

BUDGET 2024

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As delivered by Councillor Mark Rice
(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 2024 budget for the City of Mount Pearl.

For Council, the budget process is a time to look at the vision we share and the realities we face, and strike the right balance between managing today and building tomorrow. As financial stewards of taxpayer dollars, we must carefully consider city assets and resources, and ultimately act in the best interest of our residents and businesses.

As a city, building a budget cannot be done in isolation. Throughout this process, we engaged with our residents and businesses – asking what you value and what matters most. We heard from hundreds of you - and your message was loud and clear – let’s continue to be fiscally responsible in the face of rising inflation.

The budget presented tonight is the result of extensive discussion and debate. It responds to the rising operational cost of doing business while continuing investment that supports the strategic plan launched earlier this year, largely focused on growing our city - all while realizing the impact of inflation already felt by our taxpayers. It was no small task, but we found a way to make it happen. Tonight, we are proud to present the City of Mount Pearl 2024 budget of **\$58,483,356** with no increases to residential or commercial property taxes, and no changes to service levels. Budget 2024 is sensible and it is rooted in practicality. And here’s a look at what lies ahead:

RESPONSIBLE PLANNING

Mount Pearl aspires for growth. We have the potential to unlock development opportunities in new and existing neighbourhoods and position ourselves as an urban destination. To do that, we must revisit our Municipal Plan. A new Municipal Plan will guide us forward. It will respond to changing demographics, reaffirm where restrictions are required but be more flexible with development, and open the door for different housing and business opportunities. It will align our long-term objectives with evolving economic, environmental, and social considerations.

And if we want to grow Mount Pearl, we need to think differently about how we navigate in and around our city. Along with the Municipal Plan, an Integrated Transportation Plan will address mobility, accessibility, and safety. Transportation is not confined to the realm of traditional vehicles like cars, trucks, or buses; it encompasses a dynamic spectrum of mobility that involves active modes such as walking, biking, and other forms of movement. The importance of transportation extends beyond the convenience of reaching a destination; it intertwines with our health, environment, and community connectivity. Rest assured, we want the future of Mount Pearl to meet the needs of our diverse population, and this will help us get there.

Tonight’s budget invests \$300,000 in the development of a new Municipal Plan and Integrated Transportation Analysis. This is our framework for the future and is a critical long-term investment.

ACCELERATING THE BUILD OF NORTH OF TOPSAIL ROAD

Like many others across the country, our city, region, and province are facing a housing crisis. More and more we see families struggling with the rising costs of living, mental health, and challenges with addiction. And the issues continue to escalate. These problems are real and devastating. As a city, we need to do everything we can to ensure families not only have shelter, but have comfortable homes where they are safe and secure. We need homes to welcome our newcomers and affordable homes to provide the basic necessities to those in need. The city is actively engaged in attracting developers and finding sites for modern, affordable houses. We can be part of this solution.

Through Budget 2024, we will continue putting the infrastructure in place to increase the number of available housing units in Mount Pearl.

The North of Topsail Road area, predominantly located above the 190m contour, is the largest area of undeveloped land left in the City of Mount Pearl. Our goal is to develop a completely new neighbourhood with places to live, work, shop, and play. This process will lead to unlocking up to 1,800 housing units over the next twenty years. And the work has already started. To help support future development, this year we began important infrastructure upgrades to Farrell Drive. Budget 2024 continues to demonstrate the city's commitment to North of Topsail Road through:

- A \$700,000 investment in Owners Advisory Services to ensure our team is working with the best and brightest minds in modern urban planning.
- A commitment of \$4.5 million over 3-years through the Multi-Year Capital Works Program to upgrade water, sewer, curb, and gutter on Holden Street, which is critical to unlocking capacity for development. Through this funding, we will leverage up to 70% in funding dollars, making taxpayer dollars work harder for us.
- The investment of \$2 million for phase one of the construction of a new water tower to service the proposed residential and commercial properties.

ENHANCING ACCESSIBILITY

A truly great city ensures that everyone, regardless of age, ability, or background, can fully participate in their community. Mount Pearl is a great city, and community matters. Our new Accessibility Plan is nearing completion and demonstrates our commitment to inclusivity, complemented by an investment of \$180,000 from Budget 2024 to make accessibility enhancements.

