

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

Rural Municipality of Rosedale
Box 100
Neepawa, Manitoba
R0J 1H0

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Rosedale and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Reid & Miller Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Reeve and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.

Kara Sylvester
CAO

Independent Auditors' Report

To the Reeve and members of Council of the
Rural Municipality of Rosedale

Opinion

We have audited the accompanying consolidated financial statements of Rural Municipality of Rosedale, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of operations, cash flows and change in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Rosedale as at December 31, 2020, and the results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rural Municipality of Rosedale's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Rural Municipality of Rosedale's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Rural Municipality of Rosedale to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

June 21, 2021
Winnipeg, Manitoba



Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

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RURAL MUNICIPALITY OF ROSEDALE**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As at December 31, 2020**

	2020 Actual \$	2019 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	2,652,619	2,938,273
Accounts receivable <i>(note 3)</i>	653,405	362,440
Loans and advances <i>(note 5)</i>	80,915	80,915
	<u>3,386,939</u>	<u>3,381,628</u>
LIABILITIES		
Accounts payable and accrued liabilities <i>(note 6)</i>	360,860	449,765
Landfill closure and post closure liabilities <i>(note 7)</i>	26,740	24,378
Long-term debt <i>(note 8)</i>	170,700	180,856
	<u>558,300</u>	<u>654,999</u>
NET FINANCIAL ASSETS	<u>2,828,639</u>	<u>2,726,629</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	4,878,635	4,883,180
Inventories <i>(note 4)</i>	335,275	233,816
Prepaid expenses	15,826	14,396
	<u>5,229,736</u>	<u>5,131,392</u>
ACCUMULATED SURPLUS <i>(note 17)</i>	<u>8,058,375</u>	<u>7,858,021</u>

Approved on Behalf of the Council_____
Reeve_____
Councillor**The accompanying notes are an integral part of these financial statements**

RURAL MUNICIPALITY OF ROSEDALE**CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
REVENUE			
Property taxes	1,190,825	1,180,774	1,183,115
Grants in lieu of taxation	35,454	35,454	36,868
User fees	103,317	194,113	126,710
Permits, licences and fees	44,922	61,641	39,356
Investment revenue	8,675	36,598	54,510
Other revenue	123,123	91,424	137,862
Grants - Province of Manitoba	144,407	349,843	324,771
Grants - Other	97,362	7,381	7,239
Water and sewer	132,778	142,060	262,506
Total revenue <i>(schedules 2, 4 and 5)</i>	<u>1,880,863</u>	<u>2,099,288</u>	<u>2,172,937</u>
EXPENSES			
General government services	458,998	497,295	425,054
Protective services	79,525	72,783	67,813
Transportation services	961,145	897,240	901,043
Environmental health services	112,280	110,499	119,291
Public health and welfare services	14,800	21,475	8,107
Regional planning and development	53,319	44,506	36,941
Resource conservation and industrial development	33,481	33,481	32,995
Recreation and cultural services	36,725	36,029	49,933
Water and sewer	176,475	185,626	195,556
Total expenses <i>(schedules 3, 4 and 5)</i>	<u>1,926,748</u>	<u>1,898,934</u>	<u>1,836,733</u>
ANNUAL SURPLUS	(45,885)	200,354	336,204
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>7,858,021</u>	<u>7,858,021</u>	<u>7,521,817</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>7,812,136</u>	<u>8,058,375</u>	<u>7,858,021</u>

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF ROSEDALE**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS****For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
ANNUAL SURPLUS	(45,885)	200,354	336,204
Acquisition of tangible capital assets	-	(173,700)	(398,305)
Amortization of tangible capital assets	178,350	178,245	166,188
Increase in inventories	-	(101,459)	20,109
Increase in prepaid expense	-	(1,430)	(2,631)
CHANGE IN NET FINANCIAL ASSETS	132,465	102,010	121,565
NET FINANCIAL ASSETS BEGINNING OF YEAR	2,726,629	2,726,629	2,605,064
NET FINANCIAL ASSETS END OF YEAR	2,859,094	2,828,639	2,726,629

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	2020	2019
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	200,354	336,204
Changes in non-cash items:		
Amortization	<u>178,245</u>	<u>166,188</u>
	378,599	502,392
Net changes in non-cash working capital affecting operations <i>(note 21)</i>	<u>(480,397)</u>	<u>481,668</u>
	<u>(101,798)</u>	<u>984,060</u>
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	<u>(173,700)</u>	<u>(398,305)</u>
FINANCING		
Reduction in long-term debt	<u>(10,156)</u>	<u>(9,765)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(285,654)	575,990
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>2,938,273</u>	<u>2,362,283</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>2,652,619</u></u>	<u><u>2,938,273</u></u>

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

1. STATUS OF THE RURAL MUNICIPALITY OF ROSEDALE

The incorporated Rural Municipality of Rosedale is a municipal government that was created on December 22, 1883 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) REPORTING ENTITY

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality.

The Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

	Consolidated	
	2020	2019
Neepawa and Area Planning District Board	25.00 %	25.00 %
Beautiful Plains County Court Building	33.33 %	33.33 %

The taxation with respect to the operations of the school divisions are not reflected in the Municipal surplus of these financial statements.

