CITY OF KELOWNA

BYLAW NO. 12338

Five-Year Financial Plan 2022-2026

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- 1. Schedule "A" attached hereto and forming part of this bylaw is hereby declared to be the Five-Year Financial Plan of the City of Kelowna for the period January 1, 2022 to and including December 31, 2026.
- 2. Schedule "B" attached hereto and forming part of this bylaw is hereby declared to be the Statement of Objectives and Policies in accordance with Section 165 (3.1) of the *Community Charter*.
- 3. This bylaw may be cited for all purposes as the "Five-Year Financial Plan Bylaw, 2022-2026, No. 12338".

Read a first, second and third time by the Municipal Council this 25th day of April, 2022.

Adopted by the Municipal Council of the City of Kelowna this 2nd day of May, 2022.

	Mayor
_	City Clerk

BL12501 replaced schedule 'A'

Schedule "A" Financial Plan 2022 - 2026

Property Value Tax 167,107,316 167,107,316 179,522,375 191,801,552 204,813,609 215,669,897 940,159,2 Library Requisition 7,044,000 7,044,003 7,184,903 7,328,602 7,475,174 7,624,677 32,054,4 Parcel Taxes 6,968,388 3,420,974 3,941,636 3,965,038 3,804,03 3,456,841 12,662,4 Fees and Charges 149,430,000 150,005,535 213,977,187 225,910,172 239,006,280 246,465,323 1,053,681,0 Borrowing Proceeds 71,178,11 7,158,600 -2,605,320 10,560,200 10,560,000 Other Sources 102,632,669 77,169,881 70,729,573 59,388,315 55,953,135 60,148,606 276,738,5 440,300,190 411,906,329 475,355,674 514,646,879 521,612,401 533,365,344 2,329,125,71 Transfer between Funds 2,514,347 2,319,917 1,018,987 1,018,987 1,018,987 1,018,987 4,075,9 Surplus/Reserve Accounts 240,632,423 266,914,336 78,307,796 52,726,789 56,029,541 56,828,98 207,146,8 Surplus/Reserve Accounts 23,000,159 658,566,442 582,947,371 602,424,118 624,219,931 627,076,765 2,705,965,4 Total Revenue 723,000,159 658,566,442 582,947,371 602,424,118 624,219,931 627,076,765 2,705,765 2,705,765 Capital Expenditures 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,31 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,445,300 48,035,275 Capital Expenditures 34,256,816 33,173,416 26,023,038 26,596,068 2,740,0651 27,731,013 119,155,375 Community Services 94,740,432 90,581,901 84,395,912 89,607,971 44,403,331 98,854,158 430,467,372 Protective Services 94,740,432 90,581,901 84,395,912 89,607,971 94,403,331 98,854,158 430,467,372 Protective Services 94,740,432 90,581,901 84,395,912 89,607,971 94,403,331 98,854,158 430,467,372 Protective Services 94,740,432 90,581,901 84,395,912 89,607,971 94,403,331 98,854,158 430,467,372 Protective Services 94,740,432 90,581,901 80,301,913,903		2022 Amended	2022	2022	2024	2025	2025	2027 2020
Property Value Tax		Budget	2022	2023	2024	2025	2026	2027-2030
Property Value Tax								
Library Requisition 7,044,000 7,044,023 7,184,903 7,328,602 7,475,174 7,624,677 32,054,4 Parcel Taxes 6,566,388 3,420,974 3,941,636 3,965,038 3,804,203 3,456,841 12,662,4 Fees and Charges 149,430,006 150,005,535 213,977,187 25,910,172 293,006,280 246,465,323 1,063,681,0 Borrowing Proceeds 7,117,811 7,158,600 - 26,053,200 10,560,000 - 3,830,0 Other Sources 102,632,669 77,169,881 70,729,573 59,588,315 55,953,135 60,148,606 276,738,5 440,300,190 411,906,329 475,355,674 514,646,879 521,612,401 533,365,344 2,329,125,71 Transfer between Funds Reserve Funds 3,553,199 37,425,860 28,264,914 34,031,463 36,559,002 35,863,936 165,616,9 Surplus/Reserve Accounts 240,632,423 206,914,336 78,307,796 52,726,789 65,029,541 56,828,498 207,146,8 282,699,969 246,660,113 107,591,697 87,777,239 102,607,530 93,711,421 376,839,61 Total Revenue 723,000,159 658,566,442 582,947,371 602,424,118 624,219,931 627,076,765 2,705,965,4 Expenditures 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,34 Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,34 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,330 48,035,22 Capital Expenditures 37,03,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,85 Peth Municipal Purposes General Government 8 Building Services 94,740,432 9,9581,801 84,395,912 89,607,971 94,403,331 198,851 111,405,8 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 480,467,913 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,8 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,0 655,894,929 99,100,839 473,429,821 486,505,636 498,945,330 49,9534,177 2143,335.0 Transfers between Funds 67,055,600 109,517,550 115,918,882 125,274,501 127,542,588 562,580,4 Fransfers between Funds 67,055,600 109,517,550 115,918,882 125,274,501 127,542,588 562,580,4 Fransfers between Funds 67,055,600 109,517,550 115,918,882 125,274,	Revenue							
Parcel Taxes	Property Value Tax	167,107,316	167,107,316	179,522,375	191,801,552	204,813,609	215,669,897	940,159,269
Fees and Charges Borrowing Proceeds Forting Proceeds Fort	Library Requisition	7,044,000	7,044,023	7,184,903	7,328,602	7,475,174	7,624,677	32,054,448
