



Report to Council

Report Number: F-20-2024

Subject: 2025 budget – First draft

Date of the meeting: October 28, 2024

Prepared by: Nadia Knebel, Treasurer

Circulated to and/or collaborated with:

Approval: Pierre Leroux, CAO

In agreement with the recommendation based on the contents of this report.

Recommendation

[That Council receives report F-20-2024 and acknowledge receipt of the first draft of the 2025 budget, and that further budget discussions will be held on November 6 and 7, 2024.

Financial Considerations

The first draft of the 2025 operational and capital budget is presented in Appendix A. Highlights are presented below.

An analysis of the variances between the 2024 and 2025 budgets are presented in Appendix B.

Financial implications have been verified with annual budget and / or approved applicable policy or by-law: NOT APPLICABLE

Context

In 2024, inflation began to decrease slightly but operational costs remain high. As well, the sustained growth has begun to put a strain on the resources available to continue to provide the levels of service currently available. Finally, high interest rates have continued to affect the economy in general as well as having an impact on our borrowing capacity, making it more expensive to finance projects. All of these will continue to impact the municipality in 2025 and are reflected in the budget presented.

Report

This first draft of the 2025 budget includes estimates which reflect an overall increased levy of \$1,132,413 for operations and capital.

For an average assessment of \$300,000, this increase means an additional \$177.31 per year in taxes, or \$14.78 per month.

In 2025, a 1% tax increase represents approximately \$149,213 in additional revenues.

Some tax levy statistics are presented in Appendix C.

WATER AND WASTEWATER RATES

The revenue collected from the water & wastewater billing is used to cover operational costs as well ensure there are adequate reserves for water and wastewater

infrastructure, as well as cover any debt for infrastructure. To continue current service levels, rates will increase in 2025 for both services.

For homes with both services in Limoges, the quarterly bill will increase by \$30.21 to \$345.85, for an average consumption of 40m³. This represents an increase of \$10.07 per month.

For homes with both services in St-Isidore, the quarterly bill will increase by \$33.80 to \$418.38 for an average consumption of 40m³. This represents an increase of \$11.27 per month.

The sewer rate will increase by \$11.25 to \$154.65 per quarter (or \$3.75 per month).

See Appendix D for detailed rates for each tier.

POLICE SERVICES USER FEE

The Ontario Provincial Police (OPP) plays a crucial role in maintaining the safety and security of our community by providing essential policing services. Each year, the OPP estimates the annual cost of these services and determines the fee payable by each municipality. This user fee is calculated based on the number of residential, commercial, and industrial properties. The annual estimated requisition for 2025 increased from \$1.6 million in 2024 to over \$1.9 million in 2025, a jump of 19% explained mostly by an increase in salaries and direct expenses. Details of the requisition for 2024 and 2025 are included in Appendix E.

The municipality collects this fee and remits it directly to the Minister of Finance for the OPP on a quarterly basis. Essentially, we act as a collection agent for the OPP and have no say in the amounts billed. To streamline this process and enhance transparency, this fee will be a separate item on your tax bill. For 2025, the user fee will be \$353.00.

This change allows us to clearly display the cost of policing services, ensuring that taxpayers understand exactly where their contributions are going. By itemizing this fee, we aim to provide greater clarity and accountability in how your tax dollars are spent.

FIRE CHARGE

The annual fire charge is proposed to increase by \$2.50 to \$87.50 for 2025. This charge secures sufficient reserves for fire services capital expenditures in 2025 and beyond, ensuring adequate service levels and compliance with provincial equipment standards and safety guidelines.

ENVIRONMENTAL CHARGE

The annual environmental charge is expected to increase by \$10 to \$190 for 2025. This charge, which covers a variety of environmental services offered to residential residents including weekly household waste collection, annual large item collection, hazardous waste collection, dog waste collection and dog waste bins, mattress collection, to name a few. The charge also includes an amount transferred to reserve to cover expenses of the closed landfills as well as the landfills that will need to be closed in the future.

SUMMARY

The 2025 budget reflects our commitment to maintaining essential services and investing in The Nation's long-term infrastructure needs. For a property with an average assessment of \$300,000, residents in Limoges will see an overall annual increase of \$663.65, or \$55.30 per month (if on all services), while in St-Isidore, the increase will be \$678.01, or \$56.50 per month (if on all services). These adjustments ensure that we continue providing quality services such as water, wastewater, fire protection, and environmental management.

The increases are carefully structured to balance operational needs with fiscal responsibility. With rising costs in areas like OPP billing and capital investments, these changes will help us sustain service levels and make necessary upgrades. Support from Council is crucial, as these investments will safeguard the future prosperity of our community and ensure we are well-positioned to meet both current demands and future growth.

Presenting this budget as a proactive, forward-thinking plan will help secure the continued success and well-being of our residents.

Relevance to priorities

The 2025 budget was elaborated while considering the goals and objectives of the Strategic Plan, the Parks and Rec Master Plan, the Fire Master Plan, and the Asset Management Plan.

Communication Plan

This report as well as the accompanying appendices are available to the public through this meeting's agenda.

Other Option/Options to the Recommendation

n/a

Attachments

Appendix A – 2025 Budget – Operations & Capital Investments

Appendix B – Variances 2024 vs 2025 budgets

Appendix C – Tax levy statistics

Appendix D – Water & Wastewater proposed rates for 2025

Appendix E – OPP Communication 2024 & 2025