

2022 Financial Plan Public Hearing

Thursday, April 28, 2022, 5:30 pm



RM OF EAST ST. PAUL

Your Community

- **Vision Statement**

East St. Paul is a vibrant community with a distinctive lifestyle

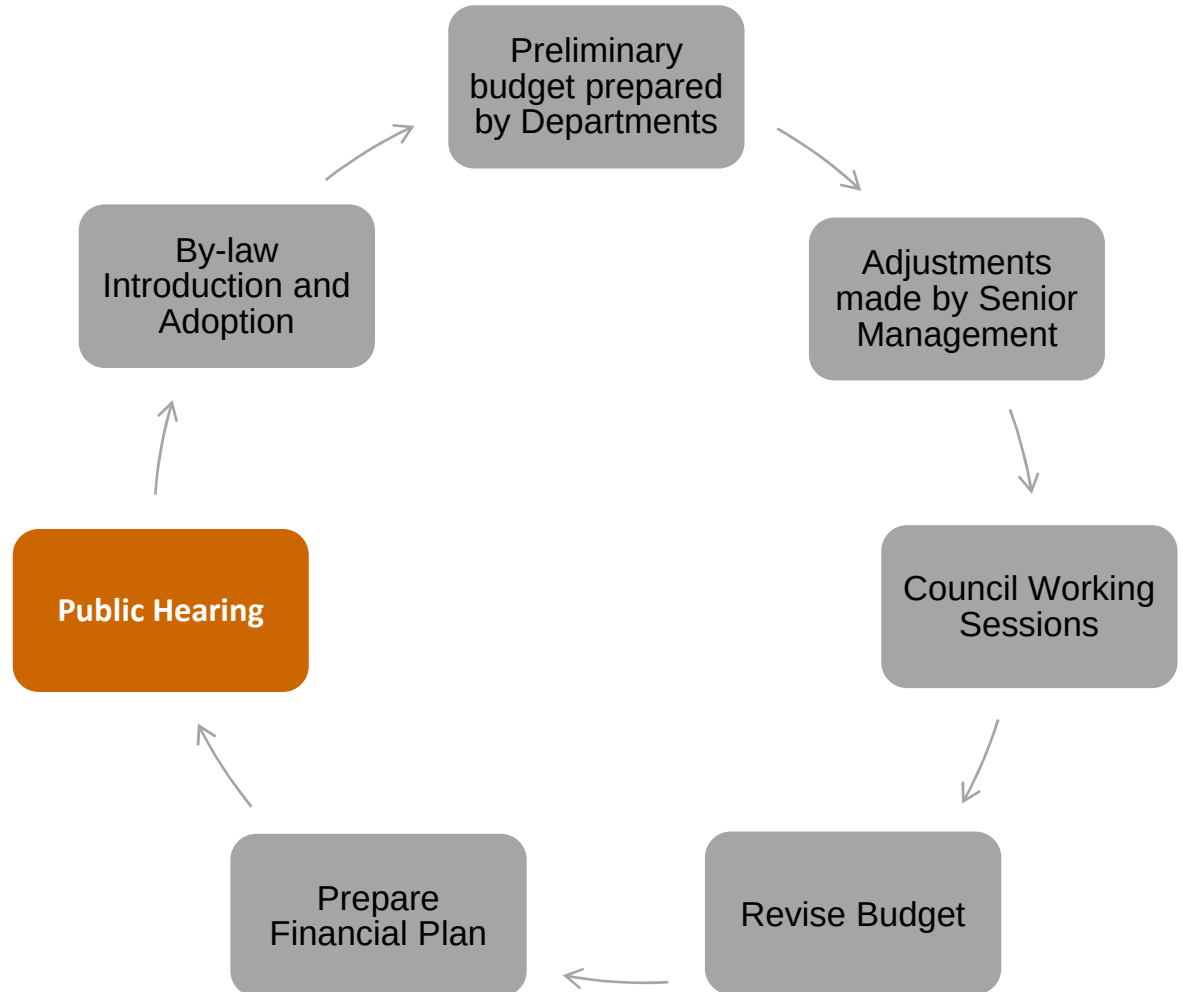
- **Mission Statement**

Our Municipality is committed to ensuring sustainable, efficient and controlled growth. We are dedicated to conserving our heritage, and enhancing our recreation facilities.

Objectives of the Hearing

- Provide residents with an overview of the 2022 Financial Plan, and an opportunity to ask questions, gather information and provide feedback.
- If you would like more details regarding the information presented today, please contact A/CAO Jennifer Rohl at (204) 668-8112 or by e-mail at acao@eaststpaul.com.