Next year, we will conduct a detailed accessibility audit which will identify barriers that prevent individuals with differing abilities from fully participating in or accessing public spaces, technology, or information. While we get an understanding of accessibility gaps in the city, we'll get to work right away on tangible changes that have already been identified.

Through Budget 2024, we will create a fully inclusive boardroom at City Hall, to ensure that employees and persons with disabilities can fully participate in meetings, discussions, and decision-making processes.

Events serve as powerful gathering places for communities, playing a crucial role in fostering social cohesion, connection, and a sense of belonging. Next year, the city will invest in new accessible stages at the Reid Community Centre and the Glacier, to ensure that everyone has an equal opportunity to fully participate in city events.

These initiatives are in addition to upgrades that occurred in 2023, including:

- Accessibility Enhancements to Council Chambers at City Hall.
- Completion of the Smart Accessible Playground at St. David's Park, paired with accessible washrooms.
- Accessible Community Gardens on Forest Avenue.
- Accessible trails and bleachers for the baseball field as we prepare for the 2025 Canada Games.
- Accessibility enhancements to Branscombe's Pond trail.

SUPPORTING OUR COMMUNITY

One thing the City of Mount Pearl is known for is community. For over thirty years, that sense of community has been one of our strongest identifiers as a municipality. Now, in these challenging economic times, with the rising cost of living, it's important to support those in our community who need it.

Seniors built this community, and now, with many living on fixed incomes, finding it hard to make ends meet, it's our job to determine if and how we can put better supports in place to ease some of their financial hardship. Currently, any senior citizen that is in receipt of the Guaranteed Income Supplement may be eligible for a 20% discount on municipal property taxes. With Budget 2024, we are proud to increase this discount to 25% to those on fixed incomes. This could mean an additional \$100 reduction in property taxes annually for this segment of our population.

Additionally, we have committed \$50,000 to revisit and potentially expand our P.E.A.R.L program, which is designed to help those with financial challenges participate in recreation programs. Our dedicated team at the city knows the objective set by Council – to help remove financial barriers for our community so that everyone can avail of our recreation programs. We are hard at work on this initiative, and we look forward to sharing more information on this in the new year.

CONTINUED INVESTMENT IN INFRASTRUCTURE

This Council has consistently displayed a steadfastness to asset management. As a municipality, we consider asset management broadly – through fleet, roads and underground, buildings, recreation surfaces and equipment. Ultimately, we are responsible for over \$348 million worth of infrastructure assets. And once we build it, we must maintain it. The commitment to maintaining infrastructure remains in this year's budget through:

- A \$1.1 million investment in fleet renewal, as a part of the city's fleet plan, which ensures we have the equipment necessary to maintain service levels. This investment helps achieve our goal of reduced maintenance and improved fuel efficiency, helping to reduce our operational costs over the long run. In addition to financial benefits, our fleet renewal will enhance

sustainability, complimenting our existing fleet of environmentally friendly vehicles, like hybrid and electric options. Our focus on climate continues with an allocation for a new electric ice resurfacer for the Glacier Arena in Budget 2024.

- Over \$300,000 in building maintenance for City Hall, Summit, Gloria Pearson, the Softball Hut, and Admiralty House.
- \$450,000 invested in the asset management contingency fund established in 2023, to ensure the city can sustain unexpected infrastructure expenditures in the future.
- Over \$1.9 million for the city's share of federal and provincial cost-shared matching funding programs, ensuring we optimize our access to these funds for critical upgrades.

INVESTMENT IN RECREATION & SAFETY

Mount Pearl is known for recreation amenities. Between our expansive trail network, various community centres, the Summit Centre complex, and more, we have always invested in improving our recreation offerings. In this budget, we're happy to say that we're holding the line on recreation fees with no changes for 2024. At the same time, we'll continue to make investments in our facilities, amenities, and programming.

Budget 2024 will provide \$530,000 in funding to enhance recreation surfaces and purchase equipment. This includes \$300,000 to contribute to replacement of the existing artificial turf at the Team Gushue Soccer Field and \$70,000 earmarked to replace the playground structure equipment at the Gloria Pearson Community Centre.

And our commitment to play doesn't stop there. We will fund minor sporting groups through the Mount Pearl Sport Alliance with an investment of \$80,000. Together, we'll continue to provide high-quality opportunities to athletes in our community.

As we move into the new year, planning continues for our new Community Centre, which will replace the aging Park Place Community Centre. We anticipate submissions for the design and build of the facility to be reviewed in February 2024.

