

TOWN OF HOLYROOD

BUDGET 2018

BUILDING HOLYROOD
INNOVATIVELY, STRATEGICALLY &
SUSTAINABLE

A GREAT PLACE TO

LIVE | LEARN | WORK | PLAY | INVEST



Good Evening Councillors, Staff, Media, Ladies and Gentlemen.

Holyrood is a community which cares and provides for its residents and businesses in an atmosphere of duty, respect and friendship.

Fueled with our warm welcome and natural beauty, Holyrood promotes creativity, innovation and collaboration as we strive to become a World Leader in the blue economy.

Holyrood prides itself on being a leader in Municipal government by focusing on our commitment to solid strategic planning, informed decision-making and attainable goal setting to ensure continued prosperity into the future.

Tonight, as Mayor, I am pleased to present Budget 2018. It is a budget designed to ***Building Holyrood Innovatively, Strategically, and Sustainable*** through strategic infrastructure investment and thorough planning.

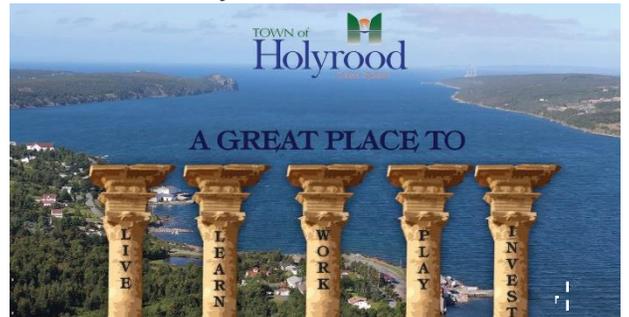
This budget will ensure the Town of Holyrood provides extraordinary programming and services for residents, businesses and visitors.

It is a guiding document built on the goals of the 2016-19 Strategic Plan developed by Council and Staff to ensure strategic growth and improvement in Holyrood.

Council will ensure the people of Holyrood continue to enjoy a high standard of living and receive outstanding municipal services at the lowest possible cost.

We want to ensure residents can avail of recreation programs and community events that are unparalleled and we want residents and others to recognize Holyrood as a town that values economic stability built on planning, innovation and creativity.

Council focused on it's five pillars for the budget planning process in order to continue developing Holyrood as a Great Place to Live, Learn, Work, Play & Invest. These pillars touch upon every aspect of our municipal programs, services and operations and allow us to undertake strategic priorities in each of these five important areas on behalf of our residents, business- the taxpayers.



We are committed to identifying, articulating and implementing the priorities that will enable this to happen.

In order to be a great place to ***Live***, we must ensure Holyrood is affordable and the preferred place to live and invest in municipal programs and operations that are among the best anywhere in Newfoundland & Labrador.



The Town will continue to invest in the following:

- Review residential lot size requirements to address issues of affordability and to encourage building and development that is more in line with economic conditions and market expectations;
- Review and amend other aspects of the town’s development regulations and relax unnecessary restrictions to encourage a greater variety of residential development;
- Review and revise requirements for commercial and industrial development within the town to support the expansion of a commercial tax base to ease the burden on residential taxation;
- Work with investors and developers to address issues of affordable housing, the development of personal care homes, and other factors related to being an “age friendly” community;
- Address issues related to schooling, day care, after-school programs, summer camps, and recreation programming for children that make Holyrood an attractive place to live;
- Develop a comprehensive marketing strategy to promote Holyrood as a thriving, safe, clean, and beautiful community that is an ideal place to live.

Council will continue to ensure that Holyrood protects and showcases its natural beauty and therefore, Budget 2018 has committed financial resources to beautification.



The Town of Holyrood seeks to provide residents with adequate safety and security. The Holyrood Fire Department has expanded and professionalized its services to the residents through training and strong leadership.

In 2017, the Holyrood Fire Department responded to date to 125 calls for service. This is a significant number of calls for a small town and it’s the third consecutive year that the Fire Department has responded to over 100 calls. Council recognizes the commitment of such service and this budget will continue to provide the support necessary to assist the department in providing services to residents in a timely and professional manner.

Council continues to recognize the social impact and challenges on many sectors of our society, especially low-income earners and fixed income seniors. Therefore, we will continue to offer a 20% discount for seniors receiving the GIS and for principal homeowners with a combined household salary of \$20,000 or less.



Council is committed to having a low residential rate on the property mil while providing quality services to the residents of the great town.

