

BUDGET 2019

PLANNING FOR THE FUTURE



2019 BUDGET SPEECH

Good evening Your Worship, fellow Councillors, Town staff, residents and members of the media. Tonight as Chair of the Finance Committee, it is my pleasure to present the 2019 Budget for the Town of Paradise.

Financial planning is a critical exercise for all municipalities and that is no different for our Town. We are one of the fastest growing municipalities in the region, throughout the province, and across the country. Paradise has seen incredible growth over the past decade, going from a small community of 12,000 residents to now a place 21,000 people call home.

As our population grew, we developed the necessary infrastructure like roadways, bridges, and water and sewer systems, we built needed facilities like parks, the Paradise Double Ice Complex, and the new St. Thomas Community

Centre; we fostered a commercial sector and developed three business parks; and we invested in regional services which brought us amenities like our own dedicated fire station, Paradise No. 8.

We worked diligently to make balanced decisions, to make the right strategic investments so that our growing population has a great town in which to live, work and play.

And research shows that our residents agree. Paradise is known as a municipality of choice – people choose to make our Town their home. We worked hard to earn this reputation and we are proud to have the distinction.

But we cannot and must not rest. Now, more than ever, we have to make the strategic choices and work to set the course for a sustainable future. We want our youngest residents – those who are now going to school here, skating at our

Double Ice Complex, and playing at Paradise Park – to choose to make Paradise their home when the time comes for them to raise a family.

And that is why Budget 2019 focuses on planning for the future and ensuring we take the necessary steps so that Paradise remains a great place in which to live, work and play. This is our guiding premise throughout our budget deliberations.

Your Worship, for the year ahead, we have a \$37.3 million balanced budget. One that makes strategic investments and provides the level of services and programs that our residents want and deserve.

It is important to spend within our means and know exactly how much money we have to allocate. As provincial law requires a new valuation of properties every three years, this year the Municipal Assessment Agency conducted property assessments in the Town of Paradise. Based on this, we learned that overall residential property assessments in Paradise decreased just over five percent. This meant that we were facing a decrease in the revenue coming into the Town.

To maintain our required revenues, the residential mil rate for 2019 will increase to 7.2. It is important to note that with the decrease in residential property assessments, approximately 50 percent of property owners will see no change or even a reduction in residential taxes. Furthermore, 36 percent of residents will only have to pay an additional \$10 or less per month.

We feel this is a fair and reasonable approach to ensure we are able to continue with our municipal services and programs.

For 2019, the residential water and sewer rate will increase to \$600 per unit to cover associated expenses. The operating costs for the Town's wastewater treatment facility have increased as we upgraded the plant to meet Federal regulations. We have been proactive in completing the required upgrades and Paradise is among the first municipalities in the province to be ready for the new requirements. In addition, the Town's portion of the regional wastewater system will increase next year as we contribute our share for the operations and upgrades to that facility. We understand the importance of these necessary upgrades to sustain sound

environmental practices and ensure we are protecting our Town and our region for generations to come.

Your Worship, our business community is also an important contributor to our revenues. Over the past several years we have enhanced our focus on economic development and we are seeing growth in commercial operations in Paradise. We need look no further than next door at the new ALRE development on the former ACAN property. We are all eagerly watching the new buildings take shape and have new businesses come to our Town in 2019. We also look forward to seeing Karwood Market develop and bring more retail offerings to Paradise and to the continuation of Kenmount Road extension bringing further commercial development.

It is essential to foster business growth in our Town so that we have a diversity of revenue sources. Our residential property tax base cannot and must not be the only funding source for our Town. As our commercial sector grows, so too does the taxation proceeds from that sector.

On the commercial side, property assessments increased this year and as a result the mil rate

will remain at 11.5. This rate level also ensures the Town remains competitive with our neighbouring municipalities, and this is key to continuing with our business attraction and growth efforts.

