2026 Financial Plan Presentation

Tuesday April 28, 2026

at 10:00 am

Discover Our Community!

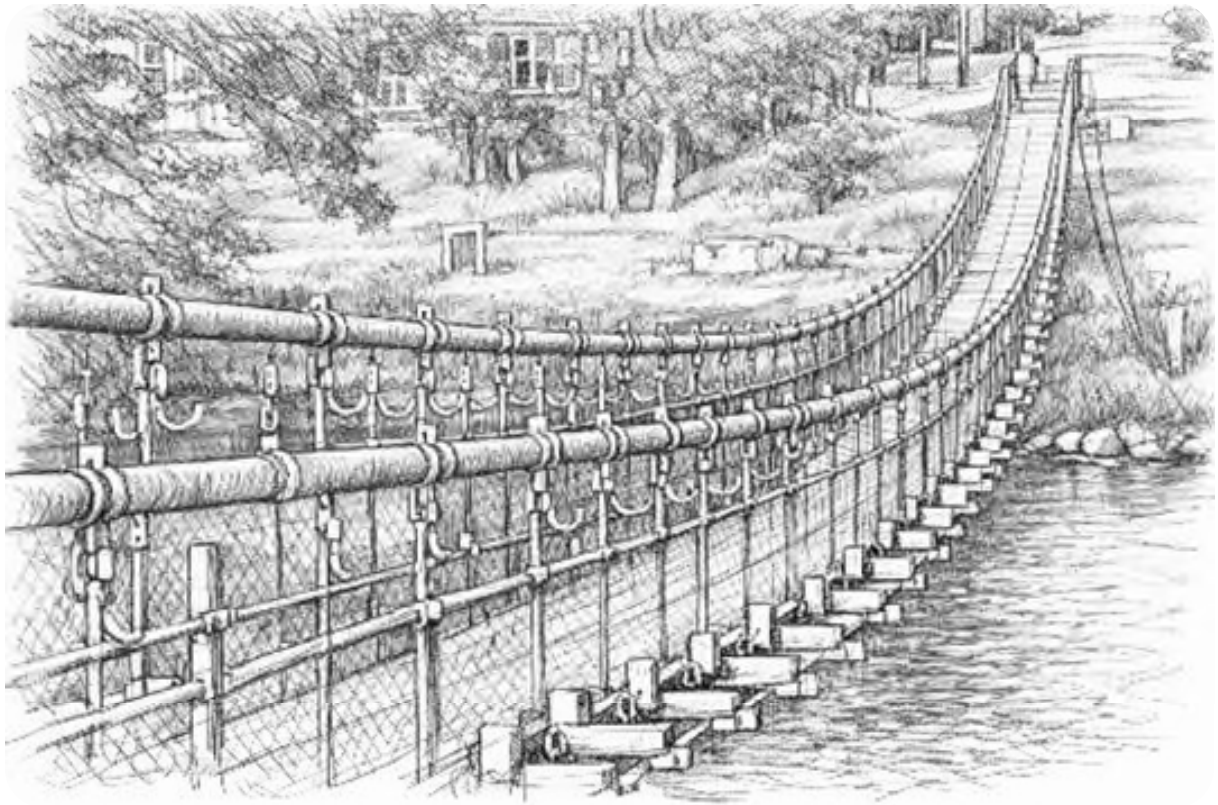
Municipality of Souris-Glenwood

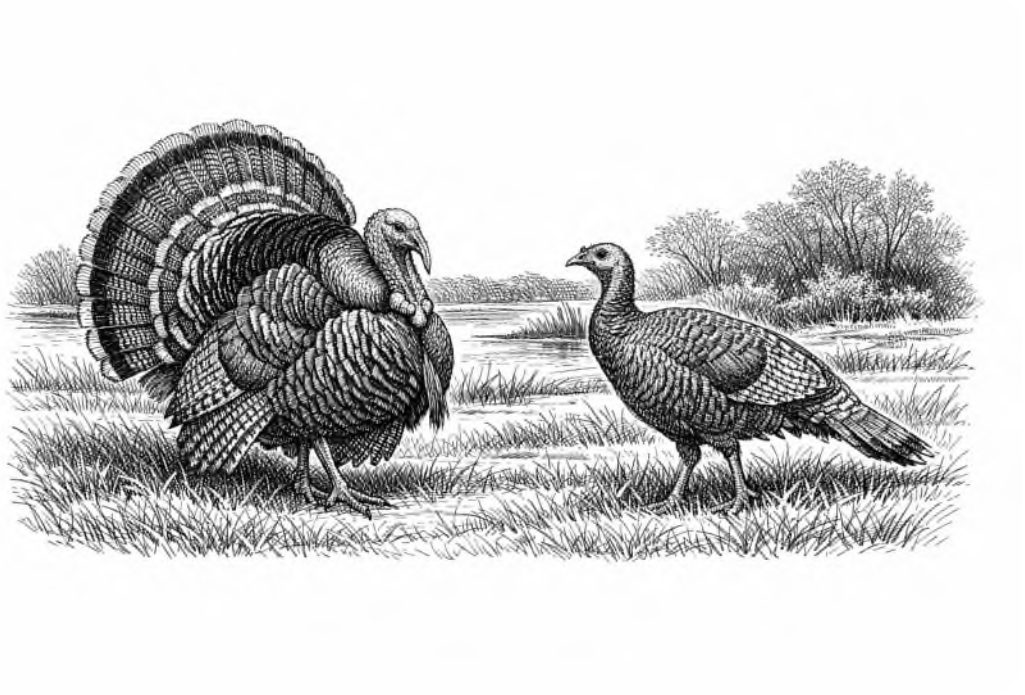
Welcome!

Thank you for being part of our Community and participating in today's Financial Plan Public Hearing

Introduction of Council

and Staff





Presentation Agenda

Public Hearing Purpose

Assessment & Taxation

2026 Operating Budget

Reserves & Fiscal Services

Capital Budget

Water & Sewer Utility

Your Tax Bill

2025 Year in Review & Looking Ahead

Questions



Public Hearing Purpose

- ✓ **To inform the public about the financial situation and plan of the Municipality.**
- ✓ **To assist the public to understand how their tax dollars are being spent.**
- ✓ **Provides an opportunity for public participation and input.**
- ✓ **Provides an understanding of the relationship between services and taxes and the difficult decisions that must be made by Council to determine a balance between the two.**
- ✓ **The Public Hearing provides a general overview of the 2026 Financial Situation and Plan.**

Assessment and Tax Levies



Assessment is important as the municipal mill rate is derived from the total property assessment within the boundaries of the Municipality.

An individual property tax levy is calculated as follows:

- Assessed value times a "portioned percentage" – for farmland that percentage is 26%, for residential it is 45%, and for commercial it is 65%.

- Then multiply your "portioned assessment amount" by the mill rate.

Thus, depending on the classification, properties with a higher proportionate assessment pay a higher amount under the mill rate.

Assessment and Tax Levies Including Special Service Levies & Local Improvement Charges



Special Service Levies and **Local Improvement Charges** are guided by a core principle: properties that **cannot access** a specific service should not have to fund it. These levies direct costs only to the properties that benefit, rather than spreading them across all taxpayers through the **general mill rate**. Levies may be based on parcel, property size, or assessed value.

In 2026, **waste and recycling curbside pickup services** will be funded through a special service levy, **charged per container based on dwelling units**. **Local Improvement Charges** generally apply to local capital projects such as road and drainage improvements, water network expansions and paving, where costs are shared among the properties directly served. Costs not covered by these levies are included in the general mill rate.

Both the mill rate and special service levy are determined by the municipality's budget requirements. Council has worked to minimize the impact on individual properties — the special service levy represents just **0.61 Mill** of the overall municipal mill rate.

