



COMMITTEE OF THE WHOLE INFORMATION REPORT

To: Mayor and Council

Date: November 13, 2024

From: Ron Bowles, Chief Administrative Officer

Subject: **Financial Plan 2025 Primer – Resources and Service Levels**

Report Prepared by: Warren Everton, Director of Finance/CFO

INFORMATION SUMMARY

Historical FTE additions by service area have been shown to just match population growth over the last six years.

The Policing Resources Strategic Plan aims to reach 19 additional members by 2028 and staff have a plan to balance the tax implications over a longer seven year period.

From the Fire Services Plan, a budget amendment proposed hiring 2 additional flex firefighters and administrative staff to reduce overtime costs, which have been substantial over the past three years. This would increase firefighter FTEs from 42 to 44, enhancing staffing flexibility.

General departments preliminary planning includes an extensive list of needs, prioritized by the Senior Management Financial Plan Committee. Immediate needs total 8.5 FTEs at \$860,468, equating to a 1.9% tax effect. These needs are detailed in the Schedule 1 attachment.

Senior management has prioritized requested resources to maintain current service levels amidst financial constraints. Some positions have been deferred to 2026 for reevaluation. Final tax implications are still in process, pending 2025 growth figures.

STRATEGIC AREA(S) OF FOCUS

Pursue Economic Growth and Prosperity – We will work with stakeholders throughout the region to advocate for and support efforts aimed at helping West Kelowna businesses prosper. With a focus on the future, we will advance opportunities to expand our economy, increase employment, and develop the community in ways that contribute towards prosperity for all.

Strengthen Our Community – We will provide opportunities for the residents of West Kelowna to build connections, celebrate successes, embrace the community's strengths and diversity, address shared needs, and contribute to shaping the community's future.

Foster Safety and Well-Being – We will pursue through direct action, advocacy, and collaboration with local and regional service providers, investments in community health, needs-based housing, emergency preparedness, policing, and other services that foster safety and well-being in West Kelowna.

BACKGROUND

Staffing resources and service levels are inherently tied to strategic priorities and the level of service expected each year. For context the following chart shows the historical FTE additions by service area as well as their relative change to population growth.

Number of Employees (Full Time Equivalents FTEs)		2024	2023	2022	2021	2020	2019
Corporate services							
	CAO Office	3.0	3.0	2.0	2.0	2.0	3.0
	Corporative initiatives	5.0	6.0	8.0	5.0	6.0	6.0
	Legislative services	4.0	4.0	3.0	4.0	4.0	3.0
	Human resources	6.0	5.5	5.5	4.5	4.0	4.0
	Legal and land	2.0	2.0	1.0	1.0	-	1.0
Development services							
	Planning	15.6	10.0	10.0	11.5	11.5	11.5
	Development engineering	5.0	5.0	5.0	5.0	5.0	5.0
	Building & Business licensing	10.0	14.6	15.6	13.5	12.5	11.8
Engineering services							
	Engineering	13.0	12.0	12.0	12.0	10.5	10.5
	Roads & construction	14.0	13.0	13.0	13.0	10.0	8.0
	Parks & fleet	24.8	23.8	23.8	22.2	21.2	16.2
	Utilities	36.2	36.2	30.0	26.0	26.0	25.0
Financial services							
	Finance	16.0	15.0	13.0	14.0	13.0	11.0
	Purchasing	2.0	1.0	1.0	2.0	2.0	2.0
	Information services	16.0	15.0	14.0	13.0	13.0	11.0
Protective Services							
	Fire rescue	52.6	52.6	50.6	48.6	48.6	48.6
	Police (civilian staff)	10.0	10.0	10.0	9.0	8.0	6.0
	Bylaw enforcement	7.0	7.0	6.5	5.5	5.5	5.5
Recreation & cultural services							
	Recreation & culture	9.0	8.0	7.0	7.0	6.0	7.0
	Facilities	12.0	12.0	12.0	11.0	11.0	12.0
		263.2	255.7	243.0	229.8	219.8	208.1
	FTEs per 1,000 Population	6.46	6.28	6.23	6.08	5.97	5.78
	Change 2019 to 2024	0.68					

As you can see the team is quite lean when considering the service provisions of the City as compared to population growth. When matching service levels to growth or elevating services for a specific purpose it results in increased resource costs which for 2025 management has mitigated and outlined below. These include the inward and outward facing departmental needs, as well as Fire and Police services strategic plans.

