

2024 Financial Plan Presentation

Tuesday May 7, 2024

at 8:00 am

*Discover Our
Community!*



Municipality
of Souris-
Glenwood

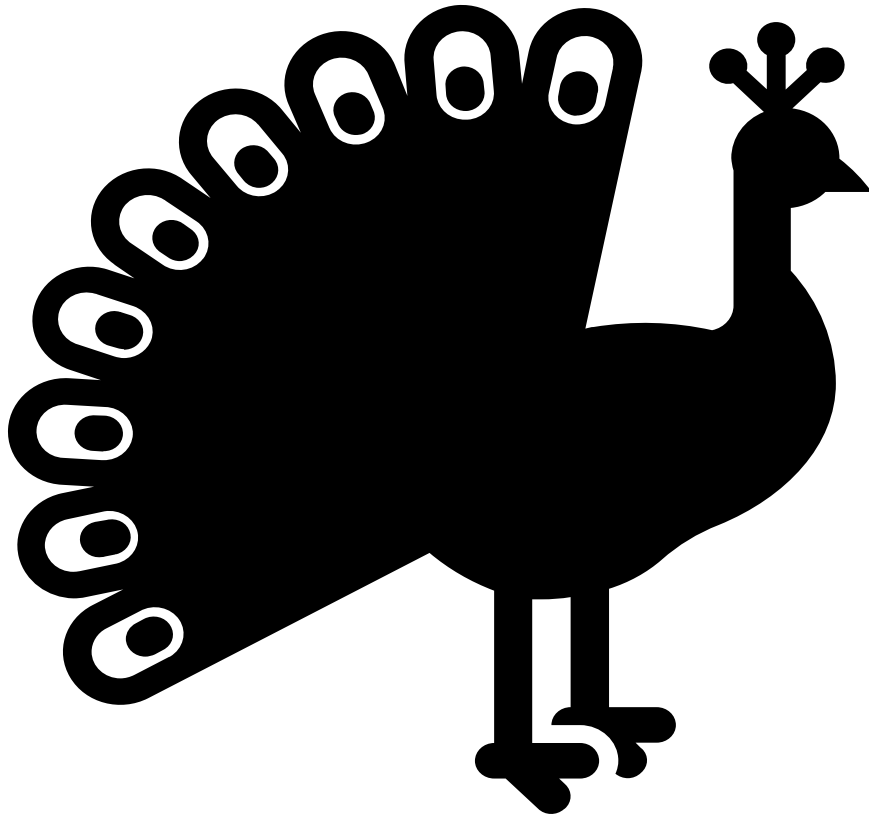
Welcome!

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

**Introduction of Council
and Staff**



Presentation Agenda



Introduction

Purpose and Provisions of the Financial Plan Hearing

Assessment / Tax Levies and Special Service Levies

Education Levies / Education Credit Changes / Tax Breakdown

2024 Budget Tax Levy Increase and 2023 Surplus

Mill Rate and Special Service Levies Revenue Breakdown

Grant Revenue / Breakdown of Revenues

2023 to 2024 Municipal Tax Change Examples

Historical Tax Collection Amounts

Reserves – Current Balances

2024 Budget Expenditures by Service Categories

Debt (Debentures)

Capital Budget Plan

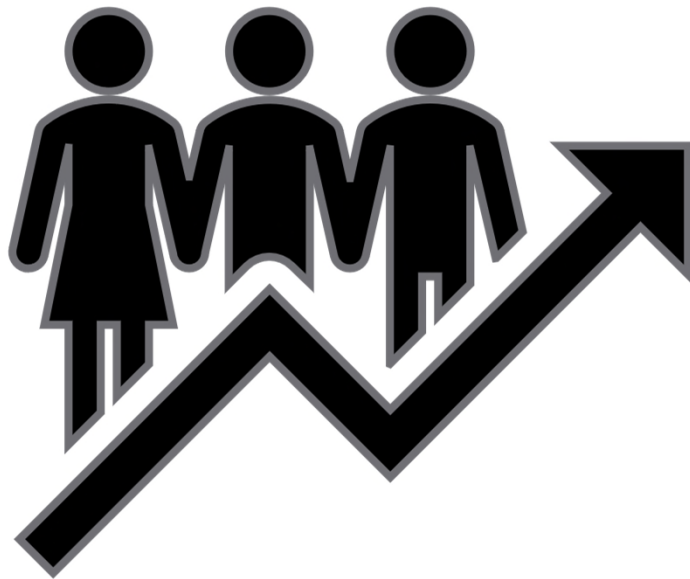
Utility (Water and Sewer)

The Past Year

Projects

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 2024 Financial Situation and Plan.**

ASSESSMENT

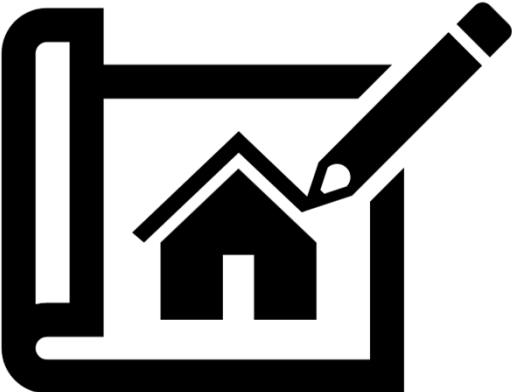
Assessed values of all properties are determined by the Provincial Assessment Branch. A property's assessment is the amount that the property might reasonably be expected to realize if sold in the open market on the applicable reference date by a willing seller to a willing buyer.

Total Municipal "Portioned" Assessment (all properties) for 2023 was 223,953,830; 2024 is 224,817,580

Increase in Total Portioned Assessment from 2023 to 2024 – 863,750 or 0.386% (as it was not a reassessment year, the change consists of new construction and development and assessment removed from tax roll).

Total Rural Assessment (All classes) – 139,035,590 is 62%

Total Urban (Town) Assessment (All Classes) – 85,781,990 is 38%



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%.

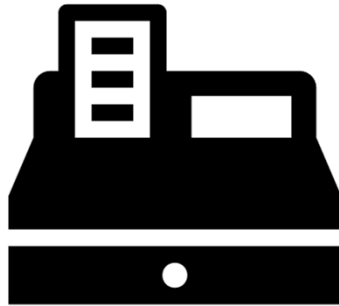
- Then multiply your “portioned assessment amount” by the mill rate.

Thus, the higher assessed properties pay a higher amount under the mill rate.

Mill rate taxes are about 95% of Total Municipal Taxes.

The remaining 5% of Municipal Taxes is raised through Special Service Levies.

ASSESSMENT / TAX LEVIES and Special Service Levies



Special Service Levies can use a variation of property assessment and levies per unit; they can either be levied on each applicable property by parcel, size of property or assessment value. This helps to assign certain expenditures to only the properties that are able to access and utilize a specific service. Municipalities choose certain methods based on the type of service and other specific circumstances.

Expenses not covered under Special Service Levies are applied to the general mill rate.

The mill rate and special service levies are set by the budget requirements (expenditures) of the Municipality.

EDUCATION LEVY (School Taxes)

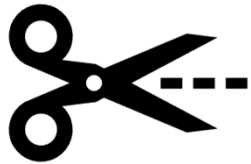


Property tax bills include both School Taxes and Municipal Taxes. Starting in 2024, the Province is returning to the previous model of receiving the School Tax Rebate directly on the property tax statement instead of receiving a cheque.

The Municipality has no control over the school taxes, the Municipality must collect the school taxes and remit them to the School Division and the Province.

Southwest Horizon School Division increased School Taxes collected in our Municipality from \$2,250,597 in 2023 to \$2,335,455 in 2024 = \$84,858; Brandon School Division increased School Taxes collected from \$1,389 to \$2,299 = \$910.

Provincial Education Support Levy remained almost the same, from \$512,221 in 2023 to \$510,675 in 2024 (this levy is not paid by farm or residential property, only other).



