

Report to Council



Date: May 6, 2024
To: Council
From: City Manager
Subject: 2024 Financial Plan – Final Budget Volume
Department: Financial Planning

Recommendation:

THAT Council adopts the 2024-2028 Financial Plan;

AND THAT Council approves the formulation of 2024 Property Tax Rates that will raise the required funds in 2024, from General Taxation, in the amount of \$191,220,490 resulting in an average net property owner impact of 4.72 per cent;

AND THAT Bylaw No. 12639 being the 2024-2028 Five-Year Financial Plan be advanced for reading consideration;

AND THAT Bylaw No. 12640 being the Tax Structure Bylaw, 2024 be advanced for reading consideration;

AND THAT Bylaw No. 12641 being the Annual Tax Rates Bylaw, 2024 be advanced for reading consideration;

AND THAT Bylaw No. 12642 being the DCC Reserve Fund Expenditure Bylaw, 2024 be advanced for reading consideration;

AND THAT Bylaw No. 12643 being the Sale of City Owned Land Reserve Fund Expenditure Bylaw, 2024 be advanced for reading consideration.

AND THAT Bylaw No. 12644 being the Density Bonusing for Public Amenities and Streetscape Reserve Fund Expenditure Bylaw, 2024 be advanced for reading consideration;

AND FURTHER THAT Bylaw No. 12645 being the Septic Removal Specified Area Reserve Fund Expenditure Bylaw, 2024 be advanced for reading consideration.

Purpose:

To present the 2024 Final Budget Volume submissions, the 2024-2028 Financial Plan and related bylaws to Council for their consideration and approval.

Background:

Council approved the 2024 Financial Plan – Preliminary volume on December 7, 2023 and the addition of the 2024 Financial Plan – Carryover Budget volume on March 18, 2024. The 2024 Financial Plan - Final Budget volume includes emergent, legislated or Council directed requests. The three volumes provide the 2024 portion of the 2024-2028 Five Year Financial Plan. Depending on the nature of the item being considered within Final Budget, the adjustments could cause the final tax demand to increase or decrease.

The City of Kelowna's strong financial management and clear budgeting practices continue to allow the delivery of essential services residents expect while maintaining, expanding, and building infrastructure that makes Kelowna a great place to live. The 2024 Final Budget as proposed, reflects a net municipal property tax increase of 4.72 per cent, a 0.3 per cent decrease to the Preliminary Budget tax requirement approved in December 2023, of 4.75 per cent.

The largest Final Budget request affecting taxation can be attributed to the Council Initiatives request which is offset by an increase in new construction revenue. Information about the requested changes is included in the attached 2024 Final Budget Volume.

A tax rate of 4.72 per cent means the owner of a residential property with an average assessed value of \$982,950 will pay \$2,484 which is an increase of \$112 from the prior year for the municipal portion of their property taxes.

Considerations applicable to this report:

Legal/Statutory Authority:

In Section 165 of the Community Charter regarding Financial Plans, adoption of a 5 Year Financial Plan bylaw is required prior to the annual property tax bylaw. Under the Annual Property Tax Bylaw Section 197 of the Community Charter, Council must establish tax rates by bylaw after adoption of the financial plan but before May 15th.

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

Submitted by:

M. Antunes, CPA Financial Planning Manager

Approved for inclusion: J. Sass, CA, CPA Director of Financial Services

Attachment:

- 1: 2024 Financial Plan – Final Budget Volume
- 2: 2024-2028 Five-Year Financial Plan
- 3: 2024 Financial Plan Presentation