

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

RURAL MUNICIPALITY OF WEST INTERLAKE

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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Rural Municipality of West Interlake:

The Municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the consolidated financial statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the Municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

Sensus Chartered Professional Accountants Ltd., an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

Arnthor Jonasson
Reeve

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:
Rural Municipality of West Interlake
Eriksdale, Manitoba

Qualified Opinion

We have audited the consolidated financial statements of Rural Municipality of West Interlake, which comprise of the statement of financial position as at December 31, 2022 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 paragraphs, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of West Interlake as at December 31, 2022, 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

We were not able to observe the counting of the physical inventories or satisfy ourselves concerning those inventory quantities by alternative means for the gravel inventory balance. Since opening inventories affect the determination of the results of operations and cash flows, we were unable to determine whether adjustments to the results of operations and cash flows might be necessary for the year ended December 31, 2022. Our audit opinion on the financial statements for the year ended December 31, 2022, was modified accordingly because of the possible effects of this limitation in scope. Accordingly, we were unable to determine whether any adjustments might have been found necessary in inventory, statement of operations, statement of changes in net assets and cash flow statement balances.

The Municipality has control of municipal entities noted in the significant accounting policies note whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues, expenses and surplus are combined on a line-by-line basis in the consolidated financial statements of the Rural Municipality of West Interlake. The financial statements and information to support the completeness, existence, accuracy and valuation of the financial data of Lakeshore Handivan was not subject to an audit in accordance with Canadian public sector accounting standards. Accordingly, we were not able to determine whether any adjustments might be necessary to the financial data of Lakeshore Handivan that has been consolidated into these financial statements.

The Province of Manitoba has stringent environmental approval processes for landfill sites that are set out by legislation and regulation. Prior to receiving environmental approval and accepting any waste, a landfill operator is obligated to include responsibility for closure and post-closure care of the approved sites, which requires the Municipality to set up a liability and accrue for the future expense to restore the land after closure. The Municipality has not recorded a liability related to landfills under their control, as a result 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 Rural Municipality of West Interlake 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 qualified 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 Rural Municipality of West Interlake'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 Rural Municipality of West Interlake or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Rural Municipality of West Interlake'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 Rural Municipality of West Interlake'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 Rural Municipality of West Interlake'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 Rural Municipality of West Interlake to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosure, and whether the unconsolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the directions, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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
December 5, 2023


Chartered Professional Accountants Ltd.

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash (Note 3)	\$ 2,477,386	\$ 3,054,392
Amounts receivable (Note 4)	1,461,860	770,911
Portfolio investments (Note 5)	3,200	3,200
	3,942,446	3,828,503
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	259,229	420,825
Deferred revenue (Note 2)	177,578	83,938
Long-term debt (Note 8)	1,935,232	1,243,389
	2,372,039	1,748,152
NET FINANCIAL ASSETS	1,570,407	2,080,351
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	6,720,570	6,066,342
Inventories (Note 6)	39,213	24,213
Prepaid expenses	60,213	63,312
Real estate properties held for sale (Note 2)	9,548	9,546
	6,829,544	6,163,413
ACCUMULATED SURPLUS (Note 13)	\$ 8,399,951	\$ 8,243,764

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2022

	2022 Budget (Note 12)	2022 Actual	2021 Actual
REVENUE			
Property taxes	\$ 2,469,753	\$ 2,502,372	\$ 2,237,649
Grants in lieu of taxation	162,182	161,761	155,352
User fees	303,603	324,403	333,317
Permits, licences and fines		21,483	19,577
Investment income	152	43,188	21,721
Other revenue	77,914	165,669	247,088
Water and sewer	176,750	218,518	162,263
Grants - Province of Manitoba	238,162	789,170	292,160
Grants - Other	296,537	320,124	483,549
Total revenue (Schedules 2, 4 and 5)	3,725,053	4,546,688	3,952,676
EXPENSES			
General government services	995,108	1,012,418	936,492
Protective services	273,144	279,629	276,320
Transportation services	1,320,357	1,870,570	1,025,255
Environmental health services	478,892	560,348	425,454
Public health and welfare services	29,297	24,029	29,135
Regional planning and development	96,020	70,074	81,858
Resource conservation and industrial development	139,714	120,334	113,244
Recreation and cultural services	211,075	206,184	177,004
Water and sewer services	177,350	246,915	160,121
Total expenses (Schedules 3, 4 and 5)	3,720,957	4,390,501	3,224,883
ANNUAL SURPLUS	\$ 4,096	156,187	727,793
ACCUMULATED SURPLUS, BEGINNING OF YEAR		8,243,764	7,515,971
ACCUMULATED SURPLUS, END OF YEAR		\$ 8,399,951	\$ 8,243,764

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2022

	2022 Budget (Note 12)	2022 Actual	2021 Actual
ANNUAL SURPLUS	\$ 4,096	\$ 156,187	\$ 727,793
Acquisition of tangible capital assets	(1,924,308)	(994,164)	(858,571)
Amortization of tangible capital assets	329,067	329,067	313,857
Gain on sale of tangible capital assets		(31,309)	(55,033)
Proceeds on sale of tangible capital assets		42,178	107,932
Decrease in properties held for sale			7,178
Decrease (increase) in inventories		(15,002)	6,489
Decrease (increase) in prepaid expenses		3,099	(1,522)
	(1,595,241)	(666,131)	(479,670)
CHANGE IN NET FINANCIAL ASSETS	\$ (1,591,145)	(509,944)	248,123
NET FINANCIAL ASSETS, BEGINNING OF YEAR		2,080,351	1,832,228
NET FINANCIAL ASSETS, END OF YEAR		\$ 1,570,407	\$ 2,080,351

