

# CITY OF PORTAGE LA PRAIRIE – 2020 BUDGET SPEECH

As presented by City Finance Chair and Deputy Mayor, Brent Budz

January 27, 2020

Your Worship and fellow members of Council. It is my pleasure as Chair of the Finance, Legislative and Property Committee to present to you our 2020 City of Portage la Prairie budget for approval.

This is truly a time to be proud of our community. Something great is happening in Portage la Prairie. Our economic growth is outstanding with almost \$200 million in building permits issued by the end of 2019.

What will be different in 2020 is this is a provincial assessment year. In Manitoba, property is assessed at market value which is the most probable selling price of the property had it been sold by a willing seller to a willing buyer. By completing assessments every two years, the province ensures property values reflect the real estate market conditions and ensures taxes are distributed fairly to property owners.

The 2020 Provincial property assessment has resulted in the largest increase in recent years, an increase of \$64.3 million in total property assessment in our City. This increase is a direct reflection of the impact of the success our community is having in growth and development. Seventy percent of the change in Provincial assessment will impact residential properties, providing homeowners an excellent return on their investment in their own home. So, whether homeowners want to upgrade or downsize their home, renovate or simply consider the investment return of their property, this is a benefit to homeowners.

The City's 2020 budget has incorporated \$669,000 in increased tax revenue as a result of the Province of Manitoba's Property Assessment increases on residential and commercial property, as well as a further \$161,000 in tax revenue for new properties added to the City's tax roll late in 2019. There were and continue to be a number of properties under construction which will be completed in 2020 that are expected to add even further tax revenue.

As a result, the City has managed to make significant new investments in our infrastructure and substantially improve our savings for future costs, all while continuing our efforts to reduce the Mill Rate to be more competitive with comparable cities in Manitoba. The impact will be slight but meaningful as we balance tax revenue funds with growth, spending and tax reductions. To illustrate the impact, if a \$250,000 residential property, where provincial assessment has remained flat, this Mill Rate reduction will reduce taxes by \$20.25 in 2020. Again, the impact of these changes will depend significantly on your property's most recent Provincial Property Assessment, which was sent to residents in May of 2019.

It is the City's vision ...

***“To be an inclusive, healthy community which strives to maximize the opportunities and quality of life for its citizens”.***

While we commenced the budget process with a lengthy list of expenses, purchases and projects, that vision was used to measure all final needs that were included in the budget.

## **2020 Projects – Building for the Future**

The City of Portage la Prairie will continue to invest in our community's infrastructure at unprecedented levels ensuring future investment opportunities and prosperity for all residents.

One of our major strategic priorities as a City is to ensure we continue to expand our water and wastewater services to support current and future needs. The City of Portage will continue to work in partnership with the Manitoba Water Stewardship Board on over \$12 million dollars of upgrades at our Water Treatment plant improving water reliability, safety, and capacity.

On our wastewater side, we begin our largest ever single infrastructure project investment with Phase 2 of our Water Pollution Control Facility in 2020. This is a multi-year P3 project of over \$150 million that will meet current and future demand for sewer services in our City, our industrial wet industry partners, and the new provincial effluent standards.

This Council is committed to making significant gains on revitalizing Saskatchewan Ave West, starting in 2020. This major infrastructure project has been delayed for too long and this Council has made it a strategic priority to see significant improvements to Saskatchewan Avenue West before the end of our mandate. There is significant utility infrastructure in this area needing replacement and we believe it is time to invest in the road infrastructure with paved parking, curbing, and sidewalks. In the 2020 budget we have allocated the resources to properly plan for these future infrastructure improvements. We look forward to working with our Provincial and Federal funding partners to ensure we achieve this major community improvement.

### ***Supporting Our Downtown***

Downtowns matter. A vibrant downtown supporting our history, embracing the value of home-grown entrepreneurship and having a well-kept appearance says what Portage la Prairie is proud of its heritage, supportive of its people, and looking towards the future with confidence. A healthy downtown is key to a strong community.

We are pleased to announce our City's 2020 budget includes an investment in our downtown of over \$400,000. In 2020, we will commence a phased project to upgrade our downtown sidewalks, lighting and decorative banner system. More information on this initiative will come forward over the next several months.

Additionally, this Council has committed to the major step of removing all parking meters in our community in the Spring of 2020. We believe that this initiative will encourage more to shop our downtown merchants and support our service providers. Two-hour free parking will be implemented in formerly metered parking spots by May 2020 with the use of innovative technology to efficiently support the continued movement of parked vehicles. Further solutions for full day parking will be implemented shortly after. A communication campaign regarding this new Parking Strategy will come forward in the coming months.

