



CITY OF  
**Mount Pearl**

# BUDGET **2020**

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Your Worship, Fellow Councillors, Ladies and Gentlemen:

Tonight, as co-chairs of the Corporate and Community Services Committee, Councillor Power and I are pleased to deliver the City's 2020 budget.

Budget 2019 was about setting a strong foundation for the future. We stood here last year at the onset of a new strategic plan, building a path forward as a **smart City of engaged citizens, leading the way in sustainable growth.**

This past year, we worked hard to set the framework for progress and push our City forward to deliver on our strategic priorities.

We set our sights on digital transformation and actively pursued the improvements that technology can make on our City operations. Under this mandate, we:

- Participated in the AcceliCITY program offered by Leading Cities, whereby we ran a Smart Water track. Start-ups from around the world worked hard to find solutions for us to conserve water. The end result is a pilot project that we will run in 2020 related to using artificial intelligence and machine learning to predict leaks in our underground infrastructure before they happen.
- Hosted the first ever Municipal Hackathon in Newfoundland and Labrador. In November, over 70 participants gathered at the Reid Centre to "hack" away at some of the biggest challenges related to resident notifications, recycling, and funding administration. The end result is two active pilot projects the City will lead in 2020.
- Partnered with the Community Solutions

Network to host an Atlantic Ideas Camp here in Mount Pearl, where we welcomed fourteen municipalities from across the country who came together to share experiences and seek advice from our peers as we shift into the smart city space.

- Lastly, the City embarked on the digital transformation of our systems, including the successful completion of the RFP for our enterprise resource program (ERP) that will allow the City to integrate and automate all back-office operations related to technology, services and human resources.

Throughout the year, we focused on engaging our citizens in recreation planning. We want to ensure the plans we build are constructed with the feedback of our valued residents. To achieve that, last spring, the City launched a resident survey related to the development of our recreation master plan. Over 2,200 residents responded and gave us important insight into what matters most to them. Our recreation master plan will be completed using that feedback.

In addition to the recreation master plan, the City partnered with Mills & Wright to develop a Trails Master Plan, including a full inventory and assessment of our current trail network, and recommendations on the further enhancement of our trail network, which is one of our greatest recreational assets.

This past year, the City of Mount Pearl focused heavily on growing our business landscape. We invested in an economic development campaign, *Consider it Done*, that showcased the many reasons why Mount Pearl is a prime location to set up, and grow, your business. The campaign was very successful, earning three Eco-

conomic Developers Association of Canada marketing awards.

Last year, we continued our investment in fleet, ensuring we remain equipped to deliver on the high level of service standards that our residents and businesses value. In 2018 and 2019, we upgraded almost 20 new vehicles, including five garbage trucks, two service trucks, a wood chipper and seven light vehicles.

Aligning to our sustainable development priority, in 2019, the City completed a full green house gas emissions inventory. As a municipality, we must understand our carbon footprint and how we can reduce our impact on the environment. We have taken the right steps this year towards that, and we are pleased to see climate change as an investment in our budget this year.

We are proud of the progress we have made this year towards delivering on our renewed vision. Tonight's budget forges ahead on the ambitious goals outlined in our strategic plan. The plan, **On the Horizon**, is delivered on through seven strategic pillars. And our budget tonight reflects our commitment to continuing that important work.

## **DIGITAL TRANSFORMATION AND A1NEXT**

A digitally transformed Mount Pearl will utilize technology to underpin every aspect of its operations from citizen engagement to service delivery, from smart infrastructure to smart planning.

We will deliver on this through allocating \$650,000 to a new enterprise resource planning system (ERP) that will allow the City to integrate and automate all back-office operations related to technology, services and human resources. We will also be investing \$100,000 in citizen relationship management (CRM) software, allowing us to better communicate and measure resident and business interactions.

## **CITIZEN ENGAGEMENT**

An engaged City of Mount Pearl will better anticipate and understand the needs of residents, businesses and stakeholders, enabling more effective planning, service delivery and continuous improvement.

We will achieve this through investment in aquatics programming, including increased swimming lesson slots, investment in fitness equipment and maintenance. We will continue to support organized groups and associations in our community through \$460,000 allocated to operating subsidies for organizations including Admiralty House, Frosty Festival, the Seniors Independence Group and the Mount Pearl Sport Alliance. Lastly, we will continue to invest in the events that bring our community together through over \$50,000 dedicated to City Days, Oktoberfest and Best in Mount Pearl awards.

