



Regional Board Report

TO: Regional Board

FROM: Carol Teschner
Financial Manager

DATE: March 18, 2019

SUBJECT: Draft 3 - RDCO 2019-2023 Budget and Financial Plan

Voting Entitlement: *All Directors – Weighted Corporate Vote – Simple Majority – LGA 210 (1)*

Purpose: The 3rd (final) draft of the RDCO 2019 - 2023 Five Year Financial Plan is provided to the Board for its consideration and to offer a third opportunity for public input.

Executive Summary:

The 2019 – 2023 Five Year Financial Plan remains unchanged since the March 14th Governance & Services Committee presentation, no new information has been received however minor adjustments were required to the financial plan 2020-2023 for OBWB & SIR and Tab 6.

Once the Revised Roll is available from BC Assessment at the end of March, the requisitions will be recalculated and adjusted slightly in accordance with the Roll, then submitted by April 10th. The budget totals will not change, however the requisition allocations between partners may shift slightly.

A Revenue Anticipation Borrowing Bylaw close to the amount of total requisitions is also on today's agenda for adoption in case it is necessary to borrow interim funds to cover operational costs until the tax requisition revenue is received in August.

RECOMMENDATION:

THAT the Board receive for information the Financial Manager report dated March 18, 2019 regarding Draft 3 of the 2019-2023 Budget and Financial Plan.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read 'Carol Teschner', written over a horizontal line.

Carol Teschner
Financial Manager

Approved for Board's Consideration

A handwritten signature in black ink, appearing to read 'Brian Reardon', written in a cursive style.

Brian Reardon, CAO

Background:

The components of the Draft 2019 – 2023 Financial Plan have been publicly presented and discussed at two Governance and Services meetings held on February 21st and March 14th respectively. Opportunities for public input were provided at that time.

The 2019 – 2023 Financial Plan is now being brought forward with a final opportunity for public input and for consideration and approval by the Board. The final requisition amounts submitted to the municipalities and the Surveyor of Taxes will differ slightly in accordance with the shifts due to the 2019 Revised Roll from the BC Assessment Authority which was not available at the time of preparing this report.

The total of all 2019 Operating Budgets is \$58.92 million.

The cost of these budgets is recovered primarily through:

- ❖ Municipal Debt Payments
- ❖ Tax Requisitions
- ❖ Grants
- ❖ User Fees
- ❖ Service Agreements
- ❖ Any Surpluses carried forward within services from the prior year.

The total of all 2019 Capital Budgets is \$9.5 million.

The Summary of Changes to General Taxes by Area from 2018 to 2019 (Tab 7, Page 1) has not changed from March 14th:

REGIONAL DISTRICT OF CENTRAL OKANAGAN 2019 BUDGET Total Taxes per Average House for General Services by Area

| | 2018 Total Tax per House. Avg House Value \$693,000 | 2019 House Value | Feb 21 Draft | | Mar 14 & March 25 Draft | |
|--------------|---|------------------|---------------------|--------------------------------|-------------------------|--------------------------------|
| | | | 2019 | 2019 | 2019 | 2019 |
| | | | Total Tax per House | Change per Avg House over 2018 | Total Tax per House | Change per Avg House over 2018 |
| Kelowna | \$181.77 | \$736,000 | \$182.28 | \$0.51 0.285% | \$182.28 | \$0.51 0.285% |
| Peachland | 209.89 | 736,000 | \$209.93 | \$0.04 0.014% | \$209.93 | \$0.04 0.014% |
| Lake Country | 206.95 | 732,000 | \$205.79 | (\$1.16) -0.562% | \$205.79 | (\$1.16) -0.562% |
| West Kelowna | 200.52 | 739,500 | \$201.80 | \$ 1.28 0.639% | \$201.80 | \$1.28 0.639% |
| C. O. West | 611.95 | 739,500 | \$642.15 | \$ 30.20 4.934% | \$634.61 | \$ 22.67 3.704% |
| C. O. East | 497.44 | 735,500 | \$515.82 | \$ 18.38 3.695% | \$508.33 | \$10.89 2.190% |