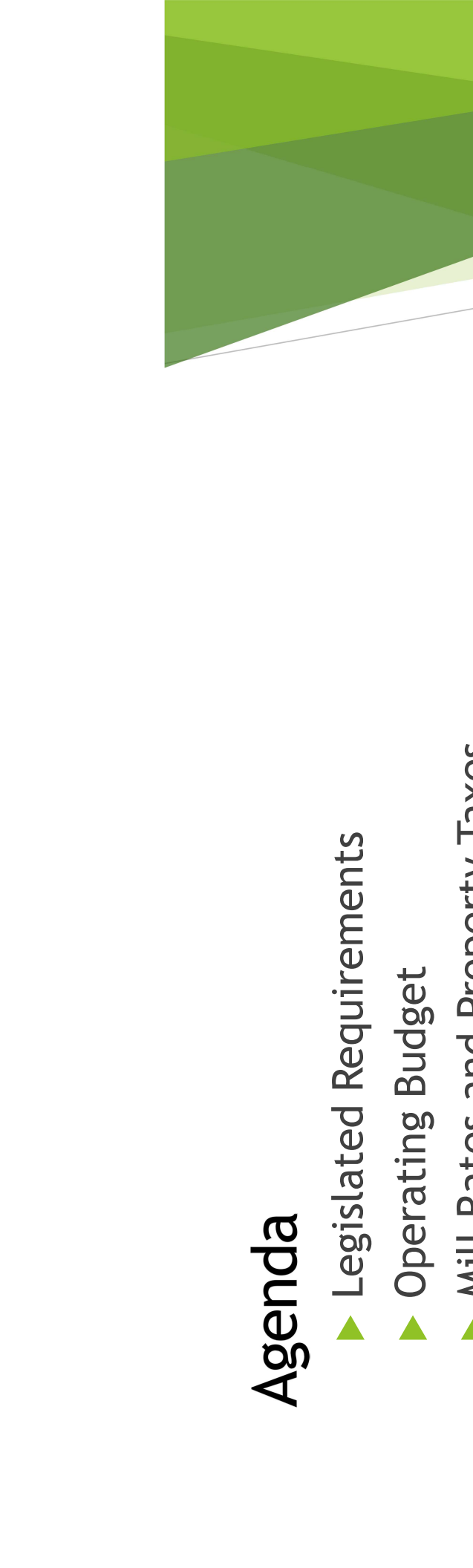


2026 Financial Plan Presentation



April 28, 2026



Agenda

- ▶ Legislated Requirements
- ▶ Operating Budget
- ▶ Mill Rates and Property Taxes
- ▶ Capital Projects
- ▶ Reserve Funds
- ▶ St. Malo Utilities Budget & Debenture
- ▶ Otterburne Utilities Budget
- ▶ L.U.D. of St. Malo Budget
- ▶ Tax Due Date & Penalties
- ▶ 2026 Board Revision & Tax Sale Dates

Legislated Requirements

The Municipal Act - Section 162

- ▶ Council must adopt a financial plan consisting of:
 - ▶ an operating budget
 - ▶ a capital budget
 - ▶ an estimate of revenues/expenditures for the following year
 - ▶ a 5-year capital expenditures program
- ▶ Public Hearing

Summary Operating Expenditures

Services	2025	2026	Variance
General Government	\$1,329,160	\$1,511,534	\$182,374 Council, Personnel, Office, Legal, Assessment
Protective	190,654	242,968	52,314 Fire Department St. Pierre (50%) and St. Malo, Emergency Measures, 911, Building Inspections, Animal and Pest Control
Transportation	1,923,139	2,344,215	421,076 Personnel, Road Maintenance, Equipment Repairs, Insurance, Drainage, Street Lighting
Environmental Health	444,680	475,923	31,263 Personnel, Garbage Collection, Nuisance Grounds, Recycling
Public Health & Welfare	76,203	81,380	5,177 Provincial Administration of Social Services, Senior Coordinator Services
Environmental Development	36,518	25,100	-11,418 Development & Zoning Plans Bylaws review (2023-2024)
Economic Development	73,844	87,500	13,656 Weed control, Conservation District, Public Reception, Recreation Commission, Dufrost & Otterburne Curling Clubs, St. Malo Arena, St. Pierre Arena, Jolys Regional Library
Transfers to Reserves	1,099,785	868,068	-231,717 Transfer to various reserves for future capital projects
Allowance for Tax Assets	564	436	-128
Sub-Total	5,621,973	6,178,281	556,308
Fiscal Services	2,683,632	2,397,711	-285,921 Capital Grants, L.U.D. of St. Malo, Transfer to Utilities, Debenture Payments
Total Municipal Expenditure	\$8,305,607	\$8,602,770	\$297,163

General Government (at-large)

Page 3 of the Financial Plan	2025	2026	Variance
Expenditures	\$1,329,160	\$1,511,534	-\$182,374

The major roles of Council are; decision-making, governance, representatives of the community and stewardship.

Administration (CAO and staff) is responsible for providing advice and implementing council’s decisions and policies. Administration takes care of the everyday work of running the municipality.

- | | |
|---|---|
| <ul style="list-style-type: none">- Legislative (council)- Office- Audit- Assessment | <ul style="list-style-type: none">- Personnel (administration)- Legal- Insurance- Taxation |
|---|---|

Protective Services (at-large)

Page 3 of the Financial Plan	2025	2026	Variance
Expenditures	\$190,654	\$242,968	\$52,341

Provision of protective services such as fire protection, emergency management program, and building inspections (building codes and standards).

- St. Malo Fire Department
- St. Pierre Fire Department
- Emergency Measures
- 911
- Building Inspections
- Animal and Pest Control

The St. Pierre fire department provides services to the Village of St. Pierre-Jolys and to the northern portion of the Rural Municipality of De Salaberry. These costs are shared 50/50 with the Village.

