than 20 years old and is no longer supported with spare parts or technical assistance. Additional budget is requested to replace and maintain this critical equipment to minimize or eliminate service disruptions.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	35,000	0	0	0	0	0	(35,000)
2019	40,000	0	0	0	0	0	(40,000)
2020	45,000	0	0	0	0	0	(45,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Flood Resilience of Water Sources		PROVISIONAL

Justification:

Budget is requested for an engineering study to identify and summarize operational risks and issues related to potential flooding for each of the City's 4 Okanagan Lake water sources using, in part, the lessons learned from the 2017 flood. The scope of work will include conceptual design and budgetary cost estimates for recommended mitigation measures that may be considered for future budgets.

Corporate Framework: A safe city - Flood protection

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	50,000	0	0	0	0	0	(50,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Delivery		ON-GOING
Title:	Water Projects, Designs		PROVISIONAL

Justification:

Budget is requested to prepare conceptual designs and cost estimates to provide better budgeting and planning for upcoming priority capital replacement projects planned for future budget years.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	20,000	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Cedar Creek Pump Repair		PROVISIONAL

Justification:

The two original pumps installed in 2007 require extensive repairs to ensure performance and reliability. The two pumps are an integral part of the planned upgrades to the South End Water System. Budget will allow current pump issues to be addressed and minimize any service disruptions

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	30,000	0	0	0	0	0	(30,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Source Water Protection Plan		PROVISIONAL

Justification:

A condition of the drinking water system permit with Interior Health Authority (IHA) is to conduct a source water protection assessment and implement a formal long term action plan. The initial assessment report was completed in 2011. The next step is to develop the formal Protection Plan to protect against threats to drinking water quality. IHA has requested that the Protection Plan be in place for 2018.

This meets the IHA requirement for our water system operation as well as ensures long term environmental protection and stewardship of our watershed.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	28,000	0	0	0	0	0	(28,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Daon Booster Station Ceiling Repairs		PROVISIONAL

Justification:

Budget is requested to address condensation and ceiling issues that pose a risk to water quality in the Daon Booster Station reservoir.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	20,000	0	0	0	0	0	(20,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Poplar Point Pump Station Rock Slope Stabilization		PROVISIONAL

Justification:

The rock slope directly adjacent to the UV treatment building at Poplar Point Pump Station has been identified as unstable and is a risk to the structures and workers at the site. Budget is requested for rock stabilization and remediation work to address the instability.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	60,000	0	0	0	0	0	(60,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	UV Water Treatment System Manufacturer Service Visit		PROVISIONAL

Justification:

The Calgon UV water treatment units at Poplar Point, Eldorado and Swick Road were installed in 2005 and require inspection and maintenance from the manufacturer. This service visit will also provide additional training for staff members.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	20,000	0	0	0	0	0	(20,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Varty Creek Environmental Assessment		PROVISIONAL

Justification:

A major bank collapse on Varty Creek in March 2017 triggered a water quality advisory for the residents on the Swick Road water system. Due to Varty Creek's proximity and influence on the water intake system, a general environmental assessment was taken of the area to determine if there was on-going risk and was determined that future water quality events are imminent due to creek bank stability unless remedial action is taken. The proposed assessment would provide a comprehensive risk overview, propose mitigation plans and details of maintenance work that would need to be carried out to stabilize the slopes and minimize preventable water advisories in the future.

Corporate Framework: A safe city - Clean drinking water

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	20,000	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Water Operations Developer Capital Growth		PROVISIONAL

Justification:

Budget is requested to address the increase in operation and maintenance costs for additional water system facilities built by development growth. Two pressure reducing valves are expected to be completed in 2018, and one booster station in 2019.

2018 Base Budget: \$637,576

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	15,200	0	0	0	0	0	(15,200)
2019	19,500	0	0	0	0	0	(19,500)
2020	19,500	0	0	0	0	0	(19,500)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Landscape Training Certification		PROVISIONAL

Justification:

In an effort to reduce long term water consumption, it is important that irrigation professionals apply water smart principles when designing and installing water systems. Elevated level of certification is required for these professionals to ensure that thorough training and demonstration of conservation practices are kept paramount and specific to our climate. This would lead to a City sanctioned "preferred irrigation professional" vendor list of irrigation professionals that have received formal training and certification through the "Qualified Water Efficient Landscaper" or (QWEL) developed program. This has been tremendously successful training program in the US (California) and would take these course principle and have them applied for the Okanagan climate. This is demonstrate progressive leadership in that this type of program has not been offering in Canada before. City sponsored vendor would run the certification course locally in conjunction with Kelowna Water Smart initiatives and would be funded through the water conservation program.

Corporate Framework: A clean healthy environment - Water conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	10,000	0	0	0	0	0	(10,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Quality Control Proficiency Testing		PROVISIONAL

Justification:

This request is to add annual operating budget for annual proficiency testing for drinking water microbiology as required to maintain our Enhanced Water Quality Assurance (EWQA) quality accreditation standing.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	2,000	0	0	0	0	0	(2,000)
2019	2,000	0	0	0	0	0	(2,000)
2020	2,000	0	0	0	0	0	(2,000)

2018 Reduction Requests Provisional Budget Summary - Water Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
<u>Water</u>								
238	Water Energy Reduction - Electricity	(12,000)	0	0	0	0	12,000	OG
	Department Priority 1 Total	(12,000)	0	0	0	0	12,000	
<hr/>								
	Total Priority 1 Reduction Requests	(12,000)	0	0	0	0	12,000	

2018 Reduction Request Details

Division:	Civic Operations	Priority: 1
Department:	Utility Services	ON-GOING
Title:	Water Energy Reduction - Electricity	PROVISIONAL

Justification:

Recent upgrades at the Cedar Creek Pump Station to right-size the pumps to meet operational need have resulted in a reduction of electrical consumption.

2018 Base Budget: \$999,096

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	(12,000)	0	0	0	0	0	12,000
2019	(12,000)	0	0	0	0	0	12,000
2020	(12,000)	0	0	0	0	0	12,000

Wastewater

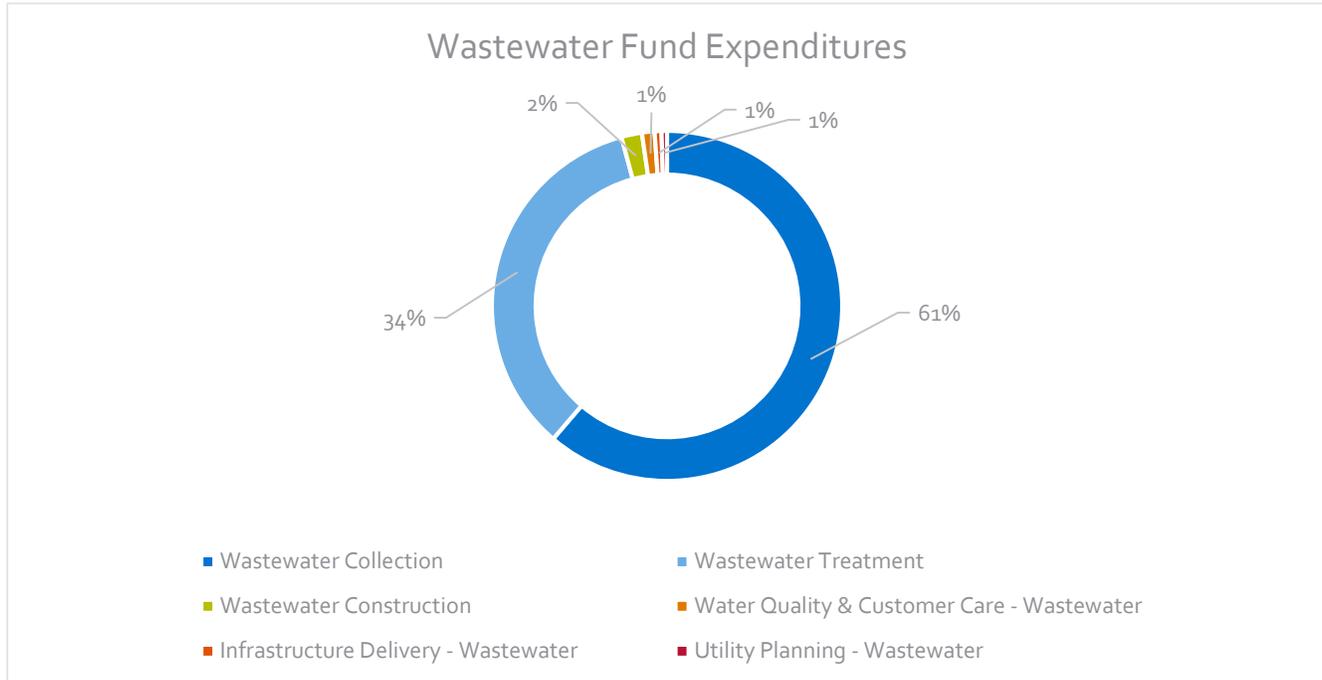


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Wastewater utility - Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Sewer pipes cleaned (km)	159	160	160
Blocked Mains (number)	8	10	10
Blocked Services (number)	87	90	100
Length of pipe closed-circuit TV (CCTV) inspected (km)	34	35	35
Million liters of wastewater effluent	13,503	14,000	14,500
Number of Temporary Discharge permits issued	18	20	20
Program Outcomes			
# of blocked sewers / 100km of sewer length (system reliability)	1.37	1.69	1.68
% Sewer length cleaned	27	27	27
% of length CCTV inspected	6	6	6
# of blocked service connections / 1000 service connections (system reliability)	3.36	3.46	3.83
Annual Average Effluent Total Nitrogen (mg/l) – Permit 6.0	5.43	5.5	5.5
Percentage of Total Phosphorous removed by Wastewater Treatment Facility (WWTF)	96.6	97	97
Efficiency Measures			
Electrical Energy Consumed by collection system - kWh/cubic meter wastewater pumped	0.097	0.081	0.085
Electrical Energy Consumed at WWTF - kWh/Million liters treated effluent	777.67	780	770
Customer satisfaction			
# of odor complaints WWTF	0	0	0
# of odor complaints BC Trade Waste Treatment Plant (BCTWTP)	0	0	0

Wastewater utility budget overview



Net Department expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Wastewater					
194 Wastewater Collection	(12,727,331)	(11,098,642)	(9,026,056)		
195 Wastewater Treatment	5,318,458	5,703,302	5,781,046		
*236 Wastewater Construction	383,699	366,810	366,810		
*246 Utility Planning - Wastewater	73,327	97,440	97,440		
*263 Infrastructure Delivery - Wastewater	58,275	102,110	122,110		
265 Water Quality & Customer Care - Wastewater	202	198,350	223,650		
Net operating expenditures	(6,893,370)	(4,630,630)	(2,435,000)	2,195,630	(47.4%)
Capital cost centres:					
314 Wastewater Capital	2,489,966	4,630,630	2,435,000		
Net capital expenditures	2,489,966	4,630,630	2,435,000	(2,195,630)	(47.4%)
Total Department net expenditures	(4,403,404)	0	0	0	0.0%

*These cost centres belong to Infrastructure

Comparison of 2017 and 2018 operating revenues and expenditures

	2017 Revised Budget	Variance	2018 Provisional
Revenues			
Utilities Planning - Wastewater	7,920	(7,920)	0
Wastewater			
Wastewater operations	353,032	0	353,032
Commercial charges	3,441,780	38,600	3,480,380
Domestic charges	11,923,643	238,457	12,162,100
Sewer discharge fees	220,000	0	220,000
Sewer lift stations operations	11,560	0	11,560
Sanitary network operations	66,155	(17,500)	48,655
Sewer debt	1,749,043	0	1,749,043
Appropriations from reserve	5,576,755	0	5,576,755
	<u>23,349,888</u>	<u>251,637</u>	<u>23,601,525</u>
Wastewater Treatment			
Wastewater treatment facility operations	196,075	(176,075)	20,000
Wastewater treatment - trade operations	897,209	(34,200)	863,009
	<u>1,093,284</u>	<u>(210,275)</u>	<u>883,009</u>
	24,443,172	41,362	24,484,534
Expenditures			
Utilities Planning - Wastewater	105,360	(7,920)	97,440
Water Quality & Customer Care - Wastewater	198,350	25,300	223,650
Infrastructure Delivery - Wastewater	102,110	20,000	122,110
Wastewater			
Wastewater operations	3,150,544	(401,346)	2,749,198
Sewer lift stations operations	593,974	253,905	847,879
Sanitary network operations	1,139,123	(49,624)	1,089,499
Sewer debt	6,667,933	0	6,667,933
Contribution to reserve	467,700	0	467,700
	<u>12,019,274</u>	<u>(197,065)</u>	<u>11,822,209</u>
Wastewater Construction			
Sanitary installation and repair	366,810	0	366,810
	<u>366,810</u>	<u>0</u>	<u>366,810</u>
Wastewater Treatment			
Wastewater treatment facility operations	5,899,377	(98,331)	5,801,046
Wastewater treatment - trade operations	897,209	(34,200)	863,009
	<u>6,796,586</u>	<u>(132,531)</u>	<u>6,664,055</u>
	<u>19,588,490</u>	<u>(292,216)</u>	<u>19,296,274</u>
Net operating	4,854,682	333,578	5,188,260
Capital Expenditures			
Transfer to general capital fund	1,130,945 *	(507,275)	623,670 *
From general utility revenue	4,630,630	(2,195,630)	2,435,000
Capital - other funding sources	2,370,000	(2,340,000)	30,000
Surplus/(Deficit)	224,052	2,529,208	2,753,260
Projected accumulated surplus	28,685,776	2,753,260	31,439,036

* Amounts are included in Wastewater Operations Expenditures.

Civic Operations
Wastewater Utility - Wastewater Fund
Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	(1,398,693)	(1,400,908)	(1,400,908)
Fees and Charges	(15,466,726)	(15,741,039)	(16,018,096)
Other Revenue	(1,787,156)	(1,657,297)	(1,553,097)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	(5,354,097)	(5,461,365)	(5,461,365)
Accumulated Surplus	(289,478)	(182,563)	(51,068)
Total Revenue	(24,296,150)	(24,443,172)	(24,484,534)
Expenditures			
Salaries and Wages	3,256,357	3,547,546	3,622,876
Internal Equipment	653,094	766,013	775,623
Material and Other	3,062,388	3,524,190	3,636,735
Contract Services	99,299	41,170	48,920
Debt Interest	2,322,543	2,322,346	2,322,346
Debt Principal	4,180,363	4,345,587	4,345,587
Internal Allocations	3,381,887	4,689,328	4,191,877
Transfers to Funds			
Special (Stat Reserve) Funds	200,203	156,310	156,310
Development Cost Charges	0	0	0
Accumulated Surplus	246,646	420,052	2,949,260
Total Expenditures	17,402,780	19,812,542	22,049,534
Net Operating Expenditures	(6,893,370)	(4,630,630)	(2,435,000)
Capital Expenditures			
Gross Expenditures	3,810,596	7,000,630	2,465,000
Other Funding Sources	(1,320,630)	(2,370,000)	(30,000)
Taxation Capital	2,489,966	4,630,630	2,435,000
Net Operating & Tax Capital Exp.	(4,403,404)	0	0

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	8.4	7.9	8.8	8.9
Hourly	31.5	29.5	31.6	32.7

Description of operating program changes

		Total	FTE
2017 revised budget		(4,630,630)	40.4
2018 net impacts			
One-time operating requests	-		0.0
One-time expenditure reductions	-		
Incremental costs - prior year(s)	(16,000)		0.1
Salary adjustments	-		
Other adjustments	2,248,377		
Departmental adjustments	-	2,232,377	
		<u>(2,398,253)</u>	<u>40.5</u>
2018 program additions			
2018 operating requests	(18,947)		1.1
2018 expenditure reductions	(17,800)	(36,747)	
<i>2018 provisional</i>		<u>(2,435,000)</u>	<u>41.6</u>
<i>Unfunded 2018 requests</i>			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Wastewater								
Maintain								
249	Ongoing Electrical Equipment Replacement	40,000	0	0	0	0	(40,000)	OG
249	Sanitary Projects, Designs	20,000	0	0	0	0	(20,000)	OG
250	Source Control Field Monitoring Equipment Replacement	4,000	0	0	0	0	(4,000)	OT
250	Wastewater Operations Developer Capital Growth	31,400	0	0	0	0	(31,400)	OG
251	Water Street Lift Station Roof Replacement	10,000	0	0	0	0	(10,000)	OT
251	Composite Sampler - Backup	8,000	0	0	0	0	(8,000)	OT
	Total Maintain	113,400	0	0	0	0	(113,400)	
Growth								
252	Wastewater Revenues	0	0	0	0	(277,057)	277,057	OG
	Total Growth	0	0	0	0	(277,057)	277,057	
New								
252	Water Street Lift Station Emergency Pump Bypass	50,000	0	0	0	0	(50,000)	OT
253	Cedar Creek Pump Station Upgrade	25,000	0	0	0	0	(25,000)	OT
253	Summer Co-op Student Position	12,000	0	0	0	0	(12,000)	OG
	Total New	87,000	0	0	0	0	(87,000)	
Maintain								
198	* Secondary Odour Mitigation Method	0	0	0	0	0	0	OT
199	* Emissions Review Study - Commonage	0	0	0	0	0	0	OT
200	* Excavator Hired Equipment	0	0	0	0	0	0	OG
200	* Term Labourer Position	0	0	0	0	0	0	OG
	Total Maintain	0	0	0	0	0	0	
Growth								
140	* #Biosolids Management Plan	0	0	0	0	0	0	OT
141	* #20 Year Servicing Plan and DCC Bylaw Update	0	0	0	0	0	0	OG
474 CAP	* Water & Wastewater Collections Operator Position	28,630	0	0	0	0	(28,630)	OG
	Total Growth	28,630	0	0	0	0	(28,630)	
New								
473 CAP	* Pump Operations - Instrument	29,080	0	0	0	0	(29,080)	OG

Page	2018 FINANCIAL PLAN	Cost	Reserve	Borrow	Gov/Contr	Revenue	CITY OF KELOWNA	
	Description						Utility	Cat
	<i>Electrician Term Position</i>							
	Total New	29,080	0	0	0	0	(29,080)	
	Division Priority 1 Total	258,110	0	0	0	(277,057)	18,947	
	Total Priority 1 Operating	258,110	0	0	0	(277,057)	18,947	

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

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

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

2018 Operating Requests Provisional Budget Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Wastewater								
New								
217	* <i>#Compost Sales Coordinator Term Position</i>	0	0	0	0	0	0	OG
	Total New	0	0	0	0	0	0	
Division Priority 2 Total								
		0	0	0	0	0	0	
Total Priority 2 Operating								
		0	0	0	0	0	0	

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

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

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

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Ongoing Electrical Equipment Replacement		PROVISIONAL

Justification:

The electrical equipment in the wastewater collection system is aging and is no longer supported with spare parts or technical help. This budget needs to catch up with historical expenses and allow for purchase and inventory storage of critical replacement items to minimize or eliminate service disruptions.

2018 Base Budget: \$2,250

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	40,000	0	0	0	0	0	(40,000)
2019	40,000	0	0	0	0	0	(40,000)
2020	40,000	0	0	0	0	0	(40,000)

Division:	Infrastructure	Priority: 1	Maintain
Department:	Infrastructure Delivery		ON-GOING
Title:	Sanitary Projects, Designs		PROVISIONAL

Justification:

Budget is requested to prepare conceptual designs and cost estimates to provide better budgeting and planning for upcoming priority capital replacement projects planned for future budget years.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	20,000	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Source Control Field Monitoring Equipment Replacement		PROVISIONAL

Justification:

Field measurements of sulphide levels is part of the source control monitoring program and requires use of portable gas loggers. Two units require replacement due to age and condition.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	4,000	0	0	0	0	0	(4,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ON-GOING
Title:	Wastewater Operations Developer Capital Growth		PROVISIONAL

Justification:

This requested budget increase is to address the increase in operation and maintenance costs for additional wastewater collection system facilities being built by Development. Two lift stations are to be operational in 2018, and a third in 2019.

2018 Base Budget: \$175,355

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	31,400	0	0	0	0	0	(31,400)
2019	47,100	0	0	0	0	0	(47,100)
2020	47,100	0	0	0	0	0	(47,100)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Water Street Lift Station Roof Replacement		PROVISIONAL

Justification:

The roof of the Water Street Lift Station is degrading and in need of renewal. Work will be managed by Building Services.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	10,000	0	0	0	0	0	(10,000)

Division:	Civic Operations	Priority: 1	Maintain
Department:	Utility Services		ONE-TIME
Title:	Composite Sampler - Backup		PROVISIONAL

Justification:

Composite sampler is standard automated equipment for onsite wastewater collection and requires frequent maintenance and occasional replacement due to age and wear. A backup is required on-site due to the length of time required to obtain a new sampler from vendor (4-6 weeks). A backup will provide redundancy and continuity for in-line sample collection, which can not be substituted by outside laboratory services.

2018 Base Budget: \$32,800

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	8,000	0	0	0	0	0	(8,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Wastewater Revenues		PROVISIONAL

Justification:

This request is to increase the commercial (\$38,600) and residential (\$238,457) wastewater revenues due to growth.

2018 Base Budget:

Commercial - (\$3,441,780)

Residential - (\$11,923,643)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	0	0	0	0	(277,057)	277,057
2019	0	0	0	0	0	(277,057)	277,057
2020	0	0	0	0	0	(277,057)	277,057

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Water Street Lift Station Emergency Pump Bypass		PROVISIONAL

Justification:

Water Street Lift station is the main lift station servicing the downtown core. It is located right on the edge of Mill Creek and sees high flows day and night. Budget would be used to provide the ability to set-up a temporary pump to bypass the station should there be a failure that prevents the station operating normally. The temporary bypass would allow time to address the failure and minimize the risk of release of untreated sewage into Mill Creek or the lake.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	50,000	0	0	0	0	0	(50,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ONE-TIME
Title:	Cedar Creek Pump Station Upgrade		PROVISIONAL

Justification:

The Cedar Creek Pump Station has a sewer service for its operational use and the sewage is discharged to a septic field located above the pump station within the boundary of the park. Budget is requested to install a pump and forcemain to carry the sewage to the City's gravity sewer system located across Cedar Creek Park at Lakeshore and Renwick. The system will be adequately sized to allow for a single stall washroom at Cedar Creek Beach adjacent to the pump station if required.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	25,000	0	0	0	0	0	(25,000)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Summer Co-op Student Position		PROVISIONAL

Justification:

A summer student would assist in both the water conservation program, as well as source control program for a 4-month term (May-August). Water conservation requires attending Water Smart public events and active water restriction education and enforcement (which is currently lacking). Source control requires additional assistance to carry out 300+ food establishment grease trap inspections, collection of samples, and public education on appropriate disposal materials. Time spent would be split between two areas and report to WQ supervisor.

Corporate Framework: A clean healthy environment - Water conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	12,000	0	0	0	0	0	(12,000)
2019	12,000	0	0	0	0	0	(12,000)
2020	12,000	0	0	0	0	0	(12,000)

2018 Reduction Requests Provisional Budget Summary - Wastewater Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
<u>Wastewater</u>								
I1	Wastewater Energy Reduction - Electricity	(17,800)	0	0	0	0	17,800	OG
	Department Priority 1 Total	(17,800)	0	0	0	0	17,800	
<hr/>								
	Total Priority 1 Reduction Requests	(17,800)	0	0	0	0	17,800	

2018 Reduction Request Details

Division:	Civic Operations	Priority: 1
Department:	Utility Services	ON-GOING
Title:	Wastewater Energy Reduction - Electricity	PROVISIONAL

Justification:

Recent upgrades to the Wastewater Facility include an outdoor LED lighting retrofit and replacement of an old air compressor. These upgrades have resulted in reduced electrical consumption.

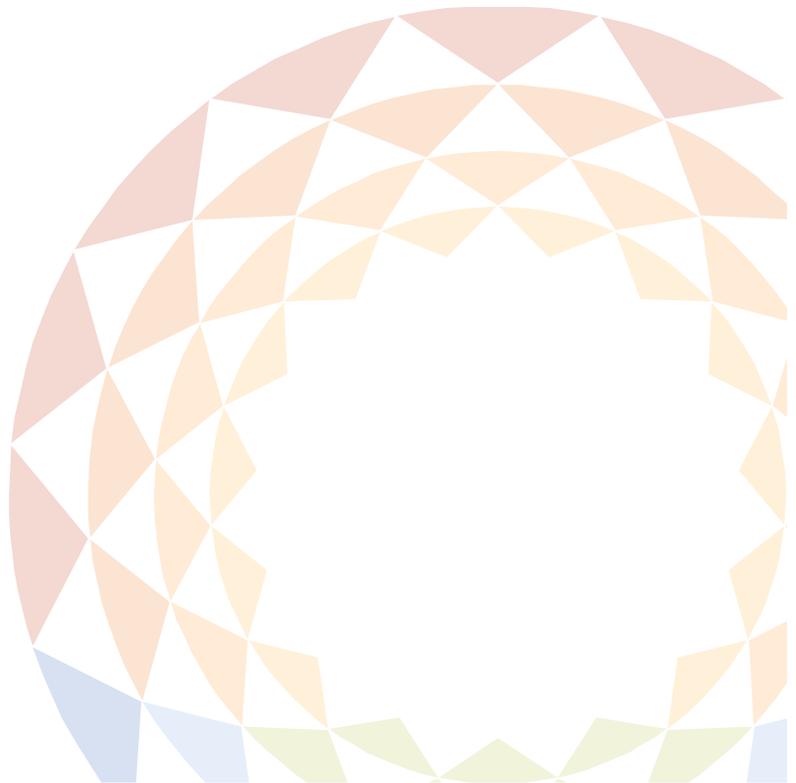
2018 Base Budget: \$870,090

Corporate Framework: A clean healthy environment - Energy conservation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	(17,800)	0	0	0	0	0	17,800
2019	(17,800)	0	0	0	0	0	17,800
2020	(17,800)	0	0	0	0	0	17,800

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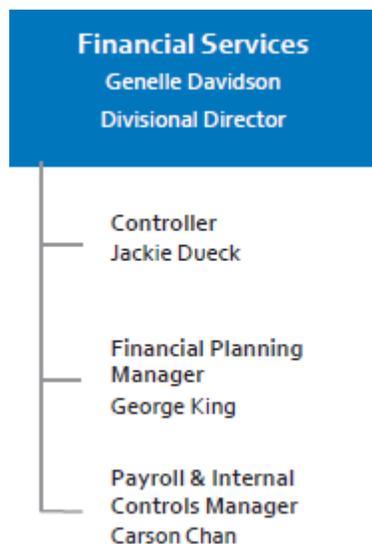
Financial Services



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Financial Services

The Finance Division provides financial services to Council, City Management and staff through financial management policies that form a framework for the City's overall fiscal planning, investment and management of City assets and resources. Financial accountability is achieved through reporting, monitoring, and internal control programs managed by the Division. Annual and Provisional Five-Year Financial Plans and Year-end Financial Reports and Statements provide key financial information and results to keep taxpayers, residents, business leaders and other interested parties informed on the financial performance and delivery of City programs and services. Financial Services Division also levies and collects property taxes and utility fees, processes accounts payable and accounts receivable, develops and maintains financial systems, invests and safeguards the City's financial assets and provides customer services such as transit passes, parking ticket and bylaw fee payments.



Controller, is responsible for the operations side of Financial Services. This includes all forms of revenue collection with the most significant amount of work around collecting taxation revenue. Also responsible for administering permissive tax exemption program, transit, systems and reporting, Financial reporting, general ledger, accounts payable and accounts receivable.

Financial Planning, is responsible for budget preparation and monitoring, reserve management and projections, debt management, investment portfolio to maximize returns and minimize risk ensuring adequate funding for ongoing City business requirements, utility rate modeling, financial planning, tangible capital asset accounting, financial analysis and decision support.

Payroll & Internal Controls, is responsible for preparation and administration of the City's payroll function and corporate financial compliance. They manage and oversee the corporate financial and system controls to ensure compliance with Generally Accepted Accounting Principles (GAAP), Public Sector Accounting Standards (PSAS), federal and provincial excise tax legislation, City bylaws, policies and procedures as well as best practices. They administer and manage the City's corporate banking controls and Treasury services ensuring the safekeeping of the City's financial assets.

2018 Divisional drivers & activities

Drivers

- One Team approach
- To provide customer focused service
- To safeguard the assets of the City
- To ensure value for citizens always
- To enable new approaches and innovation
- To promote a culture of engagement

Activities

A well-run City

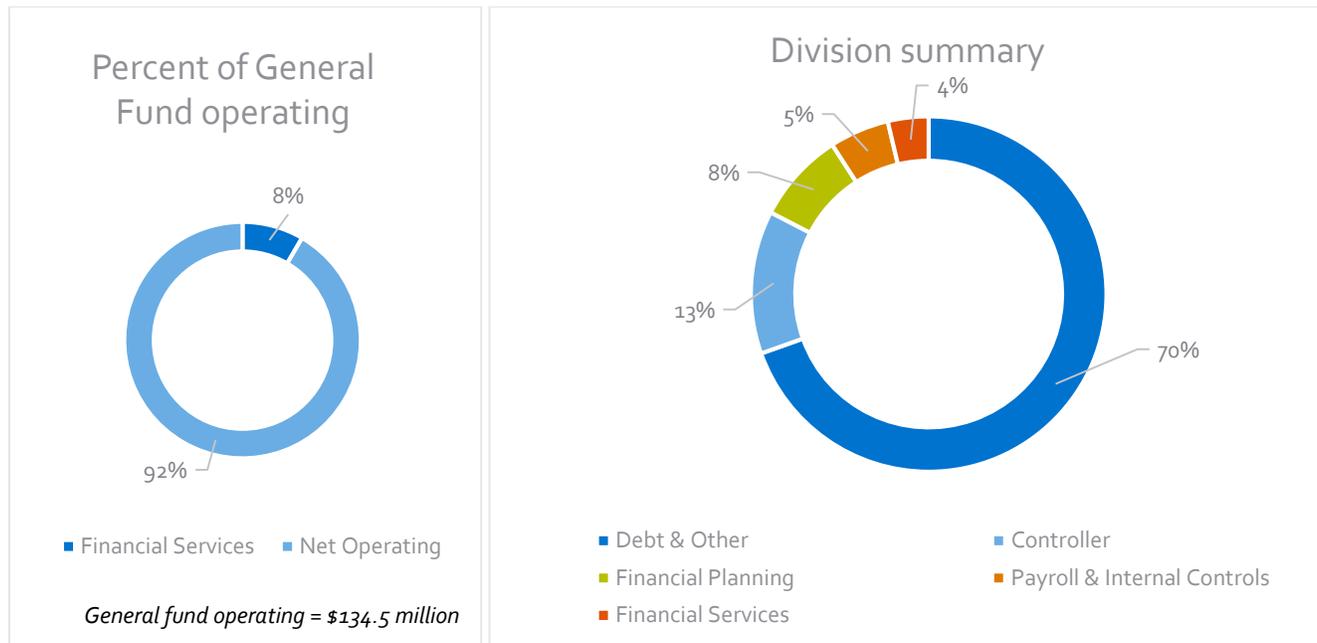
- Provide financial analysis and decision support for the Water Integration Project, which will incorporate South East Kelowna Irrigation District (SEKID) and South Okanagan Mission Irrigation District (SOMID) into the City water system.

- Multi-year project to implement a Utility Billing and Tax software system that will facilitate repatriation of the water and sewer customer care and utility billing functions and provide integrated efficiencies with the tax system.
- Financial policy updates by Special Projects in collaboration with branches responsible
- Final phase of the HR Payroll Streamlining project to simplify coding and create efficiencies in the HR/Payroll process.
- In keeping with open transparent and consistent governance as well as strong financial management Financial Services will be going to the marketplace for the City's banking services.
- Agresso upgrade to Spring 2017 software version
- Continue to promote the use of Electronic Funds Transfer (EFT) payment processing for all City of Kelowna suppliers and vendors.
- Further initiatives promoting a culture of engagement within the Financial Services Division

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
# of budget transfers processed	111	114	132
# of budget amendments processed	137	82	108
# of vouchers processed in Accounts Payable	25,500	26,000	26,500
# of payments made through Payroll	24,200	24,500	25,220
# of tax payers enrolled in prepayment plan (PAWS)	9,250	9,260	9,300
Amount of money collected monthly on PAWS	2.76 M	2.8 M	2.8 M
# of property tax notices mailed	53,000	54,000	55,000
% of tax payers who pay prior to the 1st penalty	95%	95%	95%
# of property owners deferring taxes	875	1,050	1,200
Dollar value of property taxes deferred	3.8 M	4.2 M	4.6 M
# of customers serviced by City owned water/sewer utilities	17,000	17,500	18,000
# of households serviced by City curbside collections	36,900	37,600	38,200
Program outcomes			
Consecutive years receiving:			
The Government Finance Officers Association (GFOA) Budget Award	15	16	17
The GFOA Financial Reporting Award	14	15	16

Financial Services budget overview



Net Divisional expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Financial Services					
124 Financial Services	410,697	411,623	417,743		
	410,697	411,623	417,743	6,120	1.5%
Controller					
127 Accounting Operations	514,755	933,534	933,534		
128 Systems & Reporting	445,897	20,399	25,399		
130 Revenue	353,988	322,369	409,119		
268 Controller	2,897	127,769	127,769		
	1,317,537	1,404,071	1,495,821	91,750	6.5%
Financial Planning					
126 Financial Planning	603,593	540,053	540,313		
269 Budget	3,007	394,677	394,677		
	606,600	934,730	934,990	260	0.0%
Payroll & Internal Controls					
125 Financial Accounting	683,296	468,130	586,510		
	683,296	468,130	586,510	118,380	25.3%
Debt & Other					
205 Debt & Other	3,620,310	5,265,451	7,854,444		
	3,620,310	5,265,451	7,854,444	2,588,993	49.2%
Net operating expenditures	6,638,440	8,484,005	11,289,508	2,805,503	33.1%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	6,638,440	8,484,005	11,289,508	2,805,503	33.1%

Financial Services - General Fund Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	(165,692)	(8,008)	(3,736)
Parcel Tax	(34,867)	(34,867)	(34,867)
Fees and Charges	(6,866,942)	(6,921,444)	(730,511)
Other Revenue	(10,475,447)	(10,385,935)	(10,025,843)
Transfers from Funds			
Special (Stat Reserve) Funds	(2,001,375)	(1,151,539)	(1,151,539)
Development Cost Charges	(1,401,826)	(1,401,826)	(2,055,696)
Accumulated Surplus	(2,507,845)	(639,110)	(356,500)
Total Revenue	(23,453,994)	(20,542,729)	(14,358,692)
Expenditures			
Salaries and Wages	3,032,058	2,768,137	3,099,017
Internal Equipment	0	0	0
Material and Other	6,320,896	6,694,848	938,015
Contract Services	1,114,363	1,245,900	319,500
Debt Interest	3,760,203	4,645,991	4,640,125
Debt Principal	3,770,125	4,592,467	5,151,507
Internal Allocations	155,512	188,000	188,000
Transfers to Funds			
Special (Stat Reserve) Funds	6,571,243	6,895,260	7,395,260
Development Cost Charges	0	0	0
Accumulated Surplus	5,368,034	1,996,131	3,916,776
Total Expenditures	30,092,434	29,026,734	25,648,200
Net Operating Expenditures	6,638,440	8,484,005	11,289,508
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	6,638,440	8,484,005	11,289,508

Authorized FTE Positions	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Salaried	38.3	34.5	41.8	47.0
Hourly	2.2	4.7	2.2	2.2

Description of operating program changes

		Total	FTE
2017 revised budget		8,484,005	44.0
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	140,100		4.4
Salary adjustments	-		
Other adjustments	179,853		
Departmental adjustments	1,400	321,353	
		<u>8,805,358</u>	<u>48.4</u>
2018 program additions			
2018 operating requests	2,484,150		0.8
2018 expenditure reductions	-	2,484,150	
2018 provisional		<u>11,289,508</u>	<u>49.2</u>
<i>Unfunded 2018 requests</i>			
2018 operating request	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services Division									
Maintain									
265	GST Compliance	5,000	0	0	0	0	0	(5,000)	OG
265	Payroll System Improvements	106,500	(106,500)	0	0	0	0	0	OT
	Total Maintain	111,500	(106,500)	0	0	0	0	(5,000)	
Growth									
266	Financial Analyst Position	75,640	0	0	0	0	0	(75,640)	OG
266	Operating Budget Adjustments	5,000	0	0	0	(16,750)	0	11,750	OG
	Total Growth	80,640	0	0	0	(16,750)	0	(63,890)	
New									
267	Enterprise Resource Planning Operating Budget Increase	5,000	0	0	0	0	0	(5,000)	OG
	Total New	5,000	0	0	0	0	0	(5,000)	
	Division Priority Total	197,140	(106,500)	0	0	(16,750)	0	(73,890)	
	Total Priority Operating	197,140	(106,500)	0	0	(16,750)	0	(73,890)	

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

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

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

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	GST Compliance		PROVISIONAL

Justification:

Interpretation of excise tax legislation is a complex specialty area. To ensure compliance, the City occasionally requires the expertise and input of a GST specialist to consult with on the more complex contracts and schemes that the City has implemented or is contemplating.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ONE-TIME
Title:	Payroll System Improvements		PROVISIONAL

Justification:

As a result from Phase 2 of the HR/Payroll Streamlining project, a consultant has recommended additional works be performed to improve payroll configuration in 2018. The main funding source will be from reserve, and the remaining balance will be from the HR/Payroll Streamlining project carryover.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	106,500	(106,500)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Growth
Department:	Financial Services		ON-GOING
Title:	Financial Analyst Position		PROVISIONAL

Justification:

With the addition of many new corporate programs and projects (Partnerships, Dark Fibre, LED Lighting, Napa, Enterprise Kelowna, Legacy Investments, and Fortis Shares) there is a need to provide financial support for these programs that the current team does not have the capacity to service.

This position will reside in the Internal Controls branch of the Financial Services Division and will provide critical financial support to the City when considering, starting and running new programs and projects by providing; business analysis; return on investment calculations; quantitative and qualitative analysis; forecasting and modeling; cost of capital analysis and computation; and financial performance reviews for projects reaching their 5th year. This aligns with Council priorities for strong financial management and will promote better decision making, increased service levels to operational teams and validate the financial success and sustainability of the City's programs and projects.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,640	0	0	0	0	0	0	(75,640)
2019	100,430	0	0	0	0	0	0	(100,430)
2020	100,430	0	0	0	0	0	0	(100,430)

Division:	Financial Services	Priority: 1	Growth
Department:	Financial Services		ON-GOING
Title:	Operating Budget Adjustments		PROVISIONAL

Justification:

This request is to adjust base budgets to reflect actual experience.

- 1.) Increase revenues received from Mortgage Administration Fees. 2018 base budget \$75,000.
- 2.) Increase revenues received from Tax Certificate User Fees. 2018 base budget \$90,000.
- 3.) Increase revenues for Residential Waste Collection Administration Fee. 2018 base budget \$154,500.
- 4.) Increase advertising expense to align with costs for ads required by legislation. 2018 base budget \$7,150.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	(16,750)	0	11,750
2019	5,000	0	0	0	0	(16,750)	0	11,750
2020	5,000	0	0	0	0	(16,750)	0	11,750

2018 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Enterprise Resource Planning Operating Budget Increase		PROVISIONAL

Justification:

The City's Enterprise Resource Planning financial software includes modules such as accounts payable and receivable, payroll, human resources, general ledger, sales order, projects, procurements, logistics and inventory.

Increased professional and consulting funding is needed to assist with the payroll system implementation of complex union contracts, ongoing policy and legislated changes.

