



2015 Financial Plan Update and Property Taxes

Financial Plan Process

- Council's Goals and Objectives – 2014/2015
- Introduction of core budget - December
- Discussion with new Council – interim CAO on strategic direction
- 5 Budget meetings – January and February
- Resolution of Council to adopt the core budget, discretionary spending listings and increases in property taxes and user rates – February 23 meeting

2015 Tax Increases

Oliver	1.5%
Osoyoos	1.8%
Penticton	1.3%
Summerland	3.0%
Peachland	2.0%
West Kelowna	2.4%
Kelowna	3.2%
Lake Country	3.1%
Vernon	3.4%

Revenue

- tax increase of 3% \$201,000
- non market increase \$ 85,000
- no increases in garbage rates
- increase in electric rates to match Fortis
 - April 2.625% \$252,300
 - July 1.65 % \$ 81,000
- 5% increase in water rates \$ 68,500
- 5% increase in sewer rates \$ 38,000

Revenue – General Fund

- Increase transfer from Electric Fund for the grant in aid to the Library \$115,000
- Increase interest earnings and penalty and interest charges on taxes \$ 45,000
- Increase in the Small Communities and Traffic Fine Revenue Sharing Grants \$ 19,000
- Increase property rentals for the space used by the Province at the RCMP \$ 13,000
- Increase in the recycling funds from MMBC – \$ 57,000

Core Expense

- Reallocation within the departments to reflect where the expense will be recorded – Interim CAO
- Increase staffing budgets to provide relief coverage for vacations and peak times \$54,000
- increase staffing in legislative services by .5 FTE \$44,000
- Reduce staffing budget in Works \$60,000

Core Expense

The background of the slide is a scenic photograph of a town nestled in a valley. In the foreground, there are green fields and a few houses. The middle ground shows a dense residential area with many houses. In the background, there are rolling hills and mountains under a blue sky with scattered white clouds. The text is overlaid on the left side of the image.

Sidewalk maintenance	\$ 11,000
Transit	\$ 19,000
Landfill closure costs	\$ 50,000

Discretionary Spending

Wildfire Fuel Management	\$40,000
Conkle Mountain trail improvements	\$30,000
Citizen survey	\$15,000
Facilities roof replacement	\$20,000
Funded by grants or reserve account allocations	
Library grant in aid	\$115,000
Funded by a transfer from the electric fund	

Discretionary Projects Carriedforward

Web site design	17,951
Phone system	60,000
RCMP building generator	41,598
FDM software update	9,090
Fire Training Facility	134,332
Climate Action - trees	5,000
Roads and sidewalk projects – gas tax funds	425,000
Peach Orchard Campground plumbing	10,000
Peach Orchard Waterpark waterline upgrade	2,419
Lakeshore Trail development	91,113
On line registration for recreation programs	20,000
Standby generator at Works Yard	71,800
Disconnect switch installations	5,300
Canyonview perpetual slide study	40,000
Prairie Valley Road project	45,000
Scale at the landfill	9,655
Gravel sales and pit development	4,575
Agricultural land lease	22,000
Subdivision bylaw revision	21,212
Integrated asset management and long term funding plan	150,000

Discretionary Projects Carriedforward

Water	
Isintok Dam leak repair / monitoring	17,183
Boom repair & replacement at dams	6,593
VFD for pumps	4,180
Cathodic protection installation Giants Head Road	20,126
Sewer	
Blower control upgrade	2,691
Gas detection upgrade at plant	5,465
Electric	
Business continuance evaluation	40,000
Meters	15,353

Impact on a \$362,000 single family residence

		<u>2015 increase</u>
Property taxes	Single family residence - \$350,000 2014 assessed value increased by the average market change to \$362,000	\$ 32.00
Water		\$ 21.49
Sewer		\$ 13.24
Garbage		-
Total	on a daily basis – increase is \$0.18	\$ 65.75

A daily increase of eighteen cents for a family who turns on lights, expects clean water to come from the tap when they open it, flushes the toilet, travels on local roads and sidewalks, enjoys police and fire protection and uses recreation and park facilities

