

Mr. Mayor, in accordance with the *Municipalities Act, 1999* and the Finance Standing Committee's Terms of Reference, I am pleased to present the 2021 Municipal Operating Budget. As required by law, the budget is balanced and totals \$3,533,678.

The upcoming budget was balanced without having to increase any taxes or fees!

Without question, 2020 was an unprecedented year that brought many fiscal challenges. In April 2020, when the pandemic and the public health emergency in this province was in the early days, Council revised the budget to accommodate the adverse fiscal impacts. We reduced spending immediately and adjusted our plans. In August 2020, we reviewed the budget again and made further adjustments. In between these iterations of the budget, there was a continuous focus by Council and staff on the Town's fiscal position to ensure we remained within the estimates as much as possible. Consequently, the COVID-19 safe restart grant, which was given to the Town by the federal and provincial governments, was not required in 2020. This grant, which totalled \$185,459.93, was received on December 3, 2020, and was used to balance the 2021 budget. As Council will see, we are using this revenue to invest in infrastructure improvements, maintenance, programs, and services.

It is now time to begin discussing the details, Mr. Mayor, and in keeping with tradition, expenditures are first.

Expenditures

The expenditure estimates for 2021 are as follows:

	<u>2021 Budget</u>	<u>2020 Budget (Initial)</u>	<u>% Change</u>	<u>2020 Budget (August)</u>	<u>% Change</u>
General Government	618,265	609,695	1%	577,459	7%
Protective Services	98,100	96,620	2%	95,020	3%
Transportation Services	984,550	892,784	10%	940,757	5%
Environmental Health	513,984	488,677	5%	494,746	4%
Recreation and Cultural Services	347,816	393,603	-12%	305,629	14%
Fiscal Services	<u>970,962</u>	<u>937,028</u>	4%	<u>932,402</u>	4%
	3,533,677	3,418,407	3%	3,346,013	6%

When compared to the initial budget, which was adopted in December 2019, expenditures have grown by 3%. Relative to the August 2020 estimates, however, there is an increase of 6%.

Generally speaking, the 2021 budget is based on a typical year of operations, albeit with notable investments in maintenance, infrastructure, programs, and services as a result of the COVID-19 safe restart grant. We anticipate that our plans will likely proceed over the coming year despite the challenges that may arise from the pandemic. There is plenty of room for Council to adjust, however, should it become necessary to do so.

The Committee had to accommodate increases in several areas of the budget. For example, insurance increased by \$4,500, wages are up by 3% as required by the *Collective Agreement*, the maintenance contract for the wastewater treatment plant is \$5,200 higher (after HST

rebate), and the cost associated with waste disposal has increased due to higher usage of the service. There are also small increases throughout the budget (i.e., Canada Pension Plan contributions). Mr. Mayor, the Committee resolved these increases without having to adjust municipal taxes or fees.

Regarding the spending plan for the coming year, I would like to highlight the following:

- Council remuneration is held constant.
- Wages for unionized workers are increased by 3% (effective April 1, 2021) as required by the *Collective Agreement*. Management salaries will increase by 3% effective on January 1, 2021. As Council is aware, management salaries have not increased since April 1, 2019, or, in the Town Manager/Clerk's case, since 2017. The Committee felt it was necessary to increase management salaries in the upcoming year.
- \$5,000 is set aside for the 2021 municipal general election.
- In anticipation that RiverFest will proceed in the coming year, the budget includes the annual grant of \$5,500 to help with general operations and the concert in the Park.
- Additional resources are given to the Public Works Department so it can catch-up on work outstanding from 2020, and to also implement plans for the coming year. Two temporary Operator/Labourers will be hired for 17 weeks beginning in May 2021.
- \$10,000 is included to support a ditching program.
- \$50,000 is allocated to repair large sections of asphalt.
- Council's strategic plan calls for the establishment of a road shoulder repair program in 2021. Repairing the shoulders of the road is necessary to protect/preserve asphalt, and it also improves the physical appearance of the community. The Committee allocated

\$15,000 in the budget for this project, which equates to 80 hours of equipment rental (grader), and the necessary materials (i.e., class A).

- Last year, Council had plans to reconstruct the ditch behinds Adams Avenue; however, it did not materialize. We plan to complete this project in 2021, and the budget includes \$4,000 for equipment rental and supplies.
- Additional resources are given to the Recreation Department for 2021. Recreation infrastructure, programs, and services have increased in recent years, and the Department requires additional support. In this context, the Committee budgeted a temporary Recreation Labourer for 16 weeks, at 30 hours per week, beginning in May 2021. Additionally, the Program Coordinator position is reinstated for 23 weeks, starting in June 2021, to manage the summer recreation program, Harvest on the Exploits, Fall projects/programs, and Christmas on the Boardwalk. The Recreation Department is also assigned more casual hours to support and maintain Christmas on the Boardwalk.
- Finally, on November 30, 2020, Council formulated a project list for the COVID-19 stimulus program (CSP) through the Government of Newfoundland and Labrador. The Town applied on December 4, 2020, and the 2021 budget includes \$29,840, which is Council's share of the costs. The list of projects and the budget breakdown is as follows:

Project	Total with HST	HST Rebate	Total less HST rebate
Diamond Pond Walking Trail	19,950.00	1,858.63	18,091.38
Town Hall renos	10,000.00	931.64	9,068.35
Stadium lights	27,464.30	2,558.69	24,905.61
Stadium canopies	6,325.00	589.26	5,735.74
Ammonia safety relief header	29,245.65	2,724.65	26,521.00
Recreation cold storage	39,100.00	3,642.73	35,457.27

Fire Hall canopies	3,105.00	289.28	2,815.72
Fire Hall electrical upgrades	7,485.35	697.37	6,787.98
Public Works cold storage	39,100.00	3,642.73	35,457.27
Totals	\$ 181,775.30	\$ 16,934.98	\$ 164,840.32

Budget Breakdown

Stimulus Program	135,000.00
Town Share	<u>29,840.32</u>
	164,840.32

We look forward to learning if our application is successful so we can begin to implement the projects.

