



PRESS RELEASE

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FOR IMMEDIATE RELEASE

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File: 2010 Budget, Approval in Principle

On Saturday February 27th the Council of the District of Kitimat passed its 2010 budget in principle. The formal budget bylaw is scheduled to go before Council on March 22nd for its first three readings.

As the community copes with the closure of the Eurocan Pulp & Paper Mill, and the loss of an estimated \$4 million in tax revenues, Council faced many difficult decisions in its effort to balance the municipality's services with drastically reduced revenues. The budget reflects a number of careful choices to lower costs with the minimum effect on municipal services. The reductions crossed all departments and also affect the many Community Partnership Groups which provide important services to our town.

Council chose to implement the adjustment tax increase in 2010 to protect principal infrastructure.

The main highlights of the budget are:

- a reduction in the cost of operations of \$1,381,000 to be achieved by 2011;
- a tax increase to all assessment classes of just under 20% in 2010 which will increase the average residential tax by approximately \$185.00 per year;
- a projected tax increase in 2011 of the rate of inflation

Council believes the decisions made with this budget will be sufficient to manage the municipality without further major shocks either to operations or to taxation. Council appreciates the consequence of these decisions on everyone and will assess their effects over the next several years. Council remains committed to providing the highest standard of municipal services at the lowest possible cost and is confident our community will remain one of the finest places to live in all of BC.

Joanne Monaghan
Mayor
