



2023

FINANCIAL PLAN

Agenda

- ▶▶ Economic Factors
- ▶▶ Our Citizens
- ▶▶ 2023 Budget Priorities
- ▶▶ 2023 Capital Program
- ▶▶ Assessment and Taxation

Economic Factors

- ▶ Inflation
- ▶ Labour shortages
- ▶ Supply chain disruptions



Our Citizens



148,340
residents

2.9% of BC's total population

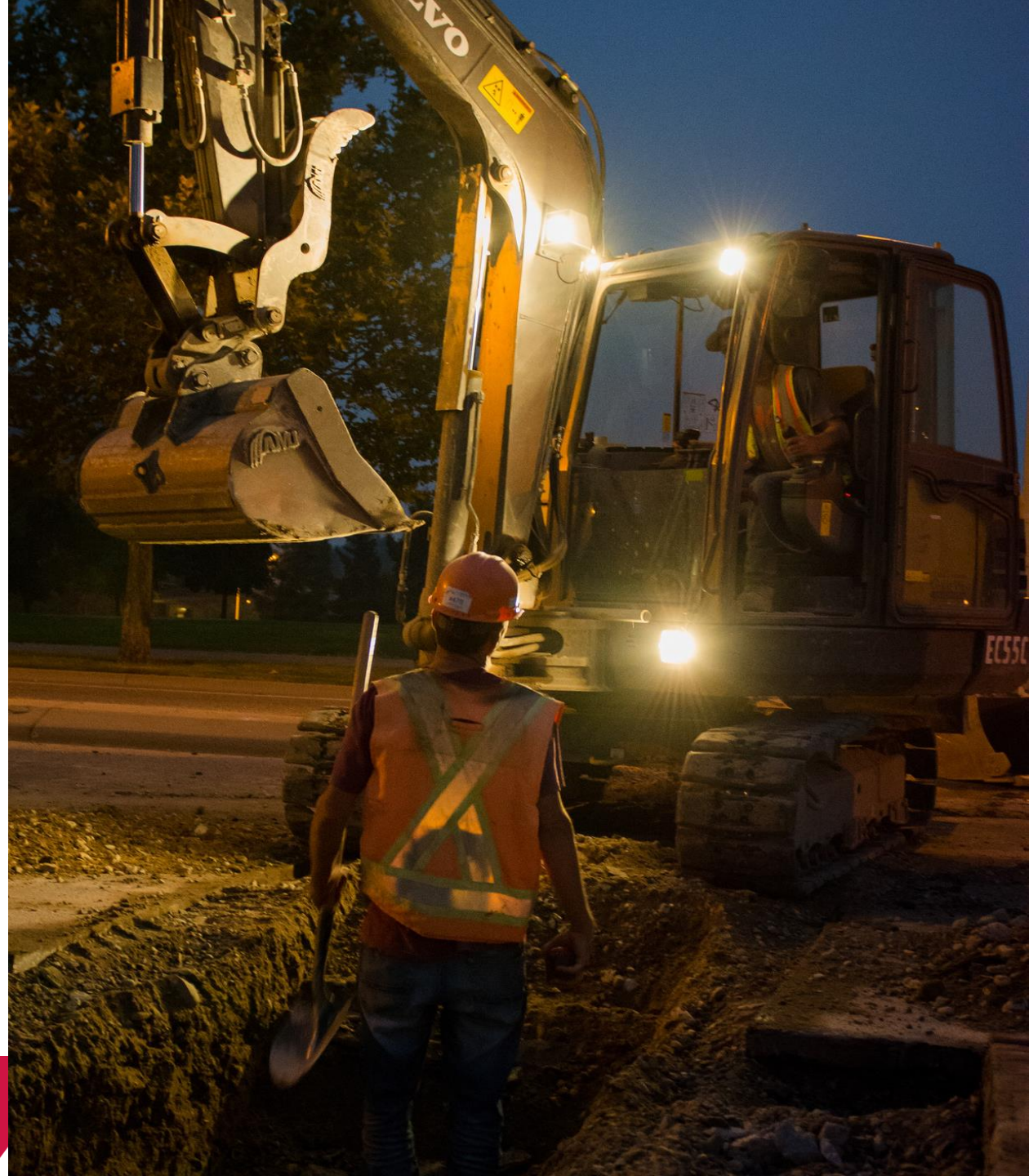


2023 Budget Priorities



Critical Infrastructure

- ▶ Infrastructure Levy index
- ▶ General building infrastructure renewal
- ▶ Vehicle/equipment renewal
- ▶ Kelowna Family Y building renewal
- ▶ Airport Air Terminal Building Capital Replacement and improvements



Community Safety

- ▶ Public Safety Levy
- ▶ Community Safety Advisor
- ▶ Part-time Bylaw support
- ▶ North Glenmore fire hall design
- ▶ Rutland CPO expansion
- ▶ Traffic safety initiatives



Social Wellness

- ▶ Engagement with Indigenous Communities
- ▶ Peer Navigator Program
- ▶ Outdoor Shelter Community Development Coordinator



