

From the Regular Public Council Meeting held on December 18, 2018

I am happy to have the opportunity to present the 2019 Budget for the Town of Portugal Cove – St. Philip's, as Chair of the Administration and Finance Committee, on behalf of Council. Over the last year Council has worked on executing the vision that was established as a part of our first budget. Since forming the Council, we have strived to bring a greater focus on efficiency, financial prudence and growing the community in a way that that shows balance, foresight and unity. We believe that this budget is a natural extension of that vision and effort, one that can only be truly sustainable with a collaborative approach to governance and decision making. We are lucky to have individuals, groups and various stakeholders who are willing to work with Council and provide insight and wisdom to better the community and this year's budget consultation process again proved that fact.

We maintained our commitment to reducing the tax burden to residents this year, despite the challenge of a reduction in household assessments, we were able to hold both residential and commercial mil rates at 6.5 and 8.1 respectively. This was achieved by reducing overall expenditures by over \$400,000 in 2019 after reducing them over \$1,300,000 in 2018. We were able to continue to reduce the tax burden to residents while planning for the future and maintaining and enhancing the services we provide. We have created a fairer tax structure for those with vacant lands by decreasing their water fee by \$200. Investments will continue to be made in roads, water and sewer, trails and projects that benefit the future opportunities and amenities of our community. We will continue to listen and collaborate in 2019 and look forward to another exciting year moving our community in the right direction together.
Committee recommends that:

(a) 2019 Budget

the Town of Portugal Cove-St. Philip approve and adopt the attached 2019 Budget with Revenues and Expenditures totaling \$13,639,326.

(b) 2019 Tax Rates

the Town of Portugal Cove-St. Philip approve and adopt the following Tax Rates for 2019 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 2019.

(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, 2019.

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, 2019 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, 2019 (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 approve and adopt the attached 2019 Tax Structure and Schedule of Fees to take effect January 1, 2019 and to be advertised accordingly.