2018 Base Budget: \$20,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	15,000	0	0	0	0	0	0	(15,000)

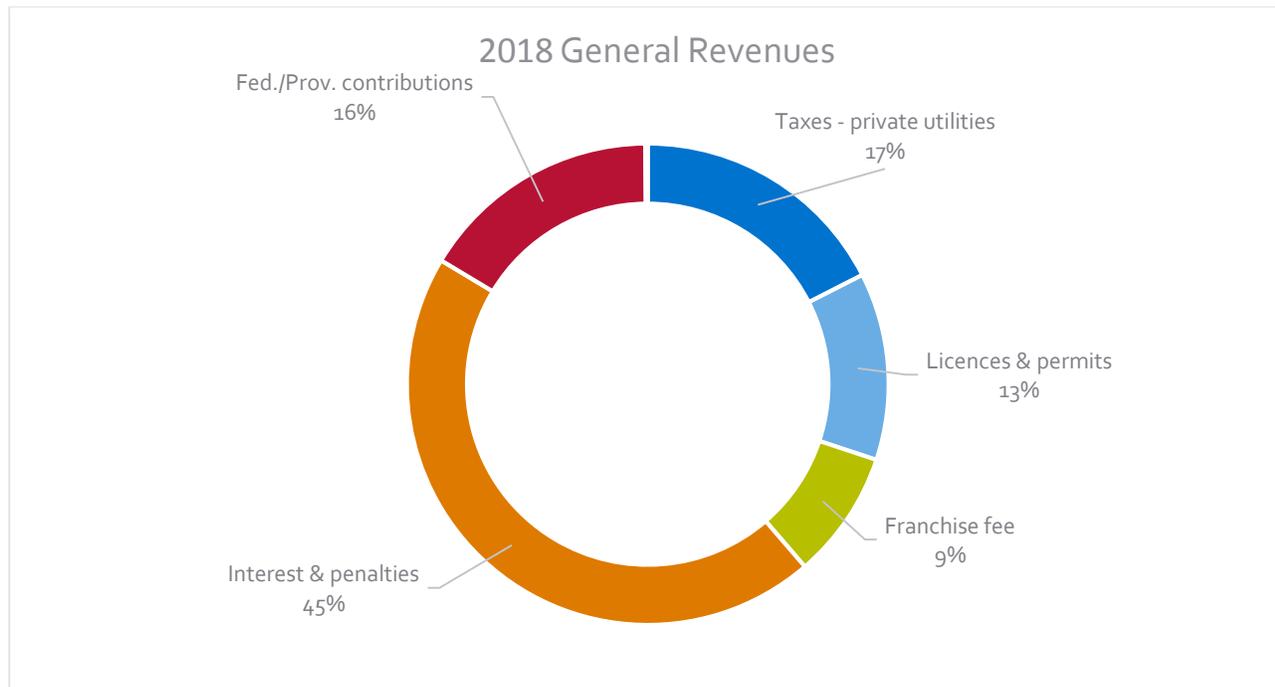
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General Revenue



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General Revenue budget overview



Net Department expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Revenue & Fees					
206 Revenue & Fees	(132,139,136)	(139,204,820)	(145,901,665)		
Net operating expenditures	(132,139,136)	(139,204,820)	(145,901,665)	(6,696,845)	4.8%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	(132,139,136)	(139,204,820)	(145,901,665)	(6,696,845)	4.8%

General Revenues - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	(122,246,820)	(129,342,447)	(136,417,294)
Parcel Tax	0	0	0
Fees and Charges	(2,729,070)	(2,831,450)	(3,485,530)
Other Revenue	(10,172,670)	(5,795,193)	(5,445,641)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(1,617,354)	(1,650,000)	(1,650,000)
Total Revenue	<u>(136,765,914)</u>	<u>(139,619,090)</u>	<u>(146,998,465)</u>
Expenditures			
Salaries and Wages	0	0	0
Internal Equipment	0	0	0
Material and Other	2,736,489	0	0
Contract Services	0	0	0
Debt Interest	23,056	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	1,867,233	414,270	1,096,800
Total Expenditures	<u>4,626,778</u>	<u>414,270</u>	<u>1,096,800</u>
Net Operating Expenditures	<u>(132,139,136)</u>	<u>(139,204,820)</u>	<u>(145,901,665)</u>
Capital Expenditures			
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>(132,139,136)</u>	<u>(139,204,820)</u>	<u>(145,901,665)</u>

Authorized FTE Positions	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Salaried	0	0	0	0
Hourly	0	0	0	0

Description of operating program changes

		Total	FTE
2017 revised budget		(139,204,820)	0.0
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	-		
Salary adjustments	-		
Other adjustments	(7,038,705)		
Departmental adjustments	-	(7,038,705)	
		<u>(146,243,525)</u>	<u>0.0</u>
2018 program additions			
2018 operating requests	341,860		
2018 expenditure reductions	-	341,860	
2018 provisional		<u>(145,901,665)</u>	<u>0.0</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services									
<i>General Revenue</i>									
Maintain									
275	1% in Lieu of Taxes	0	0	0	0	(5,960)	0	5,960	OG
275	Certificate of Recognition Rebate	0	5,140	0	0	(5,140)	0	0	OG
276	FortisBC Gas Franchise Fee	0	0	0	0	53,450	0	(53,450)	OG
276	Grants in Lieu of Taxes	0	0	0	0	(31,040)	0	31,040	OG
277	Penalties and Interest	0	0	0	0	43,000	0	(43,000)	OG
277	Traffic Fine Sharing Revenue	0	0	0	0	307,410	0	(307,410)	OG
	Total Maintain	0	5,140	0	0	361,720	0	(366,860)	
Growth									
278	Business Licence Revenue	0	0	0	0	(20,000)	0	20,000	OG
278	School Site Acquisition Revenue	0	0	0	0	(5,000)	0	5,000	OG
	Total Growth	0	0	0	0	(25,000)	0	25,000	
New									
279	Library Lease Revenue	0	677,390	0	0	(677,390)	0	0	OG
	Total New	0	677,390	0	0	(677,390)	0	0	
Department Priority 1 Total		0	682,530	0	0	(340,670)	0	(341,860)	
Total Priority 1 Operating		0	682,530	0	0	(340,670)	0	(341,860)	

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

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

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

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	1% in Lieu of Taxes		PROVISIONAL

Justification:

This request is to adjust General Revenues received from Utility companies in lieu of property taxes based on 1% of 2016 Utility companies gross revenues within the City of Kelowna boundaries.

2018 Base Budgets:

Telus: \$211,564

Fortis BC - Gas: \$384,052

Shaw: \$173,477

Fortis BC-Electricity: \$1,308,422

BC Hydro: \$6,514

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(5,960)	0	5,960
2019	0	0	0	0	0	(5,960)	0	5,960
2020	0	0	0	0	0	(5,960)	0	5,960

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Certificate of Recognition Rebate		PROVISIONAL

Justification:

The City of Kelowna is expected to receive the Certificate of Recognition (COR) from WorkSafeBC in 2018. The intended purpose of the rebate is to recognize municipalities that have safety management systems as well to assist in the enhancement of safety programs and practices. This request is to increase the revenue budget to reflect the increase in the assessable payroll and the premium rate. The revenues received are contributed to the WorkSafeBC COR rebate reserve.

2017 base budget \$185,800

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	5,140	0	0	0	(5,140)	0	0
2019	0	5,140	0	0	0	(5,140)	0	0
2020	0	5,140	0	0	0	(5,140)	0	0

2018 Operating Request Details

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

Justification:

This request is to adjust the franchise fee revenue due from FortisBC down to \$1,027,100. The fee is based on 3% of the projected gross revenues from natural gas sales within the City of Kelowna during the 2017 calendar year.

2018 Base Budget: \$1,080,550

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	53,450	0	(53,450)
2019	0	0	0	0	0	53,450	0	(53,450)
2020	0	0	0	0	0	53,450	0	(53,450)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Grants in Lieu of Taxes		PROVISIONAL

Justification:

This request is to cover changes in Grants in Lieu of Taxes received from other levels of government for 2018.

An increase in Federal Grants in Lieu of Taxes is required to reflect actual experience.

2018 Base Budget: \$109,950.

A decrease in Provincial Grants in Lieu of Taxes is required to reflect actual experience.

2018 Base Budget: \$117,750.

An increase in Municipal Rate BC Building Corp in Lieu of taxes is required to reflect actual experience.

2018 Base Budget: \$253,698.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(31,040)	0	31,040
2019	0	0	0	0	0	(31,040)	0	31,040
2020	0	0	0	0	0	(31,040)	0	31,040

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Penalties and Interest		PROVISIONAL

Justification:

To adjust budget to more closely reflect actual experience.

2018 Base Budget for Interest on Utilities: \$65,000

2018 Base Budget for Penalties and Interest on Property Taxes: \$200,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	43,000	0	(43,000)
2019	0	0	0	0	0	43,000	0	(43,000)
2020	0	0	0	0	0	43,000	0	(43,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Traffic Fine Sharing Revenue		PROVISIONAL

Justification:

This request is to decrease the Traffic Fine Revenues budget to reflect the amount received in 2017.

2018 Base Budget: \$1,733,763

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	307,410	0	(307,410)
2019	0	0	0	0	0	307,410	0	(307,410)
2020	0	0	0	0	0	307,410	0	(307,410)

2018 Operating Request Details

Division: Financial Services Priority: 1 Growth
 Department: Financial Services ON-GOING
 Title: Business Licence Revenue PROVISIONAL

Justification:

This request is to increase the business licence revenue budget to better reflect the revenues being received.

2018 Base Budget (\$1,445,700)

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(20,000)	0	20,000
2019	0	0	0	0	0	(20,000)	0	20,000
2020	0	0	0	0	0	(20,000)	0	20,000

Division: Financial Services Priority: 1 Growth
 Department: Financial Services ON-GOING
 Title: School Site Acquisition Revenue PROVISIONAL

Justification:

To adjust budget to more closely reflect actual experience.

2018 Base Budget: \$10,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(5,000)	0	5,000
2019	0	0	0	0	0	(5,000)	0	5,000
2020	0	0	0	0	0	(5,000)	0	5,000

2018 Operating Request Details

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Library Lease Revenue		PROVISIONAL

Justification:

The Library Society was incorporated in 1997 to facilitate a \$5.1M mortgage over a twenty year period. The final payment was made in April 2017, resulting in the dissolution of the library society.

Lease revenue that previously offset the mortgage payments will be contributed to the civic facilities reserve (non-recreational) to help offset the future maintenance and improvements required to keep City buildings operating according to standards.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	677,390	0	0	0	(677,390)	0	0
2019	0	677,390	0	0	0	(677,390)	0	0
2020	0	677,390	0	0	0	(677,390)	0	0

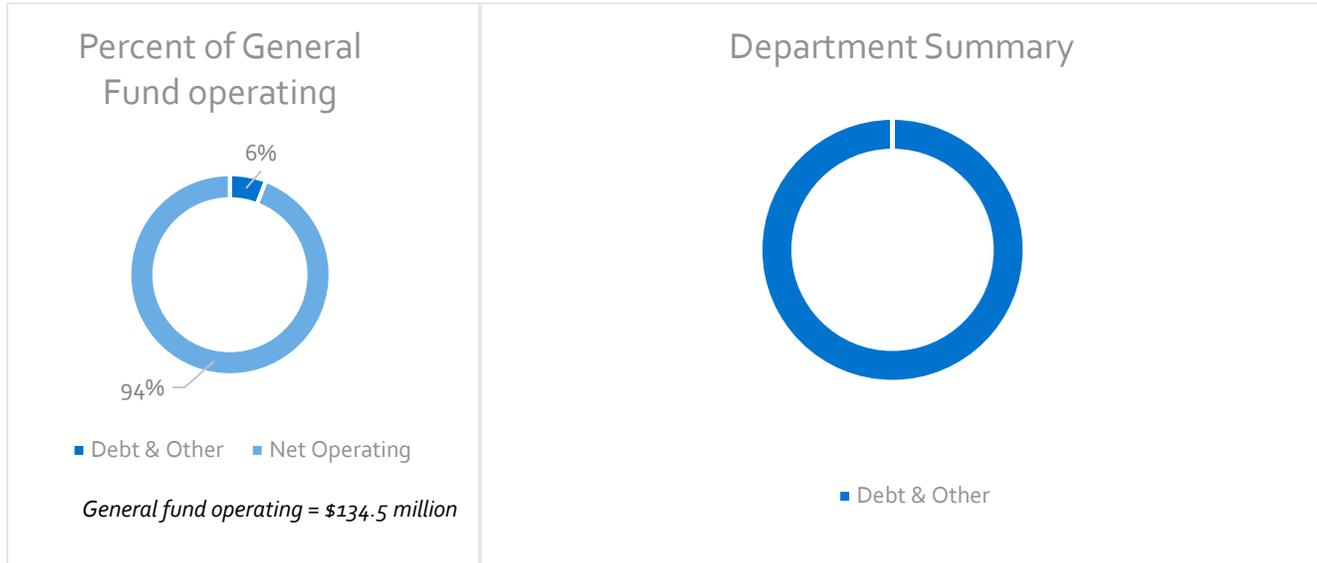
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Debt & Other



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Debt & Other budget overview



Net Department expenditure

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Debt & Other					
205 Debt & Other	3,620,310	5,265,451	7,854,444		
Net operating expenditures	3,620,310	5,265,451	7,854,444	2,588,993	49.2%
Capital cost centres:					
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	3,620,310	5,265,451	7,854,444	2,588,993	49.2%

Financial Services

Debt & Other - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	(165,692)	(8,008)	(3,736)
Parcel Tax	(34,867)	(34,867)	(34,867)
Fees and Charges	(6,409,416)	(6,511,944)	(303,461)
Other Revenue	(9,187,713)	(8,864,833)	(9,019,361)
Transfers from Funds			
Special (Stat Reserve) Funds	(2,001,375)	(1,151,539)	(1,151,539)
Development Cost Charges	(1,401,826)	(1,401,826)	(2,055,696)
Accumulated Surplus	(2,334,364)	(400,000)	(250,000)
Total Revenue	(21,535,253)	(18,373,017)	(12,818,660)
Expenditures			
Salaries and Wages	(201,746)	(1,064,325)	(1,064,325)
Internal Equipment	0	0	0
Material and Other	6,020,310	6,337,114	397,931
Contract Services	46,882	47,830	47,830
Debt Interest	3,760,203	4,645,991	4,640,125
Debt Principal	3,770,125	4,592,467	5,151,507
Internal Allocations	155,512	188,000	188,000
Transfers to Funds			
Special (Stat Reserve) Funds	6,571,243	6,895,260	7,395,260
Development Cost Charges	0	0	0
Accumulated Surplus	5,033,034	1,996,131	3,916,776
Total Expenditures	25,155,563	23,638,468	20,673,104
Net Operating Expenditures	3,620,310	5,265,451	7,854,444
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	3,620,310	5,265,451	7,854,444

	Budgeted	Actual	Revised	Provisional
	2016	2016	2017	2018
Authorized FTE				
Positions				
Salaried	0	0	0	0
Hourly	0	0	0	0

Description of operating program changes

		Total	FTE
2017 revised budget		5,265,451	0.0
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	-		
Salary adjustments	-		
Other adjustments	178,733		
Departmental adjustments	-	178,733	
		<u>5,444,184</u>	<u>0.0</u>
2018 program additions			
2018 operating requests	2,410,260		
2018 expenditure reductions	-	2,410,260	
2018 provisional		<u>7,854,444</u>	<u>0.0</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Financial Services									
<i>Debt & Other</i>									
Maintain									
287	Other Working Capital	1,919,860	0	0	0	0	0	(1,919,860)	OG
	Total Maintain	1,919,860	0	0	0	0	0	(1,919,860)	
New									
287	Future Municipal Works	0	500,000	0	0	0	0	(500,000)	OG
	Total New	0	500,000	0	0	0	0	(500,000)	
Growth									
142	* 2018 Household Travel Survey	0	0	0	0	(9,600)	0	9,600	OT
	Total Growth	0	0	0	0	(9,600)	0	9,600	
Department Priority 1 Total		1,919,860	500,000	0	0	(9,600)	0	(2,410,260)	
Total Priority 1 Operating		1,919,860	500,000	0	0	(9,600)	0	(2,410,260)	

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

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

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

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Other Working Capital		PROVISIONAL

Justification:

This request is to provide for contracts and other requirements that have been negotiated or are not resolved at the time the budget is prepared, but will become due during 2018.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	1,919,860	0	0	0	0	0	0	(1,919,860)
2019	1,919,860	0	0	0	0	0	0	(1,919,860)
2020	1,919,860	0	0	0	0	0	0	(1,919,860)

Division:	Financial Services	Priority: 1	New
Department:	Financial Services		ON-GOING
Title:	Future Municipal Works		PROVISIONAL

Justification:

BC Assessment authority has provided preliminary property assessment information that has generated new residential non-market change assessments. The ongoing increase in revenues are to be placed into reserve for future municipal works, including projects such as new and/or replacement of building infrastructure.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	500,000	0	0	0	0	0	(500,000)
2019	0	500,000	0	0	0	0	0	(500,000)
2020	0	500,000	0	0	0	0	0	(500,000)

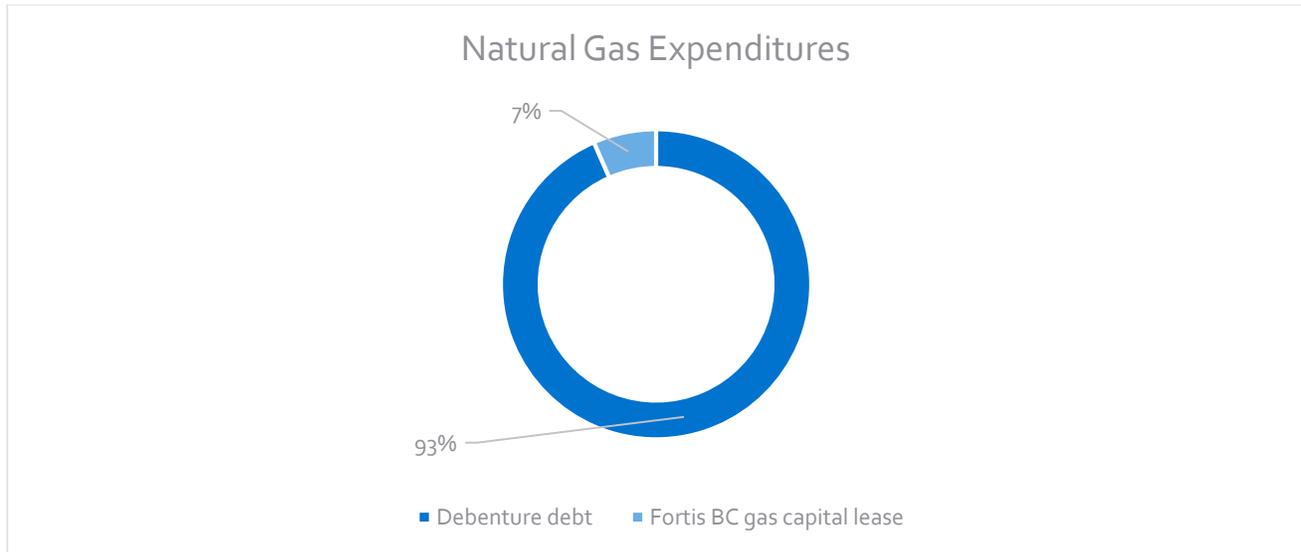
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Natural Gas



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Natural Gas



Net Department expenditure

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Natural Gas					
202 Fin Serv - Natural Gas	21,858	0	0		
Net operating expenditures	21,858	0	0	0	0.0%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Division net expenditures	21,858	0	0	0	0.0%

Comparison of 2017 and 2018 operating revenues and expenditures

	2017 Revised Budget	Variance	2018 Provisional
Revenues			
Lease revenue	4,004,381	(104,430)	3,899,951
Interest earned	89,382	-	89,382
	<u>4,093,763</u>	<u>(104,430)</u>	<u>3,989,333</u>
Expenditures			
Fortis BC gas franchise	12,000	-	12,000
Fortis BC gas capital lease	260,872	-	260,872
Debenture debt	3,712,790	-	3,712,790
Allocation to general fund	20,000	-	20,000
	<u>4,005,662</u>	<u>0</u>	<u>4,005,662</u>
Net operating revenue	<u>88,101</u>	<u>(104,430)</u>	<u>(16,329)</u>
Capital Expenditures			
Surplus/(Deficit)	88,101	(104,430)	(16,329)
Projected accumulated surplus	4,457,335		4,441,006
2016 accumulated surplus	4,369,234		
2017 surplus	<u>88,101</u>		
2017 projected accumulated surplus	<u>4,457,335</u>		

Financial Services
Natural Gas - Natural Gas Fund
Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(4,091,769)	(4,004,381)	(3,899,951)
Other Revenue	(108,021)	(89,382)	(89,382)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	(16,329)
Total Revenue	(4,199,790)	(4,093,763)	(4,005,662)
Expenditures			
Salaries and Wages	0	0	0
Internal Equipment	0	0	0
Material and Other	0	12,000	12,000
Contract Services	0	0	0
Debt Interest	2,467,826	2,236,342	2,232,482
Debt Principal	1,733,822	1,737,320	1,741,180
Internal Allocations	20,000	20,000	20,000
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	88,101	0
Total Expenditures	4,221,648	4,093,763	4,005,662
Net Operating Expenditures	21,858	0	0
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	21,858	0	0

	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Authorized FTE				
Positions				
Salaried	0	0	0	0
Hourly	0	0	0	0

Description of operating program changes

		Total	FTE
2017 revised budget		-	0.0
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	-		
Salary adjustments	-		
Other adjustments	(104,430)		
Departmental adjustments	-	(104,430)	
		<u>(104,430)</u>	<u>0.0</u>
2018 program additions			
2018 operating requests	104,430		
2018 expenditure reductions	-	104,430	
2018 provisional		<u>0</u>	<u>0.0</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - Natural Gas Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Cat
Natural Gas								
Maintain								
276	Lease revenue / Interest costs	0	0	0	0	104,430	(104,430)	OG
	Total Maintain	0	0	0	0	104,430	(104,430)	
Department Priority 1 Total		0	0	0	0	104,430	(104,430)	
Total Priority 1 Operating		0	0	0	0	104,430	(104,430)	

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

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

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

2018 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	Lease revenue / Interest costs		PROVISIONAL

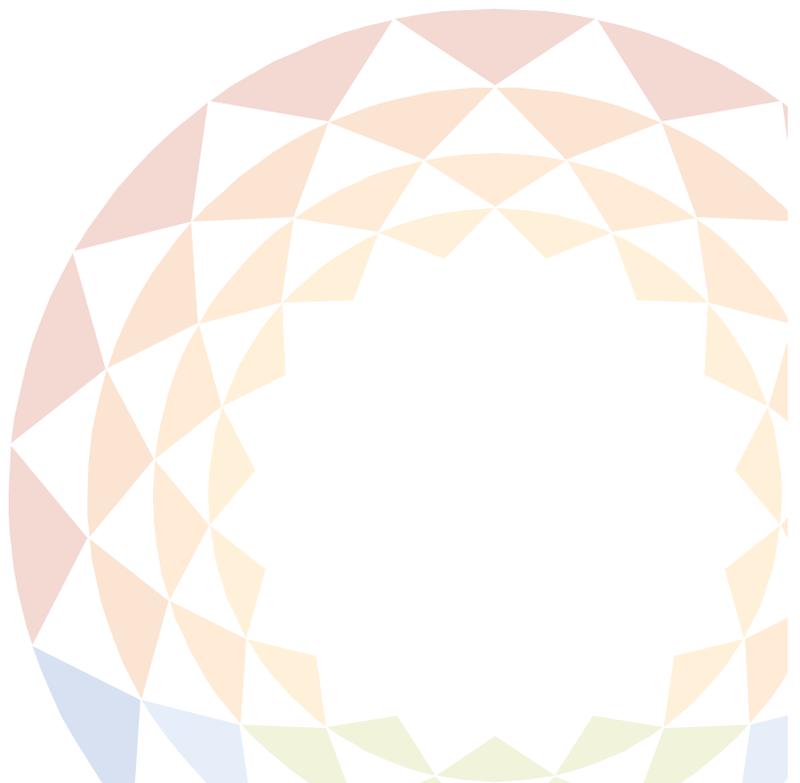
Justification:

FortisBC distributes and delivers natural gas in the City of Kelowna. The gas distribution system operates within the boundaries of the City of Kelowna under a franchise agreement between FortisBC and the City. This request is to adjust the lease revenue from \$4,004,381 to \$3,899,951. The principal and interest are adjusted per MFA debt payment schedule.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	0	0	0	0	0	104,430	(104,430)
2019	0	0	0	0	0	104,430	(104,430)
2020	0	0	0	0	0	104,430	(104,430)

Corporate & Protective Services



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Corporate & Protective Services

The Corporate & Protective Services Division provides a wide variety of support services for City departments as well as direct service to the public. With a focus on safeguarding the assets of the City and its citizens, and building corporate and community capacity through knowledgeable management strategies, the division strives to enable new approaches and innovation through teaching and teamwork. Policies and practices are developed to protect the well-being of the community in all aspects of the division. Corporate and Protective Services works to integrate solutions that connect the diverse activities of the corporation.



Bylaw Services enables citizens of Kelowna to live in an environment where they can expect the quiet, peace, rest, enjoyment, and comfort that comes from a predictable and respectful society. Through their fair but firm compliance driven enforcement practices, Bylaw Services staff work with citizens to enhance the safety of visitors and residents of the City.

Business Licensing is responsible for the issuance and management of business licensing. Business licences ensure that building and fire codes are understood and adhered to, and business are located within the appropriate municipal land-use as regulated. Valuable statistical data is managed within the business licensing system to inform on commercial trends. This information is used to inform on retail and commercial trends for the development of City policy and plans.

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

Purchasing Services provides transparent, fair and effective procurement services and strategies across the organization. The Branch is responsible for the acquisition of materials, goods, equipment and services required by all City departments. Purchasing also manages the City Yards warehouse and inventory that provides materials and supplies to City crews and work groups. Disposal of surplus materials and obsolete items are also managed by this Branch.

2018 Divisional drivers & activities

Drivers

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

Activities

A well-run City

- Improve customer response through customer service focused training.
- Lead review of Council policies with Council.
- Lead the development of a corporate-wide electronic document management system (EDMS) and its integration into the paper-based Records and Information Management (RIM) Program.
- Provide governance and meeting management support to Council and their Committees, including agenda preparation and notification, minutes, and council-directed service requests.
- Prepare appropriate bylaws and legal documentation for notice and registration related to all development applications considered by Council.
- Initiate planning activities related to 2018 Municipal Election
- Redistribution of bylaw enforcement duties and zoning implementation will aid with Responsive Customer Service and reduce travel time and hours. This will also give our counterparts familiar faces by the further integration within the community districts.
- Proactively sharing knowledge of city and community initiatives with clients during all interactions and promoting the services provided by the bylaw department.

An active, inclusive city

- Continue to liaise with inter city departments in an effort to collaboratively resolve agricultural, zoning and parking issues.
- Monthly participation in Partners for Healthy Downtown (PHD) committee to address uncivil and criminal behavior with our external partners from downtown business community, social services, police, local health authority and outreach workers through collaboration.
- The Journey Home Task Force along with other integrated response teams work hand in hand with Bylaw to discuss socioeconomic problems, share ideas, and recommend solutions.

A safe city

- Conduct daily sweeps of the parks and city owned lots, parking spaces and streets to ensure no overnight camping, cleanliness of the areas, removal of dangerous drug paraphernalia and information gathering or detainment in order to assist RCMP with criminal investigations.
- Intelligence led enforcement through participation in bi-weekly ComStat Meetings with the RCMP to share similar experiences relative to problem addresses, areas and prolific offenders.

A strong economy

- Creating district enforcement, in an effort to reduce work hours spent travelling to calls, mileage and vehicle maintenance.

A clean, healthy environment

- Park sweeps, transient camp clean up and needle collection continues to be a task of Bylaw Services as a short term solution to the growing issue of homelessness and the opioid crisis within the city.
- Participation in the Harm Reduction Team – a multi-agency team focused on public safety and the impacts of harm reduction measures within the community

Resilient, well-managed infrastructure

- Bylaw will continue a restructuring of our staffing model to include a senior officer on each watch. This would provide the necessary oversight to distribute workloads evenly, ensure timely and complete investigations on order to mitigate the required enforcement or compliance and find resolution.

Performance measures

Business Licensing

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Business License Applications	2,410	2,569	2,728
Licensing Compliance files	553	493	448
Program outcomes			
Total Mobile Licenses by year	993	1,088	1,100
Total New Licenses by year	1,506	1,693	1,750
Delinquent acct by year	1,364	908	700
Total Licenses by year	10,014	11,200	11,350
To effectively message to Council and Stakeholders Business License Statistical information	1	1	4
Efficiency measures			
Response time to opening and actioning all files			24 hrs
Ensuring timely and complete inspections and License release			2 weeks
Customer satisfaction			
Overall client satisfaction (citizen survey)	%	%	100%
Innovation & learning			
# scheduled training/education sessions provided for staff			

Bylaw Services

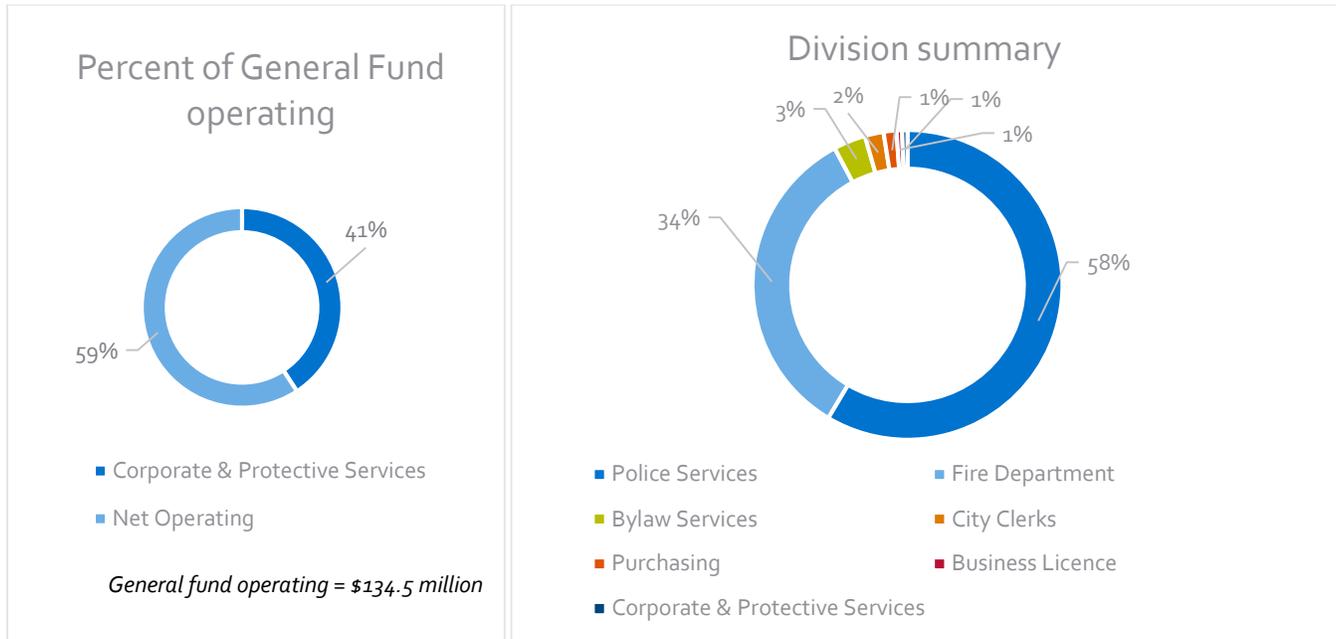
	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Take a proactive approach to Bylaw Enforcement	n/a	n/a	n/a
Collaborate with other agencies	n/a	n/a	n/a
Leverage Service Request data to best deploy resources and prioritize files	n/a	n/a	n/a
Employ proactive communications approach	n/a	n/a	n/a
Program outcomes			
Incidents by year	14,369	15,700	17,000
To build relationships to address shared objectives (number of agencies Bylaw Services is working with)	10	15	25
To maximize the effectiveness of resources (patrol availability factor – percentage per shift for proactive policing)	0%	5%	25%
To effectively message to Council and Stakeholders Bylaw Statistical information	0	1	4
Efficiency measures			
Response time to opening and actioning all files			24 hrs

Ensuring timely and complete investigations				2 weeks
Customer satisfaction				
Overall client satisfaction (citizen survey)	%	%	100%	
Innovation & learning				
Number of courses and/or training				40
Number of members/employees attending				20

Office of the City Clerk

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Freedom of Information (FOI) Requests received	60	80	85
Bylaws drafted (development & regulatory)	150	165	185
Council meeting & Public Hearing (days)	64	62	57
Number of agreements executed by Mayor/Clerk	552	520	530
Number of legal documents e-registered	-	142	192
Program outcomes			
Number of paper files processed for final disposition	4,717	15,030	10,548
Number of paper files processed for archive	12,115	12,028	12,000
Number of paper files in storage	98,191	145,189	151,836
Number of electronic documents (EDMS, u:drive)	-	1,166,987	-
Efficiency measures			
Business Areas that met annual corporate archive deadline	44%	58%	98%
Business Areas that met annual corporate disposition deadline	55%	88%	98%
Customer satisfaction			
FOI requests/responded within 30days	-	81%	85%
FOI requests/responded within legislated timeline (including extensions up to 60days or over)	-	100%	100%
Council meeting packages prepared/delivered on time	-	100%	100%
Council committee meetings attended	-	70%	95%
Innovation & learning			
# scheduled training/education sessions provided by staff	-	55	75

Corporate & Protective Services budget overview



Net Divisional expenditures

Departments		Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:						
Corporate & Protective Services						
115	Corporate & Protective Services	254,850	305,471	306,781		
		254,850	305,471	306,781	1,310	0.4%
City Clerks						
119	Legislative Services	537,590	554,658	569,958		
120	City Clerk	388,455	426,670	426,770		
228	Records & Information	73,215	76,809	76,809		
		999,260	1,058,137	1,073,537	15,400	1.5%
Purchasing						
129	Purchasing	621,071	699,803	732,773		
		621,071	699,803	732,773	32,970	4.7%
Business Licence						
138	Business License	0	220,115	319,521		
		0	220,115	319,521	99,406	45.2%
Bylaw Services						
150	Bylaw Services	1,779,815	1,831,940	1,838,694		
		1,779,815	1,831,940	1,838,694	6,754	0.4%
Fire Department						
133	Fire Department	218,745	223,731	230,691		
134	Fire Operations	13,610,798	14,460,301	15,439,841		
	Fire Communications & Emergency					
135	Mgmt	354,805	469,762	429,502		
136	EOC Operations & Hydrants	(5,782)	0	0		
	Fire Admin, Training & Fire					
137	Prevention	2,446,768	2,263,410	2,365,730		
		16,625,334	17,417,204	18,465,764	1,048,560	6.0%
Police Services						
111	Police Services	23,914,818	24,871,724	25,381,014		
112	Police Client Services	2,059,203	2,223,814	2,416,789		
113	Police Records	2,004,109	2,087,042	2,461,562		
114	Police Administration	1,277,334	1,325,012	1,329,927		
251	Crime Prevention	493,091	499,620	523,095		
		29,748,555	31,007,212	32,112,387	1,105,175	3.6%
Net operating expenditures		50,028,885	52,539,882	54,849,457	2,309,575	4.4%
Capital cost centers:						
311	Fire Capital	0	0	962,000		
Net capital expenditures		0	0	962,000	962,000	0.0%
Total Division net expenditures		50,028,885	52,539,882	55,811,457	3,271,575	6.2%

Corporate & Protective Services - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(2,799,050)	(2,422,487)	(2,464,857)
Other Revenue	(5,429,536)	(5,253,234)	(5,438,574)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(41,474)	(44,210)	(140,000)
Total Revenue	(8,270,060)	(7,719,931)	(8,043,431)
Expenditures			
Salaries and Wages	24,600,233	25,993,857	27,410,362
Internal Equipment	232,128	211,361	213,361
Material and Other	2,511,515	2,458,190	2,744,305
Contract Services	27,510,990	30,768,560	31,597,015
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	129,800	127,845	127,845
Transfers to Funds			
Special (Stat Reserve) Funds	925,000	700,000	800,000
Development Cost Charges	0	0	0
Accumulated Surplus	2,389,279	0	0
Total Expenditures	58,298,945	60,259,813	62,892,888
Net Operating Expenditures	50,028,885	52,539,882	54,849,457
Capital Expenditures			
Gross Expenditures	888,157	2,545,370	1,462,000
Other Funding Sources	(888,157)	(2,545,370)	(500,000)
Taxation Capital	0	0	962,000
Net Operating & Tax Capital Exp.	50,028,885	52,539,882	55,811,457

	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Authorized FTE Positions	213.1	207.0	212.6	228.1
Salaried	213.1	207.0	212.6	228.1
Hourly	23.0	26.3	25.6	25.4

Description of operating program changes

		Total	FTE
2017 revised budget		52,539,882	238.2
2018 net impacts			
One-time operating requests	(50,000)		(0.2)
One-time expenditure reductions	-		
Incremental costs - prior year(s)	383,560		1.1
Salary adjustments	-		
Other adjustments	7,215		
Departmental adjustments	11,590	352,365	
		<u>52,892,247</u>	<u>239.1</u>
2018 program additions			
2018 operating requests	1,957,210		14.4
2018 expenditure reductions	-	1,957,210	
2018 provisional		<u>54,849,457</u>	<u>253.5</u>
Unfunded 2018 requests			
2018 operating requests	311,180		3.0
2018 expenditure reductions	-	311,180	
Total unfunded requests for 2018		<u>311,180</u>	<u>3.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate & Protective Services									
Maintain									
309	Workflow Approval For Purchasing	20,000	0	0	0	0	0	(20,000)	OT
309	Bylaw Enforcement Clerk Position	280	0	0	0	0	0	(280)	OG
310	Bicycle Replacement	5,000	0	0	0	0	0	(5,000)	OG
310	2018 Local Government Election	140,000	(140,000)	0	0	0	0	0	OT
	Total Maintain	165,280	(140,000)	0	0	0	0	(25,280)	
Growth									
311	Senior Buyer Position	22,210	0	0	0	0	0	(22,210)	OG
	Total Growth	22,210	0	0	0	0	0	(22,210)	
New									
311	Webcasting Council Meetings	14,300	0	0	0	0	0	(14,300)	OG
312	Review & Re-Write of Business Licence Bylaw	25,000	0	0	0	0	0	(25,000)	OT
312	Dash/Body Camera Systems	3,000	0	0	0	0	0	(3,000)	OT
	Total New	42,300	0	0	0	0	0	(42,300)	
	Division Priority 1 Total	229,790	(140,000)	0	0	0	0	(89,790)	
	Total Priority 1 Operating	229,790	(140,000)	0	0	0	0	(89,790)	

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

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

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

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate & Protective Services									
Growth									
313	2 Senior Bylaw Enforcement Officer Positions	175,760	0	0	0	0	0	(175,760)	OG
313	Bylaw Enforcement Officer Position	79,170	0	0	0	0	0	(79,170)	OG
	Total Growth	254,930	0	0	0	0	0	(254,930)	
New									
463	CAP Records and Information Management Technician Position	56,250	0	0	0	0	0	(56,250)	OG
	Total New	56,250	0	0	0	0	0	(56,250)	
	Division Priority 2 Total	311,180	0	0	0	0	0	(311,180)	
	Total Priority 2 Operating	311,180	0	0	0	0	0	(311,180)	

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

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

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

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Purchasing		ONE-TIME
Title:	Workflow Approval For Purchasing		PROVISIONAL

Justification:

This request is to review, plan and implement the built-in functionality of Approval Workflow for Purchasing in Unit4. Project benefits include improved automation and efficiencies for users and processors, and better compliance and utilization through the use of the audit trail enforced by the system.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Bylaw Services		ON-GOING
Title:	Bylaw Enforcement Clerk Position		PROVISIONAL

Justification:

The Bylaw Services Branch has operated with two full-time complimented with two part-time administrative staff to meet peak demands. Resource needs have increased and shifted to a more year round requirement verses a seasonal overload. As a result it is desired to consolidate the funding for the two part-time positions and implement a full-time clerk within the department. This will reduce the amount of training required to the more transient part-time positions and provide for more predictable staffing year round.

Corporate Framework: A safe city - Maintaining order

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

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Bylaw Services		ON-GOING
Title:	Bicycle Replacement		PROVISIONAL

Justification:

This request is to replace the four, ten year old, mountain bikes used in the joint patrols with the RCMP during the summer months. Two bikes will be replaced in 2018, and the remaining two in 2019.

Corporate Framework: A well-run City - Engaged communities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	5,000	0	0	0	0	0	0	(5,000)
2020	0	0	0	0	0	0	0	0

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	City Clerk		ONE-TIME
Title:	2018 Local Government Election		PROVISIONAL

Justification:

Local Government Elections are held every four years. This request is to use reserve funds allocated for Local Government Elections, to fund the 2018 election expenses.

2018 Base Budget: \$70,600

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	140,000	(140,000)	0	0	0	0	0	0

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Purchasing		ON-GOING
Title:	Senior Buyer Position		PROVISIONAL

Justification:

This request is to change the existing term Senior Buyer position into a permanent Senior Buyer position. The term Senior Buyer position was created to help manage the increasing workload at the Airport due to significant growth in operations. The permanent Senior Buyer position would continue to support the Airport's long-term capital programs and operational needs and would be primarily located at the Airport.

As this position will focus on the Airport while also working with other City departments, one third will be funded from taxation and two thirds of the cost of the position will be funded equally from the Airport Airside, Groundside and Terminal Reserves.

