

ROSSBURN MUNICIPALITY

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2020

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For the year ended December 31, 2020

ROSSBURN MUNICIPALITY
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STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Rosscburn Municipality and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

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.

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Sensus Chartered Professional Accountants Ltd., as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditor's Report is addressed to the Head of council 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.


Holly Krysko
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Rosburn Municipality
Rosburn, Manitoba

Qualified Opinion

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

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rosburn Municipality as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Rosburn Municipality has departed from Canadian public sector accounting standards as a reasonable estimate for the closure and post-closure costs of the landfill has not been performed. Therefore, the underlying accounting records are not complete as there is no current closure and post-closure estimated costs included in the audited financial statements. As we are unable to determine the effect of the unrecorded liability on the financial statements we have qualified our audit opinion.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Rosburn Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we 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 Rosburn 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 Rosburn Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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 auditing standards, we exercise our 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 the Rossburn Municipality'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 the Rossburn Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Rossburn Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represents 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.

Brandon, Manitoba
Date approved

Chartered Professional Accountants Ltd.

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash (Note 3)	\$ 722,052	\$ 336,096
Amounts receivable (Note 4)	514,937	442,309
Loans and advances (Note 18)	25,000	25,000
Real estate properties held for sale (Note 2)	41,105	45,627
Other inventories for sale (Note 5)	20,981	24,461
	1,324,075	873,493
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	127,077	349,453
Deferred revenue (Note 2)	86,171	146,593
Long-term debt (Note 7)	532,587	74,049
	745,835	570,095
NET FINANCIAL ASSETS	578,240	303,398
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	4,160,393	4,245,919
Inventories (Note 5)	47,949	39,874
Prepaid expenses	40,073	31,718
	4,248,415	4,317,511
ACCUMULATED SURPLUS (Note 12)	\$ 4,826,655	\$ 4,620,909

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2020

	2020 Budget (Note 11)	2020 Actual	2019 Actual
REVENUE			
Property taxes	\$ 1,716,691	\$ 1,726,465	\$ 1,640,716
Grants in lieu of taxation	11,868	11,868	11,335
User fees	237,011	227,463	252,852
Permits, licences and fines	5,005	16,626	5,899
Investment income	7,529	24,129	41,019
Other revenue	100,002	227,006	195,604
Water and sewer	301,705	264,846	191,715
Grants - Province of Manitoba	273,312	299,454	295,252
Grants - Other	79,825	121,143	125,700
Total revenue (Schedules 2, 4 and 5)	<u>2,732,948</u>	<u>2,919,000</u>	<u>2,760,092</u>
EXPENSES			
General government services	511,553	547,094	561,635
Protective services	91,540	84,974	75,624
Transportation services	1,129,514	1,086,279	1,006,781
Environmental health services	77,485	52,985	62,340
Public health and welfare services	82,302	128,862	89,136
Regional planning and development	45,650	41,964	36,098
Resource conservation and industrial development	22,940	54,533	58,808
Recreation and cultural services	394,086	372,489	419,932
Water and sewer services	413,664	344,074	349,621
Total expenses (Schedules 3, 4 and 5)	<u>2,768,734</u>	<u>2,713,254</u>	<u>2,659,975</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (35,786)</u>	<u>205,746</u>	<u>100,117</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>4,620,909</u>	<u>4,520,792</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 4,826,655</u>	<u>\$ 4,620,909</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2020

	2020 Budget (Note 11)	2020 Actual	2019 Actual
ANNUAL SURPLUS (DEFICIT)	\$ (35,786)	\$ 205,746	\$ 100,117
Acquisition of tangible capital assets	(133,600)	(243,325)	(189,463)
Amortization of tangible capital assets	299,651	299,651	291,120
Loss on sale of tangible capital assets		29,200	
Proceeds on sale of tangible capital assets			5,350
Increase in inventories		(8,075)	(19,461)
Increase in prepaid expenses		(8,355)	(2,564)
	<u>166,051</u>	<u>69,096</u>	<u>84,982</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ 130,265</u>	<u>274,842</u>	<u>185,099</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>303,398</u>	<u>118,299</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 578,240</u>	<u>\$ 303,398</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 205,746	\$ 100,117
Changes in non-cash items:		
Amounts receivable	(72,628)	173,601
Inventories	(4,595)	(20,323)
Prepays	(8,355)	(2,565)
Accounts payable and accrued liabilities	(222,376)	(560,143)
Deferred revenue	(60,421)	30,034
Loss on sale of real estate held for sale	3,298	5,525
Loss on sale of tangible capital assets	29,200	
Amortization	299,651	291,120
Cash provided by operating transactions	<u>169,520</u>	<u>17,366</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets		5,350
Cash used to acquire tangible capital assets	(243,325)	(189,463)
Cash applied to capital transactions	<u>(243,325)</u>	<u>(184,113)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	4,770	3,150
Acquisition of real estate properties	(3,546)	(3,000)
Cash applied to investing transactions	<u>1,224</u>	<u>150</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	498,725	
Debt repayment	(40,188)	(21,941)
Advances on bank indebtedness		(128,256)
Cash applied to financing transactions	<u>458,537</u>	<u>(150,197)</u>
INCREASE (DECREASE) IN CASH	385,956	(316,794)
CASH, BEGINNING OF YEAR	336,096	652,890
CASH, END OF YEAR	\$ 722,052	\$ 336,096

