



2023 Municipality of Bifrost-Riverton Financial Plan Borrowing

WELCOME

Municipality of Bifrost-Riverton 2023 Budget

Hearing Agenda

1. Open Public Hearing
2. Budget Purpose
3. Presentation of Service Plans
4. Adopting a Financial Plan
5. 2022 Budget Highlights
6. Assessment & Property Tax
7. Budgeted Revenue
8. Budgeted Expense
9. Capital & 5-Year Plan
10. Reserve Totals
11. Question/Answer Period



A period of time has been set aside for questions and answers at the end of the presentation. Please hold all questions for this period.

Budget Purpose

The Budget dictates what will get done!

- The budget signals Council's intention and provides detailed insight into the priorities of the municipality.
- The budget contemplates service level expectations designated by Council.
- This is a cash budget that recognizes actual cash requirements.
- Includes General Fund, Utility Funds, Special Service Area and Reserve Funds.
- A Public Meeting is called as per requirements of the Municipal Act for Council to present their Financial Plan.
- To allow any interested person to make a presentation, ask questions, or register an objection in respect to the Financial Plan.

pur·pose

/ˈpɜrpəs/

Noun

The reason for which something is done or created or for which something exists.

Adopting a Financial Plan

Part 6, Division 10 of the Municipal Act - Financial Administration, contains the requirements for municipalities adopting their financial plan for the fiscal year.

Section 162 (1) includes the requirement for what is included in a FP: an operating budget, a capital budget, an estimate of revenues and expenditures, and a 5-year capital expenditures program.



MAN I T O B A

Adopting a Financial Plan

Section 162 (2) requires Council give public notice and hold a public hearing, before adopting the FP.

Section 162 (3) requires Council to hold another hearing if a revision is made to the FP.

Section 164(1) Expenditures to be estimated in operating budget, for all policies and programs, to pay debts, to pay requisitions (school taxes), to transfer to capital budget or reserve funds, to reduce or eliminate any deficit from previous year, and an uncollected tax or debt or GIL that is not collectible. 162(4) Municipality must file copy of FP with the Minister by May 15.

**PUBLIC
NOTICE**



Adopting a Financial Plan

Section 164(2) Revenues to be estimated for transfers from accumulated surplus or reserves, grants from other governments, taxes, other sources.

Section 164(3) Expenditures not to exceed transfers and revenue.

