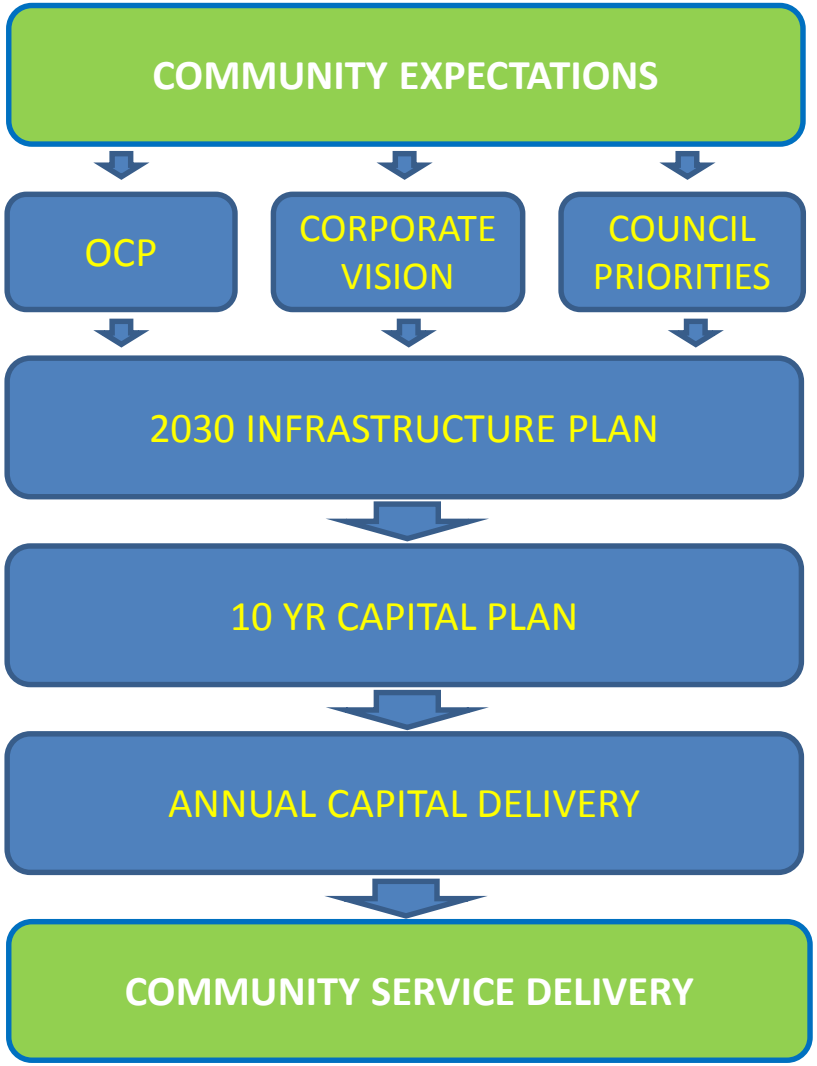
2030 Infrastructure Plan

City of Kelowna

PRESENTATION OUTLINE

- Strategic Alignment
- Financial Assumptions
- Infrastructure Investment & Financing
- Community Engagement
- Next Steps

Strategic Alignment



ASSUMPTIONS

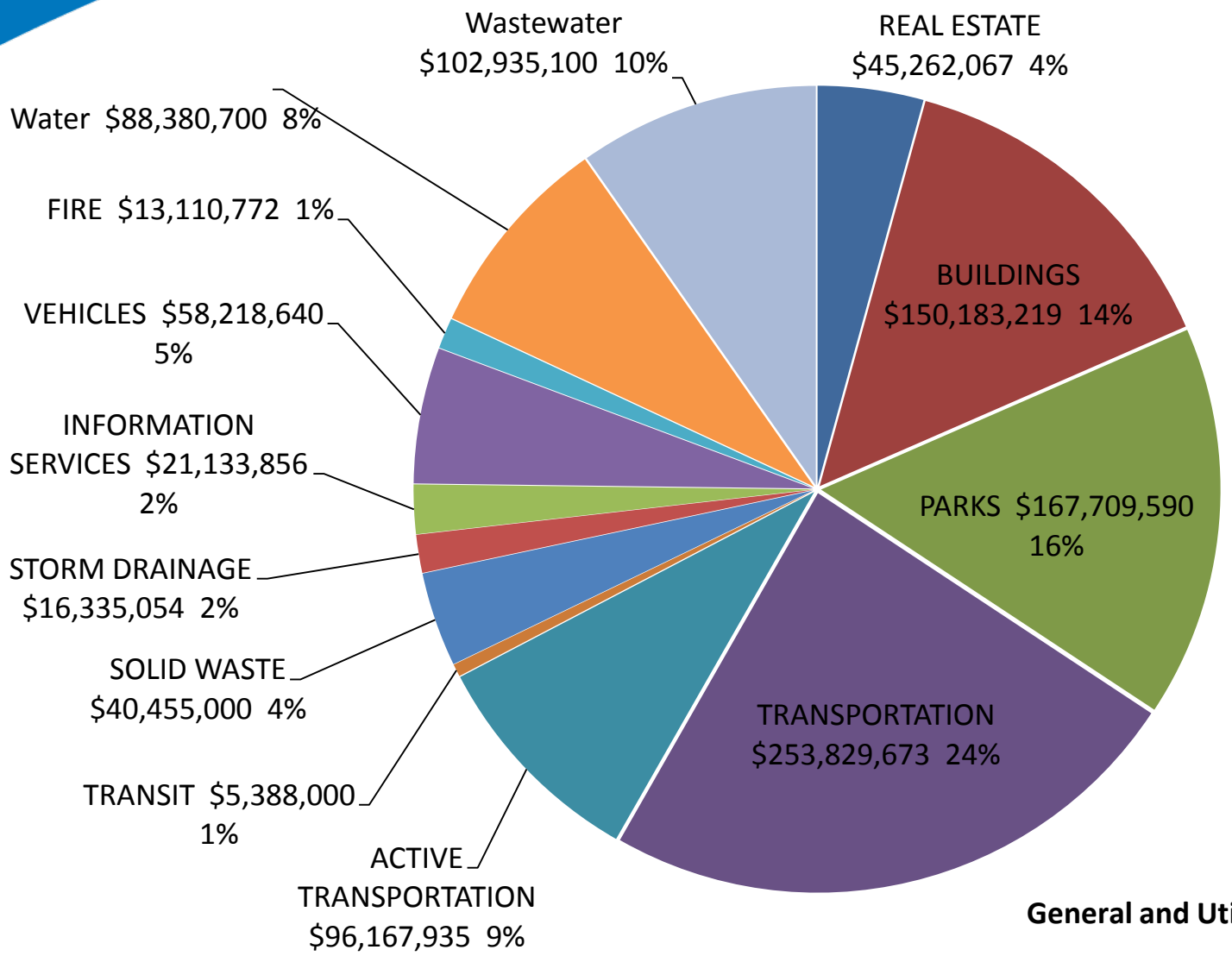
- Taxation:
  - Assume base of $12.03 million taxation for capital in 2016.
  - Increase each year by 40% new construction revenue.
  - New construction is based on the % growth multiplied by the previous year's tax demand.

Year	Tax Demand	Growth	New Construction	Capital Increase	Total Gen Tax Capital
2016	115,334,663	1.58%	1,793,943	717,577	12,028,841
2017	117,156,951	1.58%	1,822,288	728,915	12,757,756
2018	119,008,031	1.58%	1,851,080	740,432	13,498,188

ASSUMPTIONS (CONTINUED)

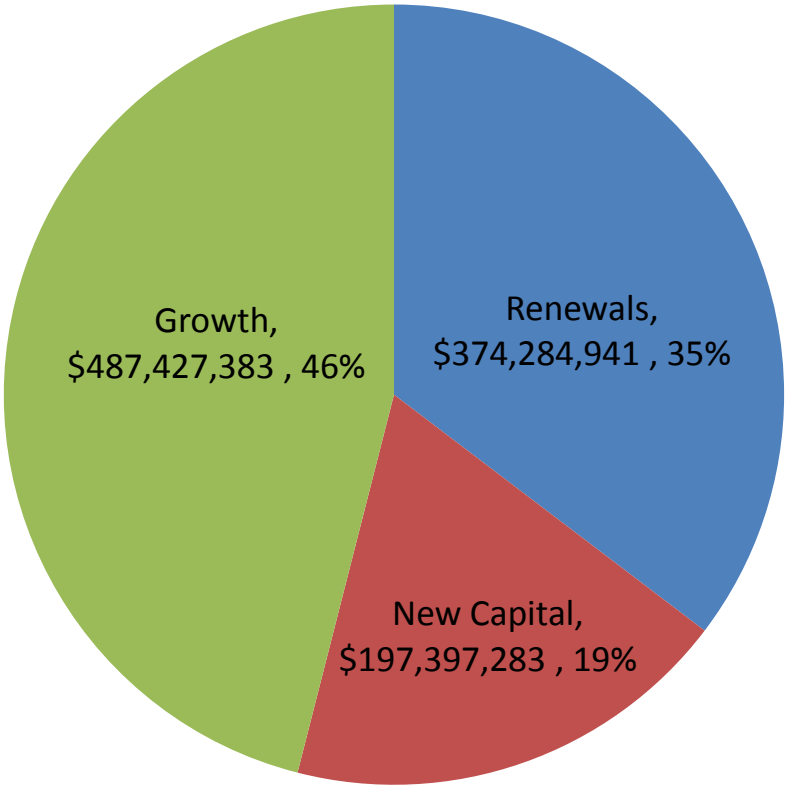
- Reserve/Surplus:
  - Annual surplus of approximately $1 million allocated annually to various reserves
  - Reserve revenue projections used average of previous 5 years' revenue
  - Community Works Fund revenues
    - 2015 – 2019 → Union of BC Municipalities (UBCM) Gas Tax Agreement Community Works Fund Allocations Year 1 - Year 5
    - 2019 – 2030 → amount was based on a 2% increase from 2015's contributions, per UBCM
  - Interest on general reserves = 0.85%
  - Interest on statutory reserves = 2.5%
- Development Cost Charges:
  - DCC reserve revenue projections determined by a revised growth figures from Policy & Planning
  - 75% of what was originally anticipated
  - Interest on DCC reserves = 2.5%
- Borrowing:
  - Current informal policy of debt repayment is to not exceed 5% of the taxation demand
  - the debt servicing as a percentage of taxation demand is expected to be above 5% for the duration of the plan

