

Town of Carbonear
Municipal Operating Budget 2025

Your Worship, Members of Council, Administrative Staff, Residents and Guests, as chairperson of the Finance and Administration Committee, it is my pleasure to present the 2025 Budget for the Town of Carbonear. We welcome staff and guests present in our chambers this evening as well as those who are joining us remotely on YouTube.

Fiscal year 2024 was a very eventful year in the Town of Carbonear. There were numerous Capital Works projects completed this summer and fall. We are very pleased with the completion of the second phase of our downtown redevelopment on historic Water Street. We also completed the second phase of water and sewer, pavement and the addition of sidewalks on Adelaide Street. The Grassy Lane water/sewer and paving project is nearing completion. We would again like to thank the residents and business owners for their patience and understanding for the disruption and delays during this construction season. We feel the end result of these projects is something we can all be proud of.

The Town of Carbonear, on behalf of its residents, would like to thank all of our businesses, government boards and agencies, service groups and volunteers with whom we partner to enhance the lives of our residents.

Council, along with senior management, have reviewed our anticipated revenues and all expenditure areas 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 expenditures for fiscal year 2025 totaling \$9,164,447. We are very pleased to announce that this balanced budget will be attained without any increases in the residential and commercial property tax rates and the annual water and sewer usage fees. However, as all property owners know, property assessment values are calculated annually by the Municipal Assessment

Agency and property values have increased since the 2024 Municipal Assessments, increasing the overall residential property assessment for 2025 by approximately 5%. Based on this, some residents may see a small increase in their property tax invoice.

Due to delays in some projects and purchases, there were expenditures budgeted for 2024 which did not occur thus resulting in a surplus of funds. With this surplus being carried forward to 2025, work planned in 2024, but not completed, will be completed in 2025.

To give some details of our expenditures we first look at the area of Transportation Services which is projected to have a total expenditure amount of \$2,953,000 in 2025. The primary expectations of the residents of our town are efficient water and sewer services and well-maintained roads.

The 2025 budget includes an operating expenditure appropriation in the amount of \$950,000 for asphalt and \$60,000 for concrete, curbs and sidewalks.

Council and staff hear often from residents that we need to upgrade our roads. Our Public Works Committee use an evaluation system to categorize our roads based on their condition and impact to the public. While funds are limited, council will choose a number of streets for resurfacing based on condition and on our budget availability.

Under the Municipal Capital Works Program for 2025, we have submitted applications for approximately \$4.5 M for water and sewer and street paving projects including Adelaide Street Ph 3 Water and Sewer Street Upgrading, Water Street East Water Sewer Street Upgrading, Garland's Lane Water Sewer and Street Upgrading and Pumphouse Upgrades (Woodwynd Heights and Bunker Hill). Municipal Capital Works Applications approved in 2024 to be completed in 2025 include Cross Roads Water Sewer and Street Upgrading, Lemarchant Street Extension Ph 1 Water Sewer and Street Upgrading, Beach Road

Sewer Sizing, Water Street Ph 3 Water Sewer and Street Upgrading and Revitalization and upgrades to the Screenhouse and the Chlorine Building.

The Town continues with the Equipment Replacement Program to reduce breakdowns in critical situations and to lower maintenance costs. In the coming year, funds have been budgeted to replace a 2013 pickup and 2014 pickup that are no longer reliable due to their age and mileage. Funds are also budgeted to replace the 2007 Stirling Salt and Sand Truck that is not dependable for applying salt and sand to our roads to keep them as safe as possible during winter conditions. The Municipal Enforcement Vehicle has continued to experience mechanical issues and provision of a reliable vehicle for this department will also be addressed in the 2025 budget.

The Recreation and Cultural Services program will have a budget of \$1,615,000. The previous year's budget included amounts of \$113,000 towards an accessible playground. These funds were not expended and will be carried forward to the 2025 budget. Additionally, during the

consultation and development of our Recreation Master Plan there was a recommendation from the consultant *“to engage community partners to help with the cost of developing and operating an outdoor splash pad.”*

To study further the cost and location of a future outdoor splash pad and accessible playground, a budget of \$65,000 has been allocated for consultant services. Also, an amount of \$75,000 has been budgeted to replace the remaining original siding on the swimming pool and \$40,000 to install automatic sliding doors for the front entrance.

Over the past few years, the town has added the pergola park, various trees and floral displays in the Heritage Waterfront District and throughout town. This makes the town more attractive during the summer season for our residents and visitors. This has, however, increased the necessity for additional maintenance to keep these areas looking their best. To address this additional demand, seasonal labour weeks have been increased so another worker can be hired to maintain these areas at an additional labour cost of \$37,000.

