

A decorative graphic on the left side of the slide consisting of overlapping triangles in shades of green and blue, with three small blue triangles pointing downwards.

# 2022

**FINANCIAL PLAN**  
overview

**Dec. 6, 2021**  
**Council Chambers**

**#kelownabudget**  
**kelowna.ca/budget**







# Agenda

- ▶ Well positioned
- ▶ Kelowna by the numbers
- ▶ Preliminary timeline
- ▶ Tax demand
- ▶ General fund
- ▶ Capital program
- ▶ Other municipal funds
- ▶ Reserve and debt
- ▶ Assessment and taxation





# Well Positioned

- ▶ Investments in Safety
- ▶ Reviving vibrancy and community spaces post pandemic
- ▶ Investing in parks and green spaces
- ▶ Building and Permitting Increase

# Kelowna by the numbers



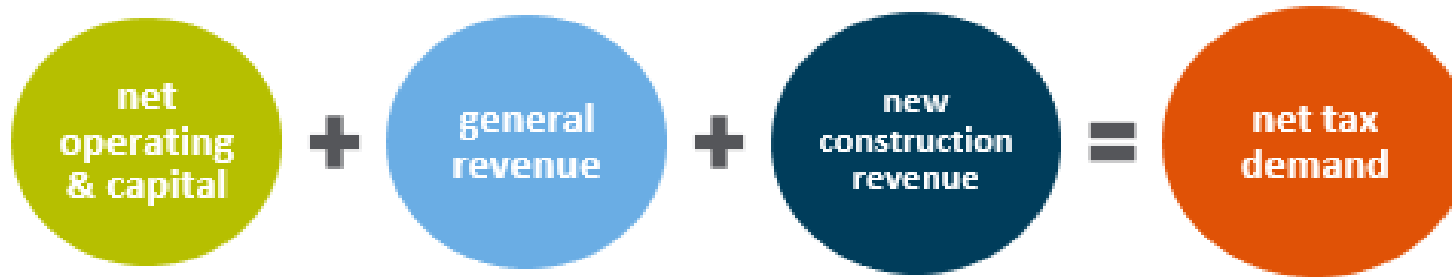


# 2022 Preliminary volume timeline

Council Outlook	July 14
City Manager's review	Oct. 12-14
Council update	Nov. 15
Council Financial Plan overview	Dec. 6
Council Financial Plan deliberation	Dec. 9



# Analysis of tax demand



Net Operating + Capital	\$178.2M	
General revenues	+(12.1)	
New Construction Revenue	<u>+(2.9)</u>	
2022 Tax demand	\$163.2M	→ 3.49%



# General Fund

- ▶ Continued Commitment to public safety
- ▶ Reviving vibrancy and community spaces
- ▶ Development of green spaces
- ▶ Action on Climate Change



# 2022 Capital Investment

- ▶ Guided by the 10-Year Capital Plan
- ▶ 102 P1 projects
- ▶ 12 Capital Cost Centers
- ▶ \$105.2M

City of Kelowna

## City of Kelowna's 10-Year Capital Plan *Building a City of the Future*



**91%**  
of citizens are  
satisfied with City  
services



**\$1.49B**  
in infrastructure  
investments to renew,  
enhance and grow



Working together:







# Annual Capital Plan

Cost Centre	Capital Investment (\$ million)
Real Estate and Parking	\$ 5.1
Buildings	\$ 7.8
Parks	\$23.8
Transportation	\$14.7
Solid Waste	\$ 4.4
Storm Drainage	\$9.7
Information Services	\$1.0
Vehicle or Mobile Equipment	\$5.2
Fire	\$3.9
Water	\$5.4
Wastewater	\$20.0
Airport	\$4.2
<b>Annual Capital Plan Total</b>	<b>\$105.3</b>



