



REGIONAL DISTRICT OF CENTRAL OKANAGAN
REGULAR BOARD MEETING
AGENDA

Thursday, July 9, 2020
Woodhaven Board Room
1450 K.L.O. Road, Kelowna, BC

Pages

1. CALL TO ORDER

Chair to acknowledge that this meeting is being held on the traditional territory of the syilx/Okanagan peoples.

2. ADDITION OF LATE ITEMS

3. ADOPTION OF THE AGENDA

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:
THAT the agenda be adopted.

4. ADOPTION OF MINUTES

4.1 **Regional Board Meeting Minutes - June 22, 2020**

1 - 4

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:
THAT the Regional Board meeting minutes of June 22, 2020 be adopted.

4.2 **Public Hearing Minutes - June 22, 2020**

5 - 10

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:
THAT the Public Hearing minutes of June 22, 2020 be received.

5. CORPORATE SERVICES

5.1 North Westside Community Association - Request for Support 11 - 28

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT the Regional Board receive the June 24, 2020 CAO report entitled NWCA Request for Letter of Support for a Provincial Restructure Planning Grant;

AND FURTHER THAT the Regional Board approve the North Westside Community Association request for a letter of support for a Provincial Restructure Planning Grant.

6. FINANCIAL SERVICES

6.1 2019 Final RDCO Audit Report 29 - 48

M. Rilkoff, Director of Financial Services and BDO Auditor, Markus Schrott

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT BDO's Regional District of Central Okanagan Final Audit Report for the year ended December 31, 2019 be received.

6.2 RDCO Financial Audited Statements - Year Ended December 31, 2019 - Approval 49 - 111

M. Rilkoff, Director of Financial Services and BDO Auditor, Markus Schrott

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

Recommended Motion:

THAT the Regional District of Central Okanagan Financial Statements – year ended December 31, 2019 be approved.

6.3 RDCO 2020-2024 Financial Plan Amendment Bylaw No. 1460 112 - 154

1st, 2nd and 3rd Reading and Adoption

(All Directors - Weighted Corporate Vote - LGA 210.1)-(LGA 214) 2/3 Majority)

Recommended Motion:

THAT Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1460, 2020 be given first, second and third readings and adopted.

AND THAT the Regional Board approves the use of \$42,260 of Gas Tax – Community Works Funds to complete the Joe Rich & Ellison Community Hall roofing project as reflected in the RDCO 2020-2024 Five-Year Financial Plan Amendment Bylaw No. 1460, 2020.

7. NEW BUSINESS

7.1 Rise & Report - Governance & Services Committee Meeting - July 9, 2020

8. DIRECTOR ITEMS

9. ADJOURN

Minutes of the *REGIONAL BOARD MEETING* of the Regional District of Central Okanagan held at the Regional District offices, 1450 KLO Road, Kelowna, B.C. on Monday, June 22, 2020

Directors: J. Baker (District of Lake Country)
M. Bartyik (Central Okanagan East Electoral Area)
C. Basran (City of Kelowna)
W. Carson (Central Okanagan West Electoral Area)
M. DeHart (City of Kelowna)
C. Fortin (District of Peachland) (*attended electronically*)
G. Given (City of Kelowna)
C. Hodge (City of Kelowna)
S. Johnston (City of West Kelowna) (*attended electronically*)
B. Sieben (City of Kelowna)
L. Wooldridge (City of Kelowna)

Absent: G. Milsom (City of West Kelowna)
L. Stack (City of Kelowna)
J. Coble (Westbank First Nation)

Staff: B. Reardon, Chief Administrative Officer
T. Cashin, Director – Community Services
B. Lange, Environmental Planner
D. Komaike, Director – Engineering Services (*attended electronically*)
M. Rilkoff, Director of Financial Services (*attended electronically*)
M. Drouin, Manager-Corporate Services (recording secretary)

1. CALL TO ORDER

Chair Given called the meeting to order at 7:41 p.m.

The meeting is being held on the traditional territory of the syilx/Okanagan Peoples.

Roll call was taken as some board members were in attendance electronically due to physically distancing for COVID-19 pandemic.

2. ADDITION OF LATE ITEMS

There were no late items for the agenda.

3. ADOPTION OF THE AGENDA

(All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1)

#108/20 BAKER/WOOLDRIDGE

THAT the agenda be adopted.

CARRIED Unanimously

4. ADOPTION OF MINUTES

- 4.1 Regional Board Meeting Minutes – June 11, 2020 (*All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1*)

#109/20 BAKER/HODGE

THAT the Regional Board meeting minutes of June 11, 2020 be adopted.

CARRIED Unanimously

5. DELEGATION

- 5.1 North Westside Communities Association – Callie Simpson, Director-NWCA Governance Committee (*All Directors - Unweighted Corporate Vote - Simple Majority - LGA 208.1*)

C. Simpson addressed the Board as a member and spokesperson of the NWCA Governance Committee.

A copy of the current petition question “Is the North Westside Financially Capable of Self Governance” had been provided to the Board in advance. NWCA states 800 individuals have signed their petition.

It was noted that North Westside citizens are engaged and have civic pride for the many events held throughout the community. The governance committee, which are the same individuals as the Community Association’s board, request accurate information to be provided in order to make decision on governance. Whatever form of local governance must benefit the community. The request is for a restructure grant to fund a detailed diagnostic analysis review and to be involved in drafting the Terms of Reference. The desire for a governance review will not go away.

Question and answer discussion ensued.

Director Carson noted he has received similar requests from some area residents from Trepanier, Bear Creek Road, Brent Road, and Star Place—asking whether there is a different service delivery available for them. It was noted this is a different issue than the request from the NWCA delegation discussed today.

If the Province is interested in advancing a restructure grant, the funding would come from the Province. The Province has a say on what areas would be included in such a study, and also determines if an area may be better served by another local government.

Director Fortin left the meeting at 8:22 p.m. and returned at 8:23 p.m.

It was noted that the Province controls any restructure process, as well as the Terms of Reference and the decision to approve any type of restructure grant. The Regional Board does not make these decisions.

#110/20 BARTYIK/CARSON

THAT the delegation from the North Westside Communities Association be received for information.

CARRIED Unanimously

#111/20 CARSON/HODGE

THAT the January 15, 2018 staff report – North Westside Services Community Issues Report – Next Steps be brought forward to the next Board meeting for review and consideration.

CARRIED Unanimously

Director Fortin left the meeting at 8:24 p.m.

6. COMMUNITY SERVICES

- 6.1 Official Community Plan Amendment Bylaw No. 1304-02 - ***Second and Third Readings & Adoption***, A. Schoenherr (owner), c/o G. Fedoriuk (agent). To amend the future land use designation from Rural Resource to Parks and Open Space (Z19/06), Central Okanagan East Electoral Area, (*Custom Vote - Electoral Areas and Kelowna Fringe Area*)

#112/20 BARTYIK/HODGE

THAT South Slopes Official Community Plan Amendment Bylaw No. 1304-02 be given second and third readings;

AND FURTHER THAT South Slopes Official Community Plan Amendment Bylaw No. 1304- 02 be adopted.

CARRIED Unanimously

- 6.1.1 Zoning Amendment Bylaw No. 871-258 - ***Second and Third Readings and Adoption***, to rezone the subject property from CL8 Conservation Lands to CL8 Conservation Lands, P1 Park and Open Space and F1 Forest Resource, located adjacent to June Springs Road, Central Okanagan East Electoral Area (*Custom Vote - Electoral Areas and Kelowna Fringe Area*)

#113/20 BARTYIK/WOOLDRIDGE

THAT Zoning Amendment Bylaw No. 871-258 be given second and third readings;

AND FURTHER THAT Zoning Amendment Bylaw No. 871-258 be adopted.

CARRIED Unanimously

- 6.2 Zoning Amendment Bylaw No. 871-251- ***Second and Third Readings and Adoption***, S. & K. Sandher (owners), 4401 Old Vernon Road, to permit trailers for temporary farm worker housing (Z18/06), Central Okanagan East Electoral Area (*Custom Vote - Electoral Areas and Kelowna Fringe Area*)

#114/20 BART YIK/HODGE

THAT Zoning Amendment Bylaw No. 871-251 be given second and third readings;

AND FURTHER THAT Zoning Amendment Bylaw No. 871-251 be adopted.

CARRIED Unanimously

7. DIRECTOR ITEMS

There were no resolutions for Board consideration.

8. ADJOURN

There being no further business the meeting was adjourned at 8:26 p.m.

CERTIFIED TO BE TRUE AND CORRECT

G. Given (Chair)

Brian Reardon (Chief Administrative Officer)

Minutes of the PUBLIC HEARING of the Regional District of Central Okanagan held in the Regional District's Woodhaven Boardroom, 1450 KLO Road on Monday, June 22, 2020

Directors: J. Baker (District of Lake Country)
M. Bartyik (Central Okanagan East Electoral Area)
C. Basran (City of Kelowna)
W. Carson (Central Okanagan West Electoral Area)
M. DeHart (City of Kelowna)
C. Fortin (District of Peachland) (*via electronic attendance*)
G. Given (City of Kelowna)
C. Hodge (City of Kelowna)
S. Johnston (City of West Kelowna) (*via electronic attendance*)
B. Sieben (City of Kelowna)
L. Wooldridge (City of Kelowna)

Absent: G. Milsom (City of West Kelowna)
L. Stack (City of Kelowna)
J. Coble (Westbank First Nation) (*via electronic attendance*)

Staff: B. Reardon, Chief Administrative Officer
T. Cashin, Director of Community Services
D. Komaik, Director of Engineering Services
B. Lange, Environmental Planner
M. Rilkoff, Director of Financial Services
M. Drouin, Manager Corporate Services (recording secretary)

Chair Given brought the Public Hearing to order at 7:00 p.m. and acknowledged that this Public Hearing is being held on the traditional territory of the Syilx/Okanagan Peoples.

Roll call was taken as some board members were in attendance electronically due to physically distancing for COVID-19 pandemic.

This Special Meeting is being held for the purpose of considering amendments to RDCO Zoning Bylaw 871

The **Public Hearing was advertised** (pursuant to the *Local Government Act*) in the Kelowna Capital News on Wednesday, June 10 and June 17, 2020.

The role of the Regional Board is to hear representation from those persons who wish to provide comments regarding the proposed bylaws. Everyone who wishes to speak shall be given the opportunity to be heard. No one will be, or should feel, discouraged or prevented from making his or her views known. However, it is important that all who speak at this meeting restrict their remarks to matters contained in the bylaws and it is my responsibility as Chairperson of this meeting to ensure that all remarks are so restricted.

Members of the Regional Board may, if they so wish ask questions of you following your presentation. However, the main function of the Regional Board members this evening is to listen to the views of the public. It is not the function of the Regional Board at this public hearing to debate the merits of the proposed bylaws with individual citizens.

No decision will be made at the Hearing, but the entire proceedings will be considered by the Regional Board at a subsequent meeting.

Submissions regarding the proposed bylaws may be received prior to or at this Hearing. No further information or representations can be considered by the Regional Board after the Public Hearing is terminated.

The Chair introduced the following bylaw:

1. APPLICANT: S. & P. Sandher

Zoning Amendment Bylaw No. 871-251
(RDCO File: Z18/06)
Received First Reading: July 18, 2019
(Central Okanagan East Electoral Area)

To amend the zoning on Lot D, District Lots 121 and 122, ODYD, Plan KAP63914 to permit Temporary Agricultural Worker Dwellings and to vary setbacks to approve the location of existing Temporary Agricultural Worker Dwellings and Accommodation.

Staff:

Staff report dated June 22, 2020 outlined the application. Staff presented the amendments to the bylaw.

The Regional Board granted first reading to Zoning Amendment Bylaw No. 871-251 on July 18, 2019. On January 27, 2020, Board resolution #142/19 was amended such that scheduling of a Public Hearing be withheld pending receipt of the following:

- *A draft covenant prohibiting new Temporary Agricultural Worker Dwellings and Accommodation on neighbouring parcels owned by S. & P. Sandher and/or S. Sundher Orchards Ltd; and,*
- *Written confirmation that a covenant which achieves Zoning Bylaw No. 871, Section 3.25.9 requirements will be registered prior to final adoption on the subject property.*

RDCO staff received the required documentation confirming the two (2) covenants have been registered.

Proposal:

The subject property forms part of a large agricultural operation. The agricultural property includes accommodation for approximately 102 farm workers on-site, which allows for operational efficiency of a centralized site to coordinate and transport workers, plus the social benefit of common housing.

The following is an overview of the accommodation provided on-site:

- 24 temporary farm worker housing (TFWH) located within three atco trailers (~1,300ft²),

- 18 TFWH located within an accessory home/agricultural dwelling (~2,034 ft²), and
- 60 TFWH located within a residential lodge (~5,180 ft²).

The owners previously received conditional approvals in 2013 and 2016 (File: TUP-13-01) to permit temporary farm worker housing (TFWH) on the subject property. At the time, Zoning Bylaw No. 871 did not have provisions to allow TFWH.

On March 28, 2014, the Regional Board adopted a Zoning Bylaw text amendment to allow TFWH on properties subject to a specific list of conditions and requirements. The accessory home/agricultural dwelling, lodge and three atco trailers were placed on the property prior to the Regional District's current Temporary Farm Worker Dwelling and Accommodation regulations. The TUP has expired and is not eligible for a renewal; therefore, the applicant is requesting a site-specific rezoning to recognize the TFWH use occurring.

The TFWH at the subject property does not achieve the following provisions of Zoning Bylaw No. 871, Section 3.25 Temporary Agricultural Worker Dwellings and Accommodation:

- The maximum building gross floor area on the property utilized for TFWH is greater than 250m².
- The minimum setback from a parcel line is less than 15.0 m.
- The maximum setback from the principal building is greater than 15.0 m.
- Two of the structures have permanent foundations.

Servicing:

Water

Glenmore Ellison Improvement District provides the property with potable water. GEID has indicated that the owner has satisfied all requirements for the existing TFWH.

Sewerage Disposal

Through the building permit process, RDCO is in receipt of on-site sewerage disposal system information which confirms that the buildings are adequately serviced.

Agency referrals were outlined.

In accordance with Development Applications Procedures Bylaw No. 944, a Notice of Application Sign has been posted. Subsequent to the Public Hearing notification process, up to and including the date of this report, no letters of support and two (2) letters of opposition have been received regarding this application.

Board:

- A question was raised whether the property is on sewer? There is septic and no comments were received from Interior Health.
- The letters of opposition were received last year prior to first reading.

Public:

There were no comments from the public.

There were no further comments and the Public Hearing for this application was terminated at 7:15 p.m.

2. APPLICANT: S. Schoenherr (agent: G. Fedoriuk)

- a) South Slopes Official Community Plan Amendment Bylaw No. 1304-02
(RDCO file: Z19/06)
Received First Reading April 27, 2020
Central Okanagan East Electoral Area

To amend the Future Land Use Designation on part of the South ½ of Section 36, Township 29, ODYD from Rural Resource to Parks and Natural Open Space.

- b) Zoning Amendment Bylaw No. 871-258
(RDCO file: Z19/06)
Received First Reading April 27, 2020
Central Okanagan East Electoral Area

To amend the zoning from RU1 Rural 1 to CL8 Conservation Lands, P1 Park and Open Space, and F1 Forest Resource, and a site-specific amendment to permit adventure eco-tourism as a use in the CL8 Conservation Lands zone.

Staff:

Staff report dated June 22, 2020 outlined the application. Staff presented the amendments to the bylaw.

The subject property is bisected by KLO Creek and the corridor surrounding the creek has historically been utilized for recreational purposes. The majority of the 129 ha (320 acre) parcel remains in a natural state with the exception of the existing outdoor recreational aerial adventure park, ropes and challenge course known as Myra Canyon Adventure Park. Through the amendment applications, the applicant intends to continue the use which is not currently permitted in the zoning bylaw and historically permitted under a Temporary Use Permit.

The subject property is currently zoned RU1 Rural 1, this zone is intended to accommodate rural and agricultural uses on parcels that are 30 hectares or greater and located outside the Land Reserve and allows for a variety of permitted uses.

The existing land use designation in the South Slopes Official Community Plan (OCP) is Rural Resource, intended for privately owned large rural lots with minimal services. Private lands within this designation are intended to support resource industries such as cattle range, agriculture, timber harvest and gravel extraction as well as outdoor recreation on large parcels (30 ha or larger).

Myra Canyon Adventure Park has been previously supported by the Regional Board on a portion of the subject property under a Temporary Use Permit and upon expiry of the TUP, a Board resolution to not pursue active enforcement on the operation subject to various conditions. One of these conditions was the preparation and submission of an OCP and zoning amendment application.

The business provides an outdoor based activity site for families with children of all ages as well as for leisure and corporate groups, including school classes. Currently, Myra Canyon Adventure Park utilizes an approximate 5.85 ha (14.2 acres) portion of the 129 ha (320 acre) property which includes a ropes and challenge course area, zip-lines, and a parking area. No permanent buildings are associated with the business and it operates with minimal negative environmental impact.

The Temporary Use Permit was conditionally approved for three years by the Regional Board on April 22, 2013. In 2013, the intent of the original applicant was to obtain approval of the TUP and establish the business while continuing negotiations with the property owner for a long-term lease and/or purchase of the property. Since the initial application, Planning staff has communicated that a permanent remedy must be accomplished via submission of, and approval of both an OCP and zoning amendment application.

On April 11, 2019 the Regional Board was informed that the owner had engaged with a consultant to develop a land use proposal for consideration by the Board and intended to submit a comprehensive development zone application later in the year.

Since this time, the owner engaged Greg Fedoriuk to represent the owners' interests in the property. Mr. Fedoriuk is the current operator of Myra Canyon Adventure Park and has continued operation of the business in a manner that complies with the previous TUP conditions.

RDCO Parks Services has had ongoing interests in the KLO Creek corridor as a future trail and greenway connection between KLO Creek Regional Park, Scenic Canyon Regional Park and Myra-Bellevue Provincial Park. The KLO Creek trail corridor and greenway connectivity between these adjacent parks is supported in the South Slopes Official Community Plan. In 2013, the RDCO was presented with the opportunity to secure a trail access along KLO Creek, as part of the TUP requirements. The agreement entered into between the RDCO and owner in 2014 allowed the RDCO to fulfill this trail connection for multi-use recreation purposes between Regional Parks, and Myra-Bellevue Provincial Park which was actively used for recreation.

Agency referral comments were highlighted.

Subsequent to the Public Hearing notification process, up to and including the date of this report, one letter of support and no opposition have been received regarding this application. Further to posting the agenda, information was received from the Friends of South Slopes.

Board:

- Were any species at risk identified? The province indicated that there were but did not provide specifics.

Agent:

- There were no comments

Public:

- Daphne Richard, spokesperson for Friends of the South Slopes, addressed the Board. Support for the application. Outlined recommendations in their June 22 correspondence e.g.: would like to see the applicant pursue the outdoor activities in the northern boundary; commented on protection of the KLO Creek Corridor and would like to see guaranteed access to Myra Bellevue Provincial Park, and beyond.

There were no further comments and the Public Hearing for this application was terminated at 7:40 p.m. and the Public Hearing closed.

CERTIFIED TO BE TRUE AND CORRECT

G. Given (Chair)

B. Reardon (Director of Corporate Services)



Regional Board Report

TO: Regional Board

FROM: Brian Reardon
Chief Administrative Officer

DATE: June 24, 2020

SUBJECT: NWCA Request for Letter of Support for a Provincial Restructure Planning Grant

Voting Entitlement: *All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208.1*

Purpose: To bring forward a request from the North Westside Communities Association for a Letter of Support for a Provincial Restructure Planning Grant.

Executive Summary:

At the regular Board Meeting held on June 22, 2020, the Regional Board received a delegation from the North Westside Community Association at which a request for a Letter of Support for a Restructure Planning Grant from the Ministry of Municipal Affairs and Housing was made.

Subsequently, the Board adopted the following resolution:

“THAT the January 15, 2018 staff report – North Westside Services Community Issues Report – Next Steps be brought forward to the next Board meeting for review and consideration.”

Accordingly, a copy of the January 15, 2018 report is attached to this report for the Board's review and consideration.

RECOMMENDATION:

THAT the Regional Board receive the June 24, 2020 CAO report entitled NWCA Request for Letter of Support for a Provincial Restructure Planning Grant;

AND FURTHER THAT the Regional Board approve the North Westside Community Association request for a letter of support for a Provincial Restructure Planning Grant.

Respectfully Submitted:

A handwritten signature in black ink that reads "Brian Reardon".

Chief Administrative Officer

Background:

At the regular Board Meeting held on June 22, 2020 the Regional Board received a delegation from the North Westside Community Association at which a request for a Letter of Support for a Restructure Planning Grant from the Ministry of Municipal Affairs and Housing was made. This request referenced a staff report entitled “North Westside Community Issues Report – Next Steps” that was presented to the Board on January 22, 2018.

After receiving the NWCA presentation the Board deliberated the request, and subsequently adopted the following resolution:

“THAT the January 15, 2018 staff report – North Westside Services Community Issues Report – Next Steps be brought forward to the next Board meeting for review and consideration.”

Accordingly, a copy of the January 15, 2018 staff report is attached to this report for the Board’s review and consideration.

The “Next Steps” portion of the January 15, 2018 staff report included three “Considerations” that could be actioned to address the four “conclusions” identified in the EcoPlan International (EPI) report. They are:

1. Improve Communications:

- Clarifying expectations and constraints on information provided by RDCO staff and requested by the public;
- Clarify the role of the Electoral Area Director in community/regional district relations.

2. Establish a platform or channel for regular dialogue between North Westside residents and the RDCO.**3. Conducting a detailed diagnostic assessment of the service areas and costing that are principal concerns to the community:**

- Comparative analysis of water rates
- Comparative analysis of overhead rates
- Analysis of the degree to which Board voting has or has not represented local interests

Staff has been advised that we could apply to the Ministry of Municipal Affairs and Housing for a Provincial Restructure Planning Grant to assist in having this work done by a third-party consultant. This would support providing factual information to the North Westside community.

It should be noted that since January 2018, the RDCO has improved its corporate communications capacity in the electoral areas, including the North Westside through:

- Hiring a new Director of Corporate Communications,
- Adding sections to our WEB Site that pertain specifically to issues in the two electoral areas,
- Advertising RDCO programs and services in local media that specifically serves the North Westside area residents.

That said, the work identified in Considerations 1 & 2 of the EPI Report has yet to be started.

If the Board wishes to proceed with any of the *Considerations* in the EPI Report, staff could formulate an approach to develop a communications strategy and advance Work Plans and Budget submissions for 2021 and 2022.

Financial Considerations:

The first step to dispelling misinformation in the community is to develop and implement a new communication strategy and public engagement process for the North Westside communities. It is suggested that an independent third party be retained to develop this new strategy and assist in its implementation.

If the Board supports this approach, a preliminary budget of \$15,000 should be set aside to augment the work of the third-party consultant for advertising, venues, public engagement, information boards & materials, etc. with the expectation of a further budget request should the new strategy be approved by the Board. It is premature to speculate on what those costs will be until we understand what the specific elements of the new communication strategy are.

These costs would be allocated to the Electoral Area West “Administration” function. A follow-up report on the implementation plan and its costs would be brought forward to the Board at a future date.

Attachment(s): January 15, 2018 CAO Next Steps Report

Regional Board Report

TO: Regional Board

FROM: Brian Reardon
Chief Administrative Officer

DATE: January 15, 2018

SUBJECT: North Westside Services and Community Issues Report – Next Steps

Voting Entitlement: All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208.1

Purpose: To provide a “Next Steps” report to the Regional Board on the “*Considerations*” provided by EcoPlan International in their October 23rd, 2017 presentation and final report entitled “North Westside Services and Community Issues Review”.

Executive Summary:

On October 23rd, 2017 the Regional Board received a presentation by EcoPlan International (EPI) entitled “*North Westside Services and Community Issues Review*”. Following the presentation and questions from the Board the following resolution was adopted:

“THAT staff be directed to bring forward a report outlining next steps for Board consideration in regards to the North Westside Services and Community Issues Review.”

Staff has reviewed the EPI report and wish to confirm that the Terms of Reference for this assignment have been met, all contractual obligations have been satisfied and the assignment with EPI is now considered complete.

EPI captured it well when they wrote “*Through project work it became clear that misinformation in the community about service delivery, costing and decision-making is prevalent. Indeed, it is difficult to identify legitimate concerns around service delivery amongst the backdrop of misunderstandings.*” They go on to write “*While issues in the community are not only about communications, dispelling misinformation is an important first step.*”

It is suggested serious consideration be given to retaining a subject matter expert to develop a communications and public engagement strategy for the North Westside and to direct staff to apply for a Provincial Restructure Planning Grant for a detailed diagnostic assessment of the services identified as having concerns to dispel misinformation and foster an informed citizenry.

RECOMMENDATION:

THAT the Regional Board receive the January 15, 2018 CAO “Next Steps” Report for information.

Respectfully Submitted:



Implications of Recommendation:

Strategic Plan:	Strategic Priority #1 – Provide Proactive and Responsive Governance includes an objective of improving the Electoral Area working relationships within the RDCO.
Legal/Statutory Authority:	Decision making authority for this matter is derived through the provisions of the Local Government Act and the Regional Board's bylaws and policies.

Background:

On October 23rd, 2017 the Regional Board received a presentation by EcoPlan International (EPI) entitled “*North Westside Services and Community Issues Review*”. Following the presentation and questions from the Board of Directors the following resolutions were adopted:

“THAT the North Westside Services and Community Issues Review report by Paul Siggers, Planning Associate, EcoPlan International (EPI) be received.”

And

“THAT staff be directed to bring forward a report outlining next steps for Board consideration in regards to the North Westside Services and Community Issues Review.”

Staff has reviewed the EPI report and wish to confirm the Terms of Reference for this assignment have been met, all contractual obligations have been satisfied and the assignment with EPI is now considered complete.

In bringing forward a “Next Steps” report to the Board, staff focused on the “*Conclusions and Considerations*” sections of the EPI’s report. It was hoped this report would clarify the concerns in the North Westside however the key findings cast doubt on whether property owners in the study area are basing their opinions on factual information. We cite the following report extracts below:

1. Under **Section 3.1 Key Findings** EPI writes “The following are key findings on community opinion and perception that came from an analysis of the 264 survey responses received.”
2. At the top of page 15 under **Section 3.2 Survey – Detailed Results** of the EPI report it states “These survey results are not be read as a statistically significant description of the population in the North Westside.” The survey results falls well below the 300 to 400 response threshold to consider the results statistically valid. EPI’s aim was to inventory and explore a set of concerns and issues raised by the community;
3. On page 31 of the report under **Section 4.2 Considerations** they state “This review was limited to creating an inventory of issues – ground truthing whether they were valid criticisms of regional services was beyond the review’s scope.”
4. The concluding paragraph on page 32 under **Section 4.2 Considerations** of the EPI report states “While input was received from RDCO staff and Board members, the focus of this review was on community engagement and as a result these considerations are largely based on what was heard from the community. As such, a more systematic review by staff and Board members of the issues identified by the community may be needed to provide a fuller understanding of the options available for addressing them.”

The Board needs to draw its own conclusions however it is clear to staff that taking inventory and exploring a set of concerns, based mostly on community opinions and perceptions that the community admits understanding poorly or not at all, fed by prevalent misinformation in the community without a ground truthing process will not and does not achieve the Province's second step objective to "*Clarify the Problem*". More work needs to be done to provide factual information and dispel misinformation in the study area.

The **Key Findings** and **Survey – Detailed Results** under **Sections 3.1 and 3.2** respectively of the EPI report provide a comprehensive list of community concerns and issues that, even though they may be opinions and perceptions based on a poor understanding of service delivery and decision making amid the backdrop of misinformation in the community, they should be treated as bonafide concerns that should shape how the Regional District responds with a new communication strategy and community engagement plan that provides factual information.

On page 24 of the EPI report, under [Communications](#) it is interesting to note that the preferred method of receiving information from the RDCO was overwhelmingly via email or regular mail. It also states the preferred method to provide feedback, in order of priority, to the RDCO is via email, Open House/Meetings and by regular mail.

Under [Services](#) in the same section it lists the services most valued by the community, in order of priority:

- North Westside Volunteer Fire/Rescue Department (11 votes)
- Killiney Community Hall (7 votes)
- 9-1-1 Emergency Call Centre (7 votes)
- Electoral Area Fire Prevention (5 votes)

As well, a list of services that residents were most concerned about, in order of priority are:

- Dog Control (11 votes)
- Regional Board (9 votes)
- Enforcement of Unsightly/Untidy Premises Bylaw (8 votes)
- Electoral Areas – General Government (8 votes)
- Regional Administration (8 votes)

These kernels of knowledge are important factors to keep in mind as we work towards dispelling the misinformation in the community.

EcoPlan International did a good job engaging with the community, creating an inventory of community issues and concerns, and summarizing the key findings. They also compiled a list of *Conclusions* and *Considerations* that are summarized on page 28 of their report under **Section 4 Conclusions and Considerations**.

The tables on the next two pages list these points along with commentary from the consultant as well as RDCO staff.

Conclusions:

The following conclusions are drawn from analysis of community and stakeholder engagement as well as observations about the context made while EcoPlan International conducted the review:

	Conclusion	EPI Commentary	RDCO Staff Commentary
1.	An erosion of trust is impacting working relationships among and between community and RDCO personnel.	Transparency and accountability about RDCO service delivery were 3 rd & 4 th ranked items of concern in the community survey. Distrust touches on concerns about information received from RDCO staff, decisions of the RDCO Board, information distributed by the Electoral Area Director, and even among different community groups. The result is a highly unproductive and corrosive working relationship among community, RDCO staff, the Electoral Area Director and the RDCO Board.	It is understandable that a real or perceived lack of transparency could lead to distrust. We can't speak for the Electoral Area Director or the North Westside community groups but what we can say is that RDCO staff and certainly the Regional Board make every attempt at being transparent and accountable. Dispelling misinformation in the community is a necessary first step.
2.	Misinformation is prevalent within the community and may be exacerbated by difficulty in locating information.	Through project work it became clear that misinformation in the community about service delivery, costing and decision-making is prevalent. Indeed, it is difficult to identify legitimate concerns around service delivery amongst the backdrop of misunderstandings.	The source of misinformation has yet to be verified however we know it certainly hasn't originated with the RDCO. Website improvements and a new communications plan would go a long way to resolve this.
3.	There is a persistent feeling among community members that the community's interests are not represented by the RDCO Board or staff.	Two of the top five concerns identified by survey respondents were "responsiveness to local concerns" and "representation of local interests". Specifically, residents feel they are dominated, or a minority voice, at the Board level where their elected representative could be "outvoted" by larger jurisdictions (e.g., City of Kelowna) on areas of local concern where there is a divergence of opinions at the Board. This concern is most acute around decisions on local services, which involve a stakeholder vote of the entire Board (consistent with provincial legislation).	The composition of the Regional Board is a matter of public record and all voting on matters dealt with by the Board is conducted in accordance with the provisions of the Local Government Act. An analysis of decisions made at the RDCO Board table from December 2014 to December 2016 shows the Regional Board supporting 98% of EA Director motions. EA Director supported 95% of Board motions.
4.	Community members feel that service costs, including administrative overheads, are too high.	The focus of most concerns about service costs were the increase in water rates and what drives the increase. There is also concern about how much it costs to administer services (i.e. Administrative Overhead), particularly local services, such as the Killiney Beach Community Hall. Specifically, some have suggested that local revenues are being used to offset larger RDCO administrative costs.	Most residents don't like to pay higher taxes and fees. The North Westside water systems have benefited from the policies put in place in terms of receiving grants. The overhead costs are calculated based on the policy approved by the Board. This policy is being reviewed in 2018.

Considerations:

The following Considerations address the issues described in the preceding Conclusions table from the perspective of EcoPlan International. The considerations are intentionally general, leaving specific mechanisms and actions to the discretion of the Board.

	Consideration	EPI Commentary	RDCO Staff Commentary
1.	Improve Communications: <ul style="list-style-type: none"> • Clarifying expectations and constraints on information provided by RDCO staff and requested by the public; • Clarify the role of the Electoral Area Director in community/regional district relations. 	<p>While issues in the community are not only about communications, dispelling misinformation is an important first step. The dissemination of accessible, factual and timely information is critical to an informed citizenry. Some options may include a North Westside Services webpage with information specific to the area and its services, or a regular newsletter to property owners. It should be understood that any choice will need a balance of costs of communications with how well they fulfill the communications needs for the community.</p> <p>As such, a first step might be to collaboratively develop a communication strategy outlining the communications needs, channels, procedures, roles and expectations of all parties involved in distributing and requesting information.</p>	<p>Staff fully supports EPI's commentary and recommend the Regional Board support efforts to dispel misinformation as a top priority and an important first step. This should include financial resources to retain a subject matter expert to bring forward a new communications plan to address all issues raised in the EPI report.</p> <p>Should the Board agree, a motion to refer this matter to staff to bring forward in the 2018 Budget Process would be in order.</p>
2.	Establish a platform or channel for regular dialogue between North Westside residents and the RDCO.	<p>The purpose of such a platform would be to formalize and regularize opportunities for direct dialogue between community members and RDCO personnel, which would help to rebuild trust.</p>	<p>Staff fully supports EPI's commentary and recommends this issue be included in the development of a new communications strategy for the North Westside.</p>
3.	Conducting a detailed diagnostic assessment of the service areas and costing that are principal concerns to the community: <ul style="list-style-type: none"> • Comparative analysis of water rates • Comparative analysis of overhead rates • Analysis of the degree to which Board voting has or has not represented local interests. 	<p>There are persistent concerns about service delivery costs that may be alleviated through a better understanding of the legislated process or improved communications around the rationale for a service decision. On certain issues, residents' concerns are focused more on implementation and its costs. This review was limited to creating an inventory of issues – ground trothing whether they were valid criticisms of regional services was beyond the reviewer's scope.</p> <p>As such, conducting detailed assessments to determine if RDCO service costs and performance levels are within an acceptable range is an option for further work.</p>	<p>Staff fully supports EPI's commentary and recommends the Board instruct staff to apply for a Restructure Planning Grant from the Ministry of Municipal Affairs and Housing to have this work done. Some of this work has already been done by staff however there may be value in having an independent consultant reach their own conclusions.</p>

Next Steps:

Based on the key findings, conclusions and considerations provided in the EPI report it is clear that the Province's objective of "*Clarifying the Problem*" has yet to be achieved. The "Next Steps" for the Board is to determine if they have enough information to make an informed decision about this matter.

The consultant has suggested the RDCO needs to:

1. **Improve Communications:**
 - **Clarifying expectations and constraints on information provided by RDCO staff and requested by the public;**
 - **Clarify the role of the Electoral Area Director in community/regional district relations.**

Staff couldn't agree more.

2. **Establish a platform or channel for regular dialogue between North Westside residents and the RDCO.**

Properly structured and adequately resourced, staff supports this initiative.

3. **Conducting a detailed diagnostic assessment of the service areas and costing that are principal concerns to the community:**
 - **Comparative analysis of water rates**
 - **Comparative analysis of overhead rates**
 - **Analysis of the degree to which Board voting has or has not represented local interests**

Staff have been advised that we could apply to the Ministry of Municipal Affairs and Housing for a Restructure Planning Grant to assist in having this work done by a third party consultant. This would go a long way in providing factual information and dispelling misinformation in the community.

Should the Board agree with three points mentioned above, the only question is how to proceed. Four options are provided below

1. Proceed with all three of the consultants' suggested considerations in 2018. If this is the wish of the Board then a motion to that effect would be in order. Staff would then add this to the 2018 Work Plan and Budget approval process;
2. Proceed with a phased approach of completing Considerations 1 and 2, assess the outcomes, then make a determination whether to proceed with Consideration 3. If this is the wish of the Board then a motion to that effect would be in order. Staff would then add this to the 2018 Work Plan and Budget approval process;
3. Proceed with all three of the consultant's suggested considerations throughout 2018 and 2019. Considering the nature of this work it may be prudent not to rush and take the time necessary to do this work well. If this is the wish of the Board then a motion to that effect would be in order. Staff would then add this to the 2018 and 2019 Work Plans and Budget approval processes; OR

4. Proceed with Consideration 1 only at this time. If this is the wish of the Board then a motion to that affect would be in order. Staff would then add this to the 2018 Work Plan and Budget approval process.

Financial Considerations:

The first step to dispelling misinformation in the community is to develop and implement a new communication strategy and public engagement process for the North Westside communities. It is suggested that an independent third party be retained to develop this new strategy and assist in its implementation. A preliminary budget of \$15,000 should be set aside for this work to be done with the expectation of a further budget request after the new strategy has been approved by the Board. It is premature to speculate on what those costs will be until we understand what the specific elements of the new communication strategy are.