Borrowing Proceeds	Parcel Taxes	6,968,388	3,420,974	3,941,636	3,965,038	3,804,203	3,456,841	12,662,470
Borrowing Proceeds	Fees and Charges	149,430,006	150,005,535	213,977,187	225,910,172	239,006,280	246,465,323	1,063,681,066
Transfer between Funds Reserve Funds DCC Funds Surplus/Reserve Accounts Reserve Funds Res	Borrowing Proceeds	7,117,811	7,158,600	-	26,053,200		-	3,830,000
Transfer between Funds Reserve Funds DCC Funds Surplus/Reserve Accounts Reserve Funds DCF Funds DCF Funds Surplus/Reserve Accounts Reserve Funds Reserve F	•	102,632,669	77,169,881	70,729,573	59,588,315	55,953,135	60,148,606	276,738,529
Reserve Funds DCC Funds 39,553,199 37,425,860 28,264,914 34,031,463 36,559,002 35,863,936 165,616,9 240,632,423 206,914,336 78,307,796 52,726,789 65,029,541 56,828,498 207,146,8 282,699,969 246,660,113 107,591,697 87,777,239 102,607,530 93,711,421 376,839,63		440,300,190		475,355,674	514,646,879		533,365,344	2,329,125,782
Reserve Funds DCC Funds 39,553,199 37,425,860 28,264,914 34,031,463 36,559,002 35,863,936 165,616,9 240,632,423 206,914,336 78,307,796 52,726,789 65,029,541 56,828,498 207,146,8 282,699,969 246,660,113 107,591,697 87,777,239 102,607,530 93,711,421 376,839,63	Transfer between Funds							
DCC Funds Surplus/Reserve Accounts		2,514,347	2,319,917	1,018,987	1,018,987	1,018,987	1,018,987	4,075,949
Surplus/Reserve Accounts 240,632,423 206,914,336 78,307,796 52,726,789 65,029,541 56,828,498 207,146,8 282,699,969 246,660,113 107,591,697 87,777,239 102,607,530 93,711,421 376,839,69	DCC Funds	39,553,199						165,616,918
Total Revenue 723,000,159 658,566,442 582,947,371 602,424,118 624,219,931 627,076,765 2,705,965,48 Expenditures Municipal Debt Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,30 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,23 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 9,71,03,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,85 Planning, Development 8,8 Building Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,86 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 Transfers between Funds Reserve Funds 28,860,451 28,603,562 30,285,675 30,427,080 30,193,089 31,158,937 124,289,95 DCC Funds	Surplus/Reserve Accounts	240,632,423	206,914,336	78,307,796	52,726,789	65,029,541	56,828,498	207,146,830
Total Revenue 723,000,159 658,566,442 582,947,371 602,424,118 624,219,931 627,076,765 2,705,965,48 Expenditures Municipal Debt Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,30 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,23 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 9,7103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,85 Planning, Development 8,8 Building Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,83 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 Transfers between Funds Reserve Funds 28,860,451 28,603,562 30,285,675 30,427,080 30,193,089 31,158,937 124,289,95 DCC Funds	•	282,699,969	246,660,113	107,591,697	87,777,239	102,607,530	93,711,421	376,839,697
Expenditures Municipal Debt Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,31 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,22 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,88 Planning, Development 8 Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,88 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 (655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 DCC Funds								
Municipal Debt Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,36 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,23 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,85 Planning, Development & Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998	Total Revenue	723,000,159	658,566,442	582,947,371	602,424,118	624,219,931	627,076,765	2,705,965,47
Municipal Debt Debt Interest Debt Interest Debt Interest Debt Interest Debt Principal Debt Princ								
Debt Interest 3,702,099 3,694,690 4,162,325 6,044,860 8,532,854 10,050,872 39,490,33 Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,22 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,89 Planning, Development 8 Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,473 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,38 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311	•							
Debt Principal 9,593,546 8,847,932 7,654,270 7,885,874 10,911,346 13,248,530 48,035,22 Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,500 Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,88 Planning, Development 8 Building Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,400 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,333 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,88 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,03 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,035 Transfers between Funds Reserve Funds	•							
