

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 25, 2021

---

Directors: J. Baker (District of Lake Country)  
M. Bartyik (Central Okanagan East Electoral Area)  
M. Singh, alternate for C. Basran (City of Kelowna)  
W. Carson (Central Okanagan West Electoral Area)  
C. Fortin (District of Peachland) (*attended electronically*)  
G. Given (City of Kelowna) (*attended electronically*)  
C. Hodge (City of Kelowna) (*attended electronically*)  
S. Johnston (City of West Kelowna) (*attended electronically*)  
G. Milsom (City of West Kelowna)  
B. Sieben (City of Kelowna) (*attended electronically*)  
L. Stack (City of Kelowna) (*attended electronically*)  
L. Wooldridge (City of Kelowna)  
J. Coble (Westbank First Nation)

Absent: M. DeHart (City of Kelowna)

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  
D. Komaike, Director of Engineering Services  
M. Kopp, Director of Parks Services  
M. Rilkoﬀ, Director of Financial Services (*attended electronically*)  
M. Drouin, Manager-Corporate Services (recording secretary)

**1. CALL TO ORDER**

Vice Chair Milsom called the meeting to order at 10:28 a.m. and acknowledged the meeting is being held on the traditional territory of the syilx/Okanagan peoples.

*In accordance with the most recent Provincial Health Officer Order regarding gatherings and events, the public is currently not permitted to attend Board meetings in-person.*

*As an open meeting, a live audio-video feed is being broadcast and recorded on rdco.com.*

**2. ADDITION OF LATE ITEMS**

There are no late items for the agenda

**3. ADOPTION OF THE AGENDA**

**#GS10/21**

BARTYIK/WOOLDRIDGE

THAT the agenda be adopted.

CARRIED unanimously

#### 4. **CORPORATE SERVICES**

##### 4.1. CAO Year-End Review

Brian Reardon presented a PowerPoint presentation recapping 2020 year-end retrospective and setting the stage for budget discussions today. The following was highlighted:

- 2020 provided challenges with COVID-19 to local government services.
- 2021 key objectives for the 2021 Financial Plan:
  - Capacity building year, advancing the Board's strategic objectives;
  - Addressing infrastructure deficits;
  - COVID-19 response and recovery efforts;
  - Keeping operating costs on pace with growth and inflation
- Reserve balances and asset management planning is in place.
- 2021 Capital Project Plans.
- An overview of the tax increases over the last five years for core services
- Proposed increased staffing for 2021.
- The strategic priorities approved by the Board last week.
- COVID-19 restart grant of \$1.107m and how it is being applied per area.

Discussion ensued:

- The question was raised whether there are funds budgeted for First Nation reconciliation? Is a staff person being considered? The issue had previously been raised with the Board and follow-up has not been reported. Staff noted there is no money set aside specifically for a staff person. It was noted that staff currently work and collaborate directly with WFN on projects, and outlined examples of collaboration efforts with WFN. A Community to Community Forum or Committee workshop may be an avenue for further discussion on the issue of reconciliation.
- The COVID-19 grant received is for 2020 and 2021.

**ACTION:** There was consensus that staff bring forward a report to the March 18<sup>th</sup> budget meeting regarding steps to be considered and discussed in regards to First Nation reconciliation.

#GS11/21

BAKER/SINGH

THAT the Governance & Services Committee receive for information the CAO Year-End Review report.

CARRIED unanimously

## 5. **FINANCIAL SERVICES**

### 5.1. 2021 - 2025 Budget and 5-Year Financial Plan (Draft 1)

#### 5.1.1. Director of Financial Services - Introduces the 2021-2025 Financial Plan

M. Rilkoﬀ provided an overview of the RDCO budget process

General summary of taxes per average house by area was outlined:

	<i>2020 Total Tax per House. Avg House Value \$734,000</i>	<i>2021 House Value</i>	<b>Feb 25 Draft</b>	
			<b>2021</b>	<b>2021</b>
			Total Tax per House	Change per Avg House over 2020
Kelowna	<b>\$183.41</b>	<i>\$750,000</i>	<b>\$190.57</b>	<b>\$7.16</b> <b>3.092%</b>
Peachland	<b>213.45</b>	<i>754,000</i>	<b>\$222.05</b>	<b>\$8.61</b> <b>4.032%</b>
Lake Country	<b>210.68</b>	<i>774,000</i>	<b>\$225.38</b>	<b>\$14.70</b> <b>6.977%</b>
West Kelowna	<b>203.34</b>	<i>753,000</i>	<b>\$210.85</b>	<b>\$ 7.51</b> <b>3.693%</b>
C. O. West	<b>665.92</b>	<i>746,500</i>	<b>\$676.52</b>	<b>\$ 10.59</b> <b>1.591%</b>
C. O. East	<b>535.31</b>	<i>739,000</i>	<b>\$535.12</b>	<b>\$ (0.19)</b> <b>(-0.036%)</b>

