



2025/26 Budget Highlights

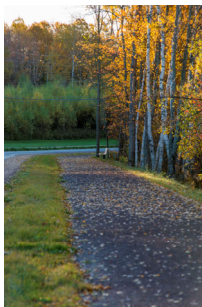


According to the Federation of PEI Municipalities, PEI is the only provincial government that collects more property tax than the municipalities in the province at nearly 70% of property taxes and:

- PEI municipalities have the lowest average per capita municipal tax revenue of all provinces and territories;
- PEI municipalities have the lowest local tax revenue growth rate of all the provinces and territories in Canada. The Compound Annual Growth Rate (CAGR) for PEI between 2008-2020 was 2.33%, while the national average was 3.97%;
- The national average for share of tax revenue between municipalities and the federal and provincial government is 9.2 cents per tax dollar. In PEI municipalities only receive 2.2 cents per tax dollar.

It is my pleasure to present, on behalf of your Stratford Town Council, some highlights of the 2025/26 Town of Stratford Budget. The upcoming year will be an exciting one for our community as we celebrate our 30th anniversary. We hope that you too are proud to call Stratford home, and take some time this coming year to reflect on where we've come from, and look ahead with optimism to the next 30 years of Stratford.

The preparation of the budget, again this year, has been a challenge with some tough choices made. As we have noted in the past, and as continues to be the case, the Town of Stratford, and all Island municipalities, are without an updated revenue sharing agreement with the Province of PEI. We continue to negotiate and hope that a resolution will soon come but until then, it is increasingly difficult to maintain the level of service and growth required for our community within the current means available to us. It should also be noted that unlike other levels of government, municipalities are not able to project a deficit when preparing our annual operating budget. We, as a unified council, are committed however to making the tough but right decisions on your behalf, and ensuring that we continue to set our community up for success both now and into the future. We have continued to be a fiscally responsible council, while advocating for our needs as a growing municipality. Last year we announced the first year of a



planned residential two cent municipal tax increase for each of the next three years. This increase both last year, and again this coming year, will assist us in delivering the various projects and services you have come to expect and deserve, while also allowing us to plan for and make investments in areas that are needed for the Town's continued growth and development.

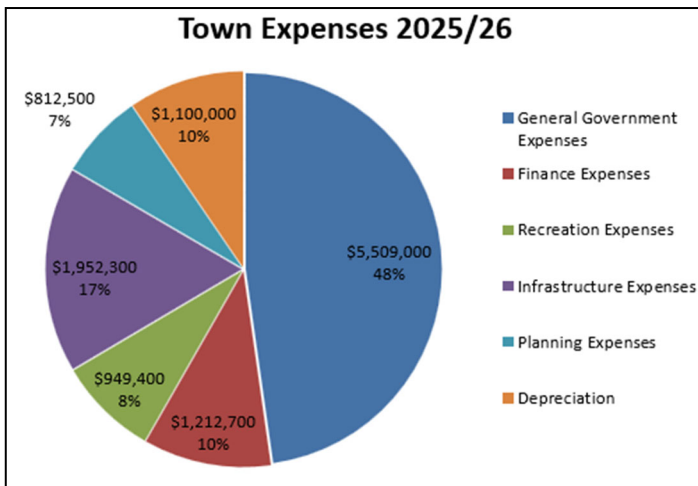
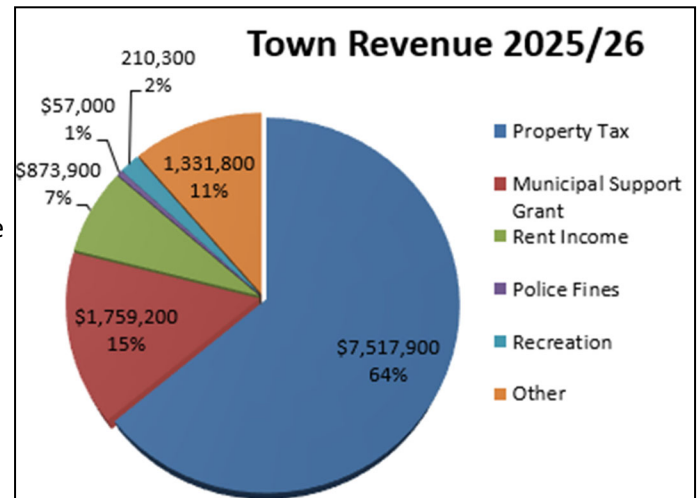
We thank the residents who took the time to review our draft budget and provide their comments through the draft budget survey earlier this month.

