

Report to Council



Date: April 11, 2022
To: Council
From: City Manager
Subject: Amendment No. 1 to the Five Year Financial Plan 2021-2025
Department: Financial Planning

Recommendation:

THAT Council receives, for information, the Report from Financial Services dated April 11, 2022 with respect to amendments to the Five Year Financial Plan 2021-2025 Bylaw;

AND THAT Bylaw No. 12335 being Amendment No. 1 to the Five Year Financial Plan 2021-2025 Bylaw No. 12198 be advanced for reading consideration.

Purpose:

To amend the Five Year Financial Plan (2021-2025) as required by the Community Charter to include the authorized transfers and amendments which occurred in the 2021 year.

Background:

The City of Kelowna, in order to comply with section 165(1) of the Community Charter (Financial Management), amends the financial plan annually 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.

The attached Schedule A summarizes the authorized transfers and amendments that occurred throughout the 2021 year. The following are a few transfers and amendments of note that are being brought before Council for the first time.

Building Capital:

An amendment of \$151k was required for renewal of mechanical systems that provide heating and cooling to the lobby area at the Kelowna Community Theatre. Funding came from the Theatre Improvement reserve.

Storm Drainage Capital:

A containment device project at the Brandt's Creek Outfall was originally identified in the Rutland Area Drainage Plan as a priority project. During the design process, it was determined that adding a containment device was not the appropriate solution. Therefore, Containment Device Project - Brandt's Creek Outfall, was cancelled and \$117k was transferred to another location for a containment device within the Brandt's Creek catchment at Kane Road.

Transportation Capital:

The City of Kelowna entered into a partnership with the Minister of Transportation and Infrastructure (MOTI) to improve three transit stops located at Highway 33 east of Rutland Rd, Highway 33 at Brayden Rd and Highway 97 at Commonwealth Rd. The projects improved bus stop accessibility, capacity, passenger amenities and lighting for a total value of \$200k. The budget was amended as the funding was provided through a grant from MOTI.

Budget was amended by \$189k from the Offsite and Oversize reserve to complete work on Ethel Street frontage near the Sun Rype location. Work included roadway excavation, embankment and compaction, sidewalk construction, pavement marking, permanent signage and electrical lighting.

Active Living and Culture Division:

Due to the current COVID-19 pandemic and overdose crisis, lack of drinking water access for vulnerable populations has been exposed and exacerbated within the community. Due to COVID-19 protocols, many of the opportunities to access drinking water that was previously available to vulnerable populations have been eliminated. To help meet the need the City of Kelowna received a grant of \$60k from the Central Okanagan Foundation to install more year-round accessible water fountains. Budget was amended to recognize the grant.

Corporate and Protective Services Division:

City Council has established Community Safety as a priority and committed publicly to develop and implement a Community Safety Plan. The multi-year plan has increased in scope, particularly community and stakeholder engagement, and continues to be rapidly developed. Budget was amended by \$100k to support the ongoing development of the Community Safety Plan with funding from the Community Safety reserve

Financial Services Division:

The federal government announced that the Federal Gas Tax Fund transfer would be doubled for one year for all local governments in British Columbia as part of the Canada Community Building Fund. This funding can be used towards eligible costs of investment categories such as local roads, bridges, active transportation, short-sea shipping, short-line rail, airports, broadband connectivity, public transit, drinking water, wastewater, solid waste, community energy systems, brownfield redevelopment, sport infrastructure, recreational infrastructure, cultural infrastructure, tourism infrastructure, disaster mitigation and capacity building. The budget was amended to increase revenue for the \$5.7M additional funding and contributed it to the City's Gas Tax reserve to be used as a funding source for future infrastructure projects as allocated in the 10 Year capital Plan.

Infrastructure Division:

Slope stability was addressed on Sladen Cr requiring a budget amendment of \$137k. Work included the use of fill material to alter the slope angle and the addition of piping modifications and other drainage accommodations. Funding was transferred from available budget in the slope stability operating project and the Slope Stability reserve.

Legal/Statutory Authority:

Community Charter section 165.

Considerations not applicable to this report:

Discussion:

Conclusion:

Internal Circulation:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

Submitted by:

J. Grills, Budget Supervisor

Approved for inclusion:



G. Davidson, CPA, CMA Divisional Director Financial Services

Attachment:

1. Bylaw No. 12335 Amendment No. 1 to the Five Year Financial Plan 2021-2025 Bylaw No.12198
2. Amendment No. 1 to the Five Year Financial Plan 2021-2025 Council Presentation