MANITOBA EDUCATION Property Tax Credit (EPTCA)

The Province of Manitoba again made changes to the Education Taxes in 2024.

For 2024, property owners will receive the School Tax Rebate directly on their property tax statement instead of receiving a cheque. The School Tax Rebate amount remains the same and will be as follows:

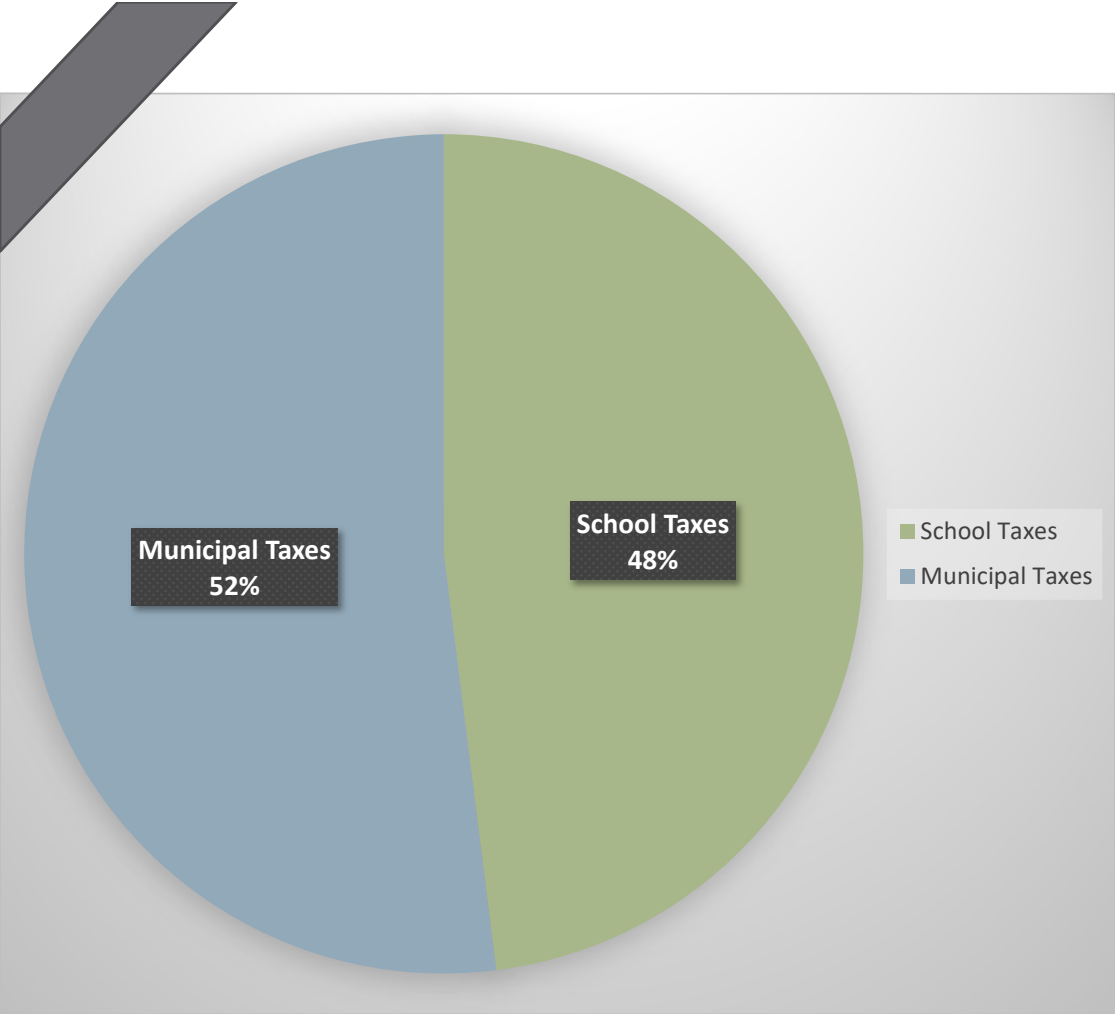
- Residential and farm property owners will receive a 50% rebate of the school division special levy and community revitalization levy payable, and
- Other property owners, such as commercial, industrial, railways, pipelines, institutional and designated recreational, will receive a 10% rebate of the applicable school division special levy, community revitalization levy, and education support levy payable.

The following other existing school tax-related credits and rebates will be unchanged in 2024 as follows:

- Education Property Tax Credit and Advance will be up to \$350.
- Farmland School Tax Rebate will be up to 40% of school tax to a maximum of \$2,500.

School and Municipal Tax Breakdown

The Municipality collects a total of \$2,848,429 in School Taxes. That represents 48% of total taxes collected, 52% consists of Municipal Taxes.



The 2024 BUDGET – WHAT IS NEW IN 2024?

Complete transition to unified Mill Rate:

Council has opted to complete the transition to a unified mill rate in 2024. The initial time limit given was 4 years, then extended 4 years, with another 2-year extension given, making 2024 the final year. We are therefore one year ahead of the schedule allowed by the Province of Manitoba after a transitional period of nine years.

A review of the historical mill rates between 2014 and 2023 shows that the rural mill rate changed from 12.11 mill to 11.904 mill, whereas the urban mill rate changed from 20.894 mill to 16.590 mill. For 2024 the combined mill rate is 12.703 for both service areas.

Further analysis of operating and capital costs for both areas shows that despite the difference in nature of services and capital needs, the average cash requirements for both are fairly equal, and can be successfully managed by Council to result in fair and equitable taxation by using long term service and capital planning tools.



The 2024 BUDGET – WHAT IS NEW IN 2024?

Complete transition to unified Mill Rate (continued):

Considering that 2025 will be an assessment year, there is a strong possibility that rural property owners will see most of the assessment increases allocated to agricultural properties due to changes in market values, therefore likely disproportionately impacting rural taxation levels. To soften the impact of both of these changes, the unification of the mill rate as well as the 2025 re-assessment, Council considered it to be more beneficial to mitigate this by moving the mill rate transition ahead of schedule by one year, this will provide more of an adjustment period, instead of having both take effect in 2025.



The 2024 BUDGET – WHAT IS NEW IN 2024?

Overall Tax Levy Decrease of 6.4%

2024 total tax dollars collected are proposed to decrease by 6.4%. This includes taxes levied on new assessment.

To mitigate the impact of increasing operating and capital costs and the harmonization between rural and urban property tax rates, Council has decided to utilize the Municipality's reserves and accumulated surplus for 2024. Long term, continuous investment into our reserves means we can mitigate intermittent spikes in cash flow demands without impacting operations. In addition, we will use unspent tax levies of previous years that arose due to a combination of delayed or cancelled projects, additional unbudgeted funding received or other similar reasons.

Council feels we have proposed a fair budget under significant inflationary pressures, while committing to maintain current levels of services and several large projects that represent significant investment into our community.