From the Policing Resources Strategic Plan:

During the budget deliberation process in 2024, Council approved the following:

- 2-member increase to the collator (effectively unfunded positions; authorized strength moves from 36 to 38)
- 1 Regular Duty (funded; total funded now at 29)
- 2 Watch Support Officers

Effectively, Council is already three members short of the 2024 requirement from the approved Strategic Plan. The chart below is an excerpt from the plan and outlines the how the City is behind in the 2024 allocation and what's needed going forward.

Position	Police Resources Required				
	2024	2025	2026	2027	2028
Traffic Services Investigator	0	2	1	0	0
Serious Crime Investigator	0	0	0	0	0
Frontline Police Officers	2	3	2	2	2
Proactive Enforcement Unit	2	2	1	0	0
Total	4	7	4	2	2

For clarity, the cost of a new RCMP member, at 90%, is \$219,450 per officer, based on invoicing from “E” Division.

The following table proposes to reach 19 additional members over seven years versus the 5 years in the strategic plan. This is a sustainable option with reasonable 1.3% to 1.51% tax implications over the seven years.

	2024	2025	2026	2027	2028	2029	2030	Total
Approval Scenarios for E Div	2	5	4	4	4			19
Potential Collator funding	1	3	3	3	3	3	3	19
Amount per Member	\$ 219,450	\$ 226,034	\$ 232,815	\$ 239,799	\$ 246,993	\$ 254,403	\$ 262,035	
Total Cost	\$ 219,450	\$ 678,101	\$ 698,444	\$ 719,397	\$ 740,979	\$ 763,208	\$ 786,104	
1% tax Increase	\$ 415,000	\$ 450,000	\$ 472,500	\$ 496,125	\$ 520,931	\$ 546,978	\$ 574,327	
Policing Tax Increase	0.53%	1.51%	1.48%	1.45%	1.42%	1.40%	1.37%	

In this scenario as it relates to the Policing Strategic Plan, we can see that in the approvals line the total reaches 19 members by 2028 but the collator funding does not catch up until 2030. Functionally this works since it can take up to two years to acquire the approved members and the collator funding should generally stay close to 80% of the overall approval level.

	2024	2025	2026	2027	2028	2029	2030
Total Collator	38	43	47	51	55	55	55
Funding level	29	32	35	38	41	44	47
Percentage funded	76%	74%	74%	75%	75%	80%	85%

From the Fire Services Plan:

As you will recall from the August 27th regular Council meeting, Fire Services brought forward a budget amendment that had a number of funding requests related to equipment but also proposed to have the 2024 budget amended to include an administration staff 0.4 FTE addition as well as two Flex Fire Fighters for a total cost of \$275,000. Council did not approve the additional staff at the time but instead instructed the Chief to bring the request back as part of 2025 planning. The rationale behind the request was laid out as a tool to reduce overtime and is summarized below.

West Kelowna Fire and Rescue (WKFR) continues to rely on overtime to maintain minimum staffing, often exceeding the allocated budget. Currently, the department has a total strength of 42 firefighter FTE's. This results in 40 firefighters being assigned to shifts (10 per shift = 8 on duty + 2 covering vacation/leave/short term vacancies) and 2 being "flexible" to move across shifts as required on short notice. Any vacancies that cannot be covered by these 'flex' firefighters then result in overtime. Since 2022 the implementation of flex firefighters, has reduced overtime shifts, saving significant costs. In 2023, 314 overtime shifts were avoided. However, the ongoing need for overtime has resulted in unbudgeted costs between \$500,000 and \$700,000 over the past three years. To reduce these costs, the following measures have been proposed:

1. Hire 2 additional flex firefighters at a total ongoing cost of \$240,000 annually. These firefighters can cover staffing gaps, minimizing the need for overtime.
2. Allocate \$41,500 for the training and equipping of the new firefighters, including uniforms and personal protective equipment.
3. Add 0.4 FTE for administrative support at an annual cost of \$35,000 to manage the increased staffing and scheduling complexities.

