

Summerland continues philosophy of lower property taxes

by *Doug Holmes*

Every year around this time, local councils approve their annual budgets and five-year financial plans detailing projected revenues and expenditures for both day-to-day costs (operations) and longer term infrastructure investments (capital). While a Council's strategic plan establishes its priorities, the financial plan determines how and when each priority will be paid for and implemented.

The general budget covers most of a municipality's responsibilities and is supported primarily by property taxes and user fees while utilities (water, sewer, electrical) have separate budgets that are supported by monthly utility rates and annual parcel taxes.

Local governments can't run deficits like the provincial and federal governments; we are legally required to balance all our budgets. We can borrow money and incur debt for major capital projects, but debt servicing costs must be accounted for in the operating budget.

For 2026, Summerland Council has approved a 6.36% property tax rate increase which would see a typical single-family home assessed at just over \$860,000 pay about \$135 more in property taxes than they did last year. Of that \$135 increase, \$16.57 is for new debt payments for the Wharton Street and Victoria Road upgrades.

The increase takes into account increased labour costs driven by union collective bargaining agreements and increased contractual costs such as the RCMP agreement. To address a contractual increase for curbside waste collection, Council has increased the monthly base cart fee by \$1.34.

All local governments are facing increased costs. Despite this, Summerland Council continues to follow its philosophy of ensuring we have amongst the lowest residential property taxes in the region. This year, a Summerland home assessed at \$850,000 will pay approximately \$2,252 in municipal property taxes – less than a property of the same value in Kelowna (\$2,470), Peachland (\$2,607), Vernon (\$3,023), and Penticton (\$3,209).

Many local governments have been adding staff to deal with increased responsibilities, much of it downloaded from the Province. In Summerland, however, the number of Full Time Equivalents (FTEs) remains the same today as it did four years ago. Whenever we have created a new position, we have eliminated one elsewhere in the organization. This year, for example, we are transitioning a vacant receptionist position into a records management coordinator to develop a privacy program, deal with an ever-increasing amount of freedom of information requests, and implement and maintain a records management system that currently does not exist.

We are also discontinuing a vacant community services assistant position in order to convert a seasonal bylaw enforcement officer into a full-time year-round officer.

The other way Council is keeping taxes under control is by reducing service levels. This year we will eliminate the one-day recycle depot during the summer. We will also reduce the amount of road line painting we normally do, lessen how much snow clearing we do on weekends and statutory holidays, and reduce some minor street patching and paving.

We will, however, continue with our overall road paving program, and we will continue to invest in critical infrastructure, which is important for our quality of life, economic growth, and public health and safety. This year we have budgeted \$8.5 million on 57 capital projects, including 20 carried forward from last year. These projects will be funded from reserves or grants and will not require any new borrowing.

Doug Holmes is mayor of Summerland.