

Councillor Robert Canning
Chairperson of the Finance Standing Committee
2014 Budget Address
December 17, 2013

Mr. Mayor, in accordance with the *Municipalities Act, 1999* and the Finance Standing Committee's Terms of Reference, I am pleased to present the 2014 Municipal Operating Budget. As required by law, the Budget, which totals \$3,191,382, is balanced. Council will be interested to learn the latter was achieved without having to increase taxes or fees – they remain at their 2013 levels.

In September 2013, as you are aware Your Worship, Council adopted the *Bishop's Falls Annual Planning Cycle*. This is an important framework that will enhance the Town's strategic and operational planning capacity. Since October 2013 staff and the respective Standing Committees have worked to prepare Operational Plans for the Public Works, Recreation, and Administration Departments. These Operational Plans will guide the Town's activities over the coming 12 months, and they helped inform the Finance Standing Committee's work around the 2014 Budget. The plans are comprehensive and will serve as good tools to advance the goals of Council. Later in my presentation I will highlight some of the objectives and activities as contained in the Operational Plans.

Overall, when compared to the 2013 mid-year estimates, the Town's budget has increased by approximately 3%. This can be attributed to, among other things, the Committee's intention to disburse a portion of the accumulated cash surplus on capital works projects in 2014. Further, in 2014 the Town is planning to divest three (3) significant parcels of land, and revenue is being recorded from the sale of these assets. These are plans, of course, that are contingent on approval from the Department of Municipal Affairs in terms of the capital works applications and the Town receiving fair market value for the lands under consideration.

Mr. Mayor, I will now discuss the details of the expenditures and revenues for the 2014 Budget.

Expenditures

Your Worship, the Town's expenditures originate from five (5) service categories and they are General Government, Protective Services, Transportation Services, Environmental Health, Recreation and Cultural Services, and Fiscal Services. I will briefly describe these categories to give Council and residents a greater understanding of what they generally include.

General Government includes...

- Council
- Administration Department
- Property assessment services
- Professional development and training
- Public relations

Protective Services include...

- Fire Department
- Animal control services

Transportation Services include...

- Public Works Department
- Street lights

Environment Health includes...

- Water supply
- Sewage collection and disposal
- Garbage collection and disposal

Recreation and Cultural Services include...

- Recreation Department

Fiscal Services include...

- Debt servicing costs
- 2014 Capital works projects
- Gas tax expenditures
- Bank charges and other fees

The expenditure estimates for 2014, Mr. Mayor, are as follows:

Expenditure Category	2014 Estimate	2013 Estimate	% Change
General government	622,191	560,235	11%
Protective services	85,624	87,604	-2%
Transportation services	745,669	782,207	-5%
Environmental health	388,741	368,961	5%
Recreation and cultural services	258,552	244,519	6%
Fiscal services	1,090,605	1,051,681	4%
	3,191,382	3,095,207	3%

Some highlights from the spending plans in 2014 are as follows:

- \$25,000 is being allocated for the Town's ACOA/IBRD application to prepare a comprehensive plan to develop the recreational salmon fishing potential of the Exploits River. Proposals have been submitted to the Agency and Department, and we hope to hear something in early 2014.
- Councillor remuneration is being increased by \$9,800 (\$1,400 per person) in 2014. It has been at least five (5) years since an increase was provided, and in light of the additional demands of office, the Committee felt an increase was reasonable.
- Two (2) km of road shoulder will be repaired in 2014.
- The Town's capital works plans for 2014 include the Stadium Roof (\$90,000), Dominic Street Drainage Project (\$19,000), Town Hall Renovations (\$57,000) and Lift Stations Upgrades (\$41,000). Municipal Capital Works applications for the Town Hall and Lift Stations were recently submitted. The other projects are approved and will be completed in 2014. It is anticipated that these projects will be funded through budget. No additional debt will be incurred.
- The sewage treatment project is ongoing as well with financing secured through the BMO.

Revenues

Mr. Mayor, the Town's revenues are drawn from taxation, sale of goods and services, other revenue from own sources, government transfers, and transfers from authorized reserves. Similar to what I did for expenditures, I will provide additional information around these categories.

Taxes include...

- Property tax
- Business tax
- Water and sewer tax
- Poll tax
- Utility tax

Sale of goods and services include...

- Ice rentals
- Fallsview Municipal Park
- Sports registration
- Family and general skating
- Recreation miscellaneous revenue

- Land rent
- Land sales

Other revenue from own source includes...

- Building permits
- Tax certificates
- Building rentals
- Interest on arrears

Provincial Government grants/subsidies include...

- Municipal operating grant
- Provincial portion of debt charges

Federal Government grants/subsidies include...

- Gas tax

Transfers from authorized reserves include...

