

2019 BUDGET AT A GLANCE



TOWN OF GANDER



2018 SYNOPSIS

2018 Synopsis

- The Town of Gander experienced robust growth in 2018, accounting for approximately \$80,000 in new revenue. With revenues of \$16,477,175 and expenditures of \$16,112,648, Council is projecting a small surplus for this year.
- Permits were issued for the construction of new homes and businesses and the renovation of existing properties, in the amount of \$40,800,000.
- As of the end of November, there have been permits issued for 24 new homes and 5 new businesses.
- A major highlight was the start of construction of our new wastewater treatment plant, with an estimated cost of just over \$35M.
- In 2015, the Town's finances were negatively impacted by two court decisions, one regarding billings for snow clearing of Town owned parking lots and a second involving Provincial legislation for taxing special purpose properties. Facing a deficit of \$1.7M, Council was granted permission to recover this amount over a 5-year period ending in 2020. This deficit has now been paid off two years ahead of schedule.
- Over the past year Council invested \$12M in road, sidewalk and water/sewer upgrades including:
 - > Yeager Street - Sidewalk
 - > Armstrong Boulevard - Sidewalk
 - > Cooper Boulevard - Mitchell Street to Raynham Avenue
 - > Memorial Drive - Elizabeth Drive to Magee Road
 - > Griffin Place
 - > Widen Cooper Boulevard - Catalina Drive to Roe Avenue
 - > Salt Shed
 - > Sewage Treatment Plant - Linear infrastructure and lagoon
 - > Water Treatment Plant - Chloramine conversion



BUDGET 2019 HIGHLIGHTS

Operating Budget Overview

Operating Budget

Overview

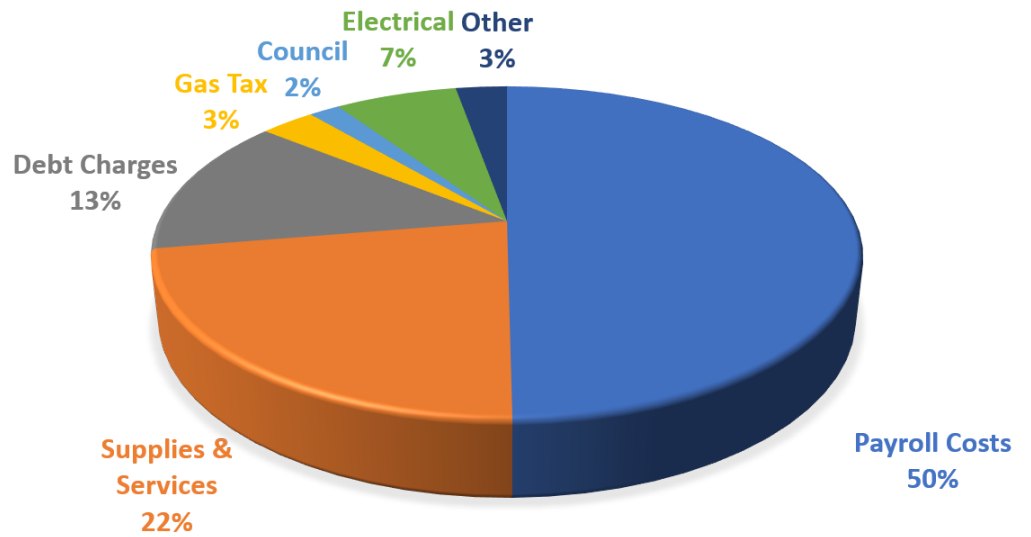
- Council's operating budget for 2019 has matching revenues and expenditures in the amount of \$17,127,039, an increase of \$694,372 over the 2018 budget. These additional expenditures have been accommodated through growth, operational adjustments and a 5% increase in tax rates.
- The residential property mil rate will increase from 6.77 mils to 6.95 mils while the water and sewer levy will increase from \$410 to \$430.
- The commercial property mil rate will increase from 6.46 mils to 6.80 mils. Commercial water tax will be based on a mil rate of 6.80 mils.
- In 2019 payroll costs are expected to account for 49.9%, supplies and services, 22.6%; debt charges, 13.5%; gas tax projects, 3.0%; electrical, 6.7%; and Council related expenses at 1.7%. All other expenses account for 2.8% of the overall operating budget.
- Operating expenses for 2019 will be offset by projected revenues of \$17,124,039. Funding for these expenses will come from various sources with residential property tax and the water/sewer levy accounting for 48.5% of all revenue.
- Commercial property, business and water and sewer taxes contribute 36.2% with tax exempt water and sewer at 3.4%; grants in lieu of taxes at 2.3%; and Steele Community Centre revenues at 2.1%. The remaining 4.5% of revenue is realized through federal and provincial grants, user fees and land sales.
- The Town's debt payment to revenue ratio will decrease from 13.8% to 13.5% in 2019, before rising to 20% in future years as the repayment of loans for the new wastewater treatment plant begin and planned investments in new recreation infrastructure are realized.



