

Rural Municipality of De Salaberry

**Consolidated Financial Statements
For the Year Ended December 31, 2020**

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the RM of De Salaberry and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

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.

Exchange Group Chartered Professional Accountants LLP, as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' 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.



Denise Parent
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
Rural Municipality of De Salaberry

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of De Salaberry, which comprise the consolidated statement of financial position as at December 31, 2020 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2020, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of the report, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of De Salaberry as at December 31, 2020, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2020 in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

The Municipality operates a landfill, however no assessment has been performed into any potential environmental liability that exists to properly close the landfill. Since there has been no assessment, we are unable to verify the completeness of any environmental liabilities, related expenses or impact on net financial assets and accumulated surplus.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
June 22, 2021

Rural Municipality of De Salaberry

Consolidated Financial Statements For the Year Ended December 31, 2020

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Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 5,498,528	\$ 5,299,703
Amounts receivable (Note 4)	616,973	728,658
Investments (Note 6)	62,700	36,705
	<u>\$ 6,178,201</u>	<u>\$ 6,065,066</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 661,764	\$ 640,720
Unearned revenue (Note 8)	-	412,630
Long-term debt (Note 9)	1,263,432	1,405,781
	<u>1,925,196</u>	<u>2,459,131</u>
NET FINANCIAL ASSETS	<u>\$ 4,253,005</u>	<u>\$ 3,605,935</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 11,130,446	\$ 10,322,536
Inventories (Note 5)	62,457	157,472
Prepaid expenses	96,751	56,869
	<u>11,289,654</u>	<u>10,536,877</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 15,542,659</u>	<u>\$ 14,142,812</u>

Approved on behalf of Council:

 Reeve

 Councillor

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2020

	<u>2020 Budget (Note 12)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
REVENUE			
Property taxes	\$ 3,150,576	\$ 3,147,755	\$ 3,136,112
Grants in lieu of taxation	23,884	23,983	24,695
User fees	422,432	478,030	418,602
Permits, licences and fines	44,120	75,111	50,278
Investment income	75,000	47,108	92,607
Other revenue	73,251	300,773	153,898
Water and sewer	318,645	310,762	262,728
Grants - Province of Manitoba	359,365	1,157,962	418,000
Grants - other	192,663	284,247	508,928
	<u>4,659,936</u>	<u>5,825,731</u>	<u>5,065,848</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	967,547	822,303	888,878
Protective services	331,280	359,928	300,060
Transportation services	1,887,141	1,769,040	1,651,770
Environmental health services	381,981	392,682	357,245
Public health and welfare services	60,530	8,332	9,741
Regional planning and development	25,000	28,719	23,747
Resource conservation and industrial development	55,070	177,296	193,126
Recreation and cultural services	216,924	381,951	499,423
Water and sewer services	495,818	457,859	483,324
	<u>4,421,291</u>	<u>4,398,110</u>	<u>4,407,314</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS	<u>\$ 238,645</u>	1,427,621	658,534
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>14,142,812</u>	<u>13,484,278</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 15,570,433</u>	<u>\$ 14,142,812</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2020

	<u>2020 Budget (Note 12)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
ANNUAL SURPLUS	\$ 238,645	\$ 1,427,621	\$ 658,534
Acquisition of tangible capital assets	(1,283,600)	(1,520,712)	(619,154)
Amortization of tangible capital assets	673,419	675,111	646,710
Loss (Gain) on sale of tangible capital assets	-	15,590	115,381
Proceeds on sale of tangible capital assets	-	22,101	201,225
AUC expensed during the year	-	-	31,303
Decrease (increase) in inventories	-	95,015	18,123
Decrease (increase) in prepaid expense	-	(39,882)	(31,105)
	<u>(610,181)</u>	<u>(752,777)</u>	<u>362,483</u>
CHANGE IN NET FINANCIAL ASSETS	\$ (371,536)	674,844	1,021,017
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>3,605,935</u>	<u>2,584,918</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 4,280,779</u>	<u>\$ 3,605,935</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,427,621	\$ 658,534
Changes in non-cash items:		
Amounts receivable	111,685	164,954
Inventories	95,015	18,123
Prepays	(39,882)	(31,105)
Investments	(25,995)	(1,165)
Accounts payable and accrued liabilities	(391,586)	(154,025)
Landfill closure and post closure liabilities	-	-
AUC expensed during the year	-	31,303
Loss (Gain) on sale of tangible capital asset	15,590	115,381
Amortization	675,111	646,710
	<u>1,867,559</u>	<u>1,448,710</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	22,101	201,225
Cash used to acquire tangible capital assets	(1,520,712)	(619,154)
	<u>(1,498,611)</u>	<u>(417,929)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>-</u>	<u>-</u>
Cash applied to investing transactions	-	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(142,349)	(136,099)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(142,349)</u>	<u>(136,099)</u>
Cash applied to financing transactions	-	-
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	226,599	894,682
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,299,703</u>	<u>4,405,021</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 5,526,302</u></u>	<u><u>\$ 5,299,703</u></u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

1. Status of the Rural Municipality of De Salaberry

The incorporated Rural Municipality of De Salaberry ("the Municipality") is a municipal government that was created on 1883 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban 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. 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:

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The 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:

Club Sportif Iberville St. Malo 100% (2019 - 100%)

The Municipality has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards 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:

St. Pierre/De Salaberry Handi-Transit Inc 50% (2019 - 50%)
Bibliotheque Regionale Jolys Regional Library 50% (2019 - 50%)
Red River Weed Control Board 50% (2019 - 50%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Note 15.

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) Cash and Temporary Investments

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) 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.

