TO: Regional Board

FROM: Brian Reardon
Chief Administrative Officer

DATE: October 21\textsuperscript{st}, 2014

SUBJECT: 3\textsuperscript{rd} QUARTER WORK PLAN AND BUDGET VARIANCE REPORT

Purpose:
To provide the Board with third quarter year-to-date information pertaining to the 2014 work plan and budget variance report.

Executive Summary:
Staff are pleased to present the 3\textsuperscript{rd} Quarter Work Plan and Budget Variance Report for 2014. The format of this report is a departure from previous Quarterly Reports and is intended to graphically illustrate that the work plan for each of our services is on schedule and on budget. Any exceptions to the foregoing are red flagged and explained with a special notation.

This 3\textsuperscript{rd} Quarter Report indicates that projects and work plans are well underway and are generally progressing as planned. At this point in time, both revenues and expenses are within anticipated budget parameters, with the following exception:

1. Function 306 – Trepanier Bench Water:
   User Rate revenues are not expected to meet or exceed expected expenses; year-end projections anticipate a shortfall between $5,500 & $6,000 that will need to be paid in next year's budget.

RECOMMENDATION:

THAT the Board receive this report for information.

Respectfully Submitted:

Brian Reardon
Chief Administrative Officer

Prepared by: Marilyn Rilkoff, Director of Finance & Administration
Chris Radford, Director of Community Services
Murray Kopp, Director of Parks & Police Services
Purpose

To provide a third quarter Financial Exception Report on the 2014 work plan, to red-flag any areas of concern, to highlight items of interest and to answer any questions the Board may have.

A year-to-date budget variance chart is provided for each service, accompanied by operational details for selected services.
1. Corporate Administration
2. General Government
3. Protective Services (911, Crime Stoppers, Fire Protection)
4. Inspections & Bylaw Enforcement Services
5. Transportation Services
6. Solid Waste Management
7. Environmental Services
8. Planning Services
9. Regional Economic Development
10. Recreation and Cultural Services
11. Water Systems
12. Treatment Plant and Sewer Systems

*Services are grouped by Financial Reporting Function*

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**Corporate Administration**

% Variance to Budget

YTD - September 30, 2014

<table>
<thead>
<tr>
<th>Service</th>
<th>Revenue</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>48%</td>
<td>52%</td>
</tr>
<tr>
<td>Finance</td>
<td>68%</td>
<td>32%</td>
</tr>
<tr>
<td>Engineering</td>
<td>68%</td>
<td>32%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td>Information Systems</td>
<td>68%</td>
<td>32%</td>
</tr>
</tbody>
</table>

*Services are tracking well; on schedule and within budget parameters.*
Corporate Administration

- Extensive support provided for Fringe Area Planning, 911 and Dispatch Review projects;
- Completion of preliminary budgets for Sterile Insect Release Board and Okanagan Basin Water Board;
- Clean Audit Reports for RDCO, CORHD, SIR and OBWB;
- Concluded Regional, Electoral Area & Fringe Area Planning Service Review;
- Completed Leadership Training Program & Violence in the Workplace Training with all staff (WorkSafe Bill 14 – Bullying and Harassment Legislation);
- Preparing for the upcoming CUPE Collective Agreement Negotiations. Current contract expires December 31, 2014;
ALL - Payroll for Q3 is processed in October and transfer to reserves done at year end.

Protective Services (cont'd)  
% Variance to Budget  
YTD - September 30, 2014

026 - Semi annual debt payment (1st is interest - 2nd is principle and interest);  
027 & 034 - Same as 026;  
029 - Invoice from the District of Peachland will be processed in October;  
030 & 031 - Invoice will be processed in October
Protective Services – Emergency Operations

The North Westside Road Fire Department was successful in their Fire Underwriter’s challenge to qualify the fireboat as a portable hydrant within the North Westside Road Fire Service Area.

Thanks go out to the leadership of Chief Gardiner and the commitment and dedication by all members of the North Westside Road Fire Department in making this such a success.

