



RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

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RURAL MUNICIPALITY OF WEST INTERLAKE
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STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Rural Municipality of West Interlake 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 Reeve and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.

Courtney Roehl
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

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

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, 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, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of West Interlake 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 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 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.

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
January 25, 2022


Chartered Professional Accountants Ltd.

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 3,031,678	\$ 3,463,780
Amounts receivable (Note 4)	809,986	925,408
Real estate properties held for sale (Note 2)	16,724	33,032
	3,858,388	4,422,220
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	529,197	1,328,092
Deferred revenue (Note 2)	73,680	8,546
Long-term debt (Note 8)	1,419,621	1,250,496
	2,022,498	2,587,134
NET FINANCIAL ASSETS	1,835,890	1,835,086
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	5,574,527	5,175,599
Inventories (Note 5)	30,701	18,305
Prepaid expenses	62,213	54,172
	5,667,441	5,248,076
ACCUMULATED SURPLUS (Note 13)	\$ 7,503,331	\$ 7,083,162

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF OPERATIONS
 For the year ended December 31, 2020

	2020 Budget (Note 12)	2020 Actual	2019 Actual
REVENUE			
Property taxes	\$ 2,222,505	\$ 2,239,246	\$ 2,003,887
Grants in lieu of taxation	148,552	148,552	138,394
User fees	246,272	185,908	264,749
Permits, licences and fines	350	12,197	10,620
Investment income	956	31,812	40,589
Other revenue	97,536	279,750	127,642
Water and sewer	118,500	118,614	68,864
Grants - Province of Manitoba	308,194	524,540	357,464
Grants - Other	340,859	228,019	360,480
Total revenue (Schedules 2, 4 and 5)	3,483,724	3,768,638	3,372,689
EXPENSES			
General government services	944,335	895,077	831,457
Protective services	279,249	326,327	267,146
Transportation services	1,123,988	1,171,345	1,129,232
Environmental health services	444,195	424,374	360,993
Public health and welfare services	29,997	32,793	49,275
Regional planning and development	90,332	73,210	82,764
Resource conservation and industrial development	97,340	92,748	81,353
Recreation and cultural services	167,050	139,216	152,427
Water and sewer services	156,301	193,379	140,916
Total expenses (Schedules 3, 4 and 5)	3,332,787	3,348,469	3,095,563
ANNUAL SURPLUS	\$ 150,937	420,169	277,126
ACCUMULATED SURPLUS, BEGINNING OF YEAR		7,083,162	6,806,036
ACCUMULATED SURPLUS, END OF YEAR		\$ 7,503,331	\$ 7,083,162

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

	2020 Budget (Note 12)	2020 Actual	2019 Actual
ANNUAL SURPLUS	\$ 150,937	\$ 420,169	\$ 277,126
Acquisition of tangible capital assets	(1,124,500)	(705,509)	(687,312)
Amortization of tangible capital assets	301,575	301,575	252,517
Loss (gain) on sale of tangible capital assets		(134,816)	73,010
Proceeds on sale of tangible capital assets		139,822	141,867
Decrease (increase) in inventories		(12,397)	12,650
Increase in prepaid expenses		(8,040)	(4,707)
	(822,925)	(419,365)	(211,975)
CHANGE IN NET FINANCIAL ASSETS	\$ (671,988)	804	65,151
NET FINANCIAL ASSETS, BEGINNING OF YEAR		1,835,086	1,769,935
NET FINANCIAL ASSETS, END OF YEAR		\$ 1,835,890	\$ 1,835,086

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 420,169	\$ 277,126
Changes in non-cash items:		
Amounts receivable	115,422	759,533
Inventories	(12,397)	12,650
Prepays	(8,040)	(4,707)
Accounts payable and accrued liabilities	(801,248)	1,082,661
Deferred revenue	65,134	
Severance and sick leave payable	2,354	(534)
Loss (gain) on sale of properties held for resale	16,481	(5,000)
Loss (gain) on sale of tangible capital assets	(134,816)	73,010
Amortization	301,575	252,517
Cash provided by operating transactions	(35,366)	2,447,256
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	139,822	141,867
Cash used to acquire tangible capital assets	(705,509)	(687,312)
Cash applied to capital transactions	(565,687)	(545,445)
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	7,005	5,000
Acquisition of real estate properties	(7,178)	(22,535)
Cash applied to investing transactions	(173)	(17,535)
FINANCING TRANSACTIONS		
Proceeds of long-term debt	325,324	
Debt repayment	(156,200)	(91,935)
Advances on bank indebtedness		(365,564)
Cash applied to financing transactions	169,124	(457,499)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(432,102)	1,426,777
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	3,463,780	2,037,003
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 3,031,678	\$ 3,463,780

RURAL MUNICIPALITY OF WEST INTERLAKE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2020

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% (2019 - 37%)
Parkland Regional Library Service - 4% (2019 - 4%)
Western Interlake Planning District Board - 42.32% (2019 - 42.32%)
West Interlake Handivan Association - 24.41% (2019 - 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, 2020

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.

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.

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.