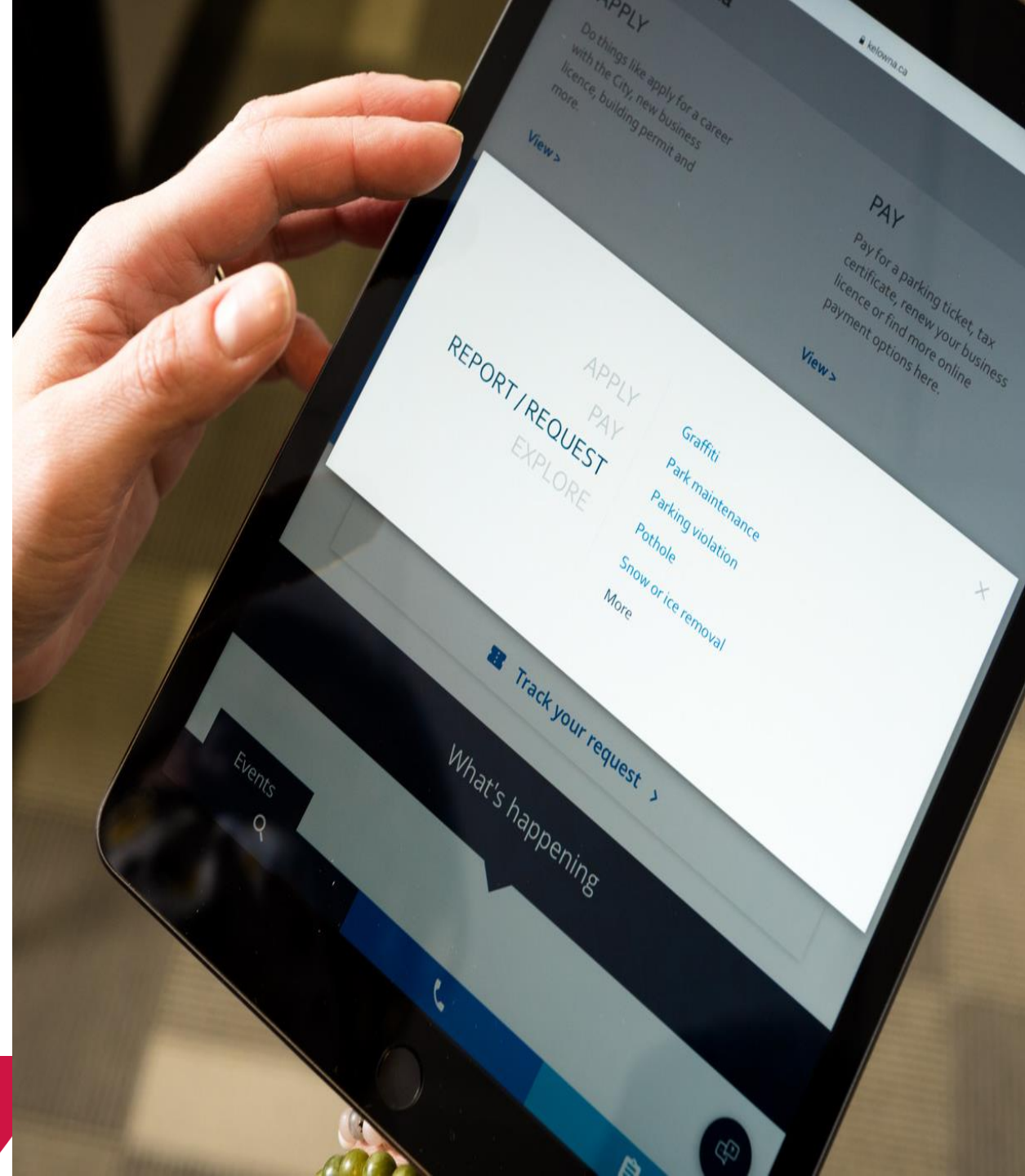
Transportation

- ▶ Active transportation networks
- ▶ Stewart Road West
- ▶ Sutherland 3
- ▶ Okanagan College Transit Exchange
- ▶ Downtown centre review



Digital Transformation

- ▶ Network as a service model
- ▶ Cybersecurity licensing
- ▶ AI Chat Bots

