

CITY OF PORTAGE LA PRAIRIE – 2025 BUDGET SPEECH

As presented by City Finance Chair, Joe Masi

Your Worship and fellow members of Council, it is my pleasure as Chair of the Finance, Legislative and Property Committee to present to you the 2025 City of Portage la Prairie budget.

In 2024, the City launched the Community Safety Officer Program in alignment with the Council's Strategic Initiatives, particularly focusing on Community Safety and Wellbeing. Due to the program's success and the positive feedback from the community, it has expanded throughout the year. Building on this momentum, the city plans to further grow the program in 2025 by adding two additional Community Safety Officers (CSOs), increasing the total staff to seven, including six CSOs. This expansion will enhance patrol coverage and enable extended operational hours, strengthening the program's effectiveness and reach.

Investing in Infrastructure

In 2025, the City plans to allocate a total of \$114.1 million for capital projects and purchases. The largest investment is the upgrade and expansion of the Water Treatment Plant. This \$100.4 million project involves major enhancements to the existing facility, which will not only improve water quality but will significantly improve reliability as well as increase its production capacity. The expanded capacity will directly support economic growth by ensuring a reliable and abundant water supply, which is crucial for attracting and sustaining business opportunities in the region. The project will be funded through a combination of grants, reserves, and debentures, ensuring a sustainable and well-managed financing approach.

The budget also includes a significant investment in the Water Pollution Control Facility, with funding secured through the Investing in Canada Infrastructure Program. We are committed to working closely with the province to address the challenges that have delayed progress on this project. For more details on this initiative, please visit the City Projects page on our website.

Multi-Year Strategy Implementations

The City will begin implementing its Strategy for Roadway Infrastructure Investment in 2025, which includes an additional \$700,000 for road improvements—more than doubling the previous annual investment. This funding will focus on road surfacing, reconstruction, and ongoing maintenance and repairs. With the completion of the Causeway project, the Canadian Community Building Fund (formerly Gas Tax) will be redirected to support this increased investment, ensuring there is no additional financial burden on taxpayers.

In line with the Greenspace Investment Priority Plan, the City is investing \$310,000 to enhance recreational opportunities and expand green spaces within our community. These funds will be used to repair and replace play structures at McKay Avenue Playground, as well as to construct a seasonal washroom and an active transportation path at Simplot Central Park. These improvements will contribute to creating more accessible, vibrant spaces for residents to enjoy.

Other Capital Projects

As part of Council's Strategic Initiatives, enhancing quality of life and fostering the development of vibrant neighborhoods were identified as key priorities. In support of these goals, the City will invest in the design and construction of St. John's Street, a new roadway that will connect the Southeast Development to River Road. This crucial infrastructure project will facilitate access and development of the former Agassiz Land. Additionally, an application has been submitted to the Manitoba Growth and Renewal Opportunities for Municipalities (GRO) program for 50% funding to support this project.

Other key capital projects include:

- Completion of City Hall Renovations, featuring the installation of the lift from the first to second floor and the installation of new exterior lighting.
- Completion of Fire Hall renovations, encompassing updates to office spaces, operations, and maintenance areas.
- Replacement of the Fire Rescue Vehicle.
- Expansion of the Community Safety Officer vehicle fleet to support the growing department.
- Support for the design and rebuilding of the Koko Platz Community Centre.
- Enhancement of infrastructure along the existing Garrioch Creek Trails.
- Acquisition of an aquatic harvester to effectively manage weed growth in Crescent Lake, pending the necessary approval for its use

Expanding Out Staff Complement

The City's Facility Maintenance staff are responsible for the ongoing maintenance and repair of essential City assets, including the water and wastewater plants, reservoirs, lift stations, and various City-owned buildings such as City Hall, the Library, Herman Prior Centre, Glesby Centre, Fire Hall, and McKenzie-Knight Daycare. Given the critical nature of repairs at the water and wastewater facilities, these often take priority, leading to less urgent repairs being either contracted out or deferred until more immediate issues are addressed. The addition of a laborer to the department would enable more timely attention to routine maintenance and allow for a proactive approach to scheduled preventative upkeep of City facilities.