Assessment

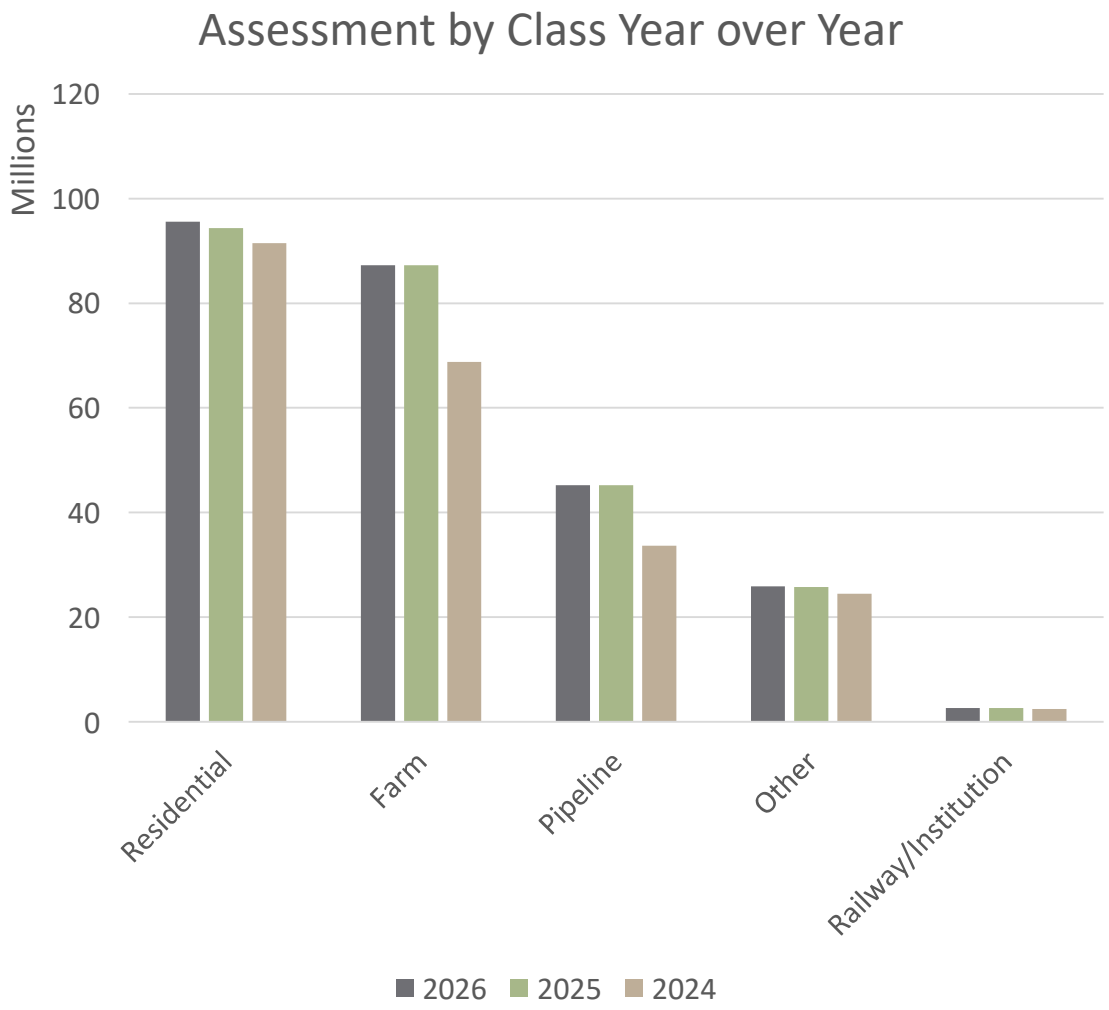
Assessed values of all properties are determined by the Provincial Assessment Branch. A property's assessment is the amount that the property might reasonably be expected to realize if sold in the open market on the applicable reference date by a willing seller to a willing buyer.

Residential properties are taxed on 45%, farmland on 26%, institutions and businesses on 65%, pipelines on 50% and railway property on 25% of their total assessment value. For this reason, any tax impact analysis should be done on "portioned assessment" as opposed to total assessment.

Total Municipal "Portioned" Assessment (all properties) for 2026 is $256,538,370; 2025 was $255,145,500

Increase in Total Portioned Assessment from 2025 to 2026 – $1,392,870 or 0.55%.

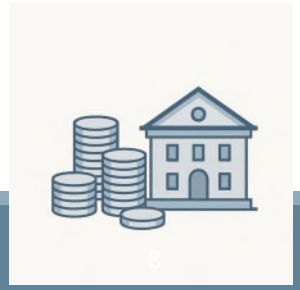
For 2026, one mill of tax levy will raise approximately $256k.



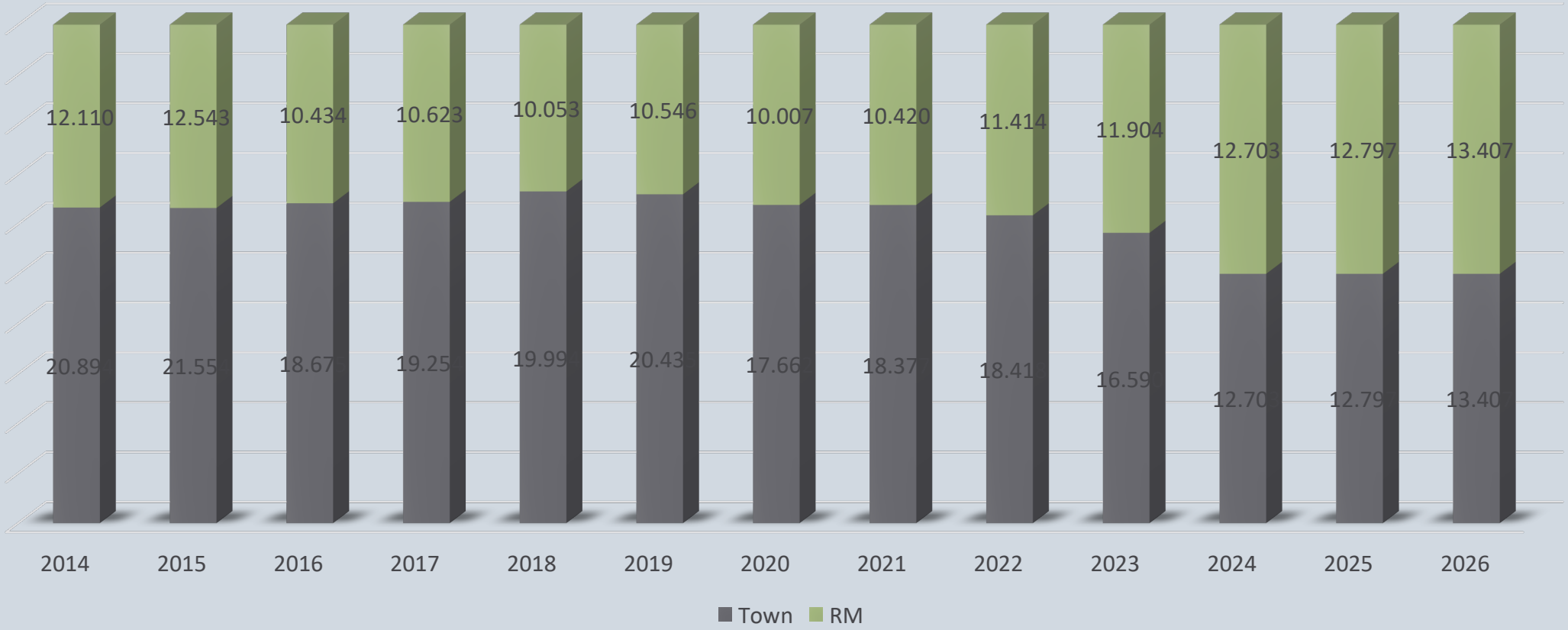
Projected General Tax Revenue by Property Class – 2026

Mill Rate: 13.407 per $1,000 of Taxable (Portioned) Assessment

Property Class	Total Portioned Assessment	Portion Rate	Tax Revenue
Residential	$95,569,560	45%	**$1,281,301**
Farm	$87,251,900	26%	**$1,169,786**
Pipeline	$45,246,450	50%	**$606,619**
Other	$25,831,830	65%	**$346,327**
Railway/Institution	$2,638,630	25%	**$35,376**
TOTAL	**$256,538,370**	—	**$3,439,409**



General Mill Rates by Year by Service Area From 2014 to 2025



Education Levy (School Taxes)

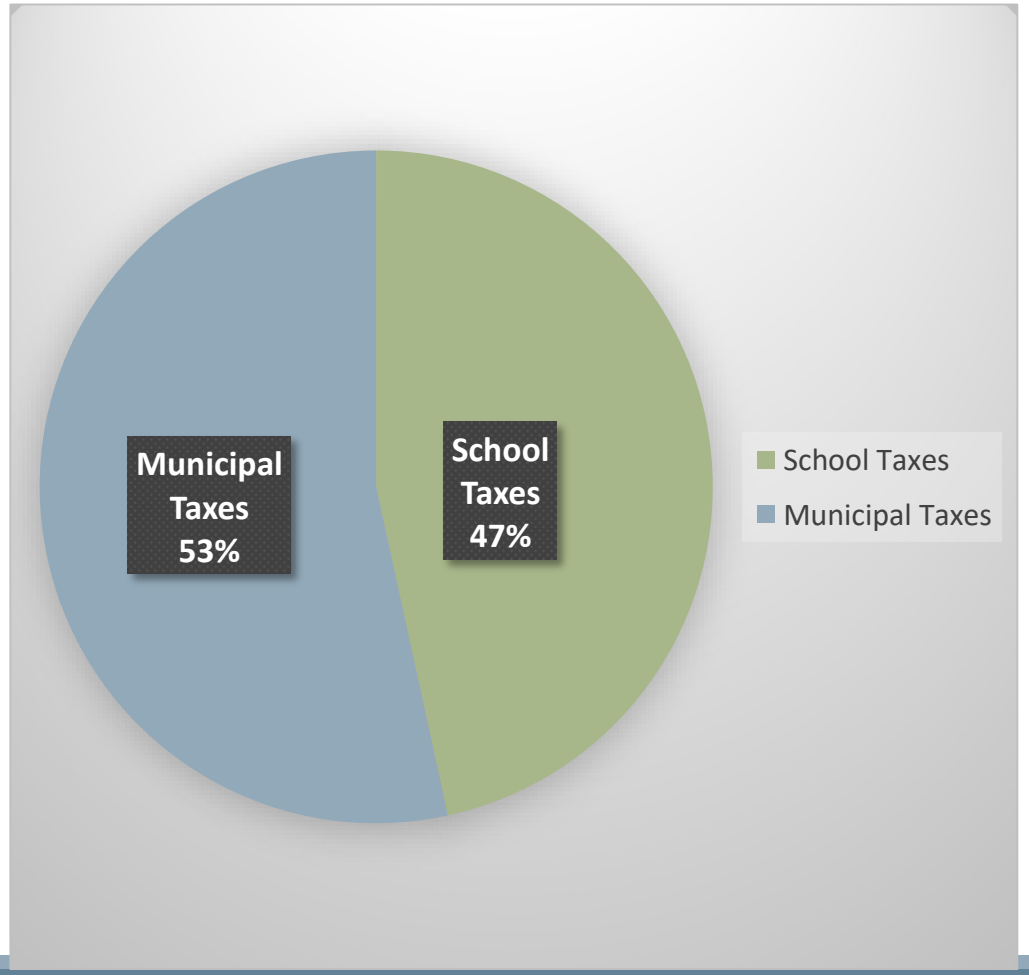
The Homeowners Affordability Tax Credit (HATC), which replaced the former School Tax Rebate and Education Property Tax Credit for residential properties, continues for 2026 with an increased credit of up to $1,600 on the education portion of property taxes.

