



MAINTAIN  
RENEW



GROWTH



NEW

# 2018 Final Budget & Five-Year Financial Plan

April 30, 2018



# Agenda

- ▶ Regulatory requirements
- ▶ Provisional budget
- ▶ Final budget
- ▶ Five-year Financial Plan
- ▶ Taxation impacts

# Regulatory Requirements

- ▶ Community Charter states:
  - ▶ Must be adopted by bylaw
  - ▶ Five-year planning period
  - ▶ Must include proposed expenditures & funding sources
  - ▶ Must include objectives & policies

# Provisional Budget

Council approved on December 14, 2017:

## Provisional tax demand

Protective services (Bldg & Contract)

Other

Tax increase

**\$134.5 M**

**1.59%**

**2.01%**

**3.60%**

# Final Budget

Includes recent impacts:

Provisional tax demand

Operating requests

Capital requests

2018 Final tax demand

New construction revenue

Final tax rate

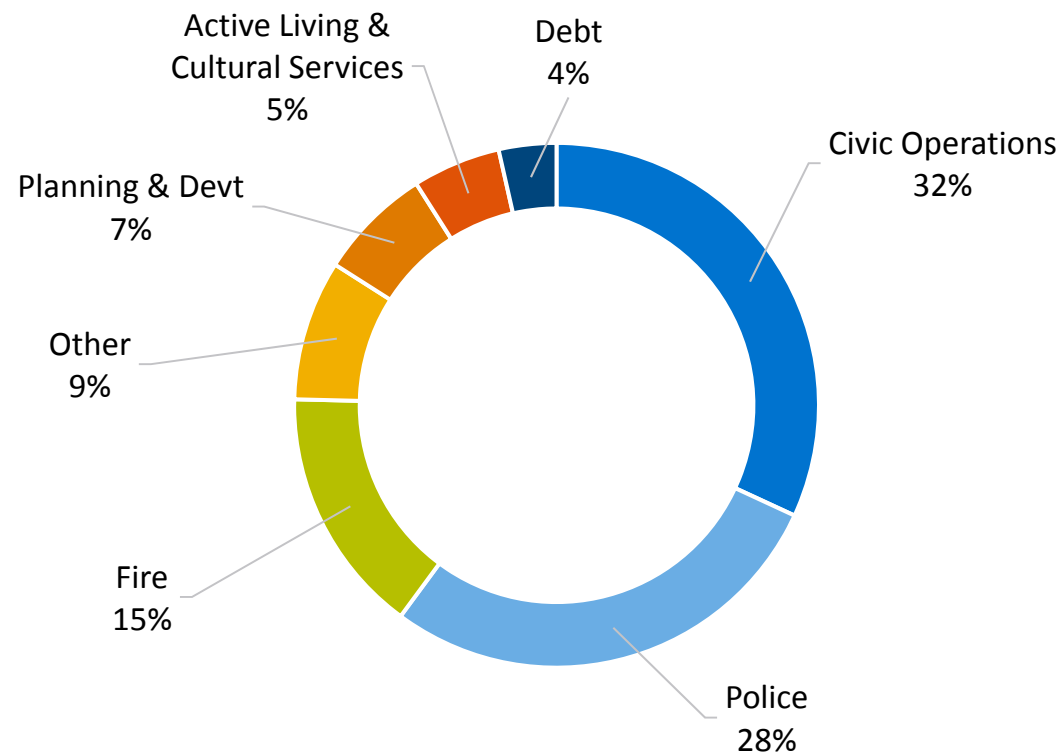
	<b>\$134.5 M</b>
	<b>(1.4M)</b>
	<b>425k</b>
	<b>\$133.5 M</b>
	<b>\$2.6 M</b>
	<b>2.99%</b>

# Final Budget Requests

- ▶ Operating
  - ▶ General Fund x 9
- ▶ Utility Fund – no tax impact
  - ▶ Water Fund x 1
  - ▶ Airport Fund x 1
- ▶ Capital x 2

# Final Budget

## *Allocation of Tax Dollars*



**Other (8.7%) includes: Transit (5.7%), Grants (2.5%) & Regional Programs (0.5%)**

## 2019 Impacts

Additional cost increase  
Contractual obligations  
One time costs  
Total impacts  
Impact on the 2019 budget

