

Mr. Mayor, in accordance with the *Municipalities Act, 1999*, and the Finance Standing Committee's Terms of Reference, I am pleased to present the 2024 Municipal Operating Budget. The budget is balanced at \$3,766,191, approximately 4% higher than the initial 2023 estimates.

Inflation continues to impact the municipality. The Committee spent considerable time reviewing each budget line to find savings, and efficiencies were found in some areas. For example, we restructured our telephone services, saving approximately \$3,500 annually. However, there has been a substantial increase in water treatment and waste collection, totaling \$55,863 compared to 2023. Consequently, while the mill rate was rolled back by 0.65 (a decrease of 7.88%), some residents will pay a small amount more, depending on the assessed values. The residential water/sewer tax and waste collection fee will also increase by \$10 and \$5, respectively. We know this is a difficult time for residents and businesses as they struggle with inflation, and the Committee kept this consideration front and centre during budget preparation. We mitigated the impact as much as possible, and the combined effect of the tax increases will see residents paying a little more; others may even see a reduction, again depending on their assessed values.

Having set the context, Mr. Mayor, I'll discuss the expenditures and revenues in more detail.

Expenditures

The expenditure estimates for 2024 are as follows:

	<u>2024 Budget</u>	<u>2023 Budget (Initial)</u>	<u>% Change</u>
General Government	704,596	693,373	2%
Protective Services	102,730	98,850	4%
Transportation Services	1,064,435	1,069,559	0%
Environmental Health	644,974	559,289	15%
Recreation and Cultural Services	479,985	394,385	22%
Fiscal Services	<u>769,471</u>	<u>823,041</u>	-7%
	3,766,191	3,638,497	4%

Council will need to pay an additional \$45,883 for water treatment this year (27% more than in 2023), bringing the total expenditure to \$219,316. During its recent quarterly meeting, the Exploits Regional Water Supply Committee reviewed the water treatment plant's 2024 cost summary. Overall, the plant's operating costs are increasing from \$1,076,438 to \$1,405,897, driven primarily by higher prices for chemicals, maintenance, and system improvements.

Waste collection is increasing as well by approximately \$10,000. The tipping fee is increasing from \$140 to \$145 per tonne, and the household collection fee is moving from \$90 to \$95.

Mr. Mayor, the 2024 spending plans include the following:

- \$5,000 to reorganize and acquire furniture for the Town Hall's front desk.
- \$5,000 is included for the Councillor seat by-election.
- Councillor remuneration, which is 2% of fixed revenue, will increase by \$3,100. The new schedule is below.

	Current Remuneration	2024 Increase	Total Remuneration
Mayor	15,922	713	16,635
Deputy Mayor	11,768	527	12,295
Councillors (x5)	41,535	1,860	43,395
	69,225	3,100	72,325

- The firefighter honourarium is increasing by \$100 again this year, bringing the total to \$1,100 for the Chief, \$900 for officers, and \$800 for firefighters.
- The Public Works Department will receive its usual temporary Operator/Labourer (17 weeks @ 40 hours per week) to increase its capacity during the summer period.
- The 2013 Chevy Silverado will be replaced early in the new year with a new crew cab.
- In February 2024, the Town will acquire the 2023 Freightliner. Council approved this purchase in March 2023, and the order was placed on March 23, 2023. We encountered two delays but are hopeful the equipment will arrive in February 2024. The budget includes the necessary debt servicing costs (apx. \$40,000).
- The asphalt budget was increased from \$50,000 to \$65,000 to accommodate higher prices and address more areas.
- \$10,000 is set aside for the annual ditching program.

- In 2021, the Town asked the wastewater treatment plant operator to prepare a 10-year preventative maintenance plan. This is a critical asset that requires regular maintenance. The 2024 budget includes \$12,000 to clean/inspect the clarifier and replace the screen brushes.
- Since 2017, the Town, ACOA, and the Province collectively invested over \$2,500,000 to develop our riverfront assets. The Committee recognizes that the Department requires additional capacity to maintain these assets along with other recreation buildings, parks, playgrounds, facilities, etc.; therefore, the 2024 budget will see additional hours and positions for the temporary Recreation Labourer. One position will be assigned 640 hours (16 weeks @ 40 hours per week), and a second position will have 320 hours (8 weeks @ 40 hours per week). By comparison, budget 2023 assigned approximately 690 hours in total; therefore, the Department's capacity is being increased by approximately 40% this coming year. The Recreation Labourers will be needed over the summer period.
- Finally, Mr. Mayor, the Committee continues to support investments in recreation programs and services, which we believe are critical to building community. Our events have become very popular, and the feedback has been overwhelmingly positive. In the interest of continuing this good work, the 2024 budget includes \$39,221 for the River Shiver, Children's Day Camp, Youth Recreation Program, Harvest on the Exploits, Haunting on the Boardwalk, Christmas on the Boardwalk, and Lookout, Here Comes Christmas. Some of these events are offset by Government grants, private-sector contributions, and/or registration fees. For example, Marathon Gold provides an annual grant of \$10,000. Council's direct contribution is approximately \$18,400.