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, 2020

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, 2020

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, 2020

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2020	2019
Cash	\$ 2,960,727	\$ 3,416,801
Temporary investments	70,951	46,979
	<u>\$ 3,031,678</u>	<u>\$ 3,463,780</u>

Temporary investments are comprised of guaranteed investment certificates and term deposits that have a market value approximating cost. The Municipality has designated \$2,445,429 (2019 - \$2,220,796) to reserves for debt principal repayments and tangible capital asset acquisitions of which \$2,377,405 (2019 - \$556,722) is held in cash and temporary investments with the remainder representing the unfunded balance of \$68,024 (2019 - \$1,664,074) however, there is a general operating bank account that is intended for the former RM of Siglunes reserve funds that had a balance of \$250,055 (2019 - \$1,457,914) at year end. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2020	2019
Taxes on roll (Schedule 11)	\$ 624,943	\$ 740,104
Government grants		53,058
Utility customers (Schedule 8)	48,022	17,737
Organizations and individuals	60,409	17,230
Other governments	76,612	97,279
	<u>\$ 809,986</u>	<u>\$ 925,408</u>

5. INVENTORIES

	2020	2019
Inventories for use:		
Culverts	\$ 30,701	\$ 18,305

RURAL MUNICIPALITY OF WEST INTERLAKE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31, 2020

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Accounts payable	\$ 298,138	\$ 167,287
Accrued expenses	40,963	34,586
School levies	190,096	1,126,219
	<u>\$ 529,197</u>	<u>\$ 1,328,092</u>

7. LINE OF CREDIT

The Municipality has an authorized line of credit on its Rural Municipality of West Interlake general operating bank account at Noventis Credit Union Ltd. in the amount of \$1,700,000 with interest at 2.075% (2019 - 2.375%). The line of credit is secured by a general security agreement and the current year tax revenue.

8. LONG TERM DEBT

	2020	2019
General Authority		
Ward 2 debenture, payable at \$138,920 annually including interest at 3.50%, maturing December 2030.	\$ 1,155,344	\$ 1,250,496
Debenture, payable at \$66,631 annually including interest at 2.075%, maturing December 2024.	246,527	
Variable rate loan, payable at \$17,750 annually plus interest at 4.45%, maturing September 2021. (Lakeshore Handivan - 100%)	17,750	
	<u>\$ 1,419,621</u>	<u>\$ 1,250,496</u>

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

2021	\$ 177,722
2022	164,697
2023	169,570
2024	168,216
2025	113,012
	<u>\$ 793,217</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, 2020

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 \$41,496 (2019 - \$35,690) 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.

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, 2020

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

	2020	2019
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 950,798	\$ 971,041
Utility Operating Fund(s) - Deficit	(134,876)	(93,623)
TCA net of related borrowings	3,930,378	3,760,478
Reserve Funds	2,445,429	2,220,796
Accumulated Surplus of Municipality Unconsolidated	7,191,729	6,858,692
Accumulated Surpluses of Consolidated Entities	311,602	224,470
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 7,503,331	\$ 7,083,162

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

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, 2020:

- a) Compensation paid to members of council amounted to \$59,812 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	\$ 8,137	\$ 3,036	\$ 11,173
Clayton Gibson	7,762	2,827	10,589
John Bezemer	6,835	3,446	10,281
Randy Helgason	4,925	2,109	7,034
Penny-Anne Wainwright	6,285	2,829	9,114
Paul Murphy	7,658	3,291	10,949
Gudjon Lyle Finney	5,900	3,025	8,925
Dylan Geisler - LUD	3,870		3,870
Stefan Jonasson	4,220		4,220
Trevor Emilson - LUD	4,220		4,220
	<u>\$ 59,812</u>	<u>\$ 20,563</u>	<u>\$ 80,375</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	\$ 40,089	\$ 442	\$ 40,531

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2020

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	\$ 772,200	\$	\$ 28,600	\$ 743,600

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	\$ 252,289	\$	\$ 5,149	\$ 247,140

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

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:

	2020	2019
Financial Position		
Financial assets	\$ 87,062	\$ 78,529
Liabilities	45,489	32,056
Net financial assets	41,573	46,473
Non-financial assets	79,876	97,171
Accumulated surplus	\$ 121,449	\$ 143,644
Result of Operations		
Revenues	\$ 197,570	\$ 192,801
Expenses	267,328	256,406
Intercompany revenue and expense eliminations	47,563	51,885
Annual deficit	\$ (22,195)	\$ (11,720)

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2020

19. OTHER MATTERS

The COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. The Municipality waived interest charges from April to September 2020 for property tax and utility payments. As of the audit report date, the Municipality has not suffered any significant disruptions, and 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.

20. PRIOR PERIOD ADJUSTMENT

As part of the audit, it was identified 2018 and 2019 reserve transfers for the lagoon project were incorrectly transferred to the general operating fund instead of the Ashern utility operating fund. The 2019 opening general accumulated surplus decreased by \$124,734 with a corresponding increase to the Ashern utility fund surplus.

