

# Report to Council



**Date:** December 4, 2023  
**To:** Council  
**From:** City Manager  
**Subject:** 2024 Financial Plan – Preliminary Budget Volume Overview  
**Department:** Financial Planning

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## **Recommendation:**

THAT Council receives for information, the presentation from the Financial Services Division dated December 4, 2023 with respect to the 2024 Financial Plan – Preliminary Budget Volume

## **Purpose:**

To provide an overview of the 2024 Financial Plan – Preliminary Budget Volume

## **Background:**

Local Governments must adopt a Financial Plan, in accordance with the Local Government Act and the Community Charter before May 15 each year. The City of Kelowna's Financial Plan is made up of three budget volumes: Preliminary, Carryover and Final.

The attached presentation provides a summary of the key financial impacts for the 2024 Financial Plan – Preliminary Budget Volume prior to Budget Deliberation Day on Thursday, December 7, 2023.

The City of Kelowna is responsible for managing public funds on behalf of our citizens and makes the right decisions to safeguard our city and community. The 2024 Financial Plan is being presented with a Service Based Budgeting approach for the first time. Service-based budgeting arranges the City's Financial Plan around providing the services that are required to meet the demands of our growing community, giving a more comprehensive view of the costs associated with each service area. This model aims to improve transparency and accountability by making it easier to see, understand, and measure the results of how tax dollars and other revenues are being spent.

The 2024 budget, presented in the new service based budget format, aims to support the essential services that enhance the daily living standards and sustain the City's development, as well as key goals of this Council, as expressed in the Council Priorities (2023-2026). These cover Crime and Safety, Affordable Housing, Homelessness, Transportation, Agriculture, and Climate and the Environment.

The 2024 Financial Plan prioritizes:

- Community Safety
- Addressing Homelessness
- Keeping Kelowna moving
- Impacts of climate
- Digital Transformation

Municipalities are not permitted to run a deficit, therefore the City is committed to operate within a balanced budget. This financial plan encourages diversity of revenue sources such as reserves, grants and other revenues to reduce the reliance on taxation, but taxation remains an essential piece of the overall source of funding. The 2024 Preliminary Budget proposes an overall 4.76 per cent tax increase that includes a Municipal taxation impact of 3.76 per cent and a 1.0 per cent Public Safety Levy.

Submitted by:

M. Antunes, Financial Planning Manager

**Approved for inclusion:** JS

cc:

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