

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

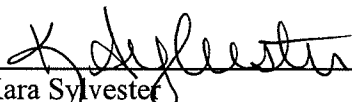
Rural Municipality of Rosedale
Box 100
Neepawa, Manitoba
R0J 1H0

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, 2021, 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, 2021, 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 10, 2022
Winnipeg, Manitoba



Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

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RURAL MUNICIPALITY OF ROSEDALE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021

	2021	2020
	Actual	Actual
	\$	\$
FINANCIAL ASSETS		
Cash and temporary investments	2,940,829	2,652,619
Accounts receivable <i>(note 3)</i>	443,272	616,276
Loans and advances <i>(note 5)</i>	80,915	80,915
	<u>3,465,016</u>	<u>3,349,810</u>
LIABILITIES		
Accounts payable and accrued liabilities <i>(note 6)</i>	465,354	465,860
Landfill closure and post closure liabilities <i>(note 7)</i>	29,307	26,740
Long-term debt <i>(note 8)</i>	160,137	170,700
	<u>654,798</u>	<u>663,300</u>
NET FINANCIAL ASSETS	<u>2,810,218</u>	<u>2,686,510</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	4,913,119	4,878,635
Inventories <i>(note 4)</i>	278,031	335,275
Prepaid expenses	18,536	15,826
	<u>5,209,686</u>	<u>5,229,736</u>
ACCUMULATED SURPLUS <i>(note 17)</i>	<u><u>8,019,904</u></u>	<u><u>7,916,246</u></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, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
REVENUE			
Property taxes	1,246,326	1,249,558	1,180,774
Grants in lieu of taxation	36,509	36,509	35,454
User fees	102,933	176,417	156,984
Permits, licences and fees	56,849	107,411	61,641
Investment revenue	7,908	29,671	36,598
Other revenue	97,843	165,128	91,424
Grants - Province of Manitoba	327,730	384,394	349,843
Grants - Other	7,893	7,893	7,381
Water and sewer	114,503	197,266	142,060
Total revenue (<i>schedules 2, 4 and 5</i>)	<u>1,998,494</u>	<u>2,354,247</u>	<u>2,062,159</u>
EXPENSES			
General government services	458,311	546,917	497,295
Protective services	75,125	126,933	72,783
Transportation services	896,245	1,128,991	1,002,240
Environmental health services	112,680	114,278	110,499
Public health and welfare services	13,800	24,815	21,475
Regional planning and development	51,716	55,739	44,506
Resource conservation and industrial development	30,625	30,623	33,481
Recreation and cultural services	44,533	36,245	36,029
Water and sewer	165,500	186,048	185,626
Total expenses (<i>schedules 3, 4 and 5</i>)	<u>1,848,535</u>	<u>2,250,589</u>	<u>2,003,934</u>
ANNUAL SURPLUS	149,959	103,658	58,225
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>7,916,246</u>	<u>7,916,246</u>	<u>7,858,021</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>8,066,205</u></u>	<u><u>8,019,904</u></u>	<u><u>7,916,246</u></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, 2021**

	2021	2021	2020
	Budget	Actual	Actual
	\$	\$	\$
ANNUAL SURPLUS	149,959	103,658	58,225
Acquisition of tangible capital assets	-	(220,523)	(173,700)
Proceeds on disposal of tangible capital assets	-	23,000	-
Amortization of tangible capital assets	185,550	184,898	178,245
Gain on sale of tangible capital assets	-	(21,859)	-
Decrease in inventories	-	57,244	(101,459)
Increase in prepaid expense	-	(2,710)	(1,430)
CHANGE IN SURPLUS (DEFICIT)	335,509	123,708	(40,119)
NET FINANCIAL ASSETS BEGINNING OF YEAR	2,686,510	2,686,510	2,726,629
NET FINANCIAL ASSETS END OF YEAR	3,022,019	2,810,218	2,686,510

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, 2021

	2021	2020
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	103,658	58,225
Changes in non-cash items:		
Amortization	184,898	178,245
Gain on disposal of tangible capital assets	(21,859)	-
	<u>266,697</u>	<u>236,470</u>
Net changes in non-cash working capital affecting operations <i>(note 21)</i>	<u>229,599</u>	<u>(338,268)</u>
	<u>496,296</u>	<u>(101,798)</u>
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	23,000	-
Cash used to acquire tangible capital assets	(220,523)	(173,700)
	<u>(197,523)</u>	<u>(173,700)</u>
FINANCING		
Reduction in long-term debt	(10,563)	(10,156)
	<u>(10,563)</u>	<u>(10,156)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	288,210	(285,654)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>2,652,619</u>	<u>2,938,273</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>2,940,829</u></u>	<u><u>2,652,619</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, 2021

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	
	<u>2021</u>	<u>2020</u>
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.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

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, 2021

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, 2021

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, 2021

D) 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.

