

## **Regular Meeting #20 December 12, 2016**

A Regular Meeting of Council convened in the Council Chambers at 8:00 p.m. in the presence of Mayor Steve Tessier, Councillors, Chief Administrative Officer, Dan Noseworthy, Town Clerk, Gail Pomroy, Director of Finance, Liz Davis, Director of Recreation and Leisure Services, Dave Tibbo, Director of Economic Development, Jennifer Lake, Fire Chief John Heffernan and Communications Coordinator, Kristina George.

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### **1. 2017 BUDGET PRESENTATION**

Deputy Mayor George will present the 2016 Budget.

Your Worship, Fellow Councillors, Ladies and Gentlemen and members of the Media:

It is indeed my honour this evening to present, on behalf of Council, the Town of Conception Bay South Budget for 2017.

2016 was a very exciting and positive year for our residents, and I will now highlight two events in particular that showcased our wonderful community.

In August the Town of Conception Bay South hosted the 2016 Newfoundland and Labrador Summer Games. It was the first time anywhere in Canada that a Host Society and Province invited the Indigenous Nations to include their athletes in the competition.

We welcomed approximately 1,500 athletes and coaches, who competed in 10 sports, and the performance of our local athletes was something that we could all be proud of, and we are.

In addition to collecting 40 medals, the Host Team received the Sport Newfoundland and Labrador Trophy for the region showing the most improvement from one Games to the next. The Host Team was also the recipient of the Lieutenant Governor's Award, presented to the region that best demonstrates the overall spirit of friendly competition and sportsmanship – the essence of the Newfoundland and Labrador Summer Games.

The many improvements made to our sports facilities will be the legacy of the 2016 Summer Games. These include new lights and score clocks installed at our softball and baseball fields, the Recreation Complex now has a new timing system for swim meets, and the Villa Nova beach volleyball courts will enable the Town to host tournaments for many years to come.

At all events this past summer, athletes, coaches and families from across Newfoundland and Labrador offered continued compliments on our facilities, and our hospitality.

Events like the Summer Games not only provided us the opportunity to showcase our Town, but many local businesses reported a considerable increase in customer traffic during that time.

We extend our thanks and appreciation to the organizing committee, numerous volunteers, the business community, and our municipal employees for helping ensure the Conception Bay South Games were the best ever.

Also, we were privileged to be the only community in the province this year to host the world famous RCAF Snowbirds, whose outstanding August performance brought thousands of people to our community from across the province. We do hope the Snowbirds will consider another show over beautiful Conception Bay in the future.

Conception Bay South has experienced incredible growth in recent years and is now the second largest municipality in the province. With that growth came the need to invest in important infrastructure. We are extremely proud of Fire Station #1, located in Kelligrews, which was designed and built to allow for the increased demand associated with our growing community.

This past year we brought all departments under one roof with the opening of our new Town Hall. Our very functional new building overlooking the Monument of Honour is centrally located and allows us to provide more efficient services to our residents.

2016 also saw the opening, on Graham Miffen Drive, of our multi-purpose Conception Bay South Arena with its very popular Walking Track. Each week hundreds of walkers, particularly this time of the year, take advantage of the Walking Track, a free service we are more than happy to offer our residents. With our two ice surfaces we are better able to serve the needs of residents and local sports groups, and it enables the Town to attract major sporting and other events. This past year our new Arena hosted Atlantic Midget and Junior B tournaments, as well as the Queen Elizabeth Regional High School graduation. Among the events planned for the Arena in 2017 is the PeeWee Triple A Atlantics in April. Both Queen Elizabeth and Holy Spirit High School will hold their graduation ceremonies at the facility in May, which means students no longer have to travel outside their hometown for such an important milestone.

Ladies and Gentleman, we started planning for Budget 2017 very early in 2016. We are committed to providing our residents with important and essential services, recognizing that taxpayers' dollars must be spent as efficiently as possible.

The fiscal environment at all levels of the public sector in this province is currently very challenging.

