



Regional Board Report

TO: Regional Board

FROM: Marilyn Rilkoff
Director of Financial Services

DATE: February 2, 2021

SUBJECT: RDCO 2020 – 2024 Financial Plan Amendment Bylaw No. 1474, 2021

Voting Entitlement: All Directors – Weighted Vote – Simple Majority - LGA 210.2

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

Executive Summary:

Year end is in progress and amendments are being proposed to authorize changes to sixteen (16) cost centres' budgets based on:

- actual revenues and expenditures
- mitigation of any deficits
- other changes as noted in the report
- some adjustments related to the COVID-19 Restart Grant
- transfers of additional amounts to reserves for Fire Departments, for Wildfire responses.

RECOMMENDATIONS:

THAT Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1474 be given first, second and third readings and adopted.

Respectfully Submitted:

Marilyn Rilkoff, CMA CPA
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 Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1460, 2020 Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1461, 2020 Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1470, 2020 Regional District of Central Okanagan 2020 – 2024 Financial Plan Amendment Bylaw No. 1472, 2021

Background:

Year end is in progress and several amendments are required based on actual revenues and expenditures. In some cases, deficits resulted, and there is the ability to mitigate or reduce these deficits to nil through the use of changes to reserve transfers. Other changes are as noted below.

Page 13: 142 – Regional Parks

Add \$160k for COVID Grant and related expenses. Actual grant allocation will be \$171k with \$11k of budgeted foregone revenue.

Page 29: 058 – Scotty Heights Street Lights

Increased electricity costs of \$1.1k caused deficit. Using \$1.1k transfer from Operating Reserve to reduce deficit to nil.

Page 32: 301 – Killiney Beach Water System

Late payment fee for foregone revenue of \$7.9k budgeted re: COVID Grant Claim.

Page 33: 303 – Falcon Ridge Water System

Late payment fee for foregone revenue of \$1.8k budgeted re: COVID Grant Claim.

Page 34: 305 – Sunset Ranch Water System

Late payment fee for foregone revenue of \$592 budgeted re: COVID Grant Claim.
Capital: Move \$8.2k from Equipment to Meters based on actuals.

Page 35: 306 – Trepanier Bench Water System

Additional expenses of \$5.2k mainly for equipment repairs and maintenance caused a deficit. Mitigating deficit by reducing budgeted transfer to reserves from \$9.5k to \$4.3k. Also reduced Capital budget from \$7.3k to \$2k and moved projects to 2021 as there were not enough funds in reserves.

Page 36: 307 – Westshores Water System

Late payment fee for foregone revenue of \$8.2k budgeted re: COVID Grant Claim.
Capital: Move \$8.2k from Leak Detection Equipment to Meters based on actuals.

Page 37: 310 – Fintry / Valley of the Sun Water System

Late payment fee for foregone revenue of \$3.2k budgeted re: COVID Grant Claim.
Capital: Move \$15.2k from Equipment, SCADA, & Controls to Meters based on actuals.

Page 42: 499 – Ellison Sewer System

Late payment fee for foregone revenue of \$439 budgeted re: COVID Grant Claim.
Fixing Annual timing for contract costs. Recognizing 5 quarters in 2020. Reduced transfer to reserves, then resume regular level in 2021. \$16k Adjustment.

Page 50: 020 – Lakeshore Road Fire Protection

Additional contract costs caused a small deficit of \$522 and the budgeted transfer to operating reserve has been reduced from \$700 to \$178 to reduce the deficit to nil.

Page 52: 022 – Joe Rich Fire Department

Add \$4.9k for COVID Grant and related expenses. Christie Mountain Wildfire Response Revenue \$25k, transfer additional \$17.4k to reserves. Capital Equipment overspent by \$5.3k. Moved equivalent budget from Hall Renovations.

Page 53: 023 – North Westside Road Fire Rescue Department

Add \$5.5k for COVID Grant and related expenses. Christie Mountain and Sugar Loaf Wild Fire Response Revenues \$10.7k, transfer additional \$7.2k to reserves. Increase legal fees by \$6.5k and reduce Building Repairs and Maintenance accordingly. Capital Pagers overspent by \$1.4k. Moved equivalent budget from Equipment.

Page 54: 024 -- Wilson's Landing Fire Department

Add \$5.9k for COVID Grant and related expenses. Christie Mountain Wildfire Response Revenue \$9.1k, transfer additional \$5.2k to reserves.

Page 55: 028 -- June Springs Fire Protection

Additional contract costs caused a small deficit of \$142. Using transfer from operating reserve to reduce to nil.

Page 76: 002 – Administration / Corporate Services

Add \$80.2k for COVID Grant and related expenses organization-wide. Cleaning, staffing, PPE, meeting social distancing requirements, signage, etc.

Page 87: 003 – Financial Services

Add \$46.9k for COVID Grant and related expenses organization-wide. There are additional reporting breakdown requirements for T4's re: CERB Grants, COVID Grant Reporting, expense tracking for COVID, setting up new systems, staff participation in emergency management, etc.

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. 1474
- Current Budget Bylaw Pages