

# CITY OF PORTAGE LA PRAIRIE – 2023 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 2023 City of Portage la Prairie budget, our first budget as a newly elected Council.

## ***2023 Infrastructure Projects***

### ***Saskatchewan Avenue West Project Moves Ahead***

The \$41 million Saskatchewan Ave West project began in 2021 with the renewal of utility infrastructure, and continued through 2022 with the installation of enhanced land drainage systems. 2023 will see our largest construction year yet with completion of utility work and land drainage systems along the Avenue. Additionally, in 2023 we expect the majority of the sidewalks, parking spaces, medians, boulevards, and bike paths will be constructed.

The 3 year project is planned to be completed in 2024. Please visit the Projects page on our City website for updates on this project as well as all of the plans and renderings on how the final product will look.

Funding for the Saskatchewan Ave West project is supplied by the Investing in Canada Infrastructure program in partnership with the Federal and Provincial governments, with the City contributing the balance of the funds for the project. Due to this partnership and prudent planning by the current and prior Councils, City taxpayers will see **no increase** in property taxes paid for this project.

### ***Upgrading Water Pollution Control Facility***

In total, the City plans to expend \$39 million on capital projects and purchases in 2023. While the Saskatchewan Ave West project requires a large portion of that amount, we also have major Utility infrastructure projects continuing to move forward in 2023. The largest of those projects is our WPCF P3 Project, for which we were successful in securing ICIP funding.

Since the announcement of the project the City has seen a demand in increase from our current industrial users who are looking to grow their operations, as well as several new potential wet industries looking to locate in our region.

The City looks forward to continuing to work with our partners, the province of Manitoba, and our regional industries to ensure we are building a facility that has capacity for our future growth while meeting our environmental responsibilities. Please see the Projects page on our website for updates as this initiative moves forward.

### ***Other Capital Projects***

Beyond the WPCF, the City will be replacing the McKay Reservoir roof during 2023 at a total cost exceeding \$1 million. This reservoir is the holding facility for much of our City's utility customers' water supply prepared at the Water Treatment Plant as an intermediary facility between the plant and City homes and businesses.

The City will also be providing over \$3.7 million in funding to the Rural Municipality of Portage la Prairie for their Poplar Bluff Reservoir project which benefits the City through our sale of water to the industrial park tenants, Simplot and Roquette being the largest water purchasers, the Rural Municipality customers west of the City, and the Yellowhead Water Co-op which serves rural municipalities and towns such as Gladstone, MacGregor and Austin.

Other capital projects of note:

- Completion of accessibility to City Hall, with the building of an accessible ramp and customer service space to the public, and subject to successful grant applications, a mobility lift to the second floor
- Roadway improvements to key intersections in our east end business park
- Contribution to the Junk Yard Dogs Cycle Park Project to secure the new site with proper fencing
- Painting and refurbishment of all City owned buildings in Heritage Square including the Herman Prior Activity Centre, Library, and the Prairie Fusion Arts and Entertainment building
- Purchasing a new mosquito spraying apparatus
- Assisting with the design and rebuilding of the Koko Platz Community Centre
- Continued enhancements to our generator capabilities to ensure we can provide power to our infrastructure in extreme weather events similar to the 2019 winter storm.
- New video and sound system for our Council Chambers which will improve our ability to broadcast our meetings online and receive virtual presentations

### ***Community Partnerships and Grants***

The City works with a variety of partners in delivering services to its residents and businesses. A complete listing of funding to be provided to community and partnership organizations and City committees will be posted on the City's website in the following days. In total, \$2.34 million is being expended in this area. We will be contacting each organization who applied for this funding.

### ***Community Safety***

During the election, this Council heard the community's concerns about safety clearly and we have several initiatives we plan to implement in 2023 in consultation with the community going forward.

We are excited to partner with the Province of Manitoba on our first Community Safety and Wellbeing Plan. This will be a collaborative approach involving many stakeholders in the community to identify key gaps in our City and establish a comprehensive plan on how we can collectively address them. More information about this approach will be coming forward in the coming months.

This Council is also applying for funding in partnership with the Government of Canada to implement a pilot program that would see additional Community Safety Officers in our downtown business district and working collaboratively with our social agencies to provide a safer community experience. We will update the community as more information becomes available in the summer/fall of 2023.

Finally, we continue to partner with the RCMP and the School Division to fund our School Liaison Officer Program offering additional support to students, parents, and teachers in our region.

### ***Improving Services to Residents***

The City of Portage la Prairie has traditionally maintained a smaller than average staff to population ratio than our municipal peers resulting in the organization having no significant staff head count changes in the past 20 years. However, in light of our growing community and additions to the amount of infrastructure we maintain as an organization, this Council is adding two positions to our workforce.

The first will be an additional Transportation division employee, responsible for road maintenance and snow clearing. The second is an additional staff member in our Utility division, responsible for maintaining our growing water and wastewater infrastructure.

These new positions will result in additional frontline resources to address everything from potholes and snow clearing to waterline breaks and new water meter installations.

### ***2023 Property Taxes***

The 2023 budget process faced a number of significant financial challenges. This year marks the eighth year that provincial funding to municipalities has been frozen. This funding freeze is something prior and current Councils have lobbied the Province to end, considering the significant infrastructure and inflationary pressures that municipalities face.

The impact of this funding freeze was exacerbated by the decision of the province to close the Agassiz Youth Center, resulting in an expected loss of \$218,000 of tax revenue to the City. This is tax revenue that will not be replaced by the construction of a new hospital as they are exempt from paying municipal property taxes.

Finally, like many of our residents, the City has also had to manage historically high inflationary pressures on everything we purchase from gas to asphalt.

Despite these challenges, Administration and Council have worked diligently to find cost savings in our 2023 budget while not compromising services to the residents of Portage

la Prairie. The City has also seen increases in revenue from strong growth fostered by previous Councils in both our commercial and residential expansions, helping mitigate growing operational costs.

With all of these factors at play, this City Council is pleased to bring forward a budget that supports strong community growth while respecting rate payers' financial challenges during these difficult inflationary times.

### ***Budget Summary***

In summary, the 2023 budget is:

- For the general fund, the net operating budget is \$13 million, and the capital budget is \$25 million
- For the utility fund, the net operating budget is \$16 million, and the capital budget is \$14 million.

This proposed budget will result in an increase of 1.96% to property owners' taxes, substantially lower than the current level of annual inflation. For a residential property assessed at \$250,000, the 2023 property tax increase will be a year over year increase of \$44.60.

The next steps in our 2023 budget process will be to await receipt of the Portage la Prairie School Division's budget. This is used to finalize our financial plan and determine the total mill rate. Your final tax bill will be impacted by the Province of Manitoba's decisions on issuing rebate cheques for the School portion of your property tax bill.

We are expecting to complete our 2023 Financial Plan by April, and after a public hearing to approve this document, submission to the provincial government will occur. Your tax bill will be mailed to you by early June and as usual, and we will provide you with various tools to calculate your 2023 taxes in advance on the City's website.

The 2023 budget speech will be posted on the City's website in the next few days.

In conclusion, I am proud of the teamwork between City Administration and this newly elected City Council to put forward a progressive budget that continues:

- Strong investment in our infrastructure;
- Improvement of services to our residents;
- Building on efforts to create a safer community for all;
- Fostering strong economic growth in our region;
- And importantly, respects our citizens ability to pay in these difficult inflationary times.

Again, thank you to my fellow Council members and Mayor Knox for your support of this budget. I look forward to accomplishing great things with all of you for our community in 2023.