



RURAL MUNICIPALITY OF ALONSA

FINANCIAL STATEMENTS

For the year ended December 31, 2020

RURAL MUNICIPALITY OF ALONSA

FINANCIAL STATEMENTS

For the year ended December 31, 2020

RURAL MUNICIPALITY OF ALONSA
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STATEMENT OF RESPONSIBILITY

The accompanying financial statements are the responsibility of the management of the Rural Municipality of Alonsa 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 financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

Sensus Chartered Professional Accountants Ltd., as the Municipality's appointed external auditors, have audited the 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 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.

Tami Dumanske
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:
Rural Municipality of Alonsa
Alonsa, Manitoba

Opinion

We have audited the financial statements of the Rural Municipality of Alonsa, 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 financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Alonsa 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 financial statements section of our report. We are independent of the Rural Municipality of Alonsa in accordance with the ethical requirements that are relevant to our audit of the 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 Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Rural Municipality of Alonsa'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 Alonsa 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 Alonsa's financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Sensus Chartered Professional Accountants Ltd.

Understanding your Business

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 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 Alonsa'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 Alonsa'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 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 Alonsa to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the 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
November 25, 2021



Chartered Professional Accountants Ltd.

RURAL MUNICIPALITY OF ALONSA
STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

| | 2020 | 2019 |
|--|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash and temporary investments (Note 3) | \$ 2,894,308 | \$ 2,594,333 |
| Amounts receivable (Note 4) | 629,728 | 1,269,654 |
| Real estate properties held for sale (Note 2) | 430,898 | 45,366 |
| | 3,954,934 | 3,909,353 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities (Note 6) | 405,517 | 301,891 |
| Deferred revenue (Note 2) | 469,833 | 395,834 |
| Landfill closure and post closure liabilities (Note 7) | 94,703 | 93,611 |
| | 970,053 | 791,336 |
| NET FINANCIAL ASSETS | 2,984,881 | 3,118,017 |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Schedule 1) | 1,956,387 | 1,835,300 |
| Inventories (Note 5) | 11,454 | 16,754 |
| Prepaid expenses | 11,201 | 10,686 |
| | 1,979,042 | 1,862,740 |
| ACCUMULATED SURPLUS (Note 12) | \$ 4,963,923 | \$ 4,980,757 |
| COMMITMENTS (Note 13) | | |

RURAL MUNICIPALITY OF ALONSA
STATEMENT OF OPERATIONS
For the year ended December 31, 2020

| | 2020 Budget (Note 11) | 2020 Actual | 2019 Actual |
|--|-----------------------------|---------------------|---------------------|
| REVENUE | | | |
| Property taxes | \$ 475,520 | \$ 689,779 | \$ 837,328 |
| Grants in lieu of taxation | 141,405 | 72,936 | 87,585 |
| User fees | 316,065 | 401,846 | 305,810 |
| Permits, licences and fines | 2,520 | 3,150 | 2,670 |
| Investment income | 8,500 | 16,247 | 14,732 |
| Other revenue | 251,000 | 153,246 | 633,975 |
| Grants - Province of Manitoba | 421,711 | 456,881 | 425,408 |
| Grants - Other | 167,109 | 182,552 | 246,377 |
| Total revenue (Schedules 2, 4 and 5) | <u>1,783,830</u> | <u>1,976,637</u> | <u>2,553,885</u> |
| EXPENSES | | | |
| General government services | 444,658 | 432,983 | 366,404 |
| Protective services | 220,460 | 185,197 | 240,996 |
| Transportation services | 1,089,790 | 963,913 | 909,944 |
| Environmental health services | 157,542 | 168,052 | 146,107 |
| Public health and welfare services | 14,162 | 14,162 | 14,162 |
| Regional planning and development | 41,000 | 39,788 | 45,254 |
| Resource conservation and industrial development | 82,549 | 82,049 | 98,371 |
| Recreation and cultural services | 45,400 | 107,327 | 125,370 |
| Total expenses (Schedules 3, 4 and 5) | <u>2,095,561</u> | <u>1,993,471</u> | <u>1,946,608</u> |
| ANNUAL SURPLUS (DEFICIT) | <u>\$ (311,731)</u> | <u>(16,834)</u> | <u>607,277</u> |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 4,980,757 | 4,373,480 |
| ACCUMULATED SURPLUS, END OF YEAR | | <u>\$ 4,963,923</u> | <u>\$ 4,980,757</u> |

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

| | 2020 Budget (Note 11) | 2020 Actual | 2019 Actual |
|--|-----------------------------|---------------------|---------------------|
| ANNUAL SURPLUS (DEFICIT) | \$ (311,731) | \$ (16,834) | \$ 607,277 |
| Acquisition of tangible capital assets | (249,700) | (226,826) | (18,243) |
| Amortization of tangible capital assets | 105,739 | 105,739 | 108,535 |
| Decrease (increase) in inventories | | 5,301 | (6,324) |
| Decrease (increase) in prepaid expenses | | (516) | 2,444 |
| | (143,961) | (116,302) | 86,412 |
| CHANGE IN NET FINANCIAL ASSETS | \$ (455,692) | (133,136) | 693,689 |
| NET FINANCIAL ASSETS, BEGINNING OF YEAR | | 3,118,017 | 2,424,328 |
| NET FINANCIAL ASSETS, END OF YEAR | | \$ 2,984,881 | \$ 3,118,017 |