INFRASTRUCTURE INVESTMENT



General and Utility Funds Total **$1.06B**

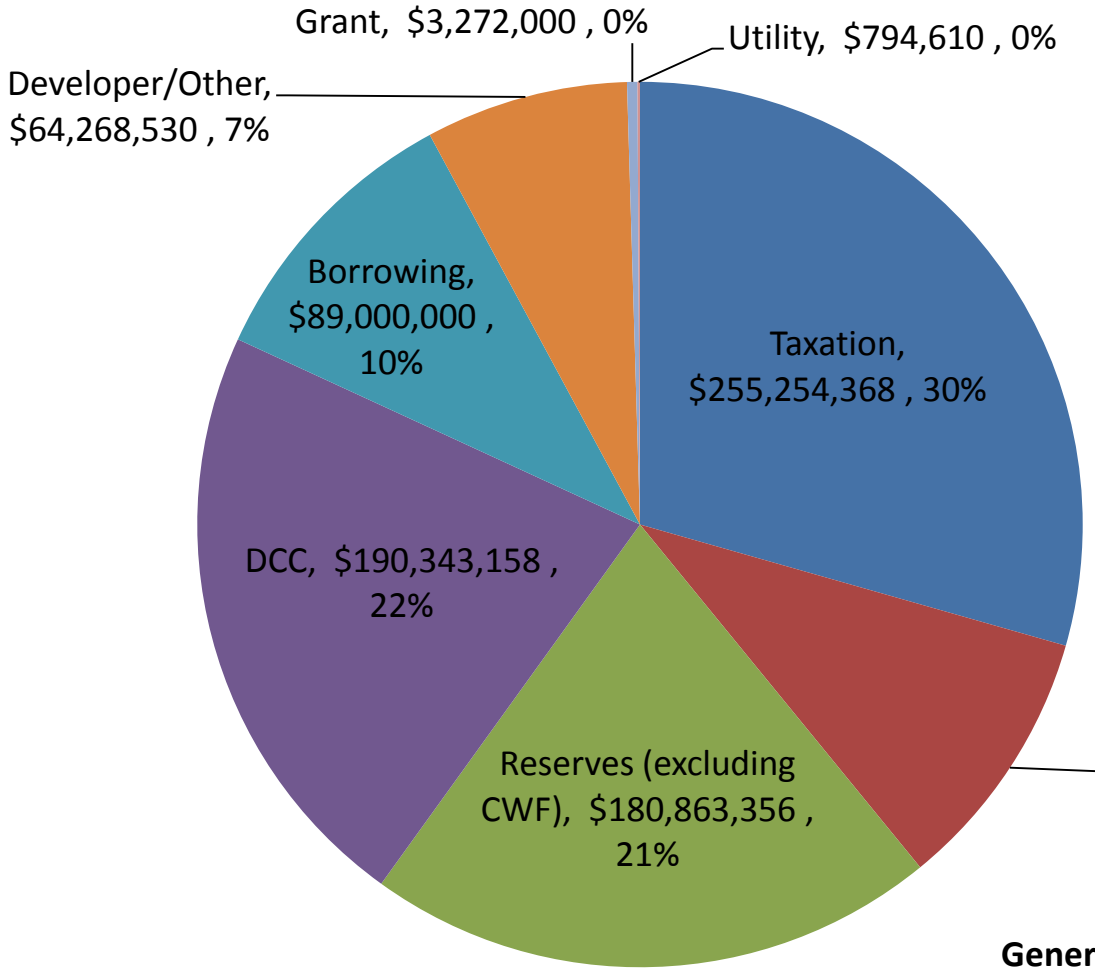
INVESTMENT NEW, GROWTH & RENEWAL



Total $1.06B

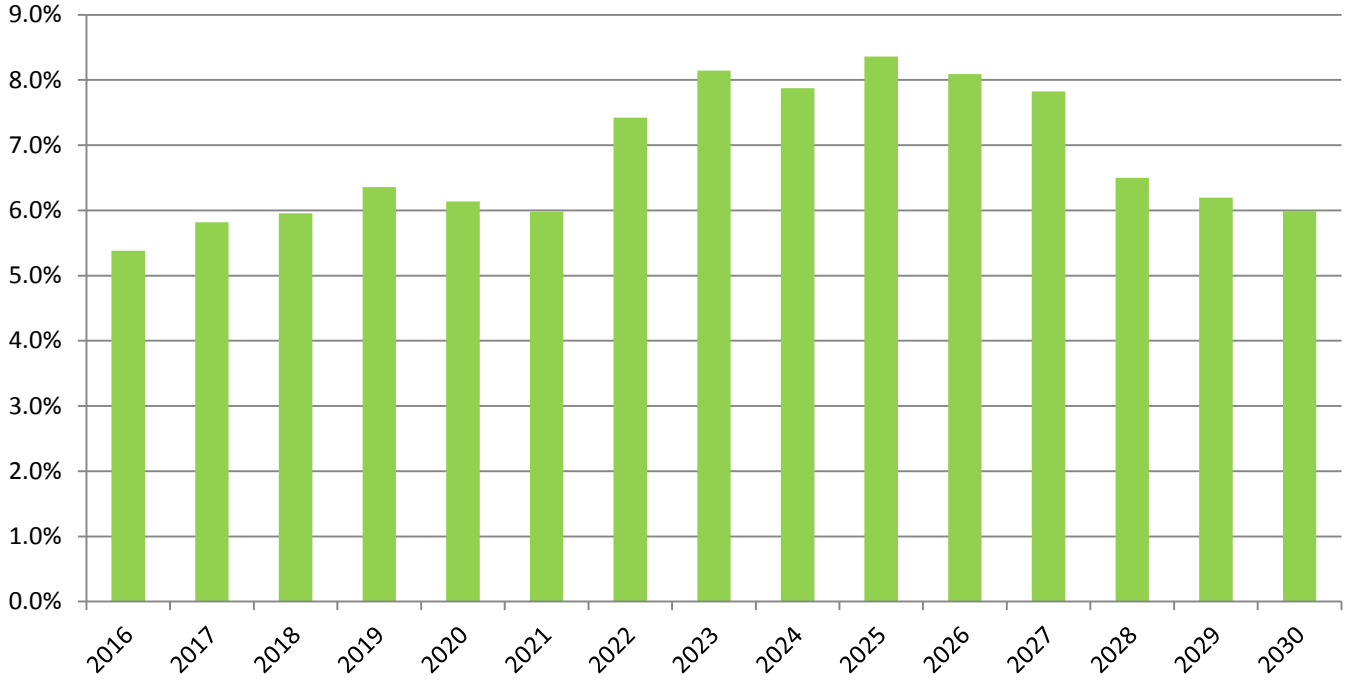
- Growth Capital - infrastructure required to accommodate growth,
- *Renewal Capital* - infrastructure that replaces or renews existing assets,
- *New Capital* - infrastructure required to support enhanced service levels,

