



## Report of the Finance Department

2025 Budget

Report No.: F-011-2024  
Meeting Date: November 27, 2024

## **Executive Summary**

Following the presentation of the preliminary draft during Council's Special Meeting on October 30, 2024, and its revisions presented during Council's Special Meeting on November 13<sup>th</sup>, we recommend the adoption of the 2025 Budget, with a final proposed residential tax rate increase of 3.33%.

## **Options and Recommendation**

### Options

**Option 1:** Approve the 2025 Budget and By-Law, as presented.

**Option 2:** Reject the 2025 Budget and By-Law, as presented.

### Recommendation

Whereas the purpose of Report F-011-2024 is to consolidate changes made to the 2025 Budget as a result of budgetary meetings and discussions and to submit a recommendation for its approval;

And whereas the 2025 Budget estimates total \$184,190,400;

And whereas the United Counties of Prescott and Russell's property taxation levy totals \$62,795,000, including growth;

And whereas the 2025 tax rates will only be approved once property assessments, regulations, and calculations are available.

Be it resolved that the 2025 Budget and corresponding By-Law be adopted as presented.

## **Background Information and Analysis**

On October 30, 2024, during Council's Special Meeting, the preliminary draft Budget amounted to \$182,748,000, reflecting a taxation levy, including growth, of \$63,744,800. The first draft proposed a residential tax rate increase of 4.66%.

It was then requested by Council to amend various grants to organizations as follows:

- a reduction of the *Conseil des arts de Prescott-Russell Arts Council's* funding to \$100,000;
- a reduction of the Eastern Ontario Agri-Food Network and the *Regroupement Autisme Prescott-Russell's* funding by twenty-five percent (25%); and
- the removal of Big Brothers & Big Sisters of Cornwall and District's funding of \$50,000.

Additionally, Council requested the termination of the Upper and Lower Tier Partnership Program. As a result, the 2025 contribution of \$595,700 towards the Program's Reserve Fund

was reallocated to the Municipal Road Transfer Fund, and the remaining balance of \$709,600 in the Program's Reserve Fund, was also reallocated towards this initiative, increasing the yearly funding to \$3,305,300.

In addition to Council's directives, the second draft introduced several changes, the major ones being the addition of a new road capital project for the replacement of the St-Pascal Culvert, at a total cost of \$1,000,000; the confirmation of our Legacy Top-Up Funding for Childcare Services, in the amount of \$683,000; and a revision of our growth estimate to \$1,242,100, based on the most up-to-date assessment roll. These changes were presented at Council's Special Meeting held on November 13 and recommended for approval. As such, the 2025 Budget amounts to \$184,190,400, which includes a taxation levy, accounting for growth, of \$62,795,000. Overall, the final residential tax rate increase is 3.33%.

### **Financial, Legal and Operational Implications**

Adopting the Budget at this time allows each department to begin planning their new year and coordinate their work accordingly. The 2025 tax rates will be adopted in March or April 2025, that is, once property assessments, regulations, and calculations are available. Again in 2025, the property valuation roll will be the same as in 2020, with the addition of in-year changes (i.e., new constructions, additions, demolitions, tax write-offs, etc.).

### **Local Municipal Implications**

Local area municipalities will benefit from a variety of funding sources, as presented in the 2025 Budget. Coordination of projects will be required, particularly pertaining to the Public Works Department, in terms of joint projects as well as the procurement of supplies and services.

For the second year in a row, there is no anticipated profit in the 2025 Budget for Provincial Offences. As a result, no profit distribution to local municipalities is anticipated next year.

Once the 2025 tax rates are adopted, property taxes will be levied as a separate tax rate in each lower-tier municipality and paid in instalments to the UCPR as per the prescribed structure, in accordance with section 311 of the Municipal Act, 2001, S.O. 2001, c. 25.

### **Asset Management Implications**

Following the Asset Management Plan Review, Staff will conduct a comprehensive review of Reserve and Reserve Fund allocations, ensuring that future contributions align with updated long-term commitments.

### **Communication Implications**

Once the 2025 Budget is adopted, it will be available on the UCPR's website.

### **Attachments**

By-Laws 2024-47, 2024-48 and 2024-49

**Prepared by:**

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**Submitted by:**

Valérie Parisien, Treasurer - November 19, 2024