Decisions made by the Provincial Government in their effort to address declining revenues and escalating costs have resulted in an additional burden being placed on municipalities. The 2 per cent increase in the HST, the 16.5 cent hike per litre in the gasoline tax and the 15 per cent insurance tax announced in this year's Provincial Budget had a huge impact on the Town. In fact, those increases alone resulted in an additional \$300,000 cost that was not budgeted in 2016.

We have also invested heavily in much-needed infrastructure in recent years and the associated financing has resulted in the Town having a debt servicing ratio of 15 per cent with annual debt charges of \$5.1 million. As a Town, we strive to maintain a balance between providing capital projects needed by our residents and the cost of leveraging future cash flows.

This 15 per cent debt servicing ratio places our Town well below the 30 per cent identified by the Provincial Government as the acceptable threshold for municipalities.

We also recognize that many of our citizens are living on fixed incomes, and the tax and fee increases introduced by the Provincial Government this year, coupled with the rising cost of food, heat and other necessities, are creating, in some instances, financial hardship. We hope the measures included in the Budget being delivered this evening will help reduce some of their financial burden.

In preparation for Budget 2017, Council, along with Senior Town staff, undertook an extensive assessment of all aspects of Town operations. We thoroughly reviewed every department with the objective of maintaining the current level of services with no additional cost to taxpayers.

We wanted to ensure that the priorities of our residents were included in our deliberations. We offered that opportunity and many of our residents have shared their views on what our spending priorities should be in 2017.

This was done through an online budget survey, an Open House with Council, and through many conversations we, as a Council, had with taxpayers. We want you to know that we have taken your views and suggestions into consideration in preparing the 2017 Budget. For everyone who shared your thoughts and opinions with us, we thank you sincerely.

While the needs and wants of residents vary, one message that we, as a Council, heard loud and clear is that the residents of Conception Bay South did not want an increase in their municipal taxes. Accommodating that message remained a priority of Council throughout the year-long Budget preparation process.

Despite the financial pressures faced by the Town, tonight I am pleased to announce that the residential mill rate will remain at 7.15 mills. With this rate, our residents will continue to pay one of the lowest levels of municipal taxes in the area.

I am also pleased this evening to announce that there will be no increase in water and sewer taxes in 2017. Council will do whatever it can in the coming years to make sure tax rates remain as low as possible.

As a Council, we appreciate the significant contributions senior citizens continue to make to our community, and recognize many face financial challenges. In the 2016 Budget, Council introduced a 20 per cent reduction in residential property taxes to residents in receipt of the Guaranteed Income Supplement. This past year 455 households took advantage of that reduction.

This evening, I am very pleased to announce the continuation of the Senior Citizens Tax Reduction. In 2017, the 20 per cent tax reduction is once again available to homeowners who are in receipt of the Guaranteed Income Supplement.

During our consultations, we also heard that tax relief should be made available to low-income homeowners of all ages who, for whatever reason, find themselves in a position whereby they are having difficulty paying their residential property tax. This past year was very challenging for families of all sizes, and we, as a Council, want to provide assistance to those in our community who need our help the most.

To further assist the citizens of our community, this year we are introducing the Low Income Tax Reduction.

The Town is offering a new 10 per cent reduction in the residential property tax for low income families. We have established criteria based on Statistics Canada income-based thresholds to determine a family's eligibility for the reduction. The reduction will be offered to all families who qualify based on the following formula:

Households with four or more people with an income below \$47,482;  
Households with three or more people with an income below \$39,569;  
Households with two or more people with an income below \$31,655;  
A person living alone with an income of below \$23,741.

This information will be included with the 2017 tax invoices. Residents who feel they qualify for the tax reduction should contact our Financial Services officials to discuss eligibility criteria.

Based on Statistics Canada data, we have calculated the cost of offering both the Senior Citizens Tax Reduction and the Low Income Tax Reduction at approximately \$450,000. Rest assured that all residents and families who request this reduction and qualify will receive these tax discounts.

