

CITY OF WEST KELOWNA

BYLAW NO. 0336

A BYLAW TO ADOPT THE 2026-2030 FINANCIAL PLAN

WHEREAS the Council shall, by bylaw, pursuant to Section 165 of the *Community Charter*, adopt in each year a five-year financial plan; and

WHEREAS expenditures not provided for in the financial plan or the financial plan, as amended, are not lawful except in the event of an emergency;

THEREFORE BE IT RESOLVED THAT the Municipal Council of the City of West Kelowna in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. Citation

This Bylaw may be cited as the “2026-2030 Financial Plan Bylaw No. 0336, 2025”.

2. Schedules “A, B, C, and D” attached hereto and forming part of this Bylaw shall be the Financial Plan of the City of West Kelowna for the period January 1, 2026 to December 31, 2030.

READ A FIRST TIME
READ A SECOND TIME
READ A THIRD TIME
ADOPTED

MAYOR

CORPORATE OFFICER

Schedule A

City of West Kelowna
Schedule "A1"

Consolidated Totals Revenue

	Approved 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
Property Taxes	\$ 49,024,276	\$ 53,828,655	\$ 56,520,088	\$ 59,346,092	\$ 62,313,397	\$ 65,429,067
Property Tax Exemption	237,304	246,476	256,335	266,588	277,252	288,342
Utility Companies	679,740	533,294	549,293	565,772	582,745	600,227
Parcel Tax	576,597	2,323,171	2,232,918	2,059,400	2,121,179	2,184,817
Sales of Service and Recoveries	49,657,778	50,183,878	51,687,274	53,223,836	54,445,589	56,076,155
Other Revenue	2,346,123	2,796,063	2,879,945	2,966,343	3,055,334	3,146,992
Government Grants and Operating Reserves	1,420,117	2,056,182	2,117,868	2,181,403	2,246,845	2,314,251
Capital Funding Sources	19,170,557	21,945,277	42,122,392	21,923,733	29,661,633	41,559,891
Sub-total	\$ 123,112,492	\$ 133,912,996	\$ 158,366,113	\$ 142,533,168	\$ 154,703,974	\$ 171,599,742
Collections for Other Governments	28,442,748	28,534,735	29,390,778	30,272,500	31,180,676	32,116,096
TOTAL REVENUES	\$ 151,555,240	\$ 162,447,731	\$ 187,756,891	\$ 172,805,668	\$ 185,884,650	\$ 203,715,838

City of West Kelowna
Schedule "A2"

Consolidated Totals Expenditure

Description	Approved 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
Operating Expenditures						
General Government Services	\$ 12,042,007	\$ 12,833,509	\$ 13,155,829	\$ 13,704,186	\$ 14,134,392	\$ 14,721,625
Protective Services	23,670,212	26,475,486	28,983,062	29,884,792	30,646,529	31,161,184
Engineering and Transportation Services	10,111,048	10,668,421	11,001,490	11,345,008	11,699,296	12,064,711
Water, Sewer, Solid Waste & Recycling	21,851,490	23,189,405	24,667,572	25,673,637	26,512,383	27,289,409
Storm Sewer Utility	490,408	495,940	511,594	527,748	544,413	561,602
Cemetery	423,365	420,558	434,656	449,228	464,292	479,862
Development Services	5,987,117	6,324,706	6,539,584	6,761,780	6,991,555	7,229,177
Recreation & Cultural Services	11,391,656	12,180,093	12,376,683	12,603,642	12,997,735	13,404,512
Property Tax Exemption Offset	237,304	246,476	256,335	266,588	277,252	288,342
Interest & Principal - Municipal Debt	2,606,103	4,641,849	3,118,038	2,634,843	2,210,705	2,229,128
Transfer to Reserves:						
General Capital	12,747,856	11,773,921	12,001,377	12,225,727	12,592,500	12,970,275
Sewer Capital	755,909	767,248	790,265	813,973	838,392	863,544
Water Capital	3,239,130	2,030,758	2,812,555	2,955,380	3,105,997	3,264,850
Available for Supplemental Requests 2026 to 2030	(2,710)	2,160,906	1,772,673	3,006,236	4,337,533	6,034,521
Total Operating Expenditures	\$ 105,550,896	\$ 114,209,276	\$ 118,421,713	\$ 122,852,768	\$ 127,352,974	\$ 132,562,742
Capital Expenditures						
Total Capital Expenditures	17,561,595	19,703,720	39,944,400	19,680,400	27,351,000	39,037,000
Transfers to Other Governments	28,442,748	28,534,735	29,390,778	30,272,500	31,180,676	32,116,096
TOTAL EXPENDITURES	\$ 151,555,240	\$ 162,447,731	\$ 187,756,891	\$ 172,805,668	\$ 185,884,650	\$ 203,715,838

Taxation is a major revenue source for the General Fund and accounts for 45% of the 2026 total revenue estimated at \$119,967,719, including collection for other governments but excluding transfers from reserves. The balance of revenue comes from user fees, grants and miscellaneous revenues. Inflationary factors and transfers to reserves are also included in the estimated 9.8% increase for 2026 with subsequent increases at 5% for the following 4 years.

