

MAYOR'S REPORT

HIGHLIGHTS OF THE

2025

FINANCIAL REPPORT



Table of contents

- Introduction..... 3
- Audit of the 2025 Financial Report..... 5
- Summary of the results for tax purposes 6
- Sources of the surplus (additional revenues)..... 7
- Sources of the surplus (expenses) 8
- Accumulated surplus as of December 31, 2025 9
- 2025 Investments (Capital Assets)..... 10
- Changes in net investment10
- Changes in Town’s debt 11
- Variation of the long-term debt ratio 11
- Allocation of the debt as of December 31, 2025..... 12

Introduction

This report covers the following key points :

- Summary of results for tax purposes
- Sources of the surplus
- Details of the accumulated surplus
- Investments
- Change in the Town's debt

Upon reviewing my report, you will see that the financial health Town is sound.

AUDIT FINDINGS LETTER

In the interest of transparency, we are publishing the audit findings letter signed by our auditors.

The deficiencies identified during the audits of the 2023 and 2024 financial statements have since been corrected. The internal control measures put in place now ensure rigorous financial management and meet the auditors' expectations. Accounting processes have been reviewed and strengthened to support sound governance and reduce the risk of errors or irregularities.

Thanks to these actions, the Town has restored its normal financial work schedule and now has adequate control mechanisms in place to promote management that is effective, transparent, and in line with best practices in the municipal sector.

2025 INVESTMENTS

Hudson's municipal infrastructure investments in 2025 totaled nearly \$6.3M, including the redevelopment of Lakeview Street for \$3.9M, road repairs and paving on various streets for \$1.5M, the purchase of three vehicles for the fire department for \$369K, the development of Cambridge Park to include pickleball courts for \$112K, the reconstruction of several pedestrian bridge crossings for \$83K, and other projects.

In addition, we acquired land for an affordable housing project for \$605K.

Despite investments totaling nearly \$6.9 million, the Town's debt has decreased by approximately \$1.2 million.

THREE-YEAR ASSESMENT ROLL

The Town of Hudson's 2025 property assessment roll marks the first year of the current three-year cycle. The summary of the roll, prepared by LBP Évaluateurs agéées on behalf of the Vaudreuil-Soulanges RCM, was filed with the clerk's office on September 13, 2024. It has been in effect since January 1, 2025. The average value of a single-family home in Hudson is now \$877K, compared to \$574K for a condominium.

Chloe Hutchison
Mayor of Hudson

Audit of the 2025 Financial Report

This statement of highlights from the Town of Hudson’s 2025 Financial Report is presented in accordance with Section 105.2.2 of the Cities and Town Act.

The 2025 Financial Report was tabled before the municipal council at the regular meeting held on June 23, 2026. It is accompanied by the independent auditor’s report, with a qualified opinion, issued by the firm BCGO s.e.n.c.r.l. According to the auditor’s opinion, except for the possible effects of the matters described in the “Basis for Qualified Opinion” section, the financial statements present fairly, in all material respects, the financial position of the Town as of December 31, 2025, as well as the result of its operations, the change in its net financial assets (net debt), and its cash flows for the year then ended, in accordance with Canadian Public sector accounting standards.

Summary of the results for tax purposes

For the fiscal year ending December 31, 2025

| | |
|--|--------------------|
| Operating revenues | \$19,453,010 |
| Operating expenses | (\$17,873,622) |
| Allocations (other items for tax purposes) | \$666,582 |
| Operating surplus for the year for tax purposes | \$2,245,970 |

Sources of the surplus (additional revenues)

Main variances (actual vs the original 2025 budget)

| | |
|--------------------------|-------------|
| Municipal taxes | \$174,437 |
| Property transfer duties | \$1,479,396 |
| Transfers | \$224,164 |

Sources of the surplus (expenses)

