

Report to Council



Date: May 26, 2025
To: Council
From: City Manager
Subject: Q1 Amendment to the 2025 Financial Plan
Department: Financial Services

Recommendation:

THAT Council receives, for information, the Report from Financial Services dated May 26, 2025 with respect to quarter one amendments to the 2025 Financial Plan;

AND THAT the 2025 Financial Plan be amended to include budget amendments detailed in this report.

Purpose:

To amend the 2025 Financial Plan to include quarter one budget changes outlined in this report.

Background:

Budget amendments and transfers are changes to the annual budget that reflect new or updated information, circumstances, or priorities and are frequently required after the City's Financial Plan has been approved by Council. Reasons for amendments vary and may include confirmed grant funding, emergent events, new Council-directed initiatives, new legislation or regulations, and when unforeseen expenditures are deemed necessary but were not included in the approved Financial Plan.

Budget amendments and transfers are permitted under section 165(1) of the Community Charter (Financial Management). The amendments in all cases do not impact the approved taxation demand but rather result in a shift of funding from one source to another and/or shifts in expenditures within, or from one municipal purpose area to another. Budget transfers and amendments included in the amended financial plan are permitted under Council Policies #262 Financial Plan Amendment Policy, and #261 Financial Plan Transfer Policy.

Discussion:

The following are transfers and amendments recommended for quarter one of 2025.

Community Development:

Local Government Climate Action Plan (LGCAP) Initiatives: In 2022, the provincial government introduced the LGCAP to provide predictable, stable, and flexible funding for local governments to use on projects that support climate actions that prepare communities for a changing climate and reduce greenhouse gas (GHG) emissions. Funds were disbursed from the provincial government on an annual basis beginning in 2022, and a lump sum amount was received in 2024 for the 2024 - 2026 years. Total planned initiatives for 2025 total \$1.27M. Initiatives include the top-up of rebates provided in conjunction with the CleanBC and FortisBC rebate programs (\$805k), and upgrading to two electric ice resurfacing machines at Prospera Place (\$100k). The remaining \$362.5k will fund several smaller initiatives that have been identified as meeting the LGCAP program guidelines.

Enabling Services:

Housing Capacity Fund (HCF): In 2024 the City was awarded \$846k from the Province of BC to support activities or projects to meet the new housing legislative requirements of Bills 44 and 47 (Housing Statutes (Residential Development) Amendment Act and Housing Statutes (Transit-Oriented Areas) Amendment Act, respectively). To date, \$130k has been allocated to various projects. Budget of \$716k is requested to fund additional work that has been identified to be completed in 2025. These initiatives include updating the Official Community Plan, as well as associated plans and bylaws, and community engagement to educate residents about what they can expect as a result of the new requirements from the provincial government.

Parks:

Access for All Improvement (Strathcona Park): The City of Kelowna received funding from the Kiwanis Legacy Fund Grant to support the Access for All Improvements to Strathcona Park, and advance project completion in 2025. Additional budget of \$348k is requested, funded from a redeployment of \$125k from Partnerships & Investments, and the Kiwanis Legacy Fund Grant of \$223k to supplement the existing \$250k budget. Total project costs will be \$598k.

Christmas Tree Replacement: Budget of \$300k is requested, funded from reserves, for the acquisition and delivery of two new 40 ft artificial trees to replace the current ageing 24ft trees displayed at Stuart Park and Rutland Centennial Park. These additions will enhance the activation of park spaces in these core areas and will be featured in the annual winter light-up events.

Sport & Recreation:

2025 Montana's Brier: The Brier is the annual Canadian men's curling championship sanctioned by Curling Canada. The tournament has been held since 1927, traditionally during the month of March, where the winner goes on to represent Canada at the World Curling Championships of the same year. The Brier is considered Canada's premier curling event and by far the best supported curling competition in the world in terms of paid attendance, attracting large crowds in-venue and a television audience. The 2021 Brier that was originally awarded to Kelowna was cancelled, and Kelowna was awarded the 2025 Montana Brier bid in its place. The total event cost was \$763k with funding of \$276k from municipal funds (Major Event Program), \$200k from Tourism Kelowna, and \$287k from Provincial grant funding.

Transportation:

Okanagan Gateway Transportation Study: Between 2018-2020 the City of Kelowna, Ministry of Transportation and Transit, and UBC undertook the first step in developing a long-term transportation plan for the Okanagan Gateway Area. Now with current strong growth at the airport, City, and region, updating and confirming the 2020 transportation network concept and advancing the conceptual design

of identified projects is proposed. This project will be led by the Ministry of Transportation and Transit in partnership with the City and other stakeholders. The City and Province will share the cost and provide staff, data, and background support to the projects consulting team. The total project value is \$300k with anticipated completion in 2026. Budget is requested for the City's portion of \$160k funded from a redeployment of existing budget and reserves.

Internal Circulation:

Active Living & Culture
Infrastructure
Partnerships & Investments
Planning, Climate Action & Development Services

Considerations applicable to this report:

Legal/Statutory Authority: Community Charter section 165.

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements
Existing Policy
Financial/Budgetary Considerations
External Agency/Public Comments
Communications Comments

Submitted by: J. Jean, Budget Supervisor

Approved for inclusion: J. Sass, General Manager, Corporate Services

cc: M. Antunes, Financial Planning Manager