Transportation Services (rural)

Page 3-4 of the Financial Plan	2025	2026	Variance
Expenditures	\$1,923,139	\$2,344,215	\$421,076

The administration and maintenance of all transportation related services within the municipal boundaries, excluding the L.U.D. of St. Malo.

- Public Works Personnel
- Equipment
- Road Maintenance
- Ditches and Road Drainage
- Bridges
- Street Lighting
- Traffic Services

Environmental Health (cost recovered)

Page 4 of the Financial Plan	2025	2026	Variance
Expenditures	\$444,680	\$475,943	\$31,263

Services for the residents to dispose of garbage and waste.

- Garbage Collection
- Nuisance Ground Operations
- Recycling

The municipality participates in many programs to divert materials from the landfill such as tires, scrap metal, electronics and other hazardous waste.

Public Health & Welfare (at-large)

Page 4 of the Financial Plan	2025	2026	Variance
Expenditures	\$76,206	\$81,380	\$5,174

The province levies \$4,080 from the municipality for social services.
Delivery of Senior Services Programs.

Environmental Development (at-large)

Page 4 of the Financial Plan	2025	2026	Variance
Expenditures	\$36,518	\$25,100	-\$11,418

Municipalities must create and enforce laws about how land can be used, such as zoning, development plans or building by-laws.

Land use planning in Manitoba is a partnership between the provincial and local governments and their citizens. Each plays a key role in ensuring the planning process is a success.

Economic Development (at-large)

Page 5 of the Financial Plan	2025	2026	Variance
Expenditures	\$73,844	\$87,500	\$13,656

The municipality is a member of the:

- Rural Area Weed Control with the Rural Municipality of Ritchot
- Seine Rat Roseau Watershed District

Recreation and Cultural (at-large)

Page 5 of the Financial Plan	2025	2026	Variance
Expenditures	\$447,426	\$541,157	\$93,731

The Jolys Regional Library provides shared services to the Village of St. Pierre-Jolys and the municipality. These costs are shared 50/50 with the Village.

The municipality provides operational grants to the Otterburne and Dufrost Curling Clubs and Dufrost Hall.

The Rat River Recreation Commission provides recreational opportunities to our residents and as of January 1, 2025 it is fully funded by the Municipality.

Transfers to Reserves

Page 5 of the Financial Plan	2025	2026	Variance
Transfers to Reserves	\$1,099,785	\$894,827	-\$204,958

These are funds transferred to various reserves for future projects. They are either levied through property taxes or from conditional grants received such as the Canada Community Building Fund.

Refer to the Reserves slides for the allocation to various categories.

Fiscal Services

Page 5 of the Financial Plan	2025	2026	Variance
Fiscal Services	\$2,683,632	\$2,397,711	-\$285,921

This section is for:

- Property taxes collected on behalf of the L.U.D. of St. Malo
- Grant funds received for capital projects
- Debenture payments collected on behalf the St. Malo Utility
- Debenture payments for the municipality (at-large)

Funding Sources for Municipal Expenditures

	2025	2026	Variance
Operational Expenditures	\$8,305,043	\$8,602,335	\$297,292
Other Revenues & Transfers	\$1,502,564	\$1,296,288	-\$206,276
Conditional Grants (Federal/Provincial grants for specific purposes)	\$1,757,868	\$1,504,128	-\$253,740
Property Taxes *	\$5,206,171	\$5,802,511	\$596,340

* Includes At-Large, Rural, L.U.D. of St. Malo, Debenture Debt Charges and Special Services Levies

Mill Rates and Property Taxes

Once the operating budget has been finalized by Council, the known revenues (fees, rentals, interest, grants, etc.) are subtracted from the expenditures, leaving the balance to be raised through property taxes. This amount is divided by the value (portioned assessment) of all property in the municipality, which is then multiplied by 1,000. This figure represents the tax rate or the mill rate.

For 2026, the amount required to collect from property taxes is \$5,802,511.

The calculation formula is rendered as follows:

$$\text{(portioned assessed value x mill rate)} \div 1,000 = \text{property tax levied on property}$$

Portioned Assessment

The *Municipal Assessment Act* C.C.S.M. C. M226 section 6(1) states:

The Lieutenant Governor in Council may make regulations

- (a) prescribing assessment rate schedules for railway roadways, pipelines and gas distribution systems;*
- (b) prescribing classes of assessable property according to size, ownership, type and use of the property;*
- (c) prescribing the percentages of assessed value that apply to classes of property for purposes of determining portioned values under Part 5*