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements.

b) BASIS OF ACCOUNTING

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) INVESTMENTS

Temporary investments are accounted for at the lower of cost and market.

Portfolio investments are accounted for at cost.

e) REAL ESTATE PROPERTIES HELD FOR SALE

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

f) LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

The estimated cost to close and maintain solid waste landfill sites are based on estimated future expenses, in current dollars, adjusted for estimated inflation, and are charged to expenses as the landfill capacity is used.

g) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

h) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality does not capitalize interest charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

Land and land improvements	Indefinite
Buildings and leasehold improvements	10 to 40 years
Vehicles and equipment	
Vehicles	10 to 20 years
Machinery and equipment	10 to 20 years
Computer hardware and software	4 to 10 years

Infrastructure Assets

Roads, Streets, and Bridges	
Land	Indefinite
Road surface	25 to 40 years
Road grade	40 Years
Traffic lights and equipment	10 years
Land	Indefinite
Land improvements	30 to 50 years
Underground networks	40 to 60 years
Machinery & equipment	10 to 20 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

i) LEASES

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

j) INVENTORIES

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower of cost and replacement value.

Cost is calculated using the first in, first out method.

k) REVENUE RECOGNITION

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

I) MEASUREMENT UNCERTAINTY

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued amounts are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	2020	2019
	\$	\$
Tax assets (<i>schedule 10</i>)	250,693	163,332
Government grants and receivables	336,976	52,835
Organizations and individuals	72,736	152,073
	660,405	368,240
Allowance for doubtful accounts	(7,000)	(5,800)
	653,405	362,440

4. INVENTORIES

	2020	2019
	\$	\$
Gravel	202,727	165,154
Culverts	80,203	23,892
Fuel	5,609	7,043
Other	46,736	37,727
	335,275	233,816

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

5. LOANS AND ADVANCES

	<u>2020</u>	<u>2019</u>
	\$	\$
Loan receivable from the Neepawa and Area Development Corporation Ltd. This loan bears no interest and there are no specific terms of repayment.	<u>80,915</u>	<u>80,915</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2020</u>	<u>2019</u>
	\$	\$
Trade payable	206,174	267,446
Accrued expenses	22,549	43,328
School levies	114,772	111,115
Deposits	-	7,850
Other	17,365	20,026
	<u>360,860</u>	<u>449,765</u>

RURAL MUNICIPALITY OF ROSEDALE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2020****7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES****Operating Landfill Sites:**

The Municipality is currently operating a landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

Estimated closure and post closure costs are calculated as follows:

Eden	<u>2020</u>	<u>2019</u>
	\$	\$
Estimated closure and post closure costs	84,091	84,091
Discount rate applied	6.50 %	6.50 %
Discounted costs	<u>27,064</u>	<u>25,420</u>
Expected year landfill capacity to be reached	2037	2037
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	2,383	2,310
Remaining	<u>1,227</u>	<u>1,300</u>
Total	<u>3,610</u>	<u>3,610</u>
Percent utilized	<u>66.01 %</u>	<u>63.99 %</u>
Total	<u>17,865</u>	<u>16,266</u>
Kelwood	<u>2020</u>	<u>2019</u>
	\$	\$
Estimated closure and post closure costs	595,870	595,870
Discount rate applied	6.50 %	6.50 %
Discounted costs	<u>21,165</u>	<u>19,873</u>
Expected year landfill capacity to be reached	2072	2072
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	9,145	8,902
Remaining	<u>12,664</u>	<u>12,907</u>
Total	<u>21,809</u>	<u>21,809</u>
Percent utilized	<u>41.93 %</u>	<u>40.82 %</u>
Total	<u>8,875</u>	<u>8,112</u>

RURAL MUNICIPALITY OF ROSEDALE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2020****8. LONG-TERM DEBT**

	<u>2020</u>	<u>2019</u>
	\$	\$
Utility Funds:		
Municipal debenture payable in annual instalments of \$10,826 including interest at 4.125%, due December 31, 2037	130,435	135,664
Municipal debenture payable in annual instalments of \$6,678 including interest at 3.875%, due December 31, 2027	<u>40,265</u>	<u>45,192</u>
	<u>170,700</u>	<u>180,856</u>

Estimated principal repayments for the next five years are as follows:

2021	10,600
2022	11,000
2023	11,400
2024	11,900
2025	12,400

9. DEBT CHARGES - FRONTAGE

<u>Purpose and By-law</u>	<u>2020</u>	<u>2019</u>
	Levy	Levy
	\$	\$
Rural Water Supply 6-2018	10,826	10,825
Eden Water Supply 6-2018	<u>6,678</u>	<u>6,678</u>
	<u>17,504</u>	<u>17,503</u>

10. RESERVES

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2020</u>	<u>2020</u>	<u>2019</u>
		Mill Rate	Levy	Levy
			\$	\$
General Reserve	109,918,190	0.140	15,389	15,422
Machinery Replacement Reserve	109,918,190	0.935	102,774	97,709
Building Reserve	109,918,190	0.094	10,332	10,563
Gravel Reserve	109,918,190	0.450	<u>49,463</u>	<u>49,435</u>
			<u>177,958</u>	<u>173,129</u>