Financial Planning Process

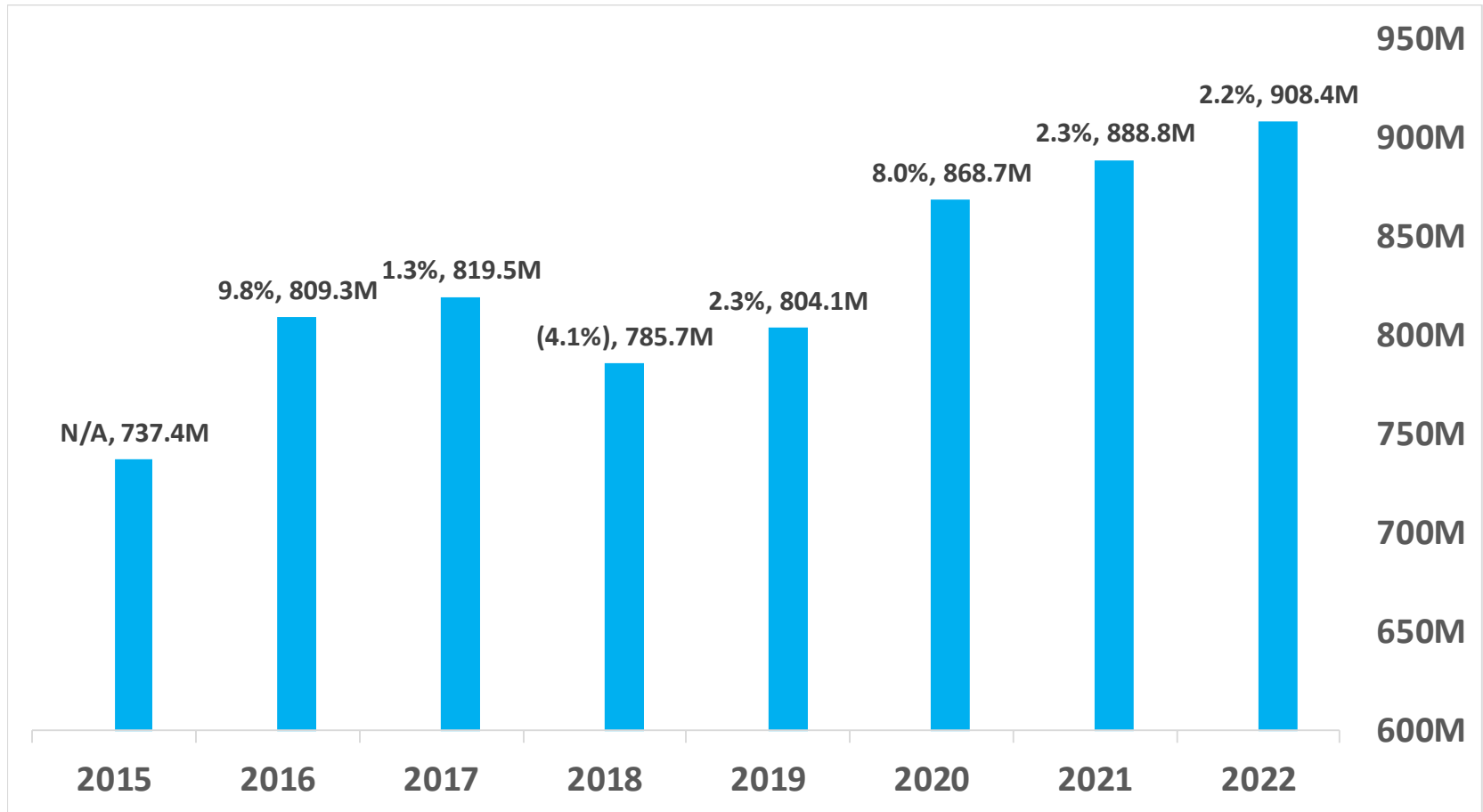


2022 Changes to Property Assessments

- Provincial reassessments typically occur every two (2) years.
- 2020 was a reassessment year based on property market values updated to April 1, 2018.
- 2022 was originally scheduled to be a reassessment year as per the two-year cycle, however the 2020 reassessment has been amended to three years due to the COVID-19 pandemic and now includes 2020 - 2022. The next reassessment will occur in 2023, with a reference date of April 1, 2021.
- For 2022, we used the 2020 assessments plus any adjustments to the roll provided to us from the Selkirk Assessment Branch of the Province of Manitoba based on development activity since the reassessment.

2015-2022 Annual Assessments

(2.2% increase in average assessment from 2021)



Your Municipal Tax dollar Includes services such as:

- Fire Protection
- Dust Control
- Trails
- Animal Control
- Mosquito Control
- By-law Enforcement
- Street Cleaning/Blvd Cleaning
- Traffic Services/Signage
- Weed Control
- Administration
- Library Refunds
- Snow Removal
- Road Maintenance
- Flood Control & EMO Services
- Outdoor Skating Rinks
- Emergency Services
- Street Lighting
- Grass cutting – Parks, Blvds, Ditches
- Recycling & Garbage Pickup
- Drainage
- Soccer/baseball fields
- Red River Planning District
- Arena
- Flood Risk Management
- Consultants
- Parks & Playgrounds
- Recreation

2022 School Tax Information

School tax requirements are established by the school board and the province

Education Support Levy

The 2022 Education Support Levy tax requirement, which only applies to commercial properties, will increase by 7.4% from 2021.



River East Transcona School Division (RETSD)

The 2022 RETSD tax requirement will decrease by 0.2% from 2021.



Education Property Tax Credit (EPTC) and Rebate

The Province of Manitoba has changed the EPTC amount to a maximum of \$437.50 in 2022. Additionally, property owners will receive a rebate cheque for 37.5% of the school division special levy payable on residential and farm properties.