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2022

	2022	2021
OPERATING TRANSACTIONS		
Annual surplus	\$ 156,187	\$ 727,793
Changes in non-cash items:		
Amounts receivable	(690,949)	38,669
Inventories	(15,002)	6,488
Prepays	3,099	(1,521)
Accounts payable and accrued liabilities	(161,538)	(105,493)
Deferred revenue	93,640	10,259
Severance and sick leave payable	(58)	471
Loss (gain) on sale of properties held for resale		(2,472)
Gain on sale of tangible capital assets	(31,309)	(55,033)
Amortization	329,067	313,857
Cash provided by operating transactions	(316,863)	933,018
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	42,178	107,932
Cash used to acquire tangible capital assets	(994,164)	(858,571)
Cash applied to capital transactions	(951,986)	(750,639)
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties		9,650
Purchase of portfolio investments		(3,200)
Cash applied to investing transactions		6,450
FINANCING TRANSACTIONS		
Proceeds of long-term debt	900,000	
Debt repayment	(208,157)	(176,232)
Cash applied to financing transactions	691,843	(176,232)
INCREASE (DECREASE) IN CASH	(577,006)	12,597
CASH, BEGINNING OF YEAR	3,054,392	3,041,795
CASH, END OF YEAR	\$ 2,477,386	\$ 3,054,392

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. STATUS OF THE RURAL MUNICIPALITY OF WEST INTERLAKE

The incorporated Rural Municipality of West Interlake ("the Municipality") is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Rural Municipality of West Interlake reflects the amalgamation of the former Rural Municipality of Siglunes and Rural Municipality of Eriksdale. 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:

Eriksdale Community Development Corporation
Lakeshore Handivan

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:

Coldwell Eriksdale Waste Disposal Grounds - 37% (2021 - 37%)
Parkland Regional Library Service - 4% (2021 - 4%)
Western Interlake Planning District Board - 42.32% (2021 - 42.32%)
West Interlake Handivan Association - NIL (2021 - 24.41%)

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 15.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Cash and Temporary Investments

Cash and temporary investments include cash and temporary investments which comprise term deposits and guaranteed investment certificates.

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.

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.

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.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets (continued)

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.

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.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 grants and user charges which have been collected, for which the related services have yet to be provided or the goods have yet to be purchased. These amounts will be recognized as revenue in the fiscal year the services are provided or the goods are purchased.

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.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Future Changes in Accounting Standards

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- PS 3450 Financial Instruments (effective January 1, 2023) defines and provides guidance for accounting and reporting all types of financial instruments including derivatives.
- PS 2601 Foreign Currency Translation (effective January 1, 2023) replaces PS 2600 with revised accounting and reporting principles for transactions that are denominated in a foreign currency.
- PS 1201 Financial Statement Presentation replaces PS 1200 with general reporting principles for disclosure of information and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3041 Portfolio Investments replaces PS 3040 with revised accounting and reporting principles for portfolio investments and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3280 Asset Retirement Obligations (effective January 1, 2023) defines and provides guidance for accounting and reporting retirement obligations associated with tangible capital assets and includes the withdrawal of PS 3270 Solid Waste Landfill Closure and Post-Closure Liability.
- PS 3400 Revenue (effective January 1, 2024), a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue. Earlier adoption is permitted.
- PS 3160 Public Private Partnerships (effective January 1, 2024), is a new standard establishing guidance on the recognition, measurement and disclosure of public private partnerships arrangements. Earlier adoption is permitted.

These new accounting standards have not been applied in preparing these consolidated financial statements.

The Municipality is currently assessing the impact of the new standards, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined.

3. CASH

The Municipality has designated \$2,162,504 (2021 - \$2,540,158) to reserves for debt principal repayments and tangible capital asset acquisitions of which \$2,064,950 (2021 - \$2,376,101) is held in cash with the remainder representing the unfunded balance of \$97,554 (2021 - \$164,057). See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has a line of credit of \$1,700,000 (2021 - \$1,700,000) with Access Credit Union Ltd. The account has an authorized overdraft interest rate of 5.58% (2021 - 2.075%) and an unauthorized overdraft interest rate of 21.00% (2021 - 21.00%). The line of credit is secured by a general security agreement and the current year tax revenue.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2022	2021
Taxes on roll (Schedule 11)	\$ 542,851	\$ 481,895
Government grants	314,484	
Utility customers (Schedule 8)	82,475	57,271
Organizations and individuals	370,482	128,968
Other governments	151,568	102,777
	<u>\$ 1,461,860</u>	<u>\$ 770,911</u>

5. PORTFOLIO INVESTMENTS

	2022	2021
Marketable securities held by Parkland Regional Library Service (4%): Maturity date of December 21, 2025, interest rate of 3.50%	\$ 3,200	\$ 3,200
	<u>\$ 3,200</u>	<u>\$ 3,200</u>

6. INVENTORIES

	2022	2021
Inventories for use:		
Culverts	\$ 39,213	\$ 24,213
	<u>\$ 39,213</u>	<u>\$ 24,213</u>

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable	\$ 156,091	\$ 181,590
Accrued expenses	89,132	70,635
School levies	14,006	168,600
	<u>\$ 259,229</u>	<u>\$ 420,825</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

8. LONG TERM DEBT

	2022	2021
General Authority		
Ward 2 debenture, payable at \$138,920 annually including interest at 3.50%, maturing December 2030.	\$ 954,931	\$ 1,056,861
Debenture, payable at \$66,631 annually including interest at 2.69%, maturing December 2024.	124,915	186,528
Debenture, payable at \$81,514 annually including interest at 4.10%, maturing December 2036.	855,386	
	<u>\$ 1,935,232</u>	<u>\$ 1,243,389</u>

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

2023	\$ 215,137
2024	222,103
2025	163,341
2026	169,360
2027	175,602
	<u>\$ 945,543</u>

9. DEBENTURES PENDING

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

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

10. 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 \$41,790 (2021 - \$44,306) 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, 2021 indicated the plan was 101.4% funded on a going concern basis and has an unfunded solvency liability of \$249 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, 2021.