We were pleased to see that overall respondents are pleased with the budget direction and proposed areas of expenditures and investments. We have reviewed your comments as well and appreciate your time in providing them to us.

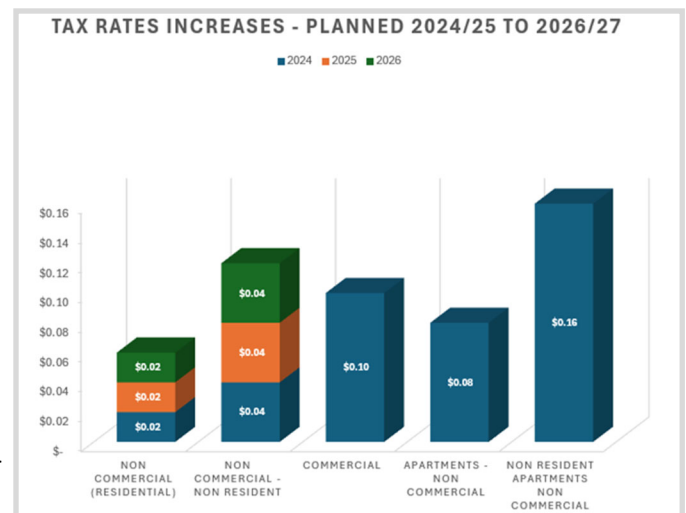


Revenue and Expenses

The 2025/26 Town of Stratford budget forecasts an operating surplus of \$500 for the upcoming year once depreciation and the principal payments on long-term debt are accounted for. The Town again commits to residents that should any surplus exist at the end of the year, that it will be placed in a reserve to support future investments in the community, including the Community Campus. The Town of Stratford is limited in the sources of revenue available to us relying primarily on property taxes, utility charges and fees to pay for our services, programs and infrastructure, with funding sources and programs also regularly explored. As previously mentioned, in order to meet the needs today as well as into the future, a two-cent residential property tax increase is included in the current budget as the second of a three-year planned increase.



Our 2025/26 budget includes continued investment in our community through priorities which we know are important to you. These include areas such as active transportation, transit, policing and fire protection, technology, parks and recreation, tree planting and forest management planning, climate change mitigation, housing, and more. Your council will continue to look ahead and make investments for the future of our community.



In exploring where our largest expenditures are, policing and fire protection make up the largest portion of the General Government expenditures at over 40% of the budget. The largest departmental expense in all other departments is salaries and benefits, except for in the Finance and Technology department which sees interest payments on capital investments as the largest expense by approximately \$30,000 more than salaries and benefits.

Capital Budgets

The Town's capital budget for 2025/26 is \$24,797,536 which after infrastructure funding and other funding partners in the amount of \$15,922,405, will have a net cost of \$8,875,131. Funding for Town capital includes \$3M in New Deal Funding, \$2.4 in Investing in Canada funding, \$4.2M in Active Transportation Funding, with the remainder from a variety of other funding sources.

The Utility Capital Budget is \$9,073,770 of which the Town has applied for infrastructure funding of \$3.5M from Canada Housing Infrastructure Fund, \$783,421 from the Investing in Canada Fund, and \$500,000 in various climate adaptation funding, for a net capital expenditure of \$3,722,849.



Community Campus

The Community Campus continues to be looked at as a jewel for our community in the future through the forward-thinking of our council, staff and community. The upcoming year will be another exciting one with the sports fields scheduled to be completed to have ready to open for the 2026 playing season.



