

Minutes of the **GOVERNANCE & SERVICES COMMITTEE** meeting of the Regional District of Central Okanagan held at Regional District Offices, 1450 KLO Road, Kelowna, BC on Thursday, February 20, 2020

Directors:

- J. Baker (District of Lake Country)
- C. Basran (City of Kelowna)
- M. Bartyik (Central Okanagan East Electoral Area)
- W. Carson (Central Okanagan West Electoral Area)
- M. DeHart (City of Kelowna)
- C. Fortin (District of Peachland)
- G. Given (City of Kelowna)
- C. Hodge (City of Kelowna)
- S. Johnston (City of West Kelowna)
- G. Milsom (City of West Kelowna)
- B. Sieben (City of Kelowna)
- L. Stack (City of Kelowna)
- L. Wooldridge (City of Kelowna)
- J. Coble (Westbank First Nation)

Staff:

- B. Reardon, Chief Administrative Officer
- T. Cashin, Director of Community Services
- J. Foster, Director of Communication & Information Services
- C. Griffiths, Director of Economic Development & Bylaw Services
- D. Komaike, Director of Engineering Services
- M. Kopp, Director of Parks Services
- C. Teschner, Manager Financial Services
- M. Drouin, Manager-Corporate Services (recording secretary)

1. CALL TO ORDER

Chair Given called the meeting to order at 10:10 a.m.

This meeting is being held on the traditional territory of the syilx/Okanagan peoples.

2. ADDITION OF LATE ITEMS

There are no late items for the agenda

3. ADOPTION OF THE AGENDA

#GS10/20

HODGE/WOOLDRIDGE

THAT the agenda be adopted.

CARRIED unanimously

4. CORPORATE SERVICES

4.1 CAO Year-End Review (Surplus/Deficit)

Staff report outlined the 2019 surplus and deficits by service. Included in the presentation were the expectations for the 2020 Financial Plan.

A question was raised regarding the 2019 request by the Okanagan Search & Rescue Society for assistance in finding a new location. Staff noted discussion is on-going, there is no ask in the 2020 budget.

Questions on the increased staffing levels were responded to.

#GS11/20

STACK/SIEBEN

THAT the CAO Year-End Surplus/Deficit Review report be received for information.

CARRIED unanimously

5. FINANCIAL SERVICES

5.1 Director of Financial Services - Draft 1 - 2020-2024 Budget and Financial Plan - Summary Highlights

M. Rilkoﬀ presented a summary of the 2020 budget including tax implications.

General Services Taxes per Average House by area

	<i>2019 Total Tax per House. Avg House Value \$741,000</i>	<i>2020 House Value</i>	Feb 20 Draft	
			2020	2020
			Total Tax per House	Change per Avg House over 2018
Kelowna	\$183.85	\$730,000	\$182.12	(\$1.73) -0.937%
Peachland	211.81	736,500	\$213.97	\$2.16 1.018%
Lake Country	208.70	749,500	\$214.87	\$6.17 2.958%
West Kelowna	202.69	735,000	\$203.46	\$ 0.77 0.382%
C. O. West	637.71	748,000	\$677.24	\$ 39.53 6.199%
C. O. East	513.57	752,000	\$547.13	\$ 33.56 6.534%

- Operating budgets - \$55.996mil
- Capital Budgets - \$11.975mil
- Major capital over \$150K outlined
- Overview of the Municipal Finance Authority financing
- Asset management expenditures and reserves (\$30.7mil) outlined, and concerns with reserves noted. In 2020, \$28,485mil forecasted.
- Outstanding debt on capital for RDCO services - \$4.51mil
- Overhead rates highlighted: Engineering - 3.3%; Admin Level 1 - 14.50%; Level 2 – 9/67%; Level 3 4.83%
- Sources of revenue outlined: tax requisitions, grants, other (licenses, fees, etc.), municipal finance
- All services are separate, cannot be combined or co-mingled
- Regional districts do not have one tax rate, which differs from municipalities

2020 General Services Tax Requisitions are as follows:

	Total Tax Requisition	2020 Increase	% Increase	Per Average home
Kelowna	\$12,742,462	\$613,691	5.06%	(\$1.73)
West Kelowna	\$3,018,735	\$99,746	3.42%	\$0.77
Lake Country	\$1,289,746	\$85,983	6.60%	\$6.17
Peachland	\$536,755	\$13,546	2.59%	\$2.16
COE	\$807,109	\$50,877	6.534%	\$33.56
COW	\$1,113,956	\$58,203	5.51%	\$39.53
Westbank First Nation	\$697,240	\$44,688	6.85%	-

The Board recessed at 12:01 and reconvened at 12:12 p.m.