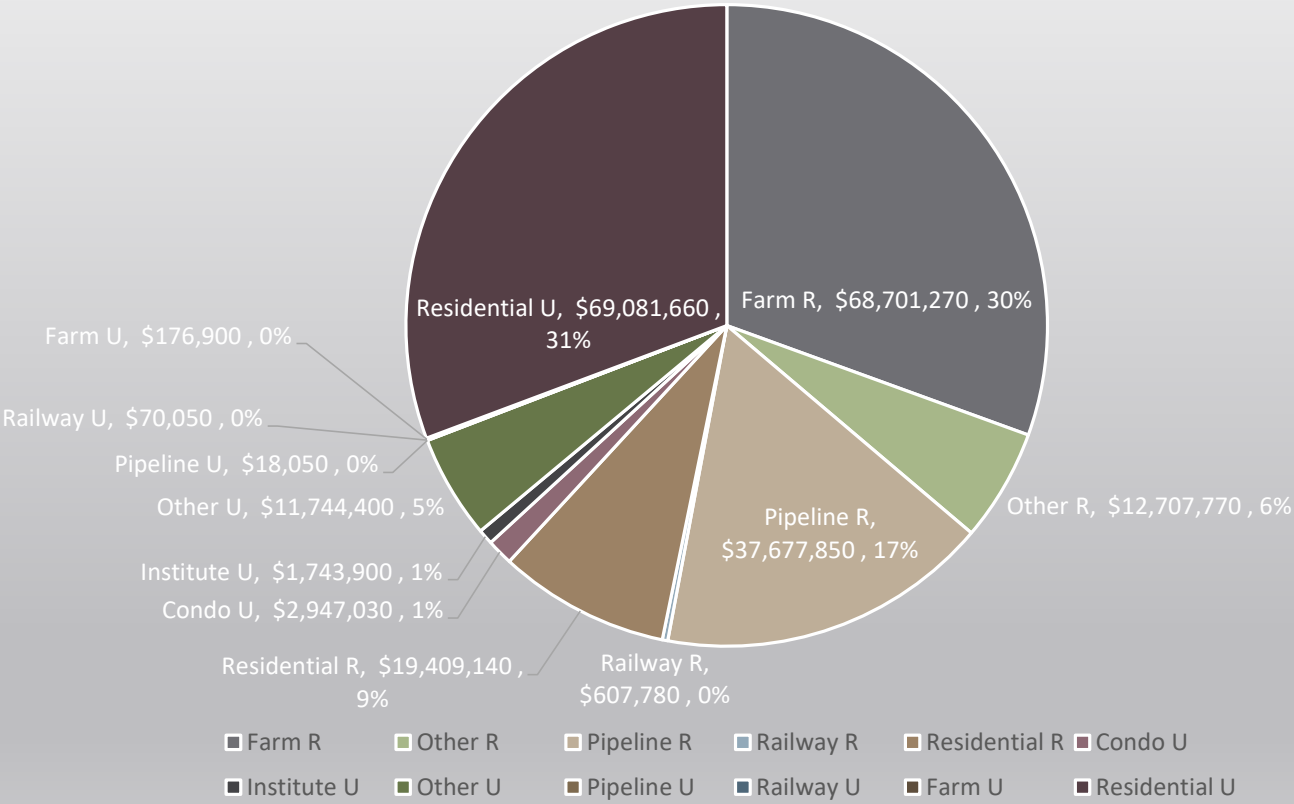


This historical mill rates by service area (consisting of general mill rate plus special service areas excl. SSL)

General & Special Area Mill Rates by Year by Service Area From 2014 to 2023

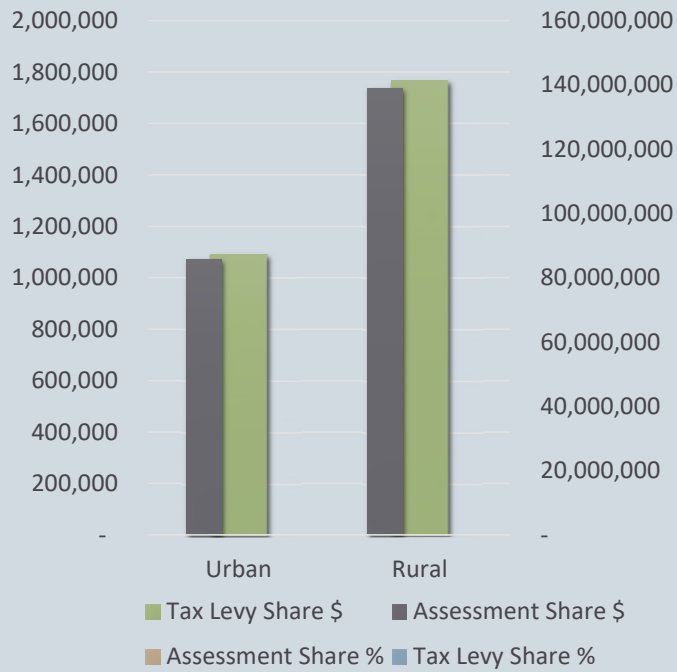


Taxable Assessment by Type

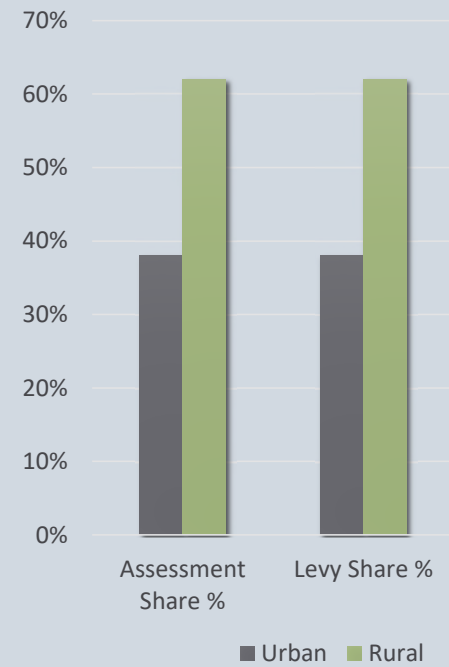


The following chart compares general mill revenues and assessment by areas.

2024 \$ Comparison



2024 % Comparison



2023 Surplus



The Municipal Act does not permit a Municipality to incur a deficit.

The unaudited 2023 surplus (budget versus actual) is approximately \$481,988.

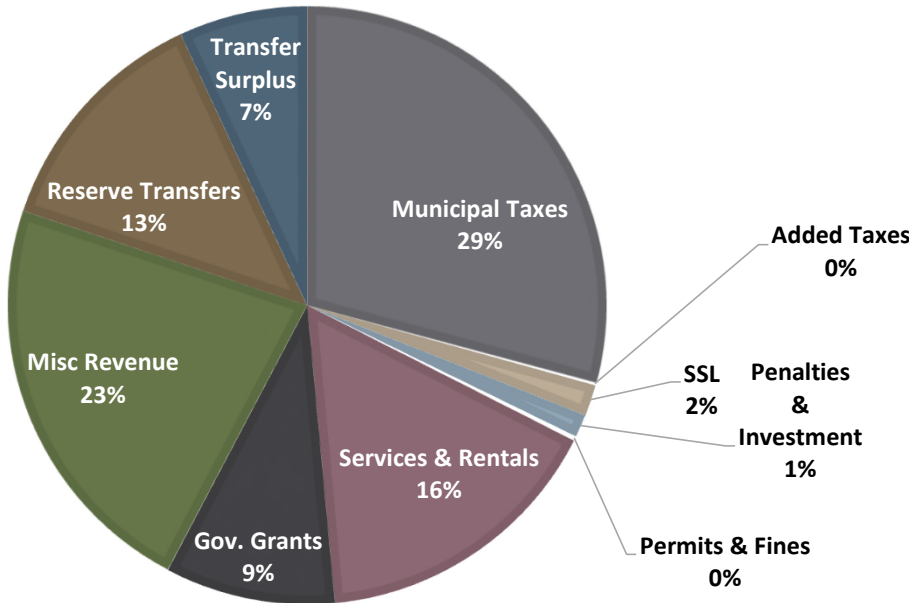
Considering the Municipality's \$8 million budget the actual expenditures can never exactly match the proposed budget, thus a surplus (and hopefully not a deficit) is expected. This approximate 5% surplus represents the net impact of project timing, weather impact on operations and other uncontrollable variables as well as strong fiscal management in 2023.

The Municipality proposes to use these 2023 surplus funds towards completion of delayed projects and general operations.