2022 Municipal Mill Rate = 8.473

(0.0% change from 2021)

The municipal mill rate is comprised of taxation, reserve provisions and general borrowing. The following is a breakdown of the mill rate:

- Taxation = 5.846
- Reserves = 2.394
- Borrowing = 0.233

The 2022 Municipal Mill Rate has not changed from the prior year

2021 Manitoba Inflation (CPI) Rate Change = +3.3%

Changes for 2022

- **Residential Mill Rate is....**

8.473	Municipal
<u>12.421</u>	RETSD
20.894	Total

This total Residential Mill Rate has decreased by 1.4% from 2021

Changes for 2022

- **Business Mill Rate is....**

8.473	Municipal
12.421	RETSD
<u>8.714</u>	Education Support Levy
29.608	Total

This total Business Mill Rate has decreased by 1.3% from 2021

2022 Mill Rate Change Summary (%)

Municipal Taxes 0.0% change

School Taxes 2.3% decrease

Calculating Your Tax Bill

- The mill rate applies to each \$1,000 of assessed value. Only a portion of your property's assessed value is used for tax calculations;
 - residential portion is 45%
 - commercial portion is 65%

Tax Calculation : $\frac{\text{Portioned Assessment}}{1,000} \times \text{Mill Rate} = \text{Taxes}$

Residential Tax Calculation Example:

2021

Assessment = \$500,000

$$\frac{\$500,000}{1,000} \times 45\% \times 21.185 = \$4,766.63^*$$

* **Municipal Tax = \$1,906.43**

* **School Tax = \$2,860.20**

2022

Assessment = \$500,000

$$\frac{\$500,000}{1,000} \times 45\% \times 20.894 = \$4,701.15^*$$

* **Municipal Tax = \$1,906.43 (\$0.00)**

* **School Tax = \$2,794.72 (-\$65.48)**

Results in an overall tax decrease of \$65.48 or 1.4%

2022 Municipal Mill Rates

(Sorted by 2022 taxes per dwelling for a \$500,000 property, 45% portioned)

Mill Rate Change			
2021	2022	Change	%

Taxes per Dwelling		
2021	2022	Change

Selkirk	20.992	21.612	0.620	2.95%	\$4,723.20	\$4,862.70	\$139.50
Stonewall	10.459	11.076	0.617	5.90%	\$2,353.28	\$2,492.10	\$138.82
St. Clements	10.200	10.400	0.200	1.96%	\$2,295.00	\$2,340.00	\$45.00
St. Andrews	9.800	9.980	0.180	1.84%	\$2,205.00	\$2,245.50	\$40.50
Springfield	9.595	9.691	0.096	1.00%	\$2,158.88	\$2,180.48	\$21.60
West St. Paul	9.104	9.104	0.000	0.00%	\$2,048.40	\$2,048.40	\$0.00
East St. Paul	8.473	8.473	0.000	0.00%	\$1,906.43	\$1,906.43	\$0.00
Headingley	6.400	6.400	0.000	0.00%	\$1,440.00	\$1,440.00	\$0.00
Rosser	5.830	5.830	0.000	0.00%	\$1,311.75	\$1,311.75	\$0.00

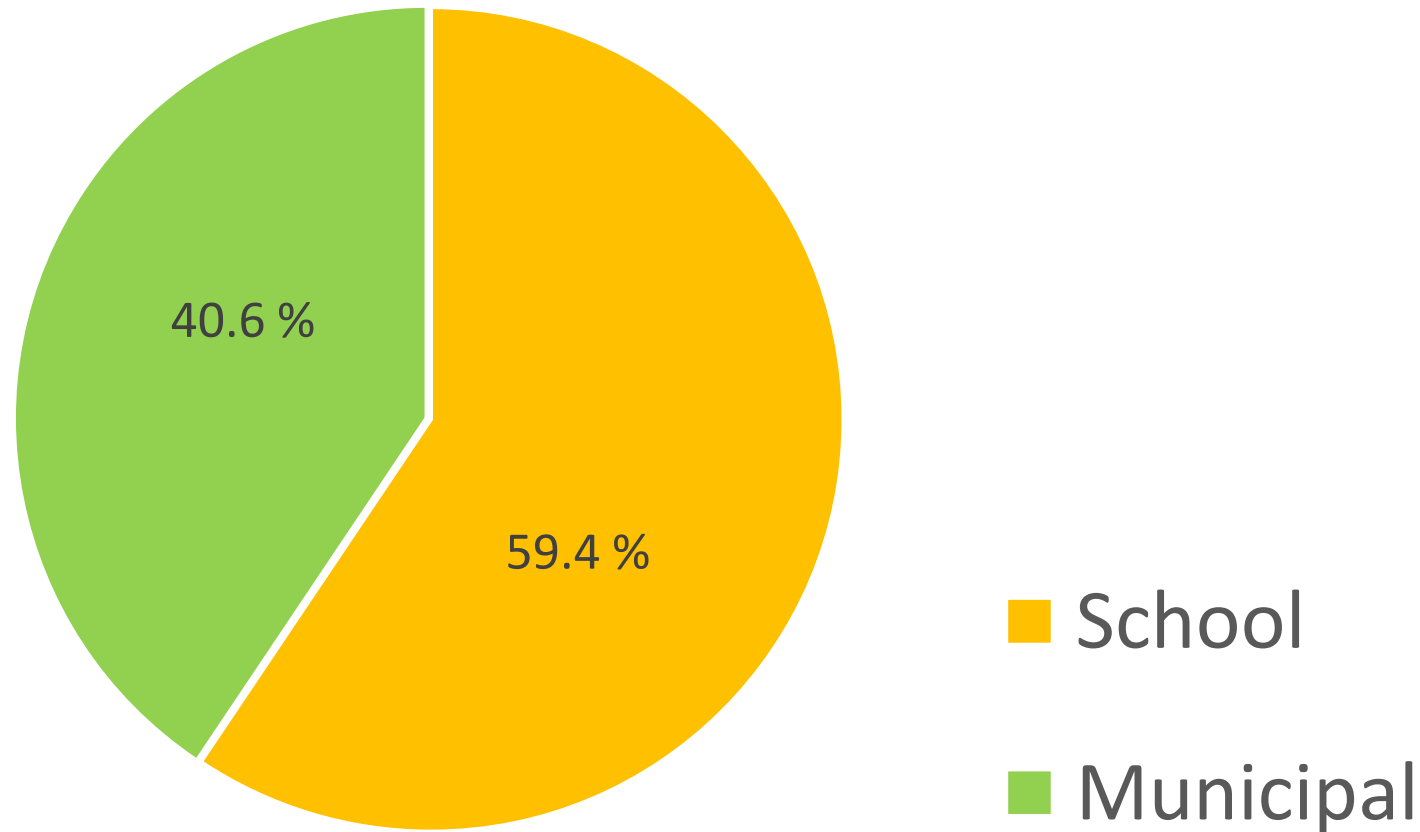
Note: Municipal mill rates exclude LID rates that are not levied on the entire assessment value of the municipality.

