



		Date Req'd
Information Purposes		
Policy / Action Req'd	X	May 19 '20
Strategic Plan		

STAFF REPORT TO COUNCIL

Report No. 33-2020

Date: May 19, 2020

From: Matthew Armstrong, Chief Administrative Officer and Treasurer

RE: 2020 Operational Budget

Recommendation:

That Council approve:

1. the 2020 Operational Budget with total revenues and expenditures of \$9,204,730; and
2. the 2020 Water and Wastewater Budget with total revenues and expenditures of \$2,887,570; and
3. that the final property tax payment for 2020 shall be split into two equal payments due August 31, 2020 and October 31, 2020; and
4. that the 2020 Estimates By-law for \$5,526,500, 2020 Tax Ratios By-law, and 2020 Capping Thresholds By-law be prepared for the next meeting of Council.

Background / Analysis:

The 2020 Budget has been reviewed over several meetings.

- November 18th Health Services & Social Services
- November 25th Administration, Protective Services, Planning & Development
- December 9th Transportation, Parks, Recreation, Environmental Services
Water and Wastewater
- January 6th Revenue & Taxation



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- January 20th Operational Budget Review
- February 18th Operational Budget Review
- March 26th Operational Budget Review
- May 4th Cashflow Projection Review

Through the various iterations of the budget, at March 16th it was recommended that a property tax levy increase of 1.55% be implemented for 2020 and a water and wastewater rate increase of 2% be enacted for 2020. Since that time, COVID-19 has caused unprecedented restrictions being put in place for the health and safety of citizens.

On March 26, 2020, various options were explored to reduce the property tax levy increase, which would include the following initiatives to bring the tax levy increase to zero:

- Remove the 1% increase dedicated to the infrastructure reserve for 2020
- Remove the additional \$24,000 in sidewalk repairs and replacements that was included in the 2020 budget
- Reduce the Town Hall repairs budget by \$6,000 for 2020

On April 22, 2020, Council approved that the water and wastewater rates would remain unchanged until December 31, 2020. At the same meeting, Council indicated to Rideau St. Lawrence Utilities (RSL) direction to waive late payment fees on outstanding water and wastewater accounts for Town of Prescott customers. This was accepted by all partnering municipalities and is being implemented.



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Financial Implications:

The following table captures the 2020 Operational Budget status excluding projects and water / wastewater budgets.



2020 Operational Budget

	2020 Expense Budget	2020 Revenue Budget	2020 Town Levy
Corporate	1,294,773	2,228,400	(933,627)
Protective	2,187,833	194,982	1,992,851
Transportation	2,259,691	272,058	1,987,633
Environmental	307,500	192,100	115,400
Health	350,088	20,600	329,488
Social	857,619	146,400	711,219
Recreation and Cultural	1,468,709	563,390	905,319
Planning & Development	478,517	60,250	418,267
Total	9,204,730	3,678,180	5,526,550
Water & Wastewater	2,887,570	2,887,570	(0)
Total	12,092,300	6,565,750	5,526,550

As noted above, the 2020 Operational Budget includes a 0% property tax levy increase. The educational tax rates for 2020 have decreased.

The 2020 Operational Budget includes a net contribution to reserves of \$1,509,167 before capital and operational projects are considered. The water and wastewater budgets include a net contribution to reserves of \$453,305.



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The water and wastewater budgets include an increase in rates of 0%

Attachments:

None

Submitted by

Matthew Armstrong
Chief Administrative Officer & Treasurer