## **ECONOMIC DEVELOPMENT**

An updated Economic Development Plan will guide the growth of the City of Mount Pearl's residential and commercial tax base. It will help increase the number of new residents, encourage new start-up activity and attract new investment.

A strong year of planning has created a framework for our economic development investments. In 2020, we will be bringing forward a new Donovan's Reimagination Plan, a City Centre Revitalization Plan with a focus on the Waterford River, and a Foreign Direct Investment Strategy. In this year's budget, we have invested \$400,000 to the continued execution of these important economic development projects.

## **URBAN RENEWAL**

A renewed urban landscape will transform Mount Pearl by maximizing our physical assets, enabling redevelopment of older residential and commercial areas and integrating the City's overall natural features.

The City will begin the recommendations outlined in the Trails Master Plan, including a \$125,000 investment in renewed wayfinding and signage for the navigation of our expansive trail network.

This year's budget also signifies the importance of investing in our environment, and ensuring we are taking the right steps, as a municipality, in reducing our carbon footprint. The City was pleased to complete a Climate Change Action Plan in 2019, and this year we are investing over \$170,000 in climate change initiatives, including fuel switching of our park shed and increased education initiatives related to water conservation and recycling.

## ENHANCED SERVICE DELIVERY

As a City, we are proud of our high service level and will continue to focus on delivering that standard to our residents and businesses in 2020. This year, we will continue the evolution of our Make it Better initiative with a \$40,000 investment in LEAN training.

## SUSTAINABLE INFRASTRUCTURE

The City of Mount Pearl owns over \$330 million dollars in public infrastructure assets, which we will continue to protect through a \$100,000 investment in asset management in 2020's budget.

We will continue the investment in our fleet renewal strategy with \$3.8 million dollars allocated to replacing and upgrading City vehicles to better serve our community. This investment will see three new loaders, seven new trucks including truck plows and salters, and sixteen light vehicles on our streets, allowing us to maintain service standards in important core services such as snow clearing and field maintenance.

## GOOD GOVERNANCE AND INVESTING IN OUR PEOPLE

The City of Mount Pearl will continue to lead municipalities in the province, emphasizing good governance and best practices. As a City, we believe that our people are our greatest asset and in 2020, we will continue to invest in our workforce with \$303,000 allocated to professional development, training and employee engagement.

## OVERALL BUDGET

Your Worship, tonight our budget demonstrates our continued focus on delivering the goals set out in our strategic plan. It is demonstrating not only the steps we have taken but outlines our plans for the future. It is representative of a City that strikes the balance of progress and practicality. It is reflective of the interests of the diverse group of residents and businesses that call our City home. It is also respectful of the climate we live in and the economic challenges of our taxpayers.

Your Worship, I am confident that the budget I am presenting here tonight is balanced in its approach.

And it is fiscally balanced. The total 2020 budget is \$53,318,000.

We understand that this investment is a shared cost and has an impact on the hard-working residents and business owners in our City. We also know that they want to see Mount Pearl grow and want to continue to be a part of our story.

## FOR OUR RESIDENTS

Your Worship, I am pleased to bring forward a budget with no change to the residential mil rate or water rates in 2020.

However, to offset the rising cost of operations, some recreation and facility fees will increase, including Base Camp Fitness Memberships will increase from \$48 to \$49 a month and weekend lighting for one ball field in the City will increase from \$377 to \$400 to help offset the rising price of electricity. A full summary of fee increases is available online at [mountpearl.ca](http://mountpearl.ca).

## FOR OUR BUSINESSES

We continue our commitment to our strong business community. We will continue to emphasize that focus with no increases to commercial tax rates in 2020.

Over the past year, we launched two incentive programs to support Mount Pearl businesses. Our new Scaled Tax Program provides a ladder approach to business tax, providing new businesses in the retail, technology and craft sectors and opportunity to grow with less of a tax burden. We also launched a Façade Improvement Program, offering an incentive to businesses in key areas around our City to enhance and upgrade their exterior building. We are pleased to continue this strong program into 2020 with a \$50,000 investment.

This budget cements our vision, and moves us forward to achieving our vision of a Mount Pearl that is a smart city of engaged citizens, leading the way in sustainable growth.