The HATC will apply to principal residences only, it will not apply to rental properties, secondary residences, commercial properties etc.

There are no changes to the Manitoba School Tax Rebate on farm properties, it continues to be 50 per cent of gross school taxes and will continue to be applied directly on the property tax statement as in 2025. If a property has both, farm and the designated principal residence, the HATC will apply to the residence's school tax, and the farm portion will continue to receive the 50% School Tax Rebate.

School and Municipal Tax Breakdown

The Municipality collects a total of $3,000,424 (2025 $2,850,364) in School Taxes.
That represents 47% of total taxes collected, 53% consists of Municipal Taxes.



2026 Operating Budget: Highlights

✅ Key Takeaways

- **The 2026 budget maintains current service levels with no major program changes**
- **Tax increases reflect inflation and contractual obligations outside municipal control**
- **User fees help offset some service costs.**
- **$200K–$300K in annual equipment reserve contributions needed to sustain the fleet long-term**
- **One-time projects in 2026 are generally funded through grants or reserves**

2026 Priority: *Maintain services while rebuilding reserves for future needs*



2026 Budget Summary (1 of 2)

Revenue Highlights by Category

- **Municipal Taxes & Grants in Lieu: +$314,108 (+10%)** — Required to offset reduced reserve transfers
- **Other Revenue (Total): -$46,319 (-2%)** — Slight overall decrease
  - Facility Use Fees: +$83,300 (+16%) — Higher arena, pool, campground use
  - Provincial Grants: +$156,800 — GRO fire truck & pool (+108%); unconditional stable (+3%)
  - Miscellaneous: -$250,105 (-77%) — 2025 one-time items not repeated
  - Penalties, Fines, Rentals, Investments: -$72,050 combined — Adjusted to actuals
- **Transfers from Accumulated Surplus: -$154,000 (-67%)** — Reduced reliance on surplus
- **Transfers from Reserves: -$497,100 (-70%)** — Capital now funded directly, not through operating fund

2026 Budget Summary (2 of 2)

Expenditure Highlights by Department

- **General Government Services: -$83,150 (-9%)** — One-time event savings; offset by elections, FCM, council chamber
- **Protective Services: +$60,600 (+10%)** — RCMP contract increase (+$53.5K) is largest driver
- **Transportation Services: +$131,550 gross (+9%)** — Net tax impact only +$16,550 after $115K reserve-funded grader repair; wages +$46,850
- **Environmental Health Services: +$14,120 (+5%)** — Nuisance grounds, recycling, garbage increases
- **Public Health & Welfare: -$5,400 (-10%)** — Recruitment scaled back (-$8.5K); cemeteries +$3.1K
- **Environmental Development: +$4,800 (+3%)** — Planning/zoning and beautification increases
- **Economic Development: +$1,100 (+1%)** — Local econ dev doubled; weed control reduced
- **Recreation & Cultural: -$3,900 gross;** $100K theatre roof reserve-funded (no tax impact); Jr. Asst. Manager added
- **Fiscal Services: -$554,100 (-67%)** — Capital transfer eliminated (now funded directly from reserves)
- **Transfers to Reserves: +$50,800 (+8%)** — Building reserves for future equipment needs

2026 Budget Details

Emergency Repairs — Funded by Reserves

- **Theatre Roof ($100K)** — Emergency repair; funded entirely by Recreation Reserve — no tax increase
- **Grader Transmission ($115K)** — Emergency repair; funded entirely by Equipment Reserve — no tax increase. Repaired grader transfers to urban roads; replacement for rural planned in capital plan
- ***Key:** These repairs appear in operating budget but are offset by reserve transfers = $0 net tax impact*

Staffing Changes

- **Parks & Recreation:** Junior Assistant Manager position added
- **General:** Wages increased for cost of living, additional qualifications obtained, and change in allocation to utility due to fewer projects planned

Long-Term Planning

- 10-year heavy equipment capital requirements analysis completed
- Municipality needs $200K–$300K annually in reserves for sustainable equipment replacement
- ***2026 Priority:** Maintain status quo while rebuilding reserves for future needs*

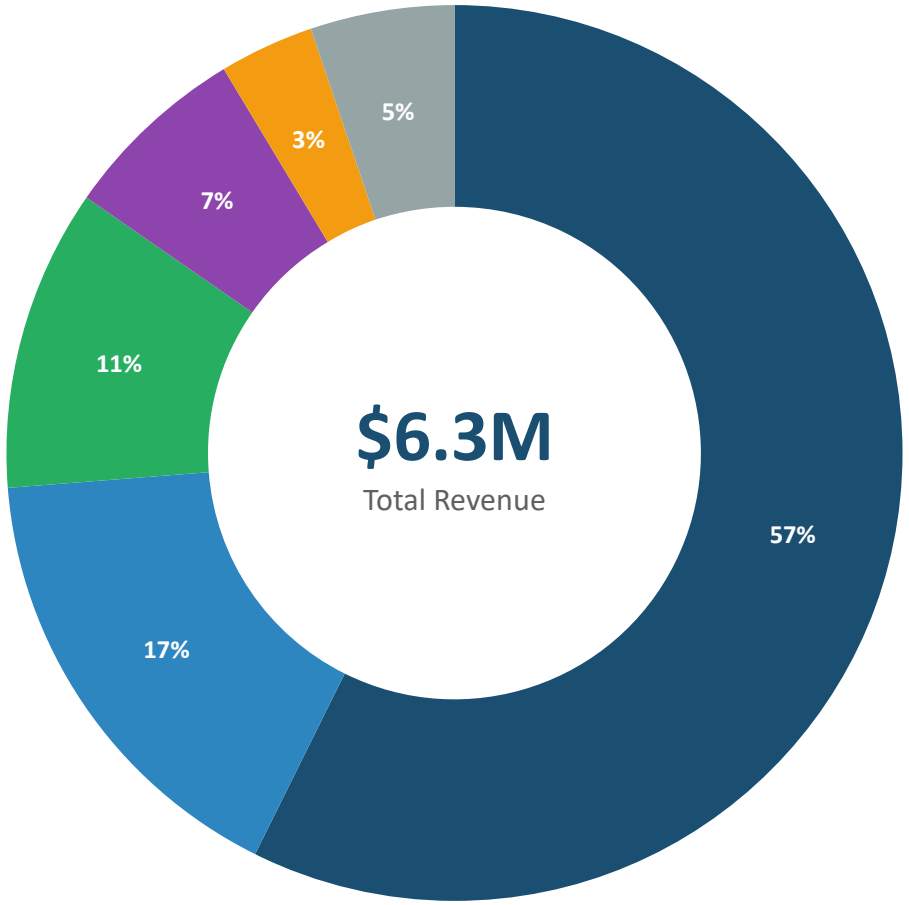
Capital Investments (No Tax Impact)

- **Fire Truck ($325K):** 50% GRO Grant + 50% Equipment Reserve
- **Fire Drone ($20K):** 50% Donations + 50% Reserve
- **Pool Phase 4 of 4 ($72.5K):** GRO 2024 Grant
- **Pool Heater ($58K):** Recreation Reserve
- **Grader Replacement ($800K):** Equipment Sales ($6K) + Reserve ($394K) + Borrowing ($400K)

Total Capital: $1.39M

Funded through grants, reserves, donations, sales, and borrowing — no tax impact

Municipal Revenues 2026 – Taxes, Grants & Other



Revenue Breakdown

- **Municipal Taxes** $3,613,357 (57.3%)
- **Services & Rentals** $1,034,200 (16.4%)
- **Uncond. Gov. Grants** $687,700 (10.9%)
- **Cond. Gov. Grants** $424,000 (6.7%)
- **Reserve Transfers** $215,000 (3.4%)
- **Other** $327,100 (5.2%)

  Misc Revenue $150,700 | Penalties & Investment $82,000

  Surplus Transfers $75,000 | Permits & Fines $19,400

Total: $6,301,357

Grant & Government Program Revenues

GRANT / PROGRAM	AMOUNT	DESCRIPTION
Provincial General Assistance	$665,500 *annual*	Provincial funding for operating, safety, projects, or capital
CCBF (fmr. Federal Gas Tax)	$147,500 *annual*	Infrastructure only — not operating
Grazing Leases	$2,400 *annual*	Grant-in-lieu of taxes for crown pastureland
Prov. of MB Programs		
• Dutch Elm	$15,000 *annual*	Dutch Elm Rehabilitation Program (estimate)
• GRO 2024	$75,000 *one-time*	Previous Community Hall to Pool (2024)
• Green Team	$10,000 *one-time*	50% funding for summer students — green spaces
• GRO (Fire Truck)	$162,500 *one-time*	Fire Truck
• Metis Federation	$3,400 *one-time*	Employment & Training — Rec Staff
Canada Summer Jobs	$5,200 *one-time*	Summer Student Day Camp
Prov. of MB – MTI	$13,215 *annual*	Road maintenance agreements & services (estimate)
Multi Material Stewardship MB	$50,700 *annual*	Based on amount municipality recycles (estimate)
Waste Reduction Support	$10,000 *annual*	Based on garbage diverted from landfill and recycled (estimate)
Municipal Other	$27,400 *annual*	Health Accommodation, Recreation Commission

Reserve Balances

What Are Reserves?

