



MUNICIPALITY OF BIFROST-RIVERTON

2022 Financial Plan

Public Hearing

May 12, 2022 – 9:00 a.m.



Reeve's Message

from Brian N Johnson

On behalf of Council – Councillors Forde Andersen, Chad Johnson, Ken Stadnek, David King, Gordon Klym, Colin Bjarnason and myself – I invite you to review the Municipality's 2022 budget and tax information.

The past two years we were all dealing with the pandemic. Staff had to quickly adjust business processes for not only health and safety reasons, but also to ensure our operations balanced municipal services with financial accountability.

Through deliberations and good debates held by Council, we intend to approve a tax revenue increase of 5.26%. This is trying to staying relative with the Consumer Price Index, that after the first two months of 2022 is at 5.8% in Manitoba and 5.7% across all of Canada.

A consequence of growing inflation is that it hits our Transportation Services budget the hardest. The department accounts for 55% of our municipal operating budget annually and our projections this year has the department seeing more than a 9% increase in expenditures to sustain the current level of service.

Thank you for your patience and support as we continue to navigate these uncertain times, we all hope for better days ahead.

I encourage you to read the enclosed information carefully. For more information, please visit: www.bifrostriverton.ca/government/financial-information

2022 Financial Plan

- The 2022 Financial plan was prepared with the directive to continue protecting our residents and their services after two years of the Covid-19 pandemic, and now the subsequent unstable inflation rates.
- Sub entities throughout the Municipality have reported a significant loss of revenue and were not prepared to handle the two years of stress against their financial capacity. The Council continues to acknowledge this hardship within this year's financial plan and are financially assisting these groups that provide valuable municipal services.
- The general municipal at-large mill rate was held at 17.373 for three consecutive years before this year's increase to 18.159.
- School mill rates this year, the Evergreen School Division has decreased by 0.16 Mills and the Lakeshore School Division has decreasing by 0.12 Mills, resulting in a total net education levy increase of \$3,476.48. More information on the Provincial Education Property Tax Rebate will be included in the tax bill mailing process.
- Western Financial Group has advised that program participants will see an approximate 9% increase in their General Municipal Insurance coverage for 2022. 2021 bill was \$164,216, 2022 estimate is \$178,995.
- Year 6 of Deficit Recovery – Plan to recover deficits as presented in our 2014 Audited Financial Reports over a 6-year period (approved by Municipal Affairs) – 2022 Recovery - \$58,435. This is the last year they will appear as individual lines on the Tax Bills.

REVENUES	2021 Actual	2022 Budget
Municipal Taxes/Grants in Lieu of Taxes	\$ 3,970,695	\$ 4,278,376
Other Revenue	\$ 1,324,111	\$ 859,193
Transfers to Operating	\$ 768,650	\$ 42,600
Reserve Withdrawal or Loans	\$ 1,077,968	\$ 1,271,000

EXPENSES	2021 BUDGET	2022 BUDGET	INCREASE/ DECREASE
General Government Services	\$ 671,125	\$ 733,962	↑ of \$ 62,837
Protective Services	\$ 269,693	\$ 345,880	↑ of \$ 76,187
Transportation Services	\$ 2,255,115	\$ 2,481,375	↑ of \$ 226,260
Environmental Health Services	\$ 217,750	\$ 199,650	↓ of \$ 18,100
Public Health & Welfare Services	\$ 45,409	\$ 41,520	↓ of \$ 3,889
Environmental Development Services	\$ 28,180	\$ 34,500	↑ of \$ 6,320
Economic Development Services	\$ 129,200	\$ 125,950	↓ of \$ 3,250
Recreation and Cultural Services	\$ 450,225	\$ 512,275	↑ of \$ 62,050
Fiscal Services	\$ 2,722,723	\$ 1,109,186	↓ of \$ 1,613,537
Transfers – Deficit Recovery	\$ 58,435	\$ 58,435	-
Transfers To Reserves	\$ 30,000	\$ 227,293	↑ of \$ 197,293
Allowance for Tax Assets	\$ 7,738	\$ 25,143	↑ of \$ 17,405

2022 Proposed Mill Rates

LEVY	2020 Mill Rate	2021 Mill Rate	2022 Proposed Mill Rate
Evergreen School Division	11.140	10.980	10.856
Lakeshore School Division	14.830	14.710	14.565
Provincial Education Support	8.830	8.809	8.714
General Municipal	17.373	17.373	18.159
Lagoon Debt Charges (Urban)	1.028	1.023	1.021
3 Motor Graders (At-Large)	<i>New</i>	0.582	0.576
ABF&ES Pumper Truck (At-Large)	<i>New</i>	<i>New</i>	0.487
Deficit Recovery (Riverton) Year 6 of 6	0.424	0.418	0.403
Deficit Recovery (Bifrost) Year 6 of 6	0.267	0.263	0.260

2022 Commitments to Community Groups and Sub Entities

The Municipality has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis. The Council is appreciative of each partnership and the 2022 Financial Plan displays a continued investment.