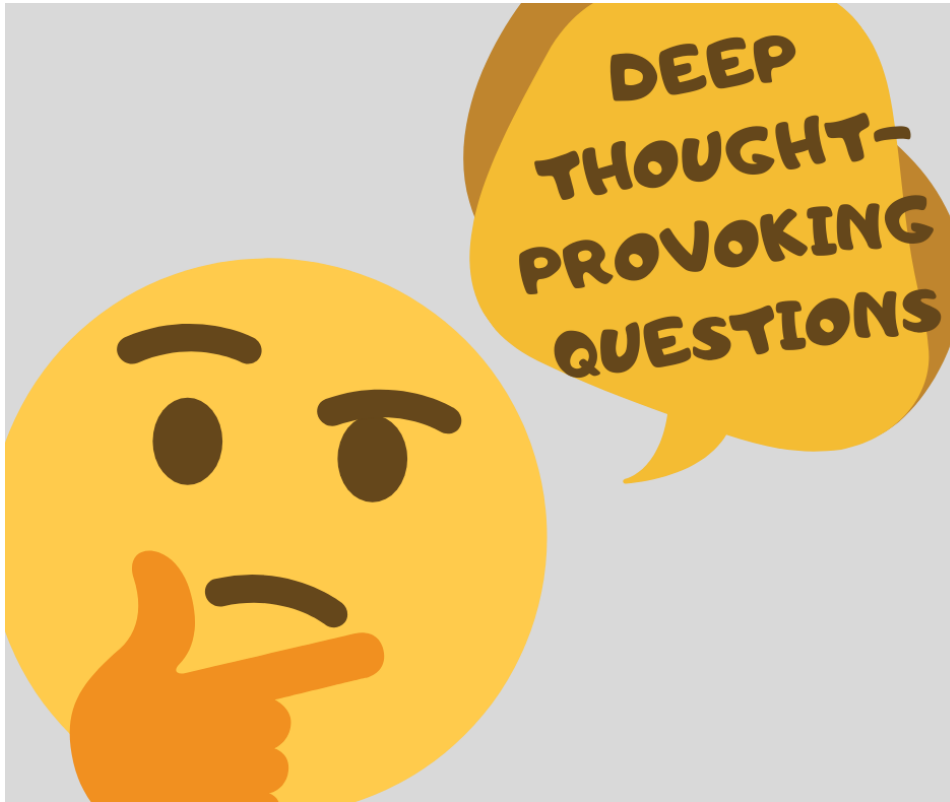


The Financial Plan Includes:

1. All levies including municipal, school, local improvement districts and levies for debentures.
2. Capital Estimates for the Municipality and Utilities.
3. The 5-year Capital Expenditures plan
4. Budgeted 2023 revenues and expenditures for the general operating fund as well as the operating fund of the utilities
5. Municipal Reserves as per the 2021 Audit.
6. Other Matters.



Questions?



2022 Budget Highlights



In 2022 the municipality experienced some of the worst flooding.



2022 Highlights

The Completion of
new Riverton-
Bifrost Fire Hall



Property Assessment in Manitoba



Assessment is the estimation of a property's probable market value. Properties are assessed so that local governments can levy property taxes.

The market creates the value, the assessor reports it, and the municipal corporation sets the required tax rates based on a number of factors, including assessed values.

In Manitoba, property assessment is legislated by the Municipal Assessment Act (C.C.S.M. c. M226), and the Classification of Property and Portioned Values Regulation.



Property Assessment in Manitoba

Under provincial legislation, all properties in Manitoba are assessed every two years to ensure assessments keep pace with changing market values. This ensures a fair distribution of property taxes.

How Is Real Property Classified?

Property is categorized to determine what percentages of the market value assessment the municipality will tax. The Municipal Assessment Act, by way of the Classification of Property and Portioned Values Regulation sets out prescribed classes of property.

Property Assessment in Manitoba



These classes of property are based on type, use, size and ownership of land or buildings or any one or more of them. There are ten classifications in total, and in accordance with The Municipal Assessment Act, the assessor determines which classification applies to your property based on provincial legislation.

An assessment is the value of property used to calculate your property taxes. After estimating the market value of property, the value is multiplied by a factor (determined by property classification). The result is the portioned assessment.

Property Classifications



10	Residential 1: 1-4 dwelling units per building
20	Residential 2: 5 or more dwelling units per building
30	Farm Property (Current Value Assessment)
31	Farm Property (Farm Use Value)
3*	Farm Property - Current Value Assessment - For information only when Class 31 is displayed
40	Institutional
41	Designated Higher Education Property
51	Pipeline
52	Railway
60	Other
70	Designated Recreational Property
80	Residential 3- Owner Occupied Condominium and Co-operative Housing

Property Classifications



The percentages of assessed value that apply to each class of property for the purpose of determining its portioned value as follows:

	Class Percentage
Residential 1	45.0%
Residential 2	45.0%
Residential 3	45.0%
Farm Property	26.0%
Institutional	65.0%
Pipeline	50.0%
Railway	25.0%
Designated Recreational	10.0%
Other	65.0%

Property Tax - Mill Rate

Property taxes are calculated by applying municipal and school mill rates against the portioned assessment of your property. By definition, a mill is a one-thousandth part. For calculating taxes, one mill represents \$1.00 of taxes for every \$1,000.00 of portioned assessment.

$$\begin{array}{rcl} \text{Portioned Assessment} & \times \frac{\text{Municipal Mill Rate}}{1000} & = \text{Municipal Taxes} \\ & & + \\ \text{Portioned Assessment} & \times \frac{\text{Provincial Education Mill Rate}}{1000} & = \text{Prov Ed Taxes} \\ & & + \\ \text{Portioned Assessment} & \times \frac{\text{School Division Mill Rate}}{1000} & = \text{School Div Taxes} \\ & & + \\ & & \text{Local Improvements} \\ & & = \text{Total Current Taxes (Gross)} \end{array}$$

Property Classifications

For example, residential property pays tax on 45% of its market value and farm property pays on 26% of its market value. The “portioned assessments” appear on the property tax bill as the amount to which mill rates are applied. A property can have more than one class.