No assessment has been performed into any potential environmental liability that exists to close the landfill, therefore any environmental liabilities, related expenses or impact on net financial assets and accumulated surplus have not been verified.

e) 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.

f) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality does not capitalize internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

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

Infrastructure Assets

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

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

g) 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.

h) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government Transfers

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

i) 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.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 5,498,528	\$ 5,299,703
Temporary investments	-	-
	<u>\$ 5,498,528</u>	<u>\$ 5,299,703</u>

The Municipality has designated \$3,863,677 (2019 - \$2,956,932) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has arranged a \$500,000 line of credit with their financial institution. The line of credit bears interest at 2.75% and \$500,000 was available for use as at December 31, 2020.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 424,020	\$ 460,745
Government grants	12,206	68,895
Utility customers	47,622	54,156
Accrued interest	-	-
Organizations and individuals	71,325	74,471
Other governments	61,800	70,391
	<u>616,973</u>	<u>728,658</u>
Less allowances for doubtful amounts	-	-
	<u>\$ 616,973</u>	<u>\$ 728,658</u>

5. Inventories	2020	2019
Gravel	\$ 43,039	\$ 154,831
Other	19,418	2,641
	<u>\$ 62,457</u>	<u>\$ 157,472</u>
6. Investments	2020	2019
Surplus shares held with Caisse Group Financier	\$ 1,750	\$ 1,750
Red River Weed Control Board:		
Term deposits held at Caisse Groupe Financier, that mature between February 2021 and April 2022, bearing interest ranging from 1.1% to 3.25%	60,218	34,223
Club Sportif Iberville St. Malo		
Surplus shares held with the Caisse Group Financier	732	732
	<u>\$ 62,700</u>	<u>\$ 36,705</u>
7. Accounts Payable and Accrued Liabilities	2020	2019
Accounts payable	\$ 402,455	\$ 402,269
Accrued expenses	97,959	82,427
Refundable deposits	161,185	143,908
School levies	-	-
Other governments	165	12,116
	<u>\$ 661,764</u>	<u>\$ 640,720</u>
8. Unearned Revenue	2020	2019
Manitoba Hydro Bipole Project	<u>\$ -</u>	<u>\$ 412,630</u>
9. Long Term Debt	2020	2019
General Authority:		
By-law 2270-06, debenture, interest at 5.500%, payable at \$15,203 annually including interest, maturing December 31, 2024	\$ 53,288	\$ 64,921
By-law 2284-11, debenture, interest at 5.800%, payable at \$8,718 annually including interest, maturing December 31, 2029	64,778	69,467
	<u>\$ 118,066</u>	<u>\$ 134,388</u>
Utility Funds:		
By-law 2264-09, debenture for St. Malo Utility, interest at 6.000%, payable at \$20,924 annually including interest, maturing December 31, 2028	\$ 133,302	\$ 145,687
By-law 2246-07, debenture for St. Malo Utility, interest at 5.875%, payable at \$14,240 annually including interest, maturing December 31, 2027	76,481	85,499
By-law 2150, debenture for St. Malo Utility, interest at 6.500%, payable at \$15,882 annually including interest, maturing December 1, 2021	14,913	28,916
By-law 2228-06, debenture for St. Malo Utility, interest at 5.935%, payable at \$5,637 annually including interest, maturing December 1, 2025	23,788	27,776
Sub-total, continued on next page	<u>\$ 248,484</u>	<u>\$ 287,878</u>

Sub-total, from previous page	<u>\$ 248,484</u>	<u>\$ 287,878</u>
By-law 2234-06, debenture for St. Malo Utility, interest at 5.935%, payable at \$5,637 annually including interest, maturing December 1, 2025	23,787	27,776
By-law 2316-13, debenture for St. Malo Utility, interest at 3.875%, payable at \$11,234 annually including interest, maturing December 31, 2027	67,738	76,026
By-law 2335-15, debenture for St. Malo Utility, interest at 4.250%, payable at \$48,878 annually including interest, maturing December 31, 2035	534,065	559,178
By-law 2336-16, debenture for St. Malo Utility, interest at 3.250%, payable at \$59,661 annually including interest, maturing December 31, 2025	<u>271,292</u>	<u>320,535</u>
	<u>\$ 1,145,366</u>	<u>\$ 1,271,393</u>
	<u>\$ 1,263,432</u>	<u>\$ 1,405,781</u>

Principal payments required in each of the next five years are as follows:

2021	\$ 148,907
2022	\$ 139,905
2023	\$ 146,095
2024	\$ 152,576
2025	\$ 144,160

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% 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 \$73,886 (2019 - \$66,104) 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 had 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 funding 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.

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

	<u>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,951,193	\$ 2,455,297
Utility operating fund(s) - Nominal surplus	(328,599)	(338,693)
TCA net of related borrowings	9,758,504	8,795,909
Reserve funds	<u>3,863,677</u>	<u>2,956,932</u>
Accumulated surplus of municipality unconsolidated	15,244,775	13,869,445
Accumulated surpluses of consolidated entities	<u>297,884</u>	<u>273,367</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><u>\$ 15,542,659</u></u>	<u><u>\$ 14,142,812</u></u>

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 and expenses paid to members of council amounted to \$107,878 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>
Reeve - Darrel Curé	\$ 15,446	\$ 1,051	\$ 16,497
Councillor - Patrick Catellier	10,892	916	11,808
Councillor - Andre Carbonneau	12,821	916	13,737
Councillor - Brune Hébert	15,044	1,119	16,163
Councillor - Louis Courcelles	13,515	916	14,431
Councillor - Wain Wiwsionski	16,966	1,746	18,712
Councillor - Gabriel Tétrault	<u>15,365</u>	<u>1,165</u>	<u>16,530</u>
	<u><u>\$ 100,049</u></u>	<u><u>\$ 7,829</u></u>	<u><u>\$ 107,878</u></u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Denise Parent</i>	<i>Chief Administrative Officer</i>	\$ 101,953
<i>Danny Mayner</i>	<i>Public Works</i>	\$ 89,100
<i>Todd Gregoire</i>	<i>Public Works</i>	\$ 80,349

15. Trust Funds

The Rural Municipality of De Salaberry administers the following trusts:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
Fond Laval Trust	<u>\$ 19,662</u>	<u>\$ 159</u>	<u>\$ 19,821</u>

16. Segmented Information

The Rural Municipality of De Salaberry provides a wide ranges of services to its residents.