Corporate Framework: A strong economy - International airport development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	67,630	(45,420)	0	0	0	0	0	(22,210)
2019	89,540	(60,020)	0	0	0	0	0	(29,520)
2020	89,540	(60,020)	0	0	0	0	0	(29,520)

Division:	Corporate & Protective Services	Priority: 1	New
Department:	City Clerk		ON-GOING
Title:	Webcasting Council Meetings		PROVISIONAL

Justification:

As a continuation of the automated Council Meeting System (eSCRIBE) introduced in 2013, the planned implementation is to add video that will integrate webcast video or audio to Council meetings with hyper-tags to individual agenda items and incorporating those streams into meeting web content. Implementation of video/audio 'webcasting' is intended to help further bridge the gap between residents and their local government by offering increased transparency and accessibility to meetings of Council.

Members of the public and the media will have increased accessibility to the decision-making process through video and will benefit from an enhanced change to the audio and video service currently provided by CastaNet and the video service currently provided by Shaw Cable.

Corporate Framework: A well-run City - Engaged communities

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	14,300	0	0	0	0	0	0	(14,300)
2019	12,800	0	0	0	0	0	0	(12,800)
2020	12,800	0	0	0	0	0	0	(12,800)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Business Licence		ONE-TIME
Title:	Review & Re-Write of Business Licence Bylaw		PROVISIONAL

Justification:

This request is for the review and replacement of the current Business Licence Bylaw which has had minimal updates since its drafting in 1996. There is a significant need to address outdated regulatory requirements, missing business categories, structure of fees and update current inspection costs. The review will also address inconsistencies present in the Zoning Bylaw 8000.

Corporate Framework: A strong economy - Business development

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	25,000	0	0	0	0	0	0	(25,000)

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Bylaw Services		ONE-TIME
Title:	Dash/Body Camera Systems		PROVISIONAL

Justification:

This request is for 8 multi-purpose cameras that can be body worn, affixed to a bicycle or mounted easily on the dash of vehicle. The purpose for use is to record commissions of bylaw offences and gather information for the purposes of bylaw enforcement. A pilot project will be initiated to allow the City to formalize a draft policy, establish rules of limited access to video recordings and set up proper equipment with password protection and encryption.

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	3,000	0	0	0	0	0	0	(3,000)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 2	Growth
Department:	Bylaw Services		ON-GOING
Title:	2 Senior Bylaw Enforcement Officer Positions		PROVISIONAL

Justification:

This is a request for two Senior Bylaw Enforcement Officers. Demands on Bylaw services staff continue to escalate each year with a growing city and increased calls for service. Effective deployment of resources and consistent procedures and protocols continue to increase efficiencies and minimize the impact of growing demands. With the addition of two Senior Enforcement Officers (SO), each watch would then have proper oversight and the SO's would provide much needed guidance and assistance to the officers, administer and distribute file loads evenly and report directly to the Bylaw Supervisor.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	175,760	0	0	0	0	0	0	(175,760)
2019	229,810	0	0	0	0	0	0	(229,810)
2020	229,810	0	0	0	0	0	0	(229,810)

Division:	Corporate & Protective Services	Priority: 2	Growth
Department:	Bylaw Services		ON-GOING
Title:	Bylaw Enforcement Officer Position		PROVISIONAL

Justification:

This is a request for an additional Bylaw Enforcement Officer position. Demands on Bylaw Service staff continue to escalate each year with a growing city and increased calls for service. Effective deployment of resources and consistent procedures and protocols continue to increase efficiencies and minimize the impact of growing demands. The additional Bylaw Officer will round out each watch to have a contingent of three per watch (one for each geographical area of the city).

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	79,170	0	0	0	0	0	0	(79,170)
2019	103,300	0	0	0	0	0	0	(103,300)
2020	103,300	0	0	0	0	0	0	(103,300)

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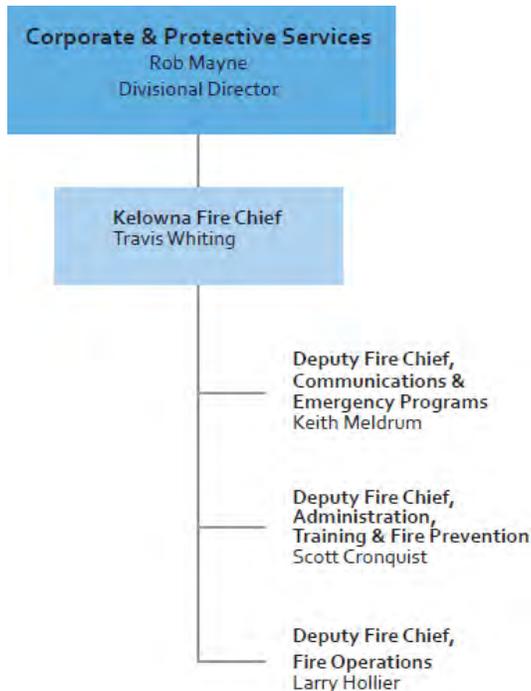
Fire Department



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Fire Department

The Kelowna Fire Department (KFD) has 127 full time personnel and 42 paid on call members operating out of seven fire stations located strategically throughout the city. Each station has a full complement of modern, up-to-date vehicles and equipment. In 2016 the department responded to 11,685 incidents ranging from structural fires, vehicle fires, alarms, motor vehicle incidents, technical rescue, hazardous material incidents and first medical responses.



Communications & Emergency Program Kelowna Fire Department provides fire dispatch services to over 40 fire departments from the regional districts of Central Okanagan, Okanagan Similkameen and East Kootenays.

This branch also administers the Emergency Program for Central Okanagan, activated to support any community requiring support for major incidents. In 2017, the program was activated for well over 100 days to deal with the extraordinary season of both flooding and wildfire events.

Administration, Training & Fire Prevention KFD Prevention staff lead the department in providing fire inspection services, fire investigations and enforcement of the Fire Services Act and the BC Fire Code. They also provide numerous public education opportunities, working with local schools and community groups through the year.

The Training Branch ensures all members of KFD meet required standards, building capacity for all members from recruit training up to our Fire Officer program.

Fire Operations The Operations branch 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 four 4-person Engine Companies and one 2-person Squad operating from four career stations, providing 24/7 coverage for the City. Our career staff are supported by three Paid-on-Call (POC) stations (East Kelowna, Glenmore and McKinley).

2018 Departmental drivers & activities

Drivers

- Efficiently plan for future growth to create a sustainable, vibrant and safe City.
- Maintain a training system for a progressive and modern fire service.
- Fiscal responsibility through partnerships & service agreements that enhance services.
- Optimize public safety through a leading practices communication center.
- Deliver service excellence in public education for our evolving community.
- Safe and effective response standards for the protection of life, property and the environment.

Activities

A well-run City

- Conduct a review and implementation of a more efficient, integrated model of financial administration centralized through the City's finance department.

- Continue to maintain training for a progressive and modern fire service.
- Review fire dispatch centre staffing to ensure the most effective use of resources.
- Review procedures and process for managing the repair and maintenance of communication systems and technologies.
- Look at new and emerging trends including past performance and present analytic software.

A safe city

- Streamline pre-fire plan process for the safety of the firefighters and the public.
- Actively recruit POC Firefighters in the spring of 2018.
- Enhance Public Education and Fire Smart in the Clifton Rd Area.
- Conduct numerous fire prevention and public education programs and events including FireSmart, Youth Firesetter program, UBCO and OK College Orientation week, P.A.R.T.Y. (Prevent Alcohol and Risk Related Trauma to Youth), Too Hot for Tots for preschools and young mom's groups, fire and life safety educational support for local industry, senior's facilities, apartment and strata managers, and Interior Health Authority (IHA) caregivers, etc.
- Conduct Emergency Scene Management, Live Fire, Wildland Fire Fighting and Sprinkler Protection training.
- Continue to train staff in emergency management and emergency operations center operations.
- Maintain operational readiness to activate the emergency operations centre to support emergency events throughout the Regional District of Central Okanagan.
- Upgrade fire dispatch centre critical telephone and dispatch communications systems.

A strong economy

- Successfully responded to three requests for proposals (RFP) for dispatch service opportunities to be implement in 2018, increasing revenues in dispatch to offset future costs.

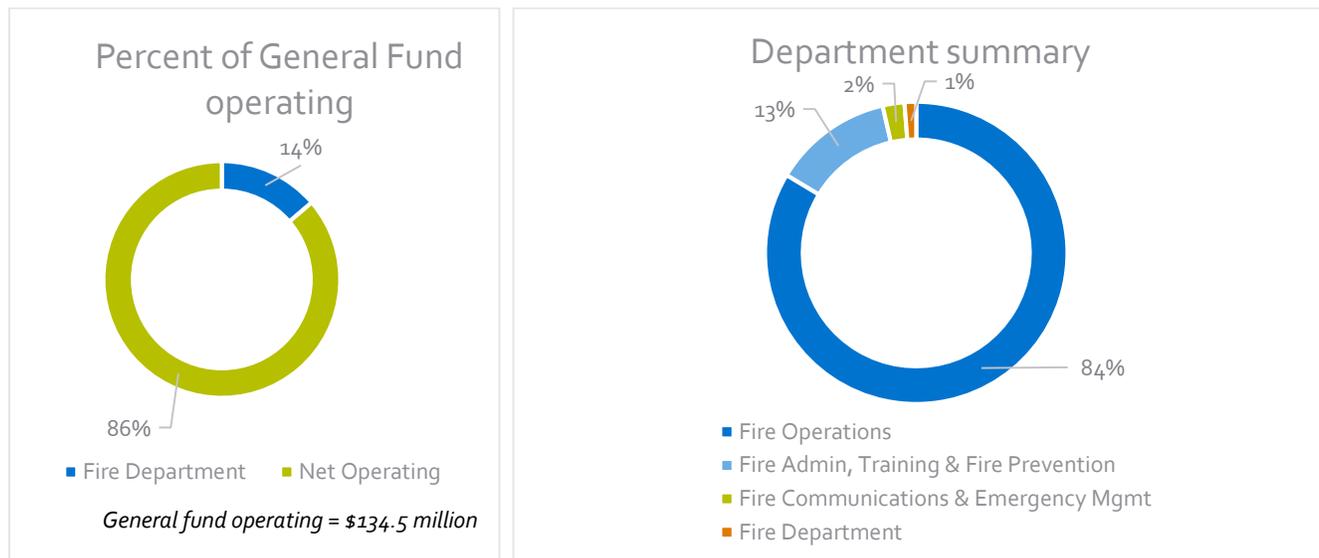
Resilient, well-managed infrastructure

- Review dispatch financial model to ensure a more transparent understanding of costs versus revenues going forward. This includes a completion of a long term capital replacement plan.
- Implement centralized fire dispatch services to the Regional Districts of Central Kootenay and Kootenay Boundary.
- Market access to Kelowna Fire Department's regional records management system.
- Engage regional Fire Chiefs on Office of the Fire Commissioner (OFC) Deployments in BC and a standardized approach to reimbursement.
- Joint Regional Fire Training looking for costing efficiencies being the host department.

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Incidents by year – Kelowna	11,685	12,650	13,158
Structure Fires	109	120	123
Vehicle Fires	65	59	62
Regional Dispatch Centre – total Incidents	29,968	26,229	31,711
Inspections completed according to City schedule	4,920	4,870	4,870
Program outcomes			
Incidents per 1000 population	93.5	101.2	105.3
Total dollar loss (millions)	\$1.4	\$3.21	\$2.3
Percentage of total inspectable properties	100%	100%	100%
Efficiency measures			
Percentage within 7:40 minute response time (Inside Personal Growth Boundary(PGB))	77%	77%	85%

Fire Department budget overview



Net Department expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:					
Fire Department					
133 Fire Department	218,745	223,731	230,691		
134 Fire Operations	13,610,798	14,460,301	15,439,841		
135 Fire Communications & Emergency Mgmt	354,805	469,762	429,502		
136 EOC Operations & Hydrants	(5,782)	0	0		
137 Fire Admin, Training & Fire Prevention	2,446,768	2,263,410	2,365,730		
Net operating expenditures	16,625,334	17,417,204	18,465,764	1,048,560	6.0%
Capital cost centres:					
311 Fire Capital	0	0	962,000		
Net capital expenditures	0	0	962,000	962,000	0.0%
Total Department net expenditures	16,625,334	17,417,204	19,427,764	2,010,560	11.5%

Corporate & Protective Services Fire Department - General Fund Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(1,921,295)	(1,629,573)	(1,666,943)
Other Revenue	(257,248)	(254,666)	(260,356)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(12,284)	(19,210)	0
Total Revenue	(2,190,827)	(1,903,449)	(1,927,299)
Expenditures			
Salaries and Wages	16,114,562	16,758,016	17,630,016
Internal Equipment	125,682	121,676	123,676
Material and Other	1,675,016	1,460,262	1,558,172
Contract Services	143,805	152,854	153,354
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	129,800	127,845	127,845
Transfers to Funds			
Special (Stat Reserve) Funds	600,000	700,000	800,000
Development Cost Charges	0	0	0
Accumulated Surplus	27,296	0	0
Total Expenditures	18,816,161	19,320,653	20,393,063
Net Operating Expenditures	16,625,334	17,417,204	18,465,764
Capital Expenditures			
Gross Expenditures	888,157	2,545,370	1,462,000
Other Funding Sources	(888,157)	(2,545,370)	(500,000)
Taxation Capital	0	0	962,000
Net Operating & Tax Capital Exp.	16,625,334	17,417,204	19,427,764

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	122.0	121.3	121.0	130.0
Hourly	2.0	1.7	2.0	2.0

Description of Operating program changes

		Total	FTE
2017 revised budget		17,417,204	123.0
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	184,350		
Salary adjustments	-		
Other adjustments	-		
Departmental adjustments	4,200	188,550	
		<u>17,605,754</u>	123.0
2018 program additions			
2018 operating requests	860,010		9.0
2018 expenditure reductions	-	860,010	
2018 provisional		<u>18,465,764</u>	<u>132.0</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate & Protective Services									
<i>Fire Department</i>									
Maintain									
323	Fire Department Uniforms and Personal Protective Equipment	21,000	0	0	0	0	0	(21,000)	OG
323	Fire Department Memberships	4,000	0	0	0	0	0	(4,000)	OG
324	Firefighting Supplies	5,000	0	0	0	0	0	(5,000)	OG
	Total Maintain	30,000	0	0	0	0	0	(30,000)	
Growth									
324	Firefighters - 12 Positions	860,920	0	0	0	0	0	(860,920)	OG
325	Fire Dispatch Contracts	0	0	0	0	(41,410)	0	41,410	OG
	Total Growth	860,920	0	0	0	(41,410)	0	(819,510)	
New									
482	CAP Engine 5	5,000	0	0	0	0	0	(5,000)	OG
325	Fire Department Trailer	5,500	0	0	0	0	0	(5,500)	OT
	Total New	10,500	0	0	0	0	0	(10,500)	
	Department Priority Total	901,420	0	0	0	(41,410)	0	(860,010)	
	Total Priority Operating	901,420	0	0	0	(41,410)	0	(860,010)	

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

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

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

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Fire Department Uniforms and Personal Protective Equipment		PROVISIONAL

Justification:

Funding is requested to address the increased cost of providing uniforms and personal protective equipment (PPE) to 122 Career staff and 50 Paid on Call (POC) members due to annual cost increases from suppliers, and replacement of staff (career and POC).

Additional funding is also requested to cover the increased cost to procure, maintain and clean PPE. Kelowna Fire Department maintains a 10-year life cycle on most fire fighting PPE and replaces 15-20 custom fit ensembles each year depending on condition assessments.

2018 Base Budget: \$201,290

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	21,000	0	0	0	0	0	0	(21,000)
2019	22,850	0	0	0	0	0	0	(22,850)
2020	24,880	0	0	0	0	0	0	(24,880)

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Fire Department Memberships		PROVISIONAL

Justification:

Funding is requested to increase the membership budget, as the Kelowna Fire Department has various associations and agency memberships for staff to keep current and involved in their fields. This increase is to align budget to the actual costs associated with membership fees.

2018 Base Budget: \$2,624

Corporate Framework: A strong economy - Fostering higher learning

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	4,000	0	0	0	0	0	0	(4,000)
2019	4,000	0	0	0	0	0	0	(4,000)
2020	4,000	0	0	0	0	0	0	(4,000)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Fire Department		ON-GOING
Title:	Firefighting Supplies		PROVISIONAL

Justification:

Funding is requested for the increased cost of ongoing replacement of Firefighting Equipment including extinguishing agents, operating hardware, sorbent material and sundry supplies.

2018 Base Budget: \$25,003

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	5,000	0	0	0	0	0	0	(5,000)
2020	5,000	0	0	0	0	0	0	(5,000)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Fire Department		ON-GOING
Title:	Firefighters - 12 Positions		PROVISIONAL

Justification:

This operating request is to hire 12 additional firefighters for the Kelowna Fire Department, including incidental costs for these staff positions.

The Fire Department anticipates a 2019 request for the addition of 8 firefighters to complete the staffing of an engine in the north end of the City, at a cost of \$785,160. Staffing levels are reviewed annually to determine if the analytics still support the identified need. Based on the annual review, it will be determined if an additional staffing request for 2019 will be brought forward as an operating request in next year's budget.

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	860,920	0	0	0	0	0	0	(860,920)
2019	877,810	0	0	0	0	0	0	(877,810)
2020	1,035,000	0	0	0	0	0	0	(1,035,000)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Fire Department		ON-GOING
Title:	Fire Dispatch Contracts		PROVISIONAL

Justification:

This request is to increase existing revenue budget for the Fire Dispatch Contracts. Annual revenue increases are included in the contract agreements for the Regional District of Central Okanagan, Regional District of East Kootenay and Regional District of Okanagan-Similkameen.

2018 Base Budget RDCO: \$1,132,670 and \$128,150

2018 Base Budget RDEK: \$194,003

2018 Base Budget RDOS: \$227,301

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(41,410)	0	41,410
2019	0	0	0	0	0	(42,310)	0	42,310
2020	0	0	0	0	0	(43,360)	0	43,360

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Fire Department		ONE-TIME
Title:	Fire Department Trailer		PROVISIONAL

Justification:

Funding is requested to purchase a trailer to transport a live burn cubical for public education. A trailer enables the Kelowna Fire Department to take the cubicle to the customer and provide a public education program similar to the fire safety house. This cubicle is used to demonstrate the value of smoke alarms and residential sprinklers in the preservation of life and property in the event of a fire.

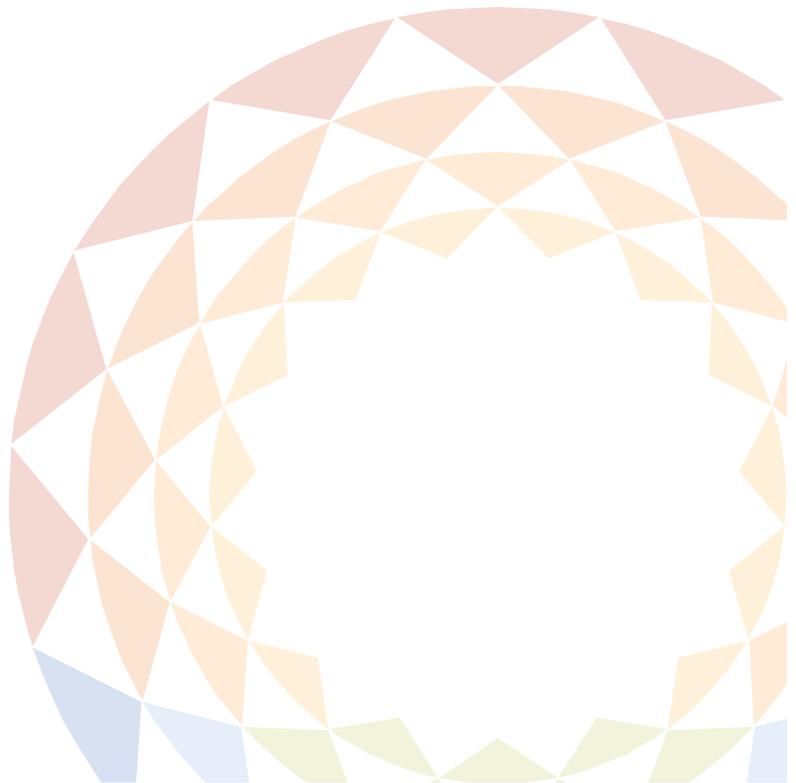
2018 Base Budget: \$8,000

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,500	0	0	0	0	0	0	(5,500)

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Police Services

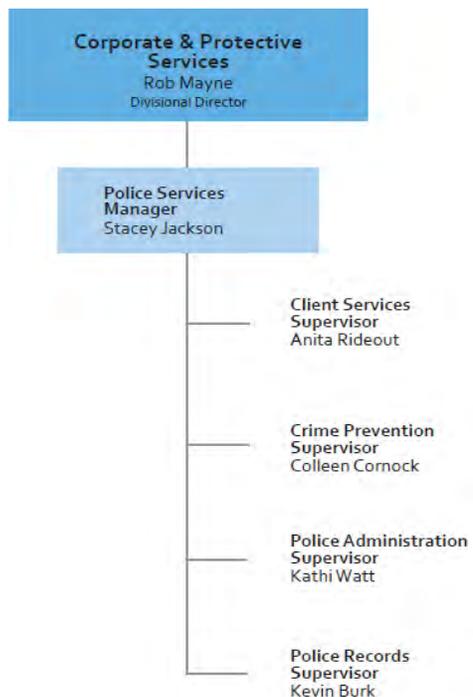


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Police Services

City of Kelowna policing services is provided by the RCMP through contract. The Kelowna RCMP Detachment provides policing services to approximately 127,500 local residents within the Kelowna Municipality. The Detachment is an integrated detachment with three detachments: Kelowna, Lake Country and West Kelowna and is currently in the top 5 largest detachments in British Columbia based on the number of Regular Members between all three.

With 234 Regular Members between the three detachments, Kelowna is one of the largest and busiest in "E" Division and presents a wide variation in policing from one end of the jurisdiction to the other. Kelowna Police Services operate 24/7, with 194 officers and 73 municipal support staff. The City Detachment includes General Duty members, who are uniformed first responders, a Plainclothes Section which handles more serious crimes, a Traffic Section and a Crime Prevention Section. Police Services Management manages all administrative facets of Police Services.



Client Services provides operational support to the RCMP General Duty members, the Plainclothes Section and the Traffic Section through the Stenography Unit, the Operational Intelligence Clerks and the Secretarial pool. Client Services Supervisor is responsible for the cell block operation contract for the Detachment.

Crime Prevention provides a direct source of police expertise to community partners, residents, and internal City departments to develop, implement and coordinate crime reduction and prevention strategies within the City of Kelowna. Crime Prevention provides management oversight to more than 100 RCMP Volunteers who carry out a variety of crime prevention activities on behalf of the RCMP. Crime Prevention staff are appointed Special Provincial Constables for the purposes of document service and are also certified practitioners in Crime Prevention Through Environmental Design.

Police Services Administration provides operational support to the RCMP and the general public through the Detachment switchboard and the Front Counter. Administration also provides 24/7 operational support to the four RCMP General Duty watches. The Administration Supervisor is responsible for the day to day operation and maintenance of the Detachment and other Police Services buildings in the City.

Police Records provides operational support to all the RCMP members in the integrated detachment through the Police Records Information Management Environment (PRIME) system. The support includes file review, disclosure, quality assurance, court liaison, exhibit control and overall records management.

2018 Departmental drivers & activities

Drivers

- Customer focused service
- To safeguard the assets of the City
- To protect the well-being of staff, contractors and citizens
- To build corporate and community capacity
- Enable new approaches and innovation
- To connect the organization's diverse activities

Activities

An active, inclusive city

- Strengthen the collaboration between Crime Prevention and the Strong Neighbourhood Program to provide value-added opportunities for service
- Strengthen the collaboration between Crime Prevention Unit and Communications to increase usage of social media as a medium for circulating real-time, neighbourhood specific crime prevention material
- Targeted volunteer recruitment specific to Speed Watch
- Develop and implement four speaker series per year on crime prevention to address most prevalently requested crime and safety topics, i.e. Frauds & Scams; Personal Safety; Who to Call, When to Call. Speakers series will be hosted by the Crime Prevention Unit, but may include guest speakers for topics out of scope of the Unit, but relevant to community safety, i.e. Journey Home project, Opioid crisis

A well-run City

- Continue to develop the divisional performance measures for Police Services

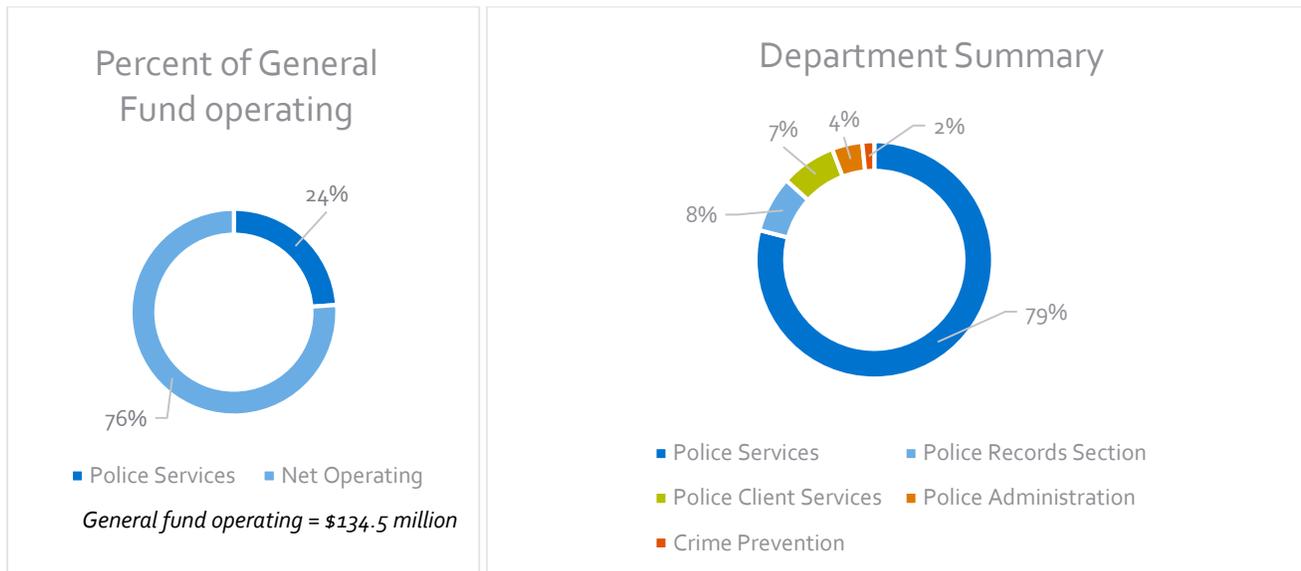
A safe city

- Continue to conduct General Duty staffing analysis and deployment with Peter Bellmio (Police Resource Consultant)
- Continue with bi-weekly CompStat (intelligence-led, issue-focused) crime reduction meetings
- Continue with property crime enforcement and drug enforcement in the downtown to reduce crime
- Continuing our efforts to further develop the PACT (Police and Crisis Team) project with Interior Health

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
Take a proactive approach to crime	n/a	n/a	n/a
Collaborate with other agencies	n/a	n/a	n/a
Leverage crime data to best deploy resources	n/a	n/a	n/a
Employ proactive communications approach	n/a	n/a	n/a
Program outcomes			
To deter or prevent crime before it occurs (CC per 1,000 population)	97.97	102	102
To build relationships to address shared objectives (number of agencies Police Services is working with)	15	15	15
To maximize the effectiveness of resources (patrol availability factor – percentage per shift for proactive policing)	5%	25%	25%
To effectively message to Council and Stakeholders the realities of crime (yearly reporting)	4	4	4
Efficiency measures			
Response time to priority one calls (minutes)	11.77	7.00	7.00
Customer satisfaction			
Overall community safety (citizen survey)	94%	94%	94%
Innovation & learning			
Number of courses and/or training	300	301	301
Number of members/employees attending	792	773	773

Police Services budget overview



Net Department expenditures

Departments	Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Police Services					
111 Police Services	23,914,818	24,871,724	25,381,014		
112 Police Client Services	2,059,203	2,223,814	2,416,789		
113 Police Records Section	2,004,109	2,087,042	2,461,562		
114 Police Administration	1,277,334	1,325,012	1,329,927		
251 Crime Prevention	493,091	499,620	523,095		
Net operating expenditures	29,748,555	31,007,212	32,112,387	1,105,175	3.6%
Capital cost centres:					
	0	0	0		
Net capital expenditures	0	0	0	0	0.0%
Total Department net expenditures	29,748,555	31,007,212	32,112,387	1,105,175	3.6%

Corporate & Protective Services

Police Services - General Fund

Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(566,789)	(392,932)	(397,932)
Other Revenue	(5,117,288)	(4,924,818)	(5,098,218)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	0	0	0
Total Revenue	(5,684,077)	(5,317,750)	(5,496,150)
Expenditures			
Salaries and Wages	5,303,002	5,409,193	5,834,898
Internal Equipment	27,826	28,468	28,468
Material and Other	303,195	381,187	411,102
Contract Services	27,273,609	30,506,114	31,334,069
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	325,000	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	2,200,000	0	0
Total Expenditures	35,432,632	36,324,962	37,608,537
Net Operating Expenditures	29,748,555	31,007,212	32,112,387
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	29,748,555	31,007,212	32,112,387

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	67.8	66.8	68.0	72.8
Hourly	6.8	7.8	6.8	6.8

Description of operating program changes

		Total	FTE
2017 revised budget		31,007,212	74.8
2018 net impacts			
One-time operating requests	-		
One-time expenditure reductions	-		
Incremental costs - prior year(s)	85,260		0.0
Salary adjustments	-		
Other adjustments	7,215		
Departmental adjustments	5,290	97,765	
		<u>31,104,977</u>	<u>74.8</u>
2018 program additions			
2018 operating requests	1,007,410		4.8
2018 expenditure reductions	-	1,007,410	
2018 provisional		<u>32,112,387</u>	<u>79.6</u>
Unfunded 2018 requests			
2018 operating requests	-		0.0
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate & Protective Services									
<i>Police Services</i>									
Maintain									
335	RCMP Contract Services	345,330	0	0	0	0	0	(345,330)	OG
	Total Maintain	345,330	0	0	0	0	0	(345,330)	
Growth									
335	RCMP - 4 Regular Member Positions	337,490	0	0	0	0	0	(337,490)	OG
336	Harm Reduction Supplies	20,000	0	0	0	0	0	(20,000)	OG
336	Police Services Secretary Position	46,700	0	0	0	0	0	(46,700)	OG
337	Fingerprint Fee Revenue	0	0	0	0	(5,000)	0	5,000	OG
337	Casino Revenues	0	0	0	0	(112,000)	0	112,000	OG
	Total Growth	404,190	0	0	0	(117,000)	0	(287,190)	
New									
338	Police Services - Data Processor Positions	374,890	0	0	0	0	0	(374,890)	OG
	Total New	374,890	0	0	0	0	0	(374,890)	
	Department Priority Total	1,124,410	0	0	0	(117,000)	0	(1,007,410)	
	Total Priority Operating	1,124,410	0	0	0	(117,000)	0	(1,007,410)	

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Police Services		ON-GOING
Title:	RCMP Contract Services		PROVISIONAL

Justification:

This request reflects the contract cost increases for 2018.

2018 Base Budget \$29,353,277

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	345,330	0	0	0	0	0	0	(345,330)
2019	345,330	0	0	0	0	0	0	(345,330)
2020	345,330	0	0	0	0	0	0	(345,330)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	RCMP - 4 Regular Member Positions		PROVISIONAL

Justification:

This budget request is for four additional Regular Member positions, which will supplement already existing and successful investigative units in meeting their mandates in support of the 2016-2019 Crime Reduction Strategy.

Primarily, the increase in establishment will contribute to the strategies: Taking a proactive approach to crime, Working with partner agencies for more effective policing, and Maximizing the effectiveness of resources using an intelligence led model.

The four Regular Member positions will be at the Constable rank and will be allocated to the Bike Patrol Unit (2), Police and Crisis Team (1) and Plain Clothes Investigative Services Unit (1).

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	337,490	0	0	0	0	0	0	(337,490)
2019	674,970	0	0	0	0	0	0	(674,970)
2020	674,970	0	0	0	0	0	0	(674,970)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	Harm Reduction Supplies		PROVISIONAL

Justification:

Funding is requested to facilitate on-going harm reduction initiatives within City spaces to improve the safety and sense of well-being for residents. This request will fund the placement of additional sharps containers in public spaces, ensure their maintenance and where necessary their replacement. Funding will also be used to ensure sharps disposal is completed according to landfill regulations. The request will also support on-going communications to the public regarding appropriate disposal options as well as public safety with emerging trends.

2018 Base Budget: \$16,454

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	Police Services Secretary Position		PROVISIONAL

Justification:

Historically, the administrative support for the Plainclothes Section only included Serious Crimes, comprised of nine Regular Members. The Plainclothes Section has now expanded to include General Investigative Services, Fraud, Child Abuse, Property Crime, Target Team and Drugs, totaling over 60 Regular Members. Furthermore, the Supreme Court of Canada made a ruling that drastically changed the way police need to manage investigations and has resulted in additional administrative pressures. This Operating Request is for a full time Police Services Secretary for the Plainclothes Unit that will assist in keeping file information current in the relational databases and reduce time members are being pulled away from their investigative duties to process administrative requirements.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	46,700	0	0	0	0	0	0	(46,700)
2019	62,180	0	0	0	0	0	0	(62,180)
2020	62,180	0	0	0	0	0	0	(62,180)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	Fingerprint Fee Revenue		PROVISIONAL

Justification:

Revenues collected over the last two years for fingerprint fees have been greater than the budgeted amount. This budget request is to increase the budget to better reflect the actual revenues being received.

2018 Base Budget Fingerprint Fees: \$40,000.00

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(5,000)	0	5,000
2019	0	0	0	0	0	(5,000)	0	5,000
2020	0	0	0	0	0	(5,000)	0	5,000

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Police Services		ON-GOING
Title:	Casino Revenues		PROVISIONAL

Justification:

This request is to increase the anticipated Provincial Gaming revenues to reflect actual experience.

2018 Base Budget: \$3,850,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	(112,000)	0	112,000
2019	0	0	0	0	0	(112,000)	0	112,000
2020	0	0	0	0	0	(112,000)	0	112,000

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Police Services		ON-GOING
Title:	Police Services - Data Processor Positions		PROVISIONAL

Justification:

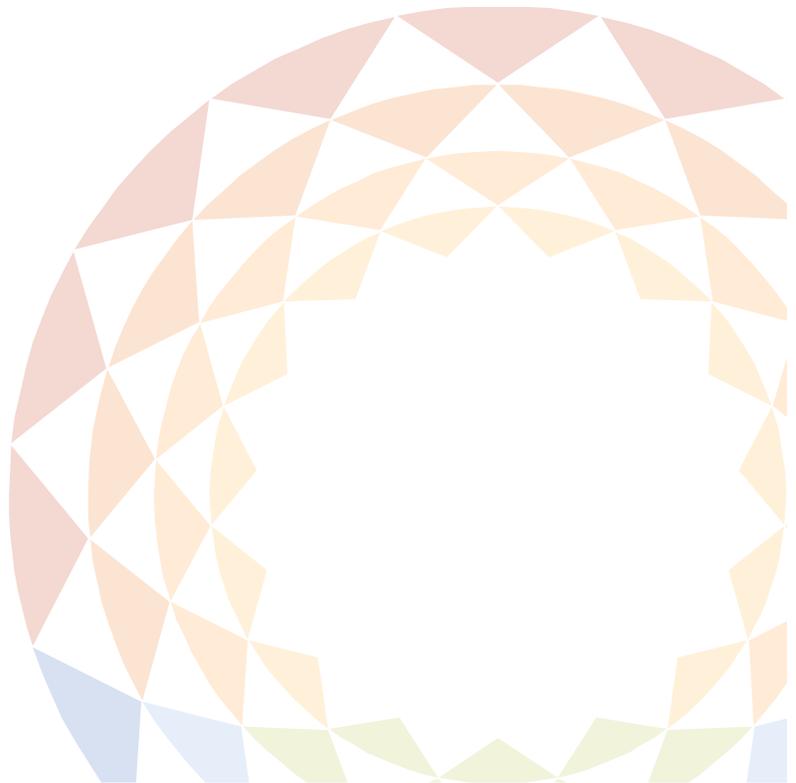
Historically, the Operational Communication Centre (OCC) provided administrative duties after hours on behalf of Detachments throughout the Southeast District. Moving forward, the OCC is returning to their core operations of call taking, dispatching and status keeping to preserve the safety of members. With this change, the administrative duties are being returned to the Detachments responsibility as per the agreement between the Province of BC and the City of Kelowna.

This request is for four full-time Data Processors to maintain Canadian Police Information Center (CPIC) the only secure communication system between law enforcement agencies across Canada. In addition, they will also be required to create new investigative files outside normal business hours and call taking for non-emergencies/non-dispatchable occurrences that do not require member attendance.

Corporate Framework: A safe city - Effective & targeted policing

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	374,890	0	0	0	0	0	0	(374,890)
2019	374,890	0	0	0	0	0	0	(374,890)
2020	374,890	0	0	0	0	0	0	(374,890)

Human Resources



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Human Resources

Human Resources ensures the City has the necessary talent, leadership and workplace culture for the organization to achieve its goals. Recruiting passionate public servants and helping them flourish and grow professionally in a safe, diverse and inclusive work environment is the mission of this division.



Corporate & Community Human Resource Services helps divisions and departments with recruitment, labour and employee relations. This branch is the primary contact for all internal human resource matters as well as for applicants, community educational institutions and various community employment agencies interested in City of Kelowna careers. In addition to recruitment and labour services, they partner with line managers on succession planning, training, career development, change management and other corporate development initiatives such as the "BEST" awards for employees demonstrating outstanding Balance, Excellence, Service and Teamwork.

Compensation & Benefits is responsible for total compensation, benefit administration, disability management and return to work programs, as well as other employee support programs such as the Employee and Family Assistance and Wellness programs. From smoking cessation to mental and physical fitness programs, the City's Wellness Program encourages staff to choose positive, active lifestyles that support high productivity levels and a healthy work-life balance. This branch is also responsible for maintaining our human resource information systems.

HR Programs and Systems develops and maintains corporate-wide talent management programs. From succession plans to learning and development strategies, the branch is building a high performing, accountable workforce committed to our vision and adaptable to new challenges. Key initiatives include career, management and leadership development and supporting performance management programs and change management. The Branch also oversees human resource performance metrics, employee community involvement and recognition programs.

Risk Management & Safety is responsible for the development, implementation, coordination and administration of the City's risk management programs and safety management system. Risk Management minimizes the City's loss exposure through programs and insurance and manages third-party claims against the City. The Occupational Health & Safety Branch also coordinates employee safety programs and policies as part of our Safety 8 system. This unit is an integral part of the City's security, maintaining a secure environment for staff, public and assets, including the oversight of the security cameras.

2018 Divisional drivers & activities

Drivers

- Health, Wellness and Safety - To protect the well-being of staff, contractors and citizens.

- Talent Management - To attract, select, develop and retain employees to meet organizational goals, which includes: Workforce Planning; Recruitment; Selection; Corporate on boarding, training & development; Leadership Development; Employee Performance; Succession Planning.
- Employee & Labour Relations - To promote employee engagement through effective employee and labour relations practices, which includes: Employee Retention; Engagement; Labour Relations; Employee Brand; Wellness; Recognition; Disability Management; Investigations; Conflict Resolution; Employee Communications.
- Total Compensation - To promote an employee value proposition that supports the City's talent management needs, which includes: Pension; Benefits; Compensation; Classification.
- Human Resources Information Systems - To maintain leading human resources information systems that meet the analytic and administrative needs of the organization.

