

## 2013 BUDGET

Tuesday, December 4, 2012

### *“Services for Residents Remain the Priority”*

Dear fellow residents,

I am pleased to present to you Gatineau’s 2013 budget. For the second year, the budget discussions took place in public and were webcast. Once again, Gatineau is a true model of transparency.

Gatineau’s first ten years unfolded under the banner of demographic and economic, as well as social and cultural, development. In 2012 its population surpassed the 265,000 mark. This growth will continue over the coming years.

Confronted by the economic uncertainty that is prevalent both nationally and internationally, and the federal public service cutbacks, the Municipal Council was particularly prudent in its management of the public purse. With this budget, Gatineau is taking steps to address its obligations and at the same time maintain the quality of services for residents.

The Municipal Council intends to stay the course in terms of investments in roads, parks, water supply, sewer and public transit systems, water treatment plants, arenas, libraries, community centres and social housing. These vital infrastructures are instrumental in providing quality services for residents.

Whether it be younger residents engaged in sports and recreation activities, families enjoying the recreational pathways and taking part in shows, or seniors involved in initiatives run by organizations supported by Gatineau or getting together in safer public places, everyone has their own needs, which Gatineau must meet while ensuring a high level of satisfaction.

In preparing this budget, the Municipal Council was intent on providing Gatineau residents with a set of services and measures that met their expectations. To this end, it focused on four key issues:

- 1. preserving and improving services for the public,**
- 2. increasing investments in infrastructures,**
- 3. growing in a manner that is sustainable and protects the environment, and**
- 4. planning a realistic and responsible budget.**

## **Preserving and improving services for the public**

This year once again, the Municipal Council improved services for the public. These investments touched in particular on the cultural (\$182,000), heritage (\$359,500) and outdoors (\$50,000) policy action plans, on the management plan for trees and woodlots (\$250,000) and on the Cabane en bois rond (\$92,379).

Residents expect services to be maintained and improved. The latest Léger Marketing survey of satisfaction with municipal services indicated that 84% of Gatineau residents were satisfied with the municipal services they received. The Municipal Council is determined not to let them down.

- **Snow clearing** from streets and sidewalks is a priority for its residents, and Gatineau is set on providing them quality service. In 2013, \$15.4 million will be allocated to this essential service.
- **Social housing and home renovation** will share \$5.9 million in 2013. Of this, \$3.1 million will be used to build 175 social housing units through the AccèsLogis program. So far, for 2010-2013, Quebec has subsidized 560 units. Gatineau remains committed to financing 700 affordable units by the end of 2013. Gatineau is also contributing \$1.6 million to the Office municipal d'habitation for affordable housing. In terms of home renovation, in 2013 Gatineau will inject \$1.2 million in the Rénovation Québec program, a tripartite program that pools more than \$3 million in investments. In addition, the recurrent annual \$175,000 will be available for allocation under the housing policy.
- Implementation of the **fire safety cover plan** in Gatineau, as required by the Government of Quebec, will continue in 2013, with a \$1.3 million investment, mainly for hiring more firefighters. Once the plan has been fully implemented – at this point 90% of its objectives have already been met or are being achieved – Gatineau will have invested no less than \$42 million. This year, the Service de sécurité incendie budget is close to \$33 million, a solid investment in the safety of Gatineau residents.
- In order to comply with the ministère de la Sécurité publique *Police Act*, Gatineau will inject \$1.2 million in 2013 in its **police organization plan**. At the end of the day, \$5.5 million will have been invested in strengthening protection for Gatineau residents. In 2013, the total budget of the Service de la sécurité publique will reach \$60.8 million.
- The **tags and graffiti** support and prevention program will receive close to \$200,000 in 2013. Until now, this program has enabled Gatineau to significantly reduce the number of misdemeanours related to tags and graffiti, in particular by providing graffiti artists with panels, and property owners who are victims of vandalism with support.

- The **social development policy**, which was adopted in 2010, will receive \$1.3 million in 2013 towards its implementation. Recognizing that community organizations play a key role in improving the quality of life of residents, Gatineau has just launched its new community action support framework, which complements the support provided by local partners.
- In 2013, the new **heritage policy** will be set in motion with an allocation of \$359,500. The new **cultural policy** action plan, for its part, will require a \$1.3 million investment. These policies will strengthen and promote Gatineau's identity.
- There will be \$730,000 for **the maintenance of outdoor skating rinks** and sledding hills in 2013. Gatineau intends to optimize its services throughout its territory. The **action plan on the urban outdoors** will receive \$50,000 for studies of the recreational pathway networks, as well as others connected to natural spaces.
- Gatineau will continue to generously support **celebrations, festivals and events** throughout its territory. The Municipal Council has approved \$1.2 million in cash and services, sparing no effort in making Gatineau a welcoming and festive city all year-long.

### **Increasing investments in infrastructures**

The Léger Marketing survey of residents' satisfaction with municipal services confirmed that they would like their municipal government to invest more in its infrastructures. Investments in things like parks, community centres, roads and water treatment plants keep the quality of services in line with residents' expectations.