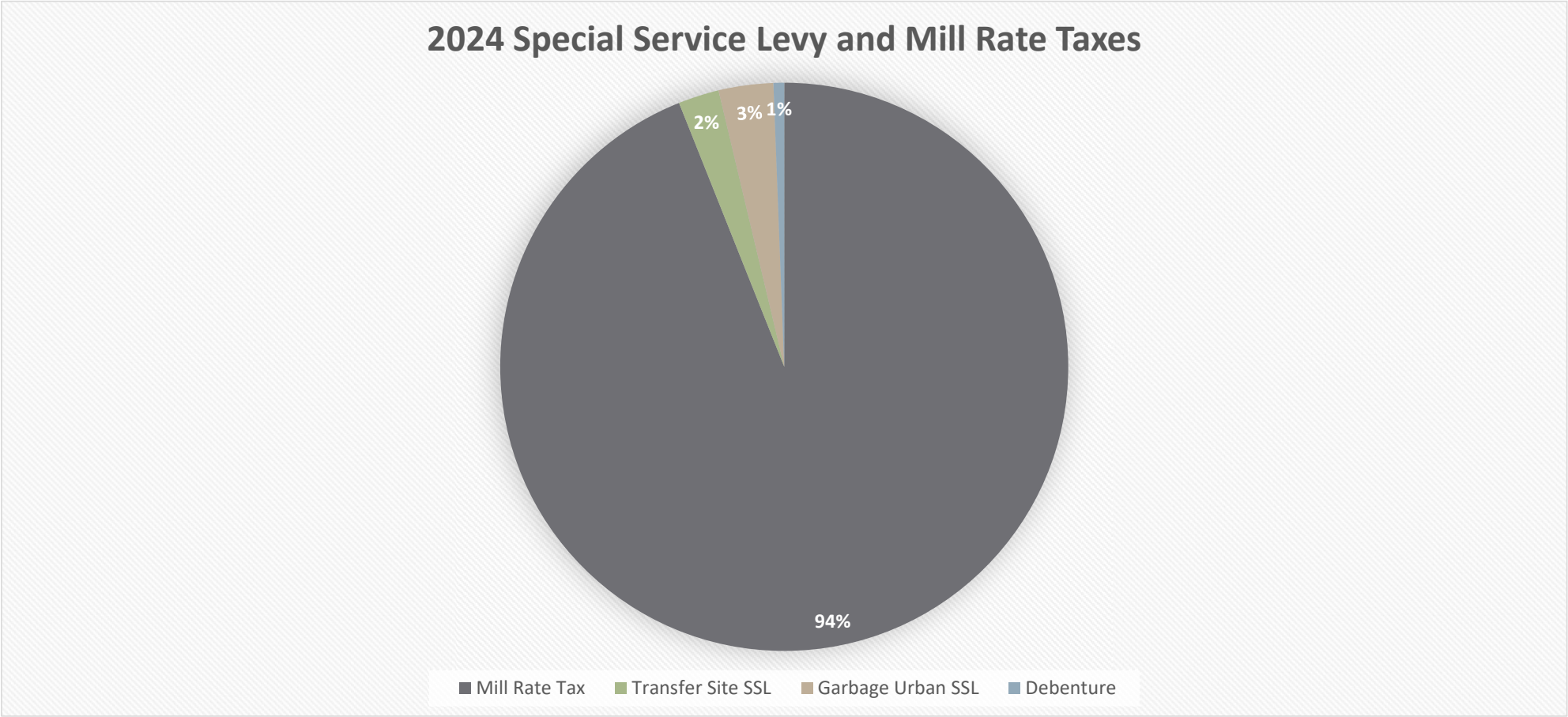
Municipal Revenues 2024 – Taxes, SSL, Grants & Other

REVENUES

- Municipal Taxes
- Added Taxes
- SSL
- Penalties & Investment
- Permits & Fines
- Services & Rentals
- Gov. Grants
- Misc Revenue
- Reserve Transfers
- Transfer Surplus



Special Service Levy and Mill Rate Tax Revenue Breakdown



Grant & Government Program Revenues



GRANT	AMOUNT	DESCRIPTION
Provincial General Assistance	643,705 annual	Provincial for operating, projects, or capital
Federal Gas Tax	150,413 annual	Infrastructure ONLY not operating
Grazing Leases	1,503 annual	Grant-in-lieu of taxes for crown pastureland
Prov. Of MB – Dutch Elm	15,000 annual	Dutch Elm Rehabilitation Program (based on estimate)
Community Places	75,000 one-time	Feasibility Study Hall
Mobility	15,525 annual	Handi-Transit Operating Funding (based on estimate)
DFA	2,000,000 one-time	DFA claims
Prov. of MB – MTI	13,215 annual	Road maintenance agreements & services (estimate)
Multi Material Stewardship MB	51,656 annual	Based on amount municipality recycles
Waste Reduction Support	14,800 annual	Based on garbage diverted from landfill and recycled (estimate)

Examples of Municipal Tax Changes from 2023 to 2024



Example 1: Smaller Town Residence		
Assessment 123,600		
	2023	2024
General Mill Rate	662	707
Urban Service Area	261	0
Debenture Civic	4	4
SSL – Transfer Site	25	25
SSL – Garbage	91	93
Total Municipal Taxes	1,043	829
2024 Decrease	214	
Portioned Assessment	55,630	

Example 2: Larger Town Residence		
Assessment 455,200		
	2023	2024
General Mill Rate	2,439	2,602
Urban Service Area	960	0
Debenture Civic Centre	16	16
SSL – Transfer Site	91	92
SSL – Garbage	91	93
Total Municipal Taxes	3,597	2,803
2024 Decrease	794	
Portioned Assessment	204,850	

Examples of Municipal Tax Changes from 2023 to 2024



Example 3: Town Commercial		
Assessment 342,800		
	2023	2024
General Mill Rate	2,652	2,830
Urban Service Area	1,044	0
Debenture Civic	17	17
SSL – Transfer Site		
SSL – Garbage		
Total Municipal Taxes	3,713	2,847
2024 Decrease		866
Portioned Assessment	222,820	

Example 4: Rural Commercial		
Assessment 371,300		
	2023	2024
General Mill Rate	2,873	3,066
Urban Service Area		
Debenture Civic	19	19
SSL – Transfer Site	107	108
SSL – Garbage		
Total Municipal Taxes	2,999	3,193
2024 Increase		194
Portioned Assessment	241,350	

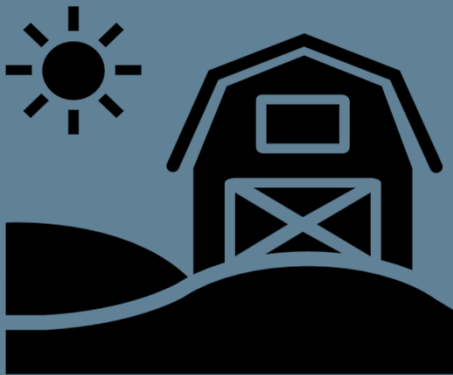
Examples of Municipal Tax Changes from 2023 to 2024



Example 5: 6 Acre Farmland		
Assessment 7,300		
	2023	2024
General Mill Rate	23	24
Urban Service Area		
Debenture Civic	0	0
SSL – Transfer Site	1	1
SSL – Garbage		
Total Municipal Taxes	24	25
2024 Increase		1
Portioned Assessment	1,900	

Example 6: 160 Acre Farmland		
Assessment 457,800		
	2023	2024
General Mill Rate	1,417	1,512
Urban Service Area		
Debenture Civic	9	9
SSL – Transfer Site	53	53
SSL – Garbage		
Total Municipal Taxes	1,479	1,574
2024 Increase		95
Portioned Assessment	119,030	

Examples of Municipal Tax Changes from 2023 to 2024



Example 7: Rural Residence		
Assessment 285,200		
	2023	2024
General Mill Rate	1,528	1,630
Urban Service Area		
Debenture Civic	10	10
SSL – Transfer Site	57	57
SSL – Garbage		
Total Municipal Taxes	1,595	1,697
2024 Increase		102
Portioned Assessment	128,350	

Example 8: Rural Residence		
Assessment 712,500		
	2023	2024
General Mill Rate	3,817	4,073
Urban Service Area		
Debenture Civic	25	25
SSL – Transfer Site	142	144
SSL – Garbage		
Total Municipal Taxes	3,984	4,242
2024 Increase		258
Portioned Assessment	320,630	

Reserve Balances



Reserve funds are generally used to pay for larger capital purchases and projects, they can be looked at as ‘savings account’ dollars put away each year for the future.