	<u>2021</u>	<u>2020</u>
	\$	\$
Tax assets (<i>schedule 10</i>)	142,557	250,693
Government grants and receivables	220,684	299,847
Utility customers	39,734	48,674
Organizations and individuals	45,997	24,062
	<u>448,972</u>	<u>623,276</u>
Allowance for doubtful accounts	(5,700)	(7,000)
	<u>443,272</u>	<u>616,276</u>

4. INVENTORIES

	<u>2021</u>	<u>2020</u>
	\$	\$
Gravel	164,500	202,727
Culverts	79,903	80,203
Fuel	9,567	5,609
Other	24,061	46,736
	<u>278,031</u>	<u>335,275</u>

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

5. LOANS AND ADVANCES

	<u>2021</u>	<u>2020</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>2021</u>	<u>2020</u>
	\$	\$
Trade payable	259,052	311,174
Accrued expenses	52,015	22,549
School levies	136,806	114,772
Other	17,481	17,365
	<u>465,354</u>	<u>465,860</u>

RURAL MUNICIPALITY OF ROSEDALE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2021****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	2021	2020
	\$	\$
Estimated closure and post closure costs	84,091	84,091
Discount rate applied	6.50 %	6.50 %
Discounted costs	28,826	27,064
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	2,455	2,383
Remaining	1,155	1,227
Total	3,610	3,610
Percent utilized	68.01 %	66.01 %
Total	19,603	17,865
Kelwood	2021	2020
	\$	\$
Estimated closure and post closure costs	595,870	595,870
Discount rate applied	6.50 %	6.50 %
Discounted costs	22,541	21,165
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	9,389	9,145
Remaining	12,420	12,664
Total	21,809	21,809
Percent utilized	43.05 %	41.93 %
Total	9,704	8,875

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

8. LONG-TERM DEBT

	<u>2021</u>	<u>2020</u>
	\$	\$
Utility Funds:		
Municipal debenture payable in annual instalments of \$10,826 including interest at 4.125%, due December 31, 2037	124,989	130,435
Municipal debenture payable in annual instalments of \$6,678 including interest at 3.875%, due December 31, 2027	35,148	40,265
	<u>160,137</u>	<u>170,700</u>

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

2022	11,000
2023	11,400
2024	11,900
2025	12,400
2026	12,900

9. DEBT CHARGES - FRONTAGE

<u>Purpose and By-law</u>	<u>2021</u>	<u>2020</u>
	Levy	Levy
	\$	\$
Rural Water Supply 6-2018	10,826	10,826
Eden Water Supply 6-2018	6,678	6,678
	<u>17,504</u>	<u>17,504</u>

10. RESERVES

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2021</u>	<u>2020</u>
		Mill Rate	Levy
			Levy
			\$
			\$
General Reserve	110,401,840	0.132	14,573
Machinery Replacement Reserve	107,590,140	0.948	101,995
Building Reserve	110,401,840	0.088	9,715
Gravel Reserve	107,590,140	0.451	48,523
			<u>174,806</u>
			<u>177,958</u>

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

11. SPECIAL LEVIES

Purpose and By-law	Assessment	2021	Levy	2020
		Mill Rate		Levy
			\$	\$
Whitemud Watershed	58,676,780	0.382	22,415	13,962
Inter-Mountain Watershed	322,090	3.779	1,217	1,160
Assiniboine West Watershed	96,850	0.376	36	13
Riding Mountain Hall - Frontage	11,365,140	0.454	5,160	5,160
Kelwood Community Centre - Frontage	6,507,570	0.851	5,220	5,220
Eden Rink	24,135,830	0.372	8,966	7,844
Birnie Community Club			4,675	-
			<u>47,689</u>	<u>33,359</u>

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 \$36,862 (2020 - \$37,901) 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, 2020 indicated the plan was 96.7% funded on a going concern basis and had an unfunded solvency liability of \$333.3 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, 2020.

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.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

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.

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, 2021

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>2021</u>	<u>2020</u>
	\$	\$
Financial Position		
Financial Assets	455,734	309,952
Liabilities	<u>6,643</u>	<u>12,782</u>
	449,091	297,170
Non-financial Assets	<u>5,737</u>	<u>5,664</u>
Accumulated Surplus	<u><u>454,828</u></u>	<u><u>302,834</u></u>
Result of Operations		
Revenue	387,487	256,058
Expenses	<u>235,494</u>	<u>170,529</u>
Annual Surplus	<u><u>151,993</u></u>	<u><u>85,529</u></u>

17. ACCUMULATED SURPLUS

	<u>2021</u>	<u>2020</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	375,956	531,992
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(2,531,521)	(2,582,060)
General Operating Tangible Capital Assets, net of related borrowings	2,221,461	2,125,875
Utility Tangible Capital Assets, net of related borrowings	2,531,521	2,582,060
Reserve Funds	2,415,764	2,321,069
Water and Sewer System	2,813,542	2,784,822
LUD Surplus	<u>71,394</u>	<u>66,823</u>
Accumulated surplus of municipality unconsolidated	<u>7,898,117</u>	<u>7,830,581</u>
Accumulated surpluses of consolidated government partnerships	<u>121,787</u>	<u>85,665</u>
Accumulated Surplus per Statement of Financial Position	<u><u>8,019,904</u></u>	<u><u>7,916,246</u></u>

The 2020 financial statements have been restated to reflect a prior period adjustment. The adjustment has decreased the revenue and accounts receivable by \$37,129 and increased the expense and accounts payable by \$105,000; annual surplus has been decreased by \$142,129.