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.

11. FINANCIAL INSTRUMENTS

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

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

12. 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.

13. ACCUMULATED SURPLUS

	2022	2021
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 1,350,333	\$ 854,837
Utility Operating Fund(s) - Deficit	(41,397)	(80,087)
TCA net of related borrowings	4,519,215	4,592,204
Reserve Funds	2,162,504	2,540,158
Accumulated Surplus of Municipality Unconsolidated	7,990,655	7,907,112
Accumulated Surpluses of Consolidated Entities	409,296	336,652
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 8,399,951	\$ 8,243,764

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

14. 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, 2022:

a) Compensation paid to members of council amounted to \$63,436 in aggregate.

b) No members of council received compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Art Jonasson	\$ 8,730	\$ 3,938	12,668
Edith Peterson	7,800	3,161	10,961
John Bezemer	7,335	3,357	10,692
Randy Helgason	7,200	3,700	10,900
Penny-Anne Wainwright	5,778	2,445	8,223
Paul Murphy	7,223	3,122	10,345
Lyle Finney	6,430	2,904	9,334
Karen Carmichael - LUD	4,300		4,300
Stefan Jonasson - LUD	4,300		4,300
Trevor Emilson - LUD	4,340		4,340
	<u>\$ 63,436</u>	<u>\$ 22,627</u>	<u>86,063</u>

c) There were no officers or employees that received compensation in excess of \$75,000.

15. TRUST FUNDS

The Municipality administers the following trust funds:

	<u>Balance, beginning of year</u>	<u>Excess (deficiency) of receipts over disbursements</u>	<u>Balance, end of year</u>
McEwen Park Trust	\$ 29,180	\$ 402	\$ 29,582

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

16. 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 or contributed capital assets and government transfers allow for adjustments to be made, for rate setting purposes, which do not meet PSAB standards.

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.

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>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Ashern	\$ 715,000	\$	\$ 28,600	\$ 686,400

Sewer services:

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Ashern	\$ 241,991	\$	\$ 5,149	\$ 236,842

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2022

17. SEGMENTED INFORMATION

The Rural Municipality of West Interlake 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.

18. 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 2. The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	2022	2021
Financial Position		
Financial assets	\$ 91,911	\$ 69,635
Liabilities	17,292	4,535
Net financial assets	74,619	65,100
Non-financial assets	124,528	74,599
Accumulated surplus	\$ 199,147	\$ 139,699
Result of Operations		
Revenues	\$ 229,512	\$ 203,111
Expenses	249,266	250,654
Intercompany revenue and expense eliminations	79,202	56,802
Annual surplus	\$ 59,448	\$ 9,259

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2022

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	2022	2021
Opening costs	\$ 1,771,209	1,701,317	2,611,093	137,139	763,408	6,485,286	2,678,085	\$ 16,147,537	\$ 15,346,865
Additions during the year	97,529	38,681	17,688	1,883	812,736		25,647	994,164	858,571
Disposals and write downs	(10,869)							(10,869)	(57,899)
Transfers	56,419	68,717	107,882		(233,018)				
Closing costs	1,914,288	1,808,715	2,736,663	139,022	1,343,126	6,485,286	2,703,732	17,130,832	16,147,537
Accumulated Amortization									
Opening accum'd amortization	169,734	1,181,735	1,423,003	103,689		5,921,988	1,281,046	10,081,195	9,772,338
Amortization	37,297	34,231	167,452	13,378		31,998	44,711	329,067	313,857
Disposals and write downs									(5,000)
Closing accum'd amortization	207,031	1,215,966	1,590,455	117,067		5,953,986	1,325,757	10,410,262	10,081,195
Net Book Value of Tangible Capital Assets	\$ 1,707,257	592,749	1,146,208	21,955	1,343,126	531,300	1,377,975	\$ 6,720,570	\$ 6,066,342

Water and sewer underground networks contributed to the Municipality totals \$2,646,759 and were capitalized at their fair value at the time of their receipt.

The Municipality has 234 km of roads that were capitalized at a nominal value of \$1,032,979.

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
For the year ended December 31, 2022

	2022 Actual	2021 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 2,477,802	\$ 2,225,061
Taxes added	48,466	34,221
Discounts	(23,896)	(21,633)
	<u>2,502,372</u>	<u>2,237,649</u>
Grants in lieu of taxation:	<u>161,761</u>	<u>155,352</u>
User fees:		
Sales of service	241,968	233,894
Rentals	82,435	99,423
	<u>324,403</u>	<u>333,317</u>
Permits, licences and fines:		
Permits	20,148	19,069
Licences	1,335	508
	<u>21,483</u>	<u>19,577</u>
Investment income:		
Cash and temporary investments	<u>43,188</u>	<u>21,721</u>
Other revenue:		
Gain on sale of tangible capital assets	31,309	55,033
Gain on sale of real estate held for sale		2,472
Penalties and interest	85,781	61,315
Miscellaneous	48,579	128,268
	<u>165,669</u>	<u>247,088</u>
Water and sewer		
Municipal utility	<u>218,518</u>	<u>162,263</u>
Grants - Province of Manitoba:		
Municipal operating grants	192,955	192,955
Disaster financial assistance	433,768	
Conditional grants	162,447	99,205
	<u>789,170</u>	<u>292,160</u>
Grants - other:		
Federal government - gas tax funding	121,640	237,992
Federal government - other	48,261	61,570
Other municipal governments	150,223	183,987
	<u>320,124</u>	<u>483,549</u>
Total revenue	<u>\$ 4,546,688</u>	<u>\$ 3,952,676</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2022