Contributions or 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 (taking dollars out of your built-up savings account 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



Reserves are used to keep taxes stable, otherwise tax rates would fluctuate or vary 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.

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.

Reserve Balances Continued



“Specific Purpose” reserves – such as the Equipment Reserve and Road Reconstruction Reserve must be used for their intended purpose, use of money from a reserve for something other than its intended purpose requires a public hearing.

- ❖ Council proposes to fund 2024 equipment purchases with specific reserve fund transfers of \$504,000.
- ❖ Rural Infrastructure investments of \$361,150 will be fully funded by depleting the former “Rural Gas Tax Reserve”.
- ❖ Urban Infrastructure investments of \$197,000 will be partially funded with a \$135,000 transfer from the CCBF Reserve.
- ❖ Improvements to Parks & Greenspaces of \$28,000 are funded with \$13,000 from the Recreation Reserve.
- ❖ A major investment of \$74,000 in the municipality’s IT and security infrastructure is funded through a transfer from the general reserve.
- ❖ Preliminary engineering for improvements to the community hall is funded by \$75,000 from the Recreation Reserve.
- ❖ The annual debenture payment of \$72,309 is paid with revenues from past and current lot sales from the Development Reserve.
- ❖ The mandatory asset management plan is funded with \$33,560 that was set aside in 2023 consisting of Government funding.

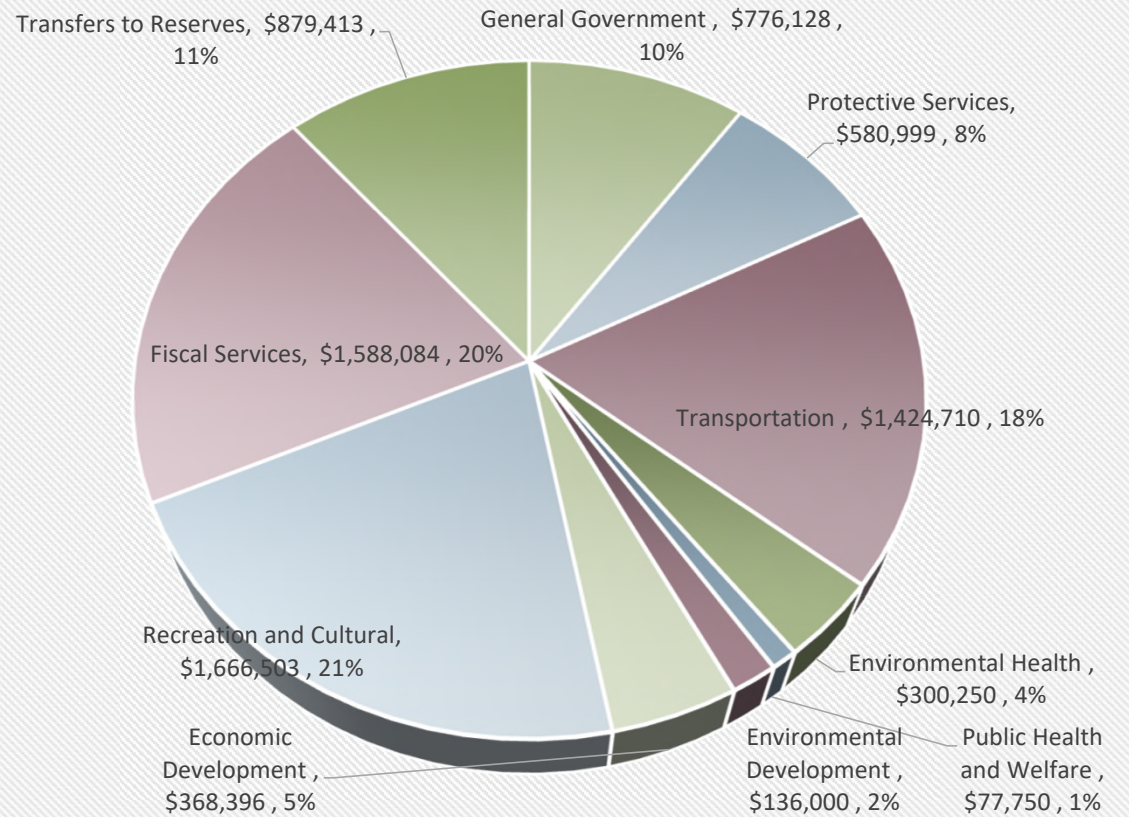
\$3,700,901 Reserve Balances as of December 31, 2023

FUND	BALANCE	DESCRIPTION
Property Development	219,904	Funding of future developments
Handi-Transit	39,911	Replacement fund
Gas Tax Rural	361,150	Rural infrastructure improvement
General Reserve	299,020	Unspecified
Equipment Reserve	525,846	Equipment replacement
Fire Equipment Reserve	283,430	Fire equipment replacement
Recreation Reserve	741,661	Recreational facilities
Property & Infrastructure Reserve	395,273	Municipal Infrastructure
CCBF Reserve	449,519	Infrastructure, Water & Sewer, Facilities (capital)
Building Reserve	31,719	Municipal Buildings
Utility General Reserve	327,425	Water & Sewer Projects
Utility Membrane Reserve	26,043	Water Plant Membrane Replacement

2024 Budgeted Expenditures

Excludes DFA claims of \$2,000,000 for

- General Government
- Protective Services
- Transportation
- Environmental Health
- Public Health and Welfare
- Environmental Development
- Economic Development
- Recreation and Cultural
- Fiscal Services
- Transfers to Reserves



General Government Services Plan Page 3



Total 2024 budgeted amount \$776,128

Includes:

- Legislative: increase in indemnity & travel related expenses
- Administrative Staff
- Office Expenses
- Legal and audit fees
- Assessment levies and taxation expenses
- Convention expenses
- Property and liability insurance
- Grants provided by the Municipality

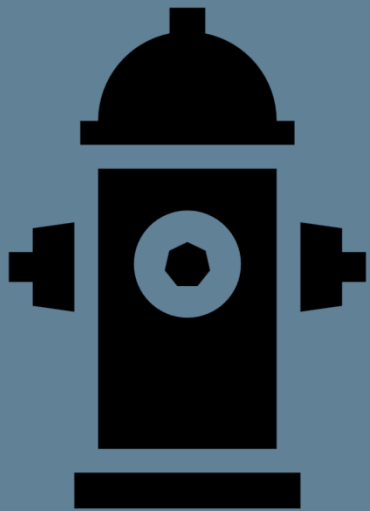
General Government Services Plan Page 3 continued



Total budgeted increase of 19%:

Function	FP CY	FP PY		Notes
Legislative	\$ 103,589.00	\$ 67,400.00	54%	Increase indemnity & travel related costs
Chief Administrative Officer and Staff	\$ 338,545.00	\$ 289,000.00	17%	Increase to 40 hr week due to staff shortage in other departments
Office	\$ 59,500.00	\$ 40,000.00	49%	New additional costs for IT & cybersecurity & webhosting services
Legal	\$ 10,000.00	\$ 10,000.00	0%	No change
Audit	\$ 48,680.00	\$ 21,000.00	132%	Also includes cost for service delivery review consulting engagement
Assessment	\$ 49,014.00	\$ 51,000.00	-4%	No significant change
Taxation	\$ 8,500.00	\$ 8,000.00	6%	No significant change
Elections	\$ 1,500.00	\$ 1,500.00	0%	No significant change
Conventions	\$ 48,100.00	\$ 46,000.00	5%	Increase in travel related costs
Damage Claims and Liability Insurance	\$ 43,000.00	\$ 43,000.00	0%	No significant change expected
Intergovernmental Relations	\$ 19,500.00	\$ 16,000.00	22%	Increase due to staff recognition retirement
Grants - General	\$ 9,400.00	\$ 17,000.00	-45%	Consistent with PY, change due to reclassification
Other General Government-Sundry	\$ 46,800.00	\$ 48,000.00	-3%	Civic Centre Operations
TOTAL	\$ 786,128.00	\$ 657,900.00	19%	