As part of our budget preparations, we consulted with our residents. Budget Talks 2019 was our most comprehensive budget engagement to date. We used an interactive budget simulator which enabled residents to see how their priorities and preferred service areas impact taxation levels. It also offered a forum to learn more about the Town's budget while providing timely and important feedback on municipal services. We conducted polls through our social media platforms, asking for resident input on specific topics. We also received direct input from residents on budget priorities for the coming year.

Your Worship, through Budget Talks 2019 residents told us they want the current level and scope of municipal programs and services to continue. They also told us that a minimal increase to taxation would be acceptable if it meant additional investments in the areas of road maintenance, parks and trails, capital upgrades, and recreation offerings.

And we have carefully considered that input as we determined our investments for 2019. This year we have started a continuous improvement process and will be working with an external consultant to facilitate the work. It is proven that by simplifying working practices and minimizing inefficiencies, continuous improvement techniques enable municipal organizations to save money and increase quality, without reducing the level of service offered to citizens. And that is what we want for our Town.

We also examined all spending areas in the Town. We do this each budget cycle to ensure that we are allocating every dollar for maximum benefit. Again this year, we have reduced spending wherever possible while also making the necessary investments. It's about finding the right balance and we never lose sight of that in our budget preparations.

Paradise is fortunate to avail of many regional amenities. This approach enables us to provide the services we need in a cost-effective manner. Regional services include things like water services, fire protection, and waste management facilities. In Budget 2019 we will spend \$7.1 million

for these services which accounts for 19 percent of our annual budget.

In 2019 we will invest a total of \$12 million to various road, infrastructure and capital projects. This includes our regular street rehabilitation program, completion of the Topsail Road – McNamara Roundabout, and upgrading Clearview Heights. We will also begin planning for a new roundabout at the intersection of Kenmount Road and McNamara Drive. Ensuring our Town has an effective and efficient transportation system is a priority for us on Council and it is a key pillar in ensuring we are investing and planning for the future of our Town.

Our trails promote a healthy lifestyle amongst our residents and help with connectivity throughout our Town. Through Budget 2019 we are able to make strategic investments to support this necessary infrastructure.

Your Worship, next year we will complete the Adams Pond Trail. Our residents have been asking for this amenity. The trail systems in our Town are popular with citizens of all ages, and are used year round from walking, running, or cycling to snow-shoeing and cross-country skiing.

Budget 2019 will also support improving the section of the T'railway that runs through our Town. We will be upgrading the trail from Octagon Pond to Spruce Hill Road. This will bring our section of the T'railway to the same standard as other sections of this well-used and well-known trail network. A trail system which will enhance our economic and tourism potential. The Town is receiving funding from Trans Canada Trail to complete this work.

Next year we will allocate funding to upgrade the lighting system at the Milton Road Ballfield. An automated lighting system will bring operating efficiencies to that field. It will also address resident concerns we have received that the field lights can stay on longer than needed after evening games and events.

As a municipality, we understand our role in fostering community health and wellness among our residents, in particular our children and youth. We want all residents, regardless of ability to pay, to be able to have their children participate in programs. That is why this year we are creating a new program to enable lower-income families to participate. It will help all our residents to experience everything our Town has to offer.

Your Worship, in Budget 2019 our debt-servicing ratio continues to decrease. It is now 5.5 percent and remains among the lowest in the province. It is always our goal to keep our borrowing needs to a minimum. We must ensure sustainability with our fiscal management and maintain manageable levels of debt.

This year we completed an Asset Management Plan. The Town received funding from the Federation of Canadian Municipalities to complete this strategy. At the municipal level, our assets are not just buildings, vehicles, and roads; they are also things you can't see, the infrastructure under our roads, our water and sewer system and more. Completing an Asset Management Plan gives us a comprehensive inventory of all our assets and their current conditions. It then enables us to strategically plan for community sustainability and resiliency.