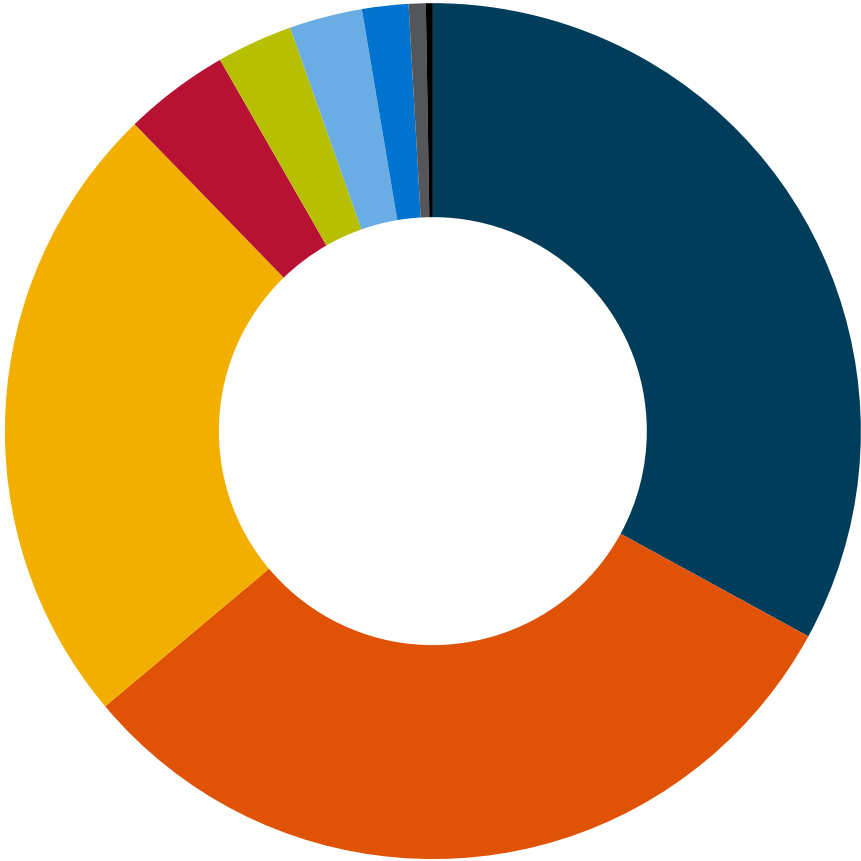


Climate Action

- ▶ Climate & Environment Review Implementation
- ▶ Community Climate Action Implementation
- ▶ Stormwater Management Plan
- ▶ Electric Vehicle Charing Stations
- ▶ Storm Drainage Replacement
- ▶ Mill Creek Flood Protection