Your Worship, we also heard that many of our residents of all levels of income would like the convenience of paying their tax bill monthly as they do with other utility bills. In that respect, for 2017, we are improving our current Equal Payment Plan. Residents can choose to enroll in the Pre-Authorized Equal Payment Plan and make equal payments for up to 12 months. However, arrangements must be made by February 15, 2017 and must be done by preauthorized debit.

It's important to note that availing of the 12-month option requires that residents enroll in the plan and make their first payment in January. Our Financial Services officials can assist residents who choose this option to pay their taxes, and I encourage any resident with questions to contact them.

Residents are also encouraged to make contact, if for any reason, difficulty is anticipated in paying your 2017 tax invoice.

The Department of Engineering and Public Works is the Town's largest department and strives to deliver the highest level of services to residents in the areas of water and sewer, road infrastructure, waste collection, and snow clearing. Each year the Town prioritizes work to improve services for residents. In 2016, approximately \$20 million was allocated for water and sewer work, street paving, lift stations, bridge repairs, traffic lights, and other important infrastructure improvements.

In 2017, we have budgeted \$12.6 million for cost-shared projects, and I will now provide details on some of the work scheduled for next year.

Through support provided by the federal Clean Water and Waste Water Fund, the next phase of water and sewer upgrades will continue with an investment of \$7.5 million.

The Town will also spend \$2.35 million on other municipal water and sewer infrastructure in upgrades which will include lift stations and sanitary sewer replacement.

In addition to these water and sewer improvements, I will update residents on other capital works projects initially scheduled to be completed in 2016.

While the contracts were awarded, and it was Council's intention to have various road upgrades undertaken this year, upgrades to Legion Road, at a cost of \$1 million, and to Lawrence Pond Road, at a further cost of \$750,000, were deferred

to the 2017 construction season, due to the volume of work and a relatively short construction season.

Work on storm water upgrades for Tilleys Road South scheduled to be completed during the 2016 construction season has commenced and will be completed next year.

To provide the best services to our residents, and the safety of our valued employees, the Town must ensure it has the proper equipment to deliver our municipal services. To accomplish this, in 2017, the Town has allocated \$1.5 million towards upgrading equipment and managing our fleet of vehicles.

Council is taking every measure to ensure that we all play our part in protecting the environment for the generations that follow. Waste collection is a service we are certain is of very high priority to our residents. In 2017, the Town has maintained its budget of \$1.3 million for waste collection services, which includes the continuation of bi-weekly recycling.

Another vital service provided by the Town is snow clearing.

The safety of our residents is of the utmost importance to Council and this can only be accomplished through the effective removal of snow from our streets allowing for the travel of our residents, and our emergency response vehicles. The Town has budgeted \$1.3 million for snow clearing services next year on our approximately 240 kilometres of roads.

We are also committed to keeping our residents safe in other areas. We are fortunate to be able to provide a 24-7 fire service through our Fire Station in Kelligrews, with its Emergency Operations Centre, as well as a satellite station in Topsail. We are very proud of our firefighters, who go well beyond the call of duty every day. Budget 2017 allocates \$3.6 million for fire protection and first responder services.

I should note that the Conception Bay South Fire Department will host the 2017 Regional Scott Safety FireFit Championships August 5 and 6. This event is a first for the Town and will bring firefighters here from Canada and the United States. It promises to be an exciting event and I am confident our local firefighters will be continue to be strong competitors and great ambassadors for our community.

This past year we were pleased to implement a Fire, Enforcement and Public Safety Committee.

Council has been working with agencies such as the Royal Newfoundland Constabulary, Fire and Emergency Services and the Salvation Army on all areas of public safety, including traffic concerns. Our Enforcement Division works very

closely with police to keep our neighbourhoods safe, and ensure that our bylaws are followed.

To address local safety concerns, the Town added extra signage in school zones to encourage motorists to slow down, and continue to work with police to increase patrols in these high-pedestrian areas.