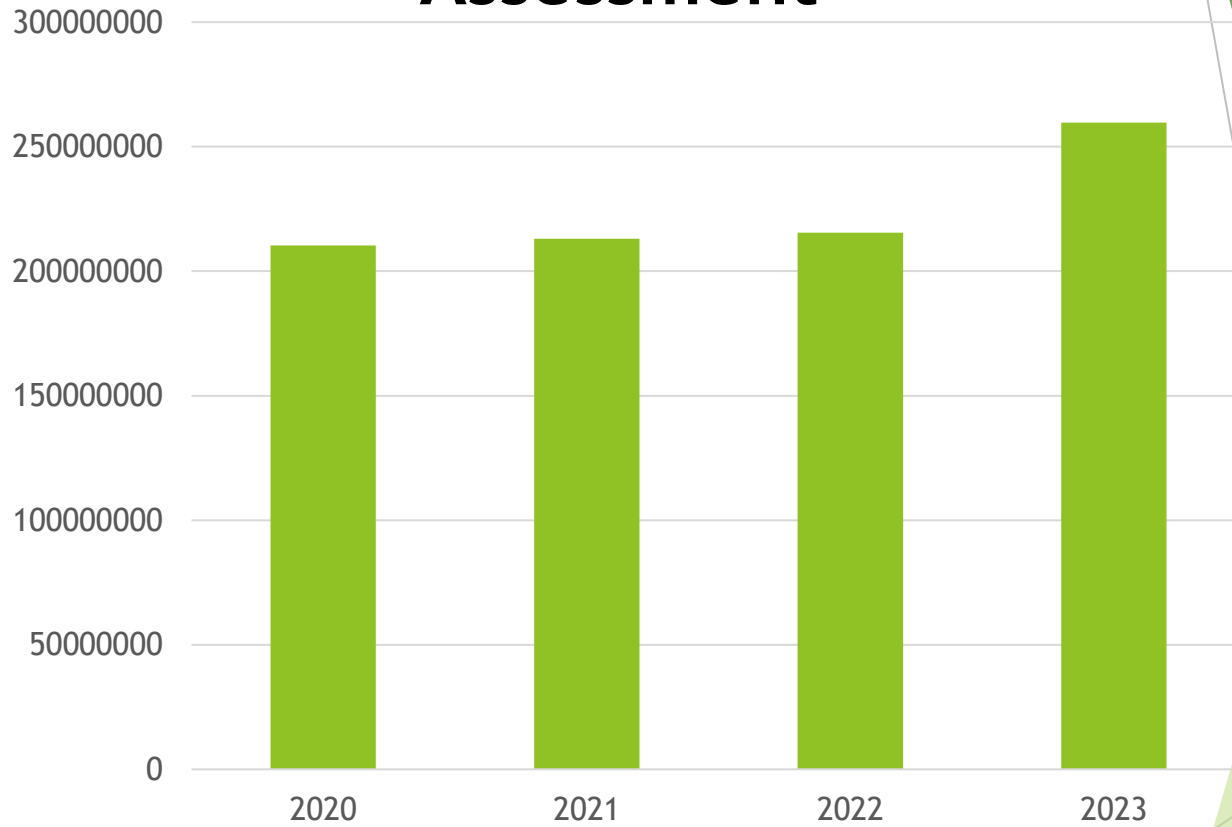
Class	Assessment	Portion %	Portioned Assessment
Residential	100,000	45%	\$45,000
Farm	100,000	26%	\$26,000

$$\text{Portioned Assessment} \times \frac{\text{Municipal Mill Rate}}{1000} = \text{Municipal Taxes}$$

