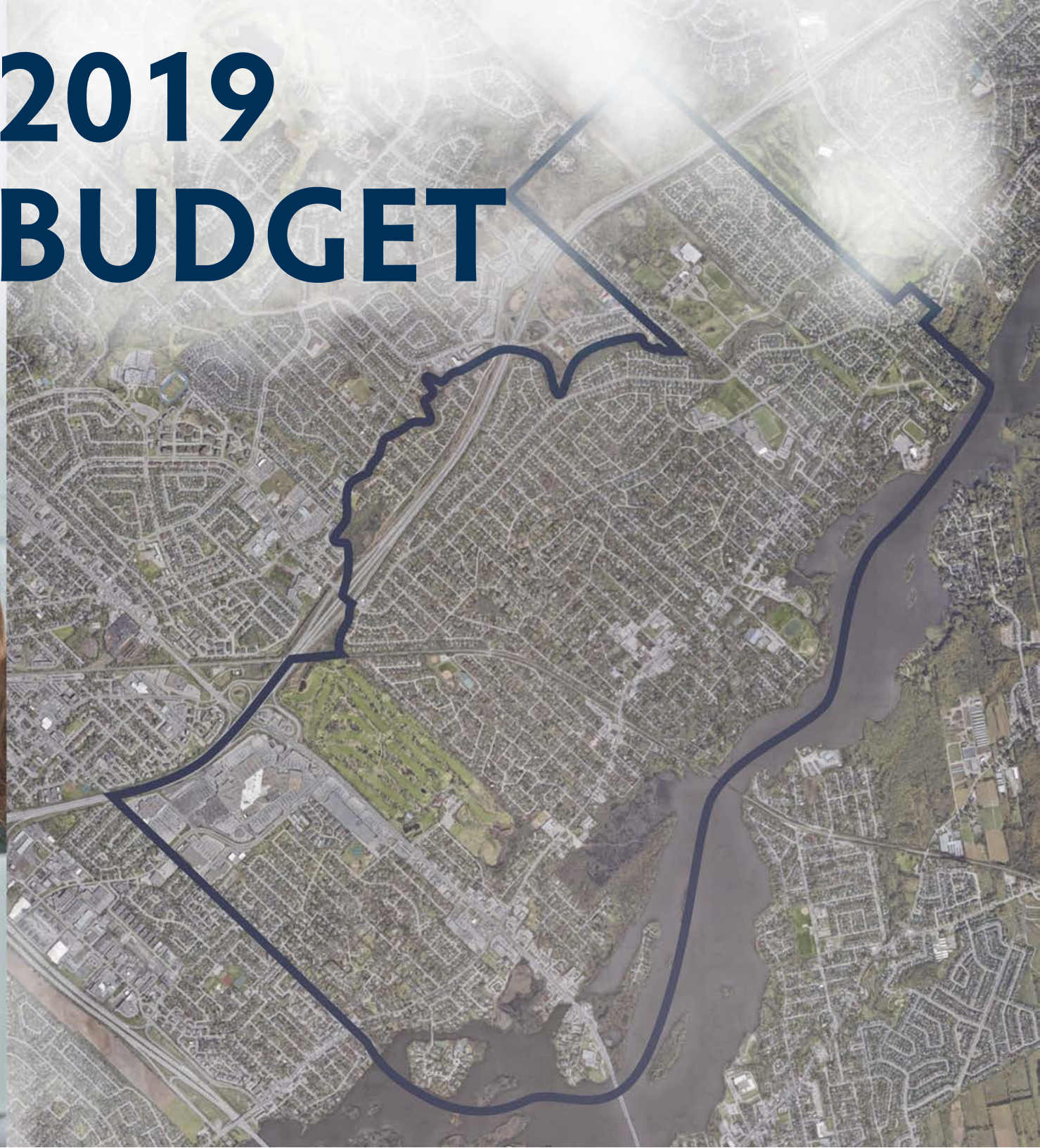


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2019 BUDGET



Presentation Plan

- ❑ 2019 budget challenges
- ❑ Budget orientations and highlights
- ❑ Taxes and charges
- ❑ Operating budget
- ❑ 2019 investments
- ❑ Statistics



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2019 BUDGET CHALLENGES



A photograph of a family of four—a man with a beard, a woman, and two children—gathered around a laptop. They appear to be looking at something on the screen together. The man is on the left, the woman is behind the children, and the children are in the foreground. The background is a light-colored wall.

Financial Position

In preparing its 2019 budget, the Town of Rosemère took its financial situation into consideration to ensure that it maintains a balance. In October 2018, it held information sessions on its financial position, for its residents as well as its merchants.

In particular, the Town must face budgetary challenges resulting from record investments made and committed in 2017. Without questioning the relevance of these investments*, the \$13.7-million increase in long-term net debt represents a significant tax burden for Rosemerites.

Starting in 2019, the Town will be impacted by this increase in debt, which represents an ultimate amount of \$900,000 annually.