FUNDING SOURCES



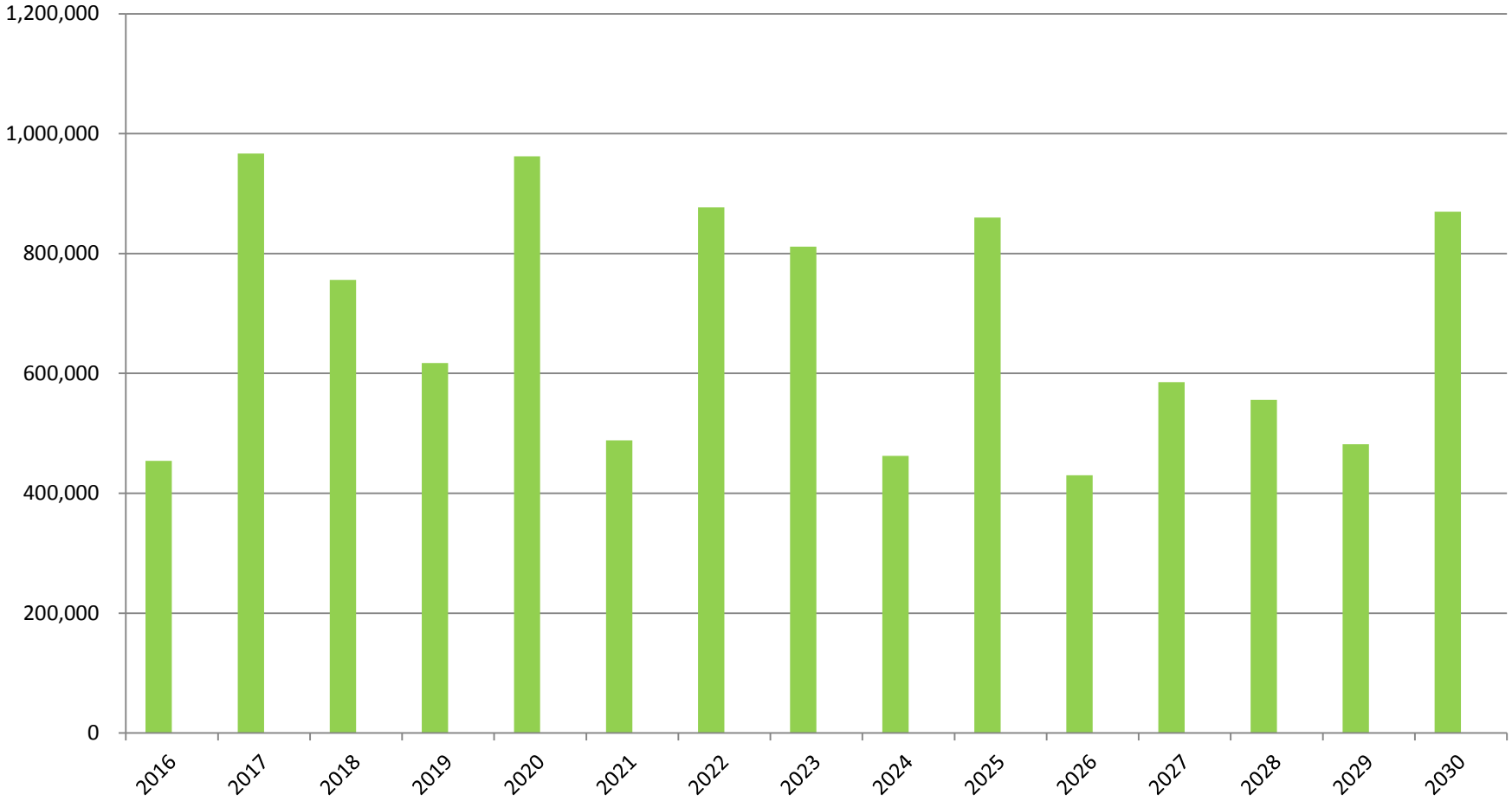
General Fund Total **$867.8M**

Debt Servicing % of Taxation Demand

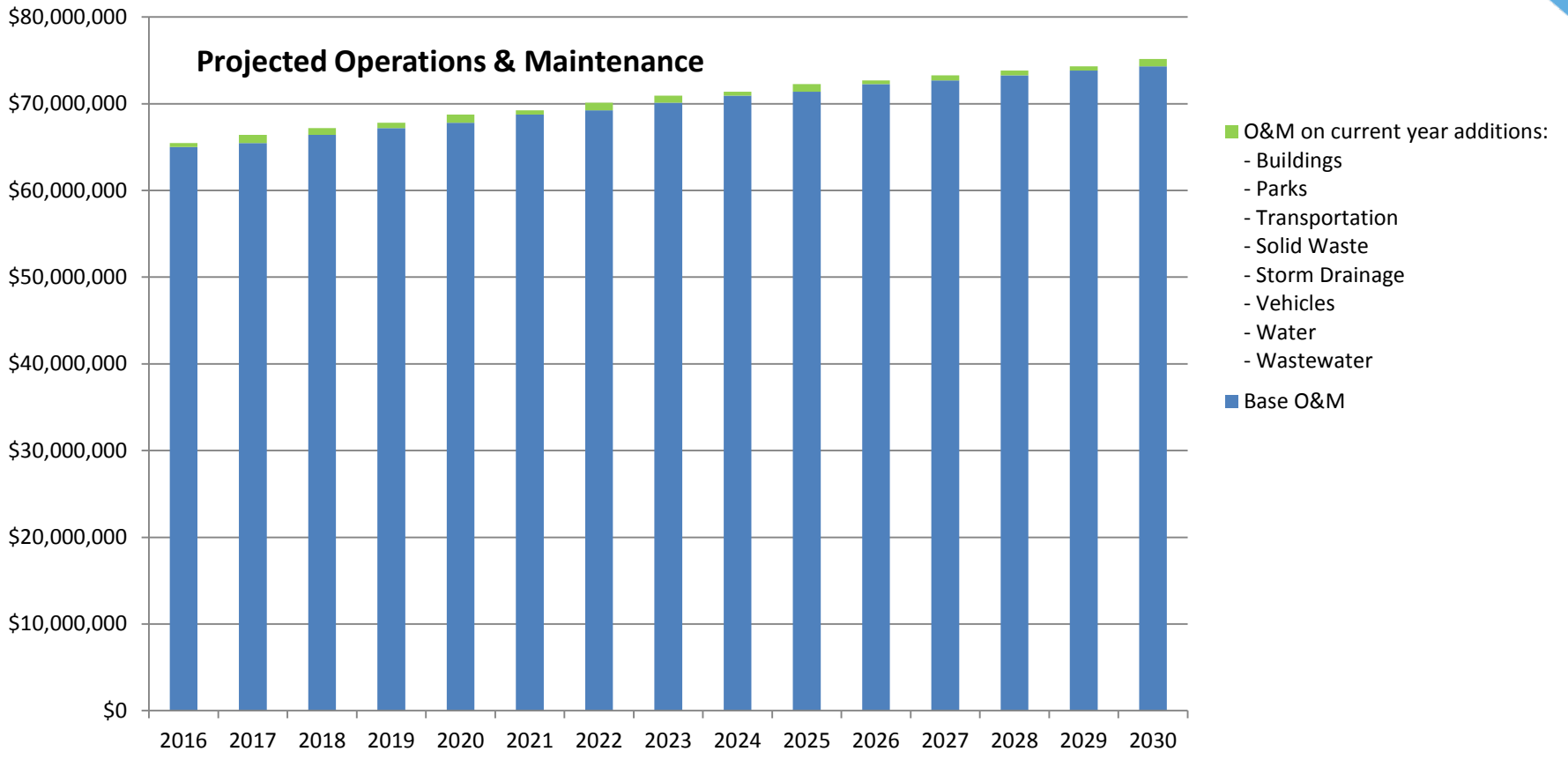


Cost Centre	Project	Borrowing Amount ($ millions)	Year(s)
Buildings	Parkinson Recreation Centre	50.0	2021 - 2023
Buildings	Mission Recreation Park	15.0	2022
Buildings	Mission Activity Centre	7.0	2025
Buildings	City Works Yard (Land Only)	5.0	2028
Buildings	New Municipal Offices	12.0	2025
TOTAL		**89.0**	

Projected Operations & Maintenance



CUMULATIVE O&M



O&M increases by $10 million from 2016 - 2030

FORECASTED IMPACT ON TAX RATES RELATED TO INFRASTRUCTURE INVESTMENT

	2017	2018	2019	2020	2021	2022	2023	2024
O&M %	0.97	0.76	0.62	0.96	0.49	0.88	0.81	0.46
Debt Servicing %	0.64	0.35	0.63	-	0.04	1.70	0.99	-
Total %	1.61	1.11	1.25	0.96	0.53	2.58	1.80	0.46

	2025	2026	2027	2028	2029	2030	Total 2016-2030
O&M % (continued)	0.86	0.43	0.59	0.56	0.48	0.87	**9.72**
Debt Servicing % (continued)	0.77	-	-	(1.11)	(0.09)	-	**3.92**
Total %	1.63	0.43	0.59	(0.55)	0.39	0.87	**13.64**

Online Budget Consultation Report

For the period November 12 to January 08, 2016

Prepared by Open North for: City of Kelowna

741
Visitors

165
Responses
22.3% participation

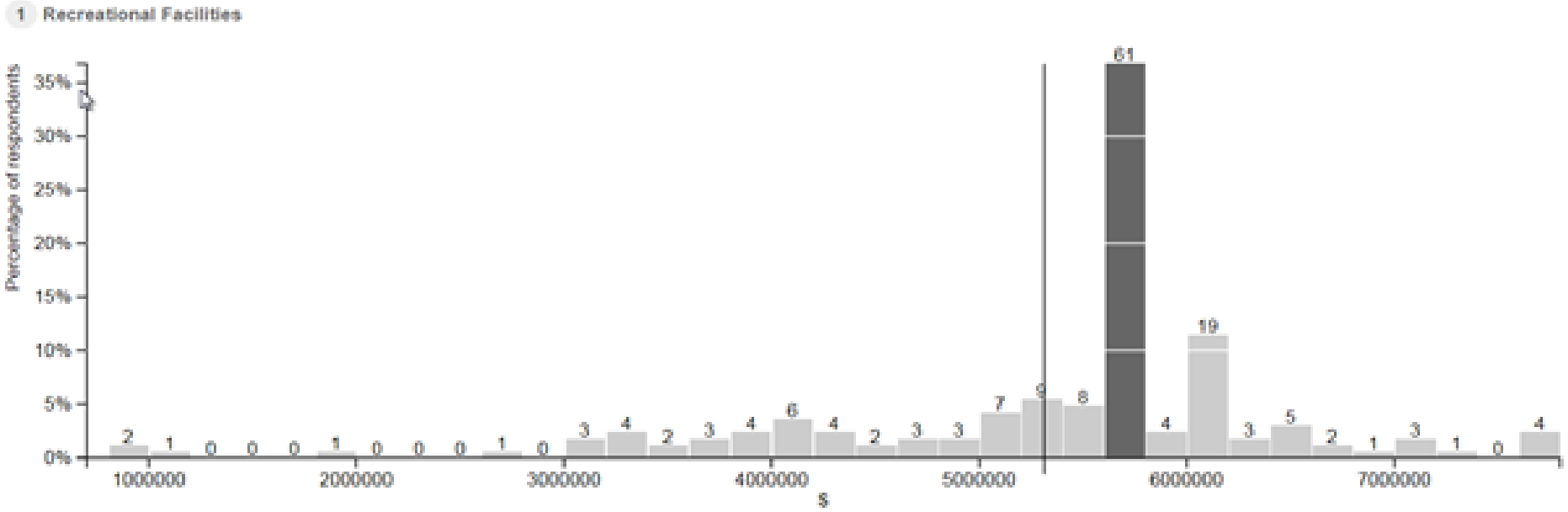
8 minutes
Median time to complete

- Respondents were asked:

  "If you had $70 million infrastructure dollars to spend, how would you allocate those funds between the following infrastructure service areas?"