Beautification of Our Community

As we continue to enhance the beauty and appeal of our city, it's important that we invest in maintaining key infrastructures like Saskatchewan Avenue and the Crescent Lake Causeway. These areas not only serve as gateways to our community but also showcase the pride we take in our city, which aligns perfectly with our Strategic Initiatives. Ensuring that these spaces remain visually appealing is a wise investment, especially as they make a lasting impression on visitors. I am pleased that Council has supported this initiative, reflecting our collective commitment to presenting our community in the best possible light.

Community Partnerships and Grants

The City partners with a variety of organizations to deliver essential services to residents and businesses, including community grants that support impactful initiatives like those of Prairie Fusion Arts and Entertainment (PFAE). PFAE plays a vital role in enriching the community by providing accessible fine and visual arts through free exhibits, professional programming, and unique performances. Their commitment to inclusivity is reflected in affordable programming and facility upgrades that ensure accessibility for all, including marginalized groups. By remaining responsive to the evolving needs of the community, PFAE continues to foster a vibrant, community-driven arts hub that strengthens the cultural fabric of the region.

A comprehensive list of funding allocations for community and partnership organizations, as well as City committees, will be posted on the City's website in the coming days. In total, \$2.6 million is being allocated in this area. Each organization that applied for funding will be contacted directly to inform them of Council's decision regarding their application.

2025 Property Taxes

2025 is a general assessment year in Manitoba. Under provincial legislation, all properties in Manitoba are assessed every two years to ensure assessments keep pace with changing market values. The average market rate adjustment for a single-family dwelling in Portage la Prairie is an increase of 8.7%. For property owners this means that if the value of the property has not been impacted by significant renovations, construction of new buildings or demolition of existing buildings owners can expect to see the **municipal portion** of their property taxes increase by 2.86%.

As a result of inflationary impacts, it is prudent to increase reserve allocations to prepare for future infrastructure costs and capital requirements. Due to changes in operating grant funding and service contracts, the city has been able to achieve this with a minimal impact on taxpayers.

Impacts of Changes to Provincial Education Tax Credits

In 2025, the provincial tax credits applied directly to the education portion of your property tax statements are undergoing significant changes for residential properties. The Education Property Tax Credit and the School Tax Credit are being discontinued and replaced by the Homeowners Affordability Tax Credit of up to \$1,500. Similar to the former Education Property Tax Credit, only property owner's primary residence will qualify for this credit.

Budget Summary

In summary, the 2025 budget includes:

- A general fund net operating budget of \$25.3 million, with \$14.2 million generated through tax revenue, and a capital budget of \$7.3 million.
- A utility fund net operating budget of \$15.8 million, and a capital budget of \$106.8 million.

This proposed budget will result in an increase of 2.86% to property owners' municipal taxes. The year over year increase for a residential property with an assessed value of \$250,000 in 2024 and a market rate adjustment of 8.7% in 2025, will be \$67.67, which is approximately \$5.64 per month.

The next step in our 2025 budget process is to await the Portage la Prairie School Division's budget, which will be used to finalize our financial plan and determine the total mill rate. Your final tax bill will also be affected by the Province of Manitoba's decision to replace the Education Property Tax Credit and School Tax Credit with the new Homeowners Affordability Credit.

We expect to complete our 2025 Financial Plan by April. Following a public hearing to approve the document, it will be submitted to the provincial government. Your tax bill will be mailed by early June. Additionally, we will provide various tools on the City's website to help you calculate your 2025 taxes in advance.

The 2025 budget speech will be posted on the City's website in the coming days.

In conclusion, I am proud of the collaborative effort between City Administration and City Council in crafting a forward-thinking budget that continues to:

- Foster sustainable growth through the development of vibrant neighborhoods.
- Enhance recreational and cultural opportunities, green spaces, and expand our active transportation network.
- Invest in community safety and well-being.
- Strengthen infrastructure to drive economic investment in our community.
- Support beautification projects that showcase the pride we have in our community.

- And, most importantly, ensure our budget is mindful of our citizens' ability to pay.

Again, thank you to my fellow Council members and Mayor Knox for your support with this budget. I look forward to accomplishing great things with all of you for our community in 2025.