



# 2023 BUDGET



## **2023 Budget Speech**

Good evening, Mayor Scott, my fellow Council colleagues, staff, and residents of beautiful Torbay. As Chair of the Corporate Services Committee, I am pleased to present the 2023 budget to Council this evening.

Budget 2023 brings together the need for vital infrastructure in our community, balanced with improving the quality of life of our residents.

### **2022 - THE YEAR IN REVIEW**

I would like to take a few moments to reflect on 2022, highlighting key initiatives for the community this year.

2022 saw Torbay recognize its 50<sup>th</sup> year of incorporation. A special committee, under the leadership of volunteer Barry Codner was created, to develop a series of community events – 50 events for 50 years. The programs were developed to celebrate our community’s history and instill a sense of community pride in everyone. From cornhole competitions to family fun days, to a “citizenship ceremony” for residents living in Torbay for 10 years or more, and a Council reunion - we offered something for everyone. We had tremendous support and

participation, with many popular events selling out very quickly. Thank you everyone!

This renewed interest and support in our community gives us a solid foundation to build upon as we move into 2023. The COVID pandemic is in the “rear view mirror” and we are moving forward to better and brighter days.

2022 also saw the long-awaited opening of the History House and Museum. The History House celebrates and recognizes Torbay’s incredible history. It is the community’s house. I encourage everyone to visit and participate – in the numerous programs that bring traditions and culture alive – through story, art, music, and song. At the History House you can not only read about Torbay’s history, but you also learn about the Mannion Project and the settlement of the Irish in our province. Upstairs you will have the opportunity to view the talent of local artists.

Torbay Common Community Centre opened its doors in September 2019 but was shut down due to the global pandemic in March 2020. 2022 saw the return of in person programming for 9 months of the year. This year, the Town offered over 49 special events in addition to the Torbay 50<sup>th</sup> events, 30 youth and seniors’ programs, a sold out 8-week summer day camp and for the first time – we are offering a 5-day Christmas Camp. Community use of the centre has been phenomenal – there are 105 hours of gym and multipurpose rooms usage each week, thirty-three (33) birthday parties were held at the centre this year, in

addition to the weekly rentals of fifteen groups (15). The demand for the gymnasium use has far exceeded the availability.

2022 also saw enhancements to the War Memorial site – recognizing Torbay residents that paid the ultimate sacrifice, installation of accessible parking, a reflection bench and beautification to the site. The Town of Torbay would like to recognize and thank Veterans Affairs and the Atlantic Canada Opportunities Agency for their financial contributions towards this project.

As many are aware, Torbay's first Mayor – Bill Manning, lost his life in a plane crash over Picco's Ridge. The Town of Torbay, with financial support from the Atlantic Canada Opportunities Agency will be constructing a memorial at the History House to recognize the lives lost. Construction of the ring of remembrance has commenced. The memorial will also include 10 seating stumps etched with the names of the crash victims, an arrow indicating the direction towards the crash site, and engraved text with the historical recollection of the crash. The memorial will also serve as a storytelling circle, outdoor classroom, rest area and small performance venue. The remaining components of the memorial will be installed in the spring of 2023.

These are but a few examples of the great investments in our town that are testaments to true community and civic pride.

Quality of life must be balanced with investments in infrastructure. 2022 saw the completion of phase one of sidewalks along Torbay Road, installation of the zone

meters for North Pond – which will confirm the quantity of municipal water utilized on a daily basis, funding approval for phase one of water treatment for North Pond, feasibility work on Great Pond - for additional water capacity, purchase of back up pumps for the sewer lift stations, investments in our vehicle and fleet strategy and the acquisition of a new fire pumper truck for The Torbay Volunteer Fire Department.

### **POST COVID AND THE ECONOMY**

2023 will continue to present challenges – but it will also present opportunities. Interest rates have risen – in some cases tripling, from a low of 2.15% in 2021 to 6.5%, which results in increased costs for our fiscal borrowing for infrastructure development. The cost of providing core services has increased. For example, the cost to purchase a fire truck increased \$140,228 over the pre-tender estimate, ice control (sand and salt) increased \$35,800, fuel \$23,200, diesel \$46,900 and equipment parts and maintenance \$46,200.