Impact on a \$248,600 commercial property

Property taxes	Average assessed value for class 6 – 2015 increase	\$ 62.00
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TAX RATES

- Tax Revenue desired divided by assessed value equals the tax rate
- Variable rate system – each class has a rate
- Assessed value x tax rate = tax revenue
- Total assessed value for 2015 \$2,093 billion
- Change from 2014 \$93 million increase

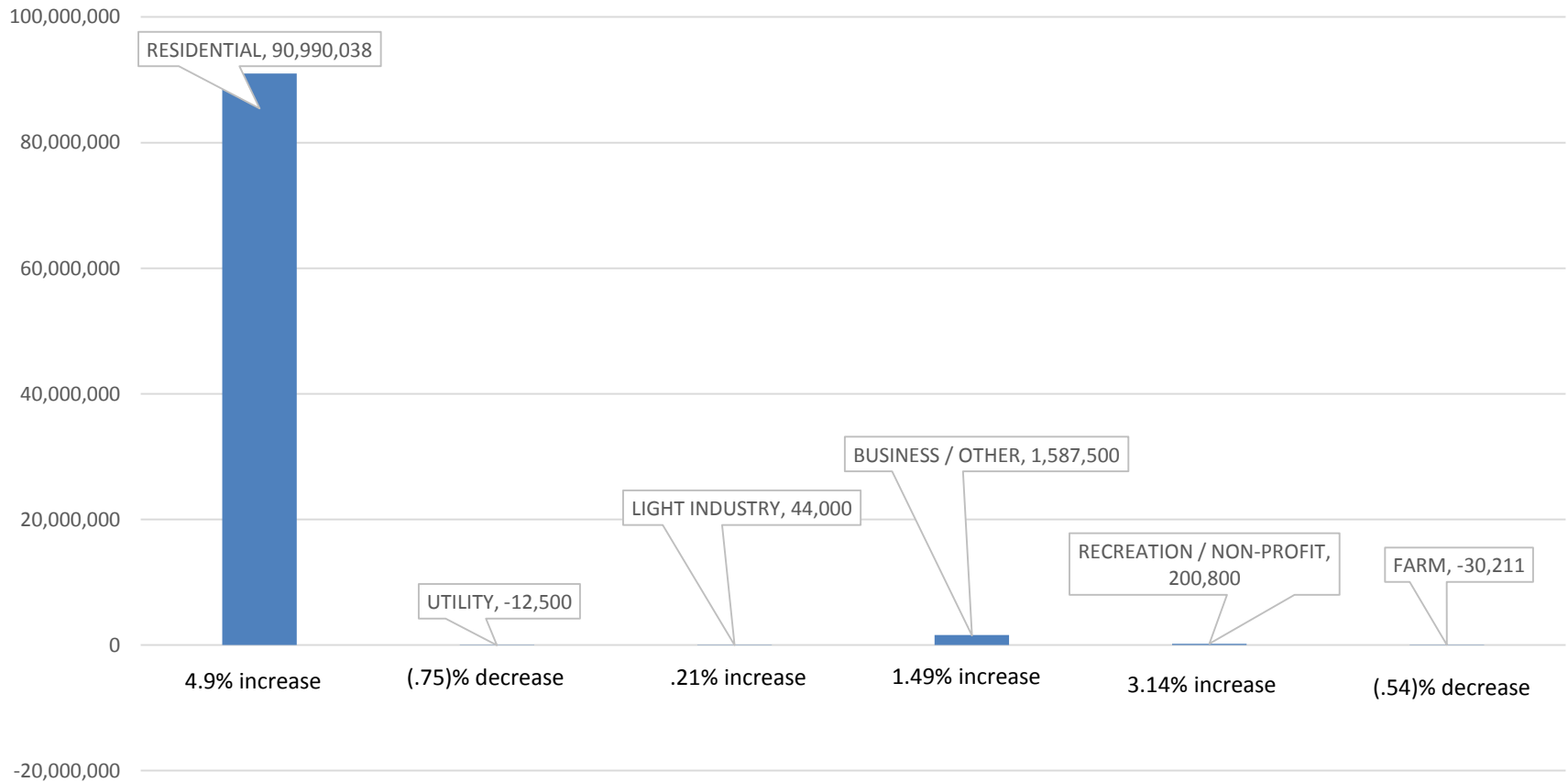
ASSESSED VALUES IN THE VALLEY

2015 CHANGES IN THE TAXABLE VALUES

Oliver	3.9%
Osoyoos	2.1%
Penticton	3.2%
Summerland	4.6%
Peachland	6.6%
West Kelowna	6.5%
Kelowna	5.9%
Lake Country	5.0%
Vernon	5.4%