Funding Sources



- Current year taxation 32%
- Fees and charges 31%
- Reserves and surplus 24%
- Grants 4%
- General revenues 3%
- Other revenue 3%
- Interdept. transfers 2%
- Parcel taxes 1%
- Debenture/borrowing 0%

Total \$532.4M

2023 Capital Plan



2023 Capital Plan

- ▶ Guided by the 10-Year Capital Plan
- ▶ 116 P1 projects in 2023
- ▶ 12 Capital Costs Centers
- ▶ \$148.6M



80%
of citizens satisfied in
level & quality of City
services



\$1.63 Billion
investment in new,
upgraded & renewed
public infrastructure



\$41 Million
project grant funding
from provincial &
federal governments



52%
investment in Parks,
Buildings &
Transportation

Capital Challenges

- ▶ COVID-19 recovery
- ▶ Aging infrastructure
- ▶ Growing community
- ▶ Demand for more and improved services
- ▶ Construction and land costs
- ▶ Labour shortages/supply chain challenges

THE CITY
OWNS &
MAINTAINS
INFRASTRUCTURE
VALUED AT

\$4.7

BILLION

BC Construction Association (fall 2022)

12.8%

Price Of Non-residential
Building In The Past Year



19.6%

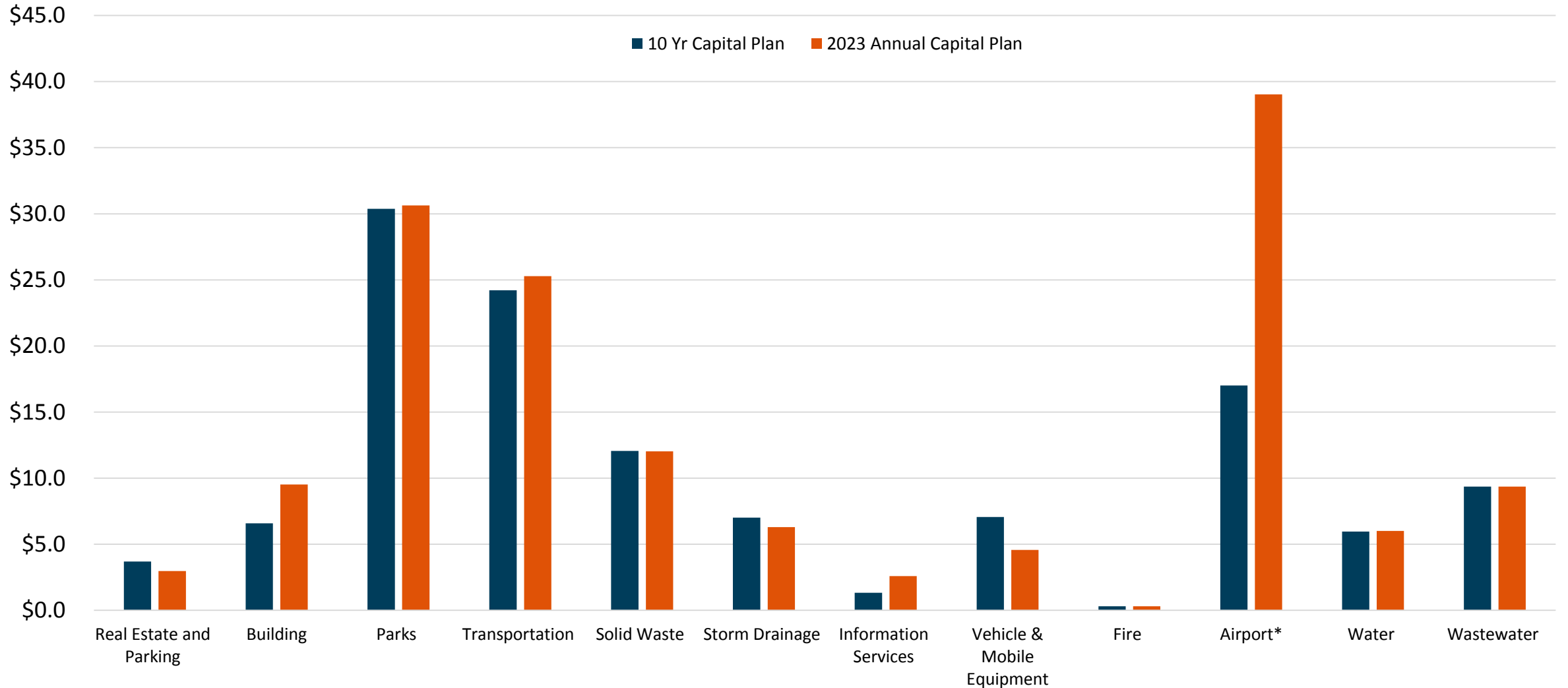
Non-residential Building
Price Index Since 2020



