

DISTRICT OF WEST KELOWNA

BYLAW NO. 0153

A BYLAW TO ESTABLISH THE TAX RATES UPON REAL PROPERTY FOR THE DISTRICT OF WEST KELOWNA AND TO PROVIDE FOR THE PAYMENT OF TAXES FOR THE YEAR 2013

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WHEREAS the Council shall, pursuant to Section 197 of the *Community Charter*, in each year, adopt a bylaw to impose rates on all taxable land and improvements according to their assessed value to provide the money required for purposes specified in the *Community Charter*;

AND WHEREAS the Council may, pursuant to Section 235 of the *Community Charter*, establish an Alternative Municipal Tax Collection Scheme, including penalties to be applied in relation to payments made after a tax due date established by such bylaw;

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

1. Title

This Bylaw may be cited as the "TAX RATES BYLAW NO. 0153, 2013".

2. Definition

"ALTERNATIVE MUNICIPAL TAX SCHEME" means the Scheme for the payment of taxes established under Sections 10, 12, and 13.2 of this bylaw.

"CHIEF FINANCIAL OFFICER" means the person duly appointed by Council, and includes his/her Deputy.

"DISTRICT" means the District of West Kelowna

3. Tax Rate Multiplier

That the Multiplier factor used to establish the Tax Rate be adopted as follows:

Property Class	Code	Multiplier
RESIDENTIAL	01	1.00
UTILITIES	02	11.00
SUPPORTIVE HOUSING	03	1.00
MAJOR INDUSTRY	04	3.00
LIGHT INDUSTRY	05	2.22
BUSINESS/OTHER	06	2.24
MANAGED FOREST	07	3.00
REC/NON-PROFIT	08	1.00
FARM	09	1.00

4. Tax Rates for General Municipal Purposes

Tax rates for all lawful general purposes, as shown in column 'A' of Schedule 'A' attached hereto and forming a part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value as shown upon the Real Property Tax Roll for general municipal purposes for the District of West Kelowna for 2013.

5. Tax Rates for Regional District of Central Okanagan

Tax rates for the payment of the Regional District of Central Okanagan requisition, excluding tax rates for the S I R requisition under Section 6 as shown in column 'B' of Schedule 'A' attached hereto and forming part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value on the basis provided under Section 804.3 of the *Local Government Act* and as shown upon the Real Property Tax Roll for the District of West Kelowna for 2013.

6. Tax Rates for Regional District of Central Okanagan SIR Program

Tax rates for the payment of the Regional District of Central Okanagan requisition for the SIR Program, as shown in column 'C' of Schedule 'A' attached hereto and forming part of this Bylaw, are hereby imposed and levied on taxable land according to their assessed value on the basis provided under Section 804.3 of the *Local Government Act* and as shown upon the Real Property Tax Roll for the District of West Kelowna for 2013.

7. Central Okanagan Regional Hospital District

Tax rates for the payment of the Central Okanagan Regional Hospital District requisition, as shown in column 'D' of Schedule 'A' Page 1 attached hereto and forming part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value on the basis provided by Section 26 of the *Hospital District Act* and according to their assessed value as shown upon the Real Property Tax Roll for the District of West Kelowna for 2013.

8. Tax Rates for General Municipal Purposes – Library

Tax rates for all lawful general purposes, as shown in column 'E' of Schedule 'A' attached hereto and forming a part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value as shown upon the Real Property Tax Roll for general municipal purposes – Library for the District of West Kelowna for 2013.

9. Tax Rates for General Municipal Purposes – Sanitary Storm Sewer

Tax rates for all lawful general purposes, as shown in column 'F' of Schedule 'A' attached hereto and forming a part of this Bylaw, are hereby imposed and levied on

taxable land and improvements according to their assessed value as shown upon the Real Property Tax Roll for general municipal purposes – Sanitary Storm Sewer for the District of West Kelowna for 2013.

10. Alternative Municipal Tax Scheme

10.1 Unless section 10.2 applies, the rates and taxes named under this Bylaw are due and shall be paid in accordance with sections 10, 11, and 12 of this Bylaw on or before July 5, 2013.

10.2 An owner may elect to pay the rates and taxes named under this Bylaw in accordance with the General Municipal Tax Collection Scheme established under Division 10 of Part 7 of the *Community Charter* by giving written notice of that election to the Chief Financial Officer at his office at the District of West Kelowna offices on or before June 7, 2013.

10.3 If an Owner does not make an election under Section 10.2, the Alternative Municipal Collection Scheme applies to the rates and taxes payable to that Owner.