We anticipate the Regional Board being responsible for the costs of the study, estimated at \$15,000 with the costs of implementation, currently unknown, being borne by the service area that benefits by it. A follow-up report on the implementation plan and its costs will be brought forward to the Board at a future date.

We believe an application to the Province for a Restructure Planning Grant will be looked upon favourably considering the findings in the EPI report. This grant funding will help offset costs associated with developing an informed citizenry in the North Westside communities.

Organizational Issues:

As this process is a Board led initiative, there are no organizational issues other than to ensure the Board's direction is carried out.

External Implications:

Based on the nature of this initiative, we believe there is an expectation from the North Westside Communities that there will be a response from the Regional Board on this matter.



Municipal Boundary Extension Policies Guide



March 2010



Ministry of
Community and
Rural Development

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Preface

The *Municipal Boundary Extension Policies Guide* describes provincial policies for working with local governments to develop and process municipal requests for boundary extensions.

A companion document, the [Municipal Boundary Extension Process Guide](#), describes the steps for submitting a municipal boundary extension proposal for provincial approval.

These two documents replace the *Municipal Boundary Extension Criteria* (2002).

Processing municipal requests for boundary extensions is the responsibility of the Ministry of Community and Rural Development. Please direct inquiries to:

Ministry of Community and Rural Development
Local Government Structure Branch
800 Johnson Street
PO Box 9839 Stn Prov Govt
Victoria B.C. V8W 9T1

Phone: 250-387-4019

Facsimile: 250-387-7972

Toll free through Enquiry BC:

Call 604-660-2421 in Vancouver or 1-800-663-7867 elsewhere in B.C. and request a transfer to 250-387-4019 in Victoria.

Introduction

Municipalities and regional districts are created under provincial legislation and operate primarily under the *Local Government Act* and *Community Charter*, which are the responsibility of the Ministry of Community and Rural Development (Ministry).

A municipal boundary extension transfers local government jurisdiction for a defined area from a regional district to a municipality. The municipality assumes responsibility for some local services, governance, and for local roads, subdivision approval and property tax collection. Responsibilities that do not change when a municipal boundary extension occurs include provincial responsibility for Crown land and the obligation of property owners to pay school property taxes.

Legislative Framework

The *Local Government Act* (section 20) describes the requirements that must be met before the Province considers approving a municipal boundary extension. Under the legislation, the Lieutenant Governor in Council (Cabinet) may approve a municipal boundary extension on the recommendation of the Minister of Community and Rural Development (Minister). A boundary extension application is approved by an Order in Council that issues Letters Patent for both the municipality and regional district.

Prior to forwarding a municipal boundary extension proposal to Cabinet, the Minister must have evidence that the:

- municipal council has requested the boundary extension;
- property owners and residents of the boundary extension area are aware of, and have been provided an opportunity to express their opinion on the proposed boundary extension; and,
- majority of municipal electors do not object to the proposed extension.

The *Local Government Act* (section 20) establishes minimum requirements for public notice of the proposed boundary extension. The legislation is focused on the approval by the municipality's electors, because a boundary extension may have significant implications for the municipality as a whole. The municipality may obtain elector approval through a referendum or the Alternative Approval Process (*Community Charter*, section 85, 86). The Minister cannot recommend the boundary extension without municipal elector approval.

Policy Framework

The Ministry's approach to municipal boundary extensions is guided by the following principles that recognize the legislative provisions required for approving boundary extensions:

- municipal leadership;
- inter-jurisdictional collaboration;
- consultation with, and consent of those affected;
- consistency with community sustainability objectives; and,
- provincial approval.

Municipal leadership. Whether a boundary extension proposal originates with property owners or council, the municipality is expected to:

- articulate its reasons and rationale for requesting the change in jurisdiction;
- initiate consultation with other jurisdictions;
- communicate effectively with residents in the boundary extension area and in the municipality about the proposal; and,
- provide a complete proposal to the Ministry.

Inter-jurisdictional collaboration. Successful management of a jurisdictional change requires a willingness to adjust plans when necessary to minimize negative consequences to other jurisdictions. Therefore, the municipality is responsible for engaging with residents, regional districts, improvement districts, provincial agencies and ministries, other municipalities, and First Nations to develop boundary extension proposals.

Consultation and consent. Local government service, taxation and regulatory authorities affect the residents and property owners within their boundaries. As a result, electors of a municipality and the property owners within a proposed extension area must be consulted and have an opportunity to indicate their opinion of a municipal boundary extension proposal.

Community sustainability. The municipality should describe a rationale for developing and submitting a boundary extension proposal to the Ministry. The rationale should be based on addressing, as applicable, goals for community growth management, governance, local servicing, financial management, administrative sustainability, and mitigating and adapting to climate change.

Provincial approval. The Minister's decision to advance a boundary extension proposal for consideration by Cabinet must balance the interests of a municipality with the Province's overall obligations and interests.

Relationship to Land Use Processes

Municipalities submitting a boundary extension proposal to the Ministry should have considered the impact of the proposal on current land use processes and obtain the support of other relevant parties in developing the municipality's rationale for a municipal boundary extension. This is particularly important if a municipality is involved in land use processes, such as the review of an Official Community Plan (OCP) or the development or amendment of a Regional Growth Strategy (RGS).

While a decision on a municipal boundary extension is independent of land use processes, the municipality may need to wait for these processes to be completed before submitting a municipal boundary extension proposal to the Ministry.

Roles and Responsibilities

The Ministry

The Ministry is responsible for establishing policies and processing the boundary extension requests submitted by municipalities.

The Ministry is responsible for ensuring that:

- proposals meet policy and legislative requirements;
- referrals are complete;
- any issues raised are resolved;
- Letters Patent are prepared; and,
- the Province's decision is communicated to relevant parties.

The Municipality

The municipality is responsible for taking the lead role in developing a municipal boundary extension proposal.

The municipality is responsible for:

- developing a proposal that meets provincial policy and legislative requirements;
- communicating and providing information to electors of the municipality;
- communicating with, and providing information to property owners and residents of the area proposed for inclusion within the municipality;
- submitting a complete proposal for a municipal boundary extension;
- confirming the consent or opposition of those living in the proposed boundary extension area;
- consulting with neighbouring municipalities, the regional district, improvement districts and provincial agencies to determine their views, and addressing issues that are raised;
- engaging First Nations to determine their views, and addressing issues raised that are within the jurisdiction of the municipality¹;
- meeting the legislative requirements for obtaining elector approval; and,
- implementing the boundary extension in cooperation with the regional district and other jurisdictions, if the proposal is approved.

¹ Note: The *Interim Guide to Engagement with First Nations on Local Government Statutory Approvals* provides guidance to local governments on engaging with First Nations on municipal boundary extension proposals. The Guide is available at: www.cd.gov.bc.ca/lgd/library/First_Nations_Engagement_Guide.pdf

The Regional District

As the current provider of services and land use planning, the regional district will have important knowledge and interests that will help inform the development of a municipal boundary extension proposal. Regional districts are encouraged to actively participate in the review and implementation of municipal boundary extensions.

The regional district is responsible for:

- working with a municipality that is developing a boundary extension proposal;
- providing the municipality with information relating to the area, such as community plans and regulations;
- reviewing a boundary extension proposal to determine the impact on existing services and future service plans;
- communicating the regional district's interests to the municipality;
- assisting in the resolution of issues; and,
- if the proposal is approved, implementing the boundary extension in cooperation with the municipality.

The extent and involvement of the regional district in developing boundary extension proposals will depend on the circumstances of each proposal. Generally, regional districts with an OCP or RGS in place find that these documents assist in developing boundary extension proposals that meet the needs of communities.



Ministry of
Community and
Rural Development



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: June 27, 2020

SUBJECT: BDO 2019 Final RDCO Audit Report to the Board

Voting Entitlement: All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208.1

Purpose: To provide the 2019 Final RDCO Audit Report from BDO to the Board.

Executive Summary:

BDO will present their Final Audit Report which resulted in the following opinion:

"In our opinion, the financial statements present fairly, in all material respects, the financial position of the Regional District of Central Okanagan as at December 31, 2019, and the results of its financial operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards."

RECOMMENDATION:

THAT BDO's Regional District of Central Okanagan Final Audit Report for the year ended December 31, 2019 be received.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "M. Rilkoff".

Marilyn Rilkoff
Director of Financial Services

Approved for Board's Consideration

A handwritten signature in black ink, appearing to read "Brian Reardon".

Brian Reardon, CAO

Attachment(s):

- BDO's RDCO Audit Final Report to the Board of Directors dated July 9, 2020 – Audit of the Financial Statements of the Regional District of Central Okanagan for the year ended December 31, 2019



REGIONAL DISTRICT OF CENTRAL OKANAGAN

AUDIT FINAL REPORT TO THE BOARD OF DIRECTORS

July 9, 2020

July 9, 2020

Board of Directors
Regional District of Central Okanagan
1450 KLO Road
Kelowna, BC
V1W 3Z4

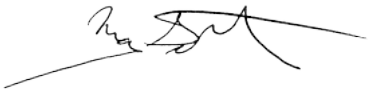
Dear Board of Directors

We are pleased to present this report on the results of our audit of the financial statements of Regional District of Central Okanagan ("Regional District") for the year ended December 31, 2019. The purpose of this report is to summarize certain aspects of the audit that we believe to be of interest to the Board of Directors and should be read in conjunction with the draft financial statements and our draft audit report which is included as Appendix B.

We would like to bring to your attention that our audit and therefore this report will not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities.

We wish to express our sincere appreciation for the co-operation we received during the audit from Regional District of Central Okanagan's management and staff who have assisted us in carrying out our work. We look forward to connecting with you to discuss the contents of this report and any other matters that you consider appropriate.

Yours truly,



Markus Schrott, CPA, CA
Partner through a corporation
BDO Canada LLP
Chartered Professional Accountants

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SUMMARY



Status of the Audit

As of the date of this report, we have substantially completed our audit of the 2019 financial statements, pending completion of the following items:

- ▶ Receipt of signed management representation letter
- ▶ Subsequent events review through to financial statement approval date
- ▶ Approval of financial statements by the Board of Directors

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See Appendix B for our draft independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Report to the Board of Directors dated December 13, 2019.



Audit Findings

Our audit focused on the risks specific to your business and key accounts. Our discussion points below focus on areas of significant risks of material misstatement, or the following items:

- ▶ Management Override of Controls



Internal Control Matters

We are required to report to you in writing, any significant deficiencies in internal control that we have identified.

There were no control deficiencies that, in our opinion, are of significant importance to discuss with those charged with governance.

There are no deficiencies noted in the management letter.



Independence

Our annual letter confirming our independence was previously provided to you. We know of no circumstances that would cause us to amend the previously provided letter. We confirm that we are still independent as of the date of this letter.



Adjusted and Unadjusted Differences

We have disclosed all significant adjusted and unadjusted differences and disclosure omissions identified through the course of our audit engagement.

During the course of our audit, we noted no significant unadjusted audit differences or disclosure omissions.



Management Representations

During the course of our audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.



Significant Audit Estimates

Management is responsible for determining Regional District of Central Okanagan's significant accounting policies. The choice between accounting policy alternatives can have a significant effect on the financial position and results of the organization. The application of those policies often involves significant estimates and judgments by management. Based on the audit work that we have performed, it is our opinion that the accounting policies and estimates in the financial statements are reasonable and the disclosures relating to accounting estimates are in accordance with Canadian public sector accounting standards.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Regional District's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

SIGNIFICANT RISKS OF MATERIAL MISSTATEMENT	RISKS NOTED	AUDIT FINDINGS
Management Override of Controls	<p>Management is in a unique position to directly or indirectly change accounting records without oversight and prepare financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p><i>This risk is required to be addressed for all audits pursuant to Canadian audit standards.</i></p>	<p>In order to mitigate this risk, we performed the following procedures:</p> <ul style="list-style-type: none"> Tested the appropriateness of journal entries recorded in the general ledger, reviewed key estimates and other adjustments made in the preparation of the financial statements. <p>All audit testing in this area was executed as planned with no issues to be reported.</p>

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the Regional District's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.

The results of these procedures were considered in determining the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

As the purpose of the audit is for us to express an opinion on the Regional District's financial statements, our audit cannot be expected to disclose all matters that may be of interest to you. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

During the course of our audit, there were no significant deficiencies in internal controls noted.

OTHER REQUIRED COMMUNICATIONS

Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.

- BDO Response: There are no material pending litigations that need to be disclosed in the financial statements other than the normal course.

Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.

- BDO Response: There is no going concern issue noted.

Disagreements with management about matters that, individually or in the aggregate, could be significant to the entity's financial statements or our audit report.

- BDO Response: No disagreements were noted with management.

Matters involving non-compliance with laws and regulations.

- BDO Response: We noted no instances of non-compliance with laws or regulations during the course of our audit.

Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.

- BDO Response: None noted.

Management consultation with other accountants about significant auditing and accounting matters.

- BDO Response: No consultation required.

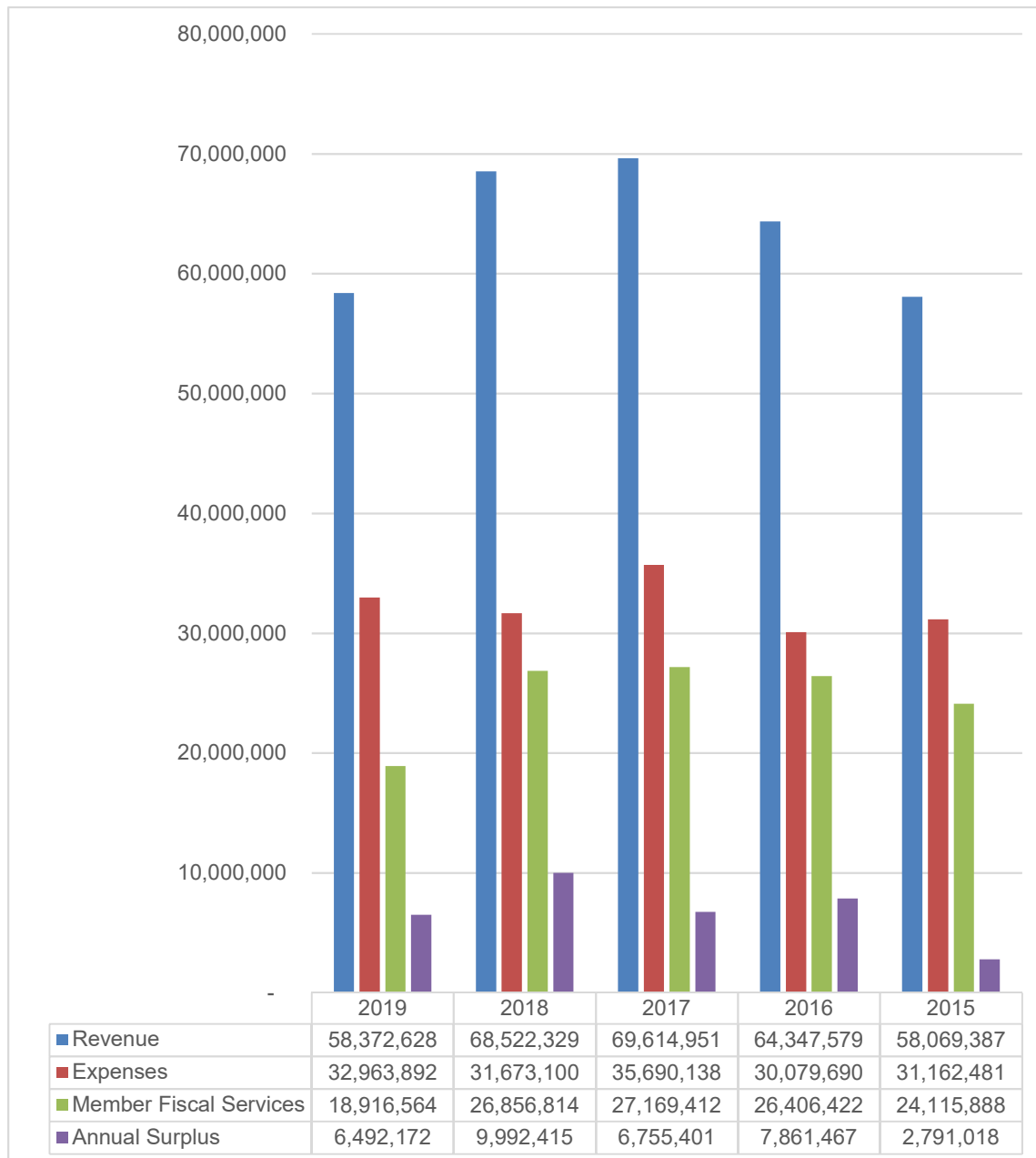
Other Matters

- BDO Response: None noted.

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

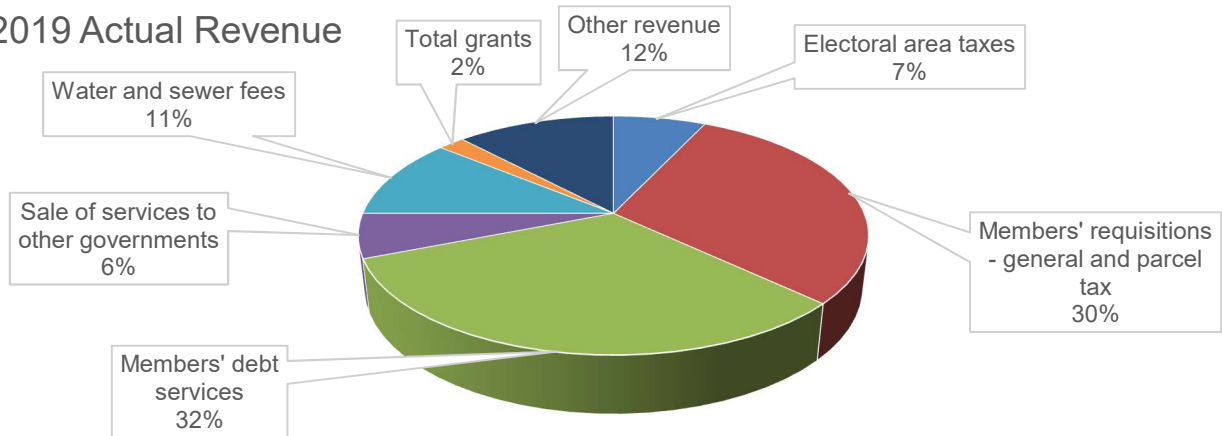
APPENDIX A

TOTAL REVENUE, EXPENSES, AND ANNUAL SURPLUS

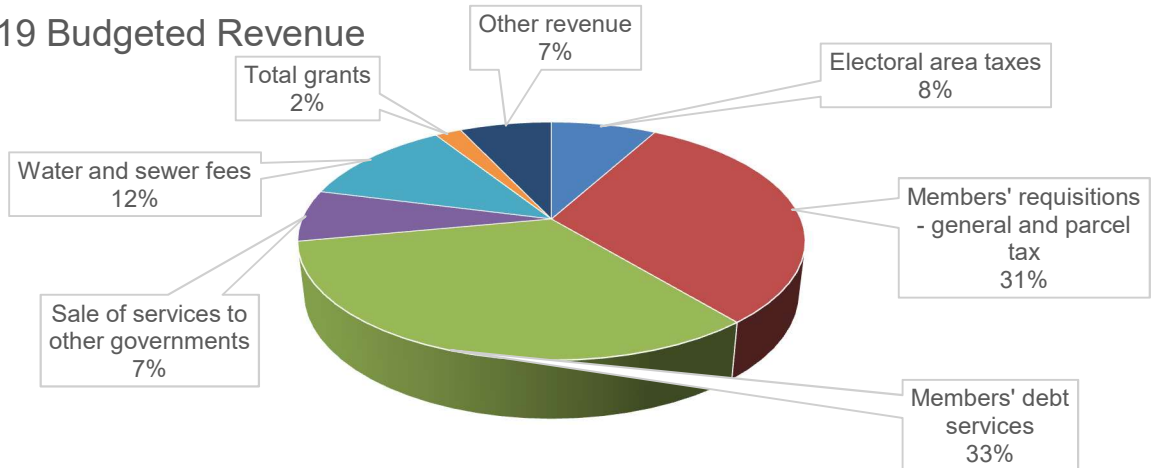


REVENUE ANALYSIS

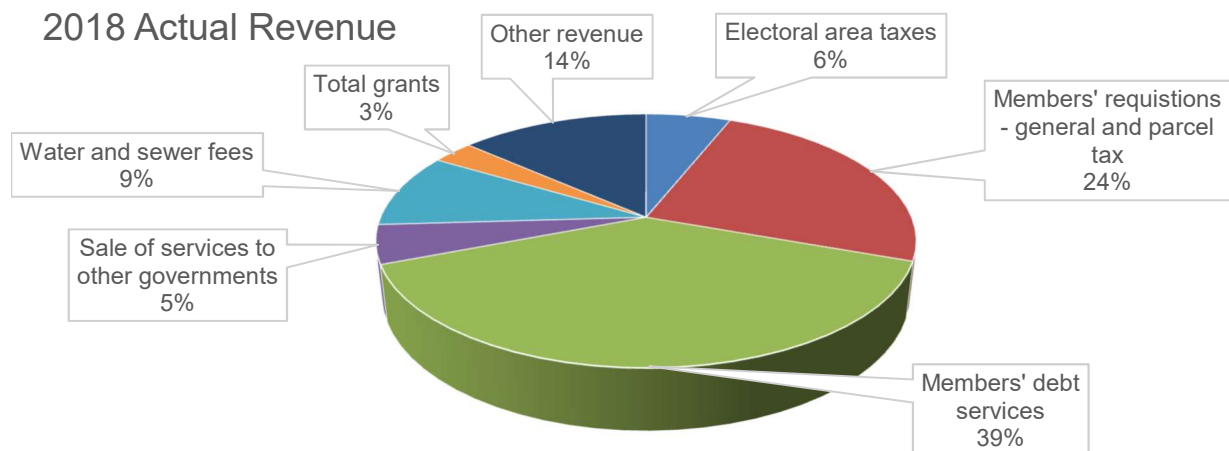
2019 Actual Revenue



2019 Budgeted Revenue



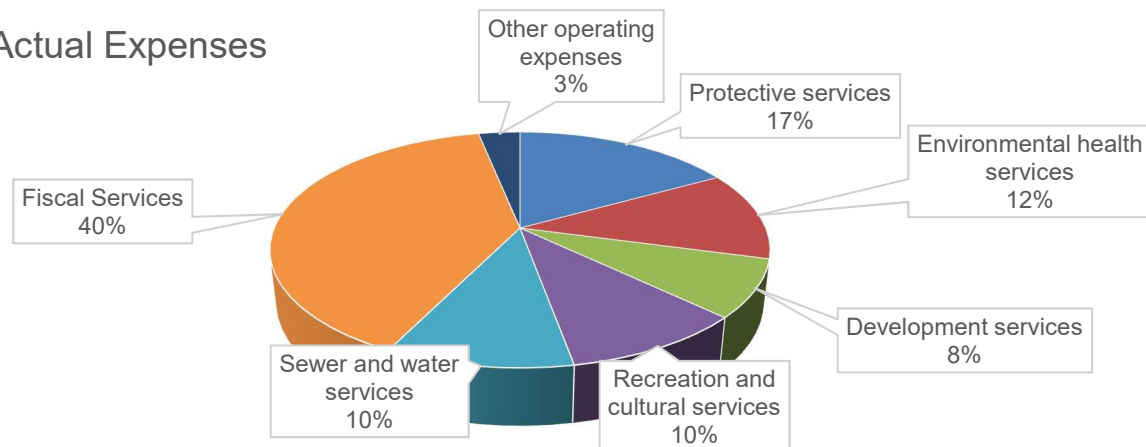
2018 Actual Revenue



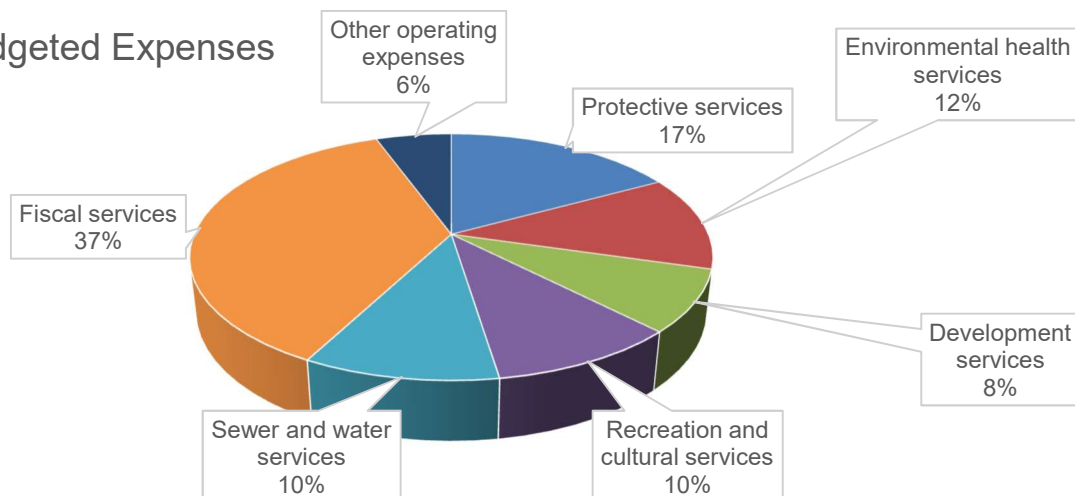
* Any revenue not listed is grouped into other

EXPENSES BY FUNCTION

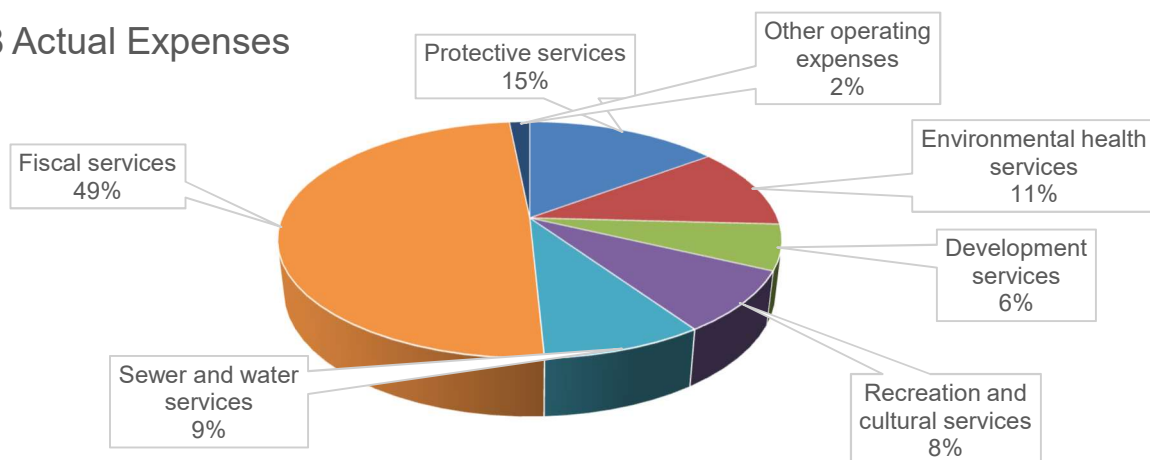
2019 Actual Expenses



2019 Budgeted Expenses



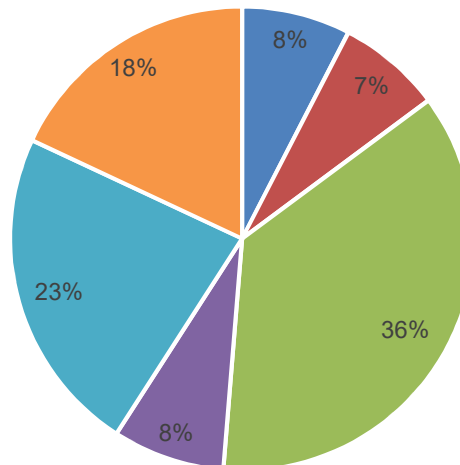
2018 Actual Expenses



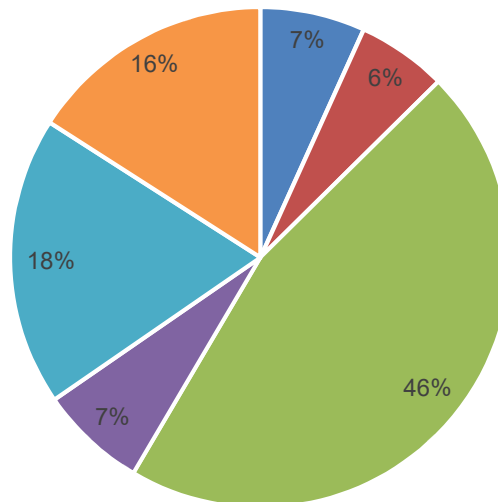
*Any expense not listed is grouped into other. Amortization is not shown in 2019 or 2018 actual

OPERATING EXPENSES BY OBJECT

2019 Actual Expenses



2018 Actual Expenses

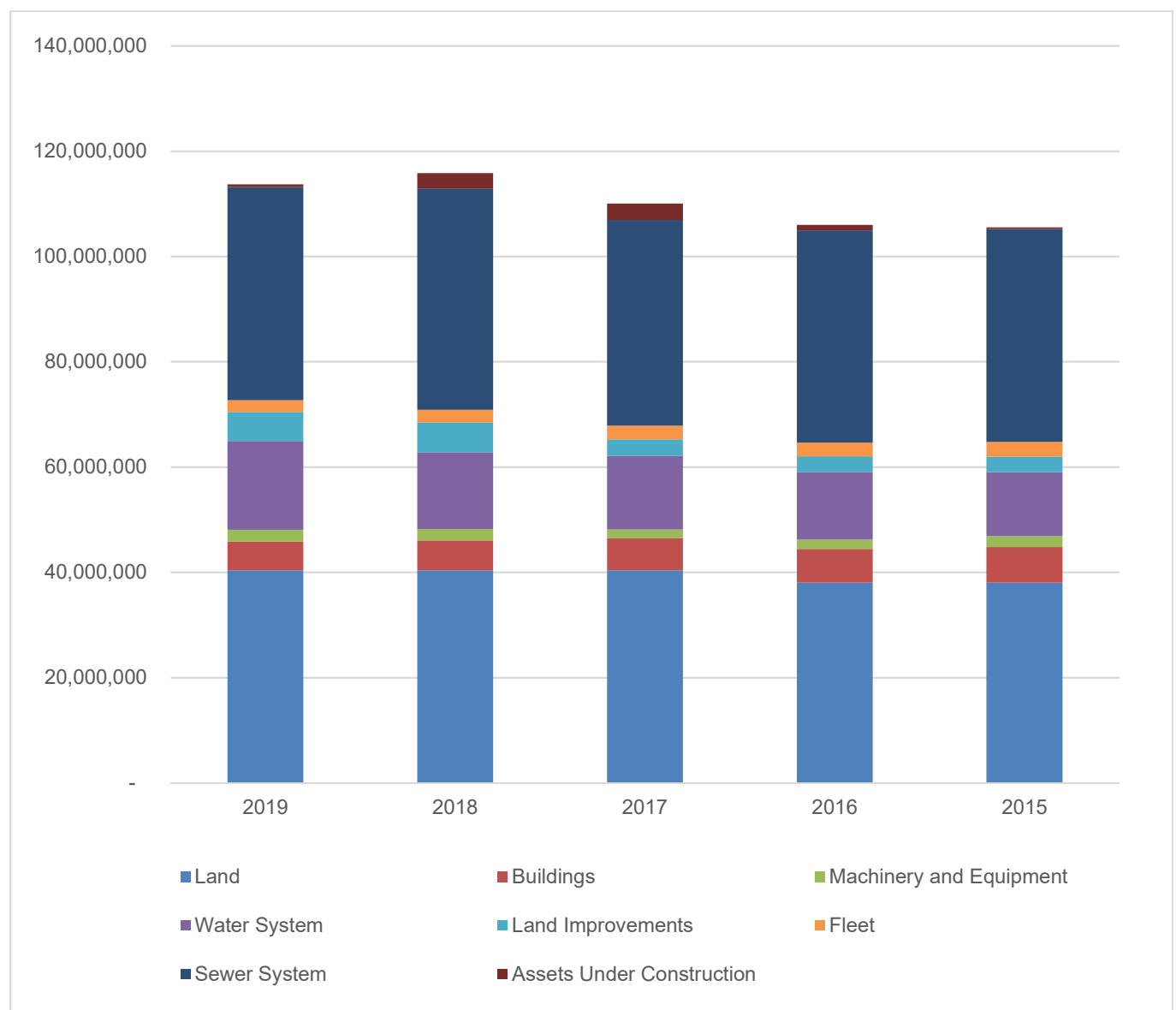


- | | |
|-------------------------------|---|
| ■ Amortization | ■ Contract services |
| ■ Fiscal services for members | ■ Transfers to other agencies and governments |
| ■ Wages and benefits | ■ Other operating expenses |

*Any expense less than 5% of total expenses is included in other operating expenses

CAPITAL ASSET ANALYSIS - CATEGORY BREAKDOWN

	2019	2018	2017	2016	2015
Tangible Capital Assets					
Beginning of year	113,920,574	110,033,002	105,992,776	105,495,656	106,997,153
Purchases	3,741,562	8,843,074	8,475,428	4,377,018	2,591,444
Disposals	(56,856)	(993,760)	(692,810)	(138,630)	(452,124)
Amortization	(3,931,605)	(3,961,742)	(3,742,392)	(3,741,268)	(3,640,817)
End of year	<u>113,673,675</u>	<u>113,920,574</u>	<u>110,033,002</u>	<u>105,992,776</u>	<u>105,495,656</u>



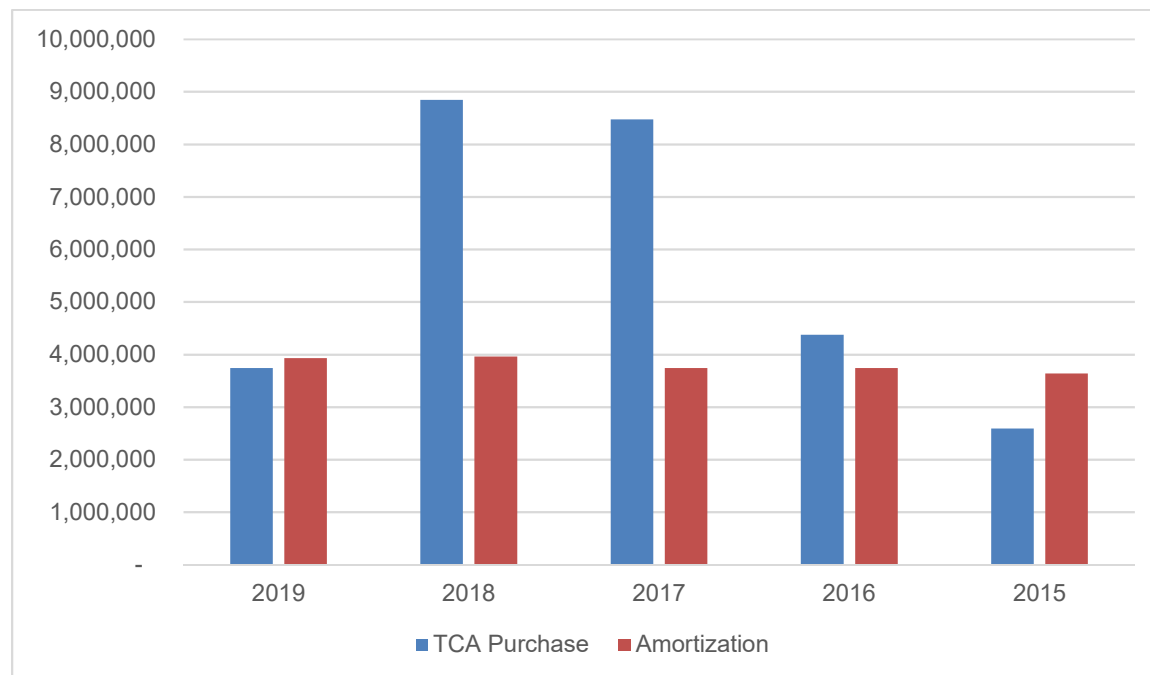
CAPITAL ASSET ANALYSIS - TCA FINANCIAL INDICATOR

As assets age, the TCA Financial Indicator percentage will decrease. The newer the assets, the longer the remaining life of the asset and the higher the percentage.

