



**2025 MUNICIPALITY OF
BIFROST-RIVERTON
FINANCIAL PLAN
BORROWING**

WELCOME

Municipality of Bifrost-Riverton 2025 Budget

Hearing Agenda

1. Open Public Hearing
2. Budget Purpose
3. Presentation of Service Plans
4. Adopting a Financial Plan
5. 2024 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 Fund, 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.



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.



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. May 15 of that year.

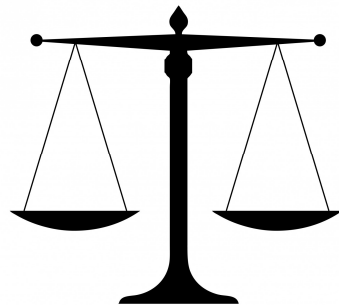
PUBLIC
NOTICE



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.

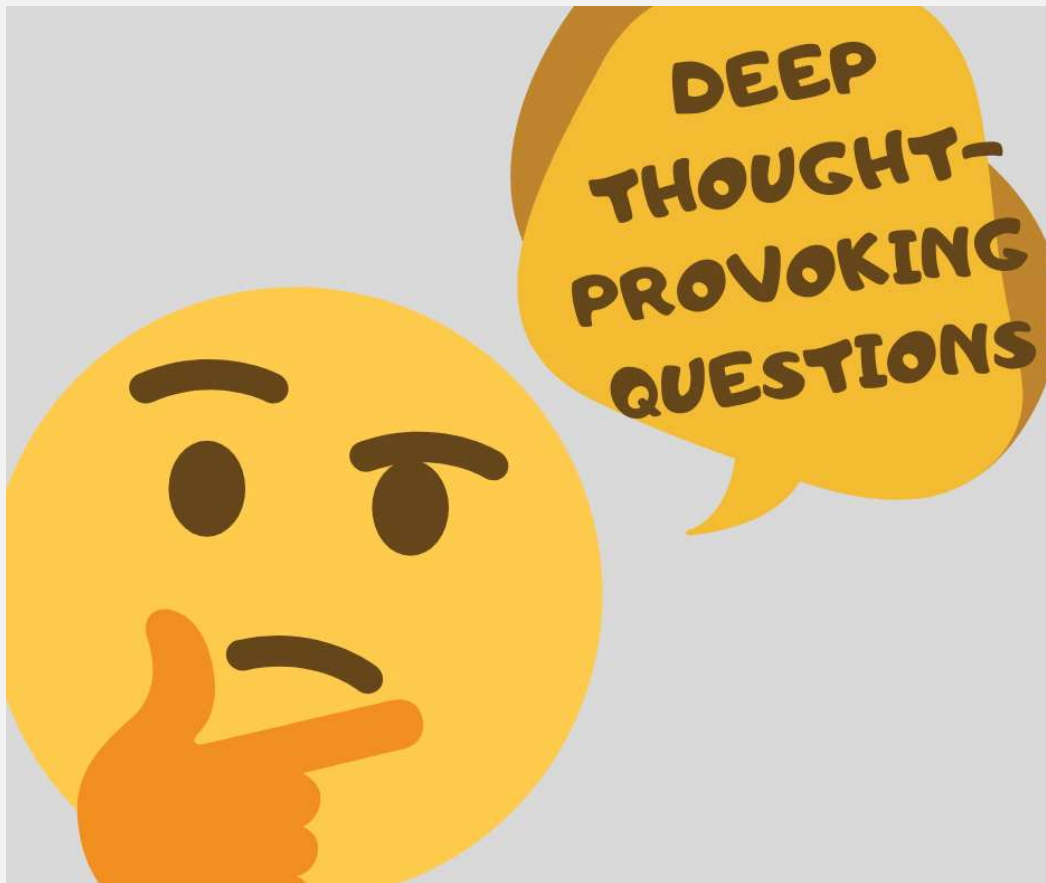


The Financial Plan Includes:

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 2025 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?



2024 Budget Highlights



Completed the paving of the parking lot at the new Riverton-Bifrost Fire Hall, Council also extended the paving to include the Community Centre and Curling Rink. This year line painting will complete the project.

2024 Budget Highlights



Council purchased a 2024 CAT 323-07 Excavator. The purchased was borne from a transfer from the Machinery Reserve and borrowing.

