



2020 OPERATING BUDGET

Public Presentation

December 9, 2019



2020 Budget Guidelines

- Build a sports and community complex;
- Ensure the safety, accessibility and flow of traffic throughout the Town and around construction sites by deploying solutions through physical interventions, traffic signage and communications;
- Increase our focus on sustainable development;
- Bring innovative solutions to municipal climate change issues;



2020 Budget Guidelines

- Prioritize the actions that need to be taken to implement environmental projects.
- Consider various options for eco-friendly transportation, including bike paths and public transit (car-sharing, bike-sharing, etc.).
- Improve the landscaping of Mohawk Park to better meet the needs of citizens.
- Create a public square over the railway line in the Town centre, between the Cornwall and Laird bridges.



2020 Budget Guidelines

- Continue to promote the preservation of the urban forest by accelerating replanting.
- Support the economic development of local businesses and services by promoting events and supporting businesses in their development.
- Continue to actively represent and defend the municipality's interests in large-scale projects involving partners (Royalmount project, REM, Cornwall, and fiscal capacity).



2020 Budget Guidelines

- Limit the tax bill increase for Townies by taking into account impact of the new real estate assessment roll from 2020 to 2022.
- Continue to efficiently manage public funds while accounting for the transformation of residential and business areas, due to either the repurposing or redevelopment of certain areas.



2020 Budget in Brief

	2019 Budget		2020 Budget
REVENUE	\$96,387,200	+ 2.22%	\$98,530,950
OPERATING EXPENDITURES	\$101,423,000	+ 2.23%	\$103,680,250
APPROPRIATIONS	\$5,035,800	+ 2.20%	\$5,149,300



Source of Revenues

REVENUE	2020 Budget	Percentage
Property tax	\$78,796,078	79.97%
Water billing	\$2,460,000	2.50%
Payments in lieu of taxes	\$525,072	0.53%
Services to municipal agencies	\$34,800	0.04%
Other revenue from local sources	\$15,141,200	15.37%
Other revenue: developers' contribution	\$800,000	0.81%
Government transfers	\$773,800	0.79%
TOTAL	\$98,530,950	



Main Changes in Sources of Revenue: 2020 vs. 2019

Property tax	+ \$698,408
Water billing	- \$40,000
Construction permit	+ \$3,000,000
Real estate transfer taxes	- \$570,000
Interest on investments and bank balance	+ \$379,000
Government transfers	+ \$200,300
Developers' contribution	- \$1,250,000
Recreational and cultural activities	- \$146,700



Detailed Expenditures

Expenditures	2019 Budget (\$M)	2020 Budget (\$M)
General Administration	8.3	8.7
Administration – Expenses recovered from developers	2.0	0.8
Public Security	2.0	2.1
Transportation	8.3	9.0
Environmental Health	5.4	5.6
Health and Welfare	0.3	0.3
Urban Planning and Economic Development	1.4	1.4
Recreation and Culture (including parks)	15.5	15.9
Financing Costs	1.0	1.3
Principal Repayment – Debt	3.9	3.7
Aliquot Share – CMM	0.8	0.8
Aliquot Share – Montréal Agglomeration	52.6	54.1
TOTAL	101.5	103.7



Main Changes in Local Expenditures: 2020 vs. 2019

• Payroll, payroll deductions, employee benefits	+ \$506,300
• Urban forest maintenance	+ \$275,000
• Snow removal operations	+ \$279,000
• Referendum	+ \$203,250
• Maintenance on municipal buildings	+ \$116,000
• Professional fees	+ \$88,500
• Transition expenses related to the temporary relocation of the Recreation Department	+ \$82,000



Main Changes in Local Expenditures: 2020 vs. 2019

- | | |
|---|---------------|
| <ul style="list-style-type: none">Allocation of a budget to achieve the objectives of the Particular Planning Program, specifically regarding the redevelopment of the industrial sector. This expenditure is funded entirely by the developer of the Royalmount project. | - \$1,250,000 |
|---|---------------|



Change in Contributions: 2020 vs. 2019

Montréal Agglomeration	+ \$1,507,600	+ 2.87%
Communauté métropolitaine de Montréal	\$30,500	+ 4.04%



Taxation

The municipal administration is proposing a budget with an increase of:

- + 1.85% of the tax bill for taxpayers who own an average single-family home.