RURAL MUNICIPALITY OF ALONSA
STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

| | 2020 | 2019 |
|--|---------------------|---------------------|
| OPERATING TRANSACTIONS | | |
| Annual surplus (deficit) | \$ (16,834) | \$ 607,277 |
| Changes in non-cash items: | | |
| Amounts receivable | 639,927 | (104,140) |
| Inventories | 5,301 | (6,324) |
| Prepaid expenses | (516) | 2,444 |
| Accounts payable and accrued liabilities | 103,626 | 52,781 |
| Land sale deposits | 73,997 | 158,921 |
| Severance and sick leave payable | | (141,721) |
| Landfill closure and post closure liabilities | 1,092 | 6,053 |
| Gain on sale of properties held for resale | (87,734) | (494,091) |
| Amortization | 105,739 | 108,535 |
| Cash provided by operating transactions | <u>824,598</u> | <u>189,735</u> |
| CAPITAL TRANSACTIONS | | |
| Cash used to acquire tangible capital assets | (226,826) | (18,243) |
| Cash applied to capital transactions | <u>(226,826)</u> | <u>(18,243)</u> |
| INVESTING TRANSACTIONS | | |
| Proceeds on sale of real estate properties | 87,870 | 500,248 |
| Acquisition of real estate properties | (385,667) | |
| Cash applied to investing transactions | <u>(297,797)</u> | <u>500,248</u> |
| INCREASE IN CASH AND TEMPORARY INVESTMENTS | <u>299,975</u> | <u>671,740</u> |
| CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR | <u>2,594,333</u> | <u>1,922,593</u> |
| CASH AND TEMPORARY INVESTMENTS, END OF YEAR | <u>\$ 2,894,308</u> | <u>\$ 2,594,333</u> |

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

1. STATUS OF THE RURAL MUNICIPALITY OF ALONSA

The incorporated Rural Municipality of Alonsa (“the Municipality”) is a municipal government that was created on January 1, 1945 as a Local Government District, and thereafter became incorporated as a Rural Municipality on January 1, 1997 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as fire, public works, urban planning, parks and recreation, library and other general government operations. The Municipality has several designated special purpose reserves and provides funding support for other financial entities involved in economic development and recreation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 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 Municipality has no controlled organizations.

The Municipality has no partnership agreements in place, and as such, no local agencies, boards or commissions are accounted for 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.

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.

Basis of Accounting

The 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.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

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

Portfolio investments are accounted for at cost.

Real Estate Properties Held for Sale

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

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

Landfill Closure and Post Closure Liabilities

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

Non-Financial Assets

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

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

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 ALONSA
NOTES TO THE 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 |

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.

Leases

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

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 ALONSA
NOTES TO THE 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 land sale deposits which have been collected, for which the land transfer has yet to be completed. These amounts will be recognized as revenue in the fiscal year the land transfer is completed.

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 ALONSA
NOTES TO THE 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 | \$ 1,772,144 | \$ 1,928,239 |
| Temporary investments | 1,122,164 | 666,094 |
| | \$ 2,894,308 | \$ 2,594,333 |

Temporary investments are comprised mainly of guaranteed investment certificates and have a market value approximating cost. The Municipality has designated \$1,121,418 (2019 - \$1,102,382) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has an authorized line of credit in the amount of \$700,000 with interest at 4.45% (2019 - 5.20%) through Amaranth Credit Union Ltd. The line of credit is secured by a general security agreement and the current year taxes.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

| | 2020 | 2019 |
|-------------------------------|-------------------|---------------------|
| Taxes on roll (Schedule 11) | \$ 326,844 | \$ 786,908 |
| Organizations and individuals | 50,722 | 163,020 |
| Other governments | 252,162 | 319,726 |
| | \$ 629,728 | \$ 1,269,654 |

5. INVENTORIES

| | 2020 | 2019 |
|-----------------------------|------------------|------------------|
| Inventories for use: | | |
| Culverts | \$ 7,813 | \$ 12,292 |
| Fuel | 3,641 | 4,462 |
| | \$ 11,454 | \$ 16,754 |

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

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2020 | 2019 |
|------------------|-------------------|-------------------|
| Accounts payable | \$ 284,290 | \$ 224,066 |
| Accrued expenses | 22,238 | 20,094 |
| School levies | 98,989 | 57,731 |
| | <u>\$ 405,517</u> | <u>\$ 301,891</u> |

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

Eddystone Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

| | 2020 | 2019 |
|--|------------------|------------------|
| Estimated closure and post closure costs over the next 5 years | \$ 24,024 | \$ 24,024 |
| Discount rate | 6.00 % | 6.00 % |
| Discount costs | 17,952 | 16,936 |
| Expected year capacity will be reached | 2025 | 2025 |
| Percent utilized | 90.00 % | 88.00 % |
| Liability based on percentage | \$ 16,157 | \$ 14,904 |

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

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES (continued)

Reykjavik Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. The site is currently not operational and is being used as a waste transfer station until closure.

| | 2020 | 2019 |
|--|------------------|------------------|
| Estimated closure and post closure costs | \$ 17,926 | \$ 17,926 |
| Discount rate | 6.00 % | 6.00 % |
| Discount costs | 17,926 | 17,926 |
| Expected year capacity will be reached | 2018 | 2018 |
| Percent utilized | 100.00 % | 100.00 % |
| Liability based on percentage | \$ 17,926 | \$ 17,926 |
| Costs incurred during the year | (4,800) | |
| Remaining liability | \$ 13,126 | \$ 17,926 |