	<b>\$1.1M</b>
	<b>3.0M</b>
	<b>(770k)</b>
	<b>\$3.3M</b>
	<b>2.50%</b>



# Five-Year Financial Plan

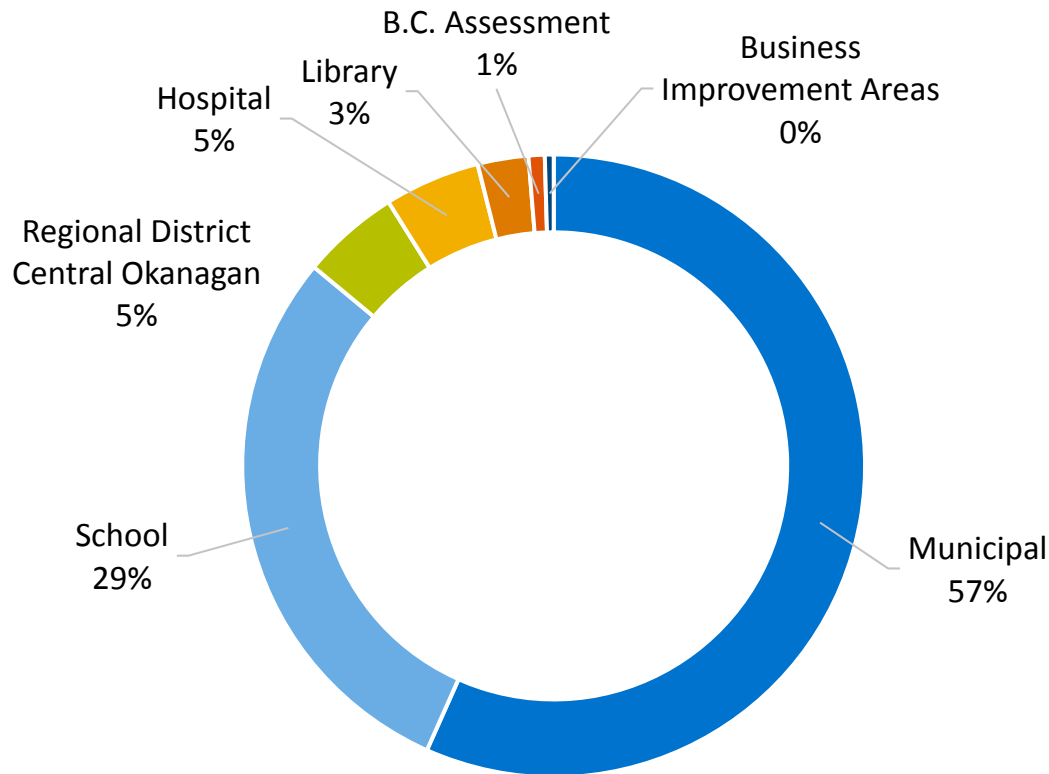
*(in millions)*

	2018	2019	2020	2021	2022
General revenues	\$12.4	\$12.7	\$13.0	\$13.2	\$13.6
Net operating budget	133.2	138.7	143.9	148.7	155.2
Pay-as-you-go capital	12.7	13.4	14.2	14.9	15.7
Taxation demand	\$133.5	\$139.4	\$145.1	\$150.4	\$157.3
Municipal tax rate	2.99%	2.88%	2.50%	2.26%	3.26%

# Five-Year Financial Plan

- ▶ Objectives and policies
  - ▶ Funding sources
  - ▶ Distribution of property tax
  - ▶ Tax exemptions

# Taxation Impacts



<b>Municipal</b>	<b>\$133.5</b>
School	\$69.1
RDCO	\$12.0
Hospital	\$11.7
School	\$69.1
Library	\$6.2
BCA	\$2.0
BIA's	\$1.0
<i>(millions)</i>	

**TOTAL \$235.5 MILLION**

# Taxation Impacts - Residential

	2018	Difference	Change
<b>Average assessed value</b>	<b>\$641,760</b>	<b>\$85,550</b>	<b>15.38%</b>
Municipal	\$1,990	\$57.78	2.99%
School (net)	140	17.85	2.00%
Others	455	7.21	1.60%
<b>Total tax levy</b>	<b>\$2,586</b>	<b>\$82.84</b>	<b>3.31%</b>

# Taxation Impacts - Business

	2018	Difference	Change
<b>Average assessed value</b>	<b>\$1.51M</b>	<b>\$155,610</b>	<b>11.45%</b>
<b>Municipal</b>	<b>\$11,168</b>	<b>\$324.18</b>	<b>2.99%</b>
<b>School</b>	<b>6,654</b>	<b>130.47</b>	<b>2.00%</b>
<b>Others</b>	<b>2,655</b>	<b>(38.61)</b>	<b>(1.43%)</b>
<b>Total tax levy</b>	<b>\$20,477</b>	<b>\$416.04</b>	<b>2.07%</b>



Questions?

*Next up: Review Final Budget Requests*

*[kelowna.ca/budget](http://kelowna.ca/budget)*