

STRATEGIC PLAN FOR THE TOWN OF ST. STEPHEN, NB

*Hendrik Slegtenhorst, CAO
Revised 8 October 2008*

The Council held its strategic planning retreat on August 15 and 16, 2008, at Loon Bay Lodge, NB.

1. Participation

The following individuals participated:

Mayor Jed Purcell
Deputy Mayor Jim Maxwell
Councillor John Quartermain
Councillor Ken Parker
Councillor Robert Tinker
Councillor Gavin Toumishey
Councillor Ralph Williams
Chief Administrative Officer Hendrik Slegtenhorst
Treasurer Tim Tozer
Director of Operations Lee Johnson
Town engineer Grant Godfrey
General Manager, Development St. Stephen Ian Stewart
Chairman, Charlotte County Civic Centre Project Board Richard Fulton
Representative of the Chamber of Commerce & local business David Humphreys

Mr. Humphreys was unable to attend but responded to the questionnaire.

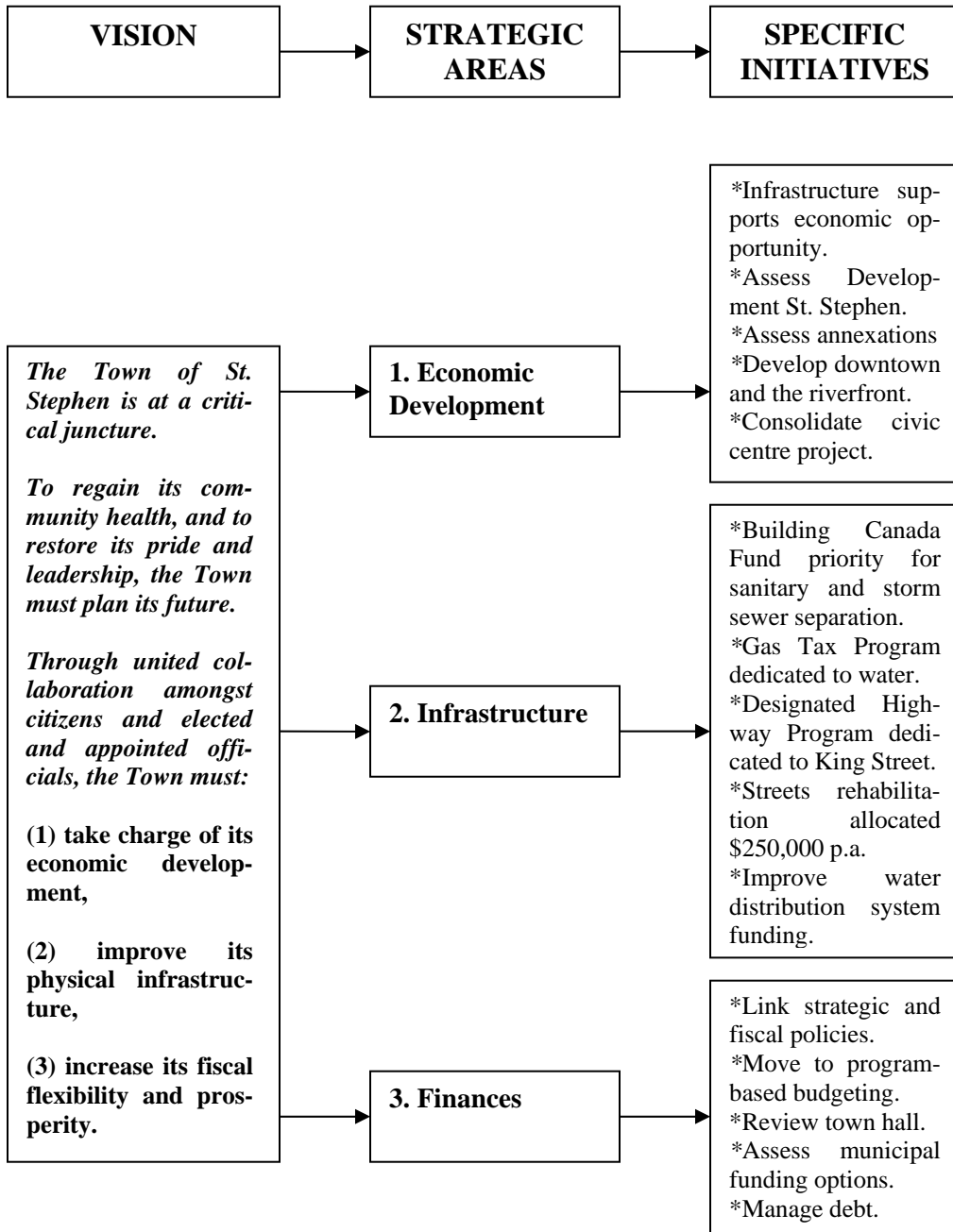
The consultant engaged to facilitate was Ken Harding, Chief Administrative Officer of the Town of Woodstock, NB. Organizational preparation included meeting in Woodstock in July by CAO and Treasurer with Mr. Harding.