Councillors and officials of the Town had a number of meetings with the RNC Chief of Police and his officials with very positive results. Budget 2017 provides \$567,000 for the Town's Enforcement Division.

Our Humane Services Division operates the shelter for stray, injured, lost and abandoned animals. It is a very necessary service in a community the size of Conception Bay South and our staff do an exceptional job of protecting and caring for animals. In Budget 2017, \$388,000 has been allocated for Humane Services to continue its important work.

Despite the slowdown in the provincial economy, we experienced steady housing and commercial growth throughout our Town this past year.

We want this growth to continue, as further development will provide the Town with additional sources of revenue that will help us keep pace with growing demands and rising costs.

This year to date, there were 131 housing starts valued at close to \$28 million, and 19 commercial starts valued at nearly \$2.5 million. There were also 623 miscellaneous permits issued to date with a construction value of \$3.6 million. We look forward to this level of growth continuing in 2017.

Your Worship, currently there are more than 500 businesses registered in the Town of Conception Bay South, and that number continues to grow. In the past year alone, there were 45 businesses that either opened for the first time, moved to a new location, or assumed new ownership within the Town. This demonstrates that our community is indeed an ideal place to live, raise a family and operate a business.

In April 2016, the Department of Fisheries and Oceans divested the waters of Long Pond, Manuels, known as the Inner Harbour, to the Town. This transfer of ownership and management will allow us to capitalize on opportunities through the development of the Harbour Plaza Concept, providing our residents and tourists with access to the shoreline of Conception Bay.

The Long Pond Harbour Authority has been operating and maintaining the commercial port on Terminal Road since April 2013. The Town works closely with

the Long Pond Harbour Authority Inc. to enhance and capitalize on economic development opportunities for the Town utilizing this valued asset.

We continue our efforts to attract business owners and operators to our thriving business community. The Main Street commercial district currently has approximately 120 businesses.

In addition, with a growing population, serviced land and highway infrastructure, the Gateway has great potential for future development. With recent land sales we anticipate new development will take place at the Gateway in the coming months.

With that in mind, the commercial mill rate for 2017 will remain at 11.5 mills for the 12<sup>th</sup> consecutive year and no changes have been made to business tax rates.

Ladies and Gentlemen, to assist in the growth of our business community, I am pleased this evening to announce that we will continue the Business Tax Incentive Program for new and expanding businesses in 2017. Seven businesses took advantage of this program in 2016 and I encourage anyone with questions on opportunities that may be available to them to please contact the Town Hall.

The Tax Incentive Program for members of the Conception Bay and Area Chamber of Commerce will also continue next year.

As with the equal payment opportunity available to residents, we will continue to offer Chamber members the Equal Payment Program, as well as a \$100 tax reduction. We look forward to again working closely with the Chamber as they actively engage networking opportunities and other special events this year.

Our world-class T'Railway is certainly one of our greatest tourism assets. This past year improvements were made to 4 kilometres of T'Railway between Pond Road and Doyles Road, and a short segment of trail constructed between the Conception Bay South Arena and Sgt. Ned Nugent's facilities. By April 2018, we anticipate the completion of the Gateway Integrated Trail which will essentially connect the Trailway in Kelligrews to the Gateway and Sgt. Neds Complex via the Kelligrews and Lower Gully Rivers.

We are also continuing to work on the development of an ATV bypass.

Once completed, phase 1 from Indian Pond to the Foxtrap Access Road, will see approximately 18 kilometres of backcountry trail for ATV use with potential access points in between, that are yet to be finalized. Once developed it will be an untapped tourism market on the northeast Avalon having the potential to be another economic driver in the region. We appreciate the patience of residents awaiting this development as we continue to work with neighbouring municipalities through the regulatory process.



As referenced earlier, in preparing Budget 2017, we examined all Town programs and services, and how we could provide municipal services to our residents in the most effective, efficient way possible. As part of a recent Regional Demographics Survey, nearly 90 per cent of residents indicated that they are satisfied with municipal services.