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:

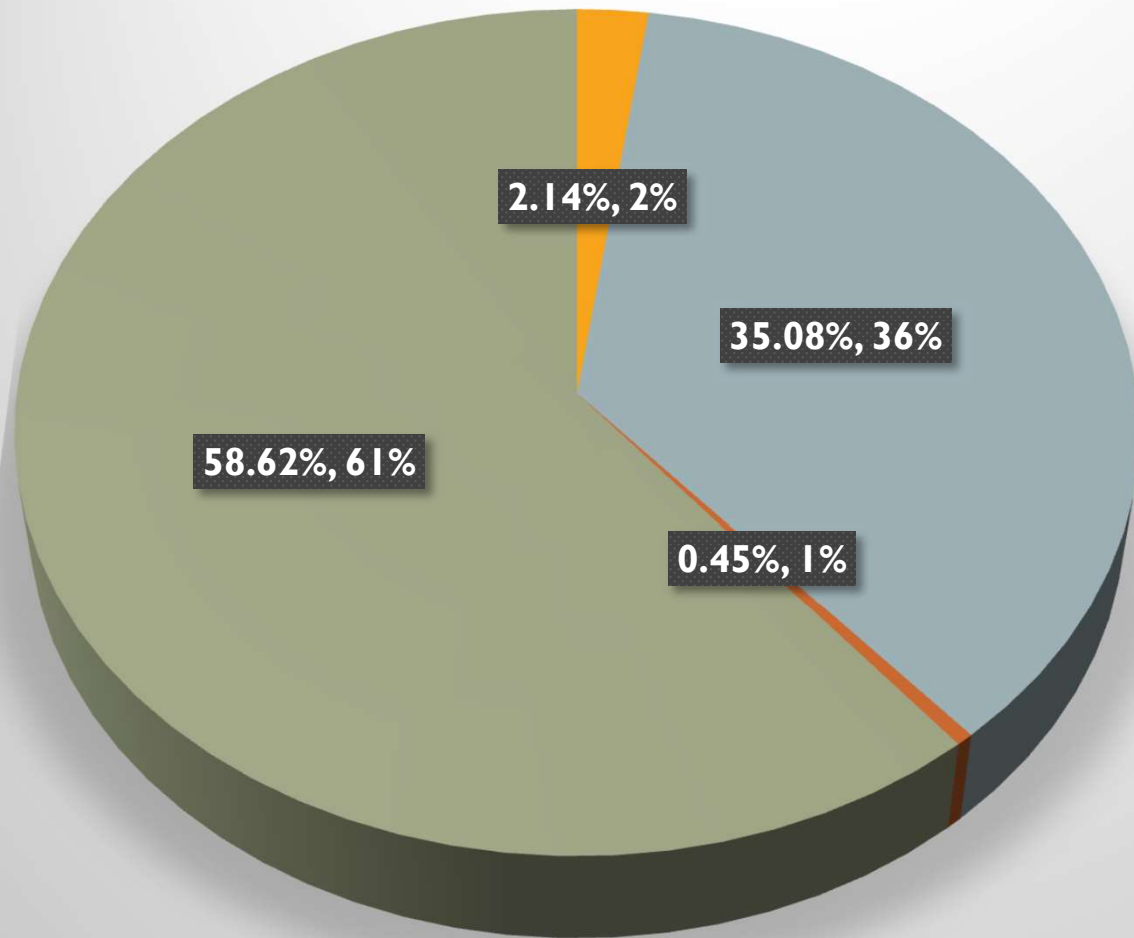
	Class Percentage
Residential 1	45.0%
Residential 2	45.0%
Residential 3	45.0%
Farm Property	26.0%
Institutional	65.0%
Pipeline	50.0%
Railway	25.0%
Designated Recreational	10.0%
Other	65.0%

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.