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. STATUS OF THE ROSSBURN MUNICIPALITY

The incorporated Rossburn Municipality (“the Municipality”) is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Rossburn Municipality reflects the amalgamation of the former Town of Rossburn and Rural Municipality of Rossburn. The Municipality provides or funds municipal services such as police, fire, public works, planning, 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with 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:

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 controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Rossburn District Handivan Committee
Rossburn Recreation Commission

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 municipality does not have any government partnerships.

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Note 14 - Trust Funds.

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.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Investments

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

Portfolio investments are accounted for at cost.

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.

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.

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.

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.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer hardware and software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 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.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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, stipulation 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 stipulation an equivalent amount of revenue is recognized as the liability is settled.

Deferred Revenue

Deferred revenue represents user charges, Disaster Financial Assistance funding 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.

Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues 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.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

3. CASH

Cash is comprised of the following:

	2020	2019
Cash	\$ 722,052	\$ 336,096

The Municipality has designated \$1,113,325 (2019 - \$996,258) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has an authorized line of credit of \$550,000 (2019 - \$550,000) through Fusion Credit Union Ltd. with interest at a rate of 2.75% (2019 - 3.75%). The line of credit is secured by the taxes receivable.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2020	2019
Taxes on roll (Schedule 11)	\$ 353,701	\$ 293,662
Utility customers (Schedule 8)	69,405	47,905
Organizations and individuals	56,268	56,238
Other governments	35,626	44,567
	<hr/> 515,000	<hr/> 442,372
Less allowance for doubtful amounts	(63)	(63)
	<hr/> \$ 514,937	<hr/> \$ 442,309

5. INVENTORIES

Inventories for sale:

	2020	2019
History books	\$ 20,981	\$ 24,461

Inventories for use:

Culverts	40,103	31,601
Maintenance materials	7,846	8,273
	<hr/> \$ 47,949	<hr/> \$ 39,874

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Accounts payable	\$ 80,105	\$ 171,956
Accrued expenses	46,972	41,641
School levies		135,856
	<u>\$ 127,077</u>	<u>\$ 349,453</u>

7. LONG TERM DEBT

	2020	2019
General Authority		
Debenture, payable at \$9,860 annually including interest at 3.500%, maturing December 2024.	\$ 36,216	\$ 44,517
Utility Funds		
Debenture, payable at \$15,658 annually including interest at 4.000%, maturing December 2021.	15,056	29,532
Debenture, payable at \$35,489 annually including interest at 3.625%, maturing December 31, 2039	481,315	
	<u>496,371</u>	<u>29,532</u>
	<u>\$ 532,587</u>	<u>\$ 74,049</u>

Principal payments due in the next five years are as follows:

2021	\$ 41,689
2022	27,588
2023	28,577
2024	29,602
2025	20,803
	<u>\$ 148,259</u>

8. SCHEDULE OF DEBENTURES PENDING

<u>Authority</u>	<u>Purpose</u>	<u>Authorized</u>
		\$

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

9. 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 2.0% 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 Chartered Professional Accountants of Canada 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 \$31,575 (2019 - \$25,669) 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 has 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 requirements. As a result, solvency funding is no longer required by MEPP.

10. 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.

11. 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 10 - Reconciliation of the Financial Plan to the Budget.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

12. ACCUMULATED SURPLUS

	2020	2019
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 398,743	\$ 147,001
Utility Operating Fund(s) - Nominal Surplus (Deficit)	(371,085)	(749,535)
TCA net of related borrowings	3,520,046	4,098,930
Reserve Funds	1,113,325	996,258
	<hr/>	
Accumulated Surplus of Municipality Unconsolidated	4,661,029	4,492,654
Accumulated Surpluses of Consolidated Entities	165,626	128,255
	<hr/>	
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 4,826,655	\$ 4,620,909

13. 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 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 \$77,179 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Emile Sabourin	\$ 11,693	\$ 1,552	\$ 13,245
Darren Naherniak	10,515	2,120	12,635
Kerry Lawless	12,670	1,952	14,622
Kalvin Kreshewski	11,085	1,696	12,781
Adam Grabowski	10,395	1,370	11,765
Russ Andrew	10,426	1,102	11,528
Edward Budz	10,395	1,407	11,802
	<hr/>		
	\$ 77,179	\$ 11,199	\$ 88,378

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Holly Krysko	CAO	\$ 80,970

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

14. TRUST FUNDS

The Municipality administers the following trust funds:

	Balance, beginning of year	Excess (deficiency) of receipts over disbursements	Balance, end of year
Cemetery Trust	\$ <u>77,323</u>	\$ <u>(784)</u>	\$ <u>76,539</u>

15. PUBLIC UTILITIES 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 or contributed capital asset.

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining Net Book Value.

