

Report to Council



Date: December 2, 2024
To: Council
From: City Manager
Subject: 2025 Financial Plan – Preliminary Budget Volume Overview
Department: Corporate Services

Recommendation:

THAT Council receives for information, the presentation from the General Manager of Corporate Services dated December 2, 2024, with respect to the 2025 Financial Plan – Preliminary Budget Volume.

Purpose:

To provide an overview of the 2025 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 2025 Financial Plan – Preliminary Budget Volume prior to Budget Deliberation Day on Thursday, December 5, 2024.

The 2024 Financial Plan was redesigned under a Service Based Budgeting methodology, with services and associated service levels being determined through Council's priorities, and the City's strategic plan. The 2025 Financial Plan takes this restructuring one step further by combining the capital program with the operating program in each service area. The merging of these programs provides a comprehensive view of the service area, enhancing the accessibility and transparency of the Financial Plan for Council and the community.

The 2025 budget aims to support the essential services that contribute to everyday quality of life, and maintain the City's growth, while also prioritizing investment in:

- Community safety
- Housing supports

- Active and road transportation
- Sustainability initiatives
- Economic development
- 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 2025 Preliminary Budget proposes an overall 4.36 per cent tax increase that includes a Municipal taxation impact of 3.36 per cent and a 1.0 per cent Public Safety Levy.

Considerations not applicable to this report:

Legal/Statutory Authority
Legal/Statutory Procedural Requirements
Existing Policy
Financial/Budgetary Considerations
Consultation and Engagement
Communications Comments

Submitted by: J. Sass, General Manager, Corporate Services

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cc:

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