11. Rates and Taxes Payable to The District of West Kelowna

The rates and taxes named under this Bylaw shall be levied, raised and collected for the purposes stated, and shall be payable to The District of West Kelowna at the District Hall.

12. Penalties

Upon the 6th day of July, 2013, or as soon thereafter as is practicable, the Chief Financial Officer shall add to the unpaid balance of the current year's taxes, in respect of each parcel of land and the improvements as shown upon the Real Property Tax Roll of the District for 2013:

- (a) ten (10) percent of the amount unpaid as of 4:30 pm on the 5th day of July, 2013.

13. Supplementary Tax Rolls

13.1 Upon receipt of a Supplementary Tax Roll from B.C. Assessment, the Chief Financial Officer shall levy taxes in accordance with the rates specified in Schedule 'A' of this Bylaw according to the taxable values as shown on the Supplementary Tax Rolls.

13.2 For each Supplementary Tax Roll, the Chief Financial Officer shall add penalties to the unpaid amounts as follows:

- (a) Where Supplementary Tax Notices are sent before the 5th day of June, 2013, penalties shall be added as set out in Section 12 of this Bylaw.

- (b) Where Supplementary Tax Notices are sent after the 5th day of June, 2013; ten (10) percent shall be added on any amount unpaid after 30 (thirty) days.

14. R.D.C.O. Parcel Tax (under collection for other governments)

- (a) Sterile Insect Release Program parcel tax levy for 2013 is \$13,395;
- (b) The Sewer parcel tax levy for 2013 is \$26,057 for Lakeview #605, and \$20,169 for East Boundary Road Sewer (Lakeview 608);
- (c) Westside Landfill/Transfer Station parcel tax levy for 2013 is \$184,723.

READ a first, second and third time this 23rd day of April, 2013  
ADOPTED this 14thday of May, 2013

'DOUG FINDLATER'

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M A Y O R

'TRACEY BATTEN'

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CITY CLERK

**District of West Kelowna 2013**

**Tax Rate**

**Schedule "A"**

		<b>Municipal Combined</b>	<b>General Municipal</b>	<b>% Collected Municipal</b>	<b>Regional District</b>	<b>% Collected Regional District</b>	<b>Regional District SIR (Land Only)</b>	<b>% Collected Regional District SIR (Land Only)</b>	<b>Regional District Hospital</b>	<b>% Collected Regional District Hospital</b>	<b>Regional Library</b>	<b>% Collected Regional Library</b>	<b>Sanitary Storm Sewer</b>	<b>% Collected Sanitary Storm Sewer</b>
<b>Description</b>		<b>(A)</b>			<b>(B)</b>		<b>(C)</b>		<b>(D)</b>		<b>(E)</b>		<b>(F)</b>	
01	Rate	3.6284	3.42783		0.33875		0.04558		0.36260		0.18218		0.01840	
	Taxable Value	5,593,747,512.00	5,593,747,512		5,569,099,012		2,796,912,102		5,569,099,012		5,593,747,512		5,593,747,512	
	Total Collected	\$ 20,296,409	\$ 19,174,416	83.74%	\$ 1,886,532	80.96%	\$ 127,483	77.37%	\$ 2,019,355	80.96%	\$ 1,019,069	83.74%	\$ 102,925	83.75%
02	Rate	39.9124	37.70611		1.18562		0.15953		1.26909		2.00394		0.20237	
	Taxable Value	2,970,101	2,970,101		23,670,301		1,154,300		23,670,301		2,970,101		2,970,101	
	Total Collected	\$ 118,544	\$ 111,991	0.49%	\$ 28,064	1.20%	\$ 184	0.11%	\$ 30,040	1.20%	\$ 5,952	0.49%	\$ 601	0.49%
03	Rate	3.6284	3.42783		0.33875		0.04558		0.36260		0.18218		0.018400	
	Taxable Value	-	-		-		0.04558		0.36260		-		-	
	Total Collected	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
04	Rate	10.8852	10.28349		1.15174		0.15498		1.23283		0.54653		0.05519	
	Taxable Value	15,438,000	15,438,000		15,438,000		7,797,000		15,438,000		15,438,000		15,438,000	
	Total Collected	\$ 168,046	\$ 158,757	0.69%	\$ 17,781	0.76%	\$ 1,208	0.73%	\$ 19,032	0.76%	\$ 8,437	0.69%	\$ 852	0.69%
05	Rate	8.0551	7.60978		1.15174		0.15498		1.23283		0.40443		0.04084	
	Taxable Value	80,020,200	80,020,200		80,020,200		58,224,000		80,020,200		80,020,200		80,020,200	
	Total Collected	\$ 644,567	\$ 608,936	2.66%	\$ 92,162	3.96%	\$ 9,024	5.48%	\$ 98,651	3.96%	\$ 32,363	2.66%	\$ 3,268	2.66%
06	Rate	8.1276	7.67834		0.82993		0.11167		0.88836		0.40807		0.04121	
	Taxable Value	363,658,151	363,658,151		363,658,151		236,059,251		363,658,151		363,658,151		363,658,151	
	Total Collected	\$ 2,955,675	\$ 2,792,291	12.20%	\$ 301,811	12.95%	\$ 26,361	16.00%	\$ 323,059	12.95%	\$ 148,398	12.19%	\$ 14,986	12.19%
07	Rate	10.8852	10.28349		1.01624		0.13674		1.08779		0.54653		0.05519	
	Taxable Value	-	-		-		-		-		-		-	
	Total Collected	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
08	Rate	3.6284	3.42783		0.33875		0.04558		0.36260		0.18218		0.01840	
	Taxable Value	11,335,600	11,335,600		9,588,100		9,576,400		9,588,100		11,335,600		11,335,600	
	Total Collected	\$ 41,130	\$ 38,857	0.17%	\$ 3,248	0.14%	\$ 436	0.26%	\$ 3,477	0.14%	\$ 2,065	0.17%	\$ 209	0.17%
09	Rate	3.6284	3.42783		0.33875		0.04558		0.36260		0.18218		0.0184	
	Taxable Value	3,281,079	3,281,079		1,640,517		1,640,517		1,640,517		3,281,079		3,281,079	
	Total Collected	\$ 11,905	\$ 11,247	0.05%	\$ 556	0.02%	\$ 75	0.05%	\$ 595	0.02%	\$ 598	0.05%	\$ 60	0.05%
	Total Collected	\$ 24,236,276	\$ 22,896,494	100.00%	\$ 2,330,154	100.00%	\$ 164,771	100.00%	\$ 2,494,210	100.00%	\$ 1,216,882	100.00%	\$ 122,901	100.00%

