



**2016 Municipal Budget Speech
Deputy Mayor Cora Hamel Pardy
Council Chambers
November 30, 2015**

INTRODUCTION

Your Worship The Mayor, Fellow Councillors, Ladies and Gentlemen; welcome to the presentation of the 11th Council of Happy Valley-Goose Bay's 2016 Municipal Budget.

As Deputy Mayor and Chair of the Finance Administration and Policy Committee I am pleased to present a balanced budget, which outlines our investment in the municipality; both in its infrastructure and its people.

This year, we were presented with the added challenge of combatting a significant increase in residential property assessments for Happy Valley-Goose Bay. The 2016 budget is a path forward toward our goal of meeting the expectations of the community while matching the fiscal realities of revenues.

CHALLENGES

The Town is not without several fiscal challenges including:

- The recently announced average 33 per cent increase of residential property values in our community that does not reflect our current economic reality.
- The current collective agreement with town employees is set to expire on December 31st. We are currently in negotiations to reach a



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balanced and progressive agreement which will be of benefit now and into the future.

- Aging, dilapidated infrastructure and facilities that require more and more maintenance. The arena, for example, is a significant annual expense that requires continuous repair work.

DEVELOPMENT WE CAN BE PROUD OF

While these are challenges that must be address, there are also many positive initiatives accomplished this year that we can build on for 2016. The town acquired new play structures and equipment for parks throughout our community this year and plan to install more in 2016. Our community celebrated the opening of the first Lake Melville Dog Park, which has been a great initiative and benefit for our community.

This year we completed several capital projects including: New lighting and fencing around the Mealy Mountain Collegiate Sports Complex; street resurfacing; Water Treatment Plant upgrades; watermain replacement; water and sewer upgrade; water and sewer master plan; and completion of phase two of the Labrador Wellness Centre project study.

We have made significant headway with the Labrador Wellness Centre project. The recent \$11 million funding investment from the Province will enable us to move forward with our phased approach beginning with engineering of the fitness and aquatics section of the facility.



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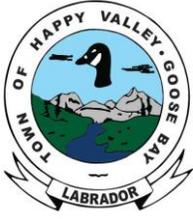
This commitment positions the town to collaborate with other governments and organizations to leverage funds which will see the project to completion. Our residents have voiced their desire for wellness and recreational opportunities in our community. We have continued our commitment to make investments which support the health and wellness of all residents.

Council is continuing to build on its plan to enhance our community through green space development. Green space will help relieve the blowing sand and will beautify our community.

The town's partnership with Healthy Waters Labrador on their three year Birch Island Restoration and Trail Project has made significant progress since its official launch on July 3rd. The town fully supports this environmental project which will redevelop the area into a destination for residents, visitors and tourists.

REVITALIZATION

The Town of Happy Valley-Goose Bay is in a period of growth and the 2016 Municipal Budget is reflective of our vision to revitalize our community and position the municipality for future sustainability. This associated growth will require long-term future commitments of the municipality's resources. The 2016 budget allocates approximately \$4 million in Multi-



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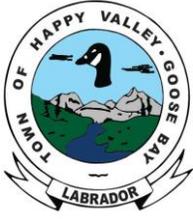
Year Capital Works projects, cost shared on a 70/30 basis with the Province. Capital Works projects will include investment into: Building infrastructure, engineering costs for the aquatics and fitness section of the Labrador Wellness Centre facility, the E.J. Broomfield Memorial Arena, the Water Treatment Plant and the completion of a Fire Hall study and extension.

Development is a significant part of revitalization for any community. To support this period of growth the town has increased the commercial vacant land tax to \$2,500.

The implementation of landfill tipping fees has created an added source of revenue for the municipality and have helped us address the increased demand from the major developments in our region and the impacts on our community.

We have established a new landfill tipping fee for 20 tonnes and over. Under this new fee - customers inside town limits will be charged \$150; and customers outside town limits will be charged \$600.

The recently established Capacity Agreement with the Province, provides the town with \$250,000 over the next three years. Part of that funding will be used for the recruitment and retention of a Geographic Information System mapping position. This will add tremendous resources for



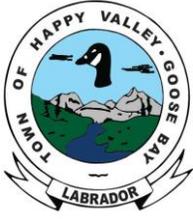
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supporting municipal infrastructure as well as the areas of development and planning; and water and sewer.

Property taxation is a municipality's primary source of revenue. 61.7 per cent of our revenue is generated through this tax. During our 2013 municipal election, we heard from residents that the greatest challenge facing our community is the rising costs of living. The municipality's ability to help alleviate some of the financial burden on residents is through reduction of the mil rate.

During the budget process, we dealt with the challenge of balancing a reduced mil rate while maintaining funds for infrastructure investment. Council understands the financial strain an increased residential property tax would have on residents. The community united to present a strong voice on the matter and we have listened to those concerns. **It is my pleasure to announce that we have reduced the residential property tax mil rate to 6.25.** The commercial property tax and business tax mil rate will remain unchanged.

A preliminary review of our commercial tax and business tax to other communities has shown that we are competitive. The town will be completing a full review in 2016, which will involve extensive consultation with the business community.



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ADDRESSING AFFORDABILITY

Recognizing that low-income families require assistance, this budget still includes the same low-income rebate that was in place for 2015.

BALANCE

26.1 per cent of our revenue is generated from federal and provincial contributions through grants and subsidies, 5.5 per cent Grant in lieu of taxes and the remaining 6.7 per cent is realized from revenue from sales of goods and services.

Fiscal services amounts for 38.7 per cent of municipal expenses, 18.4 per cent is for roads and transport, 16.4 per cent general government, 11.1 per cent environmental services, 8.6 per cent cultural and recreational services, 4.9 per cent protective services and 1.9 per cent economic development – For a total \$14,307,697 budget.

There will be no increases in fees, with the exception of the newly established tipping fee for 20 tonnes and over of waste generated in and outside our community and a slight upward adjustment to the commercial vacant land tax.

Due to unanticipated circumstances, the town is waiting on Financial Audit statements from 2014 in order to finalize the budget we are presenting today. We are working with the auditor to expedite the process. Once we



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are in receipt of the audited statements, we will announce any final revisions to the budget.

THANK YOU

In conclusion, I would like to thank you, the residents of our town, for your continued suggestions, comments and input on your vision for the municipality. Your input is important to us and helps determine our way forward. We will be further expanding our communications with the community through social media and public engagement initiatives in the coming year. We understand the value in providing residents forums to voice their opinions and suggestions and we want to facilitate that exchange of information. We want our residents to be active participants in the future growth and development of our community.

I would also like to thank each and every councillor for their commitment, support and important contributions to this process. For the long hours and numerous meetings that were required to complete this budget before the provincial deadline. Appreciation is also extended to our management and staff for their participation and recommendations.

Finally, I would like to thank our spouses who essentially became single parents during this time consuming and crucial process. We are very grateful for your continued support.