In Budget 2018, the present mil rate of 6.5 will continue for residential property tax.

Each year, Holyrood experiences challenges in providing water and sewer services to business and residents. Council has contributed in 2016 and 2017 over \$2 million in cost-shared funding to correct aging water lines and sewer infrastructure.

As Council proceeds with investment, we encounter further issues which require additional finances, equipment and labour.

Council is taking a proactive approach to ensuring replacement of water and sewer infrastructure is completed with the expectation of longevity and consistency.

This requires resources, but also requires patience and understanding from residents who experience the inconvenience of construction.

To ensure improvements are completed effectively, efficiently and timely, there will be a small increase in the water and sewer fees. A \$3.00 per month for residents in water fees and \$2.00 per month for sewer fees and for business, the fee increase for water and sewer is approx. 9%.

In order to be a great place to **Learn**, Council recognizes the value of supporting creativity, research, innovation as well as skill and professional development as a means to grow the Town of Holyrood.

The Town will continue to invest in the following:

- Particularly in areas of public works, identify tools, technologies, equipment, and practices that reduce effort and increase efficiency through a review of workplace practices, procedures, and needs;
- Identify an appropriate space with good transportation links, potential for development of recreation facilities and future planning for education;
- Develop a plan to systematically support the continued development of Holyrood as a world leader in cold water ocean research and technology development;



Council congratulates our local schools- Holy Cross Elementary and Roncalli Central High for their contribution to community right here in Holyrood and Conception Bay Centre. Council recognizes the teaching and non-teaching staff and students of both schools as they strive to prepare our children and youth for a meaningful, productive contribution to society.



This budget provides both schools with financial and in-kind support to assist them in their efforts in preparing our leaders of tomorrow.

Reading and other literacy skills are crucial to an innovative approach to solving the questions and challenges of the future. Recognizing the importance of our public Town library, and the programs it is offering our residents and the region, this budget will provide for a \$10,000 contribution to assist the library in providing resources and educational programming. Through another investment of town resources, the town covers all of the operation and repair/upgrade costs.

The presence of the Operating Engineers College, the International Brotherhood of Boilermakers, International Brotherhood of Electrical Workers and the Marine Institute has provided the Town of Holyrood with an opportunity to attract new business and residents.

Preparing for the future of Holyrood with the desire to ensure our children and grandchildren will consider this place as their place to set their roots is an important guiding factor in the decisions of Council.

We have researched extensively, planned strategically and committed wisely to ensuring the economic sustainability of Holyrood.

This budget sees a continued accommodation for the Ocean's Holyrood Initiative as a diversification tool of our local economy. Supported by both Federal and Provincial governments, this initiative has proved to be an effective manner in which to bring interest and commitment from business investment within the ocean sector.

In order to be a great place to **Work**, Council will continuously improve Holyrood's reputation for a strong work ethic, skilled workforce, excellent services, leading edge programming and overall efficiencies at reasonable cost to taxpayers.

The Town will continue to invest in the following:

- Review and implement relevant recommendations from the public works review completed in the spring of 2016 and apply recommendations that are practical and affordable;
- Undertake an assessment of the primary factors that attract residential buyers/builders to the town;
- Undertake an assessment of the primary factors that attract commercial/industrial development to the town.

This budget will see an investment in cost effective delivery of local programs and services. This commitment will require our attention and due diligence to all components comprising the Transportation Service department. These components are extensive and



include human resources for all public works including management, water production for firefighting, municipal drinking water, sanitary sewer maintenance and repair and the ever-challenging road maintenance, storm sewer, side road drainage maintenance, equipment and equipment repair as well as buildings and recreational infrastructures.



Council will continue waste pick up once per week, recycling every second week, as well as two bulk cleanups at a cost of approx. \$155.00 per home including tipping fees.

Council will continue to offer a Septic Tank Clean Out Assistance Program whereby residents who are not on town sewer will be able to have their septic tanks pumped out once every five years and the town will pay a maximum of \$250 towards the clean out.

Street lighting is a costly service, accounting for about 7% of the entire transportation budget dollars. Council is committed to conducting quarterly surveys of streetlight outages in the town and reporting these outages in a timely manner.

Holyrood remains strong in its efforts to be a great place to **Play**. Council remains committed to providing innovative community-based recreation programs and community events for residents and visitors of all ages, interests and abilities.