Capital Expenditures 330,494,687 273,558,700 155,020,452 154,084,439 148,709,078 133,443,167 576,459,50 Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,85 Planning, Development 8 Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,40 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,88 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 DCC Funds 28,860,451 28,603,562 30,285,675 30,427,080 30,193,089 31,158,937 124,289,95 DCC Funds 38,244,779 38,962,041 79,231,875 85,491,402 95,081,412 96,383,651 438,290,43 67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4								
Other Municipal Purposes General Government 37,103,554 35,548,877 39,501,887 40,473,724 41,466,844 42,621,132 182,734,88 Planning, Development & Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,88 Airport 19,974,967 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,08 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,08 Transfers between Funds Reserve Funds DCC Funds 5urplus/Reserve Accounts 38,244,779 38,962,041 79,231,875 85,491,402 95,081,412 96,383,651 438,290,43 67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4	•							
General Government Planning, Development & Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,449 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,333 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,893 Airport 19,974,967 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,093 Transfers between Funds Reserve Funds DCC Funds Surplus/Reserve Accounts 38,244,779 38,962,041 79,231,875 85,491,402 95,081,412 96,383,651 438,290,43 67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4	•	330,494,687	273,558,700	155,020,452	154,084,439	148,709,078	133,443,167	576,459,501
Planning, Development & Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,89 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,09 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,09 Transfers between Funds Reserve Funds DCC Funds Surplus/Reserve Accounts 38,244,779 38,962,041 79,231,875 85,491,402 95,081,412 96,383,651 438,290,43 67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4		27 402 554	25 540 077	20 501 007	40 472 724	41 466 044	42 624 422	102 724 001
8 Building Services 34,256,816 33,173,416 26,023,038 26,596,068 27,400,651 27,371,013 119,155,33 Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,44 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,33 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,83 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,03 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,03 Transfers between Funds Reserve Funds		37,103,554	35,548,877	39,501,887	40,473,724	41,466,844	42,621,132	182,734,891
Community Services 98,904,869 99,961,295 103,041,317 106,205,449 109,481,906 112,688,935 485,206,400 Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,333 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,833 11,000	3, 1	24 256 916	22 172 //16	26 022 020	26 506 069	27 400 651	27 271 012	110 155 273
Protective Services 94,740,432 90,581,801 84,395,912 89,607,971 94,403,331 98,854,158 430,467,333 Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,833 1	9							
Utilities 27,123,959 25,659,161 23,515,668 24,184,209 25,281,998 25,981,311 111,405,88 Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 Transfers between Funds	,							
Airport 19,974,967 19,974,967 30,114,952 31,423,042 32,757,421 35,275,058 150,430,05 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,05 Transfers between Funds								
Transfers between Funds Reserve Funds DCC Funds Surplus/Reserve Accounts Accounts 655,894,929 591,000,839 473,429,821 486,505,636 498,945,430 499,534,177 2,143,385,09 30,285,675 30,427,080 30,193,089 31,158,937 124,289,99 438,290,43 507,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4								
Reserve Funds 28,860,451 28,603,562 30,285,675 30,427,080 30,193,089 31,158,937 124,289,99 DCC Funds	/ III port							2,143,385,050
Reserve Funds 28,860,451 28,603,562 30,285,675 30,427,080 30,193,089 31,158,937 124,289,99 DCC Funds	Transfers between Funds							
DCC Funds		28 860 451	28 603 562	30 285 675	30 427 090	30 193 090	31 158 927	12/1 280 004
Surplus/Reserve Accounts 38,244,779 38,962,041 79,231,875 85,491,402 95,081,412 96,383,651 438,290,43 67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4		20,000,431		50,205,075	50,727,000	-	-	127,200,000
67,105,230 67,565,603 109,517,550 115,918,482 125,274,501 127,542,588 562,580,4		38 244 770	38 962 041	- 70 231 875	25 <u>/</u> /01 //02	95 081 412	96 383 651	138 200 133
Total Expanditures 722 000 450 650 566 442 592 047 274 602 424 110 624 340 024 627 076 765 2 765 065 4	201 biosticesei ve vecconits			<u> </u>		<u> </u>	<u> </u>	562,580,429
	Tatal France distance	733 000 450	CEO ECC 442	F02 047 274	CO2 424 C40	C24 240 C24	627 076 765	2,705,965,47

