



**REGIONAL DISTRICT
of
NORTH OKANAGAN**

REPORT

File No.: 3900.2773

TO: Board of Directors
FROM: General Manager, Finance
DATE: March 28, 2018
SUBJECT: 2017 Amended Financial Plan

RECOMMENDATION 1:

That 2017 Financial Plan Amendment Bylaw 2773, 2018 be given First, Second and Third readings.

RECOMMENDATION 2:

That 2017 Financial Plan Amendment Bylaw 2773, 2018 be Adopted.

SUMMARY:

This amended budget formalizes in bylaw form some housekeeping items and decisions already made by the Board during 2017.

Pursuant to Section 374 of the Local Government Act, the Regional District is required to ensure that all expenditures are provided for within the financial plan. The Regional District may amend the financial plan by bylaw at any time.

The proposed bylaw includes six separate amendments totaling \$6,020,000. None of the amendments impact the net budget of the Regional District, and do not impact 2017 or 2018 taxation.

No other bylaw amendments have occurred since the original 2017 Financial Plan bylaw was adopted March 8, 2017.

DISCUSSION:

The following changes are proposed to amend the 2017 Financial Plan. Each of amendments listed below include the applicable service, the details regarding the amendment, the dollar value of the amendment and the funding sources.

060 – Greater Vernon Parks, Recreation & Culture

- Add grant to Vernon Pickleball Association
- Operating Expenses increase of \$300,000
- Funded from the 060 Non-Statutory Reserve

060 – Greater Vernon Parks, Recreation & Culture

- Increase to Okanagan Rail Trail Construction capital project
- Capital Expenditure increase of \$530,000, from \$500,000 to \$1,030,000
- Funded from a \$432,000 Federal grant under the Canada150 grant program and \$98,000 from an increase in fundraising donations

081 – North Okanagan Shuswap Rail Trail

- Add purchase of rail trail
- Capital Expenditure increase of \$3,260,000
- Funded from \$2,175,000 in Capital Borrowing and from a \$1,085,000 Provincial grant

241 – BX Swan Lake Fire Department

- Increase to Out-of-Area Firefighter Wages
- Wages & Benefits increase of \$370,000
- Funded from a recovery from the Province as part of the fire department's assistance during the 2017 wildfire season

243 – Lumby Fire Department

- Increase to Out-of-Area Firefighter Wages
- Wages & Benefits increase of \$60,000
- Funded from a recovery from the Province as part of the fire department's assistance during the 2017 wildfire season

670 – Regional Solid Waste

- Increase to Landfill Closure/Post-Closure Reserve transfer
- Transfer to Reserves increase of \$1,500,000
- Funded from an increase of \$800,000 in landfill fees and \$700,000 from the 670 Non-Statutory Reserve
- Resolution of the Board directs that annual surpluses in Regional Solid Waste operations be transferred to the statutory reserve, rather than fall to surplus as part of the non-statutory reserve.

The following table presents the original consolidated 2017 Financial Plan for comparative purposes.

	FINANCIAL PLAN				
	2017	2018	2019	2020	2021
REVENUE					
PROPERTY VALUE TAXES	16,870,657	17,552,123	17,999,995	18,359,459	17,941,279
PARCEL TAXES	553,559	555,756	558,114	560,586	563,179
FEDERAL / PROVINCIAL GRANTS	7,391,609	1,289,514	1,291,248	1,293,017	11,294,821
GRANTS IN LIEU OF TAXES	66,151	84,317	84,333	84,350	80,368
FEES, CHARGES & OTHER INCOME	32,727,586	33,027,406	34,177,773	35,194,654	35,310,866
TRANSFERS FROM RESERVES	9,331,527	885,941	810,941	810,941	15,810,941
TRANSFERS FROM ACCUMULATED SURPLU:	8,572,284	825,866	704,528	757,371	843,188
CAPITAL BORROWING	13,156,695	-	-	-	10,000,000
	88,670,068	54,220,923	55,626,932	57,060,378	91,844,642
EXPENSES					
WAGES & BENEFITS	7,899,000	8,056,980	8,218,122	8,382,485	8,550,138
OPERATING EXPENSES	25,260,211	25,477,036	25,980,032	26,508,621	27,041,821
DEBT PAYMENTS	8,112,953	8,861,951	9,005,303	9,130,694	7,193,726
TRANSFERS TO RESERVES	1,538,000	1,925,315	2,263,230	2,508,939	2,733,400
TRANSFERS TO NON-STATUTORY RESERVE	2,043,939	1,680,641	1,761,245	1,878,639	2,195,557
CAPITAL EXPENDITURES	43,815,965	8,219,000	8,399,000	8,651,000	44,130,000
	88,670,068	54,220,923	55,626,932	57,060,378	91,844,642
NET	-	-	-	-	-

Respectfully submitted,



Stephen Banmen
 General Manager, Finance

Approved for Inclusion



David Sewell
 Chief Administrative Officer