The current financial plan provides for \$53,828,655 to be generated from City of West Kelowna property tax base for General Government purposes.

The City has various policies that govern and affect the budget process and include:

1. Revenue Policy
2. Reserve Fund Policy

3. Grant-In-Aid Policy
4. Permissive Tax Exemption Policy
5. Development Cost Charge Policy

Revenue Policy

The City will review fees/charges annually to ensure that they keep pace with changes in the cost-of-living as well as changes in the methods or levels of service delivery.

The City will actively pursue alternative revenue sources to help minimize property taxes.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges.

The City will establish cost recovery policies for fee-supported services. The Policies will consider whether the benefits received from the service are public and/or private.

The City will establish cost recovery policies for services provided for other levels of government.

General Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP).

The City will develop and pursue new and creative partnerships with government, community institutions (churches, schools), and community groups as well as private and non-profit organizations to reduce costs and enhance service to the community.

Reserve Fund Policy

It is essential that local governments maintain adequate levels of reserve balances to mitigate current and future risks, ensure stable tax rates and demonstrate financial commitment to long range infrastructure and master plans. The following principles form the basis of the Policy:

- Sufficient reserve funds are important in achieving financial health and stability for the City of West Kelowna.
- Reserve goals need to be consistent with and supportive of established long term financial plans.
- Reserve fund management needs to conform to the statutory and legal requirements of the *Local Government Act* and the *Community Charter*, generally accepted accounting principles (GAAP) and public sector accounting board (PSAB) recommendations.

Grant in Aid Policy

Each year, as part of its annual budget process Council determines the amount of funding to be provided for the municipal Grants in Aid Program. Council retains the right to make final decisions on both the overall grant allocation and the individual grants awarded. All applications for grants in aid will be considered in accordance with the Grant in Aid Policy.

Permissive Tax Exemption Policy

Permissive tax exemptions will be approved annually by Council. All applications for permissive tax exemptions will be considered in accordance with the Permissive Tax Exemption Policy.

Development Cost Charge Policy

Development cost charges will be used to help fund capital projects deemed to be required in whole or in part due to development in the community. These charges will be set by bylaw and reviewed at a minimum every year to ensure that project estimates remain reasonable, and the development costs charges are aligned with the strategic priorities of Council.

Other guiding principles that are important during the budget process and preparation of the financial plan:

Surplus Funds

The *Community Charter* does not allow municipalities to plan an operating deficit (i.e. where expenditures exceed revenues). To ensure this situation does not occur, revenue projections are conservative and authorized expenditures are closely monitored. The combination of conservative revenue projections and controlled expenditures should produce a modest annual operating surplus.

Use of Surplus Funds

- a. To ensure the Accumulated Surplus is not excessive, the balance in the accumulated surplus account should not exceed a specific amount or guideline (guideline contained in the Reserve Fund Policy)
- b. Staff will facilitate Council's review of the amount of Accumulated Surplus funds available on an annual basis.
- c. Allocation of accumulated surplus over the guideline shall be done in compliance with the Reserve Fund Policy

Debt Policy

The City of West Kelowna may consider debt financing under the following guidelines:

1. One-time capital improvements
2. When the useful project life will exceed the term of financing.
3. Major equipment purchases.
4. Debt servicing is limited to no more than a 3% tax increase per year.
5. The maximum debt servicing amount be limited to 15% (*Community Charter* allows for 25%) of the City's revenues as defined by the *Community Charter*.
6. Reserves are to be considered as a funding source before debt.

Proportion of Taxes Allocated to Classes

It is Council's goal to ensure that there is a fair and equitable apportionment of taxes to each property class. The apportionment to each class is calculated using the multipliers determined by Council prior to preparing the annual tax rate bylaw. The tax multipliers will be reviewed and set by Council annually.