2023 Capital Plan

Cost Centre	Capital Investment (\$ million)
Real Estate and Parking	\$ 3.0
Buildings	\$ 9.5
Parks	\$30.6
Transportation	\$25.3
Solid Waste	\$ 12.0
Storm Drainage	\$6.3
Information Services	\$2.6
Vehicle or Mobile Equipment	\$4.6
Fire	\$0.3
Water	\$6.0
Wastewater	\$9.4
Airport	\$39.0
Annual Capital Plan Total	\$148.6

10-Year Capital Plan vs. 2023 Capital Plan



* Airport capital updated to align with most recent budget forecast.

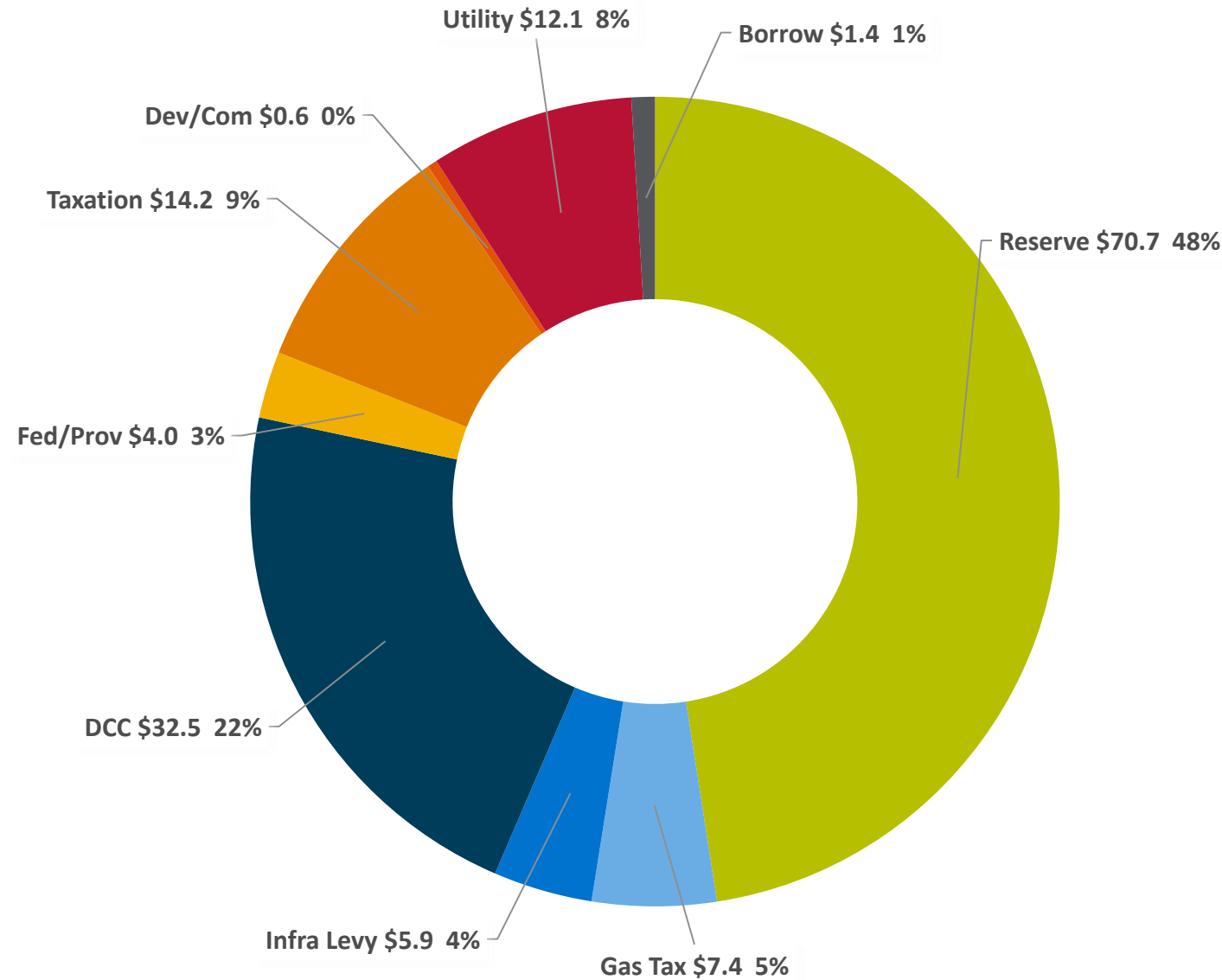
Infrastructure investment by category

- ▶ Renewal of critical aging infrastructure (\$34.9M)