	2022 Actual	2021 Actual
General government services:		
Legislative	\$ 110,666	\$ 98,564
General administrative	856,357	831,110
Other	45,395	6,818
	<u>1,012,418</u>	<u>936,492</u>
Protective services:		
Fire	146,084	173,347
Emergency measures	71,018	50,488
Other protection	62,527	52,485
	<u>279,629</u>	<u>276,320</u>
Transportation services:		
Road transport		
Administration and engineering	489,235	431,435
Road and street maintenance	811,572	492,843
Street lighting	30,693	29,090
Interest on debenture	105,302	71,887
Disaster financial assistance	433,768	
	<u>1,870,570</u>	<u>1,025,255</u>
Environmental health services:		
Waste collection and disposal	443,705	416,044
Recycling	8,745	8,745
Other	107,898	665
	<u>560,348</u>	<u>425,454</u>
Public health and welfare services:		
Public health	4,992	3,023
Medical care	13,726	20,801
Social assistance	5,311	5,311
	<u>24,029</u>	<u>29,135</u>
Regional planning and development:		
Planning and zoning	68,702	78,738
Beautification and land rehabilitation	1,372	3,120
	<u>70,074</u>	<u>81,858</u>
Sub-total	<u>\$ 3,817,068</u>	<u>\$ 2,774,514</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
For the year ended December 31, 2022

	2022 Actual	2021 Actual
Sub-total (Carry forward)	\$ 3,817,068	\$ 2,774,514
Resource conservation and industrial development:		
Veterinary services	21,614	21,320
Water resources and conservation	14,995	14,904
Regional development	81,953	74,119
Tourism	1,355	2,484
Other	417	417
	120,334	113,244
Recreation and cultural services:		
Administration	21,694	17,223
Community centres and halls	80,765	59,063
Skating and curling rinks	15,657	3,471
Parks and playgrounds	5,704	5,159
Museums	1,525	1,121
Libraries	74,391	89,607
Other cultural facilities	6,448	1,360
	206,184	177,004
Water and sewer (Schedule 9)		
Municipal utility	246,915	160,121
Total expenses	\$ 4,390,501	\$ 3,224,883

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2022

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	\$ 2,468,772	\$ 2,218,830								
Grants in lieu of taxation	161,761	155,352								
User fees	156,820	185,507	21,957	22,971	66,163	41,833	75,047	78,158	1,150	2,950
Grants - other	171,101	300,762				62,691	89,617	68,927		
Permits, licences and fines	1,335	508								
Investment income	38,903	21,102			64	26	1,738	531		
Other revenue	137,702	241,343			27,651	511				
Water and sewer										
Prov of MB - unconditional grants	192,957	192,954								
Prov of MB - conditional grants	529,784	29,127			3,450	10,329	14,151	12,731		
Total revenue	<u>3,859,135</u>	<u>3,345,485</u>	<u>21,957</u>	<u>22,971</u>	<u>97,328</u>	<u>115,390</u>	<u>180,553</u>	<u>160,347</u>	<u>1,150</u>	<u>2,950</u>
EXPENSES										
Personnel services	451,914	422,890	54,971	69,088	376,295	315,450	120,037	80,771		
Contract services	177,679	225,102	37,949	32,886	192,845	129,126	239,479	252,187	5,806	5,737
Utilities	7,906	6,818	21,670	15,071	50,418	72,468	4,130	3,633	4,498	2,597
Maintenance, materials and supplies	305,723	249,973	83,145	71,420	627,736	356,585	103,586	47,113	4,721	3,731
Grants and contributions	10,138	6,227					50,000		4,507	12,573
Amortization	17,967	18,607	44,904	47,418	156,129	142,674	43,116	41,750	4,497	4,497
Interest on long term debt			36,990	40,437	32,718	6,631				
Other	41,091	6,875			434,429	2,321				
Total expenses	<u>1,012,418</u>	<u>936,492</u>	<u>279,629</u>	<u>276,320</u>	<u>1,870,570</u>	<u>1,025,255</u>	<u>560,348</u>	<u>425,454</u>	<u>24,029</u>	<u>29,135</u>
Surplus (Deficit)	<u>\$ 2,846,717</u>	<u>\$ 2,408,993</u>	<u>(257,672)</u>	<u>(253,349)</u>	<u>(1,773,242)</u>	<u>(909,865)</u>	<u>(379,795)</u>	<u>(265,107)</u>	<u>(22,879)</u>	<u>(26,185)</u>

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

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2022

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes							33,600	18,820	\$ 2,502,372	\$ 2,237,649
Grants in lieu of taxation									161,761	155,352
User fees					3,266	1,900			324,403	333,317
Grants - other	22,252	24,778			37,154	26,391			320,124	483,549
Permits, licences and fines	20,148	19,069							21,483	19,577
Investment income	33	11	60	24	2,390	27			43,188	21,721
Other revenue	316	3,812				1,422			165,669	247,088
Water and sewer							218,518	162,263	218,518	162,263
Prov of MB - unconditional grants									192,957	192,954
Prov of MB - conditional grants					48,828	47,018			596,213	99,206
Total revenue	42,749	47,670	60	24	91,638	76,758	252,118	181,083	4,546,688	3,952,676
EXPENSES										
Personnel services	33,828	37,367	79,381	72,576	23,629	22,250	59,856	56,681	1,199,911	1,077,073
Contract services	4,737	4,733	1,609	1,540	55,130	59,983	26,457	16,487	741,691	727,781
Utilities					41,908	26,315	47,026	12,927	177,556	139,829
Maintenance, materials and supplies	10,349	14,131	2,318	2,487	36,388	24,929	68,865	29,446	1,242,831	799,815
Grants and contributions	21,047	25,514	36,609	36,224	31,849	29,515			154,150	110,053
Amortization	113	113	417	417	17,213	13,801	44,711	44,580	329,067	313,857
Interest on long term debt									69,708	47,068
Other					67	211			475,587	9,407
Total expenses	70,074	81,858	120,334	113,244	206,184	177,004	246,915	160,121	4,390,501	3,224,883
Surplus (Deficit)	(27,325)	(34,188)	(120,274)	(113,220)	(114,546)	(100,246)	5,203	20,962	\$ 156,187	\$ 727,793