Council released the draft plan to the community on September 15th, 2008. Written input was requested of the community. A public hearing of the draft plan was held on October 2nd, 2008.

The plan was adjusted as appropriate, and reviewed by Council in committee of the whole on October 7th, 2008.

The plan is to be formally adopted by Council on October 20th, 2008.

2. Town of St. Stephen Strategic Plan



3. Specific Initiatives

a. Economic Development

- Review role and mandate of Development St. Stephen, with engagement of all other players, especially the Chamber of Commerce and the BIA. *Planning & Priorities Committee, by 2009.*
- Assess utility of annexation, particularly to (1) consolidate lands held by Development St. Stephen and by the Town; (2) balance taxation versus economic development; (3) position proactively “ahead of the curve;” and, (4) develop local government presence in support of local business. *CAO, in 2009, for Planning & Priorities Committee.*
- Riverfront plan needs to be developed, with special attention to old lagoons and to remediation. To be incorporated into municipal plan. *CAO, November 2009, to comply with Community Planning Act.*
- Proceed with development of plan for downtown revitalization, particularly with reference to currently limited ownership of buildings and potential re-zoning to mixed use. *CAO, in 2009, for Planning & Priorities Committee.*
- Consolidate Town involvement with civic centre. *Planning & Priorities Committee, by 2009.*

b. Infrastructure

- Building Canada Fund priority is sanitary and storm sewer separation to deal with aging of system and to stop combined sewer overflow into St. Croix River. \$8 millions. Additional benefits to many streets through parallel main and sewer replacement and surface re-build. *Completed, 1 October 2008.*
- Gas Tax Program remains dedicated to water, specifically, improvement of the Valley Road reservoir. *CAO, for Public Safety & Environment Committee, November 2008.*
- Designated Highway Program remains dedicated to King Street. Milltown Boulevard de-designation due to possible closure of Milltown crossing to be evaluated. *CAO, for Public Safety & Environment Committee, October 2008.*
- Regular streets rehabilitation returns to a 25 years’ cycle, with \$250,000 p.a. to be allocated as a budget operations program. Black money (discretionary senior government paving funds)? *CAO, for Public Safety & Environment Committee, November 2008.*
- Water distribution system to be better funded from raising and dedicated utilities rates, with particular attention to aquifer studies and additional improvements to SCADA. *CAO, for Public Safety & Environment Committee, November 2008.*

