



April 15, 2020

City reviewing financial situation in light of COVID-19

The City of Campbell River will hold a special Council meeting April 20 to review its financial situation in light of the COVID-19 pandemic.

The meeting will start at 3 p.m., and will be webcast for public viewing through the City's website.

"Along with changing how government services can be delivered, COVID-19 is causing a wide range of financial impacts for all levels of government," says Mayor Andy Adams. "We recognize that many local residents and businesses are experiencing financial hardship, and we are grateful for the early support provided by the federal and provincial governments. At this meeting, we will review the information currently available about possible effects of this pandemic on the City budget due to service changes and anticipated reduced revenue sources as well as potential relief measures we can offer to the community."

"The coronavirus pandemic has created uncertainty in many ways, and we realize that people have questions about City services and property tax payments in light of COVID-19," adds city manager Deborah Sargent. "The City of Campbell River is actively reviewing our financial situation and planning to adjust to support the community wellbeing as best as possible, to meet requirements as directed by the Province, and to continue to provide community updates."

What will be reviewed at April 20 meeting

- The City's finance department is preparing reports on both immediate and anticipated long-term financial impacts.
- Reports are based on information available at this time, and will include:
 - analysis of varying scenarios, depending on how long the crisis continues.
 - anticipated impact on City revenue and ability to fund City services
 - potential impact of property tax payment delays or reductions
 - property tax payments fund approximately half the total cost of City services
 - possible financial relief and recovery options for community members
 - including any options around property tax late-payment penalties
 - impacts to the City's 10-year financial plan
 - how to use the City's financial stability and resiliency practices and principles to provide the best possible outcome for our community

"The Province has announced some changes around business taxes. Currently, City property taxes are due on July 2, and we're working to be as responsive and helpful as possible in the event of further announcements," Sargent adds.

As part of the long-term analysis, future reports will provide:

- changes to revenue streams
- updates on any changes to senior government funding support for local government
- anticipated changes to the City's 10-year financial plan, including status of capital projects, options and impacts of potential cancellation or deferment

“At this time, to honour contracts in place, and where existing budgets allow and work can comply with safety protocols, some already-scheduled projects to renew and repair water, sewer, road and buildings continue,” Mayor Adams says. “Along with maintaining City assets, these projects provide some local economic stimulus.”

Action the City has already taken to help

- The Finance department sent letters in March to people who had arranged for pre-authorized property tax payments, advising them how to cancel or change those arrangements if necessary.
- Recreation fees refunded, programming moved online and extension of gym memberships.
- Public transit fees have been waived.
- Significant programming through the City’s economic development officer to support local businesses and assist with resilience and recovery
- \$20,000 grant to support Campbell River Community Foundation to assist registered charities that provide services to the Campbell River community and have been affected by COVID-19
- City Council and staff are actively lobbying the Province to expand property tax deferral programs to commercial property owners and others affected by COVID-19

“We understand the Province of British Columbia is working on initiatives to support people with property tax payments in response to the COVID-19 situation,” the Mayor adds. “City Council continues to lobby the Province to consider options to expand the scope of support.”

Homeowners with children, as well as homeowners aged 55 and older, are able to defer taxes under already-established programs.

What guides City operations at this time?

- The City is following direction from the provincial government on what services are offered and how taxes are collected, and both Council and staff are in regular communication with the Province to ask questions and receive updates as details are available.
- Direction from the Province confirms that all local government services are considered essential for community well-being and should continue as long as services can be provided in accordance with public health orders.
- While some municipalities have stated their intentions around property taxes, Campbell River City Council is making sure that we have all the information from the Province as to what may be done province-wide – as the Province has recommended a coordinated approach.
- Based on the principles in the 10-year Financial Stability and Resiliency Plan, Campbell River has comparatively low to average property tax increases.
- Local governments are prohibited from budgeting a deficit.

Please email questions to info@campbellriver.ca or contact the City’s call centre at 250-286-4033.

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