What does a 1% change look like in real \$\$

A 1% change in the municipal mill rate =

\$76,965

2022 Tax Collection Breakdown



2022 Tax Dollars Collected

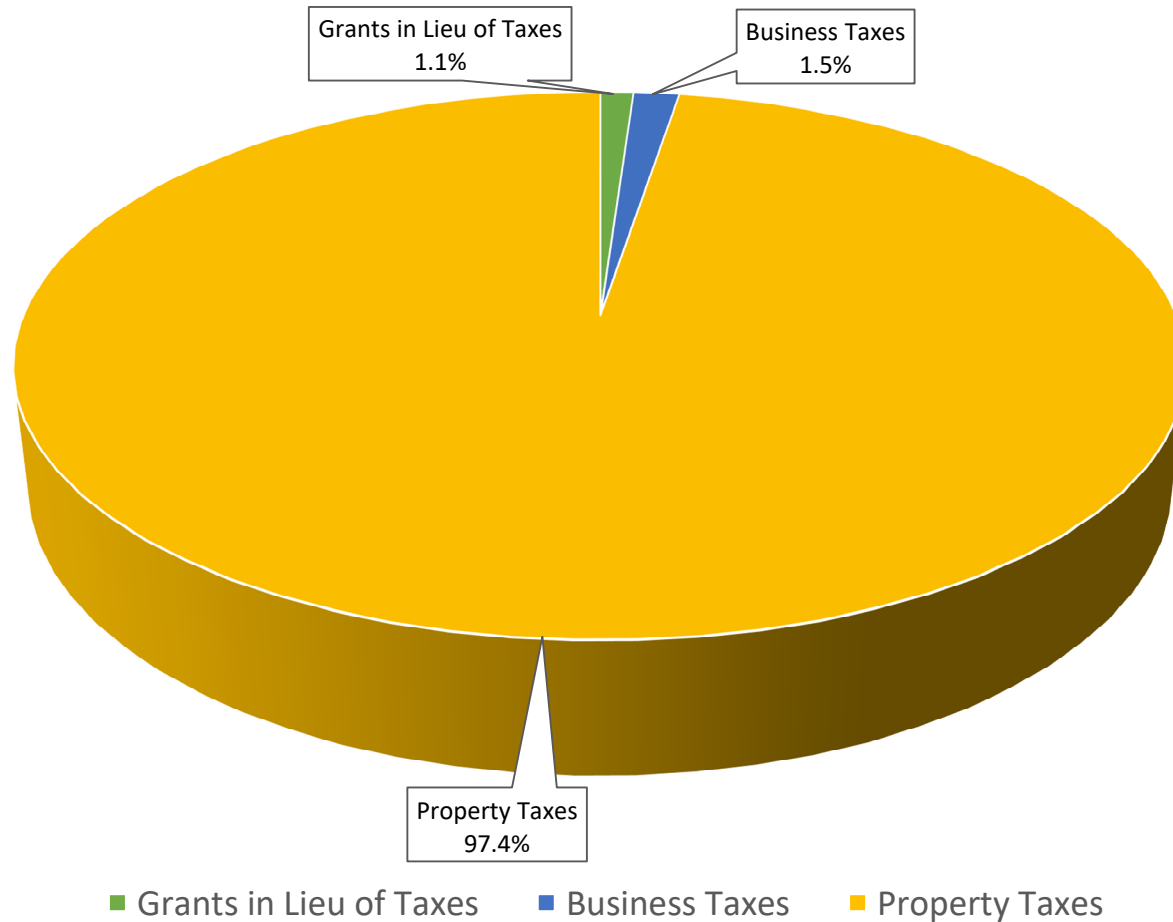
Municipal dollars collected through taxation:

\$7,976,136 (2021 \$7,806,314, up \$169,822 or 2.2%)

Education dollars collected through taxation and directly forwarded to the Province/RETSD:

\$11,788,975 (2021 \$11,771,213, up \$17,762 or 0.2%)

2022 Municipal Tax Revenue Analysis



How have we been performing?