Furthermore, the 2019 reserve transfer for the lagoon project was corrected resulting in a decrease of \$12,818 in the 2019 ending general accumulated surplus with a corresponding increase to the Ashern utility fund surplus. As a result of the above adjustments the 2020 opening general accumulated surplus decreased by \$137,552 with a corresponding increase to the Ashern utility fund surplus.

21. COMMITMENTS

The Municipality has committed to the construction of a new fire hall in Ashern Manitoba. Construction of the new fire hall started in September of 2021 with total costs incurred of \$521,939 as of December 2021. Total estimated project costs are anticipated to be \$1,375,200 which will be financed by \$1,300,000 in borrowing with the remaining \$75,200 being borne by reserves.

RURAL MUNICIPALITY OF WEST INTERLAKE
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	\$ 1,751,227	1,665,546	2,313,895	127,417	13,180	6,446,747	2,673,797	\$ 14,991,809	\$ 14,640,826
Additions during the year	26,388	8,579	609,576	7,803	28,738	20,137	4,288	705,509	687,312
Disposals and write downs			(350,453)					(350,453)	(336,329)
Transfers		23,134			(23,134)				
Closing costs	1,777,615	1,697,259	2,573,018	135,220	18,784	6,466,884	2,678,085	15,346,865	14,991,809
Accumulated Amortization									
Opening accum'd amortization	103,221	1,112,273	1,470,848	78,041		5,859,961	1,191,866	9,816,210	9,685,145
Amortization	32,866	39,417	141,655	12,522		30,515	44,600	301,575	252,517
Disposals and write downs			(345,447)					(345,447)	(121,452)
Closing accum'd amortization	136,087	1,151,690	1,267,056	90,563		5,890,476	1,236,466	9,772,338	9,816,210
Net Book Value of Tangible Capital Assets	\$ 1,641,528	545,569	1,305,962	44,657	18,784	576,408	1,441,619	\$ 5,574,527	\$ 5,175,599

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, 2020

	2020 Actual	2019 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 2,245,239	\$ 1,993,331
Taxes added	18,249	10,556
Discounts	(24,242)	
	<u>2,239,246</u>	<u>2,003,887</u>
Grants in lieu of taxation:	<u>148,552</u>	<u>138,394</u>
User fees:		
Sales of service	116,316	174,818
Rentals	69,592	89,931
	<u>185,908</u>	<u>264,749</u>
Permits, licences and fines:		
Permits	10,164	10,150
Licences	2,033	470
	<u>12,197</u>	<u>10,620</u>
Investment income:		
Cash and temporary investments	<u>31,812</u>	<u>40,589</u>
Other revenue:		
Gain on sale of tangible capital assets	139,822	2,767
Gain on sale of real estate held for sale		5,000
Penalties and interest	50,239	91,871
Miscellaneous	27,051	28,004
Acquisition of controlled organization	62,638	
	<u>279,750</u>	<u>127,642</u>
Water and sewer		
Municipal utility	<u>118,614</u>	<u>68,864</u>
Grants - Province of Manitoba:		
Municipal operating grants	329,405	196,475
Conditional grants	195,135	160,989
	<u>524,540</u>	<u>357,464</u>
Grants - other:		
Federal government - gas tax funding	116,352	231,912
Federal government - other	6,320	1,075
Other municipal governments	105,347	127,493
	<u>228,019</u>	<u>360,480</u>
Total revenue	<u>\$ 3,768,638</u>	<u>\$ 3,372,689</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 95,846	\$ 134,537
General administrative	775,450	687,444
Other	7,300	9,476
Loss on sale of real estate held for sale	16,481	
	<u>895,077</u>	<u>831,457</u>
Protective services:		
Fire	157,972	125,823
Emergency measures	121,787	92,354
Other protection	46,568	48,969
	<u>326,327</u>	<u>267,146</u>
Transportation services:		
Road transport		
Administration and engineering	381,223	393,751
Road and street maintenance	697,178	573,024
Sidewalk and boulevard maintenance		45,777
Street lighting	27,605	26,351
Interest on debenture	43,009	14,552
Loss on sale of tangible capital assets	5,006	75,777
Withdrawal from small entity	17,324	
	<u>1,171,345</u>	<u>1,129,232</u>
Environmental health services:		
Waste collection and disposal	415,032	344,459
Recycling	8,698	8,840
Other	644	7,694
	<u>424,374</u>	<u>360,993</u>
Public health and welfare services:		
Public health	2,943	8,045
Medical care	24,539	35,919
Social assistance	5,311	5,311
	<u>32,793</u>	<u>49,275</u>
Regional planning and development:		
Planning and zoning	64,732	64,282
Beautification and land rehabilitation	8,478	13,698
Other		4,784
	<u>73,210</u>	<u>82,764</u>
Sub-total	<u>\$ 2,923,126</u>	<u>\$ 2,720,867</u>