The Town will continue to invest in the following:

- Develop a “recreation facilities” wish list and prioritize needs based on practicality and affordability for the current planning cycle;
- Apply a simple asset management condition assessment to existing recreation facilities (indoor and outdoor) to ensure annual maintenance is completed and determine practical life cycles;
- Undertake a comprehensive review of recreation and community-based practices, programs, and facilities (Recreation Master Plan) to guide recreation programming and help ensure the town is delivering the diversity of programming needs the town requires;
- Undertake an assessment of obstacles or challenges to be overcome in delivering community events or recreation programming and devise creative ways to overcome these challenges in the most practical and cost effective means possible;
- Develop key partnerships with existing programming providers and facility owners within the town to avoid duplication and to encourage greater participation and support from the town’s recreation department.



Budget 18 will develop the next steps and timelines (in conjunction with other regional stakeholders) related to the Regional Lifestyle Center. It will also focus on infrastructure



upgrades and the necessary requirements for existing outdoor facilities such as Holy Cross Park and the new Community Garden slated to open this spring.

As the town continues to grow, the number of recreational users will also increase. Council will be planning and allocating new space for recreation facilities that will support the department as a whole. Residents in the North Arm area of town will be happy to see new recreational greenspace and a playground slated to open this summer!

As recreation continues to grow in the community our programs, events, and facilities are becoming more sustainable each year. Budget 2018 will see our Recreation and Community Events Department generate \$80,000 in net revenue to help offset various expenses for this coming year.

In order to be a great place to **Invest**, Council will ensure the town makes wise investments that contribute to the growth and sustainability of the town and develops a climate that encourages outside investment to increase revenues, diversify the local economy, stimulate growth, and reduce costs for residential tax payers.



The Town will continue to invest in the following:

- Identify triggers that encourage investment in commercial and industrial development in the town;
- Finalize plans for the proposed “phased” development of The Stores at Holyrood, Oceana park, and the Blue Industrial Place within the Town of Holyrood;
- Develop a plan to support current research and facility development taking place within the town;
- Continue to develop and support international partnerships in cold water ocean research and technology;
- Develop longer-term critical infrastructure investment needs as part of an asset management or detailed condition assessment plan;
- Devise ways to ensure the Town of Holyrood is properly promoted and marketed to provide the greatest benefits possible in all facets of the town’s programs, operations, and services;
- Ensure the development of the town’s “blue economy” is the highest investment priority for this planning cycle.

Cost-shared funding from Council, the Province and the Federal Government will see an investment of \$1,008,956 in water infrastructure upgrades and improvements over the next 2 years. Budget 2018 identifies money to meet the town’s commitment of 10% towards watermain extensions and water system improvements.



The town has made a conscious decision to continue to promote the development of commercial and industrial developments which will create a revenue stream to be used to deliver improved services to residents.



The Town of Holyrood has great respect for our local businesses. We continue to seek ways to support and promote business activity while ensuring a fair and equitable property tax regime for both residents and businesses.

Our evaluation of the town property tax structure indicates a slight increase is necessary to the business property tax. Business property will go from 10 mils to 11 mils to ensure a fair tax burden to both residents and businesses.

Budget 2018 will see minimal business tax increase for some businesses pending their classification.

In the 2010 Budget preparations, Council of the day identified concerns with the Business Tax Model that showed significant inequalities within the business tax structure.

In comparing neighboring towns, Holyrood is positioned at a low level of business tax, ranging in differences from 2 to over 20 mils.

Since 2010, there has been minimum change in the business tax model. In Budget 2018, some business tax categories will remain the same as previous years, and others will find an increase of 0.5 to 4 mil.

In 2018, Council will continue to review business tax, eventually leading to a full-fledged new and comparable model that is more closely aligned in the region.

The town will invest in small business week and volunteer week activities in recognition of the importance of local contribution to the sustainability of the Town.

The town has attributed a concerted effort to refining the tax system within the town to ensure burden of tax system reflects fairness to everyone.

In 2018, the town will review all parcels of land adjacent to town water and sewer infrastructure that has never been taxed to date, because no development has occurred on this land. This review will allow the town to charge a reasonable and fair tax for the available services.

The Town will continue to invest in the Holyrood Marina and will assist in making the planned expansion a reality to further meet the demands of the sector.

