

# BUDGET **2023**

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As delivered by Deputy Mayor Nicole Kieley  
(check against delivery):

Your Worship, fellow councillors, special guests -  
Tonight, as co-chair of the Corporate Services and  
Public Works Committee, I am pleased to deliver the  
2023 budget for the City of Mount Pearl.

For Council, the budget process is a balance of reality  
and idealism. It is a time when, as a Council, along with  
senior staff, we plan for the future of this great city,  
while protecting the foundation it is built on. It is also  
an opportunity to reflect on the challenges we have  
overcome, and accomplishments we have achieved,  
from the past year.

Last year's budget was centered on community and  
striking the right balance of investing for now and for  
what is next.

In reflection of 2022, it was a year that continued to  
test us, and our resilience. It was undeniable that  
COVID-19 remained prevalent throughout our  
community, as we entered the new year with  
continued reduced capacities at city facilities following  
the guidance of public health. While we remain entirely  
committed to safe operating procedures, we must also  
recognize that reduced programming and lower  
capacities have a direct impact on city revenue.

This year also included the culmination of collective  
bargaining, which concluded following an eleven-week  
labour disruption, with a new collective agreement  
achieved in September. Following the labour  
disruption, the city expediently resumed full operations  
within days, returning to the full suite of services our  
residents and businesses rely on, after having

preserved safe delivery of core operating services  
during the months prior.

While there is no doubt that 2022 presented  
challenges, the City of Mount Pearl remains  
unwavering and enduring in its commitment to build a  
path forward as a **smart city of engaged citizens,  
leading the way in sustainable growth.**

Tonight, as we share our vision and plans, our record  
of progress made to date provides reassuring evidence  
that our council and public servants always put the  
best interests, health, and safety of our community,  
and our staff, first.

Let's take a moment to look back on what has been  
achieved this year:

- Maintaining our focus on growth, this year we  
actioned some of the recommendations made  
within Find Your Centre – a 25-to-30-year visionary  
revitalization plan for our city centre throughout  
2022 with two significant projects. This included:
  - A fully realized design has been completed  
to construct a pilot mobile kiosk that will be  
positioned strategically within the city's  
flagship trail network. The kiosks are  
conceptually designed with flexibility and  
mixed-use in mind to allow a variety of  
vendors to connect with new audiences.  
The kiosks will inspire curiosity and  
interest, creating a new feature that further  
attract residents, and visitors alike, to enjoy  
an enhanced outdoor recreation experience  
that is primed for repeat visits.

- Design concepts have also been solidified for new city centre gateway signage. These new pieces will help to define this special area of our city and embrace their natural surroundings.
- We continue to assess our infrastructure, and effectively manage our assets. In 2022, we completed important road upgrades to the Commonwealth Avenue Bridge, the Park Avenue / Dunn's Road Bridge, Smallwood Drive resurfacing, and a project to improve the Old Placentia Road underpass is underway and will be completed early in the new year.
- We also maintained our investment in fleet, purchasing three new loaders, one new backhoe, two new trackless sidewalk snow clearing machines, and two big blowers. These investments in our fleet continues to yield savings and has reduced our annual maintenance budget by over \$300,000 since its inception.
- The successful implementation of LED lighting at the Glacier in support of the city's focus on taking climate change action, which remains firm. This more than \$200,000 investment has multiple proven benefits including a reduction in greenhouse gas emissions and electricity cost savings of \$65,000 per year.
- The city launched its Upgrade to Mount Pearl foreign direct investment campaign, which has not only been successful internationally – it is also delivering positive secondary market results on a regional and local level. In fact, the initiative was so well executed that it caught the attention of the Economic Developers Association of Canada (EDAC) and the International Economic Development Council (IEDC) Awards, picking up 'Gold' for Special Purpose Website in September. The city leveraged its investment in this powerful new resource by putting it front and centre while attending the Offshore Technology Conference in Texas last May, as the only Newfoundland and Labrador municipality in attendance working to attract foreign investment.
- The pandemic meant that many of us were apart for an extended period of time and, as people, we're social beings – we like to be together. I know many

of our residents longed for the resumption of City Days in the format we've all come to know and love. In 2022, it was joyous to see City Days nearer to its original form, with the return of the Mega Birthday Bash concert at St. David's Park, our beloved costume breakfast, and the addition of a Pet Parade event. The timing of this year's City Days also allowed for the incorporation of our well attended Oktoberfest event, which raised \$5,000 for the Canadian Red Cross Hurricane Fiona Relief Fund, thanks to our generous residents.