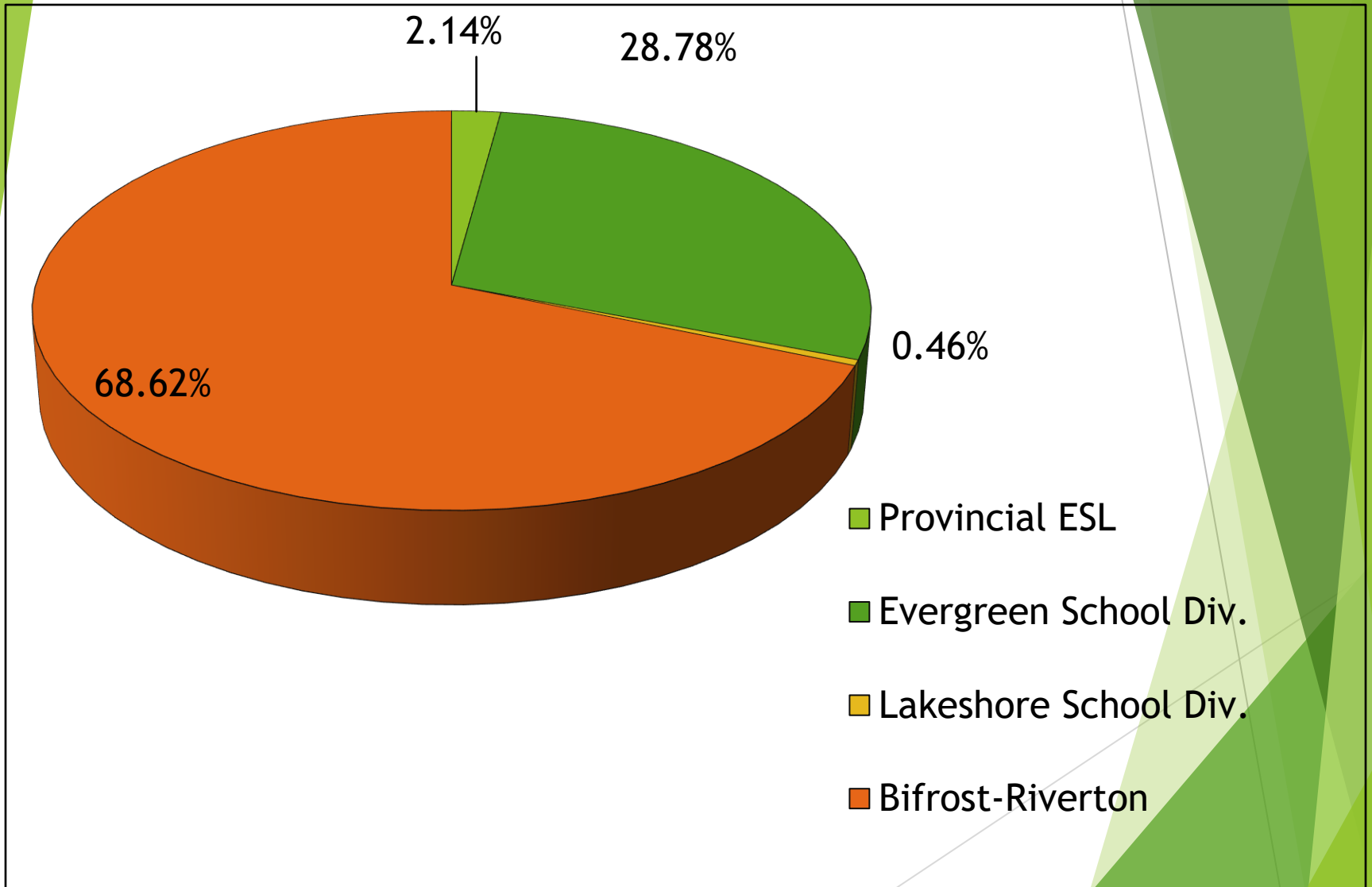
Class	Portioned Assessment	Mill Rate	Municipal Taxes
Residential	45,000	17.762	\$ 799.29
Farm	26,000	17.762	\$ 461.81

Taxes are calculated by applying mill rates against the portioned assessment of your property.