Schedule B

City of West Kelowna
 Schedule "B1"
 General Fund - Revenues

	2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
General Fund - Revenues						
Property Taxes	\$ 49,024,276	\$ 53,828,655	\$ 56,520,088	\$ 59,346,092	\$ 62,313,397	\$ 65,429,067
Property Tax Exemptions (all governments)	237,304	246,476	256,335	266,588	277,252	288,342
Utility Companies	679,740	533,294	549,293	565,772	582,745	600,227
Sales of Service and Recoveries						
General Government						
Administration Fees - Departments	7,268,334	7,686,173	7,916,758	8,154,261	8,398,888	8,650,855
Administration - Utilities	2,731,355	2,754,682	2,837,323	2,922,442	3,010,116	3,100,419
Administration on Capital Projects	865,725	883,000	909,490	936,775	964,878	993,824
Administration Recoveries (Administration, Finance, HR, IT)	366,385	407,235	419,452	432,036	444,996	458,347
Recoveries from Protective Services	4,315,783	4,811,508	4,955,853	5,104,530	5,257,664	5,415,394
Engineering, Public Works, Transit & Parks	964,825	1,029,825	1,060,720	1,092,543	1,125,319	1,159,077
Solid Waste & Recycling	2,818,144	2,538,144	2,610,688	2,685,409	2,762,371	2,841,642
Cemetery	423,365	420,558	434,656	449,228	464,292	479,862
Economic Development	20,000	22,000	22,660	23,340	24,040	24,761
Recreation	548,000	600,000	618,000	636,541	655,636	675,305
Facilities	1,795,785	1,906,996	1,964,204	2,023,131	2,083,826	2,146,338
Planning & Development	331,025	331,025	340,956	351,185	361,722	372,573
Building and Licence	2,921,600	2,450,000	2,523,500	2,599,205	2,677,181	2,757,497
Other Income						
Investment Income	1,309,233	1,559,233	1,606,010	1,654,190	1,703,816	1,754,930
Sewer Fund - Interest Income	150,000	150,000	154,500	159,135	163,909	168,826
Cemetery Fund - Principal payment	27,735	27,735	28,567	29,424	30,307	31,216
Cemetery Fund - Interest Income	35,765	35,765	36,838	37,943	39,081	40,254
Penalties and Interest on Taxes	710,000	910,000	937,300	965,419	994,382	1,024,212
Other Income	25,000	25,000	25,750	26,523	27,318	28,138
Reserves						
Government Grants	1,420,117	2,056,182	2,117,867	2,181,403	2,246,845	2,314,251
Transfers from Reserves and DCC's	12,168,321	17,349,177	20,382,611	17,085,233	20,304,977	14,648,193
Grants and Donations	-	-	-	-	-	-
Debt Proceeds	1,310,000	-	-	-	-	-
Subtotal	\$ 92,467,817	\$ 102,562,663	\$ 109,229,419	\$ 109,728,349	\$ 116,914,958	\$ 115,403,550
Collections for other Governments	28,442,748	28,534,735	29,390,778	30,272,500	31,180,676	32,116,096
TOTAL GENERAL REVENUES	\$ 120,910,565	\$ 131,097,398	\$ 138,620,197	\$ 140,000,849	\$ 148,095,634	\$ 147,519,646

