

August 15, 2012

City's financials compare favourably with similar communities

Results from a core services review conducted for the District of Mission show the City of Campbell River's financial management compares favourably with like communities.

A study conducted by Acton Consulting compared Mission to five other cities (Campbell River, Langford, North Cowichan, Penticton and Vernon) and used standard financial indicators to review "value for money" provided by local government.

The report indicates Campbell River's long-term outstanding debt is well below average, and the City currently has *"the lowest total long-term debt outstanding of all the comparators,"* the report states. *"Not only has Campbell River remained significantly below average in terms of their total long-term debt outstanding, but it has also been declining since 2008 while the average has increased."*

"The reduced debt load puts the City's net financial assets in a very favourable positive position," says Councillor Andy Adams, who holds the finance portfolio for City Council.

Campbell River's financial assets to liabilities ration is higher than average. *"This is the right side of the curve to be on,"* explains Councillor Adams. *"We want to hold more value than risk, and it's good to see the City is well positioned in this regard."*

Campbell River also showed increased government transfers to revenue. *"This is a testament to the success of staff and Council (past and present) in securing government grants and funding, which greatly improves the City's financial position,"* Adams says. *"These grants provide numerous services and amenities that the community enjoys today at a fraction of the cost to the local taxpayer, who would otherwise have to cover 100 per cent of the funding."*

Campbell River's expenditures per capita ranks average and has remained about average every year since 2009 (when it decreased sharply). *"Acton used the per capita spending as their main comparison of each municipality's financial position,"* the report states. *"This demonstrates that Campbell River is similarly positioned financially compared with the other municipalities."*

The City of Campbell River received the summary report in late July, and it was on the Aug. 14 Council agenda. The City received the benchmarking information at no cost in return for participating in the study.

"From a benchmarking perspective, Campbell River compares very favourably," says City Manager Andy Laidlaw. *"Particularly in consideration of the significant losses of industrial tax revenue over the last several years, Campbell River finds itself comparatively well-positioned in relation to the other cities."*

Financial Measure/Ration	District	Average	Campbell River
Net financial assets	\$ 10,117,810	(\$4,709,748)	\$18,447,125
Total assets to liabilities	11.2	6.5	9.36
Financial assets to liabilities	1.2	0.9	1.65
Total government transfers-to-total revenue	0.08	0.11	0.19
Total long-term debt outstanding	\$ 19,514,982	\$ 28,251,159	\$ 7,424,676
Total tangible capital assets	\$ 358,893,389	\$ 315,894,491	\$ 218,864,616
Expenditure per capita	\$ 1,327	\$ 1,612	\$1528

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