**Infrastructure rehabilitation, including boulevard Roland-Durand; rehabilitation of the synthetic soccer field; development of Place des jeunes, installation of splash pads, consolidation of the police station structure and master plans...*



Variation in Net Long-Term Debt

2017

Expenditures incurred	\$6.5 M
Investments authorized in 2017 and under way	<u>\$7.2 M</u>
	\$13.7 M

Increase in Net Long-Term Debt, Including 2017 Commitments



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BUDGET ORIENTATIONS AND HIGHLIGHTS

2019 BUDGET



General Budget Orientations

- ❑ No transfers of the tax burden from the non-residential sector to the residential sector or vice versa
- ❑ Maintain the increase in operating costs within the Consumer Price Index (CPI)
- ❑ Make infrastructure investments in keeping with residents' will and financial means





Highlights

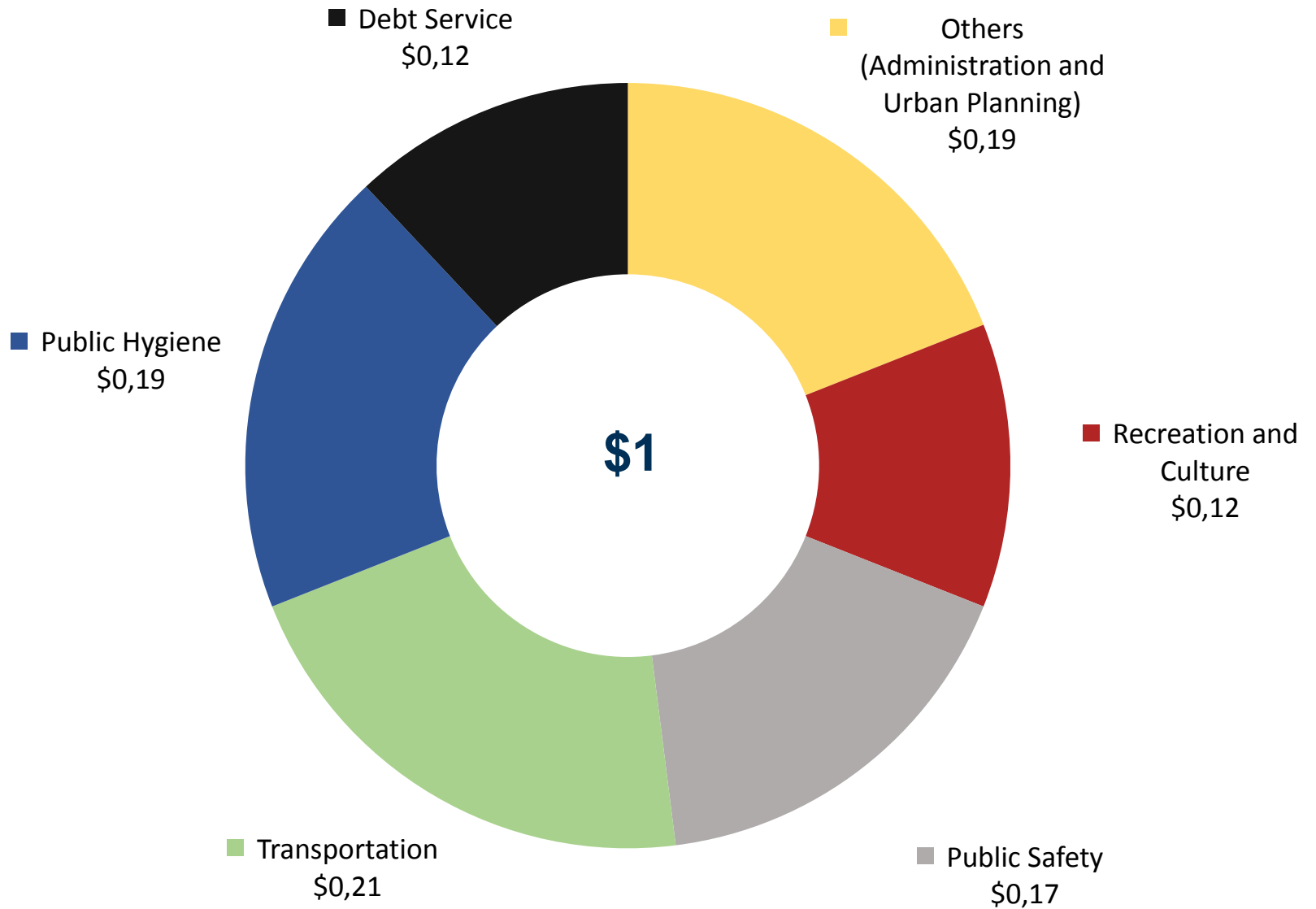
- ❑ Operating budget of \$31,646,000
- ❑ 3.4% increase in the residential property tax rate, including 0.6% for the basic general tax, excluding debt service
- ❑ For the residential sector, this results in an increase of 4.1% or less for 55% of homeowners
- ❑ 4% increase in basic charges for waste materials to cover 100% of costs
- ❑ Changes in water charges and billing for large consumers
- ❑ Restoring one single property tax rate for the non-residential sector

Highlights (cont'd)

- ❑ Additions and improvements:
 - New First Responder Service
 - Access to the library on weekends during the summer months
 - Implementation of a new dialogue and proximity approach
 - Public consultations
 - Creation of a Green Committee
 - Creation of a Youth Committee
- ❑ Public consultations to:
 - Achieve the Town's urban planning vision
 - Build infrastructures that meet our ambitions and needs
- ❑ \$41.7-million three-year program for 2019-2020-2021
 - Initial investments in 2019 with no impact on net debt: \$7 million
 - Any other potential investment conditional on public consultations



Allocation of each dollar on the tax bill



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TAXES AND CHARGES



 ROSEMÈRE



Property Tax

- ❑ Ultimate annual impact of debt service related to 2017 investments and commitments:

This ultimately represents an increase in the general property tax of \$900,000

2019 net impact of using the reserve for infrastructures in order to minimize the impact on the tax bill:

\$400,000

- ❑ Net impact of operating costs: \$440,000

Net increase in operating costs within the Consumer Price Index (CPI), 2.2%*

- ❑ Offset by the \$12.2-million increase in property values due to the averaging of values

For the residential sector:

**3.4% adjustment in the property tax rate
(excluding charges)**

*CPI Canada 2018

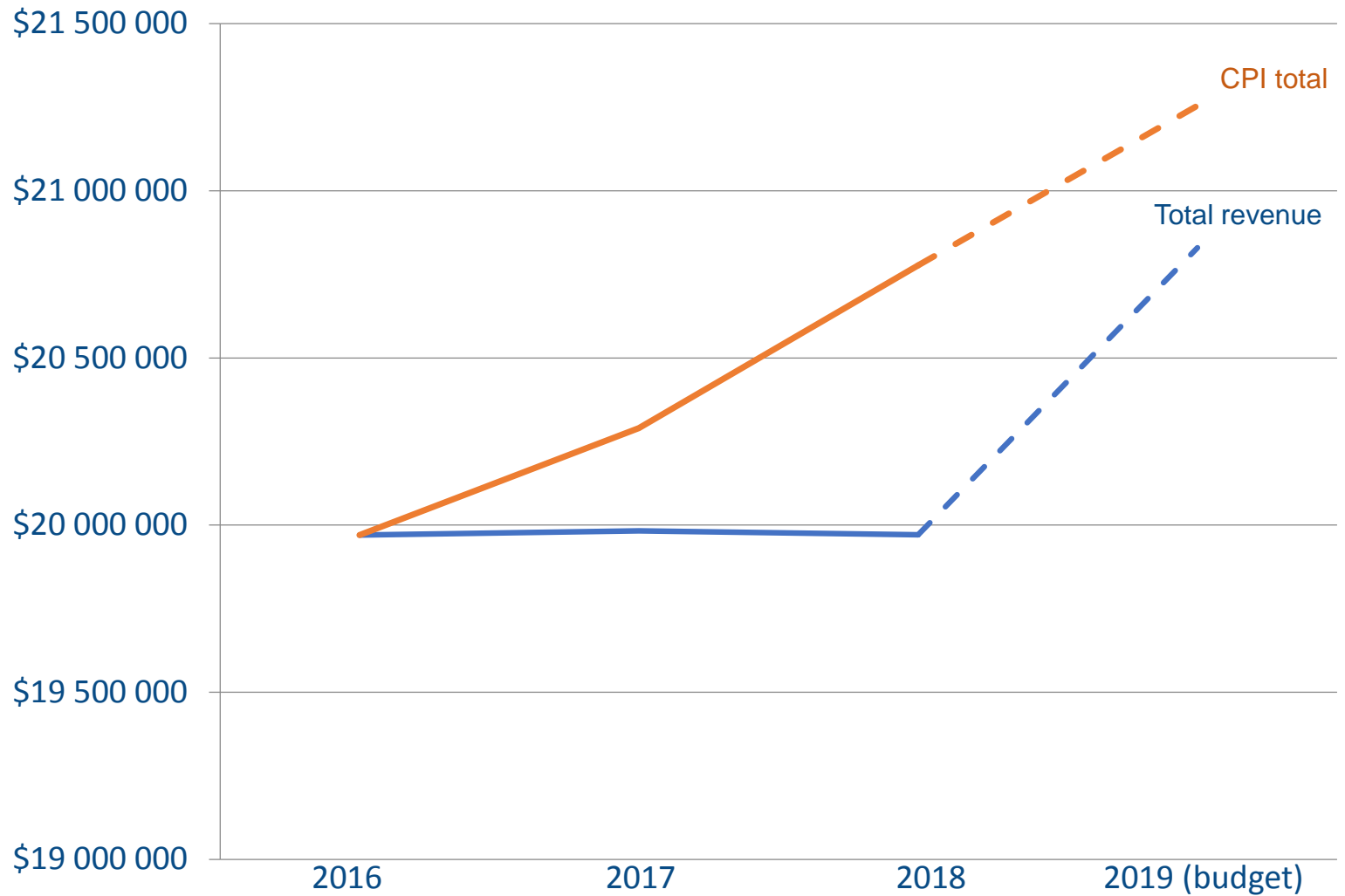
Property tax (cont'd)

For the non-residential sector:

- ❑ Overall increase in property tax revenues by 4%
- ❑ Reinstatement of the single rate for the non-residential sector
 - This measure does not result in any additional increase in revenue for the Town of Rosemère
- ❑ The impact is different for each of the commercial establishments, depending on the variation in values on the assessment roll and on averaging