Organization	2019	2020	2021	2022 Budget
Arborg-Bifrost Fire and Emergency Services	\$91,849 – Operating \$33,854 – Reserve \$9,833 – Response Wages Total = \$135,536	\$147,060 – Operating \$22,570 – Reserve \$13,413 – Response Wages Total = \$183,043	\$135,166 – Operating \$4,406 – Reserve \$28,608 – Response Wages Total = \$168,180 Capital Purchase – Pumper Truck \$302,310	\$145,100 – Operating \$30,000 – Response Wages Total = \$175,100 Capital Purchase – Rescue Truck \$145,000 from Reserves
Arborg-Bifrost Parks and Rec	\$125,000 – Operating Total = \$125,000	\$135,000 – Operating \$33,802 – Insurance Total = \$168,802	\$136,575 – Operating \$35,805 – Insurance \$178,323 – Paid off debt Total = \$350,703	\$172,900 – Operating \$40,000 – Insurance \$27,000 – Cash flow relief Total = \$239,900
BAR Waste	\$94,603 – Operating Total = \$94,603	\$105,657 – Operating Total = \$105,657	\$82,191 – Operating \$76,085 – Paid off debt Total = \$158,276 Capital Purchase – Landfill \$356,288	\$96,000 – Operating \$69,500 – Capital Total = \$165,500

Organization	2019	2020	2021	2022 Budget
Riverton-Bifrost Fire Department	\$69,570 – Operating \$26,264 – Reserve Total = \$95,834	\$74,203 – Operating \$26,193 – Capital Total = \$100,396	\$61,708 – Operating \$27,199 – Capital \$15,500 – Surplus Total = \$104,407 Capital Purchase- Fire Hall \$664,930	\$108,680 – Operating \$32,600 – Capital Total = \$141,280 Capital Purchase – Fire Hall \$535,000
Riverton Bifrost Parks and Rec	\$83,000 – Operating \$53,855 – Insurance Total = \$136,855	\$94,579 – Operating \$63,157 – Insurance Total = \$157,736	\$104,500 – Operating \$57,043 – Insurance Total = \$161,543	\$118,000 – Operating \$65,000 – Insurance Total = \$183,000

Organization	2019	2020	2021	2022 Budget
Handi Vans (Arborg and Riverton)	\$21,389 of that, MDT Grant = 17,889	\$27,875 MDTG = 23,875	\$26,556 MDTG =21,556	\$27,000 MDTG = 21,500
Seniors Resources (Arborg and Riverton)	\$3,000	\$3,500	\$4,500	\$5,500
Arborg & District Multicultural Heritage Village	\$2,500	\$2,500	\$10,000	\$10,000
Eastern Interlake Planning District	\$23,568	\$24,921	\$26,180	\$27,000
Riverdale Place Workshop	\$35,661 of that, MMSM Grant \$31,411	\$41,456 MMSM = 36,206	\$70,722 MMSM = \$60,222	\$60,450 MMSM = \$55,200

Transportation Services Department - 2022

- Ditches and Drainage Program

Municipal governments have a role in water management; specifically, drainage and water management under Manitoba's *Water Rights Act*. The Council has taken this role very seriously and have invested into the Municipality's role. After sustained investment, Council will be cutting some expenditures for 2022, in order to fund other initiatives and sustain other programs during this time of unprecedented inflation uncertainty. Funding to the program has been: 2019 = \$386,077; 2020 = \$629,155; 2021 = \$211,936; and 2022 is budgeted at = \$105,600.

- Road Construction and Maintenance

With over three hundred miles of roads to maintain, Council is proud in the investment made in order to bring some roads back to an acceptable standard, while also sustaining the infrastructure of all the other roads. Funding to the Road maintenance program has been: 2019 = \$1,168,219; 2020 = \$1,187,870; 2021 = \$1,180,915; and 2022 = \$1,414,000

(All figures are omitting fuel and equipment repairs and maintenance)

- Continued Snow Removal Program

The Municipality provides snow removal to as many rural roads as possible, in addition to all of the urban settlements and the airport. In early 2022, the Municipality incurred a plugged road event throughout the governing area after sustained snow fall and continued gusting winds. The expense to open all our roads during this weather event was over \$250,000.

Council's Investment into Capital 2019

The Council of the Municipality of Bifrost-Riverton has invested into Capital assets to ensure the sustainability of the municipal corporation.

2019 projects were:

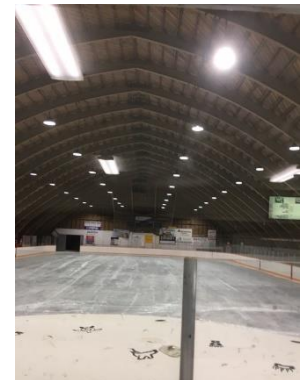
Quick-Attach Snow Plows \$49,439;

GMC 2500 \$22,397;

Contracted Road Repairs of: 144N, 6E, 10E, 14E and 20E \$338,632;

Riverton Memorial Arena Condenser and Lighting \$13,100 on a \$97,818 project (\$84,718 funded from other sources of revenue)

Sidewalk to House of Hope \$87,000



Council's Investment into Capital 2020

The Council of the Municipality of Bifrost-Riverton has invested into Capital assets to ensure the sustainability of the municipal corporation.