Segment information has been provided in Schedule 4 for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

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

17. 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(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2020</u>	<u>2019</u>
Financial Position		
Financial Assets	\$ 151,784	\$ 105,402
Liabilities	<u>8,124</u>	<u>9,764</u>
Net financial assets (liabilities)	\$ 143,660	\$ 95,638
Non-financial assets	<u>13,773</u>	<u>17,225</u>
Accumulated surplus	<u>\$ 157,433</u>	<u>\$ 112,863</u>
Result of Operations		
Revenues	\$ 138,504	\$ 166,454
Expenses	<u>135,933</u>	<u>158,922</u>
Annual surplus	\$ 2,571	\$ 7,532
Elimination of revenues/expenses upon consolidation	<u>\$ 3</u>	<u>\$ 41,824</u>
Consolidated annual surplus (deficit)	<u>\$ 2,568</u>	<u>\$ (34,292)</u>

18. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

For information purposes, the Municipality has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

No capital grants have been deferred and amortized in these financial statements.

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>
St. Malo	<u>\$ 177,580</u>	<u>\$ -</u>	<u>\$ 8,397</u>	<u>\$ 169,183</u>

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>
Otterburne	<u>\$ 36,201</u>	<u>\$ -</u>	<u>\$ 2,598</u>	<u>\$ 33,603</u>

19. Subsequent Events

COVID-19

Reactions and restrictions to Coronavirus (COVID-19) continue to evolve and change regularly. Management of the Municipality continues to maintain operations where possible, while looking out for the needs and safety of the public and employees.

Operations in the historical financial statements, as presented, do not give rise to potential going-concern issues. However, given the uncertainties on the economy, management cannot predict the effect that this will have on their future operations or cash flows.

20. Comparative Figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2020

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2020	2019
Cost										
Opening costs	\$ 400,000	\$ 988,944	\$ 4,161,821	\$ 86,995	\$ 8,270	\$ 8,974,999	\$ 6,393,310	\$ 92,335	\$ 21,106,674	\$ 21,181,165
Additions during the year	65,010	-	712,037	15,128	21,805	700,182	34,777	-	1,548,939	619,154
Disposals and write downs	-	-	(76,612)	(22,034)	-	-	-	(28,227)	(126,873)	(693,645)
Closing costs	465,010	988,944	4,797,246	80,089	30,075	9,675,181	6,428,087	64,108	22,528,739	21,106,674
Accumulated Amortization										
Opening accum'd amortization	59,027	821,531	1,788,946	60,063	-	5,519,303	2,535,268	-	10,784,138	10,483,164
Amortization	6,271	10,786	271,252	7,555	-	228,619	150,628	-	675,111	646,710
Disposals and write downs	-	-	(38,922)	(22,034)	-	-	-	-	(60,956)	(345,736)
Closing accum'd amortization	65,298	832,317	2,021,276	45,584	-	5,747,922	2,685,896	-	11,398,293	10,784,138
Net Book Value of Tangible Capital Assets	\$ 399,712	\$ 156,627	\$ 2,775,970	\$ 34,505	\$ 30,075	\$ 3,927,259	\$ 3,742,191	\$ 64,108	\$ 11,130,446	\$ 10,322,536

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2020

SCHEDULE 2

	2020 Actual	2019 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 3,090,111	\$ 3,048,916
Taxes added	57,644	87,196
	<u>3,147,755</u>	<u>3,136,112</u>
Grants in lieu of taxation:		
Federal government	23,983	24,695
Federal government enterprises	-	-
Provincial government	-	-
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>23,983</u>	<u>24,695</u>
User fees		
Sales of service	349,897	322,128
Sales of goods	52,507	42,470
Rentals	75,626	54,004
Development charges	-	-
Facility use fees	-	-
	<u>478,030</u>	<u>418,602</u>
Permits, licences and fines		
Permits	59,995	38,747
Licences	716	691
Fees	14,400	10,840
Fines	-	-
	<u>75,111</u>	<u>50,278</u>
Investment income:		
Cash and temporary investments	47,108	92,607
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>47,108</u>	<u>92,607</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	(15,590)	(115,381)
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Penalties and interest	47,553	41,535
Miscellaneous:		
Tax sale fees	25,424	26,608
Rebates	18,407	11,048
Other	224,979	190,088
	<u>300,773</u>	<u>153,898</u>
Water and sewer		
Municipal utilities (Schedule 9)	310,762	262,728
Consolidated water co-operatives	-	-
	<u>310,762</u>	<u>262,728</u>
Grants - Province of Manitoba		
Municipal operating grants	256,365	256,365
Other unconditional grants	336,347	43,722
Conditional grants	565,250	117,913
	<u>1,157,962</u>	<u>418,000</u>
Grants - other		
Federal government - gas tax funding	192,663	384,017
Federal government - other	5,207	3,494
Other municipal governments	86,377	121,417
	<u>284,247</u>	<u>508,928</u>
Total revenue	<u>\$ 5,825,731</u>	<u>\$ 5,065,848</u>

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 3

	<u>2020 Actual</u>	<u>2019 Actual</u>
General government services:		
Legislative	\$ 137,698	\$ 161,604
General administrative	577,292	610,467
Other	107,313	116,807
	<u>822,303</u>	<u>888,878</u>
Protective services:		
Police	-	-
Fire	196,058	198,661
Emergency measures	47,809	25,946
Other	116,061	75,453
	<u>359,928</u>	<u>300,060</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	1,274,645	1,133,296
Ditches and road drainage	46,572	76,131
Bridge maintenance	-	61
Sidewalk and boulevard maintenance	254	1,139
Street lighting	24,644	26,648
Other	-	-
Air transport	-	-
Public transit	-	-
Other	422,925	414,495
	<u>1,769,040</u>	<u>1,651,770</u>
Environmental health services:		
Waste collection and disposal	304,892	276,371
Recycling	56,109	49,915
Other	31,681	30,959
	<u>392,682</u>	<u>357,245</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	4,253	5,662
	<u>8,332</u>	<u>9,741</u>
Regional planning and development		
Planning and zoning	4,699	6,381
Urban renewal	-	-
Beautification and land rehabilitation	24,020	17,366
Urban area weed control	-	-
Other	-	-
	<u>28,719</u>	<u>23,747</u>
Resource conservation and industrial development		
Rural area weed control	94,129	109,267
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	74,033	77,050
Industrial development	-	-
Tourism	-	-
Other	9,134	6,809
	<u>177,296</u>	<u>193,126</u>
Sub-totals forward	<u>\$ 3,558,300</u>	<u>\$ 3,424,567</u>