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

18. TRUST FUNDS

The Rural Municipality of Rosedale administers the following trusts:

	Balance, beginning of the year	Excess of Receipts over Disbursements	Balance, end of the year
Kelwood Perpetual Trust	5,256	63	5,320
Kelwood Maintenance Trust	7,547	92	7,739
Birnie Cemetery Trust	4,889	59	4,948
Cairn	312	4	316
Riding Mountain Cemetery Trust	61,365	740	62,105
	<u>79,369</u>	<u>958</u>	<u>80,428</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, 2021:

- (a) Compensation paid to members of council amounted to \$72,180 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	10,400	1,150	11,550
Bruce Fleger	10,270	780	11,050
Ron Kostenchuk	10,100	780	10,880
Michael Porrok	11,000	880	11,880
Ernest Schure	9,890	780	10,670
Robert Scott	10,600	1,150	11,750
Andrew Somers	9,920	1,135	11,055
	<u>72,180</u>	<u>6,655</u>	<u>78,835</u>

- (c) There were no officers or employees receiving compensation in excess of \$75,000

RURAL MUNICIPALITY OF ROSEDALE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2021

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: Description of Utility	Unamortized			Unamortized
	Opening Balance	Additions During Year	Amortization During Year	Ending Balance
Kelwood	60,432	-	1,233	59,199
Eden	1,962,650	-	40,888	1,921,762
	<u>2,023,082</u>	<u>-</u>	<u>42,121</u>	<u>1,980,961</u>

21. CHANGES IN WORKING CAPITAL

	<u>2021</u>	<u>2020</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	173,004	(253,836)
Inventories	57,244	(101,459)
Prepaid expenses	(2,710)	(1,430)
Accounts payable and accrued liabilities	(506)	16,095
Landfill closure and post closure liabilities	2,567	2,362
	<u>229,599</u>	<u>(338,268)</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2021

	General Capital Assets					Infrastructure			2021	2020
	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	Actual	Actual
Cost										
Balance, beginning of year	215,445	973,202	1,991,167	53,651	-	565,856	3,111,397	-	6,910,718	6,737,018
Asset purchases	26,952	58,212	135,358	-	-	-	-	-	220,522	173,700
Disposals and write downs	1,140	-	16,000	-	-	-	-	-	17,140	-
Balance, end of year	241,257	1,031,414	2,110,525	53,651	-	565,856	3,111,397	-	7,114,100	6,910,718
Accumulated Amortization										
Balance, beginning of year	47,249	118,393	912,311	50,553	-	544,940	358,637	-	2,032,083	1,853,838
Amortization	2,508	7,834	110,901	1,830	-	723	61,102	-	184,898	178,245
Disposals and write downs	-	-	16,000	-	-	-	-	-	16,000	-
Balance, end of year	49,757	126,227	1,007,212	52,383	-	545,663	419,739	-	2,200,981	2,032,083
Net book value	191,500	905,187	1,103,313	1,268	-	20,193	2,691,658	-	4,913,119	4,878,635

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED SCHEDULE OF REVENUES

Schedule 2

For the Year Ended December 31, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 11</i>)	1,226,326	1,226,326	1,170,825
Taxes added	20,000	23,232	9,949
	<u>1,246,326</u>	<u>1,249,558</u>	<u>1,180,774</u>
GRANTS IN LIEU OF TAXATION			
Federal government	24,345	24,345	23,604
Provincial government	10,515	10,515	10,261
Provincial government enterprises	1,649	1,649	1,589
	<u>36,509</u>	<u>36,509</u>	<u>35,454</u>
USER FEES			
Sales of service	85,000	112,158	128,808
Sales of goods	6,000	52,236	10,335
Rentals	11,933	12,023	17,841
	<u>102,933</u>	<u>176,417</u>	<u>156,984</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	140,000	148,444	238,547
Conditional grants	187,730	235,950	111,296
	<u>327,730</u>	<u>384,394</u>	<u>349,843</u>
GRANTS - OTHER			
Other local governments	7,893	7,893	7,381
PERMITS, LICENCES AND FEES			
Permits	41,290	92,066	47,582
Leases	15,559	15,345	14,059
	<u>56,849</u>	<u>107,411</u>	<u>61,641</u>
INVESTMENT REVENUE			
Interest	7,908	29,671	36,598
OTHER REVENUE			
Gain on sale of tangible capital assets	-	21,859	-
Miscellaneous	62,843	95,120	69,101
Penalties and interest	35,000	48,149	22,323
	<u>97,843</u>	<u>165,128</u>	<u>91,424</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	114,503	197,266	142,060
TOTAL REVENUE	<u><u>1,998,494</u></u>	<u><u>2,354,247</u></u>	<u><u>2,062,159</u></u>