The formula is as follows:

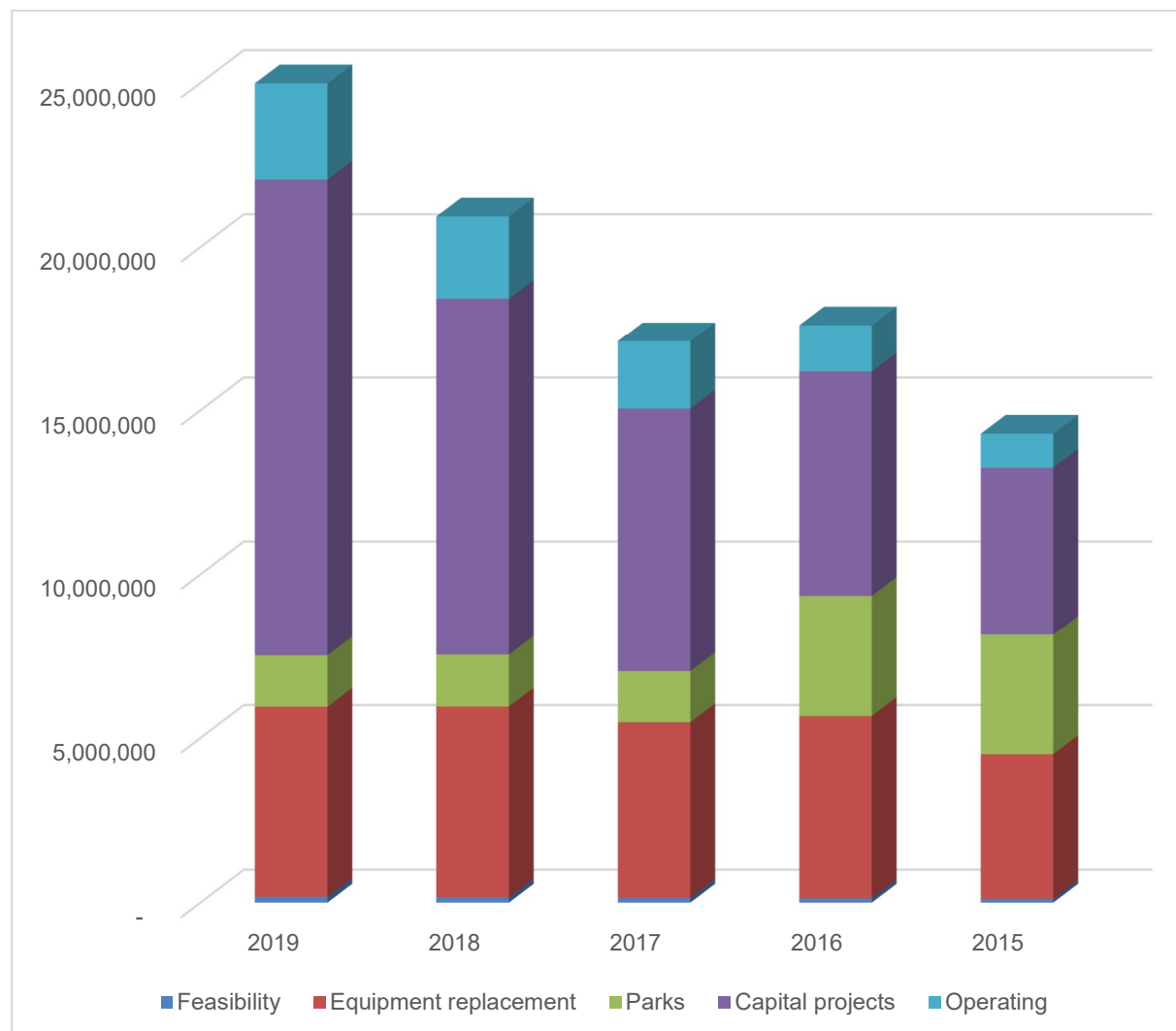
$$\text{Age of TCA Financial Indicator} = \frac{\text{Net Book Value of TCA}}{\text{Historical Cost of TCA}}$$

	2019	2018	2017	2016	2015
Buildings	44%	47%	50%	53%	57%
Sewer System	63%	65%	65%	68%	70%
Water System	72%	71%	71%	71%	71%
Fleet	33%	36%	40%	41%	45%
Miscellaneous	62%	64%	61%	54%	55%
Total	71%	72%	73%	73%	75%



RESERVE ANALYSIS

	2019	2018	2017	2016	2015
Statutory Reserve Funds					
Feasibility	173,054	160,486	148,105	131,423	110,257
Equipment replacement	5,776,461	5,795,961	5,330,103	5,535,755	4,399,977
Parks	1,566,933	1,579,995	1,554,986	3,677,311	3,639,791
Capital projects	14,544,378	10,886,850	8,021,053	6,842,541	5,101,622
Operating	2,927,803	2,509,646	2,062,040	1,422,339	1,032,859
	24,988,629	20,932,938	17,116,287	17,609,369	14,284,506



APPENDIX B: INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the Directors of the Regional District of Central Okanagan

Opinion

We have audited the financial statements of the Regional District of Central Okanagan (the "Regional District"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2019, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Regional District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in the annual report or the information included in exhibits 1 through 28 of the Regional District's financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Regional District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Regional District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Kelowna, British Columbia
July 9, 2020



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: June 27, 2020

SUBJECT: 2019 RDCO Financial Statements

Voting Entitlement: All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208.1

Purpose: To report annual financial information to the Board and comply with legislative requirements. 2020 Provincial due dates for filing Financial Statements have been extended from May 15th to August 31, 2020 due to the COVID-19 Pandemic.

Executive Summary:

The 2019 Financial Statements are submitted for approval by the Board as required by legislation—Section 167 of the *Community Charter*.

In the opinion of the auditors, BDO, the financial statements present fairly, in all material respects, the financial position of the Regional District of Central Okanagan as at December 31, 2019 and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

RECOMMENDATION:

THAT the Regional District of Central Okanagan Financial Statements – year ended December 31, 2019 be approved.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "M. Rilkoff".

Marilyn Rilkoff
Director of Financial Services

Approved for Board's Consideration

A handwritten signature in black ink, appearing to read "Brian Reardon".

Brian Reardon, CAO

Implications of Recommendation:

Strategic Plan:	The 2019 – 2023 Financial Plan, Department Initiatives and Program Plans were approved at the end of March 2019. Expenditures were made in accordance with the Financial Plan.
General:	Legislative Compliance.
Organizational:	To report on the financial status of the organization.
Financial:	Compliance with the legislative requirements. Part of the Financial Control System.
Legal/Statutory Authority:	Expenditures were approved in the 2019 – 2023 Financial Plan Bylaw 1432 and Amending Bylaws 1445, and 1447. <i>Local Government Act</i> <i>Community Charter</i> <i>Financial Information Act</i> <i>Financial Information Regulation</i>

Background:

The financial statements have been prepared in accordance with PSAB Standards and audited by BDO Dunwoody, and a clean audit opinion has been received.

Once the Board has approved the Financial Statements, the auditors will finalize the Audit Report and Final Financial Statements and a signed copy will be available in the Board's Reader File.

According to the Canadian Audit Standard 560, the date of BDO's audit report is required to be the date that those charged with governance (the Board) formally approve the draft financial statements as presented. The auditors must receive the approval and perform "subsequent events" work up to this date (procedures relating to subsequent events while financial statements are being presented for approval if audit staff have left the premises prior to the date of the report), prior to releasing the final financial statements.

In prior years, the Management Letter has been brought forward to an In Camera meeting as a matter of course. Going forward, the letter will only be brought forward if there are any items identified. This is not a requirement, but simply done for transparency to the Board. The letter is meant to be a confidential communication between the auditors and management to flag any potential discussion items and potential improvements. For 2019 and the past couple of years, there have been no items identified.

If the Board ever has any concerns with the audit, including fraud or financial matters, they are invited to submit their concerns to the Chair or BDO.

Financial Statement Highlights:

- The accumulated surplus has increased by \$6.5 million from \$131,317,589 to \$137,809,761 as per page 7 of the Financial Statements. NOTE: This is NOT surplus cash that the RDCO has to spend.

Under Public Sector Accounting Standards the meaning of “Accumulated Surplus” is the Sum of Net Financial Assets (which is Financial Assets, less the Financial Liabilities) and Non-Financial Assets (primarily Tangible Capital Assets, or TCA’s). The RDCO remains in a strong and vital financial position. The Board and Staff will continue, through enacting directives in the Strategic Plan and through Asset Management initiatives, to maintain and build sustainable stewardship of the assets.

- The RDCO holds \$124.6 million in long term debt (page 6 of Financial Statements), the majority
 - \$120m (note 4, page 13 of Financial Statements) is on behalf of the 4 (four) partner municipalities – Kelowna, Peachland, Lake Country and West Kelowna and the Regional Library. Long term borrowing is done through the Municipal Finance Authority, via the RDCO as required by legislation. These long term debt agreements decreased by \$16.7m from \$136.8m in 2018 to \$120.1m 2019.
 - Only \$4.5 million of the long term debt relates to the Regional District’s services (\$4.2m for the Fintry Shalal Water System).
- There was a net increase to reserves in 2019 of \$4 million, from \$20.9m in 2018 to \$24.9m (page 21 of the Financial Statements). This was after investments in tangible capital asset additions of \$3.7m (Note 10, page 19).
 - In simple terms of reserves for asset renewal, the RDCO still needs to continue to set aside higher levels of reserves. In recent years significant land acquisitions and investments and replacement of assets have been made, particularly in relation to parks, water systems and the wastewater treatment plant. While this has drawn down some reserve balances, most are at reasonable levels.
- DCC reserve balances increased by \$1.89m (page 14 – Note 6, and pages 47 and 48 of the Financial Statements).
- Amortization (or asset consumption) is \$3.93m (Pages 7 and 19 of the Financial Statements).
- Revenues decreased \$10.1m from \$68.5m in 2018 to \$58.4m in 2019 primarily due to reduced debt services payments from the municipalities of \$7.9m, and \$1.3m in grant revenue. Related debt and project expenses were reduced accordingly (Page 7 of the Financial Statements).

Work continues by all Departments and services on Asset Management and increasing infrastructure reserves.

Attachment(s):

- Financial Services Report – Guide to Understanding the Financial Statements
- RDCO 2019 Financial Statements



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: June 27, 2020

SUBJECT: Guide to Understanding the Financial Statements

- ❑ The Public Sector Accounting Board (“PSAB”) adopted revised standards with which all local governments began to comply with in 2009. Some explanation of the Statements follows on the second page of this report.
 - The standards require the recognition of all non-financial assets including tangible capital assets, prepaid expenses and inventories of supplies as assets.
 - In addition, revenue from contributed assets, and amortization on tangible capital assets is recorded in the statement of operations.
- ❑ The PSA Financial Reporting Model:
 - Four Statements (the purpose of each is described on the next page):
 - Statement of Financial Position
 - Statement of Operations
 - Statement of Change in Net Financial Assets
 - Statement of Cash Flows
 - Summary of Significant Accounting Policies
 - Notes to Financial Statements & Schedules
 - Exhibits
- ❑ What does PSAB Do?
 - Serves the public interest by setting standards and providing guidance for financial and other performance information reported in the public sector
 - All governments in Canada are required, by legislation, to comply with PSA financial reporting requirements
- ❑ PSAB Vision & Goal:
 - Vision: “The public understands and has confidence in public sector accounting”
 - Goal: “The public sector produces a decision-useful, multi-dimensional accountability report”. (This is a little trickier for Regional Districts because of all the separate service areas, however, these statements do give an overall net picture of the organization – Decision making is typically required for each individual service).

Respectfully Submitted,

Marilyn Rilkoff, Director of Financial Services

The underlying goal of the Financial Reporting Model is to identify the net economic resources available to a government, their make-up and nature, and changes to them in the reporting period.

Economic Resources are the means to provide services or satisfy liabilities.

- Assets & Liabilities describe the net economic resources available at a point in time
- Revenues and Expenses explain the change in the net economic resources in the period

Reporting Statements - Purpose of Each Report Explained:

Statement of Financial Position (Pg 6)

- **Most important statement – all others tie into numbers on this statement.**
- Shows details of, and changes in, net economic resources. Definitions:
 - o Net Financial Assets/Debt are resources available to finance future operations, "prepaid service potential" (both operating and capital)
 - o Non-Financial Assets are resources typically to be consumed in service provision (including tangible capital assets, inventory, prepaid expenses, work in progress).
 - o Accumulated Surplus
 - o The sum of Net Financial Assets or liabilities & Non-Financial Assets.
 - o Tangible Capital Assets
 - o Economic Resources available to be consumed in the provision of services

Statement of Operations (Pg 7)

- Shows the extent to which revenues recognized were sufficient to offset the cost of the services provided for the fiscal year.
- Explains the change in net economic resources or Accumulated Surplus (shown on Statement of Financial Position, Page 5)
 - o Revenues – increases in economic resources
 - o Expenses – economic resources consumed to provide services

Statement of Change in Net Financial Assets (Pg 8)

- Shows the extent to which revenues recognized were sufficient to offset the cost of goods and services acquired
- Explains the change in Net Financial Assets (shown on Statement of Financial Position, Page 6)

Statement of Cash Flows (Pg 9)

- Explains the change in Cash & Cash Equivalents (shown on Statement of Financial Position, Page 5)
- Shows how cash requirements were met and activities financed

Summary of Significant Accounting Policies (Pgs 10 & 11): Disclose significant accounting practices.

Notes to the Financial Statements (Pgs 12-29): The Notes form part of the audited statements and provide additional detail and required disclosures.

Exhibits (Pgs 30-58): The exhibits break down the information by the General Fund, Water Fund, and Sewer Fund. These are provided for supplementary information primarily for Board and management use. While the account balances and transactions are reviewed during audit, the exhibit statements themselves are considered unaudited because they are not PSAB or legislative requirements. These balances all roll up to the audited statements.

**REGIONAL DISTRICT
OF CENTRAL OKANAGAN**
Financial Statements
For the year ended December 31, 2019

DRAFT

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Regional District of Central Okanagan are the responsibility of management and have been approved by the Chairperson on behalf of the Board.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgements. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Regional District of Central Okanagan maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Board's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by external auditors BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the Board. The independent auditor's report expresses their opinion on these financial statements. The external auditors have full and free access to the accounting records and to the Board of the Regional District of Central Okanagan.

Chief Administrative Officer

Director of Financial Services

July 9, 2020

Independent Auditor's Report

To the Directors of the Regional District of Central Okanagan

Opinion

We have audited the financial statements of the Regional District of Central Okanagan (the "Regional District"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2019, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Regional District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in the annual report or the information included in exhibits 1 through 28 of the Regional District's financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Regional District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Regional District's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Regional District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

Kelowna, British Columbia
July 9, 2020

Regional District of Central Okanagan

Statement of Financial Position

December 31	2019	2018
Financial Assets		
Cash (Note 1)	\$ 36,037,183	\$ 29,005,114
Accounts receivable (Note 2)	2,810,886	4,065,497
Deposits - Municipal Finance Authority (Note 3)	9,483,156	12,216,586
Agreements due from members (Note 4)	120,111,822	136,803,900
	168,443,048	182,091,097
Financial Liabilities		
Accounts payable and accrued liabilities	4,187,531	4,295,715
Deferred revenue (Note 5)	240,797	281,320
Development cost charges (Note 6)	5,860,043	3,968,969
Reserve - Municipal Finance Authority (Note 3)	9,389,202	12,124,772
Interim financing (Note 7)	-	2,154,007
Long term debt (Note 8)	124,622,085	141,547,939
Landfill closure and post-closure (Note 9)	527,649	753,493
	144,827,307	165,126,215
Net Financial Assets	23,615,741	16,964,882
Non-Financial Assets		
Prepaid expenses	520,345	432,133
Tangible capital assets (Note 10)	113,673,675	113,920,574
Accumulated Surplus (Note 11)	\$ 137,809,761	\$ 131,317,589

Approved on behalf of the Board:

Chair

Regional District of Central Okanagan

Statement of Operations

For the year ended December 31

	2019		2018
	Actual	Budget (Note 17)	Actual
Revenues			
Electoral area tax requisitions	\$ 3,903,617	\$ 3,905,643	\$ 3,720,890
Electoral area parcel taxes	449,327	449,328	421,349
Members' requisitions			
General	16,876,144	16,873,777	16,269,444
Parcel taxes	455,988	455,988	473,574
Debt services	18,636,654	18,547,145	26,475,509
Federal government grants	403,090	445,600	238,683
Provincial government grants	480,905	702,588	1,798,371
Sale of services to other governments	3,619,290	3,879,079	3,383,600
Sale of services to others	1,782,854	1,688,142	1,750,603
Water and sewer fees	6,647,915	6,540,483	6,489,952
Gas tax revenue (Note 16)	1,656,038	600,000	705,850
Contributions from others	21,265	99,257	55,391
Contributions from sewer DCC reserve	-	-	4,083,090
Gain on disposal of tangible capital assets	38,378	-	-
Other revenue	3,401,163	1,572,898	2,656,023
	58,372,628	55,759,928	68,522,329
Expenses (Note 15)			
Amortization	3,931,605	-	3,961,742
General government services	1,346,214	1,832,099	819,765
Protective services	8,132,701	8,760,395	8,072,940
Transportation services	249,587	654,436	46,357
Environmental health services	5,850,659	6,371,663	6,032,420
Development services	3,785,771	4,169,029	3,387,436
Recreation and cultural services	4,820,828	5,099,732	4,596,672
Water services	678,379	738,498	595,730
Sewer services	4,233,854	4,496,698	4,177,749
Interest on long term debt and debt issue expense	230,961	256,234	275,760
Fiscal services	18,916,564	18,828,764	26,856,814
Transfer to local governments	110,554	110,579	112,256
Loss on disposal of tangible capital assets	-	-	30,906
Reallocation of insurance reserve (recovery)	(407,221)	-	(436,633)
	51,880,456	51,318,127	58,529,914
Annual Surplus	6,492,172	4,441,801	9,992,415
Accumulated surplus, beginning of the year	131,317,589	131,317,589	121,325,174
Accumulated surplus, end of year	\$ 137,809,761	\$ 135,759,390	\$ 131,317,589

Regional District of Central Okanagan Statement of Change in Net Financial Assets

For the year ended December 31	2019	2018
Annual Surplus	\$ 6,492,172	\$ 9,992,415
Acquisition of tangible capital assets	(3,741,562)	(7,898,591)
Amortization of tangible capital assets	3,931,605	3,961,742
(Gain) loss on disposal of tangible capital assets	(38,378)	30,906
Proceeds from disposal of tangible capital assets	95,234	18,371
	<u>6,739,071</u>	<u>6,104,843</u>
Acquisition of prepaid expenses	(88,212)	(22,062)
Change in net financial assets	6,650,859	6,082,781
Net financial assets, beginning of the year	<u>16,964,882</u>	<u>10,882,101</u>
Net financial assets, end of year	<u>\$ 23,615,741</u>	<u>\$ 16,964,882</u>

Regional District of Central Okanagan

Statement of Cash Flows

For the year ended December 31	2019	2018
Cash provided by (used in)		
Operating Activities		
Cash receipts from grants, other governments, and own sources	\$ 58,791,984	\$ 68,415,487
Cash paid to employees and suppliers	(27,303,623)	(30,360,979)
Interest paid	(7,147,600)	(11,261,387)
Interest received	756,347	565,123
Landfill closure cost payments from reserve	(28,870)	(325,747)
	<u>25,068,238</u>	<u>27,032,497</u>
Capital Activities		
Purchase of tangible capital assets	(3,741,562)	(7,898,591)
Proceeds from sale of tangible capital assets	95,234	18,371
	<u>(3,646,328)</u>	<u>(7,880,220)</u>
Financing Activities		
Net long term debt reduction	(12,235,834)	(16,104,316)
Net issuance of interim financing	(2,154,007)	(2,165,837)
	<u>(14,389,841)</u>	<u>(18,270,153)</u>
Increase in cash during year	7,032,069	882,124
Cash, beginning of the year	29,005,114	28,122,990
Cash, end of year	\$ 36,037,183	\$ 29,005,114

Regional District of Central Okanagan

Summary of Significant Accounting Policies

December 31, 2019

Nature of Business	The Regional District of Central Okanagan (the "Regional District") provides local government services such as protective, transportation, environmental health and development, parks, water, sewer, and other general government services.
Basis of Presentation	The financial statements of the Regional District are the representations of management and are prepared in accordance with Canadian generally accepted accounting policies for local government entities using guidelines issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.
Landfill Closure and Post-Closure	The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used.
Development Cost Charges	Development Cost Charge ("DCC") levies are restricted by by-law in their use for sewer expansion and the revenue is deferred until the expenses are incurred. When DCC expenses are made, a corresponding amount is recorded as "Contribution from sewer DCC reserve".
Reserve Fund Balances	The Regional District has appropriated certain funds for future capital expenses for specific projects or studies. Expenses from a reserve can only be made with approval from the Ministry or in accordance with by-law directives.
Government Transfers	<p>Government transfers, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. The transfer of revenue is initially deferred and then recognized in the statement of operations as the stipulation liabilities are settled.</p> <p>When the Regional District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.</p>
Financial Instruments	The Regional District's financial instruments consist of cash, accounts receivable and other receivables, deposits, accounts payable and accrued liabilities, interim financing and long-term debt. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.
Non-Financial Assets	Non-financial assets are held for use in the provision of services and are not normally available to discharge liabilities. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the net surplus (deficit) for the year, provides the change in net debt for the year.

Regional District of Central Okanagan

Summary of Significant Accounting Policies

December 31, 2019

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Assets under construction are recorded at cost and are not amortized until the asset is complete and in use. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	5 - 20 years
Buildings	10 - 75 years
Fleet	5 - 15 years
Machinery and equipment	3 - 20 years
Sewer system	10 - 80 years
Water system	10 - 100 years

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purposes.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Revenue Recognition

Taxes are recognized as revenue in the year they are levied.

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

Sales of services and other revenue is recognized on an accrual basis.

Contributions of capital assets are recognized when the transfer occurs.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

1. Cash

Cash is held in a financial institution earning interest at a rate of 2.35% (2018 - 1.60%) per annum.

Included in cash, a portion has been specifically set aside for internally and externally restricted reserves.

2. Accounts Receivable

	2019	2018
Local governments and Hospital District	\$ 659,459	\$ 1,849,541
Provincial government	437,546	710,766
Other	1,713,881	1,505,190
	\$ 2,810,886	\$ 4,065,497

3. Deposit / Reserve - Municipal Finance Authority

Deposits:

The Regional District also executes demand notes in connection with each debenture whereby the Regional District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature. The details of the cash deposits and demand notes at year end are as follows:

	Demand Notes	Cash Deposits	2019	2018
Regional District	\$ 127,385	\$ 93,954	\$ 221,339	\$ 219,199
Member Municipalities				
Kelowna	4,655,282	1,906,436	6,561,718	9,131,795
Peachland	192,935	149,643	342,578	339,171
Lake Country	558,173	296,275	854,448	936,036
West Kelowna	858,100	436,309	1,294,409	1,383,137
Okanagan Regional Library	146,434	62,230	208,664	207,248
	\$ 6,538,309	\$ 2,944,847	\$ 9,483,156	\$ 12,216,586

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

3. Deposit / Reserve - Municipal Finance Authority (continued)

Reserves and Demand Notes:

The Regional District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are held by the Municipal Finance Authority as a debt reserve fund and demand notes. The balances at year end are as follows:

	2019	2018
Regional District Reserves	\$ 127,385	\$ 127,385
Member Municipalities Reserves and Demand Notes		
Kelowna	6,561,718	9,131,795
Peachland	342,578	339,171
Lake Country	854,448	936,036
West Kelowna	1,294,409	1,383,137
Okanagan Regional Library Reserves and Demand Notes	208,664	207,248
	<u>\$ 9,389,202</u>	<u>\$ 12,124,772</u>

4. Agreements Due from Members

Agreements due from members become receivable on the same terms as payable to the Municipal Finance Authority (Note 8). The Regional District borrows funds upon its credit at large and shall, in the event of default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable.

	2019	2018
City of Kelowna	\$ 96,078,769	\$ 109,344,319
District of Lake Country	7,604,381	8,766,410
District of Peachland	2,823,363	3,190,262
City of West Kelowna	11,143,338	12,817,246
Okanagan Regional Library District	2,461,971	2,685,663
	<u>\$ 120,111,822</u>	<u>\$ 136,803,900</u>

5. Deferred Revenue

	2019	2018
Balance, beginning of the year	\$ 281,320	\$ 500,719
Contributions		
Business licenses	36,375	35,858
Other	204,422	245,462
Recognized as revenue	(281,320)	(500,719)
Balance, end of the year	<u>\$ 240,797</u>	<u>\$ 281,320</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

6. Development Cost Charges

During the year, the Regional District collected and recognized as revenue, developmental cost charges ("DCC's") as follows:

	2019	2018
Balance, beginning of the year	\$ 3,968,968	\$ 6,158,546
Interest	63,504	99,050
DCC's collected in the year	1,827,571	1,794,462
DCC's recognized as revenue	-	(4,083,090)
Balance, end of the year	\$ 5,860,043	\$ 3,968,968

Developmental cost charges are allocated as follows:

	2019	2018
Westside Sewer Plant	\$ 3,580,958	\$ 1,934,560
East Trunk Sewer	2,279,085	2,034,408
	\$ 5,860,043	\$ 3,968,968

7. Interim Financing

Interim Financing is due to the Municipal Finance Authority of British Columbia and was borrowed under Section 819 of the Local Government Act, which allows the Regional District to borrow under Section 175 of Community Charter - Liabilities under Agreement. Amounts outstanding were repaid in the year.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt

Municipal Finance Authority Agreements

Security		Purpose	Year of Maturity	Interest Rate	Balance outstanding	
Issuing By-law	Issue number				2019	2018
740	66	District of Peachland	2022	2.250	\$ 36,518	\$ 47,551
764	68	District of Peachland	2023	2.650	1,023,987	1,250,251
809	70	City of West Kelowna	2019	2.100	-	12,527
811	70	City of Kelowna	2019	2.100	-	5,169
818	70	District of Lake Country	2019	2.100	-	120,015
		District of Lake Country	2024	5.745	1,533,829	1,801,904
839	71	City of West Kelowna	2019	2.100	-	120,015
841	71	City of Kelowna	2019	2.100	-	48,299
886	73	City of West Kelowna	2020	1.670	123,945	242,553
887	73	District of Lake Country	2020	1.670	78,000	152,640
912	74	Regional District - Ellison Fire Hall	2021	1.750	89,522	131,112
		Regional District - Lakeview Sewer	2021	1.750	117,871	172,631
		City of West Kelowna	2021	1.750	192,324	281,673
931	75	City of West Kelowna	2021	1.750	202,619	296,751
932	75	City of Kelowna	2021	1.750	74,602	109,260
933	75	District of Lake Country	2021	1.750	373,010	546,301
957	77	City of Kelowna	2022	1.750	8,621	11,225
964	77	City of West Kelowna	2022	1.750	418,467	544,887
983	78	City of Kelowna	2022	2.250	889,651	1,158,417
973	78	District of Lake Country	2022	2.250	124,018	161,484
984	78	District of Lake Country	2022	2.250	174,816	227,629
1007	79	City of West Kelowna	2023	2.250	557,590	680,797
1023	80	City of Kelowna	2023	2.850	11,150	13,614
1069	85	City of Kelowna	2019	2.000	-	354,696
		City of Kelowna	2024	2.250	1,231,394	1,443,634
1070	85	City of West Kelowna	2024	2.250	351,621	412,225
1123	95	District of Peachland	2030	1.800	1,762,856	1,892,459
1125	95	City of Kelowna	2025	1.800	2,852,734	3,273,528
1122	95	Regional District - Upper Ellison Fire	2020	1.800	11,854	23,308
1122	95	Regional District - Ridgeview Fire	2025	1.800	84,125	96,534
		Protection				
1122	95	City of West Kelowna	2025	1.800	1,610,278	1,847,803
Carried forward					<u>\$ 13,935,402</u>	<u>\$ 17,480,892</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing By-law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding	
					2019	2018
Brought forward					\$ 13,935,402	\$ 17,480,892
1147	99	City of West Kelowna	2026	1.750	579,872	650,466
1175	101	City of West Kelowna	2027	2.250	1,407,947	1,554,872
1196	101	Lakeshore Road Improvements	2027	2.250	39,633	43,768
		City of West Kelowna	2027	2.250	691,588	763,758
1212	102	City of Kelowna	2027	2.250	14,020,022	15,483,063
1219	103	City of West Kelowna	2028	2.650	76,892	83,878
1239	104	District of Lake Country	2028	2.900	917,495	1,000,857
1245	104	Okanagan Regional Library District	2028	2.900	2,461,971	2,685,663
		Admin Building				
1212	104	City of Kelowna	2028	2.900	1,094,209	1,193,628
1246	104	City of Kelowna	2028	2.900	5,797,901	6,324,691
1246	105	City of Kelowna	2019	4.900	-	2,370,980
1251	105	City of West Kelowna	2029	2.250	4,930,196	5,325,042
1252	105	District of Lake Country	2024	2.250	370,514	436,290
	105	District of Lake Country	2029	2.250	298,407	322,306
1246	106	City of Kelowna	2019	4.130	-	1,185,490
1260	106	City of Kelowna	2019	4.130	-	570,221
1252	109	District of Lake Country	2020	1.830	25,000	75,000
1246	112	City of Kelowna	2020	3.730	1,185,490	2,325,384
1285	114	District of Lake Country	2026	3.650	129,446	145,427
1286	114	District of Lake Country	2026	3.650	198,073	222,526
1292	117	City of Kelowna	2031	3.250	1,381,140	1,469,523
1293	117	City of Kelowna	2026	3.250	2,051,359	2,301,092
1310	121	Regional District - Upper Fintry Shalal	2042	2.900	4,167,258	4,276,685
		Road & Valley of the Sun Water				
		Distribution System				
1329	126	District of Lake Country	2033	3.850	831,661	875,378
1337	127	District of Lake Country	2029	3.300	324,866	350,884
1350	130	City of Kelowna	2034	3.000	282,248	295,802
1362	133	District of Lake Country	2035	2.750	2,225,248	2,327,770
1363	133	City of Kelowna	2035	2.750	17,019,102	17,803,210
1364	133	City of Kelowna	2035	2.750	12,764,326	13,352,408
1227	133	City of Kelowna	2025	2.750	4,805,344	5,514,158
Carried forward					\$ 94,012,610	\$ 108,811,112

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing By-law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding	
					2019	2018
Brought forward					\$ 94,012,610	\$ 108,811,112
1227	137	City of Kelowna	2026	2.600	2,573,274	2,892,868
1363	137	City of Kelowna	2036	2.600	15,132,729	15,776,684
1227	139	City of Kelowna	2026	2.100	2,191,138	2,468,766
1227	141	City of Kelowna	2027	2.800	6,583,377	7,302,156
1363	142	City of Kelowna	2037	3.150	2,773,356	2,888,353
1363	145	City of Kelowna	2038	3.150	1,309,387	1,360,000
1420	146	City of Kelowna	2038	3.200	46,214	48,000
Total long term debt					\$ 124,622,085	\$ 141,547,939

Future principal repayments on existing long-term debt for the next five years and thereafter:

2020	\$ 8,934,373
2021	7,953,535
2022	7,742,303
2023	7,516,396
2024	7,372,372
Thereafter	85,103,106
	<u>\$ 124,622,085</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

9. Landfill Closure and Post- Closure Care

The British Columbia Environmental and Enhancement Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Capacity of the Westside Sanitary Landfill of 1,926,340 cubic meters was reached during the 2010 fiscal year. Closure will involve covering the site with topsoil and vegetation, drainage control, and installing groundwater monitoring wells. Post-closure care activities for the landfill are expected to occur for 30 years and will involve surface and ground water monitoring, maintenance of drainage structures, monitoring leachate and landfill gas, and landfill cover maintenance.

The table below sets out the liability based on estimated capacities used in cubic meters, multiplied by the estimated total expenses, expressed as discounted present values, assuming a discount rate of 2.52% (2018 - 3.22%) based on average long term borrowing rate. The amount remaining to be recognized in future years is \$nil because the landfill reached full capacity during the 2010 fiscal year. The annual provision is reported as an operating fund expense and the accumulated provision is recorded as a liability on the Statement of Financial Position. Reserve funds totaling \$346,951 (2018 - \$348,249) have been established to provide for this liability in the Capital Project Reserve Fund.

Site	Estimated Remaining Life (yrs)	Est. Total Expenditure For Closure	Cumulative Capacity Used	Total Estimated Capacity	% Used	Liability for Closure to Dec. 31, 2019
West Kelowna	-	\$ 527,649	1,926,340	1,926,340	100%	\$ 527,649
Less expenses previously recognized:						<u>(753,493)</u>
2019 net additional cost in connection with landfill closure:						<u>\$ (225,845)</u>

Site	Estimated Remaining Life (yrs)	Est. Total Expenditure For Closure	Cumulative Capacity Used	Total Estimated Capacity	% Used	Liability for Closure to Dec. 31, 2018
West Kelowna	-	\$ 753,493	1,926,340	1,926,340	100%	\$ 753,493

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2019

10. Tangible Capital Assets

	2019								
	Land	Land Improvements	Buildings	Fleet	Machinery and Equipment	Sewer System	Water System	Assets Under Construction	Total
Cost, beginning of year	\$ 40,388,504	\$ 6,219,081	\$ 12,155,504	\$ 6,702,476	\$ 4,684,342	\$ 64,505,712	\$ 20,554,978	\$ 2,881,622	\$ 158,092,219
Additions	-	1,725,895	216,193	270,751	498,000	219,823	345,532	465,368	3,741,562
Disposals	-	-	-	(228,859)	(640,779)	(46,380)	(35,588)	-	(951,606)
Reallocation of Assets Under Construction	-	427,778	-	-	-	-	2,421,823	(2,849,601)	-
Cost, end of year	\$ 40,388,504	\$ 8,372,754	\$ 12,371,697	\$ 6,744,368	\$ 4,541,563	\$ 64,679,155	\$ 23,286,745	\$ 497,389	\$ 160,882,175
Accumulated amortization, beginning of year	\$ -	\$ 2,404,750	\$ 6,471,980	\$ 4,292,511	\$ 2,518,725	\$ 22,485,192	\$ 5,998,487	\$ -	\$ 44,171,645
Amortization	-	433,246	451,861	396,878	411,994	1,765,293	472,333	-	3,931,605
Disposals	-	-	-	(172,003)	(640,779)	(46,380)	(35,588)	-	(894,750)
Accumulated amortization, end of year	\$ -	\$ 2,837,996	\$ 6,923,841	\$ 4,517,386	\$ 2,289,940	\$ 24,204,105	\$ 6,435,232	\$ -	\$ 47,208,500
Net carrying amount, end of year	\$ 40,388,504	\$ 5,534,758	\$ 5,447,856	\$ 2,226,982	\$ 2,251,623	\$ 40,475,050	\$ 16,851,513	\$ 497,389	\$ 113,673,675

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2019

10. Tangible Capital Assets (continued)

	2018								
	Land	Land Improvements	Buildings	Fleet	Machinery and Equipment	Sewer System	Water System	Assets Under Construction	Total
Cost, beginning of year	\$ 40,388,504	\$ 5,188,288	\$ 12,110,894	\$ 6,458,432	\$ 4,631,118	\$ 59,761,027	\$ 19,613,195	\$ 3,126,979	\$ 151,278,437
Additions	-	850,204	65,610	244,044	604,625	4,507,861	905,080	721,167	7,898,591
Disposals	-	(12,951)	(21,000)	-	(933,719)	(50,906)	(44,192)	(22,041)	(1,084,809)
Reallocation of Assets Under Construction	-	193,540	-	-	382,318	287,730	80,895	(944,483)	-
Cost, end of year	\$ 40,388,504	\$ 6,219,081	\$ 12,155,504	\$ 6,702,476	\$ 4,684,342	\$ 64,505,712	\$ 20,554,978	\$ 2,881,622	\$ 158,092,219
Accumulated amortization, beginning of year	\$ -	\$ 2,049,740	\$ 6,051,639	\$ 3,870,400	\$ 2,966,207	\$ 20,702,456	\$ 5,604,993	\$ -	\$ 41,245,435
Amortization	-	367,961	441,341	422,111	480,044	1,833,640	416,645	-	3,961,742
Disposals	-	(12,951)	(21,000)	-	(927,526)	(50,904)	(23,151)	-	(1,035,532)
Accumulated amortization, end of year	\$ -	\$ 2,404,750	\$ 6,471,980	\$ 4,292,511	\$ 2,518,725	\$ 22,485,192	\$ 5,998,487	\$ -	\$ 44,171,645
Net carrying amount, end of year	\$ 40,388,504	\$ 3,814,331	\$ 5,683,524	\$ 2,409,965	\$ 2,165,617	\$ 42,020,520	\$ 14,556,491	\$ 2,881,622	\$ 113,920,574

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

11. Accumulated Surplus

	2019	2018
Current Funds		
General revenue fund	\$ 3,830,960	\$ 3,739,312
Water revenue fund	184,718	182,932
Sewer revenue fund	169,691	193,371
	<u>4,185,369</u>	<u>4,115,615</u>
Capital Funds		
General capital fund	55,103,403	51,248,168
Water capital fund	12,962,731	12,988,852
Sewer capital fund	40,569,627	42,032,014
	<u>108,635,761</u>	<u>106,269,034</u>
Reserve Funds		
Feasibility reserve fund	173,054	160,486
Equipment replacement reserve fund	5,776,461	5,795,961
Park reserve fund	1,566,933	1,579,995
Capital projects reserve fund	14,544,378	10,886,850
Operating reserve fund	2,927,803	2,509,646
	<u>24,988,629</u>	<u>20,932,938</u>
Accumulated Surplus Total	<u>\$ 137,809,761</u>	<u>\$ 131,317,589</u>

Capital funds represent amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by the Board for specific purposes.