2020 projects were:

3-John Deere 872 GP Graders \$867,855 (after trade-in)

Washrooms at Sandy Bar Beach \$32,100 (\$30,260 funded from insurance claim)

Contracted Road Repairs of: 20E, 14E, 139N and 2E \$411,104



Council's Investment into Capital 2021

The Council of the Municipality of Bifrost-Riverton has invested into Capital assets to ensure the sustainability of the municipal corporation.

2021 projects were:

BAR Waste Landfill Expansion \$356,288

Contracted Road Repairs of: Road 139N and 14E \$136,375

Riverton Fire Department Tanker Truck \$86,120 (\$9,044 was Municipal)

Chevrolet Silverado 1500 \$28,646

Balaton Beach Playground \$43,805 (\$17,000 was Municipal)

Arborg Fire Department Pumper Truck \$302,310



Council's Investment into Capital 2022



CAPITAL BUDGET

Municipality of Bifrost-Riverton

For the Year 2022

Part 1 - CAPITAL EXPENDITURES

Particulars of Expenditure	Estimated Total Cost	Borne by General Fund	Borne by Utility Fund	Borne by Reserves	Borne by Borrowing
Mower	15,000.00	15,000.00			
Trailer Replacement	6,500.00	6,500.00			
Sidewalk Renewal Project	80,000.00			80,000.00	
RBFD Fire Hall	535,000.00				535,000.00
Hnaua Lot Development	100,000.00			100,000.00	
Road Rehab Projects	TBD			TBD	
BAR Capital	69,500.00	69,500.00			

806,000.00					
	91,000.00				
		0.00			
			180,000.00		
					535,000.00



Investments made in the Municipality 2019-2021

There continues to be a sustained investment into the land within the Municipality by property owners.

In 2019, 5 new residential constructions were completed for a value of \$1.089M; 3 ready-to-move homes for a value of \$213K, 16 “Other residential” investments for \$626K, and 3 industrial investments for \$185K.

In total, 52 permitted projects were completed for **\$2.784M**

In 2020, 10 new residential constructions were completed for a value of \$2.206M; 6 ready-to-move homes for a value of \$504K, and 19 “Other residential” investments for \$707K.

In total, 69 permitted projects were completed for **\$6.348M**

In 2021, 13 new residential constructions were completed for a value of \$2.889M; 8 ready-to-move homes for a value of \$1.137M, 13 “Other residential” investments for \$267K, and 5 industrial investments for \$2.109M.

In total, 71 permitted projects were completed for **\$8.308M**

Municipality's Cash Flow

Date	Operating Cash Account	Due to/from Reserve	Running Balance
January 1, 2019	-\$ 231,304	-\$ 413,181	-\$ 644,485
April 1, 2019	-\$ 951,383	-\$ 208,914	-\$ 1,160,297
November 1, 2019	+\$ 2,133,460	-\$ 373,893	+\$ 1,759,567
2019 Operating Account Interest Incurred = \$24,938			
January 1, 2020	+\$ 456,619	-\$ 776,407	-\$ 319,788
April 1, 2020	-\$ 483,548	-\$ 10,000	-\$ 493,548
November 1, 2020	+\$ 864,981	-\$ 178,914	+\$ 686,067
2020 Operating Account Interest Incurred = \$14,995			
January 1, 2021	+\$ 352,573	-\$ 178,914	+\$ 173,659
April 1, 2021	+\$ 68,244	-\$ 10,000	+\$ 58,244
November 1, 2021	+\$ 2,993,913	-\$ 10,000	+\$ 2,983,913
2021 Operating Account Interest Incurred = \$5,921			
January 1, 2022	+\$ 659,896	+\$ 500,156	+\$ 1,157,052
April 1, 2022	+\$ 632,184	-\$ 10,000	+\$ 622,184

Reserves	Balance	2022 Transfers to Reserves	2022 Transfers from Reserves for Capital Projects	Estimated Ending Balance (Less Interest Earned)
General Reserve	\$ 163,463			\$ 163,463
Machinery Replacement Reserve	\$ 52,395			\$ 52,395
Building Reserve	\$ 124,089			\$ 124,089
Drainage Reserve	\$ 44,987			\$ 44,987
Bifrost Fire Capital Reserve	\$ 93,068			\$ 93,068
Riverton Capital Development Reserve	\$ 71,210			\$ 71,210
Riverton & Area Economic Development Reserve	\$ 52,499		\$ 50,000	\$ 2,499
Riverton Utility Reserve	\$ 25,469			\$ 25,469
Lagoon Reserve	\$ 24,110			\$ 24,110
Riverton Fire Reserve	\$ 214,191	\$45,500		\$ 259,691
Federal Gas Tax Reserve	\$ 269,586	\$181,793	\$ 130,000	\$ 321,379* *Before Road Rehab

Questions?