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	64,300	67,973	62,256
General administrative	394,011	478,944	435,039
	<u>458,311</u>	<u>546,917</u>	<u>497,295</u>
PROTECTIVE SERVICES			
Police	9,000	9,382	8,770
Fire	47,125	100,870	51,776
Emergency measures	500	-	-
Ambulance	18,500	16,681	12,237
	<u>75,125</u>	<u>126,933</u>	<u>72,783</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	20,000	22,091	20,170
Road and street maintenance	847,025	1,077,132	940,565
Bridge, ditches and culvert maintenance	1,000	-	-
Sidewalk and boulevard maintenance	3,000	-	-
Street lighting	18,720	16,855	20,203
Traffic services	6,500	12,913	21,302
	<u>896,245</u>	<u>1,128,991</u>	<u>1,002,240</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	112,680	114,278	110,499
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	9,000	22,041	18,701
Medical care	1,000	-	-
Social assistance	2,800	2,774	2,774
Other	1,000	-	-
	<u>13,800</u>	<u>24,815</u>	<u>21,475</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	51,716	55,739	43,577
Other	-	-	929
	<u>51,716</u>	<u>55,739</u>	<u>44,506</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Veterinary services	6,240	6,240	6,240
Water resources and conservation	24,385	24,383	27,241
	<u>30,625</u>	<u>30,623</u>	<u>33,481</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	13,945	7,690	12,596
Skating and curling rinks	4,650	7,462	8,689
Parks and playgrounds	4,215	943	1,075
Other recreational facilities	500	63	-
Other cultural facilities	21,223	20,087	13,669
	<u>44,533</u>	<u>36,245</u>	<u>36,029</u>

RURAL MUNICIPALITY OF ROSEDALE
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2021

	2021	2021	2020
	Budget	Actual	Actual
	\$	\$	\$
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	<u>165,500</u>	<u>186,048</u>	<u>185,626</u>
TOTAL EXPENSES	<u><u>1,848,535</u></u>	<u><u>2,250,589</u></u>	<u><u>2,003,934</u></u>

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2021

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	1,249,558	1,180,774	-	-	-	-	-	-	-	-
Grants in lieu of taxation	36,509	35,454	-	-	-	-	-	-	-	-
User fees	120,068	87,538	3,916	2,978	34,425	12,076	11,518	5,932	1,000	1,200
Grants - Province of Manitoba	384,394	349,843	-	-	-	-	-	-	-	-
Grants - Other	-	-	-	-	-	-	-	-	-	-
Permits, licences and fees	29,652	19,571	-	-	-	-	-	-	-	-
Investment revenue	29,059	36,135	-	-	-	-	-	-	-	-
Other revenue	163,868	91,153	-	-	-	-	-	-	-	-
Water and sewer	191,537	132,475	2,510	925	-	5,000	1,611	1,857	-	-
Total revenue	<u>2,204,645</u>	<u>1,932,943</u>	<u>6,426</u>	<u>3,903</u>	<u>34,425</u>	<u>17,076</u>	<u>13,129</u>	<u>7,789</u>	<u>1,000</u>	<u>1,200</u>
EXPENSES										
Personnel services	270,840	221,733	31,859	8,711	331,754	354,756	70,841	68,681	18,009	18,701
Contract services	67,789	68,970	21,393	19,896	8,450	11,900	6,766	6,562	2,774	2,774
Utilities	2,791	4,156	8,312	11,368	23,805	25,156	2,014	1,732	-	-
Maintenance materials & supplies	132,784	125,776	48,688	21,961	664,509	510,557	31,923	31,164	-	-
Grants & contributions	62,256	56,024	-	-	-	-	-	-	4,032	-
Amortization	3,468	3,634	16,681	10,847	100,473	99,871	2,734	2,360	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other operating expense	3,043	8,316	-	-	-	-	-	-	-	-
Other operating expense	3,946	8,686	-	-	-	-	-	-	-	-
Total expenses	<u>546,917</u>	<u>497,295</u>	<u>126,933</u>	<u>72,783</u>	<u>1,128,991</u>	<u>1,002,240</u>	<u>114,278</u>	<u>110,499</u>	<u>24,815</u>	<u>21,475</u>
SURPLUS (DEFICIT)	<u>1,657,728</u>	<u>1,435,648</u>	<u>(120,507)</u>	<u>(68,880)</u>	<u>(1,094,566)</u>	<u>(985,164)</u>	<u>(101,149)</u>	<u>(102,710)</u>	<u>(23,815)</u>	<u>(20,275)</u>