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

	2020 Actual	2019 Actual
Sub-total (Carry forward)	\$ 2,923,126	\$ 2,720,867
Resource conservation and industrial development:		
Veterinary services	21,320	21,320
Water resources and conservation	14,928	14,751
Regional development	54,103	43,340
Tourism	1,980	1,525
Other	417	417
	<u>92,748</u>	<u>81,353</u>
Recreation and cultural services:		
Administration	16,920	15,452
Community centres and halls	41,400	44,423
Swimming pools and beaches		100
Skating and curling rinks	6,028	8,975
Parks and playgrounds	4,265	11,037
Other recreational facilities		2,157
Museums	1,102	1,227
Libraries	68,732	68,306
Other cultural facilities	769	750
	<u>139,216</u>	<u>152,427</u>
Water and sewer (Schedule 9)		
Municipal utility	<u>193,379</u>	<u>140,916</u>
Total expenses	<u>\$ 3,348,469</u>	<u>\$ 3,095,563</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
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	\$ 2,220,426	\$ 1,985,067								
Grants in lieu of taxation	148,552	138,394								
User fees	101,151	174,191	10,986	9,905	18,444	14,512	48,843	49,774	1,950	2,650
Grants - other	117,552	256,295			2,582	1,582	57,202	59,342		
Permits, licences and fines	2,033	470								
Investment income	30,794	39,392			340	129	433	767		
Other revenue	260,927	126,794			16,885	24				
Water and sewer										
Prov of MB - unconditional grants	322,394	192,954			7,011	3,520				
Prov of MB - conditional grants	133,717	2,519		88,922	9,571	22,371	17,514	13,484		
Total revenue	3,337,546	2,916,076	10,986	98,827	54,833	42,138	123,992	123,367	1,950	2,650
EXPENSES										
Personnel services	375,961	394,725	58,370	50,295	269,688	284,369	87,616	63,893		
Contract services	105,741	196,509	62,463	34,114	170,327	182,946	248,252	218,931	6,175	11,258
Utilities	7,300	7,055	17,382	17,795	48,462	46,952	3,866	3,717	2,079	2,098
Maintenance, materials and supplies	268,770	211,618	97,813	74,537	521,667	423,514	43,438	46,142	1,658	5,365
Grants and contributions	70,902	8,296							18,384	26,060
Amortization	18,809	9,802	46,532	43,420	132,212	115,674	41,202	28,310	4,497	4,494
Interest on long term debt			43,767	46,985	5,584					
Other	47,594	3,452			23,405	75,777				
Total expenses	895,077	831,457	326,327	267,146	1,171,345	1,129,232	424,374	360,993	32,793	49,275
Surplus (Deficit)	\$ 2,442,469	\$ 2,084,619	(315,341)	(168,319)	(1,116,512)	(1,087,094)	(300,382)	(237,626)	(30,843)	(46,625)

* 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, 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							18,820	18,820	\$ 2,239,246	\$ 2,003,887
Grants in lieu of taxation									148,552	138,394
User fees					4,534	13,717			185,908	264,749
Grants - other	21,340	21,292			29,343	21,969			228,019	360,480
Permits, licences and fines	10,164	10,150							12,197	10,620
Investment income	17	39	43	70	185	192			31,812	40,589
Other revenue	1,138	565			800	259			279,750	127,642
Water and sewer							118,614	68,864	118,614	68,864
Prov of MB - unconditional grants									329,405	196,474
Prov of MB - conditional grants					34,333	33,694			195,135	160,990
Total revenue	32,659	32,046	43	70	69,195	69,831	137,434	87,684	3,768,638	3,372,689
EXPENSES										
Personnel services	35,242	34,760	45,110	39,198	21,516	22,613	52,037	44,262	945,540	934,115
Contract services	3,867	5,331	3,941	3,840	12,132	21,218	40,334	21,986	653,232	696,133
Utilities					26,948	27,022	13,434	12,584	119,471	117,223
Maintenance, materials and supplies	13,705	25,053	2,032	1,827	15,131	21,851	42,973	25,736	1,007,187	835,643
Grants and contributions	19,630	14,943	36,248	36,071	50,782	47,957			195,946	133,327
Amortization	766	2,677	417	417	12,539	11,375	44,601	36,348	301,575	252,517
Interest on long term debt									49,351	46,985
Other			5,000		168	391			76,167	79,620
Total expenses	73,210	82,764	92,748	81,353	139,216	152,427	193,379	140,916	3,348,469	3,095,563
Surplus (Deficit)	(40,551)	(50,718)	(92,705)	(81,283)	(70,021)	(82,596)	(55,945)	(53,232)	\$ 420,169	\$ 277,126