12. Credit Facility

The Regional District has a credit facility agreement with a financial institution which provides for a total commitment of \$21,500,000 (2018 - \$20,800,000). At December 31, 2019, the Regional District had drawn an amount of \$Nil on this agreement (2018 - \$Nil).

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

13. Employee Benefits

Retirement Benefits

The Regional District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Regional District paid \$715,187 (2018 - \$706,727) for employer contributions to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

Compensated Absences

Sick Leave

After ten years of employment, earned sick leave is paid out upon termination of employment as per agreements. Sick leave obligations are attributed to the period beginning the employee's date of hire and ending on the date the employee ceases employment.

The Regional District determines its discount rates by reference to its cost of borrowing in accordance with Paragraph .044 of PS 3250. Actuarial gains and losses arise from the difference between the actual experience of the plan and that expected by the actuarial assumptions or from changes in actuarial assumptions. Actuarial gains and losses arising in a specific fiscal period will be amortized over the expected average remaining service life (EARSLS) of the related employee group in accordance with Paragraph .061 of PS 3250.

The sick leave benefits are adequately funded by an account reserved for employee benefits and insurance. The projected sick leave liability in 2019 is \$800,400 (2018 - \$768,600).

Vacation

Vacation is accrued as it is earned by employees.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

14. Contingent Liabilities

The Regional District is the defendant in various lawsuits. In the opinion of management, the overall estimation of loss is not determinable at this time. These claims have not be provided for in the financial statements. Settlement, if any, made with respect to these actions would be expected to be accounted for as a charge to expenses in the period in which realization is known, to the extent not covered by insurance.

15. Expenses by Object

	2019	2018
Advertising and promotion	\$ 112,656	\$ 185,423
Amortization	3,931,605	3,961,742
Contract Services	3,768,895	3,408,515
Education and training	637,492	560,613
Emergency services	1,677,361	1,863,623
Grants and other programs	296,208	281,556
Insurance, licenses and memberships	105,232	59,806
Interest on long-term debt and debt issue expense	230,962	275,761
Fiscal services for members	18,916,563	26,856,815
Leases and rentals	21,177	30,707
Loss on disposal of tangible capital assets	-	30,906
Office and administration	702,308	419,157
Planning and development	573,347	260,057
Professional fees	235,684	214,578
Repairs and maintenance	2,625,079	3,011,370
Supplies	981,300	931,311
Telephone and utilities	958,842	954,145
Transit services	17,190	12,774
Travel	178,676	232,148
Transfers to other agencies and governments	4,053,203	4,045,182
Wages and benefits	11,856,671	10,933,720
	\$ 51,880,456	\$ 58,529,914

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

16. Gas Tax Agreement Funds

a) Community Works funds

Community Works Funds are provided by the Government of Canada under the Gas Tax Agreement. The use of the funding is established by a funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects. The Community Works Fund balance is included in the capital projects reserve fund.

	2019	2018
Opening balance of unspent funds	\$ 1,816,627	\$ 1,297,236
Add: Amount received during the year	1,455,385	705,850
Interest earned	29,066	20,864
Less: Amount spent on projects	(191,220)	(207,323)
Closing balance of unspent community works funds	\$ 3,109,858	\$ 1,816,627

b) Regionally Significant Project Funding

The Regional District and its members received funding for a Regional Significant Project during the year:

	2019	2018
Regional strategic transportation demand plan	\$ 200,653	\$ -

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

17. Budget

The budget data presented in these financial statements is based upon the 2019 - 2023 Financial Plan Bylaw 1432 approved by the Regional District Board on March 25 and Amending Bylaws 1445, and 1447 approved by the Board on July 29 2018, and January 27, 2020 respectively.

The legislative requirements of the Financial Plan are that the cash inflows for the period must at a minimum equal cash outflows.

Budgeted Cash inflows and outflows include transfers to and from reserves and other funds, and prior year surplus/deficits carried forward, and principal repayments on debt. These transactions are not recognized as revenues and expenses in the Statement of Operations as they do not meet the inclusion requirements under public sector account standards.

Revenue	Approved Budget	Capital Adjustments	Debt Adjustments	Transfers & Other	Presented Budget
Electoral Area tax & parcel tax	\$ 4,354,971	\$ -	\$ -	\$ -	\$ 4,354,971
Members' requisitions	35,876,910	-	-	-	35,876,910
Grants	815,231	332,957	-	-	1,148,188
Sale of services	5,567,221	-	-	-	5,567,221
Water and Sewer fees	6,542,883	-	-	(2,400)	6,540,483
Gas tax revenue	600,000	-	-	-	600,000
Contributions	-	99,257	-	-	99,257
Transfers from reserves	628,470	(628,470)	-	-	-
Other revenue	1,667,390	-	(146,722)	52,230	1,572,898
Prior years' surplus	2,874,335	-	-	(2,874,335)	-
	\$ 58,927,411	\$ (196,256)	\$ (146,722)	\$ (2,824,505)	\$ 55,759,928
Expense					
General government services	5,568,392	-	(18,000)	(3,718,293)	1,832,099
Protective services	8,535,991	-	(21,965)	246,369	8,760,395
Transportation services	664,681	-	(4,487)	(5,758)	654,436
Environmental health services	6,016,112	-	-	355,551	6,371,663
Development services	3,884,364	-	-	284,665	4,169,029
		-			
Recreation and cultural services	9,177,571	-	(2,529,271)	(1,548,568)	5,099,732
Water services	1,686,791	-	(227,141)	(721,152)	738,498
Sewer services	4,846,364	-	(37,717)	(311,949)	4,496,698
Fiscal services	18,547,145	-	281,619	-	18,828,764
Interest on long-term debt and debt issue expense	-	-	256,234	-	256,234
Transfers to local governments	-	-	-	110,579	110,579
	\$ 58,927,411	\$ -	\$ (2,300,728)	\$ (5,308,556)	\$ 51,318,127

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

18. Segmented Information

The segments and the services the Regional District provide are broken down as follows:

General Government Services is comprised of a number of different services, including Board and Communications Costs, Corporate Services; Administration Finance; Engineering; Human Resources; Information Systems; Electoral Area Costs; and Grants. Corporate Services involves staff and management working closely with the Regional Board and Community partners to coordinate the delivery of a wide range of functions and services. The Finance department is responsible for the requisition of tax revenues from the Province and from member municipalities and all treasury and accounting functions. Human Resources involves the administration of full-time and part-time employees, as well as the responsibility for labour relations, recruitment, training and career planning, employee health and safety and Workers Compensation regulations. Information Systems includes an all-encompassing computer database and mapping system for properties in the Regional District, which is used by Regional Services and Regional District departments and other government agencies, as well as members of the public and businesses.

Protective Services includes a number of different programs. These programs include Electoral Area Fire Protection; Regional Rescue; 911 Services; Crime Stoppers; Victim Services; Crime Prevention; Bylaw Enforcement (Business Licenses, Building Inspections, Dog Control, Mosquito Control, Starling Control, and Prohibited Animal Control). These services are designed to provide a safe environment to the community. They are responsible for providing these services to the unincorporated electoral areas of Central Okanagan East and Central Okanagan West, as well as to the member municipalities of Kelowna, West Kelowna, Peachland, and Lake country within the boundaries of the Regional District.

Transportation Services includes Transportation Demand Management, Road/Street Light Improvements and Transit Services.

Environmental Health Services includes a number of different services, including: Effluent Disposal; Solid Waste Management Services (Recycling, Collection, Transfer Stations, Management); Okanagan Basin Water Board; Air Quality Monitoring; Noise Abatement; Untidy Premises. The mandate of these programs is to coordinate delivery of the many day-to-day services required for community living.

Environmental Development Services is responsible for delivering Insect & Weed Control, Sterile Insect Release, Economic Development and Planning. Economic Development provides assistance to businesses and entrepreneurs in the Regional District and to those interested in relocating to the region. The planning function is responsible for developing land use policies that provide guidance to elected officials, developers, the public and other decision makers. It puts land use plans and policies into action and ensures proper Infrastructure and orderly development. The program also evaluates applications and provides recommendations to decision makers; assist the public with land use regulations, applications, and processes; and invites and responds to public

Recreational/Cultural Service includes the Community Halls, Regional Parks, Community Parks, and Okanagan Regional Library. The Parks department is responsible for 30 Regional Parks and more than a dozen community and neighbourhood parks making up over 1,900 hectares or parkland. The department is also responsible for future recreational opportunities through parkland acquisition on development.

Fiscal Services is responsible for MFA Financing for 2 electoral areas and 4 member municipalities.

Water Services includes a total of six water systems that provides water services to local service areas within the electoral areas.

Sewer Services includes the Westside Wastewater Treatment Plant, the Ellison Sewer System and a number of Lift Stations/Collector Systems which service residents of West Kelowna, Peachland and Westbank First Nation.

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2019

18. Segmented Information

The segments and the services the Regional District provide are broken down as follows:

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation/ Cultural Services	Fiscal Services	Water Services	Sewer Services	Other	Total 2019 Actual	Total 2019 Budget
Revenues												
General taxes	\$ 756,773	\$ 6,198,461	\$ 51,851	\$ 2,424,132	\$ 3,378,028	\$ 8,617,836	\$ 18,634,946	\$ 221,955	\$ 37,748	\$ -	\$ 40,321,730	\$ 40,231,881
Utility Charges	-	-	-	-	-	-	-	1,487,375	5,160,540	-	6,647,915	6,540,483
Government grants - Federal	111,940	9,415	-	3,881	242,288	35,566	-	-	-	-	403,090	445,600
Government grants - Provincial	43,189	171,197	-	-	55,418	3,825	-	207,276	-	-	480,905	702,588
Sales of services	359,588	984,932	10,731	3,339,015	111,081	596,797	-	-	-	-	5,402,144	5,567,221
Other revenue	513,796	1,600,594	202,709	314,500	39,633	484,228	87,055	25,196	28,811	1,820,322	5,116,844	2,272,155
	1,785,286	8,964,599	265,291	6,081,528	3,826,448	9,738,252	18,722,001	1,941,802	5,227,099	1,820,322	58,372,628	55,759,928
Expenses												
Operating												
Goods and services (net)	(2,119,747)	5,556,203	248,720	5,235,571	2,744,367	2,208,380	19,147,525	470,839	3,051,850	(296,667)	36,247,041	39,242,503
Wages and benefits	3,465,961	2,576,498	867	615,088	1,041,404	2,612,448	-	207,540	1,182,004	-	11,701,810	12,075,624
	1,346,214	8,132,701	249,587	5,850,659	3,785,771	4,820,828	19,147,525	678,379	4,233,854	(296,667)	47,948,851	51,318,127
Capital												
Amortization	413,630	519,582	-	84,706	9,147	646,906	-	481,977	1,775,657	-	3,931,605	-
	1,759,843	8,652,283	249,587	5,935,365	3,794,918	5,467,737	19,147,525	1,160,356	6,009,509	(296,667)	51,880,456	51,318,127
Excess (deficiency) in revenues over expenses	\$ 25,443	\$ 312,316	\$ 15,704	\$ 146,163	\$ 31,530	\$ 4,270,515	\$ (425,524)	\$ 781,446	\$ (782,410)	\$ 2,116,989	\$ 6,492,172	\$ 4,441,801

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

18. Segmented Information (continued)

The segments and the services the Regional District provide are broken down as follows:

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation/ Cultural Services	Fiscal Services	Water Services	Sewer Services	Other	Total 2018 Actual	Total 2018 Budget
Revenues												
General taxes	\$ 690,286	\$ 5,902,459	\$ 45,098	\$ 2,362,178	\$ 3,353,484	\$ 8,273,718	\$ 26,473,948	\$ 221,839	\$ 37,756	\$ -	\$ 47,360,766	\$ 47,416,709
Utility Charges	-	-	-	-	-	-	-	1,418,303	5,071,649	-	6,489,952	6,440,560
Government grants - Federal	130,000	6,000	-	-	29,955	70,893	-	1,835	-	-	238,683	193,100
Government grants - Provincial	22,696	853,209	-	3,000	9,575	98,931	-	810,960	-	-	1,798,371	2,156,295
Sales of services	347,501	946,011	12,129	3,042,260	90,121	696,181	-	-	-	-	5,134,203	5,252,998
Other revenue	335,340	1,223,516	4,228	335,648	42,237	363,406	79,690	21,475	4,083,676	1,011,138	7,500,354	7,002,728
	1,525,823	8,931,195	61,455	5,743,086	3,525,372	9,503,129	26,553,638	2,474,412	9,193,081	1,011,138	68,522,329	68,462,390
Expenses												
Operating												
Goods and services (net)	(2,077,229)	5,575,499	45,506	5,496,690	2,357,089	2,087,785	27,132,574	422,390	3,047,684	(324,378)	43,763,610	46,916,034
Wages and benefits	2,886,477	2,501,330	851	535,730	1,030,347	2,525,381	-	194,381	1,130,065	-	10,804,562	11,444,658
	809,248	8,076,829	46,357	6,032,420	3,387,436	4,613,166	27,132,574	616,771	4,177,749	(324,378)	54,568,172	58,360,692
Capital												
Amortization	450,000	545,253	-	97,605	9,659	568,409	-	426,289	1,864,527	-	3,961,742	-
	1,259,247	8,622,082	46,357	6,130,025	3,397,095	5,181,578	27,132,574	1,043,060	6,042,274	(324,378)	58,529,914	58,360,692
Excess (deficiency) in revenues over expenses	\$ 266,576	\$ 309,113	\$ 15,098	\$ (386,939)	\$ 128,277	\$ 4,321,551	\$ (578,936)	\$ 1,431,352	\$ 3,150,807	\$ 1,335,516	\$ 9,992,415	\$ 10,101,698

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

19. Subsequent Events

In March 2020, the COVID-19 outbreak has caused governments worldwide to enact emergency measures to combat the spread of the coronavirus. These measures, which include the implementation of facility closures, travel restrictions, self-isolation periods, and social and physical distancing, will have a significant impact on local and global economies.

At this time it is not possible to reliably estimate the length and severity of the COVID-19 outbreak and how it may impact the regional district's financial results for 2020.

Regional District of Central Okanagan

Consolidated Statement of Current Fund Operations

(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Electoral area tax requisitions	\$ 3,903,617	\$ 3,905,643	\$ 3,720,890
Electoral area parcel taxes	449,327	449,328	421,349
Members' requisitions			
General	16,876,144	16,873,777	16,269,444
Parcel Taxes	455,988	455,988	473,574
Debt Services	18,636,654	18,547,145	26,475,509
Federal government grants	402,590	395,600	238,683
Provincial government grants	273,392	419,631	889,880
Sale of services to other governments	3,619,290	3,879,079	3,383,600
Sale of services to others	1,782,854	1,688,142	1,750,603
Water and sewer fees	6,647,915	6,540,483	6,489,952
Gas tax revenue	200,653	600,000	-
Other Revenue	2,979,178	1,719,620	2,229,297
	56,227,602	55,474,436	62,342,781
Expenses			
General government services	1,346,214	1,832,099	819,765
Protective services	8,132,701	8,760,395	8,072,940
Transportation services	249,587	654,436	46,357
Environmental health services	5,850,659	6,371,663	6,032,420
Development services	3,785,771	4,169,029	3,387,436
Recreation and cultural services	4,820,827	5,099,732	4,596,672
Water services	678,379	738,498	595,730
Sewer services	4,233,854	4,496,698	4,177,749
Fiscal services	19,147,530	19,084,997	27,132,579
Transfer to local governments	110,554	110,579	112,256
Reallocation of insurance reserve (recovery)	(407,221)	-	(436,633)
	47,948,855	51,318,126	54,537,271
Net revenues	8,278,747	4,156,310	7,805,510
Regional District - debt principal repayments	(146,721)	(146,722)	(152,384)
- short term debt repayments	(2,154,007)	(2,154,007)	(2,165,838)
Net interfund transfers			
Capital Fund	(717,155)	(87,041)	(581,283)
Reserve fund	(5,191,110)	(4,742,869)	(4,932,308)
Change in current fund	69,754	(2,974,329)	(26,303)
Balance, beginning of year	4,115,615	4,115,615	4,141,918
Balance, end of year	\$ 4,185,369	\$ 1,141,286	\$ 4,115,615

Regional District of Central Okanagan

Consolidated Statement of Capital Fund Operations

(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Federal government grants	\$ 500	\$ 50,000	\$ -
Provincial government grants	207,513	17,527	908,491
Gain on disposals of tangible capital assets	38,378	-	-
Contributions from others	21,265	99,257	55,391
Retirement of long term debt	233,776	-	232,074
Gas tax revenue	-	-	71,753
	501,432	166,784	1,267,709
Expenses			
Amortization	3,931,605	-	3,961,742
Loss on disposals of tangible capital assets	-	-	30,906
	3,931,605	-	3,992,648
Net revenues (expenses)	(3,430,173)	166,784	(2,724,939)
Net interfund transfers			
Current fund	491,317	87,041	664,700
Current fund - Landfill	225,845	-	(83,417)
Current fund - Retirement of short term debt	2,154,007	2,154,007	2,165,838
Reserve funds	2,925,731	7,593,025	2,096,793
Contributions received from sewer DCC reserve	-	-	4,083,090
	2,366,727	10,000,857	6,202,065
Change in capital fund	2,366,727	10,000,857	6,202,065
Balance, beginning of year	106,269,034	106,269,034	100,066,969
Balance, end of year	\$ 108,635,761	\$ 116,269,891	\$ 106,269,034

Regional District of Central Okanagan
Consolidated Statement of Reserve Fund Operations
(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Gas tax revenue	\$ 1,455,385	\$ -	\$ 705,850
Interest Income	334,929	-	275,286
	1,790,314	-	981,136
Net interfund transfers			
Current fund	5,191,110	4,742,869	4,932,308
Capital fund	(2,925,731)	(7,593,025)	(2,096,793)
	4,055,693	(2,850,156)	3,816,651
Change in capital fund			
	20,932,936	20,932,934	17,116,287
Balance, beginning of year			
Balance, end of year	\$ 24,988,629	\$ 18,082,778	\$ 20,932,938
Summary of Reserve Funds positions			
Feasibility Reserve Fund	\$ 173,054		\$ 160,486
Equipment Replacement Reserve Fund	5,776,461		5,795,961
Park Reserve Fund	1,566,933		1,579,995
Capital Projects Reserve Fund	14,544,378		10,886,850
Operating Reserve Fund	2,927,803		2,509,646
	\$ 24,988,629		\$ 20,932,938

Regional District of Central Okanagan
General Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Cash	\$ 36,037,184	\$ 29,005,115
Accounts receivable		
Federal government	-	-
Provincial government	437,546	710,766
Local governments and Hospital District	659,459	1,849,541
Other	1,713,880	1,505,189
Inventory	-	-
Prepaid expenses	520,345	432,133
Other assets		
Municipal Finance Authority debt reserve fund		
Member municipalities	9,053,153	11,790,139
Regional District	262,270	260,422
	\$ 48,683,837	\$ 45,553,305
Liabilities and Surplus		
Accounts payable		
Accounts payable and accrued liabilities	\$ 4,187,532	\$ 4,295,717
Due to development cost charges reserve fund	5,860,043	3,968,968
Due to capital projects reserve fund	14,544,379	10,886,850
Due to equipment replacement reserve fund	5,776,460	5,795,961
Due to feasibility study reserve fund	173,054	160,486
Due to operating reserve fund	2,927,803	2,509,646
Due to park reserve fund	1,566,933	1,579,995
Due to sewer revenue fund	153,970	178,008
Due to water revenue fund	125,405	124,970
Due to water capital fund	138,240	144,776
Other liabilities		
Deferred revenue	102,557	136,544
Municipal Finance Authority debt reserve fund		
Member municipalities		
- cash requirements	2,788,663	3,333,403
- demand note requirement	6,264,490	8,456,736
Regional District		
- cash requirements	62,230	60,814
- demand note requirement	181,119	181,119
Surplus	3,830,959	3,739,312
	\$ 48,683,837	\$ 45,553,305

Regional District of Central Okanagan
General Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Electoral area tax requisitions	\$ 3,903,617	\$ 3,720,890
Electoral area parcel taxes	228,722	200,744
Members' requisitions		
General	16,876,144	16,269,444
Parcel taxes	418,598	436,145
Debt services	18,634,946	26,473,948
Federal government grants	402,590	236,848
Provincial government	273,392	889,880
Sale of services to local governments	3,619,290	3,383,600
Sale of services to others	1,782,854	1,750,603
Gas tax revenue	200,653	-
Other revenue		
Licenses, fees and permits	1,553,347	1,190,335
Facility rentals	212,056	194,001
Other revenue	1,158,492	792,900
Other programs	30,000	30,000
Transfer from general capital fund	-	-
Transfer from capital projects reserve fund	13,870	340,746
Transfer from operating reserve fund	44,360	103,544
Surplus from previous year	3,739,312	3,871,283
	53,092,243	59,884,911
Expenses		
General government services	1,346,214	819,765
Protective services	8,132,701	8,072,940
Transportation services	249,587	46,357
Environmental health services	5,850,659	6,032,420
Development services	3,785,771	3,387,436
Recreational and cultural services	4,820,827	4,596,672
Fiscal services	19,029,388	27,020,105
Transfer to general capital fund	491,277	668,896
Transfer to equipment replacement reserve fund	465,700	458,896
Transfer to operating reserve fund	422,362	497,986
Transfer to capital projects reserve fund	2,573,613	2,776,082
Transfer to feasibility study reserve fund	10,000	10,000
Transfer to City of Kelowna	-	-
Transfer to District of Lake Country	55,000	55,000
Transfer to District of Peachland	12,000	12,000
Transfer to City of West Kelowna	43,554	45,256
Landfill closure and post-closure	225,845	(83,417)
Reallocation of insurance reserve (recovery)	(407,221)	(436,633)
Short term debt repayment	2,154,007	2,165,838
	49,261,284	56,145,599
Surplus, end of year	\$ 3,830,959	\$ 3,739,312

Regional District of Central Okanagan
General Revenue Fund
Surplus
(Unaudited)

For the year ended December 31	2019	2018
Regional Board	\$ 7,573	\$ 69,697
Corporate Services/Administration	147,551	271,030
Finance	436,341	354,500
Engineering	72,398	191,277
Human Resources	58,944	63,457
Information Systems	76,440	161,116
General Government Services - Electoral Areas	22,910	7,140
Electoral Area Central Okanagan West	-	7,472
Electoral Area Central Okanagan East	-	4,428
EA West Grants in Aid	56	1,748
EA East Grants in Aid	3,300	3,400
Upper Ellison Fire Protection	(3,596)	(3,648)
Electoral Areas Fire Protection	2,165	-
Lakeshore Road Fire Protection	741	-
Ellison Fire Protection	45,113	25,201
Joe Rich Road Fire Protection	(25,030)	625
North Westside Road Fire Protection	37,104	869
Wilson's Landing Fire Protection	27,467	628
Ridgeview Fire Protection	80	73
June Springs Fire Protection	81	575
Brent Road Fire Protection	(283)	1,009
Regional Rescue Service	148,045	189,860
911 Emergency Telephone Service	88,416	109,435
Shelter Cove Fire Protection	-	(544)
Crime Stoppers	-	195
Victims Services	11,158	577
Crime Prevention	33,192	27,074
Business Licenses	9,006	7,017
Building Inspection	331,495	52,426
Dog Control	207,223	274,888
Mosquito Control	7,679	16,138
Prohibited Animal Control	986	981
Transportation Demand Management	2,555	(2,164)
Lakeshore Road Improvements	27	26
Scotty Heights Street Lighting	881	945
Ellison Transit	8,825	11,733
Septic Tank Effluent Disposal	21,837	61,889
Balance to be carried forward	\$ 1,780,680	\$ 1,911,073

Regional District of Central Okanagan
General Revenue Fund (continued)

Surplus
(Unaudited)

For the year ended December 31	2019	2018
Balance carried forward	\$ 1,780,680	\$ 1,911,073
Westside Disposal & Recycling Centre	14,215	2,153
Solid Waste Management	8,400	5,058
Solid Waste Collection	-	52,836
Okanagan Basin Water Board	4	(3)
Air Quality Monitoring	-	(1)
Noise Abatement	3,536	3,298
Untidy Premises	3,696	3,373
Regional Planning	94,366	114,802
Electoral Area Planning	25,702	31,594
Noxious Insect Control	2,863	4,395
Weed Control	32,953	27,771
Starling Control	46	12
Economic Development Commission	12,867	3,636
Ellison Heritage Community Centre	23,914	23,576
Joe Rich Community Hall	4,494	4,303
Killiney Community Hall	(88)	(86)
Regional Parks	152,023	276,689
Westside Community Parks	17,476	18,146
Eastside Community Parks	3,814	13,914
Insurance	1,649,998	1,242,773
Surplus, end of year	\$ 3,830,959	\$ 3,739,312

Regional District of Central Okanagan
General Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Tangible capital assets (net of accumulated amortization)		
Land	\$ 40,096,228	\$ 40,096,228
Land improvements	5,534,758	3,814,331
Buildings	5,447,855	5,683,523
Fleet	2,131,352	2,237,471
Machinery and equipment	2,251,624	2,165,618
Assets under construction	394,370	453,220
	<u>55,856,187</u>	<u>54,450,391</u>
Debt recoverable from other authorities for debentures		
City of Kelowna	96,078,768	109,344,318
City of West Kelowna	11,143,338	12,817,246
District of Lake Country	7,604,381	8,766,410
District of Peachland	2,823,363	3,190,262
OK Regional Library	2,461,971	2,685,663
	<u>120,111,821</u>	<u>136,803,899</u>
	<u>\$ 175,968,008</u>	<u>\$ 191,254,290</u>
Liabilities and Equity in Capital Assets		
Temporary borrowings	\$ -	\$ 2,154,006
Long term debt		
Landfill closure and post closure	527,649	753,493
Municipal Finance Authority	120,336,956	137,098,623
	<u>55,103,403</u>	<u>51,248,168</u>
Equity in capital assets	<u>\$ 175,968,008</u>	<u>\$ 191,254,290</u>

Regional District of Central Okanagan
General Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 51,248,168	\$ 48,804,745
Add:		
Assets acquired and debt retired by transfer from own funds		
Transfer from general revenue fund	491,277	668,896
Park reserve fund	38,342	-
Equipment replacement reserve fund	533,631	384,317
Capital projects reserve fund	1,984,860	736,472
Gain on disposal of tangible capital assets	9,652	-
Grant from Federal government	500	-
Grant from Provincial government	237	97,531
Other contributions	21,265	55,391
Gas tax revenue	-	71,753
Retirement of long term debt	69,589	74,703
Retirement of short term debt	2,154,007	2,165,838
	5,303,360	4,254,901
Deduct:		
Amortization	1,673,970	1,670,926
Landfill closure cost transfer	(225,845)	83,417
Loss on disposal of tangible capital assets	-	9,865
Transfer to equipment replacement reserve fund	-	653
Transfer to capital projects reserve fund	-	46,617
	1,448,125	1,811,478
Balance, end of year	\$ 55,103,403	\$ 51,248,168

Regional District of Central Okanagan
Water Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 125,405	\$ 124,970
Other assets		
Municipal Finance Authority debt reserve fund	124,380	123,029
	\$ 249,785	\$ 247,999
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 65,067	\$ 65,067
Surplus	184,718	182,932
	\$ 249,785	\$ 247,999

Regional District of Central Okanagan
Water Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Connection charges	\$ 50,675	\$ 24,545
Debt service fee	1,350	1,234
Parcel taxes	220,605	220,605
User fees and maintenance fees	1,436,700	1,393,758
Federal government grants	-	1,835
Other revenue	24,527	21,475
Surplus from previous year	182,932	80,692
	1,916,789	1,744,144
Expenses		
Falcon Ridge water system	62,799	45,434
Killiney Beach water system	159,937	153,691
Sunset Ranch water system	127,312	114,087
Trepanier Bench water system	26,557	24,465
Upper Fintry/Shalal/Valley Of The Sun water system	98,003	96,625
Westshore water system	203,773	161,428
Transfer to water capital fund	42	314
Transfer to capital projects reserve fund	826,507	28,141
Transfer to equipment replacement reserve fund	-	709,886
Fiscal Services	227,141	227,141
	1,732,071	1,561,212
Surplus	\$ 184,718	\$ 182,932

Regional District of Central Okanagan
Water Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 138,240	\$ 144,776
Tangible capital assets (net of accumulated amortization)		
Land	228,536	228,536
Fleet	43,706	53,350
Water system	16,851,512	14,556,491
Asset under construction	6,235	2,427,160
	<u>\$ 17,268,229</u>	<u>\$ 17,410,313</u>
Liabilities and Equity in Capital Assets		
Long term debt		
Deferred Revenue	\$ 138,240	\$ 144,776
Municipal Finance Authority	4,167,258	4,276,685
Equity in capital assets	<u>12,962,731</u>	<u>12,988,852</u>
	<u>\$ 17,268,229</u>	<u>\$ 17,410,313</u>

Regional District of Central Okanagan
Water Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 12,988,852	\$ 11,966,268
Add:		
Provincial government grant	207,276	810,960
Retirement of debenture debt	109,426	105,218
Transfer from water revenue fund	42	314
Transfer from equipment replacement reserve fund	121,994	399,688
Transfer from capital project reserve fund	16,446	153,734
Gain on disposal of tangible capital assets	672	-
	<u>455,856</u>	<u>1,469,914</u>
Deduct:		
Amortization	481,977	426,289
Loss on disposal of tangible capital assets	-	21,041
	<u>481,977</u>	<u>447,330</u>
Balance, end of year	\$ 12,962,731	\$ 12,988,852

Regional District of Central Okanagan
Sewer Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 153,970	\$ 178,008
Other assets		
Municipal Finance Authority debt reserve fund	43,354	42,996
	\$ 197,324	\$ 221,004
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 27,633	\$ 27,633
Surplus	169,691	193,371
	\$ 197,324	\$ 221,004

Regional District of Central Okanagan
Sewer Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Debt service fee	\$ 358	\$ 327
Parcel tax	37,390	37,429
User fees and municipal services	5,160,540	5,071,649
Other revenue	3,157	2,986
Transfer from sewer capital fund	-	4,510
Surplus from previous year	193,371	189,943
	<u>5,394,816</u>	<u>5,306,844</u>
Expenses		
Westside sewer system	4,122,606	4,076,734
Ellison sewer system	113,645	103,415
Fiscal services	37,717	37,717
Transfer to capital projects reserve fund	873,468	812,544
Transfer to equipment replacement reserve fund	77,689	63,063
Transfer to operating reserve fund	-	20,000
	<u>5,225,125</u>	<u>5,113,473</u>
Surplus	<u>\$ 169,691</u>	<u>\$ 193,371</u>

Regional District of Central Okanagan
Sewer Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Tangible capital assets (net of accumulated amortization)		
Land	\$ 63,739	\$ 63,739
Fleet	51,923	119,144
Sewer system	40,475,051	42,020,520
Asset under construction	96,785	1,242
	<u>\$ 40,687,498</u>	<u>\$ 42,204,645</u>
Liabilities and Equity in Capital Assets		
Long term debt		
Municipal Finance Authority	\$ 117,871	\$ 172,631
Equity in capital assets	<u>40,569,627</u>	<u>42,032,014</u>
	<u>\$ 40,687,498</u>	<u>\$ 42,204,645</u>

Regional District of Central Okanagan
Sewer Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 42,032,014	\$ 39,295,956
Add:		
Gain on disposal of tangible capital assets	28,054	-
Retirement of debenture debt	54,760	52,153
Transfer from development cost charge reserve fund	-	4,083,090
Transfer from capital projects reserve fund	230,456	401,491
Transfer from equipment replacement reserve fund	-	68,361
	313,270	4,605,095
Deduct:		
Amortization	1,775,657	1,864,527
Transfer to sewer revenue fund	-	4,510
Balance, end of year	\$ 40,569,627	\$ 42,032,014

Regional District of Central Okanagan
Development Cost Charge Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 5,860,043	\$ 3,968,968
Fund Balance		
Westside wastewater treatment plant	\$ 3,580,958	\$ 1,934,560
East trunk treatment plant	2,279,085	2,034,408
	\$ 5,860,043	\$ 3,968,968

Regional District of Central Okanagan
Development Cost Charge Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 3,968,968	\$ 6,158,546
Add:		
Interest earned	63,504	99,050
Development cost charge levies	1,827,571	1,794,462
	1,891,075	1,893,512
Deduct:		
Transfer to sewer capital fund	-	4,083,090
Balance, end of year	\$ 5,860,043	\$ 3,968,968

Note:

Development Cost Charge (DCC) levies are restricted by by-law in their use for sewer expansion and the revenue is deferred until the expenses are incurred. When DCC expenses are made, a corresponding amount is recorded as "Contribution from sewer DCC reserve" on the statement of operations.

