

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2019**

Rural Municipality of St Francois Xavier  
1060 Hwy #26  
St. Francois Xavier, Manitoba  
R4L 1A5

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of St Francois Xavier 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 of 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.

Reid & Miller Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Reeve and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.



Shelley Jensen  
CAO

## **Independent Auditors' Report**

To the Reeve and members of Council of the  
Rural Municipality of St Francois Xavier

### **Opinion**

We have audited the accompanying consolidated financial statements of the Rural Municipality of St Francois Xavier, which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of operations, cash flows and change in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of St Francois Xavier as at December 31, 2019, and the results of its operations and its consolidated 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 Auditors' Responsibilities for the Audit of the consolidated 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

In preparing the consolidated financial statements, management is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rural Municipality of St Francois Xavier'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 St Francois Xavier'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Rural Municipality of St Francois Xavier to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

August 31, 2020  
Winnipeg, Manitoba

*Reid & Miller*  
Chartered Professional Accountants Inc.

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2019**

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**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As at December 31, 2019**

|   | 2019<br>Actual<br>\$ | 2018<br>Actual<br>\$ |
|---|----------------------|----------------------|
| <b>FINANCIAL ASSETS</b>                           |                      |                      |
| Cash and temporary investments (note 3)           | 3,599,297            | 2,928,987            |
| Accounts receivable (note 4)                      | 952,502              | 459,051              |
| Portfolio investments (note 5)                    | 155,930              | 167,090              |
|   | <u>4,707,729</u>     | <u>3,555,128</u>     |
| <b>LIABILITIES</b>                                |                      |                      |
| Accounts payable and accrued liabilities (note 9) | 3,324,142            | 2,412,506            |
| Long-term debt (note 10)                          | 446,151              | 502,647              |
|   | <u>3,770,293</u>     | <u>2,915,153</u>     |
| <b>NET FINANCIAL ASSETS</b>                       | <u>937,436</u>       | <u>639,975</u>       |
| <b>NON-FINANCIAL ASSETS</b>                       |                      |                      |
| Tangible capital assets (schedule 1)              | 15,205,854           | 14,632,326           |
| Inventories (note 6)                              | 52,597               | 46,761               |
| Prepaid expenses (note 7)                         | 12,667               | 31,041               |
|   | <u>15,271,118</u>    | <u>14,710,128</u>    |
| <b>ACCUMULATED SURPLUS (note 19)</b>              | <u>16,208,554</u>    | <u>15,350,103</u>    |

**Approved on Behalf of the Council**

  
 \_\_\_\_\_ Reeve

  
 \_\_\_\_\_ Councillor

The accompanying notes are an integral part of these financial statements

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER****CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2019**

|  | 2019<br>Budget<br>\$ | 2019<br>Actual<br>\$ | 2018<br>Actual<br>\$ |
|--|----------------------|----------------------|----------------------|
| <b>REVENUE</b>                                   |                      |                      |                      |
| Property taxes                                   | 1,288,377            | 1,301,897            | 1,251,151            |
| Grants in lieu of taxation                       | 9,226                | 9,226                | 9,135                |
| User fees  | 67,967               | 71,182               | 88,154               |
| Grants - Province of Manitoba                    | 114,784              | 118,793              | 98,514               |
| Grants - Other                                   | 79,010               | 154,454              | 93,157               |
| Permits, licences and fees                       | 10,000               | 31,725               | 8,903                |
| Investment revenue                               | 13,000               | 81,041               | 64,722               |
| Other revenue                                    | 19,803               | 36,139               | 22,097               |
| Water and sewer                                  | 734,180              | 1,340,293            | 905,550              |
| Total revenue <i>(schedules 2, 4 and 5)</i>      | <u>2,336,347</u>     | <u>3,144,750</u>     | <u>2,541,383</u>     |
| <b>EXPENSES</b>                                  |                      |                      |                      |
| General government services                      | 491,134              | 478,665              | 475,395              |
| Protective services                              | 193,600              | 155,607              | 158,164              |
| Transportation services                          | 464,134              | 444,832              | 422,224              |
| Environmental health services                    | 99,150               | 91,089               | 83,974               |
| Public health and welfare services               | 905                  | 905                  | 905                  |
| Regional planning and development                | 87,442               | 89,161               | 94,288               |
| Resource conservation and industrial development | 71,670               | 40,010               | 49,710               |
| Recreation and cultural services                 | 40,050               | 59,037               | 33,155               |
| Water and sewer                                  | 810,251              | 926,993              | 896,509              |
| Total expenses <i>(schedules 3, 4 and 5)</i>     | <u>2,258,336</u>     | <u>2,286,299</u>     | <u>2,214,324</u>     |
| <b>ANNUAL SURPLUS</b>                            | 78,011               | 858,451              | 327,059              |
| <b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>    | <u>15,350,103</u>    | <u>15,350,103</u>    | <u>15,023,044</u>    |
| <b>ACCUMULATED SURPLUS, END OF YEAR</b>          | <u>15,428,114</u>    | <u>16,208,554</u>    | <u>15,350,103</u>    |