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 3

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>\$ 3,558,300</u>	<u>\$ 3,424,567</u>
Recreation and cultural services:		
Administration	-	-
Community centers and halls	1,750	1,665
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	287,499	308,761
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	75,445	81,705
Other cultural facilities	17,257	107,292
	<u>381,951</u>	<u>499,423</u>
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	457,859	483,324
Consolidated water co-operatives	-	-
	<u>457,859</u>	<u>483,324</u>
Total expenses	<u>\$ 4,398,110</u>	<u>\$ 4,407,314</u>

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	\$ 2,961,246	\$ 2,949,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	23,983	24,695	-	-	-	-	-	-	-	-
User fees	149,612	111,770	45,813	31,885	-	-	140,861	138,297	1,436	2,920
Grants - other	252,777	433,627	-	-	-	-	-	-	1,427	2,027
Permits, licences and fines	16,876	14,166	4,099	1,440	2,440	800	-	-	-	-
Investment income	45,339	90,662	-	-	-	-	-	-	-	-
Other revenue	292,740	39,620	-	-	-	-	4,000	4,000	286	245
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	560,513	270,975	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	565,250	117,914	-	-	-	-	-	-	-	-
Total revenue	\$ 4,868,336	\$ 4,052,654	\$ 49,912	\$ 33,325	\$ 2,440	\$ 800	\$ 144,861	\$ 142,297	\$ 3,149	\$ 5,192
EXPENSES										
Personnel services	\$ 543,065	\$ 593,737	\$ 66,302	\$ 48,705	\$ 663,447	\$ 521,060	\$ 118,689	\$ 115,210	\$ 186	\$ 621
Contract services	190,448	192,665	92,997	79,297	114,291	140,322	210,240	180,291	913	267
Utilities	20,290	19,908	7,748	10,014	32,539	34,915	4,188	4,464	-	-
Maintenance materials and supplies	53,642	72,798	130,503	111,564	543,820	553,850	27,884	26,321	2,414	3,884
Grants and contributions	-	-	-	-	-	-	-	-	4,079	4,079
Amortization	10,281	4,244	52,607	32,331	413,523	400,903	31,681	30,959	724	852
Interest on long term debt	-	-	7,600	8,463	-	-	-	-	-	-
Other	4,577	5,526	2,171	9,686	1,420	720	-	-	16	38
Total expenses	\$ 822,303	\$ 888,878	\$ 359,928	\$ 300,060	\$ 1,769,040	\$ 1,651,770	\$ 392,682	\$ 357,245	\$ 8,332	\$ 9,741
Surplus (Deficit)	\$ 4,046,033	\$ 3,163,776	\$ (310,016)	\$ (266,735)	\$ (1,766,600)	\$ (1,650,970)	\$ (247,821)	\$ (214,948)	\$ (5,183)	\$ (4,549)

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

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,509	\$ 186,887	\$ 3,147,755	\$ 3,136,112
Grants in lieu of taxation	-	-	-	-	-	-	-	-	23,983	24,695
User fees	-	-	69,819	58,933	70,489	74,797	-	-	478,030	418,602
Grants - other	-	-	17,500	17,500	12,543	55,774	-	-	284,247	508,928
Permits, licences and fines	-	-	51,696	33,872	-	-	-	-	75,111	50,278
Investment income	-	-	1,326	1,165	443	780	-	-	47,108	92,607
Other revenue	-	-	-	-	3,747	110,033	-	-	300,773	153,898
Water and sewer	-	-	-	-	-	-	310,762	262,728	310,762	262,728
Prov of MB - Unconditional Grants	-	-	-	-	32,199	29,111	-	-	592,712	300,086
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	565,250	117,914
Total revenue	\$ -	\$ -	\$ 140,341	\$ 111,470	\$ 119,421	\$ 270,495	\$ 497,271	\$ 449,615	\$ 5,825,731	\$ 5,065,848
EXPENSES										
Personnel services	\$ -	\$ -	\$ 103,297	\$ 109,627	\$ 76,128	\$ 75,790	\$ 99,202	\$ 104,779	\$ 1,670,316	\$ 1,569,529
Contract services	4,699	6,381	24,351	33,661	51,435	40,639	32,265	32,421	721,639	705,944
Utilities	-	-	1,404	1,815	33,318	34,887	18,564	17,937	118,051	123,940
Maintenance materials and supplies	24,020	17,366	20,798	26,850	51,055	47,092	99,360	115,518	953,496	975,243
Grants and contributions	-	-	24,010	17,500	156,345	273,781	-	-	184,434	295,360
Amortization	-	-	3,290	3,437	12,379	6,892	150,628	150,626	675,113	630,244
Interest on long term debt	-	-	-	-	-	-	56,065	61,451	63,665	69,914
Other	-	-	146	236	1,291	20,342	1,775	592	11,396	37,140
Total expenses	\$ 28,719	\$ 23,747	\$ 177,296	\$ 193,126	\$ 381,951	\$ 499,423	\$ 457,859	\$ 483,324	\$ 4,398,110	\$ 4,407,314
Surplus (Deficit)	\$ (28,719)	\$ (23,747)	\$ (36,955)	\$ (81,656)	\$ (262,530)	\$ (228,928)	\$ 39,412	\$ (33,709)	\$ 1,427,621	\$ 658,534