Water services:

<u>Description of Utility</u>	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Sunset Point	\$ 316,794	\$	\$ 24,369	\$ 292,425

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

16. SEGMENTED INFORMATION

The Rossburn Municipality provides a wide range of services to its residents. Segment information has been provided in Schedule 4 for the following services:

- General government services
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Regional planning and development
- Resource 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.

17. OTHER MATTERS

During the year, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. The Municipality has extended the due date of the first quarter water bill without penalty as well as closing the municipal office for the period twice in response to various provincial public health orders. We are therefore unable to estimate the effect of the pandemic on the Municipality's operations. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of the disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

18. LOANS AND ADVANCES

The loans and advances balance comprised of \$25,000 owed from the Rossman Lake Golf & Country Club for a repayable grant provided to the organization in 2009. The loan is repayable on an interest free basis due within 10 years of issuance. Council was in discussion with the Rossman Lake Golf & Country Club who agreed to provide the payment in full to the Municipality on January 3, 2021. The loan has been received as of the audit date.

19. SUBSEQUENT EVENTS

Subsequent to year end, the Municipality is renovating the municipal office. Estimated cost of the project is approximately \$118,000. Costs incurred to the audit date were \$51,764. The project is expected to be completed by July 31, 2021.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

20. COMPARATIVE FIGURES

The prior year's figures have been restated as a result of an adjustment made in the controlled organizations for donations received that were intended for the purchase of a new handivan. An adjustment was made to increase the deferred revenue and decrease donation revenue in the amount of \$70,000 in teh 2019 comparative figures.

The effect of these adjustments is a net decrease to accumulated surplus as follows:

	2020	2019
Opening fund balance:		
Accumulated surplus	\$ 4,620,909	\$ 4,520,792
Adjustments:		
Opening accumulated surplus, restated	<u>4,620,909</u>	<u>4,520,792</u>
Annual surplus, prior to restatement	205,746	170,117
Adjustments:		
Controlled organization - deferred revenue		(70,000)
Annual surplus, restated	<u>205,746</u>	<u>100,117</u>
Accumulated surplus, end of year	<u>\$ 4,826,655</u>	<u>\$ 4,620,909</u>

ROSSBURN MUNICIPALITY
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2020

Cost	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Building and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction	Roads, Streets, and Bridges	Water and Sewer	2020	2019	
Opening costs	\$ 1,207,500	1,862,982	2,111,533	27,914	25,353	8,718,594	1,360,304	\$ 15,314,180	\$ 15,141,767	
Additions during the year		49,800	126,630		2,695		64,200	243,325	189,463	
Disposals and write downs	(29,200)			(1,228)				(30,428)	(17,050)	
Transfers										
Closing costs	<u>1,178,300</u>	<u>1,912,782</u>	<u>2,238,163</u>	<u>26,686</u>	<u>28,048</u>	<u>8,718,594</u>	<u>1,424,504</u>	<u>15,527,077</u>	<u>15,314,180</u>	
Accumulated Amortization										
Opening accum'd amortization	218,059	733,617	1,072,418	15,507		8,166,118	862,542	11,068,261	10,788,841	
Amortization	17,065	52,127	148,700	2,602		37,310	41,847	299,651	291,120	
Disposals and write downs				(1,228)				(1,228)	(11,700)	
Closing accum'd amortization	<u>235,124</u>	<u>785,744</u>	<u>1,221,118</u>	<u>16,881</u>		<u>8,203,428</u>	<u>904,389</u>	<u>11,366,684</u>	<u>11,068,261</u>	
Net Book Value of Tangible Capital Assets	\$ <u>943,176</u>	<u>1,127,038</u>	<u>1,017,045</u>	<u>9,805</u>	<u>28,048</u>	<u>515,166</u>	<u>520,115</u>	\$ <u>4,160,393</u>	\$ <u>4,245,919</u>	

Water and sewer underground networks contributed to the Municipality totals \$884,419 and were capitalized at their fair value at the time of their receipt.

The Municipality has 424 km of roads that were capitalized at a nominal value of \$7,632,000.