Our trail network, with over 60 kilometres of shared-use paths, is a key destination within Mount Pearl. And we're happy to say, we will explore brightening

up sections of our trailway with an investment of \$50,000 in Budget 2024. Adequate lighting not only enhances safety on trailways, but it also extends the hours of usage.

With an investment of \$50,000 in the Urban Forestry Plan, the city will continue to enhance beautification and support the environment.

ECONOMIC DEVELOPMENT

Through Budget 2024, aligned with our long-term economic development strategy, we will harness our quality of life, community amenities and assets, strategic location, and partnerships with established organizations to attract and retain newcomers, stimulate economic growth, and promote community engagement.

Donovan's Business Park is a critical asset to the City of Mount Pearl, comprising approximately 30% of the tax base. Businesses need employees and employees need an effective way to get to work. It's that simple. That's why through Budget 2024, we will invest \$150,000 to explore enhanced bus routes to this area of the city.

The Province of Newfoundland and Labrador is poised to reap the benefits of growing industries such as technology, energy, and ocean innovation. And the City of Mount Pearl is ready. Our Economic Development team has the resources and expertise to support them.

While fostering larger industries, we remain committed to strengthening our local businesses, recognizing them as the bedrock of our community.

Rest assured, whether you operate a large corporation or a small business, we are committed to ensuring you have the necessary support to thrive. This includes personalized assistance and incentive programs such as our Scaled Taxation Program, Façade Improvement Program, and Energy Efficiency Grant Program.

Specifically, we want to hone in on one deficiency in our city's amenities; full-service restaurants. This gap has been a recurring theme, substantiated by an analysis that informed the long-term economic development strategy. In Budget 2024, we'll put the right supports in place to attract and retain full-service restaurants. And our award-winning economic development team will lead the way.

An anchor of the city's long-term economic development strategy is the Find Your Centre plan, which was launched in 2021. Since then, the city has continued to action recommendations that will enhance the city centre. This year will be no different.

Budget 2024 will invest over \$45,000 to continue the journey of building our centre. In 2023, we launched our first commercial kiosk in Mount Pearl, which is aimed at providing flexible retail opportunities for local businesses and a destination for trail users. The kiosk was complemented with an award-winning event series, called the "T'railway Sundown Series". Through Budget 2024, the city will expand the program by building a second commercial kiosk. The Find Your Centre plan also recommends the installation of a new trail on the north side of the Waterford River. Budget 2024 marks the inaugural phase of this journey, dedicated to the comprehensive design of this trail.

In the City Centre area, we'll continue to explore innovative ways to incentivize both commercial and residential development. To unlock even more housing opportunities, the city will assess and identify city-owned properties that can be slated for future development. We've recently released a revised Expression of Interest focused on attracting high density residential housing developers for city-owned land on Stapleton Road. The city has full intentions of ensuring this land is redeveloped in the near future.

We'll enhance the city while supporting housing. It's a win-win.

OVERALL BUDGET

Through this budget, we recognize the hardship that is rippling through society caused by the high cost of living. Like everyone, the city also faces financial strain, and we had to make choices that address community needs thoughtfully and practically. This budget was guided by fiscal restraint and financial stewardship. We expect inflation to be a factor as we enter 2024, and we are prepared.

Your Worship, the budget presented tonight continues investment and strategic planning in our community, and ensures service levels are maintained despite inflationary pressures. It is responsible, strikes a balance, and delivers value to our community. The total 2024 budget is **\$58,483,356**.

Recognizing that this budget serves our hardworking residents and businesses, we want to be transparent about what it means.

FOR OUR RESIDENTS

Your Worship, I am pleased to bring forward a budget with no change to the residential mil rate for 2024. There is, however, a slight increase in the annual water fee. In recent years, costs relating to servicing water have increased and despite this, the city has not raised water fees in 14 years. To adjust, rates will be raised by just \$25 per household. This modest increase is necessary to match inflation and continue enhancements to water and wastewater infrastructure.

FOR OUR BUSINESSES

Businesses are a vital part of our thriving community. And we will continue to give them the tools that they need to prosper. We are pleased to announce that there will be no property or business tax mil rate increases in 2024. However, the water mil rate will be raised slightly by 0.1 mils.

We will continue offering businesses our coveted incentive programs. The Scaled Taxation Program provides new businesses with financial incentives to establish roots in Mount Pearl. The Façade Improvement program improves the look and feel of commercial properties. The Energy Efficiency Grant program supports initiatives that reduce greenhouse gas emissions.