Director Johnston left the meeting at 12:01 p.m.

5.1.1 Introduction to the 2020-2024 Financial Plan

5.1.2 Draft 1 - 2020-2024 Budget & Financial Plan - Summary Highlights Review

As an introduction to each of the service areas, department heads provided a PowerPoint presentation. Finance outlined the requisition increases.

Parks

Staff reviewed the capital projects for 2020

Director Basran left the meeting at 12:15 p.m.

Economic Development

- Staff outlined the budget highlights
- The Film Commission had requested an increase of \$10K in funding to assist with administrative support. The Board's appointee, Director Wooldridge, noted that the request is actually for \$20K.

#GS12/20 WOOLDRIDGE/BAKER

THAT the Okanagan Film Commission's budget increase for 2020 be approved at \$20,000.

CARRIED unanimously

Bylaw Services

-Dog Control

- Requisition increase primarily for payroll reallocation of staffing resources. Fees for licensing and fines pay for approximately 50% of the service cost.

Engineering

-Staff confirmed that talks continue with Central Okanagan Search and Rescue for a centralized facility in Kelowna.

- Water systems

- issues continue with Interior Health requirement for water systems
- reviewing cost estimates for dis-infecting water to see if still valid
- reviewing point of entry for the systems
- UV disinfection scope of work is being re-evaluated
- continue to commission the Falcon Ridge system
- Sunset Ranch system being re-evaluated
- rates may need to be increased for all systems. 2nd year of increases underway.

Director Hodge left the meeting at 12:55 p.m.

Director Milsom left the meeting at 1:00 p.m.

Westside Wastewater Treatment Plant

- TWAS expansion to occur in 2020. Design is out for proposals.
- trunk sewer upgrades
 - there is insufficient DCCs to fund the upgrades
- increasing reserves to 45% level
- regional WWTP Stakeholder committee recommended increases to reserves and these have been included in the draft budget.
- budgeted increases for all lift station
- there are no enough reserves for all increases so may need to use debt financing

Solid Waste Management

- key initiatives reviewed
- continue to work from the Solid Waste Management Plan
- continue monitoring contamination of recycle bins during the summer
- organics study to be completed
- updating the commercial garbage and recycling program due to an increase in multi-housing throughout the region
- looking at solutions for a wildlife resistant cart
- new campaign for plastic bags and over-wraps
- recycling depots are through RecycleBC and the operator, Cascades

which is a private contractor.

Fire Services

-Wilson's Landing

- Need to increase reserves

-Brent Road

- Reservoir on Brent Road to be replaced

-Central Okanagan Search and Rescue funding of \$27K is included in the operating budget

Electoral Area Planning

- Concern was expressed regarding the cost of EA planning. Staff noted many complicated planning files including four land use contracts (majority of the EA planning files are from Central Okanagan West).

Board

- Regional grant in aid – consensus to continue funding for Community Gardens (electoral areas do not fund).

Air Quality

- There has been no ask to bolster the chipping program. Currently at \$80K per year.

Westside Recreation / JBMAC

- Conversation has occurred with West Kelowna Council. To date, it is at the staff level at West Kelowna. It's a complex issue and will require Council resolution and provincial approval to change boundaries if this is to occur.

5.2 Invitation for the Public to Comment on the 2020-2024 Financial Plan

- Laris Smith, North Westside Road resident – on behalf of the North Westside Communities Association. Requests for 2020 budget: picnic shelter; for 2021 inter-community transportation trail Westshore and Killiney Beach (active transportation grant).
- Callie Simpson – North Westside Road resident – on behalf of the North Westside Communities Association. Request for 2020 budget: picnic shelter to be erected before July 1st; installation of park bench along Killiney Beach promenade; looking for funding for community bike park. Budget 007 – Electoral Area feasibility study fund—what is this fund set up for? Can it be used for an independent governance study--no. Staff noted that feasibility study funds are used: to investigate the creation of a new service and the study for such a service.

It was noted that some of these requests are included in the budget and that staff continue to liaise with the Community Association's parks committee.

5.3 Recommendation to Forward Draft Budget to the March 12, 2020
Governance & Services Committee Meeting

#GS13/20 SIEBEN/BAKER

THAT the Governance & Services Committee receive for information the 2020-2024 Financial Plan documentation;

AND FURTHER THAT any recommended amendments discussed today be brought forward to the Governance & Services Committee meeting scheduled for March 12, 2020.

CARRIED unanimously

6. NEW BUSINESS

No new business arising

7. ADJOURN

There being no further business the meeting was adjourned at 2:15 p.m.

CERTIFIED TO BE TRUE AND CORRECT

G. Given (Chair)

B. Reardon (Chief Administrative Officer)