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	\$ 3,147,755	\$ 3,136,112	\$ -	\$ -	\$ -	\$ -	\$ 3,147,755	\$ 3,136,112
Grants in lieu of taxation	23,983	24,695	-	-	-	-	23,983	24,695
User fees	336,286	281,952	70,034	74,622	71,710	62,028	478,030	418,602
Grants - other	252,777	433,627	-	45,000	31,470	30,301	284,247	508,928
Permits, licences and fines	75,111	50,278	-	-	-	-	75,111	50,278
Investment income	45,341	90,662	443	780	1,324	1,165	47,108	92,607
Other revenue	296,740	43,620	2,232	108,253	1,801	2,025	300,773	153,898
Water and sewer	310,762	262,728	-	-	-	-	310,762	262,728
Prov of MB - Unconditional Grants	560,513	270,975	-	-	32,199	29,111	592,712	300,086
Prov of MB - Conditional Grants	565,250	117,914	-	-	-	-	565,250	117,914
Total revenue	\$ 5,614,518	\$ 4,712,563	\$ 72,709	\$ 228,655	\$ 138,504	\$ 124,630	\$ 5,825,731	\$ 5,065,848
EXPENSES								
Personnel services	\$ 1,583,399	\$ 1,467,976	\$ -	\$ -	\$ 86,917	\$ 101,553	\$ 1,670,316	\$ 1,569,529
Contract services	665,386	655,853	48,174	40,157	8,079	9,934	721,639	705,944
Utilities	83,741	88,084	31,087	32,783	3,223	3,073	118,051	123,940
Maintenance materials and supplies	881,097	899,376	38,026	35,151	34,373	40,716	953,496	975,243
Grants and contributions	184,434	295,360	-	-	-	-	184,434	295,360
Amortization	661,392	621,940	11,250	5,625	2,471	2,679	675,113	630,244
Interest on long term debt	63,665	69,914	-	-	-	-	63,665	69,914
Other	9,942	16,523	581	19,650	873	967	11,396	37,140
Total expenses	\$ 4,133,056	\$ 4,115,026	\$ 129,118	\$ 133,366	\$ 135,936	\$ 158,922	\$ 4,398,110	\$ 4,407,314
Surplus (Deficit)	\$ 1,481,462	\$ 597,537	\$ (56,409)	\$ 95,289	\$ 2,568	\$ (34,292)	\$ 1,427,621	\$ 658,534

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	2020									
	General Reserve	Machinery Replacement Reserve	Handi-Van Reserve	Waste Disposal Reserve	RM Office Reserve	EDO Office Reserve	Office Technology Reserve	St. Malo Fire Reserve	St. Pierre Fire Reserve	St. Pierre Fire Vehicle Reserve
REVENUE										
Investment income	\$ 2,330	\$ 2,587	\$ 283	\$ 1,957	\$ 2,574	\$ 93	\$ 8	\$ 154	\$ 29	\$ 570
Other income	-	1,470	-	-	-	-	-	-	-	200
Total revenue	2,330	4,057	283	1,957	2,574	93	8	154	29	770
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	2,330	4,057	283	1,957	2,574	93	8	154	29	770
TRANSFERS										
Transfers from general operating fund	314,334	225,764	4,200	39,208	30,000	-	5,000	10,000	5,000	7,500
Transfers to general operating fund	(26,075)	(43,172)	-	(116)	(6,312)	-	-	(30,242)	(7,972)	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-
Transfers from LUD	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND	290,589	186,649	4,483	41,049	26,262	93	5,008	(20,088)	(2,943)	8,270
FUND SURPLUS, BEGINNING OF	253,550	278,862	30,452	212,096	279,306	10,020	544	20,088	3,260	61,400
FUND SURPLUS, END OF YEAR	\$ 544,139	\$ 465,511	\$ 34,935	\$ 253,145	\$ 305,568	\$ 10,113	\$ 5,552	\$ -	\$ 317	\$ 69,670

Rural Municipality of De Salaberry
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2020

SCHEDULE 6

												2019	
	St. Malo Fire Vehicle Reserve	Recreation Reserve	Gas Tax Reserve	Gravel Pit Reserve	St. Malo Utility Reserve	Otterburne Utility Reserve	St. Malo LUD Reserve	St. Malo PW Shop Reserve	Election Reserve	Roads and Bridges Reserve	St. Malo LUD Reserve	Total	Total
REVENUE													
Investment income	\$ 1,458	\$ 1,229	\$ 8,583	\$ 2,457	\$ 11	\$ 687	\$ 932	\$ 478	\$ 26	\$ -	\$ -	\$ 26,446	\$ 45,862
Other income	320	260	-	-	-	-	350	-	-	-	-	2,600	11,250
Total revenue	1,778	1,489	8,583	2,457	11	687	1,282	478	26	-	-	29,046	57,112
EXPENSES													
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
NET REVENUES	1,778	1,489	8,583	2,457	11	687	1,282	478	26	-	-	29,046	57,112
TRANSFERS													
Transfers from general operating fund	25,000	26,336	192,663	49,703	-	-	-	25,000	4,000	22,361	-	986,069	973,887
Transfers to general operating fund	(102,817)	(30,534)	(224,340)	-	-	-	-	-	-	-	-	(471,580)	(529,212)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	19,142	-	-	-	-	-	19,142	49,623
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	(53,941)
Transfers from LUD	-	-	-	-	-	-	-	-	-	-	468,470	468,470	-
Transfers to LUD	-	-	-	-	-	-	-	-	-	-	(124,402)	(124,402)	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND	(76,039)	(2,709)	(23,094)	52,160	11	19,829	1,282	25,478	4,026	22,361	344,068	906,745	497,469
FUND SURPLUS, BEGINNING OF	195,812	140,971	973,174	266,242	1,167	74,419	101,048	50,521	4,000	-	-	2,956,932	2,459,463
FUND SURPLUS, END OF YEAR	\$ 119,773	\$ 138,262	\$ 950,080	\$ 318,402	\$ 1,178	\$ 94,248	\$ 102,330	\$ 75,999	\$ 8,026	\$ 22,361	\$ 344,068	\$ 3,863,677	\$ 2,956,932