The City of Mount Pearl will 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 who sign on in 2024. As always, the chamber provides exceptional support to our business community.

And we're always here to help. Our Economic Development and Planning team will guide you every step of the way.

A full summary of fees is available online at mountpearl.ca.

SUMMARY

Your Worship, with Budget 2024, we were faced with striking the balance between fiscal restraint and poising the city for growth. We believe we have achieved the right balance.

Municipalities, like businesses, are susceptible to inflation. Increased prices for contracts, goods, and services greatly affect the budget. Adapting to economic realities through prudent financial management is crucial for effective municipal governance. And that's exactly what we've done. Our residents and businesses deserve the best value for their tax dollars, and we will continue to deliver.

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 2024 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, 2024. (AND I SO MOVE)

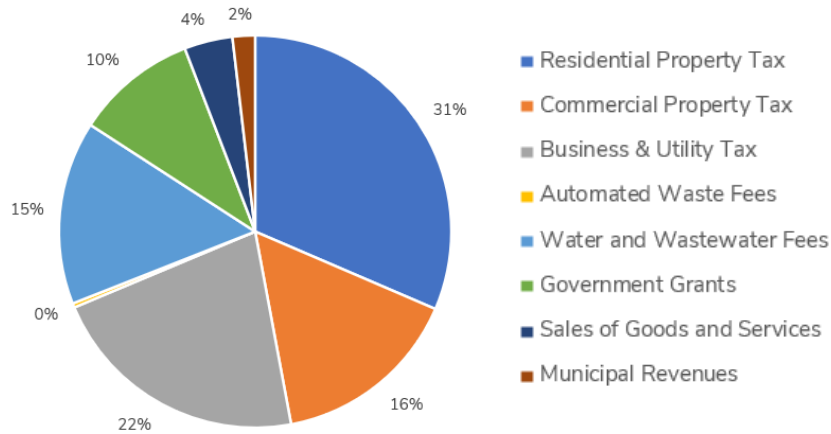
BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve an annual rate of interest of 10% to be levied on all past due taxes and accounts receivable. (AND I SO MOVE).

BE IT RESOLVED THAT the City of Mount Pearl, in accordance with The City of Mount Pearl Act, approve the 2024 Budget with operating Revenues and Expenditures totaling \$58,483,356. (AND I SO MOVE).

BUDGET BREAKDOWN

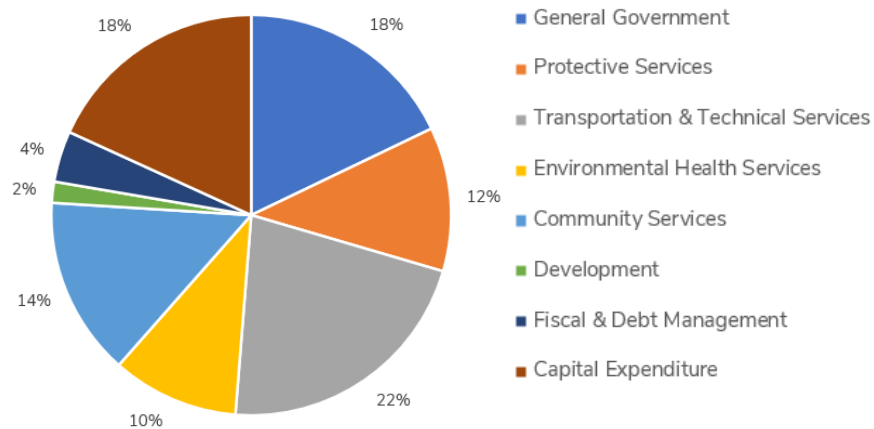
WHERE THE MONEY COMES FROM

Total Revenue: \$58,483,356



WHERE THE MONEY IS SPENT

Total Expenditures: \$58,483,356



CALCULATING YOUR PROPERTY TAXES

RESIDENTS

| | |
|-----------------------|----------|
| Residential Mil Rate: | 7.7 mils |
| Water/Wastewater Fee | \$625 |
| Waste Collection Fee | \$20 |

How to calculate your 2024 residential property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0077 for Residential)} \\
 &+ \\
 &\text{\$625 for water/wastewater fee} \\
 &+ \\
 &\text{\$20 for waste collection fee} \\
 &= \\
 &\text{Total Property Tax for 2024}
 \end{aligned}$$

