

Deputy Mayor Robert Canning
 Chairperson of the Finance Standing Committee
 2019 Midyear Budget Review Statement
 July 23, 2019

Mr. Mayor, I am pleased to report that the Finance Standing Committee completed its mid-year budget review, and it is now prepared to present the updated estimates to Council. The mid-year review enables Council to adjust for and accommodate the variations that we have seen over the past six (6) months. Our mid-year review is a critical element of our budget management measures.

Council will be pleased to learn the budget remains balanced as required by law. Compared to the initial estimates, the budget has increased by 0.75% to \$3,368,224. Generally speaking, the Committee has found this year’s budget to be relatively stable. There are no substantial variations from the initial estimates, other than increases in own-source revenue, which I’ll explain momentarily.

Holding to past practice, Mr. Mayor, I’ll begin the substance of my presentation with revenue.

Revenues

The revised estimates for revenue are as follows:

	<i>Initial</i>	<i>Revised</i>	<i>Variance</i>	<i>Percentage</i>
Taxes	2,750,434	2,750,527	93	0.00%
Sale of goods and services	195,800	208,001	12,201	6.23%
Other revenue from own sources	23,000	35,883	12,883	56.01%
Provincial grants	216,134	216,134	-	0.00%
Federal grants	157,679	157,679	-	0.00%
Transfers from reserves	-	-	-	0.00%
	<u>3,343,047</u>	<u>3,368,224</u>	<u>25,177</u>	<u>0.75%</u>

Increases in the sale of good and services are driven primarily from two sources – stadium ice rentals and the Fallsview Park. The Committee increased the budget for ice rentals by \$6,500, and

it also increased the revenue for the Fallsview Park by \$6,000. As of June 30, 2019, revenue at the Fallsview Park is up by 49%; however, the Committee is only adjusting for 30% to remain conservative.

The upward movement for own-source revenue is associated with a utility credit (\$6,975), sale of assets (\$1,960), and various fees.

Overall, since the initial estimates were adopted, the budget has seen an increase in revenue totalling \$25,177.

Now I'll speak to expenditures.

Expenditures

The revised expenditures are as follows:

	<u>Initial</u>	<u>Revised</u>	<u>Variance</u>	<u>Percentage</u>
General Government	611,544	619,230	7,686	1.26%
Protective Services	93,900	93,900	-	0.00%
Transportation Services	947,896	945,283	- 2,613	-0.28%
Environmental Health	484,409	489,660	5,251	1.08%
Recreation Services	253,412	267,390	13,978	5.52%
Fiscal Services	<u>951,887</u>	<u>952,761</u>	<u>874</u>	0.09%
	3,343,048	3,368,224	25,176	0.75%

Similar to previous years, the Committee found savings in some accounts while others exceeded our initial projections, and we were able to reconcile the differences.

With the additional revenue noted earlier, and savings found throughout the budget, the Committee considered new expenditures, and it included the following in the revised budget for the 2019 operating year:

- \$5,000 is included for the by-election to fill the vacant Councillor seat.
- \$2,900 is set aside to purchase inflow protectors for 20 manholes. These protectors will restrict rainwater from entering the wastewater treatment system.
- \$6,000 is allocated to replace two fire hydrants.
- The Committee accommodated Council's contribution to the "Big Data, Big Ideas" project, which totals approximately \$1,400.
- \$4,077 is included for a line locator for the Public Works Department. This equipment will help identify underground water and sewer infrastructure, which will increase the efficiency of our response to water line breaks, sewer lateral issues, etc.
- The Public Works Standing Committee has long discussed the potential of sealing cracks in our roads as a preventative maintenance measure. The Public Works Department has sourced the necessary equipment so the Town's employees can complete this work; therefore, the Committee earmarked \$1,903 to purchase a crack filling machine.
- We will purchase two new higher-end waste receptacles for the Riverside Boardwalk at the cost of \$1,500. The Committee recognizes this is a costly investment, and the Town will obtain more options and quotes before committing to the expense; however, it feels higher quality waste receptacles are necessary for the boardwalk.
- An additional 10 hours was added to the Recreation Department's casual/temporary employee budget for RiverFest. We recognize that volunteers have limits, and the Town is pleased to provide support for our signature civic festival.
- The Committee is extending the Program Coordinator's employment term to September 6, 2019. Under the current budget, the employment term will conclude on August 16, 2019; however, the Program Coordinator is typically given time after the program concludes to prepare the final report, organize supplies, etc. The Program Coordinator also assists with the operations of the Fallsview Municipal Park, and that facility is open until September 2, 2019.

Capital Projects

The community of Bishop's Falls is seeing many capital improvements this year, Mr. Mayor, and people are excited to see these developments. As Council is aware, we are actively involved in the following capital works projects, many of which will finish this year:

- (1) Hampton's Hill water tower replacement.
- (2) Main Street road upgrade (750 meters).
- (3) Station Road boat launch (Exploits River tourism project).
- (4) Main Street viewing area and river access (Exploits River tourism project).
- (5) Main Street beautification.
- (6) Public Works Depot roof replacement.
- (7) Newtown Road booster pumps upgrade/replacement.
- (8) Riverside Drive road upgrade.

That concludes my presentation, Mr. Mayor.

Resolutions

Be it resolved that Council shall adopt the revised 2019 operating budget as circulated and presented.

Be it resolved that Council shall approve a special grant to Helen Tulk Elementary, totalling \$200, for its International Year of the Salmon project.