**SCHEDULE OF L.U.D. OPERATIONS - L.U.D. of St. Malo
For the Year Ended December 31, 2020**

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Taxation	\$ 490,124	\$ 490,132	\$ 455,305
Other Revenue	17,750	26,983	33,456
Total revenue	507,874	517,115	488,761
Expenses			
General Government:			
Indemnities	14,650	10,801	10,800
Protective Services			
By-law enforcement	-	544	315
Transportation Services			
Road and street maintenance	142,100	236,878	177,261
Ditches and road drainage	18,000	5,997	6,328
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	13,000	254	1,139
Street lighting	26,500	16,918	16,443
Other	108,420	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Regional planning and development			
Beautification and land rehabilitation	23,500	24,020	17,366
Urban area weed control	-	-	-
Other	-	-	-
Resource conservation and industrial development			
Rural area weed control	150	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	346,320	295,412	229,652
Net revenues (expenses)	161,554	221,703	259,109
Transfers:			
Transfers from (to) operating fund	468,473	132,437	21,973
Transfers to capital	(737,011)	(458,487)	(75,036)
Transfers from (to) reserves	107,437	(369,068)	(25,000)
Change in L.U.D. balances	\$ 453	(473,415)	181,046
Unexpended balance, beginning of year		468,470	287,424
Unexpended balance, end of year		\$ (4,945)	468,470

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2020

	2020			2019
	St. Malo Utility	Otterburne Utility	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ 50	\$ -	\$ 50	\$ 50
Amounts receivable	47,622	-	47,622	54,156
Portfolio investments	-	-	-	-
Due from other funds	-	60,540	60,540	48,384
	<u>\$ 47,672</u>	<u>\$ 60,540</u>	<u>\$ 108,212</u>	<u>\$ 102,590</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 7)	1,145,365	-	1,145,365	1,271,393
Due to other funds	436,811	-	436,811	441,283
	<u>1,582,176</u>	<u>-</u>	<u>1,582,176</u>	<u>1,712,676</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (1,534,504)</u>	<u>\$ 60,540</u>	<u>\$ (1,473,964)</u>	<u>\$ (1,610,086)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ 3,556,700	\$ 249,600	\$ 3,806,300	\$ 3,922,152
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	<u>3,556,700</u>	<u>249,600</u>	<u>3,806,300</u>	<u>3,922,152</u>
FUND SURPLUS (DEFICIT)	<u>\$ 2,022,196</u>	<u>\$ 310,140</u>	<u>\$ 2,332,336</u>	<u>\$ 2,312,066</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS - St. Malo Utility
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
REVENUE			
Water			
Water fees	\$ 160,500	\$ 160,774	\$ 151,385
Bulk Water fees	-	-	-
sub-total- water	<u>160,500</u>	<u>160,774</u>	<u>151,385</u>
Sewer			
Sewer fees	66,500	69,313	64,554
Lagoon tipping fees	-	10,020	12,090
sub-total- sewer	<u>66,500</u>	<u>79,333</u>	<u>76,644</u>
Property taxes	<u>186,509</u>	<u>186,509</u>	<u>186,887</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	1,600	1,600	1,600
Connection charges	1,500	-	-
Installation service	20,000	14,500	7,500
Penalties	2,000	1,276	1,668
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	31,000	21,006	18,531
sub-total- other	<u>56,100</u>	<u>38,382</u>	<u>29,299</u>
Total revenue	<u>\$ 469,609</u>	<u>\$ 464,998</u>	<u>\$ 444,215</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS (cont'd) - St. Malo Utility
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
EXPENSES			
General			
Administration	\$ 122,750	\$ 96,303	\$ 103,295
Training costs	-	1,105	863
Billing and collection	8,000	8,000	6,172
Utilities (telephone, electricity, etc.)	20,600	15,105	14,135
sub-total- general	<u>151,350</u>	<u>120,513</u>	<u>124,465</u>
Water General			
Purification and treatment	13,500	19,475	21,642
Water purchases	-	-	-
Transmission and distribution	45,000	26,947	43,867
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	2,000	-	-
Other water supply costs	26,025	20,693	30,664
sub-total- water general	<u>86,525</u>	<u>67,115</u>	<u>96,173</u>
Water Amortization & Interest			
Amortization	-	74,048	74,046
Interest on long term debt	18,355	18,355	18,250
sub-total- water amortization & interest	<u>18,355</u>	<u>92,403</u>	<u>92,296</u>
Sewer General			
Collection system costs	15,000	11,177	14,689
Treatment and disposal cost	5,500	-	-
Lift Station costs	12,200	14,430	12,082
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	7,250	25,972	17,352
sub-total- sewer general	<u>39,950</u>	<u>51,579</u>	<u>44,123</u>
Sewage Amortization & Interest			
Amortization	-	65,597	65,597
Interest on long term debt	37,711	37,710	43,201
sub-total- sewer amortization & interest	<u>37,711</u>	<u>103,307</u>	<u>108,798</u>
Total expenses	<u>333,891</u>	<u>434,917</u>	<u>465,855</u>
NET OPERATING SURPLUS	135,718	30,081	(21,640)
TRANSFERS			
Transfers from (to) operating fund	(126,028)	-	-
Transfers from (to) capital	-	-	-
Transfers from (to) reserve funds	-	-	53,941
CHANGE IN UTILITY FUND BALANCE	<u>\$ 9,690</u>	30,081	32,301
FUND SURPLUS, BEGINNING OF YEAR		<u>1,992,115</u>	<u>1,959,814</u>
FUND SURPLUS, END OF YEAR		<u>\$ 2,022,196</u>	<u>\$ 1,992,115</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS - Otterburne Utility
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees - transferred from property tax assessment	28,830	27,774	26,525
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>28,830</u>	<u>27,774</u>	<u>26,525</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	3,000	3,000
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	27	42
Gain on sale of tangible capital assets	-	-	-
Other income	2,300	1,472	2,358
sub-total- other	<u>2,300</u>	<u>4,499</u>	<u>5,400</u>
Total revenue	<u>\$ 31,130</u>	<u>\$ 32,273</u>	<u>\$ 31,925</u>

