

2024 FINANCIAL PLAN PRESENTATION



RURAL MUNICIPALITY OF GIMLI

Welcome

Welcome to the 2024 Financial Plan Hearing.

This presentation will give a general overview of the 2024 Financial Plan.

There will be an opportunity for questions following the presentation. Or if you would like you are welcome to email your questions to the Municipal Office at gimli@rmgimli.com

The Financial Plan

After a careful and extensive review Council makes the financial decisions for the Municipality. When making those decisions, their role as elected officials is to safeguard the taxpayer's money and make the best use of financial resources; while maintaining or improving service levels.

At the center of the municipal finance system is the budget. Through the budget, Council decides the municipality's priorities for the current year and the upcoming 5 years by balancing the funds for each program or service.

The budget is the single most important policy decision council makes each year. Careful budget planning and control mean better services for the residents.

The budget of a municipality reflects its policies and Strategic Plan.

The 2024 Challenges

- ▶ The main challenges in 2024 continue to reflect Council's ongoing directive to make every effort to manage existing debt servicing and minimize taxation impacts by balancing the increased growth in service delivery to our assessment growth.
- ▶ Council continues to balance a large number of community requests for project funding in alignment with the delivery of expected and required Municipal services as well as the funding of Reserves.
- ▶ Commitment to continue to find new ways to manage the delivery of municipal and community services in the most efficient and cost effective manner.
- ▶ To minimize the use of borrowing for Capital Purchases both current and long term with grant opportunities.
- ▶ To maintain the goals of our long range debt management and the establishment of new revenue sources for the Municipality.
- ▶ To always provide a balanced approach to managing the needs of Municipality while remaining mindful of the importance of being stewards of the environment.
- ▶ To prepare and protect for the future growth and sustainability of our community.

TAXATION

Every year Council meets to set the municipal budget for the coming year. After revenues such as grants from other governments and user fees are taken into account, the balance of the budget must come from property taxes which is referred to the General Mill Rate. The formula used to calculate taxes is:

$$\text{Portioned Assessment} \times \text{Mill Rates}/1000 \text{ (both municipal \& school)} \\ = \text{Property Taxes}$$

2023 to 2024 Mill Rates

Evergreen School Division's mill rate has decreased from 8.140 in 2023 to 8.128 for 2024

The Provincial Levy increased from 9.562 in 2023 to 9.818 in 2024, an increase of 0.256 of a mill

The Municipality's General Mill Rate has increased from 14.206 to 14.788 an increase of .582 of a mill equates to a 4.10% increase. When taking the general debt and additional contributions to reserves into consideration the increase is between 4.94 and 5.35%.

Where do Assessments Come From?

- ▶ Provincial Assessment Services is responsible for the assessment of all real and personal property in the province and outside the City of Winnipeg.
- ▶ Properties in Manitoba are assessed every two years to ensure assessment values keep pace with changing real estate market values.
- ▶ 2023 was a reassessment year based on the market values as of April 1, 2021.

Assessment Changes from 2023 to 2024

	2023	2024	Increase/Decrease
Residential	413,005,850	441,685,520	6.94%
Multi Res	10,093,520	10,644,910	5.46%
Farm	17,550,680	17,669,820	.67%
Institutional	10,648,180	13,049,210	22.54%
Pipeline	1,509,250	1,509,250	-
Railway	325,300	325,300	-
Commercial	91,241,360	103,623,250	13.57%
Recreation	413,500	413,500	-
Condo	40,233,880	43,441,430	7.97%
Totals	585,021,520	632,362,190	

2024 Gimli's Assessment by Classification

Residential 69.85%

Multi Res 1.68%

Farm 2.79%

Institutional 2.06%

Pipeline 0.24%

Railway 0.05%

Other 16.39%

Recreation 0.07%

Condo 6.87%

Revenues

		2023	2023	2024
		Budget	Actual	Budget
Tax Levy - Page 8		15,984,098	15,982,649	17,857,280
Grants in Lieu of Taxes - Page 8		251,297	251,297	375,007
Sub-total		16,235,395	16,233,946	18,232,287
	Requisitions (deduct) - Page 8			
		-6,263,684	(6,282,664)	(6,973,340)
Net Municipal Taxes and Grants in Lieu of Taxes		9,971,711	9,951,282	11,258,947
Other Revenue - Page 2		4,250,490	5,278,056	6,594,654
Transfer-Accumulated Surplus & Reserves - Page 2		5,087,904	603,514	6,347,708
Total Revenue		19,310,105	15,832,852	24,201,309

Expenditures

	2023	2023	2024
	Budget	Actual	Budget
General Government Services	2,327,904	2,035,354	2,169,727
Protective Services	1,047,371	1,275,330	1,447,413
Transportation Services	5,026,280	4,534,388	5,881,395
Environmental Health Services	1,006,908	903,478	1,040,131
Public Health and Welfare Services	87,760	87,281	80,010
Environmental Development Services	187,892	122,741	257,979
Economic Development Services	353,984	276,205	562,827
Recreation and Cultural Services	1,860,222	1,750,327	2,005,687
Fiscal Services	6,752,002	1,764,378	9,832,484
Transfers – Deferred Surplus – Page 9			
– Reserves – Page 5	607,881	2,192,627	866,316
Total Basic Expenditure	19,258,244	14,942,287	24,143,970
Allowance For Tax Assets – Page 8	51,901		57,339
Total Expenditure	19,310,105	14,942,287	24,201,309
Net Operating Surplus (Deficit)	0	890,565	0