RURAL MUNICIPALITY OF ROSEDALE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2020****11. SPECIAL LEVIES**

Purpose and By-law	Assessment	2020 Mill Rate	Levy	2019 Levy
			\$	\$
Whitemud Watershed	58,618,600	0.451	13,962	24,992
Inter-Mountain Watershed	322,090	4.309	1,160	-
Assiniboine West Watershed	96,850	0.432	13	-
Turtle River Watershed			-	1,078
Little Saskatchewan Watershed			-	23
Riding Mountain Hall - Frontage	11,344,480	0.455	5,160	5,160
Kelwood Community Centre - Frontage	6,511,080	0.850	5,220	5,175
Eden Rink	24,135,830	0.325	7,844	7,689
			33,359	44,117

12. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Chartered Professional Accountants Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$37,901 (2019 - \$31,593) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2019 indicated the plan was 99.7% funded on a going concern basis and had an unfunded solvency liability of \$288.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2019.

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency funding requirements. As a result, solvency funding is no longer required by MEPP.

13. FINANCIAL INSTRUMENTS

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

14. BUDGET

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in *Schedule 9 - Reconciliation of the Financial Plan to the Budget*.

The budget numbers are unaudited and, accordingly, we express no assurance in respect to the budget.

15. SEGMENTED INFORMATION

The Rural Municipality of Rosedale provides a wide ranges of services to its residents.

Segment information has been provided in *Schedule 4* for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

16. GOVERNMENT PARTNERSHIPS

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note . The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Financial Position		
Financial Assets	309,952	234,442
Liabilities	<u>12,782</u>	<u>18,708</u>
	297,170	215,734
Non-financial Assets	<u>5,664</u>	<u>1,571</u>
Accumulated Surplus	<u><u>302,834</u></u>	<u><u>217,305</u></u>
Result of Operations		
Revenue	256,058	160,711
Expenses	<u>170,529</u>	<u>151,627</u>
Annual Surplus	<u><u>85,529</u></u>	<u><u>9,084</u></u>

17. ACCUMULATED SURPLUS

	<u>2020</u>	<u>2019</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	624,122	776,659
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(2,582,060)	(2,633,007)
General Operating Tangible Capital Assets, net of related borrowings	2,125,875	2,069,317
Utility Tangible Capital Assets, net of related borrowings	2,582,060	2,633,007
Reserve Funds	2,371,070	2,062,527
Water and Sewer System	2,784,822	2,833,381
LUD Surplus	<u>66,823</u>	<u>52,966</u>
Accumulated surplus of municipality unconsolidated	<u>7,972,712</u>	<u>7,794,850</u>
Accumulated surpluses of consolidated government partnerships	<u>85,663</u>	<u>63,171</u>
Accumulated Surplus per Statement of Financial Position	<u><u>8,058,375</u></u>	<u><u>7,858,021</u></u>

18. TRUST FUNDS

The Rural Municipality of Rosedale administers the following trusts:

RURAL MUNICIPALITY OF ROSEDALE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2020**

	Balance, beginning of the year	Excess of Receipts over Disbursements	Balance, end of the year
Kelwood Perpetual Trust	5,183	73	5,256
Kelwood Maintenance Trust	7,283	264	7,547
Birnie Cemetery Trust	4,722	167	4,889
Cairn	308	4	312
Riding Mountain Cemetery Trust	78,096	(16,731)	61,365
	<u>95,592</u>	<u>(16,223)</u>	<u>79,369</u>

19. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of The *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount in exceeding \$75,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2020:

- (a) Compensation paid to members of council amounted to \$75,600 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$75,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Earl Burton	11,450	2,464	13,914
Bruce Fleger	10,150	1,545	11,695
Ron Kostenchuk	10,550	2,117	12,667
Michael Porrok	11,690	2,025	13,715
Ernest Schure	10,950	1,647	12,597
Robert Scott	10,760	1,474	12,234
Andrew Somers	10,050	1,607	11,657
	<u>75,600</u>	<u>12,879</u>	<u>88,479</u>

- (c) The following individuals received compensation in excess of \$75,000:

Name	Position	Amount
Kara Sylvester	CAO	77,947

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

20. PUBLIC UTILITY BOARD

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

For information purposes, the Municipality has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

No capital grants have been deferred and amortized in these financial statements.

Water Services:	Unamortized			Unamortized
Description of Utility	Opening	Additions	Amortization	Ending
	Balance	During Year	During Year	Balance
Kelwood	61,665	-	1,233	60,432
Eden	2,003,538	-	40,888	1,962,650
	<u>2,065,203</u>	<u>-</u>	<u>42,121</u>	<u>2,023,082</u>

21. CHANGES IN WORKING CAPITAL

	<u>2020</u>	<u>2019</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	(290,965)	666,922
Inventories	(101,459)	20,109
Prepaid expenses	(1,430)	(2,631)
Accounts payable and accrued liabilities	(88,905)	(204,906)
Landfill closure and post closure liabilities	2,362	2,174
	<u>(480,397)</u>	<u>481,668</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2020