Regional District of Central Okanagan
Feasibility Study Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 173,054	\$ 160,486
Fund Balance		
Feasibility Study Reserve - Electoral Areas	\$ 73,837	\$ 67,753
Feasibility Study Reserve - Regional	99,217	92,733
	\$ 173,054	\$ 160,486

**Regional District of Central Okanagan
Feasibility Study Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)**

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 160,486	\$ 148,105
Add:		
Interest Income	2,568	2,381
Transfer from general revenue fund	10,000	10,000
	12,568	12,381
Balance, end of year	\$ 173,054	\$ 160,486

Regional District of Central Okanagan
Equipment Replacement Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 5,776,461	\$ 5,795,961
Statement of Fund Balance		
Regional Board	\$ 570	\$ 561
Corporate Services/Administration	-	124
Finance	235,648	238,873
Engineering	92,262	82,935
Information Systems	184,241	116,452
Ellison Fire Protection	15,481	15,237
Joe Rich Fire Protection	25,212	24,815
North Westside Road Fire Protection	1,037	172,757
Wilson's Landing Fire Protection	79,631	107,731
Brent Road Fire Protection	182	179
Regional Rescue Service	436,907	503,890
Alarm Control	8,766	5,675
Crime Stoppers	42,869	42,194
Victims Services	28,238	22,872
Crime Prevention	46,103	40,456
Business Licenses	30,292	28,831
Business Inspection	139,850	137,648
Dog Control	158,488	123,624
Mosquito Control	38,465	37,859
Lakeshore Road Improvements	73,590	72,431
Septic Tank Effluent Disposal	5,342	5,258
Westside Sanitary Landfill	3,703	3,645
Solid Waste Management	56,610	48,828
Solid Waste Collection	200,549	197,391
Noise Abatement	112	110
Unsightly & Untidy Premises	513	504
Electoral Area Planning	57,081	56,182
Noxious Insect Control	16,156	15,901
Weed Control	47,375	42,200
Economic Development Commission	6,895	14,815
Ellison Heritage Community Centre	60,972	60,012
Regional Parks	304,687	165,468
Westside Community Parks	46,833	46,095
Eastside Community Parks	51,211	50,404
Okanagan Regional Library	3,241	3,190
Equipment Pool / Fleet	90,380	130,423
Killiney Beach Water	664,950	681,926
Falcon Ridge Water	2,509	15,769
Sunset Ranch Water	371,402	373,081
Trepanier Water	-	1,008
Westshores Water	1,449,828	1,487,166
Upper Fintry/Shalal/Valley Of The Sun water system	150,969	159,215
Westside Wastewater Treatment Plant	335,002	275,592
Ellison sewer	212,309	186,634
Fund Balance	\$ 5,776,461	\$ 5,795,961

Regional District of Central Okanagan
Equipment Replacement Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 5,795,961	\$ 5,330,103
Add:		
Interest Income	92,736	85,726
Transfer from general revenue fund	465,700	458,896
Transfer from general capital fund	-	653
Transfer from sewer revenue fund	77,689	63,063
Transfer from water revenue fund	-	709,886
	636,125	1,318,224
Deduct:		
Transfer to general capital fund	533,631	384,317
Transfer to sewer capital fund	-	68,361
Transfer to water capital fund	121,994	399,688
	655,625	852,366
Balance, end of year	\$ 5,776,461	\$ 5,795,961

Regional District of Central Okanagan
Park Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 1,566,933	\$ 1,579,995
Statement of Fund Balance		
Regional Parks	\$ 1,299,283	\$ 1,316,560
Westside Parks	176,648	173,866
Eastside Parks	63,831	62,826
Regional Parks Legacy	27,171	26,743
Fund Balance	\$ 1,566,933	\$ 1,579,995

Regional District of Central Okanagan
Park Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 1,579,995	\$ 1,554,986
Add:		
Interest Income	25,280	25,009
Deduct:		
Transfer to general capital fund	38,342	-
Balance, end of year	\$ 1,566,933	\$ 1,579,995

Regional District of Central Okanagan
Capital Projects Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 14,544,378	\$ 10,886,850
Statement of Fund Balance		
Community Works Fund	\$ 3,109,858	\$ 1,816,627
Regional Board	41,506	11,325
Corporate Services/Administration	609,956	485,026
Electoral Areas	120,201	111,418
Electoral Area Fire Prevention	2,000	-
Ellison Fire Protection	585,884	509,121
Joe Rich Fire Protection	394,521	319,674
North Westside Road Fire Protection	421,378	409,714
Wilson's Landing Fire Protection	144,294	128,174
Brent Road Fire Protection	30,505	26,875
911 Emergency Telephone Service	61,729	79,645
Dog Control	127,813	98,650
Septic Tank Effluent Disposal	242,331	189,303
Westside Disposal & Recycling Centre	113,771	97,216
Westside Sanitary Landfill Closure	346,951	348,249
Solid Waste Management	34,930	28,084
Ellison Heritage Community Centre	268,161	311,198
Joe Rich Community Hall	25,314	19,010
Regional Parks	4,643,906	4,143,336
Westside Community Parks	269,536	307,307
Eastside Community Parks	138,676	126,836
Joe Rich Water System	10,080	5,000
Killiney Beach Water	299,047	-
Falcon Ridge Water	10,360	-
Sunset Ranch Water	65,844	-
Westshores Water	366,717	-
Upper Fintry/Shalal/Valley Of The Sun water system	227,815	145,494
Westside Wastewater Treatment Plant	1,150,719	624,129
RDCO Lift Station/Collector System	524,226	408,497
Peachland Lift Station/Collector System	156,349	136,942
Fund Balance	\$ 14,544,378	\$ 10,886,850

Regional District of Central Okanagan
Capital Projects Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 10,886,850	\$ 8,021,053
Add:		
Gas tax revenue (Note 16)	1,455,385	705,850
Interest earned	174,187	129,006
Transfer from general capital fund	-	46,617
Transfer from general revenue fund	2,573,613	2,776,082
Transfer from sewer revenue fund	873,468	812,544
Transfer from water revenue fund	826,507	28,141
	<u>5,903,160</u>	<u>4,498,240</u>
Deduct:		
Transfer to general revenue fund	13,870	340,746
Transfer to general capital fund	1,984,860	736,472
Transfer to water capital fund	16,446	153,734
Transfer to sewer capital fund	230,456	401,491
	<u>2,245,632</u>	<u>1,632,443</u>
Balance, end of year	\$ 14,544,378	\$ 10,886,850

Regional District of Central Okanagan
Operating Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 2,927,803	\$ 2,509,646
Statement of Fund Balance		
Regional Board	\$ 52,702	\$ 51,872
Corporate Services/Administration	92,625	61,639
Finance	159,852	24,193
Engineering	237,782	108,129
Human Resources	27,150	15,000
Information Systems	97,978	96,435
Electoral Areas	27,869	22,558
Electoral Area Central Okanagan West	5,826	6,129
Electoral Area Central Okanagan East	1,698	2,629
Electoral Area Fire Prevention	477	469
Lakeshore Road Fire Protection	122	120
Ellison Fire Protection	140,142	129,077
Ridgeview Fire Protection	309	232
June Springs Fire Protection	584	9
Brent Road Fire Protection	8,327	7,203
Regional Rescue	154,524	152,091
911 Emergency Telephone Service	227,305	223,726
Crime Stoppers	4,377	5,471
Victim Services	4,038	3,974
Crime Prevention	37,918	29,500
Business Licenses	30,413	26,648
Business Inspection	253,628	249,634
Dog Control	328,545	300,222
Mosquito Control	20,237	19,919
Lakeshore Road Improvements	1,664	1,612
Scotty Heights Street Lights	1,091	143
Ellison Transit	24,596	15,845
Septic Tank Effluent Disposal	173,963	135,110
Westside Disposal & Recycling Centre	43,735	43,047
Solid Waste Collection	86,010	125,802
Air Quality Monitoring	4,129	4,064
Noise Abatement	5,756	5,666
Untidy & Unsightly Premises	7,487	7,028
Regional Planning	33,520	32,992
Electoral Area Planning	109,901	98,328
Insect Control	6,957	4,879
Weed Control	47,204	39,236
Economic Development Commission	20,911	20,582
Ellison Heritage Community Hall	27,386	26,955
Joe Rich Community Hall	1,000	-
Regional Parks	211,325	207,994
Westside Wastewater Treatment Plant	198,435	195,310
RDCO Lift Station/Collector System	6,273	6,174
Bylaw Enforcement	2,032	2,000
Fund Balance	\$ 2,927,803	\$ 2,509,646

Regional District of Central Okanagan
Operating Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 2,509,646	\$ 2,062,040
Add:		
Interest earned	40,155	33,164
Transfer from general revenue fund	422,362	497,986
Transfer from sewer revenue fund	-	20,000
	<u>2,972,163</u>	<u>2,613,190</u>
Deduct:		
Transfer to general revenue fund	44,360	103,544
Balance, end of year	<u>\$ 2,927,803</u>	<u>\$ 2,509,646</u>



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: June 29, 2020

SUBJECT: RDCO 2020 – 2024 Financial Plan Amendment Bylaw No. 1460, 2020

Voting Entitlement: All Directors – Weighted Corporate Vote – LGA 210.1 (LGA 214 – 2/3 Majority)

Purpose: To amend the RDCO 2020 – 2024 Financial Plan Bylaw No. 1449, 2020 (copies of original budget pages attached to report).

Executive Summary:

Proposed amendments to fourteen (14) cost centres have been made as detailed in this report. The major amendment highlights are:

- 123 – Joe Rich Community Hall – Capital Roof Replacement \$45k (funded using Community Works Funds)
- 142 – Regional Parks - \$39k Grant for summer students
- 199 – Vehicle Operation - \$53k Vehicle
- 301 – Killiney Beach Water - \$90k for PRV Project
- 303 – Falcon Ridge Water - \$111 Expansion Project and Property Owner Contributions
- 401 – WWTP: Grant \$25k
- 095 – SWM: Solid Waste Collection (EA's) - \$15k CWF usage now allowed by UBCM
- 022 – Joe Rich Fire Department - \$10.7k Utility Vehicle
- 023 – North Westside Road Fire Rescue Department - \$16k Roof Repair and \$51k HR costs – funded by reducing transfers to reserves.
- 030 – Regional Rescue – UBCM CEPF Equipment Grant \$25k, Marine Rescue Engine Repairs \$25k, funded by reducing transfer to reserves.
- 110 – Regional Planning – Grants: \$149k UBCM Poverty Reduction Planning & Action Program, \$20k Vancouver Foundation Okanagan lake Responsibility Planning Initiative, \$5k BC Rent Bank.

RECOMMENDATION:

THAT Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1460, 2020 be given first, second and third readings and adopted.

AND THAT the Regional Board approves the use of \$42,260 of Gas Tax – Community Works Funds to complete the Joe Rich & Ellison Community Hall roofing project as reflected in the RDCO 2020-2024 Five-Year Financial Plan Amendment Bylaw No. 1460, 2020.

Respectfully Submitted:



Marilyn Rilkoff
Director of Financial Services

Approved for Board's Consideration



Brian Reardon, CAO

Implications of Recommendation:

Strategic Plan:	Contribute to Sustainable Communities through: <ul style="list-style-type: none"> Financial Sustainability through Assets and Service Provision Nurturing Responsible Growth and Development Protect and Promote our Environment
Financial:	Budget amendments as noted in bylaw amendment
Legal/Statutory Authority:	Regional District of Central Okanagan 2020 – 2024 Financial Plan Bylaw 1449, 2020

Background:

The following amendments to the 2020-2024 Financial Plan are proposed for the Year 2020 unless otherwise noted:

123 – Joe Rich Community Hall (Page 11): Capital: Increased cost for Hall Improvements by \$46.6k for Roof Replacement. Requesting use of \$45.3k of Community Works Funds. If the use of \$45,260 of Community Works Funds is approved for the project, the remaining uncommitted Community Works Fund balance for Central Okanagan East will be \$459,937.

142 – Regional Parks (Page 13): Operating: Added \$39k for Summer Student Grants and increased wage expenses accordingly. Capital: Increased Vehicle purchases by \$2k for transfer from 401 – WWTP. Paid from Equipment Reserves.

199 – Vehicle Operations Reserves (Page 31): Capital: Shop Truck is having major unforeseen problems. Replacement moved up from 2023 to 2020 at a cost of \$53k. Delay previously budgeted 2020 shop lift purchase of \$41.2k to 2022 and shift funds to vehicle purchase. Use \$1k from sale of vehicle, and use \$10.8k from reserves for the rest. Add Compressor purchase of \$13k in 2021 from reserves.

301 – Killiney Beach Water System (Page 32): Operating: Add \$8k OBWB Grant and related costs for Source Protection Plan Study. Capital: Add \$90k for additional PRV Installation costs using reserves. Due to use of reserves, increased financing will be required in 2022, resulting in higher parcel taxes and debt payments in future years unless an alternative solution is found.

303 – Falcon Ridge Water System (Page 33): Operating: Add \$111k for Property Owner Contributions, and transfer these to capital facility reserves. Capital: Add \$111k for expansion projects for 3 properties which are currently on the private Peregrine Water system that is being abandoned. Funded by the contributions in reserves.

307 – Westshores Water System (Page 36): Operating: Add \$8k OBWB Grant and related costs for source Protection Plan Study.

401 – Westside Sewer System: Wastewater Treatment Plant (Page 38): Operating: Add \$25.3k for OBWB Grant received. Expenses were already budgeted. Transfer to Operating Reserve. Capital: Vehicle transferred to 142 – Regional Parks for \$2k. Reduce reserve usage accordingly.

095 – SWM: Solid Waste Collection (Electoral Areas) (Page 47): Operating: UBCM disallowed use of CWF of \$15k and has now allowed the project under Long Term Infrastructure Planning in 2020. In 2019 a budget amendment and entries were done to pay for these costs using operating reserves. The entry is now being reversed.

021 – Ellison Fire Department (Page 51): Operating: Add \$1.2k to each fire department for project to review and recode dispatch callouts re: Office of the Fire Commissioner audit. Funded by reduction to supplies budget.

022 -- Joe Rich Fire Department (Page 52): Operating: Add \$1.2k to each fire department for project to review and recode dispatch callouts re: Office of the Fire Commissioner audit. Funded by reduction to supplies budget. Add Donation of \$10k from Firefighters' Recognition Fund for purchase of Utility Truck from Big White. Transferred to capital reserves. Add \$1.5k of related operating costs covered by savings in payroll and travel. Capital: Add \$10.7k for Utility Truck purchase, funded by donation and reserves.

023 – North Westside Fire Rescue Department (Page 53): Operating: Add \$1.2k to each fire department for project to review and recode dispatch callouts re: Office of the Fire Commissioner audit. Funded by reduction to supplies budget. Add \$16k for Roof Repair and damage. Reduced reserve transfer. Add \$51k for legal and other costs related to HR issues. Reduced reserve transfer. Resume planned reserve transferred next year.

024 – Wilson's Landing Fire Department (Page 54): Operating: Add \$1.2k to each fire department for project to review and recode dispatch callouts re: Office of the Fire Commissioner audit. Funded by reduction to supplies budget.

030 – Regional Rescue (Page 57): Operating: Add Marine Rescue Engine Repairs \$25k and fund by reducing transfer to reserves. Increase license costs \$1k, reduce legal \$1k. UBCM CEPF Grant for \$25k of equipment - \$4k in operating and \$21k in Capital.

110 -- Regional Planning (Page 62): Operating: Add grants and related costs:

- UBCM 2020 Poverty Reduction Planning & Action Program \$149k
- Vancouver Foundation Grant – Okanagan Lake Responsibility Planning Initiative \$20k
- BC Rent Bank \$5k

Financial Considerations:

Budget amendments as noted above.

Alternative Recommendation:

The Board could choose to approve only portions of the bylaw amendment and staff would amend accordingly.

Considerations not applicable to this report:

- General
- Organizational
- Policy
- Organizational Issues
- External Implications

Attachment(s):

- RDCO 2020-2024 Financial Plan Amendment Bylaw No. 1460
- Current Budget Bylaw Pages

REGIONAL DISTRICT OF CENTRAL OKANAGAN

BYLAW NO. 1460

A bylaw to amend the Regional District of Central Okanagan 2020-2024 Financial Plan

WHEREAS the Regional District of Central Okanagan adopted the “Regional District of Central Okanagan 2020-2024 Financial Plan Bylaw 1449, 2020” on March 23, 2020:

AND WHEREAS the Board may amend the Financial Plan at any time by bylaw:

NOW THEREFORE the Regional Board of the Regional District of Central Okanagan in open meeting assembled enacts as follows;

1. Replace pages 1 to 8 to reflect revised totals as a result of budget changes.
2. Page 11 “123 – Joe Rich Community Hall” is deleted in its entirety and replaced with the attached page 11 “123 – Joe Rich Community Hall Amended July 2020” to reflect changes in the 2020 General Capital Fund Budget.
3. Page 13 “142 – Regional Parks” is deleted in its entirety and replaced with the attached page 13 “142 – Regional Parks Amended July 2020” to reflect changes in the 2020 General Revenue and General Capital Fund Budgets.
4. Page 31 “199 – Vehicle Operations Reserves” is deleted in its entirety and replaced with the attached page 31 “199 – Vehicle Operations Reserves Amended July 2020” to reflect changes in the 2020 - 2023 General Capital Fund Budgets.
5. Page 32 “301 – Killiney Beach Water System” is deleted in its entirety and replaced with the attached page 32 “301 – Killiney Beach Water System Amended July 2020” to reflect changes in the 2020, and 2022 - 2024 Water Revenue Fund Budgets, and 2020 and 2022 Water Capital Fund Budgets.
6. Page 33 “303 -- Falcon Ridge Water System” is deleted in its entirety and replaced with the attached page 33 “303 -- Falcon Ridge Water System Amended July 2020” to reflect changes in the 2020 Water Revenue and Capital Fund Budgets.
7. Page 36 “307 -- Westshores Water System” is deleted in its entirety and replaced with the attached page 36 “307 -- Westshores Water System Amended July 2020” to reflect changes in the 2020 Water Revenue Fund Budget.
8. Page 38 “401--Westside Sewer System: Wastewater Treatment Plant” is deleted in its entirety and replaced with the attached page 38 “401--Westside Sewer System: Wastewater Treatment Plant Amended July 2020” to reflect changes in the 2020 Sewer Revenue and Capital Fund Budgets.
9. Page 47 – “095 -- SWM: Solid Waste Collection (Electoral Areas)” is deleted in its entirety and replaced with the attached page 47 “095 -- SWM: Solid Waste Collection (Electoral Areas) Amended July 2020” to reflect changes in the 2020 General Revenue Fund Budget.

10. Page 51 – “021 – Ellison Fire Department” is deleted in its entirety and replaced with the attached page 51 “021 – Ellison Fire Department Amended July 2020” to reflect changes in the 2020 General Revenue Fund Budget.
11. Page 52 – “022 – Joe Rich Fire Department” is deleted in its entirety and replaced with the attached page 52 “022 – Joe Rich Fire Department Amended July 2020” to reflect changes in the 2020 General Revenue and General Capital Fund Budgets.
12. Page 53 – “023 – North Westside Fire Department” is deleted in its entirety and replaced with the attached page 53 “023 – North Westside Fire Department Amended July 2020” to reflect changes in the 2020 General Revenue Fund Budget.
13. Page 54 – “024 – Wilson’s Landing Fire Department” is deleted in its entirety and replaced with the attached page 54 “024 – Wilson’s Landing Fire Department Amended July 2020” to reflect changes in the 2020 General Revenue Fund Budget.
14. Page 57 – “030 – Regional Rescue” is deleted in its entirety and replaced with the attached page 57 “030 – Regional Rescue Amended July 2020” to reflect changes in the 2020 General Revenue and General Capital Fund Budgets.
15. Page 62 – “110 -- Regional Planning” is deleted in its entirety and replaced with the attached page 62 “110 -- Regional Planning Amended July 2020” to reflect changes in the 2020 General Revenue Fund Budget.
16. This bylaw may be cited as the Regional District of Central Okanagan 2020-2024 Financial Plan Amending Bylaw No. 1460.

READ A FIRST TIME THIS	9 th	DAY OF	July	2020
READ A SECOND TIME THIS	9 th	DAY OF	July	2020
READ A THIRD TIME THIS	9 th	DAY OF	July	2020
ADOPTED THIS	9 th	DAY OF	July	2020

CHAIRPERSON

DIRECTOR OF CORPORATE SERVICES

I hereby certify the foregoing to be a true and correct copy of Bylaw No. 1460 cited as the “Regional District of Central Okanagan 2020-2024 Financial Plan Amending Bylaw No.1460” as adopted by the Regional Board on the 9th day of July, 2020.

Dated at Kelowna this
9th day of July 2020

DIRECTOR OF CORPORATE SERVICES

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
Funds Summary

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
GENERAL REVENUE FUND:					
Revenues	\$ (49,315,838)	(46,481,818)	(47,014,826)	(47,226,583)	(47,623,839)
Expenditures	\$ 49,315,838	46,481,818	47,014,826	47,226,583	47,623,839
(Surplus)/Deficit	\$ (0)	(0)	0	0	(0)
GENERAL CAPITAL FUND:					
Revenues	\$ (6,502,579)	(2,882,418)	(3,836,148)	(3,913,499)	(2,726,882)
Expenditures	\$ 6,502,579	2,882,418	3,836,148	3,913,499	2,726,882
(Surplus)/Deficit	\$ 0	0	0	0	0
WATER REVENUE FUND					
Revenues	\$ (1,940,411)	(1,633,053)	(1,725,376)	(1,979,059)	(1,993,067)
Expenditures	\$ 1,940,411	1,633,053	1,725,376	1,979,059	1,993,067
(Surplus)/Deficit	\$ (0)	(0)	0	(0)	(0)
WATER CAPITAL FUND					
Revenues	\$ (1,445,204)	(98,690)	(7,305,660)	(95,660)	(95,660)
Expenditures	\$ 1,445,204	98,690	7,305,660	95,660	95,660
(Surplus)/Deficit	\$ 0	0	0	0	0
SEWER REVENUE FUND					
Revenues	\$ (5,110,828)	(5,240,933)	(5,484,911)	(5,571,020)	(5,738,631)
Expenditures	\$ 5,110,828	5,240,933	5,484,911	5,571,020	5,738,631
(Surplus)/Deficit	\$ (0)	0	0	0	0
SEWER CAPITAL FUND					
Revenues	\$ (4,883,907)	(5,621,510)	(369,900)	(827,010)	(4,069,510)
Expenditures	\$ 4,883,907	5,621,510	369,900	827,010	4,069,510
(Surplus)/Deficit	\$ 0	0	0	0	0

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
GENERAL REVENUE FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE SUMMARY					
Conditional Transfers - Provincial					
Electoral Area CO West Requisitions	\$ (2,071,780)	(2,202,714)	(2,281,364)	(2,343,122)	(2,405,542)
Electoral Area CO East Requisitions	(2,043,840)	(2,144,181)	(2,244,671)	(2,331,226)	(2,253,870)
Parcel Taxes	(287,128)	(293,179)	(316,003)	(339,568)	(345,917)
Conditional Transfers - Kelowna					
Requisition	(12,749,092)	(13,291,201)	(13,809,823)	(14,095,871)	(14,428,675)
Parcel Taxes	(292,855)	(292,855)	(292,855)	(292,855)	(292,855)
MFA Debt	(10,914,661)	(9,708,752)	(9,684,881)	(9,468,270)	(9,465,968)
Conditional Transfers - Peachland					
Requisition	(537,042)	(561,302)	(584,215)	(596,483)	(610,711)
Parcel Taxes	(795)	(795)	(795)	(795)	(795)
MFA Debt	(343,307)	(343,307)	(343,307)	(298,258)	(159,054)
Conditional Transfers - Lake Country					
Requisition	(1,390,483)	(1,452,918)	(1,513,316)	(1,545,167)	(1,582,088)
Parcel Taxes	(91,311)	(91,311)	(91,311)	(91,311)	(91,311)
MFA Debt	(1,299,676)	(1,148,676)	(1,029,320)	(936,758)	(797,085)
Conditional Transfers - West Kelowna					
Requisition	(3,020,330)	(3,150,887)	(3,279,670)	(3,347,574)	(3,426,742)
Parcel Taxes	(10,339)	(10,339)	(10,339)	(10,339)	(10,339)
MFA Debt	(1,471,367)	(1,268,822)	(1,136,971)	(1,040,254)	(958,943)
Other Revenues	(10,607,275)	(10,520,579)	(10,395,986)	(10,488,732)	(10,793,944)
Prior Year Surplus	(2,184,557)	0	0	0	0
TOTAL REVENUES	(49,315,838)	(46,481,817)	(47,014,826)	(47,226,583)	(47,623,838)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
EXPENDITURE SUMMARY					
General Government Services					
001 -- Regional District Board	\$ 724,514	725,248	739,053	753,134	767,497
002 -- Administration	1,685,341	1,866,948	1,890,166	1,947,969	2,006,429
003 -- Finance	1,475,841	1,331,712	1,357,686	1,384,180	1,411,204
004 -- Engineering	380,049	387,490	395,080	402,821	410,718
005 -- Human Resources	345,767	340,442	347,251	354,196	361,280
006 -- Information Systems	1,103,650	1,147,196	1,167,000	1,189,160	1,207,803
007 -- Electoral Areas Only	63,090	57,412	108,000	60,068	61,410
008 -- Westside Regional Office	26,393	26,921	27,459	28,008	28,569
009 -- Electoral Area Ellison / Joe Rich	26,997	27,537	28,088	28,649	29,222
011 -- Regional Grants In Aid	27,171	0	0	0	0
012 -- Elect. Area Westside Grants in Aid	7,100	7,100	7,100	7,100	7,100
013 -- Elect. Area Ellison / Joe Rich Grants in Aid	4,000	3,000	3,000	3,000	3,000
Total General Government	5,869,913	5,921,006	6,069,883	6,158,287	6,294,231
Protective Services					
017 -- Upper Ellison Fire Protection Boundary Ext	\$ 9,917	0	0	0	0
019 -- Electoral Area Fire Prevention	74,334	75,681	77,054	78,455	79,884
020 -- Lakeshore Road Fire Protection	23,571	23,328	23,795	24,271	24,756
021 -- Ellison Fire Department	540,819	533,735	556,810	580,046	593,447
022 -- Joe Rich Fire Department	456,380	473,108	489,970	506,970	524,109
023 -- North Westside Road Fire / Rescue	570,446	546,509	565,839	585,336	605,003
024 -- Wilson's Landing Fire Department	282,433	297,222	312,106	327,088	342,170
027 -- Ridgeview Fire	12,128	12,048	12,048	12,048	12,048
028 -- June Springs Fire Protection	14,707	15,001	15,301	15,607	15,919
029 -- Brent Road Fire Protection	30,468	31,013	31,570	32,137	32,716
030 -- Regional Rescue Service	2,377,292	2,351,174	2,399,957	2,450,617	2,496,169
031 -- 911 Emergency Telephone Service	1,305,815	1,206,431	1,257,070	1,321,415	1,377,606
040 -- Crime Stoppers	278,742	284,317	290,003	295,803	301,719

Protective Services Cont'd.

041 -- Victims / Witness Assistance	472,307	476,553	485,984	496,604	506,416
042 -- Regional Crime Prevention	394,018	393,576	401,286	409,150	417,171
043 -- Business Licenses	39,331	33,564	33,890	34,219	34,551
044 -- Building Inspection	577,416	431,947	440,585	449,397	458,385
046 -- Dog Control	1,514,845	1,526,602	1,553,894	1,596,732	1,610,126
047 -- Mosquito Control	196,781	200,717	204,731	208,826	213,002
118 -- Starling Control	20,264	20,264	20,264	20,264	20,264
049 -- Prohibited Animal Control	1,094	1,116	1,138	1,161	1,184
Total Protective Services	9,193,108	8,933,906	9,173,297	9,446,145	9,666,646

Transportation Services

050 -- Transportation Demand Management	\$ 415,902	14,280	14,566	14,857	15,154
051 -- Lakeshore Road Improvements	4,514	4,487	4,487	4,487	4,487
058 -- Scotty Heights Street Lights	16,868	16,307	16,633	16,966	17,305
085 -- Ellison Transit	26,950	27,489	28,039	28,600	29,172
Total Transportation Services	464,234	62,563	63,724	64,909	66,117

Environmental Health Services

091 -- Effluent Disposal	\$ 539,310	520,712	530,824	541,142	551,666
092 -- SWM: Westside Waste Disposal & Recycling	1,141,003	1,162,603	1,184,635	1,207,108	1,230,030
093 -- SWM: Westside Sanitary Landfill / Waste Disposal & Recycling Centre	74,275	59,000	53,000	53,500	54,000
094 -- SWM: Solid Waste Management	1,705,041	1,331,002	1,357,482	1,384,492	1,412,042
095 -- SWM: Solid Waste Collection	580,181	591,485	603,014	614,775	626,770
101 -- Okanagan Basin Water Board	2,158,147	2,201,310	2,245,336	2,290,243	2,336,048
102 -- Air Quality Monitoring	183,220	186,884	190,622	194,435	198,323
105 -- Noise Abatement	8,513	8,683	8,857	9,034	9,215
106 -- Untidy Premises	13,910	13,601	13,873	14,150	14,433
Total Environmental Health	6,403,600	6,075,280	6,187,643	6,308,878	6,432,527

Environmental Development Services

110 -- Regional Planning	\$ 768,770	356,789	358,615	363,537	368,558
111 -- Electoral Area Planning	463,211	447,475	456,425	465,553	474,864
115 -- Noxious Insect Control	17,983	18,343	18,710	19,584	19,965
116 -- Weed Control	145,196	138,930	141,609	144,341	147,128
117 -- Sterile Insect Release Program	1,448,002	1,448,002	1,448,002	1,448,002	1,448,002
120 -- Economic Development Commission	1,076,169	1,060,072	1,078,334	1,096,961	1,115,960
Total Environmental Development	3,919,331	3,469,611	3,501,694	3,537,977	3,574,477

Recreational and Cultural Services

121 -- Ellison Community Heritage Hall	\$ 147,578	149,257	150,969	152,715	154,497
123 -- Joe Rich Community Hall	55,349	57,124	60,487	60,794	62,617
124 -- Westside Municipal Recreation	36,326	37,053	37,794	38,549	39,320
125 -- Johnson Bentley Aquatic Centre	13,561	13,832	14,109	14,391	14,679
126 -- Killiney Community Hall	23,310	23,353	23,397	23,442	23,488
131 -- Winfield Recreation Centre	55,000	55,000	55,000	55,000	55,000
142 -- Regional Parks	8,180,717	8,274,426	8,528,902	8,655,378	8,879,223
143 -- Westside Community Parks	217,980	224,972	228,240	231,041	233,898
144 -- Eastside Community Parks	107,111	108,807	112,649	116,357	120,139
171 -- Okanagan Regional Library	318,091	324,453	330,942	337,561	344,312
188 -- OK Regional Library Borrowing - Admin Bldg	281,618	281,618	281,618	281,618	281,618
Total Recreational and Cultural	9,436,641	9,549,895	9,824,106	9,966,846	10,208,791

Municipal Finance Authority Debt

189 -- Member Municipalities	\$ 14,029,011	12,469,557	12,194,479	11,743,540	11,381,050
Total M.F.A. Debt	14,029,011	12,469,557	12,194,479	11,743,540	11,381,050

TOTAL EXPENDITURES	49,315,838	46,481,818	47,014,826	47,226,583	47,623,839
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REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
GENERAL CAPITAL FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE					
Transfer from Equipment Reserves	\$ (1,022,697)	(322,981)	(530,458)	(524,341)	(127,369)
Tsfr from CWF Cap Fac Reserve	(661,982)	(196,825)	(122,465)	(194,710)	(99,930)
Transfer from Cap. Facility Reserve Fund	(3,154,377)	(1,928,128)	(2,915,063)	(2,939,123)	(2,062,301)
Grant / Fundraising / Donation	(379,266)	(362,484)	(169,161)	(183,325)	(365,282)
Internal Transfer / Sale of Asset	(6,000)	(7,000)	(34,000)	(7,000)	(7,000)
Transfer from Park Land Reserve	(1,213,257)	0	0	0	0
Transfer from General Revenue Fund	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)
TOTAL REVENUE	<u>(6,502,579)</u>	<u>(2,882,418)</u>	<u>(3,836,147)</u>	<u>(3,913,499)</u>	<u>(2,726,882)</u>
EXPENDITURES					
001 -- Board	\$ 38,550	63,860	0	0	0
002 -- Administration	290,460	196,000	288,700	180,250	185,400
003 -- Finance	95,810	17,510	17,510	17,510	17,510
004 -- Engineering	12,875	49,260	10,300	5,150	5,150
006 -- Information Systems	106,096	74,096	74,096	311,056	74,096
007 -- Electoral Areas Only	0	82,400	0	85,000	0
019 -- Electoral Area Fire Prevention	3,090	0	0	0	0
021 -- Ellison Fire Department	183,178	54,096	338,973	553,284	35,866
022 -- Joe Rich Vol. Fire Dept & Hall	165,124	49,569	638,703	77,442	73,292
023 -- North Westside Vol Fire/ Rescue Dept	114,788	30,342	85,746	156,262	526,787
024 -- Wilson's Landing Fire	117,420	41,438	31,812	37,241	77,818
030 -- Regional Rescue Service	474,009	58,071	251,843	81,880	1,918
031 -- 911	19,190	19,190	19,190	19,190	19,190
046 -- Dog Control	40,960	20,600	133,625	24,720	26,780
091 -- Effluent/Water Disposal	0	30,000	0	0	0
092 -- SWM: Westside Waste Disposal & Recyclin	12,800	5,150	5,150	5,150	5,150
094 -- SWM: Waste Reduction Program	5,820	0	0	0	0
095 -- SWM: Solid Waste Collection (EA's)	25,476	113,026	12,601	12,601	12,601
110 -- Regional Planning	6,953	0	0	0	0
111 -- Electoral Area Planning	6,953	0	0	0	0
116 -- Noxious Weed Control Enforcement	0	0	0	37,740	0
120 -- Economic Development Commission	5,075	5,075	5,075	5,075	5,075
121 -- Ellison Heritage School Community Ctr	189,975	35,525	106,575	35,525	126,875
123 -- Joe Rich Community Hall	153,167	12,180	2,538	20,300	5,075
142 -- Regional Parks	4,018,323	1,855,380	1,706,535	2,106,023	1,507,999
143 -- Westside Community Parks	286,750	30,900	15,225	20,300	20,300
144 -- Eastside Community Parks	22,210	25,750	50,750	121,800	0
199 -- Vehicle Operations	107,527	13,000	41,200	0	0
TOTAL EXPENDITURES	<u>6,502,579</u>	<u>2,882,418</u>	<u>3,836,147</u>	<u>3,913,499</u>	<u>2,726,882</u>

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
WATER REVENUE FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE					
User, Late Payment & Insp. Fees	\$ (680,108)	(695,194)	(711,096)	(727,319)	(743,866)
Maintenance/Asset Renewal Fees	(837,960)	(832,185)	(832,186)	(832,186)	(832,185)
Rental & Misc.	(3,140)	(600)	0	0	0
MOTI Parcel Tax Contribution	(6,536)	(6,536)	(6,536)	(6,536)	(6,536)
Property Owner Contributions	(111,000)	0	0	0	0
Grants	(16,020)	0	0	0	0
Debt / Parcel Tax	(220,605)	(220,605)	(300,067)	(540,017)	(540,017)
Prior Year (Surplus) / Deficit	(184,717)	1	(0)	(1)	(0)
Engineering Administration OH Recovery	22,187	22,630	23,084	23,545	24,016
Administration Overhead Recovery	97,488	99,436	101,426	103,455	105,521
TOTAL REVENUE	<u>(1,940,411)</u>	<u>(1,633,053)</u>	<u>(1,725,376)</u>	<u>(1,979,059)</u>	<u>(1,993,067)</u>
EXPENDITURES					
301 -- Killiney Beach Water	\$ 503,319	443,710	496,135	649,939	653,258
303 -- Falcon Ridge Water	183,634	67,194	68,034	68,889	69,762
305 -- Sunset Ranch Water	223,926	179,036	181,266	183,543	185,868
306 -- Trepanier Bench Water	30,623	27,663	27,434	27,815	28,203
307 -- Westshores Water	575,006	525,241	558,625	651,240	654,521
310 -- Fintry / Valley of the Sun Water	423,903	390,208	393,882	397,633	401,456
TOTAL EXPENDITURES	<u>1,940,411</u>	<u>1,633,053</u>	<u>1,725,376</u>	<u>1,979,059</u>	<u>1,993,067</u>

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
WATER CAPITAL FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE					
Grants	\$ (58,154)	0	0	0	0
Capital Financing	0	0	(3,948,990)	0	0
Transfer from Gas Tax Cap Fac Reserve	(48,199)	0	0	0	0
Transfer from Cap Fac Reserve	(452,282)	(12,360)	(2,024,210)	(48,710)	(48,710)
Transfer from Equip Reserve Funds	(886,569)	(86,330)	(1,332,460)	(46,950)	(46,950)
TOTAL REVENUE	<u>(1,445,204)</u>	<u>(98,690)</u>	<u>(7,305,660)</u>	<u>(95,660)</u>	<u>(95,660)</u>
EXPENDITURES					
301 -- Killiney Beach	\$ 796,372	20,750	3,520,750	20,750	20,750
303 -- Falcon Ridge Water	153,954	10,300	5,150	5,150	5,150
305 -- Sunset Ranch Water System	33,050	26,050	26,050	26,050	26,050
306 -- Trepanier Bench Water	3,560	2,060	2,060	2,060	2,060
307 -- Westshore Water	422,868	18,630	3,730,750	20,750	20,750
310 -- Fintry / Valley of the Sun Water	35,400	20,900	20,900	20,900	20,900
TOTAL EXPENDITURES	<u>1,445,204</u>	<u>98,690</u>	<u>7,305,660</u>	<u>95,660</u>	<u>95,660</u>

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
SEWER REVENUE FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE					
Sewer User Fees	\$ (149,850)	(155,847)	(162,143)	(168,755)	(175,698)
Services - Peachland	(568,709)	(624,603)	(632,972)	(643,864)	(654,973)
Services - West Kelowna	(3,678,829)	(3,946,995)	(4,158,602)	(4,222,354)	(4,350,378)
Services - WFN	(1,105,986)	(1,204,318)	(1,263,304)	(1,283,448)	(1,320,580)
Other Revenue	(2,400)	0	0	0	0
Parcel Tax	(37,359)	(30,804)	0	0	0
Grants	(25,310)	0	0	0	0
Transfer from Operating Reserve	(75,237)	0	0	0	0
Prior Year (Surplus) / Deficit	(169,691)	0	0	0	0
Engineering Admin OH Recovery	131,229	134,827	136,831	139,732	142,692
Administration Overhead Recovery	571,315	586,806	595,279	607,668	620,305
TOTAL REVENUE	<u>(5,110,828)</u>	<u>(5,240,933)</u>	<u>(5,484,911)</u>	<u>(5,571,020)</u>	<u>(5,738,631)</u>
EXPENDITURES					
401 -- Westside Sewer System	\$ 4,123,852	4,187,907	4,228,559	4,295,525	4,363,830
470 -- RDCO Collector Systems	462,087	528,210	750,250	756,939	843,343
471 -- WFN Collector Systems	135,298	138,004	140,764	143,579	146,451
472 -- Peachland Collector Systems	211,405	215,246	219,163	223,159	227,235
499 -- Ellison Sewer System	140,469	140,762	146,174	151,817	157,772
Sewer Debt Financing	37,717	30,804	0	0	0
TOTAL EXPENDITURES	<u>5,110,828</u>	<u>5,240,933</u>	<u>5,484,911</u>	<u>5,571,020</u>	<u>5,738,631</u>

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 BUDGET AND FINANCIAL PLAN 2020 - 2024
SEWER CAPITAL FUND

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
REVENUE					
Capital Financing	\$ 0	(3,915,915)	0	0	(3,915,450)
Internal Transfer or Sale of Asset	(4,000)	0	0	0	0
Grants	(690,000)	0	0	0	0
From Equipment Reserves	(398,000)	(62,600)	(31,000)	(10,600)	(10,600)
From Capital Facility Reserves	(1,535,240)	(117,000)	(338,900)	(615,410)	(43,460)
Transfer from DCC Reserve Fund	(2,256,667)	(1,525,995)	0	(201,000)	(100,000)
TOTAL REVENUE	<u>(4,883,907)</u>	<u>(5,621,510)</u>	<u>(369,900)</u>	<u>(827,010)</u>	<u>(4,069,510)</u>
EXPENDITURES					
401 -- Westside Sewer System	\$ 3,803,447	95,460	340,760	300,960	43,460
470 -- Westside Sewer System: RDCO	1,069,860	5,515,450	18,540	515,450	4,015,450
499 -- Ellison Sewer System	10,600	10,600	10,600	10,600	10,600
TOTAL EXPENDITURES	<u>4,883,907</u>	<u>5,621,510</u>	<u>369,900</u>	<u>827,010</u>	<u>4,069,510</u>

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projection**

Program: 123 -- Joe Rich Community Hall

Department: Parks & Recreation

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok East	(55,529)	(61,874)	(65,466)	(65,706)	(67,608)
Previous Year's Surplus/Deficit	(4,494) a	0	0	0	0
Administration OH	4,674	4,750	4,979	4,912	4,991
Total Revenue	(55,349)	(57,124)	(60,487)	(60,794)	(62,617)
Expenses:					
Operations	48,349	49,124	51,487	50,794	51,617
Transfer to Cap. Fac. Reserves	7,000	8,000	9,000	10,000	11,000
Total Expenses	55,349	57,124	60,487	60,794	62,617
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.0560	0.0560	0.0560	0.0560	0.0560

Tax Levy:

Tax Requisition

Residential Tax Rate

(per \$1000 of assessment)

Maximum Tax Rate

(55,529)	(61,874)	(65,466)	(65,706)	(67,608)
0.1736	0.1843	0.2006	0.1993	0.2031

0.2082

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Transfer from CWF Cap Fac Rsve	(149,087) d,e	(11,825) f	(2,465) f	(19,710) f	(4,930) f
Transfer from Cap Fac. Reserve	(4,080)	(355)	(73)	(590)	(145)
Total Revenue	(153,167)	(12,180)	(2,538)	(20,300)	(5,075)
Expenses					
Heating Upgrade	0	0	2,538	20,300	0
Signage	22,500 d	0	0	0	0
Hall Improvements	130,667 e	12,180	0	0	5,075
Total Expenses	153,167	12,180	2,538	20,300	5,075
(Surplus) / Deficit	0	0	0	0	0
Capital Fac. Reserve Balance	(28,487) b	(36,417) b	(45,708) b	(55,575) b	(66,986) b
Operating Reserve Balance	(1,010)	(1,020)	(1,030)	(1,041)	(1,051)

Notes

a. Surplus due to lower than anticipated costs for water rates, legal, and various line items.

b. Increases: Electricity \$6k.

c. Reserves must be built for future renovation projects. Increase annually by \$1k.

d. Community Works Fund Gas Tax funding:

Previously approved Capital:

Kitchen Upgrades 5.3 k remaining

Asset Management Improvements: 76.7 k remaining

82 k remaining

(Upgrades: Security System, Power Meter, Exterior & Window Replacement, Roof Replacement, Install Roof Ice Dams, Stairway & Railing, Eaves Troughs, Exit/Emergency Light, Kitchen Counters, Projector System, Motorized Screen, Outdoor Plugs.)