We have also recently had a private pickleball facility announce their plans to locate their facility on the Community Campus with a planned opening by the end of 2025. This facility will greatly

complement the Community Campus overall vision. As well, expressions of Interest continue to come forward for the development of the new business park lots which are found on the south end of John Joe Sark Drive and it is the Town's hopes to have sales for many of these during the upcoming year.

The past year saw the road, John Joe Sark Drive, made public and the active transportation path opened. The Province of PEI is well underway on the construction of the high school and a future junior high school has been announced for the property with the construction timeline not known at this time. It was also exciting to announce our first major funder for the Community Campus with Provincial Credit Union supporting the new Stratford Youth Centre component with a \$500,000 contribution. The Community Campus property is well underway and we hope to have an announcement in the near future of funding to develop the community wellness facility which will house not only the Stratford Youth Centre, but is also planned to include sporting facilities, cultural space, and leased commercial space. We believe that investments in this property are necessary to meet the current and future needs of our growing community.

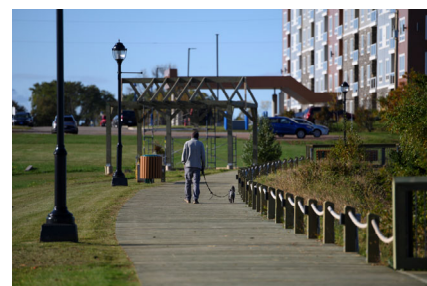
Transit Expansion

The Town of Stratford has allocated funding to take further steps forward a more inter-community transit service. The Annual Resident Survey currently underway has questions for residents regarding this service and council and staff look forward to this feedback as well as to working with the transit provider to find ways to help residents move within Stratford more seamlessly.

Michael Thomas Waterfront Park

The boardwalk and lookouts at Michael Thomas Park were officially opened this fall and allow residents and visitors better access to this space. Another addition this past year was the Harry and Donna James Pavilion which was opened in time for

the Town to hold our first Christmas Tree Lighting event in the park. With the connection to Charlotte-town from the boardwalk across the active transportation lane on the Hillsborough Bridge, and with the plans on the Charlotte-town side for a new park, this will bring opportunity for further development of the commercial lands around the waterfront park, as well as for additional phases of development in the park in accordance with our master plan. We look forward to holding many other events in this space and know it will become a popular place for residents and visitors to gather.



Shape Stratford and Housing Accelerator Funding

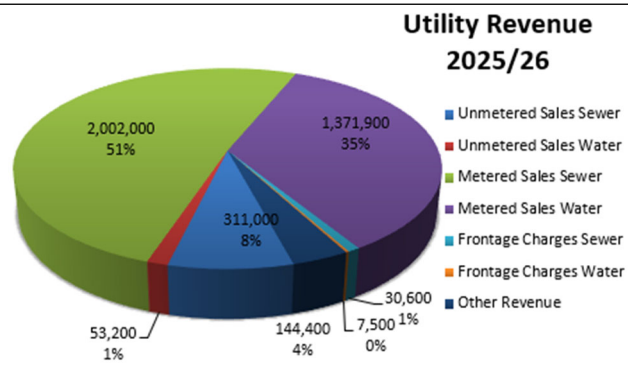
The Town of Stratford continues to be seen as a leader through our Shape Stratford project and with the projects underway through the Housing Accelerator Fund. These programs are allowing us to support projects and initiatives which will lead to more housing units in the Town of Stratford. The Housing Accelerator Fund is also allowing us to undertake a review of our Official Plan and Bylaw which began in the fall of 2024 and will continue throughout 2025. While Shape Stratford assisted us in identifying some of the systemic challenges built into our existing process in building public and council support for projects that increase density, the Housing Accelerator Funding allows us to recognize these needed changes, then plan for and adapt solutions which will lead to both successful housing projects and continued community growth. Through both of these initiatives conversations with the community continue to be important and residents are encouraged to be a part of planning our future when any engagement opportunities are available.