Council is providing \$25,000 in this budget as part of a 10-year commitment of \$250,000. The Holyrood Marina Park Corporation has leveraged funding from various funding partners to complete necessary upgrades at the marina site. The Marina is an integral part of the town's infrastructure and contributes to the overall economic activity of the region.



Council recognizes the importance of a growing business community on the overall growth and sustainability of services within the Town. We are consistently establishing partnerships with government agencies, both federally and provincially as well as with private businesses, learning institutions and organizations to ensure we lay a foundation for the growth of existing businesses and introduction of new businesses.

The Blue Ocean Innovation Valley which encapsulates retail development known as The Stores at Holyrood; the Industrial Park referred to as the Blue Industrial Place and Oceana – the Cold Ocean Research and Innovation Park is crucial to economic activity in the Town.

Council is excited for economic potential in the Town with the introduction of the Orange Store, North Atlantic Gas and Tim Hortons now under construction at the Stores of Holyrood. While excited, we are still committed to expand our business base across all sectors of the business sector.

With the development of the Blue Industrial Place, Council is confident that Holyrood is beginning to unfold its prosperity.



Using Oceans Holyrood Initiative, Council continues to push the innovative edge to a greater limit. Together with our federal and provincial partners we continue to build on our startup model to encourage the creation of new business startups.

Recently, Holyrood hosted a Start Up Event where we brought creative minds, seasoned expertise and industry support together to develop ideas to initiatives. With over 40 participants and 60 coaches and mentors including an international facilitator, Holyrood was the instigator of exciting and productive events which translated into the creation of 5 new partnerships with serious opportunity for success.

Given the success of this event, it provides solid affirmation to the BeachHead Centre and Suites and the startup model we are developing as we work with our partners locally and internationally including our partners in Ireland.

Holyrood is a cutting-edge Town with both Council and Staff dedicated to find creative ways of engaging with partners. Council will avail of all funding opportunities with all levels of government and business to ensure we action every opportunity to positively affect one's investment in Holyrood.

We remain conscious of the importance of sound fiscal management while addressing quality service and strategic investments.

Budget 2018 honors our commitments to include federal and provincial annual payment and multi-Year Capital Works payments, as well as recognizing the social impact and challenges on many sectors of our society, especially low-income earners and seniors on fixed incomes.



To assist our residents with the payments of their taxes, Council will be continuing the payment Program, whereby residents can pay their taxes over an eight-month period, with postdated cheques, with no interest charges.

Council and staff of Holyrood are vigilant and relentless in their commitment to good fiscal management and have created a sound financial condition for the Town.

Holyrood Council is very pleased to be in a financial condition where we can meet our fiscal requirements and continue to provide quality services to the residents of this great Town.

This continues to be a tremendous fiscal accomplishment for the Town which now realizes a debt ratio of only 10%.

Ladies & Gentlemen

The expenditure budget presented here tonight is \$3,853,628.36

This amount has been assigned to the following categories:

General Government- Budget \$702,225.97

In this category Council addresses strategic investment in key human resources, purchased and professional services, and deals with the costs of property assessment services, legal, consulting, surveyor, engineering, insurance, supplies and general maintenance.

Allocations are provided for professional development and training to support ongoing learning for staff and council.

The Town continues to build and maintain partnerships throughout Holyrood and Budget 2018 demonstrates a strong public relations commitment to various groups and organizations.

General Government represents 18% of the overall budget.

Protective Services - Budget \$317,098.00

Residents of our community have come to appreciate and expect the services of our Fire department as an integral component of Holyrood living. The Holyrood Fire Department have responded to their call to duty with a dedication and commitment which can be the envy of other communities.

Protective Services includes a stipend for the part time fire chief position, for officers and fire fighter training, call outs, and general supplies, material and equipment.

The Town's new municipal enforcement department will begin services in 2018 and the cost for this service is included in Budget 2018.

Protective Services amounts to 8% of the budget.



Transportation Services - Budget \$1,407,988.01

Obviously, the most important component of the budget process deals with providing the essential services to the town.

These services affect the daily lives of everyone who lives, learns, works, plays and invests in Holyrood.

The Division is responsible for the administration, planning, maintenance, construction management and technical engineering of the Towns infrastructure.

This category amounts to 37% of the budget.

Environmental Health - Budget \$324,333.84

In 2017, Council accepted a new Waste Management agreement, providing a 12% decrease in the contract cost. However, the rising cost of chlorine, water supplies, and lift station repairs have seen incremental increases in the budget.

Environmental Health consumes 9% of the overall budget.