To conclude with expenditures, I'll note that the Town's debt-servicing ratio (DSR) is 11% in the coming year, down 2% from 2023.

I'll now move on to revenues.

Revenues

The revenue estimates for 2024 are as follows:

	<u>2024 Budget</u>	<u>2023 Budget (Initial)</u>	<u>% Change</u>
Taxes	3,028,319	2,978,451	2%
Sale of Goods and Services	151,407	127,200	19%
Other Revenue From own Source	171,811	163,575	5%
Provincial Grants/Subsidies	264,709	216,134	22%
Federal Grants/Subsidies	149,945	153,136	0%
Transfers from Authorized Reserves	<u>-</u>	<u>-</u>	0%
	3,766,191	3,638,496	4%

As noted earlier, the 2024 budget will see a decrease in the mill rate and small increases to the water/sewer tax and waste collection fee. The details are as follows:

- On average, residential assessed values, which are determined by the Municipal Assessment Agency, increased by 9.74%. The Committee lowered the residential mill rate from 8.25 to 7.6 – a decrease of 0.65 mills or 7.88%. The reduced mill rate will see some residents paying less property tax while others will pay more, depending on the change in their assessed values. The Town will see an additional \$15,778 in residential property tax revenue.
- The residential water/sewer tax will increase from \$490 to \$500, resulting in \$18,170 in additional revenue.
- The waste collection fee will increase from \$85 to \$90 per year/per household. As noted earlier, the Town's curbside collection cost (not including tipping fees) increased from \$90 to \$95 per year/per household, which the budget could not absorb. The extra \$5 will result in an additional \$6,990.
- There are no changes to commercial or crown taxation policies; however, the budget will see an additional \$9,194 due to increased assessed values.

As a final note on revenue, Mr. Mayor, I'm pleased to highlight that our municipal operating grant (MOG) will increase again in 2024 by \$24,287. We appreciate the Government of Newfoundland and Labrador's support and applaud Municipalities Newfoundland and Labrador's lobbying efforts.

2024 Capital Works Projects

Mr. Mayor, two capital works projects are planned for the coming year: the stadium dressing rooms extension and the Newtown Road waterline upgrade. The approved budgets for both projects total \$781,490 with HST – the Town’s share is \$203,439 after the HST rebate.

We have also applied for funding for the Station Road (water/road upgrade) and McDonald Crescent (road upgrade) projects. We anticipate the decisions in July 2024.

Operational Plans

Finally, Mr. Mayor, the Committee is pleased to present the Departments’ operational plans, prepared in the context of the 2023-2027 strategic plan, as part of the overall budget package. Some of the highlights are as follows (it is important to stress this is not an exhaustive list of the work completed by the various Departments):

Administration Department

The Administration Department is tasked with 18 initiatives/objectives/priorities this coming year that include;

- Engaging in regional and provincial tourism discussions.
- Implementing the “Fallsview Municipal Park Development Plan” project.
- Implementing the “Marketing the Bishop’s Falls Exploits River Assets” project.
- Updating the Town’s Emergency Management Plan.
- Implementing an electronic vendor payment system.
- Reviewing the *Towns and Local Service Districts Act* and assessing future impacts.
- Administering the Councillor seat by-election.
- Applying for and implementing government-funded projects.
- Facilitating a strategic plan review.