MUNICIPAL						
<u>Year</u>	<u>Mill Rate</u>	<u>% Change</u>	<u>Assessment</u>	<u>Taxable</u>	<u>Municipal Taxes</u>	<u>\$ Change</u>
2019	8.796	2.22%	500,000	225,000	\$1,979.10	\$42.97
2020	8.323	(5.38%)	500,000	225,000	\$1,872.68	(\$106.43)
2021	8.473	1.80%	500,000	225,000	\$1,906.43	\$33.75
2022	8.473	0.00%	500,000	225,000	\$1,906.43	\$0.00

SCHOOL						
<u>Year</u>	<u>Mill Rate</u>	<u>% Change</u>	<u>Assessment</u>	<u>Taxable</u>	<u>School Taxes</u>	<u>\$ Change</u>
2019	13.470	0.90%	500,000	225,000	\$3,030.75	\$27.00
2020	12.776	(5.15%)	500,000	225,000	\$2,874.60	(\$156.15)
2021	12.712	(0.50%)	500,000	225,000	\$2,860.20	(\$14.40)
2022	12.421	(2.29%)	500,000	225,000	\$2,794.72	(\$65.48)

4-year average annual change

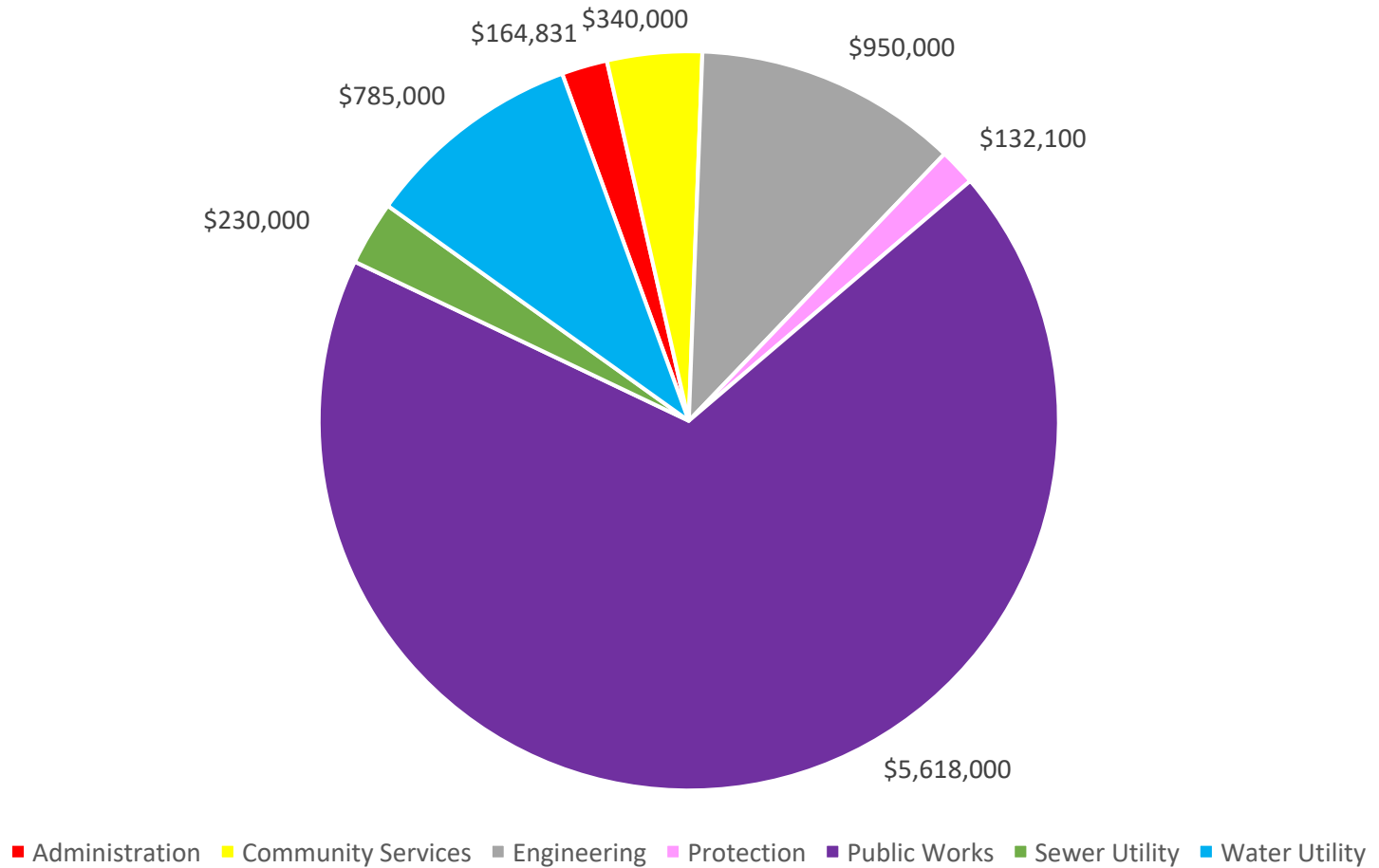
Municipal mill rate	0.34% decrease
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School mill rate	1.76% decrease
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Capital Expense Planning

- Each year, RMs allocate funds to reserves for long range planning
- Saving funds through reserves over a long period of time allows Council to make large capital expenditures without a significant one-year impact to taxes or borrowing
- For example, we have \$830,000 budgeted in 2022 to purchase four new large pieces of machinery.
- Contributions to a reserve for these upgrades have been made for many years and payment will be a straight transfer from reserves
- If we had not saved for this expenditure and collected tax dollars in the year of purchase, this would have resulted in a tax increase of an additional 10.8% to the municipal mill rate.