Schedule "B" Statement of Objectives and Policies

In accordance with Section 165(3.1) of the *Community Charter*, municipalities are required to include in the Five-Year Financial Plan, objectives and policies regarding each of the following:

- (a) For each of the funding sources described in Section 165(7) of the *Community Charter*, the proportion of total revenue that is proposed to come from that funding source;
- (b) The distribution of property value taxes among the property classes that may be subject to taxes;
- (c) The use of permissive tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2022. Property taxes and fees and charges are two of the largest sources of revenue. Both have advantages in that they are stable, relatively simple to administer and are generally understood by citizens. The City of Kelowna also utilizes funds from reserves and surplus as another main source of financial support. Reserve funds are closely managed to ensure and protect the current and future financial viability of the municipality. Other sources of revenue may be variable and fluctuate from year to year depending on the economic influences and capital programs undertaken by the City.

Objectives

- Investigate other potential funding sources and securing opportunities for additional revenues.
- Begin to decrease the municipality's reliance on property taxes and explore opportunities
 to increase the percent of total revenue received from user fees and charges and senior
 government grants.
- Maintain a fees and charges structure whereby increases are applied on a regular basis in line with inflation, while ensuring that service levels remain competitive and affordable.

<u>Policies</u>

- Pursue non-property tax revenues whenever possible through applying for government grants and charging user fees at appropriate levels.
- Perform regular reviews of revenue generating areas for appropriate application of rate increases.
 - Planning and Development Fees.
 - Active Living & Culture Fees and Charges application of BC Consumer Price Index.
 - Utility Revenues ensure Utilities operate as self-supporting enterprise funds.
- Increase provincial and federal grant revenue through maximum utilization of the City's Grant Manager position.