Protective Services – Regional Rescue

Emergency Operations Centre (EOC) Activated on 4 occasions
- Hosted Premier Clark touring EOC and ESS Reception Centre
- Level 1
  - Smith Creek Fire (#1) – Activated July 14th
  - Boucherie Fire – Activated July 15th
- Level 2
  - Drought Hill Fire – Activated August 7th
- Level 3
  - Smith Creek Fire (#2) – Activated July 18th
    - Coordinated media information
      - 26 news releases
      - 143,110 tweets
    - Supported evacuation and care of 2,927 evacuees
Protective Services – Regional Rescue

EOC Premier Reception

Facebook Page

Inspection & Bylaw Enforcement Services

% Variance to Budget
YTD - September 30, 2014

- Business Licenses
- Building Inspection
- Dog Control
- Mosquito Control
- Prohibited Animal Control
- Noise Abatement
- Unlawful Premises
- Noxious Insect Control
- Weed Control
- Standing Control (UC Grape Growers)

047 – Waiting for Q3 invoice;
105 – Operating reserve funding in 2014 with transfer done at year end;
115 – Rev. dependent on sale of services along with some operating reserves
116 – Invoice processed in Q4
**Inspections & Bylaw Enforcement Services**

**Dog Control**
- To date, 19,024 dog licenses have been issued in 2014
  - 4,549 New licenses
  - 14,475 Renewed licenses
- 430 Bylaw Offence Notices issued for 'No Dog License'
  - 120 tickets have been paid in full or have entered payment plans
- Revenues Exceeding Budget Amounts ($90K YTD):
  - Licensing - $34,647
  - Dog Impounding - $29,401
  - Bylaw Notice Adjudication Program Fines - $25,647

**Dog Ambassadors Program**
- Successful media promotion results in expansion of My Dog Matters business participation

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**Transportation Services**

<table>
<thead>
<tr>
<th>Service</th>
<th>% Variance to Budget</th>
<th>YTD - September 30, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation Demand Management</td>
<td>-</td>
<td>9%</td>
</tr>
<tr>
<td>Lakeshore Road Improvements (MPP)</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Scotty Heights Street Lights</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Westside Streetlight Consolidation (DWP)</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td>Ellison Transit</td>
<td>-</td>
<td>0%</td>
</tr>
</tbody>
</table>

050 – One time RSP Grant Project, tracking well;
085 – Q3 invoice will be processed in October
**Solid Waste Management**

% Variance to Budget
YTD - September 30, 2014

- 092 - Revenues through Q3 & Q4 billings sent out in Q4;
- 093 - Funded through "landfill closure reserve" done at year end;
- 094 - Revenues through Q3 & Q4 billings sent out in Q4;
- 096 - Recycling Revenues one month behind

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**Environmental Services**

% Variance to Budget
YTD - September 30, 2014

- 091 - Dependent on sale of services, Q3 billing done at end of October;
- 102 - RSP Grant Project & billing to Lake Country
Planning Services
% Variance to Budget
YTD - September 30, 2014

Notable 3rd Quarter Achievements:
- Application Tracking System project completed
- Board has endorsed Guide to Site Specific Amendments Application Process for Medical Marihuana Production Facilities (MMPF's)
- Completed background research and scoping for the Regional Floodplain Risk Assessment and Mapping Project

Regional Economic Development
% Variance to Budget
YTD - September 30, 2014

Growth of Central Okanagan Tech Sector - Innovation Centre
- Provincial contribution secured
- Building approved

Retain and Attract Young Professionals
- Okanagan Young Professionals (OYP) Hosted TEDxKelowna – 1,353 attendees including 1,000 grade 11 students from across Canada
Regional Economic Development

Innovation Strategy, Workforce Development, and Tech HR
- 3 contracts awarded and work in progress
- 96 workers/28 employers/26 students were provided assistance to stay within Central Okanagan
- Provided input to Westbank First Nation through coordination and advisement on their first formal site visitation program

Local Business
- Met with over 30 buyer delegations who have purchased local businesses
- Improved efficiency of Business Walk process for the October 1st event – Record number of participants

Programming and Assistance to Facilitate Growth in Agricultural Business
- All participants reported improvements to management skills and bottom lines
- Added five new tourism products to the marketplace

Recreation and Cultural Services

% Variance to Budget
YTD - September 30, 2014

121 – Transfer to reserves done @ year end, tracking well;
123 – Contract service invoices are in process, tracking well.
Recreation and Cultural Services - Parks

Regional Parks Legacy Program – 2014 Park Land Acquisition Project
- Goat's Peak Regional Park acquisition announced September 10th
- Black Mountain / Sn̓sts'el'íntan Regional Park acquisition announced September 19th