The accompanying notes are an integral part of these financial statements

Reid &amp; Miller Chartered Professional Accountants Inc.

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2019**

|   | 2019<br>Budget<br>\$  | 2019<br>Actual<br>\$  | 2018<br>Actual<br>\$  |
|---|-----------------------|-----------------------|-----------------------|
| <b>ANNUAL SURPLUS</b>                           | <u>78,011</u>         | <u>858,451</u>        | <u>327,059</u>        |
| Acquisition of tangible capital assets          | (68,224)              | (935,899)             | (364,154)             |
| Proceeds on disposal of tangible capital assets | -                     | 3,786                 | 25                    |
| Amortization of tangible capital assets         | 292,100               | 362,371               | 410,903               |
| Gain on sale of tangible capital assets         | -                     | (3,786)               | (25)                  |
| Increase in inventories                         | -                     | (5,836)               | (10,175)              |
| Decrease in prepaid expense                     | -                     | <u>18,374</u>         | <u>(2,750)</u>        |
| <b>CHANGE IN NET FINANCIAL ASSETS</b>           | <b>301,887</b>        | <b>297,461</b>        | <b>360,883</b>        |
| <b>NET FINANCIAL ASSETS BEGINNING OF YEAR</b>   | <u>639,975</u>        | <u>639,975</u>        | <u>279,092</u>        |
| <b>NET FINANCIAL ASSETS END OF YEAR</b>         | <u><u>941,862</u></u> | <u><u>937,436</u></u> | <u><u>639,975</u></u> |

The accompanying notes are an integral part of these financial statements



**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER****CONSOLIDATED STATEMENT OF CASH FLOWS**

For the Year Ended December 31, 2019

|   | 2019<br>Actual<br>\$           | 2018<br>Actual<br>\$           |
|---|--------------------------------|--------------------------------|
| <b>CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES</b>                     |                                |                                |
| <b>OPERATING TRANSACTIONS</b>   |                                |                                |
| Annual surplus  | 858,451                        | 327,059                        |
| Changes in non-cash items:  |                                |                                |
| Amortization  | 362,371                        | 410,903                        |
| Gain on disposal of tangible capital assets                                     | <u>(3,786)</u>                 | <u>(25)</u>                    |
|   | 1,217,036                      | 737,937                        |
| <br>  |                                |                                |
| Net changes in non-cash working capital affecting operations ( <i>note 22</i> ) | <u>430,723</u>                 | <u>342,718</u>                 |
|   | <u>1,647,759</u>               | <u>1,080,655</u>               |
| <b>CAPITAL TRANSACTIONS</b>   |                                |                                |
| Proceeds from sale of tangible capital assets                                   | 3,786                          | 25                             |
| Cash used to acquire tangible capital assets                                    | <u>(935,899)</u>               | <u>(364,154)</u>               |
|   | <u>(932,113)</u>               | <u>(364,129)</u>               |
| <b>INVESTING</b>  |                                |                                |
| Proceeds on sale of portfolio investments                                       | 11,160                         | 10,529                         |
| <b>FINANCING</b>  |                                |                                |
| Reduction in long-term debt   | <u>(56,496)</u>                | <u>(75,133)</u>                |
| <br>  |                                |                                |
| <b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>                               | <b>670,310</b>                 | <b>651,922</b>                 |
| <br>  |                                |                                |
| <b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>                        | <u><b>2,928,987</b></u>        | <u><b>2,277,065</b></u>        |
| <br>  |                                |                                |
| <b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>                              | <u><u><b>3,599,297</b></u></u> | <u><u><b>2,928,987</b></u></u> |
| <br><b>CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:</b>                    |                                |                                |
| Cash  | 825,078                        | 904,376                        |
| Temporary investments   | 980,829                        | 957,840                        |
| Internally restricted cash  | 1,273,252                      | 792,830                        |
| Externally restricted cash  | <u>520,138</u>                 | <u>273,941</u>                 |
|   | <u><u>3,599,297</u></u>        | <u><u>2,928,987</u></u>        |

