

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: January 9, 2025

RE: **RDOS 2025-2029 Five Year Financial Plan Bylaw No.3102,2025**

Administrative Recommendation:

THAT the change requests, as listed in appendix one and two of the January 9, 2025 RDOS 2025-2029 Five Year Financial Plan Bylaw No.3102,2025 administrative report, be approved further, THAT the board direct staff to adjust the budget for the second reading to reflect changes as directed by the Board, and further, THAT Bylaw No.3102, 2025, being a bylaw of the Regional District of Okanagan-Similkameen to adopt the 2025-2029 Five Year Financial Plan be read a first time.

Reference Documents:

Bylaw No.3102,2025
Schedules A, C, C.1, C.2, D, E, and F.1 - F.16
Appendices A-D

Background:

The draft 2025-2029 Five Year Financial Plan has been reviewed by the Board at budget workshops on November 14th and December 12th 2024. The proposed date for adoption of the Five Year Financial Plan is March 6th 2025. To comply with legislation, the Board must approve the budget by March 31st 2025.

Since the budget workshop on November 14th, there have been a number of adjustments purposed. These adjustments have been requested by Directors and staff due to the following reason.

- Board preliminary approval of Regional Grant-in-Aid requests.(Appendix A)
- Board preliminary approval of Full Time Equivalent (FTE) requests.(Appendix A)
- Board preliminary approval of Program Change (PCR) requests.(Appendix A)
- Director requests from workshop meeting December 12th. (Appendix A)
- Reserve changes.(Appendix B)
- Wage reallocations. (Appendix C)
- Upon secondary analysis of the workshop budget by managers adjustments have been requested to create a more accurate budget representation.(Appendix D)

Summary of Appendices

Appendix “A”: Workshop Change Requests

Regional Grant-in-Aid

Applicant	Request	Nov. 14th Decision	2025
Agur Lake Camp Society	\$ 4,524.73	\$ 4,524.73	\$ 4,524.73
Desert Sun Counselling & Resource Center Society	\$ 50,000.00	\$ -	
HA HA HA Kidz Fest	\$ 15,000.00	\$ 5,000.00	\$ 5,000.00
Okanagan Similkameen Conservation Alliance	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Similkameen Country Development Association	\$ 10,000.00	\$ -	
Summerland Museum and Archives Society	\$ 14,520.00	\$ -	
Take a Hike Youth Mental Health Foundation	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
All requests accepted at full value	\$101,044.73	\$ 16,525	\$ 16,525

FTE Requests

FTE Number	Description	Amount in 2025
FTE 2025-1	Parks Leadhand	\$ 70,557
FTE 2025-3	Electrician	\$ 31,003
FTE 2025-4	Bylaw Coordinator	\$ -
FTE 2025-5	Utilities Coordinator	\$ -
FTE 2025-8	Sustainability Manager	\$ 68,316
FTE 2025-9	Recreation Coordinator	\$ -
FTE 2025-10	Solid Waste Operations Manager	\$ 151,189
FTE 2025-11	Planning Technician	\$ 98,325
FTE 2025-12	Environmental Technician	\$ 115,993

Note:

- FTE 2025-9 has been pulled due to proposed funding as stated on request form not being available due to PCR 1 being accepted.
- FTE 2025-10 only \$27,214 attributed to tax requisition.
- FTE 2025-12 only \$7,599 attributed to tax requisition
- FTE 2025-11 and FTE 2025-12 were included in the draft budget wages already, as the positions were pre-approved by the board pre-draft budget.

Program Change Requests

Form	Description of Change	Total Cost
PCR 01	Recreation Restructure	\$ (173,469)
PCR 02	Emergency Management in Area "H"	\$ 42,000
PCR 03	Invasive Tree Program - Area "F"	\$ 20,000
PCR 04	Park & Trail Maintenance	\$ 19,250
PCR 05	Turf Management - Area "E"	\$ 10,000
PCR 06	Website Redesign	\$ 75,000
PCR 07	BC Tree Fruits History Conservation	\$ 1,560

Note:

- PCR 01 request has been adjusted to ensure 7530 Recreation Commission - Kaleden has coverage on managing of the community center.
- PCR 07 request has been adjusted to only include funding for 12 months of storage.

Other Workshop Adjustments

- Removal of 1 ton truck purchase by 0411 Emergency Management.
- Decreasing curb stop program by \$30,000 in 3931 Water System – Willowbrook.
- Remove Community Works Fund (Gas Tax) funding of \$50,000 from 1701 Fire Protection – Naramata.

Appendix “B”: Reserve Adjustments

All changes made to ensure reserves on side for the funding of all projects in the 5 year plan.

Appendix “C”: Wage Reallocation

Reallocations to create more accurate budget presentation

Appendix “D”: Changes Requested by Directors and Staff

- Misc. capital project and operational changes to create a more accurate budget presentation.
- 7720 - Regional Trails: \$125,000 of RDOS portion for a grant application is being funded by Community Works Funds (Gas Tax) to keep overall taxation down.
- 8200, 8240, 8300, 8350, 8500, 8600 - Transit budget changes to reflect current actual costs.