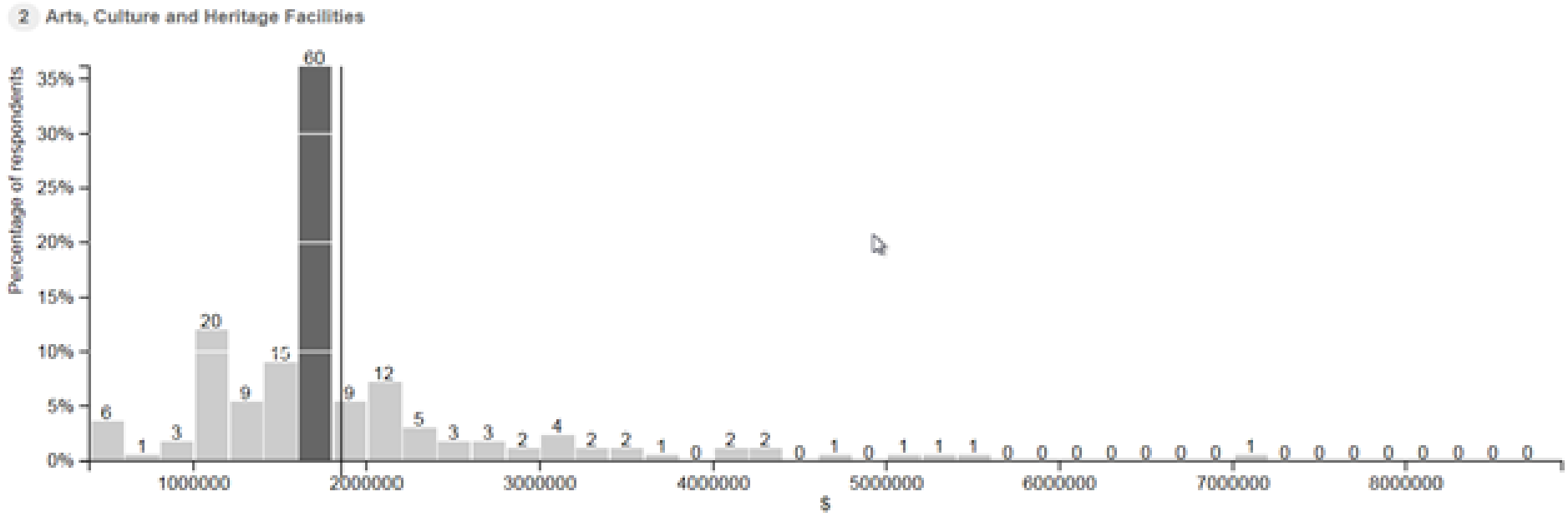
RECREATIONAL FACILITIES

Buildings



- Thin vertical line represents average investment determined from all respondents
- Solid vertical bars represent individual respondent choice
- Dark vertical bar represents investment level in 2030 Infrastructure Plan

ARTS, CULTURE AND HERITAGE FACILITIES



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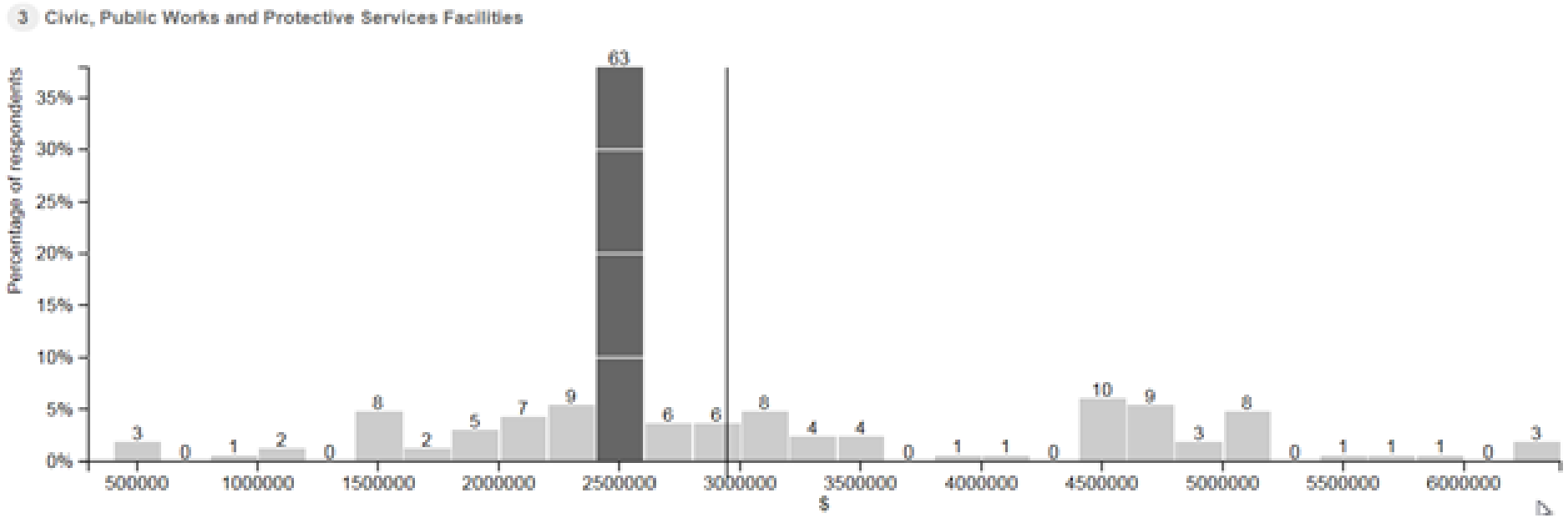
CIVIC, PUBLIC WORKS & PROTECTIVE SERVICES FACILITIES



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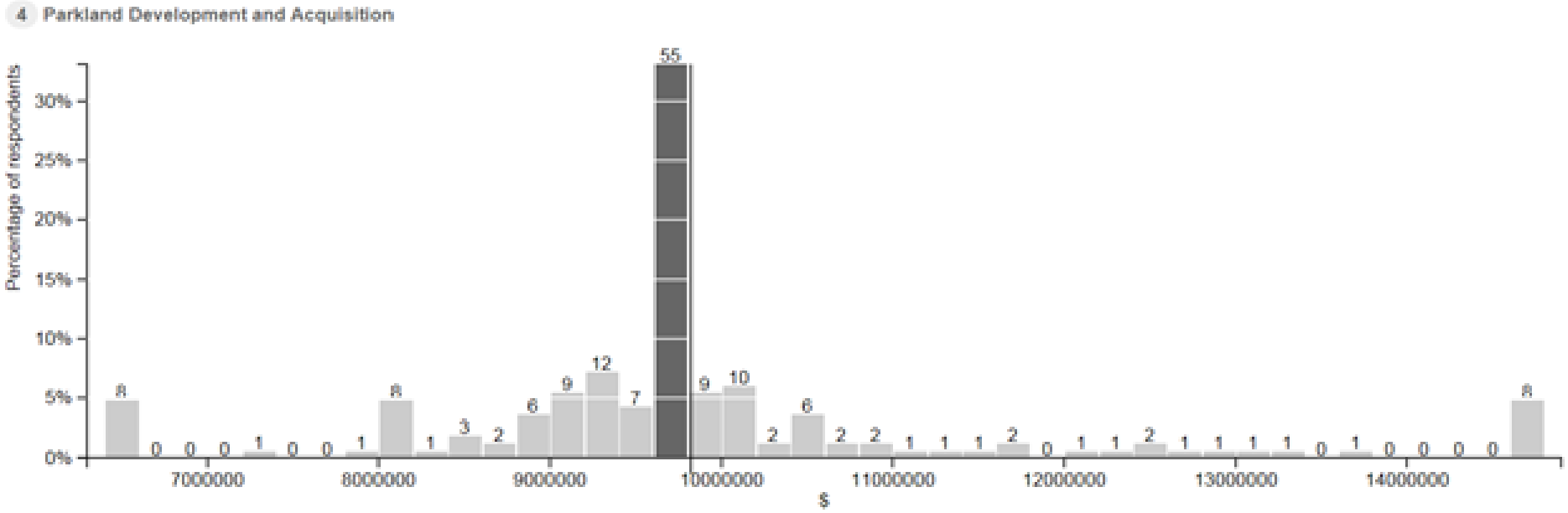
PARKLAND DEVELOPMENT AND ACQUISITION