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
For the year ended December 31, 2020

	2020 Actual	2019 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,716,471	\$ 1,628,876
Taxes added	9,994	12,322
Discounts		(482)
	<u>1,726,465</u>	<u>1,640,716</u>
Grants in lieu of taxation:		
Grants in lieu of taxation	<u>11,868</u>	<u>11,335</u>
User fees:		
Sales of service	206,172	224,860
Rentals	15,383	22,465
Facility use fees	5,908	5,527
	<u>227,463</u>	<u>252,852</u>
Permits, licences and fines:		
Permits	16,616	5,888
Licences	10	11
	<u>16,626</u>	<u>5,899</u>
Investment income:		
Cash and temporary investments	<u>24,129</u>	<u>41,019</u>
Other revenue:		
Loss on sale of real estate held for sale	(3,298)	(5,525)
Donations	70,002	82,939
Penalties and interest	38,471	19,480
Miscellaneous	121,831	98,710
	<u>227,006</u>	<u>195,604</u>
Water and sewer		
Municipal utility	<u>264,846</u>	<u>191,715</u>
Grants - Province of Manitoba:		
Municipal operating grants	113,358	136,216
Conditional grants	186,096	159,036
	<u>299,454</u>	<u>295,252</u>
Sub-total	<u>\$ 2,797,857</u>	<u>\$ 2,634,392</u>

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2020

	2020 Actual	2019 Actual
Sub-total (Carry forward)	\$ 2,797,857	\$ 2,634,392
Grants - other:		
Federal government - gas tax funding	52,525	104,693
Federal government - other	58,433	
Rossburn recreation commission	6,135	
Other municipal governments	4,050	21,007
	<u>121,143</u>	<u>125,700</u>
Total revenue	\$ 2,919,000	\$ 2,760,092

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 103,819	\$ 108,735
General administrative	396,966	436,441
Loss on sale of land	29,200	
Other	17,109	16,459
	<u>547,094</u>	<u>561,635</u>
Protective services:		
Fire	59,300	53,933
Emergency measures	12,909	7,836
Other protection	12,765	13,855
	<u>84,974</u>	<u>75,624</u>
Transportation services:		
Road transport		
Administration and engineering	348,719	321,029
Road and street maintenance	711,972	657,659
Bridge maintenance		11
Sidewalk and boulevard maintenance	1,897	450
Street lighting	17,375	18,122
Other	6,316	9,510
	<u>1,086,279</u>	<u>1,006,781</u>
Environmental health services:		
Waste collection and disposal	34,369	44,786
Recycling	18,616	17,554
	<u>52,985</u>	<u>62,340</u>
Public health and welfare services:		
Medical care	64,056	76,397
Social assistance	64,806	12,739
	<u>128,862</u>	<u>89,136</u>
Regional planning and development:		
Planning and zoning	35,922	24,212
Beautification and land rehabilitation	4,125	5,559
Other	1,917	6,327
	<u>41,964</u>	<u>36,098</u>
Sub-total	<u>\$ 1,942,158</u>	<u>\$ 1,831,614</u>

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
For the year ended December 31, 2020

	2020 Actual	2019 Actual
Sub-total (Carry forward)	\$ 1,942,158	\$ 1,831,614
Resource conservation and industrial development:		
Rural area weed control	8,098	7,855
Veterinary services	4,196	4,196
Water resources and conservation	10,546	12,243
Tourism	1,073	2,478
Other	30,620	32,036
	<u>54,533</u>	<u>58,808</u>
Recreation and cultural services:		
Administration	87,369	79,030
Community centres and halls	50,089	45,980
Skating and curling rinks	66,446	60,061
Parks and playgrounds	85,821	85,935
Other recreational facilities	21,964	87,281
Museums	1,868	1,934
Libraries	14,353	13,823
Other cultural facilities	44,579	45,888
	<u>372,489</u>	<u>419,932</u>
Water and sewer (Schedule 9)		
Municipal utility	344,074	349,621
	<u>344,074</u>	<u>349,621</u>
Total expenses	\$ 2,713,254	\$ 2,659,975

ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT 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	\$1,726,465	\$1,640,716								
Grants in lieu of taxation	11,868	11,335								
User fees	21,511	26,445								
Grants - other	110,958	104,693	12,259	9,615			42,453	38,257	12,048	28,661
Permits, licences and fines	16,626	5,899								
Investment income	24,000	40,815							125	149
Other revenue	157,004	112,665							70,002	4,321
Water and sewer										
Prov of MB - unconditional grants	113,358	116,430							18,747	21,411
Prov of MB - conditional grants	167,349	137,625								
Total revenue	2,349,139	2,196,623	12,259	9,615	42,453	38,257	100,922	54,542		
EXPENSES										
Personnel services	288,362	269,412	337,626	309,937			7,422	8,646	17,161	24,053
Contract services	98,218	127,488	318,008	294,907			25,827	31,646	7,317	10,619
Utilities	14,552	13,752	20,170	17,625			3,432	3,717	1,933	2,021
Maintenance, materials and supplies	64,668	61,536	258,855	230,679			6,665	9,688	10,692	20,170
Grants and contributions	21,891	25,844							4,200	3,000
Amortization	7,720	9,242	150,062	151,794			9,639	8,643	32,334	28,843
Interest on long term debt			1,558	1,839						
Other	51,683	54,361							55,225	430
Total expenses	547,094	561,635	1,086,279	1,006,781	52,985	62,340	128,862	(27,940)	(34,594)	
Surplus (Deficit)	\$1,802,045	\$1,634,988	(84,974)	(75,624)	(1,074,020)	(10,532)	(24,083)			