* 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, 2021

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	1,249,558	1,180,774
Grants in lieu of taxation	-	-	-	-	-	-	-	-	36,509	35,454
User fees	-	-	-	-	5,490	47,260	-	-	176,417	156,984
Grants - Province of Manitoba	-	-	-	-	-	-	-	-	384,394	349,843
Grants - Other	7,893	7,381	-	-	-	-	-	-	7,893	7,381
Permits, licences and fees	77,759	42,070	-	-	-	-	-	-	107,411	61,641
Investment revenue	612	463	-	-	-	-	-	-	29,671	36,598
Other revenue	1,260	271	-	-	-	-	-	-	165,128	91,424
Water and sewer	-	-	-	-	-	-	197,266	142,060	197,266	142,060
Total revenue	87,524	50,185	-	-	5,490	47,260	197,266	142,060	2,354,247	2,062,159
EXPENSES										
Personnel services	39,614	29,586	-	-	2,533	6,660	2,477	2,958	767,927	711,786
Contract services	627	430	-	-	2,467	1,803	111,518	110,644	221,784	222,979
Utilities	830	871	-	-	18,183	18,400	-	-	55,935	61,683
Maintenance materials & supplies	5,403	4,952	-	-	12,825	8,928	-	-	896,132	703,338
Grants & contributions	9,062	8,475	30,623	33,481	-	-	-	-	105,973	97,980
Amortization	203	192	-	-	237	238	61,102	61,103	184,898	178,245
Interest on long term debt	-	-	-	-	-	-	6,941	7,347	6,941	7,347
Other operating expense	-	-	-	-	-	-	4,010	3,574	7,053	11,890
Other operating expense	-	-	-	-	-	-	-	-	3,946	8,686
Total expenses	55,739	44,506	30,623	33,481	36,245	36,029	186,048	185,626	2,250,589	2,003,934
SURPLUS (DEFICIT)	31,785	5,679	(30,623)	(33,481)	(30,755)	11,231	11,218	(43,566)	103,658	58,225

* 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, 2021

	Core Government		Government Partnerships		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
REVENUE						
Property taxes	1,249,558	1,180,774	-	-	1,249,558	1,180,774
Grants in lieu of taxation	36,509	35,454	-	-	36,509	35,454
User fees	164,484	139,293	11,933	17,691	176,417	156,984
Grants - Province of Manitoba	384,394	349,843	-	-	384,394	349,843
Grants - Other	-	-	7,893	7,381	7,893	7,381
Permits, licences and fees	29,652	19,571	77,759	42,070	107,411	61,641
Investment revenue	28,653	35,571	1,018	1,027	29,671	36,598
Other revenue	163,868	91,153	1,260	271	165,128	91,424
Water and sewer	197,266	142,060	-	-	197,266	142,060
Total revenue	<u>2,254,384</u>	<u>1,993,719</u>	<u>99,863</u>	<u>68,440</u>	<u>2,354,247</u>	<u>2,062,159</u>
EXPENSES						
Personnel services	725,780	679,733	42,147	32,053	767,927	711,786
Contract services	218,690	220,746	3,094	2,233	221,784	222,979
Utilities	47,526	55,936	8,409	5,747	55,935	61,683
Maintenance materials & supplies	883,221	694,792	12,911	8,546	896,132	703,338
Grants & contributions	108,994	100,805	(3,021)	(2,825)	105,973	97,980
Amortization	184,695	178,053	203	192	184,898	178,245
Interest on long term debt	6,941	7,347	-	-	6,941	7,347
Other operating expense	7,053	11,890	-	-	7,053	11,890
Other operating expense	3,946	8,686	-	-	3,946	8,686
Total expenses	<u>2,186,846</u>	<u>1,957,988</u>	<u>63,743</u>	<u>45,946</u>	<u>2,250,589</u>	<u>2,003,934</u>
SURPLUS (DEFICIT)	<u>67,538</u>	<u>35,731</u>	<u>36,120</u>	<u>22,494</u>	<u>103,658</u>	<u>58,225</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2021

	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	799,177	75,758	166,315	200,480	471,223	-	-
Due from other funds	(224,421)	116,422	(50,001)	15,001	597,674	33,129	5,075
	<u>574,756</u>	<u>192,180</u>	<u>116,314</u>	<u>215,481</u>	<u>1,068,897</u>	<u>33,129</u>	<u>5,075</u>
REVENUE							
Investment revenue	<u>9,652</u>	<u>1,004</u>	<u>1,982</u>	<u>2,521</u>	<u>5,657</u>	<u>-</u>	<u>-</u>
TRANSFERS							
Transfer from (to) reserve funds	<u>(5,000)</u>	<u>23,372</u>	<u>(50,000)</u>	<u>(35,000)</u>	<u>134,052</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCES							
	<u>4,652</u>	<u>24,376</u>	<u>(48,018)</u>	<u>(32,479)</u>	<u>139,709</u>	<u>-</u>	<u>-</u>
FUND SURPLUS, BEGINNING OF YEAR							
	<u>570,104</u>	<u>167,804</u>	<u>164,332</u>	<u>247,960</u>	<u>929,188</u>	<u>33,129</u>	<u>5,075</u>
FUND SURPLUS, END OF YEAR							
	<u><u>574,756</u></u>	<u><u>192,180</u></u>	<u><u>116,314</u></u>	<u><u>215,481</u></u>	<u><u>1,068,897</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, 2021