Public Works Department

The Public Works Department is responsible for 13 initiatives/objectives/priorities in 2024 that include;

- Identifying land for the next subdivision development.
- Overseeing/Implementing the Newtown Road waterline upgrade project.
- Reviewing the Asset Management Plan and setting priorities during the strategic planning session for the next three (3) years.
- Procuring a new crew cab (replace the 2013 Chevy Silverado).
- Initiating a phased approach to replace all wooden street signs.
- Overseeing/Implementing the program to repair large sections of asphalt.
- Implementing the annual ditching program.
- Repairing road shoulders (concentrating on areas with new asphalt).
- Implementing the annual clean-up program in September-October. The latter is a shift from previous years when the clean-up occurred in May-June.
- Continuing improvements and maintenance on Sunset Drive and other gravel roads throughout the community.

Recreation Department

The Recreation Department is tasked with 13 initiatives/objectives/priorities in the coming year that include;

- Supporting the Beautification Committee to prepare a beautification plan per its *Terms of Reference*.
- Overseeing/Implementing the stadium dressing room extension project.
- Implementing the dog park project (pending government approval).
- Developing an ATV corridor plan with maps and signage.
- Developing an Exploits River walking trail plan with maps and signage.
- Maintaining the riverfront tourism assets to acceptable standards.
- Implementing the following recreation programs and activities: The River Shiver, New Horizons for Seniors Program (pending government approval), Adult Kayaking Classes

(pending government approval), Children's Day Camp, Youth Recreation Program, Canada Day and Veterans Banquet, Harvest on the Exploits, Haunting on the Boardwalk, Christmas on the Boardwalk, and Lookout, Here Comes Christmas.

Mr. Mayor, that concludes the 2024 budget presentation. I want to thank the Committee members and staff for their time and work over the past few months.

I wish everyone a Merry Christmas and a Happy New Year.

Be it resolved that Council shall adopt the 2024 Municipal Operating Budget and the *2024 Municipal Operating Budget Tax Schedule and Policy* as presented and circulated.

Resolution 2

Be it resolved that Council shall adopt the *2024 Administration Department Operational Plan, 2024 Public Works Department Operational Plan, and the 2024 Recreation Department Operational Plan* as presented and circulated.

Resolution 3

Be it resolved that Council shall amend the *Recreation Rental Fees and Cancellation Policy* as follows:

Subsection 4.2, which currently reads,

Where a minor renter, senior renter, school renter, or general renter, referred to collectively for the purpose of this subsection as a 'renter', is hosting a tournament or special event at the stadium, the renter shall be responsible, in addition to the applicable rental rates established by subsection 4.1, for incremental labour costs incurred by the Town for the purpose of maintaining the cleanliness of the stadium and for providing enhanced security. The incremental labour costs shall be imposed as follows:

- (a) An hourly rate of \$30.00 shall be imposed for incremental labour.
- (b) Where the tournament includes four or less teams, the maximum incremental labour hours that can be imposed is four (4) per day.
- (c) Where the tournament includes five or more teams, the maximum incremental labour hours that can be imposed is eight (8) per day.
- (d) Where the special event is projected to have or realizes more than 100 people in attendance, the maximum incremental labour hours that can be imposed is four (4). Incremental labour hours shall not be imposed for special events where an attendance of fewer than 100 people is projected or realized.
- (e) Notwithstanding subsections 4.2 (b), 4.2 (c), or 4.2 (d), stadium management may engage additional labour beyond the stated limits; however, the renter shall not be responsible for the incremental labour costs that exceed the hours established by subsection 4.2 (b), 4.2 (c), or 4.2 (d) except for cases where the renter has a liquor licence for the tournament or special event and stadium management has determined that additional security is necessary. In the latter case, the renter shall be responsible for the total incremental labour costs associated with the tournament or special event and the applicable rental rates established by subsection 4.1.

is deleted and replaced with,

If a minor renter, senior renter, school renter, or general renter, referred to collectively for the purpose of this subsection as a 'renter', is hosting a tournament or special event at the stadium, the renter shall be responsible for a cleaning fee in addition to the applicable rental rates established by subsection 4.1. The cleaning fee shall be imposed as follows:

- (a) If the tournament includes four or less teams, the cleaning fee shall be \$60 per day plus HST.
- (b) If the tournament includes five or more teams, the cleaning fee shall be \$120 per day plus HST.
- (c) If the special event is attended by more than 100 people, the cleaning fee shall be \$60 plus HST

Resolution 4

Be it resolved that Council shall amend the *Annual Residential Spring Clean-up Policy 2016* as follows:

- 1) "Spring," where stated, is deleted throughout the policy.
- 2) Subsection 2.1 is amended by replacing "...month(s) of May and/or June" with "...Spring or Fall."