City of West Kelowna
Schedule "B2"
General Fund - Expenses

	Approved	Forecast	Forecast	Forecast	Forecast	Forecast
	2025	2026	2027	2028	2029	2030
General Fund - Operating Expenses						
General Government Services						
Council	\$ 560,266	\$ 574,549	\$ 592,086	\$ 610,161	\$ 628,785	\$ 647,984
Administration	721,601	486,249	502,822	519,961	537,686	556,018
Grant-in-aid	152,578	154,000	158,620	163,379	168,280	173,328
Library	1,944,593	2,002,931	2,063,019	2,124,909	2,188,657	2,254,316
Financial Administration	2,314,508	2,964,643	3,048,465	3,135,102	3,224,637	3,317,188
Legislative Services	614,753	1,313,957	1,227,741	1,269,926	1,313,564	1,501,650
Human Resources	777,019	868,634	881,912	910,512	940,037	970,538
Information Services	3,467,169	3,428,773	3,666,649	3,921,913	4,049,484	4,181,225
Legal Services	313,519	-	-	-	-	-
Corporate Initiatives & Communications						
Corporate Initiatives	266,252	-	-	-	-	-
Communications	576,446	704,837	669,023	691,940	715,645	740,168
Economic Development	333,303	334,936	345,492	356,383	367,617	379,210
Protective Services						
Police Services	10,604,638	11,498,582	11,830,948	12,173,491	12,357,177	12,274,260
Fire and Rescue	13,065,574	14,976,904	17,152,114	17,711,301	18,289,352	18,886,924
Engineering						
Engineering	1,443,607	1,514,870	1,565,844	1,618,540	1,673,018	1,729,338
Transportation Services						
Operations and Road Maintenance	4,637,909	4,787,150	4,935,852	5,089,196	5,247,315	5,410,379
Street Lighting	410,870	409,657	421,947	434,605	447,644	461,073
Operations Fleet	659,656	715,714	739,100	763,257	788,207	813,976
Transit System	2,959,006	3,241,030	3,338,747	3,439,410	3,543,112	3,649,945
Solid Waste Collection & Recycling	2,283,958	2,214,267	2,280,936	2,349,614	2,420,360	2,493,238
Storm Sewer	490,408	495,940	511,594	527,748	544,413	561,602
Cemetery	423,365	420,558	434,656	449,228	464,292	479,862
Environmental Development Services						
Bylaw Enforcement	1,152,434	1,331,411	1,376,582	1,423,289	1,471,585	1,521,530
Planning and Development	1,941,157	1,972,042	2,038,953	2,108,137	2,179,684	2,253,668
Building and Licence	2,019,253	2,091,257	2,162,483	2,236,145	2,312,321	2,391,103
Development Engineering	874,273	929,996	961,566	994,209	1,027,965	1,062,876
Recreation & Cultural Services						
Recreation	1,851,475	1,987,426	2,051,021	2,116,666	2,184,420	2,254,356
Facilities	4,796,036	5,296,817	5,454,516	5,617,204	5,785,019	5,958,159
Parks	4,612,146	4,760,490	4,731,725	4,726,168	4,880,384	5,039,647
Museum	132,000	135,360	139,421	143,604	147,912	152,350
Other						
Property Tax Exemption Offset	237,304	246,476	256,335	266,588	277,252	288,342
Transfer to Reserves:						
Capital Infrastructure	5,624,800	5,624,800	5,793,544	5,967,350	6,146,371	6,330,762
1% Infrastructure Levy	1,570,289	1,570,289	1,617,398	1,665,920	1,715,897	1,767,374
Equipment Replacement	1,118,998	1,118,998	1,152,568	1,187,145	1,222,759	1,259,442
Fire Equipment Replacement	766,444	766,444	789,437	813,120	837,514	862,639
Solid Waste	60,000	-	-	-	-	-
Future Expenditures	533,500	533,500	549,505	565,990	582,970	600,459
Gas Tax (Community Works)	1,420,117	1,706,182	1,757,367	1,810,088	1,864,391	1,920,323
City Hall Reserve	700,000	-	-	-	-	-
Facilities Reserve (Fire Hall)	500,000	-	-	-	-	-
Recreation	107,116	107,116	110,329	113,639	117,049	120,560
Police Reserve	-	-	-	-	-	-
Main City Software Platform	250,000	250,000	131,739	-	-	-
General Reserves	34,000	34,000	35,020	36,071	37,153	38,268
Storm Drainage	62,592	62,592	64,470	66,404	68,396	70,448
Available for supplemental requests	(2,710)	2,160,906	1,772,673	3,006,236	4,337,534	6,034,522
Total Operating Expenditures	\$ 79,382,222	\$ 85,794,283	\$ 89,314,219	\$ 93,124,549	\$ 97,105,858	\$ 101,409,050
Capital Expenditures	13,085,595	16,768,380	19,915,200	16,603,800	19,809,100	13,994,500
Transfers to Other Governments	28,442,748	28,534,735	29,390,778	30,272,500	31,180,676	32,116,096
TOTAL GENERAL EXPENDITURES	\$ 120,910,565	\$ 131,097,398	\$ 138,620,197	\$ 140,000,849	\$ 148,095,634	\$ 147,519,646

City of West Kelowna
Schedule "B3"
General Fund Capital Expenditures

	Approved 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
General Fund - Capital Expenditures						
General Government Services						
Administration	\$ 182,000	\$ 968,000	\$ 336,300	\$ 643,200	\$ 467,500	\$ 423,700
Information Services	941,595	601,700	426,500	364,300	420,400	629,900
Protective Services						
Police Services	30,000	-	-	-	-	-
Fire	514,500	770,000	2,564,800	599,300	1,191,200	2,509,900
Transportation Services						
Roads & Maintenance	3,150,000	7,325,000	3,090,100	5,675,700	11,960,300	5,990,100
Pedestrian Infrastructure	1,050,000	1,550,000	1,911,700	1,591,000	1,947,400	1,614,900
Street Lighting	-	-	-	-	-	-
Equipment General	1,365,000	1,182,980	3,537,300	884,700	163,900	371,400
Environmental Health Services						
Storm Sewer	1,625,000	-	5,081,900	4,718,900	2,076,300	1,077,100
Recreation & Cultural Services						
Facilities	2,503,000	3,045,000	1,643,200	1,736,500	1,092,700	303,900
Parks & Community Amenities	1,724,500	1,325,700	1,323,400	390,200	489,400	1,073,600
TOTAL CAPITAL EXPENDITURES	\$ 13,085,595	\$ 16,768,380	\$ 19,915,200	\$ 16,603,800	\$ 19,809,100	\$ 13,994,500