Parks



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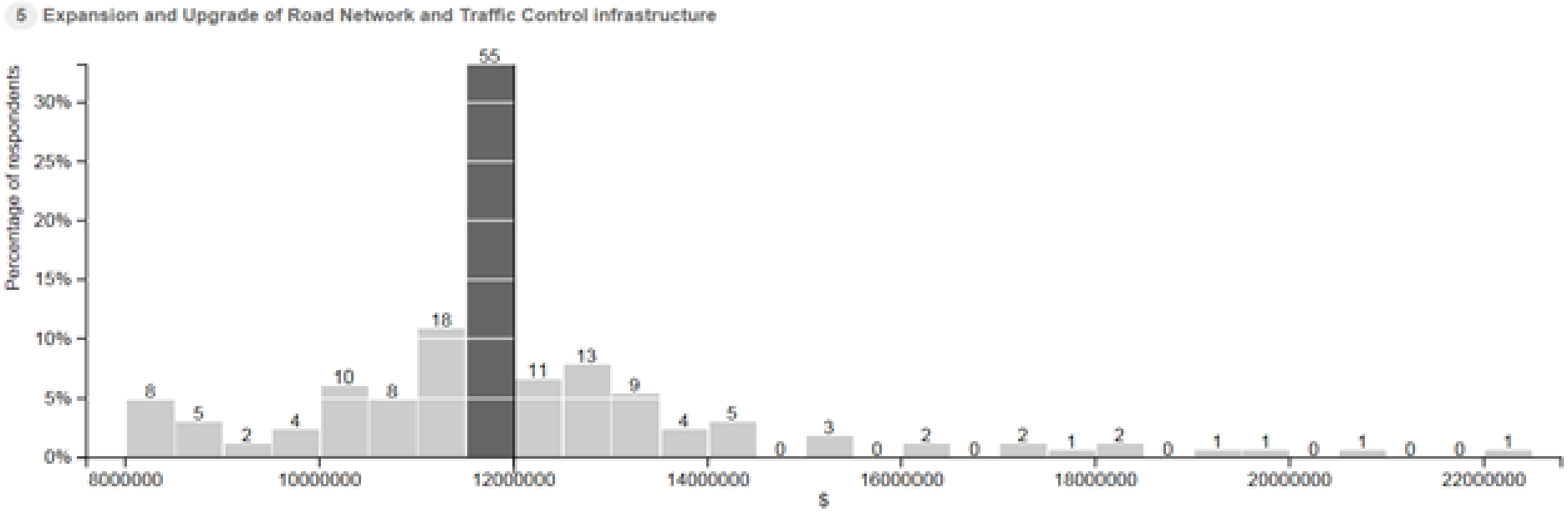
EXPANSION AND UPGRADE OF ROAD NETWORK AND TRAFFIC CONTROL INFRASTRUCTURE

Transportation



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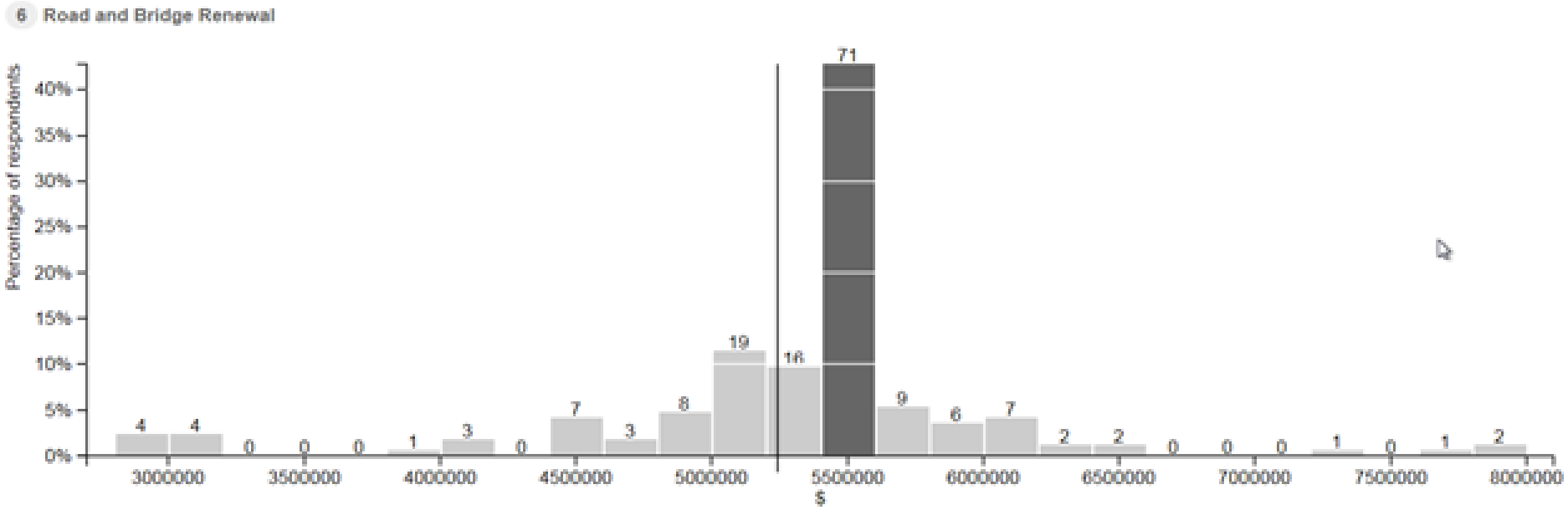
ROAD AND BRIDGE RENEWAL



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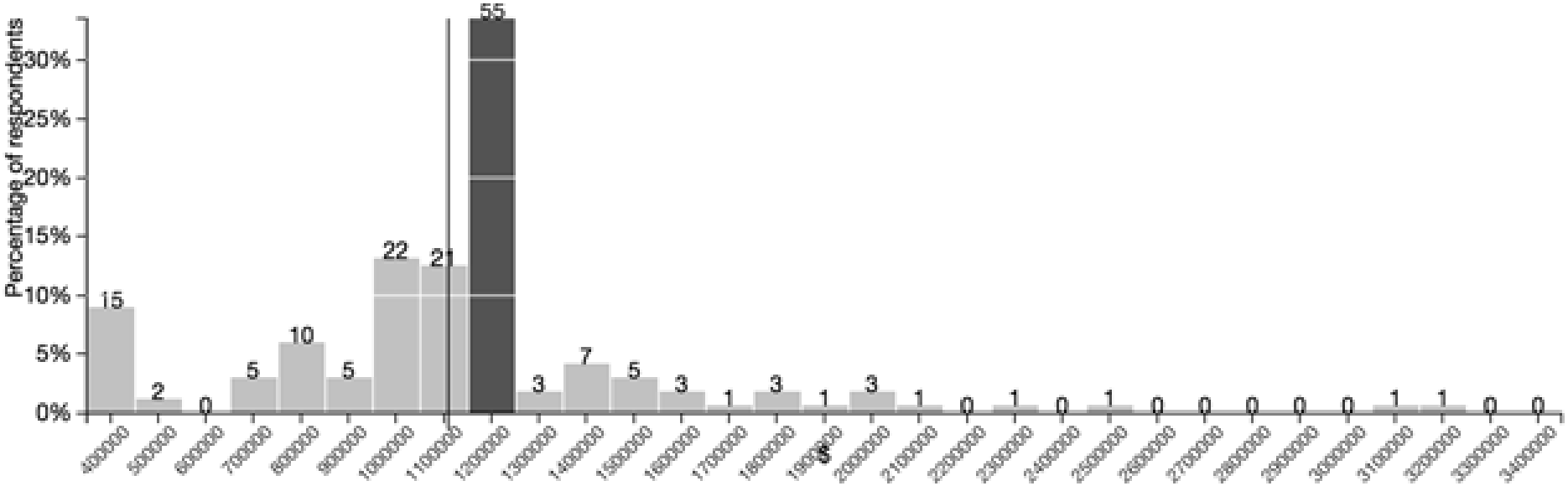
PARKING INFRASTRUCTURE



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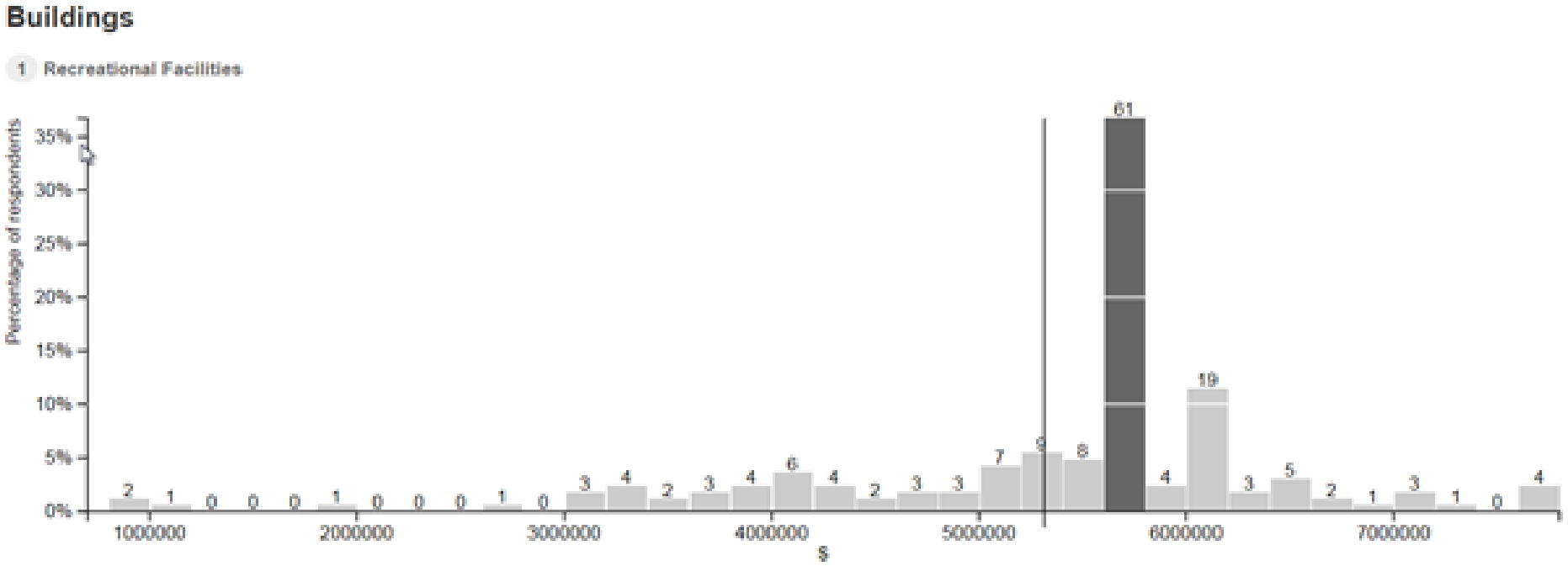
RECREATIONAL FACILITIES