We strive to continue to grow our community, support development and increase business opportunities in our Town.

After an extensive review of the delivery of municipal services, Council made the decision to amalgamate the former Departments of Planning and Economic Development into the new Department of Community Development, effective December 19. This new approach will enable us to utilize the skills of the staff in departments in a unified approach in growing our community, and we are confident that the service and support provided to residents and businesses will be enhanced through this change.

As part of the Budget 2017 process, we identified 7 management and bargaining unit positions that will not be funded in 2017. This will be accomplished through attrition, the restructuring of duties, and by not filling vacant positions within the Town

I am pleased to announce that we are maintaining our contractual obligations to our employees, with the negotiated wage increase of 4 per cent for our union and management employees. As in 2016, there will be no increase in remuneration paid to the Mayor and Councillors.

As Deputy Mayor and a father of four, all of whom were raised and educated in the Town of Conception Bay South, I am very proud of our community, and all that we offer residents of all ages. Our Recreation and Leisure Services Department supports numerous sports organizations and community groups.

The Department is also responsible for the maintenance of playgrounds, parks and accessible recreational facilities that make us the envy of many communities in Newfoundland and Labrador.

Budget 2017 includes \$1 million for the maintenance of parks and playgrounds, and \$1.1 million for the operations of our many sports facilities.

Department staff organize many special events and programs for our residents throughout the year – events like the Kelligrews Soiree, Winterfest, Family Day at The Still, and Pirate Day.

Through our recent online Budget consultation, the majority of respondents indicated that they felt the annual expenditure to offer these activities should be maintained. It is my pleasure to announce that Budget 2017 contains \$166,000 for these special events and programs next year.

To build on the success of our Youth Advisory Council, we are in the process of forming a Seniors Advisory Committee with the view of improving communication with that very important segment of our population.

Through Budget 2017, we have been able to hold the line on taxes charged to residents and businesses.

To reflect increasing costs, there will be modest increases in some of our recreational facility fees and some permits. While the changes bring the rates more in line with other municipalities, residents have a full assurance that the same level of service will be maintained. A full list of the rates and fees for 2017 are available at the Town Hall and online at [conceptionbaysouth.ca](http://conceptionbaysouth.ca).

Operating a municipality with approximately 26,000 residents requires a knowledgeable, skilled workforce. Whether it is the staff organizing our Summer Day Camps for children, bus tours and other activities for Seniors, supporting a new business setting up in our Town, keeping our roads safe and clear of snow, or responding to a water main break in the middle of the night, we appreciate the commitment of all employees of the Town.

CUPE Local 3034 represents the majority of our municipal workforce and I would like to thank each and every one of our unionized, as well as our management employees for helping us serve the residents of this great community.

In conclusion, the total expenditure for Budget 2017 is \$36,900,447 – a nearly \$500,000 reduction from Budget 2016.

At this time, I would like to extend my sincere thanks to my Council colleagues and Town staff, particularly Finance Director Liz Davis, in helping prepare a balanced budget for 2017. Many long hours of discussion and deliberation took place, much of it outside regular office hours, resulting in a Budget that enables us to meet the needs of our residents.

As a Council, we will continue to dedicate ourselves to serving in the best interests of our community and its residents.

Thank you.

I respectfully make the following recommendation:

**Resolution #16-463**  
**Deputy Mayor George/Councillor Youden**

Be it so resolved that the Town of Conception Bay South accept the balanced budget herby tabled for the fiscal year 2017 in the amount of \$36,900,447 and that this budget be submitted to the Minister of Municipal Affairs for review and acceptance.

- carried unanimously

All members of Council spoke in favour of the budget, thanking staff for their efforts and hard work.

**2. ADJOURNMENT**

The meeting adjourned at 8:52 p.m.

**Resolution #16-464**  
**Councillor Rowe/Councillor Tilley**

Be it so resolved that the meeting adjourn.

- carried unanimously

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Steve Tessier  
Mayor

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Gail Pomroy  
Town Clerk