In Canada, municipal governments are the stewards of about 60 percent of all public infrastructure assets. These assets are the foundation that enables our communities to thrive. However, like everything, over time, these assets need replacing and we must start planning

now to be able to meet those needs. The Asset Management Plan recommended creating a Reserve Fund so that when the time comes, we have the money to repair and replace our assets. It will allow us to meet the needs of the present without compromising the needs of future generations.

Your Worship, I am pleased to announce tonight that in Budget 2019 we are creating an Infrastructure Reserve Fund. We are among one of the few municipalities in the province to do so. This year we are investing \$1 million to the reserve. As a young Town, in a strong fiscal position, now is the time to plan for the future. In creating a reserve fund we are reducing the burden on those who choose to make Paradise their home in the years ahead. It is our goal to continue to invest in this fund as budgeting permits. This is sound fiscal management.

Budget 2019 presents a plan for meeting the needs of our Town today while setting the course for a sustainable future. In developing this budget, each and every expenditure was

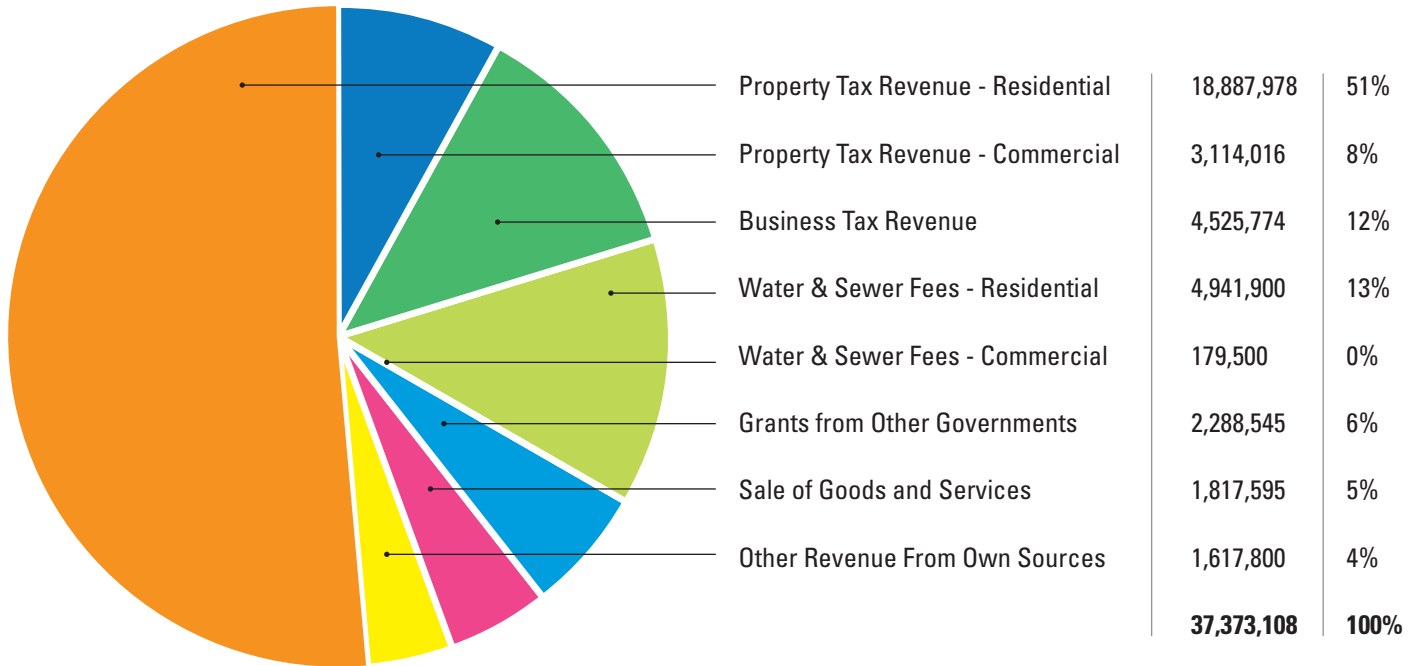
carefully reviewed, thoughtful consideration was given to essential investments, and deliberate attention was given to future requirements. As Chair of the Finance Committee, I extend sincere thanks to senior staff for their dedicated work in preparing Budget 2019. I also thank Council for their guidance and support to this year's budget process. The Town of Paradise is an energetic municipality which our residents and all of us on Council are proud to call home, and Budget 2019 sets the course to ensure this continues for generations to come.