2022 Capital Expenditures = \$8,219,931



2022 Capital Expenditures

Administration

Council Chambers Upgrades	94,231
Plinth Plaque Installation	15,000
Computer Equipment	5,600
Admin Building - LED Sign	50,000
	164,831

Community Services

Soccer/Baseball Complex - Equipment Garage	105,000
Outdoor Rinks - Board Replacement	140,000
Arena Upgrades	60,000
Curling Club Capital Allocation	35,000
	340,000

2022 Capital Expenditures

Engineering

Water Line Looping Project (Gas Tax)

950,000

950,000

Protection

Fire Equipment

80,500

EMO Equipment

50,000

130,500

2022 Capital Expenditures

Public Works

Park Upkeep	418,000
Operations Building Upgrades	175,000
Road Improvements	2,190,000
Equipment Replacement	830,000
Transfer Station Upgrades	310,000
Utility Projects (Gas Tax)	1,480,000
Misc. Projects	216,600
	5,619,600

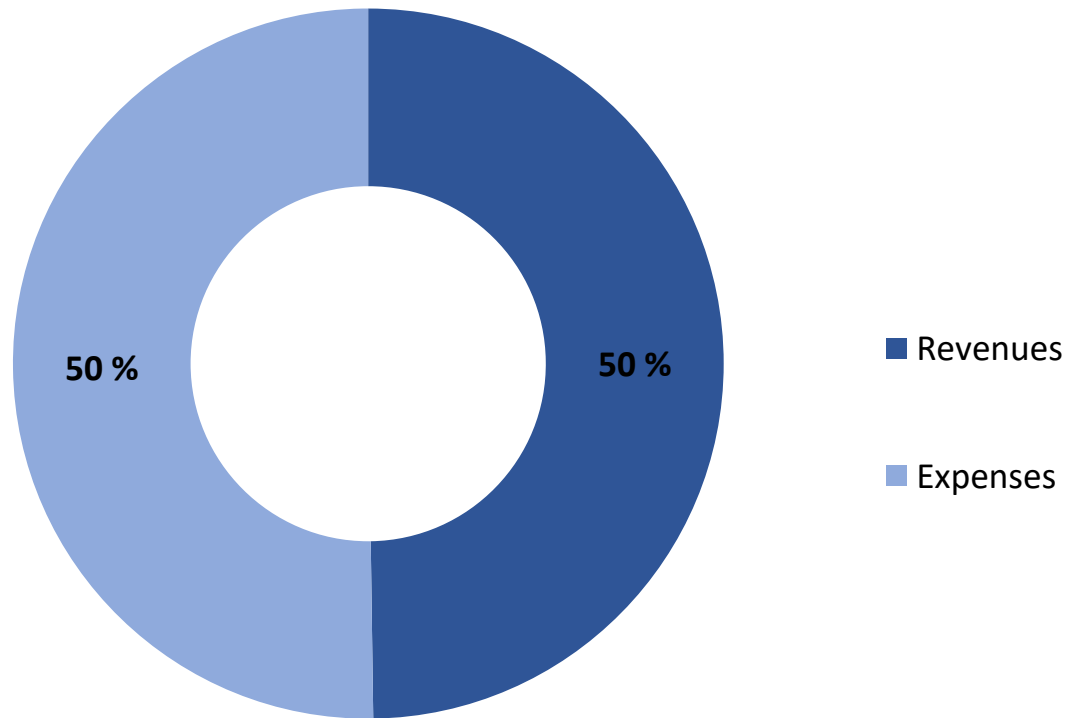
Reserve Balances 2016 - 2022

	2016	2017	2018	2019	2020	2021	2022
General Reserves	10,797,820	12,818,450	15,232,191	17,280,685	17,092,845	17,425,131	16,686,348
Utility Reserves	3,615,699	3,442,180	3,740,918	4,355,280	3,441,103	3,878,724	5,400,910
Total	14,413,519	16,260,630	18,973,109	21,635,965	20,533,948	21,303,855	22,087,258