Protective
Services
Plan Page 3

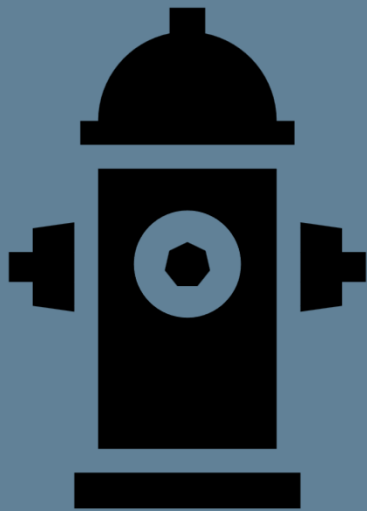


Total 2024 budgeted amount \$580,999
(excludes \$2,000,000 DFA claims)

Includes:

- Police Contract Fees
- Fire Department Operations
- Emergency Coordinator Contract
- 911 Fees
- Building Inspection
- Animal and Pest Control

Protective Services Plan Page 3 continued



Total budgeted increase of 8%:

Function	FP CY	FP PY	%	Notes
Police	394,424	355,000	11%	Increase in contract fees
Fire	121,525	123,500	-2%	Budget reduced to align with actual spending PY
Emergency Measures Organization	3,500	3,500	0%	No significant changes
Other Protective Measures	17,400	17,000	2%	Code Red & 911
Building Inspection	29,150	23,000	27%	Budget increased to align with actual time spent
Animal and Pest Control	15,000	15,000	0%	No significant changes
Total	580,999	537,000	8%	

Transportation Services Plan Page 3-4



Total 2024 budgeted amount \$1,424,710

Includes:

- Snow Removal and Grading
- Gravel Program and Mowing
- Sidewalks and Boulevards
- Drainage and Culverts, Scrubbing
- Public Works Employee Wages
- Machinery Repairs and Maintenance.
- Fuel, Oil, and Insurance
- Small Tools and Supplies
- Street lighting
- Shop expenses
- Handi-Transit Operations

Transportation Services Plan Page 3-4 (continued)



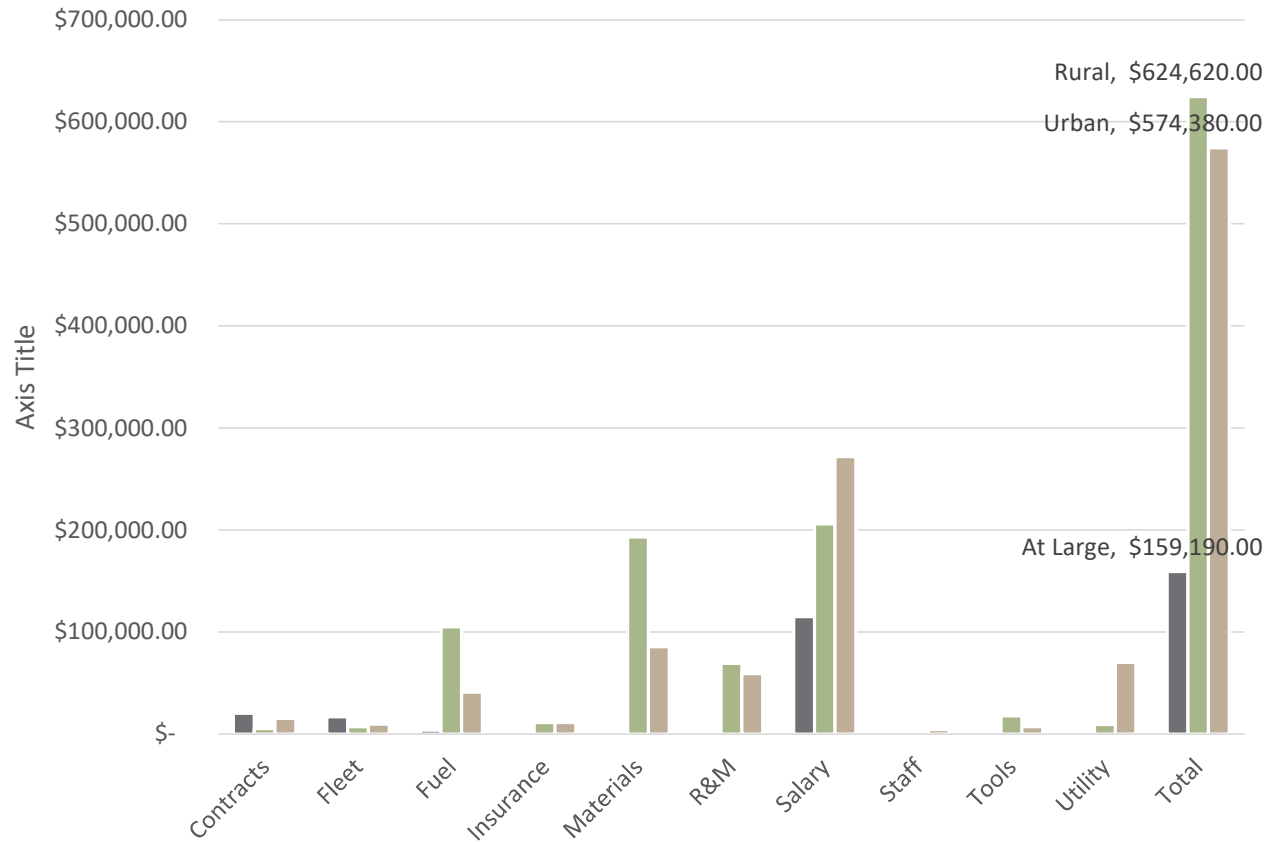
Total budgeted increase of 6%:

	FP CY	FP PY	%	Notes
Administration	122,110	137,500	-11%	Staffing changes
Unallocated - Wages and Benefits	480,220	429,200	12%	Wage increases and increase in staff level for job share for W&S trainees and less reliance on contracting
Unallocated - Equipment Fuel	146,000	158,000	-8%	Adjusted closer to actual
Unallocated - Equipment R&M	123,300	107,000	15%	Budget adjustment to be closer to actual and based on closer analysis of equipment fleet
Unallocated - Equipment Insurance	38,730	39,500	-2%	No significant changes
Workshop and Yard Operations	69,350	50,800	37%	Building maintenance (overhead doors & heaters)
Roads – Material	246,900	230,000	7%	\$40k from \$30k more streets, \$22k more gravel, \$30k roads
Roads – Contracts	15,000	15,000	0%	Crack filling
Boulevards & Sidewalk	10,000	5,000	100%	\$5k more for repairs
Ditches and Road Drainage	20,000	40,000	-50%	Adjusted closer to actual, not capital
Storm Drains	10,000	10,000	0%	Storm drains
Snow Removal	10,000	8,000	25%	Sand
Bridges	8,200	8,500	-4%	Swinging Bridge
Street Lighting	60,000	60,000	0%	No significant changes
Traffic Services	9,500	7,000	36%	Signage
Other Road Transport	4,000	4,000	0%	Dock and Dam R&M
Handi-Transport Services	51,400	40,200	28%	H-Transit (includes operating grant)
Total	1,424,710	1,349,700	6%	

Transportation Services Plan Page 3-4 (continued)



Expenses by Service Area (normalized)



Environmental
Health
Services
Plan Page 4
(continued)