The City is also pleased to support the rich diversity of our downtown through community grants to local organizations. Whether that be to our Prairie Fusion Arts and Entertainment Center, the Portage Regional Library, Herman Prior community center and others, our 2020 budget includes community grants to these organizations.

Overall, City Council has approved community grants to 17 organizations, totaling over \$240,000 and \$1.9 million to partnership organizations. We will be contacting grant applicants shortly.

Beyond our community grants and partnership organization, the City continues to seek opportunities to collaborate with the Rural Municipality of Portage la Prairie on various projects. The two municipalities have had a tax sharing agreement since the early 2000's and we continue to seek ways to accomplish our projects and initiatives better together, which also benefits each other.

### ***Investing in our City's Future***

The City owns and manages over \$226 million in general assets and over \$370 million in utility assets. These assets need to be maintained, repaired and replaced as necessary and to that end, the City has implemented a cross functional asset management administrative team to take a thoughtful and methodical approach to ensure funding is adequate for this purpose.

In 2020, the City will allocate up to \$1 million to general reserves and over \$5 million to utility reserves for future capital purchases. In addition, the City will expend \$18 million for new capital purchases and projects with the majority being used for upgrades to our water and wastewater plants.

Work on the causeway will continue in the Winter of 2020 as the new causeway base settles and provides a permanent base for the completion of this project in 2021.

### ***The City's Role on Crime and Protecting our Citizens***

The City's 2020 budget includes \$4 million for our Municipal Policing Agreement with the RCMP. To assist with this significant cost, the City will receive a grant of \$1.5 million from the provincial Justice department's urban policing program. To a \$250,000 residential property owner, the City's net policing cost accounts for slightly less than \$500 of their property tax bill.

Successful crime prevention depends on a group effort, all working towards the same goal of reducing its incident and effect. The City recognizes the efforts of other organizations towards this goal. The City will continue providing funding to our community partners such as Portage Community Revitalization Corporation for the Wawakiya Table and, new for 2020, the Bear Clan Portage initiative. Additionally, we will continue our support to other grassroots organizations such as Citizens on Patrol in their efforts to reduce or prevent crime.

### ***Proactive Measures***

Resources will be devoted to Emergency and Disaster Planning in 2020. The City's fire department will update its radios to a digital system and we will be determining the best fit for backup power systems for our essential services areas within City Hall, the RCMP and Fire Departments, as well as areas that provide water and sewer services.

The October 2019 storm and power failure was a major challenge to our community and citizens. The City's Emergency Plan went into full effect and many of our staff worked long hours to support our essential services, to prevent a full failure of our sewer system and prevent wide-spread sewer back-up into our homes and businesses. Our Emergency Planning Team partnered with Manitoba Hydro in procuring accommodations and food services for the many hydro workers that came to our community to restore our power. One hopes this disaster will never repeat itself. That said, we will be even more prepared for a next time by updating our plan, investing in additional protections for our residents and working closer with our regional partners.

## ***Budget Summary***

In summary, the 2020 budget is:

For the general fund, \$23 million for operating and \$4.5 million for capital expenses.

For the utility fund, \$15 million for operating and \$13.3 million for capital expenses.

## ***Next Steps***

The next steps in our 2020 budget process will be to await receipt of the Portage la Prairie School Division budget. This is used to finalize our financial plan and determine the total mill rate.

This work will be completed in the next few months. A Public Hearing will be held to finalize and approve the 2020 Financial Plan. Your tax billing will be mailed to you in May and we will provide you with a 2020 tax impact calculator tool on our web site for your use.

The province mailed property assessment notices to any City taxpayer who had a change made to their property's value for 2020 in May of 2019. If you wish to check your 2020 assessment, the link to do so is provided on our web site:

[https://web22.gov.mb.ca/mao/public/search\\_select.aspx](https://web22.gov.mb.ca/mao/public/search_select.aspx)

The 2020 budget speech will be posted on the City's website in the next few days.

## ***In Conclusion ...***

The City of Portage la Prairie has a rich and long history in our province, and we will be proud to celebrate Manitoba's 150<sup>th</sup> birthday in 2020. We and many organizations in our community are currently developing plans for that celebration and we look forward to sharing more information with you in the coming months.

We are proud of our 2020 budget – a balanced approach to keeping up with our growth and development while responsibly saving for future investments.