c. Finances

- Coordinate direct linkages between strategic and fiscal policies. *Finance & Administration Committee, November 2008.*
- Adopt a program-based budgetary system, based on five-year planning, and inclusive of capital and operating factors and concerns, and re-introducing contingencies. *CAO & Treasurer, for Finance & Administration Committee, December 2008.*
- Town Hall projects. Rescind \$1MM borrowing authority to provide 3¢ flexibility on future tax rate. Leasing arrangements to be pursued. Permanent structure to be based on long-term partnerships. Existing building to be disposed through gifting with restrictive covenant. *Lease of Ganong Place approved 15 September 2008; civic administration moves January 2009. Borrowing authority rescinded 20 October 2008. Disposition resumed November 2008.*
- *Finance.* The complete range of funding options needs to be re-assessed. Sources include senior governments, tax rate, tax base, annexation, unconditional grant, borrowing, partnerships. *CAO, for Finance & Administration Committee, December 2008.*

- Develop fiscal plan to manage debt. Establish debt ratio targets. *CAO, for Finance & Administration Committee, December 2008.*

4. Background Information Introduced

Three sets of information were introduced:

- a. “St. Stephen and its Need for the Future,” a green paper to guide strategic discussion, by Chief Administrative Officer Hendrik Slegtenhorst, 17 April 2008.
- b. “Annual Report of Municipal Statistics for New Brunswick,” Section 1-2, Municipal Budget by Function, Department of Local Government, Province of New Brunswick, 2007.
- c. Compilation of the responses to the consultant’s questionnaire, which dealt solely with strategic issues, infrastructure, human resources, and economic development.

5. Towards a Future Vision

The 2007 municipal statistics for operating funds were reviewed [Appendix A]. These may indicate that, relative to the average of all Class “C” municipalities (Caraquet, Grand Falls, Oromocto, Shediac, Shippagan, St. Stephen, Sussex, Tracadie-Sheila, Woodstock), St. Stephen spends:

- severely less on transfers to capital costs and reserves;
- substantially less on environmental development, such as economic development services;
- substantially less on recreation and cultural services;
- appreciably less on general government services;
- appreciably less on environmental health services;
- somewhat less on debt cost;
- somewhat less on policing;
- somewhat more on transportation services; and,
- notably more on fire, by-law, and building inspection services.

[The statistics presented at the retreat *did not include* those for the 2007 water and sewerage fund, which, for St. Stephen, represents \$1,585,238 in revenues (or expenditures). These, as well as a summary of the combined funds, are given in the appendix. Comparative data for Class “C” is not readily available.]

A review of the responses [Appendix B] to the consultant’s questionnaire produced the following profile of major issues:

- The major *strategic issue* is the tax base of the Town.
- The Town’s most compelling *infrastructural need* is Town streets, followed by the Town’s *water system*.
- The primary need for *human resources external* to local government is training.
- The primary need for *human resources internal* to local government is succession planning, followed by a *good working environment*.
- *Economic development* is poorly coordinated, and the *lead role* ought to be the Town’s. The major *threat* to economic development was seen to be the *collapse of major industry*.
- The major opportunity for economic development would be branding of St. Stephen as an international destination area, so that the Town becomes a centre for international commerce, and can compete with small towns in the Maritimes and New England.

6. Expectations, Strategic Action, and Vision for the Community

A poll of key issues and their priorities elicited the following set of expectations and the issues they relate to, and in doing so, identified the following three areas of strategic action:

General

- the need to *plan to plan*
- Town at critical juncture: make difficult decisions now, begin with the long-term end in mind; be united in approach; collaboration essential
- by-law and regulation compliance must be maintained

On economic development

- Town to take charge of economic development and understand its economic base
- regain leadership role in southern NB
- downtown and Milltown Heights development and the implications of the highway by-pass
- use of prime developable property; infill opportunities
- boundary expansion or annexations

On infrastructure

- further improvement of water distribution system
- further improvement of streets
- recreation programmes and ownership of facilities
- consolidation required of civic centre project

On finances

- better fiscal return on tax rate
- improve budget process through determination of Council priorities
- reduce debt
- improve revenues
- heighten fiscal flexibility
- contain rising costs

This gave the general outline of a vision for the needs of the future; namely that:

***The Town of St. Stephen is at a critical juncture.
To regain its community health, and to restore its pride and leadership, the Town must plan its future.
Through united collaboration amongst citizens and elected and appointed officials, the Town must:***

(1) take charge of its economic development,

(2) improve its physical infrastructure,

(3) increase its fiscal flexibility and prosperity.

