

Budget set to eliminate deferral, continue public safety focus

(Penticton, BC – October 17, 2023) – Staff are recommending bundling the final two years of the tax deferral introduced by the previous council into this year's Financial and Corporate Business Plan and will maintain the focus on public safety with the hiring of a director of public safety and partnerships.

"We understand these are tough economic times as costs are rising and the City's operations are feeling the impact as well," says Angela Campbell, the City's director of finance and administration. "By dealing with the deferral this year we will put our financial sustainability on firmer footing. To limit the tax impact, incremental spending will be limited this year to less than one per cent and we will focus on completing the major capital projects underway while advancing our community safety framework."

Under the proposal, the projected rate increase would total 8.7 per cent this year. Capital spending is estimated to be \$41.3 million for 2024.

Over the last several years, Council has made a significant investment in community safety through the hiring of more police, fire fighters and the expansion of the Community Safety Officer program and that remains a priority as this year's budget includes the hiring of a director of public safety and partnerships.

"Council has made creating a safe and resilient community a priority and we continue to make that a focus," says City manager Anthony Haddad. "For the past year, the working group on community safety has worked towards bringing all the necessary groups together so we're moving in the same direction. We believe this is the next step in ensuring Penticton is a vibrant and growing community."

The tax impact for an average homeowner would be an increase of up to approximately \$15 a month. Penticton continues to have one of the lowest total residential taxes rates in the region.

"Taking this step now is like paying off the credit card to lower expenses and tightening the belt to keep your fiscal house in good shape and allows us to stop depleting our reserves," says Campbell. "The decision to defer taxes for three years was appropriate at the time and now clearing off that debt makes financial sense. The City has significantly invested in safety, housing and maintaining service levels and those priorities remain intact. We now have the opportunity to provide flexibility in upcoming years to make new investments and maintain our fiscal discipline while doing so."

Council received a preview of the budget at their meeting today. The full proposed 2024 Financial and Corporate Business Plan will be released October 23 and will include a complete listing of all the capital spending, utility costs and other expenditures. It will be available at www.penticton.ca

Media Contact:

250-490-2339

communications@penticton.ca

One Backgrounder Attached

Residents invited to get involved in the 2024 Budget

Residents interested in next year's budget are asked to note the following key dates:

- Read the details of the draft 2024-2028 Financial Plan and 2024 Budget on shapeyourcitypenticton.ca or at City Hall when they are released for review on October 23.
- Submit your questions about the budget on shapeyourcitypenticton.ca or by emailing getconnected@penticton.ca between October 23 and November 2 and hear the answers on the City's PenTALKton podcast.
- Drop by the Council Open House on October 26 at the Penticton Trade and Convention Centre between 4 pm and 7 pm to meet with Council, discuss the budget and share your thoughts with staff.
- Once you have reviewed the materials and asked your questions, complete a form to share your feedback about the budget between October 23 and November 12.
- Hear a report on the budget feedback and watch Council Budget Deliberations between November 21 and 23.

All information about the budget and opportunities to get involved and share feedback will be published at shapeyourcitypenticton.ca