Regarding capital works, the Town will conclude or commence the following projects in 2021:

- Main Street asphalt replacement (750 meters in the west end)
- Exploits River tourism product development (phase 1A, Fallsview Park slipway/boat launch, gateway signage, and directional signage)
- Beaumont Heights brook upgrade
- Exploits River tourism product development (phase 1B, Riverside Drive access point)

We also have two capital works applications before the Government of Newfoundland, and we anticipate receiving decisions in June or July. Our projects include;

- Constructing an extension to the stadium to accommodate new dressing rooms.
- Replacing another 750 meters of asphalt on Main Street.

Mr. Mayor, I'll now turn Council's attention to revenue.

Revenues

The revenue estimates for 2021 are as follows:

	<u>2021 Budget</u>	<u>2020 Budget (Initial)</u>	<u>% Change</u>	<u>2020 Budget (August)</u>	<u>% Change</u>
Taxes	2,752,718	2,770,665	-1%	2,749,792	0%
Sale of Goods and Services	103,625	162,314	-36%	93,166	11%
Other Revenue From Own Source	127,389	128,920	-1%	133,243	-4%
Provincial Grants/Subsidies	216,134	216,134	0%	216,134	0%
Federal Grants/Subsidies	146,754	140,374	5%	140,374	5%
Transfers from Authorized Reserves	<u>187,058</u>	<u>-</u>		<u>13,306</u>	<u>1306%</u>
	3,533,678	3,418,407	3%	3,346,015	6%

As noted previously, the 2021 budget does not include any increases in fees or taxes. Primarily, the revenue growth is attributed to the \$185,459.93 COVID-19 safe restart grant.

In general terms, the Committee adopted a cautious approach to revenue projection. For example, we budgeted \$90,000 in stadium revenue; however, the previous three-year (2017-2019) average is \$109,036. We decided proceeding with caution was best advised given the uncertainties associated with the state of the pandemic.

Operational Plans

Finally, Mr. Mayor, I will conclude my presentation by highlighting some initiatives arising from the 2021 operational plans for Public Works, Recreation, and Administration. I have already covered some activities when discussing the estimates, so I will not repeat them here.

In 2021, we plan to do the following (note: some activities below were scheduled for 2020, but were deferred to the coming year as a result of the pandemic):

- Develop a page on the Town's website for economic development. We will identify areas in the town zoned for industrial development and promote them on our website.
- Continue working towards an asset management strategy for the Town.
- Begin the process of developing an ATV corridor throughout the town. The latter will involve establishing a community working group comprised of Council members, management, and residents.
- Address issues relating to dilapidated buildings throughout town.
- Issue newsletters in May and November, and engage the community through surveys and our social media accounts.
- Work with the Government of Newfoundland and Labrador, and other stakeholders, regarding the Trestle re-decking project.
- Begin the process to complete the statutory five-year review of our municipal plan and development regulations.
- Develop a plan for the Main Street Park.
- Engage the community to generate new ideas for recreation programs/events.
- Implement the Community Garden Harvest Program, Healthy Cooking Workshop for Youth, and the Seniors Needles and Brushes Workshop (if the funding application is successful). Organize Harvest on the Exploits, Christmas on the Boardwalk, and other events of this nature. Provide support and capacity to the RiverFest Committee.
- Apply for funding to expand the Riverside Drive boardwalk.

- Engage the community and the Bishop's Falls Heritage Society to establish a plan that will revitalize the historical CN train on Station Road.
- Begin to develop a plan to re-illuminate the Trestle.
- Study the possibility/feasibility of developing a dog park and a splash pad.
- Establish a Beautification Committee that will be given the mandate to identify areas in town for flowers and things of this nature. The Committee will receive funding from Council to purchase and plant flowers.

Mr. Mayor, this is only a high level of summary of the operational plans, but it should give Council a good understanding of how we intend to give life to our strategic priorities.

That concludes my presentation, Mr. Mayor. I want to thank the Committee members and staff for the long hours and debate that culminated in today's budget.

Resolutions

- (1) Be it resolved that Council shall adopt the 2021 Municipal Operating Budget and the *2021 Municipal Operating Budget Tax Schedule and Policy* as presented and circulated.
- (2) Be it resolved that Council shall adopt the *2021 Administration Department Operational Plan*, *2021 Public Works Department Operational Plan*, and the *2021 Recreation Department Operational Plan* as presented and circulated.

(3) Be it resolved that Council shall approve an increase of 3% to management salaries effective January 1, 2021.

(4) Be it resolved that Council shall approve an increase of \$5,000 plus HST to the Abydoz wastewater treatment plant maintenance contract effective January 1, 2021.