



FINANCIAL PLAN

Kelowna, BC Canada
Final Budget - Volume 3

2023



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Report to Council



Date: April 24, 2023
To: Council
From: City Manager
Subject: 2023 Financial Plan – Final Budget Volume
Department: Financial Planning

Recommendation:

THAT COUNCIL adopts the 2023-2027 Financial Plan;

AND THAT Council approves the formulation of 2023 Property Tax Rates that will raise the required funds in 2023, from General Taxation, in the amount of \$176,624,339 resulting in an average net property owner impact of 3.78 per cent;

AND THAT Bylaw No. 12502 being the 2023-2027 Five-Year Financial Plan, 2023 be advanced for reading consideration;

AND THAT Bylaw No. 12503 being the Tax Structure Bylaw, 2023 be advanced for reading consideration;

AND THAT Bylaw No. 12504 being the Annual Tax Rates Bylaw, 2023 be advanced for reading consideration;

AND THAT Bylaw No. 12505 being the DCC Reserve Fund Expenditure Bylaw, 2023 be advanced for reading consideration;

AND THAT Bylaw No. 12508 being the Septic Removal Specified Area Reserve Fund Expenditure Bylaw, 2023 be advanced for reading consideration;

AND FUTHER THAT Bylaw No. 12506 being the Sale of City Owned Land Reserve Fund Expenditure Bylaw, 2023 be advanced for reading consideration.

Purpose:

To present the 2023 Final Budget Volume submissions, the 2023-2027 Financial Plan and related bylaws to Council for their consideration and approval.

Background:

Council approved the 2023 Financial Plan – Preliminary volume on December 8, 2022 and the addition of the 2023 Financial Plan – Carryover Budget volume on March 20, 2023. The 2023 Financial Plan - Final Budget volume includes emergent, legislated or Council directed requests. The three volumes

provide the 2023 portion of the 2023-2027 Five Year Financial Plan. Depending on the nature of the item being considered within Final Budget, the adjustments could cause the final tax demand to increase or decrease.

The City of Kelowna's strong financial management and clear budgeting practices continue to allow the delivery of essential services residents expect while maintaining, expanding, and building infrastructure that makes Kelowna a great place to live. The 2023 Final Budget as proposed, reflects a net municipal property tax increase of 3.78 per cent, a 0.2 per cent decrease to the Preliminary Budget tax requirement approved in December 2022, of 3.80 per cent.

The largest Final Budget request affecting taxation can be attributed to the H₂O facility air handling renewal request which is offset by an increase in new construction revenue and the FortisBC franchise fee revenue. Information about the requested changes are included in the attached 2023 Final Budget Volume.

A tax rate of 3.78 per cent means the owner of a residential property with an average assessed value of \$1,009,350 will pay \$2,373 which is an increase of \$87 from the prior year for the municipal portion of their property taxes.

Considerations applicable to this report:

Legal/Statutory Authority:

In Section 165 of the Community Charter regarding Financial Plans, adoption of a 5 Year Financial Plan bylaw is required prior to the annual property tax bylaw. Under the Annual Property Tax Bylaw Section 197 of the Community Charter, Council must establish tax rates by bylaw after adoption of the financial plan but before May 15th.

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

Submitted by:

M. Antunes, CPA Financial Planning Manager

Approved for inclusion: J. Sass, CA, CPA Director of Financial Services

Attachment:

- 1: 2023 Financial Plan – Final Budget Volume
- 2: 2023-2027 Five-Year Financial Plan
- 3: 2023 Financial Plan Presentation

FINANCIAL SUMMARIES

The 2023 Final Budget Volume includes requests that are emergent, required by legislation or have been directed by City Council. This volume is consolidated with the first two volumes, 2023 Preliminary Volume and the 2023 Carryover Volume, to create the 2023 Financial Plan and the 2023-2027 Five-Year Financial Plan.

The 2023 Financial Plan results in a Final Tax Demand of \$176.6M. This represents an increase of \$1.5M relative to the 2023 Preliminary Financial Plan, and an increase of \$1.5M of taxation revenue from new construction.

The impact to the average property owner is 3.78 per cent.

FINAL BUDGET SUMMARIES

Analysis of tax demand (\$ thousands)

The 2022 final tax demand was \$167.1M and had a 3.94 per cent net property owner impact. The final 2023 gross department operating expenditures have increased by 2.40 per cent over 2022 and net department revenues by decreased by 2.19 per cent. The net general debt decreased by 32.41 per cent while capital expenditures from general taxation increased by 10.51 per cent and general revenue increased by 28.45 per cent for a total gross tax demand increase of \$9.5M.