Alonsa Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

| | 2020 | 2019 |
|--|------------------|------------------|
| Estimated closure and post closure costs over the next 5 years | \$ 30,888 | \$ 30,888 |
| Discount rate | 6.00 % | 6.00 % |
| Discount costs | 23,081 | 21,775 |
| Expected year capacity will be reached | 2025 | 2025 |
| Percent utilized | 89.36 % | 87.23 % |
| Liability based on percentage | \$ 20,625 | \$ 18,994 |

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

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES (continued)

Amaranth Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

| | 2020 | 2019 |
|---|------------------|------------------|
| Estimated closure and post closure costs over the next 10 years | \$ 49,259 | \$ 49,259 |
| Discount rate | 6.00 % | 6.00 % |
| Discount costs | 27,506 | 25,949 |
| Expected year capacity will be reached | 2030 | 2030 |
| Percent utilized | 81.82 % | 80.00 % |
| Liability based on percentage | \$ 22,506 | \$ 20,759 |

Kinosota Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

| | 2020 | 2019 |
|--|------------------|------------------|
| Estimated closure and post closure costs | \$ 22,289 | \$ 22,289 |
| Discount rate | 6.00 % | 6.00 % |
| Discount costs | 22,289 | 21,028 |
| Expected year capacity will be reached | 2020 | 2020 |
| Percent utilized | 100.00 % | 100.00 % |
| Liability based on percentage | \$ 22,289 | \$ 21,028 |
| Total landfill closure and post closure liability | \$ 94,703 | \$ 93,611 |

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

8. DEBENTURES PENDING

| <u>Authority</u> | <u>Purpose</u> | <u>Authorized</u> |
|------------------|----------------|-------------------|
|------------------|----------------|-------------------|

9. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2.0% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$25,780 (2019 - \$25,385) and are included in the statement of operations.

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

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

10. FINANCIAL INSTRUMENTS

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

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

11. BUDGET

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

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

12. ACCUMULATED SURPLUS

| | 2020 | 2019 |
|--|---------------------|---------------------|
| Accumulated Surplus consists of the following: | | |
| General Operating Fund - Nominal Surplus | \$ 1,886,118 | \$ 2,043,075 |
| TCA net of related borrowings | 1,956,387 | 1,835,300 |
| Reserve Funds | 1,121,418 | 1,102,382 |
| Accumulated Surplus of Municipality | <u>\$ 4,963,923</u> | <u>\$ 4,980,757</u> |

13. COMMITMENTS

The Municipality has committed to a four year lease with Kubota Canada Ltd. for a 2020 M7-2 Deluxe Powershift Tractor at a cost of \$2,314 per month. The lease expires in July 2024.

The minimum estimated lease payments due in the next year are as follows:

| | | |
|------|----|--------|
| 2021 | \$ | 27,768 |
| 2022 | \$ | 27,768 |
| 2023 | \$ | 27,768 |
| 2024 | \$ | 16,198 |

RURAL MUNICIPALITY OF ALONSA
NOTES TO THE 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 \$66,260 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

| | <u>Compensation</u> | <u>Expenses</u> | <u>Total</u> |
|------------------|---------------------|------------------|---------------|
| Colin Mailman | \$ 9,000 | \$ 2,805 | 11,805 |
| Terry Dayholos | 9,000 | 2,493 | 11,493 |
| Logan Dumanske | 9,000 | 1,624 | 10,624 |
| Edward Waczko | 9,000 | 1,354 | 10,354 |
| Michael Brown | 9,000 | 1,230 | 10,230 |
| Eldon Campbell | 9,000 | 1,217 | 10,217 |
| Stan Asham | 4,000 | 136 | 4,136 |
| Tom Anderson | 1,600 | 418 | 2,018 |
| William Cabak | 1,200 | | 1,200 |
| Stan Fashoway | 1,200 | | 1,200 |
| Harry Harris | 1,200 | | 1,200 |
| Andrew Kirby | 1,020 | | 1,020 |
| Georgina Elke | 1,020 | | 1,020 |
| Darlene Dumanske | 1,020 | | 1,020 |
| | <u>\$ 66,260</u> | <u>\$ 11,277</u> | <u>77,537</u> |

- c) No officers or employees received compensation in excess of \$75,000:

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|-------------|-----------------|---------------|
| | | \$ |

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> |
|---------------------------------------|---|---------------------------------|
| <u>\$</u> | <u>\$</u> | <u>\$</u> |

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

16. SEGMENTED INFORMATION

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

- General government services
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Regional planning and development
- Resource conservation and industrial development
- Recreation and cultural services
- Water and sewer services

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

17. OTHER MATTERS

During the year, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the organization has not suffered any significant disruptions, and we are therefore unable to estimate the effect of the pandemic on the organization'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.