Approved May 23, 2020

Signage 21.85 k

e. Requesting additional CWF: New Items requiring Specific Board approval of CWF use prior to project commencing

Projects will not proceed if CWF are not available:

Additional funds for Roof Replacement 45.30 k

f. Subject to future approval for use of CWF.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projection

Program: 142 -- Regional Parks

Department: Parks & Recreation

Amended July 2020

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Services - WFN	(297,697)		(309,397)		(323,832)		(328,673)		(337,499)
Sundry Rev. & Donations	(68,011)		(68,011)		(68,011)		(68,011)		(68,011)
Tax Requisition - Kelowna	(5,531,205)		(5,746,482)		(6,014,598)		(6,104,506)		(6,268,431)
Tax Requisition - Peachland	(237,539)		(246,784)		(258,298)		(262,159)		(269,199)
Tax Requisition - Lake Country	(614,090)		(637,991)		(667,758)		(677,740)		(695,939)
Tax Requisition - West Kelowna	(1,331,620)		(1,383,447)		(1,447,995)		(1,469,641)		(1,509,105)
Tax Req - EA Cent Ok. West	(171,575)		(178,253)		(186,570)		(189,359)		(194,443)
Tax Req - EA Cent Ok East	(158,069)		(164,221)		(171,883)		(174,453)		(179,137)
Grants	(89,600)	k	(10,600)		(10,600)		(10,600)		(10,600)
Previous Year's Surplus/Deficit	(152,023)	b	(0)		(0)		(0)		(0)
Administration OH	570,712		580,834		620,644		629,764		653,142
Transfer from Operating Reserve	(100,000)	f	(110,074)	f	0		0		0
Total Revenue	(8,180,717)		(8,274,427)		(8,528,902)		(8,655,378)		(8,879,222)
Expenses:									
Operations	3,974,946	c,k	4,005,749		4,196,374		4,258,042		4,416,107
Transfer to Equip. Reserves	143,115	d	145,262	d	147,441	d	149,652	d	151,897
Transfer to Capital Facility Reserve	4,050,656	a,d	4,111,416	d	4,173,087	d	4,235,683	d	4,299,219
Transfer to Dist of Peachland	12,000		12,000		12,000		12,000		12,000
Total Expenses	8,180,717		8,274,426		8,528,902		8,655,378		8,879,223
(Surplus) / Deficit	(0)		(0)		(0)		(0)		0
FTE's	32.222		32.2220		33.112	j	33.112		34.002

Tax Levy:

Tax Requisition	(8,044,098)	(8,357,178)	(8,747,102)	(8,877,858)	(9,116,254)
Residential Tax Rate	0.1364	0.1403	0.1454	0.1461	0.1485

(per \$1000 of assessment)

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Grant	(238,323)	g	(357,484)	g	(119,161)	g	(183,325)	g	(365,282)
Donations	(20,000)	h	0		0		0		0
Proceeds of Sale	0		(2,000)		(2,000)		(2,000)		(2,000)
Transfer From Park Land Reserves	(1,213,257)	i	0		0		0		0
Transfer From Equip. Reserves	(217,560)	l	(146,130)		(77,140)		(105,560)		(77,140)
Transfer From Cap. Fac. Reserves	(2,329,183)		(1,349,766)		(1,508,234)		(1,815,138)		(1,063,577)
Total Revenue	(4,018,323)		(1,855,380)		(1,706,535)		(2,106,023)		(1,507,999)
Expenses									
Parks Development (see detailed project list):	2,548,506		1,705,250		1,625,395		1,996,463		1,426,859
Other Capital:									
Software	35,000		0		0		0		0
Vehicles	162,260	l	108,605		56,840		56,840		56,840
Office Furniture	5,075		5,075		5,075		5,075		5,075
Land Acquisition Strategy (from Land Reserves):									
Land Acquisition Strategy - Goats Peak Impr.	117,003	i	0		0		0		0
Land Acquisition Strat - Other	1,096,254	i	0		0		0		0
Benches	4,000		4,000		4,000		4,000		4,000
Equipment	50,225		32,450		15,225		43,645		15,225
Total Expenses	4,018,323		1,855,380		1,706,535		2,106,023		1,507,999
(Surplus) / Deficit	0		0		0		0		0
Capital Facility Reserve Bal at Y/E	(6,429,034)	d	(9,282,590)	d	(12,066,918)	d	(14,632,338)	d	(18,046,659)
Equip. Reserve Fund Balance at Y/E	(233,289)	d,e,l	(234,754)	d,e	(307,402)	d,e	(354,568)	d,e	(432,871)
Park Land Reserve Balance at Y/E	(86,886)		(87,755)		(88,633)		(89,519)		(90,414)
Parks Legacy Reserve at Y/E	(27,443)		(27,717)		(27,994)		(28,274)		(28,557)
Operating Reserve Balance at Y/E	(113,435)	j	(3,395)	m	(3,429)		(3,463)		(3,498)

Notes

- a. Short Term Land Acquisition Debt payment (\$10.77 m over 5 yrs) ended 2019. As per previous financial plans, increase transfer to reserves with equivalent of debt payment.
- b. 2019 Surplus: Includes increased revenues from Class Registrations \$23.6k. Under expenditures for payroll \$175.4k, planning \$48.3k, bldg repairs & mtce, security, park mtce, and various line items. Vehicle Operations \$30.6k, Interpretation \$18.2k, janitorial supplies and office supplies over budget.
- c. Increases: Payroll \$96k (staffing and contract increases), GIS Program \$44k, Telephone \$1k, Insurance \$6k, SBC Insurance \$3k, Signs \$1k, Office Supplies \$1k, Janitorial Supplies \$2k, Garbage Pick Up \$1.5k, Safety Equipment \$9k, Building/Equip. Assessment \$10k, Vehicle Ops \$20k, Contract Services \$50k.
Decreases: Travel \$2k, Training \$1k, Small Tools \$1k, Legal \$5k, North Zone Mtce \$5k, Central Zone Mtce \$2.5k, Building Rep & Mtce \$10k, Vandalism Repair \$1k, Water Rates \$1k, Irrigation Rep & Mtce \$1k, Equip Rep & Mtce \$1k, Gas & Oil \$1k, Equip Rental \$1k, Security \$15k, Planning \$42.7k.
- d. In 2019, for future financial plans, the Board approved that the combined amount being transferred to reserves and used to pay down land acquisition debt is only to be increased by 1.5% annually, as a reasonable representation of assessment growth. In the past, a specific tax rate of \$0.09 was used, which would have created an unintended consequence of causing a large tax increase per average home.
Note: As debt has been reduced or ended in prior years, the equivalent of those former payment amounts continues to be directed into funding capital reserves.
The capital facilities reserve can be use for development and land acquisition and all capital purposes.
- e. Transfer to Equipment Reserves is required for vehicle and equipment replacement.
- f. Utilize operating reserve to mitigate the impact of the change in surplus carried forward.
- g. ICIP Fed/Prov Grant for the Black Mountain / sntsk'il'nt'en Regional Park Development.
- h. CONC Bird Viewing Platform
- i. Land Acquisition Strategy using Land Reserves.
- j. Adding .89 FTE
- k. Additional Student Grants \$39k.
- l. Transfer vehicle from cc 401 - WWTP for \$2k.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 199 -- Vehicle Operations Reserves

Department: Engineering Services (Fleet)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue:</u>					
Previous Year's Surplus/Deficit	0	0	0	0	0
Vehicle Recovery Allocation to Cost Centre	(26,000)	(27,000)	(28,000)	(29,000)	(30,000)
Total Revenue	(26,000)	(27,000)	(28,000)	(29,000)	(30,000)
<u>Expenses:</u>					
Transfer to Reserves	26,000	27,000	28,000	29,000	30,000
Total Expenses	26,000	27,000	28,000	29,000	30,000
(Surplus) / Deficit	0	0	0	0	0
FTE's	2.485	2.485	2.485	2.485	2.485

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue</u>					
Sale of Asset	(1,000) a	0	0	0 a	0
Transfer From Reserves	(106,527) a	(13,000) b	(41,200) a	0 a	0
Total Revenue	(107,527)	(13,000)	(41,200)	0	0
<u>Expenses</u>					
Vehicle	104,437 a	0	0	0 a	0
Equipment	0 a	13,000 b	41,200 a	0	0
Computers & Equipment	3,090	0	0	0	0
Total Expenses	107,527	13,000	41,200	0	0
(Surplus) / Deficit	0	0	0	0	0
Reserve Fund Balance at Y/E	(9,692) a	(23,929) b	(10,836) a	(40,235) a	(70,937)

Notes

This budget page is shown to track the reserve balance and capital for fleet. The function is allocated out to other costs centres as part of the vehicle charge and is not a bylaw function. It is included in the plan only for the purpose of the transfer to reserves and any future vehicle & capital purchases.

a. July Amendment: Shop Truck having major unforeseen problems and needs to be replaced at estimated \$53k in 2020 rather than 2023. Delay shop lift purchase of \$41.2k to 2022 and shift funds to vehicle purchase, use \$1k from sale of vehicle & \$10.8k reserves for the rest. Replacement originally scheduled for 2023.

b. Compressor purchase.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 301 -- Killiney Beach Water System

Department: Engineering Services (Water Systems)

Amended July 2020

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Water User, Late Pmt & Insp. Fees	(186,498)	(190,228)	(194,033)	(197,913)	(201,871)
Maintenance / Asset Renewal Fees	(284,256) b	(284,256) b	(284,256) b	(284,256) b	(284,256) b
Parcel Tax	0	0	(49,235) g,j	(199,788) g,j	(199,788) g,j
Grants	(8,010) h	0	0	0	0
Previous Year's Surplus/Deficit	(54,725) a	0	(0)	0	(0)
Engineering Admin OH	5,593	5,705	5,819	5,936	6,055
Administration OH	24,577	25,068	25,570	26,082	26,603
Total Revenue	(503,319)	(443,710)	(496,134)	(649,939)	(653,259)
Expenses:					
Operations	177,508 c,h	172,888	176,346	179,873	183,470
Debt Payments	0	0	49,235 g,j	199,788 g,j	199,788 g,j
Transfer to Cap. Fac Reserves	325,811 b	270,822 b	270,554 b	270,278 b	270,000 b
Total Expenses	503,319	443,710	496,135	649,939	653,258
(Surplus) / Deficit	0	(0)	0	(0)	(0)
FTE's	0.46	0.46	0.46	0.46	0.46
Parcel Tax	0	0	(49,235) g,j	(199,788) g,j	(199,788) g,j

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Capital Financing	0	0	(2,461,750) g,j	0	0
Grants	(58,154) d,f	0	0	0	0
CWF Gas Tax Cap Fac. Rsrv	(33,183) e,f	0	0	0	0
Transfer From Equip Reserves	(527,750) i	(20,750)	(119,000) j	0	0
Transfer From Cap. Fac. Reserve	(177,285)	0	(940,000)	(20,750)	(20,750)
Total Revenue	(796,372)	(20,750)	(3,520,750)	(20,750)	(20,750)
Expenses					
Metering Program	5,300	5,300	5,300	5,300	5,300
Equipment/SCADA	7,000	0	0	0	0
Distribution System	232,421 f,j	0	0	0	0
Leak Detection Equipment	10,000	0	0	0	0
Equipment & Improvements	15,450	15,450	15,450	15,450	15,450
UV Disinfecting System	106,000 f	0	3,500,000 g	0	0
Intake Replacement	420,201 f	0	0	0	0
Total Expenses	796,372	20,750	3,520,750	20,750	20,750
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Bal at Y/E	(138,572) i	(119,000)	(0) j	(0)	(0)
Capital Facility Reserve Bal at Y/E	(448,791) b	(724,101) b	(52,496) b	(302,341) b	(554,407) b

Notes

- Surplus due to higher revenues from late payment fees, water user fees, water system cost recovery and connection fees. Costs for payroll, leak detection & repair and electricity were also lower than expected.
- Transfer asset renewal fees and additional funds to reserves.
- Increases: Equipment Repairs & Mtce \$15k, and misc. \$2.2k. Decreased Payroll \$13.4k.
- Remainder of Build Canada Grant.
- Community Works Fund Gas Tax (from the Capital Facilities Reserve Fund) projects: \$33,183 Carry forward of remaining Board approved amount for Filtration.
- 2019 projects carried forward.
- IHA Required work under discussion. Contingent on finding an alternative solution, receiving financing or grant. This scenario assumes approval for debt & parcel tax received, MFA Financing 20 years, conservatively at 4%.
- OBWB Grant for Source Protection Plan Study \$8k.
- July Amendment: Add \$90k re: PRV Installation.
- July Amendment: Additional Financing required due to additional use of reserves in 2020.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 303 -- Falcon Ridge Water System

Department: Engineering Services (Water Systems)

Amended July 2020

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue:</u>					
Water User, Late Pmt & Insp. Fees	(51,665)	(52,182)	(53,225)	(54,290)	(55,376)
Maintenance / Asset Renewal Fee	(31,020) a	(25,245) a	(25,246) a	(25,246) a	(25,245) a
Previous Year's Surplus/Deficit	19	(0)	(0)	(0)	0
Engineering Admin OH	1,860	1,897	1,935	1,974	2,013
Administration OH	8,172	8,335	8,502	8,672	8,845
Other - Property Owner Contributions	(111,000) e	0	0	0	0
Total Revenue	(183,634)	(67,194)	(68,034)	(68,889)	(69,762)
<u>Expenses:</u>					
Operations	56,357 b	57,484	58,634	59,806	61,003
Transfer to Cap. Fac Reserves	127,277 a,e	9,710 a	9,400 a	9,083 a	8,759 a
Total Expenses	183,634	67,194	68,034	68,889	69,762
(Surplus) / Deficit	(0)	(0)	(0)	0	(0)
FTE's	0.15	0.15	0.15	0.15	0.15

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue</u>					
Tsfr from Gas Tax Cap Fac. Rsrv	(15,016) c,d	0	0	0	0
Transfer From Equip Reserves	(2,509)	0	0	0	0
Transfer From Cap. Fac. Reserve	(136,429) e	(10,300)	(5,150)	(5,150)	(5,150)
Total Revenue	(153,954)	(10,300)	(5,150)	(5,150)	(5,150)
<u>Expenses</u>					
Distribution System Improvements	126,900 cde	0	0	0	0
Reservoir	8,554 d	0	0	0	0
Equipment/SCADA	3,500	0	0	0	0
Controls & Instrumentation	15,000	0	0	0	0
Equipment & Improvements	0	10,300	5,150	5,150	5,150
Total Expenses	153,954	10,300	5,150	5,150	5,150
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Bal at Y/E	0	-	0	0	0
Capital Facility Reserve Bal at Y/E	(1,208) a	(527) a	(4,731) a	(8,660) a	(12,304) a

Notes

- a. Transfer asset renewal fees to reserves. Full transfer cannot be made. Additional rate review may be required.
b. Increases: Travel \$3k, Payroll \$2.3k, Equip. Repairs & Mtce \$1.3k, Ministry testing \$0.5k, and misc. \$1.35k.
c. Community Works Fund Gas Tax funding:

Previously approved Capital:

Hydrants

\$15k

d. 2019 projects carried forward.

e. July Amendment: Property Owner Contributions \$111k re: Peregrin Water System is being abandoned and 3 properties joining system, making \$111k contribution resulting in equivalent expansion project.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 307 -- Westshore Water System

Department: Engineering Services (Water Systems)

Amended July 2020

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Water User, Late Pmt & Insp. Fees	(191,150)	(194,973)	(198,872)	(202,850)	(206,907)
Maintenance / Asset Renewal Fee	(367,488) b	(367,488) b	(367,488) b	(367,488) b	(367,488) b
Parcel Tax	0	0	(30,228) e	(119,624) e	(119,624) e
Previous Year's Surplus/Deficit	(44,848) a	0	(0)	(0)	0
Engineering Admin OH	6,765	6,900	7,038	7,179	7,323
Administration OH	29,725	30,319	30,925	31,544	32,175
OBWB Grant	(8,010) f	0	0	0	0
Total Revenue	(575,006)	(525,241)	(558,625)	(651,239)	(654,521)
Expenses:					
Operations	213,007 c,f	209,097	213,279	217,545	221,895
Debt Payments	0	0	30,228 e	119,624 e	119,624 e
Transfer to Capital Facility Reserves	361,999 b	316,144 b	315,118 b	314,071 b	313,002 b
Total Expenses	575,006	525,241	558,625	651,240	654,521
(Surplus) / Deficit	0	(0)	(0)	0	0
FTE's	0.56	0.56	0.56	0.56	0.56
Parcel Tax	0	0	(30,228)	(119,624)	(119,624)

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Capital Financing	0	0	(1,487,240) e	0	0
Transfer From Equip Reserves	(287,860)	(18,630)	(1,166,510)	0	0
Transfer from Cap Fac. Reserve	(135,008)	0	(1,077,000)	(20,750)	(20,750)
Total Revenue	(422,868)	(18,630)	(3,730,750)	(20,750)	(20,750)
Expenses					
Equip & Improvements	15,450 d	15,450	15,450	15,450	15,450
Metering	3,180	3,180	5,300	5,300	5,300
Equipment/SCADA	7,000	0	0	0	0
Leak Detection Equipment	31,230 d	0	0	0	0
Distribution System	125,000	0	0	0	0
Reservoir	135,008 d	0	0	0	0
UV Disinfection System	106,000 d	0	3,710,000 e	0	0
Total Expenses	422,868	18,630	3,730,750	20,750	20,750
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Balance at Y/E	(1,173,591)	(1,166,510)	(0)	(0)	(0)
Capital Facility Reserve Bal at Y/E	(596,025) b	(918,129) b	(154,659) b	(449,319) b	(745,856) b

Notes

- Surplus primarily due to higher revenues from asset renewal, water system cost recovery, and late payment fees; reduced payroll costs also contributed to the surplus. Contract services was higher than budgeted \$17.7k.
- Transfer asset renewal fees to reserves. Full transfer cannot be made. Additional rate review may be required.
- Increases: Equip Repairs & Mtce \$38k, Travel \$1k, and misc. \$2.5k. Decreases: Payroll \$11k, and Leak Detection & Repair \$5k.
- Carryforward 2019 project.
- IHA Required work under discussion. Contingent on finding an alternative solution, receiving financing or grant. This scenario assumes approval for debt & parcel tax received, MFA Financing 20 years, conservatively at 4%.
- July Amendment: OBWB Grant \$8k for Source Protection Study.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections

Program: 401 -- Westside Sewer System: Wastewater Treatment Plant n

Department: Engineering Services (Sewer Systems) **Amended July 2020**

Sewer Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Misc. Rev.	(2,400)		0		0		0		0
Services - Peachland	(353,008)	a	(374,490)		(378,245)		(384,430)		(390,738)
Services - West Kelowna	(3,282,883)	a	(3,482,666)		(3,517,581)		(3,575,096)		(3,633,761)
OBWB Sewer Grants	(25,310)	o	0		0		0		0
Previous Year's Surplus/Deficit	(97,339)	c	0		0		0		0
Engineering Admin OH	106,202		109,152		110,493		112,703		114,957
Administration OH	466,647		479,605		485,500		495,210		505,114
Transfer from Operating Reserve	(69,000)	b	0		0		0		0
Services - WFN	(866,760)	a	(919,508)		(928,726)		(943,912)		(959,401)
Total Revenue	(4,123,852)		(4,187,907)		(4,228,559)		(4,295,525)		(4,363,829)
Expenses:									
Operations	3,218,257	d	3,307,622	l	3,348,275	l	3,415,240		3,483,545
Transfer to Equip. Reserves	55,000	e	55,000	e	55,000	e	55,000	e	55,000
Transfer to Operating Reserve	25,310	o	0		0		0		0
Transfer Cap. Facility Reserves	825,285	f	825,285		825,285		825,285		825,285
Total Expenses	4,123,852		4,187,907		4,228,559		4,295,525		4,363,830
(Surplus) / Deficit	0		0		0		0		0
FTE's	10.355	g	10.355		10.355		10.355		10.355
Total Service Cost Recovered From Partners/Participants	(4,502,652)		(4,776,664)		(4,824,552)		(4,903,438)		(4,983,900)

Sewer Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Grants	(690,000)	h	0		0		0		0
Sale of Assets	(4,000)	p	0		0		0		0
From Equipment Reserves	(387,400)	e,p	(52,000)	e	(20,400)	e	0		0
From Capital Facility Reserves	(1,455,380)	h,j	(43,460)		(320,360)		(300,960)		(43,460)
From DCC Reserve Fund	(1,266,667)	j	0		0		0		0
Total Revenue	(3,803,447)		(95,460)		(340,760)		(300,960)		(43,460)
Expenses									
HVAC	122,960		0		0		0		0
Vehicles	268,571	i	52,000		20,400		0		0
Engineering & Design Costs	27,488		0		0		0		0
TWAS Vault Expansion	1,900,000	j	0		0		0		0
Headworks Pumps	371,568		0		257,500		257,500		0
Equipment/Improvements	25,000	k	0		0		0		0
Lab Equipment	45,000		0		0		0		0
Security System	10,000		0		0		0		0
Bioreactors	32,860		32,860		32,860		32,860		32,860
Odor Control	0		10,600		30,000		10,600		10,600
Blowers	1,000,000	h	0		0		0		0
Total Expenses	3,803,447		95,460		340,760		300,960		43,460
(Surplus) / Deficit	0		0		0		0		0
Equip. Reserve Fund Balance at Y/E	(58)	e	(2,539)	e	(36,960)	e	(92,330)	e	(148,253)
Capital Facility Reserve Bal. at Y/E	(517,577)		(1,304,143)		(1,818,906)		(2,358,410)		(3,163,385)
DCC Reserve Fund	(2,937,434)	m	(3,566,808)	m	(4,202,476)	m	(4,844,501)	m	(5,492,946)
Operating Reserve Bal. at Y/E	(156,039)	o	(157,599)		(159,175)		(160,767)		(162,375)

Notes

- a. Updated 5 year average flow splits. Shift in splits from West Kelowna (-0.21%) & Peachland (-0.23%) to WFN totalling 0.44%.
- b. \$100k of operating reserve not required as budgeted in 2019. Use a portion - \$69k in 2020 to mitigate increased costs.
- c. Surplus resulting from under expenditures for Contract services \$89.4k, Biosolids removal \$78.3k, Biosolids mgmt \$37.2k, Centrifuge mtce \$25k, Electricity-Plant \$15.5k, Alum \$8.3k, and various line items. Payroll \$75.5k and Polymer Chemicals \$9.6k higher than expected.
- d. Increases: Payroll \$163.8k (FTE increase), Travel \$3k, Training \$4k, Permits & Lic. \$3.5k, Insurance \$5.7k, Office Supplies \$1k, Software & Lic. \$10k, Garbage \$5k, Biofilter Mtce. \$20k, Centrifuge Mtce. \$5k, Equipment Rep & Mtce. \$55k, & Bldg/Equip. Assessment \$10k.
Decreases: Telephone \$4k, Chemicals \$2.5k, Tools \$1k, Electrical Rep & Mtce \$4k, Biosolids Mngt. \$9k, Biosolids Removal \$171k, & Contract Services \$50k.
- e. As per previous financial plans, \$55k is to be transferred annually to equipment reserve (not included in facility replacement calculations.)
- f. The approved Capital / Reserve Contribution Level was raised to 40% of the estimated annual capital cost replacement level in 2019 based on updated Urban Systems Report. Reserve balances are still falling behind capital needs. The funding level must continue to increase. It is imperative that the funding level be raised to at least 45% to be able to fund anticipated upcoming capital needs. Staff has advised of Roof replacement coming in 2027 estimated at \$2m. Future project needs are also being examined. If grant not received for \$1m blower project, they will still need to be done within the next couple of years.
- g. FTE increase
- h. Blower project added in 2020 due to grant opportunity. If the 2/3 grant is not approved, this project must then be done in a future year as insufficient currently there are reserves to fully fund this project, or the project would have to be financed. If grant is not approved, \$25k of work would still need to be done. Again, it is imperative to increase reserve funding as per note f, as grant funding cannot be relied upon.
- i. Includes 2019 carry forwards.
- j. Increasing capacity. 2/3 of project funded with DCC's as per Engineering Staff.
- k. Concrete
- l. Add \$25k for Chemsan rebuild maintenance, remove following year.
- m. Conservatively assumes \$600k in DCC's are collected annually, however this is likely to be higher.
- n. Lift Stations and Collector Systems are budgeted as separate cost centres 470, 471 & 472 simply to track the costs at the request of the partners, but are part of the overall Westside Sewer Service.
- o. July Amendment: OBWB Biosolids Grant \$25.3k. Expenses already incurred and budgeted. Transfer to Operating Reserve.
- p. July Amendment: Transfer vehicle to 142 - Regional Parks for \$2k. Reduce use of reserves accordingly.

**Community Services (Solid Waste Management)
2020 - 2024 Five Year Program Budget Projections**

Program: 095 -- SWM: Solid Waste Collection (Electoral Areas) a

Department: Engineering Services (Solid Waste Management)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
<u>Revenue:</u>									
Collection Fees, Late Payment									
Fees & Tags	(495,200)	g	(505,104)		(515,206)		(525,510)		(536,020)
Parcel Tax	(61,432)	g	(71,482)		(89,808)		(108,992)		(110,873)
Hauler Fuel Rebates	(2,500)		0		0		0		0
Previous Year's Surplus/Deficit	(0)	b	(0)		(0)		(0)		0
Administration OH	81,951		83,590		86,967		88,707		90,481
Transfer from CWF Fac Reserve	(14,999)	i	0		0		0		0
Transfer from Operating Reserve	(23,001)	h,i	(32,189)	h	(17,342)	h	0		0
Multi Material BC (MMBC)	(65,000)	c,g	(66,300)		(67,626)		(68,979)		(70,358)
Total Revenue	(580,181)		(591,485)		(603,014)		(614,774)		(626,770)
<u>Expenses:</u>									
Operations	565,181	d	576,485	f	588,014	f	599,775	f	611,770
Transfer to Capital Fac. Reserves	15,000	f	15,000	f	15,000	f	15,000	f	15,000
Total Expenses	580,181		591,485		603,014		614,775		626,770
(Surplus) / Deficit	(0)		(0)		(0)		0		(0)
FTE's	0.19		0.19		0.19		0.19		0.19

Tax Levy:

Parcel Tax (61,432) g (71,482) (89,808) (108,992) (110,873)

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
<u>Revenue</u>									
Transfer from CWF Cap Fac Rsv	(15,000)	e	(100,000)	e	0		0		0
Transfer from Cap. Fac. Reserve	(10,476)		(13,026)		(12,601)		(12,601)		(12,601)
Total Revenue	(25,476)		(113,026)		(12,601)		(12,601)		(12,601)
<u>Expenses</u>									
Garbage Carts	10,026		10,026		10,026		10,026		10,026
Transfer Site Improvements	15,450	e	103,000	e	2,575		2,575		2,575
Total Expenses	25,476		113,026		12,601		12,601		12,601
(Surplus) / Deficit	0		0		0		0		0
Equip. Reserve Balance at Y/E	(202,554)		(204,580)		(206,626)		(208,692)		(210,779)
Capital Fac. Reserv Bal. at Y/E	(39,699)	f	(41,939)	f	(44,632)	f	(47,351)	f	(50,097)
Operating Reserve Balance at Y/E	(63,869)	h,i	(32,319)	h	(15,300)	h	(15,453)		(15,608)

Notes

- This is part of the overall SWM service. Costs are split out into the various cost centre for tracking and billing purposes.
- Under expenditures for collection fees and tipping fees-KSLF. Contract services higher than budgeted \$20.4k.
Note: Budget amendment was done to reduce 2019 deficit to zero and increase contract services fees at year end.
- Multi-Materials Management BC is reducing rebates.
- Increases: TS Contract-Sites \$35k, TS Equipment Rental \$8k, Tipping fees KSLF \$6.9k, Payroll \$4.7k, TS Hauling charges \$1k, insurance \$0.9k. Decreases: Contract services \$60.9k, Collection fees \$9k, Postage/Freight \$8.6k.
- Community Works Fund Gas Tax funding:

Previously Approved

Transfer Stations Improvement Project:

Note: \$15k for design was disallowed, then allowed in 2020. \$25k remains for implementation

Additional \$90k of CWF usage would need to be requested in 2021 to cover remainder of implementation.

