

December 5, 2012

Council endorses base budget for 2013

At the Dec. 4 special Council meeting, Council endorsed core services operating budgets for 2013 that will provide similar services to the 2012 levels.

The anticipated tax increase to maintain most service levels is approximately two per cent (2%) for the residential tax class. This amounts to approximately \$28.33 per year for the average home in Campbell River (valued at \$268,000 in 2012). This cost increase reflects contract and wage obligations.

There were no property tax increases for other tax classes.

Council agreed to continue to review budgets for and requested additional information about costs related to the Fire Department, solid waste and information technology. With all other service levels and base funding re-affirmed, Council will finalize 2013 service levels in these three areas in the new year.

The 2013 base budget includes items already approved by Council such as grants in aid (\$527,079) and permissive tax exemptions (\$627,282) for non-profit community organizations.

The City's financial plan discussion is a three-part process. In January and February, Council will discuss capital projects (funded out of reserves or from grant opportunities that do not affect general operating funds) and potential service level increases, for new, enhanced or previously supplied services.

The City of Campbell River is legally required to table a balanced budget and to adopt a taxation bylaw before May 15, 2013.

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Background

Base budget highlights:

- The City's overall budget has decreased 2.56 per cent since 2008, even allowing for inflation, additional services and staffing, increasing wages and rising energy costs.
- Staffing levels across City departments have gone from 203.5 full time employees to 206.4 employees over the same five years.
- Protective services costs (Fire and Police) have increased 9.66 per cent since 2008, and the nearly \$13 million cost related to these services makes up about one-third of the City's operating budget.
- The City of Campbell River subsidizes a number of services for the region, without regional funding support, including: RCMP, Crimestoppers and restorative justice, airport, parks, recreation and culture, economic development, cemeteries, homelessness coalition. (Transit, animal control and Strathcona Gardens receive some funding support from Area D.)