



COUNCIL REPORT

To: Mayor and Council

Date: March 11, 2025

From: Ron Bowles, Chief Administrative Officer

File No: 3900-20-0323

Subject: **Adoption of the 2025-2029 Financial Plan and Ten-Year Capital Plan**

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

RECOMMENDATION to Consider and Resolve:

THAT Council adopt the “City of West Kelowna Financial Plan Bylaw 0323, 2024”.

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

In accordance with section 165 of the *Community Charter*, a municipality must have a five-year financial plan adopted by Council on an annual basis before May 15th of each year. West Kelowna develops a five-year Operating Plan and a ten-year Capital Plan as part of the annual financial planning process. The City's plan consolidates revenues and expenses and ultimately determines the tax requisition and rates for the current year. It

is important to note that the financial plan may be amended at any time throughout the year but once taxes are collected, any amendments must be funded with the current year's cash structure.

Section 166 of the *Community Charter* requires that Council undertake a process of public consultation regarding the proposed financial plan before it is adopted.

DISCUSSION

Operating Plan

During the February 25th Council meeting, Financial Plan Bylaw 0323, 2024 was read a second and third time amending the tax increase to 7.31% after considering the remaining \$53,400 of discretionary funds. The breakdown of the total tax and rate increase is as follows:

Schedule A Summary	Approved	Forecast
	2024	2025
Growth (Projected)	1.50%	1.55%
Previous Year Taxes	41,563,677	45,034,242
Growth	623,455	698,031
Budget Increase (base plus options)	2,847,110	3,292,005
Increase in Infrastructure Allocation	0	0
Current Taxes	\$ 45,034,242	\$ 49,024,276
Total Increase	8.35%	8.86%
Less Growth (Revised Roll)	1.50%	1.55%
Net Tax Increase	6.85%	7.31%

Unchanged Growth projection of 1.55% generates almost \$624k

Total increase over 2024 covered by the assessment base is just over \$3.29 million with no increase to infrastructure reserves. This equates to the net tax increase of 7.31%

The tax total of \$49,024,276 is \$3,990,034 greater than the 2024 total of \$45,034,242, which equates to an 8.86% change. Adjusting for assessment growth of 1.55% the tax percentage increase then nets out to 7.31%. Non-market assessment growth enables the total tax requisition to be spread out over a larger base than what existed in the previous year. It is important yet obvious to note that the years 2026-2030 are to be re-evaluated in the next budget season and are always subject to Council's approval each year.

Capital Plan

The major spending areas in the Capital Plan are Water at \$4.076 million, including the water meter replacement project at \$1.64 million; Roads at \$3.15 million; Facilities at \$2.5 million; Parks at \$1.72 million; and Storm Drainage at \$1.63 million. During the first reading of the bylaw, early capital approvals totaling \$10.31 million out of a \$17.371 million capital budget were discussed.

Public Engagement

The ourwk.ca engagement website houses the Financial Plan documents, storyboards, fact sheets and timelines. The City concluded its 10-day budget and Strategic Priorities engagement period February 9th and heard a broad range of comments, questions and concerns through email, feedback forms and in-person open houses. Council and staff have noted and continue to take all feedback into consideration, answer questions and provide additional information where needed.

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
December 19, 2024	<p>THAT Council direct staff to incorporate the supported supplemental budget requests, capital projects, additions and deletions into the City of West Kelowna's Financial Plan for 2025-2029;</p> <p>AND THAT Council give first reading to City of West Kelowna 2025 - 2029 Financial Plan Bylaw No. 0323, 2024.</p> <p style="text-align: center;">CARRIED UNANIMOUSLY</p>	C336/24
February 25, 2025	<p>THAT Council consider the feedback information from the public engagement process held between January 27th and February 9th, 2025;</p> <p>AND THAT Council authorize staff to proceed with the capital and supplemental expenditures as amended in Attachment 3 – Amended Schedule A Early Capital Approvals;</p> <p>AND FURTHER THAT Council give second reading as amended and third reading to the “City of West Kelowna Financial Plan Bylaw No. 0323, 2024”, with the tax increase set at 7.31%.</p> <p style="text-align: center;">CARRIED UNANIMOUSLY</p>	C044/25

Alternate Motions:

THAT Council authorize a different tax increase and adjust discretionary expenditures;

THAT Council rescind third reading of “City of West Kelowna Financial Plan Bylaw No. 0323, 2024”;

THAT Council modify “City of West Kelowna Financial Plan Bylaw No. 0323, 2024” by [Council to provide direction].

THAT Council give third reading to “City of West Kelowna Financial Plan Bylaw No. 0323, 2024” as modified.

REVIEWED BY

Mark Panneton, Director, Legislative & Legal Services

Trevor Seibel, Deputy CAO

APPROVED FOR THE AGENDA BY

Ron Bowles, Chief Administrative Officer

PowerPoint: Yes No

Attachments:

Attachment 1 – Financial Plan Bylaw 0323, 2024