Change in Portioned Assessment



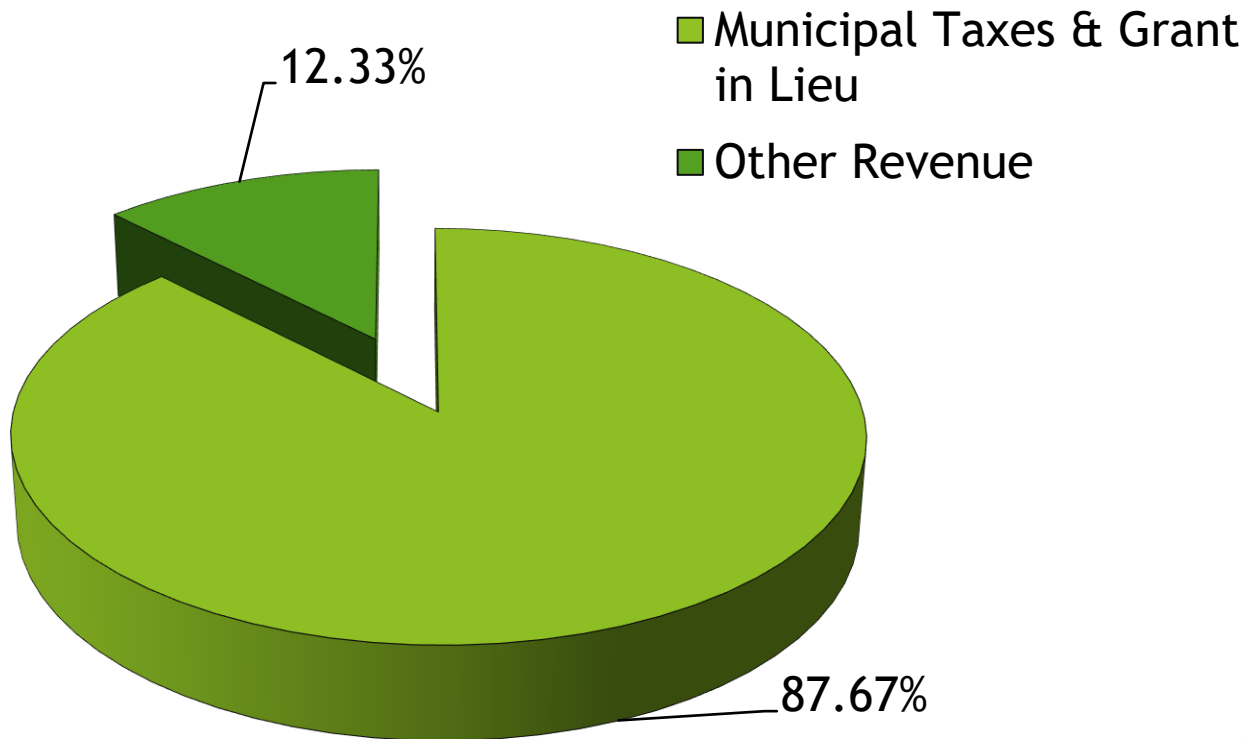
2023 Tax Distribution



Revenue & Expenditure - GOF

	2022	2023
Other Revenues & Transfers	\$901,793.00	\$730,285.00
Municipal Tax & Grant in Lieu	\$6,786,285.10	\$7,843,362.18
Basic Expenditures	\$5,155,026.26	\$5,922,700.84