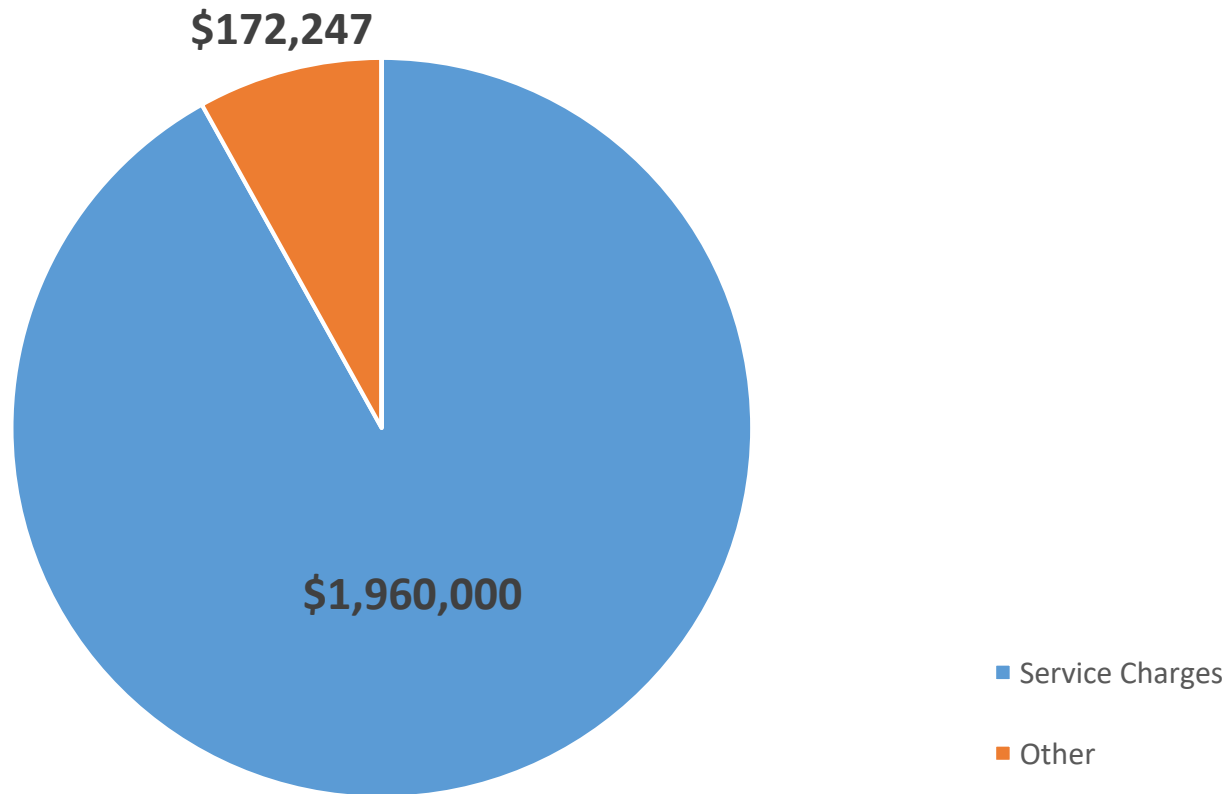
Sewer Utility

2022 Sewer Utility Budget

The sewer utility operating budget is forecasted to be balanced



Sewer Utility – 2022 Revenue (\$2,132,247)



Sewer Utility - 2022 Expenditures

Administration	\$ 453,465
Sewage collection system	85,000
Sewage lift station maintenance	59,150
Sewage treatment & disposal	810,812
Other sewage collection & disposal costs	15,404
Capital expenditures	230,000
Debenture debt charges	159,847
Transfer to Utility Reserve	548,569
Transfer from Utility Reserve	(230,000)
	\$ 2,132,247