In 2013, Gatineau will allocate \$102 million to its infrastructures, namely to maintain roads and municipal buildings, to upgrade water treatment plants, for water supply and sewer systems, and to purchase vehicles and machinery.

- Close to \$22.5 million will be allocated in 2013 to **Gatineau's roads**, including:
  - \$16 million for road repairs,
  - \$1 million for speed reduction measures,
  - \$500,000 to rebuild the Saint-René Est and Labrosse intersection,
  - \$950,000 for farming roads,
  - \$500,000 for missing sidewalks,
  - \$500,000 for road signs, and
  - \$1.5 million for bridges and works of art, including pont Boyce.
- **Water supply and sewer systems** will require \$21.1 million in investments in 2013. Half of this will be used to rehabilitate the system. The other half will be

spent on repairing culverts, in particular the one along rue Jacques-Cartier, at a cost of \$1 million, and on connecting water supply pipes, including those for the supply system to be installed under boulevard La Vérendrye between rue Du Barry and boulevard Gréber, at a cost of \$1.4 million, as well as on repairing water supply systems, such as the one under chemin de la Savane between rue Saint-Antoine and rue Robinson, at \$1.2 million.

- In regard to the **water and wastewater treatment plants**, Gatineau plans to modernize the ones in the Buckingham and Hull sectors over the next few years, after it finishes modernizing and expanding the water treatment plant in the Aylmer sector. Gatineau can count on a recurring amount of close to \$15 million from the federal Gas Tax Fund for this work.
- **Maintaining municipal buildings** requires large investments. A \$10.1 million envelope will be earmarked for this, of which \$2.4 million will be for stone work and windows to preserve the unique and avant-garde Maison du citoyen building. In addition:
  - a \$1 million envelope has been set aside to repair the roofs of certain buildings,
  - \$1.8 million will go to rebuild the exterior shell of the Paul-et-Isabelle-Duchesnay arena and to upgrade equipment,
  - \$1.7 million will be spent on maintaining community centres and administrative buildings,
  - \$550,000 will be allocated to maintaining arenas, and
  - \$400,000 will be invested in improving universal access to our buildings.
- In 2013, Gatineau will invest \$20 million as it continues to develop hundreds of industrial properties. It will also inject an additional \$257,000 in the **Gatineau airport** to support this key infrastructure in the city's economic development.
- The **Programme particulier d'urbanisme (PPU)**, a special urban planning program, and the **Fonds de développement des communautés** community development fund can look forward to a \$6.2 million envelope in 2013. This will come from property taxes on new buildings in the downtown. Of this amount, \$4 million will be used to develop the downtown, and \$2.2 million will go to the Fonds de développement des communautés. This year, the focus will be on expanding the centre communautaire Ernest-Lattion, and on building the centre communautaire Gilbert-Garneau and a synthetic field in the Gatineau sector, all of which will be put to the service of residents.
- As it did in 2012, this year Gatineau will invest \$5 million in **purchasing and replacing vehicles and machinery**. Over the years, these amounts will help rejuvenate the municipal fleet, in particular those vehicles that are over ten years old.

## **Growing in a manner that is sustainable and protects the environment**

Gatineau residents attach tremendous importance to protecting the environment and to sustainable growth. Since 2006, Gatineau has served them well in this regard: the environmental policy, the planting of more than 200,000 trees, the recycling and composting program, the Green Fund, the protection of wetlands, the tree and woodlot management plan, environmentally responsible procurement, and the construction of LEED buildings are but a few of its initiatives. Elected officials plan to continue in this vein in 2013.

- In regard to **residual materials management**, the response from Gatineau residents has been tremendous, helping to significantly reduce the amount of waste sent to landfill site.

In 2011, close to 55,000 tonnes of materials were valorized, essentially close to 44% of all residential residual materials, which represents the largest volume per inhabitant in Quebec. This is a tremendous increase compared to 2005, when this proportion was 11%.

Tricentris opened its new sorting centre in the environmental district in 2012, and an ecocentre is currently under construction, thanks to a \$432,000 subsidy from the Federation of Canadian Municipalities Green Municipal Fund. In terms of electronic equipment, Gatineau residents have sent close to 500 tonnes of material to our recovery centres since the beginning of 2012, which is twice as much as had been projected. Thus, there is every reason to believe that the efforts made by residents will help increase the volume of valorized materials over the next few years.

In large part thanks to residents' participation, the levy for the collection of residual materials will be reduced by \$8.77 in 2013, from \$137.73 to \$128.96. This represents a 0.4% reduction in the median residential tax bill.