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 1 - 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 | 2020 | 2019 |
| Opening costs | \$ 702,155 | 298,883 | 1,669,203 | 19,721 | | 12,027,533 | \$ 14,717,495 | \$ 14,699,252 |
| Additions during the year | | | 54,531 | 1,792 | 30,503 | 140,000 | 226,826 | 18,243 |
| Disposals and write downs | | | | | | | | |
| Closing costs | 702,155 | 298,883 | 1,723,734 | 21,513 | 30,503 | 12,167,533 | 14,944,321 | 14,717,495 |
| Accumulated Amortization | | | | | | | | |
| Opening accum'd amortization | 139,284 | 130,205 | 1,188,727 | 19,106 | | 11,404,873 | 12,882,195 | 12,773,660 |
| Amortization | 18,696 | 6,758 | 58,386 | 695 | | 21,204 | 105,739 | 108,535 |
| Disposals and write downs | | | | | | | | |
| Closing accum'd amortization | 157,980 | 136,963 | 1,247,113 | 19,801 | | 11,426,077 | 12,987,934 | 12,882,195 |
| Net Book Value of Tangible Capital Assets | \$ 544,175 | 161,920 | 476,621 | 1,712 | 30,503 | 741,456 | \$ 1,956,387 | \$ 1,835,300 |

The Municipality has 630 km of roads that were capitalized at a nominal value of \$11,332,800.

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 2 - SCHEDULE OF REVENUES
For the year ended December 31, 2020

| | 2020 Actual | 2019 Actual |
|---|---------------------|---------------------|
| Property taxes: | | |
| Municipal taxes levied (Schedule 12) | \$ 687,100 | \$ 828,154 |
| Taxes added | 2,679 | 9,174 |
| | <u>689,779</u> | <u>837,328</u> |
| Grants in lieu of taxation: | <u>72,936</u> | 87,585 |
| User fees: | | |
| Sales of service | 91,721 | 75,060 |
| Rentals | 310,125 | 230,750 |
| | <u>401,846</u> | <u>305,810</u> |
| Permits, licences and fines: | | |
| Permits | 3,150 | 2,650 |
| Licences | | 20 |
| | <u>3,150</u> | <u>2,670</u> |
| Investment income: | | |
| Cash and temporary investments | <u>16,247</u> | 14,732 |
| Other revenue: | | |
| Gain on sale of real estate held for sale | 87,734 | 494,091 |
| Penalties and interest | 44,056 | 92,380 |
| Miscellaneous | 21,456 | 3,712 |
| Insurance proceeds | | 43,792 |
| | <u>153,246</u> | <u>633,975</u> |
| Grants - Province of Manitoba: | | |
| Municipal operating grants | 421,711 | 421,711 |
| Conditional grants | 35,170 | 3,697 |
| | <u>456,881</u> | <u>425,408</u> |
| Sub-total | <u>\$ 1,794,085</u> | <u>\$ 2,307,508</u> |

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

| | 2020 Actual | 2019 Actual |
|--|---------------------|---------------------|
| Sub-total (Carry forward) | \$ 1,794,085 | \$ 2,307,508 |
| Grants - other: | | |
| Federal government - gas tax funding | 67,109 | 133,762 |
| Manitoba Hydro Bipole III Community Development Initiative | 115,443 | 112,615 |
| | <u>182,552</u> | <u>246,377</u> |
| Total revenue | <u>\$ 1,976,637</u> | <u>\$ 2,553,885</u> |

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 3 - SCHEDULE OF EXPENSES
 For the year ended December 31, 2020

| | 2020 Actual | 2019 Actual |
|--|---------------------|---------------------|
| General government services: | | |
| Legislative | \$ 85,280 | \$ 92,555 |
| General administrative | 339,189 | 272,976 |
| Other | 8,514 | 873 |
| | <u>432,983</u> | <u>366,404</u> |
| Protective services: | | |
| Fire | 108,217 | 148,088 |
| Emergency measures | 22,721 | 5,412 |
| Other protection | 54,259 | 87,496 |
| | <u>185,197</u> | <u>240,996</u> |
| Transportation services: | | |
| Road transport | | |
| Administration and engineering | 180,887 | 176,325 |
| Road and street maintenance | 750,258 | 716,772 |
| Sidewalk and boulevard maintenance | 3,740 | 2,320 |
| Street lighting | 29,028 | 14,527 |
| | <u>963,913</u> | <u>909,944</u> |
| Environmental health services: | | |
| Waste collection and disposal | 168,052 | 146,107 |
| Public health and welfare services: | | |
| Social assistance | 14,162 | 14,162 |
| Regional planning and development: | | |
| Planning and zoning | 39,788 | 45,254 |
| Resource conservation and industrial development: | | |
| Veterinary services | | 13,104 |
| Water resources and conservation | 64,549 | 67,767 |
| Regional development | 17,500 | 17,500 |
| | <u>82,049</u> | <u>98,371</u> |
| Sub-total | <u>\$ 1,886,144</u> | <u>\$ 1,821,238</u> |

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

| | 2020 Actual | 2019 Actual |
|--|---------------------|---------------------|
| Sub-total (Carry forward) | \$ 1,886,144 | \$ 1,821,238 |
| Recreation and cultural services: | | |
| Community centres and halls | 94,406 | 70,000 |
| Swimming pools and beaches | 1,523 | 44,440 |
| Skating and curling rinks | 10,000 | 10,000 |
| Parks and playgrounds | 525 | 140 |
| Museums | 873 | 790 |
| | <u>107,327</u> | <u>125,370</u> |
| Total expenses | \$ 1,993,471 | \$ 1,946,608 |