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

2025 Tax Distribution

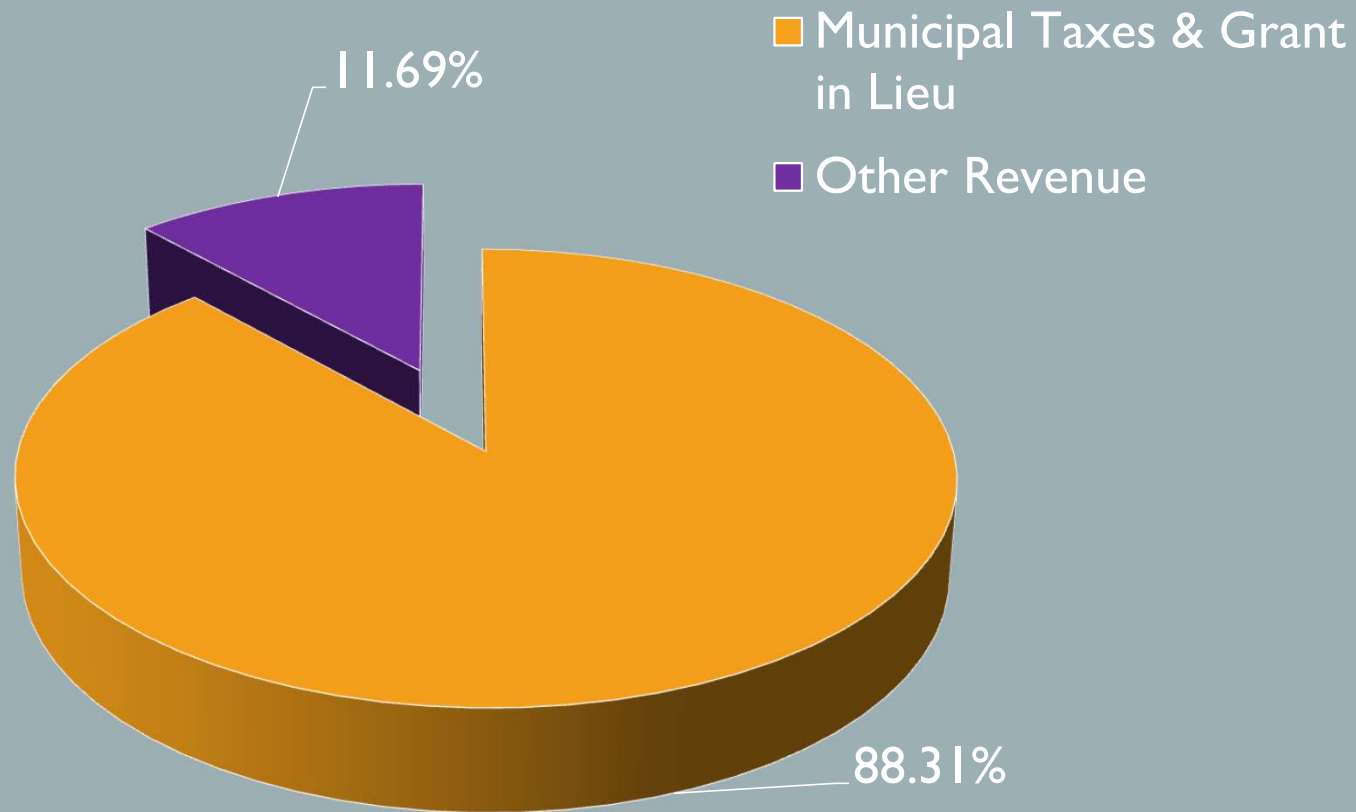


- Provincial ESL
- Evergreen School Div.
- Lakeshore School Div.
- Bifrost-Riverton

Revenue & Expenditure - GOF

	2024	2025
Other Revenues & Transfers	\$648,656	\$690,421
Municipal Tax & Grant in Lieu	\$8,049,294.80	\$8,398,166.49
Basic Expenditures	\$5,904,164.51	\$5,906,431.76

2025 Percentage of Total Revenue





REVENUE

	Last Year Budgeted	Last Year Actual	This Year Budgeted	Next Year Budgeted
Total Tax Levy - Page 8	7,847,439.80	7,921,309.18	8,198,522.14	8,077,924.00
Total Grants in Lieu of Taxes - Page 8	201,855.00	131,083.35	199,644.35	195,200.00
Sub-total	8,049,294.80	8,052,392.53	8,398,166.49	8,273,124.00
School Requisitions (deduct) - Page 8	2,792,475.00	2,781,651.40	3,181,105.00	2,795,000.00
Municipal Taxes and Grants in Lieu of Taxes	5,256,819.80	5,270,741.13	5,217,061.49	5,478,124.00
Other Revenue - Page 2	648,656.00	4,718,541.26	690,421.00	648,656.00
Transfers from Accumulated Surplus & Reserves - Page 2	0.00	0.00	0.00	0.00
Total Municipal Revenue	5,905,475.80	9,989,282.39	5,907,482.49	6,126,780.00