2022 Percentage of Total Revenue



**GENERAL OPERATING FUND
BUDGETED OTHER REVENUE AND TRANSFERS**



Municipality of Bifrost-Riverton

For the Year 2023

	Last Year Budgeted	Last Year Actual	This Year Budgeted	Next Year Budgeted
Other Revenue				
Taxes Added	55,000.00	45,550.47	45,000.00	45,000.00
Tax Penalties	45,000.00	48,785.18	45,000.00	45,000.00
- Other <u>Lottery</u>	100.00	123.00	100.00	100.00
Sales of Service				
- General Government	13,650.00	54,365.04	15,150.00	15,150.00
- Protective	0.00	4,549.00	0.00	0.00
- Transportation	56,300.00	8,263.60	10,000.00	10,000.00
Rentals	8,800.00	8,765.60	8,700.00	8,800.00
Trailer Park Fees / Grazing Leases	17,000.00	26,235.76	23,000.00	24,000.00
Returns from Investments	5,000.00	14,442.98	5,000.00	7,500.00
Misc. Revenue	29,150.00	47,208.67	20,000.00	20,000.00
Unconditional Grants				
- Municipal Operating	254,000.00	262,394.51	254,000.00	254,000.00
- Hecla/Grindstone AGT	30,000.00	30,000.00	30,000.00	30,000.00
- Dutch Elm	19,100.00	18,378.72	13,000.00	13,000.00
Conditional Grants				
- Federal - Gas Tax	181,793.00	190,056.00	182,000.00	181,793.00
- Provincial Government	0.00	47,431.05	79,335.00	79,335.00
- Municipal Government	76,700.00	68,001.84		
- Other Summer Student	4,000.00	4,302.00		
- Other Flowthrough Grants		19,853.49		
Other Income				
<u>DFA</u>		8,028,250.70		
<u>Road Swap</u>	63,600.00			
Total Other Revenue - Page 1	859,193.00	8,927,207.61	730,285.00	733,678.00

Other Revenue con't



Total Other Revenue - Page 1

859,193.00	8,927,207.61	730,285.00	733,678.00
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Transfers From

- Accumulated Surplus
- Reserves (Page 13)