	2022	2023	Change	% change
Gross departmental operating expenditures	298,253	305,416	7,163	2.40%
Net departmental revenue	(136,935)	(133,942)	2,993	(2.19)%
Net departmental operating expenditure	161,318	171,474	10,156	6.30%
Net general debt	4,305	5,701	1,395	32.41%
Capital expenditures from general taxation	13,693	15,132	1,439	10.51%
General revenue	(12,209)	(15,683)	(3,473)	28.45%
Gross tax demand	167,107	176,624	9,517	5.70%
Less estimated new construction revenue	(3,160)	(3,200)		
Net property owner impact	3.94%	3.78%		(0.16%)

Note: Totals may not add due to rounding



General Fund tax demand (\$ thousands)

The tax demand established at Preliminary Budget was \$175.1M. The estimated new construction revenue was \$1.7M, based on BC Assessment preliminary roll information, resulting in a 3.80 per cent net property owner impact.

Final Budget requests for net general fund operating and capital expenditures of \$1.5M have held the total tax demand to \$176.6M. Final new construction revenues, based on the revised assessment roll, increased by \$1.5M to \$3.2M, reducing the net property owner impact to 3.78 per cent.

Preliminary Budget Tax Demand			175,126
Final Budget Submissions			
General Revenues	(397)		
Operating Requests	<u>765</u>	368	
Capital Project Requests		<u>1,130</u>	
Total Final Budget Additions			1,498
Final Gross Tax Demand			176,624
Less new construction revenue			(3,200)
Final Net Tax Demand			173,424
Net Property Owner Impact			
Preliminary Budget		3.80%	
Financial Plan - Final Budget			3.78%

Note: Totals may not add due to rounding

Airport and Utility Funds – Final Budget (\$ thousands)

Final Budget requests for the Water utility totals \$300k funded from water reserves.

Final Budget Submissions			
Revenue		0	
Operating Requests	<u>0</u>	0	
Capital Project Requests		300	
Total Final Budget Additions			300

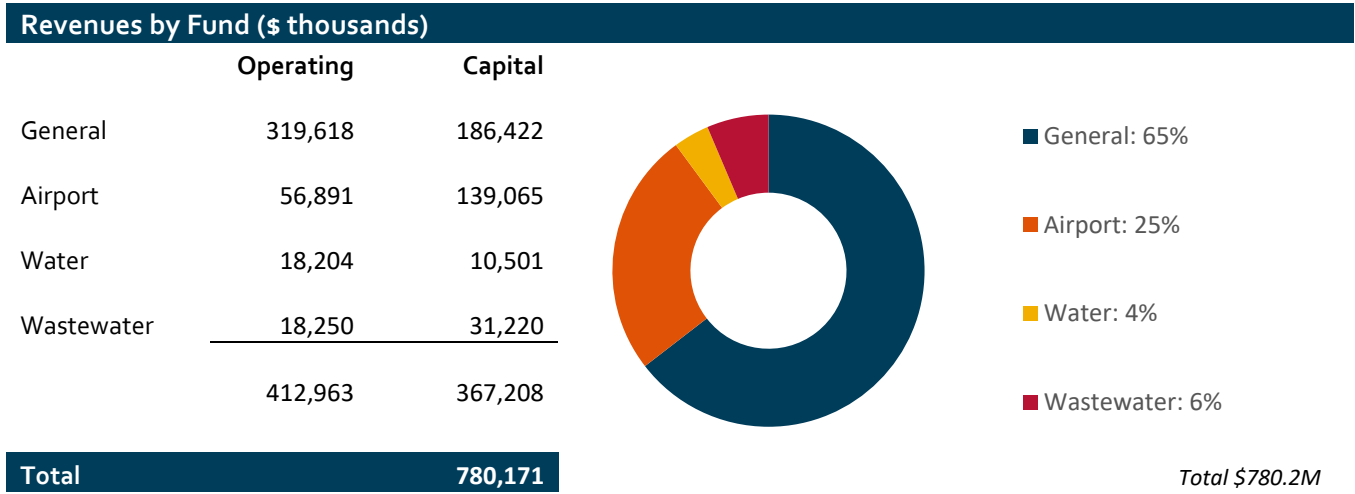
Note: Totals may not add due to rounding



