

# Regional District of Central Okanagan

## Financial Planning Guidelines for the 2022 – 2026 Financial Plan

---

1450 K.L.O. Road  
Kelowna, BC, V1W 3Z4  
rdco.com



# Purpose of the Report

- To seek board approval on the proposed financial planning process for developing the 2022 – 2026 Financial Plan.

# Financial Guidelines

- Financial planning framework for budget development
- Alignment of Financial Plan with Strategic Priorities
- Optimize revenue requirements and minimize requisition
- Incorporating key cost drivers into core and new services
- Feedback for staff from Board

# Macroeconomic Environment

- Impacts of COVID 19 and Atmospheric Weather Events
- External cost drivers such as inflation
- Pricing indexes that affect costs
- Focus on maintaining existing services
- Identify priority initiatives from Board and Staff

# Core Service Levels and Infrastructure Funding

- 2022 – 2026 Financial Plan developed in context of Strategic Priorities
- Forced growth i.e., wages, utilities, contract escalation
- Review of Capital Reserve balances and Capital Funding
- Future guideline for capital funding strategy

# Board Input

- Elected official feedback will inform budget development
- Public feedback will be presented to Board
- Approval of guidelines will provide direction

# Financial Management Strategies

- Reduce reliance on surplus as revenue
- Optimize fees and minimize taxation
- Structurally balance budget
- Reserve transfers based on asset management
- Potential tax impacts for Regional Services

# Report Recommendation

**THAT** the Regional Board approve the Financial Planning Guidelines as presented in the report from the Director of Financial Services dated December 6, 2021;

**AND THAT** staff be directed to prepare the draft 2022 – 2026 Financial Plan based on the Financial Planning Guidelines for the 2022 – 2026 Financial Plan.