Reserve funds are generally used to pay for larger capital purchases and projects. Think of them as “savings account” dollars put away each year for the future.

Contributions to Reserves

Transfers to the reserves — putting money into the “savings account” today — increase taxes collected as an operating expense in the current year. Annual operating surpluses can also be transferred to reserves, which does not increase taxes.

Withdrawals from Reserves

Withdrawals from reserves — taking dollars out of your built-up savings instead of your “chequing account” — reduce the amount of money required to be collected via taxation, because taxes were collected in previous years for this money.

Reserve Balances (Continued)

Tax Stability

Reserves are used to keep taxes stable — otherwise tax rates would fluctuate when larger projects or capital require funds. Prudent reserve withdrawals are essential to avoid depleting your reserve funds and placing future tax rates and capital spending into jeopardy. Wise fiscal management should include ensuring available reserve funds.

General Reserve Rules

The General Reserve can be used for any purpose (other than Utility Operations). Withdrawals must be included in the annual budget; otherwise, a separate public hearing must be held.

2026 Reserve Overview

Description	Amount
Opening Balance (2025 Ending Balance)	$3,782,627
Total Contributions	$731,300
Total Withdrawals	($911,000)
Projected Ending Balance (2026)	**$3,602,927**
Net Change	**($75,900)**

Net draw-down of ~$76K reflects planned capital investments while maintaining healthy reserve balances overall.

Key Takeaways

Growing: CCBF Reserve +$147,500 • Property Development +$78,500 • General Reserve +$75,000

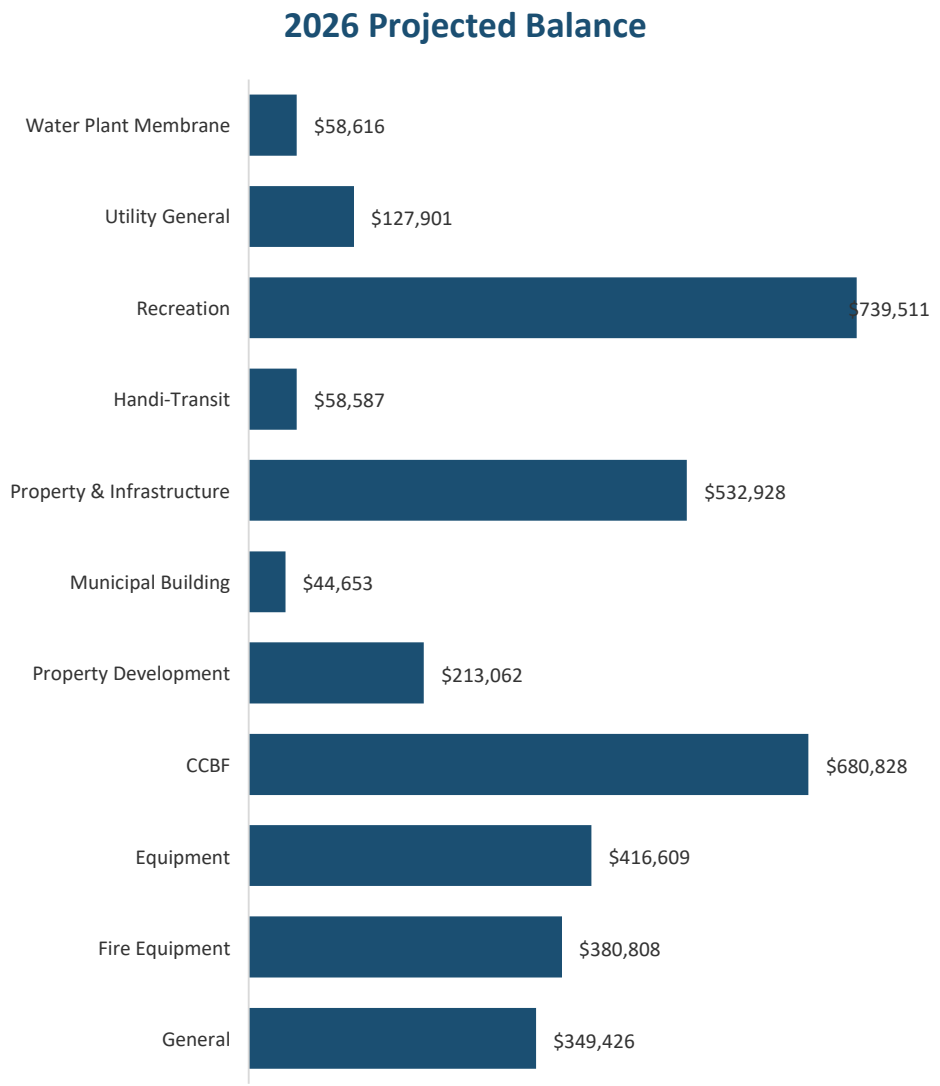
Declining: Equipment Reserve –$219,000 • Recreation –$116,700 • Fire Equipment –$87,500

Stable: Property & Infrastructure • Municipal Building • Handi-Transit Vehicle

Reserve Fund Details – 2026

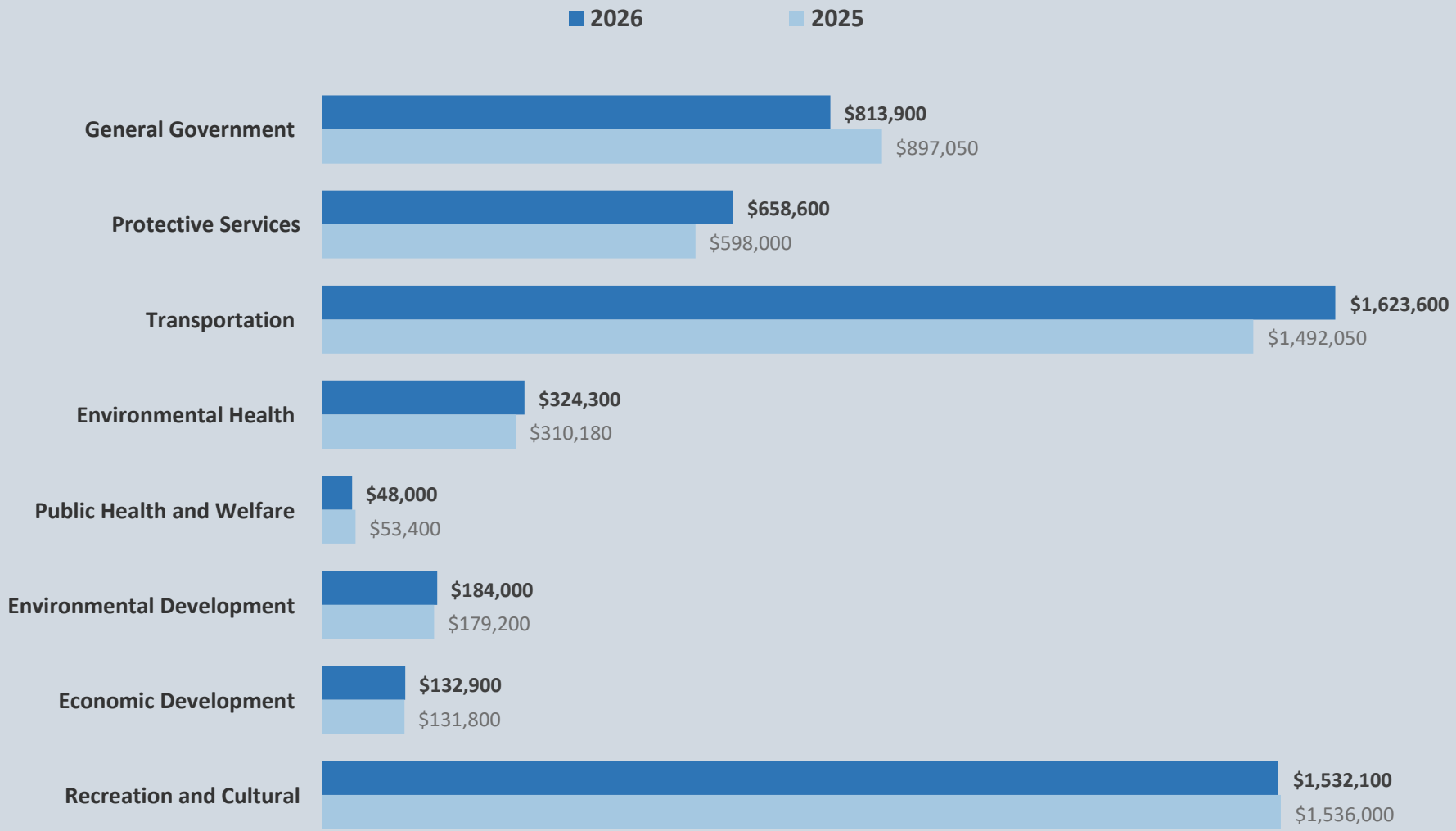
Reserve Fund	2025 EB	Contribution	Withdrawal	2026 EB	Net Change
General Reserve	$274,426	$75,000	—	$349,426	+$75,000
Equipment Reserve	$635,609	$300,000	($519,000)	$416,609	($219,000)
Fire Equipment Reserve	$468,308	$75,000	($162,500)	$380,808	($87,500)
Recreation Reserve	$856,211	$40,300	($157,000)	$739,511	($116,700)
Property & Infrastructure	$532,928	—	—	$532,928	—
CCBF Reserve	$533,328	$147,500	—	$680,828	+$147,500
Municipal Building Reserve	$44,653	—	—	$44,653	—
Property Development Reserve	$134,562	$68,500	$10,000	$213,062	+$78,500
Handi-Transit Vehicle Reserve	$58,587	—	—	$58,587	—
General Municipal Subtotal	**$3,538,612**	**$706,300**	**($848,500)**	**$3,416,412**	**($122,200)**
Utility General Reserve	$165,401	—	($37,500)	$127,901	($37,500)
Water Plant Membrane Reserve	$78,616	$25,000	($45,000)	$58,616	($20,000)
Utility Subtotal	**$244,017**	**$25,000**	**($82,500)**	**$186,517**	**($57,500)**