	Kelwood Hall Reserve \$	Building Reserve \$	Eden Utility Reserve \$	2021 Actual \$	2020 Actual \$
FINANCIAL ASSETS					
Cash and temporary investments	-	122,151	-	1,835,104	1,999,596
Due from other funds	7,782	40,000	40,000	580,661	321,473
	<u>7,782</u>	<u>162,151</u>	<u>40,000</u>	<u>2,415,765</u>	<u>2,321,069</u>
REVENUE					
Investment revenue	-	1,456	-	22,272	27,826
TRANSFERS					
Transfer from (to) reserve funds	-	5,000	-	72,424	230,716
CHANGE IN FUND BALANCES					
	-	6,456	-	94,696	258,542
FUND SURPLUS, BEGINNING OF YEAR	<u>7,782</u>	<u>155,695</u>	<u>40,000</u>	<u>2,321,069</u>	<u>2,062,527</u>
FUND SURPLUS, END OF YEAR	<u><u>7,782</u></u>	<u><u>162,151</u></u>	<u><u>40,000</u></u>	<u><u>2,415,765</u></u>	<u><u>2,321,069</u></u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2021

	Kelwood \$	Eden \$	2021 Actual \$	2020 Actual \$
FINANCIAL ASSETS				
Cash and temporary investments	153,271	-	153,271	131,568
Accounts receivable <i>(note 3)</i>	2,433	41,590	44,023	51,591
Due from other funds	68,531	16,737	85,268	29,582
	<u>224,235</u>	<u>58,327</u>	<u>282,562</u>	<u>212,741</u>
LIABILITIES				
Accounts payable and accrued liabilities <i>(note 6)</i>	540	-	540	9,979
Long-term debt <i>(note 8)</i>	-	160,137	160,137	170,700
	<u>540</u>	<u>160,137</u>	<u>160,677</u>	<u>180,679</u>
NON-FINANCIAL ASSETS				
Tangible capital assets <i>(schedule 1)</i>	274,062	2,417,596	2,691,658	2,752,760
FUND SURPLUS	<u>497,757</u>	<u>2,315,786</u>	<u>2,813,543</u>	<u>2,784,822</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2021

	KELWOOD UTILITY		
	2021 Budget \$	2021 Actual \$	2020 Actual \$
REVENUE			
WATER			
Water fees	25,000	52,195	27,620
OTHER REVENUE			
Hydrant rentals	3,600	3,600	3,600
Connection charges	-	-	10
Penalties	400	359	349
Other income	2,000	1,608	1,803
	<u>6,000</u>	<u>5,567</u>	<u>5,762</u>
TOTAL REVENUE	<u>31,000</u>	<u>57,762</u>	<u>33,382</u>
EXPENSES			
GENERAL			
Administration	3,775	2,477	2,958
WATER			
Transmission and distribution	23,225	18,591	33,640
Other water expense	4,000	4,010	3,574
	<u>27,225</u>	<u>22,601</u>	<u>37,214</u>
WATER AMORTIZATION AND INTEREST			
Amortization	8,500	8,384	8,385
TOTAL EXPENSES	<u>39,500</u>	<u>33,462</u>	<u>48,557</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(8,500)	24,300	(15,175)
FUND SURPLUS, BEGINNING OF YEAR	<u>473,457</u>	<u>473,457</u>	<u>488,632</u>
FUND SURPLUS, END OF YEAR	<u>464,957</u>	<u>497,757</u>	<u>473,457</u>