	General Capital Assets					Infrastructure			2020 Actual	2019 Actual
	Land and Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets under Construction		
Cost										
Balance, beginning of year	185,016	913,755	1,881,954	53,651	25,389	565,856	2,965,284	146,113	6,737,018	6,338,713
Asset purchases	30,429	59,447	109,213	-	(25,389)	-	146,113	(146,113)	173,700	398,305
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Balance, end of year	215,445	973,202	1,991,167	53,651	-	565,856	3,111,397	-	6,910,718	6,737,018
Accumulated Amortization										
Balance, beginning of year	45,369	110,559	807,438	48,722	-	544,216	297,534	-	1,853,838	1,687,650
Amortization	1,880	7,834	104,873	1,831	-	724	61,103	-	178,245	166,188
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Balance, end of year	47,249	118,393	912,311	50,553	-	544,940	358,637	-	2,032,083	1,853,838
Net book value	168,196	854,809	1,078,856	3,098	-	20,916	2,752,760	-	4,878,635	4,883,180

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 11</i>)	1,170,825	1,170,825	1,160,441
Taxes added	20,000	9,949	22,674
	<u>1,190,825</u>	<u>1,180,774</u>	<u>1,183,115</u>
GRANTS IN LIEU OF TAXATION			
Federal government	23,604	23,604	24,270
Provincial government	10,261	10,261	11,073
Provincial government enterprises	1,589	1,589	1,525
	<u>35,454</u>	<u>35,454</u>	<u>36,868</u>
USER FEES			
Sales of service	90,000	128,808	112,660
Sales of goods	-	47,464	2,353
Rentals	13,317	17,841	11,697
	<u>103,317</u>	<u>194,113</u>	<u>126,710</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	83,444	188,547	59,217
VLT revenues	50,000	50,000	74,228
Conditional grants	10,963	111,296	191,326
	<u>144,407</u>	<u>349,843</u>	<u>324,771</u>
GRANTS - OTHER			
Federal government - other	89,981	-	-
Other local governments	7,381	7,381	7,239
	<u>97,362</u>	<u>7,381</u>	<u>7,239</u>
PERMITS, LICENCES AND FEES			
Permits	32,300	47,582	23,308
Leases	12,622	14,059	16,048
	<u>44,922</u>	<u>61,641</u>	<u>39,356</u>
INVESTMENT REVENUE			
Interest	8,675	36,598	54,510
OTHER REVENUE			
Miscellaneous	98,123	69,101	119,615
Penalties and interest	25,000	22,323	18,247
	<u>123,123</u>	<u>91,424</u>	<u>137,862</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	132,778	142,060	262,506
TOTAL REVENUE	<u>1,880,863</u>	<u>2,099,288</u>	<u>2,172,937</u>

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	72,200	62,256	71,638
General administrative	386,798	435,039	353,416
	<u>458,998</u>	<u>497,295</u>	<u>425,054</u>
PROTECTIVE SERVICES			
Police	9,750	8,770	9,209
Fire	56,375	51,776	45,073
Emergency measures	500	-	1,510
Ambulance	12,900	12,237	12,021
	<u>79,525</u>	<u>72,783</u>	<u>67,813</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	14,500	20,170	19,646
Road and street maintenance	907,425	835,565	856,189
Bridge, ditches and culvert maintenance	5,000	-	-
Sidewalk and boulevard maintenance	8,500	-	-
Street lighting	17,220	20,203	16,775
Traffic services	8,500	21,302	8,433
	<u>961,145</u>	<u>897,240</u>	<u>901,043</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	112,280	110,499	119,291
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	10,000	18,701	2,933
Medical care	1,000	-	-
Social assistance	2,800	2,774	2,774
Other	1,000	-	2,400
	<u>14,800</u>	<u>21,475</u>	<u>8,107</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	49,719	43,577	36,941
Other	3,600	929	-
	<u>53,319</u>	<u>44,506</u>	<u>36,941</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Veterinary services	6,240	6,240	6,240
Water resources and conservation	27,241	27,241	26,755
	<u>33,481</u>	<u>33,481</u>	<u>32,995</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	13,250	12,596	6,388
Skating and curling rinks	4,650	8,689	29,945
Parks and playgrounds	4,465	1,075	920
Other recreational facilities	750	-	832
Other cultural facilities	13,610	13,669	11,848
	<u>36,725</u>	<u>36,029</u>	<u>49,933</u>

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	<u>176,475</u>	<u>185,626</u>	<u>195,556</u>
TOTAL EXPENSES	<u><u>1,926,748</u></u>	<u><u>1,898,934</u></u>	<u><u>1,836,733</u></u>