Activities

A well-run City

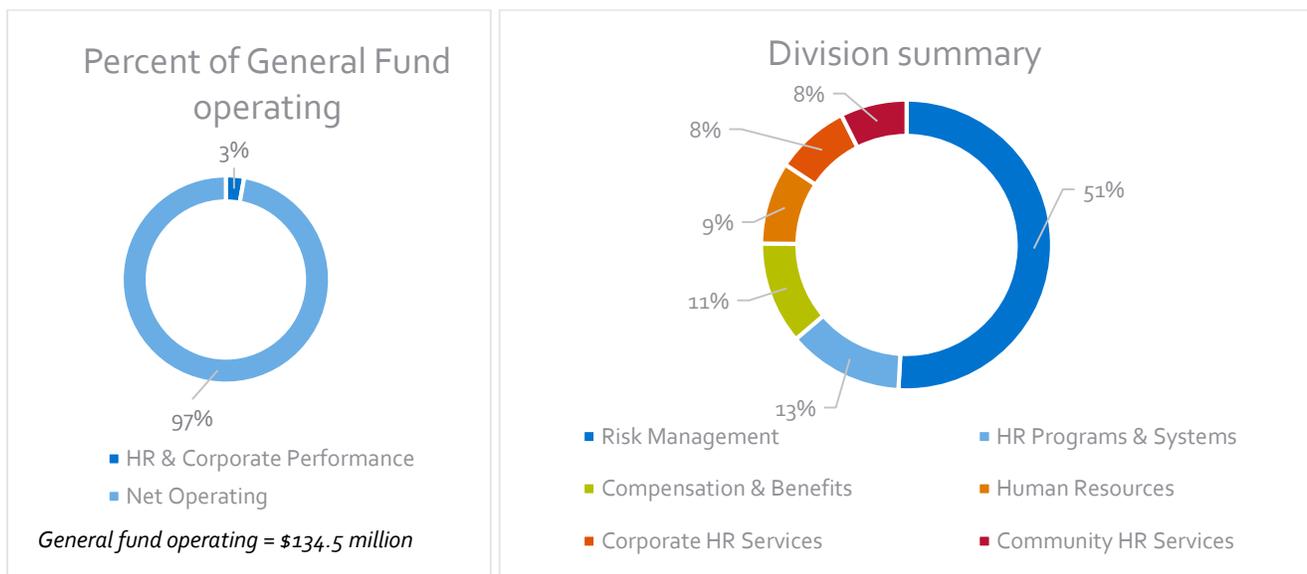
- Implement a Safety Management Software system. Federal and provincial regulatory requirements govern how employers record and report out safety information. A safety management software system will improve recording and reporting of safety information such as workplace incidents, site inspections and preventative activities improving compliance and our analytical capabilities.
- Automation of Probationary and Trial Assessments. This project would encompass automating the probationary and trial assessments used for new staff and staff moving to a new position from a paper based form to a form that can be completed using the PeopleAdmin Software system. These forms are completed a minimum of 3 times during a staff probationary/trial timeframe.
- Implementation of a Mentorship Program. A mentor program will provide the opportunity to continue to build leadership skills and provide the opportunity for staff to learn from other more experienced staff members. Program will include selection criteria for mentors, mentees and program evaluation measurements.
- Disability Program Implementation – HR and Safety will move forward with several of the recommendations included in the disability program project review and the WorkSafe BC / BCMSA review.
- Prepare for 2019 Canadian Union of Public Employees (CUPE) collective bargaining.
- Review and update the Code of Ethics Policy. This policy was created in the mid 1990's and is in need of updating and modernizing. A training and internal communications plan will be part of this project.
- Develop a 5-year Human Resources Strategic Plan.
- Develop an Employee Community Involvement Strategy.
- Paperless Files – HR will undertake a review and process change to move from saving the majority of HR and employee files in a paper based format to electronic.
- HR \ Payroll Agresso streamlining system process improvements.

Performance measures

	Actual 2016	Estimated 2017	Proposed 2018
Program outputs			
# of Vacant positions filled	306	300	300
# of WorkSafe Claims processed	75	60	60
# of transition Return to Work placements (CUPE)	30	30	30
# of Service Awards presented	131	158	156
Program outcomes			
% merit rating discount for WorkSafe BC Claims	17.8%	19.8%	17.0%
Total Absence's per employee (average)	2.01	2.25	2.25
Efficiency measures			

Avg# of days to post Permanent Positions	-	17	16
Avg# of days to fill an Internal Vacancy	20.5	25.0	23.0
Avg# of days to fill an External Vacancy	55.2	54.0	53.0
Customer satisfaction			
% match between employees hired and preferred job qualifications on most jobs	92%	90%	90%
% of staff Turnover – full time	5.2%	6.5%	6.0%
Linkedin followers	3,063	3,150	3,500
E-Subscribers to the Career Page on Kelowna.ca	9,961	9,500	9,500
Innovation & learning			
# of employees participating in Corporate Training	316	259	250
# of individual employee posted Training Opportunity plans	12	9	10
Risk & Safety – Program Outputs			
Total Third-Party Claims/Incidents managed	152	150	140
Risk & Safety – Efficiency Measures			
Cost of Risk per Capita	\$11.74	\$11.75	\$11.95
# of work days lost to work related injuries	560	500	490

Human Resources budget overview



Net Divisional expenditures

Departments		Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:						
Human Resources						
139	Human Resources	313,466	302,223	349,503		
		313,466	302,223	349,503	47,280	15.6%
Corporate HR Services						
140	Corporate HR Services	267,313	307,020	315,290		
		267,313	307,020	315,290	8,270	2.7%
Community HR Services						
141	Community HR Services	252,316	284,492	282,292		
		252,316	284,492	282,292	(2,200)	(0.8%)
HR Programs & Systems						
143	HR Programs & Systems	495,924	471,501	491,001		
		495,924	471,501	491,001	19,500	4.1%
Compensation & Benefits						
249	Compensation & Benefits	415,207	438,516	433,936		
		415,207	438,516	433,936	(4,580)	(1.0%)
Risk Management						
132	Risk Management	1,837,673	1,933,722	1,940,422		
		1,837,673	1,933,722	1,940,422	6,700	0.3%
Net operating expenditures		3,581,899	3,737,474	3,812,444	74,970	2.0%
Capital cost centres:						
		0	0	0		
Net capital expenditures		0	0	0	0	0.0%
Total Division net expenditures		3,581,899	3,737,474	3,812,444	74,970	2.0%

Human Resources - General Fund Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
Revenue			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(479,060)	(68,150)	(61,000)
Other Revenue	(14,040)	0	0
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(151,465)	(58,110)	(119,920)
Total Revenue	(644,565)	(126,260)	(180,920)
Expenditures			
Salaries and Wages	1,969,035	1,763,974	1,811,184
Internal Equipment	1,209	900	900
Material and Other	2,179,513	2,085,160	2,173,880
Contract Services	710	13,700	7,400
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	75,997	0	0
Total Expenditures	4,226,464	3,863,734	3,993,364
Net Operating Expenditures	3,581,899	3,737,474	3,812,444
Capital Expenditures			
Gross Expenditures	0	0	0
Other Funding Sources	0	0	0
Taxation Capital	0	0	0
Net Operating & Tax Capital Exp.	3,581,899	3,737,474	3,812,444

Authorized FTE	Budgeted	Actual	Revised	Provisional
Positions	2016	2016	2017	2018
Salaried	14.3	18.4	14.5	14.8
Hourly	1.9	2.2	2.1	2.6

Description of operating program changes

		Total	FTE
2017 revised budget		3,737,474	16.6
2018 net impacts			
One-time operating requests	(29,040)		(0.3)
One-time expenditure reductions	-		0.2
Incremental costs - prior year(s)	7,920		
Salary adjustments	-		
Other adjustments	(8,300)		
Departmental adjustments	1,080	(28,340)	
		<u>3,709,134</u>	<u>16.5</u>
2018 program additions			
2018 operating requests	103,310		0.9
2018 expenditure reductions	-	103,310	
2018 provisional		<u>3,812,444</u>	<u>17.4</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Human Resources Division									
Maintain									
348	Safety Management Software	90,000	(75,000)	0	0	0	0	(15,000)	OG
348	Recruitment Coordinator Term Position	37,310	0	0	0	0	0	(37,310)	OG
349	Safety Management System Co-op Student Position	26,310	(26,310)	0	0	0	0	0	OT
349	Collective Bargaining	5,000	0	0	0	0	0	(5,000)	OG
350	Legal Expenses	46,000	0	0	0	0	0	(46,000)	OG
	Total Maintain	204,620	(101,310)	0	0	0	0	(103,310)	
	Division Priority 1 Total	204,620	(101,310)	0	0	0	0	(103,310)	
	Total Priority 1 Operating	204,620	(101,310)	0	0	0	0	(103,310)	

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

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

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

2018 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Risk Management		ON-GOING
Title:	Safety Management Software		PROVISIONAL

Justification:

This request is for the implementation and annual licensing for Safety Management Software. Federal and Provincial regulatory requirements govern how employers record and report out safety information. Following the introduction of the safety management system five years ago, staff are working safer than ever and generating unprecedented amounts of paper documentation. On average, the City of Kelowna generates over 12,000 safety documents each year that must be retained for several years. This is a significant administrative burden that will be reduced through the use of software and mobile applications, generating efficiencies and improving performance.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	90,000	(75,000)	0	0	0	0	0	(15,000)
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)

Division:	Human Resources	Priority: 1	Maintain
Department:	Corporate HR Services		ON-GOING
Title:	Recruitment Coordinator Term Position		PROVISIONAL

Justification:

This request is for an annually recurring 0.5 FTE term Recruitment Coordinator to meet increasing workload demands. Over the past 2 years Human Resources has filled more than 300 positions per year. In order to meet this increasing demand, HR has needed to hire an additional Recruitment Coordinator from January to June in each of the past two years. The increase in hiring, which is expected to continue, is driven by increasing requests for Part Time, Student and Term employees as well as increasing retirements and new full time positions due to growth.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	37,310	0	0	0	0	0	0	(37,310)
2019	37,310	0	0	0	0	0	0	(37,310)
2020	37,310	0	0	0	0	0	0	(37,310)

2018 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Risk Management		ONE-TIME
Title:	Safety Management System Co-op Student Position		PROVISIONAL

Justification:

The implementation of safety management software in 2018 will require Occupational Health & Safety staff to reallocate time from regular duties. The proposed co-op student will be a backfill resource during this implementation period. In addition, this position will assist with software implementation tasks such as testing and other project specific tasks. This is an 8 month co-op term position funded from the Worksafe BC Certificate of Recognition Reserve.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	26,310	(26,310)	0	0	0	0	0	0

Division:	Human Resources	Priority: 1	Maintain
Department:	Human Resources		ON-GOING
Title:	Collective Bargaining		PROVISIONAL

Justification:

The City's agreement with the Canadian Union of Public Employees expires December 31, 2018. This budget is requested to cover research, legal advice, meals & facilities related to collective bargaining.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	10,000	0	0	0	0	0	0	(10,000)
2020	0	0	0	0	0	0	0	0

2018 Operating Request Details

Division:	Human Resources	Priority: 1	Maintain
Department:	Human Resources		ON-GOING
Title:	Legal Expenses		PROVISIONAL

Justification:

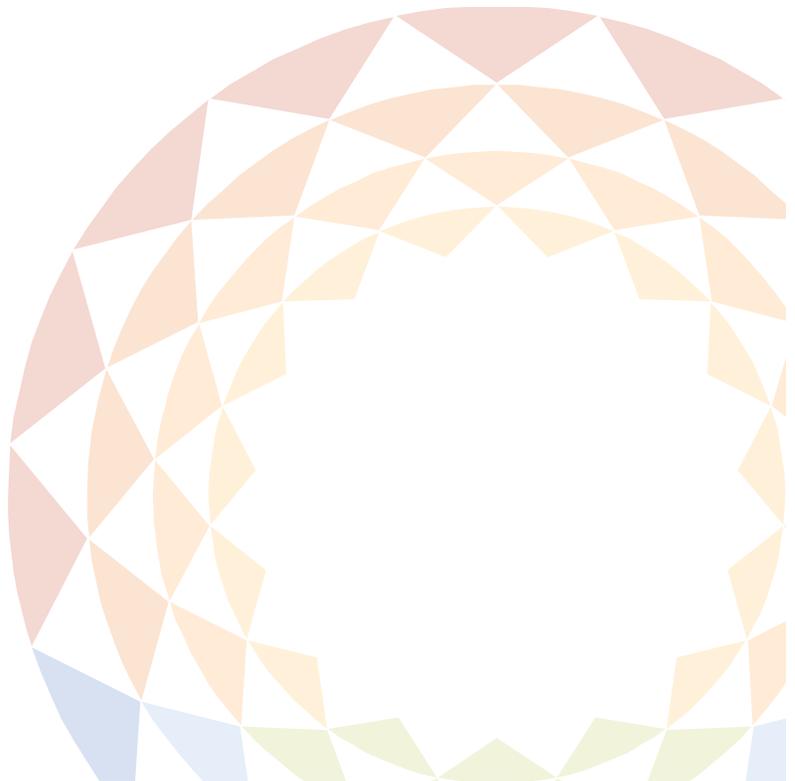
This request is to increase legal expenses by averaging the past four years of actual experience.

2018 Base Budget: \$38,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	46,000	0	0	0	0	0	0	(46,000)
2019	46,000	0	0	0	0	0	0	(46,000)
2020	46,000	0	0	0	0	0	0	(46,000)

Corporate Strategic Services



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Corporate Strategic Services

Providing citizens and staff with convenient, accurate and timely access to City services and information.



Communications provides strategic communications planning to inform, consult, involve, collaborate and empower internal and external stakeholders. Using an audience-centred model, Communications supports major City projects by delivering information to citizen and staff through: research, branding standards, media relations, crisis communications (including managing Emergency Operation Centre), development and maintenance of print and electronic communications channels (including kelowna.ca and social media platforms), corporate advertising and public engagement programs.

Corporate Strategy & Performance focuses on advancing corporate performance accountability, customer service excellence, and strategy execution through the development and implementation of innovative systems, processes, and continuous improvement initiatives. The department contributes to ensuring the City's resources are spent on work that directly supports community, Council and corporate priorities.

Information Services provides direction, support and maintenance for the City's information systems and technology infrastructure including Kelowna's dark fibre network. Technology is a driving force for economic, service delivery and communications in today's digital age. This guides Information Services' strategy to implement technology solutions that reduce costs, improve revenue streams, build efficiency and deliver better overall service for the City's customers and staff. The department also facilitates storage and access standards to provide data analysis that empowers decision making.

Sponsorship & Advertising was created to increase City revenues to enhance facilities, programs and services by leveraging sponsorship and advertising opportunities with qualified organizations that align with the City's values. Sponsorship & Advertising works with internal departments and external community partners, including non-profit organizations, to build awareness about the value of sponsorship and how it can benefit the parties involved as well as the community. In its infancy, the program is defining the City's Corporate Sponsorship & Advertising Policy & Strategy.

2018 Divisional drivers & activities

Drivers

- To drive the development of e-services for customer service
- To provide strategic, meaningful and efficient communications and information services that support business objectives and reach target audiences
- To develop, implement and maintain Communications, Information Services, and corporate service excellence policies, standards and guidelines
- To engage citizens, staff and stakeholders
- To protect and promote corporate achievements and reputation
- To protect our corporate data and digital infrastructure
- To develop, implement and maintain corporate communication channels
- To advocate for innovative public engagement that support and increase citizen involvement

- To develop and implement market research protocols to support the organization's objectives
- To define, implement and maintain performance management systems for accountability and to track measurable result
- To research best practices and be innovative for continual improvement of service delivery
- To deliver results while maintaining core services
- To generate new revenue to enhance facilities, programs and services for residents
- To improve the capacity of sponsorship within community partners and organizations

Activities

A well-run City

- Develop Intelligent City strategy
- Continue work on corporate data analytics to assist departments in better decision making and long-range planning
- Enhance evidence-based decision-making through Fire Strategic Plan, Model City, service requests and social media
- Establish indicators and performance measures for council priorities as part of the Corporate Performance Management System
- Develop a corporate performance program to evaluate value
- Support corporate and Council priorities
- Provide media relations and issues management
- Provide communications support for Mayor & Council including public correspondence, managing social media messages, briefing notes, speaking notes and public presentations
- Develop and implement the new social media strategy
- Continue to promote and maintain the City's electronic communications channels, including kelowna.ca, e-Subscribe and social media
- Continue to promote and improve the City's online platforms to enhance service delivery
- Continue to support planning and implementation of priority community projects including: \$63.7-million implementation of Phase 1 of the 2017 Kelowna Integrated Water Supply Plan to support southeast Kelowna residents and separation of agricultural irrigation, Regional Transportation Plan and Kelowna on the Move Phase 2 Transportation Master Plan
- Implement, review and define the Corporate Sponsorship & Advertising program strategy
- Establish an inter-departmental sponsorship and advertising team
- Present inaugural Sponsorship & Advertising program update and measures to Council
- Oversee and continue to improve budget and property tax communications
- Continue with the development of a framework for Annual Business Planning
- Support Finance with strategic communications and Information Services (IS) solutions in the replacement of the Property Tax and point of sale (POS) system
- Implement the recommendations from the Payment Options business process review to offer credit and debit card payments at service locations across the organization
- Continue communications support for Kelowna International Airport's three-year Employee Engagement program
- Ongoing communications support for the updated Kelowna International Airport Strategic Plan
- Complete priority Corporate Business Process Reviews
- Complete the review and documentation of our strategic priority setting process
- Perform a review of work planning and portfolio management processes, policies and systems and provide recommendations for improvement
- Support Infrastructure Division in the implementation of an Asset Management system

An active, inclusive city

- Advance innovative online public engagement to support and increase citizen involvement
- Provide communications support for initiatives such as the Official Community Plan update, Journey Home strategy, Truth & Reconciliation Working Group, Community Neighbourhood Association Project, Okanagan Rail Trail, Healthy City Strategy and Imagine Kelowna

- Provide continued community engagement support for Journey Home
- Support gap analysis of active living programming with online engagement process
- Review and update Snow busters program
- Implement the Communications and marketing plan for the Kelowna Community Theatre to increase awareness of events
- Continue to implement the marketing plan for Active Living and Culture programs and activities with the Active by Nature and Get Active, Stay Active branding
- Host first capacity building workshop for community partners on ways to increase sponsorship impact

A safe city

- Leverage analytics in partnerships with community service agencies to guide decision-making Ongoing partnership with Police and Fire Services, the Kelowna RCMP, and the Kelowna Fire Department on proactive public safety campaigns
- Complete City of Kelowna Crisis Communications Plan
- Communicate achievements in public safety through various channels; monitor public comment on safety matters and respond accordingly in coordination with Police and Fire Services or other relevant agencies

A strong economy

- Achieve the target of \$150,000 in new net Sponsorship & Advertising revenue
- Develop a Communications Strategy for the Kelowna International Airport campus and upcoming YLW Spirit program, including all tenants and business partners
- Complete installation of fibre optic cable to the Landfill, Airport, Parks and Waste Water Plant, and provide dark fibre services to institutions and businesses
- Provide dark fibre services to external businesses and institutions through Enterprise Kelowna
- Continue to work with Tourism Kelowna during crisis and Emergency Operations Centre (EOC) activations

A clean, healthy environment

- Implement the water utility sensitive customer notification system for future water disruptions
- Provide continued marketing support for Ogogrow

Resilient, well-managed infrastructure

- Strategize and activate communications for new YLW Airport Improvement Free development program
- Upgrade the City's Core Network switch to replace aging infrastructure
- Implement and maintain an analytics Data Catalogue
- Continue to build out video conferencing infrastructure
- Upgrade desktop computers and servers as per replacement schedule

Performance measures

		Actual 2016	Estimated 2017	Proposed 2018
Program outputs				
Media	# media releases	314	200	200
	# EOC media releases	31	202	
	# media information requests	N/A	600	600
Mayor & Council	# of email correspondence	1,644	1,600	1,650
	Mayor & Council notes drafted	77	86	80
Online	External website visits (kelowna.ca)	5.67M	5.90M	6M

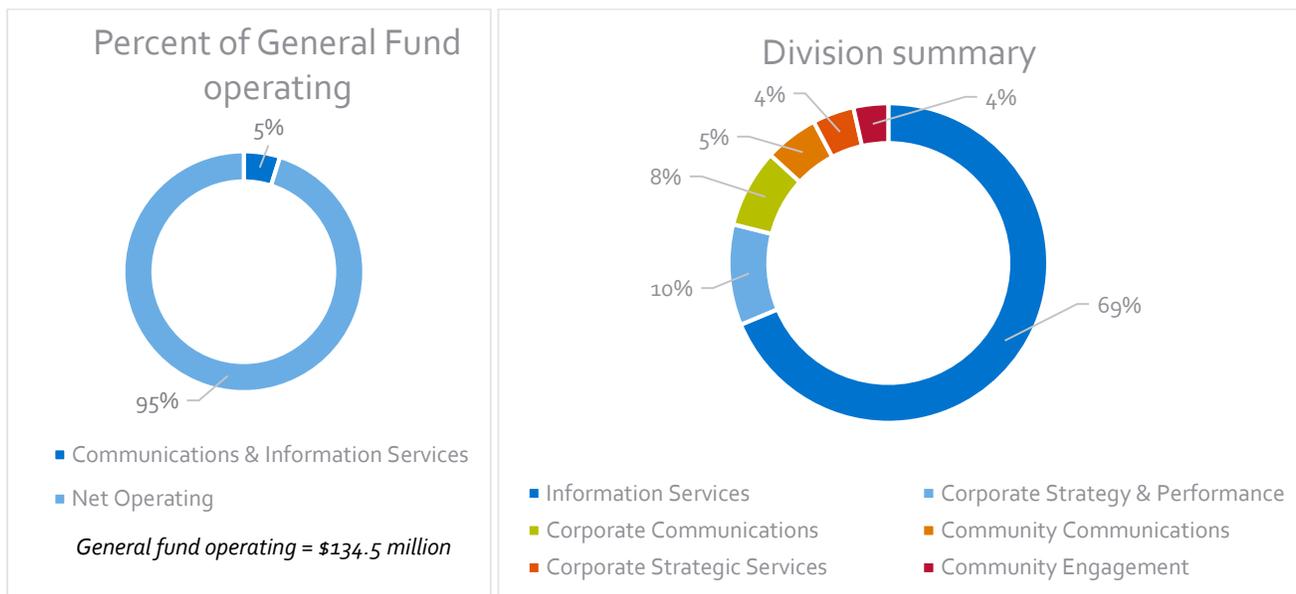
	E-Subscribers	26,397	33,700	36,000
Intranet	InSites page views	1.22M	1.23M	1.24M
	Interactions (navigation to a second page from landing page)	42%	43%	44%
Social media	Reach (impressions: Facebook, Twitter, Instagram, all accounts incl. YLW)	3.26M	3.5M	3.6M
	Engagement (likes, comments, shares, mentions)	45,954	56,000	65,000
Video	Video views (YouTube)	18,728	100,000	110,000
	Video viewing length time	1:25 minutes	2:02 minutes	2:37 minutes
	Percentage of video watched	41%	59%	77%
Engagement	Face-to-face engagement	2,500	2,500	2,500
	Survey Responses (hard copy & online)	5,000	5,000	5,000
Get Involved Kelowna	Visitors (launch March 2017)	3,749	3,500	700
	Registered users	*1,200	529	n/a
	<i>*Former platform registered users</i>			
	Imagine.kelowna.ca	*12,782	5,000	n/a
	<i>*Views available from July 14 – Dec. 31, 2016. Site launched in conjunction with project in spring 2016</i>			
Information Services	<i>Percentage of time key Information Services systems were available. 99.8% represents a high availability with less than 21 hours of combined outage over the year.</i>			
	Email	99.9%	99.9%	99.9%
	InSites	99.9%	99.9%	99.9%
	kelowna.ca	99.9%	99.9%	99.9%
	Servers	99.8%	99.8%	99.9%
	Phones	99.9%	99.9%	99.9%
	Internal Help Desk requests	11,053	11,000	11,500
Corporate Strategy & Performance Measures	Business process reviews conducted	5	1	4
Program outcomes				
Corporate Strategy & Performance Measures	Per cent of projects that comply with ProjectPLAN methodology	n/a	n/a	70
Website	Per cent of resident visits to Kelowna.ca in the last 12 months	55%	***	57%
Dark Fibre	Revenue	\$54,400	\$97,600	\$134,000
	Customers	7	10	15
Sponsorship & Advertising	Revenue generated	N/A	TBD	\$150,000
Efficiency measures				

Correspondence turnaround times (rounded %)	Within 1 day	59%	977	950	1,000
	Within 2-5	21%	349	350	350
	Within 6-10	8%	139	130	130
	Within 11-20	4%	72	70	70
	Over 21 days	6.5%	107	100	100
	% of service requests that comply to our expected quality standards	n/a	n/a	n/a	80
Innovation & learning					
Media spokesperson training	Annual training program prepares staff for media interviews and the corporate approach to media relations		22 trained	22	22
ProjectPlan	# of staff oriented in project management methodology		0	125	25

Future performance measure additions for Sponsorship & Advertising:

- Leads tracked/contacted/recorded
- National sponsors/advertisers on-boarded
- Percentage of inventory of assets

Corporate Strategic Services budget overview



Net Divisional expenditures

Departments		Actual 2016	Revised 2017	Provisional 2018	Change from prior year	Percent change
Operating cost centres:						
Corporate Strategic Services						
101	Corporate Strategic Services	343,878	370,904	275,275		
		343,878	370,904	275,275	(95,629)	(25.8%)
Information Services						
121	Information Services	3,813,714	4,153,122	4,492,750		
		3,813,714	4,153,122	4,492,750	339,628	8.2%
Community Communications						
248	Community Communications	214,796	334,329	357,279		
		214,796	334,329	357,279	22,950	6.9%
Corporate Communications						
229	Corporate Communications	486,553	472,867	517,736		
		486,553	472,867	517,736	44,869	9.5%
Community Engagement						
260	Community Engagement	166,971	227,889	229,889		
		166,971	227,889	229,889	2,000	0.9%
Corporate Strategy & Performance						
154	Corporate Strategy & Performance	497,795	575,145	667,365		
210	Service Innovation and Performance	497	0	0		
		498,292	575,145	667,365	92,220	16.0%
Net operating expenditures		5,524,204	6,134,256	6,540,294	406,038	6.6%
Capital cost centers:						
308	Information Services Capital	1,199,272	948,000	3,187,000		
Net capital expenditures		1,199,272	948,000	3,187,000	2,239,000	236.2%
Total Division net expenditures		6,723,476	7,082,256	9,727,294	2,645,038	37.3%

Corporate Strategic Services - General Fund Revenues/Expenditures by Category

	Actual 2016	Revised 2017	Provisional 2018
<u>Revenue</u>			
Property Tax	0	0	0
Parcel Tax	0	0	0
Fees and Charges	(70,170)	(69,400)	(260,400)
Other Revenue	(25,934)	(25,934)	(58,434)
Transfers from Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	(4,334)	(108,260)	0
Total Revenue	(100,438)	(203,594)	(318,834)
<u>Expenditures</u>			
Salaries and Wages	4,234,627	4,678,706	4,848,594
Internal Equipment	200	0	0
Material and Other	1,223,041	1,589,744	1,900,134
Contract Services	0	0	0
Debt Interest	0	0	0
Debt Principal	0	0	0
Internal Allocations	0	0	0
Transfers to Funds			
Special (Stat Reserve) Funds	0	0	0
Development Cost Charges	0	0	0
Accumulated Surplus	166,774	69,400	110,400
Total Expenditures	5,624,642	6,337,850	6,859,128
Net Operating Expenditures	5,524,204	6,134,256	6,540,294
<u>Capital Expenditures</u>			
Gross Expenditures	1,509,253	8,296,960	4,496,680
Other Funding Sources	(309,981)	(7,348,960)	(1,309,680)
Taxation Capital	1,199,272	948,000	3,187,000
Net Operating & Tax Capital Exp.	6,723,476	7,082,256	9,727,294

Authorized FTE Positions	Budgeted 2016	Actual 2016	Revised 2017	Provisional 2018
Salaried	40.0	40.2	42.7	45.9
Hourly	0.4	1.7	0.6	0.1

Description of operating program changes

		Total	FTE
2017 revised budget		6,134,256	43.3
2018 net impacts			
One-time operating requests	-		0.5
One-time expenditure reductions	-		
Incremental costs - prior year(s)	380		0.8
Salary adjustments	-		
Other adjustments	22,518		0.9
Departmental adjustments	3,800	26,698	
		<u>6,160,954</u>	<u>45.5</u>
2018 program additions			
2018 operating requests	379,340		0.5
2018 expenditure reductions	-	379,340	
2018 provisional		<u>6,540,294</u>	<u>46.0</u>
Unfunded 2018 requests			
2018 operating requests	-		
2018 expenditure reductions	-	-	
Total unfunded requests for 2018		<u>0</u>	<u>0.0</u>

2018 Operating Requests

Provisional Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
Corporate Strategic Services Division									
Maintain									
362	Software and Hardware Maintenance	185,400	0	0	0	0	0	(185,400)	OG
362	Professional and Consulting Services	35,000	0	0	0	0	0	(35,000)	OG
462 CAP	Major Systems Projects	50,000	0	0	0	0	0	(50,000)	OG
363	Orthophotography	50,000	0	0	0	0	0	(50,000)	OG
363	Fibre Optics Network	0	41,000	0	0	(41,000)	0	0	OG
	Total Maintain	320,400	41,000	0	0	(41,000)	0	(320,400)	
Growth									
364	Communication Consultant Position - from 20 to 35 hours	25,310	0	0	0	0	0	(25,310)	OG
	Total Growth	25,310	0	0	0	0	0	(25,310)	
New									
462 CAP	Records and Information Management System	6,630	0	0	0	0	0	(6,630)	OG
364	Strategic Priorities Plan	15,000	0	0	0	0	0	(15,000)	OG
463 CAP	Financial Reporting System	12,000	0	0	0	0	0	(12,000)	OG
	Total New	33,630	0	0	0	0	0	(33,630)	
	Division Priority 1 Total	379,340	41,000	0	0	(41,000)	0	(379,340)	
	Total Priority 1 Operating	379,340	41,000	0	0	(41,000)	0	(379,340)	

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

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

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

2018 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Software and Hardware Maintenance		PROVISIONAL

Justification:

This request is to cover the increase in annual support and maintenance fees for new and existing software and hardware. Increases are due to 81% growth, 12% new services and 7% renewal. Current maintenance and support contracts include the Agresso Financial Management System, Autodesk- AutoCAD and Civil 3D Design Software, Fire Department Management and Dispatch (FDM), Microsoft Server and Database Products, Network Core, High Speed Hardware, Phone Servers which are the primary servers for phones and voice mail, Security products for Anti-Virus, Spam and Internet filtering, and VMware which is the City's Virtual Server environment.

2018 Base Budget \$779,480

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	185,400	0	0	0	0	0	0	(185,400)
2019	185,400	0	0	0	0	0	0	(185,400)
2020	185,400	0	0	0	0	0	0	(185,400)

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Professional and Consulting Services		PROVISIONAL

Justification:

This request is to increase budget for professional and consulting services as specialized consultants are required to assist staff in the delivery of projects and support systems like Network Installation, Configuration and Maintenance; Microsoft Database Design and Configuration; Security Audits; Geographic Information System (GIS/CAD) Design, Support and Training; Phone Configuration and Maintenance; and Miscellaneous computer repairs to equipment not under warranty.

Priorities for 2018 will be a Security Audit and Enhanced Disaster Recovery planning.

2018 Base Budget \$73,668

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	35,000	0	0	0	0	0	0	(35,000)
2019	35,000	0	0	0	0	0	0	(35,000)
2020	35,000	0	0	0	0	0	0	(35,000)

2018 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Orthophotography		PROVISIONAL

Justification:

Budget is requested to acquire orthophotography on an ongoing yearly basis, to be utilized in Geographic Information System (GIS) applications. Ortho photos are invaluable in the daily work of city staff across the corporation and are instrumental in emergency service support. The photos are also a top download from Kelowna's open data site data.kelowna.ca. This will reduce the cycle of taking the photos from every two years to one year.

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	50,000	0	0	0	0	0	0	(50,000)
2019	50,000	0	0	0	0	0	0	(50,000)
2020	50,000	0	0	0	0	0	0	(50,000)

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Fibre Optics Network		PROVISIONAL

Justification:

This request is to increase the revenues received from new customers connecting to the City of Kelowna's Fibre Optic Communications Network. The 2017 capital project to create the network was funded from the Fibre Optics Network Reserve. These additional revenues will be transferred to payback the reserve.

2018 Base budget: \$67,000

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	41,000	0	0	0	(41,000)	0	0
2019	0	41,000	0	0	0	(41,000)	0	0
2020	0	41,000	0	0	0	(41,000)	0	0

2018 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	Growth
Department:	Corporate Communications		ON-GOING
Title:	Communication Consultant Position - from 20 to 35 hours		PROVISIONAL

Justification:

This request is to increase current hours to 35 hours from 20 to assist with the increased traffic and requests on the City's centralized social media channels. The centralized model ensures the most cost-effective approach to social media and prevents channels that would require additional resources from being established.

The City's online platforms and social media channels have created more opportunities to inform and engage citizens than ever. Citizen expectations are rapidly shifting to the convenience and mobility of online communication options. Facebook engagement is up 62% since 2014; Twitter engagement is up 46% since 2014. The number of users on kelowna.ca increased 47% between 2014 and 2016; mobile use has increased 97% during the same time, from 557,000 to 1.1 million visits. In July, we received 157 comments/questions via Facebook and Twitter, compared to 46 responses

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	25,310	0	0	0	0	0	0	(25,310)
2019	25,310	0	0	0	0	0	0	(25,310)
2020	25,310	0	0	0	0	0	0	(25,310)

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Corporate Strategy & Performance		ON-GOING
Title:	Strategic Priorities Plan		PROVISIONAL

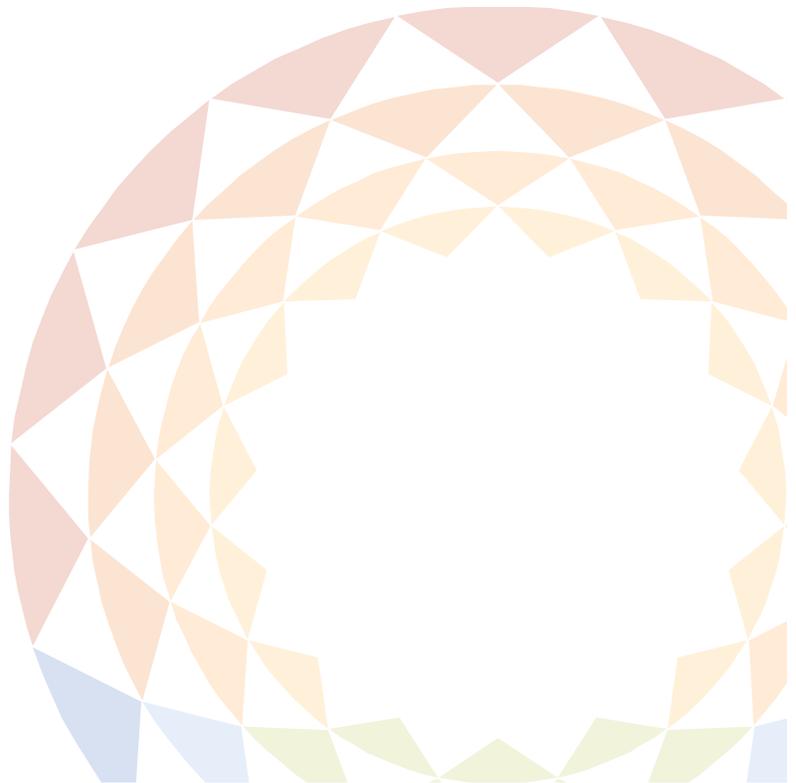
Justification:

For the development of a rolling Community and Organizational Strategic plan that will include priorities, desired results, key initiatives supporting the priorities, community indicators and City program measures.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	15,000	0	0	0	0	0	0	(15,000)
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)

Capital Budget



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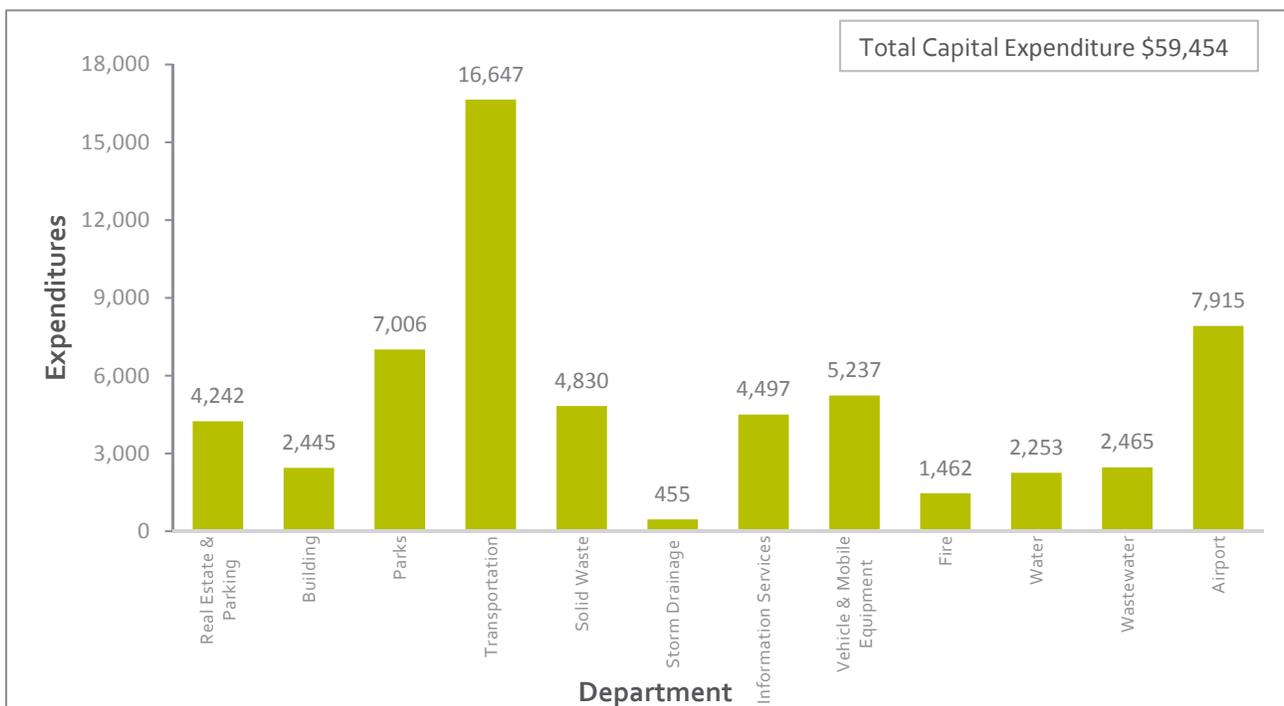
CAPITAL BUDGET

Capital Expenditure Summary

All Funds (thousands)

	Priority 1			Priority 2		
	From Tax Rate	From Other Sources	Total	From Tax Rate	From Other Sources	Total
Real Estate & Parking	684	3,558	4,242			0
Building	670	1,775	2,445	885		885
Parks	2,248	4,758	7,006	5,314	1,560	6,874
Transportation	3,671	12,976	16,647	35		35
Solid Waste	0	4,830	4,830			0
Storm Drainage	455	0	455	360		360
Information Services	3,187	1,310	4,497			0
Vehicle & Mobile Equipment	328	4,909	5,237	120		120
Fire	962	500	1,462			0
Total General Fund	12,205	34,616	46,821	6,714	1,560	8,274
	From Utility	From Other Sources	Total	From Utility	From Other Sources	Total
Water	2,069	184	2,253			0
Wastewater	2,435	30	2,465			0
Airport		7,915	7,915			0
Total Utilities	4,504	8,129	12,633	0	0	0
Total All Funds Capital	16,709	42,745	59,454	6,714	1,560	8,274

All Funds Expenditures – Priority 1 (thousands)



Capital Budget Funding Summary

General Fund – Priority 1 (thousands)

	Asset						
	Amount	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate & Parking	4,242	3,558	0	0	0	0	684
Building	2,445	1,775	0	0	0	0	670
Parks	7,006	4,758	0	0	0	0	2,248
Transportation	16,647	10,881	0	100	1,995	0	3,671
Solid Waste	4,830	4,330	0	0	167	333	0
Storm Drainage	455	0	0	0	0	0	455
Information Services	4,497	1,310	0	0	0	0	3,187
Vehicle & Mobile Equipment	5,237	4,411	0	0	124	374	328
Fire	1,462	500	0	0	0	0	962
Funding Source Totals	46,821	31,523	0	100	2,286	707	12,205

General Fund Capital – Priority 1 Reserve Funding (thousands)

Building Repair	385
CWME - Community Works Fund	7,443
CWME - Fire Equipment	500
CWME - Vehicle and Equipment Replacement	4,010
CWME - Sanitary Landfill	4,730
DCC - Park A	4,030
DCC - Road A	1,809
DCC - Road B	85
DCC - Road E	128
DCC - Road I	1,026
Finance/Major System Software	310
H2O Equipment Replacement & Replacement	240
Land Sales Reserve	3,801
Parking Reserve	301
Permit Revenue Averaging	1,000
RCMP Building	550
Sidewalk Network	120
Transit Facility Enhancement	1,055
Total Reserve Funding	31,523

General Fund funding sources – Priority 1 (thousands)