7. Notes

- Policy direction was well established in the areas of economic development, infrastructure, and finances, linking well to three of Council's four standing committees. Work plans, however, need further development and refinement.
- There was no discussion of recreation and culture. Perhaps this should be subsumed under economic development, and the standing committee dissolved.
- Some form of community policing ought to be endeavoured, such as presence in the schools and better visibility on the streets, particularly in problem areas and times.
- As most of the strategic decisions can be implemented or advanced by early 2009, a second retreat is advisable in spring of 2009.
- The 'strengths, weaknesses, opportunities, threats' analysis was cursory and did not effectively inform strategic deliberations and policy determination.
- Throughout expansion of Town boundaries, our experience with amalgamation is to inform the strategic need for that expansion and the imperative to build an inclusive new entity.
- Although the focus of the questionnaire was agreed to on the experience of similar strategic planning with other local governments, it may have introduced a bias by its limitation to the areas of economic development, finances, human resources, and infrastructure. Its methodology was not given.
- The municipal statistics were incomplete, and municipalities, even within provincial classes, are not fully or easily comparable.

MUNICIPAL STATISTICS 2007 [Appendix A]

Class "C" Municipalities

Caraquet, Grand Falls, Oromocto, Shediac, Shippagan, St. Stephen, Sussex, Tracadie-Sheila, Woodstock

<u>Function</u>	<u>St. Stephen</u>	<u>Average for Class "C"</u>	<u>Variance</u>	<u>Rank In Class "C"</u>	<u>% of Local Expenditures</u>	<u>Rank of Local</u>	<u>% Class "C" Expenditures</u>	<u>Rank of Class "C"</u>	<u>Variance Local:Class "C"</u>
<u>OPERATING FUND</u>									
All Revenues	\$6,263,909	\$7,170,709	-12.6%	5					
Warrant	\$4,518,456	\$5,514,374	-18.1%	6					
All Expenditures	\$6,263,909	\$7,170,709	-12.6%	5					
Transfers (capital, reserves)	\$138,000	\$594,162	-76.8%	7	2.2%	9	8.3%	7	-2
Environmental Development	\$268,551	\$403,476	-33.4%	8	4.3%	7	5.6%	8	1
Recreation & Culture	\$611,056	\$896,621	-31.8%	8	9.8%	6	12.5%	4	-2
General Government	\$831,205	\$1,008,708	-17.6%	6	13.3%	4	14.1%	3	-1
Environmental Health (landfill)	\$231,370	\$275,097	-15.9%	7	3.7%	8	3.8%	9	1
Debt Costs	\$612,658	\$642,373	-4.6%	5	9.8%	5	9.0%	6	1
Police	\$1,161,365	\$1,184,841	-2.0%	3	18.5%	2	16.5%	2	0
Transportation (streets, sewer maint)	\$1,506,164	\$1,410,570	6.8%	2	24.0%	1	19.7%	1	0
Protective Services (other than police)	\$903,540	\$728,823	24.0%	2	14.4%	3	10.2%	5	2
Outstanding Debt	\$293,406,221	\$390,706,591	-24.9%	7					
<u>WATER & SEWERAGE FUND</u>									
All Revenues	\$1,585,238								
All Expenditures	\$1,585,238								
Water Supply	\$765,542				48.3%	1			
Sewerage Collection & Disposal	\$548,986				34.6%	2			
Debt Costs	\$270,710				17.1%	3			