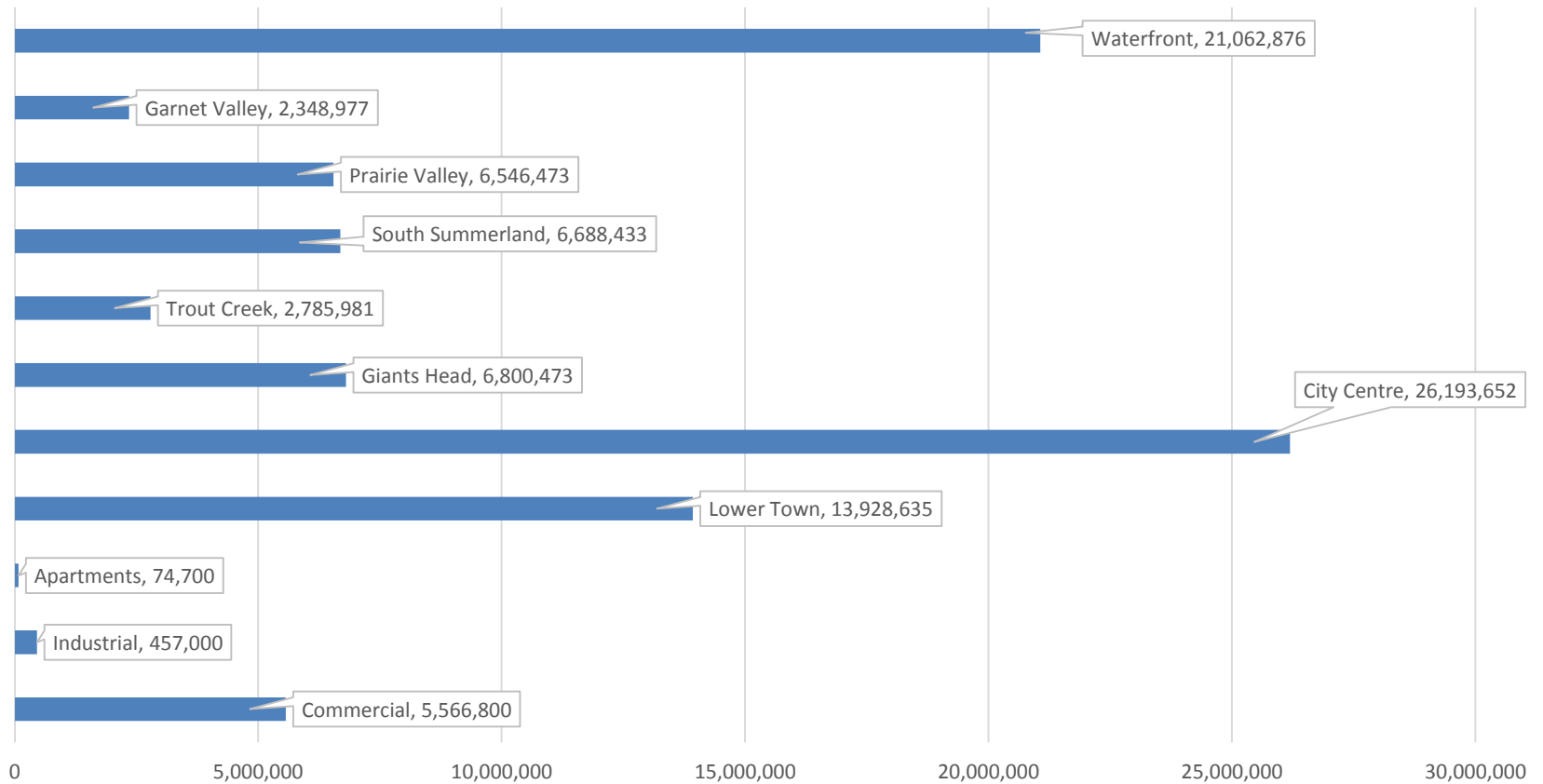
Total Assessment change by class

2015 \$ Change in Assessed Value