Operating Impacts

Impact of Capital Investments on Operating Budgets – Priority 1

Request Title	2018	2019	2020
General Fund			
Parks Capital			
Interim Park Access	20,000	20,000	20,000
Kerry Park - Phase 1 Construction	8,600	8,600	8,600
Total Parks Capital	28,600	28,600	28,600
Transportation Capital			
Active Transportation Corridor	20,000	20,000	20,000
Ethel 4 DCC (Sutherland-Springfield), ATC	9,300	9,300	9,300
Hollywood 9 DCC (Hollydell - Hwy 33), ATC	8,500	8,500	8,500
Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network	26,000	26,000	26,000
Pandosa 1 DCC (Birch - McKay) Sidewalk	2,700	2,700	2,700
Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC	42,000	47,000	47,000
Rails with Trails DCC (Dilworth - Commerce Ave), ATC	6,000	7,500	7,500
Rutland Transit Exchange - Phase 2	20,600	20,600	20,600
Sidewalk Network Expansion	6,250	6,250	6,250
Stewart Road West 3 DCC (Crawford-Swamp), Road	0	4,000	4,000
UBCO-University South Pedestrian-Cycling Bridge	7,500	15,000	15,000
Total Transportation Capital	148,850	166,850	166,850
Information Services Capital			
Financial Reporting System	12,000	12,000	12,000
Major Systems Projects	50,000	100,000	100,000
Records and Information Management System	6,630	29,170	32,090
Total Information Services Capital	68,630	141,170	144,090
Vehicle and Mobile Equipment Capital			
Arenas/Stadiums Vehicle	11,250	11,250	11,250
Total Vehicle and Mobile Equipment Capital	11,250	11,250	11,250
Fire Capital			
Engine 5	5,000	17,400	21,950
Total Fire Capital	5,000	17,400	21,950
Total General Fund operating impacts from Capital Investment	262,330	365,270	372,740
Wastewater Fund			
Vehicle and Mobile Equipment Capital			
Pump Operations - Instrument Electrician Term Position	29,080	39,630	39,630
Water & Wastewater Collections Operator Position	28,630	38,120	38,120
Total Vehicle and Mobile Equipment Capital	57,710	77,750	77,750
Total Wastewater Fund operating impacts from Capital Investment	57,710	77,750	77,750
Water Fund			
Vehicle and Mobile Equipment Capital			
Pump Operations - Instrument Electrician Term Position	50,520	63,360	63,360
Water & Wastewater Collections Operator Position	46,880	61,890	61,890
Total Vehicle and Mobile Equipment Capital	97,400	125,250	125,250
Water Capital			
Dehart Road Bulkwater Fill Station	14,740	14,740	14,740
Total Water Capital	14,740	14,740	14,740
Total Water Fund operating impacts from Capital Investment	112,140	139,990	139,990

2018 Capital Requests

Provisional Budget

CAPITAL BUDGET Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate & Parking Capital - Priority 1									
Renew									
384	308201	Parking Equipment and Facilities	301,000	(301,000)	0	0	0	0	0
Total Renew			301,000	(301,000)	0	0	0	0	0
New									
384	2000	General Land, Acquisition	1,559,000	(1,000,000)	0	0	0	0	(559,000)
385	2002	Road & Sidewalks, Land Acquisition	125,000	0	0	0	0	0	(125,000)
385	2004	Strategic Capital Land Needs	250,000	(250,000)	0	0	0	0	0
386	XXXX	Property Acquisition Discontinued CN Railway	2,007,000	(2,007,000)	0	0	0	0	0
Total New			3,941,000	(3,257,000)	0	0	0	0	(684,000)
Cost Center Totals			4,242,000	(3,558,000)	0	0	0	0	(684,000)

Building Capital - Priority 1

Renew									
391	XXXX	City Hall Elevator Renewal	150,000	(150,000)	0	0	0	0	0
391	3084	Civic Buildings Roof Replacement	280,000	(140,000)	0	0	0	0	(140,000)
392	XXXX	Apple Bowl Track Resurfacing	650,000	(400,000)	0	0	0	0	(250,000)
392	3319XX	H ₂ O Equipment	240,000	(240,000)	0	0	0	0	0
393	2XXX	Art Gallery - Heat Pump Renewal	45,000	(45,000)	0	0	0	0	0
393	2XXX	Kelowna Community Theatre - Stage HVAC Renewal	50,000	(50,000)	0	0	0	0	0
394	2XXX	Rutland Family Y - Front Sidewalk Replacement	80,000	0	0	0	0	0	(80,000)
Total Renew			1,495,000	(1,025,000)	0	0	0	0	(470,000)
Growth									
394	XXXX	RCMP Kelowna Detachment Building, Doyle Avenue - Demolition	750,000	(750,000)	0	0	0	0	0
395	XXXX	Glenmore Firehall No. 8 Temporary Improvements	200,000	0	0	0	0	0	(200,000)
Total Growth			950,000	(750,000)	0	0	0	0	(200,000)
Cost Center Totals			2,445,000	(1,775,000)	0	0	0	0	(670,000)

Parks Capital - Priority 1

2018 FINANCIAL PLAN

CITY OF KELOWNA

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Renew									
401	3134	Irrigation Infrastructure Renewal	28,000	0	0	0	0	0	(28,000)
401	2XXX	High Noon Park Improvements	75,000	0	0	0	0	0	(75,000)
Total Renew			103,000	0	0	0	0	0	(103,000)
Growth									
402	3208	Rowcliffe Park - Phase 2 Construction	1,350,000	(728,540)	0	0	0	0	(621,460)
402	2030	DCC Parkland Acquisition	4,548,170	(4,029,680)	0	0	0	0	(518,490)
Total Growth			5,898,170	(4,758,220)	0	0	0	0	(1,139,950)
New									
OP	403	XXXX	Kerry Park - Phase 1 Construction	450,000	0	0	0	0	(450,000)
	403	XXXX	Bellevue Creek Linear Park - Phase 1 Construction	440,000	0	0	0	0	(440,000)
OP	404	XXXX	Interim Park Access	115,000	0	0	0	0	(115,000)
Total New			1,005,000	0	0	0	0	0	(1,005,000)
Cost Center Totals			7,006,170	(4,758,220)	0	0	0	0	(2,247,950)

Transportation Capital - Priority 1

Renew

416	2086	Bridge Rehabilitation - Renewal	260,000	(120,000)	0	0	0	0	(140,000)
416	3239	Traffic Signal and Communications Upgrades and Renewals	240,000	0	0	0	0	0	(240,000)
417	3233	Street Light Replacement - Pole & Wiring	307,550	0	0	0	0	0	(307,550)
417	2083	Roads Resurfacing	3,491,090	(2,967,580)	0	0	0	0	(523,510)
418	207601	Transit - Equipment Renewal (Bus Stops and Shelters)	75,000	(75,000)	0	0	0	0	0
418	3289	Sidewalk & Bikeway Renewal	100,000	0	0	0	0	0	(100,000)
419	XXXX	City of Kelowna Highway Signage	100,000	0	0	(100,000)	0	0	0
Total Renew			4,573,640	(3,162,580)	0	(100,000)	0	0	(1,311,060)

Growth

OP	419	XXXX	Pandosy 1 DCC (Birch - McKay) Sidewalk	205,000	(205,000)	0	0	0	0
	420	XXXX	Transit - Land Acquisition	220,000	(220,000)	0	0	0	0
OP	420	323801	Rails with Trails DCC (Dilworth - Commerce Ave), ATC	295,000	(65,785)	0	0	(229,215)	0
OP	421	329001	Ethel 4 DCC (Sutherland-Springfield), ATC	2,100,000	(1,476,070)	0	0	0	(623,930)
OP	421	XXXX01	Hollywood 9 DCC (Hollydell - Hwy 33), ATC	500,000	(312,420)	0	0	0	(187,580)
	422	323603	Sutherland 1 DCC (Gordon - Burtch), ATC	200,000	(175,000)	0	0	0	(25,000)
	423	323604	Sutherland 2 DCC (Lake - Gordon), ATC	200,000	(175,000)	0	0	0	(25,000)
	423	XXXX	Traffic Signal - Spall @ Springfield	150,000	(30,000)	0	0	0	(120,000)
	423	XXXX01	Ethel 5 DCC (Springfield-Rose), ATC	180,000	(180,000)	0	0	0	0
	424	XXXX01	Houghton 1 DCC (Nickel - Rails with Trails), ATC	500,000	(500,000)	0	0	0	0

2018 FINANCIAL PLAN

CITY OF KELOWNA

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
424	321002L	Stewart Road West 3 DCC (Crawford-Swamp), Land	250,000	(211,250)	0	0	0	0	(38,750)
OP 425	321002	Stewart Road West 3 DCC (Crawford-Swamp), Road	1,990,300	(1,990,300)	0	0	0	0	0
425	304801	Hollywood 7 DCC (Sexsmith - Appaloosa), Road	220,000	(170,810)	0	0	(17,380)	0	(31,810)
426	XXXX	Central Green - Hwy 97 Right Turn Lane to Pandosy	274,000	(274,000)	0	0	0	0	0
426	XXXX	Central Green - Pedestrian Overpass	70,000	(70,000)	0	0	0	0	0
Total Growth			7,354,300	(6,055,635)	0	0	(246,595)	0	(1,052,070)
New									
427	XXXX	Crosswalk Safety - Signals and Flashers	75,000	0	0	0	0	0	(75,000)
OP 427	2085	Active Transportation Corridor	235,000	(177,000)	0	0	0	0	(58,000)
OP 428	219806	Rutland Transit Exchange - Phase 2	754,080	(500,000)	0	0	0	0	(254,080)
OP 428	2084	Sidewalk Network Expansion	560,000	(336,000)	0	0	0	0	(224,000)
OP 429	XXXX	Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC	815,000	0	0	0	(548,220)	0	(266,780)
429	XXXX	Safe Routes to School Program	50,000	0	0	0	0	0	(50,000)
430	207602	Transit - New Equipment (Bus Stops)	230,000	(230,000)	0	0	0	0	0
430	2091T	Neighbourhood Traffic Calming	50,000	0	0	0	0	0	(50,000)
OP 431	XXXX	Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network	450,000	(120,000)	0	0	0	0	(330,000)
OP 431	XXXX	UBCO-University South Pedestrian-Cycling Bridge	1,500,000	(300,000)	0	0	(1,200,000)	0	0
Total New			4,719,080	(1,663,000)	0	0	(1,748,220)	0	(1,307,860)
Cost Center Totals			16,647,020	(10,881,215)	0	(100,000)	(1,994,815)	0	(3,670,990)

Solid Waste Capital - Priority 1

Renew

442	2831	Automated Collection Curbside Carts	300,000	(300,000)	0	0	0	0	0
442	3293	Stockpiles and Reprocessing Areas Relocation	600,000	(600,000)	0	0	0	0	0
443	XXXX	Landfill Gas Quonset Roof Replacement and Upgrades	100,000	(100,000)	0	0	0	0	0
Total Renew			1,000,000	(1,000,000)	0	0	0	0	0

Growth

443	XXXX	Landfill Old Entrance Filling Preparation	2,075,000	(2,075,000)	0	0	0	0	0
444	XXXX	Landfill Storm Sewer Extension	130,000	(130,000)	0	0	0	0	0
Total Growth			2,205,000	(2,205,000)	0	0	0	0	0

New

444	3187	Landfill Gas & Leachate Recirculation Laterals	300,000	(300,000)	0	0	0	0	0
445	XXXX	Surface Water Management - Bredin Irrigation	250,000	(250,000)	0	0	0	0	0
445	XXXX	Landfill Access Road 3 Improvements	525,000	(525,000)	0	0	0	0	0

2018 FINANCIAL PLAN

Page	Project	Description	CITY OF KELOWNA						
			Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
446	XXXX	Odour Management - Glenmore Road H ₂ S Monitoring Station	50,000	(50,000)	0	0	0	0	0
446	XXXX	Compost Facility, Biosolids Leachate Containment	500,000	0	0	0	(166,670)	(333,330)	0
Total New			1,625,000	(1,125,000)	0	0	(166,670)	(333,330)	0
Cost Center Totals			4,830,000	(4,330,000)	0	0	(166,670)	(333,330)	0

Storm Drainage Capital - Priority 1 Renew

451	XXXX	Bluebird Storm Station - Upgrade	110,000	0	0	0	0	0	(110,000)
Total Renew			110,000	0	0	0	0	0	(110,000)

New

451	XXXX	Mayfair Storm Main Extension	175,000	0	0	0	0	0	(175,000)
452	XXXX	Smith Outfall Vault Power Supply	100,000	0	0	0	0	0	(100,000)
452	XXXX	Bellevue Creek Dyke	70,000	0	0	0	0	0	(70,000)
Total New			345,000	0	0	0	0	0	(345,000)
Cost Center Totals			455,000	0	0	0	0	0	(455,000)

Information Services Capital - Priority 1

Renew

458	2133	Server and Data Storage Equipment	205,000	0	0	0	0	0	(205,000)
458	2132	Communications Networks Upgrades	200,000	0	0	0	0	0	(200,000)
459	2130	Front Office Equipment	384,000	0	0	0	0	0	(384,000)
OP 459	XXXX	Major Systems Projects	3,234,680	(1,234,680)	0	0	0	0	(2,000,000)
460	3095XX	Upgrade Unit 4 Business World System	15,000	(15,000)	0	0	0	0	0
Total Renew			4,038,680	(1,249,680)	0	0	0	0	(2,789,000)

New

OP 460	2855XX	Records and Information Management System	398,000	0	0	0	0	0	(398,000)
OP 461	XXXX	Financial Reporting System	60,000	(60,000)	0	0	0	0	0
Total New			458,000	(60,000)	0	0	0	0	(398,000)
Cost Center Totals			4,496,680	(1,309,680)	0	0	0	0	(3,187,000)

Vehicle & Mobile Equipment - Priority 1

Renew

469	2803XX	Equipment and Vehicle Replacement	4,410,620	(4,410,620)	0	0	0	0	0
469	2804XX	Roll-off Front End Loader, Composting Facility	373,000	0	0	0	(124,330)	(248,670)	0
Total Renew			4,783,620	(4,410,620)	0	0	(124,330)	(248,670)	0

2018 FINANCIAL PLAN

CITY OF KELOWNA

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Growth									
470	XXXX	Municipal Tractors	228,000	0	0	0	0	0	(228,000)
Total Growth			228,000	0	0	0	0	0	(228,000)
New									
OP 470	XXXX	Pump Operations - Instrument Electrician Van	60,000	0	0	0	0	(60,000)	0
OP 471	XXXXXX	Water & Wastewater Collections Operator Pickup	65,000	0	0	0	0	(65,000)	0
471	XXXX	Road Line Painter	65,000	0	0	0	0	0	(65,000)
OP 472	XXXX	Arenas/Stadiums Vehicle	35,000	0	0	0	0	0	(35,000)
Total New			225,000	0	0	0	0	(125,000)	(100,000)
Cost Center Totals			5,236,620	(4,410,620)	0	0	(124,330)	(373,670)	(328,000)

Fire Capital - Priority 1

Renew

480	XXXX	911 Dispatch Phone System Replacement	100,000	(100,000)	0	0	0	0	0
480	XXXX	Radio Console Replacement	400,000	(400,000)	0	0	0	0	0
Total Renew			500,000	(500,000)	0	0	0	0	0

New

OP 481	XXXX	Engine 5	962,000	0	0	0	0	0	(962,000)
Total New			962,000	0	0	0	0	0	(962,000)
Cost Center Totals			1,462,000	(500,000)	0	0	0	0	(962,000)

Grand Total 46,820,490 (31,522,735) 0 (100,000) (2,285,815) (707,000) (12,204,940)

OP – Denotes capital request that has a related operating request.

RED – Denotes capital request that has a related reduction request.

2018 Capital Requests

Provisional Budget

CAPITAL BUDGET Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Building Capital - Priority 2									
Renew									
396	3221	Water Street Firehall No. 2 Restoration	800,000	0	0	0	0	0	(800,000)
Total Renew			800,000	0	0	0	0	0	(800,000)
New									
396	3277	Art Walk Extension	85,000	0	0	0	0	0	(85,000)
Total New			85,000	0	0	0	0	0	(85,000)
Cost Center Totals			885,000	0	0	0	0	0	(885,000)

Parks Capital - Priority 2

Renew									
406	XXXX	City Park Promenade Renewal - Phase 2	1,300,000	0	0	0	0	0	(1,300,000)
406	XXXX	Knox Mountain Park Paul's Tomb Trail Restoration	250,000	0	0	0	0	0	(250,000)
407	XXXX	Mission Recreation Park - Artificial Turf Replacement	600,000	(180,000)	0	0	0	0	(420,000)
Total Renew			2,150,000	(180,000)	0	0	0	0	(1,970,000)
Growth									
407	2917	Glenmore Recreation Park - Phase 2 Construction	3,273,860	(1,380,000)	0	0	0	0	(1,893,860)
408	XXXX	Ponds Community Park - Sports Field Construction	600,000	0	0	0	0	0	(600,000)
408	XXXX	Barlee Park Development	300,000	0	0	0	0	0	(300,000)
Total Growth			4,173,860	(1,380,000)	0	0	0	0	(2,793,860)
New									
409	2031	Natural/Linear Park Acquisition	450,000	0	0	0	0	0	(450,000)
409	XXXX	Protective Netting at MRP Softball Quad	100,000	0	0	0	0	0	(100,000)
Total New			550,000	0	0	0	0	0	(550,000)
Cost Center Totals			6,873,860	(1,560,000)	0	0	0	0	(5,313,860)

Transportation Capital - Priority 2

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
New									
438	209106	Neighbourhood Traffic Calming - Rutland	35,000	0	0	0	0	0	(35,000)
Total New			35,000	0	0	0	0	0	(35,000)
Cost Center Totals			35,000	0	0	0	0	0	(35,000)

Storm Drainage Capital - Priority 2

Renew									
453	XXXX	Kerry Park Vault Upgrade	160,000	0	0	0	0	0	(160,000)
Total Renew			160,000	0	0	0	0	0	(160,000)
New									
453	XXXX	Beach Ave Stormwater Upgrades	100,000	0	0	0	0	0	(100,000)
454	XXXX	Sunset Drive Gate Valves	100,000	0	0	0	0	0	(100,000)
Total New			200,000	0	0	0	0	0	(200,000)
Cost Center Totals			360,000	0	0	0	0	0	(360,000)

Vehicle & Mobile Equipment - Priority 2

New									
475	XXXX	Skid-steer Loader	45,000	0	0	0	0	0	(45,000)
475	280XXX	Portable Worksite Traffic Control System	75,000	0	0	0	0	0	(75,000)
Total New			120,000	0	0	0	0	0	(120,000)
Cost Center Totals			120,000	0	0	0	0	0	(120,000)
Grand Total			8,273,860	(1,560,000)	0	0	0	0	(6,713,860)

OP – Denotes capital request that has a related operating request.

RED – Denotes capital request that has a related reduction request.

2018 Capital Requests

Provisional Budget

Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
Airport Capital - Priority 1								
Renew								
486	3268	Airport Roof Replacement Program	2,600,000	(2,600,000)	0	0	0	0
486	3336	Airport Paging System	230,000	(230,000)	0	0	0	0
487	3337	Airport WiFi	210,000	(210,000)	0	0	0	0
487	3335	Airport Baggage Carts	90,000	(90,000)	0	0	0	0
488	3328	Airport Parking Lot Equipment	570,000	(570,000)	0	0	0	0
488	3329	Airport Long-term Parking Lot Pull Pits	15,000	(15,000)	0	0	0	0
489	2901	Airport Air Terminal Complex Capital Replacements	175,000	(175,000)	0	0	0	0
489	3339	Airport Terminal Concourse Carpeting	235,000	(235,000)	0	0	0	0
490	3334	Airport Hazard Beacons and Towers	145,000	(145,000)	0	0	0	0
490	3333	Airport Light Vehicle Replacement	65,000	(65,000)	0	0	0	0
Total Renew			4,335,000	(4,335,000)	0	0	0	0
Growth								
491	3264	Airport Way and Highway 97 Intersection Dual Left Hand Turn Lane	1,100,000	(1,100,000)	0	0	0	0
491	3330	Airport Quick Turn Around Facility	150,000	(150,000)	0	0	0	0
Total Growth			1,250,000	(1,250,000)	0	0	0	0
New								
492	3341	Airport Multi-purpose Snow Clearing Unit	1,400,000	(1,400,000)	0	0	0	0
492	3332	Airport Ride-sharing Services	100,000	(100,000)	0	0	0	0
493	3340	Airport Concession	100,000	(100,000)	0	0	0	0
493	3338	Airport High-Speed Exit Doors from Departures	280,000	(280,000)	0	0	0	0
494	3331	Airport Electric Car Charging Stations	300,000	(300,000)	0	0	0	0
494	2221	Airport Small Capital	150,000	(150,000)	0	0	0	0
Total New			2,330,000	(2,330,000)	0	0	0	0
Cost Center Totals			7,915,000	(7,915,000)	0	0	0	0

Water Capital - Priority 1

Renew

498	XXXX	Ethel St Watermain Replacement, Sutherland - Springfield	500,000	0	0	0	0	(500,000)
498	XXXX	McClure Booster€- Replacement	500,000	0	0	0	0	(500,000)
499	3XXX	Lawrence Ave - Watermain Replacement	200,000	0	0	0	0	(200,000)
499	3038	Water Meter Replacement Program	300,000	0	0	0	0	(300,000)
500	XXXX	Chute Lake Rd Pressure Reducing Valve Upgrade	200,000	0	0	0	0	(200,000)

2018 FINANCIAL PLAN

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	CITY OF KELOWNA	
							Dev/Com	Utility
500	XXXX	Birch Ave - Water Main Replacement	150,000	0	0	0	0	(150,000)
501	XXXX	Okaview 2€- Decommission Pump Station	60,000	0	0	0	0	(60,000)
Total Renew			1,910,000	0	0	0	0	(1,910,000)
Growth								
501	XXXX	Kettle Valley Reservoir Upgrade	100,000	0	0	0	0	(100,000)
502	2070W	Offsite & Oversize - Water	67,200	(33,600)	0	0	0	(33,600)
Total Growth			167,200	(33,600)	0	0	0	(133,600)
New								
502	2407	Meter Installations	150,000	0	0	0	(150,000)	0
503	XXXX	Dehart Road Bulkwater Fill Station	25,000	0	0	0	0	(25,000)
Total New			175,000	0	0	0	(150,000)	(25,000)
Cost Center Totals			2,252,200	(33,600)	0	0	(150,000)	(2,068,600)

Wastewater Capital - Priority 1

Renew

508	3342	Highway 97 Sanitary Manholes and McCurdy Sewer	65,000	0	0	0	0	(65,000)
508	XXXX	Manhattan Dr - Sanitary Replacement	550,000	0	0	0	0	(550,000)
509	XXXX	Lane North of Martin Ave - Sanitary Replacement	440,000	0	0	0	0	(440,000)
509	XXXX	Morrison Lift Station Replacement	600,000	0	0	0	0	(600,000)
510	XXXX	Gyro Lift Station€Flow Meter Replacement	75,000	0	0	0	0	(75,000)
510	XXXX	Lawrence Ave - Sanitary Replacement	350,000	0	0	0	0	(350,000)
511	XXXX	Flintoff Avenue - Sanitary Replacement	155,000	0	0	0	0	(155,000)
511	3262	WWTP - Roof Replacement	120,000	0	0	0	0	(120,000)
512	XXXX	Ethel St Sanitary Replacement, Sutherland - Springfield	50,000	0	0	0	0	(50,000)
Total Renew			2,405,000	0	0	0	0	(2,405,000)

Growth

512	2070S	Offsite & Oversize - Wastewater	60,000	(30,000)	0	0	0	(30,000)
Total Growth			60,000	(30,000)	0	0	0	(30,000)
Cost Center Totals			2,465,000	(30,000)	0	0	0	(2,435,000)
Grand Total			12,632,200	(7,978,600)	0	0	(150,000)	(4,503,600)

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Real Estate & Parking



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2018 Capital Requests

Provisional Budget

Real Estate & Parking Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Real Estate & Parking Capital - Priority 1									
Renew									
384	308201	Parking Equipment and Facilities	301,000	(301,000)	0	0	0	0	0
		Total Renew	301,000	(301,000)	0	0	0	0	0
New									
384	2000	General Land, Acquisition	1,559,000	(1,000,000)	0	0	0	0	(559,000)
385	2002	Road & Sidewalks, Land Acquisition	125,000	0	0	0	0	0	(125,000)
385	2004	Strategic Capital Land Needs	250,000	(250,000)	0	0	0	0	0
386	XXXX	Property Acquisition Discontinued CN Railway	2,007,000	(2,007,000)	0	0	0	0	0
		Total New	3,941,000	(3,257,000)	0	0	0	0	(684,000)
		Cost Center Totals	4,242,000	(3,558,000)	0	0	0	0	(684,000)
		Grand Total	4,242,000	(3,558,000)	0	0	0	0	(684,000)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Real Estate & Parking Capital	2030 Infrastructure Plan: 2018 - L3	
Title:	Parking Equipment and Facilities		PROVISIONAL

Justification:

Budget is requested to renew parking infrastructure and invest in efficient parking management by replacing parking meters with pay stations as part of a multi-year renewal program for equipment that has reached the end of its service life and to add new locations as required.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parking Services contract services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
301,000	(301,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate & Parking Capital	2030 Infrastructure Plan: 2018 - L1	
Title:	General Land, Acquisition		PROVISIONAL

Justification:

Budget is requested to purchase land for general purposes as required land becomes available. This may allow for acquiring properties at less than market value, creating land assembly opportunities, creating a revenue generating land bank and providing trade potential. Strategically purchased land has been used for numerous unique initiatives in recent years (Innovation Center, Interior Health Authority, Henderson's site, Central Green, Drysdale site, BC Housing, affordable housing, etc.) and it is imperative that the City replenish this land inventory.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: A well-run City - Pioneering leadership

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,559,000	(1,000,000)	0	0	0	0	(559,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate & Parking Capital	2030 Infrastructure Plan: 2018 - L2	
Title:	Road & Sidewalks, Land Acquisition		PROVISIONAL

Justification:

Budget is requested to fund the purchase of land required for widening of roads and the expansion of the City's sidewalk network, as identified by Infrastructure Planning. The funds will also be used to acquire road widenings greater than 20m in width that are a requirement of the development approval process.

Acquisitions are targeted towards key missing linkages in the City's existing road and sidewalk network. Identified target areas include the South Padosy region and the Rutland Town Centre.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
125,000	0	0	0	0	0	(125,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Real Estate & Parking Capital	2030 Infrastructure Plan: 2018 - L4	
Title:	Strategic Capital Land Needs		PROVISIONAL

Justification:

The mandate of the Strategic Land Development department is to identify future strategic land assemblies, add value to real property dispositions, and realize corporate objectives and the Official Community Plan through creative real estate strategies.

Several projects and properties have been identified that have the potential to return social, economic, environmental, and cultural benefits to the City such as the current RCMP/Civic Block site. To deliver many of these projects, an investment is needed to cover the servicing required. The department's intent is to grow the funding available for development serving requirements for major projects.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: A well-run City - Pioneering leadership

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Real Estate & Parking Capital 2030 Infrastructure Plan: Not included
 Title: Property Acquisition Discontinued CN Railway PROVISIONAL

Justification:

The City has an option to purchase a property on Weddell Place from Canadian National (CN) Railway as an associated condition of the purchase and sale contract for the former CN corridor. The option expires 3 years from the effective date of the acquisition of the corridor in June 2018. The property acquisition will allow the City to pursue strategic opportunities for redevelopment including the future alignment of transportation and recreation corridors.

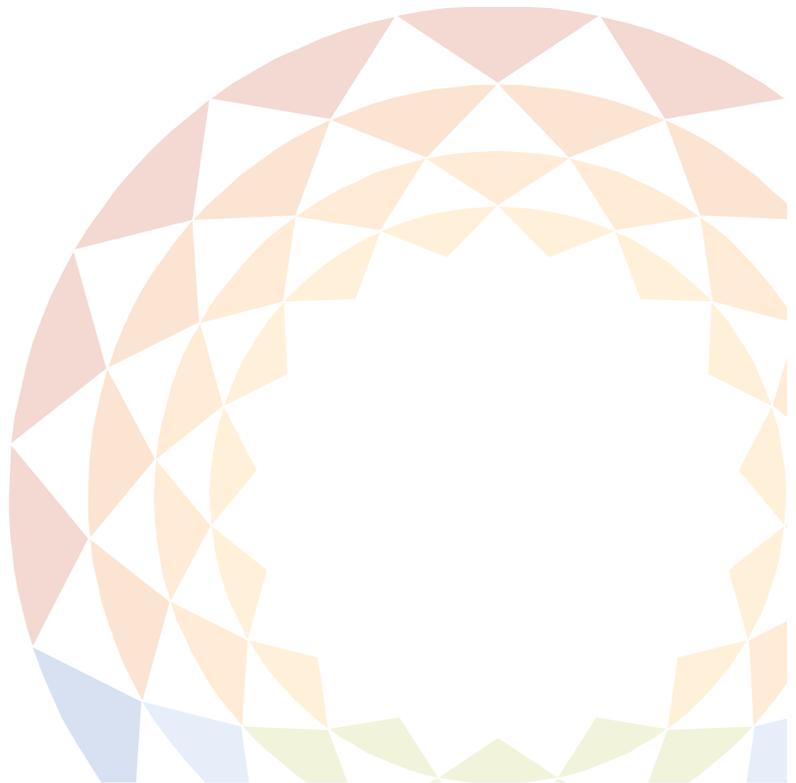
There are no operation and maintenance budget impacts associated with this request.

Project Driver: Additional funding required to honour contract obligations.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,007,000	(2,007,000)	0	0	0	0	0

Building



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2018 Capital Requests

Provisional Budget

Building Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Building Capital - Priority 1									
Renew									
391	XXXX	City Hall Elevator Renewal	150,000	(150,000)	0	0	0	0	0
391	3084	Civic Buildings Roof Replacement	280,000	(140,000)	0	0	0	0	(140,000)
392	XXXX	Apple Bowl Track Resurfacing	650,000	(400,000)	0	0	0	0	(250,000)
392	3319XX	H2O Equipment	240,000	(240,000)	0	0	0	0	0
393	2XXX	Art Gallery - Heat Pump Renewal	45,000	(45,000)	0	0	0	0	0
393	2XXX	Kelowna Community Theatre - Stage HVAC Renewal	50,000	(50,000)	0	0	0	0	0
394	2XXX	Rutland Family Y- Front Sidewalk Replacement	80,000	0	0	0	0	0	(80,000)
Total Renew			1,495,000	(1,025,000)	0	0	0	0	(470,000)
Growth									
394	XXXX	RCMP Kelowna Detachment Building, Doyle Avenue - Demolition	750,000	(750,000)	0	0	0	0	0
395	XXXX	Glenmore Firehall No. 8 Temporary Improvements	200,000	0	0	0	0	0	(200,000)
Total Growth			950,000	(750,000)	0	0	0	0	(200,000)
Cost Center Totals			2,445,000	(1,775,000)	0	0	0	0	(670,000)
Grand Total			2,445,000	(1,775,000)	0	0	0	0	(670,000)

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

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

2018 Capital Requests

Provisional Budget

Building Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Building Capital - Priority 2									
Renew									
396	3221	Water Street Firehall No. 2 Restoration	800,000	0	0	0	0	0	(800,000)
		Total Renew	800,000	0	0	0	0	0	(800,000)
New									
396	3277	Art Walk Extension	85,000	0	0	0	0	0	(85,000)
		Total New	85,000	0	0	0	0	0	(85,000)
		Cost Center Totals	885,000	0	0	0	0	0	(885,000)
		Grand Total	885,000	0	0	0	0	0	(885,000)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: 2018 - B3	
Title:	City Hall Elevator Renewal	PROVISIONAL	

Justification:

The elevator in City Hall has been in service for 36 years, with the most recent work dating back to 1992 when the third floor was added. Reliability and serviceability are becoming concerns due to the age of the elevator's mechanical components. Modernization of the elevator will include a full mechanical and cosmetic upgrade which will bring the elevator up to current code requirements and add another 20-25 years of service life.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(150,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: 2018 - B3	
Title:	Civic Buildings Roof Replacement	PROVISIONAL	

Justification:

This project is a result of ongoing evaluations of roof conditions on all City-owned facilities and the development of an ongoing capital renewal work program. The roof system identified as having reached its anticipated service life and that has a high probability of failure is located on the Kelowna Library. The assessment identified deteriorating surface conditions and moderate moisture content readings in the insulation placing this roof system as the highest priority for replacement in 2018.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
280,000	(140,000)	0	0	0	0	(140,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: 2018 - B1	
Title:	Apple Bowl Track Resurfacing		PROVISIONAL

Justification:

The Apple Bowl Stadium track was constructed in 1981 and the synthetic running track has been rehabilitated two times. The expected service life of a rehabilitation is 10-12 years, with the latest one completed in 2006. The track was assessed in July 2012 by a sport surface consultant; their report concluded that the main track would last approximately 4-5 more years, and could receive one more 5mm top coat before complete removal of the basemat track system was required. A budget request for \$600,000 is for the addition of a 5mm topping to the existing track, and some root barrier protection from an existing large shade tree. This work will add another 10-12 years of service life to the existing Apple Bowl track. Additional budget for \$50,000 is also requested for the installation of a calisthenic training rack at the Apple Bowl. This is to prevent damage to other park infrastructure due to improvised bars being set up.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
650,000	(400,000)	0	0	0	0	(250,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: Not included	
Title:	H2O Equipment		PROVISIONAL

Justification:

Replacement of fitness equipment at H2O Fitness & Adventure Centre follows a multiyear program established through the lease and operating agreement with the YMCA of Okanagan. The focus of equipment renewal over the next few years is cardio equipment (treadmills and ellipticals). Given the level of use and increasing volume of equipment repairs required, it is recommended to complete the purchase at one time. This equipment is key to the fitness centre operation, as well as, there will be greater efficiencies in completing through one purchase. The funding is through the H2O Equipment Replacement Reserve.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
240,000	(240,000)	0	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Building Capital 2030 Infrastructure Plan: 2018 - B2
 Title: Art Gallery - Heat Pump Renewal PROVISIONAL

Justification:

Budget is requested to replace the heat pumps serving the Art Gallery which have reached the end of their service life.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
45,000	(45,000)	0	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Building Capital 2030 Infrastructure Plan: 2018 - B2
 Title: Kelowna Community Theatre - Stage HVAC Renewal PROVISIONAL

Justification:

Budget is request to replace the HVAC equipment serving the stage area which has reached the end of its service life.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	(50,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: 2018 - B1	
Title:	Rutland Family Y- Front Sidewalk Replacement	PROVISIONAL	

Justification:

The front sidewalk area serving the Rutland Family Y entrance has been failing for several years. Significant spalling of the concrete surfaces and shifting of sidewalk panels is a constant challenge to maintain and is becoming a safety concern. This budget request is for funding to replace approximately 600 square meters of sidewalk area serving the entrance area to the facility.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
80,000	0	0	0	0	0	(80,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Building Capital	2030 Infrastructure Plan: Not included	
Title:	RCMP Kelowna Detachment Building, Doyle Avenue - Demolition	PROVISIONAL	

Justification:

Following completion of the new Police Services building, the existing Police Services building on Doyle Avenue is required to be demolished. The area has been comprehensively planned during the Civic Block Plan. The demolition will allow key objectives of the Civic Block Plan to be met. Staff will look to meet these objectives by refining the art walk design and undertaking redevelopment of the vacant land. Funding is requested for the complete and safe demolition of the redundant RCMP building on Doyle Avenue in preparation for the potential disposition of part of the site. Demolition will include the safe removal of asbestos and other hazardous materials.

There are no operating and maintenance budget impacts associated with this capital request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A safe city - Effective & targeted policing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
750,000	(750,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Building Capital	2030 Infrastructure Plan: Not included	
Title:	Glenmore Firehall No. 8 Temporary Improvements		PROVISIONAL

Justification:

This budget request is to convert on a temporary basis the un-manned fire hall station #8 into a manned fire hall to accommodate the proposed 12 additional firefighters. The funding will be used to upgrade the facility, and to install a portable unit to provide dorm accommodation for the fire fighters.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Fire protection & prevention

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	0	0	0	0	0	(200,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	Renew
Cost Center:	Building Capital	2030 Infrastructure Plan: 2017 - B3	
Title:	Water Street Firehall No. 2 Restoration	PROVISIONAL	

Justification:

A masonry conditions assessment of this iconic heritage building in downtown Kelowna completed in 2014 made several recommendations to maintain or improve the exterior envelope of the building. These included bracing the original unrestrained brick parapets, replacing parapet and cornice flashings, and replacing failed mortar. Budget is requested to undertake these repairs to the external building envelope.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Building Services contract services operating budget.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
800,000	0	0	0	0	0	(800,000)

Department:	Capital Projects	Priority: 2	New
Cost Center:	Building Capital	2030 Infrastructure Plan: 2018 - B2	
Title:	Art Walk Extension	PROVISIONAL	

Justification:

Additional budget is requested for a schematic design to extend the Art Walk through the Cultural District to Queensway and for the redevelopment of the Bennett Plaza. The schematic design is required in order to define the parameters for partial disposal of part of the RCMP property. This additional budget will provide more accurate budget estimates for a capital submission for construction in 2019.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Cultural experiences

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
85,000	0	0	0	0	0	(85,000)

Parks



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2018 Capital Requests

Provisional Budget

Parks Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Parks Capital - Priority 1									
Renew									
401	3134	Irrigation Infrastructure Renewal	28,000	0	0	0	0	0	(28,000)
401	2XXX	High Noon Park Improvements	75,000	0	0	0	0	0	(75,000)
Total Renew			103,000	0	0	0	0	0	(103,000)
Growth									
402	3208	Rowcliffe Park - Phase 2 Construction	1,350,000	(728,540)	0	0	0	0	(621,460)
402	2030	DCC Parkland Acquisition	4,548,170	(4,029,680)	0	0	0	0	(518,490)
Total Growth			5,898,170	(4,758,220)	0	0	0	0	(1,139,950)
New									
OP 403	XXXX	Kerry Park - Phase 1 Construction	450,000	0	0	0	0	0	(450,000)
403	XXXX	Bellevue Creek Linear Park - Phase 1 Construction	440,000	0	0	0	0	0	(440,000)
OP 404	XXXX	Interim Park Access	115,000	0	0	0	0	0	(115,000)
Total New			1,005,000	0	0	0	0	0	(1,005,000)
Cost Center Totals			7,006,170	(4,758,220)	0	0	0	0	(2,247,950)
Grand Total			7,006,170	(4,758,220)	0	0	0	0	(2,247,950)

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

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

2018 Capital Requests

Provisional Budget

Parks Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Parks Capital - Priority 2									
Renew									
406	XXXX	City Park Promenade Renewal - Phase 2	1,300,000	0	0	0	0	0	(1,300,000)
406	XXXX	Knox Mountain Park Paul's Tomb Trail Restoration	250,000	0	0	0	0	0	(250,000)
407	XXXX	Mission Recreation Park - Artificial Turf Replacement	600,000	(180,000)	0	0	0	0	(420,000)
Total Renew			2,150,000	(180,000)	0	0	0	0	(1,970,000)
Growth									
407	2917	Glenmore Recreation Park - Phase 2 Construction	3,273,860	(1,380,000)	0	0	0	0	(1,893,860)
408	XXXX	Ponds Community Park - Sports Field Construction	600,000	0	0	0	0	0	(600,000)
408	XXXX	Barlee Park Development	300,000	0	0	0	0	0	(300,000)
Total Growth			4,173,860	(1,380,000)	0	0	0	0	(2,793,860)
New									
409	2031	Natural/Linear Park Acquisition	450,000	0	0	0	0	0	(450,000)
409	XXXX	Protective Netting at MRP Softball Quad	100,000	0	0	0	0	0	(100,000)
Total New			550,000	0	0	0	0	0	(550,000)
Cost Center Totals			6,873,860	(1,560,000)	0	0	0	0	(5,313,860)
Grand Total			6,873,860	(1,560,000)	0	0	0	0	(5,313,860)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P8	
Title:	Irrigation Infrastructure Renewal	PROVISIONAL	

Justification:

Irrigation Infrastructure Renewal is an annual program outlined in the City's 2030 Capital Plan, that provides an allotment for the replacement and upgrading of aging irrigation systems in municipal parks, landscape areas, and civic properties. Priorities are established on a number of criteria including the age of the system, operating inefficiencies, risk and consequences. The intent of the upgrades is for the system to meet current CSA standards, BC electrical standards and the City's irrigation standards. This is the fifth year of the program, and budget is requested to complete design work in advance of a budget submission in 2019.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
28,000	0	0	0	0	0	(28,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P8	
Title:	High Noon Park Improvements	PROVISIONAL	

Justification:

Continuing to support the efforts of the user group at High Noon Park, budget is requested to renovate dugouts at the four main diamonds to improve sightlines (\$40,000), purchase 8 aluminum bleachers for the 4 main fields (\$12,000) and Replace fencing and add fence toppers (\$13,000).