RURAL MUNICIPALITY OF WEST INTERLAKE

SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the year ended December 31, 2022

	Core Government		Controlled Entities		Government Partnerships		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE								
Property taxes	\$ 2,502,372	\$ 2,237,649					\$ 2,502,372	\$ 2,237,649
Grants in lieu of taxation	161,761	155,352					161,761	155,352
User fees	232,414	296,428	57,127	12,495	34,862	24,394	324,403	333,317
Grants - other	185,204	315,234		50,219	134,920	118,096	320,124	483,549
Permits, licences and fines	1,335	508			20,148	19,069	21,483	19,577
Investment income	38,903	21,102	124	50	4,161	569	43,188	21,721
Other revenue	137,702	241,343	27,651	511	316	5,234	165,669	247,088
Water and sewer	218,518	162,263					218,518	162,263
Prov of MB - unconditional grants	192,957	192,954					192,957	192,954
Prov of MB - conditional grants	557,658	53,128	3,450	10,329	35,105	35,749	596,213	99,206
Total revenue	4,228,824	3,675,961	88,352	73,604	229,512	203,111	4,546,688	3,952,676
EXPENSES								
Personnel services	1,114,790	1,006,290	27,664	11,166	57,457	59,617	1,199,911	1,077,073
Contract services	617,467	610,206	2,009	2,926	122,215	114,649	741,691	727,781
Utilities	173,150	114,479	793	22,310	3,613	3,040	177,556	139,829
Maintenance, materials and supplies	1,167,317	732,965	28,504	12,552	47,010	54,298	1,242,831	799,815
Grants and contributions	148,804	104,755			5,346	5,298	154,150	110,053
Amortization	299,984	284,792	15,525	15,524	13,558	13,541	329,067	313,857
Interest on long term debt	69,708	47,068					69,708	47,068
Other	474,859	6,875	661	2,321	67	211	475,587	9,407
Total expenses	4,066,079	2,907,430	75,156	66,799	249,266	250,654	4,390,501	3,224,883
Surplus (Deficit)	<u>\$ 162,745</u>	<u>\$ 768,531</u>	<u>13,196</u>	<u>6,805</u>	<u>(19,754)</u>	<u>(47,543)</u>	<u>\$ 156,187</u>	<u>\$ 727,793</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022							
	Protective Services	Rec Reserve - Siglunes	Health Care Reserve - Siglunes	LUD of Ashern Reserve	Siglunes Surplus	General Reserve	Waste Disposal Grounds	Sub Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 79,466	\$ 32,691	\$ 5,001	\$ 182,774	\$	\$ 127,674	\$ 12,962	\$ 440,568
Due (to) from other funds		29,819	1	56,762	1,642		15,419	103,643
	<u>\$ 79,466</u>	<u>\$ 62,510</u>	<u>\$ 5,002</u>	<u>\$ 239,536</u>	<u>\$ 1,642</u>	<u>\$ 127,674</u>	<u>\$ 28,381</u>	<u>\$ 544,211</u>
REVENUE								
Investment income	\$ 987	664	85	3,486		2,843	411	\$ 8,476
Other income								
Total revenue	<u>987</u>	<u>664</u>	<u>85</u>	<u>3,486</u>		<u>2,843</u>	<u>411</u>	<u>8,476</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	987	664	85	3,486		2,843	411	8,476
TRANSFERS								
Debt repayment								
Transfers from operating fund	30,000	29,805		66,761		35,000	15,419	176,985
Transfers to operating fund	(11,521)	(11,948)		(71,000)		(40,000)	(13,883)	(148,352)
Transfers from utility fund								
Transfers to utility fund						(31,523)		(31,523)
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	19,466	18,521	85	(753)		(33,680)	1,947	5,586
FUND SURPLUS, BEGINNING OF YEAR	<u>60,000</u>	<u>43,989</u>	<u>4,917</u>	<u>240,289</u>	<u>1,642</u>	<u>161,354</u>	<u>26,434</u>	<u>538,625</u>
FUND SURPLUS, END OF YEAR	<u>\$ 79,466</u>	<u>62,510</u>	<u>5,002</u>	<u>239,536</u>	<u>1,642</u>	<u>127,674</u>	<u>28,381</u>	<u>\$ 544,211</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022							
	Technology Reserve	Elections Reserves	Drainage Reserve - Siglunes	Equipment Reserve	Community Services Reserve - Siglunes	Water Reserve - Siglunes	Sewer Reserve - Siglunes	Sub Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 10,190	\$ 8,853	\$ 77,279	\$ 40,348	\$ 23	\$ 40,819	\$ 32,908	\$ 210,420
Due (to) from other funds	1	2	16	(48)	(23)	8,550	8,550	17,048
	<u>\$ 10,191</u>	<u>\$ 8,855</u>	<u>\$ 77,295</u>	<u>\$ 40,300</u>	<u>\$</u>	<u>\$ 49,369</u>	<u>\$ 41,458</u>	<u>\$ 227,468</u>
REVENUE								
Investment income	\$ 131	247	1,366	300	78	463	328	\$ 2,913
Other income								
Total revenue	<u>131</u>	<u>247</u>	<u>1,366</u>	<u>300</u>	<u>78</u>	<u>463</u>	<u>328</u>	<u>2,913</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	131	247	1,366	300	78	463	328	2,913
TRANSFERS								
Debt repayment								
Transfers from operating fund	2,500	5,000		20,000				27,500
Transfers to operating fund		(11,512)			(7,430)			(18,942)
Transfers from utility fund						8,550	8,550	17,100
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	2,631	(6,265)	1,366	20,300	(7,352)	9,013	8,878	28,571
FUND SURPLUS, BEGINNING OF YEAR	<u>7,560</u>	<u>15,120</u>	<u>75,929</u>	<u>20,000</u>	<u>7,352</u>	<u>40,356</u>	<u>32,580</u>	<u>198,897</u>
FUND SURPLUS, END OF YEAR	<u>\$ 10,191</u>	<u>\$ 8,855</u>	<u>\$ 77,295</u>	<u>\$ 40,300</u>	<u>\$</u>	<u>\$ 49,369</u>	<u>\$ 41,458</u>	<u>\$ 227,468</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022						
	Cemetery Reserve - Eriksdale	Eriksdale Utility General Reserve	Building and Land Reserve - Eriksdale	Gas Tax Reserve	General Reserve - Siglunes	Equipment Replacement Reserve - Siglunes	Sub Total
FINANCIAL ASSETS							
Cash and temporary investments	\$ 21,517	\$ 49,195	\$ 6,743	\$ 969,283	\$ 45,803	\$ 46	\$ 1,092,587
Due (to) from other funds			(1)			6	5
	<u>\$ 21,517</u>	<u>\$ 49,195</u>	<u>\$ 6,742</u>	<u>\$ 969,283</u>	<u>\$ 45,803</u>	<u>\$ 52</u>	<u>\$ 1,092,592</u>
REVENUE							
Investment income	\$ 368	689	144	20,816	252	161	\$ 22,430
Other income							
Total revenue	<u>368</u>	<u>689</u>	<u>144</u>	<u>20,816</u>	<u>252</u>	<u>161</u>	<u>22,430</u>
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	368	689	144	20,816	252	161	22,430
TRANSFERS							
Debt repayment							
Transfers from operating fund				121,640			121,640
Transfers to operating fund			(1,938)	(472,028)	(9,524)	(26,564)	(510,054)
Transfers from utility fund							
Transfers to utility fund							
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES	368	689	(1,794)	(329,572)	(9,272)	(26,403)	(365,984)
FUND SURPLUS, BEGINNING OF YEAR	<u>21,149</u>	<u>48,506</u>	<u>8,536</u>	<u>1,298,855</u>	<u>55,075</u>	<u>26,455</u>	<u>1,458,576</u>
FUND SURPLUS, END OF YEAR	<u>\$ 21,517</u>	<u>49,195</u>	<u>6,742</u>	<u>969,283</u>	<u>45,803</u>	<u>52</u>	<u>\$ 1,092,592</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022						2021
	General Reserve - Eriksdale	Equipment Reserve - Eriksdale	Road Replacement Reserve - Eriksdale	Health Care Reserve - Eriksdale	Fire Equipment Reserve - Eriksdale	Drainage Reserve - Eriksdale	Total
FINANCIAL ASSETS							
Cash and temporary investments	\$ 161,728	\$ 10,952	\$ 4,067	\$ 61,320	\$ 46,789	\$ 36,519	\$ 2,064,950
Due (to) from other funds	(32,027)		48	8,837			97,554
Total revenue	<u>\$ 129,701</u>	<u>\$ 10,952</u>	<u>\$ 4,115</u>	<u>\$ 70,157</u>	<u>\$ 46,789</u>	<u>\$ 36,519</u>	<u>\$ 2,162,504</u>
REVENUE							
Investment income	\$ 2,931	515	118	1,084	800	624	\$ 39,891
Other income							
Total revenue	<u>2,931</u>	<u>515</u>	<u>118</u>	<u>1,084</u>	<u>800</u>	<u>624</u>	<u>39,891</u>
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	2,931	515	118	1,084	800	624	39,891
TRANSFERS							
Debt repayment							
Transfers from operating fund							326,125
Transfers to operating fund	(2,958)	(48,941)					(729,247)
Transfers from utility fund							17,100
Transfers to utility fund							(31,523)
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES	(27)	(48,426)	118	1,084	800	624	(377,654)
FUND SURPLUS, BEGINNING OF YEAR	<u>129,728</u>	<u>59,378</u>	<u>3,997</u>	<u>69,073</u>	<u>45,989</u>	<u>35,895</u>	<u>2,540,158</u>
FUND SURPLUS, END OF YEAR	<u>\$ 129,701</u>	<u>\$ 10,952</u>	<u>\$ 4,115</u>	<u>\$ 70,157</u>	<u>\$ 46,789</u>	<u>\$ 36,519</u>	<u>\$ 2,162,504</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Ashern
For the year ended December 31, 2022