**Total 2024 budgeted Amount
\$300,250**

Includes:

- Waste Disposal Grounds
- Waste Collection
- Recycling Services
- Municipal Wells
- Water Resources

Environmental Health Services Plan Page 4 (continued)



Total budgeted increase of 6%:

Function	FP CY	FP PY	Change	Notes
Garbage Collection	84,500	71,040	19%	Increase due to fuel surcharges
Recycling Collection	89,500	71,040	26%	Increase due to fuel surcharges and setup for paint collection point
Transfer Site	106,550	102,000	4%	Increase due to fuel surcharges
Municipal Wells	2,700	3,000	-10%	Adjusted to PY actual
Public Rest Rooms	17,000	20,000	-15%	Adjusted to PY actual
Total	300,250	267,080	12%	

Public Health
and Welfare
Services
Plan Page 4



**Total 2024 budgeted amount
\$77,750**

Includes

- Cemetery
- Medical Recruitment
- Social Welfare

Public Health and
Welfare
Services
Plan Page 4
(continued)



Total budgeted decrease 3%

Function	FP CY	FP PY	Change	Notes
Cemeteries	66,350	68,700	-3%	Adjusted closer to PY actual for lower activity due to drier year
Medical Personnel Recruitment	5,400	5,400	0%	No significant changes.
Social Assistance	6,000	6,000	0%	No significant changes.
Total	77,750	72,373	-3%	

Environmental
Development
Services
Plan Page 4



Total 2024 budget \$136,000

Includes:

- Planning and Zoning
- General Assembly
- Urban Renewal
- Beautification

Environmental Development Services Plan Page 4 (continued)



Total budgeted increase 22%

Function	FP CY	FP PY	Change	Notes
Planning and Zoning	61,000	70,000	-13%	Planning review (delayed from 2023)
General Land Assembly	46,000	20,500	124%	Conservation (Dutch Elm) Contract & Internal
Urban Renewal	10,000	10,000	0%	Forestry Program
Beautification and Land Rehabilitation	19,000	10,950	74%	Beautification (incl. municipal operating grant)
Total	136,000	111,450	22%	

Economic
Development
Services
Plan Page 5



Total 2024 budgeted amount \$368,396

Includes:

- Rural Area Weed Control
- Veterinary Levies
- Conservation District Levies
- Regional Development
- Industrial Development
- Tourism
- Community Development

Economic Development Services Plan Page 5 (continued)



Total budgeted increase 45%

Function	FP CY	FP PY	Change	Notes
Rural Area Weed Control	75,300	70,000	8%	Based on quote
Veterinary Services	13,847	13,187	5%	Based on levy request
Water Resources and Conservation	14,609	15,080	-3%	Based on levy request
Regional Development	188,560	140,000	35%	Asset Management (partially grant funded), Feasibility Study)
Industrial Development	3,000	3,000	0%	No significant change
Tourism	15,100	13,000	16%	Includes 2 staff for summer and promo material
Economic Development	57,980	0	100%	Reclassified from Regional Development, original grant \$80k, reduced to \$58k for operations of Economic Development Sector
Total	368,396	254,267	45%	

Recreation
and Culture
Services
Plan Page 5



**Total 2024 budgeted amount
\$1,666,503**

Includes:

- Recreation & Recreation Commission
- Recreation Facilities (Skating Rink, Curling Rink, Pool, Campground etc.)
- Cultural Facilities (Hall, Theatre, Library etc.)

Recreation and Culture Services Plan Page 5



Total budgeted increase 2%

Function	FP CY	FP PY	Change	Notes
Recreation Admin & Management	168,700	159,900	6%	Parks & Rec Management
Recreation	90,650	92,450	-2%	Decrease due to smaller insignificant variances.
Community Centers and Halls	14,250	12,100	18%	Investment in smaller equipment (i.e. table dollies)
Swimming Pools and Beaches	202,750	183,800	10%	Increase mostly due to staff , utilities and chemicals
Skating Rinks and Arenas	460,500	479,400	-4%	Insurance and utilities FP adjusted closer to 2023 actuals
Parks and Playgrounds	170,050	80,050	112%	Increase mostly due to salary (incl. reallocations, more significant fleet repairs and replacement.
Other Recreational Facilities (Campground)	109,682	167,500	-35%	Reclassifications and interdepartmental transfers in PY make up majority of variance
Recreational Operating Grants	346,321	346,320	0%	No significant change
Libraries	40,000	40,000	0%	No significant change
Other Cultural Facilities	10,000	10,000	0%	Heritage, Theatre operating grant
Movie Theatre	53,600	60,000	-11%	Budget adjusted closer to actual PY
	1,666,503	1,631,520	2%	

Fiscal Services & Transfers Plan Page 5



Total 2024 budgeted amount \$1,588,084 fiscal services and \$879,413 reserve transfers

Includes:

Fiscal Services:

- ✓ Capital Investments (see slide 47)
- ✓ Debenture payments (see slide 48)
- ✓ Tax Discounts

Reserve Transfers:

- ✓ Transfer to General Reserve
- ✓ Transfers to Special Purpose Reserves

Fiscal Services & Transfers Plan Page 5



Total budgeted increase 29%

Function	FP CY	FP PY	Change	Notes
Transfer to Capital - Page 13	1,469,396	930,860	58%	Equipment, Infrastructure, IT, Security
Debenture Debt Charges - Page 11	90,688	90,687	0%	Loan repayments for two debentures
Tax discount and short-term loan interest	28,000	20,000	40%	Cost of 1% discount for July payments
Other Fiscal Services	-	26,887	-100%	Tax incentive expired in 2023
General Reserve	75,000	75,000	0%	Annual provision
Equipment Replacement	270,000	250,000	8%	Annual provision for equipment
Capital Development	100,000	100,000	0%	Annual provision for Infrastructure
CCBF	150,413	154,013	-2%	Annual transfer of Federal Funding
Fire Equipment	75,000	50,000	50%	Annual provision for Equipment Fire Dept.
Recreation	100,000	110,000	-9%	Annual Provision for Recreational Facilities
Building	10,000	10,000	0%	Municipal Buildings
Development	75,000	75,000	0%	Annual Provision based on estimate lot sales
Transfer to Trust	24,000	24,000	0%	Annual Provision MWM Agreement
Total	2,467,497	1,916,448	29%	

PROJECTS – 2024

- Fire Department Equipment various
- Snow Blower to improve speed and efficiency of snow removal in urban and rural areas
- Skid Steer, roller and mower to replace older equipment while providing additional functionality
- Security System in municipal facilities to ensure public safety
- Mulcher to process sod ridges created during gravel reclaiming
- Excavator to be utilized for annual gravelling program as well as drainage and water and sewer excavations
- Paving Portion Veterans Way and 3rd Street between 5th and 7th Avenue
- Office Front Entrance and Public Washroom renovation
- Stormwater Drainage at Lansdowne and 4th Avenue E
- Rural Bridge & Drainage Repairs Road 124 (2 locations)
- IT Infrastructure and Cybersecurity



Debt Plan Page 11



2024 Outstanding debt of \$137,216:

Forrest Subdivision with an annual payment of \$72,309, expiring in 2024, paid by a reserve containing lot sales revenues.

Debt for Civic Centre Renovations with an annual payment of \$18,379, expiring in 2027, paid with an annual mill rate of 0.077%.

Total allowable debt per Provincial Regulation is

1. Maximum of 7% of Total Assessment – our current level is less than .06%.
2. Maximum of 20% of Revenues – our current level is 1%

The municipality is operating with an extremely low debt position.

Reserve Funds



Council is intending to withdraw a total of \$1,268,020 from various reserves to fund a number of capital and other larger projects in 2024.

However, Council has also made provisions to replenish reserves with \$879,413, in 2024, resulting in a projected net decrease of \$388,607 in reserve funds overall.