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

ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT 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									\$ 1,726,465	\$ 1,640,716
Grants in lieu of taxation									11,868	11,335
User fees									227,463	252,852
Grants - other			139,192	149,874					121,143	125,700
Permits, licences and fines			10,185	21,007					16,626	5,899
Investment income			4	55					24,129	41,019
Other revenue				78,618					227,006	195,604
Water and sewer					264,846	191,715			264,846	191,715
Prov of MB - unconditional grants				19,786					113,358	136,216
Prov of MB - conditional grants									186,096	159,036
Total revenue			149,381	269,340	264,846	191,715	2,919,000	2,760,092		
EXPENSES										
Personnel services			54,966	81,751					57,989	64,483
Contract services	36,231	27,441	145,559	143,842					50,807	30,914
Utilities			74,078	71,768					14,731	17,378
Maintenance, materials and supplies	1,473	2,330	43,007	56,870					139,716	169,052
Grants and contributions			12,575	13,971					53,303	556,491
Amortization			41,244	35,505					53,408	59,253
Interest on long term debt									41,848	43,445
Other	4,260	6,327	1,060	16,225					31,163	23,243
Total expenses	41,964	36,098	372,489	419,932	344,074	349,621	2,713,254	2,659,975		
Surplus (Deficit)	(41,964)	(36,098)	(223,108)	(150,592)	(79,228)	(157,906)	\$ 205,746	\$ 100,117		

ROSSBURN MUNICIPALITY
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2020

	Core Government		Controlled Entities		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Property taxes	\$ 1,726,465	\$ 1,640,716					\$ 1,726,465	\$ 1,640,716
Grants in lieu of taxation	11,868	11,335					11,868	11,335
User fees	212,240	214,997	15,223	37,855			227,463	252,852
Grants - other	117,093	104,693	4,050	21,007			121,143	125,700
Permits, licences and fines	16,626	5,899					16,626	5,899
Investment income	24,000	40,815	129	204			24,129	41,019
Other revenue	157,004	112,665	70,002	82,939			227,006	195,604
Water and sewer	264,846	191,715					264,846	191,715
Prov of MB - unconditional grants	113,358	116,430		19,786			113,358	136,216
Prov of MB - conditional grants	167,349	137,625	18,747	21,411			186,096	159,036
Total revenue	2,810,849	2,576,890	108,151	183,202			2,919,000	2,760,092
EXPENSES								
Personnel services	746,365	693,138	17,161	65,144			763,526	758,282
Contract services	741,246	716,289	10,645	15,896			751,891	732,185
Utilities	157,799	155,473	1,933	2,021			159,732	157,494
Maintenance, materials and supplies	527,111	534,663	4,192	21,828			531,303	556,491
Grants and contributions	49,358	59,253	4,050				53,408	59,253
Amortization	264,694	259,090	34,957	32,030			299,651	291,120
Interest on long term debt	32,721	25,082					32,721	25,082
Other	119,247	63,413	1,775	16,655			121,022	80,068
Total expenses	2,638,541	2,506,401	74,713	153,574			2,713,254	2,659,975
Surplus (Deficit)	\$ 172,308	\$ 70,489	\$ 33,438	\$ 29,628			\$ 205,746	\$ 100,117

ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2020

	2020							
	Building Replacement Reserve - Ward 1	Hospital Reserve - Ward 1	Road Reconstruction Reserve - Ward 1	Rossman Lake Resort Reserve - Ward 1	Vista Centennial Reserve - Ward 1	Marconi School Reserve	Pipeline Reserve	Sub Total
REVENUE								
Investment income	114	226	41	605	29	21		\$ 1,036
Other income								
Total revenue	114	226	41	605	29	21		1,036
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	114	226	41	605	29	21		1,036
TRANSFERS								
Debt repayment								
Transfers from operating fund	14,199					200		14,399
Transfers to operating fund				(3,080)		(2,441)		(5,521)
Transfers from utility fund							5,546	5,546
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	14,313	226	41	(2,475)	29	(2,220)	5,546	15,460
FUND SURPLUS, BEGINNING OF YEAR	11,570	22,535	3,911	59,877	2,596	2,421		102,910
FUND SURPLUS, END OF YEAR	\$ 25,883	22,761	3,952	57,402	2,625	201	5,546	\$ 118,370

ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2020

	2020							
	Health Needs Reserve - Ward 2	Gas Tax Reserve	Handivan Reserve - Ward 2	Agri-Rec Reserve - Ward 2	General Reserve - Ward 1	Fire Reserve - Ward 1	Equipment Replacement Reserve - Ward 1	Sub Total
REVENUE								
Investment income	393	3,376		130	1,542	682	692	6,815
Other income								
Total revenue	393	3,376		130	1,542	682	692	6,815
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	393	3,376		130	1,542	682	692	6,815
TRANSFERS								
Debt repayment								
Transfers from operating fund								
Transfers to operating fund		52,525			32,500	350	30,000	115,375
Transfers from utility fund		(49,800)				(6,178)		(55,978)
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	393	6,101		130	34,042	(5,146)	30,692	66,212
FUND SURPLUS, BEGINNING OF YEAR	38,676	334,134	21	12,948	142,189	67,454	58,906	654,328
FUND SURPLUS, END OF YEAR	\$ 39,069	\$ 340,235	21	13,078	176,231	62,308	89,598	\$ 720,540

ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2020

	2020					2019	
	General Reserve - Ward 2	Equipment Replacement Reserve	Fire Reserve - Ward 2	Recreation Reserve - Ward 2	Town Utility Reserve	Parkview Subdivision Reserve - Ward 2	Total
REVENUE							
Investment income							
Other income	\$ 1,308	1	345	3	840	32	\$ 10,380
Total revenue	1,308	1	345	3	840	32	10,380
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	1,308	1	345	3	840	32	10,380
TRANSFERS							
Debt repayment							
Transfers from operating fund							
Transfers to operating fund	32,500		350	6,194			168,818
Transfers from utility fund			(6,178)				(67,677)
Transfers to utility fund							5,546
Acquisition of tangible capital assets							(17,647)
CHANGE IN RESERVE FUND BALANCES	33,808	1	(5,483)	6,197	840	32	117,067
FUND SURPLUS, BEGINNING OF YEAR	119,136	272	33,954	690	81,796	3,172	996,258
FUND SURPLUS, END OF YEAR	\$ 152,944	273	28,471	6,887	82,636	3,204	\$ 1,113,325

ROSSBURN MUNICIPALITY
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS -
For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
REVENUE	\$	\$	\$
EXPENSES			
General government			
Transportation services			
Environmental health			
Regional planning and development			
Recreation and cultural services			
TRANSFERS			
CHANGES IN L.U.D. BALANCES	\$		
UNEXPENDED BALANCE, BEGINNING OF YEAR			
UNEXPENDED BALANCE, END OF YEAR		\$	\$

ROSSBURN MUNICIPALITY
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2020

	2020		2019	
	Rosburn	Sunset Point	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ 20,655	\$	\$ 20,655	\$ 10,124
Amounts receivable (Note 4)	69,405		69,405	47,905
	<u>90,060</u>		<u>90,060</u>	<u>58,029</u>
LIABILITIES				
Accounts payable and accrued liabilities	27,070		27,070	29,484
Long-term debt (Note 7)	496,371		496,371	29,532
Due to other funds	297,460	150,323	447,783	787,119
	<u>820,901</u>	<u>150,323</u>	<u>971,224</u>	<u>846,135</u>
NET DEBT	<u>(730,841)</u>	<u>(150,323)</u>	<u>(881,164)</u>	<u>(788,106)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	520,115		520,115	497,762
Inventories	7,846		7,846	8,273
Prepaid expenses	5,862		5,862	766
	<u>533,823</u>		<u>533,823</u>	<u>506,801</u>
DEFICIT	<u>\$ (197,018)</u>	<u>\$ (150,323)</u>	<u>\$ (347,341)</u>	<u>\$ (281,305)</u>

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Rossburn
For the year ended December 31, 2020

	Budget	2020	2019
REVENUE			
Water			
Water fees	\$ 227,489	\$ 170,925	\$ 166,225
Sewer			
Sewer fees	9,000	7,781	7,952
Other			
Hydrant rentals	4,800	4,800	4,800
Connection charges	500	375	550
Penalties	1,250	2,293	2,272
Investment income	750	7,469	507
Pipeline rate rider fees		41,035	
Other income	1,300	(651)	2,299
Sub-Total - Other	8,600	55,321	10,428
Total revenue	\$ 245,089	\$ 234,027	\$ 184,605

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Rosssburn
For the year ended December 31, 2020

EXPENSES	Budget	2020	2019
General			
Administration	\$ 5,100	\$ 28,915	\$ 26,864
Billing and collection	700	81	272
Sub-Total - General	<u>5,800</u>	<u>28,996</u>	<u>27,136</u>
Water General			
Purification and treatment	47,985	47,300	36,539
Other water supply costs	138,001	128,680	153,712
Sub-Total - Water General	<u>185,986</u>	<u>175,980</u>	<u>190,251</u>
Water Amortization and Interest			
Amortization		34,013	35,339
Interest on long term debt	12,000	31,163	19,148
Sub-Total - Water Amortization & Interest	<u>12,000</u>	<u>65,176</u>	<u>54,487</u>
Sewer General			
Collection system costs	42,962	30,766	22,747
Treatment and disposal cost	1,800	3,123	1,546
Lift station costs		2,954	3,680
Sub-Total - Sewer General	<u>44,762</u>	<u>36,843</u>	<u>27,973</u>
Sewer Amortization and Interest			
Amortization		7,834	8,106
Interest on long term debt	51,147		
Sub-Total - Sewer Amortization & Interest	<u>51,147</u>	<u>7,834</u>	<u>8,106</u>
Total expenses	<u>299,695</u>	<u>314,829</u>	<u>307,953</u>
DEFICIT	<u>\$ (54,606)</u>	<u>(80,802)</u>	<u>(123,348)</u>
TRANSFERS			
Transfers from operating fund		15,658	15,658
Transfers to reserve funds		<u>(5,546)</u>	
CHANGE IN UTILITY FUND BALANCE		<u>(70,690)</u>	<u>(107,690)</u>
DEFICIT, BEGINNING OF YEAR		<u>(126,328)</u>	<u>(18,638)</u>
DEFICIT, END OF YEAR	<u>\$ (197,018)</u>	<u>\$ (126,328)</u>	