Combined Total: $3,602,929 projected ending balance • Net change of ($179,700) • 9 municipal + 2 utility reserves



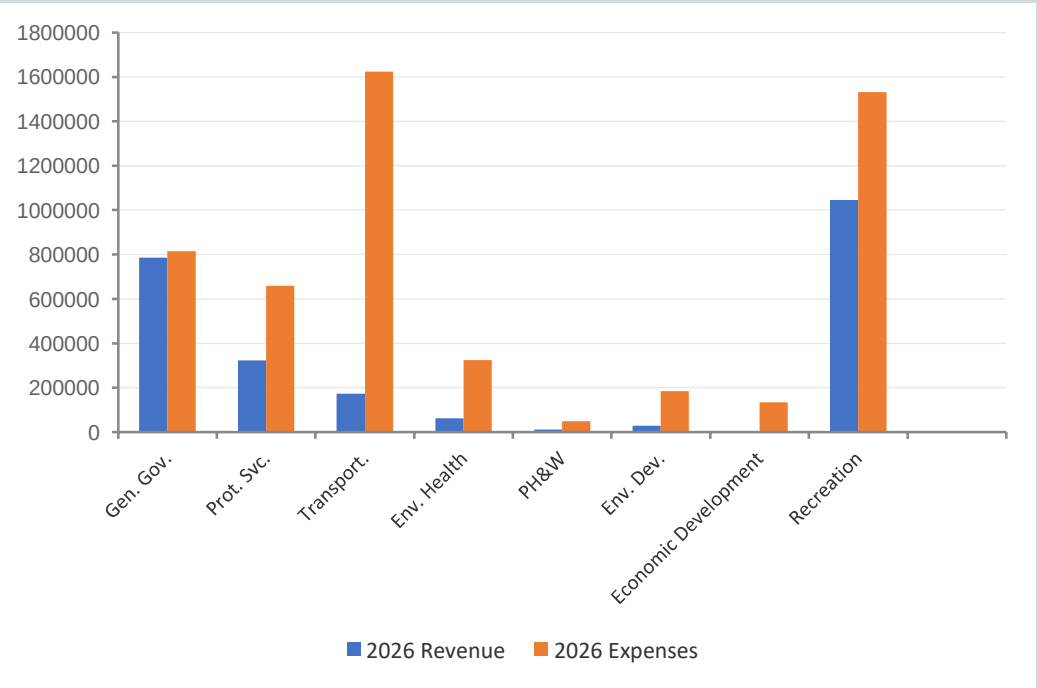
2026 vs. 2025 Budgeted Operating Expenses

2026 Total: $5,317,400 | **2025 Total: $5,197,680** | **Increase: $119,720 (+2.3%)**



Tax Levy Funding Analysis by Department — 2026

Own Revenue, Expenses, and Funding Gap by Department (excl. Utilities) | 2025 vs. 2026 Comparison



	2025			2026		
Department	**Own Rev.**	**Expenses**	**Gap**	**Own Rev.**	**Expenses**	**Gap**
Gen. Gov.	$737,305	$897,050	**$159,745**	$785,100	$813,900	**$28,800**
Protective Svc.	$314,750	$598,000	**$283,250**	$321,800	$658,600	**$336,800**
Transportation	$161,484	$1,492,050	**$1,330,566**	$171,500	$1,623,600	**$1,452,100**
Env. Health	$60,900	$310,180	**$249,280**	$79,300	$324,300	**$245,000**
PH & Welfare	$9,900	$53,400	**$43,500**	$10,400	$48,000	**$37,600**
Env. Dev.	$29,500	$179,200	**$149,700**	$10,100	$184,000	**$173,900**
Econ. Dev.	$0	$131,800	**$131,800**	$0	$132,900	**$132,900**
Recreation	$1,090,480	$1,536,000	**$445,520**	$1,044,800	$1,532,100	**$487,300**
TOTAL	**$2,404,319**	**$5,197,680**	**$2,793,361**	**$2,423,000**	**$5,317,400**	**$2,894,400**

Key Highlights

- Total funding gap increased from $2,793,361 (2025) to $2,894,400 (2026), a change of $101,039 (3.6%)
- Transportation is the largest net cost centre ($1.45M) with the biggest YoY increase (+$121,534)
- General Government own revenue excludes Tax Levy and Grants in Lieu — its $28,800 funding gap reflects only departmental self-generated revenue vs. expenses (excludes G590-990 staff recovery offsets)
- Economic Development has no own-source revenue; all sub-departments are fully tax levy dependent

Note: Own Revenue excludes Tax Levy and Grants in Lieu (both are tax-based revenue). Funding Gap = Expenses minus Own Revenue. 2025 Gen. Gov. adjusted by removing $3,272,771 tax levy + $66,478 grants in lieu + $13,000 recoveries ($3,352,249 total). Internal transfers and fiscal services are excluded.

Where Your Tax Dollars Go — 2026

Department Funding Gap Analysis | Own Revenue excludes Tax Levy & Grants in Lieu | Total Tax Levy Need: $2,894,400

Department	Own Revenue	Expenses	Funding Gap	YoY Change	YoY %	% of Levy	Status
Transportation	$171,500	$1,623,600	**$1,452,100**	**+$121,534**	9.1%	**50.2%**	**Tax Dep.**
Recreation	$1,044,800	$1,532,100	**$487,300**	**+$41,780**	9.4%	**16.8%**	**Partial**
Protective Svc.	$321,800	$658,600	**$336,800**	**+$53,550**	18.9%	**11.6%**	**Partial**
Env. Health	$79,300	$324,300	**$245,000**	**+$14,320**	5.7%	8.5%	**Tax Dep.**
Env. Development	$10,100	$184,000	**$173,900**	**+$5,600**	3.7%	6.0%	**Tax Dep.**
Econ. Development	$0	$132,900	**$132,900**	**+$1,100**	0.8%	**4.6%**	**Tax Dep.**
PH & Welfare	$10,400	$48,000	**$37,600**	**-$5,900**	-13.6%	**1.3%**	**Tax Dep.**
Gen. Government	$785,100	$813,900	**$28,800**	**-$130,945**	-82.0%	**1.0%**	**Partial**
TOTAL	**$2,423,000**	**$5,317,400**	**$2,894,400**	**+$101,039**	**3.6%**	**100.0%**	

Key Statistics

• 2026 Tax Levy Collected: $3,648,478 (up 9.3% from $3,339,249 in 2025) • Transportation alone accounts for 50.2% of the total tax levy need ($1.45M) • Total funding gap increased $101,039 (3.6%) year-over-year • Gen. Government, Protective Svc., and Recreation are partially self-funded; all others are fully tax dependent

● **Partial (Own Rev ≥25% of Exp.)** ● **Tax Dependent (Own Rev <25% of Exp.)** ▲ YoY Decrease = Positive ▲ YoY Increase = Concern

Note: Own Revenue excludes Tax Levy and Grants in Lieu (both are tax-based revenue). Funding Gap = Expenses minus Own Revenue. Internal transfers and fiscal services are excluded.