	2022 Budget	2022 Actual	2021 Actual
REVENUE			
Taxation	\$ 179,790	\$ 179,790	\$ 178,731
GBG No. 3/14		58,500	59,275
Other revenue	1,500	1,865	1,720
Total revenue	181,290	240,155	239,726
EXPENSES			
General government			
Indemnities	13,450	13,079	12,008
Other general government	8,290	3,658	
Transportation services			
Road and street maintenance	84,700	55,976	55,481
Sidewalk and boulevard maintenance	13,500	11,551	8,028
Street lighting	17,500	16,917	16,621
Environmental health			
Waste collection and disposal		56,393	41,621
Regional planning and development			
Beautification and land rehabilitation	8,000	1,972	4,147
Recreation and cultural services			
Parks and playgrounds	5,850	2,642	2,330
Recreation and cultural services			
Contribution to capital	20,000	82,205	84,723
Total expenses	171,290	244,393	224,959
NET REVENUES (DEFICIT)	10,000	(4,238)	14,767
TRANSFERS			
Transfers from L.U.D. reserve		71,000	
Transfers to L.U.D. reserve	(10,000)	(66,762)	(14,767)
CHANGES IN L.U.D. BALANCES	\$		
UNEXPENDED BALANCE, BEGINNING OF YEAR			
UNEXPENDED BALANCE, END OF YEAR		\$	\$