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sunset Point
For the year ended December 31, 2020

	Budget	2020	2019
REVENUE			
Water			
Water fees	\$ 40,958	\$ 26,492	\$ 7,110
Sub-Total - Water	<u>40,958</u>	<u>26,492</u>	<u>7,110</u>
Government transfers			
Government transfers - operating		<u>3,080</u>	
Sub-Total - Government transfers		<u>3,080</u>	
Other			
Other income		<u>1,247</u>	
Sub-Total - Other		<u>1,247</u>	
Total revenue	<u>40,958</u>	<u>30,819</u>	<u>7,110</u>
EXPENSES			
General			
Administration	<u>1,537</u>	<u>8,466</u>	<u>5,038</u>
Water General			
Purification and treatment	<u>39,421</u>	<u>20,779</u>	<u>32,535</u>
Water Amortization & Interest			
Interest on long term debt			<u>4,095</u>
Sub-Total - Water Amortization & Interest			<u>4,095</u>
Total expenses	<u>40,958</u>	<u>29,245</u>	<u>41,668</u>
NET OPERATING SURPLUS (DEFICIT)	<u>\$</u>	<u>1,574</u>	<u>(34,558)</u>
TRANSFERS			
Transfers from operating fund		<u>3,080</u>	
CHANGE IN UTILITY FUND BALANCE		<u>4,654</u>	<u>(34,558)</u>
DEFICIT, BEGINNING OF YEAR		<u>(154,977)</u>	<u>(120,419)</u>
DEFICIT, END OF YEAR	<u>\$</u>	<u>(150,323)</u>	<u>\$ (154,977)</u>

ROSSBURN MUNICIPALITY
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2020

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 1,716,691						\$ 1,716,691
Grants in lieu of taxation	11,868						11,868
User fees	221,788					15,223	237,011
Grants - Province of Manitoba	250,515					22,797	273,312
Grants - other	79,825						79,825
Permits, licences and fines	5,005						5,005
Investment income	7,400					129	7,529
Other revenue	30,000	301,705				70,002	100,002
Water and sewer							301,705
Transfers from accumulated surplus					(67,300)		
Transfers from reserves	67,300				(67,300)		
Total revenue	<u>2,390,392</u>	<u>301,705</u>			<u>(67,300)</u>	<u>108,151</u>	<u>2,732,948</u>
EXPENSES							
General government services	501,805		7,720		2,028		511,553
Protective services	79,736		11,804				91,540
Transportation services	977,893		150,063	1,558			1,129,514
Environmental health services	67,846		9,639				77,485
Public health and welfare services	22,446		7,104			52,752	82,302
Regional planning and development	45,650		5,000				45,650
Resource cons and industrial dev	17,940		31,517				22,940
Recreation and cultural services	340,605	340,653	41,848	31,163		21,964	394,086
Water and sewer services							413,664
Fiscal services:							
Transfer to capital	133,600		(133,600)				
Debt charges	53,318			(53,318)			
Short term interest							
Transfer to reserves	147,525				(147,525)		
Allowance for tax assets	2,028				(2,028)		
Total expenses	<u>2,390,392</u>	<u>340,653</u>	<u>131,095</u>	<u>(20,597)</u>	<u>(147,525)</u>	<u>74,716</u>	<u>2,768,734</u>
Surplus (Deficit)	\$	<u>(38,948)</u>	<u>(131,095)</u>	<u>20,597</u>	<u>80,225</u>	<u>33,435</u>	\$ <u>(35,786)</u>

ROSSBURN MUNICIPALITY
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2020

	2020	2019
Balance, beginning of year	\$ 293,662	\$ 180,297
Add:		
Tax levy (Schedule 12)	2,425,061	2,320,494
Taxes added	9,994	12,322
Penalties or interest	38,471	19,480
Other accounts added	8,738	12,746
Tax adjustments (Tax Sale)	2,812	6,853
Sub-total	2,485,076	2,371,895
Deduct:		
Cash collections - current	2,037,030	1,940,235
Cash collections - arrears	240,304	173,347
Writeoffs	3,974	4,298
Title value of land sales	3,546	
Tax discounts		482
E.P.T.C. - cash advance	140,183	140,168
Sub-total	2,425,037	2,258,530
Balance, end of year	\$ 353,701	\$ 293,662