Other Highlights

- Expansion of the e-watch camera system
- Enhancements at four community parks as well as in some neighbourhood parks
- Installation of mural art at select locations
- Poppy Project and other arts and culture projects
- Addition of a parking lot on Sheperd Drive for users of the waterfront park
- Building assessments at Stratford Town Centre and Robert Cotton facility
- Expanded beautification and snow removal budgets
- New Town website to launch
- Expansion of active transportation network (subject to funding)

Stratford Utility Update

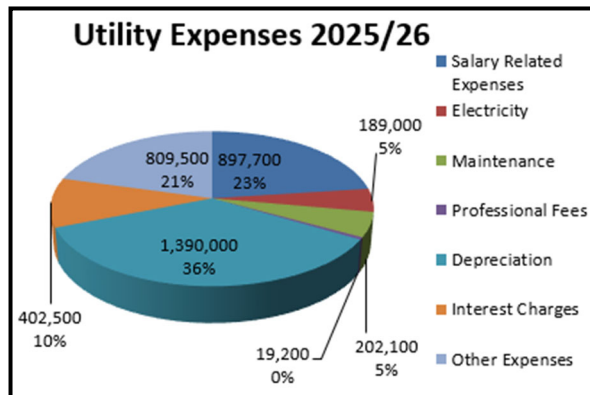
The Stratford Utility operates on a cash recovery basis and as such, the Town continually analyzes expenses to ensure that the rates for customers are equitable among our customers, while being sufficient to meet our long term needs. The upcoming



budget includes a modest Consumer Price Index (CPI) increase of 1.9% to base and consumption rates effective April 1, 2025. This increase will mean an average increase of just about \$16 over the coming year, or approximately \$4 per quarterly billing cycle. Stratford Utility customers continue to demonstrate their support by limiting their personal use of water where possible, and supporting conservation methods and programs.

The upcoming year will see projects by the Stratford Utility including:

- Further investigative video surveying of sections of the Town's sewer system
- Installation of standby generators at a few of our larger and/or most vulnerable sewage lift stations
- Addition of fire hydrants in the core area
- Replacement of the water distribution system in Reeves Estates (subject to funding)



At the end of 2023, our water usage average was 166 cubic meters per household, a reduction from an average of 172 cubic meters at the end of 2021, however at the end of 2024 our average usage has risen to 175 cubic meters. While both residents and commercial users have continued to embrace and support our water conservation efforts to date, we hope we can work together to limit future increases. Everyone should be mindful of how much liquid is leaving your home and entering our system, making changes where you can - every drop saved counts!



Eligible residents may receive a rebate of up to \$2000 to have a sump pump redirected from the municipal sewer system, and a battery backup system installed. Visit our website to learn more!

Other water saving initiatives in place currently are a low-flow showerhead exchange program and low-flow toilet rebate program.

Closing

In closing, on behalf of my fellow members of Council, I first would like to thank our Town staff for their ongoing efforts. I can assure you they are working hard for you every day, and are mindful of the budgets set forth and watching their expenditures carefully. I would also like to thank my fellow council members who have shown their dedication and passion for our community's success throughout the budget process by engaging, listening and having thoughtful discussion.

While global instability and uncertainty remains around US tariffs, I would like to assure residents that we are monitoring the situation and making adjustments like you are. We live in the best community, in the greatest country, and together we will all get through this.

Our residents are one of our greatest assets in Stratford. We appreciate



the time you give to your community volunteering, supporting causes and being involved. We continue to thank you and hope that you will continue to participate when asked to - whether through our Annual Resident Survey, coming out to a public engagement session or responding to the draft budget process, your participation and input matter and is important and necessary. Thank you for your ongoing trust in us to make the best decisions, on your behalf.

As we reflect on our 30th anniversary as the Town of Stratford, I hope that you are proud of where you live, work and play. Our community is truly the best community and together we will continue to prosper and grow. Our future is full of opportunity.

Respectfully submitted,

Jody Jackson
Chair of Finance & Technology