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2021

	EDEN UTILITY		2020 Actual \$
	2021 Budget \$	2021 Actual \$	
REVENUE			
WATER			
Water fees	60,500	135,742	101,255
Bulk water fees	5,500	2,510	915
	<u>66,000</u>	<u>138,252</u>	<u>102,170</u>
PROPERTY TAXES	<u>17,503</u>	<u>17,503</u>	<u>35,007</u>
OTHER REVENUE			
Installation service	-	-	5,000
Penalties	-	1,252	1,508
	<u>-</u>	<u>1,252</u>	<u>6,508</u>
TOTAL REVENUE	<u>83,503</u>	<u>157,007</u>	<u>143,685</u>
EXPENSES			
WATER			
Transmission and distribution	66,000	92,927	77,004
WATER AMORTIZATION AND INTEREST			
Amortization	53,000	52,718	52,718
Interest on long-term debt	7,000	6,941	7,347
	<u>60,000</u>	<u>59,659</u>	<u>60,065</u>
TOTAL EXPENSES	<u>126,000</u>	<u>152,586</u>	<u>137,069</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(42,497)	4,421	6,616
TRANSFERS			
Transfer from (to) reserve funds	-	-	(40,000)
CHANGE IN UTILITY FUND BALANCE	(42,497)	4,421	(33,384)
FUND SURPLUS, BEGINNING OF YEAR	<u>2,311,365</u>	<u>2,311,365</u>	<u>2,344,749</u>
FUND SURPLUS, END OF YEAR	<u>2,268,868</u>	<u>2,315,786</u>	<u>2,311,365</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2021

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Government Partnerships \$	PSAB Budget \$
REVENUE								
Property taxes	1,246,326	-	-	-	-	-	-	1,246,326
Grants in lieu of taxation	36,509	-	-	-	-	-	-	36,509
User fees	91,000	-	-	-	-	-	11,933	102,933
Grants - Province of Manitoba	327,730	-	-	-	-	-	-	327,730
Grants - Other	-	-	-	-	-	-	7,893	7,893
Permits, licences and fees	25,599	-	-	-	-	-	31,250	56,849
Investment revenue	7,000	-	-	-	-	-	908	7,908
Other revenue	92,968	-	-	-	-	-	4,875	97,843
Water and sewer	-	114,503	-	-	-	-	-	114,503
	1,827,132	114,503	-	-	-	-	56,859	1,998,494
EXPENSES								
General government services	454,811	-	3,500	-	-	-	-	458,311
Protective services	58,125	-	17,000	-	-	-	-	75,125
Transportation services	795,745	-	100,500	-	-	-	-	896,245
Environmental health services	109,880	-	2,800	-	-	-	-	112,680
Public health and welfare services	15,300	-	-	(1,500)	-	-	-	13,800
Regional planning and development	12,083	-	-	-	-	-	39,633	51,716
Resource conservation and industrial development	30,625	-	-	-	-	-	-	30,625
Recreation and cultural services	23,060	-	250	-	-	-	21,223	44,533
Transfers	327,503	-	-	-	(327,503)	-	-	-
Water and sewer	-	114,503	61,500	7,000	(17,503)	-	-	165,500
	1,827,132	114,503	185,550	5,500	(345,006)	-	60,856	1,848,535
SURPLUS (DEFICIT)	-	-	(185,550)	(5,500)	345,006	-	(3,997)	149,959

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2021

	2021 Actual \$	2020 Actual \$
BALANCE, BEGINNING OF YEAR	<u>250,693</u>	<u>163,332</u>
Add:		
Tax Levy (<i>schedule 11</i>)	2,573,085	2,520,709
Taxes added	23,232	9,949
Penalties and interest	48,149	22,323
Sub-total	<u>2,895,159</u>	<u>2,716,313</u>
Deduct:		
Cash collections - current	2,352,461	2,161,015
Cash collections - arrears	225,547	65,945
Cancellations	4,298	2,783
Tax discounts	-	7,446
M.P.T.C. - cash advance	170,296	228,431
Sub-total	<u>2,752,602</u>	<u>2,465,620</u>
BALANCE, END OF YEAR	<u><u>142,557</u></u>	<u><u>250,693</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2021