Planning & Development - Budget \$282,182.50

Planning advice is crucial to the proper development of land use and the implementation of the town's development regulations.

Economic success is not a random act, but a calculated and well-planned exercise in vision, commitment and collaboration. The Town of Holyrood has developed a strategic path forward for the diversification of its economy.

This budget item will allow us to continue to expand initiatives which will create the climate for greater investment and growth.

We will continue to assist in the promotion of our existing businesses and will actively seek to attract new and innovative businesses. We will ask others to become engaged with us to set goals which will be mutually beneficial to the fibre of our Town.

The allocation for Planning and Development is 7% of the budget.

Recreation - Budget \$273,367.53

2018 budget maintains a high level of recreational and leisure opportunities and builds on established programs to create further recreation opportunities for residents of all ages in Holyrood and in the region.

Several new recreation initiatives can be highlighted for 2018 include:

- Opening of the new Holyrood Community Garden in the spring
- Development and completion of a new neighborhood park in the North Arm area of town



- New innovative programming dedicated to the teen population
- Continued expansion of Christmas at Holy Cross Park
- Affordable access to family play based programs
- New recreational programming in our local personal care homes

The budget allocation for recreation is 7%

Fiscal Services – Budget \$546,432.51

One component in fiscal services is the cost of servicing an \$800,000 loan arranged in 2016 budget. To date, there is approx. \$460,000 remaining for projects. The loan payment thus far has been used for:

- Crown Land for Industrial Park- \$343,850
- Communication Equipment for Fire Department -\$35,000
- Water Tank Analysis- \$19,100
- Water Systems Review- \$61,001.75

The Crown Land Cost for the Blue Industrial Place will be returned when the final legal arrangements are made with the developer.

These funds as well as the balance will be used for projects Council will approve in the coming months.

Fiscal Services accounts for 14% of the budget.

Total Expenditures: \$3,853,628.36

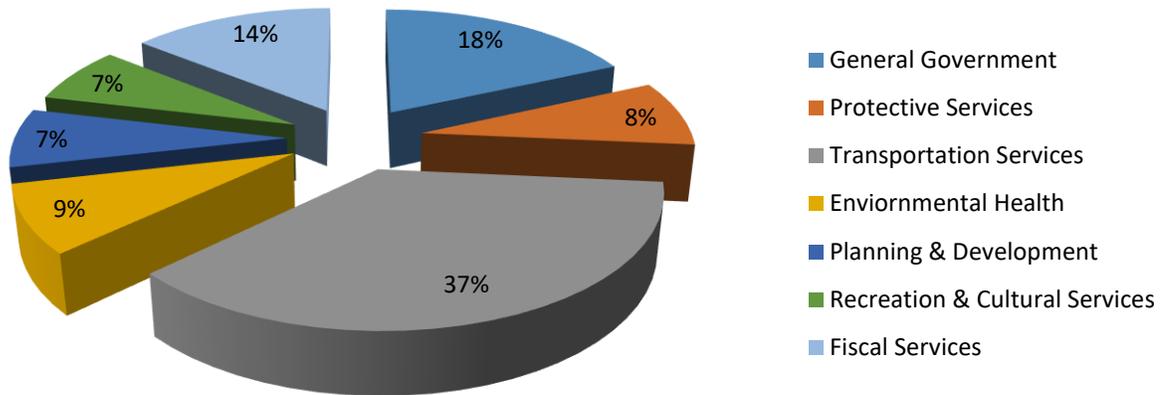
Budget 2018 accommodates increases in total expenditures of \$384,840.53 which represents an increase of revenue of 9% from 2017.

Expenditure

General Government	\$702,225.97
Protective Services	\$317,098.00
Transportation Services	\$1,407,988.01
Environmental Health	\$324,333.84
Planning & Development	\$282,182.50
Recreation & Cultural Services	\$273,367.53
Fiscal Services	\$546,432.51
TOTAL	\$3,853,628.36



2018 Expenditures



Revenue:

The Town of Holyrood continually seeks ways to provide reliable services in the most cost-effective manner. We also ensure revenues are available to support the programs and activities across all departments.

2018 budget identifies the following revenue streams:

Residential and Commercial Property Tax will provide \$2,250,250.47 which accounts for 59% of the total revenue.

Residential Property tax accounts for 85% of the total property tax, while Business Property tax accounts for 15% of total property tax.