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2020

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	1,180,774	1,183,115	-	-	-	-	-	-	-	-
Grants in lieu of taxation	35,454	36,868	-	-	-	-	-	-	-	-
User fees	124,667	73,473	2,978	-	12,076	7,607	5,932	8,155	1,200	1,800
Grants - Province of Manitoba	349,843	324,771	-	-	-	-	-	-	-	-
Grants - Other	-	-	-	-	-	-	-	-	-	-
Permits, licences and fees	19,571	16,598	-	-	-	-	-	-	-	-
Investment revenue	36,135	53,931	-	-	-	-	-	-	-	-
Other revenue	91,153	137,627	-	-	-	-	-	-	-	-
Water and sewer	132,475	130,639	925	125,395	5,000	-	1,857	1,558	-	-
Total revenue	1,970,072	1,957,022	3,903	125,395	17,076	7,607	7,789	9,713	1,200	1,800
EXPENSES										
Personnel services	221,733	218,604	8,711	15,702	354,756	291,955	68,681	70,676	18,701	8,107
Contract services	68,970	30,824	19,896	20,707	11,900	13,811	6,562	6,024	2,774	-
Utilities	4,156	4,004	11,368	12,526	25,156	20,754	1,732	2,418	-	-
Maintenance materials & supplies	125,776	123,167	21,961	8,032	405,557	482,497	31,164	38,509	-	-
Grants & contributions	56,024	41,253	-	-	-	-	-	-	-	-
Amortization	3,634	3,198	10,847	10,846	99,871	92,026	2,360	1,664	-	-
Interest on long term debt	-	517	-	-	-	-	-	-	-	-
Other operating expense	8,316	3,219	-	-	-	-	-	-	-	-
Other operating expense	8,686	268	-	-	-	-	-	-	-	-
Total expenses	497,295	425,054	72,783	67,813	897,240	901,043	110,499	119,291	21,475	8,107
SURPLUS (DEFICIT)	1,472,777	1,531,968	(68,880)	57,582	(880,164)	(893,436)	(102,710)	(109,578)	(20,275)	(6,307)

* The general government category includes revenues and expenses that cannot be attributed to a particular sector

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2020

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	1,180,774	1,183,115
Grants in lieu of taxation	-	-	-	-	-	-	-	-	35,454	36,868
User fees	-	-	-	-	47,260	35,675	-	-	194,113	126,710
Grants - Province of Manitoba	-	-	-	-	-	-	-	-	349,843	324,771
Grants - Other	7,381	7,239	-	-	-	-	-	-	7,381	7,239
Permits, licences and fees	42,070	22,758	-	-	-	-	-	-	61,641	39,356
Investment revenue	463	579	-	-	-	-	-	-	36,598	54,510
Other revenue	271	235	-	-	-	-	-	-	91,424	137,862
Water and sewer	-	-	-	-	-	-	142,060	262,506	142,060	262,506
Total revenue	<u>50,185</u>	<u>30,811</u>	<u>-</u>	<u>-</u>	<u>47,260</u>	<u>35,675</u>	<u>142,060</u>	<u>262,506</u>	<u>2,099,288</u>	<u>2,172,937</u>
EXPENSES										
Personnel services	29,586	25,447	33,481	32,995	6,660	2,467	2,958	4,448	745,267	670,401
Contract services	430	429	-	-	1,803	1,648	110,644	121,312	222,979	194,755
Utilities	871	724	-	-	18,400	15,121	-	-	61,683	55,547
Maintenance materials & supplies	4,952	4,297	-	-	8,928	30,460	-	-	598,338	686,962
Grants & contributions	8,475	6,007	-	-	-	-	-	-	64,499	47,260
Amortization	192	37	-	-	238	237	61,103	58,180	178,245	166,188
Interest on long term debt	-	-	-	-	-	-	7,347	7,738	7,347	8,255
Other operating expense	-	-	-	-	-	-	3,574	3,878	11,890	7,097
Other operating expense	-	-	-	-	-	-	-	-	8,686	268
Total expenses	<u>44,506</u>	<u>36,941</u>	<u>33,481</u>	<u>32,995</u>	<u>36,029</u>	<u>49,933</u>	<u>185,626</u>	<u>195,556</u>	<u>1,898,934</u>	<u>1,836,733</u>
SURPLUS (DEFICIT)	<u>5,679</u>	<u>(6,130)</u>	<u>(33,481)</u>	<u>(32,995)</u>	<u>11,231</u>	<u>(14,258)</u>	<u>(43,566)</u>	<u>66,950</u>	<u>200,354</u>	<u>336,204</u>

* The general government category includes revenues and expenses that cannot be attributed to a particular sector