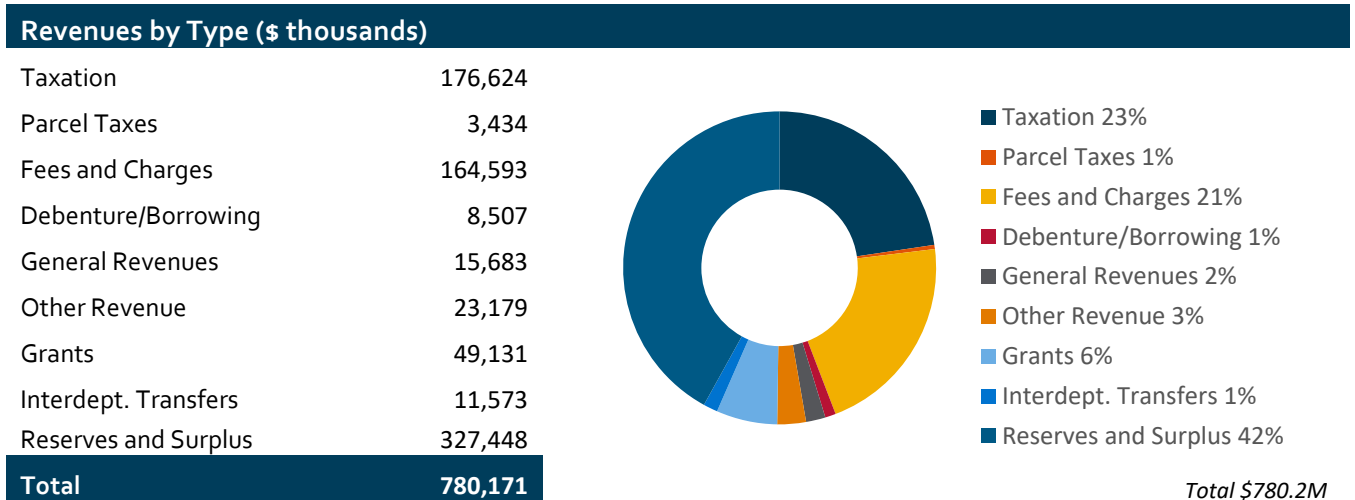
Analysis of total revenues

The total revenue budget is \$780.2M with \$412.9M from operating sources and \$367.2M from capital sources.

The tables below summarize the total operating and capital revenue by fund, including the prior year’s carryover amounts, and the same revenue information by revenue source.



Note: Totals may not add due to rounding



Note: Totals may not add due to rounding



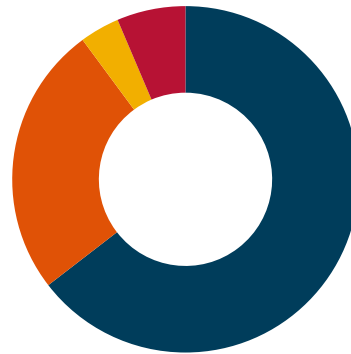
Analysis of total expenditures

The total expenditure budget requirement is \$780.2M with \$412.9M for operating needs and \$367.2M for the 2023 capital program.

The tables below summarize the total operating and capital expenditures by fund, including the prior year’s carryover amounts, and the same total operating and capital expenditure information by expenditure type.

Expenditures by Fund (\$ thousands)

	Operating	Capital
General	319,618	186,422
Airport	56,891	139,065
Water	18,204	10,501
Wastewater	18,250	31,220
	<u>412,963</u>	<u>367,208</u>
Total	780,171	



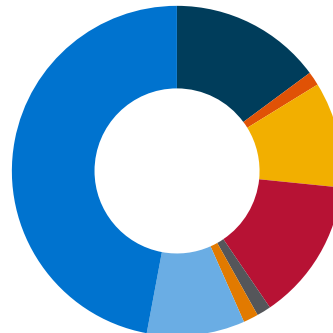
- General 65%
- Airport 25%
- Water 4%
- Wastewater 6%

Total \$780.2M

Note: Totals may not add due to rounding

Expenditures by Type (\$ thousands)

Salaries & Wages	116,113
Internal Equipment	10,539
Material	80,930
Contract Services	108,344
Debt	10,899
Internal Allocations	11,403
Transfer to Funds	74,734
Capital	367,208
Total	780,171



- Salaries & Wages 15%
- Internal Equipment 1%
- Material 10%
- Contract Services 14%
- Debt 1%
- Internal Allocations 2%
- Transfer to Funds 10%
- Capital 47%