The accompanying notes are an integral part of these financial statements

Reid &amp; Miller Chartered Professional Accountants Inc.

# RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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### 1. STATUS OF THE RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

The incorporated Rural Municipality of St Francois Xavier is a municipal government that was created on February 14, 1880 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, 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 Canadian 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 Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

|                                      | Consolidated |             |
|--------------------------------------|--------------|-------------|
|                                      | <u>2019</u>  | <u>2018</u> |
| Cartier Regional Water Co-op Inc     | 14.29 %      | 14.29 %     |
| White Horse Plains Planning District | 50.00 %      | 50.00 %     |

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

# RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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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 Schedule 7 - Schedule of Trust Funds.

**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) INVESTMENTS**

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

Portfolio investments are accounted for at cost.

**e) 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.

**f) 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.

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2019**

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**g) 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.

**h) 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 interest charges as part of the cost of its tangible capital assets.

**General Tangible Capital Assets**

|                                      |                |
|--------------------------------------|----------------|
| Land and land improvements           | Indefinite     |
| Buildings and leasehold improvements | 10 to 40 years |
| Vehicles and equipment               |                |
| Vehicles                             | 10 to 20 years |
| Machinery and equipment              | 10 to 20 years |
| Computer hardware and software       | 4 to 10 years  |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

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**Infrastructure Assets**

Roads, Streets, and Bridges

|                              |                |
|------------------------------|----------------|
| Land                         | Indefinite     |
| Road surface                 | 25 to 40 years |
| Road grade                   | 40 Years       |
| Traffic lights and equipment | 10 years       |
| Land                         | Indefinite     |
| Land improvements            | 30 to 50 years |
| Underground networks         | 40 to 60 years |
| Machinery & equipment        | 10 to 20 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.

**i) 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.

**j) 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 ST FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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### k) 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, 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.

### l) MEASUREMENT UNCERTAINTY

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued amounts 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 ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2019

**3. CASH AND TEMPORARY INVESTMENTS**

Cash and temporary investments are comprised of the following:

|                            | <u>2019</u>             | <u>2018</u>             |
|----------------------------|-------------------------|-------------------------|
|                            | \$                      | \$                      |
| Cash                       | 825,078                 | 904,376                 |
| Temporary investments      | 980,829                 | 957,840                 |
| Internally restricted cash | 1,273,252               | 792,830                 |
| Externally restricted cash | <u>520,138</u>          | <u>273,941</u>          |
|                            | <u><u>3,599,297</u></u> | <u><u>2,928,987</u></u> |

Temporary investments are comprised of term deposits and have a market value approximating cost.

**4. ACCOUNTS RECEIVABLE**

Amounts receivable are valued at their net realizable value.

|                                   | <u>2019</u>           | <u>2018</u>           |
|-----------------------------------|-----------------------|-----------------------|
|                                   | \$                    | \$                    |
| Tax assets ( <i>schedule 10</i> ) | 185,352               | 165,377               |
| Government grants and receivables | 537,776               | 96,453                |
| Utility customers                 | 79,426                | 88,687                |
| Organizations and individuals     | 51,049                | 11,235                |
| Other governments                 | 104,815               | 107,221               |
| Other                             | <u>3,000</u>          | <u>-</u>              |
|                                   | 961,418               | 468,973               |
| Allowance for doubtful accounts   | <u>(8,916)</u>        | <u>(9,922)</u>        |
|                                   | <u><u>952,502</u></u> | <u><u>459,051</u></u> |