RURAL MUNICIPALITY OF WEST INTERLAKE

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	\$ 2,239,246	\$ 2,003,887					\$ 2,239,246	\$ 2,003,887
Grants in lieu of taxation	148,552	138,394					148,552	138,394
User fees	143,170	226,008	6,468		36,270	38,741	185,908	264,749
Grants - other	123,872	256,295	1,000		103,147	104,185	228,019	360,480
Permits, licences and fines	2,033	470			10,164	10,150	12,197	10,620
Investment income	30,794	39,392	239	70	779	1,127	31,812	40,589
Other revenue	260,928	126,794	16,879		1,943	848	279,750	127,642
Water and sewer	118,614	68,864					118,614	68,864
Prov of MB - unconditional grants	322,394	192,954			7,011	3,520	329,405	196,474
Prov of MB - conditional grants	147,308	126,760	9,571		38,256	34,230	195,135	160,990
Total revenue	3,536,911	3,179,818	34,157	70	197,570	192,801	3,768,638	3,372,689
EXPENSES								
Personnel services	882,961	873,577	4,690		57,889	60,538	945,540	934,115
Contract services	528,619	567,971	6,504	1,371	118,109	126,791	653,232	696,133
Utilities	115,013	113,855	1,004		3,454	3,368	119,471	117,223
Maintenance, materials and supplies	959,110	793,885	3,979	302	44,098	41,456	1,007,187	835,643
Grants and contributions	191,060	128,511			4,886	4,816	195,946	133,327
Amortization	272,561	233,471	12,685		16,329	19,046	301,575	252,517
Interest on long term debt	49,351	46,985					49,351	46,985
Other	47,594	79,229	6,010		22,563	391	76,167	79,620
Total expenses	3,046,269	2,837,484	34,872	1,673	267,328	256,406	3,348,469	3,095,563
Surplus (Deficit)	\$ 490,642	\$ 342,334	(715)	(1,603)	(69,758)	(63,605)	\$ 420,169	\$ 277,126

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

	2020						
	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	\$ 14,059	\$ 4,877	\$ 238,982	\$	\$ 129,467	\$ 12,579	\$ 399,964
Due (to) from other funds	14	1	36,724	1,642			38,381
	<u>\$ 14,073</u>	<u>\$ 4,878</u>	<u>\$ 275,706</u>	<u>\$ 1,642</u>	<u>\$ 129,467</u>	<u>\$ 12,579</u>	<u>\$ 438,345</u>
REVENUE							
Investment income	199	65	1,466		29	2	\$ 1,761
Other income				1,642			1,642
Total revenue	<u>199</u>	<u>65</u>	<u>1,466</u>	<u>1,642</u>	<u>29</u>	<u>2</u>	<u>3,403</u>
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	199	65	1,466	1,642	29	2	3,403
TRANSFERS							
Debt repayment							
Transfers from operating fund			61,548		129,438	12,577	203,563
Transfers to operating fund			(23,874)				(23,874)
Transfers from utility fund							
Transfers to utility fund							
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES	199	65	39,140	1,642	129,467	12,579	183,092
FUND SURPLUS, BEGINNING OF YEAR	13,874	4,813	236,566				255,253
FUND SURPLUS, END OF YEAR	14,073	4,878	275,706	1,642	129,467	12,579	\$ 438,345

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

	2020							
	Technology Reserve	Elections Reserves	Drainage Reserve - Siglunes	Handi Van Reserve - Siglunes	Community Services Reserve - Siglunes	Water Reserve - Siglunes	Sewer Reserve - Siglunes	Sub Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 5,023	\$ 10,046	\$ 75,247	\$	\$ 21,691	\$ 26,417	\$ 18,703	\$ 157,127
Due (to) from other funds	1	2	16		(5,446)	8,356	8,355	11,284
	<u>\$ 5,024</u>	<u>\$ 10,048</u>	<u>\$ 75,263</u>	<u>\$</u>	<u>\$ 16,245</u>	<u>\$ 34,773</u>	<u>\$ 27,058</u>	<u>\$ 168,411</u>
REVENUE								
Investment income	\$ 24	48	1,013	386	404	354	251	\$ 2,480
Other income								
Total revenue	<u>24</u>	<u>48</u>	<u>1,013</u>	<u>386</u>	<u>404</u>	<u>354</u>	<u>251</u>	<u>2,480</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	24	48	1,013	386	404	354	251	2,480
TRANSFERS								
Debt repayment								
Transfers from operating fund	2,500	5,000						7,500
Transfers to operating fund				(42,682)	(8,279)			(50,961)
Transfers from utility fund						8,350	8,350	16,700
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	2,524	5,048	1,013	(42,296)	(7,875)	8,704	8,601	(24,281)
FUND SURPLUS, BEGINNING OF YEAR	2,500	5,000	74,250	42,296	24,120	26,069	18,457	192,692
FUND SURPLUS, END OF YEAR	<u>\$ 5,024</u>	<u>10,048</u>	<u>75,263</u>	<u></u>	<u>16,245</u>	<u>34,773</u>	<u>27,058</u>	<u>\$ 168,411</u>