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2020

	Core Government		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
REVENUE						
Property taxes	1,180,774	1,183,115	-	-	1,180,774	1,183,115
Grants in lieu of taxation	35,454	36,868	-	-	35,454	36,868
User fees	176,422	115,143	17,691	11,567	194,113	126,710
Grants - Province of Manitoba	349,843	324,771	-	-	349,843	324,771
Grants - Other	-	-	7,381	7,239	7,381	7,239
Permits, licences and fees	19,571	16,598	42,070	22,758	61,641	39,356
Investment revenue	35,571	53,134	1,027	1,376	36,598	54,510
Other revenue	91,153	137,627	271	235	91,424	137,862
Water and sewer	142,060	262,506	-	-	142,060	262,506
Total revenue	<u>2,030,848</u>	<u>2,129,762</u>	<u>68,440</u>	<u>43,175</u>	<u>2,099,288</u>	<u>2,172,937</u>
EXPENSES						
Personnel services	713,214	642,487	32,053	27,914	745,267	670,401
Contract services	220,746	192,678	2,233	2,077	222,979	194,755
Utilities	55,936	50,581	5,747	4,966	61,683	55,547
Maintenance materials & supplies	589,792	679,174	8,546	7,788	598,338	686,962
Grants & contributions	67,324	49,263	(2,825)	(2,003)	64,499	47,260
Amortization	178,053	166,151	192	37	178,245	166,188
Interest on long term debt	7,347	8,255	-	-	7,347	8,255
Other operating expense	11,890	7,097	-	-	11,890	7,097
Other operating expense	8,686	268	-	-	8,686	268
Total expenses	<u>1,852,988</u>	<u>1,795,954</u>	<u>45,946</u>	<u>40,779</u>	<u>1,898,934</u>	<u>1,836,733</u>
SURPLUS (DEFICIT)	<u>177,860</u>	<u>333,808</u>	<u>22,494</u>	<u>2,396</u>	<u>200,354</u>	<u>336,204</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	General Reserve \$	Equipment Reserve \$	Bridge and Culvert \$	Gravel Reserve \$	Gas Tax Reserve \$	Eden Rink Reserve \$	Riding Mountain Hall Reserve \$
FINANCIAL ASSETS							
Cash and temporary investments	857,025	129,754	164,332	247,959	479,831	-	-
Due from other funds	(286,921)	38,050	-	50,001	449,357	33,129	5,075
	<u>570,104</u>	<u>167,804</u>	<u>164,332</u>	<u>297,960</u>	<u>929,188</u>	<u>33,129</u>	<u>5,075</u>
REVENUE							
Investment revenue	<u>11,925</u>	<u>1,806</u>	<u>2,287</u>	<u>3,451</u>	<u>6,677</u>	<u>-</u>	<u>-</u>
TRANSFERS							
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Transfer from (to) reserve funds	-	105,000	-	50,000	75,716	-	-
	<u>-</u>	<u>105,000</u>	<u>-</u>	<u>50,000</u>	<u>75,716</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCES	<u>11,925</u>	<u>106,806</u>	<u>2,287</u>	<u>53,451</u>	<u>82,393</u>	<u>-</u>	<u>-</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>558,179</u>	<u>60,998</u>	<u>162,045</u>	<u>244,509</u>	<u>846,795</u>	<u>33,129</u>	<u>5,075</u>
FUND SURPLUS, END OF YEAR	<u><u>570,104</u></u>	<u><u>167,804</u></u>	<u><u>164,332</u></u>	<u><u>297,960</u></u>	<u><u>929,188</u></u>	<u><u>33,129</u></u>	<u><u>5,075</u></u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	Kelwood Hall Reserve \$	Building Reserve \$	Eden Utility Reserve \$	2020 Actual \$	2019 Actual \$
FINANCIAL ASSETS					
Cash and temporary investments	-	120,695	-	1,999,596	1,971,769
Due from other funds	7,782	35,000	40,000	371,473	90,758
	<u>7,782</u>	<u>155,695</u>	<u>40,000</u>	<u>2,371,069</u>	<u>2,062,527</u>
REVENUE					
Investment revenue	-	1,680	-	27,826	45,248
TRANSFERS					
Acquisition of tangible capital assets	-	-	-	-	(164,900)
Transfer from (to) reserve funds	-	10,000	40,000	280,716	278,130
	<u>-</u>	<u>10,000</u>	<u>40,000</u>	<u>280,716</u>	<u>113,230</u>
CHANGE IN FUND BALANCES	-	11,680	40,000	308,542	158,478
FUND SURPLUS, BEGINNING OF YEAR	<u>7,782</u>	<u>144,015</u>	<u>-</u>	<u>2,062,527</u>	<u>1,904,049</u>
FUND SURPLUS, END OF YEAR	<u>7,782</u>	<u>155,695</u>	<u>40,000</u>	<u>2,371,069</u>	<u>2,062,527</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2020

	Kelwood \$	Eden \$	2020 Actual \$	2019 Actual \$
FINANCIAL ASSETS				
Cash and temporary investments	131,568	-	131,568	186,978
Accounts receivable <i>(note 3)</i>	4,681	46,910	51,591	56,953
Due from other funds	64,741	(35,159)	29,582	18,396
	<u>200,990</u>	<u>11,751</u>	<u>212,741</u>	<u>262,327</u>
LIABILITIES				
Accounts payable and accrued liabilities <i>(note 6)</i>	9,979	-	9,979	61,953
Long-term debt <i>(note 8)</i>	-	170,700	170,700	180,856
	<u>9,979</u>	<u>170,700</u>	<u>180,679</u>	<u>242,809</u>
NON-FINANCIAL ASSETS				
Tangible capital assets <i>(schedule 1)</i>	<u>282,446</u>	<u>2,470,314</u>	<u>2,752,760</u>	<u>2,813,863</u>
FUND SURPLUS	<u>473,457</u>	<u>2,311,365</u>	<u>2,784,822</u>	<u>2,833,381</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2020

