

Minutes of the *SPECIAL BUDGET BOARD MEETING* of the Regional District of Central Okanagan held at Regional District Offices, 1450 KLO Road, Kelowna, B.C. on Friday, March 26, 2010

Directors:

J. Baker (District of Lake Country)
J. Edgson (Central Okanagan West Electoral Area)
K. Fielding (District of Peachland)
D. Findlater (District of West Kelowna)
K. Hayes (Central Okanagan East Electoral Area)
R. Hobson (City of Kelowna)
C. Hodge (City of Kelowna)
G. James (City of Kelowna)
D. Ophus (District of West Kelowna)
K. Craig, alternate for A. Reid (City of Kelowna)
M. Rule (City of Kelowna)
S. Shepherd (City of Kelowna)
L. Derrickson (Westbank First Nation)

Staff:

H. Reay, Chief Administrative Officer
D. Plamondon, Director of Development Services
C. Radford, Director of Engineering Services
M. Rilkoﬀ, Director of Finance and Administrative Services
M. Drouin, Corporate Services Coordinator (recording secretary)

Chair Hobson brought the meeting to order at 9:00 a.m.

1. FINANCE DEPARTMENT

1.1 Introduction of 2010 – 2014 Financial Plan - Review of 2010 Tax Rates

Marilyn Rilkoﬀ introduced the budget noting changes have been made to the budget as directed at the March 11th Governance and Services Committee meeting including:

The largest impacts to the 2010 budget were reviewed including:

- Regional Parks held the line on funding the Park Legacy reserves, keeping the rate at 3.5 cents (1/2 the previously agreed upon amount).
- Regional Rescue – increases mainly for fire dispatch, fire department admin fee, Provincial Emergency Plan responses, Emergency Social Services.
- 911 – RCMP contract staffing
- Dog Control – payroll, agent fees, legal, advertising and uniforms
- Septic Effluent Disposal Site – revenues back on track, smaller requisition
- Regional Planning – studies including the Regional Growth Management Strategy Update, foreshore structures bylaw and inventory mapping,
- Westside Transit Service – transferred to the District of West Kelowna. Increase in costs to other municipalities and WFN costing affected.
- Electoral areas impact includes: building inspection and bylaw enforcement, fire prevention, electoral area planning, and Okanagan Regional Library increases.

- Other large budget items include:

- o Treatment plant expansion
- o Various water system capital projects
- o Capital purchase for fire departments including an ATV for the North Westside Fire Department
- o Roof and HVAC on RDCO building
- o Aggregate study

Staff noted that no funding has been put in the budget for the public consultation phase of the aggregate study (six public consultation open houses are planned). Discussion ensued regarding adding \$10,000 to the budget for communication.

- Aggregate supply demand update funding has been budgeted. The Regional District and member municipalities are contributing. This is separate from the pilot project which has not been budgeted.

- When will staff know what the actual costs are for the supply demand update? Staff noted that an Aggregate Task Force meeting is being held later today and that it is hoped to go to RFP sometime in the next eight weeks. If the project proceeds after the aggregate supply demand update, will need to look for funding sources--no secured funding to date.

- The Province has put in \$5000 for a statistically valid survey. The Province's position to date is that they are not prepared to fund the pilot project.

- It was agreed that the public meetings must be properly organized. RDCO does not have the staff resources to do this. This will be addressed at the Task Force meeting. If additional funds are left after the supply and demand study, staff may have to go back to the partners to ask if these funds can be used in other areas.

- Concern was expressed that it's not fair for the Province to be a partner and not come forward to the table with funds?

Chair Hobson will address the Board's concerns with the Aggregate Task Force.

Staff noted that the final requisition adjustments will need to be made once revised assessment numbers are available from BC Assessment. An overview of the 2010 tax rates (based on a home assessed at \$440,000) for each of the municipalities and electoral areas were highlighted including:

- City of Kelowna: Increase of 3.01% (\$5.41)
- Peachland: Increase of 6.87% (\$0.27)
- Lake Country: Increase of ½% (-\$5.21)
- West Kelowna: Decrease of 42.10% (-\$118.02)
- Central Okanagan West Electoral Area: Increase of 20.25% (\$52.48)
- Central Okanagan East Electoral Area: Increase of 26.67% (\$58.85)

1.2 Public Comment on 2010 – 2014 Financial Plan

Staff noted that a submission has been received from Diane Baldwin, President and Allastair Fergusson, Director – North Westside Ratepayers Association regarding the purchase of a fireboat for the North Westside Fire Department. The correspondence was circulated to the Board for their information. It was noted that the funding for a potential fireboat is in capital reserves and that the matter is under staff advisement.

Ian Kilpatrick – North Westside Communities Association – addressed the Board reviewing the Killiney Beach safe harbor and recreational pier which is budgeted. The Association is pleased and anxious to get this in place in 2010

As well, he noted that the ATV for the North Westside Fire Department, which has been added to the 2010 budget, is needed for fast attack fire response particularly in trail areas throughout the fire department area. It will be similar to Lake Country Fire Department's 'mule'.

There was no further public comment.

1.3 Regional District of Central Okanagan 2010 - 2014 Financial Plan Bylaw No. 1272, **1st, 2nd and 3rd readings and Adoption** (All Directors - Unweighted Vote)

Once again, staff noted that to date the final assessment roll has not been received from BC Assessment Authority. The budget must be approved by March 31st therefore the budget needs to be approved subject to those adjustments required when the final roll is received.

The Chair asked if there were any other items to be discussed regarding the budget.

Staff noted that as requested an update on the allocation of admin overhead, including the projected 2010 amount, has been circulated to the Board for their information. In 2010, the allocations increased by area, but this total is back to the regular reduced level of \$2.3 M as it was in 2008. The largest difference between the allocation in 2008 and 2010 is that RDCO had more functions and budget dollars to allocate the administrative overhead over. It was noted that in the report there were no admin allocations for transit. Staff confirmed that the report would be amended to include an allocation of admin overhead for transit for Peachland and WFN. Staff confirmed they will meet with municipal administrators and their financial officers to provide clarification of the Board's admin overhead allocation policy.

The question was raised what the next steps are for the strategic planning process. Staff noted the work the Board did in 2009 has been compiled and the draft document will now be put into a formal document and brought forward for adoption.

#97/10

EDGSON/FIELDING

THAT the Regional District of Central Okanagan 2010 - 2014 Financial Plan Bylaw be adopted subject to the inclusion of requisition adjustments resulting from the revised assessment roll when it is received from the BC Assessment Authority;

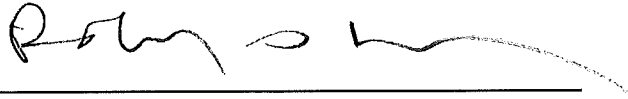
AND FURTHER THAT Regional District of Central Okanagan 2010 – 2014 Financial Plan Bylaw No. 1272, 2010 be given first, second and third readings, and adopted this 26th day of March 2010.

CARRIED (Ophus, Findlater opposed)

2. ADJOURN TO A REGIONAL HOSPITAL DISTRICT MEETING

There being no further business the meeting was adjourned at 9:45 a.m.

CERTIFIED TO BE TRUE AND CORRECT



R. Hobson (Chair)



H. Reay (Chief Administrative Officer)