# Infrastructure investment by category

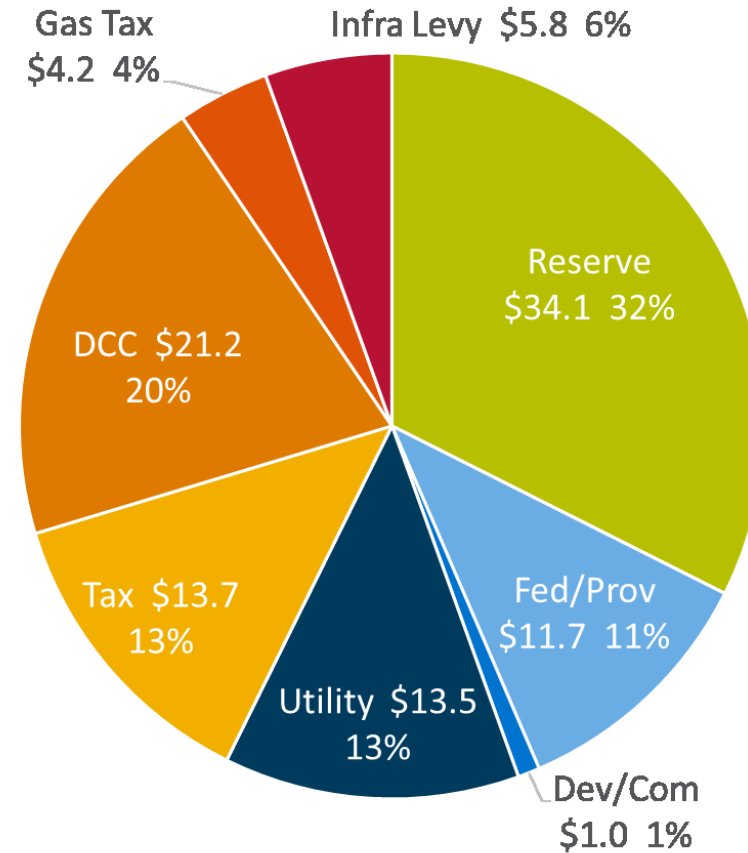
- ▶ \$105.3M total investment
- ▶ Renewal of critical aging infrastructure (\$39.9M),
- ▶ Infrastructure to support growth (\$46.8M)
- ▶ Infrastructure to improve services (\$18.5M)

Capital by type:			
	Renew	Growth	New
>	38%	44%	18%



# 2022 Capital funding

- ▶ Capital funded from variety of sources
- ▶ 13% (\$13.7M) funded from taxation
- ▶ Large contribution from reserves
- ▶ DCC contribute (\$21.2M)
- ▶ Gas tax (\$4.2M)
- ▶ 6% Levy (\$5.8M)
- ▶ Grants (\$11.7 M)



City of **Kelowna**

Total investment - \$105.3 M

# Recreation, cultural and public facilities

- ▶ PRC Replacement
- ▶ Capital News Centre Expansion
- ▶ Building Renewal





# Vibrant parks, playgrounds and beaches

- ▶ Parkland acquisition
- ▶ DeHart Park
- ▶ Glenmore Recreation
- ▶ MRP Softball Diamonds
- ▶ Knox Mountain
- ▶ Mill Creek Linear park
- ▶ Access for All improvements
- ▶ Infrastructure Renewal



# Safer, healthier ways to move around the City

Kelowna's annual capital plan invests in

safer, healthier ways to move around the City



- ▶ Active transportation expansion
- ▶ Major road improvements
- ▶ Road and bridge renewal
- ▶ Sidewalk expansion
- ▶ Transit upgrades
- ▶ New and emerging technology
- ▶ Traffic signals, streetlights and communication



# Protection of the environment

Kelowna's annual capital plan invests in

protection of the environment



- ▶ Extend service life of landfill by 75 years
- ▶ Mill Creek Flood protection
- ▶ Removal of septic systems
- ▶ Safe, clean and reliable drinking water
- ▶ Water conservation – water meters
- ▶ Slope stability – Knox Mtn.
- ▶ Reduce GHGs