Self-Funding Analysis — 2026 Overview

Department Revenue vs. Expenses | Sub-Department Self-Funding Summary

Department	Revenue	Expenses	2026 Net	Fund %	Status
General Government	$798,100	$813,900	$15,800	98.1%	Partial
Recreation	$1,044,800	$1,532,100	$487,300	68.2%	Partial
Protective Services	$321,800	$658,600	$336,800	48.9%	Tax Levy
Environmental Health	$79,300	$324,300	$245,000	24.5%	Tax Levy
Public Health & Welfare	$10,400	$48,000	$37,600	21.7%	Tax Levy
Transportation	$171,500	$1,623,600	$1,452,100	10.6%	Tax Levy
Environmental Development	$10,100	$184,000	$173,900	5.5%	Tax Levy
Economic Development	$0	$132,900	$132,900	0.0%	Tax Levy

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

General Government — Self-Funding Analysis

2026 Sub-Department Breakdown | Rev: $785,100 | Exp: $813,900 | Net: $28,800 | Fund: 96.5%

Sub-Department	2026 Expenses	% of Dept.	Funding Status
Clerk & Staff	$333,500	41.0%	Tax Levy
Council	$134,200	16.5%	Tax Levy
Office	$89,000	10.9%	Tax Levy
Taxation	$54,100	6.6%	Tax Levy
Civic Centre	$46,500	5.7%	Tax Levy
Damage Claims & Liability Ins.	$35,000	4.3%	Tax Levy
Conventions	$34,800	4.3%	Tax Levy
Audit	$25,000	3.1%	Tax Levy
Intergov. Rel.	$16,200	2.0%	Tax Levy
Legal	$10,000	1.2%	Tax Levy
Grants Other Org.	$10,000	1.2%	Tax Levy
General Administrative	$8,600	1.1%	Tax Levy
Elections	$8,000	1.0%	Tax Levy
In Kind Contributions	$4,000	0.5%	Tax Levy
Rentals	$2,900	0.4%	Tax Levy
CresAve	$2,100	0.3%	Tax Levy
Gen. Gov. Other	$0	0.0%	N/A
TOTAL	**$813,900**	**100.0%**	**Fund: 96.5%**

Own-Source Revenue: $785,100 ($785,100 unallocated; $13,000 Clerk & Staff recovery offset against expenses) | **Dept. Fund: 96.5% (Partial)** | **Net Tax Levy Required: $28,800**

Note: Own revenue excludes tax levy, grants in lieu, and $13,000 G590-990 recoveries (offset against Clerk & Staff expenses). Internal transfers and fiscal services excluded.

Protective Services — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $336,800 | Fund: 48.9%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Policing	$301,000	$455,500	$154,500	66.1%	Partial
Fire	$19,900	$146,300	$126,400	13.6%	Tax Levy
Other Protection	$0	$26,100	$26,100	0.0%	Tax Levy
Animal & Pest Ctrl.	$900	$16,100	$15,200	5.6%	Tax Levy
Emergency Measures	$0	$11,600	$11,600	0.0%	Tax Levy
Bylaw Enforcement	$0	$3,000	$3,000	0.0%	Tax Levy
Building Inspection	$0	$0	$0	N/A	N/A
DFA Claims	$0	$0	$0	N/A	N/A
TOTAL	$321,800	$658,600	$336,800	48.9%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: DFA Claims and Building Inspection have $0 budgeted for 2026. Other Protection includes miscellaneous protective service costs. Internal transfers and fiscal services are excluded.

Transportation — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $1,452,100 | Fund: 10.6%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Rural Roads	$6,000	$821,800	$815,800	0.7%	Tax Levy
Urban Streets	$12,000	$655,700	$643,700	1.8%	Tax Levy
Transportation Rev.	$147,500	$0	-$147,500	N/A	Revenue
Administration	$0	$123,500	$123,500	0.0%	Tax Levy
Unallocated	$6,000	$0	-$6,000	N/A	Revenue
Handi-Transit	$0	$18,000	$18,000	0.0%	Tax Levy
Airport	$0	$4,600	$4,600	0.0%	Tax Levy
TOTAL	$171,500	$1,623,600	$1,452,100	10.6%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Environmental Health — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $245,000 | Fund: 24.5%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Recycling	$79,300	$100,300	$21,000	79.1%	Partial
Public Washrooms	$0	$14,600	$14,600	0.0%	Tax Levy
Garbage	$0	$139,900	$139,900	0.0%	Tax Levy
Transfer Site	$0	$66,900	$66,900	0.0%	Tax Levy
Municipal Wells	$0	$2,600	$2,600	0.0%	Tax Levy
TOTAL	$79,300	$324,300	$245,000	24.5%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Public Health & Welfare — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $37,600 | Fund: 21.7%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Cemetery	$5,000	$35,100	**$30,100**	**14.2%**	**Tax Levy**
Recruitment & Accom.	$5,400	$0	**-$5,400**	N/A	**Revenue**
Physician	$0	$1,500	**$1,500**	**0.0%**	**Tax Levy**
Social Assistance	$0	$6,000	**$6,000**	**0.0%**	**Tax Levy**
Other	$0	$5,400	**$5,400**	0.0%	**Tax Levy**
TOTAL	**$10,400**	**$48,000**	**$37,600**	**21.7%**	

● **Surplus (100%+)** ● **Partial (50–99%)** ● **Tax Levy Dependent (<50%)**

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Environmental Development — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $173,900 | Fund: 5.5%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Beautification	$600	$13,900	$13,300	4.3%	Tax Levy
Planning	$9,500	$117,800	$108,300	8.1%	Tax Levy
Dutch Elm	$0	$23,200	$23,200	0.0%	Tax Levy
Forestry	$0	$27,400	$27,400	0.0%	Tax Levy
General Land Assembly	$0	$1,500	$1,500	0.0%	Tax Levy
Urban Weed Control	$0	$200	$200	0.0%	Tax Levy
TOTAL	$10,100	$184,000	$173,900	5.5%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Economic Development — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $132,900 | Fund: 0.0%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Tourism	$0	$16,000	$16,000	0.0%	Tax Levy
Rural Weed Control	$0	$64,100	$64,100	0.0%	Tax Levy
Local Economic Dev.	$0	$20,000	$20,000	0.0%	Tax Levy
Veterinary Services	$0	$18,000	$18,000	0.0%	Tax Levy
Water Resources & Conserv.	$0	$14,800	$14,800	0.0%	Tax Levy
TOTAL	$0	$132,900	$132,900	0.0%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Recreation — Self-Funding Analysis

2026 Sub-Department Breakdown | Net: $487,300 | Fund: 68.2%

Sub-Department	Revenue	Expenses	2026 Net	Fund %	Status
Pool	$278,000	$223,900	-$54,100	124.2%	Surplus
Campground	$219,700	$149,200	-$70,500	147.3%	Surplus
Parks & Greenspaces	$3,000	$106,200	$103,200	2.8%	Tax Levy
Theatre	$25,000	$163,400	$138,400	15.3%	Tax Levy
Concession	$121,100	$83,900	-$37,200	144.3%	Surplus
Administration	$0	$161,600	$161,600	0.0%	Tax Levy
Commission	$107,500	$107,500	$0	100.0%	Surplus
Complex	$266,500	$456,500	$190,000	58.4%	Partial
Grant	$0	$40,000	$40,000	0.0%	Tax Levy
Hall	$24,000	$22,900	-$1,100	104.8%	Surplus
Insurance	$0	$500	$500	0.0%	Tax Levy
Memberships	$0	$16,500	$16,500	0.0%	Tax Levy
TOTAL	$1,044,800	$1,532,100	$487,300	68.2%	

● Surplus (100%+) ● Partial (50–99%) ● Tax Levy Dependent (<50%)

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

Self-Funding Analysis — Key Takeaways

Summary of Critical Findings from the 2026 Sub-Department Self-Funding Review

Self-Funding Departments

- Campground generates 147% of costs
- Pool covers 124% of its expenses
- Concession operates at 144% self-funding
- Gen. Gov. nearly self-funds at 96.5% via Unallocated revenue ($785K)

These sub-departments reduce the overall tax levy burden through revenue generation.

Largest Tax Levy Demands

- Rural Roads: $815,800 net cost (0.7% self-funded)
- Urban Streets: $643,700 net cost (1.8% self-funded)
- Administration (Rec.): $161,600 fully tax-funded
- Policing: $154,500 net cost (66% self-funded)
- Planning: $108,300 net cost (8.1% self-funded)

Transportation alone accounts for $1.43M of the total tax levy requirement.

Overall Funding Picture

- 6 of 8 departments are under 50% self-funded
- Env. Dev. now shows $174K deficit after Planning costs added
- Only Recreation has self-funding sub-depts (Campground, Pool, Concession)
- Economic Dev. has zero revenue across all sub-depts
- Gen. Gov. nearly self-funds at 96.5% via Unallocated revenue ($29K deficit)

Most municipal services are structurally dependent on tax levy funding.

Bottom Line

- Total department funding gap (excl. utilities): $2,894,400 in tax levy needed across 8 departments
- Transportation infrastructure (roads) is the single largest driver at $1.45M (49.1% of total levy need)
- Recreation facilities (Pool, Campground, Concession) demonstrate strong self-funding and offset costs
- Env. Development now requires $174K in tax support after including Planning expenses of $117,800
- Opportunities exist to review cost structures in fully tax-funded sub-depts like Theatre, Parks, and Emergency Measures

Note: Costs that cannot be directly allocated to a specific department are included in General Government and may not be representative of actual departmental allocations. Internal transfers and fiscal services are excluded from this analysis.