- Reserves being set aside for carts, vehicles and transfer stations.
- SWM Parcel Tax will need to be included for this part of the service to cover the effects of prior year interim contract costs, increases to reserve transfers from \$6.6k to \$15k, reduction of surplus by \$52k and reduction of MMBC rebates. Operating reserve is being used to lessen the impact.
Utility Billing Garbage Collection rates may need to be reviewed as well.
- Use operating reserve to lessen impact.
- July Amendment: UBCM disallowed use of CWF in 2019 and has now allowed project under Long Term Infrastructure Planning.
For 2019 a budget amendment and entries were done to pay for these costs using operating reserves. The entry is now being reversed.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 021 -- Ellison Fire Department

Department: Engineering Services (Fire Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Services - Kelowna	(45,500)	b	0	b	0		0		0
Tax Req - EA Cent Ok East	(488,469)		(512,777)		(547,429)		(581,477)		(610,421)
Previous Year's Surplus/Deficit	(45,113)	a,b	0		0		0		0
Administration OH	38,263		39,041		40,618		41,431		42,259
Transfer from Operating Reserve	0		(60,000)	b	(50,000)	b	(40,000)	b	(25,286)
Total Revenue	(540,819)		(533,735)		(556,810)		(580,046)		(593,447)
Expenses:									
Operations	395,819	c,h	403,735		411,810		420,046		428,447
Transfer to Cap. Fac. Reserve	115,000	d	130,000	d	145,000	d	160,000	d	165,000
Transfer to Operating Reserve	30,000	b	0		0		0		0
Total Expenses	540,819		533,735		556,810		580,046		593,447
(Surplus) / Deficit	0		0		0		0		0
FTE's	0.2530	e	0.2530		0.2530		0.2530		0.2530

Tax Levy:

Tax Requisition	(488,469)	(512,777)	(547,429)	(581,477)	(610,421)
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Residential Tax Rate	0.7052	0.7330	0.7748	0.8148	0.8469
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(per \$1000 of assessment)

Maximum Tax Rate 1.9500

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Grant	(25,000)	g	0		0		0		0
Transfer From Equip Reserve	0		0		0		(15,950)		0
Trsf From Cap Fac Reserve	(158,178)	g	(54,096)		(338,973)		(537,334)		(35,866)
Total Revenue	(183,178)		(54,096)		(338,973)		(553,284)		(35,866)
Expenses									
Trucks	0		0		0		480,000	d	0
Turn Out Gear	10,308		10,514		10,725		10,939		11,158
Radios & Pagers	4,341		4,427		4,516		4,606		4,699
Equipment	8,681		8,855		9,032		9,212		9,397
Hall Improvements	20,521		20,300		0		38,123		0
SCBA	139,327	f,g	10,000		10,200		10,404		10,612
New Truck Bay	0		0		304,500		0		0
Total Expenses	183,178		54,096		338,973		553,284		35,866
(Surplus) / Deficit	0		0		0		0		0
Equip Reserve Balance at Y/E	(15,636)		(15,792)		(15,950)		(0)		(0)
Cap. Fac. Reserve Balance at Y/E	(548,565)	d,g	(629,954)	d	(442,281)	d	(69,370)	d	(199,198)
Operating Reserve Balance at Y/E	(171,543)	b	(113,259)	b	(64,391)	b	(25,035)	b	0

Notes

- a. Surplus due to underspending in payroll, responses, vehicle ops & misc.
b. Payment from City of Kelowna re: Country Rhodes. Once City of Kelowna staffs the Glenmore hall, estimated to be in 2021, they will take over fire protection and this revenue will disappear. Continuing to transfer a portion of 2019 surplus carried forward to increase operating reserve to ease this transition. Any excess funds could still be used to transfer to capital in the future as well.
c. Increases: Payroll \$7k, Training \$3k, Turn Out Gear Cleaning \$3.5k, Electricity \$1.5k, FMR Equipment \$3k.
Decreases: Safety supplies \$5k, Hydrant Fees \$2k, Equipment \$3k, Vehicle Ops \$8k, Telephone \$1k.
d. Revised Upcoming Major Capital \$1.785 million (previously \$1.55m), includes timing changes. \$304.5k Truck Bay in 2022, \$480k Truck Replacement in 2023, \$220k truck in 2026, \$600k in 2035 and \$100k in 2037, SCBA \$80k in 2039. Capital reserves to be rebuilt in anticipation of these replacements. BCAA information shows higher growth in Ellison which reduces any tax requisition impact. Increasing transfers to reserves in 2021 - 2023 by \$15k annually in order to fund increased costs of capital needs. Current long term plan will allow cash payment for replacements.
e. Fire Services Manager and support staff.
f. SCBA System including compressor.
g. Possible Grant Funding for SCBA system reduces reserve usage.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 022 -- Joe Rich Fire Department

Department: Engineering Services (Fire Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
PEP Comp., Misc Rev, & Sundry Sales	(10,000) m	0	0	0	0
Tax Req - EA Cent Ok East	(503,927)	(506,287)	(523,812)	(541,489)	(559,318)
Previous Year's Surplus/Deficit	25,030 a,b	0	0	0	0
Administration OH	32,517	33,179	33,842	34,519	35,209
Total Revenue	(456,380)	(473,108)	(489,970)	(506,970)	(524,109)
Expenses:					
Operations	336,380 c,l,m	343,108 d	349,970 d	356,970 d	364,109 d
Transfer to Capital Facility Reserve	120,000 d,m	130,000	140,000 d	150,000 d	160,000
Total Expenses	456,380	473,108	489,970	506,970	524,109
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530 e	0.2530	0.2530	0.2530	0.2530
Tax Levy:					
Tax Requisition	(503,927)	(506,287)	(523,812)	(541,489)	(559,318)
Residential Tax Rate (per \$1000 of assessment)	1.5917	1.5833	1.6219	1.6600	1.6977
Maximum Tax Rate	2.5000				

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Sale of Asset / Internal Transfer	0	0	(25,000)	0	0
Grant	(25,000) k	0	0	0	0
Transfer From Equip. Reserves	0	0	(25,719)	0	0
Trsf From CWF Cap Fac. Rsv	(29,254) f	0	0	0	0
Transfer from Cap Fac Reserve	(110,870) k,m	(49,569)	(587,984)	(77,442)	(73,292)
Total Revenue	(165,124)	(49,569)	(638,703)	(77,442)	(73,292)
Expenses					
SCBA	10,025 k	8,058	8,219	8,384	8,551
Water Supply / Cisterns	30,900 f	0	0	0	0
Radios & Pagers	7,597	7,749	7,904	8,026	8,267
Trucks	10,700 m	0	550,000	0	0
Turnout Gear	10,308	10,514	11,290	11,516 h	11,746 i
Hall Renovations	80,844 g	12,180	50,000	38,000	32,982
Equipment	14,750 k	11,068	11,290	11,516	11,746
Total Expenses	165,124	49,569	638,703	77,442	73,292
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Balance at Y/E	(25,464)	(25,719)	0	0	0
Capital Facilities Reserve Bal. at Y/E	(406,488) dkm	(490,488) d	(41,529) d	(113,728) d	(200,840) d
Joe Rich Water Cap Fac Bal	(15,181) j	(20,333)	(25,536)	(30,791)	(36,099)

Notes

- Major deficit due to overspending. Must be recovered in 2020 requisition. Over expenditures include Payroll \$25.8k, Training \$6k Building Repairs & Mtce \$5k, Equipment Repairs & Mtce \$6k, Uniforms \$1.5k, Supplies & Cleaning \$14k. Vehicle Operations allocations were under \$10.5k, & various line items under by \$5k in total.
- Normal Board practice is to transfer any response revenues net of expenses to reserves. This did not occur because of the large deficit. Additional unbudgeted revenue of \$17.3k used to offset deficit instead.
- Increases: Payroll \$5k, Training \$2k, Insurance \$1k, Turn Out Gear Cleaning \$3.5k, FMR Equipment \$3k, Equip Rep & Mtce \$1k, Various Minor \$2k.
Decreases: Electricity \$4.5k, Equipment \$1k, Vehicle Ops \$8k.
- Reserves **must** continue to be built to a much higher level. Trucks totalling \$2.135 million are scheduled to be replaced in 2022 (\$550k), 2025 (\$200k), 2029 (\$520k), 2030 (\$215k) plus \$650k beyond that. In the past, the tolerance for rate increases and reserve transfers has been low for this service.
There are two firehalls that must be staffed, equipped and maintained, and the assessment tax base is very low.
Improvements for 2 Halls over 20 years are expected to be \$745k.
- Fire Services Manager and support staff.
- Community Works Fund Gas Tax funding approved May 30th, 2016. Carryover of \$30,000 from 2018.
- Includes Roof, hot water heater, water treatment system, lighting fixtures.
- Thermostat, water treatment system, electrical upgrade.
- Lighting fixtures, exhaust ventilation system, and various.
- Joe Rich Water System Asset resides here. 022 - Joe Rich Fire, 144 - Eastside Parks, and 123 - Joe Rich Hall each contribute 1/3 share of operating costs which includes annual contribution to reserves of \$5k.
- Possible Grant Funding for SCBA and equipment reduces reserve usage.
- July Amendment: OFC Dispatch Recoding Project \$1.2k added to each Fire Dept. Reduced supplies budget.
- July Amendment: Donation of \$10k from Firefighters' Recognition Fund to purchase Utility Vehicle from Big White Fire Dept. for \$10.7k. Additional operating costs of \$1.5k covered by other savings in payroll and travel.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 023 -- North Westside Rd Fire Rescue Department

Department: Engineering Services (Fire Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok. West	(572,815)	(586,786)	(607,743)	(628,078)	(648,599)
Previous Year's Surplus/Deficit	(37,104)	0	0	0	0
Administration OH	39,473	40,276	41,904	42,742	43,596
Total Revenue	(570,446)	(546,509)	(565,839)	(585,336)	(605,003)
Expenses:					
Operations	475,342	416,509	424,839	433,336	442,003
Transfer to Capital Fac. Reserve	95,104	130,000	141,000	152,000	163,000
Total Expenses	570,446	546,509	565,839	585,336	605,003
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530	0.2530	0.2530	0.2530	0.2530
Tax Levy:					
Tax Requisition	(572,815)	(586,786)	(607,743)	(628,078)	(648,599)
Residential Tax Rate	0.7671	0.7781	0.7979	0.8164	0.8347
(per \$1000 of assessment)					
Maximum Tax Rate	1.3500				

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Grant	(25,000)	0	0	0	0
Transfer from Cap Fac Reserve	(88,741)	(30,342)	(85,746)	(156,262)	(526,787)
Transfer From Equip. Reserves	(1,047)	0	0	0	0
Total Revenue	(114,788)	(30,342)	(85,746)	(156,262)	(526,787)
Expenses					
Trucks	0	0	0	0	480,000
SCBA	31,280	5,100	60,000	130,000	0
Equipment	40,000	9,118	9,300	9,486	9,676
Pagers & Radios	5,500	5,610	5,722	5,837	5,953
Firehall Renovations	24,000	0	0	0	20,000
Turn Out Gear	10,308	10,514	10,724	10,939	11,158
Boathouse	3,700	0	0	0	0
Total Expenses	114,788	30,342	85,746	156,262	526,787
(Surplus) / Deficit	0	0	0	0	0
Equip. Reserve Fund Bal. at Y/E	(0)	(0)	(0)	(0)	(0)
Capital Facility Reserve Bal. at Y/E	(431,955)	(535,933)	(596,546)	(598,249)	(240,445)

Notes

- Surplus due to under expenditures for payroll, training, uniforms, equipment rep & mtce, vehicle ops, security, responses, and various line items. Transfer difference between annual surpluses of \$36k to reserves.
- Net reduction to Operating expenses budgeted. Transfer excess \$6.9k to reserves.
Increases: Payroll \$6.7k, Insurance \$1.5k, Turn Out Gear Cleaning \$3.5k, Bldg Rep & Mtce \$1k, FMR Equipment \$3k.
Decreases: Training \$10k, Telephone \$1k, Uniforms \$2k, Supplies \$3k, Electricity \$1k, Equipment \$1k, Vehicle Ops \$5k, Misc. \$1k.
- It is highly recommended that the entire surplus and reduction to operating expenses be transferred to reserves in addition to annually increasing regular reserve transfers by \$11k. In addition to regular capital needs, after 2020, the following truck replacements totalling \$3.356 million are coming up: 2024 (\$480k), 2028 (\$200K), 2029 (\$501k), 2031 (\$75k), 2032 (\$600k), 2033 (\$100k), 2036 (\$1.4m). There are also 2 halls which are estimated to need \$465k in improvements.
- Fire Services Manager and support staff.
- Industrial Washing Machine, High Flow Quickee Fans.
- Hot Water Heater and eavestroughs.
- SCBA System.
- Possible Grant Funding for SCBA. Remainder comes from reserves.
- July Amendment: Roof Leak & Repairs \$16k. Reduce Transfer to reserves to fund.
- July Amendment: OFC Dispatch Recoding Project \$1.2k added to each Fire Dept. Reduced supplies budget.
- July Amendment: Increase legal and other costs re: HR issues \$51k. Reduction to transfer to reserve is necessary to fund these expenditures.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 024 -- Wilson's Landing Fire Department

Department: Engineering Services (Fire Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue:</u>					
Tax Req - EA Cent Ok. West	(278,111)	(320,838)	(336,676)	(352,150)	(367,733)
Previous Year's Surplus/Deficit	(27,467)	0	0	0	0
Administration OH	23,145	23,616	24,570	25,062	25,563
Total Revenue	(282,433)	(297,222)	(312,106)	(327,088)	(342,170)
<u>Expenses:</u>					
Operations	239,433	244,222	249,106	254,088	259,170
Transfer to Cap. Fac. Reserve	43,000	53,000	63,000	73,000	83,000
Total Expenses	282,433	297,222	312,106	327,088	342,170
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530	0.2530	0.2530	0.2530	0.2530

Tax Levy:

Tax Requisition

Residential Tax Rate

(per \$1000 of assessment)

Maximum Tax Rate

(278,111)	(320,838)	(336,676)	(352,150)	(367,733)
0.7896	0.9019	0.9370	0.9704	1.0033

2.8500

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue</u>					
Grants	(25,000)	0	0	0	0
Transfer From Equip. Reserves	(60,888)	(19,539)	0	0	0
Transfer from Cap. Fac. Reserve	(31,532)	(21,899)	(31,812)	(37,241)	(77,818)
Total Revenue	(117,420)	(41,438)	(31,812)	(37,241)	(77,818)
<u>Expenses</u>					
Pagers and Radios	4,500	4,559	4,650	4,743	4,838
SCBA	12,960	5,698	5,812	5,928	6,048
Equipment	43,782	9,118	9,300	9,456	9,676
Hall Improvements	45,870	15,225	5,075	10,000	50,000
Turnout Gear	10,308	6,838	6,975	7,114	7,256
Total Expenses	117,420	41,438	31,812	37,241	77,818
(Surplus) / Deficit	0	0	0	0	0
Equip. Reserve Balance at Y/E	(19,539)	(0)	(0)	(0)	(0)
Capital Facility Reserve Bal. at Y/E	(157,205)	(189,878)	(222,965)	(260,953)	(268,745)

Notes

- a. Due to a \$60k requisition increase in 2019 the budgeted reserve transfer for 2019 was reduced from the planned level of \$45k to \$35k.
- b. Increases: Payroll \$5k, Training \$2.8k, Uniforms \$3k, Turn Out Gear Cleaning \$3.5k, Supplies \$1k, FMR Equipment \$1k, Equipment \$8k, Misc. \$1k. Decreases: Telephone \$1k.
- c. In future, in order to avoid debt financing, the revised \$35k planned reserve transfer would now need to be increased by \$8k in 2020, then \$10k annually, order to be able to fund \$1.54 million in future truck purchases from reserves: 2031 (\$700k), 2035 (\$570k), & 2038 (\$270k). Estimates for hall improvements over 20 years are \$383k.
- d. Fire Services Manager and support staff.
- e. AV system, baseboard heaters, hot water heater, chain link fence, etc.
- f. Possible Grant Funding for SCBA, Equipment and Hall. Remainder comes from reserves.
- g. July Amendment: OFC Dispatch Recoding Project \$1.2k added to each Fire Dept. Reduced supplies budget.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 030 -- Regional Rescue Service

Department: Engineering Services (Fire Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Services - WFN	(84,049)	(87,839)	(91,517)	(93,479)	(95,263)
Tax Requisition - Kelowna	(1,561,633)	(1,631,451)	(1,699,759)	(1,736,212)	(1,769,336)
Tax Requisition - Peachland	(67,065)	(70,063)	(72,996)	(74,562)	(75,984)
Tax Requisition - Lake Country	(173,377)	(181,128)	(188,712)	(192,759)	(196,437)
Tax Requisition - West Kelowna	(375,958)	(392,767)	(409,211)	(417,988)	(425,962)
Tax Req - EA Cent Ok. West	(48,441)	(50,607)	(52,726)	(53,856)	(54,884)
Tax Req - EA Cent Ok East	(44,628)	(46,623)	(48,575)	(49,617)	(50,564)
Previous Year's Surplus/Deficit	(148,045) a,b	0	0	0	0
Administration OH	217,331	214,304	218,538	222,856	227,261
Transfer from Operating Reserve	(40,000) m	(50,000) m	0	0	0
WCB, PEP, JEPF Grant & Other	(51,427) n	(55,000)	(55,000)	(55,000)	(55,000)
Total Revenue	(2,377,292)	(2,351,174)	(2,399,958)	(2,450,617)	(2,496,169)
Expenses:					
Operations Radio & Dispatch	1,394,119 c,p	1,386,301 g	1,414,027	1,442,308	1,471,154
Operations Core Rescue	663,951 d,o	631,330 g	643,957	656,836	669,972
Operations Emergency Operations	192,222 e,n	171,543 g	174,974	178,473	182,043
Search & Rescue	27,000	27,000	27,000	27,000	27,000
Transfer to Equip Reserves	100,000 f,o	135,000 f	140,000 f	146,000 f	146,000 f
Total Expenses	2,377,292	2,351,174	2,399,957	2,450,617	2,496,169
(Surplus) / Deficit	0	(0)	(0)	(0)	0
FTE's	0.3180	0.3180	0.3180	0.3180	0.3180

Tax Levy:

Tax Requisition	(2,271,102)	(2,372,639)	(2,471,979)	(2,524,994)	(2,573,167)
Residential Tax Rate (per \$1000 of assessment)	0.0385	0.0398	0.0411	0.0415	0.0419

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Grants	(20,943) n	0	0	0	0
Transfer From Equip Reserves	(453,066)	(58,071)	(251,843)	(81,880)	(1,918)
Total Revenue	(474,009)	(58,071)	(251,843)	(81,880)	(1,918)
Expenses					
Equipment	207,009 h,n	58,071	1,843	16,880	1,918
Marine Rescue Replacement	0	0	250,000 k	0	0
EOC Equipment	17,000 i	0	0	65,000 l	0
Vehicles	250,000 j	0	0	0	0
Total Expenses	474,009	58,071	251,843	81,880	1,918
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Balance at Y/E	(83,679) o	(160,864)	(48,111)	(111,894)	(257,075)
Operating Reserve Balance at Y/E	(115,669)	(66,326)	(66,989)	(67,659)	(68,336)

Notes

- Surplus due to under expenditures for:
Carry forward of unspent \$75k in contract services consulting, contracting and studies to be done by CoK under contract management (Radio Review \$35k, Regional Operating Guidelines \$20k, Emergency Management Plan Update \$20k), Equipment, Repairs & Maintenance, Legal, Training, Vehicle Ops, & Responses. Operating Reserve not used.
- The surplus is \$41k less than last year.
- Radio & Dispatch Increase: Fire Dispatch \$26k, Equip, Insurance \$1k. Decreases: Repeater Sites \$21k, Radio Licence \$2.5k.
- Core Rescue Increases: Training \$10k, Equipment \$1.5k, Misc. \$1k. Decrease: Responses \$25k.
- Emergency Operations Increase: Minor misc. \$1k.
- Planning for future \$3.3m in equipment, marine, EOC equipment, hazmat and repeater/radio replacement.
Increase reserve transfer by \$5k annually from 2020 - 2022, then \$6k in 2023 and stay at that level.
- Remove \$35k, \$20k and \$20k in contract services. This was carried forward from 2019 and was part of surplus funds.
- Equipment includes Jaws of Life, Airbags, Hazmat Equipment, Repeater \$50k, Confined Space Equipment.
- Audio Visual Equipment for EOC.
- Hazmat unit carried forward from 2019.
- Replace Kelowna Marine Rescue 2
- Upgrade laptops, plotters, small equipment every 5 years.
- Use operating reserve to reduce impact of surplus reduction.
- July Amendment: UBCM CEPF Grant for equipment \$25k - \$4k in operating and \$21k in capital.
- July Amendment: Marine Rescue engine repairs \$25k. Reduce reserve transfer to fund.
- July Amendment: Increase Licenses \$1k, reduce legal \$1k.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections

Program: 110 -- Regional Planning

Department: Community Services (Planning Services)

Amended July 2020

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Requisition - Kelowna	(280,678)	(280,108)	(281,844)	(285,720)	(289,672)
Tax Requisition - Peachland	(12,054)	(12,029)	(12,104)	(12,270)	(12,440)
Tax Requisition - Lake Country	(31,162)	(31,098)	(31,291)	(31,721)	(32,160)
Tax Requisition - West Kelowna	(67,572)	(67,435)	(67,853)	(68,786)	(69,738)
Tax Req - EA Cent Ok. West	(8,706)	(8,689)	(8,743)	(8,863)	(8,985)
Tax Req - EA Cent Ok East	(8,021)	(8,005)	(8,054)	(8,165)	(8,278)
UBCM Grant	(252,581)	gh	0	0	0
Previous Year's Surplus/Deficit	(94,366)	a	0	(0)	(0)
Administration OH	85,082	50,574	51,274	51,988	52,716
Other Grants / Revenues	(98,712)	b,i,j	0	0	0
Total Revenue	(768,770)	(356,789)	(358,615)	(363,537)	(368,557)
Expenses:					
Operations	585,558	ce,hj	241,289	251,037	256,058
Transfer to Cap Fac Reserves	8,000	f	8,000	5,000	5,000
Regional Growth Strategy	175,212	d	107,500	107,500	107,500
Total Expenses	768,770	356,789	358,615	363,537	368,558
(Surplus) / Deficit	0	(0)	(0)	(0)	0
FTE's	2.75	2.75	2.75	2.75	2.75

Tax Levy:

Tax Requisition

Residential Tax Rate

(per \$1000 of assessment)

(408,193)	(407,364)	(409,889)	(415,525)	(421,273)
0.0069	0.0068	0.0068	0.0068	0.0069

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Transfer From Cap Fac Reserves	(6,953)	0	0	0	0
Transfer From Revenue Fund	0	0	0	0	0
Total Revenue	(6,953)	0	0	0	0
Expenses					
Computers & Equipment	3,090	0	0	0	0
Furniture	3,863	0	0	0	0
Total Expenses	6,953	0	0	0	0
(Surplus) / Deficit	0	0	0	0	0
Reserve Fund Balance at Y/E	(977)	(8,987)	(14,077)	(19,218)	(24,410)
Operating Reserve Balance at Y/E	(33,855)	(34,194)	(34,536)	(34,881)	(35,230)

Notes

- a. Surplus Carryforward. Projects, including Mission Creek Dike Assessment & NDMP and funding carried forward.
Note: Surplus reduction of \$20k.
- b. Remainder of National Disaster Mitigation Program (NDMP) Grant for project \$270k
- c. Increases: Payroll \$53k, Travel \$2k, Legal \$1.5k, Memberships \$1k, Collaboration/Consulting \$7k.
Decreases: Insurance \$1k, Contract Services \$66.5k, Biodiversity Conservation \$13k.
- d. Reduction to RGS Projects \$271 (corresponds to grant funding revenue reduction).
2020 Projects: NDMP remainder \$67.7k, Regional Citizen Survey \$25k, Regional Housing Strategy \$60k Regional Agriculture Compliance & Enforcement Strategy \$5k, Other \$17.5k.
- e. Contract Services totals \$113.6k and includes: \$104k Mission Creek Dike Assessment Project, \$10k Other.
- f. Transfer funds to build reserves for minor capital needs.
- g. For Mission Creek Dike Assessment Project
- h. July Amendment: UBCM 2020 Poverty Reduction Planning & Action Program Grant \$149k and related costs.
- i. July Amendment: Vancouver Foundation Grant - Okanagan Lake Responsibility Planning Initiative \$20k and related costs.
- j. July Amendment: BC Rent Bank Grant and related costs.

2020-07-09 RDCO 2020-2024 Financial Plan Bylaw
Amendment No. 1460, 2020 Report Attachment.

Original Bylaw Pages From Financial Plan Bylaw No.
1449, for Reference Purposes.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projection**

Program: 123 -- Joe Rich Community Hall

Department: Parks & Recreation

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok East	(55,529)	(61,874)	(65,466)	(65,706)	(67,608)
Previous Year's Surplus/Deficit	(4,494) a	0	0	0	0
Administration OH	4,674	4,750	4,979	4,912	4,991
Total Revenue	(55,349)	(57,124)	(60,487)	(60,794)	(62,617)
Expenses:					
Operations	48,349 b	49,124	51,487	50,794	51,617
Transfer to Cap. Facil. Reserves	7,000 c	8,000 c	9,000 c	10,000 c	11,000 b
Total Expenses	55,349	57,124	60,487	60,794	62,617
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.0560	0.0560	0.0560	0.0560	0.0560

Tax Levy:

Tax Requisition	(55,529)	(61,874)	(65,466)	(65,706)	(67,608)
Residential Tax Rate	0.1736	0.1843	0.2006	0.1993	0.2031

(per \$1000 of assessment)

Maximum Tax Rate 0.2082

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Transfer from CWF Cap Fac Rsve	(103,827) d,e	(11,825) f	(2,465) f	(19,710) f	(4,930) f
Transfer from Cap Fac. Reserve	(2,722)	(355)	(73)	(590)	(145)
Total Revenue	(106,549)	(12,180)	(2,538)	(20,300)	(5,075)
Expenses					
Heating Upgrade	0	0	2,538	20,300	0
Signage	22,500 e	0	0	0	0
Hall Improvements	84,049 d	12,180	0	0	5,075
Total Expenses	106,549	12,180	2,538	20,300	5,075
(Surplus) / Deficit	0	0	0	0	0
Capital Fac. Reserve Balance	(29,845) b	(37,789) b	(47,093) b	(56,974) b	(68,399) b
Operating Reserve Balance	(1,010)	(1,020)	(1,030)	(1,041)	(1,051)

Notes

a. Surplus due to lower than anticipated costs for water rates, legal, and various line items.

b. Increases: Electricity \$6k.

c. Reserves must be built for future renovation projects. Increase annually by \$1k.

d. Community Works Fund Gas Tax funding:

Previously approved Capital:

Kitchen Upgrades 5.3 k remaining

Asset Management Improvements: 76.7 k remaining

82 k remaining

(Upgrades: Security System, Power Meter, Exterior & Window Replacement, Roof Replacement, Install Roof Ice Dams, Stairway & Railing, Eaves Troughs, Exit/Emergency Light, Kitchen Counters, Projector System, Motorized Screen, Outdoor Plugs.)

e. Requesting additional CWF: **New Items requiring Specific Board approval of CWF use prior to project commencing (separate report to come forward). Projects will not proceed if CWF are not available:**

Signage 21.85 k

f. Subject to future approval for use of CWF.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projection

Program: 142 -- Regional Parks

Department: Parks & Recreation

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget	
Revenue:										
Services - WFN	(297,697)		(309,397)		(323,832)		(328,673)		(337,499)	
Sundry Rev. & Donations	(68,011)		(68,011)		(68,011)		(68,011)		(68,011)	
Tax Requisition - Kelowna	(5,531,205)		(5,746,482)		(6,014,598)		(6,104,506)		(6,268,431)	
Tax Requisition - Peachland	(237,539)		(246,784)		(258,298)		(262,159)		(269,199)	
Tax Requisition - Lake Country	(614,090)		(637,991)		(667,758)		(677,740)		(695,939)	
Tax Requisition - West Kelowna	(1,331,620)		(1,383,447)		(1,447,995)		(1,469,641)		(1,509,105)	
Tax Req - EA Cent Ok. West	(171,575)		(178,253)		(186,570)		(189,359)		(194,443)	
Tax Req - EA Cent Ok East	(158,069)		(164,221)		(171,883)		(174,453)		(179,137)	
Grants	(50,600)		(10,600)		(10,600)		(10,600)		(10,600)	
Previous Year's Surplus/Deficit	(152,023)	b	(0)		(0)		(0)		(0)	
Administration OH	570,712		580,834		620,644		629,764		653,142	
Transfer from Operating Reserve	(100,000)	f	(110,074)	f	0		0		0	
Total Revenue	(8,141,717)		(8,274,427)		(8,528,902)		(8,655,378)		(8,879,222)	
Expenses:										
Operations	3,935,946	c	4,005,749		4,196,374		4,258,042		4,416,107	
Transfer to Equip. Reserves	143,115	d	145,262	d	147,441	d	149,652	d	151,897	
Transfer to Capital Facility Reserve	4,050,656	a,d	4,111,416	d	4,173,087	d	4,235,683	d	4,299,219	
Transfer to Dist of Peachland	12,000		12,000		12,000		12,000		12,000	
Total Expenses	8,141,717		8,274,426		8,528,902		8,655,378		8,879,223	
(Surplus) / Deficit	(0)		(0)		(0)		(0)		0	
FTE's	32.222		32.2220		33.112	j	33.112		34.002	j
Tax Levy:										
Tax Requisition	(8,044,098)		(8,357,178)		(8,747,102)		(8,877,858)		(9,116,254)	
Residential Tax Rate	0.1364		0.1403		0.1454		0.1461		0.1485	
(per \$1000 of assessment)										

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget	
Revenue										
Grant	(238,323)	g	(357,484)	g	(119,161)	g	(183,325)	g	(365,282)	g
Donations	(20,000)	h	0		0		0		0	
Proceeds of Sale	0		(2,000)		(2,000)		(2,000)		(2,000)	
Transfer From Park Land Reserves	(1,213,257)	i	0		0		0		0	
Transfer From Equip. Reserves	(215,560)		(146,130)		(77,140)		(105,560)		(77,140)	
Transfer From Cap. Fac. Reserves	(2,329,183)		(1,349,766)		(1,508,234)		(1,815,138)		(1,063,577)	
Total Revenue	(4,016,323)		(1,855,380)		(1,706,535)		(2,106,023)		(1,507,999)	
Expenses										
Parks Development (see detailed project list):	2,548,506		1,705,250		1,625,395		1,996,463		1,426,859	
Other Capital:										
Software	35,000		0		0		0		0	
Vehicles	160,260		108,605		56,840		56,840		56,840	
Office Furniture	5,075		5,075		5,075		5,075		5,075	
Land Acquisition Strategy (from Land Reserves):										
Land Acquisition Strategy - Goats Peak Impr.	117,003	i	0		0		0		0	
Land Acquisition Strat - Other	1,096,254	i	0		0		0		0	
Benches	4,000		4,000		4,000		4,000		4,000	
Equipment	50,225		32,450		15,225		43,645		15,225	
Total Expenses	4,016,323		1,855,380		1,706,535		2,106,023		1,507,999	
(Surplus) / Deficit	0		0		0		0		0	
Capital Facility Reserve Bal at Y/E	(6,429,034)	d	(9,282,590)	d	(12,066,918)	d	(14,632,338)	d	(18,046,659)	d
Equip. Reserve Fund Balance at Y/E	(235,289)	d,e	(236,773)	d,e	(309,442)	d,e	(356,629)	d,e	(434,952)	d,e
Park Land Reserve Balance at Y/E	(86,886)		(87,755)		(88,633)		(89,519)		(90,414)	
Parks Legacy Reserve at Y/E	(27,443)		(27,717)		(27,994)		(28,274)		(28,557)	
Operating Reserve Balance at Y/E	(113,435)	j	(3,395)	m	(3,429)		(3,463)		(3,498)	

Notes

- a. Short Term Land Acquisition Debt payment (\$10.77 m over 5 yrs) ended 2019. As per previous financial plans, increase transfer to reserves with equivalent of debt payment.
- b. 2019 Surplus: Includes increased revenues from Class Registrations \$23.6k. Under expenditures for payroll \$175.4k, planning \$48.3k, bldg repairs & mtce, security, park mtce, and various line items. Vehicle Operations \$30.6k, Interpretation \$18.2k, janitorial supplies and office supplies over budget.
- c. Increases: Payroll \$96k (staffing and contract increases), GIS Program \$44k, Telephone \$1k, Insurance \$6k, SBC Insurance \$3k, Signs \$1k, Office Supplies \$1k, Janitorial Supplies \$2k, Garbage Pick Up \$1.5k, Safety Equipment \$9k, Building/Equip. Assessment \$10k, Vehicle Ops \$20k, Contract Services \$50k.
Decreases: Travel \$2k, Training \$1k, Small Tools \$1k, Legal \$5k, North Zone Mtce \$5k, Central Zone Mtce \$2.5k, Building Rep & Mtce \$10k, Vandalism Repair \$1k, Water Rates \$1k, Irrigation Rep & Mtce \$1k, Equip Rep & Mtce \$1k, Gas & Oil \$1k, Equip Rental \$1k, Security \$15k, Planning \$42.7k.
- d. In 2019, for future financial plans, the Board approved that the combined amount being transferred to reserves and used to pay down land acquisition debt is only to be increased by 1.5% annually, as a reasonable representation of assessment growth. In the past, a specific tax rate of \$0.09 was used, which would have created an unintended consequence of causing a large tax increase per average home.
Note: As debt has been reduced or ended in prior years, the equivalent of those former payment amounts continues to be directed into funding capital reserves.
The capital facilities reserve can be use for development and land acquisition and all capital purposes.
- e. Transfer to Equipment Reserves is required for vehicle and equipment replacement.
- f. Utilize operating reserve to mitigate the impact of the change in surplus carried forward.
- g. ICIP Fed/Prov Grant for the Black Mountain / sntsk'il'nten Regional Park Development.
- h. CONC Bird Viewing Platform
- i. Land Acquisition Strategy using Land Reserves.
- j. Adding .89 FTE

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 199 -- Vehicle Operations Reserves

Department: Engineering Services (Fleet)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue:</u>					
Previous Year's Surplus/Deficit	0	0	0	0	0
Vehicle Recovery Allocation to Cost Centre	(26,000)	(27,000)	(28,000)	(29,000)	(30,000)
Total Revenue	(26,000)	(27,000)	(28,000)	(29,000)	(30,000)
<u>Expenses:</u>					
Transfer to Reserves	26,000	27,000	28,000	29,000	30,000
Total Expenses	26,000	27,000	28,000	29,000	30,000
(Surplus) / Deficit	0	0	0	0	0
FTE's	2.485	2.485	2.485	2.485	2.485

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
<u>Revenue</u>					
Sale of Asset	0	0	0	(2,000)	0
Transfer From Reserves	(95,727)	0	0	(59,153)	0
Total Revenue	(95,727)	0	0	(61,153)	0
<u>Expenses</u>					
Vehicle	51,437	0	0	61,153	0
Equipment	41,200	0	0	0	0
Computers & Equipment	3,090	0	0	0	0
Total Expenses	95,727	0	0	61,153	0
(Surplus) / Deficit	0	0	0	0	0
Reserve Fund Balance at Y/E	(20,600)	(48,076)	(76,836)	(47,150)	(77,922)

Notes

This budget page is shown to track the reserve balance and capital for fleet. The function is allocated out to other costs centres as part of the vehicle charge and is not a bylaw function. It is included in the plan only for the purpose of the transfer to reserves and any future vehicle & capital purchases.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 301 -- Killiney Beach Water System

Department: Engineering Services (Water Systems)

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Water User, Late Pmt & Insp. Fees	(186,498)	(190,228)	(194,033)	(197,913)	(201,871)
Maintenance / Asset Renewal Fees	(284,256) b	(284,256) b	(284,256) b	(284,256) b	(284,256) b
Parcel Tax	0	0	(48,170) g	(190,624) g	(190,624) g
Previous Year's Surplus/Deficit	(54,725) a	0	(0)	0	(0)
Engineering Admin OH	5,593	5,705	5,819	5,936	6,055
Administration OH	24,577	25,068	25,570	26,082	26,603
Total Revenue	(495,309)	(443,710)	(495,069)	(640,775)	(644,095)
Expenses:					
Operations	169,498 c	172,888	176,346	179,873	183,470
Debt Payments	0	0	48,170 g	190,624 g	190,624 g
Transfer to Cap. Fac Reserves	325,811 b	270,822 b	270,554 b	270,278 b	270,000 b
Total Expenses	495,309	443,710	495,070	640,775	644,094
(Surplus) / Deficit	0	(0)	0	(0)	(0)
FTE's	0.46	0.46	0.46	0.46	0.46
Parcel Tax	0	0	(48,170)	(190,624)	(190,624)

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Capital Financing	0	0	(2,369,941) g	0	0
Grants	(58,154) d,f	0	0	0	0
CWF Gas Tax Cap Fac. Rsrv	(33,183) e,f	0	0	0	0
Transfer From Equip Reserves	(437,750)	(20,750)	(210,809)	0	0
Transfer From Cap. Fac. Reserve	(177,285)	0	(940,000)	(20,750)	(20,750)
Total Revenue	(706,372)	(20,750)	(3,520,750)	(20,750)	(20,750)
Expenses					
Metering Program	5,300	5,300	5,300	5,300	5,300
Equipment/SCADA	7,000	0	0	0	0
Distribution System	142,421 f	0	0	0	0
Leak Detection Equipment	10,000	0	0	0	0
Equipment & Improvements	15,450	15,450	15,450	15,450	15,450
UV Disinfecting System	106,000 f	0	3,500,000 g	0	0
Intake Replacement	420,201 f	0	0	0	0
Total Expenses	706,372	20,750	3,520,750	20,750	20,750
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Bal at Y/E	(229,472)	(210,809)	(0)	(0)	(0)
Capital Facility Reserve Bal at Y/E	(448,791) b	(724,101) b	(52,496) b	(302,341) b	(554,407) b

Notes

- Surplus due to higher revenues from late payment fees, water user fees, water system cost recovery and connection fees. Costs for payroll, leak detection & repair and electricity were also lower than expected.
- Transfer asset renewal fees and additional funds to reserves.
- Increases: Equipment Repairs & Mtce \$15k, and misc. \$2.2k. Decreased Payroll \$13.4k.
- Remainder of Build Canada Grant.
- Community Works Fund Gas Tax (from the Capital Facilities Reserve Fund) projects: \$33,183 Carry forward of remaining Board approved amount for Filtration.
- 2019 projects carried forward.
- IHA Required work under discussion. Contingent on finding an alternative solution, receiving financing or grant. This scenario assumes approval for debt & parcel tax received, MFA Financing 20 years, conservatively at 4%.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 303 -- Falcon Ridge Water System

Department: Engineering Services (Water Systems)

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Water User, Late Pmt & Insp. Fees	(51,665)	(52,182)	(53,225)	(54,290)	(55,376)
Maintenance / Asset Renewal Fee	(31,020) a	(25,245) a	(25,246) a	(25,246) a	(25,245) a
Previous Year's Surplus/Deficit	19	(0)	(0)	(0)	0
Engineering Admin OH	1,860	1,897	1,935	1,974	2,013
Administration OH	8,172	8,335	8,502	8,672	8,845
Total Revenue	(72,634)	(67,194)	(68,034)	(68,889)	(69,762)
Expenses:					
Operations	56,357 b	57,484	58,634	59,806	61,003
Transfer to Cap. Fac Reserves	16,277 a	9,710 a	9,400 a	9,083 a	8,759 a
Total Expenses	72,634	67,194	68,034	68,889	69,762
(Surplus) / Deficit	(0)	(0)	(0)	0	(0)
FTE's	0.15	0.15	0.15	0.15	0.15