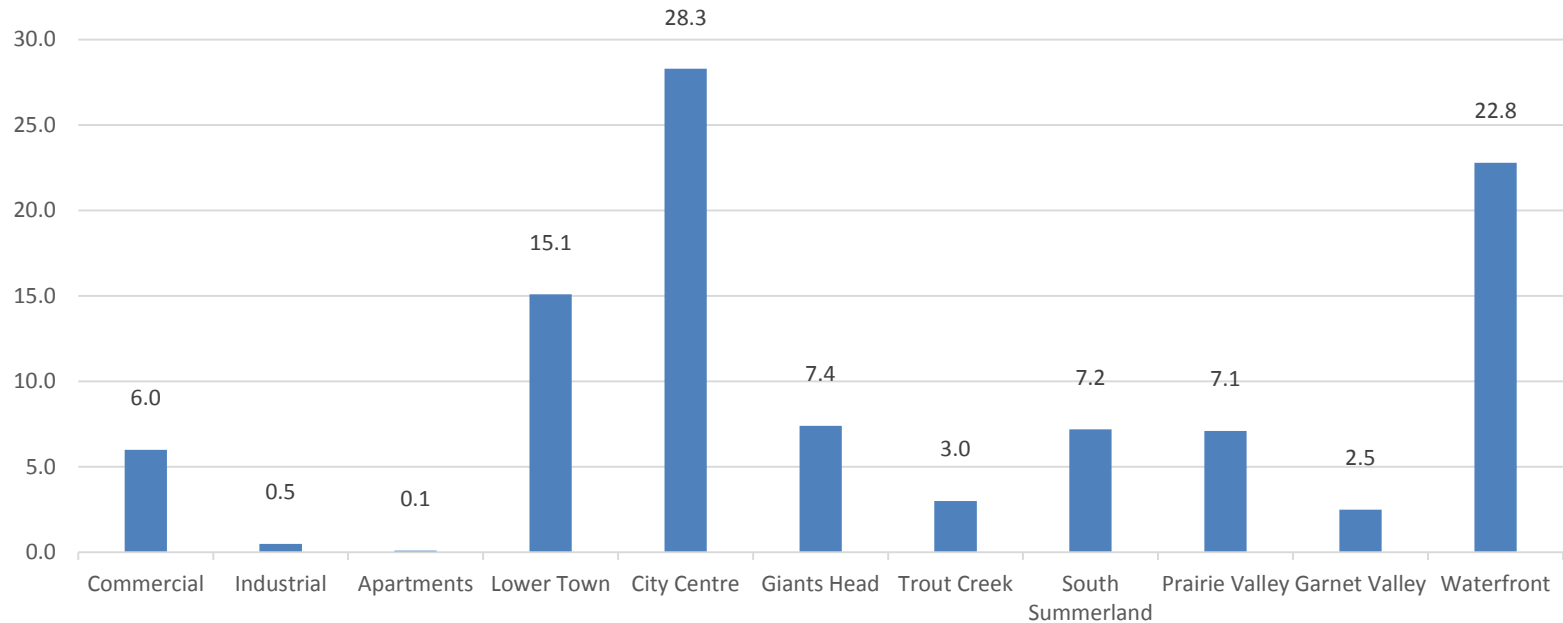
Total Assessment change by neighbourhood