"BE IT RESOLVED that the Town of Paradise, in accordance with Section 77(1) of the Municipalities Act, adopt the 2019 Budget with operating revenues and expenditures totalling \$37,373,108."

"BE IT RESOLVED that the Town of Paradise adopt the 2019 Schedule of Tax Rates as submitted."

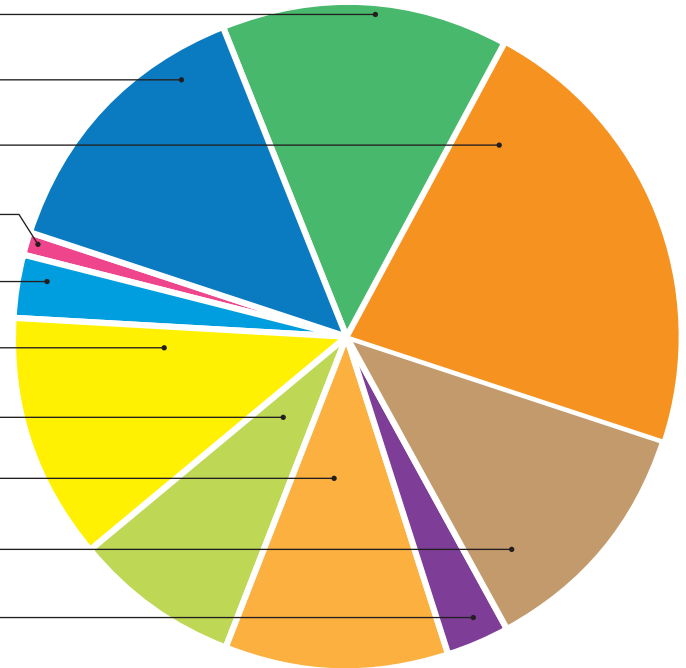
"BE IT RESOLVED that the Town of Paradise adopt the 2019 Fee Schedule as submitted."

WHERE THE MONEY COMES FROM



WHERE THE MONEY GOES

General Government	5,177,083.00	14%
Protection Services	5,365,477.00	14%
Transportation Services	8,083,379.00	22%
Other	296,400.00	1%
Planning & Development	946,616.00	3%
Capital Purchases	4,650,500.00	12%
Debt Charges	3,115,202.00	8%
Recreation Services	4,142,383.00	11%
Environmental Services	4,596,068.00	12%
Infrastructure Reserve	1,000,000.00	3%
	37,373,108.00	100%



2019 OPERATING BUDGET SUMMARY

	2018 Budget	2019 Budget	% of Budget
Revenue			
Taxation	30,208,461	31,649,168	85%
Grants from Other Governments	2,007,503	2,288,545	6%
Sale of Goods and Services	1,788,977	1,817,595	5%
Other Revenue from Own Sources	1,773,800	1,617,800	4%
	35,778,741	37,373,108	100%
Expenditures (By Function)			
General Government	5,189,609	5,177,083	14%
Protective Services	5,211,818	5,365,477	14%
Transportation Services	8,333,968	8,083,379	22%
Environmental Services	4,156,588	4,596,068	12%
Planning & Development	947,976	946,616	3%
Recreation Services	3,930,704	4,142,383	11%
Debt Charges	3,444,829	3,115,202	8%
Capital Upgrades	4,246,849	4,650,500	12%
Infrastructure Replacement Reserve		1,000,000	3%
Other	316,400	296,400	1%
	35,778,741	37,373,108	100%
Net Revenue (Expenditures)	-	-	