Property Tax Revenue and CPI*

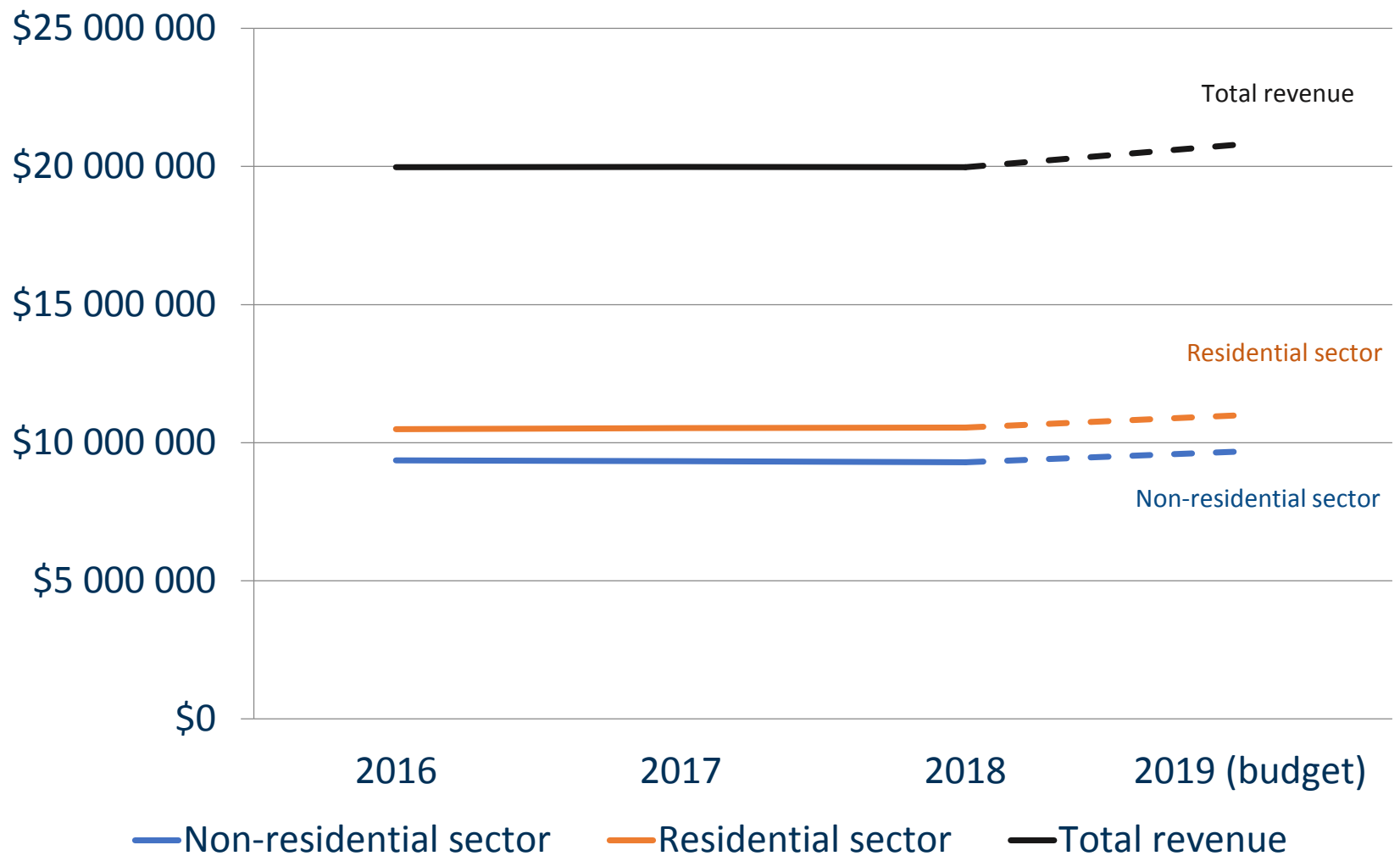


* excluding charges

— Total revenue — CPI total

CPI – source: Statistics Canada

Property Tax Revenue* 2016 – 2019, By Sector



* excluding charges

Charges

Adjustments to charges in order to fully cover costs

❑ Use of drinking water

- Use of more than 40,000 gallons charged on a separate bill in May, payable in two instalments

- Increase in charges

Basic charge	+ \$4 (inflation)
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Over 40,000 gallons	+ \$0.85/1,000 gallons
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❑ Waste management (garbage, recycling and composting)

- 4% increase in basic charges for each service

Residential sector	+ \$12 for all 3 services
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Commercial sector	+ \$19 for all 3 services
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Property Tax Rate and Other Charges



Property tax				
Rate per \$100 of assessment				
Various rates by category	Property tax		2019	2018
	Basic general	Debt service	Total	Total
Residential	0.4619	0.0744	0.5363	0.5188
Commercial and industrial	1.4508	0.2336	1.6844	
Taxable evaluation < \$100,000,000				1.5365
Taxable evaluation > \$100,000,000				1.6373
Serviced vacant lots	0.9237	0.1489	1.0726	1.0376

Charges					
Water (basic charge)				\$179	\$175
Over 40,000 gallons				\$5.22/1,000 gal.	\$4.37/1,000 gal.
Waste management	Garbage	Recycling	Composting		
Residential	\$104	\$104	\$104	\$312	\$300
Commercial	\$167	\$178	\$104	\$449	\$430

Impact of Taxation for an Average Home (\$431,000)*

	<u>2018</u>	<u>2019</u>	<u>Variation</u>	
			\$	%
Property tax:				
Taxable value (averaged)*	\$423,746	\$427,373		+ 0.8%
Property tax rate	0.5188	0.5363		+ 3.4%
	\$2,198	\$2,292	+ \$94	+ 4.2%
Basic charges:				
Water	\$175	\$179	+ \$4	+ 2.3%
Waste management	\$300	\$312	+ \$12	+ 4.0%
	\$475	\$491	+ \$16	+ 3.4%
Total tax bill	\$2,673	\$2,783	+ \$110	+ 4.1%

