

Town of Carbonear
Municipal Operating Budget 2020

Members of Council, Administrative Staff, Ladies and Gentlemen, as chairperson of the Finance and Administration Committee, I am pleased to present the 2020 Budget for the Town of Carbonear.

Council, along with senior management, have reviewed our anticipated revenues and expenditures for the coming year based on our mandate to provide quality services to our residents and businesses; providing for growth and development while demonstrating practical and prudent financial management.

In summary, we are projecting matching revenues and expenditure totaling \$7,493,902. This balanced budget will be achieved without any increases in taxes or fees.

As with any town, our largest area of expenditure continues to be in the area of Transportation Services which is projected to have a total

expenditure amount of \$2,433,489 in 2020. The condition and maintenance of the town's roads continues to be one of the main priorities of the residents of Carbonear. The budget includes operating expenditure amounts of \$600,000 for asphalt and \$60,000 for curbs/sidewalks. Under the Municipal Capital Works Program, we have submitted applications for several water and sewer/street paving projects and have budgeted funds for the Town's contribution to these projects in anticipation of a successful award of these applications.

Over the past several years, the Town has endeavored to replace older equipment to reduce breakdowns in critical situations and reduce maintenance costs. The Town is fortunate to have a modern fleet of equipment and vehicles and do not anticipate any major purchase of equipment in the 2020 fiscal year.

Another important and significant area of expenditure is the maintenance and improvement of our recreational facilities and cultural services which have a budget of \$1,141,343. Our ongoing renovations at the pool

will continue into the 2020 year plus we will add new video surveillance equipment at the pool for the safety of the users and protection of the assets. Also, in 2020 the Town is very pleased to be hosting the 2020 U19 Softball Nationals at our recreation complex. This will bring softball teams, coaching staff, officials and families from across the country to our town and will allow us to showcase our town to a national audience. A tournament of this caliber will require some upgrades to our softball facilities including softball huts, scoreboards, stone and sand costing \$24,000 in total.

Other new expenditures planned this year for the outside facilities will include new playground equipment and football field uprights to support the Avalon Minor Football league now using our facilities.

On the cultural side, we were very pleased this year to receive Federal and Provincial funds for the expansion of our Princess Sheila NaGeira theatre building to improve backstage space and add multipurpose space to allow for expanded programming and a possible theatre troupe. We

expect that renovation to begin soon and continue throughout the 2020 fiscal year. We also continue to search for ways to restore the train car at our Regional Community Centre location and have allocated \$20,000 for that purpose.

The Town of Carbonear continues to improve as an environmentally friendly community. Our garbage collection fees and landfill fees will increase in 2020, the first time in three years. We continue to encourage our citizens to partake in our annual cleanup day and continue to support and utilize both the curbside recycling program in town and the waste recovery facility in Hr. Grace. The leaf composting site at the Town depot is very active and we encourage all residents to bring their leaves to that site to be composted. In addition to the monetary saving there are also important environmental impacts in reducing waste. With energy costs steadily on the rise, there is a need to investigate and implement options to improve energy efficiency. The total amount budgeted for Environmental Health is \$693,395.

As many of you are aware, the Federal Wastewater Effluent Regulations has put strains on many municipalities in our province to comply within the required timelines. The Town of Carbonear will require costly infrastructure additions in coming years and in preparation for this, and in keeping with a commitment made in previous year's budgets, we will again be allocating \$100,000 in a reserve to help prepare for this required capital obligation. This contribution will bring the reserve to \$500,000.

Our Town recognizes and appreciates the efforts of all volunteers who contribute to our wonderful community. These loyal volunteers make outstanding contributions and help make our town a desired place for both current and future residents. Our volunteer firefighters are one such group. This year the total amount budgeted for fire protection is \$110,150 of which \$18,000 is allocated for the purchase of new equipment. This year we were very pleased to receive approval to purchase a new Pumper Truck under a cost sharing agreement between the Town and the Province to replace the current pumper which has

reached its recommended useful life of 20 years. The Town's contribution to this pumper will be in the \$140,000 range and will be financed over a 10 year period.

Phase I of the Downtown Revitalization project funded by ACOA, the Department of Tourism, Culture, Industry and Innovation and the Town is reaching completion. Application will be made to continue with Phase II of this project in 2020 and will again include water and sewer, pavement, enhanced sidewalks, signage, landscape, lighting and charging stations.

While we continue to seek funding to enhance our historical downtown, we were also proud to see the official opening of the new Carbonear Retail and Business Park in the west end of town on Merchant Drive. Council and staff will continue to investigate additional ways to attract more business to our town to help grow our tax base. Our budget allocation for Planning and Development for 2020 is \$209,926.

A growing town with aging infrastructure will always have extensive needs. Our current council is committed to addressing these needs as quickly as possible. We continue to lobby both provincial and federal governments for assistance. Government funding agreements for 80% of the costs of such projects substantially increases the degree and speed at which our needs can be addressed. In the past year, we completed much needed work on Water Street, Mahaney's Lane and as well as replacing the Pondside Road Bridge. For 2020, the Town has applied for infrastructure projects to upgrade water, sewer and roads for a total of \$4.2M.

This past year considerable development and construction activity has occurred. In 2019, a total of 354 development permits were issued by the Town. These permits have an estimated development value of \$5,230,844. Of the 354 permits, 10 were for new residential home starts and there were 2 55+ housing projects with a combined 13 units. This is a total of 23 residential housing units. Twenty new businesses permits were issued last year with 15 being commercial and 5 home based. We

are optimistic that the 2020 year will exhibit more of the same. The Town continually seeks potential businesses and developers and anticipates continued growth.

Our town is poised for growth and development. We have a solid economic foundation. We continue to be deficit free and our Debt Servicing Ratio of 14 % is unchanged from the last two years and well below the 30% threshold set by the Department of Municipal Affairs. Carbonear is well positioned as an economically viable community. Operating a town of this size is a challenging task which requires prudent fiscal management. This council, ladies and gentlemen, is committed to maintaining a level of taxation which is reasonable and provides for an acceptable level of program and service delivery.

Our Town is a progressive municipality with household incomes at varying levels. We recognize that it can be challenging for some citizens to pay their taxes in a timely manner and to assist with this challenge we will again be offering our Interest Adjustment Policy to assist residents

whose combined taxable family income is below \$50,000.00. As in the past, eligible residents are encouraged to contact the town office for details on this initiative. Council is also committed in the coming year to review our permit structure to look for ways to simplify the application process and reduce or eliminate fees for minor repairs.

This council is committed to maintaining growth and development for the Town of Carbonear and to providing the many amenities and services our residents deserve. The Town of Carbonear is truly a wonderful place to live, work and play. We look forward to the year ahead.

Before closing, I wish to extend sincere thanks to the members of the Finance and Administration Committee, fellow councillors and members of our administrative team for their valued input and participation in the process. I especially want to thank, Ms. Cynthia Davis, our Chief Administrative Officer, and Ms. Cathy Somers, our Town Clerk, for their cooperation and professionalism in the preparation of this budget.

Now I present for approval fiscal year 2020 budget.

Resolved to approve the 2020 budget with operating revenues and expenditures of \$7,493,902 with the accompanying Tax Structure identifying the schedule of rates and fees for 2020 as presented.