Portioned Assessment - Classification and Values

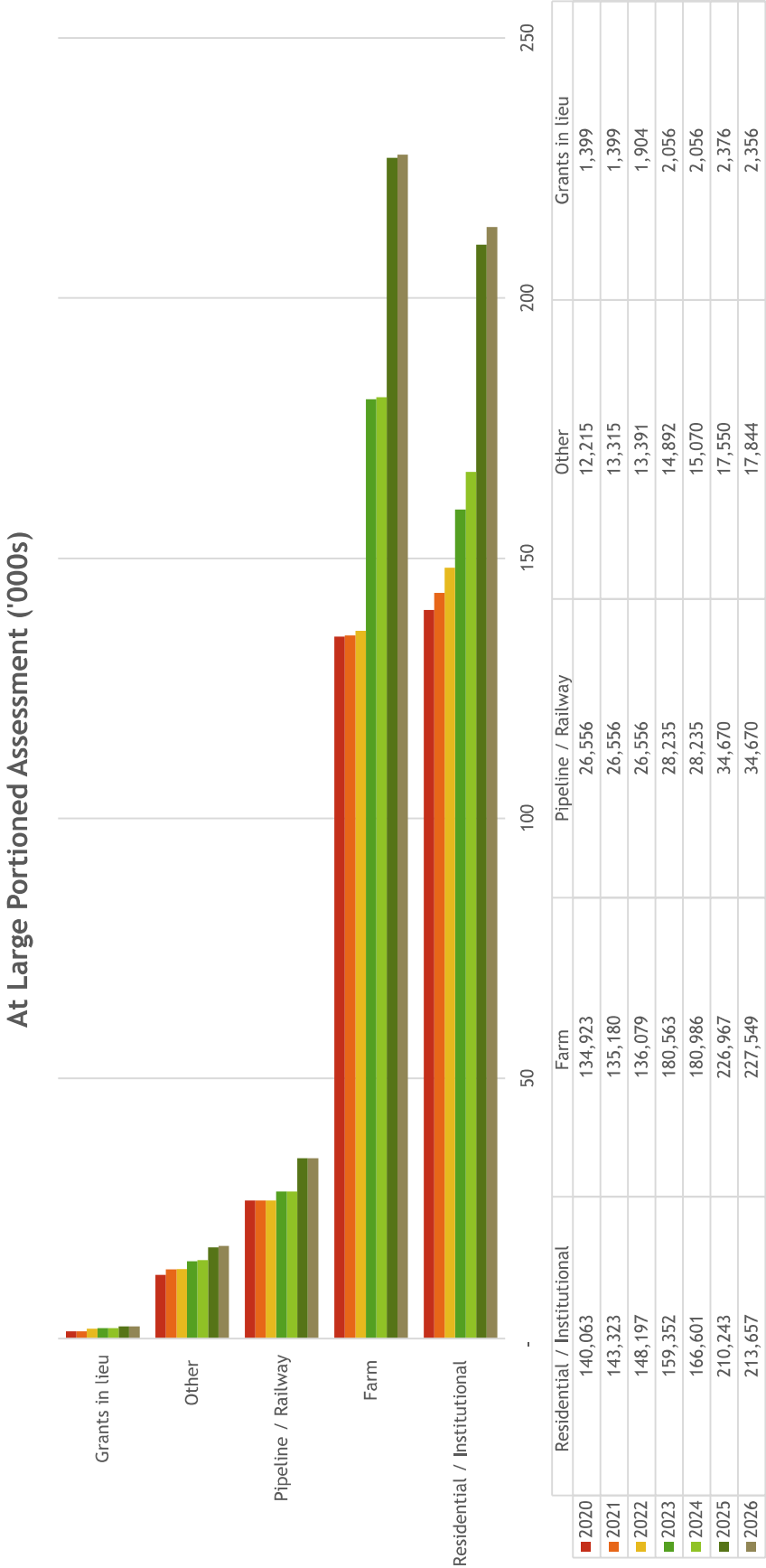
The *Municipal Assessment Act* C.C.S.M. C. M226 - Classification of Property and Portioned Values Regulation

Percentages of assessed value for the year 2002 and subsequent years

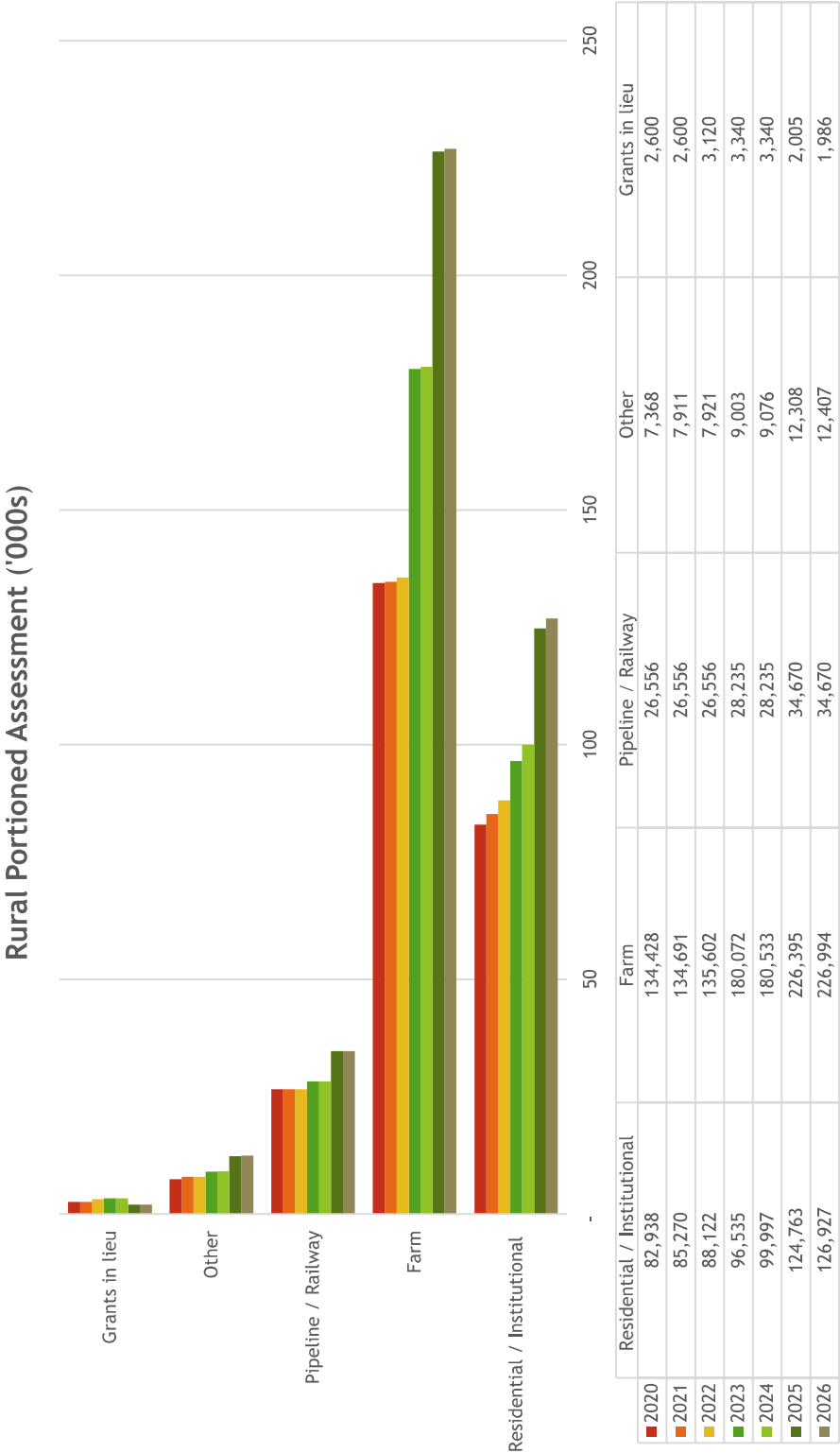
19.1 The percentages of assessed value that apply to each class of property for the purpose of determining its portioned value for the year 2002 and subsequent years are as follows:

<u>Class</u>	<u>Percentage</u>
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%

Portioned Assessment - At Large ('000s)

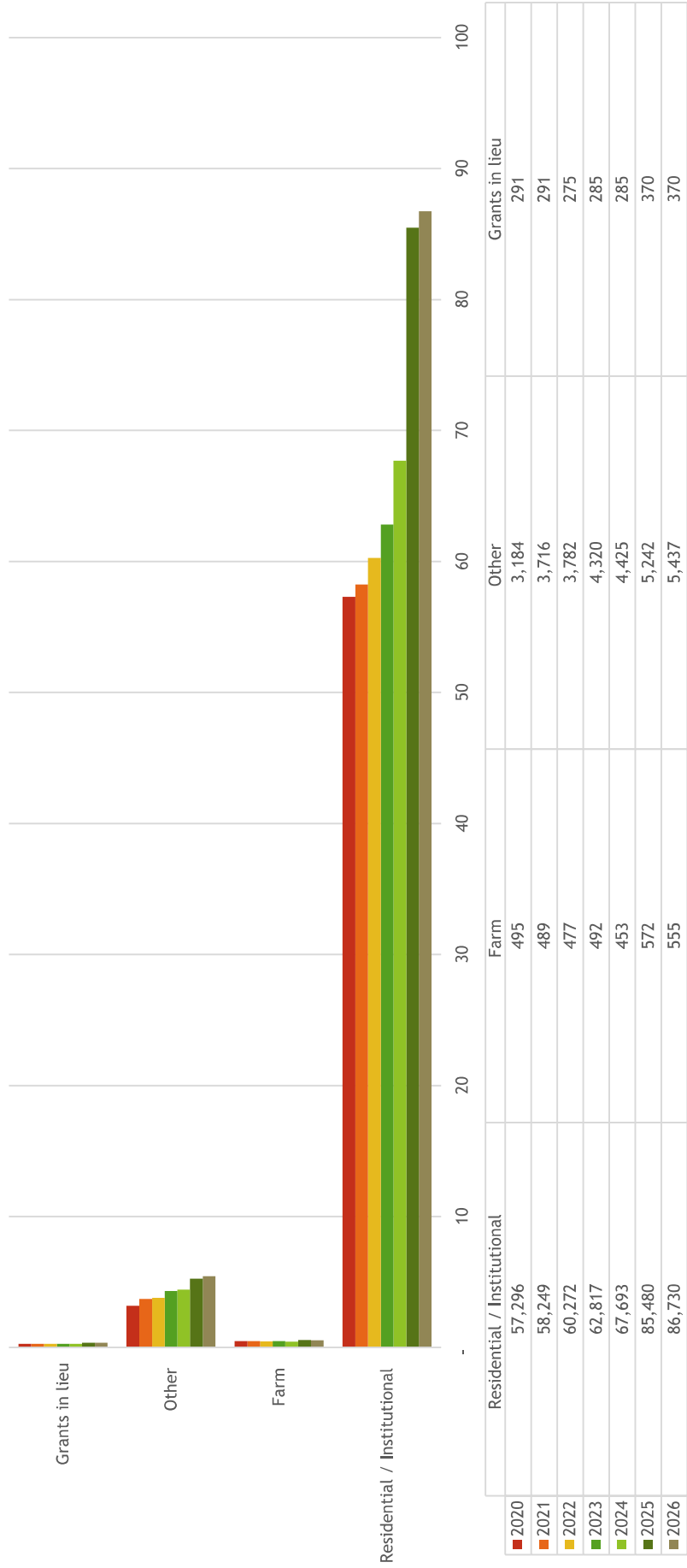


Portioned Assessment - Rural ('000s)