- The sense of community in Mount Pearl is strong, and it has been a corner stone of our municipality since the very beginning. We are known for our welcoming nature in Newfoundland and Labrador, but especially so here in Mount Pearl. And, our values and ideals regard inclusion and diversity with great esteem. We are proud of the work we have done this year on diversity and inclusion, including:
  - The completion of a Smart Accessible Playground at St. David's which will officially open to the public this spring, as a place where children of all abilities can come to play and learn in a welcoming and safe space.
  - The continuation of investment in inclusion through the Key2Access program, which is pedestrian mobility wireless technology that allows users to request crossing without having to find and reach the button on the pole. It is targeted to mobility impaired and visually impaired pedestrians. This technology is now available in 5 city intersections, with continued investment in 2023.
  - The establishment of an internal Accessibility, Diversity, and Inclusion working group. This new collective will broaden next year to welcome community representatives, and it will be regularly consulted as policies are developed and reviewed, as well as for any relevant initiatives and projects the city begins.

- Lastly, just earlier tonight we were incredibly proud to bring forward a motion that provides for the automatic approval of extended maternity or parental leave upon notice for elected officials in Mount Pearl. We are amongst the first municipalities in the province to officially introduce this policy, in an effort to make Council more diverse and to encourage more members of the community to run for public office – all with the goal to ensure our Council is reflective of and responsive to the community it serves.

I am confident my council colleagues would agree – what a job, well done. But, there is always more that we can do – things we can continue to improve. So let us now look towards what we will achieve in 2023.

At its core, Budget 2023 is all about two things: 1) applying an innovative approach to advancing our city’s record for premiere services; and 2) positioning ourselves for growth. Now, more than ever, it is critical that we turn our attention to growth, and how we position ourselves to attract new residents and businesses to our community. We must determine how to diversify our residential housing landscape to attract new residents, and provide opportunities for commercial development that is integrated with long-term city plans, such as Find Your Centre.

This budget has thoughtfully balanced needs and desires with informed and measured decisions. To develop Budget 2023, consultations with the public took place in a variety of ways – traditional and digital. Our council members were out during City Days to discuss budget hopes and expectations with people in -person. Our online consultation platform at [heymountpearl.ca](http://heymountpearl.ca) was open to receive feedback 24/7 for over six weeks. Much of what we heard has been reflected in Budget 2023, while it must also respond to the reality of our current economic climate.

In the annual assessment by the Municipal Assessment Agency, residential property values increased by 3.4% on average. Commercial property values, overall, remained flat. While last year the mill rate remained steady as property values decreased, the city was able to weather the burden. This cannot be the case for 2023 due to several external factors, including inflation – which is an unavoidable actuality that we’re collectively facing.

The cost of major infrastructure projects continue to rise well beyond projections, as tenders for these important projects close and pricing is finalized. This year, we have seen over 35% increases in multi-million-dollar infrastructure projects that are critical to our city’s asset management plan. We see no sign of this changing heading into 2023.

It is not sustainable to weather a burden such as this, especially when long term planning is prioritized. In 2023, we must not only plan for the future, we must invest in it. Now is not the time to stand still. The city has to increase revenue in order to facilitate wise asset management and deliver future focused infrastructure upgrades. With this in mind, the theme of this year’s budget is: *Investing in Tomorrow, Today*. This investment includes:

## **INVESTING IN GROWTH**

In 2023, the city will release a series of new strategic documents that will include a new Strategic Plan covering 2023 through to 2027, a new long-term Economic Development Strategy and Action Plan, and a new 10-year Municipal Plan. These plans, already underway, will guide responsible and sustainable growth and development in our city.