Total \$780.2M

Note: Totals may not add due to rounding



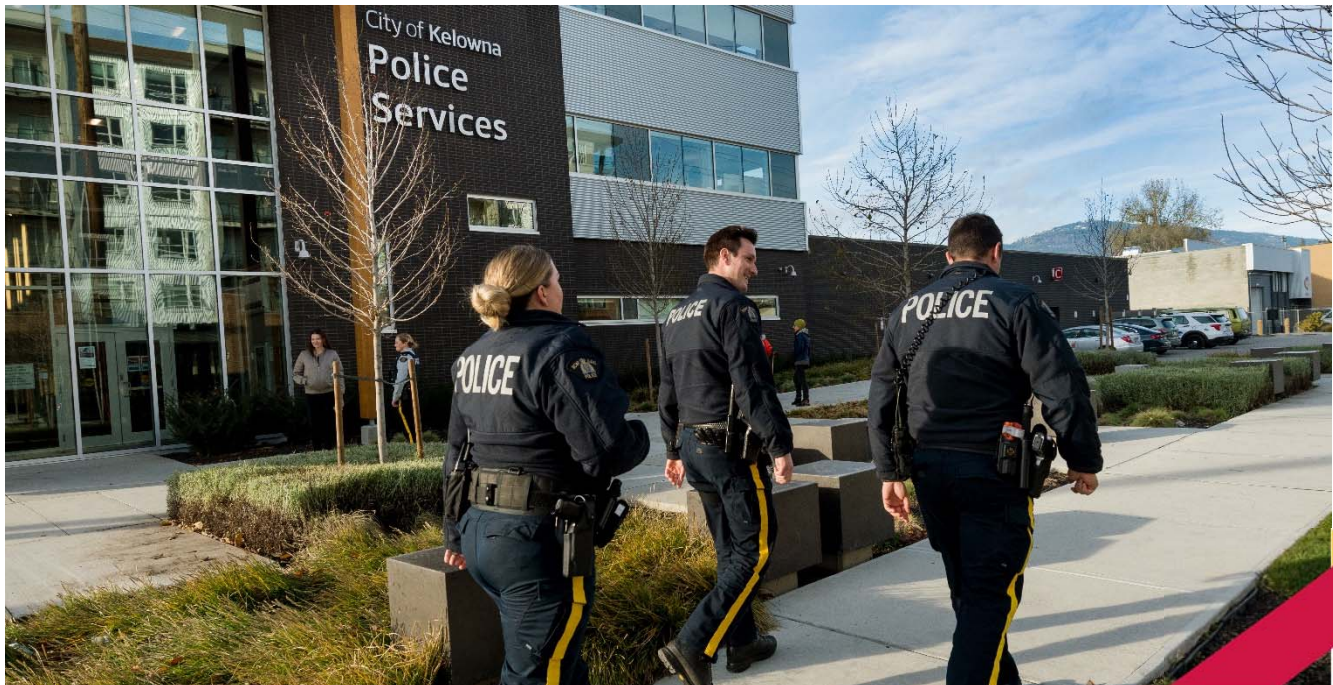
Use of tax dollar by service area

The table below highlights the cost by service area and the resulting total municipal taxes for the average residential property in Kelowna for 2023. Note the municipal portion of taxes does not include amounts collected on behalf of other taxing authorities or applicable business improvement areas such as: Regional District of Central Okanagan, BC Assessment, Okanagan Regional Library, Minister of Finance – School Tax, Downtown Kelowna Business Improvement Area or Uptown Rutland Business Improvement Area. The average assessed value of a residential property is \$1,009,350 in 2023, as obtained from BC Assessment. The service area with the highest cost is Community Safety, including RCMP, at 34 per cent, followed by the Parks Services at 14 per cent and Fire Department at 13 per cent.

Service area	\$ Cost	2023 %	2022 %
Community Safety	803.11	34	35
Fire Department	322.14	13	13
Infrastructure			
Street Lights	28.47	1	1
Parks Services	331.32	14	13
Transportation Services	229.03	10	11
Utility Services	55.51	2	2
Planning & Development	237.83	10	10
Active Living & Culture Services	113.14	5	5
Regional Programs	10.76	1	1
Public Transit	111.91	5	4
Debt	80.36	3	3
Grants or transfers to external organizations/individuals	49.21	2	2
Total Municipal portion of taxes	\$ 2,372.80	100%	100%

Based on the 2023 average residential property assessed property value of \$1,009,350

Note: Totals may not add due to rounding



Ongoing budget impacts

Below is a projection of the next five years net property owner impacts using the best information available at the time of preparation for the Final Budget volume. As with any planning exercise, the level of certainty and detail is most appropriately found in the current year. For the years after 2023, budgets have been adjusted for current one-time projects, changes in operating budgets from previously approved requests, new capital projects included in the Council endorsed 10-Year Capital Plan, 2022-2031 (10YCP), growth and/or inflationary rates, and other key assumptions. Although this forward looking information is based on what is believed to be reasonable assumptions, there can be no assurance that this information will prove to be accurate as actual results and future events could differ materially from the anticipated information contained in this forecast.