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 4 - 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 | \$ 689,779 | \$ 837,328 | | | | | | | | |
| Grants in lieu of taxation | 72,936 | 87,585 | | | | | | | | |
| User fees | 330,133 | 240,376 | 5,585 | 7,630 | 35,384 | 23,800 | 2,283 | 4,198 | 3,409 | 3,557 |
| Grants - other | 182,552 | 246,377 | | | | | | | | |
| Permits, licences and fines | 3,150 | 2,670 | | | | | | | | |
| Investment income | 16,247 | 14,732 | | | | | | | | |
| Other revenue | 153,246 | 633,975 | | | | | | | | |
| Prov of MB - unconditional grants | 421,711 | 421,711 | | | | | | | | |
| Prov of MB - conditional grants | | | 35,170 | | | | | | | |
| Total revenue | 1,869,754 | 2,484,754 | 40,755 | 7,630 | 35,384 | 23,800 | 2,283 | 4,198 | 3,409 | 3,557 |
| EXPENSES | | | | | | | | | | |
| Personnel services | 208,838 | 212,021 | 19,398 | 58,773 | 180,888 | 176,327 | 81,423 | 82,224 | | |
| Contract services | 79,010 | 78,699 | 77,020 | 79,097 | 16,695 | 19,600 | | | 14,162 | 14,162 |
| Utilities | | | 30,110 | 27,085 | | | | | | |
| Maintenance, materials and supplies | 90,754 | 64,209 | 42,634 | 55,641 | 698,512 | 646,898 | 66,237 | 44,214 | | |
| Grants and contributions | 2,132 | 2,649 | | | | | | | | |
| Amortization | 2,569 | 3,090 | 14,960 | 18,657 | 67,818 | 67,119 | 20,392 | 19,669 | | |
| Other | 49,680 | 5,736 | 1,075 | 1,743 | | | | | | |
| Total expenses | 432,983 | 366,404 | 185,197 | 240,996 | 963,913 | 909,944 | 168,052 | 146,107 | 14,162 | 14,162 |
| Surplus (Deficit) | \$ 1,436,771 | \$ 2,118,350 | (144,442) | (233,366) | (928,529) | (886,144) | (165,769) | (141,909) | (10,753) | (10,605) |

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

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 4 - 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 | | | | | | | | | \$ 689,779 | \$ 837,328 |
| Grants in lieu of taxation | | | | | | | | | 72,936 | 87,585 |
| User fees | | | | | 25,052 | 26,249 | | | 401,846 | 305,810 |
| Grants - other | | | | | | | | | 182,552 | 246,377 |
| Permits, licences and fines | | | | | | | | | 3,150 | 2,670 |
| Investment income | | | | | | | | | 16,247 | 14,732 |
| Other revenue | | | | | | | | | 153,246 | 633,975 |
| Prov of MB - unconditional grants | | | | | | | | | 421,711 | 421,711 |
| Prov of MB - conditional grants | | | | 3,697 | | | | | 35,170 | 3,697 |
| Total revenue | | | | 3,697 | 25,052 | 26,249 | | | 1,976,637 | 2,553,885 |
| EXPENSES | | | | | | | | | | |
| Personnel services | 39,788 | 38,554 | | | | | | | 530,335 | 567,899 |
| Contract services | | 6,700 | | 2,604 | | | | | 186,887 | 200,862 |
| Utilities | | | | | | | | | 30,110 | 27,085 |
| Maintenance, materials and supplies | | | 17,500 | 17,500 | 2,921 | 45,370 | | | 918,558 | 873,832 |
| Grants and contributions | | | 64,549 | 78,267 | 104,406 | 80,000 | | | 171,087 | 160,916 |
| Amortization | | | | | | | | | 105,739 | 108,535 |
| Other | | | | | | | | | 50,755 | 7,479 |
| Total expenses | 39,788 | 45,254 | 82,049 | 98,371 | 107,327 | 125,370 | | | 1,993,471 | 1,946,608 |
| Surplus (Deficit) | (39,788) | (45,254) | (82,049) | (94,674) | (82,275) | (99,121) | | | \$ (16,834) | \$ 607,277 |

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 5 - 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 | \$ 689,779 | \$ 837,328 | | | | | \$ 689,779 | \$ 837,328 |
| Grants in lieu of taxation | 72,936 | 87,585 | | | | | 72,936 | 87,585 |
| User fees | 401,846 | 305,810 | | | | | 401,846 | 305,810 |
| Grants - other | 182,552 | 246,377 | | | | | 182,552 | 246,377 |
| Permits, licences and fines | 3,150 | 2,670 | | | | | 3,150 | 2,670 |
| Investment income | 16,247 | 14,732 | | | | | 16,247 | 14,732 |
| Other revenue | 153,246 | 633,975 | | | | | 153,246 | 633,975 |
| Prov of MB - unconditional grants | 421,711 | 421,711 | | | | | 421,711 | 421,711 |
| Prov of MB - conditional grants | 35,170 | 3,697 | | | | | 35,170 | 3,697 |
| Total revenue | 1,976,637 | 2,553,885 | | | | | 1,976,637 | 2,553,885 |
| EXPENSES | | | | | | | | |
| Personnel services | 530,335 | 567,899 | | | | | 530,335 | 567,899 |
| Contract services | 186,887 | 200,862 | | | | | 186,887 | 200,862 |
| Utilities | 30,110 | 27,085 | | | | | 30,110 | 27,085 |
| Maintenance, materials and supplies | 918,558 | 873,832 | | | | | 918,558 | 873,832 |
| Grants and contributions | 171,087 | 160,916 | | | | | 171,087 | 160,916 |
| Amortization | 105,739 | 108,535 | | | | | 105,739 | 108,535 |
| Other | 50,755 | 7,479 | | | | | 50,755 | 7,479 |
| Total expenses | 1,993,471 | 1,946,608 | | | | | 1,993,471 | 1,946,608 |
| Surplus (Deficit) | \$ (16,834) | \$ 607,277 | | | | | \$ (16,834) | \$ 607,277 |