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2022

	2022			2021
	Eriksdale	Ashern	Total	Total
FINANCIAL ASSETS				
Cash (Note 3)	\$	\$ 100	\$ 100	\$ 100
Amounts receivable (Note 4)		82,475	82,475	57,271
Due from other funds	53,623		53,623	
	<u>53,623</u>	<u>82,575</u>	<u>136,198</u>	<u>57,371</u>
LIABILITIES				
Due to other funds		177,596	177,595	137,458
		<u>177,596</u>	<u>177,595</u>	<u>137,458</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>53,623</u>	<u>(95,021)</u>	<u>(41,397)</u>	<u>(80,087)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	14,146	1,363,830	1,377,975	1,397,039
	<u>14,146</u>	<u>1,363,830</u>	<u>1,377,975</u>	<u>1,397,039</u>
FUND SURPLUS	<u>\$ 67,769</u>	<u>\$ 1,268,809</u>	<u>\$ 1,336,578</u>	<u>\$ 1,316,952</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Eriksdale
For the year ended December 31, 2022

	Budget	2022	2021
REVENUE			
Sewer			
Lagoon tipping fees	\$ 2,000	\$	\$ 1,890
Property taxes	33,600	33,600	18,820
Other			
Connection charges			2,500
Other income		294	
Sub-Total - Other		294	2,500
Total revenue	35,600	33,894	23,210
EXPENSES			
General			
Administration	4,500	5,699	5,092
Sub-Total - General	4,500	5,699	5,092
Sewer General			
Collection system costs	3,000	2,934	4,575
Lift station costs	12,200	40,815	3,930
Sub-Total - Sewer General	15,200	43,749	8,505
Sewer Amortization and Interest			
Amortization		1,618	1,618
Sub-Total - Sewer Amortization & Interest		1,618	1,618
Total expenses	19,700	51,066	15,215
NET REVENUES (DEFICIT)	\$ 15,900	(17,172)	7,995
TRANSFERS			
Transfers from reserve funds		31,523	
CHANGE IN UTILITY FUND BALANCE		14,351	7,995
FUND SURPLUS, BEGINNING OF YEAR		53,418	45,423
FUND SURPLUS, END OF YEAR		\$ 67,769	\$ 53,418

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Ashern
For the year ended December 31, 2022

	Budget	2022	2021
REVENUE			
Water			
Water fees	\$ 150,000	\$ 194,880	\$ 136,623
Bulk water fees	750		
Sub-Total - Water	150,750	194,880	136,623
Sewer			
Lagoon tipping fees	18,000	15,278	13,591
Sub-Total - Sewer	18,000	15,278	13,591
Other			
Hydrant rentals	3,000	3,000	3,000
Penalties	2,000	3,910	3,236
Other income	1,000	1,156	1,423
Sub-Total - Other	6,000	8,066	7,659
Total revenue	\$ 174,750	\$ 218,224	\$ 157,873

RURAL MUNICIPALITY OF WEST INTERLAKE**SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Ashern**

For the year ended December 31, 2022

	Budget	2022	2021
EXPENSES			
General			
Administration	\$	\$ 15,290	\$ 9,722
Sub-Total - General		15,290	9,722
Water General			
Purification and treatment	121,900	116,389	78,766
Sub-Total - Water General	121,900	116,389	78,766
Water Amortization & Interest			
Amortization		22,943	22,812
Sub-Total - Water Amortization & Interest		22,943	22,812
Sewer General			
Collection system costs	22,000	10,651	4,825
Treatment and disposal cost	3,500	6,109	5,806
Lift station costs	10,250	4,317	2,825
Sub-Total - Sewer General	35,750	21,077	13,456
Sewer Amortization & Interest			
Amortization		20,150	20,150
Sub-Total - Water Amortization & Interest		20,150	20,150
Total expenses	157,650	195,849	144,906
NET REVENUES	\$ 17,100	22,375	12,967
TRANSFERS			
Transfers to reserve funds		(17,100)	(10,750)
CHANGE IN UTILITY FUND BALANCE		5,275	2,217
FUND SURPLUS, BEGINNING OF YEAR		1,263,534	1,261,317
FUND SURPLUS, END OF YEAR	\$	1,268,809	\$ 1,263,534

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2022

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 2,436,153	33,600					\$ 2,469,753
Grants in lieu of taxation	162,182						162,182
User fees	210,100					93,503	303,603
Grants - Province of Manitoba	212,000					26,162	238,162
Grants - other	118,050					178,487	296,537
Permits, licences and fines							
Investment income						152	152
Other revenue	49,400					28,514	77,914
Water and sewer		176,750					176,750
Transfer from accumulated surplus	263,594				(263,594)		
Transfers from reserves	136,920				(136,920)		
Total revenue	<u>3,588,399</u>	<u>210,350</u>			<u>(400,514)</u>	<u>326,818</u>	<u>3,725,053</u>
EXPENSES							
General government services	976,810		17,967		331		995,108
Protective services	191,250		44,904	36,990			273,144
Transportation services	1,074,450		140,604	32,718		72,585	1,320,357
Environmental health services	302,444		33,395			143,053	478,892
Public health and welfare services	24,800		4,497				29,297
Regional planning and development	45,770		417			49,833	96,020
Resource cons and industrial dev	124,000		13,142			2,572	139,714
Recreation and cultural services	117,245		44,711			49,119	211,075
Water and sewer services		177,350					177,350
Fiscal services:							
Transfer to capital	211,094		(211,094)				
Deficit recovery	23,490				(23,490)		
Debenture debt charges	277,865			(277,865)			
Transfer to reserves	218,850	33,000			(251,850)		
Allowance for tax assets	331				(331)		
Total expenses	<u>3,588,399</u>	<u>210,350</u>	<u>88,543</u>	<u>(208,157)</u>	<u>(275,340)</u>	<u>317,162</u>	<u>3,720,957</u>
Surplus (Deficit)	<u>\$</u>		<u>(88,543)</u>	<u>208,157</u>	<u>(125,174)</u>	<u>9,656</u>	<u>\$ 4.096</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2022