**5. PORTFOLIO INVESTMENTS**

|  | <u>2019</u>           | <u>2018</u>           |
|--|-----------------------|-----------------------|
|  | \$                    | \$                    |
| Marketable securities  |                       |                       |
| Municipal debenture, bearing interest at 6.000% with principal and interest payments paid annually, due December 31, 2029. | 78,286                | 83,889                |
| Municipal debenture, bearing interest at 6.000% with principal and interest payments paid annually, due December 31, 2029. | <u>77,644</u>         | <u>83,201</u>         |
|  | <u><u>155,930</u></u> | <u><u>167,090</u></u> |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2019

**6. INVENTORIES**

|                   | <u>2019</u>   | <u>2018</u>   |
|-------------------|---------------|---------------|
|                   | \$            | \$            |
| Gravel            | 10,620        | 12,255        |
| Culverts          | 1,942         | 1,057         |
| Fuel              | 4,285         | 3,821         |
| Chemicals (other) | 13,145        | 11,685        |
| Other             | 22,605        | 17,943        |
|                   | <u>52,597</u> | <u>46,761</u> |

**7. PREPAID EXPENSES**

|                   | <u>2019</u>   | <u>2018</u>   |
|-------------------|---------------|---------------|
|                   | \$            | \$            |
| Insurance         | 8,405         | 7,811         |
| Vehicle insurance | 84            | 109           |
| Other             | 4,178         | 23,121        |
|                   | <u>12,667</u> | <u>31,041</u> |

**8. BANK INDEBTEDNESS**

The Municipality has an authorized line of credit of a maximum of \$500,000 bearing interest at a rate of 4.1%.  
As at December 31, 2019 the balance owing was \$ nil (2018 - \$ nil ).

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

|                     | <u>2019</u>      | <u>2018</u>      |
|---------------------|------------------|------------------|
|                     | \$               | \$               |
| Trade payables      | 675,946          | 2,115,182        |
| Government payables | 2,366,748        | 77,166           |
| Accrued expenses    | 40,849           | 42,271           |
| School levies       | 117,116          | 89,089           |
| Deposits            | 116,449          | 80,224           |
| Other               | 7,034            | 8,574            |
|                     | <u>3,324,142</u> | <u>2,412,506</u> |



**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2019**

**10. LONG-TERM DEBT**

|  | <u>2019</u>    | <u>2018</u>    |
|--|----------------|----------------|
|  | \$             | \$             |
| <b>General Authority:</b>  |                |                |
| Municipal debenture payable in annual instalments of \$25,466 including interest at 5.375%, due December 31, 2021. | <u>47,101</u>  | <u>68,865</u>  |
|  | <u>47,101</u>  | <u>68,865</u>  |
| <b>Utility Funds:</b>  |                |                |
| Municipal debenture payable in annual instalments of \$36,927 including interest at 5.625%, due December 31, 2027. | 232,748        | 255,314        |
| Municipal debenture payable in annual instalments of \$1,646 including interest at 5.625%, due December 31, 2027.  | 10,372         | 11,378         |
| Municipal debenture payable in annual instalments of \$21,186 including interest at 6.000%, due December 31, 2029. | <u>155,930</u> | <u>167,090</u> |
|  | <u>399,050</u> | <u>433,782</u> |
|  | <u>446,151</u> | <u>502,647</u> |

Estimated principal repayments for the next five years are as follows:

|      |        |
|------|--------|
| 2020 | 56,495 |
| 2021 | 59,661 |
| 2022 | 63,004 |
| 2023 | 41,068 |
| 2024 | 43,428 |

**Schedule of Debenture Pending**

| <u>Authority</u> | <u>Purpose</u>                      | <u>Amount Authorized</u> |
|------------------|-------------------------------------|--------------------------|
| By-law 5-2019    | Construction of a Broadband Network | 3,300,000                |