COMBINED

All Revenues	\$7,849,147		
All Expenditures	\$7,849,147		
Transportation (streets, sewer maint)	\$1,506,164	19.2%	1
Police	\$1,161,365	14.8%	2
Protective Services (other than police)	\$903,540	11.5%	3
Debt Costs	\$883,368	11.3%	4
General Government	\$831,205	10.6%	5
Water Supply	\$765,542	9.8%	6
Recreation & Culture	\$611,056	7.8%	7
Sewerage Collection & Disposal	\$548,986	7.0%	8
Environmental Development	\$268,551	3.4%	9
Environmental Health (landfill)	\$231,370	2.9%	10
Transfers (capital, reserves)	\$138,000	1.8%	11

QUESTIONNAIRE RESPONSES [Appendix B]

<u>Weightings</u>	5	4	3	2	1	<u>Responses</u>	<u>Weighted</u>	<u>% Weight</u>	<u>Weighted Ranking</u>	<u>Ranking By Respondents</u>	<u>Variance</u>
	<u>Extremely Important</u>	<u>Very Important</u>	<u>Important</u>	<u>Somewhat Important</u>	<u>Not Important</u>						
	<u>Poor</u>	<u>Fair</u>	<u>Good</u>	<u>Very Good</u>	<u>Excellent</u>						
	<u>Poor</u>		<u>Not Sure</u>		<u>Excellent</u>						
Strategic Issue											
Tax Base	57	36	0	7	0	100	443	22.8%	1		
Debt Level	36	21	43	0	0	100	393	20.3%	2		
Senior Gvt Funding	29	43	14	14	0	100	387	19.9%	3		
Tax Rate	29	29	21	21	0	100	366	18.9%	4		
User Charges	14	44	21	21	0	100	351	18.1%	5		
	165	173	99	63	0	500	1940	100.0%			
	33.0%	34.6%	19.8%	12.6%	0.0%						
Infrastructure											
Town Streets	43	43	14	0	0	100	429	17.1%	1	4	-3
Buildings	13	80	7	0	0	100	406	16.2%	2	5	-3
Recreational Facilities	7	64	29	0	0	100	378	15.1%	3	2	1
Water System	0	38	62	0	0	100	338	13.5%	4	1	3
Provincial Highways	7	36	43	14	0	100	336	13.4%	5	7	-2
Industrial Park	7	29	56	7	0	99	333	13.3%	6	6	0
Sewer System	0	7	78	7	7	99	283	11.3%	7	3	4
	77	297	289	28	7	698	2503	100.0%			
	11.0%	42.6%	41.4%	4.0%	1.0%						
Human Resources External											
Training Met?	77		15		7	99	437	34.9%	1	1	0
Retention	73		13		13	99	417	33.3%	2	3	-1
Work-ready Work Force	71		7		21	99	397	31.7%	3	2	1
	221		35		41	297	1251	100.0%			
	74.4%		11.8%		13.8%						

Human Resources Internal

Succession Plan?	29	50	21	100	316	21.4%	1	4	-3
Recruit/Retain	36	14	50	100	272	18.4%	2	6	-4
Training Policy?	14	50	36	100	256	17.3%	3	5	-2
Training Met?	7	50	43	100	228	15.4%	4	3	1
Good Environment?	15	24	61	100	208	14.1%	5	1	4
Qualified?	7	36	57	100	200	13.5%	6	2	4
	108	224	268	600	1480	100.0%			
	18.0%	37.3%	44.7%						

Economic Development

Coordinated?	77	23	0	100	454	60.5%	1		
Regional Infrastructure?	46	7	46	99	297	39.5%	2		
	123	30	46	199	751	100.0%			
	61.8%	15.1%	23.1%						

Lead Role

- Town of St. Stephen**
- Private Business & Industry
- Provincial Government
- Federal Government & Agencies
- Chamber of Commerce
- Enterprise Charlotte
- Development St. Stephen

1
2
3
4
5
6
7