



# Governance & Services Committee

**TO:** Governance and Services Committee

**FROM:** Marilyn Rilkoff  
Director of Financial Services

**DATE:** March 3, 2020

**SUBJECT:** Draft 2, RDCO 2020 – 2024 Budget and Financial Plan

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**Purpose:** This second draft of the RDCO 2020 – 2024 Budget and Financial Plan is provided to the Board with minimal changes for discussion.

## Executive Summary:

Minor changes were directed as a result off the February 20<sup>th</sup> Governance and Services Committee meeting, and additional information has been received and incorporated. The Committee may wish to provide further direction to staff for the revision of the Plan for the final budget meeting on March 23, 2020.

The budgets for the following cost centres have been amended:

- Paid on Call Volunteer Fire Departments: Add \$25k grants to all four departments
- 094 – SWM: Waste Reduction & Recycling: Add grant & increase study costs
- 117 – Sterile Insect Release: Change to Parcel Tax Levies
- 120 – Economic Development Commission: Add \$10k to Film Commission
- 124 – Westside Municipal Recreation: Revised tax rates received from West Kelowna.

## RECOMMENDATION:

**THAT** the Governance & Services Committee receive for information the updated and additional 2020 – 2024 Financial Plan documentation;

**AND FURTHER THAT** any recommended amendments discussed today be made and brought forward to the Regional Board's final budget meeting on March 23, 2020.

Respectfully Submitted:

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

Marilyn Rilkoff  
Director of Financial Services

Approved for Committee's Consideration

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

Brian Reardon, CAO

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**Implications of Recommendation:**

<b>Strategic Plan:</b>	Supported in a fiscally responsible manner.
<b>General:</b>	The Financial Plan provides the resources approved by the Board to carry out the RDCO's mandate.
<b>Organizational:</b>	Each Department is responsible for operating within the approved Financial Plan.
<b>Financial:</b>	Current year funding is approved via bylaw and fiscal planning for next four years.
<b>Legal/Statutory Authority:</b>	Local Government Act and Community Charter. Financial Plan Bylaw is approved prior to March 31 <sup>st</sup> .

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**Background:**

Draft 1 of the 2020 – 2024 Budget and Financial Plan was presented to the G&S Committee on February 20, 2020. Minor changes were requested and additional information received has been incorporated.

**Financial Considerations:**

The tax changes for RDCO General Taxes by Area from the Feb 20 to Mar 12 Drafts are shown below. The change is due to the additional \$10,000 for the Okanagan Film Commission:

	2019 Total Tax per House. Avg House Value \$741,000	2020 House Value	Feb 20 Draft		Mar 12 Draft	
			2020	2020	2020	2020
			Total Tax per House	Change per Avg House over 2019	Total Tax per House	Change per Avg House over 2019
Kelowna	\$183.85	\$730,000	\$182.12	(\$1.73) -0.937%	\$182.22	(\$1.63) -0.886%
Peachland	211.81	736,500	\$213.97	\$2.16 1.018%	\$214.08	\$2.28 1.072%
Lake Country	208.70	749,500	\$214.87	\$6.17 2.958%	\$214.98	\$6.29 3.013%
West Kelowna	202.69	735,000	\$203.46	\$ 0.77 0.382%	\$203.57	\$0.88 0.435%
C. O. West	637.71	748,000	\$677.24	\$ 39.53 6.199%	\$677.36	\$ 39.65 6.217%
C. O. East	513.57	752,000	\$547.13	\$ 33.56 6.534%	\$547.25	\$33.67 6.557%

The changes that follow are differences from the Draft #1 Financial Plan presented February 20<sup>th</sup> – See the Binder Updates attached, specifically the Tab 5 pages:

**120 – Economic Development Commission (Pages 15-16):** 2020 contribution to Okanagan Film Commission increased from \$120k to \$130k in Draft 1. Additional increase to Film Commission of \$10k to \$140k in Draft 2. Draft 1 requisition increase with all changes was \$105k, now \$115k. Increase to average home was \$0.89, and is now \$1.01.

**021 – Ellison Volunteer Fire Department (Pages 75–76):** Capital: Added \$25k in possible grant funding and reduced 2020 use of reserves for SCBA System Equipment. No tax impact.

**022 -- Joe Rich Volunteer Fire Department (Pages 77-78):** Capital: Added \$25k in possible grant funding. Increased SCBA expenditure from \$7.9k to \$10k and Equipment from \$10k to \$14.8k. Reduced 2020 use of reserves by \$19k. No tax impact.

**023 – North Westside Road Volunteer Fire Rescue Department (Pages 79-80):** Capital: Added \$25k in possible grant funding. Increased SCBA expenditure from \$5k to \$31.3k. Increase use of reserves slightly by \$1.2k. No tax impact.

**024 – Wilson’s Landing Volunteer Fire Department (Pages 81-82):** Capital: Added \$25k in possible grant funding. Increased expenditures for SCBA from \$9.2k to \$13k, Equipment from \$31.2k to \$43.8k and Hall Renovations from \$31.5k to \$45.9k. Increase use of reserves by \$5.7k. No tax impact.

**094 – SWM: Waste Reduction & Recycling Program (Pages 67-68):** Additional \$15k for BioWaste Inventory and related funding. No effect to participants.

**117 – Sterile Insect Release (Pages 134-135):** Revised total parcel tax levies by area received for 2020:

	2019 & 2020		2020
Parcel Taxes:	Draft 1	Draft 2	Change
Electoral Area West	\$ 4,579	\$ 3,466	\$ (1,113)
Electoral Area East	\$ 51,324	\$ 47,209	(4,115)
Kelowna	\$ 307,121	\$ 292,855	(14,266)
Peachland	\$ 794	\$ 795	1
Lake Country	\$ 97,424	\$ 91,311	(6,113)
West Kelowna	\$ 13,259	\$ 10,339	(2,920)
Total Parcel Tax	\$ 474,501	\$ 445,975	\$(28,526)

Note: There is a general tax levy for SIR to all properties included in the above rates that did not change. This is the parcel tax levied by SIR to individual qualifying properties based on acreage farmed.

**124 – Westside Municipal Recreation (Pages 147-148):** Revised tax rates received from City of West Kelowna. Revised requisition is \$36,326 (vs. \$40,201 Draft 1). Impact to an average home is now \$13.96 increase instead of \$25.15.

### Organizational Issues:

Providing funding for services.

**External Implications:**

Property Tax rates and services provided to taxpayers.

**Alternative Recommendations:**

As Directed by the Committee.

Attachment(s):

*Budget Binder Updates:*

*Tab 3:*

- *Replace All Pages: 2020 Budget Summary*

*Tab 4:*

- *Replace All Pages: 2020 Tax Requisitions & Rates*

*Tab 5:*

- *Insert/Replace Usage and Contents Pages at the beginning*
- *Replace the following:*
  - *Pages 15-16: 120 – Economic Development Commission*
  - *Pages 67-68: 094 – SWM: Waste Reduction & Recycling*
  - *Pages 75-76: 021 – Ellison Volunteer Fire Department*
  - *Pages 77-78: 022 – Joe Rich Volunteer Fire Department*
  - *Pages 79-80: 023 – North Westside Road Volunteer Fire Rescue Department*
  - *Pages 81-82: 024 – Wilson’s Landing Volunteer Fire Department*
  - *Pages 134-135: 117 – Sterile Insect Release*
  - *Pages 147-148: 124 – Westside Municipal Recreation*