**11. DEBT CHARGES - FRONTAGE**

| <u>Purpose and By-law</u>     | <u>2019</u>   | <u>2018</u>   |
|-------------------------------|---------------|---------------|
|                               | Levy          | Levy          |
|                               | \$            | \$            |
| Water and Sewer Bylaw 7-2005A | 38,572        | 38,572        |
| Water and Sewer Bylaw 7-2005B | <u>21,186</u> | <u>21,186</u> |
|                               | <u>59,758</u> | <u>59,758</u> |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**12. DEBT CHARGES - AT LARGE**

| <b>Purpose and By-law</b>          | <b>Assessment</b> | <b>Mill Rate</b> | <b>2019<br/>Levy</b> | <b>2018<br/>Levy</b> |
|------------------------------------|-------------------|------------------|----------------------|----------------------|
|                                    |                   |                  | <b>\$</b>            | <b>\$</b>            |
| Public Works Building ByLaw 3-2007 | 127,780,990       | 0.198            | 25,301               | 25,281               |
| Fire Vehicles By-law 2-2008        |                   |                  | -                    | 22,613               |
|                                    |                   |                  | <u>25,301</u>        | <u>47,894</u>        |

**13. RESERVES**

| <b>Purpose and By-law</b>            | <b>Assessment</b> | <b>Mill Rate</b> | <b>2019<br/>Levy</b> | <b>2018<br/>Levy</b> |
|--------------------------------------|-------------------|------------------|----------------------|----------------------|
|                                      |                   |                  | <b>\$</b>            | <b>\$</b>            |
| General Reserve                      | 127,780,990       | 0.078            | 9,967                | 9,909                |
| Public Works and Environment Reserve | 127,780,990       | 0.504            | 64,402               | 64,536               |
| Protective Services Reserve          | 127,780,990       | 0.233            | 29,773               | 29,854               |
| Recreation and Culture Reserve       | 127,780,990       | 0.125            | 15,973               | 15,880               |
| Buildings and Land Reserve           | 127,780,990       | 0.171            | 21,851               | 21,851               |
|                                      |                   |                  | <u>141,966</u>       | <u>142,030</u>       |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

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**14. 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 Canadian Institute of Chartered Accountants 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 are expected to be \$25,331 (2018 - \$23,500) 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, 2018 indicated the plan was 101.3% funded on a going concern basis and had an unfunded solvency liability of \$229.8 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, 2018.

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.

**15. 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 ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

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**16. 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 9 - Reconciliation of the Financial Plan to the Budget*.

The budget numbers are unaudited and, accordingly, I express no assurance in respect to the budget.

**17. SEGMENTED INFORMATION**

The Rural Municipality of St Francois Xavier 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.

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2019

**18. GOVERNMENT PARTNERSHIPS**

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note . The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

|                             | <u>2019</u>              | <u>2018</u>              |
|-----------------------------|--------------------------|--------------------------|
|                             | \$                       | \$                       |
| <b>Financial Position</b>   |                          |                          |
| Financial Assets            | 4,340,987                | 816,396                  |
| Liabilities                 | <u>20,836,057</u>        | <u>14,794,807</u>        |
|                             | <u>(16,495,070)</u>      | <u>(13,978,411)</u>      |
| Non-financial Assets        | <u>65,898,929</u>        | <u>60,157,107</u>        |
| Accumulated Surplus         | <u><u>49,403,859</u></u> | <u><u>46,178,696</u></u> |
| <br>                        |                          |                          |
| <b>Result of Operations</b> |                          |                          |
| Revenue                     | 7,264,600                | 4,180,500                |
| Expenses                    | <u>4,039,438</u>         | <u>3,964,781</u>         |
| Annual Surplus              | <u><u>3,225,162</u></u>  | <u><u>215,719</u></u>    |

**19. ACCUMULATED SURPLUS**

|  | <u>2019</u>              | <u>2018</u>              |
|--|--------------------------|--------------------------|
|  | \$                       | \$                       |
| Accumulated surplus consists of the following:                               |                          |                          |
| General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets  | 1,116,189                | 1,081,826                |
| Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets | <u>(9,201,029)</u>       | <u>(8,445,155)</u>       |
| General Operating Tangible Capital Assets, net of related borrowings         | 2,440,787                | 2,568,619                |
| Tangible Capital Assets, net of related borrowings                           | 12,318,916               | 11,561,060               |
| Reserve Funds  | <u>2,614,602</u>         | <u>2,116,595</u>         |
| Accumulated surplus of municipality unconsolidated                           | <u>9,289,465</u>         | <u>8,882,945</u>         |
| Accumulated surpluses of consolidated government partnerships                | <u>6,919,089</u>         | <u>6,467,158</u>         |
| Accumulated Surplus per Statement of Financial Position                      | <u><u>16,208,554</u></u> | <u><u>15,350,103</u></u> |

