

Budget Connect

Budget 2020 insights

BUDGET 2020 Deliberation Day

Thursday, Dec. 12, 2019

9 a.m.

Council Chambers

WAYS YOU CAN CONNECT WITH THE CITY'S BUDGET

IN PERSON

Budget deliberations are public and held in Council Chambers at City Hall. You are welcome to attend the all-day Public Meeting to hear Council's decisions.

ONLINE

Visit kelowna.ca/budget to read the complete 2020 Financial Plan and budget-related documents. You will also find links to our financial principles and strategy.

TUNE-IN

Visit Castanet.net on budget deliberation day for a live-feed. We will provide a link to the Castanet feed via our social media channels and on kelowna.ca/budget.

LET'S GET SOCIAL

Join the conversation on social media using the hashtag [#kelownabudget](https://twitter.com/kelownabudget). We will live-Tweet decisions as they occur on Dec. 12.

@CityofKelowna



Through strong financial management and clear budgeting, we deliver the services residents expect of us and maintain, expand and build new infrastructure that makes Kelowna a great place to live. The annual budget includes capital requests (infrastructure) and operating requests (programs, services and support).

PROPOSED TAX DEMAND INCREASE

On Dec. 12 Council will review and deliberate all proposed budget requests for 2020. For consideration is a:

3.9 %
=
\$81

Total proposed tax demand increase.

Annual increase for the average detached home.

This includes **2.08 % (avg. \$43)** for the general municipal tax demand increase.

It also includes the **1.82 % (avg. \$38)** infrastructure levy increase which was approved during last year's 2019 budget to address Kelowna's infrastructure deficit identified in the 10-year capital plan.

BUDGET BY THE NUMBERS

261

Requests (priority 1)

- 141 Operating
- 119 Capital
- 1 Reduction

47

New position requests

- 42 Full-time
- 3 Part-time
- 2 Term

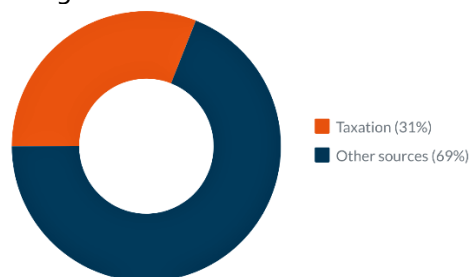
79%

Of citizens say they receive very/fairly good value for their municipal taxes. *2018 Citizen Survey

WHERE THE \$ COMES FROM

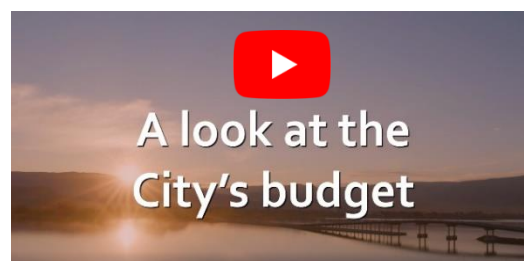
This year's provisional budget being presented to Council includes a net taxation demand of **\$151 million**. This represents an **\$8.46 million** taxation demand increase over last year. This year we anticipate receiving **\$2.9 million** in new construction revenue which will reduce the funding needed from taxation to **\$5.6 million**. See the next page to learn more about how taxation is calculated.

Did you know that most of the City's budget revenue comes from sources other than taxation? Examples of other sources includes fees and charges, reserves, grants and interdepartmental transfers. Provisional Budget 2020 revenue sources:



A LOOK AT THE CITY'S BUDGET

Want to learn more about our City's overall budget process, what types of items are included and how we pay for things? Watch the *A look at the City's budget* video by visiting the City's YouTube channel or watch it on kelowna.ca/budget.



Provisional Budget 2020 insights

HOW IS THE PROPOSED 3.9 % TAXATION DEMAND CALCULATED?

The proposed 2020 total taxation impact in the budget is **\$151 million**. This is an \$8.46 million increase over last year's \$142.5 million tax demand.