Our growth has not kept pace with the rate of inflation. While the total estimated construction value has increased \$4.2 million over 2021, with a total construction value of \$12,762,816 in 2022, which includes single detached dwellings, accessory buildings, resident repairs/renovations and commercial/industrial development, our approvals in principle are the lowest in 6 years – 48 for 2022, with 17 building permits issued in 2022.

## **THE NEED FOR A NEW MUNICIPAL WATER SUPPLY**

The economy is slowly rebounding from the COVID pandemic – which is the reality of every municipality. Torbay’s biggest challenge today is a source of potable water. North Pond is at capacity, no further serviced development can happen in the Town of Torbay at the present time. We have landowners wanting to develop their land and cannot because they cannot avail of municipal water. Growth brings increased revenues to cover the costs of municipal operations. Without growth, we are at a standstill. The Town requires water to support development, to be prosperous, to be sustainable and to minimize the tax burden on residents.

Mayor Scott, along with Councillor Pollard and myself, have met with MP Thompson, MHA Wall and are awaiting a meeting with Transportation and Infrastructure Minister Loveless to discuss the vital need for a second water supply.

Efforts to avail of regional water, have not come to fruition. The Town has shifted gears and is now focused on the feasibility of Great Pond. Work to date is yielding positive results. At the December 12, 2022, public Council meeting, two motions were passed to commence work on the technology requirements and a servicing plan for Great Pond. 2023 will be a pivotal year to have this work completed and lobby the Federal and Provincial Governments for capital funding.

## **BUDGET 2023**

As per legislation, all municipalities are required to present a balanced budget. Work on Budget 2023, commenced in late September and concluded on December 12, 2022. Eleven meetings cumulating in 5 draft budgets along with a resident survey and two public consultations enabled the budget to be balanced and presented for adoption tonight.

2023 will see a total budget of \$16,525,925, allocating \$6,221,630 for capital expenditures and \$10,304,295 for operational costs. The residential property tax mil rate will be set at 7.6 mils and the commercial property tax rate will be set at 12.4 mils. The water tax will be set to \$225 per year. The \$75 dollar increase will now enable us, for the first time since we provided this water service (almost 50 years ago), to cover 100% of the operational costs from this enhanced user fee. Less than 40% of homes in Torbay have water service. Going forward we will finally have a true user pay system when it comes to water service.

The average property tax bill for residents in 2023 will be \$2,155 – an increase of \$240 over 2022. This increase is comprised of \$155 due to the mil rate increase and \$85 is due to an increase in assessed property values.

Council will continue to offer the twelve (12) month interest free payment plan for taxes, in addition to the 25% tax reduction for those in receipt of the Guaranteed Income Supplement and the 20% tax reduction for low-income individuals and families. The tax reductions will apply to primary residence only.

Residents are encouraged to contact the Town Hall for more information regarding the application process to determine and confirm your eligibility.

### **2023 Capital Investments**

Through cost shared programs with the Federal and Provincial Governments, the Town will continue to invest in infrastructure in 2023. Nine roads, namely Roblin Place, Gosse's and Rodgers Crescent, Dunphy's Lane, Quarry Road Extension, Gallows Cove Road, Hiscock's Lane, and Bullocks Town Road will see upgrades and improvements. Stormwater mitigation will take place at The Gully, Whiteway's Pond, and Island Pond Brook. A generator will be procured for the Torbay Common Community Centre, which is the Town's warming center during emergency events. A new multi-purpose court will be installed at the Pineridge Open Space/Playground area and improvements will be made to address drainage issues at the Barry Codner Junior Softball Field at Upper Three Corner Pond Park. Testing of technologies for water quality improvements and treatment plant design for North Pond will occur in 2023.

Through an investment of \$197,283 from the Federal Government's Canada Community Building Fund, a traffic lighting system will be installed in front of the Fire Hall. This will support the safety of firefighters during emergency response.