The prior year consolidated operations have been restated for the consolidated entity increasing the consolidated net income of the prior year by \$101,578. The restatement has no effect on the Core Government financial position or operations.

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2019

**20. 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 in exceeding \$75,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2019:

- (a) Compensation paid to members of council amounted to \$59,700 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$75,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

| Council Member | Compensation | Expenses | Total  |
|----------------|--------------|----------|--------|
| Matt Janzen    | 11,319       | 432      | 11,751 |
| Delmer Nott    | 11,039       | 1,496    | 12,535 |
| Jim Proulx     | 11,564       | 654      | 12,218 |
| Barry Straub   | 12,527       | 428      | 12,955 |
| Rick Van Wyk   | 13,251       | 718      | 13,969 |
|                | 59,700       | 3,728    | 63,428 |

- (c) There were no officers or employees receiving compensation in excess of \$75,000

**21. PUBLIC UTILITY 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 does not have any capital grants that require deferral.

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

| Sewer Services:                           |                                   |                          |                             | Unamortized       |
|---|-----------------------------------|--------------------------|-----------------------------|-------------------|
| Description of Utility                    | Unamortized<br>Opening<br>Balance | Additions<br>During Year | Amortization<br>During Year | Ending<br>Balance |
| St Francois Xavier Utility Operating Fund | 358,538                           | -                        | 9,435                       | 349,103           |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2019**

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**22. CHANGES IN WORKING CAPITAL**

|  | <u>2019</u>    | <u>2018</u>    |
|--|----------------|----------------|
|  | \$             | \$             |
| Net changes in non-cash working capital affecting operations |                |                |
| Accounts receivable  | (493,451)      | 198,657        |
| Inventories  | (5,836)        | (10,175)       |
| Prepaid expenses   | 18,374         | (2,750)        |
| Accounts payable and accrued liabilities                     | 911,636        | 156,986        |
|  | <u>430,723</u> | <u>342,718</u> |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**For the Year Ended December 31, 2019**

Schedule 1

|                                 | General Capital Assets     |                                      |                        |                                | Infrastructure            |                             |                 | 2019                      | 2018       |            |
|---------------------------------|----------------------------|--------------------------------------|------------------------|--------------------------------|---------------------------|-----------------------------|-----------------|---------------------------|------------|------------|
|                                 | Land and Land Improvements | Buildings and Leasehold Improvements | Vehicles and Equipment | Computer Hardware and Software | Assets under Construction | Roads, Streets, and Bridges | Water and Sewer | Assets under Construction | Actual     | Actual     |
| <b>Cost</b>                     |                            |                                      |                        |                                |                           |                             |                 |                           |            |            |
| Balance, beginning of year      | 2,149,301                  | 808,005                              | 1,778,826              | 63,633                         | -                         | 530,290                     | 14,316,119      | -                         | 19,646,174 | 19,282,020 |
| Asset purchases                 | 2,782                      | -                                    | 20,125                 | 12,304                         | -                         | 4,565                       | 896,123         | -                         | 935,899    | 364,154    |
| Disposals and write downs       | -                          | -                                    | 6,289                  | -                              | -                         | -                           | -               | -                         | 6,289      | -          |
| Balance, end of year            | 2,152,083                  | 808,005                              | 1,792,662              | 75,937                         | -                         | 534,855                     | 15,212,242      | -                         | 20,575,784 | 19,646,174 |
| <b>Accumulated Amortization</b> |                            |                                      |                        |                                |                           |                             |                 |                           |            |            |
| Balance, beginning of year      | 947,234                    | 485,225                              | 942,613                | 55,950                         | -                         | 261,549                     | 2,321,277       | -                         | 5,013,848  | 4,602,945  |
| Amortization                    | 35,578                     | 18,889                               | 114,484                | 4,238                          | -                         | 16,183                      | 172,999         | -                         | 362,371    | 410,903    |
| Disposals and write downs       | -                          | -                                    | 6,289                  | -                              | -                         | -                           | -               | -                         | 6,289      | -          |
| Balance, end of year            | 982,812                    | 504,114                              | 1,050,808              | 60,188                         | -                         | 277,732                     | 2,494,276       | -                         | 5,369,930  | 5,013,848  |
| Net book value                  | 1,169,271                  | 303,891                              | 741,854                | 15,749                         | -                         | 257,123                     | 12,717,966      | -                         | 15,205,854 | 14,632,326 |