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

	2020							
	Cemetery Reserve - Eriksdale	Eriksdale Utility General Reserve	Building and Land Reserve - Eriksdale	Gas Tax Reserve	General Reserve - Siglunes	Equipment Replacement Reserve - Siglunes	Fire Department Reserve - Siglunes	Sub Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 20,999	\$ 39,356	\$ 27,346	\$ 1,219,642	\$ 20,488	\$ 31,207	\$ 75,079	\$ 1,434,117
Due (to) from other funds		8,870		201	34,426	6	(1,954)	41,549
	<u>\$ 20,999</u>	<u>\$ 48,226</u>	<u>\$ 27,346</u>	<u>\$ 1,219,843</u>	<u>\$ 54,914</u>	<u>\$ 31,213</u>	<u>\$ 73,125</u>	<u>\$ 1,475,666</u>
REVENUE								
Investment income	\$ 195	105	317	13,633	1,189	418	1,575	\$ 17,432
Other income								
Total revenue	<u>195</u>	<u>105</u>	<u>317</u>	<u>13,633</u>	<u>1,189</u>	<u>418</u>	<u>1,575</u>	<u>17,432</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	195	105	317	13,633	1,189	418	1,575	17,432
TRANSFERS								
Debt repayment								
Transfers from operating fund				116,352			2,895	119,247
Transfers to operating fund				(6,609)			(48,228)	(54,837)
Transfers from utility fund		8,920						8,920
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	195	9,025	317	123,376	1,189	418	(43,758)	90,762
FUND SURPLUS, BEGINNING OF YEAR	<u>20,804</u>	<u>39,201</u>	<u>27,029</u>	<u>1,096,467</u>	<u>53,725</u>	<u>30,795</u>	<u>116,883</u>	<u>1,384,904</u>
FUND SURPLUS, END OF YEAR	<u>\$ 20,999</u>	<u>48,226</u>	<u>27,346</u>	<u>1,219,843</u>	<u>54,914</u>	<u>31,213</u>	<u>73,125</u>	<u>\$ 1,475,666</u>

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

	2020						2019
	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	\$ 171,868	\$ 63,863	\$ 3,969	\$ 59,751	\$ 51,105	\$ 35,641	\$ 2,377,405
Due (to) from other funds	(32,027)			8,837			68,024
Total revenue	\$ 139,841	\$ 63,863	\$ 3,969	\$ 68,588	\$ 51,105	\$ 35,641	\$ 2,445,429
REVENUE							
Investment income	\$ 1,544	1,040	108	699	391	470	\$ 25,925
Other income							1,642
Total revenue	1,544	1,040	108	699	391	470	27,567
EXPENSES							
Investment charges							
Other expenses				1,163			1,163
Total expenses				1,163			1,163
NET REVENUES	1,544	1,040	108	(464)	391	470	26,404
TRANSFERS							
Debt repayment							
Transfers from operating fund					21,565		351,875
Transfers to operating fund	(49,594)						(179,266)
Transfers from utility fund							25,620
Transfers to utility fund							
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES	(48,050)	1,040	108	(464)	21,956	470	224,633
FUND SURPLUS, BEGINNING OF YEAR	187,891	62,823	3,861	69,052	29,149	35,171	2,220,796
FUND SURPLUS, END OF YEAR	\$ 139,841	63,863	3,969	68,588	51,105	35,641	\$ 2,445,429

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Ashern
For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Taxation	\$ 183,105	\$ 183,109	\$ 180,824
GBG No. 3/14		56,635	53,465
Other revenue	2,500	3,873	8,941
Total revenue	185,605	243,617	243,230
EXPENSES			
General government			
Indemnities	14,450	12,310	13,030
Other general government	8,275	110	675
Transportation services			
Road and street maintenance	76,750	50,566	49,862
Sidewalk and boulevard maintenance	11,500	4,059	275
Street lighting	16,580	15,972	15,580
Environmental health			
Waste collection and disposal		44,880	39,632
Regional planning and development			
Beautification and land rehabilitation	6,000	1,107	4,238
Recreation and cultural services			
Parks and playgrounds	6,300	2,987	5,156
Fiscal services			
Contribution to capital	40,750	73,952	43,846
Total expenses	180,605	205,943	172,294
NET REVENUES	5,000	37,674	70,936
TRANSFERS			
Transfers from L.U.D. reserve		23,874	
Transfers to L.U.D. reserve	(5,000)	(61,548)	(70,936)
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, 2020

	2020			2019
	Eriksdale	Ashern	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments (Note 3)	\$	\$ 100	\$ 100	\$ 100
Amounts receivable (Note 4)		48,022	48,022	17,737
Due from other funds	28,040		28,040	
	<u>28,040</u>	<u>48,122</u>	<u>76,162</u>	<u>17,837</u>
LIABILITIES				
Due to other funds		211,038	211,038	111,460
		<u>211,038</u>	<u>211,038</u>	<u>111,460</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>28,040</u>	<u>(162,916)</u>	<u>(134,876)</u>	<u>(93,623)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	17,383	1,424,236	1,441,619	1,481,931
	<u>17,383</u>	<u>1,424,236</u>	<u>1,441,619</u>	<u>1,481,931</u>
FUND SURPLUS	<u>\$ 45,423</u>	<u>\$ 1,261,320</u>	<u>\$ 1,306,743</u>	<u>\$ 1,388,308</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Eriksdale
For the year ended December 31, 2020