Your Worship, budget 2020 is a balanced approach to protecting today and planning for tomorrow. With historic investments in technology and infrastructure, we continue to move Mount Pearl forward to meet the needs of our residents and attract new people to our

community. We have set our course forward. This budget positions us to deliver on it. Now, your worship, as required by legislation, I am pleased to move the following motions:

BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, establish the attached tax rates for the 2020 taxation year: (AND SO I MOVE)

<b>2020 SCHEDULE OF RATES AND FEES</b>	
<b>TAX RATES</b>	
Property Tax - Residential (minimum \$200 per year)	7.4 mils
Property Tax - Commercial (minimum \$250 per year)	11.5 mils
<b>WASTE COLLECTION FEES</b>	
Automated Waste Collection Fee	\$20 per annum per bin (maximum 2 bins per house)
<b>WATER AND WASTEWATER FEES</b>	
Water/Wastewater Fee - Residential	\$600 per unit
Water/Wastewater Fee - Commercial base (minimum \$600)	2.3 mils
Commercial Water Usage:	
0 - 100,000 gallons	No additional charge
100,000 - 20 million gallons	\$6.00 per thousand
Over 20 million gallons	\$5.50 per thousand
School Boards - Water/Wastewater Fee	\$11.00 per student
Provincial Government Buildings - Water/Wastewater Fee	6.00 mils
<b>BUSINESS TAX RATES</b>	
General Commercial	16.8 mils
Banks and Financial Institutions	74.3 mils
Bulk Storage and Oil Companies	37.8 mils
Agricultural Operations	2.9 mils
Hotels and Motels	15.4 mils
Large Department Stores	20.0 mils
Oil and Gas Service Industry	20.0 mils
Private Schools	15.4 mils
Professional Operations	23.0 mils
Recreational and Non-profit Facilities	11.2 mils
Self-storage	60.1 mils
Billboards	\$100 per side per year
Personal Care Homes	Exempt
Daycares	Exempt
All businesses subject to taxation under the Taxation of Utilities and Cable Television Companies Act and commercial establishments without a fixed place of business within the City	2.5 % of annual gross revenue

BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve the attached Schedule of Rates & Fees, to take effect January 1, 2020. (AND I SO MOVE)

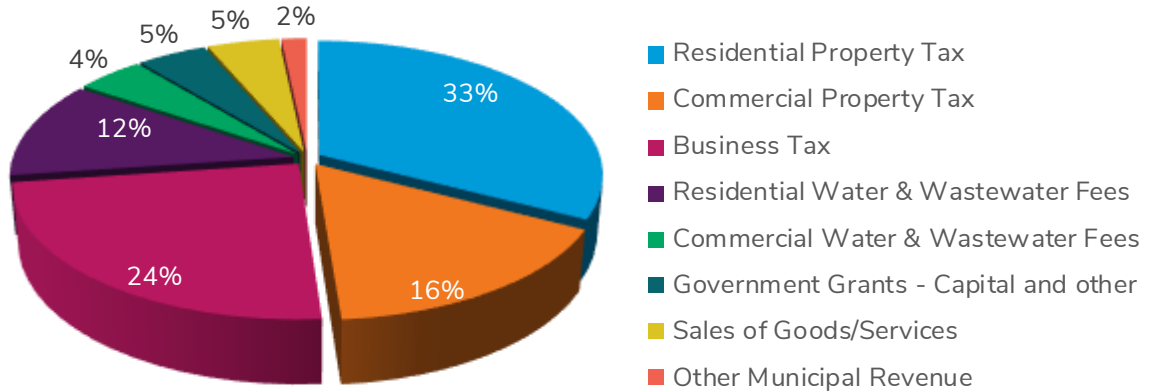
BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve an annual rate of interest of 10% to be levied on all past due taxes and accounts receivable. (AND I SO MOVE)

BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve the 2020 Budget with operating Revenues and Expenditures totalling \$53,318,000. (AND I SO MOVE).