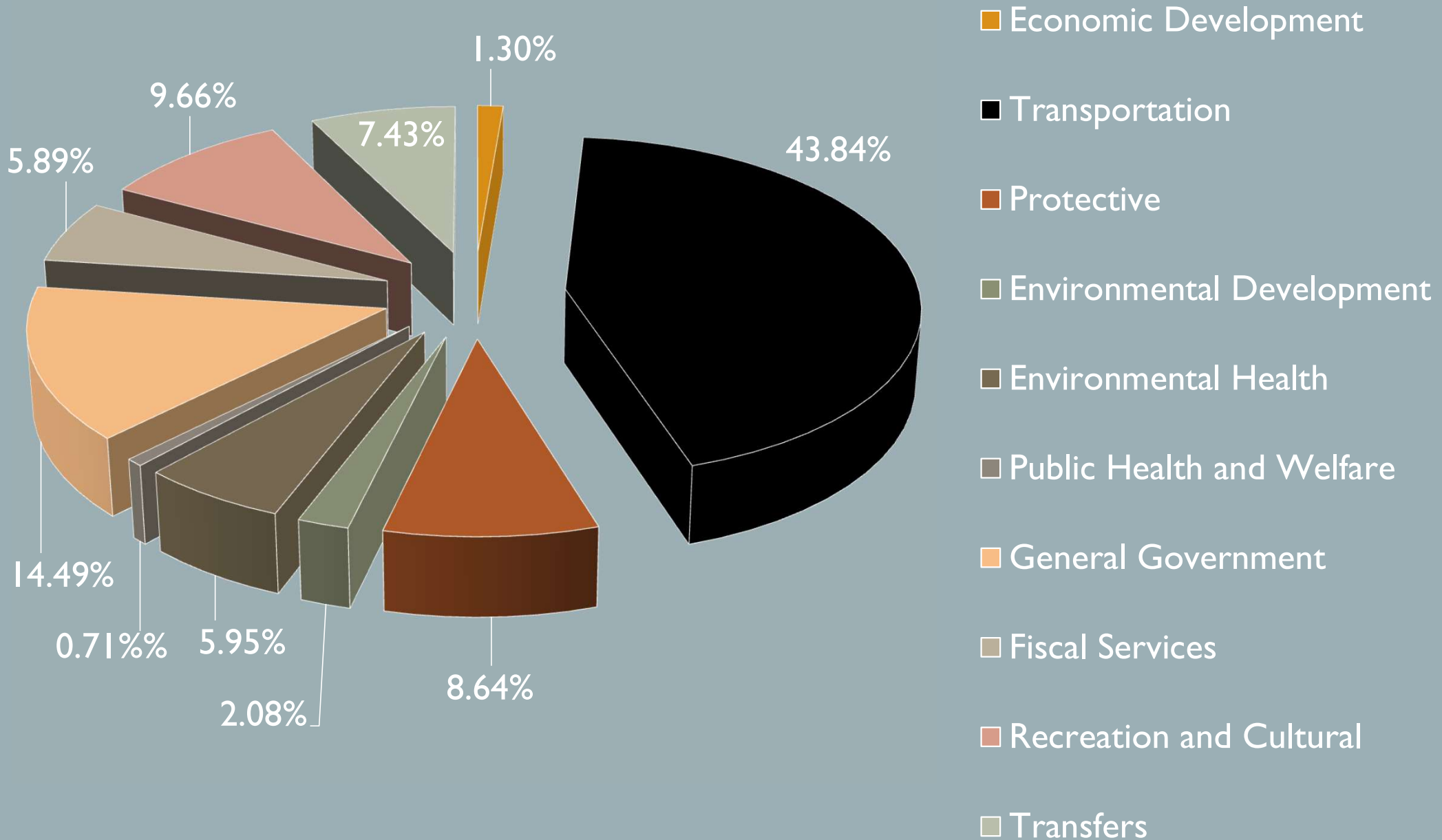
Other Revenue con't



Conditional Grants				
- Federal - Gas Tax	190,056.00	190,056.00	190,056.00	190,056.00
-Grazing Lease	23,000.00	28,775.86	23,000.00	23,000.00
- Conditional Grant - Misc	0.00	794,040.29	0.00	0.00
- Summer Student	0.00	3,611.49	0.00	0.00
- Other Summer Student	0.00	0.00	0.00	0.00
- DFA	0.00	2,867,524.87		0.00