	Budget	2020	2019
REVENUE			
Sewer			
Lagoon tipping fees	\$	\$ 100	\$
Sub-Total - Sewer		100	
Property taxes	18,820	18,820	18,820
Total revenue	18,820	18,920	18,820
EXPENSES			
General			
Administration	3,000	8,823	4,339
Sub-Total - General	3,000	8,823	4,339
Sewer General			
Collection system costs	1,500	3,020	1,276
Lift station costs	5,400	17,698	3,156
Sub-Total - Sewer General	6,900	20,718	4,432
Sewer Amortization and Interest			
Amortization		1,640	5,021
Sub-Total - Sewer Amortization & Interest		1,640	5,021
Total expenses	9,900	31,181	13,792
NET REVENUES (DEFICIT)	\$ 8,920	(12,261)	5,028
TRANSFERS			
Transfers to reserve funds		(8,920)	(10,320)
CHANGE IN UTILITY FUND BALANCE		(21,181)	(5,292)
FUND SURPLUS, BEGINNING OF YEAR		66,604	71,896
FUND SURPLUS, END OF YEAR	\$	45,423	\$ 66,604

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Ashern
 For the year ended December 31, 2020

	Budget	2020	2019
REVENUE			
Water			
Water fees	\$ 114,000	\$ 111,972	\$ 64,861
Sub-Total - Water	114,000	111,972	64,861
Sewer			
Lagoon tipping fees		810	
Sub-Total - Sewer		810	
Other			
Hydrant rentals	3,000	3,000	3,000
Penalties	1,500	956	1,003
Other income		1,776	
Sub-Total - Other	4,500	5,732	4,003
Total revenue	\$ 118,500	\$ 118,514	\$ 68,864

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Ashern
For the year ended December 31, 2020

	Budget	2020	2019
EXPENSES			
General			
Administration	\$	\$ 16,671	\$ 2,930
Sub-Total - General		16,671	2,930
Water General			
Purification and treatment	74,200	76,431	70,108
Sub-Total - Water General	74,200	76,431	70,108
Water Amortization & Interest			
Amortization		22,812	19,410
Sub-Total - Water Amortization & Interest		22,812	19,410
Sewer General			
Collection system costs	21,000	14,621	13,112
Treatment and disposal cost	2,600	8,546	5,018
Lift station costs	4,000	2,967	2,437
Connection costs			2,191
Sub-Total - Sewer General	27,600	26,134	22,758
Sewer Amortization & Interest			
Amortization		20,150	11,918
Sub-Total - Water Amortization & Interest		20,150	11,918
Total expenses	101,800	162,198	127,124
NET REVENUES (DEFICIT)	\$ 16,700	(43,684)	(58,260)
TRANSFERS			
Transfers from (to) reserve funds		(16,700)	33,578
CHANGE IN UTILITY FUND BALANCE		(60,384)	(24,682)
FUND SURPLUS, BEGINNING OF YEAR		1,321,704	1,346,386
FUND SURPLUS, END OF YEAR	\$	1,261,320	\$ 1,321,704

RURAL MUNICIPALITY OF WEST INTERLAKE
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	\$ 2,203,685	18,820					\$ 2,222,505
Grants in lieu of taxation	148,552						148,552
User fees	196,185					50,087	246,272
Grants - Province of Manitoba	277,000					31,194	308,194
Grants - other	127,050					213,809	340,859
Permits, licences and fines	350						350
Investment income	500					456	956
Other revenue	80,000					17,536	97,536
Water and sewer		118,500					118,500
Transfer from accumulated surplus							
Transfers from reserves	125,000				(125,000)		
Total revenue	<u>3,158,322</u>	<u>137,320</u>			<u>(125,000)</u>	<u>313,082</u>	<u>3,483,724</u>
EXPENSES							
General government services	924,725		18,809		801		944,335
Protective services	188,950		46,532	43,767			279,249
Transportation services	970,540		117,355	5,584		30,509	1,123,988
Environmental health services	274,735		31,582			137,878	444,195
Public health and welfare services	25,500		4,497				29,997
Regional planning and development	42,520					47,812	90,332
Resource cons and industrial dev	90,400		417			6,523	97,340
Recreation and cultural services	114,010		8,768			44,272	167,050
Water and sewer services		111,700	44,601				156,301
Fiscal services:							
Transfer to capital	148,250		(148,250)				
Deficit recovery	23,490				(23,490)		
Debenture debt charges	205,551			(205,551)			
Transfer to reserves	148,850	25,620			(174,470)		
Allowance for tax assets	801				(801)		
Total expenses	<u>3,158,322</u>	<u>137,320</u>	<u>124,311</u>	<u>(156,200)</u>	<u>(197,960)</u>	<u>266,994</u>	<u>3,332,787</u>
Surplus (Deficit)	<u>\$</u>		<u>(124,311)</u>	<u>156,200</u>	<u>72,960</u>	<u>46,088</u>	<u>\$ 150,937</u>

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

	2020	2019
Balance, beginning of year	\$ 740,104	\$ 754,631
Add:		
Tax levy (Schedule 12)	3,601,227	3,310,135
Taxes added	18,249	10,556
Penalties or interest	50,239	91,871
Other accounts added	2,662	15,587
Tax adjustments (Tax sale)	6,725	76,416
Sub-total	3,679,102	3,504,565
Deduct:		
Cash collections - current	2,791,741	2,560,884
Cash collections - arrears	609,547	607,304
Writeoffs	13,699	
Tax discounts	24,242	
E.P.T.C. - cash advance	355,034	350,904
Sub-total	3,794,263	3,519,092
Balance, end of year	\$ 624,943	\$ 740,104