*Increase following the deposit of the 2018-2020 three-year roll

Due to the deposit of the roll, 55% of homeowners will see a 4.1% increase or less

2018 Taxes and Charges in the Residential Sector of the Neighbouring Municipalities

Municipalities	Rate / \$100 of assessment	Average house value	Averaged average house value	Average taxation for house	Basic rate	2018 tax bill	Variance
Rosemère	0.5188	\$431,006	\$423,746	\$2,198	\$475	\$2,673	
Blainville	0.6760	\$366,545	\$366,545	\$2,478	\$424	\$2,902	+ \$228
Boisbriand	0.7556	\$294,208	\$294,208	\$2,223	\$597	\$2,820	+ \$147
Lorraine	0.8021	\$387,584	\$387,584	\$3,109	\$590	\$3,699	+ \$1025
Sainte-Thérèse	0.7060	\$294,598	\$294,598	\$2,080	\$703	\$2,783	+ \$109
Average		\$335,734		\$2,472	\$579	\$3,051	+ \$378

In 2018, the average house in Rosemère evaluated at \$431,000 paid an average of \$378 (**14%**) less property tax than the average house of the neighbouring municipalities

The value of the average house in Rosemère is \$95,272 higher (**+ 28%**)

Therefore, less tax, more value

2018 Taxes and Charges in the Residential Sector of Comparable Municipalities (South Shore)

Municipalities	Rate / \$100 of assessment	Average house value	Averaged average house value	Average taxation for house	Basic rate	2018 tax bill	Variance
Rosemère	0.5188	\$431,006	\$423,746	\$2,198	\$475	\$2,673	
Saint-Bruno-de-Montarville	0.6200	\$396,117	\$396,117	\$2,456	\$695	\$3,151	+ \$478
Mont-Saint-Hilaire	0.7196	\$397,800	\$397,800	\$2,863	\$661	\$3,524	+ \$851
Average		\$396,959		\$2,660	\$678	\$3,338	+ \$665

In 2018, the property tax bill for the average house in Rosemère, valued at \$431,000, was an average of \$665 **(25%)** less than for the average house in these comparable municipalities

The value of the average house in Rosemère is \$34,047 higher **(+8%)**

So, even less taxes and more value in Rosemère

Enviably Position for Rosemère's Commercial Establishments

2018 property tax rate in the non-residential sector of the neighbouring municipalities

Municipalities	Rate / \$100 of assessment
Rosemère	1.5365
Blainville	2.1290
Boisbriand	2.5055
Lorraine	2.4950
Sainte-Thérèse	2.7120
Average	2.4604

The 2018 non-residential property tax rate in Rosemère is \$0.92/\$100 of assessment lower, or 1.6 times less, than the average for the other neighbouring municipalities

Enviably Position for Rosemère's Commercial Establishments (South Shore)

2018 non-residential property tax rates in comparable municipalities

Municipalities	Rate/\$100 of assessment
Rosemère	1.5365
Saint-Bruno-de-Montarville	2.6568
Mont-Saint-Hilaire	1.6175
Average	2.1372

The 2018 non-residential property tax rate in Rosemère is \$0.60/\$100 lower, or 1.4 times less, than the average for these comparable municipalities

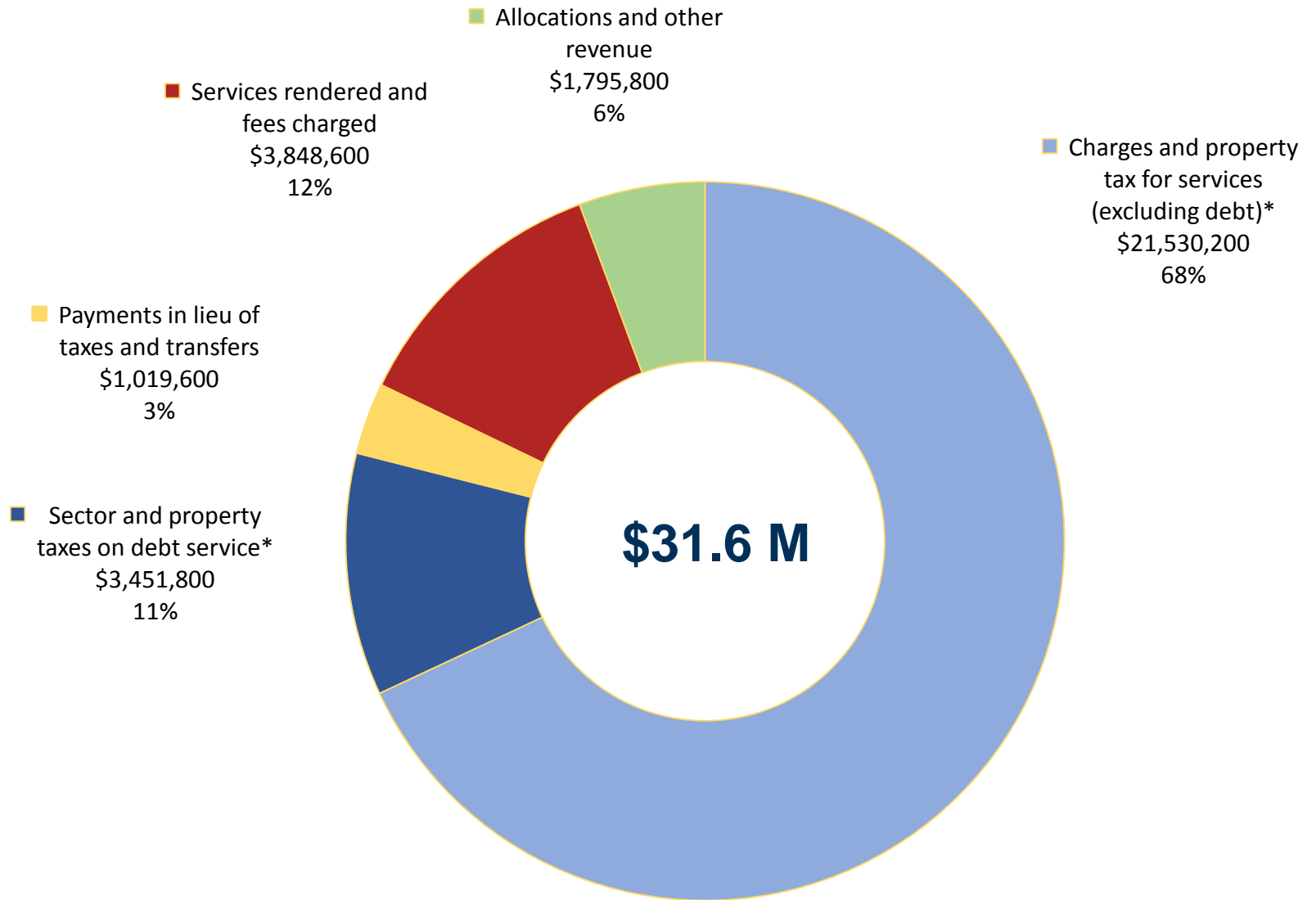
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OPERATING BUDGET