SCHEDULE OF UTILITY OPERATIONS (cont'd) - Otterburne Utility
For the Year Ended December 31, 2020

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
EXPENSES			
General			
Administration	\$ -	\$ -	\$ -
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>-</u>	<u>-</u>	<u>-</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	11,300	11,959	6,486
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>11,300</u>	<u>11,959</u>	<u>6,486</u>
Sewage Amortization & Interest			
Amortization	-	10,983	10,983
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>10,983</u>	<u>10,983</u>
Total expenses	<u>11,300</u>	<u>22,942</u>	<u>17,469</u>
NET OPERATING SURPLUS	19,830	9,331	14,456
TRANSFERS			
Transfers from (to) capital fund	-	-	-
Transfers from (to) reserve funds	<u>(19,830)</u>	<u>(19,142)</u>	<u>(49,623)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>(9,811)</u>	<u>(35,167)</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>319,951</u>	<u>355,118</u>
FUND SURPLUS, END OF YEAR		<u>\$ 310,140</u>	<u>\$ 319,951</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2020

	Financial Plan General	Financial Plan Utility(ies)	LUD	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE									
Property taxes	\$ 3,150,576	\$ -	\$ 490,124	\$ -	\$ -	\$ (490,124)	\$ -	\$ -	\$ 3,150,576
Grants in lieu of taxation	23,884	-	-	-	-	-	-	-	23,884
User fees	422,432	-	-	-	-	-	-	-	422,432
Permits, licences and fines	44,120	-	-	-	-	-	-	-	44,120
Investment income	75,000	-	-	-	-	-	-	-	75,000
Other revenue	55,501	-	17,750	-	-	-	-	-	73,251
Water and sewer	-	318,645	-	-	-	-	-	-	318,645
Grants - Province of Manitoba	359,365	-	-	-	-	-	-	-	359,365
Grants - other	192,663	-	-	-	-	-	-	-	192,663
Transfers from accumulated surplus	-	-	468,473	-	-	(468,473)	-	-	-
Transfers from utility	-	182,094	-	-	-	(182,094)	-	-	-
Transfers from reserves	150,000	-	-	-	-	(150,000)	-	-	-
Total revenue	\$ 4,473,541	\$ 500,739	\$ 976,347	\$ -	\$ -	\$ (1,290,691)	\$ -	\$ -	\$ 4,659,936
EXPENSES									
General government services	\$ 941,870	\$ -	\$ 14,650	\$ 10,281	\$ -	\$ 746	\$ -	\$ -	\$ 967,547
Protective services	271,073	-	-	52,607	7,600	-	-	-	331,280
Transportation services	1,165,598	-	308,020	413,523	-	-	-	-	1,887,141
Environmental health services	350,300	-	-	31,681	-	-	-	-	381,981
Public health and welfare services	60,530	-	-	-	-	-	-	-	60,530
Regional planning and development	1,500	-	23,500	-	-	-	-	-	25,000
Resource cons and industrial dev	52,750	-	-	2,320	-	-	-	-	55,070
Recreation and cultural services	204,545	-	-	12,379	-	-	-	-	216,924
Water and sewer services	-	289,125	-	150,628	56,065	-	-	-	495,818
Fiscal services:									
Transfer to capital	-	-	737,011	-	-	(737,011)	-	-	-
Transfer to utility	215,339	9,690	-	-	-	(225,029)	-	-	-
Transfer to general	-	-	-	-	-	-	-	-	-
Debt charges	23,921	182,094	-	-	(206,015)	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-	-
Transfer to L.U.D.	490,124	-	-	-	-	(490,124)	-	-	-
Transfer to reserves	695,245	19,830	25,000	-	-	(740,075)	-	-	-
Allowance for tax assets	746	-	-	-	-	(746)	-	-	-
Total expenses	\$ 4,473,541	\$ 500,739	\$ 1,108,181	\$ 673,419	\$ (142,350)	\$ (2,192,239)	\$ -	\$ -	\$ 4,421,291
Surplus (Deficit)	\$ -	\$ -	\$ (131,834)	\$ (673,419)	\$ 142,350	\$ 901,548	\$ -	\$ -	\$ 238,645

Rural Municipality of De Salaberry
ANALYSIS OF TAXES ON ROLL
 December 31, 2020

SCHEDULE 11

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 460,745	\$ 125,993
Add:		
Tax levy (Schedule 12)	7,384,539	7,291,536
Taxes added	57,644	87,196
Penalties or interest	46,326	41,535
Other accounts added	-	-
Tax Adjustments (Transferred in from A/R)	7,829	396
Tax Adjustments (Transferred in from Utility)	14,881	8,967
Sub-total	7,511,219	7,429,630
Deduct:		
Cash collections - current	6,312,587	6,151,761
Cash collections - arrears	345,177	32,333
Cash collections - future	213,871	232,511
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	676,310	678,273
Other credits (specify)	-	-
Sub-total	7,547,944	7,094,878
Balance, end of year	\$ 424,020	\$ 460,745

Rural Municipality of De Salaberry
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2020

