



BUDGET 2017

PRESENTED BY: COUNCILLOR DAN GREENE
FINANCE CHAIR



Introduction

Good evening Your Worship, fellow Councillors, Town staff and citizens. Tonight, as Chair of the Finance Committee, I am very pleased to present the 2017 Budget for the Town of Placentia.

Over the past few months Council has been working diligently with senior staff to prepare this budget, a process focused on finding the balance to ensure we continue our infrastructure investment while meeting the ever changing needs of our residents.

This year as part of the preparation process, we conducted pre-budget consultations with our residents. We wanted to hear from them directly on their views and ideas for the priorities of the upcoming year. We were very pleased with the input and extend a sincere thank you to all residents who took the time to provide feedback. The information received was used and considered as we prepared the 2017 Budget.

Highlights of 2016 Operations

2016 proved a challenging year for our Town, our province and our nation. The economic downturn saw organizations across all sectors reassess the economic environment to accommodate the current fiscal climate. This was felt in our community with the impact of the delayed Husky Project, Vale's exit from the Demo Plant in Argentia as well as the wind down of the construction project on Vale's site in Long Harbour.

However; residents of the Town of Placentia are resilient and proud people who have a proven record of managing challenges. In light of this reality, the 2017 Budget is designed to reinvest in our community by providing services and programs to our residents while committing to be prudent fiscal managers. We will adapt and change to ensure the Town continues to be a great place to Live, Grow, Visit & Invest.

Before getting into the details of our 2017 plan, I would like to highlight a few of the many significant accomplishments the Town has been able to achieve in 2016. These include:

- The Town has achieved better than normal collection rates. Collections in the Town are 98% on current balances and 56% on collection of taxes in arrears. This is an increase of 48% collection on overdue accounts.
- Management has sought and realized funding sources for projects. Council has consistently sourced funding to help our community become stronger. This past year we were successful in obtaining 2.37 million dollars in funding to improve our infrastructure which included:
 - 2 vertical turbine pumps for Jersey side pumphouse.
 - Replacement of the forcemain in Southeast and improvements to lift station.
 - 200 service line repairs for Dunville.



- Efforts continued to enhance synergies. The Town believes in working together to achieve the goals of the community. This past year we have effectively worked with and supported community and provincial groups that make our Town a better place to live. This was accomplished through:
 - Engaging various provincial ministers to visit the Town including Ministers Sherry Gambin-Walsh, Chris Mitchelmore and Al Hawkins and Premier Dwight Ball. Members of Parliament Hon. Judy Foote and Ken McDonald also visited our municipality. Many officials from the Departments of Transportation and Works, Municipal Affairs, Environment & Conservation, ACOA and BTCRD were also engaged in our Town's work.
 - Purchase of \$41,470 in equipment for the Southeast Playground in conjunction with the Southeast Playground group.
 - Dedication of Placentia Bay Veterans Cenotaph in the Legacy garden in conjunction with the Festival of Flags and Royal Canadian Legion.
 - The Town with the Royal Canadian Legion paid tribute to our fallen heroes at the Memorial Day ceremonies commemorating the 100th Anniversary of Beaumont Hamel and in their memory renamed Beach Road to Veterans Way.
 - The Town took part in the Atlantic Charter 75th Anniversary celebrations.
 - Council approved the motion to enter into a design/build to begin the process of the Placentia Regional Wellness Center construction in partnership with the Placentia Lion's Club.
 - A signed letter of intent with YMCA NL to explore the operation of the Placentia Regional Wellness Center.



- Council continues to support and partner with other groups including the Recreation Commission, Placentia Rowing Club, The Placentia Area Chamber of Commerce, Port of Argentia, The Placentia Historical Society, PADA, CYN, PATH, Dunville Lion's Club, Freshwater Community Center, Star of the Sea Association as well as all affiliated auxiliary clubs. We all are working together to promote our Town's greatest assets.
- The Town encouraged land and business development. This year the Council approved:
 - A new subdivision plan for Southeast off Morrissey's Lane.
 - Finalized the contracts existing on Shaw's Lane allowing further development.
 - Approved 13 new residential housing developments in the area.
 - Approved 10 business licenses in the area.
 - Continues to work with the developer of the Frecker Place subdivision as he moves forward with his subdivision in that area.
- Participation in community events was and continues to be a priority. The Town has always been active in our various community events and 2016 was no different, we took part and supported the:
 - Santa Claus Parade
 - Volunteer week
 - Mayor's March
 - Winter Carnival
 - Voices of Placentia Bay Festival
 - Opening of the new Sir Ambrose Shea Bridge



Budget 2017



It is on that note, Your Worship that I would like to shift our focus to our future plans to achieve our strategic objectives, and specifically the budgetary priorities for 2017. Tonight I am pleased to present the Town of Placentia's 2017 balanced budget of \$5,781,477.