# Link Kelowna to the world

- ▶ Airport Improvements:
  - ▶ Airside
  - ▶ Groundside
  - ▶ Terminal



City of Kelowna

# Technology and innovation future-ready

- ▶ Electric vehicle charging stations
- ▶ Asset Management
- ▶ Major system upgrades
- ▶ Communication Network upgrades







# Capital challenges

- ▶ COVID-19 pandemic impacts
- ▶ Aging infrastructure
- ▶ Growing community
- ▶ Demand for more and improved services
- ▶ Construction and land costs

THE CITY  
OWNS &  
MAINTAINS  
INFRASTRUCTURE  
VALUED AT

**\$3.9  
BILLION**

**14% ↑**  
CONSTRUCTION  
COSTS

**40% ↑**  
LAND COSTS

# Annual Capital Plan

- ▶ What are we **not** investing in?
  - ▶ 21 P2 projects
  - ▶ Total Value \$14M
  - ▶ City Share \$12M







# Municipal Funds





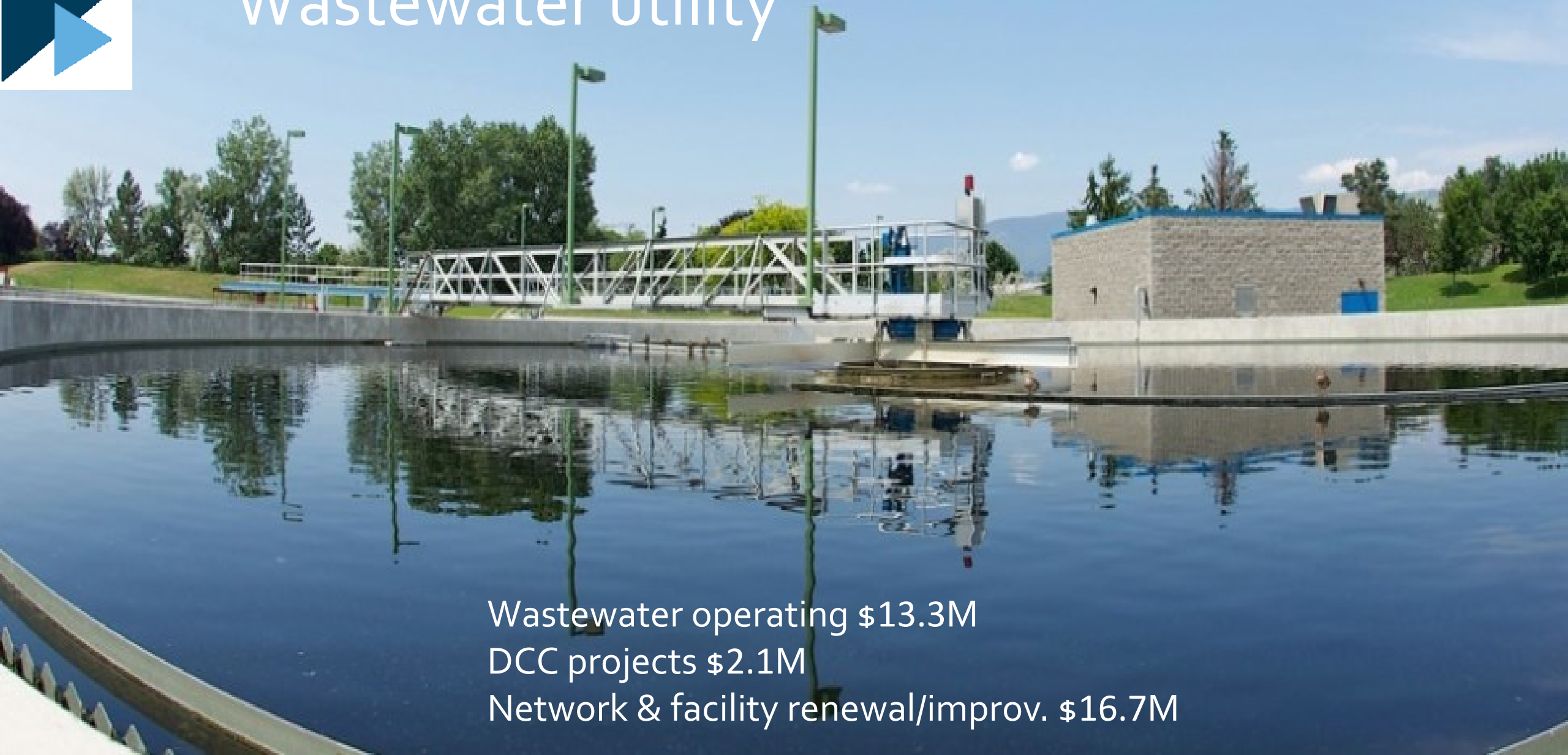


# Water utility

Water operating & debt payments \$14.8M  
DCC Pipes (Mains) \$500k  
Network & Facility Renewal/Improv. \$4.3M  
Irrigation Network Improv. \$470k



# Wastewater utility



Wastewater operating \$13.3M

DCC projects \$2.1M

Network & facility renewal/improv. \$16.7M





# Airport



	2022
Revenue	\$39.9M
Operating cost	21.5M
Capital program	<u>4.2M</u>
Reserve contribution	\$18.4M
Passenger forecast	1.7M