The city will also move towards its goal of climate conscious mixed-use development for Kenmount Hill that features accessibility, urban amenities, leveraging natural features and values. This year’s budget sees considerable investment in a Farrell Drive upgrade project funded through Invest Canada Infrastructure Program (ICIP). This \$6.9 million dollar project is critical to the long-term sustainability of development on Kenmount Hill.

## **INVESTING IN SERVICE DELIVERY**

The City of Mount Pearl will maintain its focus on service delivery in 2023, with a continued emphasis on snow clearing, which is an essential service. This budget presents a framework to maintain the high level of service that we expect, ensuring it is sustainable in the short-and-long-term. As a city, we conduct business continuity training to ensure we have contingency plans in place for essential services such as snow clearing. We must always be prepared for things such as extreme weather events or staffing challenges due to COVID-19, or the declining

response to requests for overtime. Budget 2023 includes the addition of a weekend snow clearing shift, which will reduce the city's reliance on overtime as a mechanism to deliver essential services. It also includes an allocation of \$531,000 for up to 1,600 hours of contracted snow clearing services, not to replace, but to compliment our own internal efforts.

In addition, to enhance winter season trail accessibility for those travelling on foot, or residents simply seeking outdoor recreation, the city has invested in additional trail grooming equipment.

## **INVESTING IN OUR COMMUNITY**

As a city, we must continue to invest in the things that Mount Pearl is known for – recreation, trails and open space, playgrounds, facilities, and community groups – who all make up what we call home. Budget 2023 renews our commitment to community.

This year, we will invest \$445,000 in upgrades to the baseball field at the Team Gushue Sportsplex in preparation for Canada Games 2025. This includes field upgrades, team dugouts improvements, pitchers bullpen and batting cage updates, and more. We will continue our investment in playgrounds with \$35,000 allocated for new playground equipment, including a continued investment in accessible equipment. Our Summit Centre Fitness Gym will see \$75,000 spent in important equipment upgrades, including upright bikes, arc trainers, steppers, and a sci fit bike, which is an accessible piece of equipment where the seats remove easily for wheelchair access.

Mount Pearl is home to over 66 kilometers of trails, and we will continue to invest in this natural asset, with \$200,000 allocated in the budget for trail enhancements including the possibility of an eco-friendly approach to lighting of trail sections, making them a destination of choice for outdoor recreation in the evenings. This new consideration is also supportive of the city's emphasized focus on community safety, which we'll hear more about in a moment.

Next year, we will give our community more opportunities to congregate with the continuation of cornerstone events like City Days and Oktoberfest, various community breakfasts, outdoor film screenings, and seasonal get togethers like All Is

Bright which took place earlier this month. We will invest \$185,000 in these events to engage our community and celebrate what it means to live in Mount Pearl.

The city will continue to financially support its various community groups through \$277,000 in grants, including a \$10,000 annual increase to both the Seniors Independence Group and the Frosty Festival, which many are eagerly awaiting the return of post-pandemic, as well as a commitment to arts and heritage through an additional \$25,000 awarded to the Admiralty House Communications Museum for a total operating grant of \$115,000.

## **INVESTING IN SAFETY**

Thanks to our Municipal Enforcement Officer compliment, and our renewed emphasis on community safety, our city is well protected. That elevated focus is evident in the recent realignment of our municipal departments, with Recreation and Community Services becoming Recreation and Community Safety. This is more than simply an aesthetic name change. Our municipal enforcement team has adapted to increase overall proactive presence, and an increased capacity for outreach and community involvement. We will continue to grow that presence in 2023, with our Municipal Enforcement Team expanding to meet Council's focus on community safety.

The city's municipal enforcement officers have already participated in safety sessions held at daycares, grade schools, and more – increasing awareness that everyone has a role to play when it comes to community safety, and we will continue that important outreach this coming year.

## **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 2023, we will continue to invest in our workforce with \$304,750 allocated to professional development, training, and employee engagement.

