

TOWN OF MASSEY DRIVE

2019 BUDGET SUMMARY

A Look Back at 2018

2018 was once again a year of growth for the Town of Massey Drive. New residential construction in existing areas, as well as continuing development of new subdivisions, is an indicator that Massey Drive continues to be a very desirable community for people to live and raise their families. The most recent census data from 2016 shows a population increase of 15.6% for the five year period from 2011-2016 and has been consistent at that pace in the two years since.

2018 was a fairly busy year for infrastructure additions and improvements. We were successful in having a Municipal Capital Works application approved by the province for emergency backup generators for all sanitary sewer lift stations. Design work for this project was started in 2018 and is still ongoing. We expect to be ready to tender by late February and have the generators in place and the project completed by early spring. Not only will this project ensure emergency power on our lift stations, it will also enable us to utilize our portable trailer mounted generator to power our booster pumps during power outages and thus maintain water supply to the town during those times as well. This project will be funded on a 50/50 cost shared basis with the province and is estimated to cost approximately \$360,000 to complete.

Improvements and upgrades in several other areas were started as well. A review and overhaul of the town's Municipal Plan and Development Regulations was completed. Work was started on a new multi-purpose recreation facility and improvements to the storm drainage system and town hall parking lot. Council completed the purchase of a multi-purpose municipal tractor and attachments that include a sidewalk snow blower, pick up broom, and backhoe attachment.

Our commitment to recreation and health and wellness programs as core services continued in 2018. Additional equipment was added to the Sunset Boulevard playground. Significant repairs and improvements were made to the Tippings Pond trail system that involved extensive widening, resurfacing, and drainage. A new Community Garden was started near Strattons Pond, and we continued our commitment to complete a regional aquatics center study that will benefit the entire region. In addition to the twice weekly fitness classes at the town hall we also added two afternoon classes for seniors at no charge to residents who take part.

A Look Ahead To 2019

As mentioned previously new construction has continued at a steady pace, however, any potential increase to our tax base was offset by a 2% average decrease in municipal property assessments of existing properties. In order to compensate for the decrease in assessments and revenue the residential tax rate will increase by .25 mils from 6.5 to 6.75 mils and the 3% early payment discount will be eliminated. All other fees and discounts will remain unchanged for the 2019 tax year. This is the first change to the mil rate since 2011 when it was reduced from 8.5 to 6.5 mils.

Electricity cost is an area that could likely see a substantial increase in the near future. In addition to the obvious power consumers such as street lights and municipal buildings the town also powers its two water booster pump houses and three sanitary sewer lift stations with electricity. While increases in consumption are to be expected with growth and increased demand, there may also be a significant rate increase expected resulting from the completion of the Muskrat Falls hydro electric project. Initially we had estimated that impact to be \$25,000 to \$30,000 per year in increased electricity costs, however, given the uncertainty of the final cost of the project it is difficult to estimate what the actual increase will be.

Waste management is another area where there is some uncertainty regarding potential increases in cost. 2018 saw an increase of \$51,000 or 64%. Western Regional Waste Management currently does not have any long term agreement in place with Central Waste Management for tipping fees at the central site nor any long term alternative plan. Given this uncertainty there could be further increases in waste management costs.

An application for funding has been submitted to the Department of Municipal Affairs and Environment for road upgrading and curb repair on Lady Diana Crescent at an estimated cost of \$310,000.00. Changes to the provincial government's funding ratios from 90/10 to 50/50 for this type of project means the town's share to complete the project will be \$155,000, which has been allocated in this year's budget.

The spring of 2019 will see the completion of projects started in 2018. Phase 1 of the new multi-purpose recreation facility behind the town hall will see an asphalt surface basketball court with four adjustable height basketball nets, making it suitable for use by all age groups. Ground work and drainage will also be completed for an additional recreation facility at this same location that will be utilized for an additional recreation facility to be determined through consultation with residents in order to ensure we get the best possible use of the space. It is important to note that this work was all completed with the use of Federal Gas Tax funds and did not require any local revenue. There will be continued improvements and

expansion of the Tippings Pond Trail system and Community Garden as well as a formal recreation plan for the entire area around Strattons Pond and Tippings Pond. The new recreation plan will provide us with a guide for best uses of this area and incorporate such things as the existing community garden, playground area, community gathering space, adult fitness area, and possible dog park location. The plan will include a comprehensive cost estimate of all facilities. Future development of these areas will be heavily dependent on a new Federal Gas Tax Agreement and funding for 2020-2025 and Provincial grants.

We were successful in obtaining a grant from the Federation of Canadian Municipalities on a 90/10 cost shared basis for implementation of an asset management plan. The total cost of the project is \$47,000. The asset management plan will provide us with detailed mapping of all infrastructure assets as well as a State of Infrastructure Report that will outline the age, condition, life expectancy, and estimated replacement cost of current infrastructure assets such as water and sewer systems, transportation network, recreation facilities, municipal buildings, etc. With this information council will be better prepared to forecast when assets will need to be replaced, satisfy federal government funding requirements, and budget proportionately over a period of time for anticipated future expenses.

Early in 2019 we will be implementing our new Message Express advisory alert system. This new system will allow us to keep residents better informed of advisories such as water outages, boil orders, road closures, and community events. Message Express will enable us to communicate to residents either by e-mail, text message, or automated voice call to ensure information is more readily accessible to all residents. Registration is now available through the advisory alert widget on our web site or by calling the town office for anyone who doesn't have web access.