What does the \$8.46 million increase include?

\$3.7 million: in base budget changes for ongoing cost impacts of items previously approved in past budgets, including: contract increases, divisional department adjustments, and annualization of items – it takes three years for an operating budget request to reach its full cost impact. Previous year's one-time costs are removed which reduces the taxation demand.

Also included is the cost impact of the 1.82% (\$2.6 million) 2020 Infrastructure Levy approved in 2019. Combined with the initial 2019 amount, this brings the total that will be generated ongoing annually to \$5.6 million to help address the \$400 million infrastructure deficit identified in the 10-Year Capital Plan.

+

\$4 million: in taxation demand for new priority 1 operating requests. This breaks down to \$3.8 million for City administrative and civic operations and \$200,000 to support new capital request for ongoing operating and maintenance costs.

+

\$800,000: is requested to increase our annual pay-as-you-go capital program. Of our \$149.8 million capital program funding, this would increase the total amount funded through taxation to \$14.6 million.

\$8.46 million
Overall tax demand increase

–
Minus \$2.9 million: each year the City receives revenue from new construction. This amount is directly applied to reduce taxation impact.

\$5.56 million = 3.9 %
Net taxation increase impact

BUDGET TOP PRIORITIES

Improving public safety

Investing **\$1.08 million** in safety resources, including **7** new RCMP officers and **14** civilian support staff.

Building vibrant neighbourhoods by advancing park developments

Investing **\$22.4 million** in parks, including fast-tracking highly anticipated parks such as the Pandosy Waterfront Park through the new Development Cost Charges (DCC) program.

Bolstering economic resiliency with the largest YLW expansion to date

The airport's **\$69.9 million** request for a better YLW is the largest investment request. Airport funding has no taxation impact as YLW is self-funded through user fees and charges.

Ensuring a socially responsible and inclusive community

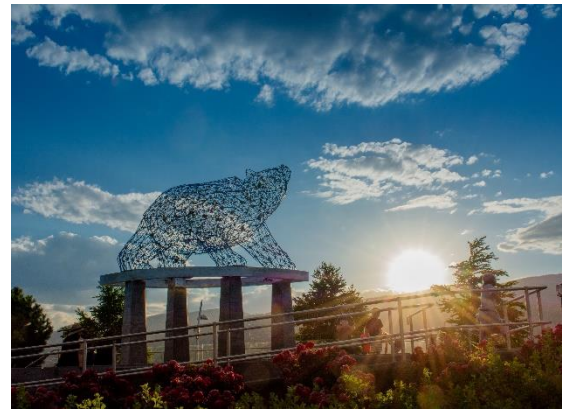
Nearly **\$1 million** is proposed to support programs and initiatives to continue to help address complex social issues.

Improving transportation alternatives

We propose to continue to deliver a balanced transportation network and renew existing roads, sidewalks and bus stops by investing **\$20.5 million** in transportation projects in 2020.

Demonstrating our commitment to environmental protection

We need to be proactive against the impacts of climate change. The budget includes a proposed **\$2.8 million** in storm drainage upgrades and improvements and adding up to **8** new electric vehicle charging stations downtown.



TOP 10 CAPITAL REQUESTS

By highest dollar amount

1. **\$69.9 million**
YLW Soaring beyond 2.5 million passengers Airport Improvement Fee program
2. **\$8.9 million**
Parkland acquisition
3. **\$7.8 million**
KLO Rd. Mission Creek bridge rehabilitation project
4. **\$4.5 million**
Pandosy Waterfront Park Phase 1
5. **\$4.2 million**
Vehicle/equipment fleet renewal
6. **\$4 million**
Rutland Recreation Park fieldhouse
7. **\$3.7 million**
Annual road resurfacing
8. **\$2.7 million**
Rutland Centennial Park completion
9. **\$2.7 million**
Ethel St. Active Transportation Corridor Rose to Raymer
10. **\$2.3 million**
Landfill liner design and construction