Sewer Utility – 2022 Capital Expenditures

Sewer Utility

WWTP Design Update

150,000

Sludge Management (Treatment/Disposal) Study

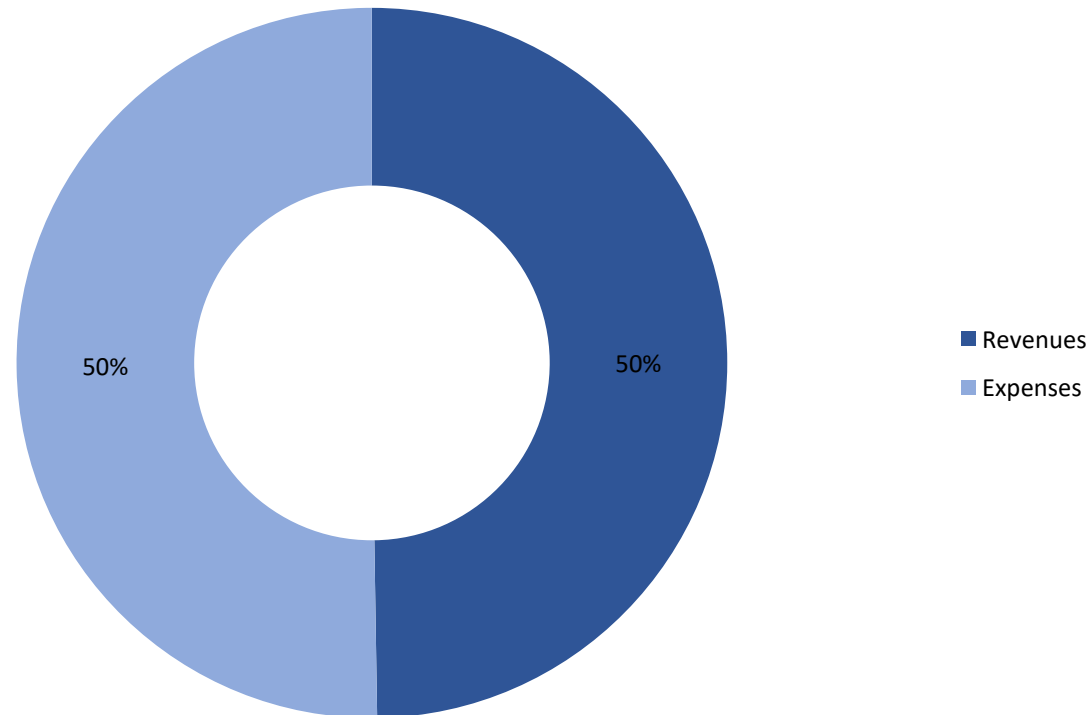
80,000

230,000

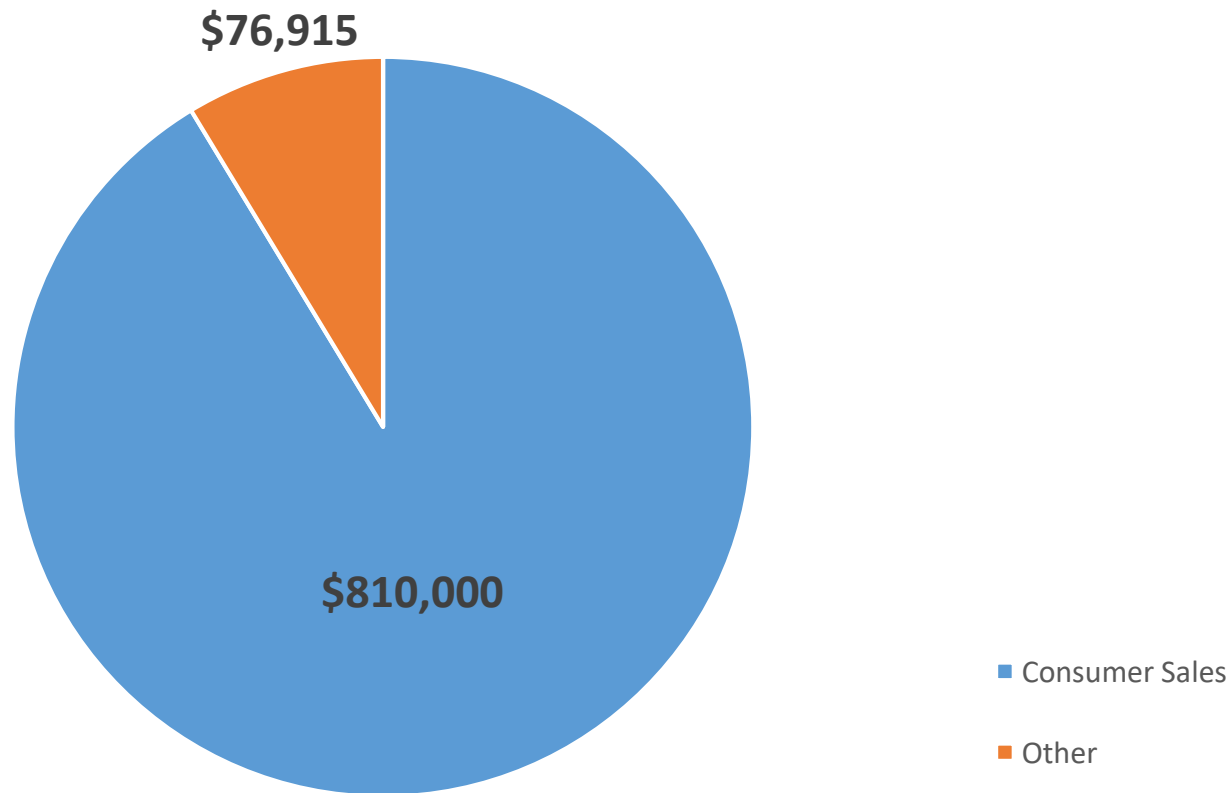
Water Utility

2022 Water Utility Budget

The water utility operating budget is forecasted to be balanced



Water Utility – 2022 Revenue (\$886,915)



Water Utility – 2022 Expenses

Personnel	\$ 153,676
Administration	60,178
Distribution	90,000
Treatment Plant	96,467
Service of Supply	20,000
Transmission	14,870
Other Costs	11,410
Capital Expenditures	785,000
Transfer to Utility Reserve	440,314
Transfer from Utility Reserve	(785,000)
	\$ 886,915

Water Utility – 2022 Capital Expenditures

Water Utility

Water PLC Upgrade

785,000

785,000

Glenway – Special Services

In 1976, the RM entered into an agreement with the City of Winnipeg to provide East St. Paul property owners on the north side of Glenway Avenue with water, sewer and land drainage services.

Annually, Glenway Avenue property owners are charged a flat rate on their tax bill (as per By-law 06-02) identified as “Glenway Special Services”. The amount is based on the frontage costs for the services as invoiced by the City of Winnipeg to the RM.

In 2017, Glenway Avenue property owners were advised that the City of Winnipeg had increased the frontage levy from \$4.35 a front foot to \$5.45 per front foot for their properties. This was an *increase of 25%* imposed under the Special Services agreement with the City of Winnipeg.

There are no changes to the City of Winnipeg’s frontage levy for 2022.

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 the community
- Promoting growth and development in the commercial/business sector
- Promoting sustainable, efficient and controlled growth in the residential sector with an emphasis on housing options for our senior demographic
- Continually work to provide exemplary municipal operations & customer service

Important Dates & Information

Financial Plan

Presentation: Will be available on our website at www.eaststpaul.com

Tax Due Date: Thursday, September 29, 2022

Board of Revision: Thursday, October 6, 2022 at 5:30 PM

Thank you for attending

Comments and/or questions are welcome