	Assessment	2021 Mill Rate	Levy	2020 Levy
Other Governments (LUD):				
Local Urban District of Kelwood	2,811,700	13.250	<u>37,255</u>	<u>38,738</u>
Debt Charges:				
Frontage (note 9)			17,504	17,504
L.I.D.			-	-
At large			<u>-</u>	<u>-</u>
Reserves:				
Reserve (note 10)			<u>174,806</u>	<u>177,958</u>
Other municipal levies:				
General municipal	110,401,840	2.532	279,538	159,381
Rural area	107,590,140	6.223	669,534	743,885
Special levy (note 11)			<u>47,689</u>	<u>33,359</u>
			<u>996,761</u>	<u>936,625</u>
Total municipal taxes (schedule 2)			<u>1,226,326</u>	<u>1,170,825</u>
Education Support Levy	4,941,300	8.809	43,528	42,384
Special levy:				
Beautiful Plains School Division	90,299,580	10.994	992,643	997,254
Turtle River School Division	21,686,530	14.326	<u>310,588</u>	<u>310,246</u>
			<u>1,303,231</u>	<u>1,307,500</u>
Total education taxes			<u>1,346,759</u>	<u>1,349,884</u>
Total tax levy (schedule 10)			<u>2,573,085</u>	<u>2,520,709</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	64,300	67,973	62,256
General administrative	394,011	478,944	435,039
	<u>458,311</u>	<u>546,917</u>	<u>497,295</u>
PROTECTIVE SERVICES			
Police	9,000	9,382	8,770
Fire	47,125	100,870	51,776
Emergency measures	500	-	-
Ambulance	18,500	16,681	12,237
	<u>75,125</u>	<u>126,933</u>	<u>72,783</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	20,000	22,091	20,170
Road and street maintenance	847,025	1,077,132	940,565
Bridge, ditches and culvert maintenance	1,000	-	-
Sidewalk and boulevard maintenance	3,000	-	-
Street lighting	18,720	16,855	20,203
Traffic services	6,500	12,913	21,302
	<u>896,245</u>	<u>1,128,991</u>	<u>1,002,240</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	112,680	114,278	110,499
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	9,000	22,041	18,701
Medical care	1,000	-	-
Social assistance	2,800	2,774	2,774
Other	1,000	-	-
	<u>13,800</u>	<u>24,815</u>	<u>21,475</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	12,083	12,083	11,300
Other	-	-	929
	<u>12,083</u>	<u>12,083</u>	<u>12,229</u>
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Veterinary services	6,240	6,240	6,240
Water resources and conservation	24,385	24,383	27,241
	<u>30,625</u>	<u>30,623</u>	<u>33,481</u>
RECREATION AND CULTURAL SERVICES			
Community centers and halls	13,945	7,690	12,596
Skating and curling rinks	4,650	7,462	8,689
Parks and playgrounds	4,215	943	1,075
Other recreational facilities	500	63	-
	<u>23,310</u>	<u>16,158</u>	<u>22,360</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2021

	2021 Budget \$	2021 Actual \$	2020 Actual \$
TOTAL EXPENSES	<u>1,622,179</u>	<u>2,000,798</u>	<u>1,772,362</u>

SCHEDULE OF L.U.D. OPERATIONS

For the Year Ended December 31, 2021

	LOCAL URBAN DISTRICT OF KELWOOD		
	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Taxation	<u>38,815</u>	<u>39,016</u>	<u>40,571</u>
EXPENDITURES			
General government			
Indemnities	<u>2,300</u>	<u>1,994</u>	<u>1,383</u>
Transportation			
Road and street maintenance	<u>6,000</u>	<u>18,318</u>	<u>7,354</u>
Sidewalk and boulevard maintenance	<u>6,500</u>	<u>-</u>	<u>-</u>
Street cleaning	<u>3,600</u>	<u>-</u>	<u>-</u>
Snow and ice removal	<u>2,425</u>	<u>-</u>	<u>-</u>
Street lighting	<u>6,220</u>	<u>5,593</u>	<u>7,965</u>
	<u>24,745</u>	<u>23,911</u>	<u>15,319</u>
Environmental health			
Waste collection and disposal	<u>4,680</u>	<u>4,160</u>	<u>4,408</u>
Regional planning and development			
Other regional planning and development	<u>-</u>	<u>-</u>	<u>929</u>
Recreation and culture			
Parks and playgrounds	<u>3,715</u>	<u>780</u>	<u>1,075</u>
Other expenses and transfers			
Fire hydrant rentals	<u>3,375</u>	<u>3,600</u>	<u>3,600</u>
TOTAL EXPENSES	<u>38,815</u>	<u>34,445</u>	<u>26,714</u>
EXCESS OF REVENUE OVER EXPENSES	<u>-</u>	<u>4,571</u>	<u>13,857</u>
UNEXPENDED BALANCE, BEGINNING OF YEAR	<u>66,823</u>	<u>66,823</u>	<u>52,966</u>
UNEXPENDED BALANCE, END OF YEAR	<u>66,823</u>	<u>71,394</u>	<u>66,823</u>

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2021

	General \$	Kelwood \$	Eden \$	2021 Total \$	2020 Total \$
CONSOLIDATED ANNUAL SURPLUS (<i>statement 2</i>)	74,937	24,300	4,421	103,658	58,225
Elimination of appropriations from reserves	110,000	-	-	110,000	-
Elimination of appropriations to reserves	(182,424)	-	-	(182,424)	(138,587)
Consolidation of reserve operations	(22,272)	-	-	(22,272)	(27,826)
Elimination of consolidated entity operations	(36,120)	-	-	(36,120)	(22,494)
Elimination of nominal surplus transfers	-	-	-	-	185,087
Amortization of tangible capital assets	123,593	8,384	52,718	184,695	178,053
Principal portion of long term debt	-	-	(10,563)	(10,563)	(10,156)
Proceeds on disposal of assets	23,000	-	-	23,000	-
Loss (gain) on disposal of assets	(21,859)	-	-	(21,859)	-
Change in inventory	57,244	-	-	57,244	-
Acquisitions of capital assets from operating funds	(162,311)	-	-	(162,311)	(172,312)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	(36,212)	32,684	46,576	43,048	49,990

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REID & MILLER

CHARTERED PROFESSIONAL ACCOUNTANTS INC