Currently, WKFR has 42 firefighter FTEs, with 40 on shifts and 2 as flex firefighters. The proposed additions will increase the total strength to 44 FTEs, enhancing the ability to cover vacancies and reduce overtime.

General Departments Preliminary Planning:

City of West Kelowna departments brought forward and presented their service level needs for the 2025 Financial Plan. What was an extensive list of needs has been rationalized by Managers and reviewed by the Senior Management Financial Plan Committee consisting of the CAO, Deputy CAO, CFO, Fire Chief and Director of Development Approvals.

The immediate needs are summarized at the top of the chart with descriptions and rationalization following in the attachments. Positions with blank FTE and total dollars have been positioned to go forward in 2026 as part of the prioritization of requests. This provides a queue of needs and helps assure departments their requests won't fall off the table. Highly summarized descriptions and funding levels are found in the attachment for reference.

Department	Position / addition to budget	FTE	Total
Bylaw Enforcement	Community Support Officer	1.00	\$ 118,923
Facilities	Facilities Operator III	1.00	111,132
Fleet	Manager	0.60	64,502
Fleet	Support (review in 2026)	-	-
Fleet	Mechanic (review in 2026)	-	-
Finance	Revenue Supervisor	0.30	4,502
Engineering	Asset Management Technician (review in 2026)	-	-
Business Licensing	Business Licensing Compliance Officer	1.00	88,121
Information Services	Business Systems Technician	1.00	101,861
Roads and Drainage	Roads Operator I	1.00	88,121
Parks	Operator III - Mowing (sports field)	1.00	109,966
Parks	Operator I (review in 2026)	-	-
Parks	Operator II Seasonal	0.60	60,270
Parks	Operator II (review in 2026)	-	-
Parks	Parks Planning Analyst (review in 2026)	-	-
Legislative Services	Legislative Services Coordinator	1.00	113,070
Total FTEs to maintain service levels		8.50	\$ 860,468

The shortlist of needs appears as above and equates to 8.5 FTE's at \$860,468 or about a 1.9% tax effect.

Highly summarized descriptions and funding levels are found in the Schedule 1 attachment for reference. The immediate needs are summarized at the top of the chart with descriptions and rationalization for the positions included.

Below the general services section in the attachment appears the Fire and Police Services requirements in relation to strategic planning. At this point the Policing FTE request only references one additional municipal employee. The proposed members listed above require Council discussion on policing strategy in order to keep up with needs and not fall any further behind.

FINANCIAL IMPLICATIONS

Senior management has reviewed and prioritized the resources requested in order to maintain the current service levels of our growing community. With our current financial constraints and functional service needs in mind a number of positions were pushed out to be reviewed again in 2026. Current considerations and their tax impact appear as follows:

Service Levels	Total \$	Tax Effect
General FTE Additions - 8.5	860,468	1.91%
Police Services Municipal Clerk	94,661	0.21%
Service Level Impact	955,129	2.12%

Protective Services Strategic Plans total	Total \$	Tax Effect
Flex Fire Fighters and Admin Assistant	270,300	0.60%
Policing Resources - Fund Collator 3 Members	678,101	1.51%
Protective Services Strategic Plans total	948,401	2.11%

These service level and strategic tax implications along with the base budget and reserve considerations are still in process for the 2025. Once growth figures are released for 2025 we will have a better understanding of where the City will land with the base and overall increase.

REVIEWED BY

Trevor Seibel, Deputy CAO/Deputy Corporate Officer

APPROVED FOR THE AGENDA BY

Ron Bowles, Chief Administrative Officer

PowerPoint: Yes No

Attachments:

Schedule 1 2025 Summary Supplemental and FTE Requests