Council has worked tirelessly with staff to reduce the 2017 Budget by \$222,776 in comparison to 2016. Council is pleased to say we were able to achieve this savings while maintaining our current residential mil rate of 6.2 and business rate of 9.0 which is the lowest in comparison to towns of our size. We are also continuing to offer a 10% discount on property tax paid before March 31st and June 30th for residents 65 and over.

In addition, we will be maintaining the water and sewer rates despite the increase in the amount the Town pays to maintain and upgrade this infrastructure.

Your Worship, we are able to provide a balanced budget despite increasing costs with no increase in mil rates and offer enhanced services to our residents. We are reducing waste and becoming more efficient. We have reduced rental and maintenance expenditures as well as debt servicing costs. We have reduced the consulting budget alone by \$40,000. These savings allow us to reallocate expenditures to areas that need enhancement.

One note, Your Worship, there are changes to the 2017 tax structure. We have added a vacant land minimum tax; this is as directed by Municipal Affairs. Council has set this at a low amount of \$150.00 to minimize impact to residents. We have added some "pay for service fees" to the tax structure as well. These are typical fees to bring us in line with other municipalities and will be charged for services provided by staff, for example after hours call out for non-emergency water shut off and new resident water and sewer hook-up fees.



In addition we have added a permit fee for wharves to allow Council to inventory these structures in the Town which is useful for when upgrades are required. One other fee we have implemented to help the beautification of our Town is a front landscaping deposit. This will be for new development permits and will be 100% refundable when they complete their landscaping to the front of their property. This will help ensure we continue to beautify our town.

Council's top priority is the single-source water system with a new treatment plant. We are working toward this goal this year by allocating 18% of our budget to capital infrastructure improvements. These improvements include the replacement of 200 service lines in Dunville.

In addition, this year we will be receiving a much needed and long sought after fire truck for our area. We plan to invest in enhancing our town's tourist draw by improving directional signage throughout the community and by making improvements to the Great Beach, allowing visitors to revel in our beauty and rich history.

The pool project that the Placentia Lion's Club has worked diligently on is progressing. This year the Town is ready to move forward with the Placentia Regional Wellness Centre upon final approvals from the Provincial Government. We are sourcing ways to enhance this project and make it an attraction for our residents to participate and improve their health and enjoy their community.

Council is also investing in services for our community. One area of enhanced services is communications. Council has heard residents' feedback regarding needed improvements in this area; therefore I am pleased to announce "Placentia Aware", a new notification system that will provide citizens with important information affecting the Town including emergency and non-emergency messaging. This will be a great asset to our area reaching all demographics within our community. In addition, the Town will be launching our very own smart phone app which will be another way to communicate to residents, tourists and visitors.



This past year the Town undertook a Recreation Master Plan study and received numerous recommendations regarding our program. One that was prevalent was to invest in offering year-round recreation and wellness programming to our community members. I am pleased to announce that we can undertake this recommendation this year and hire a Manager of Recreation and Community Programming. This will allow community members to improve their physical development and social awareness and thus we become a more unified, healthy community.

Budget 2017 also allows for our staff to have increases as per the Union contract agreement which is also reflected in an increase for management, firefighter honorarium and council remuneration at a rate of 4% increase.

Your Worship, just as we require staff to achieve the goals of Council delivering our programs and services, we also need other resources. As our fleet ages, there are increased repair costs. We have performed the cost analysis on this and as a result we will be replacing two vehicles. In addition, we will be purchasing a sander and a new backhoe for the Public Works Department, keeping our fleet in line to service our Town's residents.

In 2017 we plan to invest in improvements in our facilities, playgrounds and green spaces as well as roads. We are planning to install a solar powered speed sign on Prince William Drive as a part of a three year roll out of traffic calming initiatives.

Your Worship, the Town of Placentia remains a municipality that is enriched in history, has proud and involved residents and is a safe and beautiful place that we all are proud to call home. As a Council, we are committed to providing the best possible services and programs while ensuring responsible and transparent spending that will have long-term benefits for our Town and its residents. We have worked hard to achieve just that in Budget 2017.



Motions for Approval

Mr. Mayor and Fellow Councillors: I present the Budget for 2017 as prepared by your Finance Committee and town management for your consideration and approval.

MOTION TO APPROVE REMUNERATION

As Chair of the Finance Committee I now move the adoption of 2017 Remuneration as presented in the union contract and reflected in a 4% increase for Management, Firefighter honorarium and Council remuneration.