This past summer, the Town participated in the Communities in Bloom Program where a team of volunteer trained environmental experts visited and evaluated our community in areas such as conservation, landscape, floral displays, etc. Last month at the Communities in Bloom Award Ceremony in Prince Edward Island, The Town of Carbonear was very honored to receive the Butchart Gardens Land Reclamation Award for Outstanding Achievement. We received the maximum five blooms rating with special mention to our Community Garden. Congrats to all staff and volunteers who worked very hard to beautify our town and we owe it to them for this award.

The Town of Carbonear prides itself as an environmentally friendly community. We continue to encourage our citizens to partake in our annual cleanup day and 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 and grass clippings to that site to be

composted. In addition to the monetary savings, there are also important environmental impacts in reducing waste.

With energy costs steadily on the rise, there continues to be a need to investigate and implement options to improve energy efficiency. The total amount budgeted for Environmental Health is \$964,000.

The Federal Wastewater Effluent Regulations requires municipalities to record information on the quantities of waste expelled into the ocean and find ways to treat and reduce that waste. In 2024, the town began the process of studying our wastewater systems with the goal of reducing our waste. In this proactive approach we have committed an expenditure for 2025 in the amount of \$112,000 to continue the Wastewater Systems Effluent Study.

We have many volunteers who give freely of their time to make our community a more enjoyable place to live and visit. Our Town recognizes and appreciates the efforts of all volunteers who contribute to

our 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 \$171,000. This total includes amounts of \$24,000 for bunker suits and boots, \$10,000 for new uniforms, \$6,000 for a gate valve and hose plus \$6,000 for new pagers.

As a Town, we continue to seek funding to enhance our historical downtown as well as our retail and business areas on Powell and Columbus Drives. Council and staff will continue to investigate additional ways to attract more business to our town to help grow our tax base. Our Economic Development and Tourism Officer continues to market our town locally and nationally through the media and online to attract new residents for much needed employment, particularly in the healthcare and retail sectors.

Our budget allocation for Planning and Development for 2025 is \$296,000. This budget includes new funds for promotional material, festivals, advertising, brochures and website redevelopment.

We would like to give a special thanks to the staff and the dedicated volunteers on our Special Events Committee for all their work on our many events and festivals that occurred this year in our town.

While our town's population has become stagnate over the years, there is an identified need for affordable housing as people want to migrate to our town to avail of our services and employment opportunities. This has identified new infrastructure needs for our town. Our current council is committed to addressing these needs as quickly as possible. We continue to lobby both provincial and federal governments for funding 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 this current year we began the rigorous process, through a consultant, to develop a ten-year Municipal Plan. This plan is in the end stages and will set out our vision and goals for the community and will include policies and proposals for implementation of the plan.

In this past year considerable development and construction activity occurred. To date in 2024, there have been a total of 290 permits issued with an estimated development value of \$7.5 M. This included a total of 22 new residential units and 15 new business permits (11 commercial and 4 home-based).

The Town continually seeks potential businesses and developers and anticipates continued growth. We are encouraged by discussions with potential housing developers and look forward to future announcements in that area.

The Town of Carbonear has a solid economic foundation based on the strength and leadership of dedicated and competent employees. We

continue to be deficit free and our Debt Servicing Ratio is 16% which is well below the 30% threshold suggested by the Department of Municipal and Provincial Affairs. Carbonear continues to be an economically vibrant community. To continue to develop and improve our Town is a challenge and requires prudent fiscal management. This council is committed to maintaining a level of taxation which is reasonable and provides our residents an enhanced level of program and service delivery.

Carbonear, like all towns, has household incomes at varying levels. We recognize that it is challenging for some citizens to maintain a household. To assist with this challenge, we offer an Interest Adjustment Policy which allows residents whose combined taxable family income is below \$60,000 to set up a payment plan throughout the year without incurring overdue interest. Eligible residents are encouraged to contact the town office for details on this initiative.

Our soon to be implemented Municipal Plan and Development Regulations along with our Strategic Plan and Recreation Master Plan will guide our future goals and objectives over the coming year and beyond. This will ensure council and staff are working together for a common goal. This budget presents a fiscal plan that was well thought out and based on sound advice.

This council is clearly committed to the development of the Town of Carbonear by working in partnership with the community and government to develop and expand our tax base. We look forward to the year ahead.

Before closing, I wish to extend sincere thanks to the members of the Finance and Administration Committee, the mayor and fellow councilors for our spirited and productive budget discussions and members of our administration for their invaluable input and contribution in the process. I especially want to thank, Ms. Cynthia Davis, our Chief Administrative Officer, and Ms. Cathy Somers, our

Town Clerk/Director of Financial Operations, for their detailed work and expertise in the preparation of this budget document. Thank-you all.

Now I present for approval fiscal year 2025 budget.

Resolved to approve the 2025 budget with operating revenues and expenditures of \$9,164,447 and the accompanying Tax Structure and Schedule of Municipal Fees identifying the schedule of rates and fees for 2025 as presented excluding the Fire Protection budgeted expenditures totaling \$170,650.

Resolved to approve the operating expenditures for Fire Protection in the 2025 budget totaling \$170,650.