BUSINESSES

| | |
|---------------------|-----------|
| Commercial Mil Rate | 12.4 mils |
| Commercial Water | 2.4 mils* |

How to calculate your 2024 commercial property tax:

$$\begin{aligned}
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0124 for Commercial)} \\
 &+ \\
 &\text{Your Property's Assessed Value} \\
 &\times \text{Mil Rate (0.0024 for Commercial)} \\
 &= \\
 &\text{Commercial Property Tax for 2024}
 \end{aligned}$$

*Up to 100,000 gallons

REVENUE 2024

EXPENDITURE 2024

Taxation and Utility Fees

| | | |
|---------------------------|------------------|------------|
| Residential Property Tax | \$ 18,399,188 | |
| Commercial Property Tax | 9,123,527 | |
| Business & Utility Tax | 12,641,665 | |
| Automated Waste Fees | 202,455 | |
| Water and Wastewater Fees | <u>8,845,308</u> | 49,212,142 |

Government Grants

| | | |
|-----------------------------|----------------|-----------|
| Gas Tax Revenues | 1,554,000 | |
| Capital Cost Sharing Grants | 3,962,956 | |
| Grant in Lieu of Taxes | 17,669 | |
| Program Grants | <u>322,954</u> | 5,857,579 |

Sales of Goods and Services

| | | |
|-----------------------|----------------|-----------|
| Recreational Programs | 265,000 | |
| Summit Centre | 851,000 | |
| Glacier | 800,000 | |
| Other | <u>413,135</u> | 2,329,135 |

Municipal Revenues

| | | |
|---------------------|----------------|------------------|
| Interest on Taxes | 250,000 | |
| Investment Income | 500,000 | |
| Residential Permits | 42,000 | |
| Commercial Permits | 7,000 | |
| Compliance Letters | 60,000 | |
| Tax Certificates | 60,000 | |
| Other | <u>165,500</u> | <u>1,084,500</u> |

TOTAL REVENUE \$ 58,483,356

General Government

| | | |
|------------------------------------|----------------|------------|
| Governance | \$ 884,499 | |
| Corporate Services | 4,473,290 | |
| Employee Benefits & Payroll Burden | 4,716,949 | |
| Tax Rebates and Other | <u>388,549</u> | 10,463,287 |

Protective Services

| | | |
|-------------------------|----------------|-----------|
| Fire Protection | 5,826,400 | |
| Municipal Enforcement | 695,646 | |
| Animal and Pest Control | 87,386 | |
| Emergency Measures | <u>195,250</u> | 6,804,682 |

Transportation Services

| | | |
|-----------------------------|------------------|------------|
| Snow and Ice Control | 2,674,203 | |
| Vehicle Fleet Management | 2,547,805 | |
| Street and Traffic Lights | 1,139,959 | |
| Roads and Streets | 843,132 | |
| Engineering and Inspections | 2,287,653 | |
| Public Transit | 1,969,722 | |
| Administration | <u>1,251,499</u> | 12,713,923 |

Environmental Health Services

| | | |
|---------------------------------|------------------|-----------|
| Water and Wastewater | 4,968,736 | |
| Garbage Collection and Disposal | <u>1,032,214</u> | 6,000,950 |

Community Services

| | | |
|--------------------------------|----------------|-----------|
| Parks and Playgrounds | 1,000,622 | |
| Community Programs | 1,212,826 | |
| Recreational Facilities | 5,635,143 | |
| Assistance to Other Facilities | 302,000 | |
| Administration | <u>303,874</u> | 8,454,465 |

Development

| | | |
|--------------------------|----------------|---------|
| Planning and Development | 516,782 | |
| Economic Development | <u>476,482</u> | 993,263 |

Fiscal and Capital Costs

| | | |
|-----------------------------|------------------|-------------------|
| Fiscal and Debt Servicing | 2,413,378 | |
| Capital out of Gas Tax | 1,554,000 | |
| Capital (excluding gas tax) | <u>9,085,407</u> | <u>13,052,785</u> |

TOTAL EXPENDITURE \$ 58,483,356

2024 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) |
|--------------------------------|--|

WATER AND WASTEWATER FEES

| | |
|--|----------------------|
| Residential | \$625 per unit |
| Commercial (minimum \$600) | 2.4 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 |
|---|-------------------------------|