SCHEDULE 12

	2020		2019	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
L.U.D. of St. Malo	\$ 60,975,580	\$ 8.000	\$ 487,805	\$ 455,305
Name of LUD	\$ -	\$ -	-	-
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			<u>487,805</u>	<u>455,305</u>
Debt charges:				
St. Malo Lagoon	\$ 44,520,120	\$ 0.355	15,805	15,796
St. Malo Water Plant Well	\$ 44,520,120	\$ 0.126	5,610	5,641
St. Malo Forcemain Upgrade	\$ 44,520,120	\$ 0.318	14,157	14,166
St. Malo Water Plant Reservoir	\$ 44,520,120	\$ 0.468	20,835	20,811
St. Charles Water and Sewer	\$ 771,990	\$ -	4,415	4,793
Le Rang Sewer and Water	\$ 1,144,070	\$ -	5,637	5,637
St. Malo FD Tanker Pumper	\$ 312,265,330	\$ 0.025	7,807	7,463
St. Malo FD Tanker Pumper	\$ 199,856,110	\$ 0.038	7,573	7,706
Dufrost Water Supply	\$ 905,040	\$ 9.633	8,718	8,718
St. Malo Water Plant Reservoir #2	\$ 44,520,120	\$ 0.251	11,175	11,241
Gosselin LPS	\$ 7,352,590	\$ -	48,878	48,878
Lift Station	\$ 30,214,940	\$ -	59,661	59,661
sub-total- Debt charges			<u>210,270</u>	<u>210,510</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Rural Machinery Replacement	\$ 251,289,750	\$ -	-	-
Gravel	\$ 251,289,750	\$ -	-	-
Recreation	\$ 312,265,330	\$ -	-	-
St. Malo and St. Pierre FD				
General At Large	\$ 312,265,330	\$ -	-	-
Municipal Office Building	\$ 312,265,330	\$ -	-	-
Office Technology	\$ 312,265,330	\$ -	-	-
Handivan	\$ 312,265,330	\$ -	-	-
sub-total- Reserves			<u>-</u>	<u>-</u>
General municipal - Rural Area	\$ 251,289,750	\$ 4.501	1,131,055	1,119,123
General municipal - At Large	\$ 312,265,330	\$ 3.267	1,020,171	1,052,301
			<u>2,151,226</u>	<u>2,171,425</u>
Special levies:				
Otterburne Sewer Services	\$ 7,055,150	\$ -	28,830	24,767
St. Malo & District Scavenging	\$ -	\$ -	-	-
Otterburne & District Scavenging	\$ -	\$ -	-	-
De Salaberry Waste Collection	\$ -	\$ -	211,979	186,908
De Salaberry Fire Protection	\$ -	\$ -	-	-
sub-total- Special levies			<u>240,809</u>	<u>211,675</u>
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			<u>3,090,111</u>	<u>3,048,916</u>
Education support levy	\$ 37,241,510	\$ 8.829	328,805	323,842
Special levies:				
Red River School Division	\$ 263,196,110	\$ 12.565	3,307,059	3,297,116
Border Land School Division	\$ 20,224,900	\$ 13.762	278,335	253,858
Hanover School Division	\$ 25,968,380	\$ 14.642	380,229	367,804
sub-total- Special levies			<u>3,965,623</u>	<u>3,918,778</u>
Total education taxes			<u>4,294,429</u>	<u>4,242,620</u>
Total tax levy (Schedule 11)			<u>\$ 7,384,539</u>	<u>\$ 7,291,536</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services:		
Legislative	\$ 126,897	\$ 150,804
General administrative	577,292	610,467
Other	107,313	116,807
	<u>811,502</u>	<u>878,078</u>
Protective services:		
Police	-	-
Fire	196,058	198,661
Emergency measures	47,809	25,946
Other	116,061	75,453
	<u>359,928</u>	<u>300,060</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	1,037,767	956,035
Ditches and road drainage	40,575	69,803
Bridge maintenance	-	61
Sidewalk and boulevard maintenance	-	-
Street lighting	7,726	10,205
Other	-	-
Air transport	-	-
Public transit	-	-
Other	422,925	414,495
	<u>1,508,993</u>	<u>1,450,599</u>
Environmental health services:		
Waste collection and disposal	304,892	276,371
Recycling	56,109	49,915
Other	31,681	30,959
	<u>392,682</u>	<u>357,245</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	-	-
	<u>4,079</u>	<u>4,079</u>
Regional planning and development		
Planning and zoning	4,699	6,382
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>4,699</u>	<u>6,382</u>
Resource conservation and industrial development		
Rural area weed control	35,000	35,000
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	74,033	77,050
Industrial development	-	-
Tourism	-	-
Other	9,134	6,808
	<u>118,167</u>	<u>118,858</u>
Sub-totals forward	<u>\$ 3,200,050</u>	<u>\$ 3,115,301</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2020

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>\$ 3,200,050</u>	<u>\$ 3,115,301</u>
Recreation and cultural services:		
Administration	-	-
Community centers and halls	1,750	1,665
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	171,813	205,970
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	44,893	44,535
Other cultural facilities	17,257	107,292
	<u>235,713</u>	<u>359,462</u>
Total expenses	<u>\$ 3,435,763</u>	<u>\$ 3,474,763</u>

Rural Municipality of De Salaberry

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2020

	General	2020 Utility	Total	2019 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (611,536)	\$ 9,395	\$ (602,141)	\$ 338,197
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,454,539	19,142	1,473,681	1,023,510
Eliminate revenue - transfers from reserves	(595,982)	-	(595,982)	(583,153)
Increase revenue - reserve funds interest	25,748	698	26,446	45,862
Increase revenue - reserve other income	2,600	-	2,600	11,250
Increase (Decrease) revenue/expense - transfers between funds	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	53,841	-	53,841	(60,997)
Eliminate expense - contributions to consolidating entities	78,355	-	78,355	72,397
Increase expense - amortization of tangible capital assets	(510,764)	(150,628)	(661,392)	(626,604)
Decrease expense - principal portion of debenture debt	16,321	126,028	142,349	136,099
Decrease revenue - proceeds from long term debt	-	-	-	-
Increase (decrease) revenue - gain (loss) on disposal of tangible capital assets	(15,590)	-	(15,590)	(115,381)
Decrease revenue - proceeds on disposal of tangible capital assets	(22,101)	-	(22,101)	(201,225)
Increase revenue - donated tangible capital assets	218,600	-	218,600	-
Eliminate expense - acquisitions of tangible capital assets	1,294,178	34,777	1,328,955	618,579
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 1,388,209	\$ 39,412	\$ 1,427,621	\$ 658,534