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: An active, inclusive city - Spectacular parks

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P4	
Title:	Rowcliffe Park - Phase 2 Construction	PROVISIONAL	

Justification:

Phase 1 construction of Rowcliffe Park is scheduled for completion in 2018 and includes development of the playground, pedestrian facilities and landscaping at the north edge of the site, adjacent to the multi-family housing being developed there. This funding is requested for Phase 2 of the park. Improvements in this phase include urbanized road edges, landscape boulevards, a sportfield, pedestrian sidewalks, a new (though smaller) dog park, a community garden and park landscaping.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parks Services contract services operating budget.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,350,000	(728,540)	0	0	0	0	(621,460)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P1	
Title:	DCC Parkland Acquisition	PROVISIONAL	

Justification:

Budget is requested for the acquisition of land to be used for Neighbourhood, Community, City-wide and Recreation type parks in accordance with the 20-Year Servicing Plan and DCC reserve funding availability.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
4,548,170	(4,029,680)	0	0	0	0	(518,490)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2017 - P6	
Title:	Kerry Park - Phase 1 Construction	PROVISIONAL	

Justification:

Kerry Park is an active, high profile park that has been a community gathering point for decades. Two high profile development projects are proposed in the immediate vicinity. However, the park is showing its age, and requires updating in order to meet current and future community needs. Budget is requested for the first phase of park development in 2018: the area of the original ferry dock at the foot of Queensway.

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

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
450,000	0	0	0	0	0	(450,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P7	
Title:	Bellevue Creek Linear Park - Phase 1 Construction	PROVISIONAL	

Justification:

The adaptive reuse of the Surtees heritage properties on Lakeshore Drive is being carried out during 2017-18. The redevelopment is adjacent to, and integral with, the trailhead for the Lakeshore-Gordon section of the Bellevue Linear Park. Budget is requested to develop the design for this section of trail and trailhead, pursue permits for occupancy of Provincial land, and complete construction. Construction of twelve parking stalls at the Lakeshore trailhead could potentially benefit from construction partnership efficiencies with the adjacent development. This trail will open up a beautiful section of Bellevue Creek for recreational use by City residents, as well as provide a pedestrian link to several schools and the commercial centre in the immediate vicinity.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parks Services operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
440,000	0	0	0	0	0	(440,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	2030 Infrastructure Plan: Not included	
Title:	Interim Park Access	PROVISIONAL	

Justification:

In several locations, land has been purchased for future park use and is, either lying fallow, or the properties are temporarily leased until funding is achieved to develop the park. While funding is not be identified for 10 years or more, there is regular demand or expectation for public access today, particularly to beach front locations. Budget is requested to facilitate the interim opening of undeveloped parkland for safe public access until such time when funding is achieved for the full development. Costs include fencing, temporary parking and signage.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
115,000	0	0	0	0	0	(115,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Maintain
Department:	Civic Operations		ON-GOING
Title:	Kerry Park - Phase 1 Construction		PROVISIONAL

Justification:

Budget is requested for landscape maintenance of the expanded Kerry Park.

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

Corporate Framework: An active, inclusive city - Spectacular parks

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	8,600	0	0	0	0	0	0	(8,600)
2019	8,600	0	0	0	0	0	0	(8,600)
2020	8,600	0	0	0	0	0	0	(8,600)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Interim Park Access		PROVISIONAL

Justification:

Budget is requested to maintain the following interim park accesses:

- 1) Bluebird South - \$17,000 (includes: beach cleaning, garbage, general area maintenance, tree maintenance)
- 2) Swick Road - \$3,000 (general area maintenance)

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)

2018 Capital Request Details

Department: Capital Projects Priority: 2 Renew
 Cost Center: Parks Capital 2030 Infrastructure Plan: 2020 - P8
 Title: City Park Promenade Renewal - Phase 2 PROVISIONAL

Justification:

Budget is requested for replacement of the waterfront walkway in City Park from the Hot Sands Washroom to the Point. These works are identified in the 10 year Capital Plan for 2020. However the existing walkway is in poor condition due to its age, settlement and damage from tree roots, and the request has been brought forward. The third phase of the works, from the Point to the Sails is identified in 2024, but as a P2. The improvement will feature a dual corridor, one dedicated for cycling and the other for pedestrians, to accommodate the high volumes of traffic. This project will also include lights for night time use, park furniture and feature universal accessibility standards.

There are no operating and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,300,000	0	0	0	0	0	(1,300,000)

Department: Capital Projects Priority: 2 Renew
 Cost Center: Parks Capital 2030 Infrastructure Plan: Not included
 Title: Knox Mountain Park Paul's Tomb Trail Restoration PROVISIONAL

Justification:

The 2011 Council endorsed Knox Mountain Management Plan proposes a number of specific capital improvements to the park in future decades. In order to provide a degree of financial viability, the improvements are proposed to be phased in each year throughout the duration of the 2030 Infrastructure Plan, at approximately \$150k per year. This would be the sixth year of such works, with a gap in 2016. The Paul's Tomb trail was damaged by rock fall in 2016, restricting access for both emergency vehicles and vehicles to service the portable toilets. Damage to the trail was assessed by consultants in 2016. Budget is requested to restore the damaged crib walls and widen the trail for vehicular access.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	0	0	0	0	0	(250,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	Renew
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2021 - P8	
Title:	Mission Recreation Park - Artificial Turf Replacement		PROVISIONAL

Justification:

Although scheduled in the 2030 Capital Plan for replacement in 2021, the existing artificial turf field is failing, resulting in an unpopular playing surface and a significant drop in bookings. Budget is requested to replace the artificial turf in order to maximize the return on investment for lighting and other infrastructure, while reducing the demand and overuse of other grass fields.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
600,000	(180,000)	0	0	0	0	(420,000)

Department:	Capital Projects	Priority: 2	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P5	
Title:	Glenmore Recreation Park - Phase 2 Construction		PROVISIONAL

Justification:

Budget is requested for the next phase of development of Glenmore Recreation Park. The initial phase of construction, which began in 2017 and is scheduled for completion in spring 2018, was for utility servicing, site earthworks and drainage, construction of a road base and installation of Agricultural Land Reserve buffering. This budget request is for the installation of two multi-use grass sport fields, footpaths, access roadway, and parking.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parks Services contract services operating budget.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,273,860	(1,380,000)	0	0	0	0	(1,893,860)

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: Not included	
Title:	Ponds Community Park - Sports Field Construction		PROVISIONAL

Justification:

In 2010, the City signed a letter of understanding with the School District for a partnering agreement to share two sports fields, one at the Ponds Community Park, and the other at the adjacent proposed middle school. Budget is requested to construct this sports field with surrounding shade trees, prior to the school opening in September 2019. A potential partnership with developers is currently being pursued.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Strengthening our neighbourhoods

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
600,000	0	0	0	0	0	(600,000)

Department:	Capital Projects	Priority: 2	Growth
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2016 - P3	
Title:	Barlee Park Development		PROVISIONAL

Justification:

Budget is requested for design and construction of an expansion to Barlee Park, a neighbourhood-level park in the central city sector. This is the City's highest priority area for a new neighbourhood park as the surrounding area has witnessed significant residential development over the past decade and is in need of neighbourhood amenities and green space. The expansion will require the demolition of an old house along with the installation of a new playground and grassy play area.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parks Services operating budget.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Strengthening our neighbourhoods

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	0	0	0	0	0	(300,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	New
Cost Center:	Parks Capital	2030 Infrastructure Plan: 2018 - P2	
Title:	Natural/Linear Park Acquisition		PROVISIONAL

Justification:

Budget is requested to support the City's ongoing acquisition program for natural area and linear parks in accordance with the Council approved Parkland Acquisition Strategy, Official Community Plan and Linear Park Master Plan. Several significant opportunities are anticipated.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Council resolutions and strategic corporate priorities.

Corporate Framework: An active, inclusive city - Spectacular parks

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
450,000	0	0	0	0	0	(450,000)

Department:	Capital Projects	Priority: 2	New
Cost Center:	Parks Capital	2030 Infrastructure Plan: Not included	
Title:	Protective Netting at MRP Softball Quad		PROVISIONAL

Justification:

The Mission Recreation Park (MRP) softball quad was built approximately 20 years ago based on softball standards of the day. Since then, amenities have been added around the complex that support general park purposes including: a dog park, community gardens, greenway access point, additional parking, etc. Due to advanced technology in the sport of softball (ie: bats & balls) and improved athlete performance, there has been an increased frequency of balls being hit out of the park into the aforementioned surrounding amenities. This budget request is for a protective netting structure(s) to prevent the number of balls leaving the park at the Mission Recreation Park Softball Quad (Fields #1 & 4). Additional ball parks (MRP Field 5, Edith Gay & Lombardy) have similar needs and may be addressed in subsequent budget years.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

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

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Transportation



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2018 Capital Requests

Provisional Budget

Transportation Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Transportation Capital - Priority 1									
Renew									
416	2086	Bridge Rehabilitation - Renewal	260,000	(120,000)	0	0	0	0	(140,000)
416	3239	Traffic Signal and Communications Upgrades and Renewals	240,000	0	0	0	0	0	(240,000)
417	3233	Street Light Replacement - Pole & Wiring	307,550	0	0	0	0	0	(307,550)
417	2083	Roads Resurfacing	3,491,090	(2,967,580)	0	0	0	0	(523,510)
418	207601	Transit - Equipment Renewal (Bus Stops and Shelters)	75,000	(75,000)	0	0	0	0	0
418	3289	Sidewalk & Bikeway Renewal	100,000	0	0	0	0	0	(100,000)
419	XXXX	City of Kelowna Highway Signage	100,000	0	0	(100,000)	0	0	0
Total Renew			4,573,640	(3,162,580)	0	(100,000)	0	0	(1,311,060)
Growth									
OP 419	XXXX	Pandosy 1 DCC (Birch - McKay) Sidewalk	205,000	(205,000)	0	0	0	0	0
420	XXXX	Transit - Land Acquisition	220,000	(220,000)	0	0	0	0	0
OP 420	323801	Rails with Trails DCC (Dilworth - Commerce Ave), ATC	295,000	(65,785)	0	0	(229,215)	0	0
OP 421	329001	Ethel 4 DCC (Sutherland-Springfield), ATC	2,100,000	(1,476,070)	0	0	0	0	(623,930)
OP 421	XXXX01	Hollywood 9 DCC (Hollydell - Hwy 33), ATC	500,000	(312,420)	0	0	0	0	(187,580)
422	323603	Sutherland 1 DCC (Gordon - Burtch), ATC	200,000	(175,000)	0	0	0	0	(25,000)
422	323604	Sutherland 2 DCC (Lake - Gordon), ATC	200,000	(175,000)	0	0	0	0	(25,000)
423	XXXX	Traffic Signal - Spall @ Springfield	150,000	(30,000)	0	0	0	0	(120,000)
423	XXXX01	Ethel 5 DCC (Springfield-Rose), ATC	180,000	(180,000)	0	0	0	0	0
424	XXXX01	Houghton 1 DCC (Nickel - Rails with Trails), ATC	500,000	(500,000)	0	0	0	0	0
424	321002L	Stewart Road West 3 DCC (Crawford-Swamp), Land	250,000	(211,250)	0	0	0	0	(38,750)
OP 425	321002	Stewart Road West 3 DCC (Crawford-Swamp), Road	1,990,300	(1,990,300)	0	0	0	0	0
425	304801	Hollywood 7 DCC (Sexsmith - Appaloosa), Road	220,000	(170,810)	0	0	(17,380)	0	(31,810)
426	XXXX	Central Green - Hwy 97 Right Turn Lane to Pandosy	274,000	(274,000)	0	0	0	0	0
426	XXXX	Central Green - Pedestrian Overpass	70,000	(70,000)	0	0	0	0	0
Total Growth			7,354,300	(6,055,635)	0	0	(246,595)	0	(1,052,070)
New									
427	XXXX	Crosswalk Safety - Signals and Flashers	75,000	0	0	0	0	0	(75,000)
OP 427	2085	Active Transportation Corridor	235,000	(177,000)	0	0	0	0	(58,000)
OP 428	219806	Rutland Transit Exchange - Phase 2	754,080	(500,000)	0	0	0	0	(254,080)
OP 428	2084	Sidewalk Network Expansion	560,000	(336,000)	0	0	0	0	(224,000)

2018 FINANCIAL PLAN

CITY OF KELOWNA

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
OP 429	XXXX	Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC	815,000	0	0	0	(548,220)	0	(266,780)
429	XXXX	Safe Routes to School Program	50,000	0	0	0	0	0	(50,000)
430	207602	Transit - New Equipment (Bus Stops)	230,000	(230,000)	0	0	0	0	0
430	2091T	Neighbourhood Traffic Calming	50,000	0	0	0	0	0	(50,000)
OP 431	XXXX	Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network	450,000	(120,000)	0	0	0	0	(330,000)
OP 431	XXXX	UBCO-University South Pedestrian-Cycling Bridge	1,500,000	(300,000)	0	0	(1,200,000)	0	0
Total New			4,719,080	(1,663,000)	0	0	(1,748,220)	0	(1,307,860)
Cost Center Totals			16,647,020	(10,881,215)	0	(100,000)	(1,994,815)	0	(3,670,990)
Grand Total			16,647,020	(10,881,215)	0	(100,000)	(1,994,815)	0	(3,670,990)

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

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

2018 Capital Requests

Provisional Budget

Transportation Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Transportation Capital - Priority 2									
New									
438	209106	Neighbourhood Traffic Calming - Rutland	35,000	0	0	0	0	0	(35,000)
Total New			35,000	0	0	0	0	0	(35,000)
Cost Center Totals			35,000	0	0	0	0	0	(35,000)
Grand Total			35,000	0	0	0	0	0	(35,000)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T4	
Title:	Bridge Rehabilitation - Renewal		PROVISIONAL

Justification:

This program inspects, repairs and maintains the City's road bridges so they remain safe and reliable. Bridge inspections have traditionally been completed all at once every 5 years. The proposed inspection plan moving forward is to break this up and complete a portion of inspection work each year to better monitor changes and set priorities. Inspections will be undertaken on two cycles; a high-level survey of half the bridges each year (each bridge inspected every 2 years) and a more detailed inspection of 20% of the bridges each year (each major bridge inspected every 5 years). Budget is requested for 1) Annual bridge inspection and reporting \$60,000; 2) Deck and abutment repairs on Dilworth Drive at Mill Creek \$130,000; and 3) General repairs on Richter Street at Mill Creek \$70,000.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
260,000	(120,000)	0	0	0	0	(140,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T4	
Title:	Traffic Signal and Communications Upgrades and Renewals		PROVISIONAL

Justification:

This renewal program replaces aging traffic signals and associated communication equipment based on the current inspection and maintenance report. The 2018 renewal/upgrade projects are:

- 1) Traffic signal lenses - light-emitting diode (LED) (14 intersections) - \$30,000
- 2) Traffic signal controller cabinets (5 intersections) - \$100,000
- 3) Uninterruptible power supply batteries (11 intersections) - \$10,000
- 4) Traffic signal controllers (6 intersections) - \$15,000
- 5) Traffic detectors and radio communication equipment (3 intersections) - \$70,000
- 6) Pre-emption equipment (2 intersections) - \$15,000

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
240,000	0	0	0	0	0	(240,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T4	
Title:	Street Light Replacement - Pole & Wiring		PROVISIONAL

Justification:

This annual budget request replaces street light poles and wiring that are at the end of their service life. Poles typically fail through rusting at their bases where they can be exposed to damp conditions. This program maintains safe and reliable street light assets.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
307,550	0	0	0	0	0	(307,550)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T4	
Title:	Roads Resurfacing		PROVISIONAL

Justification:

The 2018 road resurfacing program is anticipated to include:

- 1) Richter Street (0.8km Bernard Avenue to Clement Avenue) - Concurrent with water main replacement
- 2) Lakeshore Road (3.5km Renwick Court to Swick Road)
- 3) Lakeshore Road (1.4km just north of Dehart Road to Lequime Road)
- 4) Benvoulin Road (0.9km Springfield Road to Cooper Road) & Cooper Road (Springfield Road to Benvoulin Road)
- 5) KLO Road (1.3km Gordon Drive to Benvoulin Road)
- 6) Gordon Drive (1.8km Springfield Road to KLO Road)
- 7) Richter Street (0.4km Cadder Avenue to south of Sutherland Avenue)

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,491,090	(2,967,580)	0	0	0	0	(523,510)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Transportation Capital 2030 Infrastructure Plan: 2018 - T4
 Title: Transit - Equipment Renewal (Bus Stops and Shelters) PROVISIONAL

Justification:

This transit renewal project will improve user comfort and accessibility, implement bus stop location changes and facilitate upgrades to existing bus stops and amenities for realigned Glenmore transit service. Upgrades will be consistent with current City and BC Transit standards, and will include installation of seating, accessible pad construction, and assessments of older bus stops. The 2018 projects that are a priority include 1) Amenities on 4 pre-constructed pullouts on the Glenmore Bypass, bus stop relocation at Glenmore Road/Glenmeadows Road, temporary bus stops at Glenmore Road/John Hindle Drive, and signage for the new John Hindle Drive stops - \$25,000; 2) Bus stop relocation and accessibility upgrades - Rutland Road at Fitzpatrick Road - \$25,000; and 3) General improvements and upgrades - \$25,000.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Roadways Operations contract services operating budget.

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

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

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

Department: Capital Projects Priority: 1 Renew
 Cost Center: Transportation Capital 2030 Infrastructure Plan: 2018 - T4
 Title: Sidewalk & Bikeway Renewal PROVISIONAL

Justification:

Budget is requested to allow for completion of projects to address deteriorated conditions and functional deficiencies of existing transportation infrastructure. Suggested 2018 projects within this budget request include:

- 1) Add or replace existing bike lanes with buffered bike lanes in conjunction with road resurfacing - \$60,000
- 2) Replace existing sidewalk segments with degrading surface and profile - \$40,000

There are no operation and maintenance budget impacts associated with this request.

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

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	City of Kelowna Highway Signage	PROVISIONAL	

Justification:

In 2016, the City of Kelowna entrance signage and landscaping on the north approach to the City on Highway 97 was removed. Budget is requested for the design and construction of a new welcome sign closer to the current city limits.

The Ministry of Transportation and Infrastructure has committed \$100,000 in compensation for the replacement of the Welcome to Kelowna sign.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Parks department operating budget.

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

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

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

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T1	
Title:	Pandosy 1 DCC (Birch - McKay) Sidewalk	PROVISIONAL	

Justification:

Budget is requested to construct this priority sidewalk project from the Pedestrian & Bicycle Master Plan. The new sidewalk would be constructed along the east side of Pandosy Street between Birch Avenue and McKay Avenue and would include crosswalk upgrades within the southern portion of the project. This has been a long-standing missing link in the sidewalk network and required a number of property acquisitions. Pandosy Street is a busy corridor for pedestrians and vehicles, with Pandosy Village to the south and Kelowna General Hospital to the north.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
205,000	(205,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	Transit - Land Acquisition		PROVISIONAL

Justification:

Budget is requested for 2018 land acquisitions as follows:

- 1) Three stops on Glenmore Drive (at Highland Drive, Mountain Avenue, and Bernard Avenue) to improve safety - \$45,000
- 2) Four existing Spall Road stops (at Windsor Road and Kent Road) to upgrade and accommodate expanded usage - \$35,000
- 3) Transit pullouts on Cooper Road fronting Orchard Park Shopping Centre and Orchard Plaza Shopping Centre to plan for the future re-location of the Orchard Park Exchange - \$140,000

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
220,000	(220,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T2	
Title:	Rails with Trails DCC (Dilworth - Commerce Ave), ATC		PROVISIONAL

Justification:

The Okanagan Rail Trail will form an important all ages and abilities walking-cycling connection between downtown, UBCO and points in-between. In 2017, gravel surfacing and roadway crossing improvements took place. Budget is requested to pave the trail and install conduit to allow for future trail lighting.

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

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
295,000	(65,785)	0	0	(229,215)	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2020 - T2	
Title:	Ethel 4 DCC (Sutherland-Springfield), ATC	PROVISIONAL	

Justification:

Ethel Street Active Transportation Corridor (ATC) is a priority all ages and abilities cycling project within the Pedestrian Bicycle Master Plan.

Phase 4 of 6 will extend south from Sutherland Avenue to Springfield Road. At the end of 2018, Ethel Street ATC will be complete from Springfield Road to Cawston Avenue. Future phases 5 and 6 will extend south to Rose Avenue and north to Clement Avenue, forming a major north-south cycling corridor.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,100,000	(1,476,070)	0	0	0	0	(623,930)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2025 - T2	
Title:	Hollywood 9 DCC (Hollydell - Hwy 33), ATC	PROVISIONAL	

Justification:

Budget is requested to implement a priority sidewalk project from the Pedestrian & Bicycle Master Plan, improving safety, accessibility, and the attractiveness of walking along Rutland Road. Sidewalks would be constructed on the west side of Hollywood Road from the end of an existing multi-use path at Hollydell Road to Highway 33.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
500,000	(312,420)	0	0	0	0	(187,580)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2017 - T2	
Title:	Sutherland 1 DCC (Gordon - Burtch), ATC	PROVISIONAL	

Justification:

Sutherland Avenue Active Transportation Corridor (ATC) will form an important east-west link between the Dayton Street Overpass, Capri-Landmark, Ethel Street ATC, Pandosy Street and Abbott Street ATC. Design is proposed for 2018, with construction in 2019. Budget is requested for the design and land acquisition. Supplements funding for Sutherland Avenue from 2017 was reallocated to Ethel 3 to address higher than expected construction costs.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(175,000)	0	0	0	0	(25,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T2	
Title:	Sutherland 2 DCC (Lake - Gordon), ATC	PROVISIONAL	

Justification:

Sutherland Avenue Active Transportation Corridor (ATC) will form an important east-west link between the Dayton Street Overpass, Capri-Landmark, Ethel Street ATC, Pandosy Street and Abbott Street ATC. Design is proposed for 2018, with construction in 2019. Budget is requested for the design and land acquisition.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	(175,000)	0	0	0	0	(25,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	Traffic Signal - Spall @ Springfield		PROVISIONAL

Justification:

The intersection of Spall Road and Springfield Road currently experiences congestion during peak periods and is used by transit routes 8, 9, and 11, and potentially the future route 6. A study underway this year is looking at opportunities to improve the intersection's performance, reducing delays and improving safety for users and transit. Based on the outcome of this year's study, budget is requested for the construction of improvements at the intersection in 2018.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
150,000	(30,000)	0	0	0	0	(120,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T2	
Title:	Ethel 5 DCC (Springfield-Rose), ATC		PROVISIONAL

Justification:

The Ethel 5 Active Transportation Corridor (ATC) will require a land acquisition and a detailed design in 2018 for full road reconstruction in 2019. This project will be coordinated with the utility designs which have a separate budget.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
180,000	(180,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2017 - T2	
Title:	Houghton 1 DCC (Nickel - Rails with Trails), ATC		PROVISIONAL

Justification:

Budget is requested for design and property acquisition for connection of the Houghton Road Active Transportation Corridor (ATC) with the Okanagan Rail Trail Corridor. Corridor routing will be confirmed through the 2017 routing study.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
500,000	(500,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2019 - T1	
Title:	Stewart Road West 3 DCC (Crawford-Swamp), Land		PROVISIONAL

Justification:

Budget is requested for the acquisition of road right-of-way. The project would include intersection and alignment safety improvements along Stewart Road West adjacent to the Saucier Road intersection. The rural corridor inherits a number of sub-standard road alignments and geometrics. Improvements are needed to ensure acceptable levels of traffic safety and operation are met when South Perimeter Road is connected. Improvements on Stewart Road would be concurrent with the construction of South Perimeter Road.

There are no ongoing operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(211,250)	0	0	0	0	(38,750)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2019 - T1	
Title:	Stewart Road West 3 DCC (Crawford-Swamp), Road		PROVISIONAL

Justification:

Budget is requested for intersection and alignment safety improvements along Stewart Road West adjacent to the Saucier Road intersection. The rural corridor inherits a number of sub-standard road alignments and geometrics. Improvements are needed to ensure acceptable levels of traffic safety and operation are met when South Perimeter Road is connected. Improvements on Stewart Road would be concurrent with the construction of South Perimeter Road.

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

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,990,300	(1,990,300)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2017 - T1	
Title:	Hollywood 7 DCC (Sexsmith - Appaloosa), Road		PROVISIONAL

Justification:

Budget is requested for the detailed design of Hollywood Road between the recently constructed Hollywood Road/Academy Way intersection and Hollywood Road north of Appaloosa Road.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
220,000	(170,810)	0	0	(17,380)	0	(31,810)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	Central Green - Hwy 97 Right Turn Lane to Pandosy	PROVISIONAL	

Justification:

Requirements of rezoning for the Central Green development included the construction of an eastbound right turn lane from Highway 97 to Pandosy Street. The right turn will improve traffic flow along Highway 97 and from Highway 97 onto Pandosy Street southbound. The turn lane construction was deferred until construction began for 120 units by the primary developer of the site. With over 200 units under construction or in the planning phase at Central Green, preliminary design of the infrastructure is required. This funding will be used for traffic analysis, design and construction.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: Resilient, well-managed infrastructure - Livable urban density

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
274,000	(274,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2030 - T5	
Title:	Central Green - Pedestrian Overpass	PROVISIONAL	

Justification:

Requirements of rezoning for the Central Green development included the construction of a pedestrian overpass across Highway 97. This is a requirement of the Ministry of Transportation and Infrastructure. The overpass will allow access across Highway 97 and increase connectivity to and from the downtown. This is recognized as a very high profile location for the overpass, and a 'gateway concept' will be integral to the preliminary design. The overpass construction is also a contractual commitment with the developer after construction of 280 units. With over 200 units under construction or in the planning phase at Central Green, preliminary design of the infrastructure is required. The design will assist in potential grant applications for project funding.

There are no operating and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T7	
Title:	Crosswalk Safety - Signals and Flashers		PROVISIONAL

Justification:

Budget is requested for crosswalk upgrades to improve usability and safety. Improvements may include traffic signals, warning flashers, median refuge islands, curb extension or other works. Priority 2018 projects include 1) Pedestrian warning flashers at Lawrence Avenue/Burtch Avenue - \$30,000; 2) Pedestrian warning flashers on Richter Street north of Lanfranco Road - \$30,000; and 3) Improvements to the crossing fronting Abbott House between Abbott Park and the fronting beach - \$15,000. A pilot program of a Rapid Rectangular Flashing Beacon (RRFB) at one location is proposed. The RRFB is used in the City of Calgary, along with other cities in Canada and the United States.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Traffic Signals operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

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

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T5	
Title:	Active Transportation Corridor		PROVISIONAL

Justification:

This program expands the cycling network, including improvements identified in the Pedestrian & Bicycle Master Plan to help make cycling an easier and safer option for more residents. Priority 2018 projects include 1) Bike lanes on Banks Road between Baron Road and just west of Highway 97, concurrent with a sidewalk project - \$100,000; 2) Construction of bike lanes on Ellis Street between Roanoke Avenue and Bernard Avenue and design of bike lanes from Bernard Avenue to Buckland Avenue - \$40,000; 3) Bike lanes on Glenmore Road from Dallas Road to Scenic Road - \$15,000; 4) Bike lanes on Doyle Street (Richter Street to St Paul Avenue) and improvements at the intersection of Doyle Avenue/Richter Street - \$18,000; 5) Installation of bike racks, lockers, & cycling data collection equipment - \$32,000; and 6) Design and consultation for bike lanes on Bernard Avenue between Richter Street and Ethel Street - \$30,000.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
235,000	(177,000)	0	0	0	0	(58,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2016 - T9	
Title:	Rutland Transit Exchange - Phase 2		PROVISIONAL

Justification:

Budget is requested to extend Shepherd Road from the existing Rutland Transit exchange to Rutland Road, including a new traffic signal. This improvement allows mainline and feeder bus transit services to fully utilize the on-street transit exchange in the Rutland Urban Centre. The new exchange replaces current bus stops on Highway 33 between Dougall Road and Rutland Road. New transit amenities proposed include large transit shelters providing a safe, more convenient and comfortable environment for passengers changing buses. A federal grant submission has been made for \$2.8m for an increased scope, but staff will not know if the grant has been successful until December 2017.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
754,080	(500,000)	0	0	0	0	(254,080)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T6	
Title:	Sidewalk Network Expansion		PROVISIONAL

Justification:

This annual program implements sidewalks identified in the Pedestrian & Bicycle Master Plan. Sidewalks improve walking safety, accessibility and convenience. The 2018 sidewalk projects include: Sidewalk design at Leckie Rd (Hunter Ave to Enterprise Way, north side) and Richter Rd (Elliot Ave to Raymer Ave, east side), \$45,000; Sidewalk construction at Rutland Rd (Venus Rd to Holbrook Rd, west side), \$220,000; Banks Rd (Highway 97 to Baron Rd, north side), \$75,000 (concurrent with cycling improvements); McClure Rd (east of Lakeshore Rd, school access route), \$120,000; Sidewalk construction, transit stop, crossing at the Rutland Rd and Klassen Rd intersection (concurrent with transit shelter installation), \$60,000; and small scale pedestrian improvements, \$40,000.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
560,000	(336,000)	0	0	0	0	(224,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC		PROVISIONAL

Justification:

The Okanagan Rail Trail will form an important all ages and abilities walking-cycling connection between downtown, UBCO and points in-between. In 2017, gravel surfacing and roadway crossing improvements took place. Budget is requested to pave the trail and install conduit to allow for future trail lighting.

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

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
815,000	0	0	0	(548,220)	0	(266,780)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T7	
Title:	Safe Routes to School Program		PROVISIONAL

Justification:

Budget is requested to implement projects identified through the Safe Routes to School Program. This program identifies pedestrian and cycling improvements targeted at making it easier to walk and bike to school. The 2018 priority projects include:

- 1) Intersection and crosswalk improvements at Raymer Avenue and Tutt Street to improve pedestrian access to Raymer Elementary School - \$15,000
- 2) Pedestrian warning flashers at the Rutland Road and Benchview Road intersection to create a safer crossing for students of Belgo Elementary - \$35,000

The operation and maintenance budget will be minimal with this request and will be accommodated within the Traffic Signals operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T9	
Title:	Transit - New Equipment (Bus Stops)		PROVISIONAL

Justification:

Budget is requested for the following projects:

- 1) 2 new stops and amenities in support of Glenmore service re-structuring to UBCO - \$60,000
- 2) Support new fall 2018 UBCO/Academy Way service through supply of amenities at 2 development built stops - \$20,000
- 3) Provide new bus pull out/layover for re-structured Midtown-Glenmore service at Glenmore Road/High Road - \$150,000

The operation and maintenance budget will be minimal with this request and will be accommodated within the Roadways Operations contract services operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
230,000	(230,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: 2018 - T7	
Title:	Neighbourhood Traffic Calming		PROVISIONAL

Justification:

Traffic calming provides safer streets and improves quality of life for existing neighborhoods experiencing short-cutting and speeding traffic. There are more than 250 service requests for traffic calming in various locations. Potential traffic calming locations are selected based on technical evaluation and neighbourhood support. Typical improvements are speed humps and traffic circles, but also may include other speed mitigation strategies where required.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	0	0	0	0	0	(50,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network		PROVISIONAL

Justification:

Budget is requested to reimburse the Ministry of Transportation and Infrastructure for urbanized (sidewalk) street frontage constructed as part of the Highway 97 six laning project. Improvements include new sidewalks between Highway 33 and Fenwick Road beyond the obligations of the Ministry-City cost share agreement. Improvements will result in sidewalks on both sides of Highway 97 except where the Okanagan Rail Trail runs adjacent to the highway (west side, south of McCurdy Road). Communication conduit has also been installed to allow the future expansion of the City fibre network and connection to the McCurdy and Sexsmith RapidBus stops. City is responsible for winter maintenance at the new RapidBus stops at Sexsmith Rd, sweeping of the curb and gutter and sidewalk snow and ice control in the urbanized sections of the highway corridor. As part of a pending Letter of Agreement the final value will be presented to City Council for endorsement in the near future.

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

Project Driver: Funding required to honour funding agreement with BC Ministry of Transportation and

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
450,000	(120,000)	0	0	0	0	(330,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	2030 Infrastructure Plan: Not included	
Title:	UBCO-University South Pedestrian-Cycling Bridge		PROVISIONAL

Justification:

John Hindle Drive construction will create a major new entrance to the UBCO Campus and a significant lengthening of pedestrian-cycling connections between the Campus and the University South Neighbourhood. As a requirement of development, a pedestrian-cycling overpass structure is to be constructed. Following review of the development proposed structure, staff are recommending additional funding be provided to integrate a public art component into the design of the overpass, create a more durable structure and improve the approach pathways. These changes will define the new entrance to a major university, reduce the life-cycle costs and improve usability by reducing grades to adjacent pedestrian-cycling facilities. Partnership funding is being sought from UBCO for both capital and operating.

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

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,500,000	(300,000)	0	0	(1,200,000)	0	0

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Rails with Trails (Commerce Ave to Hwy 97 Overpass), ATC		PROVISIONAL

Justification:

This is the ongoing operation and maintenance budget impacts associated with the capital request. Programs included in this budget are snow and ice control, street sweeping, roadside weed control, tree pruning and graffiti removal.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	42,000	0	0	0	0	0	0	(42,000)
2019	47,000	0	0	0	0	0	0	(47,000)
2020	47,000	0	0	0	0	0	0	(47,000)

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Rails with Trails DCC (Dilworth - Commerce Ave), ATC		PROVISIONAL

Justification:

This request is for snow and ice control, street sweeping and roadside mowing.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	6,000	0	0	0	0	0	0	(6,000)
2019	7,500	0	0	0	0	0	0	(7,500)
2020	7,500	0	0	0	0	0	0	(7,500)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Hwy 97 Six Laning - Sidewalk and Fibre Conduit Network		PROVISIONAL

Justification:

Additional funding is requested for snow plowing of sidewalks on Highway 97 from Highway 33 to Edwards Road. These sidewalks have been added to the existing sidewalk network as part of the Highway 97 six-laning project with maintenance being the responsibility of the City.

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

2018 Base Budget: \$126,178

Corporate Framework: A safe city - Public safety programs

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	26,000	0	0	0	0	0	0	(26,000)
2019	26,000	0	0	0	0	0	0	(26,000)
2020	26,000	0	0	0	0	0	0	(26,000)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	UBCO-University South Pedestrian-Cycling Bridge		PROVISIONAL

Justification:

This is the ongoing operation and maintenance budget impacts associated with the capital request. This operation and maintenance budget is for snow and ice control.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	7,500	0	0	0	0	0	0	(7,500)
2019	15,000	0	0	0	0	0	0	(15,000)
2020	15,000	0	0	0	0	0	0	(15,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Pandosy 1 DCC (Birch - McKay) Sidewalk		PROVISIONAL

Justification:

This request is for street sweeping, sidewalk maintenance, and crack and crevice weed control.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	2,700	0	0	0	0	0	0	(2,700)
2019	2,700	0	0	0	0	0	0	(2,700)
2020	2,700	0	0	0	0	0	0	(2,700)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Active Transportation Corridor		PROVISIONAL

Justification:

This is the ongoing operation and maintenance budget impacts associated with the capital request. This budget is for bike lane sweeping and landscape maintenance.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,000	0	0	0	0	0	0	(20,000)
2019	20,000	0	0	0	0	0	0	(20,000)
2020	20,000	0	0	0	0	0	0	(20,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Ethel 4 DCC (Sutherland-Springfield), ATC		PROVISIONAL

Justification:

This request is for snow and ice control, street sweeping and landscape maintenance.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	9,300	0	0	0	0	0	0	(9,300)
2019	9,300	0	0	0	0	0	0	(9,300)
2020	9,300	0	0	0	0	0	0	(9,300)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Sidewalk Network Expansion		PROVISIONAL

Justification:

This is the ongoing operation and maintenance budget impacts associated with the capital request. Budget includes sidewalk sweeping and repairs.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	6,250	0	0	0	0	0	0	(6,250)
2019	6,250	0	0	0	0	0	0	(6,250)
2020	6,250	0	0	0	0	0	0	(6,250)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Hollywood 9 DCC (Hollydell - Hwy 33), ATC		PROVISIONAL

Justification:

This request is for landscape maintenance, crack and crevice weed control, and tree maintenance.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	8,500	0	0	0	0	0	0	(8,500)
2019	8,500	0	0	0	0	0	0	(8,500)
2020	8,500	0	0	0	0	0	0	(8,500)

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Rutland Transit Exchange - Phase 2		PROVISIONAL

Justification:

This is the ongoing operation and maintenance budget impacts associated with the capital request. Budget includes litter pick up, bus stop repairs, snow and ice control, and landscape maintenance.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	20,600	0	0	0	0	0	0	(20,600)
2019	20,600	0	0	0	0	0	0	(20,600)
2020	20,600	0	0	0	0	0	0	(20,600)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Civic Operations		ON-GOING
Title:	Stewart Road West 3 DCC (Crawford-Swamp), Road		PROVISIONAL

Justification:

This request is for street sweeping, snow and ice control, and crack and crevice maintenance.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	0	0	0	0	0	0	0	0
2019	4,000	0	0	0	0	0	0	(4,000)
2020	4,000	0	0	0	0	0	0	(4,000)

2018 Capital Request Details

Department: Capital Projects Priority: 2 New
 Cost Center: Transportation Capital 2030 Infrastructure Plan: Not included
 Title: Neighbourhood Traffic Calming - Rutland PROVISIONAL

Justification:

Budget is requested to construct a neighbourhood traffic circle at the intersection of Mugford Road and Laurel Avenue to reduce vehicle speeds and volumes. As part of a neighbourhood traffic calming plan initially constructed in 2015, this funding would be used to complete a traffic circle planned, but not constructed, as part of the initial project. In 2015, approximately 50 service requests were received from the Rutland area.

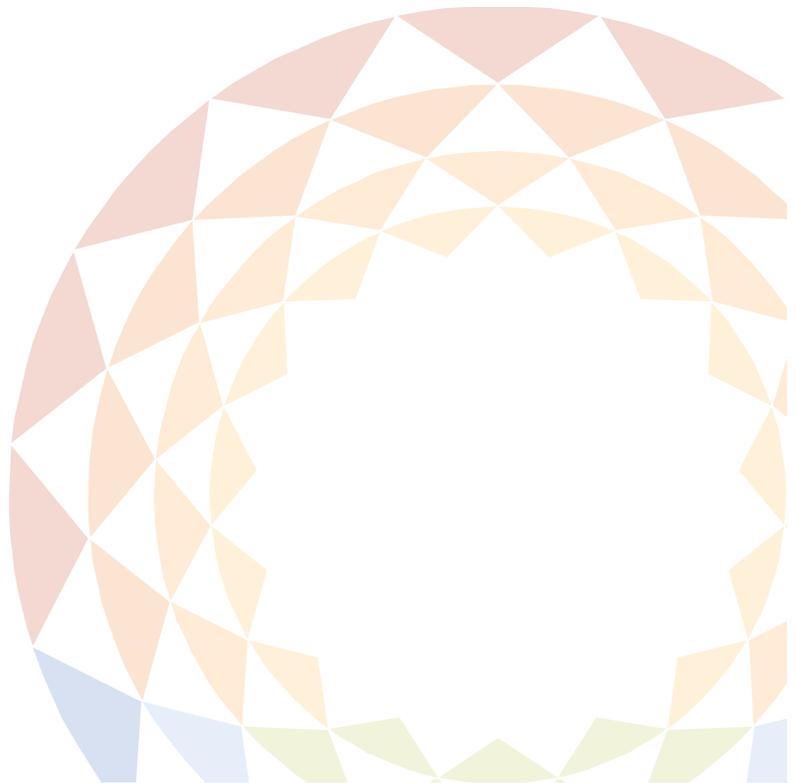
There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: An active, inclusive city - Strengthening our neighbourhoods

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

Solid Waste



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2018 Capital Requests

Provisional Budget

Solid Waste Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Solid Waste Capital - Priority 1									
Renew									
442	2831	Automated Collection Curbside Carts	300,000	(300,000)	0	0	0	0	0
442	3293	Stockpiles and Reprocessing Areas Relocation	600,000	(600,000)	0	0	0	0	0
443	XXXX	Landfill Gas Quonset Roof Replacement and Upgrades	100,000	(100,000)	0	0	0	0	0
Total Renew			1,000,000	(1,000,000)	0	0	0	0	0
Growth									
443	XXXX	Landfill Old Entrance Filling Preparation	2,075,000	(2,075,000)	0	0	0	0	0
444	XXXX	Landfill Storm Sewer Extension	130,000	(130,000)	0	0	0	0	0
Total Growth			2,205,000	(2,205,000)	0	0	0	0	0
New									
444	3187	Landfill Gas & Leachate Recirculation Laterals	300,000	(300,000)	0	0	0	0	0
445	XXXX	Surface Water Management - Bredin Irrigation	250,000	(250,000)	0	0	0	0	0
445	XXXX	Landfill Access Road 3 Improvements	525,000	(525,000)	0	0	0	0	0
446	XXXX	Odour Management - Glenmore Road H ₂ S Monitoring Station	50,000	(50,000)	0	0	0	0	0
446	XXXX	Compost Facility, Biosolids Leachate Containment	500,000	0	0	0	(166,670)	(333,330)	0
Total New			1,625,000	(1,125,000)	0	0	(166,670)	(333,330)	0
Cost Center Totals			4,830,000	(4,330,000)	0	0	(166,670)	(333,330)	0
Grand Total			4,830,000	(4,330,000)	0	0	(166,670)	(333,330)	0

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: 2018 - SW1	
Title:	Automated Collection Curbside Carts	PROVISIONAL	

Justification:

This project is to purchase new curbside carts as part of the City of Kelowna's curbside refuse, recycling and yard waste program. These new receptacles are necessary to address residential growth and residential needs for larger recycling and yard waste receptacles. The intent is to establish an inventory in order to provide improved customer service.