# BUDGET BREAKDOWN

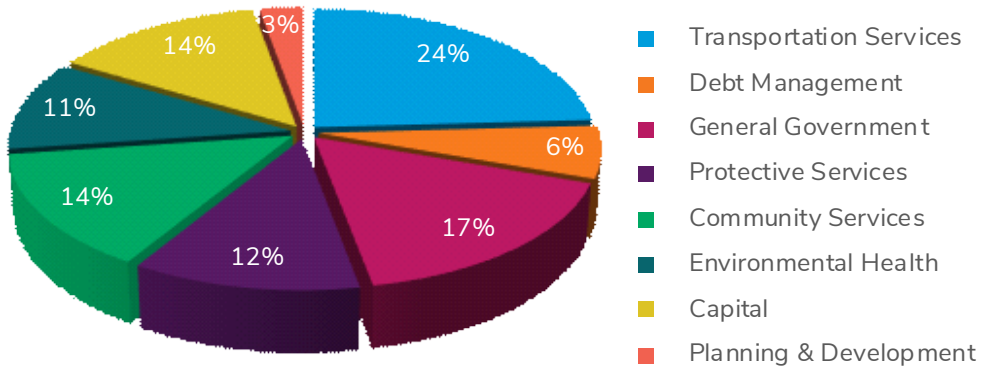
## WHERE THE MONEY COMES FROM

Total Revenue: \$53,318,000



## WHERE THE MONEY IS SPENT

Total Expenditures: \$53,318,000



# CALCULATING YOUR PROPERTY TAXES

### RESIDENTS

Residential Mil Rate: 7.4 mils  
Water Tax: \$600

How to calculate your 2020 residential property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0074 for Residential)} \\
 &+ \\
 &\text{\$600 for water tax} \\
 &= \\
 &\text{Total Property Tax for 2020}
 \end{aligned}$$

### BUSINESSES

Commercial Mil Rate: 11.5 mils  
Commercial Water: 2.3 mils\*

How to calculate your 2020 commercial property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0115 for Commercial)} \\
 &+ \\
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0023 for Commercial)} \\
 &= \\
 &\text{Commercial Property Tax for 2020}
 \end{aligned}$$

\*Up to 100,000 gallons

# REVENUE 2020

# EXPENDITURE 2020

## Taxation and Utility Fees

Residential Property Tax	\$ 17,201,000	
Commercial Property Tax	8,616,000	
Business Tax	12,804,000	
Automated Waste Fees	199,000	
Water and Wastewater Fees	<u>8,615,000</u>	47,435,000

## Government Grants

Gas Tax Revenues	2,130,000	
Municipal Operating Grant	200,000	
Capital Cost Sharing Grants	-	
Grant in Lieu of Taxes	19,000	
Program Grants	<u>110,000</u>	2,459,000

## Sales of Goods and Services

Recreational Programs	338,000	
Summit Centre	1,036,000	
Glacier	991,000	
Other	<u>167,000</u>	2,532,000

## Municipal Revenues

Interest on Taxes	210,000	
Investment Income	200,000	
Residential Permits	3,000	
Commercial Permits	150,000	
Compliance Letters	40,000	
Tax Certificates	50,000	
Frontage Assessments	75,000	
Other	<u>164,000</u>	<u>892,000</u>

**TOTAL REVENUE** \$ 53,318,000

## General Government

Governance	\$ 854,000	
Corporate Services	3,801,000	
Employee Benefits & Payroll Burden	3,896,000	
Tax Rebates and Other	<u>340,000</u>	8,891,000

## Protective Services

Fire Protection	5,553,000	
Municipal Enforcement	610,000	
Animal and Pest Control	91,000	
Emergency Measures	<u>5,000</u>	6,259,000

## Transportation Services

Snow and Ice Control	2,675,000	
Vehicle Fleet Management	2,692,000	
Street and Traffic Lights	1,252,000	
Roads and Streets	905,000	
Engineering	1,724,000	
Public Transit	1,785,000	
Administration	<u>1,817,000</u>	12,850,000

## Environmental Health Services

Water and Wastewater	4,639,000	
Garbage Collection and Disposal	<u>1,087,000</u>	5,726,000

## Community Services

Parks and Playgrounds	1,111,000	
Community Programs	1,156,000	
Recreational Facilities	4,357,000	
Assistance to Other Facilities	390,000	
Administration	<u>478,000</u>	7,492,000

## Planning and Development

Planning and Inspections	694,000	
Economic Development	<u>807,000</u>	1,423,000

## Fiscal and Capital Costs

Fiscal and Debt Servicing	3,347,000	
Capital out of Gas Tax	2,130,000	
Capital and Infrastructure	<u>5,122,000</u>	<u>10,599,000</u>

**TOTAL EXPENDITURE** \$ 53,318,000