- ▶ Infrastructure to support growth (\$90.0M)
- ▶ Infrastructure to improve services (\$23.7M)

Capital by type:			
	Renew	Growth	New
>	23%	61%	16%

2023 Capital funding

- ▶ Capital funded from variety of sources
- ▶ 9% (\$14.2M) funded from taxation
- ▶ Contribution from reserve (\$70.7M)
- ▶ DCC contribute (\$32.5M)
- ▶ Gas tax (\$7.4M)
- ▶ 4% Levy (\$5.9M)
- ▶ Grants (\$4.0M)



Total = \$148.6 Million

Annual Capital Plan

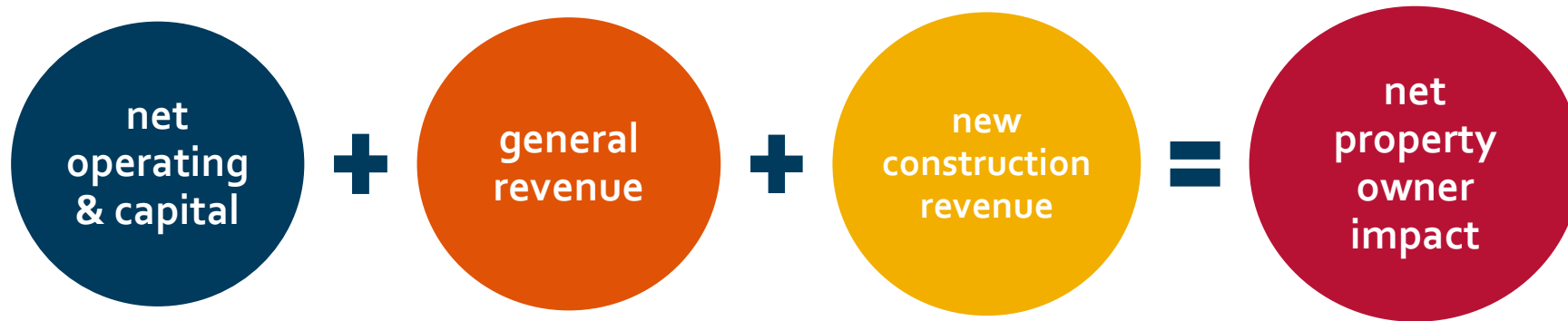
- ▶ What are we *not* investing in?
 - ▶ 22 P2 projects
 - ▶ Total value - \$10M
 - ▶ City share - \$9M