Okanagan Centre Harbour Regional Park Breakwater Reconstruction Project
- Phase 4 Walkway Project Tender was issued Sept. 10th

Johns Family Nature Conservancy Regional Park Management Plan
- Final draft of project was approved by the Central Okanagan Land Trust Board of Directors

Glen Canyon Regional Park Regulation and Management Agreement
- RDCO and District of West Kelowna agreed to a joint partnership in operation of the land adjacent to Glen Canyon
Recreation and Cultural Services - Parks

Trails to Health Project (Provincial Recreation Program Grant)
- Rose Valley parking & trail improvements completed
- Glen Canyon trailhead improvements completed at Hebert Rd access and a Tender process has been issued for trail upgrades.

Mission Creek Greenway Phase 3a – Friends of Mission Creek Funded Project
- Completed Detailed Design of Phase 3a of Mission Creek Greenway Regional Park
- Prepared Tender Documents and Specifications for issue to a Tender process at the beginning of Q4

Community Events
- Kokanee Salmon Festival held at Mission Creek Regional Park
- Harvest Fair at Gellatly Nut Farm Regional Park completed

Design Launch of Phase 3a – Mission Creek Greenway
Water Systems
% Variance to Budget
YTD - September 30, 2014

- Revenues not expected to meet target; anticipate $6,000 deficit;
- Transfer to reserves @ year end;
- Debt payment and transfer to reserves @ year end.

Treatment Plant & Sewer Systems
% Variance to Budget
YTD - September 30, 2014

- Bio-solids budget amendment, tracking well;
- Q7, Q8, Q9 & Q4 billings have yet to be processed.
Treatment Plant & Sewer Systems

Biosolids Management
- 5 Year contract secured for biosolids management
  - Combined reduction in management fees and transportation costs are expected to result in $1.5 million in cost savings over the life of the contract, based on current tonnage.

Plant Upgrades
- Completion of Treatment Plant upgrades and replacement of biofilter;
- Completion of Landscaping Project:
  - Planting of 120 trees and 250 shrubs to enhance visual appearance and eventually provide screening to surrounding properties when they mature;
  - New irrigation system will utilize reclaimed water from the plant.

Treatment Plant & Sewer Systems

Landscaping Upgrade

BEFORE...

...AFTER
### 2014 Capital Projects

<table>
<thead>
<tr>
<th>Project Description (Over $200k)</th>
<th>Actual Jan-Sep ($)</th>
<th>Budget ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Cisterns (022)</td>
<td>14,450</td>
<td>431,375</td>
</tr>
<tr>
<td>Marine Rescue Vessels (030)</td>
<td>308,464</td>
<td>325,813</td>
</tr>
<tr>
<td>Centrifuge (091)</td>
<td></td>
<td>577,969</td>
</tr>
<tr>
<td>Treatment Plant Upgrade (091)</td>
<td></td>
<td>780,000</td>
</tr>
<tr>
<td>Parks Land (142)</td>
<td>12,055,297</td>
<td>14,529,233</td>
</tr>
<tr>
<td>Goat's Peak</td>
<td>5,038,099</td>
<td></td>
</tr>
<tr>
<td>Black Mountain / Sntsk'Wntan</td>
<td>7,038,388</td>
<td></td>
</tr>
<tr>
<td>2880 Scharf Rd</td>
<td>8,810</td>
<td></td>
</tr>
<tr>
<td>Ok Centre Safe Harbour North Breakwater (143)</td>
<td>385,304</td>
<td>936,097</td>
</tr>
<tr>
<td>Glen Canyon Trail Upgrades (142)</td>
<td>7,310</td>
<td>250,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$12,720,826</strong></td>
<td><strong>$17,430,487</strong></td>
</tr>
</tbody>
</table>

022 – Design work in 2014 with implementation in 2015

### 2014 Capital Projects

- **Goat’s Peak Acquisition**
- **Black Mountain / Sntsk’Wntan Acquisition**
2014 Capital Projects

Marine Rescue Vessels Stationed in Peachland and Lake Country

Looking forward to the 4th Quarter

- Elections
- Fringe Planning Review
- Parks Review
- Fire Dispatch Project
- Completion of 2014 Initiatives and Projects
Questions?