



Regional Board Report

Request for Decision

To: Regional Board

From: Director of Financial Services

Date: December 1, 2022

Subject: 2022-2026 Financial Plan Amendments

Voting Entitlement: All Directors – Weighted Corporate Vote – (LGA s.210)

Purpose: To consider amending the RDCO 2022-2026 Financial Plan.

Executive Summary:

Amendments to the 2022-2026 Financial Plan are required to reflect the impact of increasing capital project costs identified during the procurement process, as well as RDCO staffs' success at obtaining additional grant funding to support operating projects.

Staff are requesting approval to amend the 2022-2026 Financial Plan to include capital budget adjustments and operating budget changes outlined in this Report. Should the Board approve the proposed amendments, a bylaw to amend the 2022-2026 Financial Plan will be brought forward to the December 15, 2022 Board Meeting for consideration.

Recommendation(s):

THAT the Regional Board approve amending the 2022-2026 Financial Plan to include the following capital budget adjustments:

- In 401 – Westside Wastewater Treatment Plant in 2022
 - Add \$260,000 to Capital Expenditures
 - Add \$260,000 to Transfer from Capital Reserves
- In 046 – Dog Control in 2022
 - Add \$41,200 to Capital Expenditures
 - Add \$41,200 to Transfer from Capital Reserves
- In 021 – Ellison Volunteer Fire Department in 2022
 - Add \$120,500 to Capital Expenditures
 - Add \$120,500 to Transfer from Capital Reserves
- In 022 – Joe Rich Volunteer Fire Department in 2022
 - Add \$10,000 to Capital Expenditures
 - Add \$10,000 to Transfer from Capital Reserves
- In 030 – Regional Rescue in 2022
 - Add \$150,375 to Capital Expenditures

- Add \$150,000 to Internal Transfers
- Add \$375 to Transfer from Capital Reserves

AND THAT the Regional Board approve amending the 2022-2026 Financial Plan to include the following operating budget changes:

- In 110 – Regional Planning in 2022
 - Add \$177,500 to Operating Expenditures
 - Add \$177,500 to Grant Revenue
- In 110 – Regional Planning in 2023
 - Add \$142,500 to Operating Expenditures
 - Add \$142,500 to Grant Revenue
- In 006 – Communications & IT in 2022
 - Add \$46,000 to Operating Expenditures
 - Add \$46,000 to Transfer from Operating Reserves

Approved by:



Tania McCabe, CPA, CA
Director of Financial Services

Strategic Plan Alignment:

Priorities: Sustainable Communities

Values: Good Governance, Resiliency

Background:

Capital Budget Amendments:

Due to inflationary pressures several capital projects require budget increases to be completed, as follows:

Cost Centre	Project	Description	Year	Funding	Approved 2022 Budget	Proposed Amended Budget
Westside Wastewater Treatment Plan (401)	Vehicles (9507)	The procurement process resulted in replacement costs that exceeded budget.	2022	Capital Reserves	\$105,150	\$115,150
	HVAC Admin Building (9505)	Upgrades to ventilation needed to support HVAC upgrades	2022	Capital Reserves	\$180,000	\$280,000

Cost Centre	Project	Description	Year	Funding	Approved 2022 Budget	Proposed Amended Budget
	Blowers (9503)	Higher costs identified during the procurement process.	2022	Capital Reserves	\$450,000	\$600,000
Dog Control (046)	HVAC Upgrades (5509)	Upgrades to electrical panels & wiring needed to support the required HVAC upgrades	2022	Capital Reserves	\$123,600	\$164,800
Ellison Volunteer Fire Department (021)	Unit 29052 Replacement (8509)	The procurement process resulted in replacement costs that exceeded budget.	2022	Capital Reserves	\$601,500	\$722,000
Joe Rich Volunteer Fire Department (022)	Fire Truck (8511)		2022	Capital Reserves	\$561,400	\$571,400
Regional Rescue (030)	Fire Boat (8505)		2022	Debt & Capital Reserves	\$350,875	\$501,250

Operating Budget Amendments:

RDCO staff were successful in obtaining grant funding to support new & existing projects that were not part of the financial plan when it was originally adopted. They are:

Cost Centre	Project	Description	Year	Funding	Grant Amount	Proposed Amended Budget
Regional Planning (110)	5006 – Okanagan Lake Responsibility Planning	Funding received from Watershed BC.	2022	Grant	\$125,000	\$290,000
			2023	Grant	\$125,000	\$250,000
	5022 - Sensitive Ecosystem Inventory & Mapping	Funding received from the City of Kelowna and Environmental Climate Change Canada	2022	Grant	\$52,500	\$62,500
			2023	Grant	\$17,500	\$22,500

Considerations:

Financial:
Budget amendments as noted above

Approved for agenda



Brian Reardon, CAO