Tax Rates

	Residential building (residual)	Residential building (6 or more units)		Non- residential building	Serviced vacant lot
2018	0.7168	0.7168	+ 2.24%	2.9949	1.4346
2019	0.7294	0.7294	+ 1.76%	3.0708	1.4588
2020	0.5972	0.5972	+ 1.85%	2.6873	1.1944



Example: Average Single-Family Residence

Taxable value of average single-family residence	\$1,381,200
Tax bill in 2019	\$8,098
Tax bill in 2020	\$8,248
Increase	\$150 + 1.85%

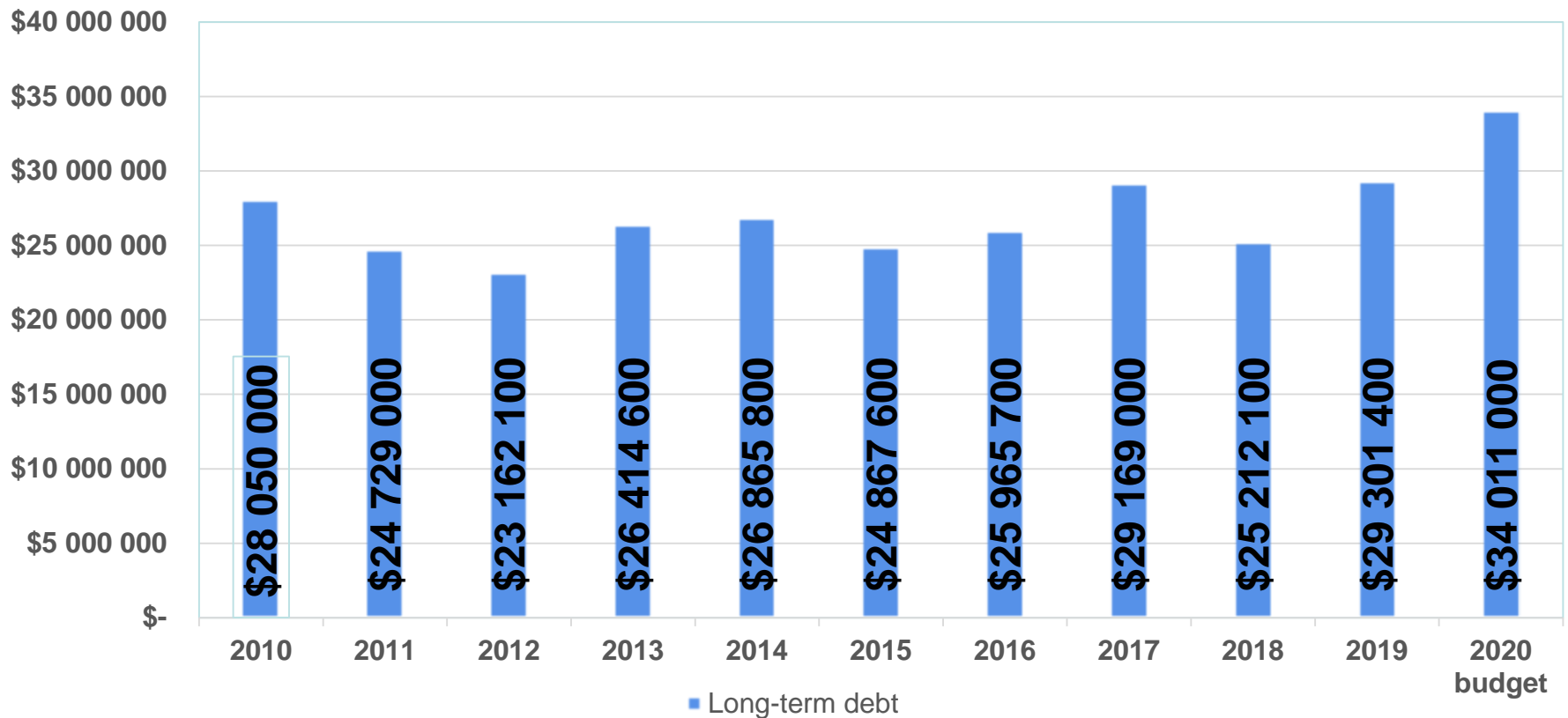


New property assessment roll effective January 1, 2020

- January 1, 2020 the new property assessment roll 2020-2021-2022 will be in effect.
- Each valuation reflect real estate market conditions as of July 1, 2018.
- The total value of Mount Royal real estate increased by 23.1% : the residential sector by 24.4% and the non-residential sector by 18.2%.
- The average of a single-family home value is \$1,381,200.
- The 2020 property tax bill for an average single-family home will increase by 1.85% over 2019.
- The tax increase will be higher for residences with an above-average assessed value.
- The tax increase will be less if the change in the value of the property is lower than the average.



Financial Situation: Long-Term Debt





Financial Situation: Long-Term Debt

The long-term debt will increase in 2020 for the following reasons:

➤ New issuance: infrastructure projects completed	\$5,000,000
➤ Principal repayments scheduled for 2020	(\$1,651,400)
➤ Anticipated principal repayments	(\$2,021,000)
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➤ Change in debt without the loan for the sports and community complex	\$1,327,600



Financial Situation: Long-Term Debt

In the 2020 budget, debt servicing details are as follows:

		% in relation to local budget
➤ Interest on debt	\$921,200	
➤ Principal repayment on debt	\$1,651,400	
➤ Issuance costs	\$108,700	
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➤ Debt servicing sub-total	\$2,681,300	5.49%
➤ Anticipated principal repayments	\$2,021,000	
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➤ Debt servicing total	\$4,702,300	9.63%



Financial Situation: Surplus and Financial Reserves

The surplus and financial reserves totalled \$35.5M on December 31, 2018

<u>Categories</u>	<u>December 31, 2018</u>
Unappropriated surplus	\$11,919,644
Appropriated surplus	\$17,298,377
Financial reserves	\$4,449,628
Reserved funds	\$1,877,967