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

| | 2020 | | | | Sub Total |
|--|-----------------------|-----------------|----------------|------------------|-------------------|
| | LUD of Alonsa Reserve | Gas Tax Reserve | Lagoon Reserve | Landfill Reserve | |
| REVENUE | | | | | |
| Investment income | \$ 109 | 2,037 | 366 | 772 | \$ 3,284 |
| Other income | | | | | |
| Total revenue | <u>109</u> | <u>2,037</u> | <u>366</u> | <u>772</u> | <u>3,284</u> |
| EXPENSES | | | | | |
| Investment charges | | | | | |
| Other expenses | | | | | |
| Total expenses | | | | | |
| NET REVENUES | 109 | 2,037 | 366 | 772 | 3,284 |
| TRANSFERS | | | | | |
| Debt repayment | | | | | |
| Transfers from operating fund | 500 | 67,109 | 1,000 | 2,000 | 70,609 |
| Transfers to operating fund | | (70,000) | | (4,604) | (74,604) |
| Transfers from utility fund | | | | | |
| Transfers to utility fund | | | | | |
| Acquisition of tangible capital assets | | | | | |
| CHANGE IN RESERVE FUND BALANCES | 609 | (854) | 1,366 | (1,832) | (711) |
| FUND SURPLUS, BEGINNING OF YEAR | <u>10,338</u> | <u>226,643</u> | <u>34,746</u> | <u>73,219</u> | <u>344,946</u> |
| FUND SURPLUS, END OF YEAR | <u>\$ 10,947</u> | <u>225,789</u> | <u>36,112</u> | <u>71,387</u> | <u>\$ 344,235</u> |

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

| | 2020 | | | | 2019 | |
|--|-----------------|-------------------------------|------------------------|-------------------------|--------------|--------------|
| | General Reserve | Equipment Replacement Reserve | Fire Equipment Reserve | LUD of Amaranth Reserve | Total | Total |
| REVENUE | | | | | | |
| Investment income | \$ 4,017 | 1,905 | 584 | 61 | \$ 9,851 | \$ 5,631 |
| Other income | | | | | | |
| Total revenue | 4,017 | 1,905 | 584 | 61 | 9,851 | 5,631 |
| EXPENSES | | | | | | |
| Investment charges | | | | | | |
| Other expenses | | | | | | |
| Total expenses | | | | | | |
| NET REVENUES | 4,017 | 1,905 | 584 | 61 | 9,851 | 5,631 |
| TRANSFERS | | | | | | |
| Debt repayment | | | | | | |
| Transfers from operating fund | 5,000 | 30,000 | 86,188 | 1,500 | 193,297 | 703,497 |
| Transfers to operating fund | (30,502) | (11,568) | (67,438) | | (184,112) | (57,947) |
| Transfers from utility fund | | | | | | |
| Transfers to utility fund | | | | | | |
| Acquisition of tangible capital assets | | | | | | |
| CHANGE IN RESERVE FUND BALANCES | (21,485) | 20,337 | 19,334 | 1,561 | 19,036 | 651,181 |
| FUND SURPLUS, BEGINNING OF YEAR | 505,673 | 180,653 | 65,331 | 5,779 | 1,102,382 | 451,201 |
| FUND SURPLUS, END OF YEAR | \$ 484,188 | 200,990 | 84,665 | 7,340 | \$ 1,121,418 | \$ 1,102,382 |



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

| | 2020 Budget | 2020 Actual | 2019 Actual |
|--|-------------------|-----------------|-----------------|
| REVENUE | | | |
| Taxation | \$ 23,080 | \$ 23,080 | \$ 23,805 |
| Total revenue | <u>23,080</u> | <u>23,080</u> | <u>23,805</u> |
| EXPENSES | | | |
| General government | | | |
| Indemnities | 3,600 | 3,600 | 3,600 |
| Transportation services | | | |
| Road and street maintenance | 7,500 | 2,040 | 1,980 |
| Street lighting | 2,500 | | |
| Other | 1,500 | | |
| Environmental health | | | |
| Regional planning and development | | | |
| Other | 17,500 | 17,500 | 17,500 |
| Total expenses | <u>32,600</u> | <u>23,140</u> | <u>23,080</u> |
| NET REVENUES (DEFICIT) | (9,520) | (60) | 725 |
| TRANSFERS | | | |
| Transfers from (to) L.U.D. reserves | 1,000 | (1,500) | (500) |
| CHANGES IN L.U.D. BALANCES | <u>\$ (8,520)</u> | <u>(1,560)</u> | <u>225</u> |
| UNEXPENDED BALANCE, BEGINNING OF YEAR | | 8,520 | 8,295 |
| UNEXPENDED BALANCE, END OF YEAR | | <u>\$ 6,960</u> | <u>\$ 8,520</u> |