Specific assumptions in the preparation of the years 2024-2027 included in the forecasted increases below:

- Growth rates of 1.59 per cent for 2024 to 2026, 1.47 per cent in 2027.
- Inflation rates of 2 per cent for most operating expenses and certain revenues, rate increase to 4 per cent in 2024 for materials expense.
- Debt impacts have been split over the expected construction years to match required cash flow and to spread the debt repayment impacts. Included in the plan with significant impacts, are the Parkinson Recreation Centre and the Capital New Centre – Expansion projects along with anticipated alternate funding sources.

Additional details on all assumptions are provided in the Five-Year Financial Plan (2023-2027).

	2023	2024	2025	2026	2027
General revenues	(15,683)	(16,023)	(16,371)	(16,735)	(17,089)
Net operating budget	177,175	188,047	199,214	211,274	222,421
Pay-as-you-go capital	15,132	16,255	17,453	18,727	19,981
Taxation demand	176,624	188,279	200,296	213,266	225,313
New construction tax revenue	(3,200)	(2,808)	(2,994)	(3,185)	(3,135)
Net property owner impact	3.78%	5.01%	4.79%	4.89%	4.18%

Note: Totals may not add due to rounding.



Financial Plan 2023 - 2027

The table below outlines the City's Five-Year forecast for all funds revenues and expenditures for 2023-2027. The years 2028-2030 are included in summary to match the term of the 20-Year Servicing Plan. For detailed divisional information see the Five-Year Financial Plan section of the 2023 Financial Plan.

	2023	2024	2025	2026	2027	2028-2030
Revenue						
Property Value Tax	176,624,339	188,279,055	200,295,838	213,266,188	225,313,048	723,943,923
Library Requisition	7,325,200	7,471,704	7,621,138	7,773,561	7,929,032	24,751,330
Parcel Taxes	3,433,673	3,386,926	3,226,092	2,878,729	2,643,767	7,706,257
Fees and Charges	166,752,954	168,998,093	176,296,845	181,604,696	185,477,990	607,768,371
Borrowing Proceeds	8,507,400	161,039,504	50,989,600	0	0	6,321,200
Other Sources	90,079,744	64,924,162	68,236,877	65,808,081	64,104,429	192,860,588
	452,723,310	594,099,445	506,666,391	471,331,255	485,468,266	1,563,351,669
Transfer between Funds						
Reserve Funds	2,399,489	1,803,987	4,018,987	5,018,987	5,018,987	4,271,961
DCC Funds	55,191,710	27,879,895	45,071,243	42,110,785	72,931,463	131,287,135
Surplus/Reserve Accounts	269,856,570	73,537,991	74,663,418	52,310,615	67,176,349	243,984,608
	327,447,769	103,221,873	123,753,649	99,440,388	145,126,799	379,543,705
Total Revenues	780,171,079	697,321,318	630,420,039	570,771,643	630,595,065	1,942,895,374
Expenditures						
Municipal Debt						
Debt Interest	3,980,837	5,854,736	10,057,004	13,579,814	15,783,808	46,825,315
Debt Principal	6,918,584	7,140,895	9,295,237	13,569,554	14,561,097	43,009,316
Capital Expenditures	367,208,100	288,733,676	204,324,905	129,728,128	173,098,283	427,984,615
Other Municipal Purposes						
General Government Planning, Development & Building Services	38,935,773	44,982,463	47,990,399	51,232,650	54,614,371	185,472,621
Community Services	35,969,865	29,502,083	29,279,911	30,240,946	31,205,486	99,725,484
Protective Services	102,941,048	105,058,206	108,811,337	112,228,174	115,657,991	368,692,809
Utilities	94,492,441	88,067,171	91,149,022	94,369,042	97,594,381	313,263,910
Utilities	27,894,607	26,681,298	27,473,602	28,278,225	28,981,397	92,258,679
Airport	22,666,780	23,045,145	24,379,339	26,662,772	27,403,596	86,108,813
	701,008,035	619,065,673	552,760,756	499,889,305	558,900,411	1,663,341,561
Transfers between Funds						
Reserve Funds	31,694,307	31,556,581	32,324,994	32,376,236	32,439,085	97,164,211
DCC Funds	0	0	0	0	0	0
Surplus/Reserve Accounts	47,468,737	46,699,064	45,334,289	38,506,102	39,255,570	182,389,601
	79,163,044	78,255,645	77,659,283	70,882,338	71,694,655	279,553,812
Total Expenditures	780,171,079	697,321,318	630,420,039	570,771,643	630,595,065	1,942,895,374

Note: Totals may not add due to rounding.



