

2024 Additional Comments Report

Draft 2024 Budget and Council's 2022-2025 Strategic Priorities: Annual Review 2024

February 2024

Submitted by resident

West Kelowna Residents Can Save \$9.6 Million

Council is seeking public input into the Five-Year Financial Plan and 2024 Budget at
Public open houses on:

Monday, Jan 29th 2024 from 4pm to 7pm at the West Kelowna Yacht Club, 4111 Gellatly Road

And at a second public open house on

Thursday, February 8th from 3pm to 6pm at Council Chambers, 270 Cameron Road.

Please know that the writer is not opposed to any of the 2024 approved capital projects; I am just questioning the funding of the projects. Please attend the meeting(s). The following are some questions you can ask your Council and possibly save you taxes and utility costs:

DEBT & BORROWING MANAGEMENT

As per The Municipal Finance Authority @ January 29, 2024 (subject to daily change)

	<u>Debt Borrowing</u>	<u>Total Cost: 25 year @ 4.73%</u> <u>Debt / Interest / Actuarial</u>
<u>Rose Valley Water Treatment Plant</u> Current Est. Borrowing	\$ 23,500,000.00	\$ 33,661,797.00
<u>Less the Sale of L.I.D. "Utility" Property at 2570 Bartley Road</u>	(\$ 3,700,000.00)	
<u>Total Cost to Taxpayers</u> if Council would apply the Utility Property Sale to the total Utility RVWTP Borrowing	\$ 19,800,000.00	\$ 28,361,855.00
<u>Total Savings to Utility User Costs</u> (if Council would apply the \$3.7 Million Sale to the Borrowing instead of using it or part of it for their works yard or putting it into a reserve)		<u>\$ 5,299,942.00</u> <u>User Utility Savings</u>

Note: If the City had provided a Budget of \$75 million to the Provincial and Federal Governments for the 2017 Grant Funding instead of the submitted total Original budget of \$49 Million, we Utility Users may have received a grant of \$62 Million thus leaving us with debt financing of only \$12 Million instead of \$23.5 million. How important is it that Utility Users get out and ask questions? Will the City do the same when it comes to selling the Westbank Irrigation Utility Property that is also used as a Works Yard?

	<u>Debt Borrowing</u>	<u>Total Cost: 25 year @ 4.73%</u> <u>Debt / Interest / Actuarial</u>
<u>New Fire Hall #32</u> Current Est. Borrowing	\$ 8,000,000.00	\$ 11,457,335.00
<u>Sale of Property</u> Purchased for the New Fire Hall on Harmon Road (\$2 Million) and the Property Fire Hall #32 currently occupies (\$1 Million)	(\$ 3,000,000.00)	
<u>Total Cost to Taxpayers</u> if Council would apply the Property Sale to the total Fire Hall #32 Borrowing	\$ 5,000,000.00	\$ 7,162,085.00
<u>Total Savings to Taxpayers</u> (if Council would apply the dedicated Fire Hall #32 Sales to the Borrowing)		<u>\$ 4,295,250.00</u> <u>Tax Payer Savings</u>

Total Potential Savings to Taxpayers on Request Property Sale Allocation Above:

\$ 9,595,192.00

By the Council putting the \$3.7 million Utility Property Sales and the \$3 million (or more) Fire Hall Property Sales into Reserves or use it on their proposed Works Yard; the cost to Utility Users and Taxpayers will be an additional \$9.6+ million. (depending on the sale price revenue of the properties)

If the City needs more money for various Reserves, more money for budget overruns, or more money for a new Works Yard Facility; The City should then ask the residents to approve the funds.

PLEASE ASK YOUR COUNCIL TO APPLY THE DEDICATED UTILITY AND FIRE HALL PROPERTY SALES TO REDUCE THE BORROWING DEBT

MORE QUESTIONS TO ASK YOUR COUNCIL

GROWING COMMUNITIES FUND GRANT:

The City received a grant of \$10.2 Million last May and the Council appears eager to spend the funds. There are qualifications for the use of the funds, but Council has not informed the public as to their intentions. So far the Council has approved use of these funds for the Asquith Roundabout (\$300,000), the New Fire Hall (\$1.2 million), and an Arena Scoreboard/Clock (\$600,000).

After spending \$75 million on a New RVWTP, we still need to spend \$3.2 million on a new pipe from the Dam to the Plant. The Powers Creek Reserves will be **NEGATIVE (\$65,000)** in 2027 and the City is forecasting some \$46 million in Capital Cost requirements for the next ten years (not including dam upgrades). Does anyone not think our water rates will be increasing?