### **2023 Operations**

Numerous budget requests were denied in order to keep a focus on core programs and services to residents, while minimizing the increase in taxes.



Volunteers are the lifeline of our community. 2023 will see a continued commitment to the Northeast Soccer Club, Rock Garden Committee, Girl Guides, the 50 Plus Groups, Safe Grad, East Coast Trail, Torbay Library, Torbay Folk Arts Council, Torbay Lion's Club, Torbay Minor Softball, the School Lunch Program, and the Harbour Authority. The Town will continue with its donation program, supporting eligible residents as they pursue personal achievements in academic and athletic programs.

Fire and life safety is paramount to every community. Torbay is very fortunate to have the best Volunteer Fire Department, sharing the service with the Town of Flatrock for 48 years. The Torbay Volunteer Fire Department (TVFD) is currently comprised of 35 members, with 12 new recruits actively undergoing their training. The Department is comprised of 4 Advanced Care Paramedics, 5 members with basic training, 6 Fire Firefighters with Level One Certification and 24 with Level Two Certification. As of December 14, 2022, the TVFD has responded to 200 calls of service – 90 for medical emergencies, 12 for road traffic accidents, 90 for fire related events and 8 for other events such as water rescue, extras service or high angle rescue.

The Fire Department is also involved in the community, in addition to emergency response. Torbay 50<sup>th</sup>, Fire Prevention Week, school walks, fundraisers, and Department tours for community groups such as the Brownies, Cubs, Scouts, Beavers and Sparks, are just a few examples of how the Torbay Volunteer Fire Department continues to support and give back to the community.

Budget 2023 will see an allocation of \$495,500 to support the operations of the Fire Department. Initiatives include digitizing its data management system, the purchase of 5 new sets of bunker gear and 16 new breathing apparatus bottles.

A \$100,000 commitment has been made to see the return of municipal enforcement to Torbay in 2023. The operating model will be confirmed in January. This service will support the enforcement of the Town's regulations and include ticketing authority for property based and non-moving violations.

In 2023, the Town of Torbay will update its Emergency Preparedness Plan in conjunction with the Department of Justice and Public Safety, train staff in basic emergency preparedness and conduct an exercise of its plan.

Two hundred and fifteen thousand dollars (\$215,000) has been allocated for road maintenance in 2023. Due to the expiration of the standing offer in 2023 and based on current costs/inflation, an additional \$35,800 has been allocated for ice control materials and \$70,049 for gas and diesel in 2023. This brings the total expenditures for both these items to \$346,049 in 2023.

A new loader and backhoe will be purchased in 2023, keeping in line with our vehicle and equipment strategy.

Forty-five thousand dollars (\$45,000) has been provided for the purchase of chlorine and soda ash for the North Pond Water Plant – this is an increase of \$20,000 over 2022, due to inflation.

A \$500,000 commitment will enable the construction of a salt storage shed at the municipal depot to minimize the impact of salt on the environment and the loss of supply due to exposure to the elements. This will realize a cost saving of 30% over time as it pertains to the purchase of ice control materials. Thank you to the Environmental Advisory Committee for reviewing this matter and providing recommendations back to Council.

2023 will see the Town commence its review of the 2015-2025 Municipal Plan and Development Regulations. A roadmap for this three-year commitment will be released in first quarter of 2023.

As mentioned earlier in my speech, \$100,000 will be allocated to two studies for Great Pond – the servicing plan and the treatment option. The outcome of these studies and the support of the Federal and Provincial Governments will be paramount to support the future growth and sustainability of our town.

The effects of climate change are upon us. The Town has committed \$7,500 in 2023, to complete its climate change adaptation priorities report.

A \$184,634 commitment is made in Budget 2023 to provide support to economic and tourism development in Torbay. Funds are allocated to continue with implementation of the Town's Economic Roadmap, youth entrepreneurship, the small business awards program, garden tourism, an online interactive tourism map, business welcome kits, community markets, and the business retention and expansion toolkit.

Recreation, community services, culture and heritage initiatives support the quality of life of a municipality's residents. These important initiatives help make a town become a real vibrant community.

