



COM02

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## Adoption of the 2022 Budget New Solutions to Diversify Revenue Sources

**Châteauguay, January 26, 2022** – At an extraordinary meeting held on Monday, January 24, Ville de Châteauguay's Municipal Council adopted its budget estimates for 2022, including, among other things, the indexation of the tax rate to below the inflation rate. Apart from this thorough process carried out in close collaboration with the municipal administration, Mayor Éric Allard also proposed new ways of carrying out an in-depth review of the management of the municipality's revenues and expenses.

### New Assessment Roll Filed

As prescribed by law, the City filed its new assessment roll valid for the years 2022 to 2024. Effective as of January 1<sup>st</sup> of this year, it reflects the market value of the buildings in the municipality as of July 1, 2020. By virtue of the exceptional context related to the COVID-19 pandemic and the sharp price increases in the real estate market, the value of an average house in Châteauguay rose from \$259,400 to \$320,977, a 23.74% increase.

Guided by a principle of fairness and the desire to not pass such an increase on to its citizens, the City considerably reduced its tax rate to offset its impacts. The new combined rate, including the mandatory contributions to the Autorité Régionale de Transport Métropolitain (ARTM) and the Communauté Métropolitaine de Montréal (CMM), is 0.7762 per \$100 of assessed property value, for an increase of 2.9%\* compared to 2021.

### Balancing the Budget and Accumulated Surplus

The City forecasts revenues amounting to \$104M in 2022, and expenditures amounting to \$109.5M, including repayment of the debt. The \$5.5M deficit will be paid from the accumulated surplus.

Mayor Éric Allard does not intend to make this common practice and dip into surpluses in the years to come: out of an expected surplus of \$40M, apart from the \$5.5M earmarked for the deficit expected this year, \$18M are allocated to projects completed or underway, \$8M constitute financial reserves and contingency funds and \$8.5M will be used to partly finance major projects to come. These investments include, notably, the upgrading of the water treatment plant, the oversizing of water supply piping and the construction of a new auditorium, an indoor aquatic centre and a new police station.

*\*The Consumer Price Index (CPI) was 4.7% last November.*

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## **Creation of a Finance Committee**

To ensure that they have the resources to carry out all these future projects, the Allard administration has defined a new vision to diversify its sources of revenue. Building on a tangible and formative development plan for the industrial park, the administration intends to take advantage of its land sale (more than \$30M) and property tax (\$2M) potentials, while promoting the densification of new residential and commercial real estate projects.

At the same time, the Ville will officially form a Finance Committee at the next regular council meeting, scheduled for February. The committee will be tasked both with reviewing the management of expenses and revenues and with conducting a detailed analysis of the roles the municipality has taken on over the years to obtain an up-to-date and detailed overview of its financial situation. Following that, in collaboration with its different partners, it will be given the appropriate tools to determine what directions to take in terms of services, but without burdening citizens with new taxes.

“We don’t want a deficit budget year after year,” stated Mayor Allard. “Given that a financial analysis of this scope has never been conducted before, we will wait for the results to make adjustments. A tremendous amount of work will be done in the coming months to regain control of our public finances.”

## **Other Fees**

Apart from contributions and property taxes, the tax bill also includes income resulting from fees for essential services provided to the population, such as the provision of drinking water, wastewater treatment, waste, recycling and compost collection, which are managed by the MRC de Roussillon, as well as the Régie Beau-Château. These rates are fixed and are not adjusted based on the property value of a building. For 2022, the increase attributable to the increase in fees is 3.1% on the entire tax bill for an average house.

## **Requests for Assessment Reviews, Payments and Additional Information**

Once again this year, citizens can pay their tax bill in four instalments, with the following due dates: **March 10, June 9, September 8** and **November 10**. The dates have been pushed forward by about a month compared to previous years because of the adoption of the budget in January.

Citizens with questions or wanting to have their property assessment reviewed can call 450-698-3000 and select option 1.

The details of the 2022 budget will go online in the coming days on our website at [ville.chateauguay.qc.ca](http://ville.chateauguay.qc.ca), under the sections “Taxes, Permits and By-laws” and “City > Municipal Documents > Budget and Financial Statements”.

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