The reason for the much higher actual revenue is the reimbursement of funds from the Disaster Fund Assistance program with regards to the 2022 Flood Event.

Percentage of Total Expense



Expenditure

General Government Services P 3	789,560.00	706,146.87	855,855.00	877,050.00
Protective Services P 3	451,900.00	3,266,453.37	510,395.00	524,050.00
Transportation Services P 3&4	2,307,460.00	2,391,431.71	2,589,250.00	2,846,250.00
Environmental Health Services P 4	317,250.00	294,154.93	351,727.00	368,300.00
Public Health and Welfare Services P 4	42,020.00	26,192.51	41,750.00	42,750.00
Environmental Development Services P 4	161,500.00	127,941.71	123,000.00	134,000.00
Economic Development Services P 5	104,250.00	66,995.13	77,000.00	109,500.00
Recreation and Cultural Services P 5	531,350.00	519,027.44	570,850.00	616,880.00
Fiscal Services P 5	880,194.51	627,109.45	347,788.76	358,000.00
Transfers - Deficit Recovery - Page 9	0.00	0.00	0.00	0.00
- To Reserves - Page 5	318,680.00	374,717.39	438,816.00	250,000.00
Total Basic Expenditure	5,904,164.51	8,400,170.51	5,906,431.76	6,126,780.00
Allowance For Tax Assets - Page 8	1,311.29		1,050.73	
Total Municipal Expenditure	5,905,475.80	8,400,170.51	5,907,482.49	6,126,780.00



2025 Utility Budgets Revenue

	Last Year Budgeted	Last Year Actual	This Year Budgeted	Next Year Budgeted
SEWER SERVICE CHARGES - Residential	58,725.00	58,975.09	58,725.00	58,725.00
Net Consumer Revenue - Sub Total	58,725.00	58,975.09	58,725.00	58,725.00
Penalties	1,000.00	1,073.22	1,000.00	1,225.00
Provincial Grants			0.00	
Other Revenue			0.00	1,000.00
Transfer from Revenue Fund - Page 5	25,000.00		0.00	
Transfer from Reserves - Utility - Page 13	25,000.00		0.00	
Transfer from Accumulated Surplus				
Revenue - Sub Total	51,000.00	1,073.22	1,000.00	2,225.00
TOTAL REVENUE	109,725.00	60,048.31	59,725.00	60,950.00



2025 Utility Budget Expense

SEWAGE COLLECTION AND DISPOSAL

Administration

2,750.00	2,750.00	2,750.00	2,750.00
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Sewage Collection System

	14,990.55	15,000.00	
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Sewage Lift Station

5,000.00	5,066.02	5,000.00	5,500.00
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Sewage Treatment and Disposal

4,000.00	6,991.68	4,000.00	5,000.00
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Other Sewage Collection and Disposal Costs

47,975.00	23,797.67	32,975.00	4,700.00
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Interest on Debenture

0.00	2,845.05	0.00	40,000.00
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TOTAL

59,725.00	56,440.97	59,725.00	60,950.00
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TRANSFER TO CAPITAL - Page 13

50,000.00		0.00	
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Transfer to Utility Reserve

	3,607.00		
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Contribution from GOF

0.00	0.00		
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TOTAL

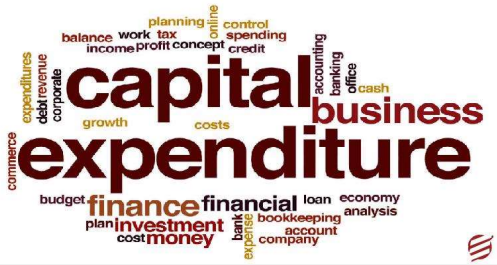
0.00	3,607.00	0.00	0.00
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TOTAL EXPENDITURE