42,600.00	42,600.00		
	87,099.00	0.00	

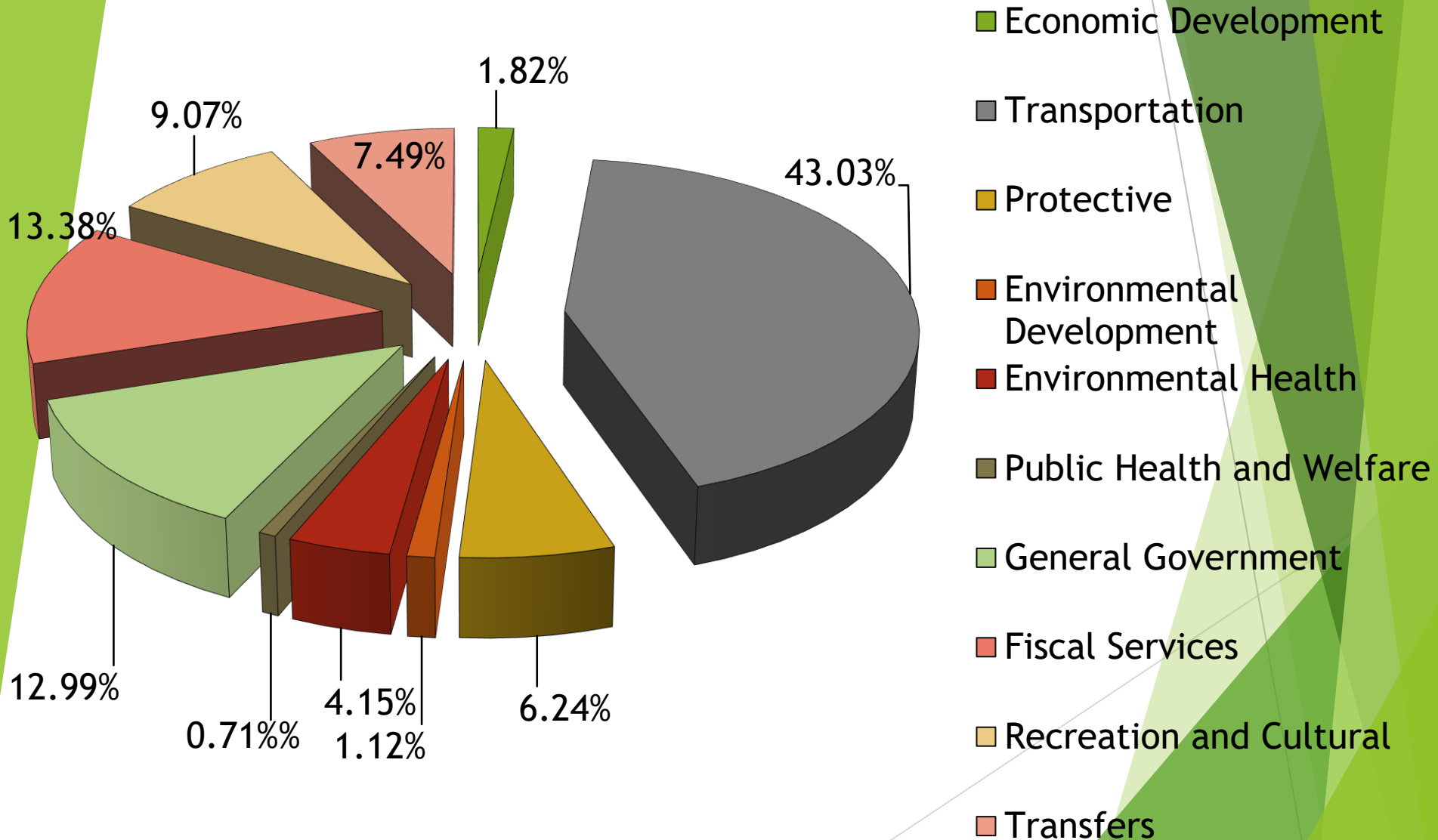
Total Transfers - Page 1

42,600.00	129,699.00	0.00	0.00
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TOTAL OTHER REVENUE AND TRANSFERS - PAGE 8

901,793.00	9,056,906.61	730,285.00	733,678.00
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Percentage of Total Expense



Expenditure

General Government Services P 3

Protective Services P 3

Transportation Services P 3&4

Environmental Health Services P 4

Public Health and Welfare Services P 4

Environmental Development Services P 4

Economic Development Services P 5

Recreation and Cultural Services P 5

Fiscal Services P 5

733,962.00	726,113.16	769,424.00	781,984.00
351,597.00	8,623,880.92	369,567.00	380,367.00
2,490,752.00	1,851,277.24	2,548,587.00	2,621,091.00
199,650.00	214,922.09	245,720.00	252,250.00
41,520.00	35,778.70	42,020.00	42,600.00
65,200.00	64,716.13	66,400.00	67,445.00
100,461.00	80,226.10	107,796.00	106,680.00
512,275.00	500,889.23	537,120.00	549,995.00
373,881.26	246,548.34	792,345.84	35,000.00

Transfers - Deficit Recovery - Page 9

- To Reserves - Page 5

58,435.00	58,435.00	169,556.00	0.00
227,293.00	259,260.05	274,165.00	250,000.00

Total Basic Expenditure

5,155,026.26	12,662,046.96	5,922,700.84	5,087,412.00
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Allowance For Tax Assets - Page 8

25,145.84	31,416.01	1,506.34	
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Total Municipal Expenditure

5,180,172.10	12,693,462.97	5,924,207.18	5,087,412.00
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2023 Utility Budgets Revenue

	Last Year Budgeted	Last Year Actual	This Year Budgeted	Next Year Budgeted
SEWER SERVICE CHARGES - Residential	58,750.00	58,741.42	58,725.00	58,725.00
Net Consumer Revenue - Sub Total	58,750.00	58,741.42	58,725.00	58,725.00
Penalties	1,250.00	1,242.73	1,225.00	1,225.00
Provincial Grants			25,000.00	
Other Revenue		1,905.00	2,000.00	1,000.00
Transfer from Revenue Fund - Page 5			40,000.00	
TOTAL REVENUE	60,000.00	61,889.15	126,950.00	60,950.00



2023 Utility Budget Expense

SEWAGE COLLECTION AND DISPOSAL

Administration	15,000.00	2,650.24	2,750.00	5,000.00
Sewage Collection System				
Sewage Lift Station	10,000.00	10,812.83	10,000.00	10,000.00
Sewage Treatment and Disposal	15,000.00	28,410.61	29,200.00	29,000.00
Other Sewage Collection and Disposal Costs	15,000.00	6,031.74	7,000.00	10,000.00
Connections - Net Loss	5,000.00	2,384.43	2,500.00	6,950.00
TOTAL	60,000.00	50,289.85	50,500.00	60,950.00