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

| | 2020 Budget | 2020 Actual | 2019 Actual |
|--|-------------------|-----------------|-----------------|
| REVENUE | | | |
| Taxation | \$ 8,602 | \$ 8,602 | \$ 9,298 |
| Total revenue | <u>8,602</u> | <u>8,602</u> | <u>9,298</u> |
| EXPENSES | | | |
| General government | | | |
| Indemnities | 3,060 | 3,060 | 3,060 |
| Transportation services | | | |
| Road and street maintenance | 3,860 | 2,083 | 3,640 |
| Sidewalk and boulevard maintenance | 3,000 | 3,740 | 1,275 |
| Street lighting | 350 | 200 | 237 |
| Other | 150 | 11 | |
| Regional planning and development | | | |
| Recreation and cultural services | | | |
| Parks and playgrounds | 200 | 214 | 140 |
| Total expenses | <u>10,620</u> | <u>9,308</u> | <u>8,352</u> |
| NET REVENUES (DEFICIT) | (2,018) | (706) | 946 |
| TRANSFERS | | | |
| Transfers to L.U.D. reserves | (500) | (500) | (500) |
| CHANGES IN L.U.D. BALANCES | <u>\$ (2,518)</u> | <u>(1,206)</u> | 446 |
| UNEXPENDED BALANCE, BEGINNING OF YEAR | | <u>2,518</u> | <u>2,072</u> |
| UNEXPENDED BALANCE, END OF YEAR | | <u>\$ 1,312</u> | <u>\$ 2,518</u> |

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

| | 2020 | 2019 |
|----------------------|------|------|
| FINANCIAL ASSETS | \$ | \$ |
| LIABILITIES | | |
| NON-FINANCIAL ASSETS | | |
| FUND SURPLUS | \$ | \$ |

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

| | Budget | 2020 | 2019 |
|---------------------------------|--------|------|------|
| REVENUE | \$ | \$ | \$ |
| EXPENSES | | | |
| NET OPERATING SURPLUS | | | |
| TRANSFERS | | | |
| CHANGE IN UTILITY FUND BALANCE | \$ | | |
| FUND SURPLUS, BEGINNING OF YEAR | | | |
| FUND SURPLUS, END OF YEAR | | \$ | \$ |

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

| | Financial Plan General | Amortization (TCA) | Transfers | LUD(s) | PSAB Budget |
|------------------------------------|---------------------------|-----------------------|------------------|---------------|------------------|
| REVENUE | | | | | |
| Property taxes | \$ 443,838 | | | 31,682 | \$ 475,520 |
| Grants in lieu of taxation | 141,405 | | | | 141,405 |
| User fees | 316,065 | | | | 316,065 |
| Grants - Province of Manitoba | 421,711 | | | | 421,711 |
| Grants - other | 167,109 | | | | 167,109 |
| Permits, licences and fines | 2,520 | | | | 2,520 |
| Investment income | 8,500 | | | | 8,500 |
| Other revenue | 251,000 | | | | 251,000 |
| Water and sewer | | | | | |
| Transfers from accumulated surplus | 360,000 | | (371,038) | 11,038 | |
| Transfers from reserves | | | (1,000) | 1,000 | |
| Total revenue | <u>2,112,148</u> | | <u>(372,038)</u> | <u>43,720</u> | <u>1,783,830</u> |
| EXPENSES | | | | | |
| General government services | 418,506 | 2,570 | 16,922 | 6,660 | 444,658 |
| Protective services | 205,500 | 14,960 | | | 220,460 |
| Transportation services | 1,003,700 | 67,380 | | 18,710 | 1,089,790 |
| Environmental health services | 137,000 | 20,392 | | 150 | 157,542 |
| Public health and welfare services | 14,162 | | | | 14,162 |
| Regional planning and development | 41,000 | | | | 41,000 |
| Resource cons and industrial dev | 82,549 | | | | 82,549 |
| Recreation and cultural services | 27,700 | | | 17,700 | 45,400 |
| Water and sewer services | | | | | |
| Fiscal services: | | | | | |
| Transfer to capital | 5,000 | (5,000) | | | |
| Debt charges | | | | | |
| Short term interest | | | | | |
| Transfer to reserves | 160,109 | | (160,609) | 500 | |
| Allowance for tax assets | 16,922 | | (16,922) | | |
| Total expenses | <u>2,112,148</u> | <u>100,302</u> | <u>(160,609)</u> | <u>43,720</u> | <u>2,095,561</u> |
| Surplus (Deficit) | <u>\$</u> | <u>(100,302)</u> | <u>(211,429)</u> | <u>\$</u> | <u>(311,731)</u> |

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

| | 2020 | 2019 |
|------------------------------------|-------------------|-------------------|
| Balance, beginning of year | \$ 786,908 | \$ 795,295 |
| Add: | | |
| Tax levy (Schedule 12) | 1,437,111 | 1,569,395 |
| Taxes added | 2,679 | 9,174 |
| Penalties or interest | 44,056 | 92,380 |
| Other accounts added | 241 | |
| Tax adjustments (Tax sale) | | 175,658 |
| Sub-total | 1,484,087 | 1,846,607 |
| Deduct: | | |
| Cash collections - current | 1,115,667 | 1,261,555 |
| Cash collections - arrears | 256,464 | 437,372 |
| Writeoffs | 41,166 | 4,574 |
| Title value of tax titles acquired | 385,667 | |
| E.P.T.C. - cash advance | 145,187 | 151,493 |
| Sub-total | 1,944,151 | 1,854,994 |
| Balance, end of year | \$ 326,844 | \$ 786,908 |