Municipal Mill Rates

	2023	2024	Change
General	14.206	14.788	+.582
Reserves	.265	.633	+.368
General Debt	1.384	1.283	-.101
Urban Debt	.565	.527	-.038
Rural Debt	0	0	0
Total Urban Municipal	16.420	17.231	+0.811
Total Rural Municipal	15.855	16.704	+0.849

Additional Mill Rates apply to Properties within Local Improvements are subject to Local Improvement Levies

2024 Mill Rate Impact–Rural

What is the Impact of the 2024 Budget on the **Municipal Portion** of Property Taxes excluding Local Improvement Levies?

Using a Residential Assessment of \$200,000 the 2023 Municipal Taxes in the Rural Area were \$1,426.95

The 2024 Municipal Taxes will be \$1,503.36

An Increase of \$76.41 yearly.

The increase reflects the increase in the General Mill Rate.

2024 Mill Rate Impact–Urban

What is the Impact of the 2024 Budget on the **Municipal Portion** of Property Taxes excluding Local Improvement Levies?

Using a Residential Assessment of \$200,000 the 2023 Municipal Taxes in the Urban Area were \$1,477.80

The 2024 Property Taxes will be \$1,550.79

An Increase of \$72.99 yearly.

The increase reflects the increase in the General Mill Rate.

Where your Municipal Tax Dollars Go

The calculations below are based on \$100 of General Municipal Taxes Levied

	Dollars
General Government Services	8.99
Protective Services	5.99
Transportation Services	24.36
Environmental Health Services	4.31
Public Health and Welfare Services	0.33
Environmental Development Services	1.07
Economic Development Services	2.33
Recreation and Cultural Services	8.31
Fiscal Services	40.72
Reserves	3.59
TOTAL	\$100.00

Capital Expense Planning

- ▶ Each year, municipalities allocate funds to reserves for long range planning.
- ▶ Saving funds through reserves over a long period of time allows Council to make capital expenditures without a significant one-year impact to property taxes or borrowing.
- ▶ For a list of the 2024 Capital Items and Projects please refer to page 13 of the 2024 Financial Plan available on our website.

2023 Achievements

- ▶ Renamed roads bearing the name Colonization in our Community
- ▶ Established Reconciliation Day as an annual Community Event
- ▶ Passed the Short-Term Rental Regulation By Law
- ▶ Passed the Accommodation Tax By Law
- ▶ Waterline replacement for 5th & 6Th project is ongoing
- ▶ Improved Beach Washroom to accommodate year-round access
- ▶ Celebrated with MMF the First MMF days in Gimli
- ▶ Enhanced fire fighting fleet with the purchase of a Rapid Response Vehicle
- ▶ Hosted a Blues Festival and established it as an annual Community Event
- ▶ Award winning Ice Fishing Village and Skating Track
- ▶ Paved the Outdoor Rink
- ▶ Expanded Pickleball Programing
- ▶ Improved drainage at Center and Third
- ▶ Established new management positions to strengthen leadership teams, enhance departmental performance and better serve the community
- ▶ Tendered out the Wastewater Treatment & Collection Capacity Study
- ▶ Approved Asset Management Plan Strategy & Policy demonstrating Council's commitment to Asset Management
- ▶ Received approval on Rec Center Grant 700k

Planned Development & Purchase Priorities 2024

The 2024 planned development projects and purchases are identified on the Capital Budget sheet in the 2024 Financial Plan on page 13.

*If projects are not completed or purchases not made the funds will not be taken from the Reserves.

MEETING THE 2024 CHALLENGE

- ▶ The 2024 Balanced Budget has attempted to manage taxation increases by effectively redistributing past budget allocations and providing more efficient use of operational funding, while funding reserves and managing our debt servicing requirements.
- ▶ The commitment of Council remains in place to increase reserves and reduce the current dependency on debt to finance capital projects and purchases in the Municipality.
- ▶ The Long Range Debt Management Program will be reflective of the need to utilize growth to recover a portion of the debt financing through Utility Rates, Capital Development Levies, Added Taxes, User Fees and a “Developer Pay” strategy.
- ▶ The Goal is to Limit Borrowing for Infrastructure such as sewer, water and new roads.

Continuing Goals

Council will continue with their efforts in the areas of:

- ▶ Strategic planning and development of long term funding strategies for upcoming projects
- ▶ Enhancing our community recreational facilities and programs
- ▶ Preserving our heritage
- ▶ Improving the aesthetics of our community
- ▶ Promoting growth and development in the commercial/business sector
- ▶ Promoting sustainable, efficient and growth in the residential sector with and emphasis on housing options
- ▶ Continually work to provide exemplary municipal operations, municipal servicing while finding operating efficiencies

This concludes the 2024 Financial Plan presentation.

Thank you

We welcome your questions and comments