

Report to Council



Date: April 16, 2018
File: 0220-20
To: City Manager
From: Melanie Antunes, Budget Supervisor
Subject: Amendment No. 1 to the Five Year Financial Plan 2017-2021 Bylaw No. 11582

Recommendation:

THAT Council receives, for information, the Report from the Budget Supervisor dated April 16, 2018 with respect to amendments to the Five Year Financial Plan 2017-2021 Bylaw;

AND THAT Bylaw No. 11394 being Amendment No. 1 to the Five Year Financial Plan 2017-2021 Bylaw No. 11582 be advanced for reading consideration.

Purpose:

To amend the Five Year Financial Plan 2017-2021 as required by the Community Charter so that it includes the authorized transfers and amendments that occurred throughout the year.

Background:

The City of Kelowna, in order to comply with section 165(1) of the Community Charter (Financial Management), amends the financial plan to provide for expenditures required after adoption of the Five Year Financial Plan Bylaw. These expenditures, in all cases, do not impact taxation demand but rather result in the shift of funding from one source to another and/or shifts in expenditures within, or from, one municipal purpose area to another.

The amended financial plan is impacted on a departmental basis by contingency fund transfers and other transfers as permitted under the Budget Amendment Policy #262 and Budget Transfer Policy #261, which are excluded from the analysis below.

The attached Schedule A reflects the following material amendments and transfers that are being brought before Council for the first time:

General Fund

Civic Operations Division:

The Prospera Place Dasher Boards were replaced in 2017 as identified in the 30-year capital plan for Prospera Place. The replacement was funded through the Prospera Place Capital Maintenance Fund in the amount of \$318,580.

As part of the Integrated Transportation Department restructure, budget was re-allocated from the Traffic Signals and Systems Branch to aid in contract administration in the amount of \$152,310.

Budget was amended to reflect the Council approved five per cent Cemetery revenue increase (Bylaw No. 11144) along with some miscellaneous budget adjustments resulting in a total annual contribution increase of \$28,258 to the Cemetery operating reserve.

Community Planning & Strategic Investments Division:

The Capri-Landmark Urban Centre Plan project was successful in attaining a \$40,000 grant from the Real Estate Foundation of BC, and an additional \$71,310 budget was transferred to the project from the professional and consulting budget of the Research and Strategic Planning branch.

Corporate Strategic Services Division:

Innovative Opportunities budget was transferred to help achieve short-term Corporate Strategic division goals (\$50,000), and for a Fire Services project (\$50,000).

Corporate & Protective Services Division:

A realignment of the Bylaw Services Department resulted in a new Business Licence Department. Budgets were transferred to the new department in the amount of \$217,953.

A review of the Fire Administration & Finance Supervisor position was completed and replaced with a CUPE Financial Analyst position reporting to the Financial Services Division. The total budget impact was a transfer of \$98,490 from the existing exempt position to the newly created CUPE position.

The fire dispatch service is a stand-alone program included in the Fire Department. Budget was realigned in 2017 to consolidate all program budgets under one cost centre to show the total cost of the service. The total realignment moved \$1,848,555 in total revenue and expenditure budgets.

Infrastructure Division:

As part of the Integrated Transportation Department restructure, three positions from the Traffic Operations branch were transferred to the Infrastructure Division and structural changes within other areas of the Infrastructure Division were completed resulting in a budget transfer of \$457,055.

The City and the neighbourhood residents group in Wilden participated in a 50/50 neighbourhood park partnership for the design and construction of the Lost Creek Park. The neighbourhood group was able to raise \$125,000 for their share of the partnership. The City's budget was reduced from \$200,000 to \$125,000 to match the amount raised by the residents group.

The Laurel Packinghouse Courtyard Museum Partnership was unsuccessful in receiving a \$150,000 Provincial grant resulting in a project budget reduction.

As part of the Canyon Creek Partnering Agreement, the City constructed a new bridge over KLO Creek on McCulloch Road on behalf of the developer with repayment to come through a mortgage agreement with the City of Kelowna. Due to the time span between the original design and actual construction additional funding of \$94,520 was required.

The ATS Graphic LCD Message Board was purchased in 2017. A budget amendment for \$18,780 was completed to transfer funding for the equipment from the Traffic Operations Administration operating budget to the capital program.

Wastewater, Water Funds

As part of the Utility Services Department realignment, the Water Quality and Customer Care Branch was created. Budget was transferred from existing Cost Centres totaling \$938,324 and distributed throughout new General, Wastewater and Water Fund cost centres.

Internal Circulation:

George King, Financial Planning Manager

Legal/Statutory Authority:

Community Charter section 165

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

M. Antunes, Budget Supervisor

Approved for inclusion:



Genelle Davidson CPA CMA, Divisional Director Financial Services