



COUNCIL REPORT

To: Mayor and Council

Date: May 14, 2024

From: Ron Mattiussi, Interim CAO

Subject: **2024 Tax Rate Bylaw No. 0317, 2024 (Adoption)**

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

RECOMMENDATION to Consider and Resolve:

THAT 2024 Tax Rates Bylaw No. 0317, 2024 be adopted.

STRATEGIC AREA(S) OF FOCUS

Invest in Infrastructure – We will invest in building, improving and maintaining infrastructure to meet the needs of, and to provide a high quality of life for, current and future generations.

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

LEGISLATIVE REQUIREMENTS:

The *Community Charter* section 197 requires that Council impose property taxes for the year by bylaw after the approval of the financial plan and prior to May 15th. Pursuant to Section 235 of the *Community Charter*, Council may use the General Collection Scheme or Alternative Tax Collection Scheme, including penalties to be applied in relation to payments made after a tax due date established by the bylaw.

DISCUSSION

As per Bylaw 317, the due date for 2024 will be 4:30 pm July 2nd and the penalty for payments made after that date will be 10% for outstanding amounts on July 3rd, 2024.

As presented previously, the following table represents the proposed and historical tax multipliers on all classes of properties in West Kelowna. The proposed multipliers represent a reduction on classes 4, 5 and 6 in order to mitigate the assessment and subsequent tax swing expected.

History and Proposed Ratios	Tax Ratio			
	2021	2022	2023	2024
Class 1 - Residential	1.00	1.00	1.00	1.00
Class 2 - Utilities	11.24	11.24	11.24	11.24
Class 3 - Supportive Housing	1.00	1.00	1.00	1.00
Class 4 - Major Industry	3.00	3.00	2.91	1.76
Class 5 - Light Industry	2.13	2.13	2.06	1.51
Class 6 - Business & Other	2.33	2.33	2.25	1.98
Class 7 - Managed Forest	3.00	3.00	2.91	1.76
Class 8 - Recreation/Non Profit	1.00	1.00	1.00	1.00
Class 9 - Farm	1.00	1.00	1.00	1.00

The following table compares the current year's revised assessment roll and tax requisition to the previous year and indicates how the class weighting has continued to shift further towards commercial classes from residential. The shift in 2024 is not as dramatic as in 2022 which had a significant swing the other way taking residential from 84.9% to 86.6%, but this year's shift did provide some relief from the upward pressures in residential class. Otherwise in 2024 we see the overall tax share for residential drop slightly by 0.025% from 86.386% to 86.362%, with the effect on business and industry potentially much more pronounced since the assessment share for these classes is so much less than residential.

City of West Kelowna Property Tax Comparison by Class							
General Tax Levy 2024 vs 2023							
Property Class	2023 Assessment Value	2023 % Share	2023 Tax Requisition	2024 Assessment Value	2024 % Share	2024 Tax Requisition	Change in %
Class 1 - Residential	14,544,769,421	86.386	34,044,738	14,297,613,715	86.362	36,836,317	-0.025
Class 2 - Utilities	4,678,101	0.312	123,078	4,702,501	0.319	136,178	0.007
Class 3 - Supportive Housing	0	0.000	0	0	0.000	0	0.000
Class 4 - Major Industry	23,531,000	0.406	160,004	38,382,000	0.407	173,547	0.001
Class 5 - Light Industry	175,144,100	2.138	842,658	235,079,400	2.141	913,356	0.003
Class 6 - Business & Other	796,694,151	10.639	4,192,990	890,915,352	10.645	4,540,594	0.006
Class 7 - Managed Forest	0	0.000	0	0	0.000	0	0.000
Class 8 - Recreation/Non Profit	15,770,500	0.094	36,914	16,738,600	0.101	43,125	0.007
Class 9 - Farm	4,078,262	0.024	9,546	4,078,454	0.025	10,508	0.000
	15,564,665,535		39,409,928	15,487,510,022		42,653,626	
Other Separate Tax Notice Items							
Library			1,636,220			1,858,743	
Storm Sewer			517,569			521,873	
Total Tax Levy			41,563,717			45,034,242	

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
April 23, 2024	<p>THAT the Tax Multiplier Schedule as outlined in “Table 1” in the report from the Director of Finance / CFO dated April 23, 2024 be adopted;</p> <p>AND THAT City of West Kelowna Tax Rates Bylaw No. 0317, 2024 be given first, second and third reading.</p> <p><u>CARRIED UNANIMOUSLY</u></p>	C0137/24

REVIEWED BY

Trevor Seibel, Deputy CAO

APPROVED FOR THE AGENDA BY

Ron Mattiussi, Interim CAO

PowerPoint: Yes No

Attachments:

Bylaw No. 0317, 2024 Tax Rate Bylaw including Schedule A Tax Rates