Long term capital planning in sync with annual reserve contributions help generate the cash flow required for future projects and capital investments that are part of Council's strategic plan for the community.

Capital Budget Plan Pages 13 & 14



In the annual budget, municipalities are required to plan the current year's capital purchases/projects and put some thought into future capital acquisitions, such as asset purchases and infrastructure upgrades.

Some of the expenditures Council is considering for 2025 - 2029 include municipal equipment, street and road improvements, an enhanced/upgraded Complex, Water & Sewer Renewal as well as upgrades to equipment for the local Fire Department.

The five-year program is simply a plan, as completion of these capital initiatives will depend on a number of factors, such as: other expected or unexpected priorities, affordability, funding availability, cost and public sentiment. There will no doubt be other and more pressing priorities identified during this period. As well, any Council can and will set its own unique priorities.

Water & Sewer Plan Page 6



Total 2024 budgeted amount \$1,176,852

Includes:

- Administration of Utility including billing
- Water purification, well operation
- Distribution network and connections
- Sewer collection system
- Sewage treatment and disposal
- Sewer connections

Due to the significant increase in input costs for chemicals and supplies the utility has to look at a rate increase and complete a water rate study to be submitted to the Public Utilities Board (PUB). We have not incurred a deficit but had to delay some planned projects to offset the increased operating costs. We are confident that by proactively looking at our rate structures we can avoid future deficits and maintain financial stability while keeping our systems in good order.

We will complete the well project we had been working on with Manitoba Water Services Board in 2024 and will apply for additional funding to be applied towards some of the planned network maintenance.

Some of these planned projects are:

Pine Avenue Water & Sewer
Renewal

Valve & Hydrant Renewal

Bulk Water System Repairs

Other additional equipment

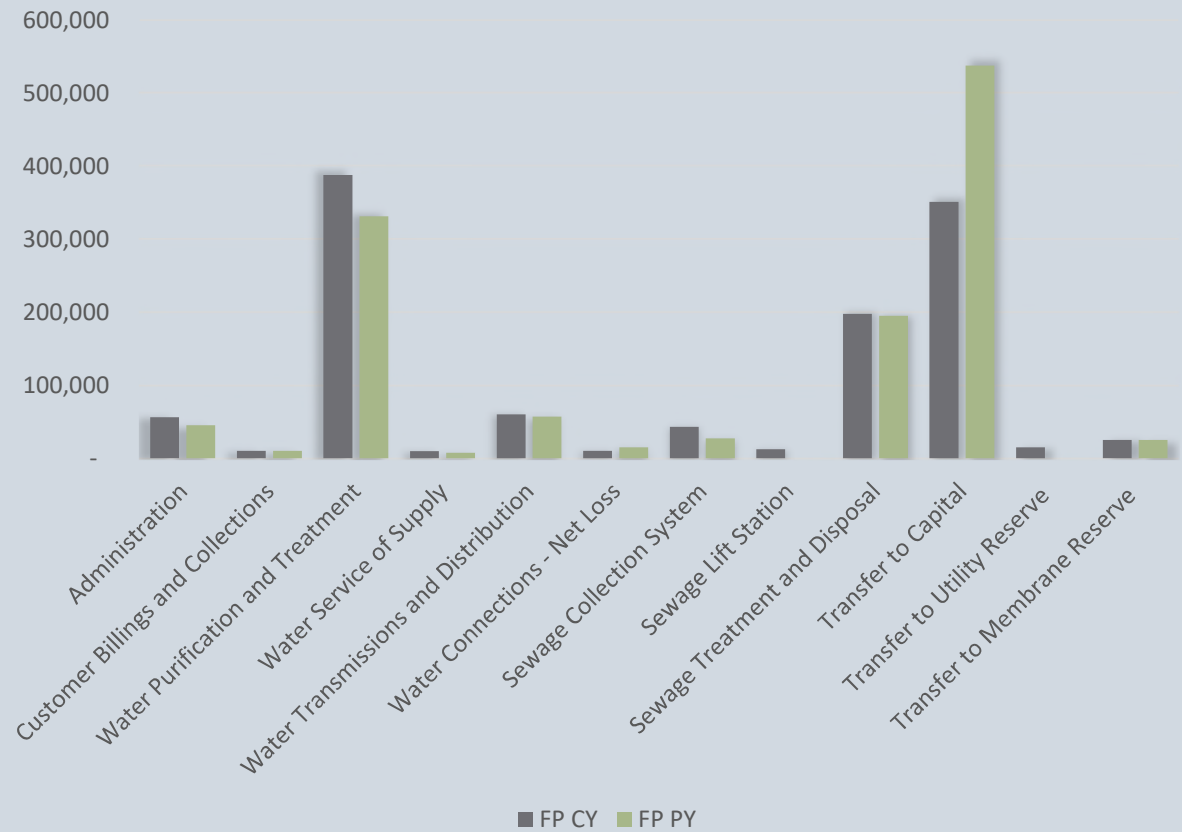
Souris Utility – Plan Page 6



Water & Sewer Plan Page 6 (continued)



W&S EXPENSES



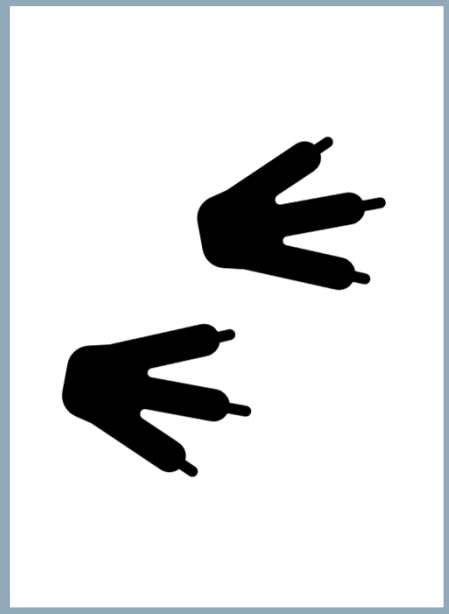
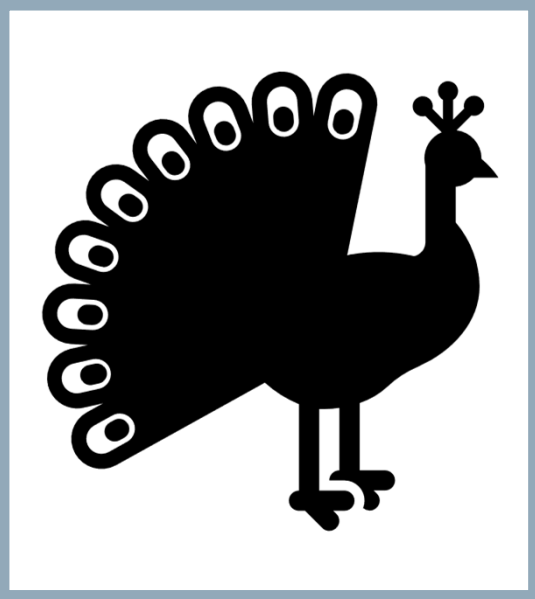
The Past Year - 2023

Despite challenges due to ever-increasing costs, service demands and expectations, provincial downloading, changing provincial regulations and red-tape, we successfully managed to stay within our 2023 budget and posted a surplus.

We have had to overcome some equipment failures this year, unfortunately impacting the timing, completion and levels of services deliveries in some areas. However, we continue to believe in the potential of cost-savings that can be realized by investing long-term into municipal equipment and employing dedicated, capable and hard-working staff to efficiently operate it instead of having the annual cash outflow that is required for custom work.

The Municipality cannot operate effectively; provide efficient and fair service delivery for our residents and ratepayers; spend your tax dollars wisely; apply for project grant dollars; and carryout Council directives and reach their goals without stable, experienced and trained staff in place!





Questions ??????

THE END OF THE FINANCIAL
PLAN 2024 PRESENTATION