



Financial Sustainability



Indicator Title: Debt as Percentage of Own Source Revenues

**CURRENT
TREND**



**DESIRED = < BMA Group Avg, Currently 40.4%
TREND**

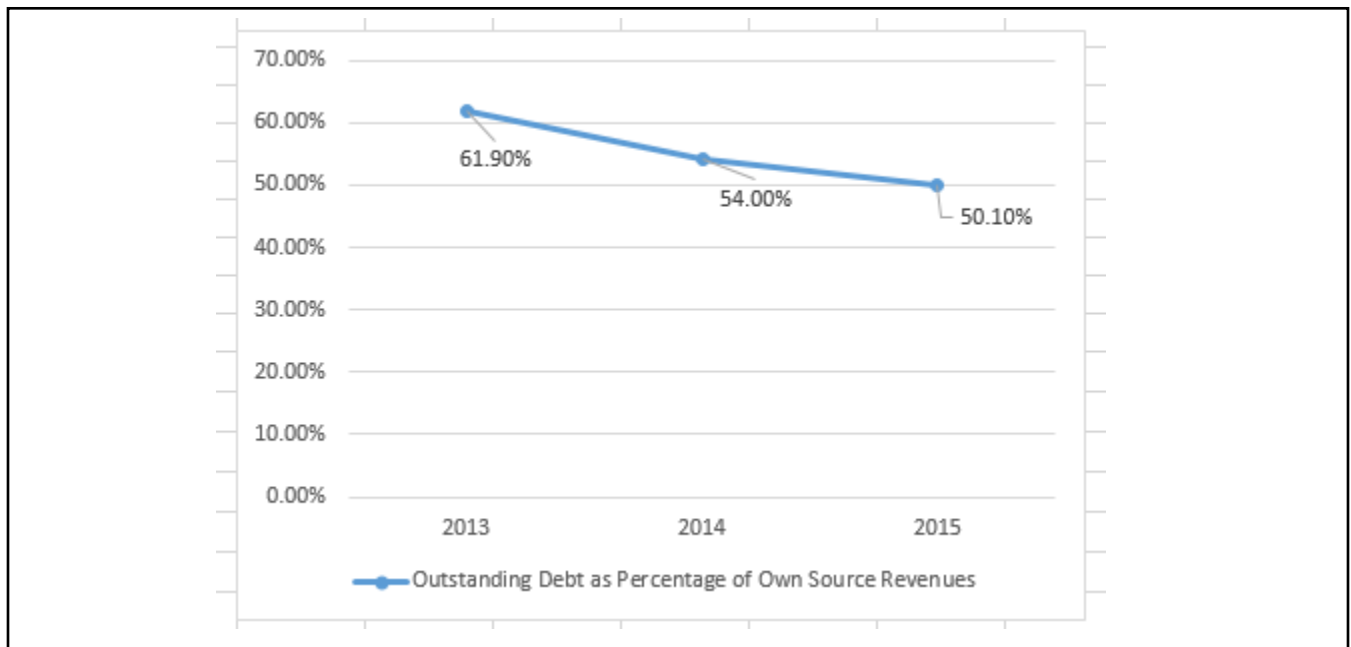


Figure 1. Debt as Percentage of Own Source Revenues, 2013-2015

Debt as Percentage of Own Source Revenues: Total outstanding debt as a percentage of revenue generated within the municipality

CURRENT TREND

Debt continues to be reduced while own source revenues remain relatively stable resulting in a downward trend.

DESIRED TREND

Continue to reduce debt as a percentage of own source revenue.

WHY IS THIS IMPORTANT TO CREATING FINANCIAL SUSTAINABILITY?

Reducing debt and interest payments relieves pressures on the annual operating budget. A municipality's ability to pay for capital projects without borrowing can significantly reduce the cost of those projects. Additionally, having capacity to borrow provides a municipality opportunity to respond in cases of unanticipated economic challenges or emergencies, or to fund Council Strategic objectives.