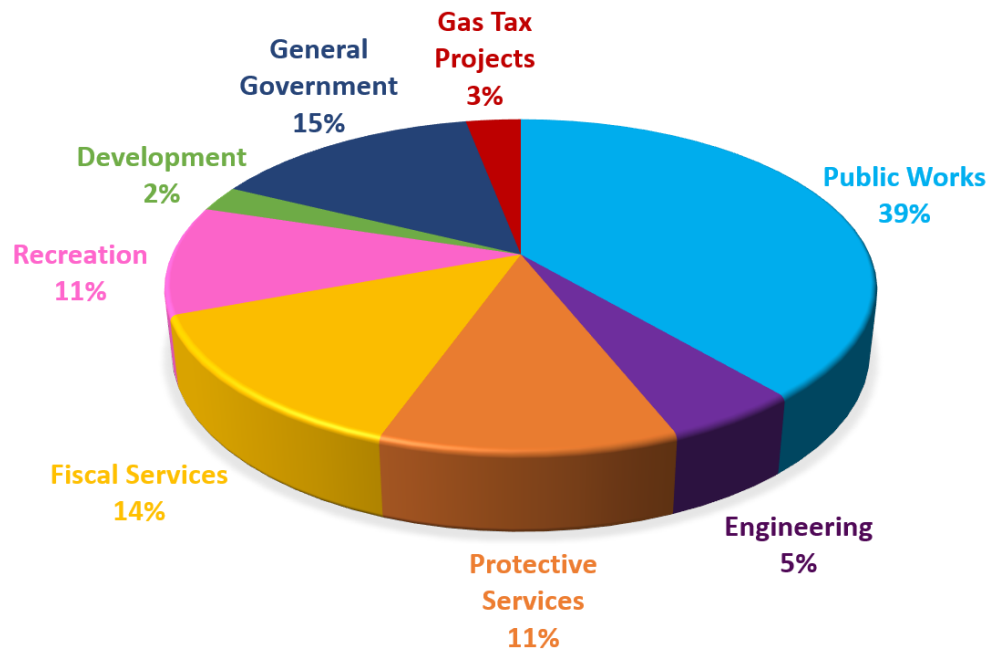
BUDGET 2019 HIGHLIGHTS

Operating Budget Overview

EXPENDITURES BY TYPE



EXPENDITURES BY DEPARTMENT

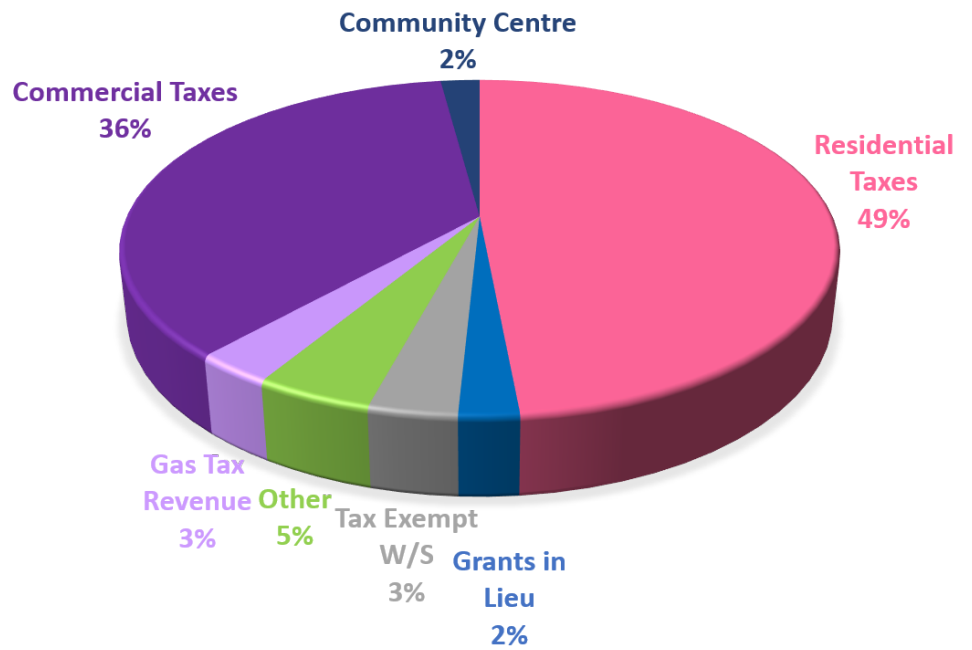




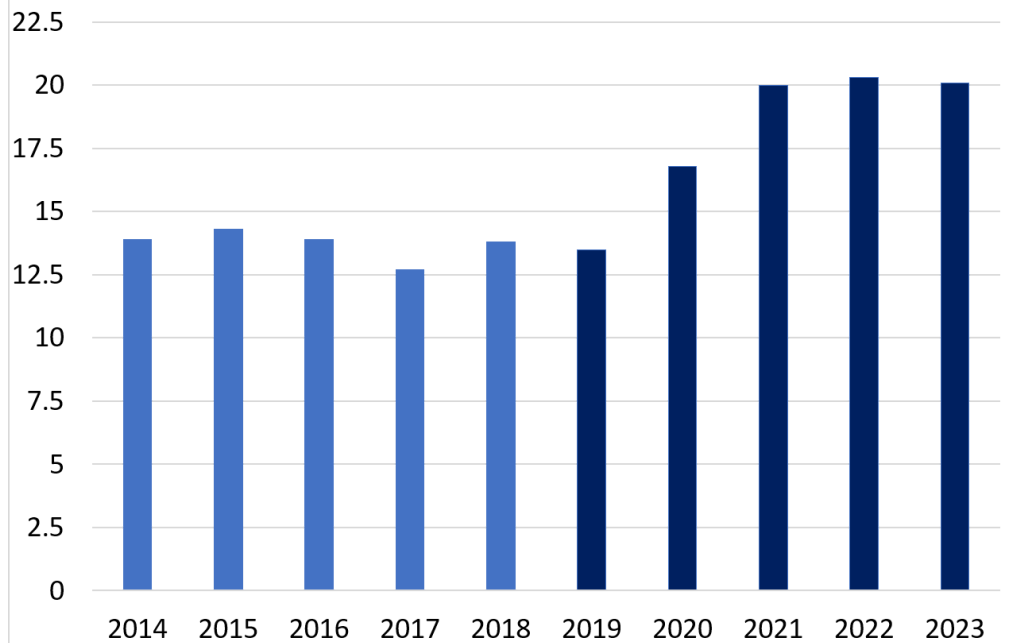
BUDGET 2019 HIGHLIGHTS

Operating Budget Overview

SOURCES OF REVENUE



DEBT PAYMENT TO REVENUE RATIO





BUDGET 2019 HIGHLIGHTS

Operating Budget
New Spending

Operating Budget

New Spending

- **Professional Services – Asset Management**
Council has budgeted \$50,000 to engage a consultant to assist in developing an asset management plan.
- **Enhanced Emergency Dispatching**
Council will invest \$170,000 to hire three dispatchers to support public safety and protective services provided by Gander Fire Rescue and Gander Municipal Enforcement.
- **Geotechnical Testing**
\$40,000 will be allocated for geotechnical testing of land between Memorial Drive East - Baird Place. If results favour commercial development, preparation of a site plan and development concept will commence.
- **Seasonal Recreation Staff**
The Recreation and Community Services Department will be adding two new seasonal positions at cost of \$52,400.
- **Stipend Adjustment**
The Federal Government's new tax regulations for 2019 will have a negative impact on Council stipends and harm municipalities by penalizing current leaders and discouraging those seeking to serve in the future. Council will be allocating \$35,000 to offset changes to Council's stipend that will result from the new tax regulations.
- **Airials Active Wellness Centre**
Council will provide \$20,000 to the Airials Active Wellness Centre to help offset increased rent and heating costs.
- **Other New Spending**