There are no operation and maintenance budget impacts associated with this capital request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(300,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: Not included	
Title:	Stockpiles and Reprocessing Areas Relocation	PROVISIONAL	

Justification:

This project is required in order to improve operational accessibility, efficiency and reduce liability while the public is onsite. The current processing areas have outlasted their operational function. This is the first phase of work to relocate activities out of the fill area to allow for ongoing fill operations. The relocation plan, which will aid the overall facility plan to meet our fill volume needs over the next 8 years, is expected to cost approximately \$25M in that period. This will move all receiving and non-landfilling areas south of the landfill footprint, allowing for a permanent home for the entire life of the landfill as well as significantly more efficient composting operations.

This \$3.6M first phase of the 8-year Relocation Plan will require the carryover of \$3M from 2017 budget, plus an additional \$600k. This budget will allow for the final design plan to be completed based on the current Conceptual Model.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
600,000	(600,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: Not included	
Title:	Landfill Gas Quonset Roof Replacement and Upgrades		PROVISIONAL

Justification:

Budget is requested to replace the existing roof as it is nearing the end of its service life and is requiring significant annual repairs. The project would also include installation of a natural gas service to the building and removal of the existing propane tank. The existing heating system can be converted from propane to natural gas. The roof replacement will provide the ability to fuse landfill gas pipes during the winter construction season.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

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

Corporate Framework: A clean healthy environment - Solid waste reduction

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

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: Not included	
Title:	Landfill Old Entrance Filling Preparation		PROVISIONAL

Justification:

Budget is requested to allow fill operations in the old landfill administration and processing area. Current fill areas are expected to reach capacity by early 2020 which may cause operational issues and limit the ability to dispose of solid waste in existing areas. The project includes the removal and relocation of existing infrastructure including:

- 1) Existing buildings and processing area (mattress recycling and poly rock)
- 2) Tech trailer, Landfill gas SCADA and GPS system
- 3) Security camera and RFID communication equipment
- 4) Fuel tanks, storage containers (tank, pad, piping, controls and landfill operational buildings)
- 5) Overhead and below ground infrastructure

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,075,000	(2,075,000)	0	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Growth
 Cost Center: Solid Waste Capital 2030 Infrastructure Plan: Not included
 Title: Landfill Storm Sewer Extension PROVISIONAL

Justification:

Budget is requested to extend the on-site storm sewer adjacent to the soil stockpile based on a recommendation from a geotechnical engineer to ensure stability of the soil stockpile. This project will also reduce the risk of leachate migration from the landfill as it will eliminate a section of pond.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
130,000	(130,000)	0	0	0	0	0

Department: Capital Projects Priority: 1 New
 Cost Center: Solid Waste Capital 2030 Infrastructure Plan: 2018 - SW3
 Title: Landfill Gas & Leachate Recirculation Laterals PROVISIONAL

Justification:

This project is for construction of landfill gas and leachate recirculation pipes that are constructed horizontally within the landfill. The construction is required in order to meet regulatory requirements as well as to ensure landfill gas is supplied to the FORTISBC Biogas plant.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A clean healthy environment - Energy conservation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
300,000	(300,000)	0	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Solid Waste Capital 2030 Infrastructure Plan: Not included
 Title: Surface Water Management - Bredin Irrigation PROVISIONAL

Justification:

This project is for construction of phase 1 of an irrigation system at the north end of the landfill property in order to beneficially reuse surface water. Reuse of surface water will not only reduce the amount of potable water used, but it will also reduce the surface water issues at the landfill. The scope of work will include a risk assessment to ensure that there are no environmental or regulatory issues that need to be addressed prior to installation.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
250,000	(250,000)	0	0	0	0	0

Department: Capital Projects Priority: 1 New
 Cost Center: Solid Waste Capital 2030 Infrastructure Plan: Not included
 Title: Landfill Access Road 3 Improvements PROVISIONAL

Justification:

Budget is requested to construct road improvements to the landfill access road used by haulers and site equipment. Improvements will eliminate an undesirable S curve and ensure reliable access to the west side of the site. This road is consistent with the recently approved fill plan.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
525,000	(525,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: 2018 - SW2	
Title:	Odour Management - Glenmore Road H2S Monitoring Station		PROVISIONAL

Justification:

Budget is requested to construct an odour monitoring station on Glenmore road to monitor sanitary sewer odours near the intersection of John Hindle Drive where the sewer forcemain from the landfill lift station discharges to the gravity sewer. The station is important to monitor the effectiveness of odour controls at the sewer lift station and provide feedback on operational changes and efficiencies.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Solid Waste and Pumpstations operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A clean healthy environment - Improved air quality

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
50,000	(50,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Solid Waste Capital	2030 Infrastructure Plan: Not included	
Title:	Compost Facility, Biosolids Leachate Containment		PROVISIONAL

Justification:

The Regional Biosolids Composting Facility has been issued a permit under the provisions of the Environmental Management Act. Under the new permit, the City is required to construct an impermeable containment facility no later than October 30, 2018. The facility must be constructed so that leachate is fully contained and cannot escape into the environment. The works include, lining the existing unlined drainage pond and basin, and treating leachate to reduce nutrients and reduce pathogens so that the treated leachate can be reused for process water.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Biosolids operating budget.

Project Driver: Health, life safety and regulatory compliance.

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
500,000	0	0	0	(166,670)	(333,330)	0

Storm Drainage



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2018 Capital Requests

Provisional Budget

Storm Drainage Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Storm Drainage Capital - Priority 1									
Renew									
451	XXXX	Bluebird Storm Station - Upgrade	110,000	0	0	0	0	0	(110,000)
Total Renew			110,000	0	0	0	0	0	(110,000)
New									
451	XXXX	Mayfair Storm Main Extension	175,000	0	0	0	0	0	(175,000)
452	XXXX	Smith Outfall Vault Power Supply	100,000	0	0	0	0	0	(100,000)
452	XXXX	Bellevue Creek Dyke	70,000	0	0	0	0	0	(70,000)
Total New			345,000	0	0	0	0	0	(345,000)
Cost Center Totals			455,000	0	0	0	0	0	(455,000)
Grand Total			455,000	0	0	0	0	0	(455,000)

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

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

2018 Capital Requests

Provisional Budget

Storm Drainage Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Storm Drainage Capital - Priority 2									
Renew									
453	XXXX	Kerry Park Vault Upgrade	160,000	0	0	0	0	0	(160,000)
Total Renew			160,000	0	0	0	0	0	(160,000)
New									
453	XXXX	Beach Ave Stormwater Upgrades	100,000	0	0	0	0	0	(100,000)
454	XXXX	Sunset Drive Gate Valves	100,000	0	0	0	0	0	(100,000)
Total New			200,000	0	0	0	0	0	(200,000)
Cost Center Totals			360,000	0	0	0	0	0	(360,000)
Grand Total			360,000	0	0	0	0	0	(360,000)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	2030 Infrastructure Plan: 2018 - D3	
Title:	Bluebird Storm Station - Upgrade	PROVISIONAL	

Justification:

The current station has limited pump capacity and the existing structure prevents an upgrade to a larger pump and associated piping. Budget is requested to upgrade the station to increase the size of the structure, allowing for a larger pump and the provision for an additional pump should conditions require it. In addition, an increase to a variable speed drive would allow for greater flexibility in dewatering activities to preserve the storm water collection system in the area.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
110,000	0	0	0	0	0	(110,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Storm Drainage Capital	2030 Infrastructure Plan: Not included	
Title:	Mayfair Storm Main Extension	PROVISIONAL	

Justification:

Budget is requested for the extension of Mayfair Road storm sewer by approximately 340 meters across Highway 97 to Mill Creek.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
175,000	0	0	0	0	0	(175,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Storm Drainage Capital 2030 Infrastructure Plan: Not included
 Title: Smith Outfall Vault Power Supply PROVISIONAL

Justification:

Budget is requested to provide a power supply to the storm outfall vault at the Water Street boat launch for temporary pumps during flood events. Maintaining adequate drainage from this outfall will protect key infrastructure along Water Street and the downtown core.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Flood protection

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

Department: Capital Projects Priority: 1 New
 Cost Center: Storm Drainage Capital 2030 Infrastructure Plan: Not included
 Title: Bellevue Creek Dyke PROVISIONAL

Justification:

Budget is requested to build a dyke on the north side of Bellevue Creek from Fuller Road to the mouth of Bellevue Creek to protect against high water flooding.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Utilities operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Flood protection

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	Renew
Cost Center:	Storm Drainage Capital	2030 Infrastructure Plan: 2018 - D3	
Title:	Kerry Park Vault Upgrade	PROVISIONAL	

Justification:

Budget is requested to increase the size of the storm outfall vault at Kerry Park to allow for temporary electric pumps during a flooding event. Three phase power is also required for this project.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Flood protection

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
160,000	0	0	0	0	0	(160,000)

Department:	Capital Projects	Priority: 2	New
Cost Center:	Storm Drainage Capital	2030 Infrastructure Plan: Not included	
Title:	Beach Ave Stormwater Upgrades	PROVISIONAL	

Justification:

Budget is requested to abandon the Beach Avenue storm water outfall to Okanagan Lake and divert flow back to the Abbott Street storm system. It also includes connecting Vimy and McDougall drywells to this stormwater system.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 2	New
Cost Center:	Storm Drainage Capital	2030 Infrastructure Plan: Not included	
Title:	Sunset Drive Gate Valves	PROVISIONAL	

Justification:

Budget is requested to install two vertical gates in the Brandt's Creek storm outlet structure on Sunset Drive. The estimated expenditure on the new gates will provide bi-directional control of two 1200 mm storm outfalls into Okanagan Lake, thereby reducing backwater impacts to the storm system. By isolating the chamber, operations staff can better manage storm water pumping at this location when the lake levels are high.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A safe city - Flood protection

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

Information Services



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2018 Capital Requests

Provisional Budget

Information Services Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Information Services Capital - Priority 1									
Renew									
	458	2133	Server and Data Storage Equipment	205,000	0	0	0	0	(205,000)
	458	2132	Communications Networks Upgrades	200,000	0	0	0	0	(200,000)
	459	2130	Front Office Equipment	384,000	0	0	0	0	(384,000)
OP	459	XXXX	Major Systems Projects	3,234,680	(1,234,680)	0	0	0	(2,000,000)
	460	3095XX	Upgrade Unit 4 Business World System	15,000	(15,000)	0	0	0	0
			Total Renew	4,038,680	(1,249,680)	0	0	0	(2,789,000)
New									
OP	460	2855XX	Records and Information Management System	398,000	0	0	0	0	(398,000)
OP	461	XXXX	Financial Reporting System	60,000	(60,000)	0	0	0	0
			Total New	458,000	(60,000)	0	0	0	(398,000)
			Cost Center Totals	4,496,680	(1,309,680)	0	0	0	(3,187,000)
			Grand Total	4,496,680	(1,309,680)	0	0	0	(3,187,000)

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

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

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	2030 Infrastructure Plan: 2018 - I2	
Title:	Server and Data Storage Equipment	PROVISIONAL	

Justification:

The server and data storage equipment budget funds the renewal and maintenance of the application and database servers as well as corporate data storage needs for the City. Included are virtual and physical servers, disk storage, backup solutions and the related software. This budget allows Information Services to provide equipment and software in the corporate data centres to support a variety of systems for City staff. Information Services plans to upgrade end of life components of the corporate virtualization infrastructure and increase back end data storage capacity to keep up with increasing corporate data growth. These upgrades will position the City to implement enhanced business continuity and disaster recovery capability.

The ongoing impacts will be minimal with this request and will be accommodated within the Information Services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
205,000	0	0	0	0	0	(205,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	2030 Infrastructure Plan: 2018 - I4	
Title:	Communications Networks Upgrades	PROVISIONAL	

Justification:

This funding will provide renewal and expansion of the City's network environment. The network supports high speed data connections within and between City facilities as well as connections to the internet. New technologies will be deployed to improve service levels and replace components that have reached the end of their serviceable life.

The ongoing impacts will be minimal with this request and will be accommodated within the Information Services purchase services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
200,000	0	0	0	0	0	(200,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	2030 Infrastructure Plan: 2018 - 11	
Title:	Front Office Equipment	PROVISIONAL	

Justification:

The front office equipment budget funds the renewal and maintenance of the desktop computer needs for the City. The City has different replacement cycles for its approximate \$2,000,000 investment in current front office technology equipment. The replacement cycle for desktop computers and tablets has changed from a 5-year cycle to a 4-year cycle to take advantage of improvements in speed and memory. Monitors, printers and phones are on a longer cycle and are replaced when warranted.

The ongoing impacts will be minimal with this request and will be accommodated within the Information Services purchase services operating budget.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
384,000	0	0	0	0	0	(384,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	2030 Infrastructure Plan: 2018 - 13	
Title:	Major Systems Projects	PROVISIONAL	

Justification:

The Information Services Digital Strategy has identified the need to replace the current in house developed and supported systems. This funding will support the replacement of the planning and permitting software with off the shelf software. In-house systems for consideration to be replaced are Business Licences, Commercial Vehicle Decal, Development Applications, DCC, Area & Frontage Latecomer, Permits & Inspections, Portable Signs, and Residential Parking Permits. This affects departments such as Development Services and Community Planning and Corporate Services. This request covers software licenses and staff resources for the implementation phase in 2018 and 2019.

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

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
3,234,680	(1,234,680)	0	0	0	0	(2,000,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	2030 Infrastructure Plan: Not included	
Title:	Upgrade Unit 4 Business World System	PROVISIONAL	

Justification:

A new version of the City's financial system (Agresso) is available. Upgrading to this version will be required to maintain consistent support, reduce work arounds and take advantage of new features and benefits. This project will upgrade the system to Milestone 7.

There are no operating and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
15,000	(15,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Information Services Capital	2030 Infrastructure Plan: Not included	
Title:	Records and Information Management System	PROVISIONAL	

Justification:

The City of Kelowna implemented the Electronic Document Management System (EDMS) as part of a commitment to be in compliance with legislative responsibility in the management of Corporate Records. The final phase is to implement an Electronic Records Management System (ERMS) to support the disposition and retention of electronic records. This requested system will automate the final steps in the life cycle management of electronic documents, including online approval to dispose end of life records, and an electronic records center that is secure and accessible with appropriate permissions and retrieval mechanisms. The anticipated package will include consulting, configuration, training, and implementation of the electronic disposition and retention solution in 2017.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
398,000	0	0	0	0	0	(398,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Information Services Capital	2030 Infrastructure Plan: Not included	
Title:	Financial Reporting System	PROVISIONAL	

Justification:

Budget is requested to purchase a financial reporting system to automate the annual production of financial statements and provide budget reports. The system will be purchased after completion of the business process review. The desired outcome is to streamline processes, increase efficiencies and reduce costs.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
60,000	(60,000)	0	0	0	0	0

2018 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	Records and Information Management System		PROVISIONAL

Justification:

The capital request to purchase a solution to automate the disposition and retention function for electronic records will include an annual maintenance cost of approximately 20 per cent.

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

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	6,630	0	0	0	0	0	0	(6,630)
2019	29,170	0	0	0	0	0	0	(29,170)
2020	32,090	0	0	0	0	0	0	(32,090)

Division:	Corporate Strategic Services	Priority: 1	Maintain
Department:	Information Services		ON-GOING
Title:	Major Systems Projects		PROVISIONAL

Justification:

The maintenance costs for major software systems are typically 20 percent of the module licence cost.

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

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	50,000	0	0	0	0	0	0	(50,000)
2019	100,000	0	0	0	0	0	0	(100,000)
2020	100,000	0	0	0	0	0	0	(100,000)

2018 Operating Request Details

Division:	Corporate Strategic Services	Priority: 1	New
Department:	Information Services		ON-GOING
Title:	Financial Reporting System		PROVISIONAL

Justification:

This request will cover the ongoing operational costs related to licensing for the new financial reporting system.

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

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	12,000	0	0	0	0	0	0	(12,000)
2019	12,000	0	0	0	0	0	0	(12,000)
2020	12,000	0	0	0	0	0	0	(12,000)

Division:	Corporate & Protective Services	Priority: 2	New
Department:	City Clerk		ON-GOING
Title:	Records and Information Management Technician Position		PROVISIONAL

Justification:

The capital request to purchase a solution to automate the disposition and retention function for electronic records will require a full-time Records and Information Management (RIM) Technician position to support the expansion of the corporate records and information management program to include electronic records.

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

Corporate Framework: A well-run City - Performance excellence

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	56,250	0	0	0	0	0	0	(56,250)
2019	74,900	0	0	0	0	0	0	(74,900)
2020	74,900	0	0	0	0	0	0	(74,900)

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Vehicle & Mobile Equipment



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2018 Capital Requests

Provisional Budget

Vehicle & Mobile Equipment Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Vehicle & Mobile Equipment - Priority 1									
Renew									
469	2803XX	Equipment and Vehicle Replacement	4,410,620	(4,410,620)	0	0	0	0	0
469	2804XX	Roll-off Front End Loader, Composting Facility	373,000	0	0	0	(124,330)	(248,670)	0
Total Renew			4,783,620	(4,410,620)	0	0	(124,330)	(248,670)	0
Growth									
470	XXXX	Municipal Tractors	228,000	0	0	0	0	0	(228,000)
Total Growth			228,000	0	0	0	0	0	(228,000)
New									
OP 470	XXXX	Pump Operations - Instrument Electrician Van	60,000	0	0	0	0	(60,000)	0
OP 471	XXXXXX	Water & Wastewater Collections Operator Pickup	65,000	0	0	0	0	(65,000)	0
471	XXXX	Road Line Painter	65,000	0	0	0	0	0	(65,000)
OP 472	XXXX	Arenas/Stadiums Vehicle	35,000	0	0	0	0	0	(35,000)
Total New			225,000	0	0	0	0	(125,000)	(100,000)
Cost Center Totals			5,236,620	(4,410,620)	0	0	(124,330)	(373,670)	(328,000)
Grand Total			5,236,620	(4,410,620)	0	0	(124,330)	(373,670)	(328,000)

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

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

2018 Capital Requests

Provisional Budget

Vehicle & Mobile Equipment Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Vehicle & Mobile Equipment - Priority 2									
New									
475	XXXX	Skid-steer Loader	45,000	0	0	0	0	0	(45,000)
475	280XXX	Portable Worksite Traffic Control System	75,000	0	0	0	0	0	(75,000)
Total New			120,000	0	0	0	0	0	(120,000)
Cost Center Totals			120,000	0	0	0	0	0	(120,000)
Grand Total			120,000	0	0	0	0	0	(120,000)

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

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

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V2
 Title: Equipment and Vehicle Replacement PROVISIONAL

Justification:

Vehicle rental rates contribute to the equipment replacement reserve throughout the course of vehicle/equipment service life. Factoring in equipment type, seasonal use and equipment condition 55 units were considered and it was determined that 38 of these units required replacement: 22 light duty vehicles, 1 ice resurfacer, 3 heavy duty trucks, 1 laser painter, 1 mini-excavator, 1 parks tractor, 1 municipal tractor, 1 excavator, 1 street sweeper, 2 trailer message boards, 3 survey instrumentation equipment and 1 Trommel compost screening plant.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
4,410,620	(4,410,620)	0	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V2
 Title: Roll-off Front End Loader, Composting Facility PROVISIONAL

Justification:

This request is to purchase a Roll-off Front End Loader as the existing loaders have surpassed the 10 year life cycle. The last of the three original loaders will be replaced and retained as a back up loader if its condition allows.

One third of this purchase will be funded by the City of Vernon, a partner in the Compost Facility.

There are no operating and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
373,000	0	0	0	(124,330)	(248,670)	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Vehicle & Mobile Equipment	2030 Infrastructure Plan: 2018 - V1	
Title:	Municipal Tractors		PROVISIONAL

Justification:

In 2017, Council approved a pilot project to enhance service levels with snow and ice removal on city pathways and sidewalks which included leasing additional equipment to perform these duties. The equipment leased for this project can be purchased using 55% of total lease cost towards the buy-out if the City opts to exercise this option. This budget request also includes the buy-out of three angle brooms. In addition to snow and ice removal, the equipment will be used for the Roadways spring sweep program and the Parks roadside mowing program.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Roadways internal equipment charge operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A well-run City - Passionate public service

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
228,000	0	0	0	0	0	(228,000)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	2030 Infrastructure Plan: 2018 - V1	
Title:	Pump Operations - Instrument Electrician Van		PROVISIONAL

Justification:

A full size van will be required for the proposed new Instrument Technician (pending Council's approval). The van would be used to carry tools, equipment and parts related to operation and maintenance of the City's water distribution and sewer collection systems.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Utilities internal equipment charges operating budget.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: A safe city - Clean drinking water

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
60,000	0	0	0	0	(60,000)	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V1
 Title: Water & Wastewater Collections Operator Pickup PROVISIONAL

Justification:

A full size 4X4 pickup with service body is required for the proposed new water distribution and sewer collection operator. The truck will be used to carry tools, equipment and parts related to operation and maintenance of the City's water distribution and sewer collection systems.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Utilities internal equipment charges operating budget.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: A safe city - Clean drinking water

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
65,000	0	0	0	0	(65,000)	0

Department: Capital Projects Priority: 1 New
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V1
 Title: Road Line Painter PROVISIONAL

Justification:

Recent changes in regulations has steered roadway painting and markings into low volatile organic compound (VOC) materials which results in low longevity paint and markings. Methyl Methacrylate thin film spray technique will increase marking life up 3 times (three years) improving road safety and reducing maintenance costs.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Roadways internal equipment charges operating budget.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
65,000	0	0	0	0	0	(65,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Vehicle & Mobile Equipment	2030 Infrastructure Plan: 2018 - V1	
Title:	Arenas/Stadiums Vehicle	PROVISIONAL	

Justification:

The Active Living and Culture Building Operator's role and responsibilities now include making frequent trips to Kelowna arenas requiring a truck to transport ice resurfacer blades, building supplies, chemicals and janitorial supplies. The building operator is currently using a unit that was retained for temporary use.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

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

2018 Operating Request Details

Division:	Active Living & Culture	Priority: 1	New
Department:	Sport & Event Services		ON-GOING
Title:	Arenas/Stadiums Vehicle		PROVISIONAL

Justification:

Active Living & Culture has Building Operators that service arenas and other recreation facilities on a daily basis. A dedicated vehicle is required to transport between Memorial and Rutland Arenas as well as stadiums and sportsfields in order to meet operational demands. Currently the vehicle in use is past the end of its service life and needs to be replaced. This budget request is for funds to cover the annual operating expenses of the vehicle including insurance, repairs, maintenance, fuel and vehicle replacement.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	11,250	0	0	0	0	0	0	(11,250)
2019	11,250	0	0	0	0	0	0	(11,250)
2020	11,250	0	0	0	0	0	0	(11,250)

Division:	Civic Operations	Priority: 1	New
Department:	Utility Services		ON-GOING
Title:	Pump Operations - Instrument Electrician Term Position		PROVISIONAL

Justification:

A three-year term position is requested to assist with the significant future system growth, aging system replacement, as well as to provide effective training and succession management for a pending retirement. Water Supply and Pump Operations has two Instrumentation / Electricians (IETech). The last such IETech position was added in 2002. The number of facilities in the wastewater collection system has grown by 18 lift stations (36 percent growth) and the water distribution system has grown by 27 facilities (33 percent growth) since that time. The growth in the number of facilities is compounded by the fact that the new facilities are further afield which increases travel and service time as well as SCADA and radio communications complexity. Of the two staff, one is eligible for full retirement within one to two years. These positions are difficult to fill and generally require hiring an electrician and training them on instrumentation. Furthermore new staff take significant time in learning the specifics of our complex SCADA system.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	79,600	0	0	0	0	0	0	(79,600)
2019	102,990	0	0	0	0	0	0	(102,990)
2020	102,990	0	0	0	0	0	0	(102,990)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	Growth
Department:	Utility Services		ON-GOING
Title:	Water & Wastewater Collections Operator Position		PROVISIONAL

Justification:

This is a request to add a full time Water Distribution and Sewer Collection Operator position in response to growth of the water distribution and wastewater pumping systems. An Operator position was last added to the Water Supply and Pump Operations work group in 2014. The number of facilities in the wastewater collection system has grown by 6 lift stations and the water distribution system has grown by 2 PRV's, additional reservoir storage and an additional UV treatment facility since that time. Approved developments and current infrastructure growth looks to add 2 more lifts station (growth of 15 percent since 2014), 1 booster station and 3 PRV's in 2018 (growth of 8 percent since 2014). Based on proposed development applications, a similar number of facilities look to be added in 2019 as well. Distance of the new facilities from the operations base is resulting in increased travel and operating time per station. In addition, current infrastructure is aging and requires higher levels of operational monitoring and maintenance.

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	75,510	0	0	0	0	0	0	(75,510)
2019	100,010	0	0	0	0	0	0	(100,010)
2020	100,010	0	0	0	0	0	0	(100,010)

2018 Capital Request Details

Department: Capital Projects Priority: 2 New
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V1
 Title: Skid-steer Loader PROVISIONAL

Justification:

The City will realize a cost savings in 3 years of ownership if it were to purchase the skid-steer loaders that are currently being leased.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
45,000	0	0	0	0	0	(45,000)

Department: Capital Projects Priority: 2 New
 Cost Center: Vehicle & Mobile Equipment 2030 Infrastructure Plan: 2018 - V1
 Title: Portable Worksite Traffic Control System PROVISIONAL

Justification:

Budget is requested to purchase a portable worksite traffic control system. Many mid to long-term construction projects require temporary traffic signals for alternating traffic on roads or at intersections for construction or special event traffic control. Temporary traffic signals provide a number of benefits, including 24 hour operation, less traffic control people on the roads whereby enhancing safety, and project efficiencies.

The operation and maintenance budget will be minimal with this request and will be accommodated within the Traffic Signals operating budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Public safety programs

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

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Fire Department



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2018 Capital Requests

Provisional Budget

Fire Capital Summary - General Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
Fire Capital - Priority 1									
Renew									
480	XXXX	911 Dispatch Phone System Replacement	100,000	(100,000)	0	0	0	0	0
480	XXXX	Radio Console Replacement	400,000	(400,000)	0	0	0	0	0
Total Renew			500,000	(500,000)	0	0	0	0	0
New									
OP 481	XXXX	Engine 5	962,000	0	0	0	0	0	(962,000)
Total New			962,000	0	0	0	0	0	(962,000)
Cost Center Totals			1,462,000	(500,000)	0	0	0	0	(962,000)
Grand Total			1,462,000	(500,000)	0	0	0	0	(962,000)

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

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Fire Capital 2030 Infrastructure Plan: 2019 - F3
 Title: 911 Dispatch Phone System Replacement PROVISIONAL

Justification:

The current phone system in Dispatch is reaching end of life and support from Telus will end in 2018. In order to ensure there are no disruptions during the transition, the process of identifying a replacement system is underway. In consultation with Information Services, it is recommended that a new phone system be implemented in January of 2018.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A well-run City - Performance excellence

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: Fire Capital 2030 Infrastructure Plan: 2023 - F3
 Title: Radio Console Replacement PROVISIONAL

Justification:

The current radio console is reaching end of life and is due for replacement in 2018. The radio console is the hub of communication for the radio systems. New technology that is available will improve efficiency, increase redundancy and allow the City to provide a higher level of service to Kelowna Fire Department, as well as, the customers served by Fire Dispatch. This upgrade includes the voice logger system which ties into the radio console to record all communications received by dispatch.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A well-run City - Performance excellence

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
400,000	(400,000)	0	0	0	0	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Fire Capital	2030 Infrastructure Plan: 2017 - F2	
Title:	Engine 5	PROVISIONAL	

Justification:

An additional fire engine with equipment is being requested to accommodate the proposed 12 additional firefighters. In 2014, an equipment condition survey was completed on the reserve apparatus noting several serviceability factors due to the age of these engines. Staffing Station 8 without an additional apparatus would further diminish the current fleet depth placing additional pressure on Fleet Services. The two reserve units are used to capacity.

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

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A safe city - Fire protection & prevention

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
962,000	0	0	0	0	0	(962,000)

2018 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	New
Department:	Fire Department		ON-GOING
Title:	Engine 5		PROVISIONAL

Justification:

Budget is requested to account for the ongoing operating expenses for Engine 5.

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

Corporate Framework: A safe city - Fire protection & prevention

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2018	5,000	0	0	0	0	0	0	(5,000)
2019	17,400	0	0	0	0	0	0	(17,400)
2020	21,950	0	0	0	0	0	0	(21,950)

Airport



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2018 Capital Requests

Provisional Budget

Airport Capital Summary - Airport Fund

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
Airport Capital - Priority 1								
Renew								
486	3268	Airport Roof Replacement Program 486	2,600,000	(2,600,000)	0	0	0	0
3336		Airport Paging System	230,000	(230,000)	0	0	0	0
487	3337	Airport WiFi	210,000	(210,000)	0	0	0	0
487	3335	Airport Baggage Carts	90,000	(90,000)	0	0	0	0
488	3328	Airport Parking Lot Equipment	570,000	(570,000)	0	0	0	0
488	3329	Airport Long-term Parking Lot Pull Pits	15,000	(15,000)	0	0	0	0
489	2901	Airport Air Terminal Complex Capital Replacements	175,000	(175,000)	0	0	0	0
489	3339	Airport Terminal Concourse Carpeting	235,000	(235,000)	0	0	0	0
490	3334	Airport Hazard Beacons and Towers	145,000	(145,000)	0	0	0	0
490	3333	Airport Light Vehicle Replacement	65,000	(65,000)	0	0	0	0
Total Renew			4,335,000	(4,335,000)	0	0	0	0
Growth								
491	3264	Airport Way and Highway 97 Intersection Dual Left Hand Turn Lane	1,100,000	(1,100,000)	0	0	0	0
491	3330	Airport Quick Turn Around Facility	150,000	(150,000)	0	0	0	0
Total Growth			1,250,000	(1,250,000)	0	0	0	0
New								
492	3341	Airport Multi-purpose Snow Clearing Unit	1,400,000	(1,400,000)	0	0	0	0
492	3332	Airport Ride-sharing Services	100,000	(100,000)	0	0	0	0
493	3340	Airport Concession	100,000	(100,000)	0	0	0	0
493	3338	Airport High-Speed Exit Doors from Departures	280,000	(280,000)	0	0	0	0
494	3331	Airport Electric Car Charging Stations	300,000	(300,000)	0	0	0	0
494	2221	Airport Small Capital	150,000	(150,000)	0	0	0	0
Total New			2,330,000	(2,330,000)	0	0	0	0
Cost Center Totals			7,915,000	(7,915,000)	0	0	0	0
Grand Total			7,915,000	(7,915,000)	0	0	0	0

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

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

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Roof Replacement Program PROVISIONAL

Justification:

A roof evaluation completed by a third party at the end of 2015 identified that approximately 90% of the Air Terminal roof needs to be replaced in a phased approach. Budget is requested for Years 2 through 5 of a six-year, phased roof replacement program to be completed between 2017 and 2022.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
2,600,000	(2,600,000)	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Paging System PROVISIONAL

Justification:

Budget is requested to replace the Airport's existing paging system, which was installed in 1999. The technology of the current paging system is outdated, replacement parts are no longer available and the number of service requests related to the system has been rising. The proposed new system would integrate with technology already in place at the Airport and increase flexibility and use of the paging system. For example, the proposed new system could be programmed for pre-recorded announcements, would have better control over volume/zones for announcements/music and would increase the reliability of a critical system.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
230,000	(230,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport WiFi PROVISIONAL

Justification:

Budget is requested to upgrade the Airport's WiFi system to current technologies in order to satisfy customer needs. The proposed new system would support devices that are not currently supported and increase network capacity, signal strength, connectivity and data delivery. The number of access points would be increased to provide better signal strength and reduce channel overlap so there will be more reliable connections and consistent data delivery.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
210,000	(210,000)	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Baggage Carts PROVISIONAL

Justification:

Budget is requested to replace the Airport's existing baggage carts with 200 new baggage carts. The current baggage carts' useful life can no longer be extended through maintenance.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
90,000	(90,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Parking Lot Equipment PROVISIONAL

Justification:

Budget is requested for the replacement of the Airport's parking system, which is reaching the end of its useful life. This project will occur over two years with the replacement of six curb front and remote lot parking meters in 2018, followed by the replacement of the remaining parking equipment in 2019. The replacement will incorporate new technologies to improve customer service, such as alternate payment methods and vehicle access controls.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
570,000	(570,000)	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Long-term Parking Lot Pull Pits PROVISIONAL

Justification:

The electrical and data pull pits in the Airport long-term parking lot have reached the end of their useful life. Budget is requested for the replacement of the pull pits.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
15,000	(15,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Air Terminal Complex Capital Replacements PROVISIONAL

Justification:

Budget is requested to continue with the necessary upgrades to the older areas of the air terminal that are reaching the end of their life cycle. These items include mechanical and electrical systems, as well as, building finishes.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
175,000	(175,000)	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Terminal Concourse Carpeting PROVISIONAL

Justification:

Budget is requested for the replacement of the Airport's carpet in the arrivals area and the rotunda/mezzanine of the terminal building. The current carpet tile is reaching the end of its useful life and requires replacement. This project would replace the carpet over two years.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
235,000	(235,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Hazard Beacons and Towers PROVISIONAL

Justification:

The Airport has towers that house obstruction and hazard beacons located on the mountains around Kelowna in order to provide visual hazard references for aircraft. Budget is requested for the replacement of the towers that house the hazard beacons and the conversion of the beacon lights from incandescent to LED. The towers are being replaced to ensure they meet the BC regulations for safety with regards to climbing. The beacon lights are being converted to LED lights to increase the life span of the lights and decrease the corresponding maintenance costs.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
145,000	(145,000)	0	0	0	0

Department: Capital Projects Priority: 1 Renew
 Cost Center: Airport Capital
 Title: Airport Light Vehicle Replacement PROVISIONAL

Justification:

Budget is requested for the acquisition of an SUV to replace the Airport's 2002 Ford Explorer. The current vehicle is reaching the end of its useful life and is rated as in fair to poor condition. This request includes the acquisition of the vehicle, as well as the painting and equipment to meet the Airport's safety standards and operational requirements. Hybrid and electric vehicles will be considered as a part of the procurement.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
65,000	(65,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 Growth
 Cost Center: Airport Capital
 Title: Airport Way and Highway 97 Intersection Dual Left Hand Turn Lane PROVISIONAL

Justification:

Increasing passenger numbers and the growth of businesses within the Airport campus have put increasing pressure on the Airport Way/Highway 97 intersection, resulting in longer than desired wait times. Budget is requested to complete the construction for the widening of Airport Way to the north. This would accommodate an extended turn lane from Airport Way onto Highway 97. The Airport will work closely with the Ministry of Transportation on this project.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,100,000	(1,100,000)	0	0	0	0

Department: Capital Projects Priority: 1 Growth
 Cost Center: Airport Capital
 Title: Airport Quick Turn Around Facility PROVISIONAL

Justification:

The Airport's quick turn around facility (QTA) is used by the vehicle rental companies to wash, detail and fuel rental vehicles. The current facility has reached capacity and the Airport, in consultation with the vehicle rental companies, would like to build a new QTA in the future. Budget is requested to complete a preliminary design for a future QTA.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	(150,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport Multi-purpose Snow Clearing Unit PROVISIONAL

Justification:

Budget is requested for the acquisition of a multi-purpose snow clearing unit for the Airport. The addition of this piece of equipment would allow for redundancy with the current snow-clearing unit and provide a second snow blower. This would decrease the amount of time to change attachments and increase the efficiency of snow clearing on the Airport's runway, taxiways and aprons. As the Airport has a single runway with increasing flight activity and shorter gaps between flight arrivals, it has become increasingly important to clear the runway expeditiously and effectively. The acquisition of an additional multi-purpose snow clearing unit would result in one of the tow-behind sweepers being disposed of.

The intent is to go out to tender for this piece of equipment in 2018 so it can be procured in 2019. As a result, any additional operating or maintenance budget impacts associated with this request will be reflected in the 2019 budget.

Project Driver: Health, life safety and regulatory compliance.

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
1,400,000	(1,400,000)	0	0	0	0

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport Ride-sharing Services PROVISIONAL

Justification:

The BC Provincial Government has indicated that legislation will be enacted by the end of 2018 to allow ride-sharing services, such as Uber, to operate in BC. Budget is requested for the infrastructure required to track ride-sharing pickups and drop-offs at the Airport, so that revenues can be collected.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
100,000	(100,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport Concession PROVISIONAL

Justification:

Budget is requested for the base building construction for a new concession in the air terminal building.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
100,000	(100,000)	0	0	0	0

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport High-Speed Exit Doors from Departures PROVISIONAL

Justification:

Budget is requested for the installation of two high-speed exits from the departures room to the concourse in the terminal building. The installation of these doors would allow arriving passengers to exit more efficiently to the parking lots via the departures room rather than the airside corridor. This would be beneficial for individuals that did not check baggage, or who have difficulty walking up inclines or long distances, and for operations when international flights are arriving. This project would be implemented over two years.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
280,000	(280,000)	0	0	0	0

2018 Capital Request Details

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport Electric Car Charging Stations PROVISIONAL

Justification:

Budget is requested for the implementation of four electric car charging stations at the Airport over a period of two years. The use of electric vehicles has become more prevalent and the installation of electric car charging stations will ensure the Airport is providing the services required to support use of these vehicles.

There will be additional electricity charges associated with this request, but the amounts are anticipated to be minimal.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
300,000	(300,000)	0	0	0	0

Department: Capital Projects Priority: 1 New
 Cost Center: Airport Capital
 Title: Airport Small Capital PROVISIONAL

Justification:

Funds are being requested for smaller capital projects that need to be implemented expeditiously. The Airport Director will approve these projects and individual project spending will be under \$30,000.

There are no operation and maintenance budget impacts associated with this request.

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

Corporate Framework: A strong economy - International airport development

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	(150,000)	0	0	0	0

Water



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2018 Capital Requests

Provisional Budget

Water Capital Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
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Water Capital - Priority 1

Renew

498	XXXX	Ethel St Watermain Replacement, Sutherland - Springfield	500,000	0	0	0	0	(500,000)
498	XXXX	McClure Booster€- Replacement	500,000	0	0	0	0	(500,000)
499	3XXX	Lawrence Ave - Watermain Replacement	200,000	0	0	0	0	(200,000)
499	3038	Water Meter Replacement Program	300,000	0	0	0	0	(300,000)
500	XXXX	Chute Lake Rd Pressure Reducing Valve Upgrade	200,000	0	0	0	0	(200,000)
500	XXXX	Birch Ave - Water Main Replacement	150,000	0	0	0	0	(150,000)
501	XXXX	Okaview 2€- Decommission Pump Station	60,000	0	0	0	0	(60,000)

Total Renew			1,910,000	0	0	0	0	(1,910,000)
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Growth

501	XXXX	Kettle Valley Reservoir Upgrade	100,000	0	0	0	0	(100,000)
502	2070W	Offsite & Oversize - Water	67,200	(33,600)	0	0	0	(33,600)

Total Growth			167,200	(33,600)	0	0	0	(133,600)
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New

502	2407	Meter Installations	150,000	0	0	0	(150,000)	0
OP 503	XXXX	Dehart Road Bulkwater Fill Station	25,000	0	0	0	0	(25,000)

Total New			175,000	0	0	0	(150,000)	(25,000)
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Cost Center Totals			2,252,200	(33,600)	0	0	(150,000)	(2,068,600)
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Grand Total			2,252,200	(33,600)	0	0	(150,000)	(2,068,600)
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OP – See related operating request with a similar title at the end of this section.

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

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Water Capital 2030 Infrastructure Plan: 2018 - W6
 Title: Ethel St Watermain Replacement, Sutherland - Springfield PROVISIONAL

Justification:

Budget is requested to replace 785m of 250mm cast iron pipe with new 250mm polyvinyl chloride (PVC) watermain. This pipe has reached the end of its service life and its cast iron material is more prone to pipe failure than other pipe materials. This work will coincide with the Ethel Active Transportation Corridor that will run from Sutherland Avenue to Springfield Avenue.