- Tax requisition impacts per average home vary from a decrease of 0.036% to 6.977%. Each area was highlighted.
- Operating budgets are \$56.7mil. Capital budget is \$12.4mil
- Municipal Finance Authority financing was explained.
- Tax requisition increase is 3.76% (increase of \$917,420).
- Reserve balances for operating, equipment, capital facility, park land, park legacy, DCC reserves were noted.
- Overhead rate increases were explained.
- Explanation of why each service needs to be considered separately, tax rates cannot be combined with other services. Regional Districts budgets are not like municipalities. There is no single tax rate or group of taxpayers
- There is no 'one size fits all' tax rate

***The Committee recessed at 12:30 p.m. and reconvened at 12:50 p.m.***

*Directors Fortin, Hodge, Johnston, Sieben and Wooldridge left the meeting.*

When the meeting reconvened it was noted that:

- Reserves for regional rescue needs to continue to be monitored closely
- The question was raised if the COVID grant has been dispersed fairly among the partners. Other local government electoral area directors have sent a letter to the Province to raise this question.

*Councillor Coble left the meeting at 1:08 p.m.*

#### 5.1.2. Summary Highlights Review of the Draft Budget

At this time, staff proceeded through each service budget in Tab 5 of the budget binder. The Director of Financial Services report dated February 15, 2021 outlined specific increases/decreases to requisition, reserves, surpluses and any specific concerns of note to a service.

Discussion was raised on the following services:

- Dog Control – increases highlighted due to:
  - Staffing payroll increases, reduction in revenue explained.
  - Does revenue need to be increased versus an increase in operational expenses.
  - Change to revenue due to COVID impacts. Reductions include reduced licensing, impound revenue and adjudication fees.
  - If operational changes continue to increase staff to report on reasons why and how revenue can be increased ie: increased licensing fees.
  - COVID restart funding of \$37K is available and may be applied to assist in the reduction of revenues to the service due to COVID impacts.

#### **#GS12/21**     GIVEN/STACK

THAT COVID restart funding of \$37,000 be directed to the Dog Control service to assist in loss of revenue in 2020 due to COVID-19 impacts.

CARRIED unanimously

- Wastewater Treatment Plant (WWTP) – the stakeholder committee agreed to an increase in reserve funding and capital levels from 45% to 55%. Increases to WFN is due to increase in flow shifts.
- Regional Grant in Aid – there was consensus to continue with the Community Gardens grant in aid.
- Central Okanagan West Electoral Area Grants in Aid – reduce grants in 2021 by \$3,100. It was noted that the West Kelowna School Liaison Officer is based on actual costs from West Kelowna.

#### **#GS13/21**     CARSON/BARTYIK

THAT Central Okanagan West Electoral Area grant in aid be reduced by \$3,100.

CARRIED unanimously

*Director Hodge returned to the meeting at 1:55 p.m. Director Sieben returned to the meeting at 2:00 p.m.*

- Air Quality Service – It was noted that the agricultural chipping program is available through this service and is available by application; funded annually at \$80K per year. Question was raised how the program operates, including the number of applications annually, if there is a wait list and if there is, should funding for the program be increased.

**#GS14/21**      SIEBEN/SINGH

THAT staff report to the March 18<sup>th</sup> budget meeting on the operation of regional air quality chipping program.

CARRIED unanimously

- Okanagan Basin Water Board – the question was raised what long term requisition changes are expected. At this time staff are not aware but will  
**ACTION** follow up with OBWB staff to confirm.

5.1.3. Public Comment on the 2021-2025 Financial Plan

Due to the Provincial Health Order in effect whereby the public cannot attend public meetings, written comment on the budget process may be received prior to the final budget meeting of March 29<sup>th</sup> via letters/emails.

5.1.4. Recommendation to Forward the Draft Budget to the March 18, 2021 Governance & Services Committee Meeting

**#GS15/21**      SINGH/BAKER

THAT the Governance & Services Committee receive for information the 2021- 2025 Financial Plan documentation;

AND FURTHER THAT any recommended amendments discussed today be brought forward to the Governance & Services Committee meeting scheduled for March 18, 2021.

CARRIED unanimously

**6.      ADJOURN**

There being no further business the meeting was adjourned at 2:28 p.m.

**CERTIFIED TO BE TRUE AND CORRECT**

\_\_\_\_\_  
G. Given (Chair)

\_\_\_\_\_  
B. Reardon (Chief Administrative Officer)