

It is my pleasure to present the 2020 Budget for the Town of Portugal Cove – St. Philip’s, as Chair of the Administration and Finance Committee and on behalf of Council. Since our election in 2017, we have strived to reduce expenditures to lessen the tax burden on residents and businesses in our community. Since then, we have carefully reduced over 1.8 million from our annual budget. Despite these reductions, we have been able to maintain and improve on our municipal infrastructure, programs and services. We are excited to announce major improvements of our roads in 2020 and continued focus on our water loss and conservation program that has seen tremendous success. We have also invested heavily in recreation infrastructure, tourism and the environment. We appreciate the feedback and input that residents and businesses have given us during the budget consultation process and throughout the year. We will maintain our commitment to collaboration and public engagement in 2020 during our municipal plan and development regulations review. The total projected revenue and expenses for 2020 is \$13,965,386 which includes government transfers for capital projects. Detailed information on revenues and expenditures will be provided on the Town’s website.

I recommend that:

(a) 2020 Budget

The Town of Portugal Cove-St. Philip’s approve and adopt the attached 2020 Budget with Revenues and Expenditures totaling \$13,965,386

(b) 2020 Tax Rates

The Town of Portugal Cove-St. Philip’s approve and adopt the following Tax Rates for 2020 taxation year:

Property Tax:

Residential and Commercial Property Tax – 6.5 mils with a minimum tax of \$20.00

Business Tax– Based on Assessment:

Rates as follows with a minimum tax of \$200.00

- General Business Tax – 8.1 mils
- Farms – 1.5 mils
- Daycare and Bed & Breakfasts – 5.1 mils
- Golf Courses – 8.1 mils
- Nursing & Retirement Homes – 8.1 mils
- Non – Profit Organizations – 8.1 mils
- Professional Services – 12.1 mils
- Medical/Dental/Pharmacy – 12.1 mils
- Bank/Financial Institutions – 45 mils

Business Tax – Based on Revenue: Rates as follows with a minimum tax of \$200.00

No Fixed Place of Business – 1 % of Gross Annual Revenue

Home Based - 0.6 % of Gross Annual Revenue

Utilities and Cable Television Tax:

2.5 % of Gross Revenue as per Taxation of Utilities and Cable Televisions Companies Act.

Water and Sewer Tax:

- Residential Water and Sewer - \$625.00 yearly per unit (\$450.00 for Water only, \$175.00 for Sewer only)
- Commercial Water and Sewer - \$715.00 yearly per unit (\$480.00 for Water only, \$235.00 for Sewer only)
- Vacant Land Water and Sewer - \$425.00 yearly per unit (\$250.00 for Water only, \$175.00 for Sewer only)
- Fish Plant Water and Sewer - \$150.00 per month
- Ferry Water Fill up - \$975 per month

(c) Interest

The Town of Portugal Cove-St. Philip's approve the rate of 1 % per month simple interest to be charged on all outstanding accounts on the unpaid balance at the end of each month commencing January 2020.

(d) Early Payment Discount:

The Town of Portugal Cove – St. Philip's grant a 5 % discount on the property tax portion only of the tax invoice if payment of all debts, current and prior including water and/or sewer and storm sewer fees (any and all charges or otherwise) is received and paid in full by the discount date of April 1, 2020. Exception as follows: In the case of payments from mortgage companies and other financial institutions (electronic or otherwise) the payment must be received by the discount date of March 15, 2020 to allow for processing. Furthermore, there will be NO 5% early payment discount for payments made by credit card.

(e) Other Discount:

The Town of Portugal Cove-St. Philip's grant a 20 % discount on the Property Tax portion of the invoice to Residential Property owners in receipt of the GIS (Guaranteed Income Supplement) for their principle place of residence only in the Town of Portugal Cove-St. Philip's (this discount does not apply to any vacant lands or summer residences). Completion of a mandatory application is required in order to receive this discount and the calculation for the 20 % reduction will be applied prior to the 5 % early payment discount (if applicable) or when calculating payment plans. Property owners who qualify for this option may avail of any of the payment plans. Furthermore, there will be NO 5% early payment discount for payments made by credit card.

(f) Payment Options:

The Town of Portugal Cove-St. Philip's provide the following payment options:

- i.) Payment in full by discount date of April 1, 2020 (with the above noted provisions)
- ii.) Interest free (NO early payment discount for this option) a choice of either 6 equal monthly Payments (January to June inclusive) or 8 equal monthly payments (January to August inclusive) for the full balance or 12 equal monthly payments by Pre-Authorized Debit from your bank/financial institution (January to December) Returned cheques/payments will cancel this interest free option and interest will be reinstated retroactively.
- iii.) Cash, Debit, Visa, MasterCard, Telephone and Online banking are also available.

(g) Tax Structure and Schedule of Fees:

The Town of Portugal Cove-St. Philip's approve and adopt the attached 2020 Tax Structure and Schedule of Fees to take effect January 1, 2020 and to be advertised accordingly.