## INVESTING IN OUR INFRASTRUCTURE

The City of Mount Pearl owns over 700 million dollars in public infrastructure assets, which we will continue to protect through a total investment of \$6.5 million dollar investment in asset management in 2023's budget. This includes:

- \$900,000 invested in an asset management contingency fund, to ensure the city is able to sustain unexpected infrastructure expenditures as they arise.
- \$4.6 million dollars in city-contributions to federal and provincial funding programs. The future planning for infrastructure programs such as Invest Canada Infrastructure Program and Multi-Year Capital Works, allows the city to leverage up to 70% in funding dollars, which means our \$4.6 million dollar investment equals almost \$14 million in work. This investment is truly making taxpayer dollars work harder for us.
- \$1 million dollars in fleet renewal which will ensure we can maintain service standards and public safety for important core services such as snow clearing of both roadways and sidewalks.

## OVERALL BUDGET

Through this budget, our council and city demonstrate a shared responsibility to respond to concerns our community brings forward, in a well-reasoned and practical way. Our focus on safety in our community is resolute, our commitment to growth is amplified, and our city is taking the steps necessary to protect our infrastructure long-term.

Your Worship, I am confident that the budget I am presenting tonight is balanced. And, it demonstrates value for our community.

The total 2023 budget is \$56,122,056.

We understand that this budget is constructed on behalf of the hardworking residents and businesses in our city. So, we want to be clear on what it means to everyone.

## FOR OUR RESIDENTS

Your Worship, tonight's budget brings forward a mil rate increase from 7.1 to 7.7 mils. Like so many others, the city is not impervious to the current economic realities, and our ability to develop and grow would be hindered were it not for this increase that we hope our residents will understand. And, while there is a mil rate increase, there will be no increases to water rates.

For context, a residential property with an average assessed value of \$255,000 would yield an annual property tax amount of \$2,428 in 2022. For 2023, the assessed property value would increase to \$263,000 and the impact of the increase would translate to an additional cost of \$219 for that property this year. We believe our residents deserve the best, and our teams want to continue to deliver that.

And, while this increase is necessary, we want to reassure residents that there are mechanisms and city programs in place to help those who need support the most in the wake of this increase.

The city offers four such supports and services, which includes a 20% discount to property taxes for seniors receiving the Guaranteed Income Supplement. All seniors in our city are also exempt from any interest on property taxes, and any household whose income is below a certain point can avail of our Tax Deferral Program. This allows a perpetual deferral of owed property taxes as long as eligibility criteria continue to be met – the property owner would simply pay the flat \$620 annual water, sewer, and waste disposal fee.

Finally, the city's own pre-authorized payment program provides residents with an interest free approach to progressively paying down their annual property tax amount as long as their account remains in good standing.

Despite an increase in the mil rate, the city is pleased to confirm that most rates and fees will remain the same for 2023.

## FOR OUR BUSINESSES

In Budget 2023, we continue with commitments made to strengthen and support our cutting-edge business community. Similarly to the residential mil rate, the commercial property tax mil rate will also increase to 12.4, up from 11.5. This rate was last changed in 2019 with a reduction.

Business occupancy tax rates, which are variable depending on the type of business, will increase by 8% for all categories. For example, the general commercial rate will increase from 16.8 to 18.1 mils. We recognize that news of these increased costs is not ideal for those within our business community. The City of Mount Pearl remains committed to providing support and creating opportunity for businesses to grow and is pleased to continue several programs to support these members of our community.

Our Façade Improvement Program, first launched in 2019, will continue creating an incentive for businesses in key areas around our city to enhance and upgrade their exterior building. We are pleased to renew this popular program into 2023 with a \$45,000 investment allocated to fulfilling façade improvement grants. We are proud to also continue with our investment in the newly added Energy Efficiency Grant Program, announced last year, in 2023, as we support climate conscious business owners making environmentally beneficial enhancements.

We are pleased to continue supporting the Mount Pearl Paradise Chamber of Commerce with our annual \$7,500 sponsorship contribution and will continue covering the first year for new members that sign on in 2023. The chamber continues to provide exceptional support to our business community.

Furthermore, we are committed to working with our business community, provincial and federal partners, industry associations, business support organizations, and leaders to attract and retain investment, and to create opportunities for new and existing organizations through business development initiatives.

