

Financial Facts

The City of Courtenay is putting services to residents at risk, claiming they cannot afford to properly compensate city workers. The facts show otherwise. Taxes have increased for residents to keep up to a high rate of inflation that continues to rise. Courtenay has double the surplus they predicted in the 2010 Budget, and their own forecasts predict positive growth and improved market conditions. The City is in good financial shape, so it can afford to be fair to its employees. Here are some financial facts:

- City of Courtenay property taxes will increase for residents by 3% in 2011.
- According to BC Stats, province-wide B.C. inflation (Consumer Price Index) increased by 3.1% in March 2011, compared to March 2010. The comparable March to March figure for City of Victoria was 2.9%.
- In March, Council increased garbage collection and recycling fees by 3.4% for 2011. These increased fees go directly to the City's private garbage contractor (Emterra). This follows an increase of 2% for garbage and recycling fees in 2010. If they can afford to pay the private garbage contractor so much, why can't they afford to be fair to the City's own workers?
- The 2010 Budget planned for an overall "excess of revenue over expenditure" (ie. surplus) of \$1.942 million, but the actual surplus was \$3.642 million. That means the City generated \$1.7 million more surplus in 2010 than it budgeted for. That's an 87.5% increase in the actual surplus compared to the amount forecast in the 2010 Final Budget.
- Courtenay generated \$954,000 more revenue in 2010 than was projected in the 2010 Final Budget. At the same time, the City spent \$746,000 less in 2010 than it projected in the 2010 Budget.
- The 2011 Budget once again forecasts a surplus of \$1.93 million.
- Looking at the General Fund only, the City generated a General Fund surplus of \$378,000 in 2010. This is the amount left after \$3.2 million in transfers to various reserve funds and repayment of principal.
- The 2011-2015 Proposed Financial Plan paints a rosy picture for future economic growth. The staff note observes "...forecasts for the U.S. and Canadian economy generally remain positive..."; "...the B.C. economy will continue to benefit from improved market conditions for most of the commodities produced in the province..." and "...while there remains some global uncertainty, the outlook for continued economic growth remains positive."
- In 2009 (the most recent year for which information is available), Administrator Sandy Gray was paid \$170,167 plus \$9,130 in expenses. In 2009, 16.95% of all remuneration paid by Courtenay went to employees paid more than \$75,000 per year.

SOURCES:

- (i) "City of Courtenay 2011-2015 Financial Plan"
<http://www.city.courtenay.bc.ca/finance/2011---2015-financial-plan.aspx>
- (ii) "The Corporation of the City of Courtenay Statement of Financial Information for the Year Ended December 31, 2009"
- (iii) "The Corporation of the City of Courtenay Financial Statements Year Ending December 31, 2009"
<http://www.city.courtenay.bc.ca/media/119982/city%20of%20courtenay%202009%20audited%20statements%20revised%20audit%20report%20date.pdf>
- (iv) "BC Stats Consumer Price Index - March 2011, April 19, 2011. Issue 11-03"
<http://www.bcstats.gov.bc.ca/pubs/cpi/cpi1103.pdf>