The Board will be able to review the individual asks listed in the appendices during the PowerPoint presentation and authorize or deny the requested changes.

Budget Comparison

2025 RDOS Draft Budget Comparison with 2024 & 2023

	2025	2024	2023
(In millions)			
RDOS Operational Expenses	\$ 51.55	\$ 49.03	\$ 46.30
Municipal Debt Repayment	\$ 8.19	\$ 7.61	\$ 7.31
Capital Project	\$ 51.23	\$ 31.10	\$ 20.20
(\$13.34m capital projects carried forward)			
Total RDOS Budget	\$ 110.97	\$ 87.74	\$ 73.81

Of the \$51.55 million operational expenses \$4,053,847 is transfer to capital reserves and \$344,422 to operational reserves. Transfers to reserves comprised 7.86% of the operational budget.

First Reading Proposed Tax Requisition Summary (Schedule C)

REGIONAL DISTRICT OKANAGAN-SIMILKAMEEN 2025 TOTAL REQUISITION SUMMARY

	2025	2024	\$ Change	% Change	Non-Market Growth %	Net Change %
RDOS PENTICTON	\$ 3,187,822	\$ 2,935,992	\$ 251,829	8.58%	1.05%	7.53%
RDOS SUMMERLAND	1,153,748	1,069,406	84,342	7.89%	1.77%	6.12%
RDOS PRINCETON	157,046	142,739	14,307	10.02%	0.86%	9.16%
RDOS OLIVER	1,940,679	1,849,957	90,722	4.90%	1.44%	3.46%
RDOS OSOYOOS	1,266,408	1,129,988	136,421	12.07%	1.21%	10.86%
RDOS KEREMEOS	744,882	693,640	51,242	7.39%	1.07%	6.32%
	8,450,585	7,821,722	628,863	8.04%	1.24%	6.80%
PENTICTON INDIAN BAND	59,169	-	59,169	#DIV/0!		
ELECTORAL AREA A	1,747,518	1,618,874	128,644	7.95%	2.58%	5.37%
ELECTORAL AREA B	942,097	871,363	70,734	8.12%	5.35%	2.77%
ELECTORAL AREA C	2,721,177	2,615,783	105,394	4.03%	1.60%	2.43%
ELECTORAL AREA D	3,497,301	3,317,470	179,830	5.42%	0.99%	4.43%
ELECTORAL AREA E	2,895,362	2,776,932	118,430	4.26%	3.74%	0.52%
ELECTORAL AREA F	1,727,218	1,688,210	39,009	2.31%	1.54%	0.77%
ELECTORAL AREA G	1,291,230	1,223,362	67,867	5.55%	1.41%	4.14%
ELECTORAL AREA H	2,025,326	1,938,245	87,082	4.49%	2.10%	2.39%
ELECTORAL AREA I	2,388,283	2,212,408	175,875	7.95%	1.30%	6.65%
	19,235,512	18,262,647	972,865	5.33%	2.04%	3.29%
TOTAL TAX REQUISITION FOR ALL BUDGETS	\$ 27,745,266	\$ 26,084,369	\$ 1,660,898	6.37%	1.49%	4.88%

Where to find further details

Tax impacts on per capita and property values see Schedule C, C.1 and C.2

Operational financial plan see Schedule D

Capital financial plan see Schedule E

Detailed tax impacts per Municipality and Electoral Area see Schedule F.1 – F.16

Board requested changes from workshop see Appendix A

Further changes since workshop draft from directors and staff see Appendix B,C and D

Note: the percentages and figures found in the above report and attachments as attached to the bylaw are considered preliminary and are subject to change, with the Boards approval, final adoption date is set March 6th 2025.

Communication Strategy:

Invitations for budget presentations have been sent out to all member municipalities and Penticton Indian Band (PIB). A communication plan for public engagement events has been prepared and will be presented to the RDOS Board of Directors.

Please send questions to the Deputy Chief Financial Officer.

Respectfully submitted:

“Wayne Making”-Deputy CFO

W. Making, Deputy Chief Financial Officer

Endorsed by:

“insert digital signature; or name in italics”

XXX, Senior Manager

Attachments

Bylaw 3012, 2025

Appendix A – Board requested changes from workshops.

Appendix B – List of reserve adjustments.

Appendix C – List of wage reallocations

Appendix D – List of adjustments requested by Director or staff

Schedule A – Summary by program

Schedule C – Tax requisition.

Schedule C.1 – Tax requisition per capita

Schedule C.2 – Tax requisition per property values

Schedule D – Operational financial plan

Schedule E – Capital financial plan

Schedule F.1-F.16 – Detailed tax requisition by Municipality and Electoral Area

PowerPoint Presentation