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

	2020			2019
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Ashern	17,803,710	8.200	\$ 145,990	\$ 143,982
Sub-Total - L.U.D			<u>145,990</u>	<u>143,982</u>
Debt charges:				
BL No. 4/18 Siglunes	55,573,430	0.207	12,822	
BL No. 19/19 Graders	67,706,400	0.960	<u>64,998</u>	
Sub-Total - Debt charges			<u>77,820</u>	
General Municipal - At Large	85,510,110	7.978	<u>682,200</u>	<u>581,980</u>
Special levies:				
Ward 1 - Sewer BL No. 2/06			18,820	18,820
Ward 1 - GBG BL No. 6/15			92,000	92,000
Ward 2 - LUD GBG BL No. 3/14			56,635	53,465
Deficit Recovery W2	55,573,430	0.386	21,451	21,332
Ward 1	29,936,680	15.380	460,426	432,793
Ward 2	55,573,430	6.345	352,613	331,962
Ward 2 - Rural	37,769,720	8.930	<u>337,284</u>	316,997
Sub-Total - Special levies			<u>1,339,229</u>	<u>1,267,369</u>
Total municipal taxes (Schedule 2)			<u>2,245,239</u>	<u>1,993,331</u>
Education support levy	12,598,480	8.829	<u>111,232</u>	<u>122,137</u>
Special levy:				
Lakeshore School Division	83,935,010	14.830	<u>1,244,756</u>	1,194,667
Sub-Total - Special levies			<u>1,244,756</u>	<u>1,194,667</u>
Total education taxes			<u>1,355,988</u>	<u>1,316,804</u>
Total tax levy (Schedule 11)			<u>\$ 3,601,227</u>	<u>\$ 3,310,135</u>

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

	2020	2019
General government services:		
Legislative	\$ 95,846	\$ 134,537
General administrative	775,450	687,444
Other	7,300	9,476
Loss on sale of real estate held for sale	16,481	
	895,077	831,457
Protective services:		
Fire	157,972	125,823
Emergency measures	121,787	92,354
Other	46,568	48,969
	326,327	267,146
Transportation services:		
Road transport		
Administration and engineering	381,223	393,751
Road and street maintenance	697,178	573,024
Sidewalk and boulevard maintenance		45,777
Street lighting	27,605	26,351
Interest on debenture	5,584	
Loss on sale of tangible capital assets		75,777
	1,111,590	1,114,680
Environmental health services:		
Waste collection and disposal	300,060	229,978
Recycling	8,698	8,840
Other	644	7,694
	309,402	246,512
Public health and welfare services:		
Public health	2,943	8,045
Medical care	67,451	36,429
Social assistance	5,311	5,311
	75,705	49,785
Regional planning and development:		
Planning and zoning	33,224	31,564
Beautification and land rehabilitation	8,478	13,698
Other		4,784
	41,702	50,046
Sub-total	\$ 2,759,803	\$ 2,559,626

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

	2020	2019
Sub-total (carry forward)	\$ 2,759,803	\$ 2,559,626
Resource conservation and industrial development:		
Veterinary services	21,320	21,320
Water resources and conservation	14,928	14,751
Regional development	47,580	41,667
Tourism	1,980	1,525
Other	5,417	417
	91,225	79,680
Recreation and cultural services:		
Administration	16,920	15,452
Community centres and halls	41,400	44,423
Swimming pools and beaches		100
Skating and curling rinks	6,028	8,975
Parks and playgrounds	4,265	11,037
Other recreational facilities		2,157
Museums	1,102	1,227
Libraries	26,344	25,026
Other cultural facilities	769	750
	96,828	109,147
Total expenses	\$ 2,947,856	\$ 2,748,453

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

	2020		2019	
	General	Utility	Total	Total
MUNICIPAL DEFICIT UNDER THE MUNICIPAL ACT				
\$	(81,410)	(41,251) \$	(122,661) \$	(5,142)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	351,875	25,620	377,495	397,166
Eliminate revenue - transfers from reserves	(179,266)		(179,266)	(454,188)
Increase revenue - reserve funds interest	26,404		26,404	30,843
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	87,132		87,132	(13,323)
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	37,674		37,674	114,782
Eliminate revenue - transfer from nominal surplus	23,490		23,490	(115,430)
Increase expense - amortization of tangible capital assets	(227,959)	(44,602)	(272,561)	(233,471)
Decrease expense - principal portion of debenture debt	156,200		156,200	91,935
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	139,822		139,822	(73,010)
Eliminate revenue - proceeds on new debenture debt	(307,574)		(307,574)	
Eliminate revenue - proceeds on sale of tangible capital assets	(139,822)		(139,822)	(141,867)
Eliminate expense - acquisitions of tangible capital assets	589,548	4,288	593,836	678,831
NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS	\$ 476,114	(55,945) \$	420,169 \$	277,126