Please ask your Council, when it comes to spending the Growing Communities Fund Grant of 10.2 million, to focus on benefiting the NEEDS OF ALL RESIDENTS rather than costly projects that benefit only a few.

SURPLUS REVENUES:

The City usually has a Surplus of Revenues of approximately \$1.5 million every year. The City is not permitted to run a deficit budget so this surplus is understandable. However, why do they not give us back this over taxation the following year to reduce the next year's tax increase? The City has approximately \$5.5 million in a Surplus Reserve some of which was used to pay the Over Budget of the New City Hall.

CONTRACTUAL CONSIDERATIONS:

In the 2024 Base budget general fund, there is a \$1.296 million cost to taxpayers for contractual considerations. The City is asking us to pay the \$1.296 million but has no explanation in the budget? If the funds are not spent, do we taxpayers who have paid the sum get it back to reduce the following tax year increase?

CONTINGENCIES:

What is the Finance Contingency Fund of \$3 Million that the City is asking us to fund? There are more contingencies in many of the City Department Budgets.

The Cost Estimate for 2024 Multi-Use Pathway Projects has a 30% Contingency. The City is asking us to give them an additional \$64,500 on this one project. Some funding requests indicate a contingency of 20% to account for inflation?

If the contingencies are not used, will we get these paid tax dollars back to reduce our taxation next year?

CONSULTANTS:

We spend Millions on Consultants for almost every Capital project, even simple road repaving or traffic concerns. \$1 million for a New City Hall Consultant / Manager and we still went over budget. Approximately \$1 million on design and planning consultants for the proposed Works Yard which has changed several times. Some Specialized Knowledge Consultants such as the Water Treatment Plant are necessary; however, for every one million of reduced spending on Consultants, we can hire Six Full Time Designers, Planners, or Engineers that can do the same thing and we have ten to twenty years of projects to keep them busy. Does it not make sense to hire more Engineering and Design staff and remove the millions in consultant costs? Does the City have a Business Case in this regard? Can we save taxpayer and utility user costs?

WORKS / OPERATIONS YARD:



In 2014 the City received an \$8.7 million (22 acres) land grant from the province at the junction of Bartley and Stevens roads. This land is for storage of "all" equipment, vehicles, and replacement parts for the entire City. This will also be the area that they build a needed mechanic and work shop. The City Works Department is currently using vacant lands owned by the Utility Users and has been using the lands at no cost to the taxpayer for some 16 years.

Now the City has sold one of the "Utility" Properties to put those funds into their Works Yard budget instead of applying the funds to the RVWTP debt borrowing.

PLEASE ASK COUNCIL TO USE UTILITY PROPERTY SALE FUNDS FOR WATER DEBT ONLY AND TO SAY NO TO THE WORKS YARD CAPITAL COSTS AT THIS TIME.

SOCIAL MEDIA COMMENTS – DRAFT 2024 BUDGET AND COUNCIL’S STRATEGIC PRIORITIES

DATE OF POST	PLATFORM	QUESTION/COMMENT
Jan. 26, 2024	Facebook	They should improve westside rd
Jan. 26, 2024	Facebook	Thy need to make a 10 er plan to get sidewalks done. It's ridiculous how many people are forced to walking the roads.
Jan. 26, 2024	Facebook	Need better lighting on 97 Hwy. Get rid of yellow lights for white ones. Shannon Lake Road needs better lighting as well.
Jan. 26, 2024	Facebook	Yup because owning a bike is all we can afford.. lol
Jan. 26, 2024	Facebook	Try sticking with a more reasonable budget...no one should have to pay higher taxes for your dream projects.
Jan. 26, 2024	Facebook	Part 1: How much longer till the new city hall is finished and how far over budget and schedule is it? It looks enormous with huge glass which means huge heating bills. 🙄 Who designs these government monstrosities that the taxpayers are footing the bill for? Design and build a reasonable affordable structure.
Jan. 26, 2024	Facebook	Part 2: ... interesting that no current dollar figure of overage was mentioned. In reading the November minutes, at least two councillors and even the mayor expressed concern and displeasure at the cost and time overruns. Are the staff who work for the town that are being used to finish the building/irrigation, etc to save money even qualified to do the work they are being assigned? I’m concerned that cost overruns will be made up in future year tax increases which is what was brought up at the meeting. The taxpayers are watching.
Jan. 26, 2024	Facebook	too late to build a reasonable affordable structure.
Jan. 26, 2024	Facebook	no kidding. Whatever happened to common sense and financial accountability that the money being spent belongs to the people you represent. There’s no endless pot of money except in government. How incredibly ridiculous our taxes are being raised 6.8%. I doubt if any common worker or a senior on a fixed income received any raise near that amount. I think it’s time to bring fiscal responsibility back to our city. Maybe I will run for council. 🙄
Jan. 26, 2024	Facebook	I have always said this, if you build something square you can easily add to it, if it a fancy shape with lots of features, you end up having to build again. Just like all the schools that get built these days.
Jan. 26, 2024	Facebook	Jim Shields exactly and when it’s time to re-roof or do siding maintenance, the angles and valleys cost double what a reasonable square building roof would cost.
Jan. 26, 2024	Facebook	Living on Witt rd 22 yrs, still no sidewalk, more children walking on shoulders with pickup trucks whipping past them...?
Jan. 26, 2024	Facebook	Yup. Witt, Gelatly, Elliott, Webber, Shannon Lake, Smith Creek, Old OK Hwy, — — — kids, mothers with strollers, walking your dog, — — I’m sure council and previous councils have heard this same story over and over again .
Jan. 26, 2024	Facebook	And bike trails they built on Boucherie Rd.. Bikes and walkers still use the road!! Should be ticketed...
Jan. 26, 2024	Facebook	How much money you going to waste on traffic circles this year.get over it
Jan. 26, 2024	Facebook	A roundabout, should not be costing millions of dollars to build, basically you could just stick a 45 gallon drum or something in the middle of the intersection and roundabout signs up and Wallah you have a roundabout or something very similar.
Feb. 2, 2024	Facebook	How many City projects have overrun their budgets? What was the highest overrun? The absolutely perfect road in front of the Chief Tomat Elementary school was repaved last year, I could not see even one crack on the road.