There are no operation and maintenance budget impacts associated with this capital request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
500,000	0	0	0	0	(500,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Water Capital 2030 Infrastructure Plan: 2018 - W6
 Title: McClure Booster - Replacement PROVISIONAL

Justification:

The McClure Booster Station was built in 1973 and plays a critical role in moving water from the Eldorado/Poplar point supply to the upper Mission. Due to age and cost of servicing, it is approaching the end of its life cycle. Budget is requested to design and construct its replacement in conjunction with the Water Integration Project.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
500,000	0	0	0	0	(500,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	2030 Infrastructure Plan: 2018 - W6	
Title:	Lawrence Ave - Watermain Replacement	PROVISIONAL	

Justification:

Budget is requested for the replacement of 150m of 100mm cast iron watermain on Lawrence Avenue between Ethel Street and Gordon Street. This pipe has lost the majority of its capacity to distribute water due to severe tuberculation and no longer supplies adequate fire flow. This project will be completed in conjunction with the replacement of 200mm vitrified clay sanitary sewer main from Ethel Street to Gordon Street.

There are no operation or maintenance impacts with this budget request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
200,000	0	0	0	0	(200,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	2030 Infrastructure Plan: 2018 - W6	
Title:	Water Meter Replacement Program	PROVISIONAL	

Justification:

Budget is requested for the predesign, proposals and implementation of the base radio network for the water meter replacement program. This will allow the network to be in place prior to the installation of over 2,000 water meters for SEKID customers in 2019 and the beginning of the water meter replacement program for our existing meters that are reaching the end of their service life. As the City has some meters throughout our geographic area the network will be designed to reach the entire City. This component of the project will also ensure the ability of our customers to view their water meter usage remotely and proactively identify possible leaks to help ensure that our customers do not receive unexpectedly large water bills at the end of the two month billing cycle.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
300,000	0	0	0	0	(300,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Water Capital 2030 Infrastructure Plan: 2018 - W6
 Title: Chute Lake Rd Pressure Reducing Valve Upgrade PROVISIONAL

Justification:

Budget is requested to replace this aging pressure reducing valve (PRV) station to a more current standard. The station was built as a booster station in 1977. It was reconfigured to a PRV in the early 2000's. A proposed upgrade would bring the station up to City standards for electrical servicing, Supervisory Control and Data Acquisition (SCADA) integration to the current system, address confined space regulation issues, and enhance protection for workers accessing the site from the roadway. The project will be coordinated with the preliminary design of the Chute Lake / Frost road intersection to ensure that there are no conflicts with the future roadway.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
200,000	0	0	0	0	(200,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Water Capital 2030 Infrastructure Plan: 2018 - W6
 Title: Birch Ave - Water Main Replacement PROVISIONAL

Justification:

Budget is requested to replace 100mm of cast iron water main from 1956 with 150mm polyvinyl chloride (PVC). The minimum water main size per City bylaw is 150mm. Pinhole leaks have been reported in this 100m section of pipe that runs from Taylor Court to Pandosy Street.

There are no operation and maintenance budget impacts associated with this capital request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	0	0	0	0	(150,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	2030 Infrastructure Plan: 2018 - W6	
Title:	Okaview 2 - Decommission Pump Station	PROVISIONAL	

Justification:

Budget is requested to decommission this pump station, a remnant from taking over the Okanagan Mission Improvement District, as it is no longer required and will not meet water quality requirements. The water license from this station has been transferred to other City facilities.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
60,000	0	0	0	0	(60,000)

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	2030 Infrastructure Plan: Not included	
Title:	Kettle Valley Reservoir Upgrade	PROVISIONAL	

Justification:

The reservoirs at Kettle Valley were expanded, leaving an interior wall that restricts even flow within the reservoir which is reducing water quality and raising water quality risks. Budget is requested to remove sections of the wall to improve flow and reduce or eliminate stagnant water. This project is proposed to be done in conjunction with the Water Integration Project.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
100,000	0	0	0	0	(100,000)

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	2030 Infrastructure Plan: 2018 - W5	
Title:	Offsite & Oversize - Water	PROVISIONAL	

Justification:

Every year the City partners with the development community to oversize water infrastructure to accommodate future projected development. This saves construction costs and disruption by not having to upsize infrastructure in the future when development occurs. Budget is requested for the City's annual share of costs to oversize water infrastructure and work in excess of the developer's own needs as a result of City requirements.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
67,200	(33,600)	0	0	0	(33,600)

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	2030 Infrastructure Plan: 2018 - W7	
Title:	Meter Installations	PROVISIONAL	

Justification:

This is an annual budget item for the installation of new water meters within the City of Kelowna's water distribution system for new development.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Corporate Framework: A clean healthy environment - Water conservation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	0	0	0	(150,000)	0

2018 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Water Capital	2030 Infrastructure Plan: Not included	
Title:	Dehart Road Bulkwater Fill Station		PROVISIONAL

Justification:

Budget is requested for the installation of a bulkwater fill station at Dehart Road between Lakeshore Road and Gordon Drive.

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

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
25,000	0	0	0	0	(25,000)

2018 Operating Request Details

Division:	Civic Operations	Priority: 1	New
Department:	Civic Operations		ON-GOING
Title:	Dehart Road Bulkwater Fill Station		PROVISIONAL

Justification:

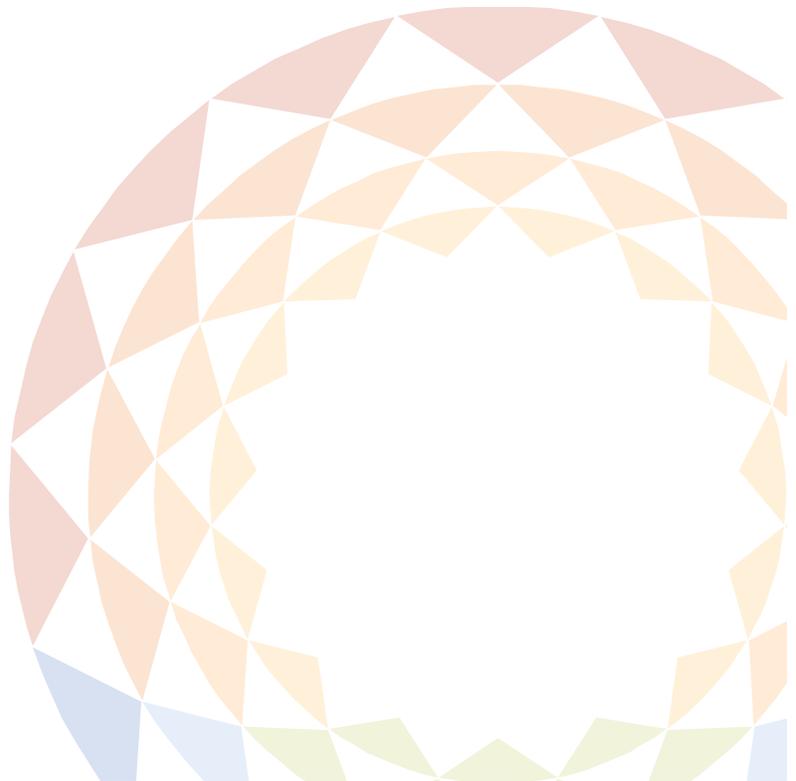
This request is to service the bulk water station including wages, equipment, materials and supplies.

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

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

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility
2018	14,740	0	0	0	0	0	(14,740)
2019	14,740	0	0	0	0	0	(14,740)
2020	14,740	0	0	0	0	0	(14,740)

Wastewater



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2018 Capital Requests

Provisional Budget

Wastewater Capital Summary - Utility Funds

Page	Project	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
Wastewater Capital - Priority 1								
Renew								
508	3342	Highway 97 Sanitary Manholes and McCurdy Sewer	65,000	0	0	0	0	(65,000)
508	XXXX	Manhattan Dr - Sanitary Replacement	550,000	0	0	0	0	(550,000)
509	XXXX	Lane North of Martin Ave - Sanitary Replacement	440,000	0	0	0	0	(440,000)
509	XXXX	Morrison Lift Station Replacement	600,000	0	0	0	0	(600,000)
510	XXXX	Gyro Lift Station€Flow Meter Replacement	75,000	0	0	0	0	(75,000)
510	XXXX	Lawrence Ave - Sanitary Replacement	350,000	0	0	0	0	(350,000)
511	XXXX	Flintoff Avenue - Sanitary Replacement	155,000	0	0	0	0	(155,000)
511	3262	WWTP - Roof Replacement	120,000	0	0	0	0	(120,000)
512	XXXX	Ethel St Sanitary Replacement, Sutherland - Springfield	50,000	0	0	0	0	(50,000)
Total Renew			2,405,000	0	0	0	0	(2,405,000)
Growth								
512	2070S	Offsite & Oversize - Wastewater	60,000	(30,000)	0	0	0	(30,000)
Total Growth			60,000	(30,000)	0	0	0	(30,000)
Cost Center Totals			2,465,000	(30,000)	0	0	0	(2,435,000)
Grand Total			2,465,000	(30,000)	0	0	0	(2,435,000)

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

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

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Highway 97 Sanitary Manholes and McCurdy Sewer PROVISIONAL

Justification:

Budget is requested to replace 65 sanitary manhole covers and frames that do not comply with City bylaws for the Highway 97 six-lane project. In addition, budget is requested to extend sanitary sewer approximately 40m into McCurdy Road to be clear of the Highway 97 intersection. This work was completed as per Highway 97 six-laning design and cost concerns report presented to council September 2015.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
65,000	0	0	0	0	(65,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Manhattan Dr - Sanitary Replacement PROVISIONAL

Justification:

Budget is requested to replace 300m of asbestos cement sanitary sewer pipe with polyvinyl chloride (PVC). This section of pipe is located between Sunset Drive and Flintoff Avenue. This work could be completed in conjunction with the Flintoff Avenue sanitary replacement project.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
550,000	0	0	0	0	(550,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Lane North of Martin Ave - Sanitary Replacement PROVISIONAL

Justification:

Budget is requested for replacement of 400m of asbestos cement sanitary pipe with polyvinyl chloride (PVC) from Ethel Street to Gordon Drive. This pipe has reached the end of its 70 year service life and is part of a larger plan to replace aging asbestos cement pipe.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
440,000	0	0	0	0	(440,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Morrison Lift Station Replacement PROVISIONAL

Justification:

The Morrison Avenue Lift Station is located on the north side of Morrison Avenue between Grenfell Road and Rhonda Crescent. The station is 33 years old and is at the end of its life cycle. The current configuration has out dated electrical controls and mechanical equipment that requires frequent maintenance. The current lift station does not have standby power and the site layout is challenging for operations and maintenance activities.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
600,000	0	0	0	0	(600,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Gyro Lift Station Flow Meter Replacement PROVISIONAL

Justification:

The current flow meter at the Gyro Lift Station has reached the end of its service life. The meter is located in the manhole and is subject to flooding from both groundwater and overland flow. Budget is requested for the design and installation of a reliable flow meter on the discharge forcemain of the Gyro Lift Station.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
75,000	0	0	0	0	(75,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Lawrence Ave - Sanitary Replacement PROVISIONAL

Justification:

Budget is requested for the replacement of 395m of vitrified clay sanitary main from 1948 with new polyvinyl chloride (PVC) pipe. This section of pipe runs along Lawrence Avenue between Ethel Street and Gordon Drive. The pipe has reached the end of its service life and is at a higher risk of failure. This project will be completed in conjunction with the Lawrence Ave Watermain replacement.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
350,000	0	0	0	0	(350,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Flintoff Avenue - Sanitary Replacement PROVISIONAL

Justification:

Budget is requested to replace 1950 vitrified clay sanitary pipe with new PVC from Flintoff Avenue to Guy Street Lift Station. This section of sanitary sewer is flushed frequently to avoid sewer back ups.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
155,000	0	0	0	0	(155,000)

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: WWTP - Roof Replacement PROVISIONAL

Justification:

This project is a result of ongoing evaluations of roof conditions on all Waste Water Treatment Plant (WWTP) facilities and the development of an ongoing capital renewal work program. The Head Work Building roof system was identified as having reached its anticipated service life and has a high probability of failure. The assessment identified deteriorating surface conditions and moderate moisture content readings in the insulation placing this roof system as the highest priority for replacement in 2018.

There are no operation and maintenance budget impacts associated with this request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
120,000	0	0	0	0	(120,000)

2018 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW5
 Title: Ethel St Sanitary Replacement, Sutherland - Springfield PROVISIONAL

Justification:

Budget is requested to replace and, where necessary, reconnect sanitary collection services along the 785m of new sewer mainline installed on Ethel Street. Connections to larger transmission mainlines require a significant level of quality control. The project work coincides with the Ethel Active Transportation Corridor that will run from Sutherland Avenue to Springfield Avenue.

There are no operation and maintenance budget impacts associated with this capital request.

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

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
50,000	0	0	0	0	(50,000)

Department: Capital Projects Priority: 1 Growth
 Cost Center: Wastewater Capital 2030 Infrastructure Plan: 2018 - WW4
 Title: Offsite & Oversize - Wastewater PROVISIONAL

Justification:

Every year the City partners with the development community to oversize wastewater infrastructure to accommodate future projected development. This saves construction costs and disruption by not having to upsize infrastructure in the future when development occurs. Budget is requested for the City's annual share of costs to oversize wastewater infrastructure and work in excess of the developer's own needs as a result of City requirements.

There are no operation and maintenance budget impacts associated with this request

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

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

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
60,000	(30,000)	0	0	0	(30,000)

Carryovers



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CARRYOVERS

Added after carryovers are approved in March 2018.

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Final Budget



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FINAL BUDGET

Added after final budget is approved in April 2018.

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Five-Year Financial Plan



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FIVE-YEAR FINANCIAL PLAN

Added after final budget is approved in April 2018.

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Appendix



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APPENDIX

Supplemental information

Citizen survey results

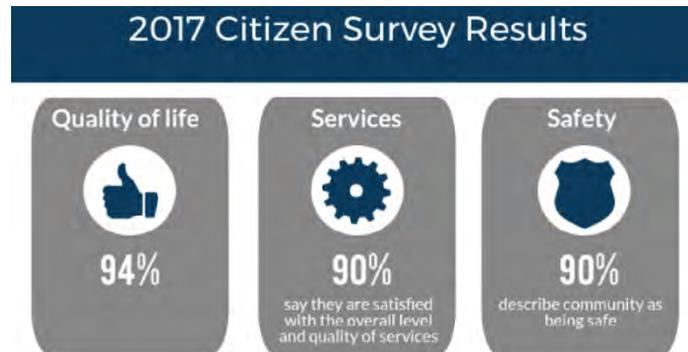
The citizen survey is an excellent tool to gather citizen feedback about priorities for municipal spending, as well as satisfaction with City programs and services. Results of the City of Kelowna's statistically-valid 2017 Citizen Survey (conducted by Ipsos Reid) are weighted by age, gender and city-wide distribution to accurately reflect Kelowna's population. Results are benchmarked against other local governments.

The 2017 survey focused on seven key areas:

- Quality of life
- Issue identification
- Community safety
- City services and infrastructure
- Financial planning
- Priority setting
- Customer service

The survey results are predominantly positive for the City of Kelowna, with responses indicating that residents:

- Have a good quality of life
- Live in a safe community
- Are satisfied with services
- Receive good value for tax dollars
- Prefer to see a tax increase over service reductions
- Are satisfied with customer service



Top of mind issues for citizens include social issues (affordable housing and homelessness), transportation (traffic congestion and condition of streets), as well as growth and development.

Top priorities for City investment include encouraging a diverse supply of housing, improvements to traffic flow, provision of clean drinking water, and ongoing police and fire services.

To review the detailed report, visit kelowna.ca and search for Citizen Survey.

Official Community Plan: indicators report

The Official Community Plan (OCP) is our shared vision for Kelowna as a sustainable city over the next 20 years. It illustrates how we want to grow and what we want our city to be like.

Importantly, it outlines what our city needs to be successful in the future — a great place to live, work and play. To achieve this, the OCP sets goals, objectives and policies to guide our growth and change. The plan was developed with significant public involvement and responds to the community's vision for a livable and thriving community.

According to community input into the Official Community Plan (OCP) 2010 - 2030, residents want a city where:

- Urban communities are compact and walkable
- Housing is available and affordable for all residents
- People feel safe downtown and in their own neighbourhoods
- The natural environment (land and water) is protected and preserved
- Walking paths and bicycle routes connect to key destinations
- The economy is growing, vibrant and bringing in new businesses
- Buildings and public spaces are attractive places
- Recreation and cultural opportunities are plentiful

2016 indicators

The intent of the OCP Indicators Report is to produce a yearly snapshot report providing data relative to previous years. The OCP is a living document and data from these reports is used to support OCP amends on an ongoing basis. On a larger scale, the data from the indicators reports will be fundamental to informing any potential changes as part of the upcoming OCP Update process.

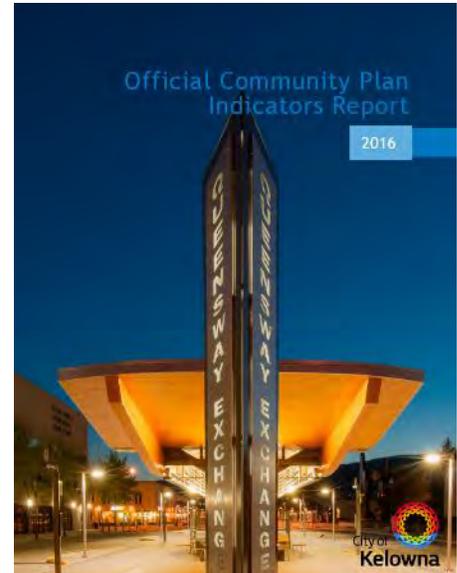
Overall, the 2016 report suggests that the City is moving towards achieving OCP goals. Of the 25 indicators, 15 are trending in a positive direction, three are trending in a negative direction, four saw minimal change from previous years, and three do not yet have enough data to determine a trend.

Highlights from the indicators include:

- The percentage of new residential units that are multi-family continued to improve for the fifth consecutive year.
- 2015 continued to see more residential building permits issues for the Urban Core than 2011 and 2012, overall indicating a positive trend in this central location.
- The vacancy rate has remained below three per cent for the last three years, creating a constrained rental market. The City acknowledges the challenges from the low vacancy rate and in response has multiple incentives in place to encourage development of rental housing including, tax incentives, micro-suite incentives and rental housing grants.
- In terms of safety, the mid-year estimate suggests that the crime rate has seen minimal change since the baseline year of 2011.
- Local wages are keeping pace with provincial benchmarks.
- The number of businesses with employees continues to increase which reflects a healthy climate for investment and a sense of optimism from business owners.
- The percentage of parks and transportation dollars spent in the urban core decreased in 2015 but the overall trend supports the OCP objectives of increasing private investment in the central part of the city. Since the baseline year, almost 69 per cent of parks and transportation dollars have been spent in the urban core.
- Average household electricity and gas consumption continues to decrease.
- The percentage of land protected as park continues to increase each of the last four years towards the target.

The effectiveness of OCP implementation is measured by indicator performance. Having 19 of the indicators (76 per cent) either performing in a positive direction, or remaining consistent, suggests that the intent of the OCP is being implemented and that the policies are resulting in a positive performance. The 2016 result is an increase over the previous year where 72 per cent of indicators were performing in either a positive direction or remained consistent.

For the full report, visit kelowna.ca and search for Official Community Plan.



2017 Community Trends Report

The City of Kelowna's Community Trends Report aims to provide an engaging examination of key trends that will influence Kelowna's future. In doing so, the report offers the City, businesses, community groups, and residents the necessary information to prepare for and respond to the impacts of these trends. Given the extreme weather events of 2017 – flooding and wildfires resulting in a 131 day Emergency Operation Centre activation – this fourth annual edition looks at how those extreme events of 2017 are similar to those expected in a future influenced by climate change¹.

Executive Summary

In Kelowna, 2017 is a year defined by extremes: a community in the midst of an economic boom, and a community challenged by extreme weather events that are expected to become more regular.

Booming economy

Our population is growing rapidly – estimated at 129,500 – with over 12,000 new residents in the past six years alone. The city's appeal is broadening its reach and attracting more and more young families from the Lower Mainland. Our educational institutions are continuing to grow and to invest with more students choosing to stay in the Okanagan after graduation. At the same time our airport is busier than ever.

Summer of extremes

Despite a banner year for many sectors, the spring and summer of 2017 were largely defined by extreme weather events and our community's responses to them.

Starting with a wet spring that led to exceptional volumes of water entering Lake Okanagan, Kelowna was faced with serious flooding. And while the lake level was still elevated and the cleanup effort was underway, the drought began in many parts of the province, setting up ideal conditions for forest fires. The Emergency Operations Centre finally closed its doors in September, marking its longest continuous operation.

Through the four lenses of environment, people/health, economy and infrastructure, this year's Community Trends Report looks at these extreme weather events to help us understand what we can expect in the years to come and what we might be able to do to prepare.

The impacts – both positive and negative – could be far-reaching, from changing what crops to grow and to challenging the capacity of our infrastructure to deal with spring storm events. The City is already taking positive action, protecting green infrastructure like our valuable agricultural lands and watercourses, and undertaking wild re mitigation work in our interface areas.

Taking Action

Looking ahead, further action is needed in a few key areas:

- Develop a Community Climate Adaptation Strategy
- Update the 2040 Official Community Plan and 20-Year Servicing Plan from a resiliency lense and have a responsive growth strategy, that helps the City adapt to new realities
- Look for opportunities to create more green infrastructure
- Examine infrastructure design and enforcement standards to see if they need to be updated
- Ensure a sustainable and dynamic emergency response model remains in place

For the full report, visit kelowna.ca and search for Community Trends Report.



Statistics

Top 10 corporate taxpayers

2017

Rank	Business (owner) name	Type of property
1	Orchard Park Shopping Centre	Shopping Mall
2	Fortisbc Inc	Electrical Utility
3	Delta Hotels No 48 Holdings Ltd	Hotel & Convention Centre
4	Inland Natural Gas Co Ltd	Gas Utility
5	McIntosh Properties Ltd	Shopping Mall
6	Victor Projects Ltd	Shopping Mall
7	4231 Investments Ltd	Shopping Mall
8	Dilworth Shopping Centre Ltd	Shopping Mall
9	RG Properties Ltd	Shopping Mall
10	Wal-Mart Canada Corp	Shopping Mall

2016

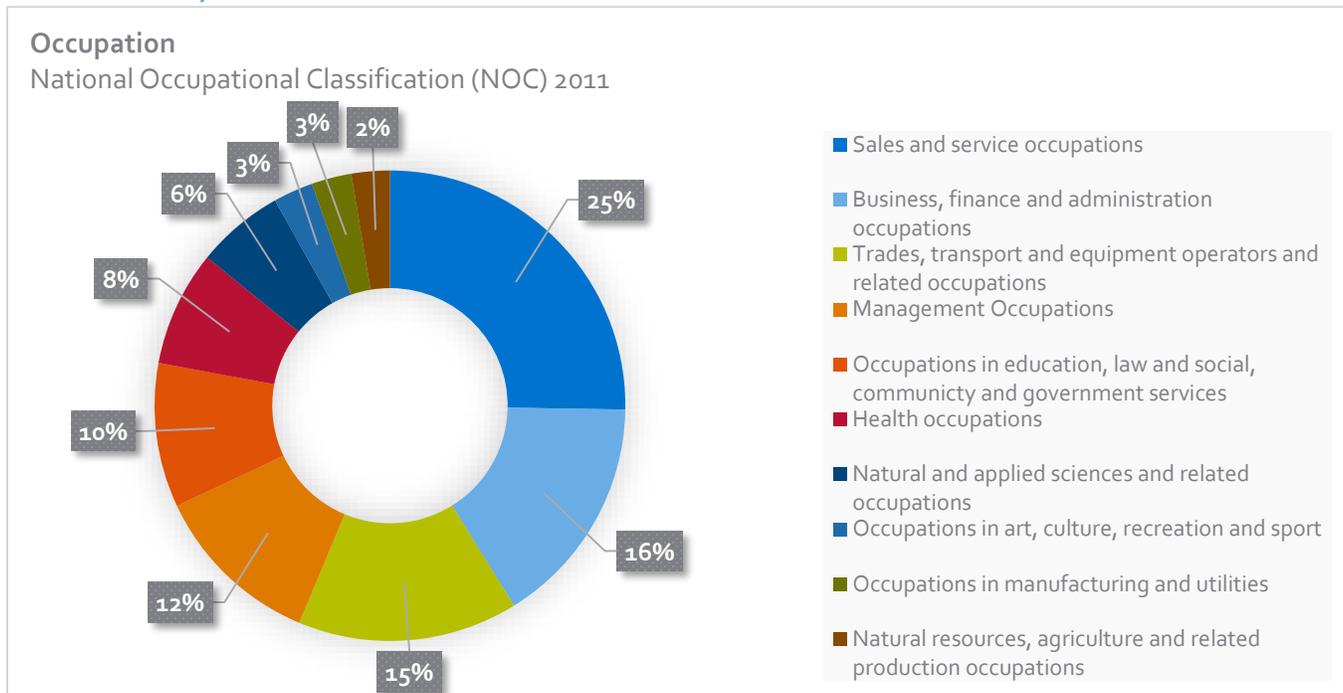
Rank	Business (owner) name	Type of property
1	Orchard Park Shopping Centre	Shopping Mall
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5	McIntosh Properties Ltd	Shopping Mall
6	Victor Projects Ltd	Shopping Mall
7	4231 Investments Ltd	Shopping Mall
8	Dilworth Shopping Centre Ltd	Shopping Mall
9	Wal-Mart Canada Corp	Shopping Mall
10	Al Stober Construction Ltd	Commercial Building

Tax comparison analysis – 2016 & 2017

<i>Business</i>	2016	2017	Difference	Change
Assessed value	\$1,282,800	\$1,359,000	\$76,200	5.94%
Municipal				
General Tax Levy	10,442.76	10,843.72	400.96	3.84%
School				
General Tax Levy	6,927.12	7,065.66	138.54	2.00%
Other Taxing Jurisdictions				
Regional District Levy	1,045.61	990.43	(55.18)	-5.28%
Hospital Levy	1,051.38	1,007.23	(44.15)	-4.20%
Library Levy	500.29	506.74	6.45	1.29%
BC Assessment Levy	202.04	189.31	(12.73)	-6.30%
Total Tax Levy	20,169.20	20,603.09	433.89	2.15%

<i>Residential</i>	2016	2017	Difference	Change
Assessed value	\$501,410	\$556,210	\$54,800	10.93%
Municipal				
General Tax Levy	1,860.93	1,932.39	71.46	3.84%
Other Municipal User Fees				
Garbage Collection/Waste Reduction	162.30	162.30	0.00	0.00%
School				
General Tax Levy	926.20	944.73	18.53	2.00%
Homeowner Grant	(770.00)	(770.00)	0.00	
	156.20	174.73	18.53	11.86%
Other Taxing Jurisdictions				
Regional District Levy	166.79	165.45	(1.34)	-0.80%
Hospital Levy	167.72	168.26	0.54	0.32%
Library Levy	89.15	90.30	1.15	1.29%
BC Assessment	27.23	24.03	(3.20)	-11.75%
Total Tax Levy	2,630.32	2,717.46	87.14	3.31%

Local economy¹



For more information on the local economy, visit www.investkelowna.com.

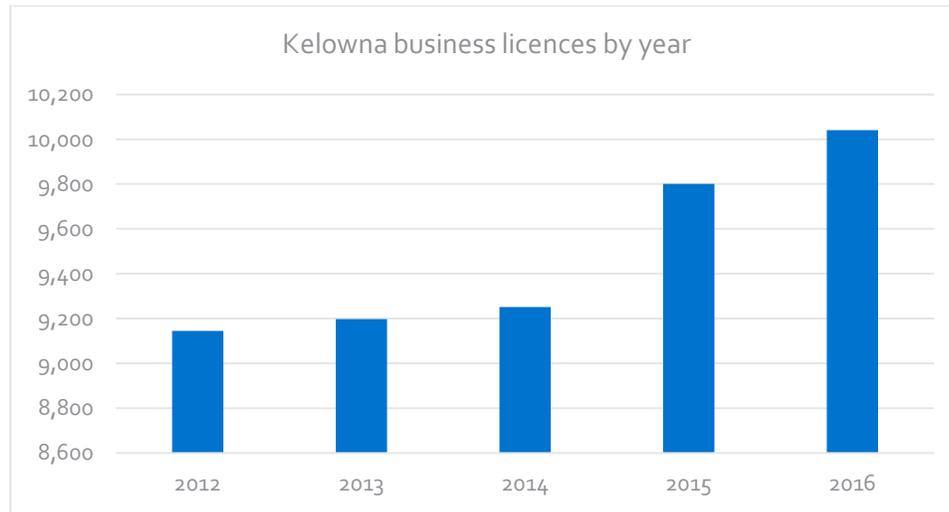
¹ Note:

[1] For the 2011 National Household Survey (NHS) estimates, the global non-response rate (GNR) is used as an indicator of data quality. This indicator combines complete non-response (household) and partial non-response (question) into a single rate. The value of the GNR is presented to users. A smaller GNR indicates a lower risk of non-response bias and as a result, lower risk of inaccuracy. The threshold used for estimates' suppression is a GNR of 50% or more. For more information, please refer to the National Household Survey User Guide, 2011.

[2] Includes self-employed with an incorporated business and self-employed with an unincorporated business. Also included among the self-employed are unpaid family workers.

Source: Statistics Canada - 2011 National Household Survey. Catalogue Number 99-012-X2011033.

Business licences



Access to markets

Kelowna's central location provides the city with access to key markets, as well as their population base.

Distance (km) to Kelowna from:

- Vancouver – 457
- Seattle – 579
- Calgary – 612
- Portland – 826
- Saskatoon – 1,233
- Salt Lake City – 1,614
- San Francisco – 1,872
- Winnipeg – 1,970
- Los Angeles – 2,494
- Denver – 3,215

Kelowna weather

This data has been collected from [The Weather Network](#).

Temperature (°C)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average high	1.4	4.5	10	16	20.7	24.2	29.2	28.3	23	13.3	6	1.5
Average low	-4.6	-3.6	-0.8	2.7	6.6	10	13.1	12.2	8.3	2.7	-0.9	-4.6
Average	-1.6	0.5	4.6	9.3	13.7	17.1	21.1	20.3	15.7	8	2.5	-1.5
Record daily high	9.5	12.4	21.5	26.3	33.2	34.9	40.4	41	34.8	23.7	13.2	11.4
Date	Jan 29 1999	Feb 22 1995	Mar 31 1994	Apr 25 2001	May 29 1995	Jun 22 1994	Jul 24 1994	Aug 04 1998	Sep 02 1998	Oct 01 1998	Nov 01 1997	Dec 16 1999
Record daily low	-27.5	-22.3	-12.3	-6	-2.1	3	7	3.3	-1.6	-5.8	-21.8	-22
Date	Jan 30 1996	Feb 01 1996	Mar 05 1996	Apr 04 1997	May 09 1999	Jun 07 1999	Jul 19 1996	Aug 28 2000	Sep 23 2000	Oct 31 1996	Nov 23 1996	Dec 28 1996

Precipitation

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Monthly rainfall (mm)	10	14	17	24	35	40	34	27	34	37	24	12
	Annual average: 308											
Monthly snowfall (cm)	28	9	5	1	0	0	0	0	0	0	22	36
	Annual average: 100											
Monthly precipitation (mm)	38	23	23	25	35	40	34	27	34	37	46	48
	Annual average: 409											
Single day record rainfall (mm)	11	10	6	12	19	16	32	17	33	18	9	11
Date	Jan 31 1995	Feb 17 1994	Mar 13 2000	Apr 05 2001	May 29 1996	Jun 23 1999	Jul 21 1997	Aug 08 1994	Sep 02 2000	Oct 28 1996	Nov 14 1998	Dec 29 1997
Single day record snowfall (cm)	14	7	7	6	0	0	0	0	0	0	15	15
Date	Jan 20 1996	Feb 11 1997	Mar 02 1998	Apr 13 2000	May 01 1994	Jun 01 1994	Jul 01 1994	Aug 01 1994	Sep 01 1994	Oct 01 1994	Nov 16 1996	Dec 25 1998
Single day record precipitation (mm)	14	10	8	12	19	16	32	17	33	18	17	15
Date	Jan 20 1996	Feb 17 1994	Mar 02 1998	Apr 05 2001	May 29 1996	Jun 23 1999	Jul 21 1997	Aug 08 1994	Sep 02 2000	Oct 28 1996	Nov 27 1995	Dec 25 1998

Glossary

Accrual method of accounting | A method of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Accumulated surplus | The balance in a fund that represents the cumulative excess in revenues over expenditures. This term also refers to reserve accounts.

Alternative approval process | To provide electors the opportunity to seek a vote on a particular matter being proposed by Council. Approval is obtained if fewer than 10% of eligible electors in the area submit elector response forms (former counter petition process).

Amortization | Is the gradual reduction of debt by means of equal periodic payments sufficient to meet current interest and liquidate the debt at maturity.

Appropriation | Term used to refer to the setting aside of monies into a reserve account or fund.

Balanced budget | Budgeted expenditures and transfers to funds are equal to budgeted revenues and transfers from funds.

Base budget | The initial budget that provides for the existing levels of service in the current year.

Capital assets | Is a long-term asset that is not purchased or sold in the normal course of business. Generally, it includes fixed assets.

Capital expenditures | Expenditures of a non-operating or maintenance nature, such as costs to acquire equipment, land, buildings and costs associated with new infrastructure or improvements to existing infrastructure.

Capital lease | Is a lease obligation that has to be capitalized on the balance sheet.

Cost center | Within the City's reporting structure a cost center refers to a specific director, manager, supervisor or division (see Department/Division/Branch).

Conditional grants | Grants (e.g. Federal and Provincial Government) that are dependent on annual approval and potentially limited in how they may be expended.

Debenture | A form of long term corporate debt that is not secured by the pledge of specific assets.

Debt service | The amount of interest and payments due annually on long term debt.

Deficit | An excess of expenditure over revenue. A loss in business operations.

Division/Department/Branch | Part of the City's organization structure. Divisions are the highest level grouping, departments are sections under the division and branches are sections under department. (ie. Division – Corporate & Protective Services; Department – Financial Services; Branch – Financial Planning).

Depreciation | To lower the price or estimated value of a capital asset.

Development Cost Charges (DCCs) | Monies collected from land developers to offset some of the infrastructure expenditures required to service new development. Charges are intended to facilitate development by providing a method to finance capital projects related to water, sewer, drainage, roads and parkland acquisition.

Drivers & activities | Details how Council, Corporate and Divisional priorities lead the work done at the divisional level. Activities are work plans to be accomplished in the current year.

Expenditure | The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expensed projects | A project which does not meet the criteria as established by the City's Tangible Capital Asset policy based on PSAB 1350 requirements. These project budgets are recognized in department operating budgets.

Expenditure reduction | A request to reduce an existing expenditure level.

Fees and charges | A source of revenue generated by the activities, works or facilities undertaken or provided by or on behalf of the City.

Financial Plan | Section 165 of the Community Charter requires that a municipality must have a financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted. The financial plan may be amended by bylaw at any time and is for a period of 5 years. The financial plan identifies the revenue sources and the proposed expenditures to be incurred to meet the outlined objectives.

Franchise fee | A charge made to a privately owned utility for the ongoing use of City property. The City of Kelowna has one franchise fee agreement with Terasen Gas Inc.

Full Time Equivalents (FTEs) | A conversion measure to express all staffing (temporary, part-time, etc.) in terms of a common fulltime denominator.

Fund | A fiscal entity with revenues and expenses which are segregated for the purpose of carrying out a specific activity. The City has five main funds: general, water, wastewater, natural gas and airport. There are also various statutory reserve funds.

General Fund | This fund is used to account for general operations and activities and includes most city departments except the enterprise funds of water, wastewater, natural gas and airport. The departmental activities in the general fund are funded wholly or in part by property taxes.

General revenue | Refers to the revenues which are not specifically attributable to or generated by any particular department within the City's reporting structure.

Grants-in-lieu | Properties within a municipality that are owned by the Federal or Provincial governments are exempt from taxation. The City may receive a grant-in-lieu in place of a tax levy.

Infrastructure | Facilities and improvements such as buildings, roads, sidewalks, storm drainage, waterworks, sanitary sewer systems.

Internal control | Include policies and procedures that pertain to the maintenance of accurate and reasonably detailed records.

Internal equipment revenue | Revenue generated from a charge against current operations for the use of a City vehicle or equipment. The charge is similar for a class of vehicles and is based on full recovery plus inflation.

Local Government Act (LGA) | Provincial legislation that provides authority for municipal expenditure and revenue collection. Some sections of the LGA have been replaced by the Community Charter.

Modified accrual basis | Modified accrual accounting recognizes revenues when they become available and measurable and with a few exceptions, recognizes expenditures when liabilities are incurred.

Official Community Plan (OCP) | A City bylaw that defines policies for land use and development.

Operating expenses | The cost for personnel, internal equipment, materials, contract services and transfers required for a department to function.

Operating request | A request for operating budget that is required to provide a new service or expand an existing service beyond the current funding level.

Operating revenue | Funds that the City receives as income to pay for ongoing operations. It includes such items as taxes, fees and charges from specific services, interest earnings, and grant revenues.

Pay-as-you-go Capital | Capital expenditures that are financed from current year taxation revenues.

Parcel tax | A tax imposed on the basis of a single amount for each parcel, the taxable area of the parcel, or the taxable frontage of a parcel.

Property taxation | The process by which the City obtains the required funds to pay for the General Fund Operating and Capital expenditures of any given year not funded from another source. This is provided by a levy on each property of various classes within the municipality.

Reserve account | Part of the Accumulated Surplus that has been earmarked for future operating or capital expenditures.

Reserve Fund (statutory reserves) | A reserve fund is established by Council by bylaw for a specified purpose that is within the powers of the municipality within the powers of the LGA or another Act.

Revenue | Sources of income financing the operations of the City.

TDAR technology | Tailgate detection, alarm and recording system. Biometric system that uses fingerprinting and cards to access restricted areas.

Time Resource Management (TRM) | Recording system for payroll, equipment use and materials used by the operations group.

Trade Waste Treatment Plant (TWTP) | Wastewater treatment facility run by the City but charged back to specific commercial users.

UPASS | A program where students pay a fee per semester that lets them use their student card as a bus pass.

Utility | The City owns three utilities; water, wastewater and natural gas. The airport is also treated like a separate utility. These utilities pay for themselves through a separate revenue structure specific to each one that pays for their respective operating costs, debt servicing costs and capital projects not funded from other sources.

Working capital | The excess of current assets over current liabilities.

Acronyms

AIF	Airport Improvement Fee	SEKID	South East Kelowna Irrigation District
ALC	Active Living & Culture	SOMID	South Okanagan Mission Irrigation District
BCA	BC Assessment	STPCO	Strategic Transportation Partnership of the Central Okanagan
BCMSA	BC Municipal Safety Association	TCA	Tangible Capital Assets
BCTWTP	BC Trade Waste Treatment Plant	TDM	Transportation Demand Management
CCTV	Closed-circuit TV	UBCM	Union of British Columbia Municipalities
COK	City of Kelowna	UBCO	University of British Columbia - Okanagan
CORD	Central Okanagan Regional District	WWTF	Waste Water Treatment Facility
CPIC	Canadian Police Information Center	YLW	Kelowna International Airport
CS. L	Canadian Sport for Life		
CUPE	Canadian Union of Public Employees		
CWME	Capital Works Machinery & Equipment – statutory reserve fund		
DKA	Downtown Kelowna Association		
EDMS	Electronic Data Management System		
EFT	Electronic Funds Transfer		
EOC	Emergency Operating Centre		
FOI	Freedom of Information		
GAAP	Generally Accepted Accounting Principles		
GFOA	Government Finance Officers Association		
GHG	Green House Gas		
GIS	Geographical Information Systems		
HVAC	Heating, Ventilation and Air Conditioning		
IHA	Interior Health Authority		
KFD	Kelowna Fire Department		
LAS	Local Area Service		
LEED	Leadership in Energy and Environmental Design		
LOA	Lease and Operating Agreement		
MFA	Municipal Finance Authority		
MoTI	Ministry of Transportation and Infrastructure		
OCC	Operational Communications Centre		
OFC	Office of the Fire Commissioner		
OMMLRA	Okanagan Mainline Municipal Labour Relations Association		
PACT	Police and Crisis Team		
P.A.R.T.Y.	Prevent Alcohol and Risk Related Trama to Youth		
PAWS	Pre-Authorized Withdrawal System		
PGB	Personal Growth Boundary		
PHD	Partners for Healthy Downtown		
POC	Paid-on-Call		
POS	Point of Sale		
PRC	Parkinson Recreation Centre		
PRIME	Police Records Information Management Environment		
PSAB	Public Sector Accounting Board		
PSAS	Public Sector Accounting Standards		
RCMP	Royal Canadian Mounted Police		
RFI	Request for Information		
RFP	Request for Proposal		
RIM	Records & Information Management		