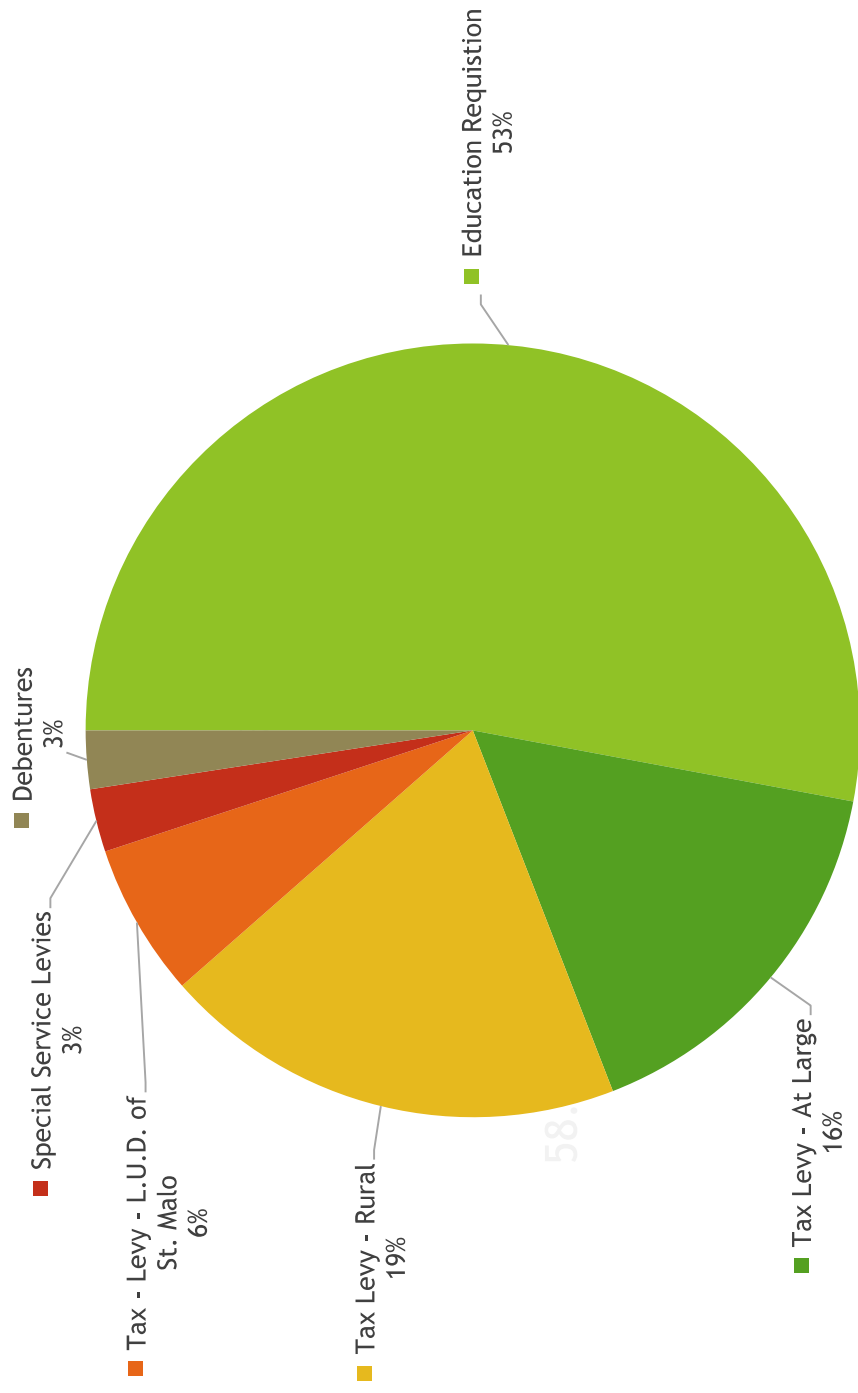


Portioned Assessment - L.U.D. St. Malo ('000s)

L.U.D. St. Malo Portioned Assessment ('000s)



Property Tax Collected by Type



Mill Rates - Municipal

Rural	2021	2022	2023	2024	2025	2026
Rural	4.722	4.934	4.935	5.182	5.251	5.944
At-Large	3.769	3.857	3.998	4.260	3.724	4.019
Total Rural Area	8.491	8.791	8.933	9.442	8.975	9.963
L.U.D.	2021	2022	2023	2024	2025	2026
L.U.D. of St. Malo	8.000	8.000	8.000	8.500	8.000	8.500
At-Large	3.769	3.857	3.998	4.260	3.724	4.019
Total L.U.D.	11.267	11.769	11.857	12.760	11.724	12.519

Mill Rates - Education Levy

2025		2026			
	Mill Rate	Requisition		Mill Rate	Requisition
Education Support Levy	7.117	\$386,306		7.411	\$404,303
Hanover	12.359	502,398		13.317	554,113
Borderland	11.606	345,022		12.615	381,548
Red River Valley	11.317	4,729,072		12.343	5,192,198
		\$5,962,798			\$6,532,162

The RM collects an education levy on behalf of the province and the school divisions and transfers these funds to the respective entities.

Calculation of Property Taxes

Portioned Assessment	x	<u>Rural or LUD Mill Rate + At-Large Mill Rate</u> 1000	=	Municipal Taxes
			+	
Portioned Assessment	x	<u>Provincial Education Mill Rate (if applicable)</u> 1000	=	Provincial Education Taxes
			+	
Portioned Assessment	x	<u>School Division Mill Rate</u> 1000	=	School Division Taxes
			+	
			=	<u>Local Improvements (if applicable)</u>
			=	Total Current Taxes (Gross)

Mill Rate Calculation - Residential Property

The municipal portion of the property tax is calculated by taking the portioned assessment x mill rate / 1000.

- Example of a residence with a portioned assessment of \$100,000 in 2025 adjusted to the average assessment increase of 24% or \$124,000 in 2026

	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>
Rural Mill Rate	5.251	5.944	L.U.D. St. Malo Mill Rate	8.000
At-Large Mill Rate	<u>3.724</u>	<u>4.019</u>	At-Large Mill Rate	<u>3.724</u>
Total Mill Rate	<u>8.975</u>	<u>9.963</u>	Total Mill Rate	<u>11.724</u>
Municipal Tax	\$1,112	\$1,235	Municipal Tax	\$1,454
				\$1,552

The Provincial Education Mill Rates and applicable Local Improvements are in addition to the Municipal Operating Mill Rate.

Note: Individual assessments may be higher or lower than the example.