MOTION TO APPROVE BUDGET

As Chair of the Finance Committee I now move the adoption of 2017 Budget in the amount of \$5,781,477.

MOTION TO APPROVE TAX STRUCTURE

As Chair of the Finance Committee I now move the adoption of 2017 Tax Structure as presented.

Thank you.



Attachments

1. Budget 2017
2. Tax Structure 2017

2017 BUDGET SUMMARY

	2016 Budget	2017 Budget	% of Budget
Revenue			
Taxation	3,385,180	3,390,048	58.64%
Government Transfers	1,319,226	1,015,248	17.56%
Municipal Revenue	910,872	945,523	16.35%
Sales of Goods & Services	388,975	430,658	7.45%
	6,004,253	5,781,477	100.00%
Expenditures (By Function)			
General Government	958,785	953,212	16.49%
Protective Services	187,953	182,315	3.15%
Transportation	766,533	848,706	14.68%
Environmental Health	1,035,186	996,575	17.24%
Planning & Development	103,168	106,215	1.84%
Recreation	440,151	501,123	8.67%
Debt Services	1,152,355	1,133,590	19.61%
Capital	1,360,122	1,059,741	18.33%
	6,004,253	5,781,477	100.00%
Net Revenue (Expenditures)	0	0	0

REVENUE			BUDGET 2017
	2016 Budget	2017 Budget	% of Budget
Taxation			
Property Tax Revenue - Residential	1,718,639	1,718,639	29.73%
Property Tax Revenue - Commercial	239,596	239,596	4.14%
Business Tax Revenue	685,848	690,207	11.94%
Water & Sewer Tax - Residential	591,012	591,012	10.22%
Water & Sewer Tax - Commercial	150,085	150,594	2.60%
	3,385,180	3,390,048	58.64%
Government Transfers			
Gas Tax Revenue	160,122	160,122	2.77%
Provincial Share of Debt	494,397	494,397	8.55%
Other Grants	517,443	167,443	2.90%
Grants in Lieu	147,264	193,286	3.34%
	1,319,226	1,015,248	17.56%
Municipal Revenues			
Licenses, Permits & Fees	53,510	50,500	0.87%
Investment Income	857,362	895,023	15.48%
	910,872	945,523	16.35%
Sale of Goods and Services			
Recreation	128,000	129,403	2.24%
Other Revenue Own Sources	260,975	301,255	5.21%
	388,975	430,658	7.45%
	6,004,253	5,781,477	100.00%

EXPENDITURES			BUDGET 2017
	2016 Budget	2017 Budget	% of Budget
General Government			
General Administration	878,748	857,575	14.83%
Council Expenses	64,502	66,402	1.15%
Common Services	15,535	29,235	0.51%
	958,785	953,212	16.49%
Protective Services			
Fire Protection	123,934	116,690	2.02%
Municipal Enforcement	62,019	63,625	1.10%
Miscellaneous	2,000	2,000	0.03%
	187,953	182,315	3.15%
Transportation			
Vehicle Operation & Maintenance	68,000	74,511	1.29%
Roads & Streets etc	362,892	421,595	7.29%
Snow Removal	200,800	207,600	3.59%
Street Lighting	134,841	145,000	2.51%
	766,533	848,706	14.68%
Environmental Health			
Water Chlorination/ Supplies	465,652	473,558	8.19%
Garbage Collection	415,707	407,131	7.04%
Sewage Collection & Disposal	153,827	115,886	2.00%
	1,035,186	996,575	17.24%
Planning and Development			
Planning & Zoning	3,000	3,000	0.05%
Community Improvement & Development	38,369	38,369	0.66%
Regional Development/Tourism & Marketing	61,799	64,846	1.12%
	103,168	106,215	1.84%



Recreation

Administration	74,284	133,757	2.31%
Facilities	307,367	310,866	5.38%
Parks, Playgrounds etc	37,500	35,000	0.61%
Programs , activities events	21,000	21,500	0.37%
	440,151	501,123	8.67%

EXPENDITURES			BUDGET 2017
	2016 Budget	2017 Budget	% of Budget
Debt Services			
Town Share	1,085,987	1,067,222	18.46%
Provincial Share	66,368	66,368	1.15%
	1,152,355	1,133,590	19.61%
Capital			
Infrastructure	1,360,122	1,059,741	18.33%
Recreation	0	0	0.00%
	1,360,122	1,059,741	18.33%
	6,004,253	5,781,477	100.00%

Expenses

General Government	953,212	16.49%
Protective Services	182,315	3.15%
Transportation	848,706	14.68%
Environmental Health	996,575	17.24%
Planning & Development	106,215	1.84%
Recreation	501,123	8.67%
Debt Services	1,133,590	19.61%
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