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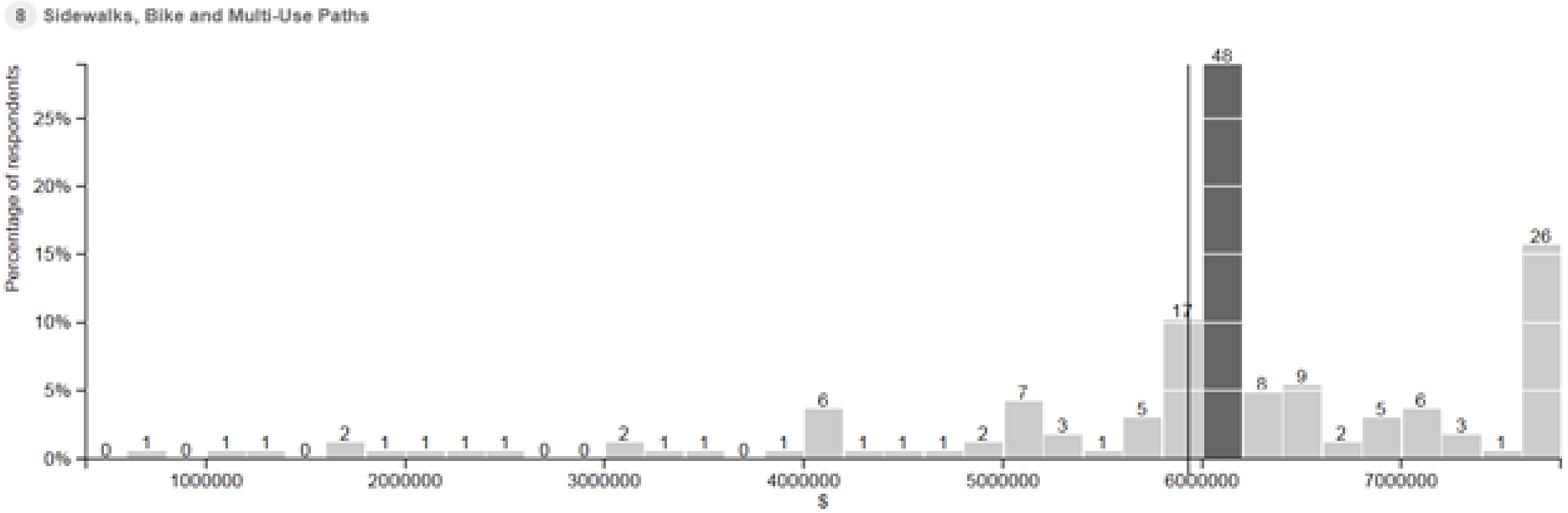
SIDEWALKS, BIKE AND MULTI-USE PATHS



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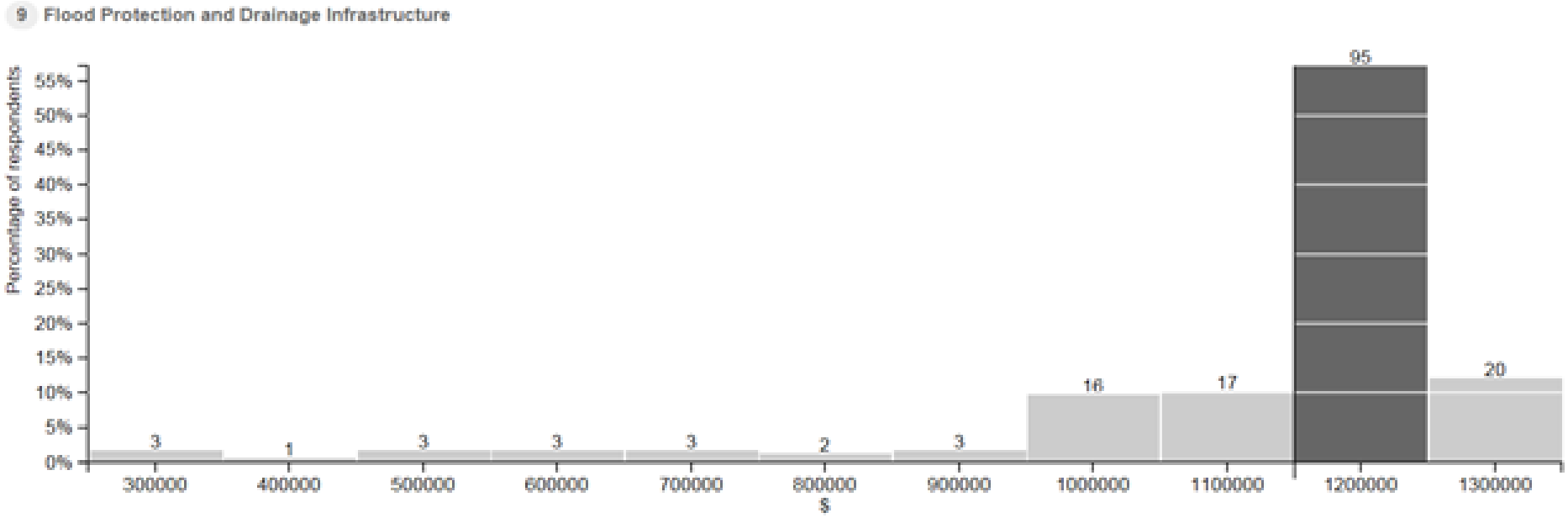
FLOOD PROTECTION AND DRAINAGE INFRASTRUCTURE

Storm Drainage



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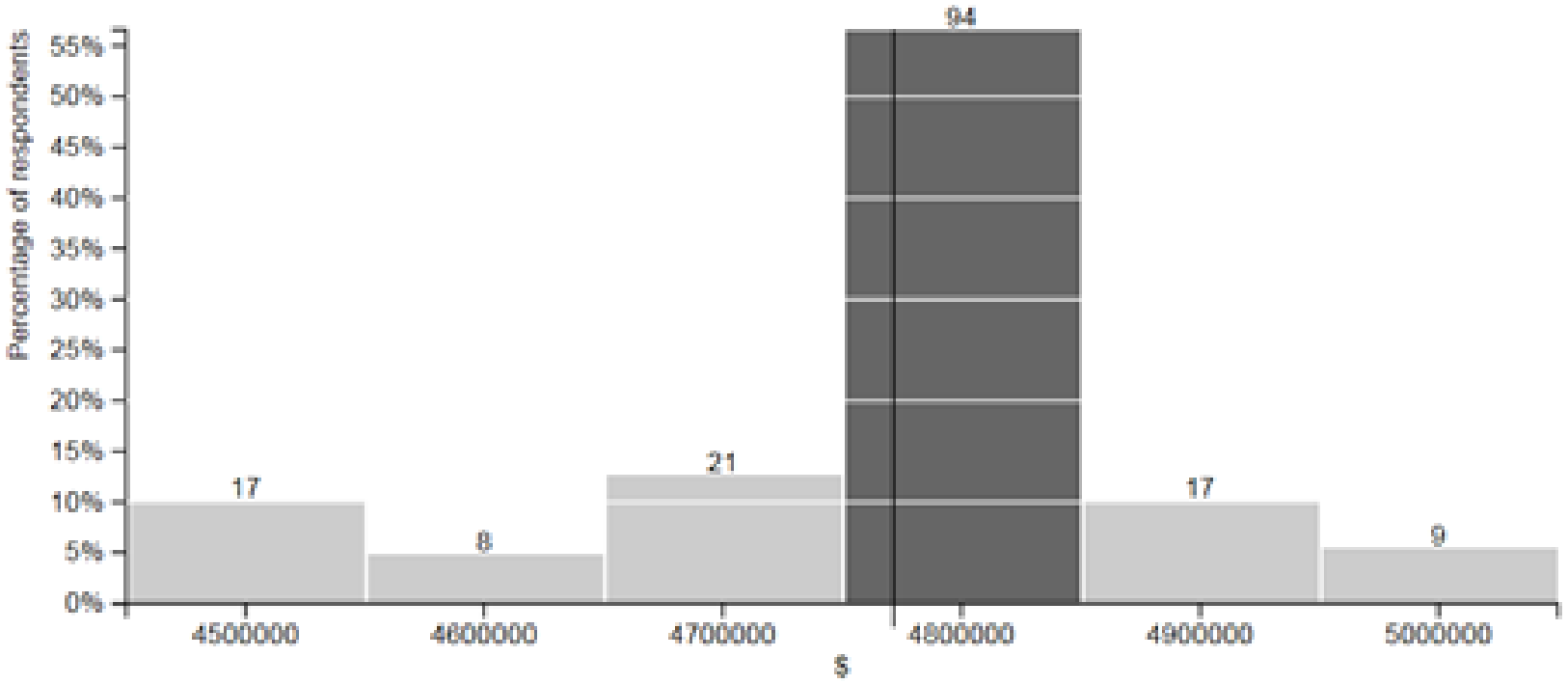
Vehicle and Equipment