Mill Rate comparison and taxes 160 acres of farmland

Mill Rate Comparison - 160 acres of farmland											
Year	Assessed	Portionned	At-Large	Rural	Total Mill Rate	Taxes Paid	Taxes % of assessed	Cost/acre	Variance		
2026	960,000	249,600	4.019	5.944	9.963	2,486.76	0.259%	\$ 15.54	\$ 3.27		
2025	960,000	249,600	4.260	5.182	9.442	2,356.72	0.245%	\$ 14.73	\$ 2.45		
2024	800,000	208,000	4.260	5.182	9.442	1,963.94	0.245%	\$ 12.27	\$ 0.66		
2023	800,000	208,000	3.998	4.934	8.932	1,857.86	0.232%	\$ 11.61	\$ 2.92		
2022	608,000	158,080	3.869	4.928	8.797	1,390.63	0.229%	\$ 8.69	\$ 0.30		
2021	608,000	158,080	3.769	4.722	8.491	1,342.26	0.221%	\$ 8.39	\$ 0.75		
2020	608,000	158,080	3.267	4.463	7.730	1,221.96	0.201%	\$ 7.64	-\$ 0.12		
2019	560,000	145,600	3.666	4.863	8.529	1,241.82	0.222%	\$ 7.76	\$ 0.23		
2018	560,000	145,600	3.562	4.718	8.280	1,205.57	0.215%	\$ 7.53	\$ 0.40		
2017	496,000	128,960	3.590	5.261	8.851	1,141.42	0.230%	\$ 7.13	\$ 0.02		
2016	496,000	128,960	3.596	5.233	8.829	1,138.59	0.230%	\$ 7.12	\$ 2.90		
2015	216,000	56,160	4.490	7.510	12.000	673.92	0.312%	\$ 4.21	\$ 0.06		
2014	216,000	56,160	4.310	7.530	11.840	664.93	0.308%	\$ 4.16			

Capital Projects - Rural

Project	Funded By	Budget
Rural Road & Bridges (Gagne bridge repair, road engineering/rehab, major culvert upgrades)	CCBF & Roads Reserve	\$100,000
Drainage (Ditch surveying, a new water line installation, and minor capital expenditures for the RSR Wastewater Co-op)	CCBF & Roads Reserve	226,688
Gravel	Gravel Reserve	50,000
Machinery Replacement (Snowblower, flail mower, backhoe, excavator repairs)	Machinery Reserve	239,500,
Total Rural		\$616,188

Capital Projects - At Large

Project	Funded By	Budget
Office Building	Building Reserve	100,000
Office Equipment (computer and laptop upgrades)	Office Technology Reserve	3,200
St. Malo Fire Department (new fire tanker deposit)	Fire Equipment Reserve	175,000
St. Pierre Fire Department (command centre bus)	Fire Equipment Reserve	45,000
Branding & Billboard Replacements (50/50 cost shared with AMBM)	General Reserve	15,000
Electric Vehicle Car Share Initiative (RM of Ritchot & the Village of St-Pierre)	General Reserve	10,000

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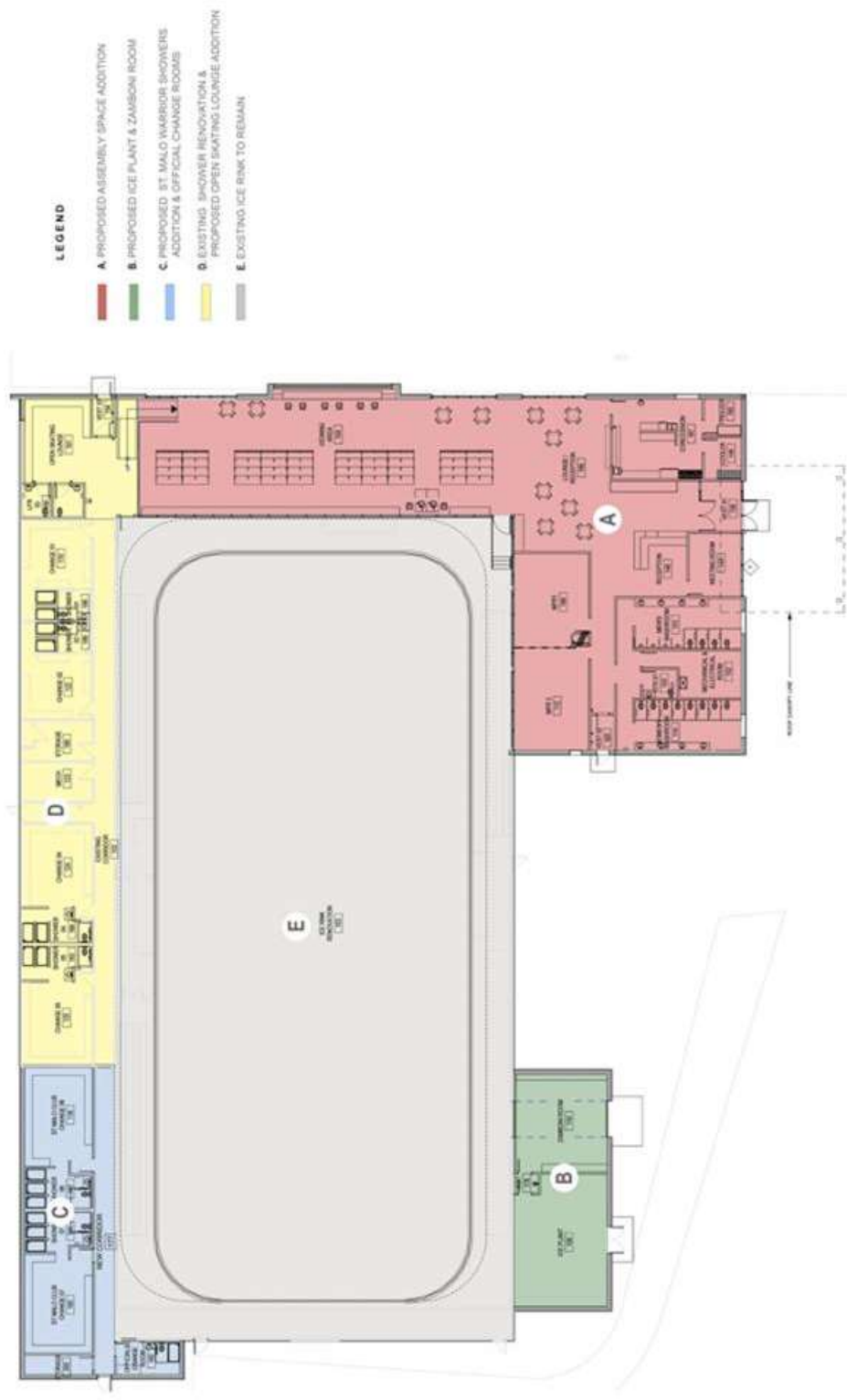
Capital Projects - At Large (continued)