Attachment 5

Feb. 2, 2024	Facebook	Another thing too is I'm hoping is for more cross walks or Roundabouts like on Hudson Rd and Boucherie Rd and Butt Rd
Feb. 2, 2024	Facebook	Maybe the City should just call it a 7% Tax increase for 2024 as 6.89 % is so close to 7%. Who are they trying to fool.
Feb. 2, 2024	Facebook	The city of West Kelowna needs to stop buying equipment for the maintenance department because nobody knows how to utilize it. Instead hire out the jobs as needed & have your supervisors manage the jobs. I'm a West Kelowna resident that is involved in the construction industry & can't believe the financial waste with the amount equipment and vehicles there is.
Feb. 2, 2024	Facebook	roads are a big problem, the Glenrosa overpass and to go down the off ramp into Westbank is a disgrace it is full of pot holes. More side walks needed in Glenrosa. This city is over taxed.
Feb. 2, 2024	Facebook	I had the issue with water in my house got a bill \$1150 complain got no were nobody listened highly paid bureaucrats how get paid by as don't even work for as what ashamed
Feb. 2, 2024	Facebook	What a joke City of West Kelowna is . Our son lives there and has nothing but problems with too high water pressure to his home . Basement flooded 3 times , now water buildup in yard City of West Kelowna now sends him a water bill for \$1250. City of West Kelowna SUCKS !!!!!!! My recommendation DO NOT MOVE TO WEST KELOWNA !!!!!!!
Feb. 2, 2024	Facebook	The City takes the money for the water service but says they are not responsible for the water serviceJUST WOW ... And to top it off , the City of West Kelowna demands a non refundable \$80. just for them to think about how they MIGHT lower the \$1250. water bill that their high water pressure leak caused !!!!
Feb. 2, 2024	Facebook	Business development for trades and other services other than wine and other alcohol.Perhaps waterslides? Help return Crystal mountain to operational status. More opportunity for OHV recreation. Waterfront development for vacationers. Generally assist bigger development projects.
Feb. 2, 2024	Facebook	To maintain a high quality of life. Should that not be to maintain high taxes.
Feb. 2, 2024	Facebook	Dire need of more ice rinks!
Feb. 2, 2024	Facebook	There are lots of problems, traffic is a big one and water is always an issue , it's either , don't consume , boil water , water problems all the time .. I hope the new treatment plant will help
Feb. 2, 2024	Facebook	There's been also issues of sometimes power outages in West Kelowna where there is no power and also traffic is the big one especially the bridge
Feb. 2, 2024	Facebook	Increased traffic can be annoying but it's a sign of growth and growth is good if managed effectively. Our new water treatment plant has addressed our water quality issues. I understand tax increases but repair the damn roads now!
Feb. 2, 2024	Facebook	I think the City should provide support to farmers growing food then to the investors in making wine.
Feb. 9, 2024	Facebook	The most important thing is keeping the budget under control! People cannot afford large tax increases. I do not understand why cities think taxpayers have an endless supply of money! Tax increases are out of control.
Feb. 9, 2024	Facebook	The five year budget report is 335 pages!

