

INTRODUCTION

Your Worship The Mayor, fellow Councillors, ladies and gentlemen; welcome to the presentation of the 11th Council of Happy Valley-Goose Bay's 2017 Municipal Budget.

As Deputy Mayor and Chair of the Finance Administration and Policy Committee, I am pleased to present a strategic and fiscally-responsible budget that reflects the needs of the community and our residents. We are confident the strategic investments outlined in this budget will contribute to the future growth and development of Happy Valley-Goose Bay.

The 2017 budget is a path forward toward our goal of meeting the expectations of the community while matching the fiscal realities of revenues. This budget presentation will outline our strategic investments in areas such as water and sewer, road transport, recreation and community development, and emergency preparedness, as well as investments in areas

deemed important to the community as voiced by residents during the pre-budget consultation.

INVESTMENTS

The Town continues to invest in key areas that support effective and efficient municipal operations including approximately \$7 million in Multi-Year Capital Works Projects, cost-shared on a 70/30 basis with the Government of Newfoundland and Labrador.

Water and Sewer

The Town has invested significant resources in its municipal water and sewer infrastructure. We understand that water quality remains a priority for the community and we continue to engage and respond to questions and concerns voiced by residents. We are proud of the investments we committed in 2016 including the installation of an auxiliary power unit at the D19 Reservoir, upgrades to one of the municipal lift stations, as well as riverbank erosion activities. The Town also supported an

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independent study by the Labrador Institute of Memorial University, spearheaded by Dr. Merline Fonkwe, of its water supplies and distribution systems. Dr. Fonkwe's report illustrates the critical importance of information-sharing and evidence-based decision-making to which the Town is committed.

In 2017, \$1.96 million is allocated for the expansion to the well field at the Water Treatment Plant, and \$323,000 will go toward upgrades to pumps at the Sandhill Reservoir. In addition, through the Clean Water and Wastewater Fund, the Town will invest \$1.5 million to upgrade five lift stations in the municipality and invest \$913,000 to upgrade fire pumps at the D42 and Sandhill Reservoirs. Future areas for improvements to efficiencies surrounding water and sewer were identified in 2016 and we are pleased again in the progress we continue to make in this area as investments made will improve the water quality within the municipality. The Town is also pleased that discussions are ongoing with 5 Wing Goose Bay and the federal

and provincial governments regarding gaining access to Spring Gulch to supplement the Town's water supply which will further improve the drinking quality within the municipality.

Road Infrastructure

Another key area in which the Town is committed to investing surrounds municipal roadways. The Town will invest in new equipment for the roads and transport division with the purchase of a new snow-blower attachment. In addition, while annual improvements continue to be made to our road infrastructure, the Town remains committed to improving Kelland Drive. A significant investment of approximately \$1 million will be made to this roadway and will be accomplished by utilizing a phased approach to repaving and widening. The Town will request access to federal Gas Tax funds that have been allocated to the Town for such projects and work to leverage other funds to see it through to completion. Kelland Drive is one of the community's most-used thoroughfares and is in desperate need of replacement. We continue to engage

with the community surrounding their concerns and are responding positively with this significant investment.

Recreation

The Town continues to invest in community recreation and public spaces. In 2016, the Town began the construction of a splash pad at Kinsmen Park. In 2017, the Town will complete the project along with construction of a walking trail and shoulder remediation to the bike trail inside the park. The Town will also continue with upgrades to the arena with an investment of \$1.2 million to replace the arena headers along with installation of a dehumidifier.

In addition, the Town is committed to advancing the Labrador Wellness Centre project. This project remains a priority for not only the Town, but for community members who continue to voice their concerns and challenges surrounding existing recreational infrastructure, as well as the need for this project. Phase 1 of this project includes a new aquatics centre, 60 day

care spots, an indoor walking track, fitness studio and gymnasium space. Through community consultations and with the support of the YMCA and many key stakeholders, we understand and identify with the health and wellness needs of the community and are committed to advancing this project for all Labradorians. We are pleased to allocate \$1.1 million to proceed with engineering work for the project. Along with an \$11 million funding commitment from the provincial government, the Town has submitted applications for funding with the federal government and looks forward to the continuation of frequent and positive discussions to bring this project to a reality.

Emergency Response and Preparedness

The Town has made significant progress surrounding emergency preparedness and response. In 2016, the Town hired a full-time Fire Chief, as well as a Geographic Information Systems Technologist. Both employees have been invaluable to the Town in terms of emergency preparedness, particularly

surrounding improvements to the Town's emergency response plan and the creation and analysis of maps and other critical data to more effectively understand and manage Town infrastructure with evidence-based decisions.