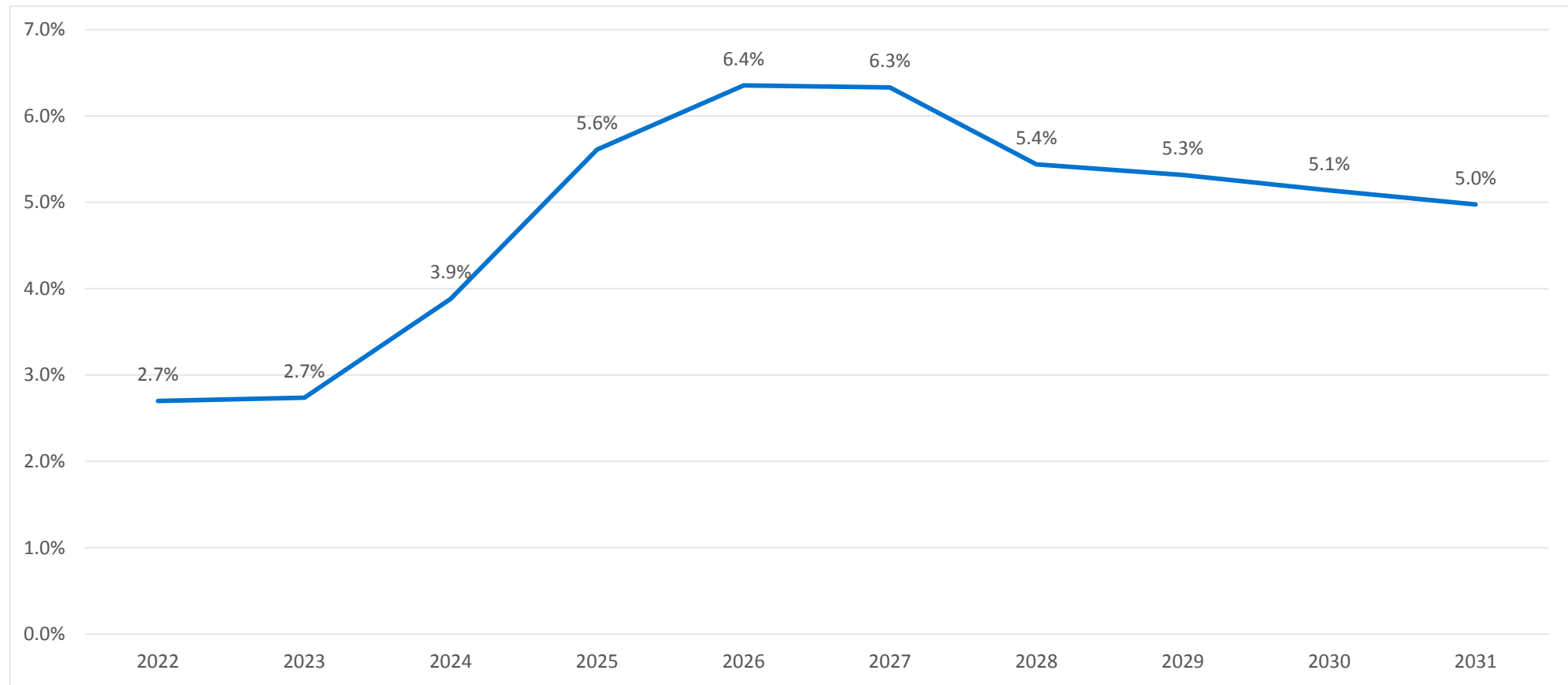


# Debt and Reserves



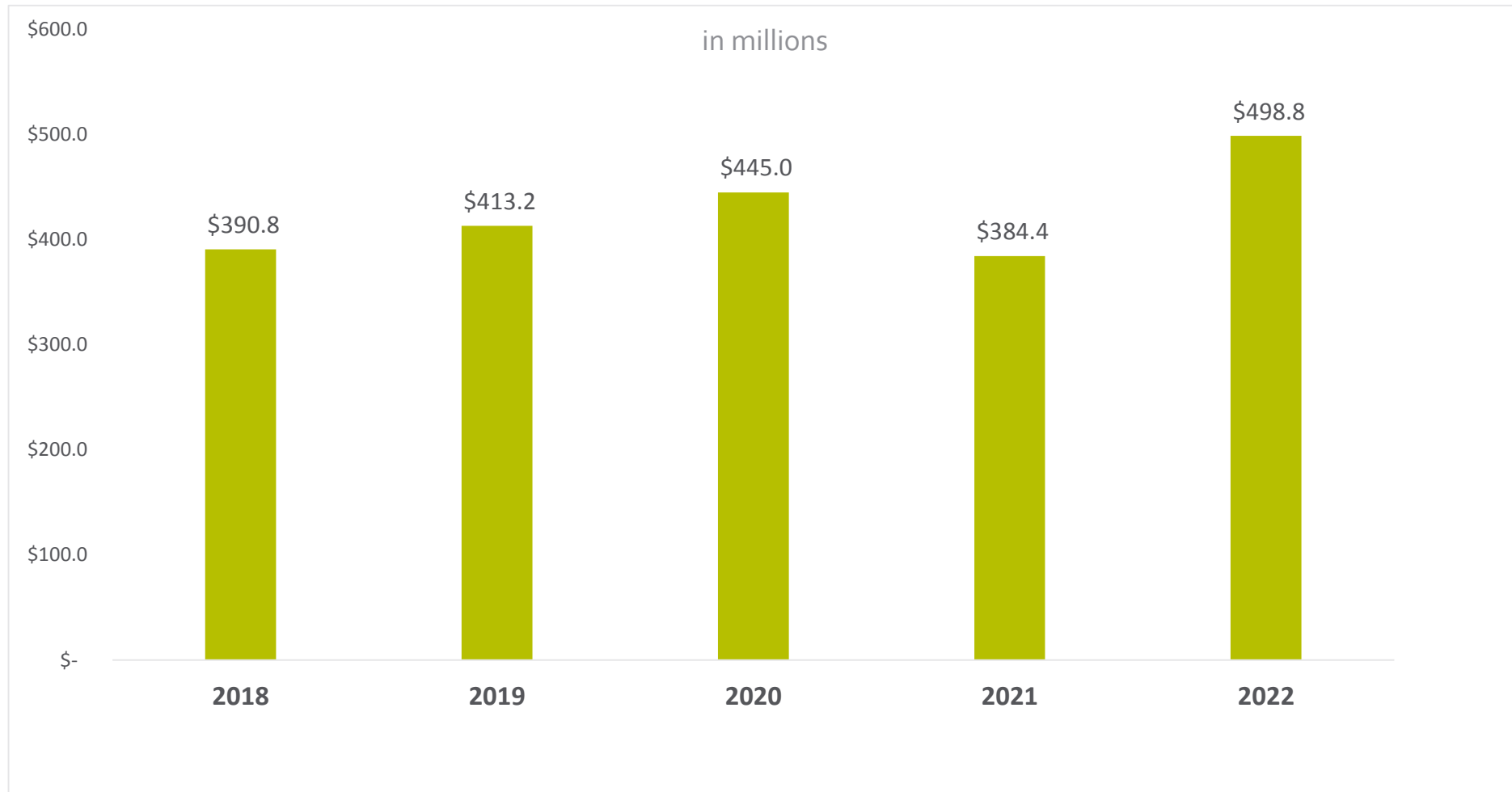


# Debt obligations – General Fund





# Reserves and fund