

November 29, 2018

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### **Draft City budget 2019-2028: Council financial planning sessions Dec. 3 through 5**

Campbell River City Council and staff are preparing for three days of budget deliberations next week, including a review of base operating levels, the capital plan, operating projects and potential service level increases.

The budget is expected to be finalized by the end of day Dec. 5 and adopted at the Dec. 17 Council meeting, in time to submit to the Province before year-end.

*“This is the fourth 10-year budget for Campbell River. It ensures funding, employees, tools and equipment, programs and services to support community development and advancement,”* says City manager Deborah Sargent. *“The 10-year plan looks ahead to providing modest service enhancements that meet community priorities and spreads out costs over the long-term to provide stable, predictable property tax rates.”*

*“Building on our Financial Stability and Resiliency plan that has won three international awards in a row for the highest standards of government financial planning, we will continue to fund essential services through ongoing operations and infrastructure renewal,”* says Mayor Andy Adams. *“Council will also carefully consider opportunities to provide new services or enhancements that are in the best interest of the entire community.”*

Less than half of the City’s budget is funded through local property taxation; the majority is funded through user fees, sale of services and senior government grants

*“Additional revenue from new constructions and development, which has been consistently high in recent years, allows the City to fund new ongoing services related to community growth, and in response to community demand. Examples include enhancements in protective services, development services, economic development and parks services,”* says Ron Bowles, the City’s general manager of community development and acting chief financial officer. *“Also the annual gaming grant and Community Works Fund (Federal Gas Tax) will continue to help fund enhanced services and capital improvements to minimize property tax increases.”*

The draft 2019-2028 Financial Plan includes \$11.7 million for aging infrastructure over the next 10 years, funded through a \$190,000 incremental tax levy each year. The City also allocates unanticipated revenue and expired debt payment commitments directly to pay for infrastructure renewal and replacement - directing existing funding to re-invest in infrastructure without raising property tax rates higher than the budget parameters.

### **Attainable and affordable housing focus**

Zoocasa recently announced that Campbell River is the third most affordable community in B.C. when comparing household income against average home price. Indications are that many people are making their homes here, with hundreds of new housing units built in Campbell River over the past year and many new subdivisions and multiple housing projects currently in the approval process.

*“We recognize that not all community housing needs are met in Campbell River, and the City is working with BC Housing to provide supportive housing for our most vulnerable people,”* Sargent says. *“The Financial Plan provides funding for property acquisition to support such housing objectives.”*

Like all public Council meetings, financial planning meetings will be broadcast live via the City’s website ([campbellriver.ca](http://campbellriver.ca)). Meetings will take place 9:30 a.m. to 3:30 p.m. Dec. 3 through 5. The proposed budget has been published on the City’s website. Opportunities are available for members of the public to make comments in person to Council at 9:30 a.m. on Monday, Dec. 3. People can also send written comments by 9 a.m. Dec. 3 via email to [finance@campbellriver.ca](mailto:finance@campbellriver.ca) – or deliver to City Hall. For more information about the City’s 2018 budget, please contact Ron Bowles, acting chief financial officer at 250-286-5759.

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250-286-5759

## **Background**

See videos about City of Campbell River budgeting and property taxes on the City's YouTube channel (one click from the icon at the top of the website at [campbellriver.ca](http://campbellriver.ca)).

### **Highlights of the proposed 2019 budget:**

- Maintains more than 100 existing City services
- Provides approximately \$73 million for operations, with another \$35 for capital projects
- Maintains a predictable tax rate increase (in line with Council's budget parameters, between 2 and 3.5 per cent to cover inflationary costs and contract increases in the base budget, including major contracts to maintain existing RCMP, transit and solid waste services)
- Includes funding for new capital projects and for infrastructure renewal
- Consistent with Council's budget parameters, the draft budget maintains stable property taxes. The proposed levy on a Campbell River home of average value is in the mid-range of tax rates in other British Columbia communities of similar size.

### **Highlights of proposed service enhancements:**

- support a significant increase in development applications (building inspector)
- address community concerns with respect to safety and crime, and fire protection (bylaw officer, RCMP staff, firefighters)
- maximize the effectiveness of the Economic Development Office (operational funding)
- manage organizational change and maintain the City as an employer of choice (human resource employee one-year term position)
- maintain and enhance urban forest (horticulturist)

## **Capital Projects**

2018 marked the completion of the City's new water intake system and Campbell River water supply centre, a multi-year, \$28.1 million project. This year, the City also began a multi-year \$27 million series of upgrades along Highway 19A, with new sewer forecmain from the Maritime Heritage Centre to 1<sup>st</sup> Avenue and the Big Rock boat ramp in-water construction. Preliminary design on the Highway 19A road improvements from Simms Creek to Rockland Road has also been completed, and detailed design will be undertaken in 2019 with construction in 2020. The Financial Plan provides for the next phases of these upgrades.

### **Highlights of community infrastructure investment proposed:**

- New pumper rescue fire engine
- Sportsplex roofing & rehabilitation
- Envelope repairs at several City owned facilities
- Roadway rehabilitation & resurfacing
- Water & Sewer distribution & collection system renewals

### **In 2018**

- At nine cents out of a dollar of property taxes, the average household in Campbell River contributed approximately \$250 for fire service, and the same for parks, recreation and culture services each year.
- Average household contributed approximately \$60 per year to economic development and tourism services, and less than \$5 for snow clearing.
- Average monthly household expense for the more than 100 City services offered in Campbell River was \$229.
- More than 34 per cent of the amount collected by the City was on behalf of other agencies (for provincial and regional district taxes, and for the hospital, schools and library.)

Services provided by the City of Campbell River include: drinking water, sewer, emergency response, garbage, recycling and yard waste collection, flood protection, streets, sidewalks and traffic control, public recreation facilities, land use planning, development services and building inspection, economic development, tourism, law enforcement and firefighters, parks, recreation and culture, transit and airport, environmental management, economic development, museum, art gallery and other facilities.