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Tsfr from Gas Tax Cap Fac. Rsrv	(15,016) c,d	0	0	0	0
Transfer From Equip Reserves	(2,509)	0	0	0	0
Transfer From Cap. Fac. Reserve	(25,429)	(10,300)	(5,150)	(5,150)	(5,150)
Total Revenue	(42,954)	(10,300)	(5,150)	(5,150)	(5,150)
Expenses					
Distribution System Improvements	15,900 c,d	0	0	0	0
Reservoir	8,554 d	0	0	0	0
Equipment/SCADA	3,500	0	0	0	0
Controls & Instrumentation	15,000	0	0	0	0
Equipment & Improvements	0	10,300	5,150	5,150	5,150
Total Expenses	42,954	10,300	5,150	5,150	5,150
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Bal at Y/E	0	-	0	0	0
Capital Facility Reserve Bal at Y/E	(1,208) a	(527) a	(4,731) a	(8,660) a	(12,304) a

Notes

a. Transfer asset renewal fees to reserves. Full transfer cannot be made. Additional rate review may be required.

b. Increases: Travel \$3k, Payroll \$2.3k, Equip. Repairs & Mtce \$1.3k, Ministry testing \$0.5k, and misc. \$1.35k.

c. Community Works Fund Gas Tax funding:

Previously approved Capital:

Hydrants

\$15k

d. 2019 projects carried forward.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 307 -- Westshore Water System

Department: Engineering Services (Water Systems)

Water Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Water User, Late Pmt & Insp. Fees	(191,150)	(194,973)	(198,872)	(202,850)	(206,907)
Maintenance / Asset Renewal Fee	(367,488) b	(367,488) b	(367,488) b	(367,488) b	(367,488) b
Parcel Tax	0	0	(30,228) e	(119,624) e	(119,624) e
Previous Year's Surplus/Deficit	(44,848) a	0	(0)	(0)	0
Engineering Admin OH	6,765	6,900	7,038	7,179	7,323
Administration OH	29,725	30,319	30,925	31,544	32,175
Total Revenue	(566,996)	(525,241)	(558,625)	(651,239)	(654,521)
Expenses:					
Operations	204,997 c	209,097	213,279	217,544	221,895
Debt Payments	0	0	30,228 e	119,624 e	119,624 e
Transfer to Capital Facility Reserves	361,999 b	316,144 b	315,118 b	314,071 b	313,002 b
Total Expenses	566,996	525,241	558,625	651,239	654,521
(Surplus) / Deficit	0	(0)	(0)	0	(0)
FTE's	0.56	0.56	0.56	0.56	0.56
Parcel Tax	0	0	(30,228)	(119,624)	(119,624)

Water Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Capital Financing	0	0	(1,487,240) e	0	0
Transfer From Equip Reserves	(287,860)	(18,630)	(1,166,510)	0	0
Transfer from Cap Fac. Reserve	(135,008)	0	(1,077,000)	(20,750)	(20,750)
Total Revenue	(422,868)	(18,630)	(3,730,750)	(20,750)	(20,750)
Expenses					
Equip & Improvements	15,450 d	15,450	15,450	15,450	15,450
Metering	3,180	3,180	5,300	5,300	5,300
Equipment/SCADA	7,000	0	0	0	0
Leak Detection Equipment	31,230 d	0	0	0	0
Distribution System	125,000	0	0	0	0
Reservoir	135,008 d	0	0	0	0
UV Disinfection System	106,000 d	0	3,710,000 e	0	0
Total Expenses	422,868	18,630	3,730,750	20,750	20,750
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Fund Balance at Y/E	(1,173,591)	(1,166,510)	(0)	(0)	(0)
Capital Facility Reserve Bal at Y/E	(596,025) b	(918,129) b	(154,659) b	(449,319) b	(745,856) b

Notes

- Surplus primarily due to higher revenues from asset renewal, water system cost recovery, and late payment fees; reduced payroll costs also contributed to the surplus. Contract services was higher than budgeted \$17.7k.
- Transfer asset renewal fees to reserves. Full transfer cannot be made. Additional rate review may be required.
- Increases: Equip Repairs & Mtce \$38k, Travel \$1k, and misc. \$2.5k. Decreases: Payroll \$11k, and Leak Detection & Repair \$5k.
- Carryforward 2019 project.
- IHA Required work under discussion. Contingent on finding an alternative solution, receiving financing or grant. This scenario assumes approval for debt & parcel tax received, MFA Financing 20 years, conservatively at 4%.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections

Program: 401 -- Westside Sewer System: Wastewater Treatment Plant n

Department: Engineering Services (Sewer Systems)

Sewer Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Misc. Rev.	(2,400)		0		0		0		0
Services - Peachland	(353,008)	a	(374,490)		(378,245)		(384,430)		(390,738)
Services - West Kelowna	(3,282,883)	a	(3,482,666)		(3,517,581)		(3,575,096)		(3,633,761)
Previous Year's Surplus/Deficit	(97,339)	c	0		0		0		0
Engineering Admin OH	106,202		109,152		110,493		112,703		114,957
Administration OH	466,647		479,605		485,500		495,210		505,114
Transfer from Operating Reserve	(69,000)	b	0		0		0		0
Services - WFN	(866,760)	a	(919,508)		(928,726)		(943,912)		(959,401)
Total Revenue	(4,098,542)		(4,187,907)		(4,228,559)		(4,295,525)		(4,363,829)
Expenses:									
Operations	3,218,257	d	3,307,622	l	3,348,275	l	3,415,240		3,483,545
Transfer to Equip. Reserves	55,000	e	55,000	e	55,000	e	55,000	e	55,000
Transfer Cap. Facility Reserves	825,285	f	825,285		825,285		825,285		825,285
Total Expenses	4,098,542		4,187,907		4,228,559		4,295,525		4,363,830
(Surplus) / Deficit	0		0		0		0		0
FTE's	10.355	g	10.355		10.355		10.355		10.355
Total Service Cost Recovered From Partners/Participants	(4,502,652)		(4,776,664)		(4,824,552)		(4,903,438)		(4,983,900)

Sewer Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Grants	(690,000)	h	0		0		0		0
Sale of Assets	(2,000)		0		0		0		0
From Equipment Reserves	(389,400)	e	(52,000)	e	(20,400)	e	0		0
From Capital Facility Reserves	(1,455,380)	h,j	(43,460)		(320,360)		(300,960)		(43,460)
From DCC Reserve Fund	(1,266,667)	j	0		0		0		0
Total Revenue	(3,803,447)		(95,460)		(340,760)		(300,960)		(43,460)
Expenses									
HVAC	122,960		0		0		0		0
Vehicles	268,571	i	52,000		20,400		0		0
Engineering & Design Costs	27,488		0		0		0		0
TWAS Vault Expansion	1,900,000	j	0		0		0		0
Headworks Pumps	371,568		0		257,500		257,500		0
Equipment/Improvements	25,000	k	0		0		0		0
Lab Equipment	45,000		0		0		0		0
Security System	10,000		0		0		0		0
Bioreactors	32,860		32,860		32,860		32,860		32,860
Odor Control	0		10,600		30,000		10,600		10,600
Blowers	1,000,000	h	0		0		0		0
Total Expenses	3,803,447		95,460		340,760		300,960		43,460
(Surplus) / Deficit	0		0		0		0		0
Equip. Reserve Fund Balance at Y/E	(58)	e	(2,539)	e	(36,960)	e	(92,330)	e	(148,253)
Capital Facility Reserve Bal. at Y/E	(517,577)		(1,304,143)		(1,818,906)		(2,358,410)		(3,163,385)
DCC Reserve Fund	(2,937,434)	m	(3,566,808)	m	(4,202,476)	m	(4,844,501)	m	(5,492,946)
Operating Reserve Bal. at Y/E	(130,729)		(132,037)		(133,357)		(134,691)		(136,037)

Notes

- a. Updated 5 year average flow splits. Shift in splits from West Kelowna (-0.21%) & Peachland (-0.23%) to WFN totalling 0.44%.
- b. \$100k of operating reserve not required as budgeted in 2019. Use a portion - \$69k in 2020 to mitigate increased costs.
- c. Surplus resulting from under expenditures for Contract services \$89.4k, Biosolids removal \$78.3k, Biosolids mgmt \$37.2k, Centrifuge mtce \$25k, Electricity-Plant \$15.5k, Alum \$8.3k, and various line items. Payroll \$75.5k and Polymer Chemicals \$9.6k higher than expected.
- d. Increases: Payroll \$163.8k (FTE increase), Travel \$3k, Training \$4k, Permits & Lic. \$3.5k, Insurance \$5.7k, Office Supplies \$1k, Software & Lic. \$10k, Garbage \$5k, Biofilter Mtce. \$20k, Centrifuge Mtce. \$5k, Equipment Rep & Mtce. \$55k, & Bldg/Equip. Assessment \$10k.
Decreases: Telephone \$4k, Chemicals \$2.5k, Tools \$1k, Electrical Rep & Mtce \$4k, Biosolids Mngt. \$9k, Biosolids Removal \$171k, & Contract Services \$50k.
- e. As per previous financial plans, \$55k is to be transferred annually to equipment reserve (not included in facility replacement calculations.)
- f. The approved Capital / Reserve Contribution Level was raised to 40% of the estimated annual capital cost replacement level in 2019 based on updated Urban Systems Report. Reserve balances are still falling behind capital needs. The funding level must continue to increase. It is imperative that the funding level be raised to at least 45% to be able to fund anticipated upcoming capital needs. Staff has advised of Roof replacement coming in 2027 estimated at \$2m. Future project needs are also being examined. If grant not received for \$1m blower project, they will still need to be done within the next couple of years.
- g. FTE increase
- h. Blower project added in 2020 due to grant opportunity. If the 2/3 grant is not approved, this project must then be done in a future year as insufficient currently there are reserves to fully fund this project, or the project would have to be financed.
If grant is not approved, \$25k of work would still need to be done.
Again, it is imperative to increase reserve funding as per note f, as grant funding cannot be relied upon.
- i. Includes 2019 carry forwards.
- j. Increasing capacity. 2/3 of project funded with DCC's as per Engineering Staff.
- k. Concrete
- l. Add \$25k for Chemsan rebuild maintenance, remove following year.
- m. Conservatively assumes \$600k in DCC's are collected annually, however this is likely to be higher.
- n. Lift Stations and Collector Systems are budgeted as separate cost centres 470, 471 & 472 simply to track the costs at the request of the partners, but are part of the overall Westside Sewer Service.

Community Services (Solid Waste Management)
2020 - 2024 Five Year Program Budget Projections

Program: 095 -- SWM: Solid Waste Collection (Electoral Areas) **a**

Department: Engineering Services (Solid Waste Management)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Collection Fees, Late Payment					
Fees & Tags	(495,200) g	(505,104)	(515,206)	(525,510)	(536,020)
Parcel Tax	(61,432) g	(71,482)	(89,808)	(108,992)	(110,873)
Hauler Fuel Rebates	(2,500)	0	0	0	0
Previous Year's Surplus/Deficit	(0) b	(0)	(0)	(0)	0
Administration OH	81,951	83,590	86,967	88,707	90,481
Transfer from Operating Reserve	(38,000) h	(32,189) h	(17,342) h	0	0
Multi Material BC (MMBC)	(65,000) c,g	(66,300)	(67,626)	(68,979)	(70,358)
Total Revenue	(580,181)	(591,485)	(603,014)	(614,774)	(626,770)
Expenses:					
Operations	565,181 d	576,485	588,014	599,775	611,770
Transfer to Capital Fac. Reserves	15,000 f	15,000 f	15,000 f	15,000 f	15,000 f
Total Expenses	580,181	591,485	603,014	614,775	626,770
(Surplus) / Deficit	(0)	(0)	(0)	0	(0)
FTE's	0.19	0.19	0.19	0.19	0.19

Tax Levy:

Parcel Tax (61,432) g (71,482) (89,808) (108,992) (110,873)

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Transfer from CWF Cap Fac Rsv	(15,000) e	(100,000) e	0	0	0
Transfer from Cap. Fac. Reserve	(10,476)	(13,026)	(12,601)	(12,601)	(12,601)
Total Revenue	(25,476)	(113,026)	(12,601)	(12,601)	(12,601)
Expenses					
Garbage Carts	10,026	10,026	10,026	10,026	10,026
Transfer Site Improvements	15,450 e	103,000 e	2,575	2,575	2,575
Total Expenses	25,476	113,026	12,601	12,601	12,601
(Surplus) / Deficit	0	0	0	0	0
Equip. Reserve Balance at Y/E	(202,554)	(204,580)	(206,626)	(208,692)	(210,779)
Capital Fac. Reserv Bal. at Y/E	(39,699) f	(41,939) f	(44,632) f	(47,351) f	(50,097) f
Operating Reserve Balance at Y/E	(48,870) h	(17,170) h	0 h	0	0

Notes

a. This is part of the overall SWM service. Costs are split out into the various cost centre for tracking and billing purposes.

b. Under expenditures for collection fees and tipping fees-KSLF. Contract services higher than budgeted \$20.4k.

Note: Budget amendment was done to reduce 2019 deficit to zero and increase contract services fees at year end.

c. Multi-Materials Management BC is reducing rebates.

d. Increases: TS Contract-Sites \$35k, TS Equipment Rental \$8k, Tipping fees KSLF \$6.9k, Payroll \$4.7k, TS Hauling charges \$1k, insurance \$0.9k. Decreases: Contract services \$60.9k, Collection fees \$9k, Postage/Freight \$8.6k.

e. Community Works Fund Gas Tax funding:

Previously Approved

Transfer Stations Improvement Project: \$40 k

Note: \$15k for design was disallowed, so full \$40k

still available for implementation

Additional \$75k of CWF usage would need to be requested in 2021 to cover remainder of implementation.

f. Reserves being set aside for carts, vehicles and transfer stations.

g. SWM Parcel Tax will need to be included for this part of the service to cover the effects of prior year interim contract costs, increases to reserve transfers from \$6.6k to \$15k, reduction of surplus by \$52k and reduction of MMBC rebates.

Operating reserve is being used to lessen the impact.

Utility Billing Garbage Collection rates may need to be reviewed as well.

h. Use operating reserve to lessen impact.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 021 -- Ellison Fire Department

Department: Engineering Services (Fire Services)

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Services - Kelowna	(45,500)	b	0	b	0		0		0
Tax Req - EA Cent Ok East	(488,469)		(512,777)		(547,429)		(581,477)		(610,421)
Previous Year's Surplus/Deficit	(45,113)	a,b	0		0		0		0
Administration OH	38,263		39,041		40,618		41,431		42,259
Transfer from Operating Reserve	0		(60,000)	b	(50,000)	b	(40,000)	b	(25,286)
Total Revenue	(540,819)		(533,735)		(556,810)		(580,046)		(593,447)
Expenses:									
Operations	395,819	c	403,735		411,810		420,046		428,447
Transfer to Cap. Fac. Reserve	115,000	d	130,000	d	145,000	d	160,000	d	165,000
Transfer to Operating Reserve	30,000	b	0		0		0		0
Total Expenses	540,819		533,735		556,810		580,046		593,447
(Surplus) / Deficit	0		0		0		0		0
FTE's	0.2530	e	0.2530		0.2530		0.2530		0.2530

Tax Levy:

Tax Requisition	(488,469)	(512,777)	(547,429)	(581,477)	(610,421)
Residential Tax Rate	0.7052	0.7330	0.7748	0.8148	0.8469

(per \$1000 of assessment)

Maximum Tax Rate 1.9500

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Grant	(25,000)	g	0		0		0		0
Transfer From Equip Reserve	0		0		0		(15,950)		0
Trsrfr From Cap Fac Reserve	(158,178)	g	(54,096)		(338,973)		(537,334)		(35,866)
Total Revenue	(183,178)		(54,096)		(338,973)		(553,284)		(35,866)
Expenses									
Trucks	0		0		0		480,000	d	0
Turn Out Gear	10,308		10,514		10,725		10,939		11,158
Radios & Pagers	4,341		4,427		4,516		4,606		4,699
Equipment	8,681		8,855		9,032		9,212		9,397
Hall Improvements	20,521		20,300		0		38,123		0
SCBA	139,327	f,g	10,000		10,200		10,404		10,612
New Truck Bay	0		0		304,500		0		0
Total Expenses	183,178		54,096		338,973		553,284		35,866
(Surplus) / Deficit	0		0		0		0		0
Equip Reserve Balance at Y/E	(15,636)		(15,792)		(15,950)		(0)		(0)
Cap. Fac. Reserve Balance at Y/E	(548,565)	d,g	(629,954)	d	(442,281)	d	(69,370)	d	(199,198)
Operating Reserve Balance at Y/E	(171,543)	b	(113,259)	b	(64,391)	b	(25,035)	b	0

Notes

- a. Surplus due to underspending in payroll, responses, vehicle ops & misc.
- b. Payment from City of Kelowna re: Country Rhodes. Once City of Kelowna staffs the Glenmore hall, estimated to be in 2021, they will take over fire protection and this revenue will disappear. Continuing to transfer a portion of 2019 surplus carried forward to increase operating reserve to ease this transition. Any excess funds could still be used to transfer to capital in the future as well.
- c. Increases: Payroll \$7k, Training \$3k, Turn Out Gear Cleaning \$3.5k, Electricity \$1.5k, FMR Equipment \$3k.
Decreases: Safety supplies \$5k, Hydrant Fees \$2k, Equipment \$3k, Vehicle Ops \$8k, Telephone \$1k.
- d. Revised Upcoming Major Capital \$1.785 million (previously \$1.55m), includes timing changes. \$304.5k Truck Bay in 2022, \$480k Truck Replacement in 2023, \$220k truck in 2026, \$600k in 2035 and \$100k in 2037, SCBA \$80k in 2039. Capital reserves to be rebuilt in anticipation of these replacements. BCAA information shows higher growth in Ellison which reduces any tax requisition impact. Increasing transfers to reserves in 2021 - 2023 by \$15k annually in order to fund increased costs of capital needs. Current long term plan will allow cash payment for replacements.
- e. Fire Services Manager and support staff.
- f. SCBA System including compressor.
- g. Possible Grant Funding for SCBA system reduces reserve usage.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections

Program: 022 -- Joe Rich Fire Department

Department: Engineering Services (Fire Services)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok East	(503,927)	(506,286)	(523,812)	(541,488)	(559,318)
Previous Year's Surplus/Deficit	25,030	0	0	0	0
Administration OH	32,517	33,179	33,842	34,519	35,209
Total Revenue	(446,380)	(473,108)	(489,970)	(506,969)	(524,109)
Expenses:					
Operations	336,380	343,108	349,970	356,969	364,109
Transfer to Capital Facility Reserve	110,000	130,000	140,000	150,000	160,000
Total Expenses	446,380	473,108	489,970	506,969	524,109
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530	0.2530	0.2530	0.2530	0.2530

Tax Levy:

Tax Requisition	(503,927)	(506,286)	(523,812)	(541,488)	(559,318)
Residential Tax Rate (per \$1000 of assessment)	1.5917	1.5833	1.6219	1.6600	1.6977
Maximum Tax Rate	2.5000				

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Sale of Asset / Internal Transfer	0	0	(25,000)	0	0
Grant	(25,000)	0	0	0	0
Transfer From Equip. Reserves	0	0	(25,719)	0	0
Trsf From CWF Cap Fac. Rsrv	(29,254)	0	0	0	0
Transfer from Cap Fac Reserve	(100,170)	(49,569)	(587,984)	(77,442)	(73,292)
Total Revenue	(154,424)	(49,569)	(638,703)	(77,442)	(73,292)
Expenses					
SCBA	10,025	8,058	8,219	8,384	8,551
Water Supply / Cisterns	30,900	0	0	0	0
Radios & Pagers	7,597	7,749	7,904	8,026	8,267
Trucks	0	0	550,000	0	0
Turnout Gear	10,308	10,514	11,290	11,516	11,746
Hall Renovations	80,844	12,180	50,000	38,000	32,982
Equipment	14,750	11,068	11,290	11,516	11,746
Total Expenses	154,424	49,569	638,703	77,442	73,292
(Surplus) / Deficit	0	0	0	0	0
Equip Reserve Balance at Y/E	(25,464)	(25,719)	0	0	0
Capital Facilities Reserve Bal. at Y/E	(407,295)	(491,303)	(42,352)	(114,559)	(201,680)
Joe Rich Water Cap Fac Bal	(15,181)	(20,333)	(25,536)	(30,791)	(36,099)

Notes

- Major deficit due to overspending. Must be recovered in 2020 requisition. Over expenditures include Payroll \$25.8k, Training \$6k Building Repairs & Mtce \$5k, Equipment Repairs & Mtce \$6k, Uniforms \$1.5k, Supplies & Cleaning \$14k. Vehicle Operations allocations were under \$10.5k, & various line items under by \$5k in total.
- Normal Board practice is to transfer any response revenues net of expenses to reserves. This did not occur because of the large deficit. Additional unbudgeted revenue of \$17.3k used to offset deficit instead.
- Increases: Payroll \$5k, Training \$2k, Insurance \$1k, Turn Out Gear Cleaning \$3.5k, FMR Equipment \$3k, Equip Rep & Mtce \$1k, Various Minor \$2k.
Decreases: Electricity \$4.5k, Equipment \$1k, Vehicle Ops \$8k.
- Reserves must continue to be built to a much higher level. Trucks totalling \$2.135 million are scheduled to be replaced in 2022 (\$550k), 2025 (\$200k), 2029 (\$520k), 2030 (\$215k) plus \$650k beyond that. In the past, the tolerance for rate increases and reserve transfers has been low for this service.
There are two firehalls that must be staffed, equipped and maintained, and the assessment tax base is very low. Improvements for 2 Halls over 20 years are expected to be \$745k.
- Fire Services Manager and support staff.
- Community Works Fund Gas Tax funding approved May 30th, 2016. Carryover of \$30,000 from 2018.
- Includes Roof, hot water heater, water treatment system, lighting fixtures.
- Thermostat, water treatment system, electrical upgrade.
- Lighting fixtures, exhaust ventilation system, and various.
- Joe Rich Water System Asset resides here. 022 - Joe Rich Fire, 144 - Eastside Parks, and 123 - Joe Rich Hall each contribute 1/3 share of operating costs which includes annual contribution to reserves of \$5k.
- Possible Grant Funding for SCBA and equipment reduces reserve usage.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 023 -- North Westside Rd Fire Rescue Department

Department: Engineering Services (Fire Services)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok. West	(572,815)	(586,785)	(607,743)	(628,077)	(648,599)
Previous Year's Surplus/Deficit	(37,104) a	0	0	0	0
Administration OH	39,473	40,276	41,904	42,742	43,596
Total Revenue	(570,446)	(546,509)	(565,839)	(585,336)	(605,003)
Expenses:					
Operations	408,342 b	416,509	424,839	433,336	442,003
Transfer to Capital Fac. Reserve	162,104 abc	130,000	141,000	152,000	163,000
Total Expenses	570,446	546,509	565,839	585,336	605,003
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530 d	0.2530	0.2530	0.2530	0.2530

Tax Levy:

Tax Requisition

Residential Tax Rate

(per \$1000 of assessment)

Maximum Tax Rate

(572,815)	(586,785)	(607,743)	(628,077)	(648,599)
0.7671	0.7781	0.7979	0.8164	0.8347

1.3500

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Grant	(25,000) h	0	0	0	0
Transfer from Cap Fac Reserve	(88,741) h	(30,342)	(85,746)	(156,262)	(526,787)
Transfer From Equip. Reserves	(1,047)	0	0	0	0
Total Revenue	(114,788)	(30,342)	(85,746)	(156,262)	(526,787)
Expenses					
Trucks	0	0	0	0	480,000
SCBA	31,280 h	5,100	60,000 g	130,000 g	0
Equipment	40,000 e	9,118	9,300	9,486	9,676
Pagers & Radios	5,500	5,610	5,722	5,837	5,953
Firehall Renovations	24,000 f	0	0	0	20,000
Turn Out Gear	10,308	10,514	10,724	10,939	11,158
Boathouse	3,700	0	0	0	0
Total Expenses	114,788	30,342	85,746	156,262	526,787
(Surplus) / Deficit	0	0	0	0	0
Equip. Reserve Fund Bal. at Y/E	(0)	(0)	(0)	(0)	(0)
Capital Facility Reserve Bal. at Y/E	(498,955) ach	(603,602)	(664,892)	(667,279)	(310,165)

Notes

- Surplus due to under expenditures for payroll, training, uniforms, equipment rep & mtce, vehicle ops, security, responses, and various line items. Transfer difference between annual surpluses of \$36k to reserves.
- Net reduction to Operating expenses budgeted. Transfer excess \$6.9k to reserves.
Increases: Payroll \$6.7k, Insurance \$1.5k, Turn Out Gear Cleaning \$3.5k, Bldg Rep & Mtce \$1k, FMR Equipment \$3k.
Decreases: Training \$10k, Telephone \$1k, Uniforms \$2k, Supplies \$3k, Electricity \$1k, Equipment \$1k, Vehicle Ops \$5k, Misc. \$1k.
- It is highly recommended that the entire surplus and reduction to operating expenses be transferred to reserves in addition to annually increasing regular reserve transfers by \$11k. In addition to regular capital needs, after 2020, the following truck replacements totalling \$3.356 million are coming up: 2024 (\$480k), 2028 (\$200K), 2029 (\$501k), 2031 (\$75k), 2032 (\$600k), 2033 (\$100k), 2036 (\$1.4m). There are also 2 halls which are estimated to need \$465k in improvements.
- Fire Services Manager and support staff.
- Industrial Washing Machine, High Flow Quickees Fans.
- Hot Water Heater and eavestroughs.
- SCBA System.
- Possible Grant Funding for SCBA. Remainder comes from reserves.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 024 -- Wilson's Landing Fire Department

Department: Engineering Services (Fire Services)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Req - EA Cent Ok. West	(278,111)	(320,838)	(336,676)	(352,150)	(367,733)
Previous Year's Surplus/Deficit	(27,467)	0	0	0	0
Administration OH	23,145	23,616	24,570	25,062	25,563
Total Revenue	(282,433)	(297,222)	(312,106)	(327,088)	(342,170)
Expenses:					
Operations	239,433	244,222	249,106	254,088	259,170
Transfer to Cap. Fac. Reserve	43,000	53,000	63,000	73,000	83,000
Total Expenses	282,433	297,222	312,106	327,088	342,170
(Surplus) / Deficit	0	0	0	0	0
FTE's	0.2530	0.2530	0.2530	0.2530	0.2530

Tax Levy:

Tax Requisition	(278,111)	(320,838)	(336,676)	(352,150)	(367,733)
Residential Tax Rate	0.7896	0.9019	0.9370	0.9704	1.0033
(per \$1000 of assessment)					
Maximum Tax Rate	2.8500				

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Grants	(25,000)	0	0	0	0
Transfer From Equip. Reserves	(60,888)	(19,539)	0	0	0
Transfer from Cap. Fac. Reserve	(31,532)	(21,899)	(31,812)	(37,241)	(77,818)
Total Revenue	(117,420)	(41,438)	(31,812)	(37,241)	(77,818)
Expenses					
Pagers and Radios	4,500	4,559	4,650	4,743	4,838
SCBA	12,960	5,698	5,812	5,928	6,048
Equipment	43,782	9,118	9,300	9,456	9,676
Hall Improvements	45,870	15,225	5,075	10,000	50,000
Turnout Gear	10,308	6,838	6,975	7,114	7,256
Total Expenses	117,420	41,438	31,812	37,241	77,818
(Surplus) / Deficit	0	0	0	0	0
Equip. Reserve Balance at Y/E	(19,539)	(0)	(0)	(0)	(0)
Capital Facility Reserve Bal. at Y/E	(157,205)	(189,878)	(222,965)	(260,953)	(268,745)

Notes

- Due to a \$60k requisition increase in 2019 the budgeted reserve transfer for 2019 was reduced from the planned level of \$45k to \$35k.
- Increases: Payroll \$5k, Training \$2.8k, Uniforms \$3k, Turn Out Gear Cleaning \$3.5k, Supplies \$1k, FMR Equipment \$1k, Equipment \$8k, Misc. \$1k. Decreases: Telephone \$1k.
- In future, in order to avoid debt financing, the revised \$35k planned reserve transfer would now need to be increased by \$8k in 2020, then \$10k annually, order to be able to fund \$1.54 million in future truck purchases from reserves: 2031 (\$700k), 2035 (\$570k), & 2038 (\$270k). Estimates for hall improvements over 20 years are \$383k.
- Fire Services Manager and support staff.
- AV system, baseboard heaters, hot water heater, chain link fence, etc.
- Possible Grant Funding for SCBA, Equipment and Hall. Remainder comes from reserves.

**REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections**

Program: 030 -- Regional Rescue Service

Department: Engineering Services (Fire Services)

General Revenue Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue:									
Services - WFN	(84,049)		(87,839)		(91,517)		(93,479)		(95,263)
Tax Requisition - Kelowna	(1,561,633)		(1,631,451)		(1,699,759)		(1,736,212)		(1,769,336)
Tax Requisition - Peachland	(67,065)		(70,063)		(72,996)		(74,562)		(75,984)
Tax Requisition - Lake Country	(173,377)		(181,128)		(188,712)		(192,759)		(196,437)
Tax Requisition - West Kelowna	(375,958)		(392,767)		(409,211)		(417,988)		(425,962)
Tax Req - EA Cent Ok. West	(48,441)		(50,607)		(52,726)		(53,856)		(54,884)
Tax Req - EA Cent Ok East	(44,628)		(46,623)		(48,575)		(49,617)		(50,564)
Previous Year's Surplus/Deficit	(148,045)	a,b	0		0		0		0
Administration OH	217,331		214,304		218,538		222,856		227,261
Transfer from Operating Reserve	(40,000)	m	(50,000)	m	0		0		0
WCB, PEP, JEPP Grant & Other	(47,384)		(55,000)		(55,000)		(55,000)		(55,000)
Total Revenue	(2,373,249)		(2,351,174)		(2,399,958)		(2,450,617)		(2,496,169)
Expenses:									
Operations Radio & Dispatch	1,394,119	c	1,386,301	g	1,414,027		1,442,308		1,471,154
Operations Core Rescue	638,951	d	631,330	g	643,957		656,836		669,972
Operations Emergency Operations	188,179	e	171,543	g	174,973		178,473		182,042
Search & Rescue	27,000		27,000		27,000		27,000		27,000
Transfer to Equip Reserves	125,000	f	135,000	f	140,000	f	146,000	f	146,000
Total Expenses	2,373,249		2,351,174		2,399,957		2,450,617		2,496,169
(Surplus) / Deficit	0		(0)		(0)		(0)		0
FTE's	0.3180		0.3180		0.3180		0.3180		0.3180

Tax Levy:

Tax Requisition	(2,271,102)	(2,372,639)	(2,471,979)	(2,524,994)	(2,573,167)
Residential Tax Rate (per \$1000 of assessment)	0.0385	0.0398	0.0411	0.0415	0.0419

General Capital Fund Budgets

	2020 Budget		2021 Projected Budget		2022 Projected Budget		2023 Projected Budget		2024 Projected Budget
Revenue									
Transfer From Equip Reserves	(453,066)		(58,071)		(251,843)		(81,880)		(1,918)
Total Revenue	(453,066)		(58,071)		(251,843)		(81,880)		(1,918)
Expenses									
Equipment	186,066	h	58,071		1,843		16,880		1,918
Marine Rescue Replacement	0		0		250,000	k	0		0
EOC Equipment	17,000	i	0		0		65,000	i	0
Vehicles	250,000	j	0		0		0		0
Total Expenses	453,066		58,071		251,843		81,880		1,918
(Surplus) / Deficit	0		0		0		0		0
Equip Reserve Fund Balance at Y/E	(108,679)		(186,114)		(73,614)		(137,652)		(283,091)
Operating Reserve Balance at Y/E	(115,669)		(66,326)		(66,989)		(67,659)		(68,336)

Notes

- a. Surplus due to under expenditures for:
Carry forward of unspent \$75k in contract services consulting, contracting and studies to be done by CoK under contract management (Radio Review \$35k, Regional Operating Guidelines \$20k, Emergency Management Plan Update \$20k), Equipment, Repairs & Maintenance, Legal, Training, Vehicle Ops, & Responses. Operating Reserve not used.
- b. The surplus is \$41k less than last year.
- c. Radio & Dispatch Increase: Fire Dispatch \$26k, Equip, Insurance \$1k. Decreases: Repeater Sites \$21k, Radio Licence \$2.5k.
- d. Core Rescue Increases: Training \$10k, Equipment \$1.5k, Misc. \$1k. Decrease: Responses \$25k.
- e. Emergency Operations Increase: Minor misc. \$1k.
- f. Planning for future \$3.3m in equipment, marine, EOC equipment, hazmat and repeater/radio replacement.
Increase reserve transfer by \$5k annually from 2020 - 2022, then \$6k in 2023 and stay at that level.
- g. Remove \$35k, \$20k and \$20k in contract services. This was carried forward from 2019 and was part of surplus funds.
- h. Equipment includes Jaws of Life, Airbags, Hazmat Equipment, Repeater \$50k, Confined Space Equipment.
- i. Audio Visual Equipment for EOC.
- j. Hazmat unit carried forward from 2019.
- k. Replace Kelowna Marine Rescue 2
- l. Upgrade laptops, plotters, small equipment every 5 years.
- m. Use operating reserve to reduce impact of surplus reduction.

REGIONAL DISTRICT OF CENTRAL OKANAGAN
2020 - 2024 Five Year Program Budget Projections

Program: 110 -- Regional Planning

Department: Community Services (Planning Services)

General Revenue Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue:					
Tax Requisition - Kelowna	(280,678)	(280,108)	(281,844)	(285,720)	(289,673)
Tax Requisition - Peachland	(12,054)	(12,029)	(12,104)	(12,270)	(12,440)
Tax Requisition - Lake Country	(31,162)	(31,098)	(31,291)	(31,721)	(32,160)
Tax Requisition - West Kelowna	(67,572)	(67,435)	(67,853)	(68,786)	(69,738)
Tax Req - EA Cent Ok. West	(8,706)	(8,689)	(8,743)	(8,863)	(8,985)
Tax Req - EA Cent Ok East	(8,021)	(8,005)	(8,054)	(8,165)	(8,278)
UBCM Grant	(103,581)	g	0	0	0
Previous Year's Surplus/Deficit	(94,366)	a	0	0	0
Administration OH	85,082	50,574	51,274	51,988	52,716
Other Grants / Revenues	(73,712)	b	0	0	0
Total Revenue	(594,770)	(356,789)	(358,615)	(363,537)	(368,558)
Expenses:					
Operations	411,558	ce	241,289	251,037	256,058
Transfer to Cap Fac Reserves	8,000	f	8,000	5,000	5,000
Regional Growth Strategy	175,212	d	107,500	107,500	107,500
Total Expenses	594,770	356,789	358,615	363,537	368,558
(Surplus) / Deficit	0	0	0	0	0
FTE's	2.75	2.75	2.75	2.75	2.75

Tax Levy:

Tax Requisition	(408,193)	(407,364)	(409,889)	(415,525)	(421,274)
Residential Tax Rate	0.0069	0.0068	0.0068	0.0068	0.0069
(per \$1000 of assessment)					

General Capital Fund Budgets

	2020 Budget	2021 Projected Budget	2022 Projected Budget	2023 Projected Budget	2024 Projected Budget
Revenue					
Transfer From Cap Fac Reserves	(6,953)	0	0	0	0
Transfer From Revenue Fund	0	0	0	0	0
Total Revenue	(6,953)	0	0	0	0
Expenses					
Computers & Equipment	3,090	0	0	0	0
Furniture	3,863	0	0	0	0
Total Expenses	6,953	0	0	0	0
(Surplus) / Deficit	0	0	0	0	0
Reserve Fund Balance at Y/E	(977)	(8,987)	(14,077)	(19,218)	(24,410)
Operating Reserve Balance at Y/E	(33,855)	(34,194)	(34,536)	(34,881)	(35,230)

Notes

- Surplus Carryforward. Projects, including Mission Creek Dike Assessment & NDMP and funding carried forward.
Note: Surplus reduction of \$20k.
- Remainder of National Disaster Mitigation Program (NDMP) Grant for project \$270k
- Increases: Payroll \$53k, Travel \$2k, Legal \$1.5k, Memberships \$1k, Collaboration/Consulting \$7k.
Decreases: Insurance \$1k, Contract Services \$66.5k, Biodiversity Conservation \$13k.
- Reduction to RGS Projects \$271 (corresponds to grant funding revenue reduction).
2020 Projects: NDMP remainder \$67.7k, Regional Citizen Survey \$25k, Regional Housing Strategy \$60k Regional Agriculture Compliance & Enforcement Strategy \$5k, Other \$17.5k.
- Contract Services totals \$113.6k and includes: \$104k Mission Creek Dike Assessment Project, \$10k Other.
- Transfer funds to build reserves for minor capital needs.
- For Mission Creek Dike Assessment Project