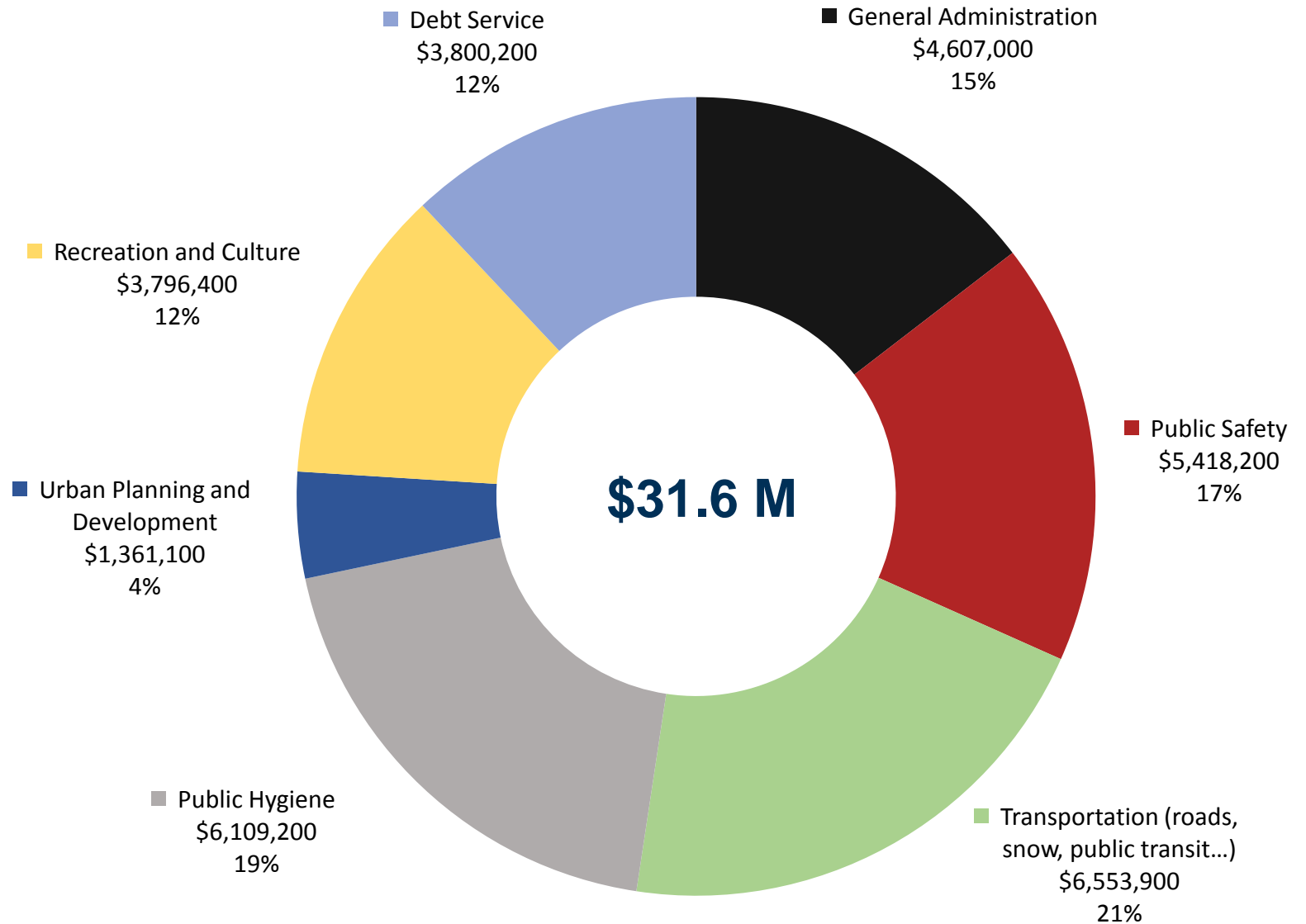
 ROSEMÈRE

Breakdown of 2019 Operating Revenue

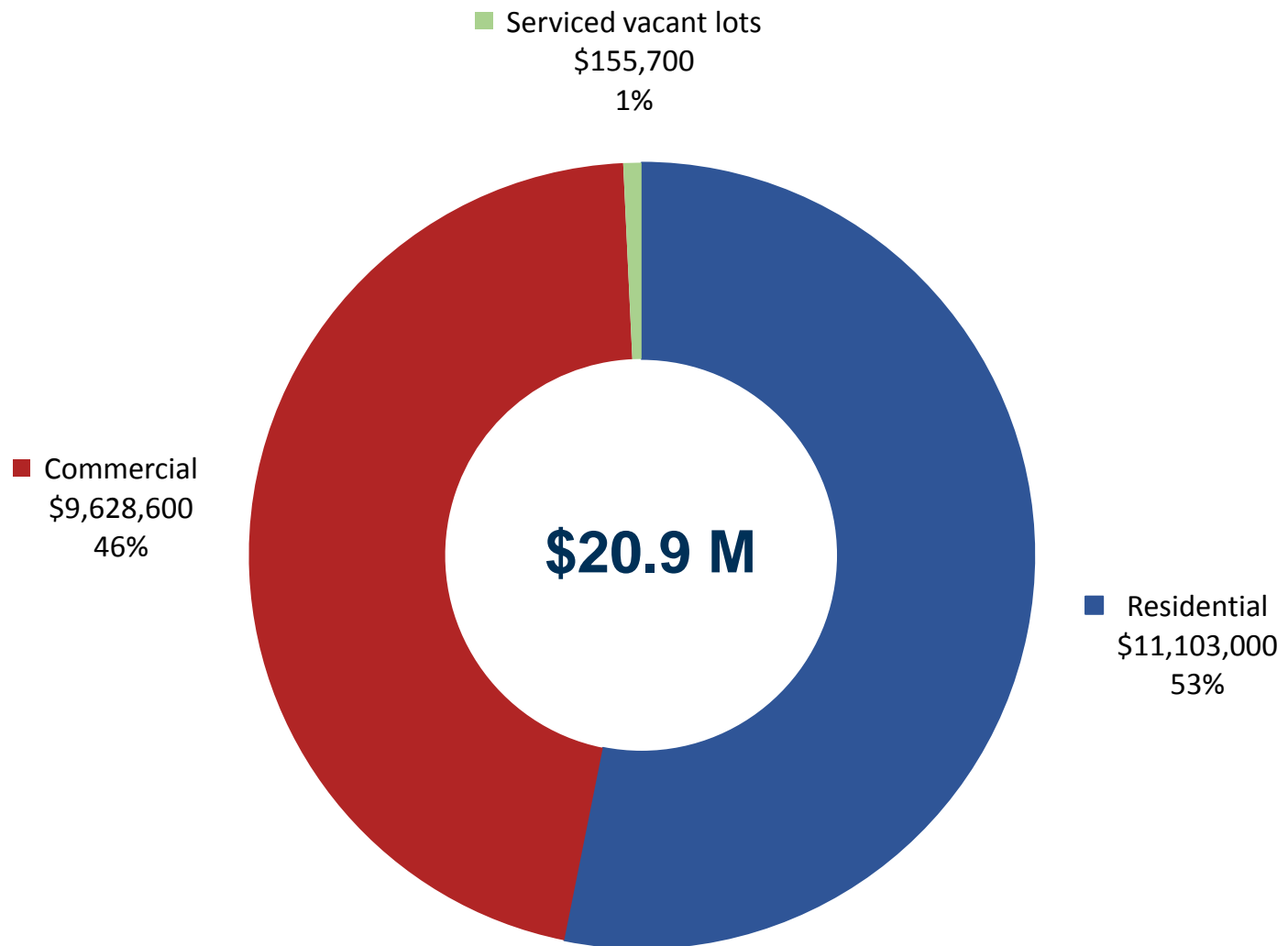


*Revenue from tax and charges: \$24,982,000

Breakdown of 2019 Operating Expenses



Breakdown of Property Tax (cost of services and the debt)