RURAL MUNICIPALITY OF ALONSA
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.): | | | | |
| LUD of Amaranth | 1,592,540 | 10.260 | \$ 16,339 | \$ 16,898 |
| LUD of Alonsa | 1,126,330 | 6.250 | 7,040 | 7,615 |
| Sub-Total - L.U.D | | | <u>23,379</u> | <u>24,513</u> |
| Reserves: | | | | |
| General | 51,300,170 | 0.100 | 5,130 | 38,154 |
| Machinery | 51,300,170 | 0.560 | 28,728 | 82,587 |
| Fire Equipment | 51,300,170 | 1.010 | 51,813 | 23,182 |
| Lagoon | 51,300,170 | 0.030 | 1,539 | 2,415 |
| Landfill | 51,300,170 | 0.040 | 2,052 | 7,727 |
| Sub-Total - Reserves | | | <u>89,262</u> | <u>154,065</u> |
| General Municipal - Rural Area | 48,581,300 | 6.610 | <u>321,122</u> | <u>397,057</u> |
| - At Large | 51,300,170 | 3.760 | <u>192,889</u> | <u>188,839</u> |
| Special levies: | | | | |
| Westlake Watershed District | 23,012,400 | 2.380 | 54,770 | 58,098 |
| Whitemud Watershed District | 5,590,490 | 0.820 | 4,584 | 4,594 |
| Inter-Mountain Watershed District | 190,910 | 5.730 | 1,094 | 988 |
| Sub-Total - Special levies | | | <u>60,448</u> | <u>63,680</u> |
| Total municipal taxes (Schedule 2) | | | <u>687,100</u> | <u>828,154</u> |
| Education support levy | 1,399,340 | 8.830 | <u>12,355</u> | <u>12,888</u> |
| Special levy: | | | | |
| Turtle River SD | 50,281,400 | 14.540 | 731,092 | 722,419 |
| Frontier SD | 496,900 | 13.210 | 6,564 | 5,934 |
| Sub-Total - Special levies | | | <u>737,656</u> | <u>728,353</u> |
| Total education taxes | | | <u>750,011</u> | <u>741,241</u> |
| Total tax levy (Schedule 11) | | | <u>\$ 1,437,111</u> | <u>\$ 1,569,395</u> |

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

| | 2020 | 2019 |
|--|---------------------|---------------------|
| General government services: | | |
| Legislative | \$ 85,280 | \$ 92,555 |
| General administrative | 339,189 | 272,976 |
| Other | 8,514 | 873 |
| | <u>432,983</u> | <u>366,404</u> |
| Protective services: | | |
| Fire | 108,217 | 148,088 |
| Emergency Measures | 22,721 | 5,412 |
| Other | 54,259 | 87,496 |
| | <u>185,197</u> | <u>240,996</u> |
| Transportation services: | | |
| Road transport | | |
| Administration and engineering | 180,887 | 176,325 |
| Road and street maintenance | 750,258 | 716,772 |
| Sidewalk and boulevard maintenance | 3,740 | 2,320 |
| Street lighting | 29,028 | 14,527 |
| | <u>963,913</u> | <u>909,944</u> |
| Environmental health services: | | |
| Waste collection and disposal | 168,052 | 146,107 |
| Public health and welfare services: | | |
| Hospital care | 14,162 | 14,162 |
| Regional planning and development: | | |
| Planning and zoning | 39,788 | 45,254 |
| Resource conservation and industrial development: | | |
| Veterinary services | | 13,104 |
| Water resources and conservation | 64,549 | 67,767 |
| Regional development | 17,500 | 17,500 |
| | <u>82,049</u> | <u>98,371</u> |
| Recreation and cultural services: | | |
| Community centres and halls | 94,406 | 70,000 |
| Swimming pools and beaches | 1,523 | 44,440 |
| Skating and curling rinks | 10,000 | 10,000 |
| Parks and playgrounds | 525 | 140 |
| Museums | 873 | 790 |
| | <u>107,327</u> | <u>125,370</u> |
| Total expenses | <u>\$ 1,993,471</u> | <u>\$ 1,946,608</u> |

RURAL MUNICIPALITY OF ALONSA
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS
For the year ended December 31, 2020

| | 2020 | | 2019 | |
|---|-------------|-------------|------------|------------|
| | General | Total | Total | Total |
| MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT | \$ 203,809 | \$ 203,809 | \$ 404,717 | \$ 404,717 |
| Adjustments for reporting under public sector accounting standards | | | | |
| Eliminate expense - transfers to reserves | 193,297 | 193,297 | 703,497 | 703,497 |
| Eliminate revenue - transfers from reserves | (184,112) | (184,112) | (57,947) | (57,947) |
| Increase revenue - reserve funds interest | 9,851 | 9,851 | 5,631 | 5,631 |
| Increase (decrease) revenue - net surplus (deficit) of LUD(s) | (766) | (766) | 1,671 | 1,671 |
| Eliminate revenue - transfer from nominal surplus | (360,000) | (360,000) | (360,000) | (360,000) |
| Increase expense - amortization of tangible capital assets | (105,739) | (105,739) | (108,535) | (108,535) |
| Eliminate expense - acquisitions of tangible capital assets | 226,826 | 226,826 | 18,243 | 18,243 |
| NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS | \$ (16,834) | \$ (16,834) | \$ 607,277 | \$ 607,277 |