equity



City of Kelowna







# Assessment and Taxation







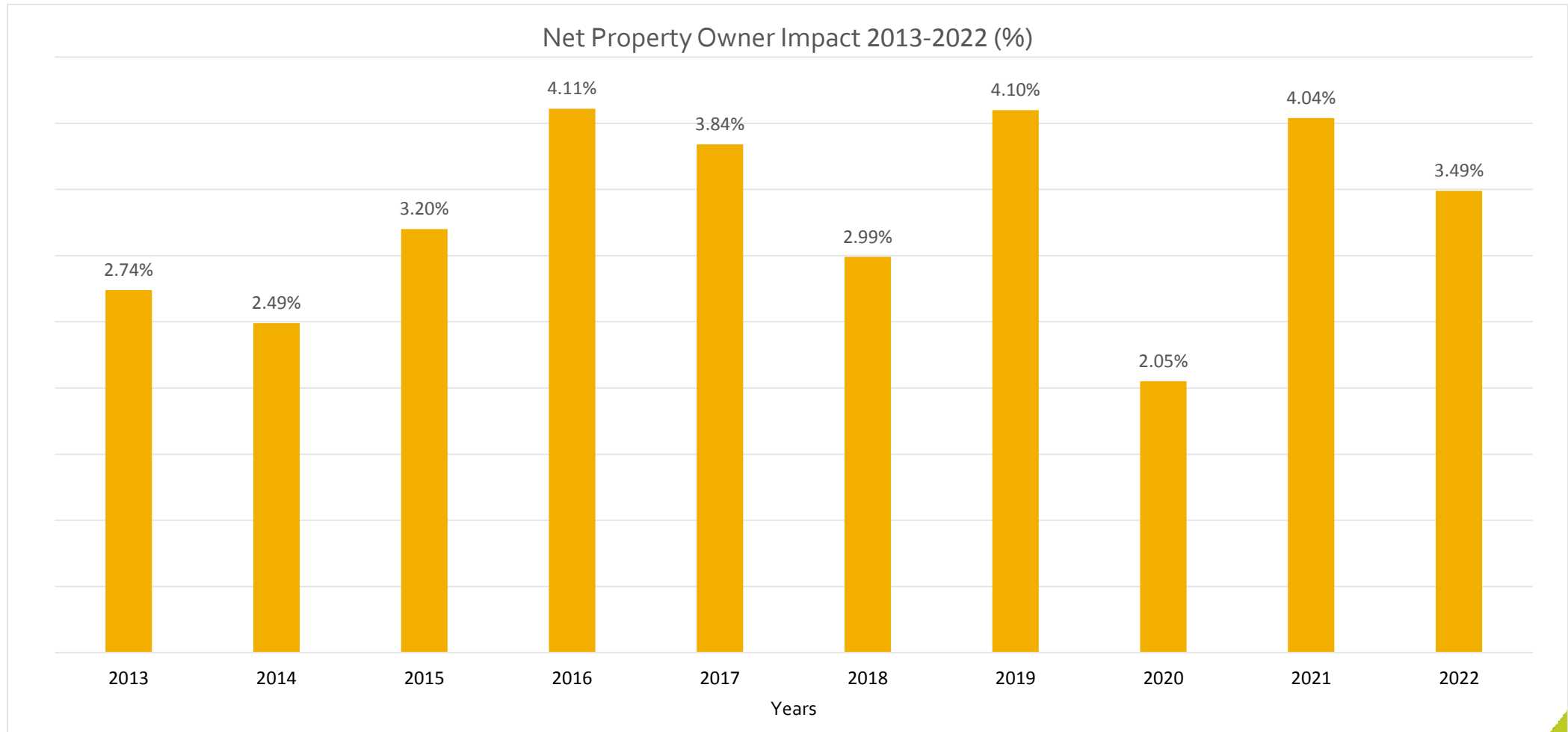
# Taxation impact



- ▶ Average Single-Family Home preliminary