	KELWOOD UTILITY		
	2020	2020	2019
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>43,000</u>	<u>27,620</u>	39,332
GOVERNMENT TRANSFERS			
Capital	<u>-</u>	<u>-</u>	61,665
OTHER REVENUE			
Hydrant rentals	3,375	3,600	3,375
Connection charges	-	10	22,647
Penalties	400	349	367
Other income	<u>2,000</u>	<u>1,803</u>	4,914
	<u>5,775</u>	<u>5,762</u>	31,303
TOTAL REVENUE	<u>48,775</u>	<u>33,382</u>	132,300
EXPENSES			
GENERAL			
Administration	<u>6,775</u>	<u>2,958</u>	4,448
WATER			
Transmission and distribution	37,500	33,640	23,258
Other water expense	<u>4,500</u>	<u>3,574</u>	3,878
	<u>42,000</u>	<u>37,214</u>	27,136
WATER AMORTIZATION AND INTEREST			
Amortization	<u>8,400</u>	<u>8,385</u>	5,462
TOTAL EXPENSES	<u>57,175</u>	<u>48,557</u>	37,046
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(8,400)	(15,175)	95,254
FUND SURPLUS, BEGINNING OF YEAR	<u>488,632</u>	<u>488,632</u>	393,378
FUND SURPLUS, END OF YEAR	<u>480,232</u>	<u>473,457</u>	488,632

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2020

	EDEN UTILITY		2019
	2020	2020	
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	60,000	101,255	87,932
Bulk water fees	5,500	915	6,083
	<u>65,500</u>	<u>102,170</u>	<u>94,015</u>
PROPERTY TAXES	<u>17,503</u>	<u>35,007</u>	<u>-</u>
OTHER REVENUE			
Connection charges	-	-	35,000
Installation service	-	5,000	-
Penalties	-	1,508	1,191
Other income	1,000	-	-
	<u>1,000</u>	<u>6,508</u>	<u>36,191</u>
TOTAL REVENUE	<u>84,003</u>	<u>143,685</u>	<u>130,206</u>
EXPENSES			
WATER			
Transmission and distribution	<u>66,500</u>	<u>77,004</u>	<u>98,054</u>
WATER AMORTIZATION AND INTEREST			
Amortization	52,800	52,718	52,718
Interest on long-term debt	-	7,347	7,738
	<u>52,800</u>	<u>60,065</u>	<u>60,456</u>
TOTAL EXPENSES	<u>119,300</u>	<u>137,069</u>	<u>158,510</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(35,297)	6,616	(28,304)
TRANSFERS			
Transfer from (to) reserve funds	-	(40,000)	-
CHANGE IN UTILITY FUND BALANCE	(35,297)	(33,384)	(28,304)
FUND SURPLUS, BEGINNING OF YEAR	<u>2,344,749</u>	<u>2,344,749</u>	<u>2,373,053</u>
FUND SURPLUS, END OF YEAR	<u>2,309,452</u>	<u>2,311,365</u>	<u>2,344,749</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2020

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Government Partnerships \$	PSAB Budget \$
REVENUE								
Property taxes	1,190,825	-	-	-	-	-	-	1,190,825
Grants in lieu of taxation	35,454	-	-	-	-	-	-	35,454
User fees	91,250	-	-	-	-	-	12,067	103,317
Grants - Province of Manitoba	144,407	-	-	-	-	-	-	144,407
Grants - Other	89,981	-	-	-	-	-	7,381	97,362
Permits, licences and fees	13,672	-	-	-	-	-	31,250	44,922
Investment revenue	8,000	-	-	-	-	-	675	8,675
Other revenue	122,888	-	-	-	-	-	235	123,123
Transfers	185,087	-	-	-	(185,087)	-	-	-
Water and sewer	-	132,778	-	-	-	-	-	132,778
	<u>1,881,564</u>	<u>132,778</u>	<u>-</u>	<u>-</u>	<u>(185,087)</u>	<u>-</u>	<u>51,608</u>	<u>1,880,863</u>
EXPENSES								
General government services	455,398	-	3,600	-	-	-	-	458,998
Protective services	68,625	-	10,900	-	-	-	-	79,525
Transportation services	861,145	-	100,000	-	-	-	-	961,145
Environmental health services	109,880	-	2,400	-	-	-	-	112,280
Public health and welfare services	14,800	-	-	-	-	-	-	14,800
Regional planning and development	14,900	-	-	-	-	-	38,419	53,319
Resource conservation and industrial development	33,481	-	-	-	-	-	-	33,481
Recreation and cultural services	22,865	-	250	-	-	-	13,610	36,725
Fiscal services	19,664	-	-	-	(19,664)	-	-	-
Transfers	280,807	-	-	-	(280,807)	-	-	-
Water and sewer	-	115,275	61,200	-	-	-	-	176,475
	<u>1,881,565</u>	<u>115,275</u>	<u>178,350</u>	<u>-</u>	<u>(300,471)</u>	<u>-</u>	<u>52,029</u>	<u>1,926,748</u>
SURPLUS (DEFICIT)	<u>(1)</u>	<u>17,503</u>	<u>(178,350)</u>	<u>-</u>	<u>115,384</u>	<u>-</u>	<u>(421)</u>	<u>(45,885)</u>

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2020

	2020 Actual \$	2019 Actual \$
BALANCE, BEGINNING OF YEAR	163,332	149,557
Add:		
Tax Levy (<i>schedule 11</i>)	2,520,709	2,495,148
Taxes added	9,949	22,674
Penalties and interest	22,323	18,247
Sub-total	2,716,313	2,685,626
Deduct:		
Cash collections - current	2,161,015	2,174,353
Cash collections - arrears	65,945	114,544
Cancellations	2,783	4,863
Tax discounts	7,446	4,316
M.P.T.C. - cash advance	228,431	224,218
Sub-total	2,465,620	2,522,294
BALANCE, END OF YEAR	250,693	163,332