109,725.00	60,047.97	59,725.00	60,950.00
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NET OPERATING SURPLUS (DEFICIT)

0.00	0.34	0.00	0.00
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2025 Debenture Debt Charges

Purpose	By-law No.	Maturity (year)	Opening Balance	Principal	Closing Balance	Interest	Total Payment	Net Required by Mill rate
Lagoon Expansion	02-2012	2027	54,378.98	17,419.54	36,959.44	2,175.08	19,594.62	19,594.62
Graders	05-2020	2025	121,054.81	121,726.12	0.00	1,066.37	122,792.49	122,792.49
RBFD Fire Hall	09-2022	2037	903,653.36	51,668.90	851,984.46	43,375.36	95,044.26	95,044.26
Excavator	3-2024	2029	170,000.00	30,157.39	139,842.61	10,200.00	40,357.39	40,357.39



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		100,000.00			\$105,872.00
Building Reserve		45,000.00			\$141,157.00
Drainage Reserve					\$99,786.00
Federal Gas Tax		125,000.00			\$497,226.00
General Reserve					\$281,245.00
Machinery Reserve		42,000.00			\$25,963.00
Riverton and Area Economic Dev					\$48,344.00
Riverton Cap Devel Reserve					\$77,016.00
Riverton Fire Capital		70,000.00			\$324,811.00
Riverton Lagoon					\$26,062.00
Riverton Utility			0.00		\$68,595.00



Proposed Borrowing

Municipalities are increasingly planning for and undertaking large, expensive capital projects. The magnitude and costs of these projects usually generate public interest. Citizens need to understand what Council is proposing, why, and how the financing of the project will affect them.

Borrowing is an increasingly important source of financing for large capital projects. Long-term borrowing enables a municipality to pay for capital projects (facilities and equipment) over a period of years, often matching the term of the borrowing with the estimated useful life of the capital asset. In this way those who benefit from the capital asset are the ones who pay for it.

Section 172 of *The Municipal Act* sets out council's authority to borrow money to pay for a capital project, refinance an existing debt, pay for a local improvement project, purchase capital equipment, and lease property or capital equipment with a fixed term over three years. A borrowing is authorized by a by-law and must be approved by the Municipal Board.

Section 174.1(1) requires the municipality to give public notice before giving first reading to a borrowing by-law. This ensures citizens have information about proposed projects and can voice any concerns before projects move forward.

Section 174.1(2) specifies the information that must be included in the public notice. Public notice is required for all capital projects, except those funded as local improvements which already require a public consultation process.



Proposed Borrowing

Capital projects include sewer and water projects, municipal buildings, roads, equipment purchases and any other project that includes a capital component. These projects are expensive and can have significant impact on taxes.

If the municipality intends to pay for all or part of the capital project through borrowing, public notice must be given before Council gives the borrowing by-law first reading. This ensures taxpayers have a final opportunity to review, consider and share their views with council before the borrowing by-law is adopted.

Public notice before first reading of a proposed borrowing by-law is required regardless of whether the borrowing was included in the financial plan and presented at the financial plan public hearing.

Providing sufficient information in the notice will help citizens to decide whether they want to attend the meeting to ask questions or to make representations in regards to the borrowing proposal.

Subsection 174.1(2) requires the public notice to include:

- the date, time, and location of the council meeting at which the borrowing by-law will be considered for first reading.
- a general description of the capital project that is to be funded by borrowing
- an estimate of the total cost of the project
- a statement of the amount of the other sources of funding, if any, to be used to pay for the project, and the amount of funding to be provided from each of those sources
- the anticipated maximum rate of interest and the term and the terms of repayment of the borrowing
- the estimated rate of taxation necessary to repay the borrowing.



Proposed Borrowing

PART 3. BORROWING (Subject to Municipal Board Approval)

PROPOSAL	TEMPORARY FINANCING			REPAYMENT	
	Bank Loan	Operating Loan	Reserve Loan	Amount	Term
Riverton Wildfire Unit	130,000.00			17,020.04	10 years
Riverton Forcemain	150,000.00			20,380.19	10 years
Bifrost Wildfire Truck	60,000.00			22,176.02	3 years
TOTAL - Part 1	340,000.00	0.00	0.00		

Questions?