Schedule C

City of West Kelowna
Schedule "C"
Revenues and Expenditures Sewer

Sewer Utility	Approved 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
Revenues						
User fees	\$ 2,406,056	\$ 2,581,698	\$ 2,659,149	\$ 2,738,924	\$ 2,821,091	\$ 2,905,724
Parcel taxes	546,040	936,242	804,380	588,007	605,645	623,816
Interest income	88,390	88,330	90,980	93,709	96,521	99,416
Collections for RDCO Waste Water Treatment Plant	4,614,882	4,954,342	5,102,973	5,244,066	5,028,442	5,178,458
Transfer from Reserves						
Reserve - Future Expenditures	608,003	579,504	596,887	614,795	633,238	652,235
Capital Reserve	310,000	265,000	1,435,600	668,400	925,300	619,100
Development Cost Charges	90,000	-	-	-	-	-
Borrowing Proceeds	-	-	735,400	-	327,800	-
TOTAL REVENUES	\$ 8,663,371	\$ 9,405,116	\$ 11,425,369	\$ 9,947,901	\$ 10,438,037	\$ 10,078,750
Expenditures						
Environmental Health Services	\$ 6,232,419	\$ 6,857,124	\$ 7,090,098	\$ 7,307,378	\$ 7,531,336	\$ 7,762,473
Interest & Principal - Municipal Debt	1,154,043	944,864	786,001	552,503	191,394	191,394
Interest - to General Fund	121,000	570,880	588,006	605,647	623,816	642,239
Transfer to Reserves:						
Capital Infrastructure -	755,909	767,248	790,265	813,973	838,392	863,544
Total Operating Expenditures	\$ 8,263,371	\$ 9,140,116	\$ 9,254,369	\$ 9,279,501	\$ 9,184,937	\$ 9,459,650
Capital Expenditures	400,000	265,000	2,171,000	668,400	1,253,100	619,100
TOTAL EXPENDITURES	\$ 8,663,371	\$ 9,405,116	\$ 11,425,369	\$ 9,947,901	\$ 10,438,037	\$ 10,078,750

Schedule D

City of West Kelowna
Schedule "D"
Revenues and Expenditures Water

	Approved	Forecast	Forecast	Forecast	Forecast	Forecast
Water Utility	2025	2026	2027	2028	2029	2030
Revenue						
User fees	\$ 16,534,248	\$ 16,584,386	\$ 17,081,917	\$ 17,594,376	\$ 18,122,207	\$ 18,665,872
Parcel tax	\$ 30,557	1,386,929	1,428,538	1,471,393	1,515,534	1,561,001
Other revenue	732,267	222,306	228,975	235,844	242,920	250,207
Transfer from Statutory Reserves						
Development Cost Charges	-	-	-	-	-	-
Water Reserves	3,485,232	2,941,596	11,227,794	2,467,905	7,361,018	3,045,863
Water Capital Debt	1,199,000	810,000	7,744,100	1,087,400	109,300	22,594,500
TOTAL REVENUES	\$ 21,981,304	\$ 21,945,217	\$ 37,711,324	\$ 22,856,918	\$ 27,350,979	\$ 46,117,443
Expenditures						
Environmental Health Services	\$ 13,335,114	\$ 14,118,014	\$ 15,296,538	\$ 16,016,645	\$ 16,560,687	\$ 17,033,698
Interest & Principal - Municipal Debt	1,331,060	3,126,105	1,744,031	1,476,693	1,395,495	1,395,495
Transfers to Reserves:						
Reserve trsf - re Rose Valley	2,290,153	815,353	864,274	890,202	916,908	944,416
Reserve trsf - re Powers Creek	948,977	1,215,405	1,948,281	2,065,178	2,189,089	2,320,434
Total Operating Expenditures	17,905,304	19,274,877	19,853,124	20,448,718	21,062,179	21,694,043
Capital Expenditures	4,076,000	2,670,340	17,858,200	2,408,200	6,288,800	24,423,400
TOTAL EXPENDITURES	\$ 21,981,304	\$ 21,945,217	37,711,324	\$ 22,856,918	\$ 27,350,979	\$ 46,117,443