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2020

	Assessment	2020 Mill Rate	Levy	2019 Levy
Other Governments (LUD):				
Local Urban District of Kelwood	2,807,050	13.800	<u>38,738</u>	<u>34,562</u>
Debt Charges:				
Frontage (note 9)			17,504	17,503
L.I.D.			-	-
At large			<u>-</u>	<u>-</u>
Reserves:				
Reserve (note 10)			<u>177,958</u>	<u>173,129</u>
Other municipal levies:				
General municipal	109,918,190	1.450	159,381	178,412
Rural area	107,111,140	6.945	743,885	712,718
Special levy (note 11)			<u>33,359</u>	<u>44,117</u>
			<u>936,625</u>	<u>935,247</u>
Total municipal taxes (schedule 2)			<u>1,170,825</u>	<u>1,160,441</u>
Education Support Levy	4,801,030	8.828	42,384	44,224
Special levy:				
Beautiful Plains School Division	89,839,460	11.101	997,254	980,309
Turtle River School Division	21,663,000	14.326	<u>310,246</u>	<u>310,174</u>
			<u>1,307,500</u>	<u>1,290,483</u>
Total education taxes			<u>1,349,884</u>	<u>1,334,707</u>
Total tax levy (schedule 10)			<u>2,520,709</u>	<u>2,495,148</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	72,200	62,256	71,638
General administrative	386,798	435,039	353,416
	<u>458,998</u>	<u>497,295</u>	<u>425,054</u>
PROTECTIVE SERVICES			
Police	9,750	8,770	9,209
Fire	56,375	51,776	45,073
Emergency measures	500	-	1,510
Ambulance	12,900	12,237	12,021
	<u>79,525</u>	<u>72,783</u>	<u>67,813</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	14,500	20,170	19,646
Road and street maintenance	907,425	835,565	856,189
Bridge, ditches and culvert maintenance	5,000	-	-
Sidewalk and boulevard maintenance	8,500	-	-
Street lighting	17,220	20,203	16,775
Traffic services	8,500	21,302	8,433
	<u>961,145</u>	<u>897,240</u>	<u>901,043</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	112,280	110,499	119,291
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	10,000	18,701	2,933
Medical care	1,000	-	-
Social assistance	2,800	2,774	2,774
Other	1,000	-	2,400
	<u>14,800</u>	<u>21,475</u>	<u>8,107</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	11,300	11,300	8,010
Other	3,600	929	-
	<u>14,900</u>	<u>12,229</u>	<u>8,010</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Veterinary services	6,240	6,240	6,240
Water resources and conservation	27,241	27,241	26,755
	<u>33,481</u>	<u>33,481</u>	<u>32,995</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	13,250	12,596	6,388
Skating and curling rinks	4,650	8,689	29,945
Parks and playgrounds	4,465	1,075	920
Other recreational facilities	750	-	832
	<u>23,115</u>	<u>22,360</u>	<u>38,085</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
TOTAL EXPENSES	1,698,244	1,667,362	1,600,398

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2020

	LOCAL URBAN DISTRICT OF KELWOOD		
	2020	2020	2019
	Budget	Actual	Actual
REVENUE			
Taxation	38,715	40,571	36,921
EXPENDITURES			
General government			
Indemnities	2,200	1,383	2,200
Transportation			
Road and street maintenance	6,000	7,354	20
Sidewalk and boulevard maintenance	6,500	-	-
Snow and ice removal	2,425	-	-
Street lighting	6,220	7,965	5,742
	21,145	15,319	5,762
Environmental health			
Waste collection and disposal	4,680	4,408	4,100
Other environmental health	-	-	449
	4,680	4,408	4,549
Regional planning and development			
Other regional planning and development	3,600	929	-
Recreation and culture			
Parks and playgrounds	3,715	1,075	600
Other expenses and transfers			
Fire hydrant rentals	3,375	3,600	3,375
TOTAL EXPENSES	38,715	26,714	16,486
EXCESS OF REVENUE OVER EXPENSES	-	13,857	20,435
UNEXPENDED BALANCE, BEGINNING OF YEAR	52,966	52,966	32,531
UNEXPENDED BALANCE, END OF YEAR	52,966	66,823	52,966

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2020

	General \$	Kelwood \$	Eden \$	2020 Total \$	2019 Total \$
CONSOLIDATED ANNUAL SURPLUS (<i>statement 2</i>)	248,913	(15,175)	(33,384)	200,354	336,204
Elimination of appropriations to reserves	(280,716)	-	-	(280,716)	(278,130)
Consolidation of reserve operations	(27,826)	-	-	(27,826)	(45,248)
Elimination of consolidated entity operations	(22,494)	-	-	(22,494)	(2,396)
Elimination of nominal surplus transfers	185,087	-	-	185,087	209,448
Amortization of tangible capital assets	116,950	8,385	52,718	178,053	166,151
Principal portion of long term debt	-	-	(10,156)	(10,156)	(9,765)
Acquisitions of capital assets from operating funds	(172,312)	-	-	(172,312)	(245,608)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	47,602	(6,790)	9,178	49,990	130,656