Table 1: Sources of Revenue

Revenue Source	Revenue \$ (000's)	% of Revenue
Property Value Tax	167,107	25%
Library Requisition	7,044	1%
Parcel Taxes	3,421	1%
Fees and Charges	150,005	23%
Borrowing Proceeds	7,159	1%
Other Sources	77,170	12%
Reserve Funds/Accounts	246,660	37%
Total	658,566	100%

Distribution of Property Tax Rates

Table 2 outlines the council approved municipal tax distribution policy for 2022 and the relative proportion of tax revenues. Projected revenues from the combined residential, recreational and Non-Profit classes, provides the largest proportion of property tax revenue. This cumulative class represents the largest tax assessment base and hence utilizes the majority of City services.

Objectives

- Provide an effective tax change that is the same for all property classes.
- Ensure that business and light industry property tax ratios remain below the average of BC municipalities with populations greater than 75,000.
- Allow for a maximum ratio cap of 3:1 for the Light Industrial/Business class.

Policies

- Council will annually review and modify tax class ratios to provide an effective tax change that is the same for all classes.
- The impacts on other property classes from administering a ratio cap on the Light Industrial/Business classes will be reported to Council during the annual Tax Distribution Policy review.
- Regularly review and compare the City's relative position in terms of distribution of taxes to other similarly sized municipalities in British Columbia.

Table 2: Tax Class Ratios and Projected Revenues

Property Class	Description	2022 Tax Class Ratios	Tax Revenue \$ (000's)	2021 Tax Class Ratios
01/08/03	Res/Rec/NP/SH	1.0000:1	116,612	1.0000:1
02	Utilities	6.0783:1	762	4.9179:1
04	Major Industrial	7.5328:1	0	5.8504:1
05/06	Light Ind/Bus/Other	2.5451:1	49,048	2.2556:1
09	Farm Land	0.2052:1	12	0.1639:1
91	Farm Improvements	0.4905:1	674	0.5081:1
	Total Revenues		167,108	

Property Tax Exemptions

The City has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- The applicant must qualify for an exemption under the provisions of the Community Charter.
- The organization receiving an exemption must be a registered non-profit society or registered charity, as the support of the municipality will not be used for commercial and private gain.
- The tax exemption must demonstrate benefit to the community and residents of the City by enhancing the quality of life (spiritually, educationally, socially and culturally), while delivering services economically to the citizens within the community.

The value of tax exemptions provided by Council for 2022 (based on 2021 assessment totals and tax rates) is \$4,406,882. The following breaks down the total into various exemption categories and the exemption value for the category:

Places of Worship - \$ 412,616 Private schools - \$ 282,879 Hospitals - \$ 20,129 Special Needs Housing - \$ 63,730 Social Services - \$ 317,280 Public Park, Athletic or Recreational - \$ 439,356 Cultural - \$ 449,713 Partnering, Heritage or Other Special Exemptions Authority - \$ 395,649 Revitalization - \$2,025,530

In order to encourage the restoration and preservation of commercial, industrial and institutional building, properties that meet the criteria outlined in the Heritage Building Tax Incentive Program policy can receive a tax exemption.

The establishment of the Revitalization Tax Exemption policy allows qualifying properties within the Downtown Urban Centre and Rutland Urban Centre areas to receive a tax exemption.

Objectives

- Continue to provide permissive tax exemptions to support qualifying organizations that improve the well-being of the community.
- The municipality will continue to provide heritage and revitalization tax exemptions for qualifying properties.

<u>Policies</u>

• Permissive tax exemptions will be considered to encourage activities that: (a) are consistent with the quality of life objectives of the municipality; (b) provide direct access and benefit to the public; and (c) would otherwise be provided by the municipality.

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- To meet the city's commitment to the ongoing restoration, preservation and maintenance of buildings and structures on its Heritage Register, eligible properties will be considered for a tax exemption.
- To support the city's revitalization program of the Downtown Urban Centre and Rutland Urban Centre, qualifying properties will be considered for a tax exemption.