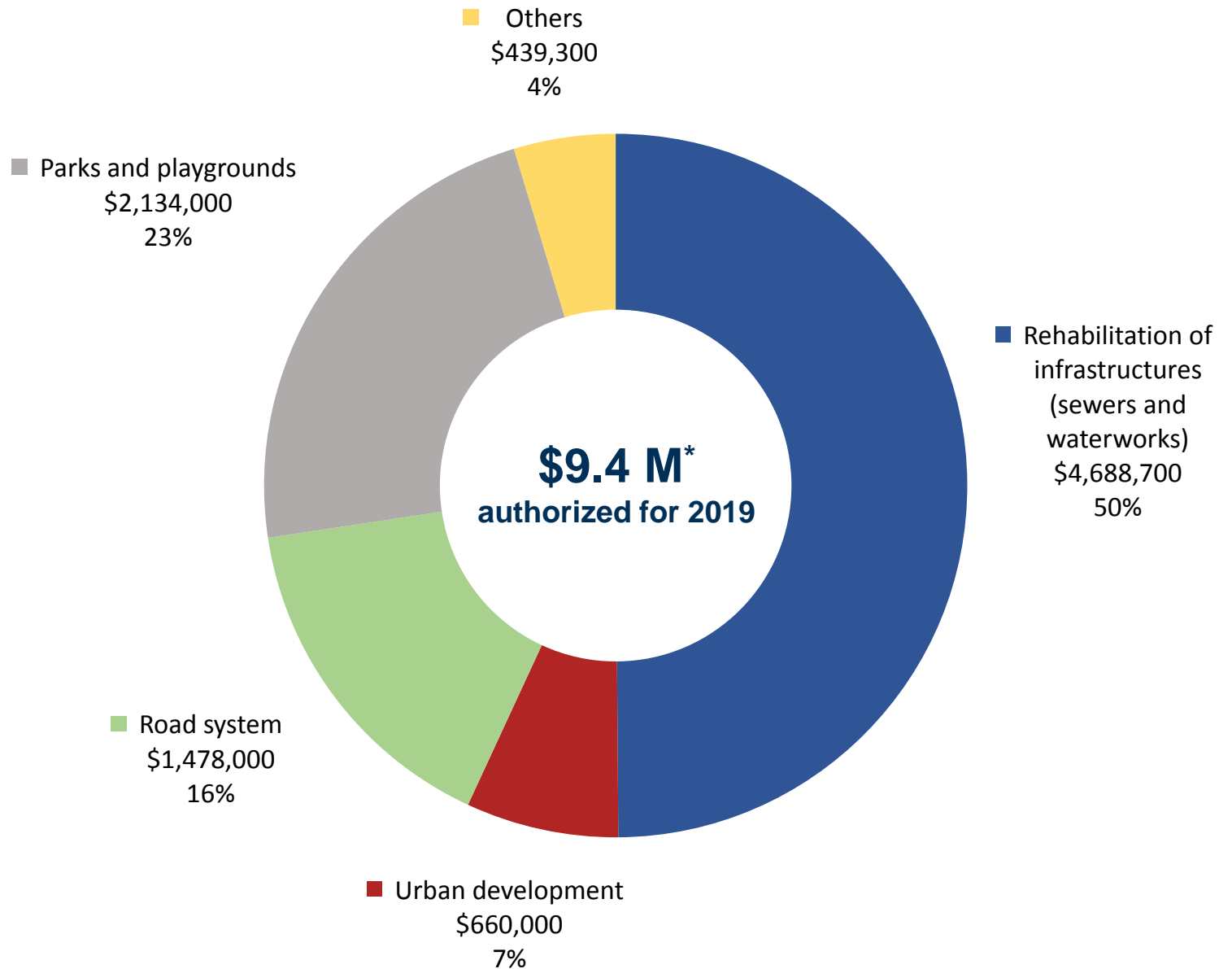
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2019 INVESTMENTS



 ROSEMÈRE

Priority Investments for 2019



Assumption: 75% of the work will be completed by December 31, 2019 (2019 work projects: \$7 million)

2019 Investments Planned

BY ASSET CATEGORY

\$

Rehabilitation of infrastructures	4,414,800
Water treatment plant	156,300
Pumping station	117,600
Urban development	660,000
Roads, streets and sidewalks	570,000
Bridges, tunnels and overpasses	353,000
Street lighting systems	555,000
Parks and playgrounds	2,134,000
Buildings	25,000
Vehicles	325,500
Office furniture and equipment	5,000
Others	83,800
	<hr/>
	9,400,000
Investments following public consultations	2,215,200
	<hr/>
	11,615,200

Financing

Long-term debt	7,287,046
Long-term debt (incurred in 2017)	1,095,000
Grants	1,900,116
Working capital	364,468
Others	968,570
	<hr/>
	11,615,200
	<hr/>

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STATISTICS



Statistics as at December 31, 2017

- ❑ **POPULATION:** 14,268
- ❑ **STANDARDIZED PROPERTY VALUE (SPV):** \$2.7 billion
- ❑ **DEBT:**
 - Total debt: \$26.0 million
 - Debt supported by all residents (including 2017 commitments): \$27.3 million
- ❑ **UNAPPROPRIATED ACCUMULATED SURPLUS:** \$2.9 million



Statistics⁽¹⁾

Results (2017 consolidated data)

	Rosemère	Comparable municipalities in Québec	MRC
Overall tax rate	0.6615	1.0146	0.9437
Net charges per \$100 of SPV*	\$1.16	\$1.57	\$1.56

Debt (2017 consolidated data)

	Rosemère	Comparable municipalities in Québec	MRC
Total net long-term debt per \$100 of SPV	\$0.98	\$1.92	\$2.55
Total net long-term debt per unit of assessment	\$4,853	\$5,417	\$8,967

Evaluation (2018 data)

	Rosemère	Comparable municipalities in Québec	MRC
Average standardized evaluation of single-family homes (including condominiums)	\$422,788	\$306,448	\$325,704

* SPV : standardized property value

(1) MAMOT, *General Municipal Finance Office, 2018 Financial Profile - Rosemère*



Conclusion

In light of these budgetary parameters that are impacting the Town's financial situation and in line with our commitments, our objective is to maintain Rosemerites' enviable position with regard to:

- ❑ property values
- ❑ tax rate (among the most competitive in Québec)
- ❑ quality of the services offered and the living environment offered to the population

Together, let's define our future in order to make Rosemère a *proud, green and prosperous* town!