The Torbay Common Community Centre, a \$10M facility opened its doors in 2019. It was built and continues to operate since 2019 within the fiscal means of the municipality. The mil rate did not increase while the facility was under construction, nor during its first three years of operation. In 2023, the Town will commit \$475,467 to the community center's operation, along with \$430,950 to offer diverse youth, seniors, sporting programs and special events for residents.

The Town will host the Killick Coast Regional Games in 2023. A \$50,000 budget commitment is made, to offset hosting responsibilities. To coincide with the Regional Games, the Town will conduct \$75,000 of site improvements to the Upper Three Corner Pond Park, install playground equipment at a cost of \$50,000 and provide new fencing, nets, bleachers, and benches for the soccer field.

In 2023, the Town will continue with implementation of its Opens Space Management Strategy. Building upon the 4km of trails built to date, 2023 will see an investment of \$200,000 to complete the trail from Forest River Road to the ByPass Road, an accessible trail at Whiteway's Pond and then trail development in the Eagle's Nest Subdivision. License to occupy applications will be submitted for a potential trail from Jones Pond to Torbay Road and from the ByPass Road to

Torbay Road. The Town will also explore the potential to connect the Pineridge Subdivision to the Western Island Pond Trail Network.

The former Priest's House was purchased in 2017. With funding support from all three levels of government in addition to a private donation, the Priest House was renovated and restored to become Torbay's History House and Museum - where Torbay's history, culture and heritage comes alive. In 2022, the Museum Manager has been very successful in writing grant applications to support the operations and programs of the History House. In 2022, grants in the amount of \$431,153 were submitted to various funding agencies, with \$203,977 in approved funding. It is anticipated that a response will be received regarding an additional ten (10) proposals in first quarter 2023. In 2023, the Town will contribute \$155,056 to support the History House operations in 2023, a decrease of \$6,543 compared to 2022 (\$161,599). The support of \$155,056 will leverage \$398,819 in additional government grants to expand History House programming.

In the coming days, the Town of Torbay will be releasing a year in review report for 2022, which will also include more information regarding budget 2023. I encourage all residents to read this document. It will be placed on the Town's website. Hard copies will be available at the Town Hall, Torbay Common Community Centre and Torbay History House and Museum.

I now ask my Council colleagues for their support as I present the required motions for the adoption of Budget 2023.

1. That the Town of Torbay adopt the tax and fee structure schedule for 2023 as presented. The 2023 schedule will be advertised in the January edition of the Northeast Avalon Times newspaper, posted on the Town's website, and provided in the 2023 budget newsletter.
2. That the Town of Torbay's residential property mil rate for the 2023 taxation year be set at 7.60 mils.
3. That the Town of Torbay's commercial property mil rate for the 2023 taxation year be set at 12.4 mils.
4. That the Town of Torbay approve the transfer of \$500,000.00 from the infrastructure reserve for the construction of the salt storage shed. The transfer is to be repaid to the infrastructure reserve over a five-year period, commencing in the 2023 calendar year.
5. That the Town of Torbay approve the use of \$305,000.00 of cash reserves from prior years to balance the 2023 budget.
6. That Council remuneration for the 2023 calendar year be set at 1.52% of the operating budget.
7. That the 2023 total budget for the Town of Torbay in the amount of \$16,525,925.00 be adopted. The breakdown is \$10,304,295.00 for main operating and \$6,221,630.00 for capital.

8. That the Town of Torbay approve a 25% tax reduction for those residents in receipt of the Guaranteed Income Supplement under the Old Age Security Act for the calendar year 2023. This tax reduction applies to primary residence only.
9. That the Town of Torbay approve a 20% tax reduction for those residents whose single net income is between \$0.00 and \$20,784.00 for the calendar year 2023. This tax reduction applies to primary residence only.
10. That the Town of Torbay approve a 20% tax reduction for those residents where the combined family net income is between \$20,784.00 and \$49,824.00 for the calendar year 2023. This tax reduction applies to primary residence only.



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1288 Torbay Road | Torbay, NL | A1K 1K4 | P: (709) 437-6532 | F: (709) 437-1309