A full summary of fee increases is available online at [mountpearl.ca](http://mountpearl.ca).

## SUMMARY

Your Worship, Budget 2023 takes a balanced approach to protecting today, and planning for the long term. With significant investments in quality services, asset management, community safety, and sustainable development we will meet the needs of current residents and businesses while implementing our new Municipal and Economic Development plans to welcome new families and businesses to our community.

This budget reinvigorates our sense of community and positions us to properly maintain it as a place where people choose to live and work for the extended future.

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 2023 taxation year. (AND I SO MOVE)

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, 2023. (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)

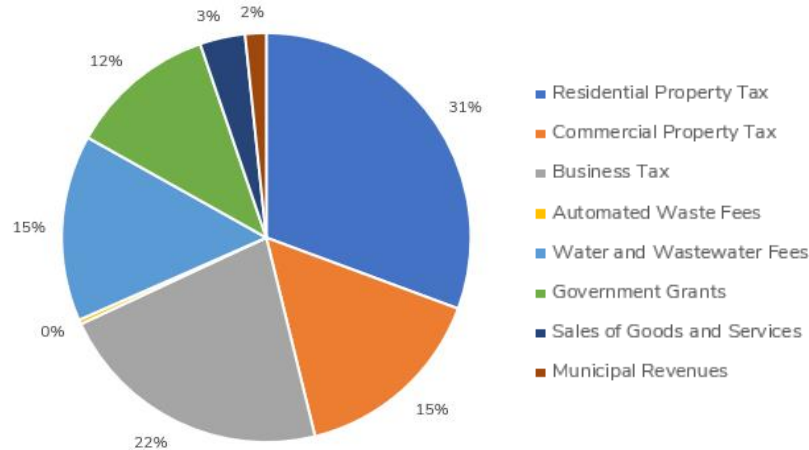
BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve the 2023 Budget with operating Revenues and Expenditures totaling \$56,122,056. (AND I SO MOVE).



# BUDGET BREAKDOWN

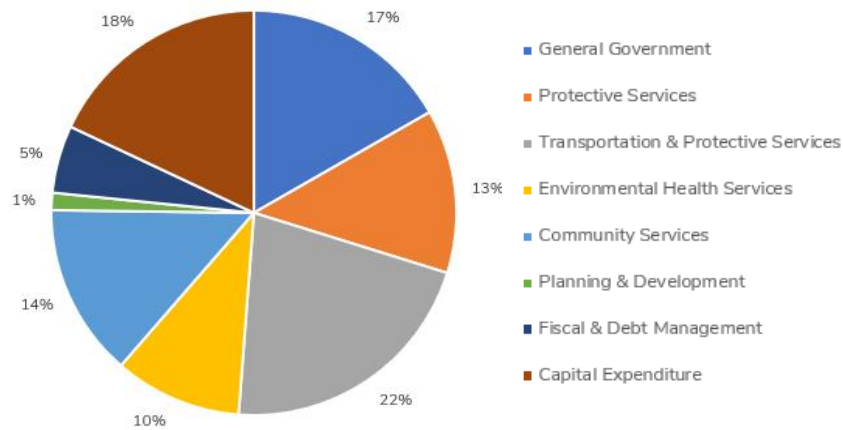
## WHERE THE MONEY COMES FROM

Total Revenue: \$56,122,056



## WHERE THE MONEY IS SPENT

Total Expenditures: \$56,122,056



# CALCULATING YOUR PROPERTY TAXES

### RESIDENTS

Residential Mil Rate: 7.7 mils  
Water Tax: \$600

How to calculate your 2023 residential property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0077 for Residential)} \\
 &+ \\
 &\text{\$600 for water tax} \\
 &= \\
 &\text{Total Property Tax for 2023}
 \end{aligned}$$

### BUSINESSES

Commercial Mil Rate: 12.4 mils  
Commercial Water: 2.3 mils\*

How to calculate your 2023 commercial property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0124 for Commercial)} \\
 &+ \\
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0023 for Commercial)} \\
 &= \\
 &\text{Commercial Property Tax for 2023}
 \end{aligned}$$