Taxation is a major revenue source for the General Fund and accounts for 34.48% of the 2013 total revenue estimated at \$70,314,841, excluding collection for other governments. Over the ten-year period of the financial plan, the taxation requirement is estimated to increase annually by a growth factor of (1.00%) and an additional increase of 3.00%, which includes increase in cost of living and increase to reserves.

The current financial plan provides that \$24,247,861 be generated from District of West Kelowna property tax base for General Government purposes.

The District has various policies which govern and affect the budget process and include:

1. Revenue Policy.
2. Surplus Funds Policy.
3. Debt Policy.
4. Reserve Fund Policy
5. Proportion of Taxes Allocated to Classes
6. Permissive Tax Exemptions
7. Development Cost Charges

### **Revenue Policy**

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

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

The District 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 District 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 District 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.

### **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. Council will review options and provide direction to staff regarding the allocation of any operating surplus prior to completion of the budget process for the following year.
- b. To ensure the Accumulated Surplus is not excessive, the balance in the accumulated surplus account should not exceed a specific amount or guideline. The guideline is that Accumulated Surplus should not exceed 10% of the net operating budget.
- c. Accumulated Surplus funds above the 10% guideline shall be used to:
  - i. Fund capital expenditures or to increase reserves;
  - ii. Pay off capital debt, including internal borrowings;
  - iii. Stabilize City property tax and utility rate increases;
  - iv. Fund other items as Council deems appropriate.
- d. Staff will facilitate Council's review of the amount of Accumulated Surplus funds available on an annual basis.

## **Debt Policy**

1. One-time capital improvements and unusual equipment purchases.
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 borrowing amount be limited to 15% (*Community Charter* allows for 25%) of the Districts revenues as defined by the *Community Charter*.
6. Reserves are to be considered as a funding source before debt.

## **Reserve Funds**

Reserve funds shall be set aside to:

- a. Provide sources of funds for future capital expenditures;
- b. Provide a source of funding for areas of expenditure that fluctuate significantly from year to year (equipment replacement, special building maintenance, etc.);
- c. Protect the District from uncontrollable or unexpected increases in expenditures or unforeseen reductions in revenues, or a combination of the two; and
- d. Provide for working capital to ensure sufficient cash flow to meet the District's needs throughout the year.

## **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.

### **Permissive Tax Exemptions**

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 Charges**

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 goals of Council.