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▶▶ OPERATING BUDGET



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2023 Operating Requests

Final Budget

Summary - General Fund

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	Taxation	Cat
City Administration									
New									
549	Council Initiatives	500,000	0	0	0	0	0	(500,000)	OG
	Total New	500,000	0	0	0	0	0	(500,000)	
Division Priority 1 Total		500,000	0	0	0	0	0	(500,000)	
Infrastructure Division									
Growth									
550	* Downtown On Call and Clean Team Support Increase	24,000	0	0	0	0	0	(24,000)	OG
	Total Growth	24,000	0	0	0	0	0	(24,000)	
Division Priority 1 Total		24,000	0	0	0	0	0	(24,000)	
Corporate & Protective Services Division									
<i>Corporate Services</i>									
Maintain									
549	Insurance Premiums - Inflationary Increase	161,000	0	0	0	0	0	(161,000)	OG
	Total Maintain	161,000	0	0	0	0	0	(161,000)	
Growth									
550	Downtown On Call and Clean Team Support Increase	30,000	0	0	0	0	0	(30,000)	OG
550	Extreme Weather Response Program Funding	30,000	(30,000)	0	0	0	0	0	OG
551	Security Services Enhancement - Additional Guard	50,000	0	0	0	0	0	(50,000)	OG
	Total Growth	110,000	(30,000)	0	0	0	0	(80,000)	
Division Priority 1 Total		271,000	(30,000)	0	0	0	0	(241,000)	
Financial Services Division									
<i>Debt & Other</i>									
Maintain									
551	Transmission of Taxes - BIA's and Other Governments	133,554,000	0	0	0	(133,554,000)	0	0	OT
	Total Maintain	133,554,000	0	0	0	(133,554,000)	0	0	

Page	Description	Cost	Reserve	Borrow	Grant/Other	Revenue	Utility	CITY OF KELOWNA Taxation Cat
	Division Priority 1 Total	133,554,000	0	0	0	(133,554,000)	0	0
Financial Services Division								
<i>Revenue & Fees</i>								
Maintain								
552	FortisBC Operating Fee	0	0	0	0	(396,800)	0	396,800 OG
	Total Maintain	0	0	0	0	(396,800)	0	396,800
	Division Priority 1 Total	0	0	0	0	(396,800)	0	396,800
	Total Priority 1 Operating	134,349,000	(30,000)	0	0	(133,950,800)	0	(368,200)

2023 Operating Request Details

Division:	City Manager	Priority: 1	New
Department:	Council		ON-GOING
Title:	Council Initiatives		FINAL

Justification:

Kelowna City Council is committed to working closely with residents, community partners and other levels of government to bring positive change. Council priorities and results identify where residents and City Council want to make a difference. Budget is requested for City Council to provide funding to promote and finance various initiatives that will contribute to this change.

Strategic Direction: Other - Council Resolution

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	500,000	0	0	0	0	0	0	(500,000)
2024	500,000	0	0	0	0	0	0	(500,000)
2025	500,000	0	0	0	0	0	0	(500,000)

Division:	Corporate & Protective Services	Priority: 1	Maintain
Department:	Risk Management		ON-GOING
Title:	Insurance Premiums - Inflationary Increase		FINAL

Justification:

Budget is requested to cover inflationary increases in insurance premiums. Inflation on insurance premium rates in 2023 has been significant worldwide. Property insurance costs in particular increased as a result of higher building replacement costs due to inflation of materials and labour. The City of Kelowna insures \$1.1B of built infrastructure with coverage including liability, property, cybercrime and environmental impairment.

2023 Base budget: \$1.55M

Expected Completion: Dec 2023

Strategic Direction: Financial management - Cost to deliver services is quantified

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	161,000	0	0	0	0	0	0	(161,000)
2024	161,000	0	0	0	0	0	0	(161,000)
2025	161,000	0	0	0	0	0	0	(161,000)

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Risk Management		ON-GOING
Title:	Downtown On Call and Clean Team Support Increase		FINAL

Justification:

The City of Kelowna works in collaboration with the Downtown Kelowna Business Association to maintain a safe and inviting environment in the downtown core. Since 2019, the City has financially supported the Downtown On Call (DOC) and Downtown Clean Team (DCT). Budget is requested to increase the support for these important teams to allow them to address an increasing demand for service.

2023 Base budget: \$106k

Strategic Direction:	Community Safety - Residents feel safe							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	54,000	0	0	0	0	0	0	(54,000)
2024	54,000	0	0	0	0	0	0	(54,000)
2025	54,000	0	0	0	0	0	0	(54,000)

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Risk Management		ON-GOING
Title:	Extreme Weather Response Program Funding		FINAL

Justification:

Budget is requested for the City of Kelowna to support vulnerable people throughout the community during extreme hot and cold weather events, for which there is no formal program or funding currently in place. These activities are separate from actions taken by the Regional Emergency Program. In 2022, the Province formally asked all local governments in BC to work with community partners to have a community plan for heat domes and freezing cold conditions. Staff will monitor for grants and other funding sources as they become available to offset or supplement this funding.