- **Parks and green spaces** are essential to the urban fabric, and Gatineau's are very well known. In 2013, they will receive close to \$5.7 million, including:
  - \$3.5 million for the **four-year parks plan**,
  - \$100,000 for 15 **community and collective gardens**, which are used by more than 1000 Gatineau families,
  - \$1.5 million for **recreational pathways**, one of the city's distinctive features, and
  - \$500,000 to replace the trees hit by the **emerald ash borer**.
- **Public transportation** plays a key role in sustainable development and in protecting the environment. In 2013, Gatineau's assessed contribution to the Société de transport de l'Outaouais will reach \$49 million, an increase of \$4 million, which includes \$1.3 million for the Rapibus. Work on this reserved lane

in the public transportation grid is on track, and this service should be operational by the fall of 2013. It will be a tremendous development tool for Gatineau.

- As in previous years, the annual contribution to the **Green Fund** will be \$350,000. Created in 2006, this Fund will be used to, among other things, top up the greenhouse gas reduction program by \$100,000, bringing it to \$200,000. Gatineau intends to reduce its emissions 15% by 2015 compared to 2009, the reference year, in order to comply with the government of Quebec's requirements. Gatineau also plans to spend \$300,000 on supporting activities related to its environmental policy.

### **Planning a realistic and responsible budget**

Preparing a budget is always a delicate exercise. The 2013 budget was no exception. A balance had to be struck between maintaining and improving services for the public, renewing infrastructures and, at the same time, meeting the goal of increasing property taxes to a level acceptable to taxpayers.

For 2013, Gatineau's Municipal Council adopted a \$520,561,000 balanced budget, up 6% compared to the 2012 budget. The \$14 million **investment in capital projects, paid in cash**, account for 2.8%, or approximately half of this increase.

The other significant increases stem from:

- the **payroll** (\$6.4 million),
- Gatineau's **assessed contribution to the STO** (\$4 million),
- **pension plans** (\$2 million),
- the **fire safety cover plan** (\$1.3 million),
- **service improvements** (\$1.2 million), and
- the **police organization plan** (\$1.2 million).

The three-year capital program for 2013, 2014 and 2015 provides for investments in the order of \$311 million, including \$102 million for 2013, which amounts to an increase of 18.4% compared to 2012. Of this, more than \$44 million in work will be paid in cash.

For a seventh consecutive year, in accordance with sound financial management practices, Gatineau did not use the anticipated surplus for the 2012 fiscal year to balance its 2013 budget. The surplus is to be used, among other things, to pay for new infrastructures, such as the multiplex and the big library.

This year once again, Gatineau residents did their part for recycling and composting, resulting in a decrease in the levy for residual materials management, which averages out to 0.4% of the property tax bill. This decrease helped contain the average increase for the residential sector to 2.5%.

Of this 2.5%, 1.5% will be allocated to the operating budget and service improvements. The remaining 1%, which represents \$3.4 million, is the dedicated infrastructure tax.

## **Conclusion**

For the last ten years, Gatineau's growth has been one of the fastest in Quebec. Within ten years, it will have more than 300,000 inhabitants. Managing growth in harmony with the population's needs and those of the environment is no easy task. It demands some careful choices on the part of Gatineau's elected officials.

Like many cities across Quebec and the rest of Canada, Gatineau has for years been searching for new sources of revenue. The property tax, which generates 82% of municipal revenues, is not enough to meet the ever-growing needs of municipalities.

We endorse the request by the Federation of Canadian Municipalities that the federal government allocate \$5.75 billion over 20 years to improving municipal infrastructures in Quebec and the rest of Canada.

In terms of expectations about investment in infrastructures and the renewal of the fiscal partnership between Quebec and its municipalities, the Union des municipalités du Québec and Ville de Gatineau are on the same page. This partnership absolutely must be reworked.

In closing, I would like to comment on Gatineau's fiscal performance as one of the ten major cities in Quebec.

Data compiled by the ministère des Affaires municipales, des Régions et de l'Occupation du territoire indicates that in Gatineau, total long-term per capita debt is \$2,114, which is lower than the \$2,641 average for Quebec's ten major cities. As for net per capita costs, in Gatineau these were \$2,016, compared to the \$2,533 average for Quebec's ten major cities. As I indicated in the 2012 budget speech, among Quebec's ten major cities, Gatineau is the one with the smallest increase in property taxes. A survey conducted by *La Presse* on November 18, 2011 indicated that property taxes rose only 12.2% over six years in Gatineau, compared to an average 17.5% in the other major cities.

In 2012, ever committed to fiscally responsible management, Gatineau reviewed its municipal programs and services to assess their efficiency in the interest of maintaining the quality of services for residents.

I remain certain that Gatineau, thanks to its sustained demographic and economic growth, will hold its own. In 2013, the Rapibus, a \$250 million-plus project, will be up and running, effectively changing the face of Gatineau. Little by little, the downtown is coming back to life thanks to different projects. One of these is the multiplex, on which construction will begin in 2013, representing an investment of more than \$50 million.

Gatineau also plans to further its growth by adding a major library, which will become a cultural landmark for residents and visitors. At the same time, the Destination Gatineau project is taking shape. Gatineau residents will be able to have their say and leave their imprint on it through public consultations.

In short, the spirit of collaboration that drives the municipal administration, elected officials and municipal partners, will help Gatineau through the next ten years with the same degree of energy and success that marked its first ten years.

Thank you!