2015 \$ change in assessed value



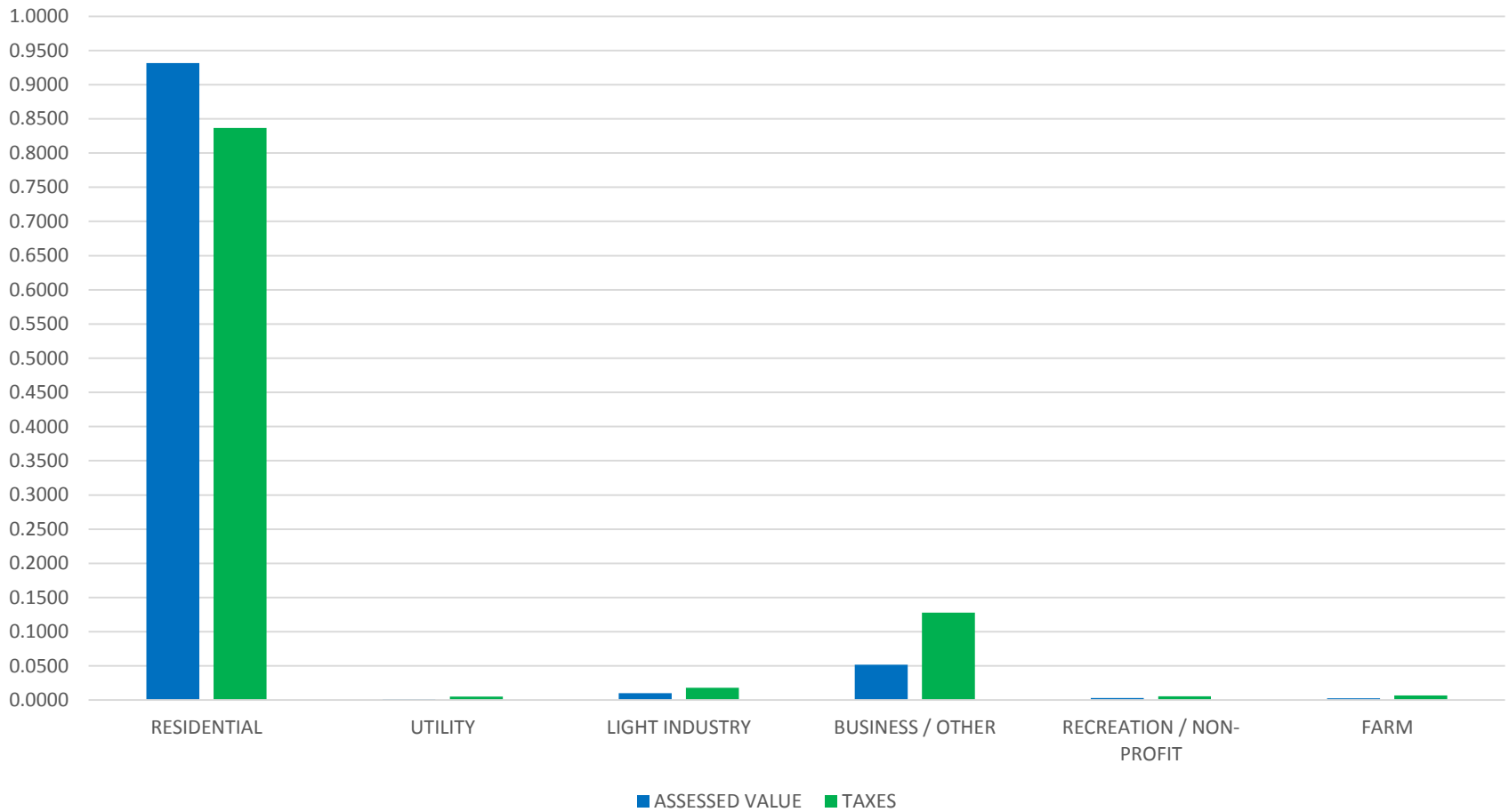
Total Assessment % Change

Average 4.6%



If the % change in assessment for your property is not the same as the average % change for the class, the 2015 tax increase will not be 3%

Assessed Value compared to Taxes



PROPERTY TAXES

- DISTRICT OF SUMMERLAND
- REGIONAL DISTRICT OF SOUTH OKANAGAN
- REGIONAL HOSPITAL DISTRICT OF SOUTH OKANAGAN
- OKANAGAN REGIONAL LIBRARY BOARD
- PROVINCE OF BRITISH COLUMBIA SCHOOL TAX
- BC ASSESSMENT, MUNICIPAL FINANCE AUTHORITY