Project	Funded By	Estimate
St. Malo – Coin Rendezvous Corner	Grants / General Reserve	45,000
Otterburne Green Space	Grants / General Reserve	66,750
St. Malo Arena Renovation	Grants / Recreation Reserve	1,436,255
Baseball Diamonds - Grotto	Grants / Recreation Reserve	300,000
Landfill Skid Office Trailer	Waste Disposal Reserve	100,000
St. Malo lake Stewardship	General Reserve	1,000
2026 Elections	Election Reserve	20,000
Total – At Large		\$2,317,205

De Salaberry Recreation Facility



De Salaberry Recreation Facility Renovations



De Salaberry Recreation Facility Renovations

Since 2019, the Municipality has been working towards renovations of the De Salaberry Recreation Facility (St. Malo Arena).

The renovations have been divided into phases and are being completed as funds become available.

Phase 1 – New Ice Plant

Completed in 2022	Cost
	\$617,000

Phase 2 - Stage 1 - New Zamboni Building & Relocation of Ice Plant

Phase 2 - Stage 2 - Demolish existing viewing area and construction of new viewing area, meeting rooms, washrooms, mechanical rooms & concession

Commenced Fall 2024	Budget \$8,312,479	Anticipate substantial completion July 2026
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Phase 3 – Replacement and additions to change rooms

Commence: TBD	Budget \$2,715,000
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Throughout the whole process the future expansion of the ice surface was part of the discussions to insure this was included in the design.

De Salaberry Recreation Facility Renovations

The Municipality has been applying for grants to help offset the costs of the renovations. To date the following funds have been secured for Phase 1 and 2.

Grants	\$ 6,228,000
Municipal & Donations	\$ 627,000
Debenture	<u>\$ 4,000,000</u>
	\$10,855,000

The Municipality continues to seek other sources of revenue to be applied towards the renovations.

Donations and Sponsorship opportunities are available.

De Salaberry Recreation Facility Renovations

Local Improvement Debenture 2442-26

Maximum Debenture: \$4,000,000

Term: 15 years

Interest Rate: 4.95%

Annual Payment: \$384,067.83

The Local Improvement tax under this proposal will be levied on all taxable properties. 77% will be collected from residential rate classes and 23% from all other rate classes.

De Salaberry Recreation Facility Renovations

Local Improvement Plan 2242-26

The amount to be collected shall be reduced in years 1 to 5 by funds allocated from the Canada Community Building Fund as follows:

Year	MATURITY SCHEDULE		
	Interest	Principal	Balance
2026	165,994.52	186,067.83	3,813,932.17
2027	188,789.64	195,278.19	3,618,653.98
2028	179,123.37	204,944.46	3,413,709.52
2029	168,978.62	215,089.21	3,198,620.31
2030	158,331.71	225,736.12	2,972,884.19
2031	147,157.77	236,910.06	2,735,974.13
2032	135,430.72	248,637.11	2,487,337.02
2033	123,123.18	260,944.65	2,226,392.37
2034	110,206.42	273,861.41	1,952,530.96
2035	96,650.28	287,417.55	1,665,113.41
2036	82,423.11	301,644.72	1,363,468.69
2037	67,491.70	316,576.13	1,046,892.56
2038	51,821.18	332,246.65	714,645.91
2039	35,374.97	348,692.86	365,953.05
2040	18,114.68	365,953.05	0.00

Reserves

Fund	Reserve Type	Opening Balance	Transfers-In	Expenditures	Closing Balance
30	General	604,401	-	256,198	348,203
30	General - Otterburne Interp Panels	16,750		16,750	0
30	General - Local Capital Priorities (Province)	94,802		94,802	0
31	Office Reno/Replacement	657,427	20,000	100,000	577,427
32	Economic Development	6,219			6,219
33	Waste Disposal	338,095	75,000	100,000	313,095
34	Mitigation & Preparedness - DFA	-			0
41	Machinery Replacement	406,607	325,000	239,500	492,107
80	St. Malo Utility Reserve	219,653		188,000	31,653
85	Otterburne Utility Reserve	-			0
91	Office Technology	3,282	5,000	3,200	5,082
93	St. Malo Fire Reserve	232,801	55,000	175,000	112,801
92	St. Pierre Fire Reserve	104,998	25,000	45,000	84,998
94	Recreation	313,450			313,450
96	Gravel	148,683		50,000	98,683
96	Roads & Bridges	270,932	30,000	166,688	134,244
97	Handivan	46,910	3,000		49,910
98	Election	15,736	5,000	15,736	5,000
90	LUD General Reserve - Roads and Sidewalks	471,788			471,788
90	LUD South Shop Reserve	323,485			323,485
95	CCBF - RM	541,800		160,000	381,800
95	CCBF - LUD				0
	TOTAL RM RESERVES	4,817,819	543,000	1,610,874	3,749,945