2026 Capital Budget — $1.39M Investment Plan

Funded primarily through reserves and borrowing — minimal operating fund impact

Project	Total Cost	Gen. Fund	Reserves	Borrowing
Transportation				
Grader (Rural Replacement)	$800,000	$6,000	$394,000	$400,000
Road & Drainage Plan	$10,000	—	$10,000	—
Stump Grinder	$10,000	—	$10,000	—
Subtotal — Transportation	***$820,000***	***$6,000***	***$414,000***	***$400,000***
Protective Services				
Fire Truck	$325,000	$162,500	$162,500	—
Fire Drone	$20,000	$10,000	$10,000	—
Subtotal — Protective Services	***$345,000***	***$172,500***	***$172,500***	—
Recreation				
Pool Phase 4 of 4	$72,500	$72,500	—	—
Pool Heater	$58,000	—	$58,000	—
Rink Dehumidifier	$50,000	—	$50,000	—
Compressor (Ice Plant)	$26,000	—	$26,000	—
Floor Scrubber	$13,000	—	$13,000	—
Edger	$10,000	—	$10,000	—
Subtotal — Recreation	***$229,500***	***$72,500***	***$157,000***	—
TOTAL	**$1,394,500**	**$251,000**	**$743,500**	**$400,000**

2025: $961K capital, 81% funded through operating transfers → **2026:** $1.39M capital, funded directly through reserves & borrowing

Rural grader replacement: one rural grader will be replaced with a new unit; the oldest rural grader will cascade to town, replacing the town grader which is not feasible to repair.

Funding Sources

Reserves $743,500
53.3%

Borrowing $400,000
28.7%

General Fund $251,000
18.0%

Total: $1,394,500

By Department

Transportation $820,000 (58.8%)

Protective Services $345,000 (24.7%)

Recreation $229,500 (16.5%)

Fiscal Services & Transfers — Operating Fund Impact

Capital funding model shift eliminates $782K operating transfer — reserves now fund capital directly

2025 Capital Funding Model

Reserves → Operating Fund (as revenue) → Capital Fund (as expense)

$782,100 flowed through operating budget

2026 Capital Funding Model

Reserves → Capital Fund (direct) — bypasses operating

$0 transfer to capital from operating budget

Line Item	2025 Budget	2026 Budget	Change
TRANSFERS OUT OF OPERATING			
Transfer to Capital	$782,100	$215,000	−$567,100
TRANSFERS INTO RESERVES			
General Reserve	$75,000	$75,000	$0
Equipment Reserve	$285,400	$300,000	+$14,600
CCBF Reserve	$141,600	$147,500	+$5,900
Fire Equipment Reserve	$54,500	$75,000	+$20,500
Property Development Reserve	$0	$68,500	+$68,500
Recreation Reserve	$60,000	$40,300	−$19,700
Handi-Transit Vehicle Reserve	$15,000	$0	−$15,000
Total Transfers to Reserves	**$631,500**	**$706,300**	**+$74,800**
TRANSFERS INTO OPERATING			
From General Reserve	$125,000	$0	−$125,000
From Special Purpose Reserves	$587,100	$498,500	−$88,600
DEBT SERVICE			
Debenture Payment (Civic Centre)	$18,379	$18,379	$0
Debenture Balance (Closing)	$34,726	$17,693	−$17,033

Fiscal Services & Transfers — Key Highlights

Emergency Repairs (Reserve-Funded, No Tax Impact): Grader 870G transmission repair ($115,000 from Equipment Reserve) and Theatre roof repair ($100,000 from Recreation Reserve). Both flow through operating revenue but are fully offset by reserve transfers.

$782K Operating Relief

Transfer to capital eliminated from operating budget entirely

$400K New Borrowing

Grader debenture: 4.025% over 5 years — $90,424 annual payment

Debt Nearly Retired

Civic Centre debenture matures 2027 — only $17,693 remaining

Provincial Debt Limits (with $400K Grader Debenture)

7% of portioned assessment limit: $18.0M — projected debt $418K (0.16%)

2-mill levy limit: $513K — projected combined payments $109K (0.42 mills)

After Civic Centre debenture retires (2027): only 0.35 mills committed

Net Fiscal Impact — 2026 vs 2025

Reserve contributions up $74,800 • Capital transfer down $567,100 • Debenture on track for 2027 retirement

Operating budget net transfer burden reduced by $782,100 through direct capital funding model

Grader Procurement — Process & Governance

Budget approval does not constitute a final procurement decision.

Including the grader in the 2026 Financial Plan provides the necessary spending authority. The actual purchase follows a multi-step governance process outlined below.

Step 1

Equipment Research

Council and administration will conduct further research to identify the most suitable equipment for municipal needs and operating conditions.

Step 2

Borrowing By-Law

A borrowing by-law will be drafted and presented at a separate public hearing, as required by the Municipal Act.

Step 3

Municipal Board Approval

The by-law is subject to approval by the Municipal Board, which verifies the municipality remains within provincial debt limits.

Step 4

Formal Procurement

Equipment will be procured following the municipal procurement policy — either a formal RFQ or tender once all financing is in place.

Multiple layers of oversight protect taxpayers throughout this process — public hearing, Municipal Board review, and formal procurement requirements all apply before any funds are committed.

Water & Sewer Utility Fund — 2026 Overview

2026 Utility Budget: $1,016,000 — Fully Balanced

Aging infrastructure and deferred renewals continue to pressure the utility fund. An infrastructure assessment is underway, and membrane replacements are consuming available operating capacity.

UT-Water

Water Operations

Revenue: $890,800

Expenses: $719,700

Surplus: $171,100

Water consumer sales (residential, commercial, bulk, industrial) fund treatment, distribution, and maintenance operations.

UT-Sewer

Sewer Operations

Revenue: Combined Billing

Expenses: $413,800

Sewer costs are funded through combined water/sewer billing — no separate sewer revenue line appears in the budget.

UT-Admin

Administration

Revenue: $125,200

Expenses: -$117,500

Net Transfers: -$242,700

Includes $120,000 provincial grant, $142,500 transfer from reserves, and $25,000 transfer to reserve.

Year-over-Year: Total utility budget decreased from $1,080,000 (2025) to $1,016,000 (2026), a reduction of $64,000.

Both revenue and expenses were reduced, reflecting tighter operating conditions as available funds are directed toward the infrastructure assessment and membrane replacements.

Utility Fund — Revenue & Expense Breakdown

Revenue: $1,016,000

Water Consumer Sales	$808,300	(79.6%)
Bulk Water Sales	$41,800	(4.1%)
Water Connections	$28,200	(2.8%)
Hydrant Rentals	$12,500	(1.2%)
Provincial Grant	$120,000	(11.8%)
Penalties	$5,200	(0.5%)

Expenses: $1,016,000

Water Treatment	$549,600	(54.1%)
Sewer Treatment	$341,600	(33.6%)
Service of Supply	$59,100	(5.8%)
Water Main	$50,600	(5.0%)
Water Admin	$44,300	(4.4%)
Sewer Main	$40,000	(3.9%)

Water sales (consumer, bulk, connections, hydrant) account for 87.7% of utility revenue. A $120,000 provincial grant is new in 2026.

Expenses by Object Type

Services
$435,300 (42.8%)

Maintenance
$361,500 (35.6%)

Wages
$128,500 (12.6%)

Utilities
$90,600 (8.9%)

Services and maintenance together account for 78.4% of all utility expenses, reflecting the current emphasis on reactive repairs over preventative maintenance as infrastructure ages.

Utility Fund — Challenges & Outlook

Aging Infrastructure & Deferred Renewals

Significant renewal work on the water and sewer network has been postponed in recent years due to higher-priority emergent repairs and upgrades. As facilities and the network continue to age, current spending is increasingly directed toward reactive repairs rather than preventative maintenance.

Assessment & Capacity

An infrastructure assessment has been initiated to evaluate the condition of the water and sewer network.

Combined with membrane replacements, this work is consuming all available operating funding.

Only limited reserves remain available for capital projects.

2026 Budget Changes

2025 Budget: $1,080,000 (balanced)

2026 Budget: $1,016,000 (balanced)

Reduction: $64,000 (-5.9%)

Both years balance to zero including reserve transfers. The smaller 2026 budget reflects constrained capacity as funds shift toward assessment work.