Main variances (actual vs the original 2025 budget)

| | |
|--|-------------|
| General Administration | |
| Remuneration | \$66,471 |
| Professional Services | (\$149,863) |
| Special Projects – Reallocated to Other Departments | (\$483,900) |
| Public Safety | |
| Police – Sûreté du Québec (MRC rebate) | (\$313,100) |
| Remuneration | (\$270,929) |
| Professional Services | (\$54,036) |
| Transportation | |
| Remuneration | \$162,534 |
| Professional Services | \$144,999 |
| Environmental Health | |
| Remuneration | (\$66,012) |
| Maintenance and Repairs – Water System | \$98,368 |
| Maintenance and Repairs - Sewers | \$145,427 |
| Contracts for various collection Services | (\$128,793) |
| Planning, Urban planning and Development | |
| Remuneration and contract workers | \$80,179 |
| Professional Services | \$54,463 |
| Recreation and Culture | |
| Remuneration | (\$107,122) |
| Maintenance and repair – Parks, Pool, Community Center | \$179,978 |

Accumulated surplus as of December 31, 2025

| | |
|--|--------------------|
| Unallocated accumulated operating surplus | \$1,378,695 |
| Allocated accumulated operating surplus : | |
| By-law 554 | \$18,157 |
| Tree planting | \$16,609 |
| Parks and playgrounds | \$150,000 |
| Flooding | \$100,000 |
| Infrastructure | \$2,675,000 |
| Buildings | \$3,600,000 |
| Watercourse | \$130,000 |
| Miscellaneous | \$287,000 |
| Total | \$6,979,766 |
| Reserved funds : | |
| Working capital fund | \$856,475 |
| Available balances from closed loan by-laws | \$307,459 |
| Reserved Fund for Election-Related Expenses | \$26,000 |
| Parking Fund | \$24,000 |
| Total | \$1,213,934 |

2025 Investments (Capital Assets)

| | |
|---|--------------------|
| Lakeview Street Redevelopment | \$3,925,706 |
| Road repairs and paving on various street | \$1,502,026 |
| Land acquisition | \$648,278 |
| Purchase of Fire Department vehicles | \$369,390 |
| Campbridge park Development - Pickelball | \$112,177 |
| Repairs to Jack Layton Footbridges | \$83,941 |
| Others projects | \$218,498 |
| Total | \$6,860,016 |

Change in net investment

The Town's net value in its infrastructure and assets

| | | |
|---|------------------------|---------------------|
| On December 31, 2025 | | \$44,518,368 |
| On December 31, 2024 (initial) | \$37,051,766 | |
| (+) Adjustment resulting from the recognition of OMHS (decommissioning) | <u>(+) \$1,542,663</u> | |
| On December 31, 2024 (corrected) | | <u>\$38,594,429</u> |
| Increase in the Town's net assets | | \$5,923,939 |

This variation indicates that investments made during the fiscal year, particularly in fixed assets, acquired properties, and debt associated with these acquisitions, exceeded the depreciation expense recorded for all municipal assets. This reflects a net increase in the Town's investments in its long-term assets.

Change in the Town's debt

| | |
|--|---------------------|
| Balance of the debt as of December 31, 2024 | \$22,606,000 |
| 2025 capital repayment, of which : <ul style="list-style-type: none"> • \$42,449 paid by the Government of Quebec • \$103,162 paid from the designated operating surplus | (\$1,344,000) |
| New loans <ul style="list-style-type: none"> • By-laws 756-2022 (Membrane Replacement at the Whitlock West Wastewater Treatment Plant) : | \$150,000 |
| Balance of the debt as of December 31, 2025 | \$21,412,000 |

Variation of the long-term debt ratio

Per \$100 of standardized property value

| Year | Per \$100 of assessed value |
|------|-----------------------------|
| 2025 | \$1.14 |
| 2024 | \$1.04 |
| 2023 | \$1.29 |

On average, municipalities in the same population class had a ratio of \$1.52 per \$100 of assessment in 2024.

Allocation of the debt as of December 31, 2025

| | |
|---|---------------------|
| Amount borne by all taxpayers | \$16,333,803 |
| Amount financed by a portion of the surplus allocated to debt repayment | \$18,157 |
| Amount charged to a portion of taxpayers | \$4,464,583 |
| Amount borne by the Québec government | \$595,457 |
| Total | \$21,412,000 |