In addition, in 2017, the Town is investing in new equipment for our firefighters and is allocating \$57,000 to a Fire Hall Operational Study to identify additional opportunities surrounding operational effectiveness and efficiencies to further ensure the safety and wellbeing of the community.

BUDGET HIGHLIGHTS

Low Income Relief Policy

Based on the needs of the community, the Town has made improvements to its Low Income Relief Policy. The budget includes a 10 per cent increase in the thresholds for low-income property owners. For example, the income range for those individuals eligible for a 25 per cent discount is now between \$39,601 and \$46,750, as opposed to the 2016 range

of \$36,001 - \$42,500. We understand the challenges that exist in the community surrounding income and property tax for low income individuals and are pleased with these improvements.

Mil Rates

The Town is also pleased that no adjustments have been made to residential mil rates, nor residential and commercial water and sewer tax rates. In 2016, we saw a 22 per cent reduction in the residential mil rate, and the rate will remain at 6.25 mils.

Over the past year, the Town conducted research surrounding business tax mil rates throughout the province. The Town conducted an in-depth comparison and analysis of 19 of the largest municipalities throughout the province including 65 business types. Adjustments will be made to business tax mil rates for specific businesses in which the mil rate was well below the average.

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The Town has a total of 275 registered businesses and approximately 85 businesses will be affected. Adjustments to business mil rates have not been made in many years, and the Town remains committed to making evidence-based and informed decisions surrounding the business climate to ensure the Town's taxation system is comparable and consistent with other municipalities.

Vacant Land

In addition, the minimum commercial vacant land tax will increase to \$3,750 from \$2,500 to encourage lot development within the municipality. Similarly, a \$1,500 residential vacant land tax will be implemented to also encourage development. These measures will not only promote further development of vacant land within the municipality, but assist in ensuring the beautification and attractiveness of our Town.

Tipping Fees

The Town will also increase tipping fees for commercial refuse originating from locations outside of the municipal boundary. Given the increase in commercial construction activity, particularly located outside of the municipality, the Town continues to experience pressures on municipal infrastructure including the local landfill. The revenue generated to the increase to tipping fees will be reinvested back into the community for a variety of worthwhile projects and initiatives.

VALUING OUR EMPLOYEES

Your Worship, we take pride in the work of our employees who maintain and provide valuable services to residents. This budget takes into account wage increases of nine per cent over three years for our unionized workers.

PRE-BUDGET CONSULTATIONS

The Town would like to thank the community for participating in the budget process and providing input on community

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priorities and enhancement. The 2017 budget is well-rounded with community enhancement projects based on feedback received from residents. We are committed to investing in strategic infrastructure initiatives for the future of our Town. Due in part to input received from residents, the Town is committing to investing in outdoor recreation at the Mealy Mountain Collegiate Sportsplex, as well as the installation of additional bear proof bins in public spaces to reduce litter in the community.

Members of the community have voiced their concerns surrounding public safety within the municipality and to that end, the Town is investing in additional lighting along roadways and crosswalks on our streets aimed at increasing public safety within the municipality.

These investments further illustrate the importance of the community's involvement during the budget consultation process. By providing a venue at which community members

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can provide input, needs of the community are better understood and together we can make positive steps toward further enhancing community spaces and improving the quality of life for all residents.

SUMMARY

In summary, the 2017 budget is a path forward toward our goal of meeting the expectations of the community while improving the quality of life for residents. The 2017 budget is very much a partnership between the Town and the community of identifying projects and initiatives that would enhance and ensure the future progress and success of the municipality. Through strategic infrastructure investments, improvements to municipal services, enhancements to public spaces, and additional tax relief for low-income property owners, the municipality remains fiscally-responsible with a debt servicing ratio of 6 per cent of its operating revenue. It remains a challenge to balance our fiscal realities with varying priorities and projects, though we are confident the strategic

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investments outlined in the 2017 budget will contribute to the future growth and development of the community.

I would like to thank our residents for their continued input on their vision for our community. We understand and see firsthand the value in providing residents a forum to voice their suggestions and appreciate the active participation in the future growth and development of our community.

I would also like to thank each and every councilor, as well as management and staff for your commitment, support and important contributions to this process, and for ensuring we completed this budget before the provincial deadline.

Finally, I would like to thank our families who stood by us during the long days of this time-consuming and crucial process. We are very grateful for your continued support. Thank you.

(Recommendations to follow)