- Surplus of prior years

The revenue estimates for 2014, Mr. Mayor, are as follows:

Revenue Category	2014 Estimate	2013 Estimate	% Change
Taxes	2,484,221	2,446,575	2%
Sale of goods and services	192,582	109,203	76%
Other revenue	29,500	73,275	-60%
Provincial grants/subsidies	236,617	291,192	-19%
Federal grants/subsidies	148,462	148,462	0%
Transfers from reserves	100,000	26,500	277%
	3,191,382	3,095,207	3%

Budget Policy and Tax Schedule

The Committee spent time this year updating its policies around the *Caregiver Water and Sewer Tax Exemption* program and collections/water disconnections. Little changes have been made to the *Caregiver Water and Sewer Tax Exemption* program. In fact, the primary amendment relates to the deadline – March 31 is no longer applicable. Qualifying property owners will have from January 1 to December 31 in the fiscal year to apply for the exemption. In terms of our collections/water disconnection policies, however, significant changes have been made. I refer Council to section 15 of the *2014 Municipal Operating Budget Tax Schedule and Policy*. In essence, outstanding accounts will be provided three (3) opportunities to resolve the arrears. If the balance is still outstanding in September,

and the account holder has taken no action to address the matter, water disconnections will apply. Further, the opportunity to enter into payment arrangements will be forfeited. This is a strong position, Mr. Mayor, but the policies provide ample notice and opportunity for the account holder to address the arrears before water disconnections are implemented.

As previously stated, taxes and fees remain unchanged from their 2013 levels and they are detailed in the *2014 Municipal Operating Budget Tax Schedule and Policy*.

Annual Operating Plans Summary

In closing, Mr. Mayor, I will take some time to highlight the major objectives/activities as contained in the Public Works, Recreation, and Administration Departments' annual operating plans. The Committee is excited about this new stage of planning. The summary is as follows (NOTE: These objectives/activities are in addition to the regular functions of the Departments):

Administration Department Operational Plan

- Advance the Exploits River/Recreation Salmon Fishery Project.
- Advance the Fallsview Municipal Park Enhancement Project.
- Administer tax sales under the *Municipalities Act, 1999* where warranted.
- Finalize the *Municipal Plan and Development Regulations*.
- Submit an application to extend the Town's planning boundary.

Public Works Department Operational Plan

- Acquire legal access to McMahon's Lane behind Tim Horton's.
- Acquire Resolute (Abitibi) land within and around the municipality.
- Improve the Town's physical image.

Recreation Department Operational Plan

- Replace the Pat O'Reilly Memorial Stadium's roof.

Your Worship, that concludes my presentation of the 2014 Municipal Operating Budget.

Resolutions

Adoption of the Budget

Be it resolved that Council shall adopt the 2014 Municipal Operating Budget as presented.

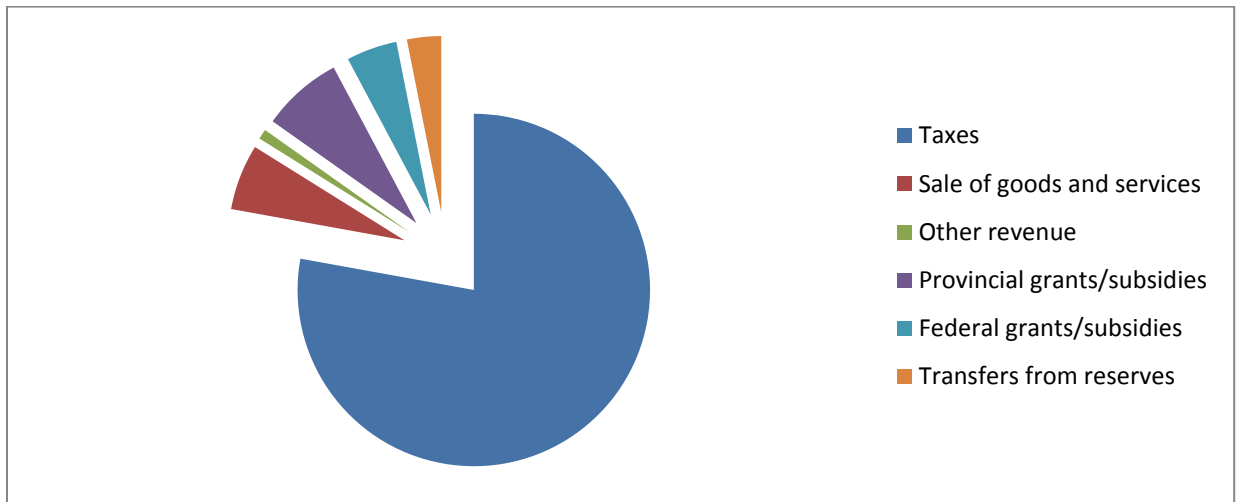
Adoption of the Budget Tax Schedule and Policy

Be it resolved that Council shall adopt the 2014 Municipal Operating Budget Tax Schedule and Policy as presented.

Adoption of the Annual Operating Plans

Be it resolved that Council shall adopt the annual operating plans for the Public Works, Recreation, and Administration Departments as presented.

Where the money comes from



Where the money goes