Assessment and Taxation



Analysis of Tax Demand



Net Operating + Capital	\$190.8M	
General revenues	+(15.3)	
New Construction Revenue	<u>+(1.7)</u>	
2023 Net Tax demand	\$173.8M	→ 4.01%

Net Property Owner Impact



Municipal

3.01%



Community
Safety Levy

1.00%



Est. net
property
owner impact

4.01%

+ **=**

Taxation impact

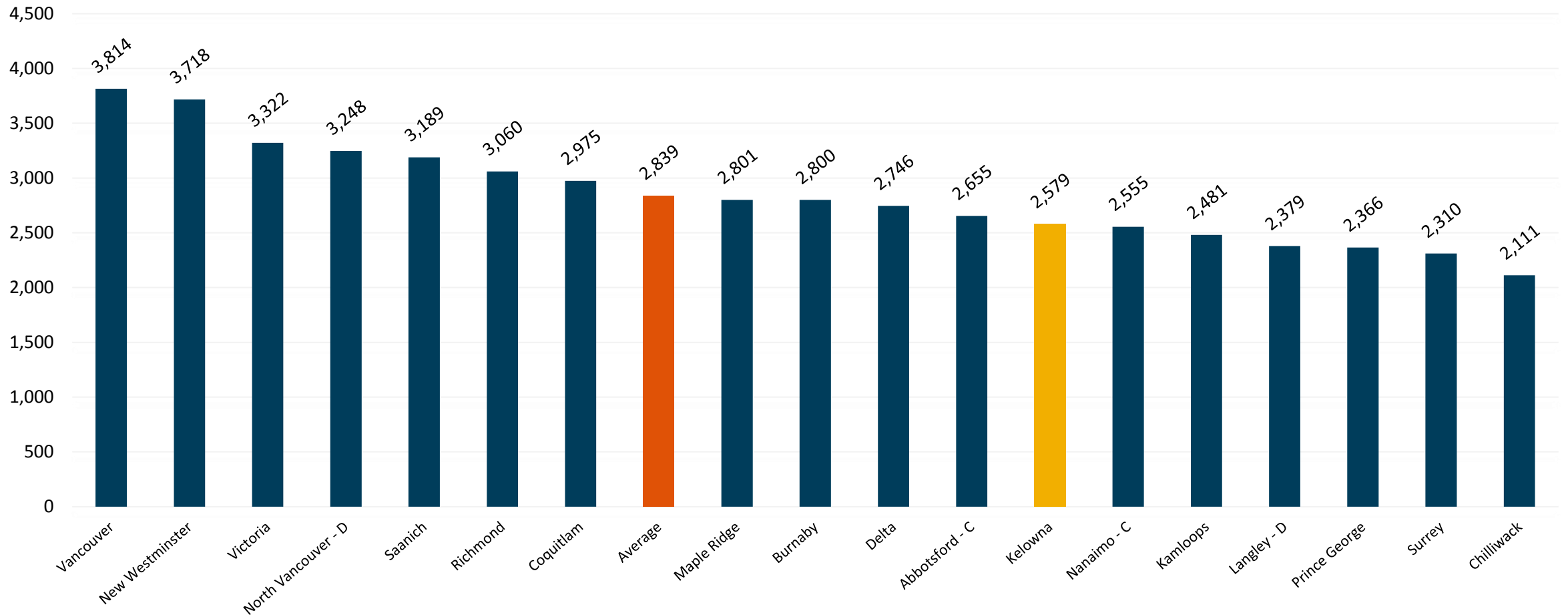


Total net property owner impact 4.01%
Municipal Portion of taxes \$2,378

	% increase from prior year	\$ increase from prior year
Public Safety Levy Impact	1.00%	\$22.86
Municipal Impact	3.01%	\$68.82

2022 Property tax information

Property Tax on Representative House (\$)



QUESTIONS?

Budget 2023
#kelownabudget

For more information visit: kelowna.ca/budget