\*Up to 100,000 gallons



# REVENUE 2023

# EXPENDITURE 2023

## Taxation and Utility Fees

Residential Property Tax	\$ 17,196,823	
Commercial Property Tax	8,712,024	
Business Tax	12,285,931	
Automated Waste Fees	199,840	
Water and Wastewater Fees	<u>8,257,540</u>	46,652,159

## Government Grants

Gas Tax Revenues	1,554,000	
Capital Cost Sharing Grants	4,837,300	
Grant in Lieu of Taxes	17,017	
Program Grants	<u>123,000</u>	6,531,317

## Sales of Goods and Services

Recreational Programs	246,400	
Summit Centre	772,250	
Glacier	790,800	
Other	<u>197,095</u>	2,006,545

## Municipal Revenues

Interest on Taxes	253,630	
Investment Income	122,000	
Residential Permits	56,650	
Commercial Permits	179,650	
Compliance Letters	58,000	
Tax Certificates	60,000	
Land Improvement Assessments	75,000	
Other	<u>127,105</u>	<u>932,035</u>

**TOTAL REVENUE** \$ 56,122,056

## General Government

Governance	\$ 776,057	
Corporate Services	4,230,139	
Employee Benefits & Payroll Burden	4,012,530	
Tax Rebates and Other	<u>362,896</u>	9,381,622

## Protective Services

Fire Protection	6,010,205	
Municipal Enforcement	712,000	
Animal and Pest Control	90,742	
Emergency Measures	<u>531,000</u>	7,343,946

## Transportation Services

Snow and Ice Control	2,423,659	
Vehicle Fleet Management	2,428,459	
Street and Traffic Lights	1,224,009	
Roads and Streets	722,178	
Engineering and Inspections	2,021,458	
Public Transit	1,931,500	
Administration	<u>1,261,596</u>	12,012,860

## Environmental Health Services

Water and Wastewater	4,705,589	
Garbage Collection and Disposal	<u>1,012,893</u>	5,718,482

## Community Services

Parks and Playgrounds	863,077	
Community Programs	1,096,739	
Recreational Facilities	5,218,006	
Assistance to Other Facilities	277,000	
Administration	<u>301,046</u>	7,755,868

## Planning and Development

Planning and Inspections	318,200	
Economic Development	<u>459,710</u>	774,911

## Fiscal and Capital Costs

Fiscal and Debt Servicing	3,029,843	
Prior Year Surplus & Reserve Transfers	(2,164,621)	
Capital out of Gas Tax	1,554,000	
Capital (excluding gas tax)	<u>10,715,145</u>	<u>13,134,367</u>

**TOTAL EXPENDITURE** \$ 56,122,056

## 2023 SCHEDULE OF RATES AND FEES

### TAX RATES

Property Tax - Residential (minimum \$200 per year)	7.7 mils
Property Tax - Commercial (minimum \$400 per year)	12.4 mils

### WASTE COLLECTION FEES

Automated Waste Collection Fee	\$20 per annum per bin (maximum 2 bins per house)
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### WATER AND WASTEWATER FEES

Residential	\$600 per unit
Commercial (minimum \$600)	2.3 mils
Commercial Water Usage (per property):	
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	\$11.00 per student
Provincial Government Buildings	6.0 mils

### BUSINESS TAX RATES

General Commercial	18.1 mils (\$400.00 minimum)
Banks and Financial Institutions	80.2 mils (\$400.00 minimum)
Bulk Storage and Oil Companies	40.8 mils (\$400.00 minimum)
Agricultural Operations	3.1 mils (\$400.00 minimum)
Hotels and Motels	16.6 mils (\$400.00 minimum)
Large Department Stores	21.6 mils (\$400.00 minimum)
Oil and Gas Service Industry	21.6 mils (\$400.00 minimum)
Private Schools	16.6 mils (\$400.00 minimum)
Professional Operations	24.8 mils (\$400.00 minimum)
Recreational and Non-Profit Facilities	12.1 mils (\$400.00 minimum)
Self-storage	64.9 mils (\$400.00 minimum)
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