Reserves & Transfers

$120,000 provincial grant (new in 2026) • $142,500 transfer from reserves to fund operations • $25,000 transfer to reserve for future capital

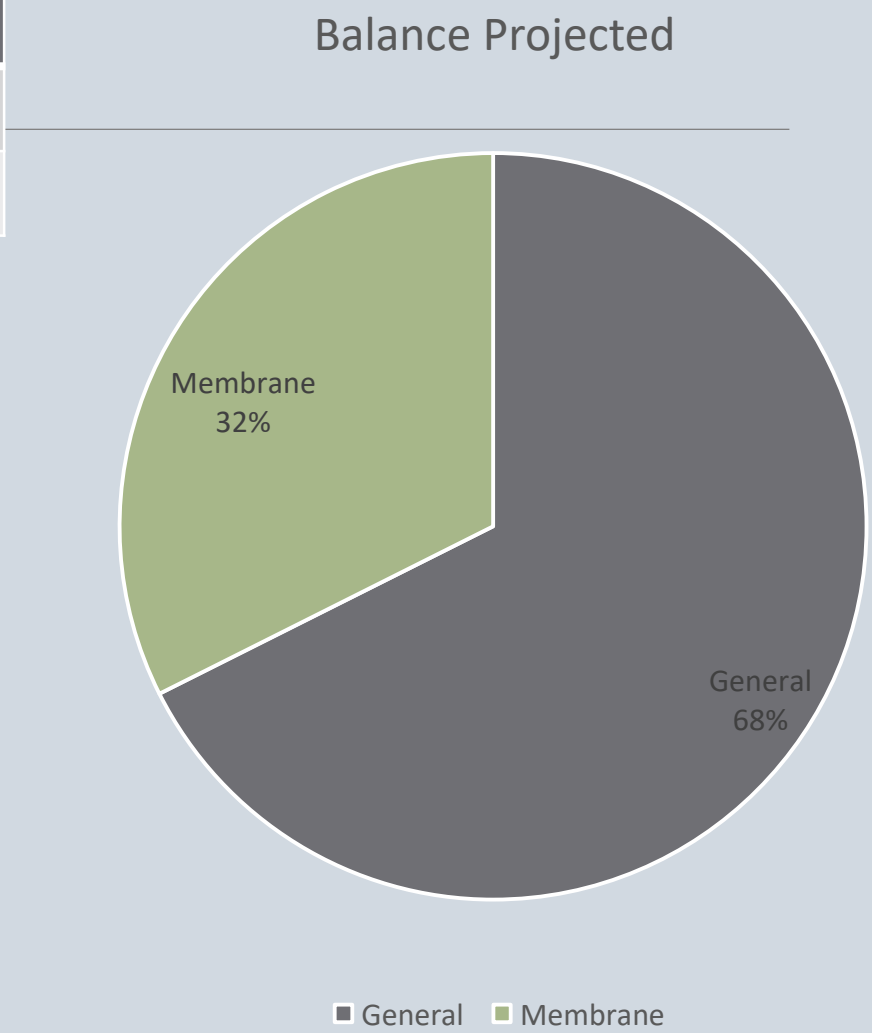
With operating funds fully committed to the assessment and membrane replacements, capital flexibility is limited. Future rate adjustments or grant funding may be needed to address deferred infrastructure renewal.

Staffing — Contingency Planning

A junior employee position has been added to the 2026 utility budget for contingency planning purposes, helping to build operational capacity and ensure continuity as aging infrastructure demands increase.

$234,769 Utility Reserve Balances as of December 31, 2026 Projected

FUND	BALANCE	CHANGE	PROJECTED
General Reserve	160,672	-2,000	158,672
Membrane Reserve	51,097	25,000	76,097



Understanding Your Residential Tax Bill

Your tax bill has three components, each set by a different authority. Here's what each one means and what changed for 2026.

Municipal Tax (Council-Controlled)

- **At Large Tax** — the general municipal rate that funds core services. Mill rate increased 4.7% (12.797 → 13.400).
- **SSL Pickup (NEW)** — $176 flat fee per dwelling for curbside waste and recycling. Replaces the old SSL Transfer (eliminated 2025).
- **Debenture Tax** — unchanged at 0.068 mill rate. Debt service on track for 2027 retirement.

School Tax (School Division)

- Set by the school division, **not** by council. SD SWH rate: 9.680 (+5.0% from 2025).
- **HATC Rebate** fully offsets school tax for homes assessed up to ~$180K → net school tax = $0.
- At $450K, HATC cap of $1,600 means partial offset → **$360.20 net school tax**.
- **SD BSD rate:** 14.092 → 15.110 (+7.2% in 2026). Brandon School Division dipped in 2025, now rising.

Provincial (Province of Manitoba)

- **HATC cap raised to $1,600** (from $1,500). Eliminates school tax entirely for homes up to ~$180K.
- **ESL (Education Support Levy)** is not levied on residential properties — applies only to business.
- Farmland receives a 50% Manitoba School Tax Rebate (provincial policy).
- **Business:** no rebates + subject to ESL → ~2.8x the residential rate.

2026 Bottom Line for Residential Homeowners

- **$180,000 home:** $1,042.07 → $1,266.91 (**+$224.84 / +21.6%**). HATC covers all school tax → increase is entirely municipal.
- **$450,000 home:** $2,972.62 → $3,263.47 (**+$290.85 / +9.8%**). HATC cap means $360.20 net school tax remains.
- *The new $176 SSL Pickup fee accounts for most of the dollar increase at $180K. The next slide compares property types side by side.*

2026 Tax by Property Type & Authority

$180,000 Assessment — Projected 2026 Breakdown

Property Type	Municipal Tax	School Tax	Prov. Rebate	ESL (Prov.)	Total 2026	YoY Change
Residential (Town)	$1,266.91	$784.08	−$784.08	N/A	**$1,266.91**	+$224.84
Farmland (Rural)	$630.30	$453.02	−$226.51	N/A	**$856.81**	+$38.93
Business	$1,575.76	$1,132.56	None	$867.09	**$3,575.40**	+$158.53

$450,000 Assessment — Projected 2026 Breakdown

Property Type	Municipal Tax	School Tax	Prov. Rebate	ESL (Prov.)	Total 2026	YoY Change
Residential (Town)	$2,903.27	$1,960.20	−$1,600.00	N/A	**$3,263.47**	+$290.85
Farmland (Rural)	$1,575.76	$1,132.56	−$566.28	N/A	**$2,142.04**	+$97.35
Business	$3,939.39	$2,831.40	None	$2,167.72	**$8,938.51**	+$396.34

*Column colors: **Blue = Municipal** | **Gold = School Division** | **Green = Provincial** | Municipal Tax = At Large + Debenture + SSL Pickup + SSL Transfer | School Tax shown net of rebates | ESL = Education Support Levy (Business only)*

2025: Year in Review

Budget Performance

The Municipality successfully delivered all core services within the approved 2025 budget and posted a modest surplus — a strong result given rising costs and shifting demands.

Team Resilience

Staff turnover and shortages tested the organization, but the team adapted. New hires brought fresh skills, and all departments maintained service continuity throughout the transition.



Strategic Adjustments

Council and Administration adapted priorities from the five-year plan as needed, repositioning for future opportunities while managing day-to-day realities of rising costs and constrained funding.

Workforce & Organizational Changes

Staff Transitions

Administration welcomed a highly experienced new team member to replace a departing colleague. Public Works and Parks & Recreation each saw staff transitions, with new hires successfully onboarded across both departments. Despite periods of staffing shortages, service delivery was maintained throughout the year.



Council Change

Council composition changed during 2025 with the resignation of Councillor Brown for personal reasons. The remaining Council continued to provide stable governance throughout the year.

Operational Adjustments in 2025

Project Reprioritization

Administration pivoted and reprioritized several scheduled projects during 2025 to address emerging needs. Sourcing approaches were also adjusted to better meet operational requirements within budget constraints.



Deferred Utility Maintenance

Lower-than-expected utility revenues meant certain planned maintenance activities had to be deferred. Operating funds shifted toward priority assessment and membrane replacement work, limiting available capital for other utility projects.

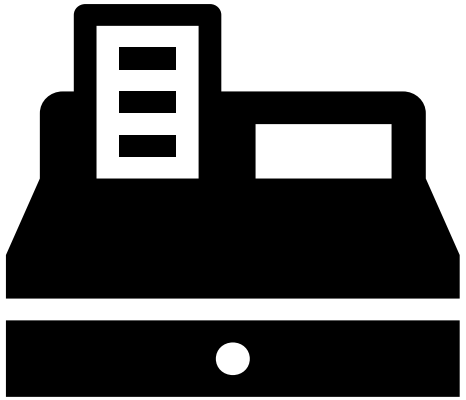
Outcome

Despite these adjustments, no major service interruptions occurred. The budget remained balanced, and essential infrastructure needs continued to be addressed.

Planning & Growth Initiatives

Water & Sewer Assessment

In partnership with the Manitoba Water Services Board, the Municipality initiated an assessment of key portions of the water and sewer system. This work provides critical technical guidance on infrastructure capacity and growth potential.



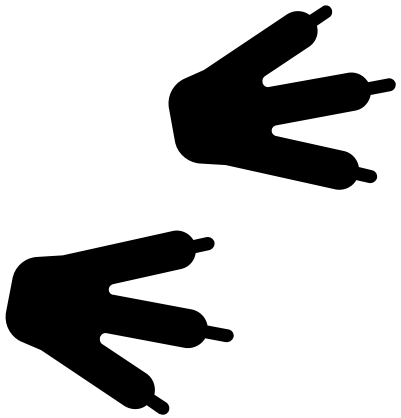
New Development Plan

The Municipality completed its new Development Plan in 2025 — a milestone that establishes the framework for future land use, growth, and community development across the region.

Next Step: Zoning By-law

A new Zoning By-law is now required to align with the updated Development Plan. This will be a key initiative going forward to ensure consistent and orderly growth.





Questions?

THE END OF THE FINANCIAL PLAN 2026 PRESENTATION