Water and Sewer Tax provides \$515,356.00 of the total revenue, which is 13% of total revenue.

Business and Utility Tax will see total revenue of \$427,478.89, a total of 11% of total revenue.

Sales of Goods and Services will provide \$117,015.00 representing 3% of total revenue.

Other Revenue from Own Sources accounts for \$257,382.49 which is 7% of total revenue.

Government Transfers will provide \$286,145.51 which is 7% of total revenue.



In spite of the down turn in new home construction provincially, Holyrood continues to experience growth and expansion within the residential sector with 23 new home approvals and 15 new homes under construction.

The commercial sector also saw growth this year with 5 new businesses being established in the Town.

Increased business and residential development provides the Town with sources of revenue that assist in efforts to keep pace with growing demands and rising costs.

In 2017 Council reviewed the vacant land adjacent to the Town water and sewer infrastructure in an effort to determine appropriate water and sewer fees which are reflected in this 2018 budget.

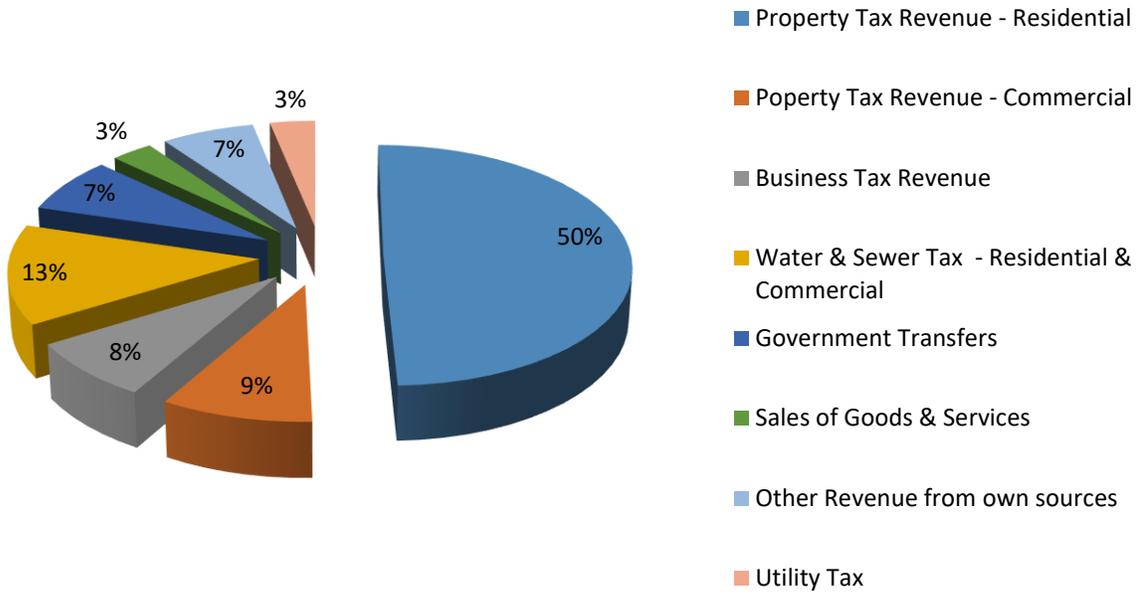
Budget 2018 accommodates increases in total revenue of \$384,840.53.85 which represents an increase of revenue of 9%.

Revenue

Property Tax Revenue- Residential	\$1,907,850.68
Property Tax Revenue- Commercial	\$342,399.79
Business Tax Revenue	\$302,694.73
Water & Sewer Tax- Residential & Commercial	\$515,356.00
Government Transfer	\$286,145.51
Sales of Goods & Services	\$117,015.00
Other Revenue from own Sources	\$257,382.49
Utility Tax	\$124,784.16
TOTAL	\$3,853,628.36



2018 Revenue



Thank you

I would like to take this opportunity to thank our Town Management Team led by Chief Administrative Officer, Gary Corbett for their steadfast leadership, all Councillors and staff for their assistance in developing Budget 2018.

BE IT RESOLVED that the Town of Holyrood, in accordance with the Municipalities Act Section 75-79 adopt the 2018 Budget with operating revenues and expenditures totaling \$3,850,480.85

BE IT RESOLVED that the Town of Holyrood, in accordance with the Municipalities Act 1999 Section 75-79 adopt the attached Schedule of Taxes, Rates and Fees to take effect January 1, 2018.