TRANSFER TO CAPITAL - Page 13

		25,000.00	
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TRANSFERS

Contribution from GOF		19,594.64		
TOTAL	0.00	19,594.64	0.00	0.00

TOTAL EXPENDITURE

60,000.00	69,884.49	126,950.00	60,950.00
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NET OPERATING SURPLUS (DEFICIT)

0.00	(7,995.34)	0.00	0.00
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2023 Capital Expenditures



Particulars of Expenditure	Estimated Total Cost	Borne by General	Borne by Utility Fund	Borne by Reserves	Borne by Borrowing
TS - Arborg Diversion Repair	150,000.00	150,000.00			
TS - Riverton Sealcoat	80,000.00			80,000.00	
PS - Riverton Fire Hall	80,000.00	45,000.00			35,000.00
TS - Urban Snowblower/mower	60,000.00	60,000.00			
UT - MWSB Riverton Lift Station	50,000.00		25,000.00	25,000.00	
EH - BAR Landfill	35,000.00			35,000.00	
RBPRC - Facility Projects	50,000.00	50,000.00			
ED - Hnausa Lots	115,000.00	15,000.00		100,000.00	
Computer (A. CAO)	2,500.00	2,500.00			
RTHC Expansion	20,000.00	10,000.00		10,000.00	
	642,500.00				
TOTAL		332,500.00			
		Page 5	25,000.00		
			Page 6	250,000.00	
				Part 2	35,000.00



Council is required to establish a 5-year Capital Program, while this can change as grants, emergencies, and unforeseen events can occur, Council tries to review and plan for the future.

PURPOSE	CAPITAL EXPENDITURE (Mark Priority 1, 2, 3, etc.)					
	2024	2025	2026	2027	2028	Total
Aging in Place Campus			2,500,000			2,500,000.00
Arborg Fire Truck	290,000					290,000.00
Comprehensive Water Management					20,000,000	20,000,000.00
Excavator				200,000		200,000.00
Gas Tax Road Projects	190,056					190,056.00
Graders					900,000	900,000.00
Inudstrial Park Water and Sewer			3,000,000			3,000,000.00
Lawn Equipment	8,000	8,000	9,000	9,000	9,000	43,000.00
North Riverton Dike					2,500,000	2,500,000.00
Riverton Fire Rescue Vehicle		100,000				100,000.00
Riverton Fire Wildfire Vehicle				100,000		100,000.00
Riverton Fire Truck					900,000	900,000.00
Riverton Water Connection	7,600,000					7,600,000.00
Sidewalks	30,000		30,000		30,000	90,000.00
South Arborg Diversion #2					2,100,000	2,100,000.00
South Riverton Diversion #1					3,000,000	3,000,000.00
Street Sealcoat - William Avenue					415,000	415,000.00
Trucks		30,000				30,000.00
Urban Multiuse Tractor	140,000					140,000.00
Riverton Shop Relocation	150,000					150,000.00
Riverton Dike Rehabilitation			2,000,000			2,000,000.00
TS - Roadside Tractor	230,000.00					230,000.00
TS - Ditch Mower	60,000.00					60,000.00
TS - Excavator	200,000.00					200,000.00
Rural Water Well	30,000.00					30,000.00
						0.00
	8,928,056.00	138,000.00	7,539,000.00	309,000.00	29,854,000.00	46,768,056.00



Reserve Totals

Municipalities create reserves for emergencies and large expenses. Reserve funds can be part of the municipal operating fund or be kept in separate accounts.

Reserve Name and By-Law No.	General Fund Transfers		Utility Fund Transfers		Cash Resources
	To Operating	To Capital	To Operating	To Capital	(Opening balance in Reserve)
Bifrost Fire Capital					\$95,463.13
Building Reserve					\$127,273.49
Drainage Reserve					\$89,375.19
Federal Gas Tax		200,795.00			\$377,730.58
General Reserve		39,205.00			\$205,523.41
Equipment Replacement					\$53,743.76
Riverton and Area Economic Dev		10,000.00			\$53,591.40
Riverton Cap Devel Reserve					\$72,442.29
Riverton Fire Capital					\$248,278.47
Riverton Lagoon					\$24,514.86
Riverton Utility					\$25,896.17

Questions?