Strategic Direction:	Community Safety - Residents feel safe							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	30,000	(30,000)	0	0	0	0	0	0
2024	30,000	0	0	0	0	0	0	(30,000)
2025	30,000	0	0	0	0	0	0	(30,000)

2023 Operating Request Details

Division:	Corporate & Protective Services	Priority: 1	Growth
Department:	Risk Management		ON-GOING
Title:	Security Services Enhancement - Additional Guard		FINAL

Justification:

Budget is requested for an additional seasonal security guard to support downtown from April through September. More support is needed to address growing security concerns during the early morning hours. Additional security presence at these times will reduce vandalism and misuse of washrooms amenities as well as improve asset protection.

2023 Base budget: \$1.02M

Strategic Direction:	Other - Supports Base Business							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	50,000	0	0	0	0	0	0	(50,000)
2024	50,000	0	0	0	0	0	0	(50,000)
2025	50,000	0	0	0	0	0	0	(50,000)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ONE-TIME
Title:	Transmission of Taxes - BIA's and Other Governments		FINAL

Justification:

To establish the receipt and disbursement of taxes to Business Improvement Areas (BIA) and other governments: Regional District of Central Okanagan (RDCO) (\$14,816,900); RDCO SIR Land Levy (\$763,200); RDCO SIR Parcel Tax (\$275,000); BC Assessment Authority (\$2,759,700); School Tax (\$87,498,800); Additional School Tax (\$4,074,800); Kelowna Downtown BIA (\$1,149,000); Uptown Rutland BIA (\$222,500); Regional Hospital (\$14,668,900); and Okanagan Regional Library (\$7,325,200). The total amount to be collected for all other taxing authorities is \$133,554,000.

Strategic Direction:	Financial management - Cost to deliver services is quantified							
	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	133,554,000	0	0	0	0	(133,554,000)	0	0

2023 Operating Request Details

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ON-GOING
Title:	FortisBC Operating Fee		FINAL

Justification:

This request is to adjust the franchise fee revenue due from FortisBC up to \$2,157,365 from the 2023 Preliminary budget amount of \$1,760,540. The fee is based on 3 per cent of the gross revenue for the provision and distribution of all gas consumed within the City of Kelowna during the 2022 calendar year.

Strategic Direction: Financial management - Non-tax revenues are increasing

	Cost	Reserve	Borrow	Grant	Other	Revenue	Utility	Taxation
2023	0	0	0	0	0	(396,800)	0	396,800
2024	0	0	0	0	0	(396,800)	0	396,800
2025	0	0	0	0	0	(396,800)	0	396,800



CAPITAL BUDGET



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2023 Capital Requests

Final Budget

Summary - General Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility	Taxation
Building Capital - Priority 1								
556	Renew H2O Facility Air Handling Renewal	2,500,000	(1,500,000)	0	0	0	0	(1,000,000)
	B1 - Parks and Recreation Buildings	2,500,000	(1,500,000)	0	0	0	0	(1,000,000)
556	Renew General Building Infrastructure Renewal	1,050,000	(1,050,000)	0	0	0	0	0
	B2 - Community and Cultural Buildings	1,050,000	(1,050,000)	0	0	0	0	0
557	Renew City Hall - Level 1 Meeting Room Suite	135,000	(135,000)	0	0	0	0	0
	B3 - Civic/Protective Service Buildings	135,000	(135,000)	0	0	0	0	0
557	Renew City Yards - Female Changeroom Upgrades	130,000	0	0	0	0	0	(130,000)
	B4 - Transportation and Public Works Buildings	130,000	0	0	0	0	0	(130,000)
	Cost Center Totals	3,815,000	(2,685,000)	0	0	0	0	(1,130,000)
Parks Capital - Priority 1								
558	Renew City Park - Rose Garden Improvements	220,000	(220,000)	0	0	0	0	0
	P6 - City-wide Park Development	220,000	(220,000)	0	0	0	0	0
558	Growth Mission Recreation Park - Modular park washroom unit	162,000	(162,000)	0	0	0	0	0
	P8 - Renewal, Rehabilitation & Infra	162,000	(162,000)	0	0	0	0	0
	Cost Center Totals	382,000	(382,000)	0	0	0	0	0
	Grand Total	4,197,000	(3,067,000)	0	0	0	0	(1,130,000)

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B1	
Title:	H2O Facility Air Handling Renewal		FINAL

Justification:

Air Handling units at the H2O Adventure & Fitness Centre are approaching the end of their useful life. Immediate service work and replacement is recommended to ensure building operations are not impacted. In consideration of supply chain issues, final work is anticipated into Q2, 2024.