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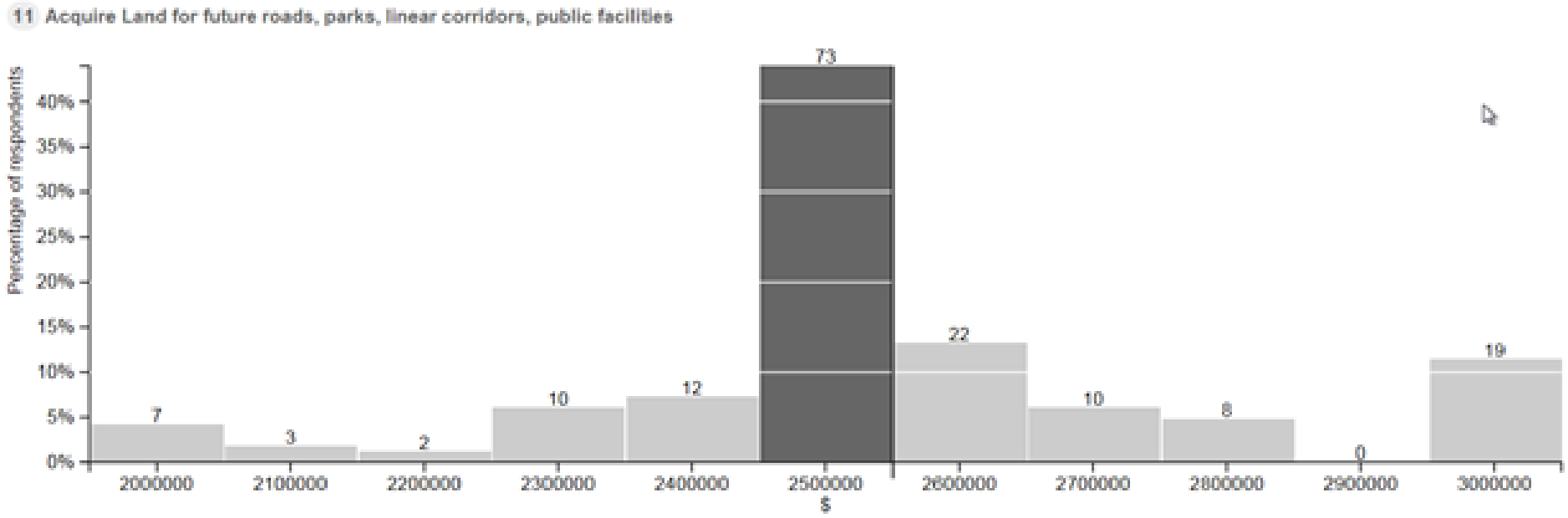
ACQUIRE LAND FOR FUTURE ROADS, PARKS, LINEAR CORRIDORS & PUBLIC FACILITIES

Real Estate



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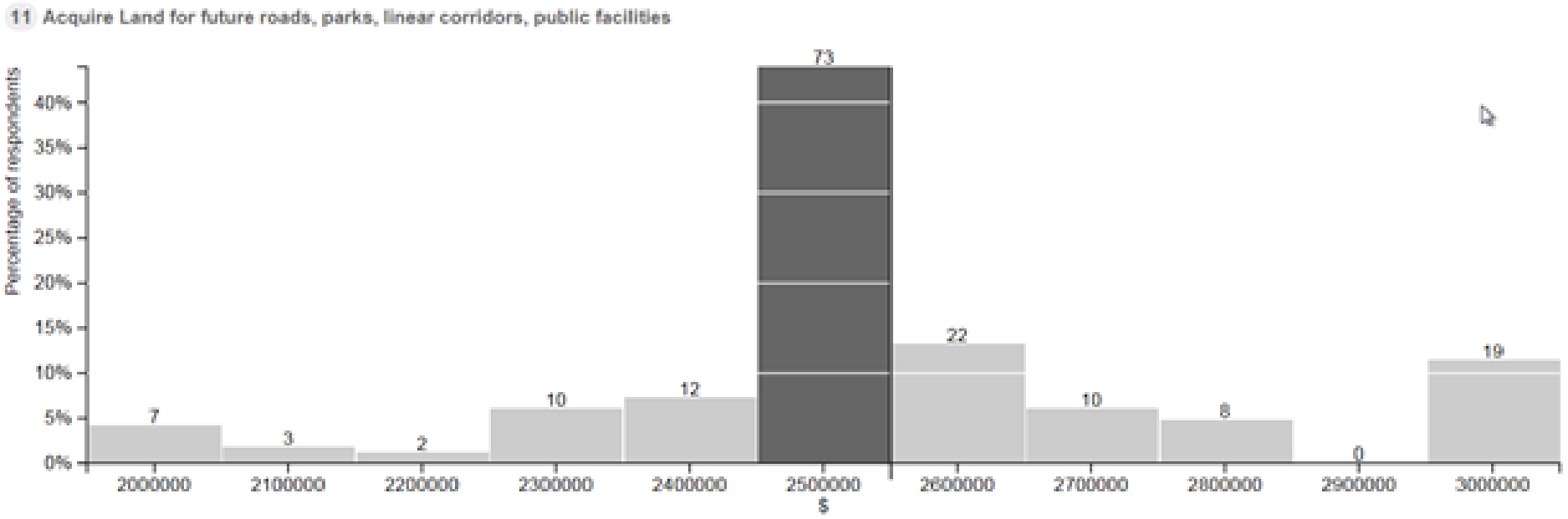

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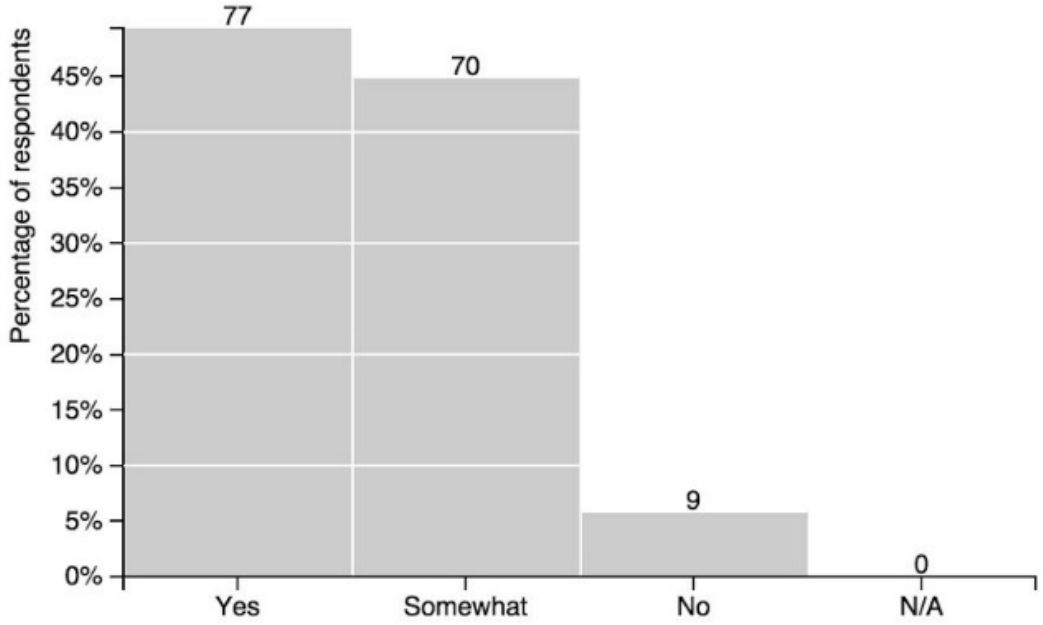
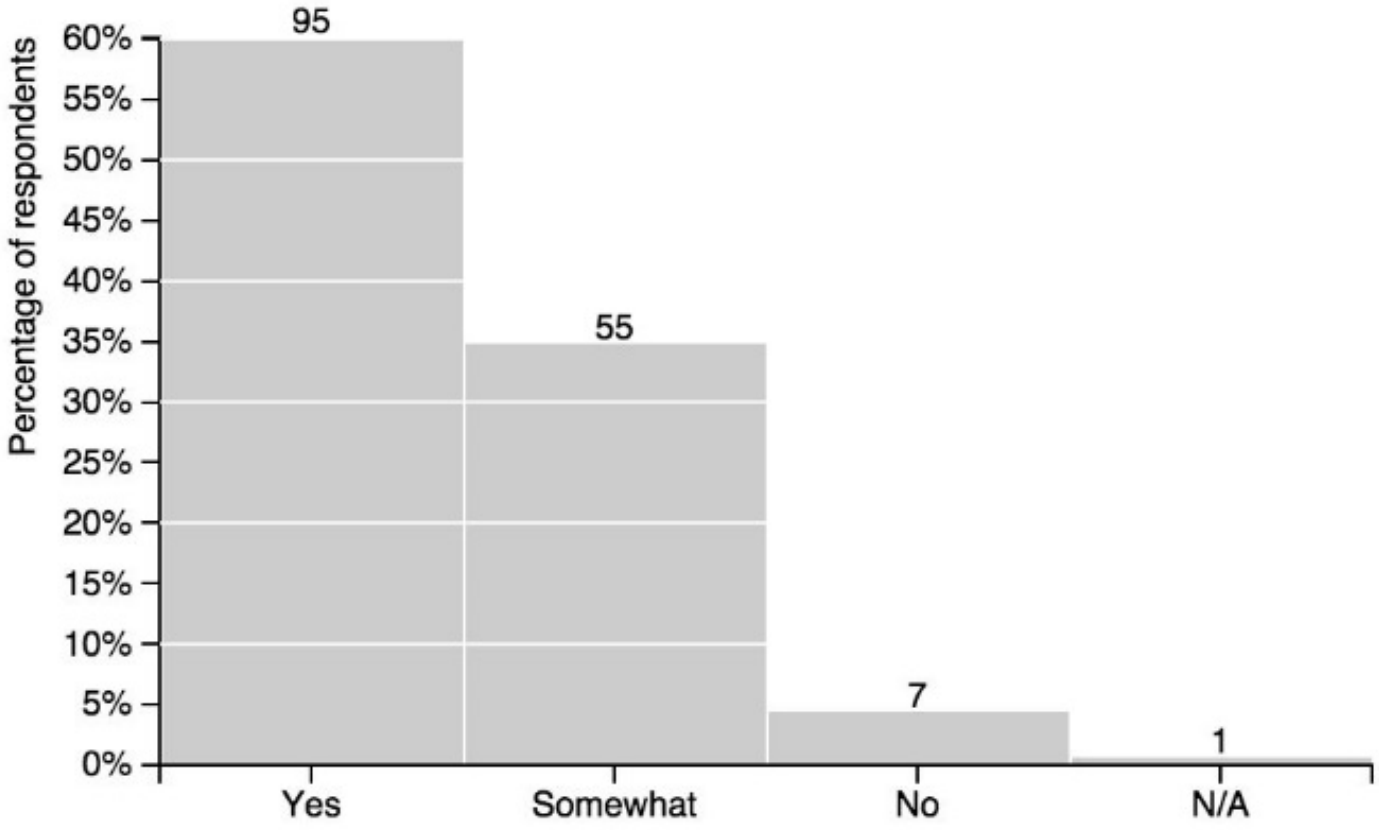
RESPONDENTS WERE ASKED:

12 **Realizing balancing a $70-million City infrastructure budget is rather complex, tell us if the information helped you in making an informed opinion:**



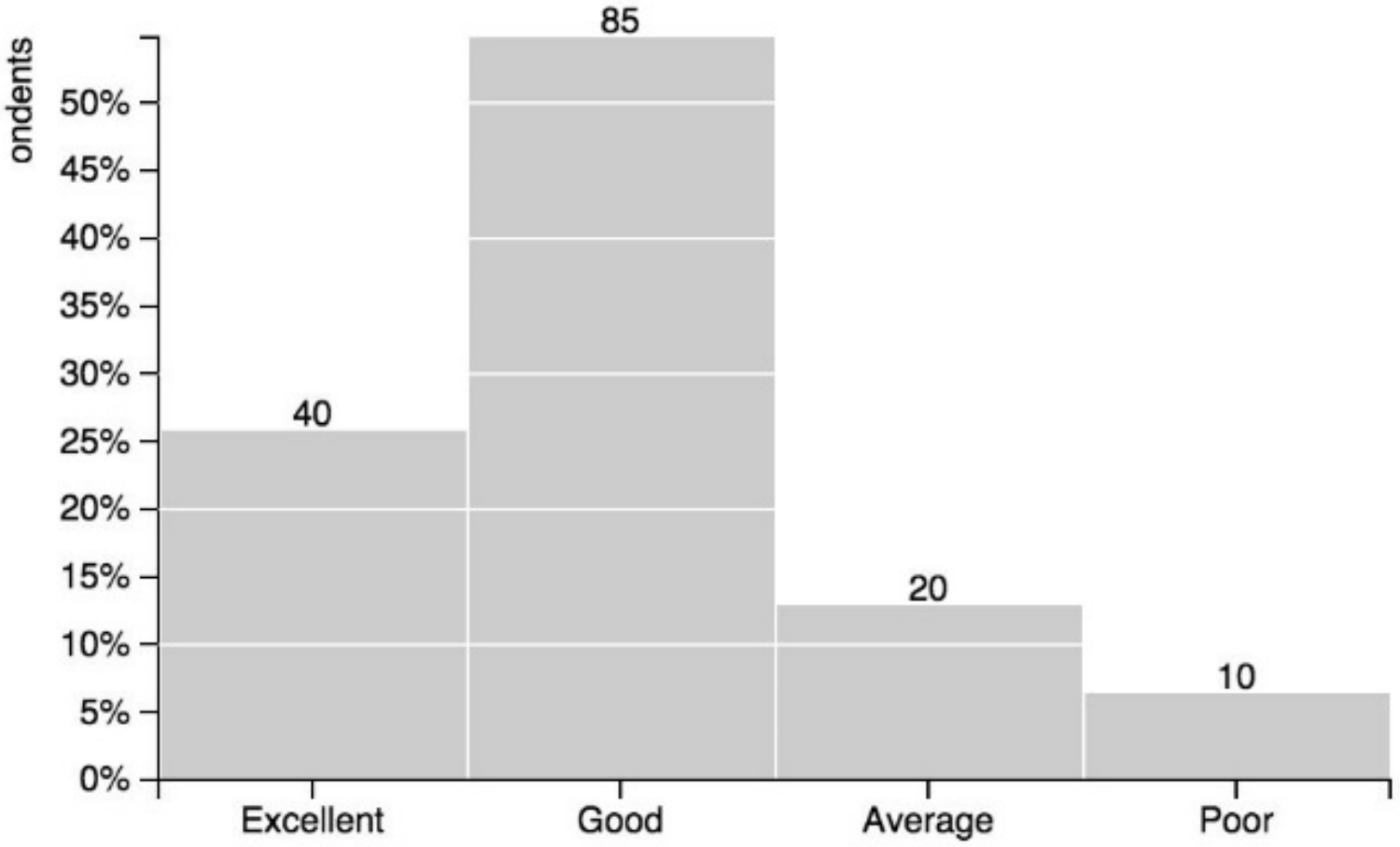
RESPONDENTS WERE ASKED:

13 Do you have a better understanding of the City's current levels of infrastructure investment overall?



RESPONDENTS WERE ASKED TO:

14 Rate your experience using this budget allocator tool.



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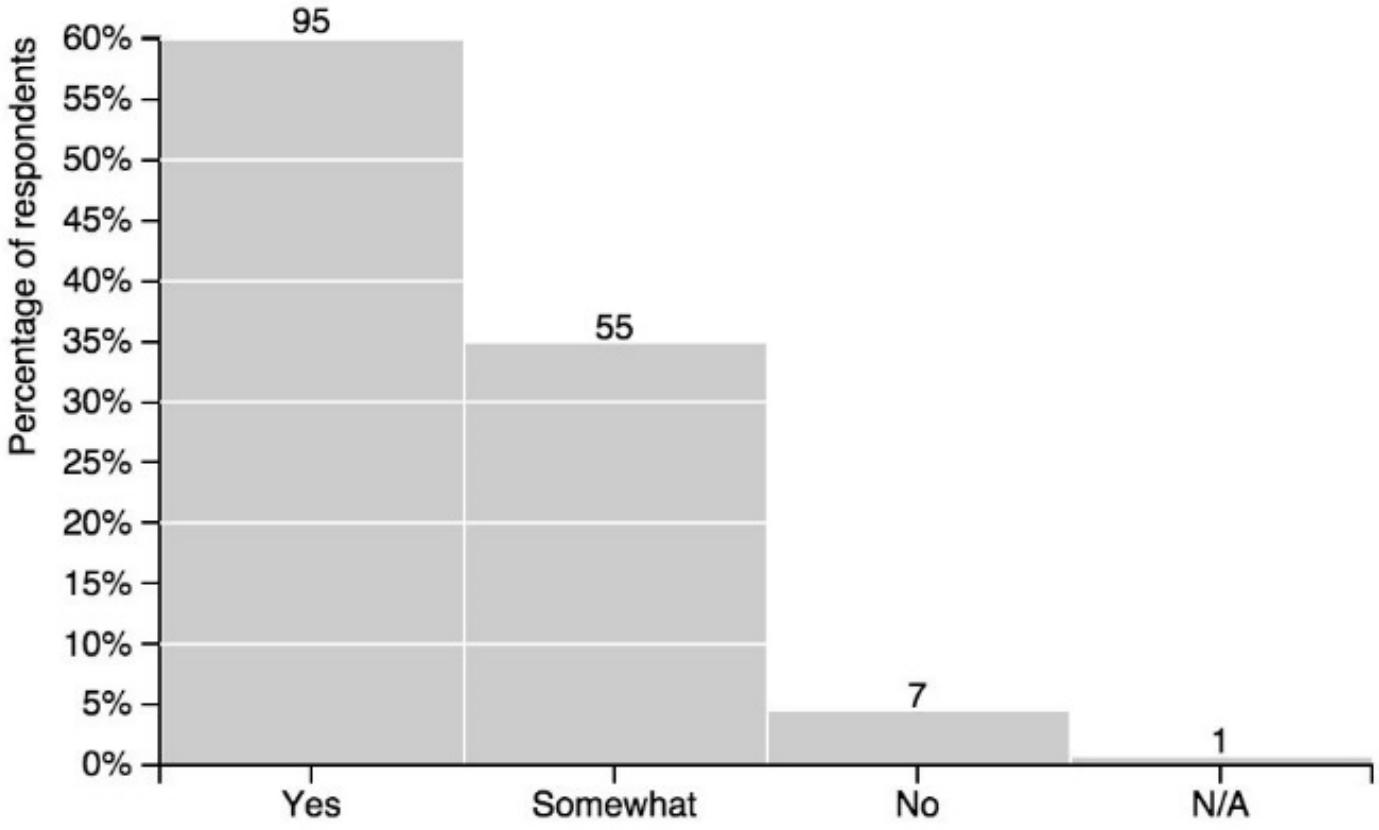

NEXT STEPS

- Incorporate today's feedback into plan,
- Report Back to Council for endorsement

QUESTIONS?