REVENUE

	2018 Budget	2019 Budget	% of Budget
Taxation			
Property Tax Revenue - Residential	18,585,652	18,887,978	51%
Property Tax Revenue -Commercial	2,733,176	3,114,016	8%
Business Tax Revenue	4,239,708	4,525,774	12%
Water & Sewer Fees - Residential	4,484,150	4,941,900	13%
Water & Sewer Fees - Commercial	165,775	179,500	0%
	30,208,461	31,649,168	85%
Government Transfers			
Gas Tax Revenue	773,117	798,906	2%
Provincial Share of Debt	1,174,061	1,175,087	3%
Other Grants	55,937	310,164	1%
Grants in Lieu	4,388	4,388	0%
	2,007,503	2,288,545	6%
Municipal Revenues			
Infrastructure Improvement Fee	250,000	250,000	1%
Licenses, Permits & Fees	420,800	420,800	1%
Investment Income	198,000	202,000	1%
Open Space Assessments	905,000	745,000	2%
	1,773,800	1,617,800	4%
Sale of Goods and Services			
Recreation	1,573,277	1,598,520	4%
Other	215,700	219,075	1%
	1,788,977	1,817,595	5%
	35,778,741	37,373,108	100%

EXPENDITURES

	2018 Budget	2019 Budget	% of Budget
General Government			
General Administration	3,012,897	2,940,599	8%
Council Expenses	331,114	329,422	1%
Municipal Election	-	36,000	0.1%
Property Assessments	247,698	241,072	1%
Common Services	1,597,900	1,629,990	4%
	5,189,609	5,177,083	14%
Protective Services			
Fire Protection	4,203,064	4,329,745	12%
Municipal Enforcement	493,394	548,848	1%
Security Services	120,000	162,400	0.4%
Inspections	374,060	305,484	1%
Animal and Pest Control	21,300	19,000	0%
	5,211,818	5,365,477	14%
Transportation Services			
Vehicle Operation and Maintenance	1,339,289	1,201,229	3%
Roads and Sidewalks	3,092,310	2,882,567	8%
Snow Removal	2,846,599	2,907,293	8%
Public Transit	280,750	282,270	1%
Street Lighting & Traffic Lights	775,020	810,020	2%
	8,333,968	8,083,379	22%
Environmental Services			
Water Supply	2,273,006	1,968,029	5%
Sewage Collection and Disposal	542,205	1,275,850	3%
Garbage Collection and Disposal	905,440	885,261	2%
Water and Sewer Department	435,937	466,928	1%
	4,156,588	4,596,068	12%

EXPENDITURES

	2018 Budget	2019 Budget	% of Budget
Planning & Development			
Planning & Development	947,976	946,616	3%
	947,976	946,616	3%
Recreation and Leisure Services			
Administration	437,988	620,250	2%
Facilities	2,209,585	2,051,775	5%
Parks, Playgrounds, Fields & Trails	599,262	787,090	2%
Programs, Activities and Events	683,869	683,268	2%
	3,930,704	4,142,383	11%
Debt Services			
Town Share	2,270,768	1,940,115	5%
Provincial Share	1,174,061	1,175,087	3%
	3,444,829	3,115,202	8%
Capital Upgrades			
Infrastructure	2,271,849	2,360,000	6%
Vehicles and Equipment	735,000	630,000	2%
Parks and Trails	325,000	1,220,000	3%
Recreational Facilities	775,000	415,500	1%
Other	140,000	25,000	0%
	4,246,849	4,650,500	12%
Fiscal Services and Reserves			
Infrastructure Replacement Reserve	-	1,000,000	3%
Other	316,400	296,400	1%
	316,400	1,296,400	3%
	35,778,741	37,373,108	100%

The logo for the Town of Paradise features the words "TOWN OF" in a small, uppercase, sans-serif font positioned above the word "Paradise". "Paradise" is written in a large, elegant, white serif font. A decorative white wave-like flourish arches over the top of the text. A small sun icon with rays is placed above the letter "i" in "Paradise".

TOWN OF
Paradise

www.paradise.ca