



COUNCIL REPORT
Financial Services
For the April 7, 2020 Council Meeting

DATE: April 7, 2020
TO: Mayor and Council
FROM: Paul Gipps, CAO
RE: Adoption of 2020-2024 Financial Plan

RECOMMENDED MOTION:

THAT Council rescind third reading of the “City of West Kelowna Financial Plan Bylaw 0271, 2019”, and re-read a third time as amended, by revising Schedule A, page B1, line “Transfer from Reserves – Operating Purposes”, with a tax rate increase set at 2.8%; and, as permitted under the Province of BC Order of the Minister of Public Safety and Solicitor General (Ministerial Order No. M083);

THAT Council adopt the “City of West Kelowna Financial Plan Bylaw 0271, 2019”.

BACKGROUND:

In considering how to move forward with the City of West Kelowna’s Five-Year Financial Plan in light of the current uncertainties brought on by COVID-19, I am putting forward a recommendation that will see a reduction in property tax from 4.8 % to 2.8% in the 2020 year of our Five-Year Financial Plan. At the March 24, 2020 Council meeting, staff were directed to “to explore measures to help support local residents and businesses in the immediate future and the longer term, with a report coming back to Council.”

Leading into the 2020 year, the City had a 2.8% shortfall in operations funding as a result of not fully funding the additional first responders and other staff brought on in late 2019. Therefore, the 2% reduction proposed will see service levels held at the 2019 level.

Local Governments have limited resources to make significant financial changes to our residents and businesses without impacting services significantly. Water, sewer, fire protection, policing, garbage collection, road, parks, recreation and development approvals are the funding basis in the 5-Year Financial Plan. In addition, we transfer funding to reserves for future capital projects to ensure we plan for tomorrow and beyond.

With that said, these are no doubt the most difficult times the city and the world has faced in our history and increased measures are necessary. Therefore, the recommendation to reduce the tax request has been put forward.

Our CFO's report is listed below in its entirety and his position about the financial well being of the organization is for Council's consideration.

At the time of this report our service levels are being considered and likely to change so in the interim we can draw from reserves and put back the reserves later in the year as we work through these challenges.

Paul Gipps, CAO

Powerpoint: Yes ☐ No ☒