



## COUNCIL REPORT

To: Paul Gipps, CAO

Date: May 10, 2022

From: Warren Everton, Director of Finance/CFO

Subject: **2022 Tax Rate Bylaw No. 0293, 2022**

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### RECOMMENDATION

**THAT** Council adopt the “City of West Kelowna Tax Rates Bylaw No. 0293, 2022”.

### STRATEGIC AREA(S) OF FOCUS

Financial planning including taxation is an integral component in achieving the objectives of Council’s 2022 Strategic Priorities: Invest in Infrastructure, Economic Growth and Prosperity, Strengthen Our Community and Foster Safety and Well-Being. Careful management of the City’s revenues, expenses, capital and reserves ensures a healthy and progressive community.

### 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 0293, the due date for 2022 will be 4:30 pm July 4th and the penalties for payments made after that date will be 10% for outstanding amounts on July 5<sup>th</sup>, 2022.

As presented previously, the following tables represent the tax multipliers on all classes as well as the tax implications of the 4.0% budget increase on Class 1 Residential properties.

Multipliers	West Kelowna	Westbank First Nation	Kelowna	Vernon	Penticton	Campbell River
Class 1 - Residential	1.00	1.00	1.00	1.00	1.00	1.00
Class 2 - Utilities	11.24	8.58	4.92	11.19	7.22	8.85
Class 3 - Supportive Housing	1.00	0.00	1.00	1.00	1.00	1.00
Class 4 - Major Industry	3.00	0.00	5.85	3.83	1.72	7.82
Class 5 - Light Industry	2.13	3.49	2.26	3.83	1.72	2.84
Class 6 - Business & Other	2.33	2.56	2.26	2.94	1.91	2.93
Class 7 - Managed Forest	3.00	0.00	0.00	0.25	1.91	4.59
Class 8 - Recreation/Non Profit	1.00	0.00	1.00	2.00	1.28	1.99
Class 9 - Farm	1.00	0.00	0.17	0.34	3.57	1.51

Tax multipliers between classes have remained consistent since 2017. They are conservative and reflect West Kelowna's assessment mix, which is weighted heavily to Class 1 Residential. For 2022, the percentage increases by 1.73 to 86.6% with Class 6 Business dropping 1.27 to 10.45%. 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 shifted back towards residential from the commercial classes.

Property Class	2021 Assessment Value	2021 % Share	2021 Tax Requisition	2022 Assessment Value	2022 % Share	2022 Tax Requisition	Change in %
Class 1 - Residential	9,511,748,984	84.91	29,389,527	12,707,133,359	86.64	31,894,650	1.73
Class 2 - Utilities	3,763,501	0.38	132,794	4,341,501	0.33	122,483	-0.05
Class 3 - Supportive Housing	0	0.00	0	0	0	0	0.00
Class 4 - Major Industry	18,697,000	0.50	173,896	20,231,200	0.41	152,340	-0.09
Class 5 - Light Industry	122,636,500	2.34	809,418	140,593,200	2.04	751,648	-0.30
Class 6 - Business & Other	561,630,101	11.72	4,056,981	658,016,001	10.45	3,848,244	-1.27
Class 7 - Managed Forest	0	0.00	0	0	0	0	0.00
Class 8 - Recreation/Non Profit	12,704,200	0.11	39,386	14,119,600	0.10	35,440	-0.02
Class 9 - Farm	3,801,985	0.03	11,750	3,859,975	0.03	9,689	-0.01
	10,234,982,271		34,613,752	13,548,294,836		36,814,494	0.00
<b>Other Tax Notice Items</b>							
Library			1,600,116			1,636,131	
Storm Sewer			349,024			484,906	
<b>Total Tax Levy</b>			<b>36,562,892</b>			<b>38,935,531</b>	

## REVIEWED BY

Shelley Schnitzler, Legislative Services Manager/Corporate Officer

## APPROVED FOR THE AGENDA BY

Paul Gipps, CAO

PowerPoint: Yes ☐ No ☒

Attachment: Bylaw No. 0293, 2022 Tax Rate Bylaw including Schedule A Tax Rates