assessed at \$899,190
- ▶ Municipal Tax estimated at \$2,277 for 2022
- ▶ Increase \$6.40/month

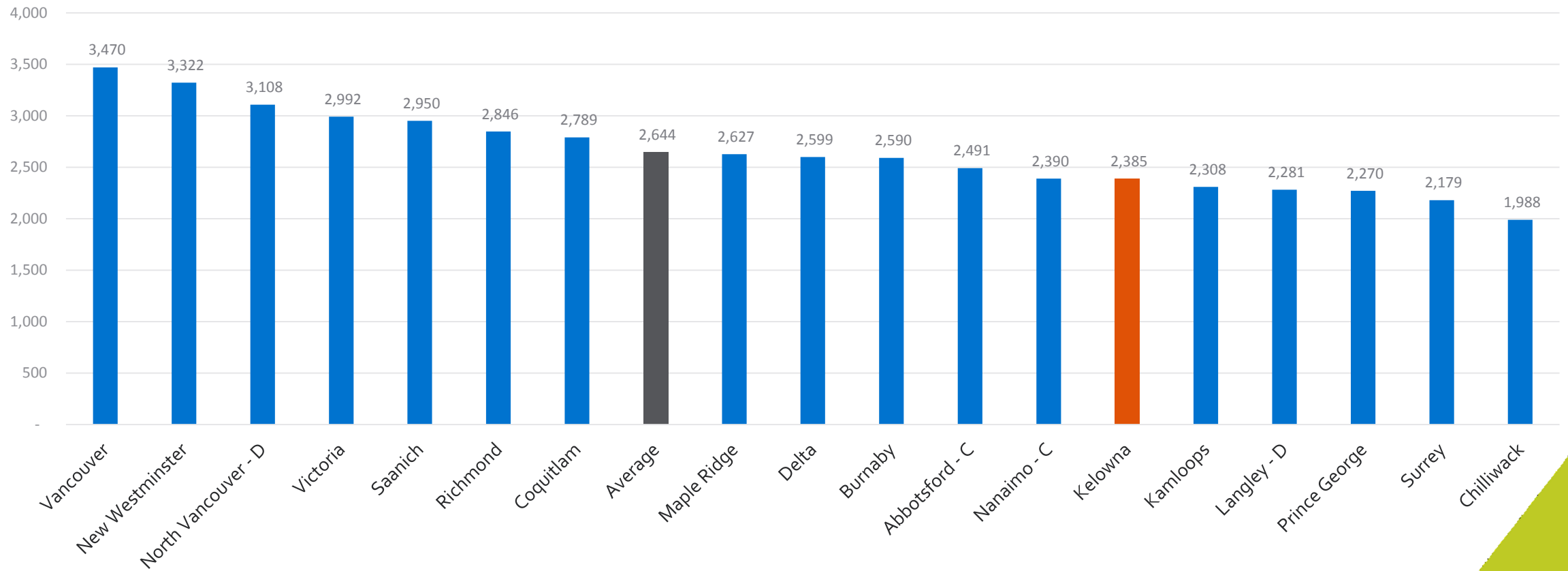


# 10 Year tax rate history



City of Kelowna

# 2021 Property tax information



City of Kelowna





# Questions?

For more information, visit  
[kelowna.ca/budget](http://kelowna.ca/budget)