TOTAL	\$35,545,616



Financial Situation: Surplus and Financial Reserves

In view of this, it was decided to use some of our allocated accumulated surplus, in 2019, for the financing of the future operating budgets, to reduce the property tax bill of the Mount Royal residents.



Conclusion

- Operating budget of \$103,680,250 for 2020.
- + 1.85% increase in the tax bill for taxpayers who own an average single-family home.
- Long-term debt is controlled. The debt load to property value ratio is among the lowest in the Montreal region.
- Balanced budget ensuring quality services.



2020 Budget: Question period



Triennial Capital Expenditures Program 2020-2021-2022

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Budget Guidelines: Triennial Capital Expenditures Program 2020-2021-2022

- ✓ Build the new community and sports complex.
- ✓ Create a public square over the railway line in the town centre, between the Cornwall and Laird bridges.
- ✓ Maintain the condition of our infrastructures: buildings, roads, sewers, water mains.
- ✓ Improve the landscaping of Mohawk Park to better meet the needs of citizens.
- ✓ Continue to increase green space in Bates-Ekers sector.
- ✓ Explore various environmental options with respect to ecological transport, including bike paths and public transit (car-sharing, bike-sharing, etc.).



PTI 2020-2021-2022: 3-Years Forecast

For the next three (3) years, our Triennial Capital Expenditure Program ensures that our infrastructures will remain properly maintained.

2020	\$11,654,500
2021	\$13,493,000
2022	\$11,006,700



PTI 2020-2021-2022: 2020 Projects (\$11,654,500)

- \$6,915,000 for infrastructure work subsidized at \$2,545,000 (roads, sidewalks, sewers, watermains, chlorination stations).
- \$1,182,000 for work on municipal buildings (including \$250,000 at 10/20 Roosevelt and \$418,000 at the arena).
- \$1,053,500 for IT projects;
- \$896,500 for park and environmental projects.
- \$735,000 for street lighting.
- \$703,500 for vehicle and heavy machinery renewal (Public works and Public security);
- \$100,000 for green spaces.
- \$69,000 for equipments acquisition.



PTI 2020-2021-2022: Project Financing

\$2,043,000	Working fund
\$125,000	Accumulated surplus
\$2,545,000	Grants
\$6,941,500	Loan By-Law net of grants (\$9,486,500 - \$2,545,000)



Triennial Capital Expenditures Program 2020-2021-2022:

Question period