ROSSBURN MUNICIPALITY
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2020

	<u>2020</u>			<u>2019</u>
	<u>Assessment</u>	<u>Mill Rate</u>	<u>Levy</u>	<u>Levy</u>
Debt charges:				
L.I.D.	13,788,060	0.684	\$ 9,433	\$ 9,407
Other (Veterans Drive)	13,788,060	1.086	14,980	14,939
Sub-Total - Debt charges			<u>24,413</u>	<u>24,346</u>
Reserves:				
General	70,026,730	1.335	93,486	
Sub-Total - Reserves			<u>93,486</u>	
General Municipal - At Large	70,026,730	7.978	<u>558,650</u>	<u>566,328</u>
Special levies:				
Rec/Culture			163,364	172,002
Misc Rural			530,266	520,675
Protective			53,900	53,379
Garb Urb			62,417	60,790
Misc Urban			229,975	231,356
Sub-Total - Special levies			<u>1,039,922</u>	<u>1,038,202</u>
Total municipal taxes (Schedule 2)			<u>1,716,471</u>	<u>1,628,876</u>
Education support levy	2,486,470	8.828	<u>21,951</u>	<u>24,104</u>
Special levy:				
Park West	69,338,340	9.903	686,639	667,514
Sub-Total - Special levies			<u>686,639</u>	<u>667,514</u>
Total education taxes			<u>708,590</u>	<u>691,618</u>
Total tax levy (Schedule 11)			<u>\$ 2,425,061</u>	<u>\$ 2,320,494</u>

ROSSBURN MUNICIPALITY
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2020

	2020	2019
General government services:		
Legislative	\$ 103,819	\$ 108,735
General administrative	396,966	436,441
Loss on disposal of land	29,200	
Other	17,109	16,459
	547,094	561,635
Protective services:		
Fire	59,300	53,933
Emergency measures	12,909	7,836
Other	12,765	13,855
	84,974	75,624
Transportation services:		
Road transport		
Administration and engineering	348,719	321,029
Road and street maintenance	711,972	657,659
Bridge maintenance		11
Sidewalk and boulevard maintenance	1,897	450
Street lighting	17,375	18,122
Other	6,316	9,510
	1,086,279	1,006,781
Environmental health services:		
Waste collection and disposal	34,369	44,786
Recycling	18,616	17,554
	52,985	62,340
Public health and welfare services:		
Public health	10,500	8,000
Medical care	11,304	10,104
Social assistance	64,806	12,739
	86,610	30,843
Regional planning and development:		
Planning and zoning	35,922	24,212
Beautification and land rehabilitation	4,125	5,559
Other	1,917	6,327
	41,964	36,098
Sub-total	\$ 1,899,906	\$ 1,773,321

ROSSBURN MUNICIPALITY
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued
For the year ended December 31, 2020

	2020	2019
Sub-total (carry forward)	\$ 1,899,906	\$ 1,773,321
Resource conservation and industrial development:		
Rural area weed control	8,098	7,855
Veterinary services	4,196	4,196
Water resources and conservation	10,546	12,243
Tourism	1,073	2,478
Other	30,620	32,036
	<hr/> 54,533	<hr/> 58,808
Recreation and cultural services:		
Administration	143,372	127,589
Community centres and halls	50,089	45,980
Skating and curling rinks	66,446	60,061
Parks and playgrounds	85,821	85,935
Museums	1,868	1,934
Libraries	14,353	13,823
Other cultural facilities	44,579	45,888
	<hr/> 406,528	<hr/> 381,210
Total expenses	<hr/> \$ 2,360,967	<hr/> \$ 2,213,339

ROSSBURN MUNICIPALITY
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2020

	2020		2019	
	General	Utility	Total	Total
MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT	\$ 251,742	\$ 378,449	\$ 630,191	\$ 64,989
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	168,818	5,546	174,364	119,955
Eliminate revenue - transfers from reserves	(67,677)		(67,677)	(28,051)
Increase revenue - reserve funds interest	10,380		10,380	17,782
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	37,371		37,371	(14,359)
Increase expense - amortization of tangible capital assets	(222,847)	(41,847)	(264,694)	(259,090)
Decrease expense - principal portion of debenture debt	8,301	31,887	40,188	21,941
Eliminate - transfers to (from) other funds	18,738	(18,738)		
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	(29,200)		(29,200)	
Eliminate revenue - proceeds on new debenture debt		(498,725)	(498,725)	(5,350)
Eliminate revenue - proceeds on sale of tangible capital assets				
Eliminate expense - acquisitions of tangible capital assets	109,348	64,200	173,548	182,300
NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS	\$ 284,974	(79,228)	\$ 205,746	\$ 100,117