Other increases include allocations for a range of items, including staff training, promotional materials, art procurement, equipment repairs/maintenance, work on a new Adventure Trail system, visitor experience signage, seniors programming and contractual services.



BUDGET 2019 HIGHLIGHTS

Capital Budget
New Spending

Capital Budget

New Spending

- **Core IT Infrastructure**
Council will invest up to \$300,000 to replace or upgrade various components of the core information technology infrastructure.
- **Steele Community Centre Improvements**
In 2019, Council will invest \$612,500 in repairs and upgrades to the Centre including the replacement of the refrigeration plant's heat exchanger. Other improvements will include upgrades to dressing rooms, new exterior doors and an upgraded wireless network.
- **Multiplex and Soccer/Track Facilities**
In 2018, Council commissioned the design and costing for two new recreation facilities, an artificial turf soccer field and a multi-purpose complex. The cost is estimated to be \$24.6M. Council will allocate up to \$8.2M contingent on securing additional funds through government partners.
- **2019 Roads Program Projects**
 - > Laurell Road
 - > Conrad Place
 - > Cooper Boulevard - Mitchell Street to Magee Road
 - > Wilcockson Crescent
 - > Widen Cooper Boulevard – Catalina Drive to Roe Avenue
 - > Sectional Paving
- **Other Major Capital**
 - > Replacement of Excavator
 - > Asphalt heater
 - > Replacement of pump at the Cobham Street Lift Station
 - > Salt Spreader Insert
 - > Replacement of three light vehicles
 - > Booster Station Mechanical Upgrades
 - > 20 Sets of Firefighter Bunker Gear
 - > Washer/Extractor for Bunker Gear