Expected Completion: Dec 2024

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,500,000	(1,500,000)	0	0	0	0	(1,000,000)

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B2	
Title:	General Building Infrastructure Renewal		FINAL

Justification:

Budget is requested for general building infrastructure renewal that includes additional budget for the City Hall mechanical upgrade due to equipment cost escalations, and for the modernization of the elevator at the Parkinson Activity Centre. The elevator has had recent frequent maintenance concerns and outages. Contractor investigation identified critical parts are now obsolete requiring modernization to ensure accessibility.

Expected Completion: Dec 2023

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
1,050,000	(1,050,000)	0	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2021 B3 - \$4.685M	
Title:	City Hall - Level 1 Meeting Room Suite		FINAL

Justification:

The meeting room suite of 4,200sqft on Level 1 of City Hall is complete and will be open shortly for use for City business as well as available for community bookings after hours. In the spirit of reconciliation and recognizing the living history of our region, the rooms are proposed to be given First Nations names, with artwork and decor to honour these names. The name na'k'ulam?n generally translates to 'the things that we do'.

The existing capital project is complete, and due to inflationary costs experienced throughout this project, there is no budget remaining for such enhancements. Budget is therefore requested for artwork, decor and specific furniture to create a most meaningful space in the meeting room suite.

Expected Completion: Dec 2023

Strategic Direction: Social & inclusive - Inclusivity and diversity are increasing

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
135,000	(135,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B4	
Title:	City Yards - Female Changeroom Upgrades		FINAL

Justification:

Budget is requested to accommodate the increase of female staff for the Outdoor Operations team at the City Yards facility. The female changerroom facilities have become unsuitably overcrowded for the increased number of female staff. A remodeling of the changerroom and washroom is recommended to increase the area and allow for adequate room for the additional female staff.

Expected Completion: Dec 2023

Strategic Direction: People - Ability to attract, select & retain talent

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
130,000	0	0	0	0	0	(130,000)

2023 Capital Request Details

Department: Capital Projects Priority: 1 Renew
 Cost Center: Parks Capital 10 Yr Cap Plan Ref: Not included P6
 Title: City Park - Rose Garden Improvements FINAL

Justification:

Budget is requested for a cross-divisional operational initiative to modify existing amenities, with a focus on safety and operational improvements at City Park. Through the improvement of sightlines, and the introduction of new activities to encourage more park users onto the east side of the park, it is expected many of the social issues that occur will be moved from this area.

Expected Completion: Dec 2023

Strategic Direction: Community Safety - Residents feel safe

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
220,000	(220,000)	0	0	0	0	0

Department: Capital Projects Priority: 1 Growth
 Cost Center: Parks Capital 10 Yr Cap Plan Ref: Not included P8
 Title: Mission Recreation Park - Modular park washroom unit FINAL

Justification:

Budget is requested to purchase, transport and install a new, unused multi-stall parks washroom unit. The unit is proposed to be installed first at Mission Rec Park (MRP) to service the high demand in the southern half of the site. When other permanent washrooms become available at MRP, the unit will be relocated to another high demand location. Cost savings are expected to be realized through the reduction of renting and maintaining of the blue portable toilets.

Expected Completion: Dec 2023

Strategic Direction: Financial management - Cost to deliver services is quantified

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
162,000	(162,000)	0	0	0	0	0

2023 Capital Requests

Final Budget

Summary - Water Fund

Page Type	Description	Asset Cost	Reserve	Borrow	Grant	Other	Utility
Water Capital - Priority 1							
560	Growth Osprey Ave Watermain	300,000	(300,000)	0	0	0	0
	W7 - Network and Facility Improvements	300,000	(300,000)	0	0	0	0
	Cost Center Totals	300,000	(300,000)	0	0	0	0
	Grand Total	300,000	(300,000)	0	0	0	0

2023 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W7 - \$0	
Title:	Osprey Ave Watermain		FINAL

Justification:

Budget is requested to help minimize the overall service disruption to the surrounding Osprey Avenue neighbourhood. The project consists of upgrading the watermain along Osprey Avenue while the sewer project is being constructed as this neighbourhood was approved for intensification. The Water Utility will fund 50 per cent of the project to reflect the advancing of the renewal project, while the remaining 50 percent will be recovered, from development, through future latecomer fees.

Expected Completion: Dec 2023

Strategic Direction: Economic resiliency - City policies are enabling investment

Operating Impact: There are no operation and maintenance budget impacts associated with this request

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
300,000	(300,000)	0	0	0	0