General Debentures

Purpose	By-law No.	Maturity	Area Levied	Payment	Mill Rate
Dufrost Water Supply	2284-11	2030	Dufrost Water Area	8,718	Schedule
Total Annual Payment				\$8,718	

St. Malo & Otterburne Utilities

The St. Malo Utility Committee is responsible for

- sewage collection, treatment and disposal facilities
- water supply, treatment and distribution facilities

The Otterburne Utility Committee is responsible for

- sewage collection, treatment and disposal facilities

St. Malo Utility - Operational Budget

Operations (Page 6 of the Financial Plan)	2025	2026	Variance
Water Consumer Sales	211,398	210,000	-1,398
Sewer Service Charges	116,945	106,000	-10,945
Deficit Recovery	0	0	0
Debenture	230,321	159,386	-70,935
Other Revenues/Transfers	85,400	95,380	9,980
Total Operating Revenue	644,064	570,766	-73,298
Water Supply	227,995	241,636	13,641
Sewage Collection and Disposal	130,748	109,745	-21,003
Debenture Debt Charges	230,321	159,386	-70,935
Transfers to Reserves/Capital	55,000	60,000	5,000
Total Operating Expenditures	644,064	570,766	-73,298
Net Operating Surplus (Deficit)	0	0	0

St. Malo Utility Reserve

Reserve	Opening Balance	Transfers	Expenditure	Closing Balance
St. Malo Utility	219,653	60,000	110,000	169,653

Projects for 2026

- Working with Manitoba Water Services Board to complete the design of the St. Malo Lagoon expansion.
- Purchase of new pumps and dialers for the water treatment plan and lift stations.
- Anticipate construction to commence in 2027.
- Additional land near the existing lagoon and near the lift station will need to be acquired.

St. Malo Utility Debentures

Purpose	By-law No.	Maturity	Area Levied	Payment	Mill Rate
St. Malo Forcemain Upgrade	2246-07	2027	Local Improvement District	14,240	0.205
St. Malo Reservoir Upgrade	2316-13	2027	Local Improvement District	11,234	0.162
St. Malo Water Plant Reservoir	2264-09	2028	Local Improvement District	20,924	0.301
Gosselin Rd Low Pressure Sewer	2335-15	2035	Schedule	48,878	-
St. Malo Utility Upgrades	2407-21	2036	Schedule	64,110	-
Total Annual Payment				<u>\$159,386</u>	

Otterburne Utility

Operations (Page 6 of the Financial Plan)	2025	2026	Variance
Sewer Service Charges	32,882	32,882	0
Transfer from Reserves	170,000	24,532	-145,468
Other Revenues	6,000	6,000	0
Total Operating Revenue	208,882	63,414	\$145,468
Sewage Collection and Disposal	14,350	14,350	0
Capital	0	0	0
Transfers to Reserves	24,532	24,532	0
Transfer to RSR Wastewater Coop	170,000	24,532	-145,468
Total Operating Expenditures	208,882	63,414	-\$145,468

Otterburne Utility Reserve

Reserve	Opening Balance	Transfers	Expenditure	Closing Balance
Otterburne Utility	0	24,532	24,532	24,532

Projects for 2026

- The community of Otterburne and Providence University have joined the RSR Wastewater Cooperative Ltd project with the municipalities of Hanover, Niverville, Ritchot, Taché and La Broquerie. The RSR is responsible for all costs and it is distributed to each member on a proportionate share of flow.
- The tender for construction of the RSR has been awarded to AECOM with an anticipated project completion in 2028-2029.
- The expenditures are anticipated to exceed revenue during the construction period. These will be recovered through fee increases over the next 3 years.

Local Urban District (L.U.D.) of St. Malo

The St. Malo L.U.D consists of 3 elected members and one council representative.

The committee of a local urban district is responsible for

- (a) preparing and adopting a service plan for the local urban district;
- (b) submitting the service plan to the council before it adopts its operating and capital budgets; and
- (c) the exercise of those powers delegated to it by the council of the municipality.

The St. Malo L.U.D. is responsible for

- Municipal Roads
- Sidewalks
- Street Lights
- Public Park



L.U.D. of St. Malo

Page 7 of the Financial Plan	2025	2026	Variance
Other Revenues	24,148	26,033	1,885
Transfer from Reserves	0	0	0
Tax Levy	733,318	791,291	57,973
Total Revenue	757,466	817,324	59,858
General Government	15,950	15,950	0
Transportation	416,731	428,932	12,201
Parks & Beautification	13,200	60,200	47,000
Transfer to Capital	155,000	130,000	-25,000
Transfers to Reserves	156,585	182,242	25,657
Total Expenditures	757,466	817,324	59,858

L.U.D. of St. Malo - Capital Projects & Reserves

Project	Funded by	Budget
Equipment <i>(utility vehicle)</i>	Operating	60,000
Road & Sidewalk Rehabilitation <i>(sidewalk replacements, and road assessment)</i>	Operating	70,000
	Total	<u>130,000</u>

L.U.D of St. Malo Reserves

Reserve Name	Opening Balance	Transfers	Expenditure	Closing Balance
L.U.D. General	142,077	0	0	142,077
L.U.D. Shop	323,485	50,000	0	373,485
L.U.D. Roads & Sidewalks	471,788	132,242	0	604,030
Canada Community Building Fund	0	0	0	0
TOTAL	\$937,350	\$182,242	\$0	\$1,119,592

Tax Due Date and Penalties

2026 Taxes Due Date - October 30, 2026

cash, cheque, debit, Telpay, T.I.P.P.

Tax Penalty 1.25%

Applied on the first day of each month

Utility Penalties 1.25%

Applied to unpaid accounts 21 days after billing
and monthly thereafter.



Board of Revision

November 3, 2026 - 7:00 p.m.

Tax Sale Date

(2024 outstanding taxes and prior)

October 21, 2026 - 2:00 p.m.



Comments and Questions?