	2022	2021
Balance, beginning of year	\$ 481,895	\$ 624,943
Add:		
Tax levy (Schedule 12)	3,831,260	3,573,780
Taxes added	48,466	34,221
Penalties or interest	85,781	61,315
Tax adjustments (Tax sale)	42,833	45,066
Sub-total	4,008,340	3,714,382
Deduct:		
Cash collections - current	3,200,404	3,179,575
Cash collections - arrears	470,290	383,734
Writeoffs	32,076	6,403
Tax discounts	23,896	21,633
E.P.T.C. - cash advance	220,718	266,085
Sub-total	3,947,384	3,857,430
Balance, end of year	\$ 542,851	\$ 481,895

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2022

	<u>2022</u>			<u>2021</u>
	<u>Assessment</u>	<u>Mill Rate</u>	<u>Levy</u>	<u>Levy</u>
Debt charges:				
BL No. 4/18 Siglunes	96,443,740	0.705	67,993	
BL No. 19/19 Graders	69,207,370	0.940	65,055	64,985
Sub-Total - Debt charges			<u>133,048</u>	<u>64,985</u>
General Municipal - At Large	87,069,930	16.283	<u>1,417,760</u>	<u>1,321,690</u>
Special levies:				
Ward 1 - Sewer BL No. 2/06			38,355	14,653
Ward 1 - GBG BL No. 6/15			49,420	46,100
Ward 2 - LUD GBG BL No. 3/14			58,500	59,275
Deficit Recovery W2	56,738,880	0.379	21,504	21,491
Rural only	69,207,370	8.895	615,600	554,585
LUD	17,862,560	8.040	<u>143,615</u>	<u>142,282</u>
Sub-Total - Special levies			<u>926,994</u>	<u>838,386</u>
Total municipal taxes (Schedule 2)			<u>2,477,802</u>	<u>2,225,061</u>
Education support levy	12,450,590	8.713	<u>108,482</u>	<u>108,348</u>
Special levy:				
Lakeshore School Division	85,506,580	14.560	<u>1,244,976</u>	<u>1,240,371</u>
Sub-Total - Special levies			<u>1,244,976</u>	<u>1,240,371</u>
Total education taxes			<u>1,353,458</u>	<u>1,348,719</u>
Total tax levy (Schedule 11)			<u>\$ 3,831,260</u>	<u>\$ 3,573,780</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2022

	2022	2021
General government services:		
Legislative	\$ 110,666	\$ 98,564
General administrative	856,357	827,462
Other	45,395	6,818
	1,012,418	932,844
Protective services:		
Fire	146,084	173,347
Emergency measures	71,018	50,488
Other	62,527	52,485
	279,629	276,320
Transportation services:		
Road transport		
Administration and engineering	489,235	431,435
Road and street maintenance	811,572	492,843
Street lighting	30,693	29,090
Interest on debenture	32,718	6,631
Disaster financial assistance	433,768	
	1,797,986	959,999
Environmental health services:		
Waste collection and disposal	353,200	305,313
Recycling	8,745	8,745
Other	107,898	665
	469,843	314,723
Public health and welfare services:		
Public health	4,992	3,023
Medical care	13,726	20,801
Social assistance	5,311	5,311
	24,029	29,135
Regional planning and development:		
Planning and zoning	35,042	41,187
Beautification and land rehabilitation	1,372	3,120
	36,414	44,307
Sub-total	\$ 3,620,319	\$ 2,557,328

RURAL MUNICIPALITY OF WEST INTERLAKE**SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued****For the year ended December 31, 2022**

	2022	2021
Sub-total (carry forward)	\$ 3,620,319	\$ 2,557,328
Resource conservation and industrial development:		
Veterinary services	21,614	21,320
Water resources and conservation	14,995	14,904
Regional development	79,381	72,576
Tourism	1,355	2,484
Other	417	417
	117,762	111,701
Recreation and cultural services:		
Administration	21,694	17,223
Community centres and halls	80,765	59,063
Skating and curling rinks	15,657	3,471
Parks and playgrounds	5,704	5,159
Museums	1,525	1,121
Libraries	28,492	44,037
Other cultural facilities	6,448	1,360
	160,285	131,434
Total expenses	\$ 3,898,366	\$ 2,800,463

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2022

		2022		2021	
		General	Utility	Total	Total
MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT		\$ 739,838	\$ 38,690	\$ 778,528	\$ 38,585
Adjustments for reporting under public sector accounting standards					
Eliminate expense - transfers to reserves	326,125	17,100	343,225	429,571	
Eliminate revenue - transfers from reserves	(729,247)	(31,523)	(760,770)	(355,947)	
Increase revenue - reserve funds interest	39,891		39,891	21,102	
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	72,644		72,644	12,416	
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	(4,238)		(4,238)	14,767	
Eliminate revenue - transfer from nominal surplus	(240,104)		(240,104)	(94,525)	
Increase expense - amortization of tangible capital assets	(255,277)	(44,711)	(299,988)	(284,792)	
Decrease expense - principal portion of debenture debt	208,157		208,157	158,482	
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	31,309		31,309	55,033	
Eliminate revenue - proceeds on new debenture debt	(900,000)		(900,000)		
Eliminate revenue - proceeds on sale of tangible capital assets	(42,178)		(42,178)	(107,112)	
Eliminate expense - acquisitions of tangible capital assets	904,064	25,647	929,711	840,213	
NET SURPLUS PER STATEMENT OF OPERATIONS	\$ 150,984	\$ 5,203	\$ 156,187	\$ 727,793	