**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**

**Schedule 2**

**CONSOLIDATED SCHEDULE OF REVENUES**

**For the Year Ended December 31, 2019**

|   | 2019<br>Budget<br>\$    | 2019<br>Actual<br>\$    | 2018<br>Actual<br>\$    |
|---|-------------------------|-------------------------|-------------------------|
| <b>PROPERTY TAXES</b>                         |                         |                         |                         |
| Municipal taxes levied ( <i>schedule 11</i> ) | 1,248,377               | 1,248,377               | 1,229,784               |
| Taxes added                                   | 40,000                  | 53,520                  | 21,367                  |
|   | <u>1,288,377</u>        | <u>1,301,897</u>        | <u>1,251,151</u>        |
| <b>GRANTS IN LIEU OF TAXATION</b>             |                         |                         |                         |
| Provincial government                         | 3,537                   | 3,537                   | 3,502                   |
| Provincial government enterprises             | 5,689                   | 5,689                   | 5,633                   |
|   | <u>9,226</u>            | <u>9,226</u>            | <u>9,135</u>            |
| <b>USER FEES</b>                              |                         |                         |                         |
| Sales of service                              | 67,967                  | 71,182                  | 88,154                  |
| <b>GRANTS - PROVINCE OF MANITOBA</b>          |                         |                         |                         |
| General assistance payment                    | 114,784                 | 114,784                 | 77,296                  |
| Conditional grants                            | -                       | 4,009                   | 21,218                  |
|   | <u>114,784</u>          | <u>118,793</u>          | <u>98,514</u>           |
| <b>GRANTS - OTHER</b>                         |                         |                         |                         |
| Federal government - gas tax funding          | 75,935                  | 151,354                 | 70,157                  |
| Federal government - other                    | -                       | -                       | 20,000                  |
| Other local governments                       | 3,075                   | 3,100                   | 3,000                   |
|   | <u>79,010</u>           | <u>154,454</u>          | <u>93,157</u>           |
| <b>PERMITS, LICENCES AND FEES</b>             |                         |                         |                         |
| Permits                                       | 10,000                  | 31,260                  | 8,308                   |
| Licences                                      | -                       | 465                     | 595                     |
|   | <u>10,000</u>           | <u>31,725</u>           | <u>8,903</u>            |
| <b>INVESTMENT REVENUE</b>                     |                         |                         |                         |
| Interest                                      | 13,000                  | 80,900                  | 64,719                  |
| Other interest                                | -                       | 141                     | 3                       |
|   | <u>13,000</u>           | <u>81,041</u>           | <u>64,722</u>           |
| <b>OTHER REVENUE</b>                          |                         |                         |                         |
| Gain on sale of tangible capital assets       | -                       | 3,786                   | 25                      |
| Miscellaneous                                 | 4,803                   | 9,444                   | 6,973                   |
| Penalties and interest                        | 15,000                  | 22,909                  | 15,099                  |
|   | <u>19,803</u>           | <u>36,139</u>           | <u>22,097</u>           |
| <b>WATER AND SEWER</b>                        |                         |                         |                         |
| Municipal utility ( <i>schedule 8</i> )       | 313,600                 | 326,288                 | 321,461                 |
| Consolidated water co-operatives              | 420,580                 | 1,014,005               | 584,089                 |
|   | <u>734,180</u>          | <u>1,340,293</u>        | <u>905,550</u>          |
| <b>TOTAL REVENUE</b>                          | <u><u>2,336,347</u></u> | <u><u>3,144,750</u></u> | <u><u>2,541,383</u></u> |

## CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2019

|   | 2019<br>Budget<br>\$ | 2019<br>Actual<br>\$ | 2018<br>Actual<br>\$ |
|---|----------------------|----------------------|----------------------|
| <b>GENERAL GOVERNMENT SERVICES</b>                      |                      |                      |                      |
| Legislative   | 75,450               | 65,302               | 49,804               |
| General administrative                                  | 415,684              | 413,363              | 425,591              |
|   | <u>491,134</u>       | <u>478,665</u>       | <u>475,395</u>       |
| <b>PROTECTIVE SERVICES</b>                              |                      |                      |                      |
| Fire  | 157,975              | 133,882              | 148,446              |
| Emergency measures                                      | 35,625               | 21,725               | 9,718                |
|   | <u>193,600</u>       | <u>155,607</u>       | <u>158,164</u>       |
| <b>TRANSPORTATION SERVICES</b>                          |                      |                      |                      |
| Road transport  |                      |                      |                      |
| Administration and engineering                          | 13,000               | 13,018               | 12,682               |
| Road and street maintenance                             | 416,734              | 399,866              | 377,412              |
| Sidewalk and boulevard maintenance                      | 1,000                | -                    | -                    |
| Street lighting   | 16,300               | 16,254               | 15,845               |
| Traffic services  | 2,000                | 619                  | 1,005                |
| Other   | 15,100               | 15,075               | 15,280               |
|   | <u>464,134</u>       | <u>444,832</u>       | <u>422,224</u>       |
| <b>ENVIRONMENTAL HEALTH SERVICES</b>                    |                      |                      |                      |
| Waste collection and disposal                           | 99,150               | 60,675               | 58,118               |
| Recycling   | -                    | 30,176               | 25,238               |
| Lagoons and wells                                       | -                    | 238                  | 618                  |
|   | <u>99,150</u>        | <u>91,089</u>        | <u>83,974</u>        |
| <b>PUBLIC HEALTH AND WELFARE SERVICES</b>               |                      |                      |                      |
| Social assistance                                       | 905                  | 905                  | 905                  |
| <b>REGIONAL PLANNING AND DEVELOPMENT</b>                |                      |                      |                      |
| Planning and zoning                                     | 83,442               | 84,597               | 70,894               |
| Urban renewal   | 4,000                | 4,564                | 23,394               |
|   | <u>87,442</u>        | <u>89,161</u>        | <u>94,288</u>        |
| <b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b> |                      |                      |                      |
| Rural area weed control                                 | -                    | 810                  | 120                  |
| Drainage of land  | 65,450               | 35,297               | 45,699               |
| Pest control  | 6,220                | 3,903                | 3,891                |
|   | <u>71,670</u>        | <u>40,010</u>        | <u>49,710</u>        |
| <b>RECREATION AND CULTURAL SERVICES</b>                 |                      |                      |                      |
| Administration  | 8,500                | 3,195                | 8,918                |
| Community centers and halls                             | 13,000               | 47,599               | 13,503               |
| Parks and playgrounds                                   | 16,750               | 6,263                | 9,304                |
| Libraries   | 1,800                | 1,980                | 1,430                |
|   | <u>40,050</u>        | <u>59,037</u>        | <u>33,155</u>        |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER****Schedule 3****CONSOLIDATED SCHEDULE OF EXPENSES****For the Year Ended December 31, 2019**

|   | <b>2019</b>             | <b>2019</b>             | <b>2018</b>             |
|---|-------------------------|-------------------------|-------------------------|
|   | <b>Budget</b>           | <b>Actual</b>           | <b>Actual</b>           |
|   | <b>\$</b>               | <b>\$</b>               | <b>\$</b>               |
| <b>WATER AND SEWER</b>                  |                         |                         |                         |
| Municipal utility ( <i>schedule 8</i> ) | <b>403,100</b>          | <b>362,564</b>          | <b>343,211</b>          |
| Consolidated water co-operatives        | <b>407,151</b>          | <b>564,429</b>          | <b>553,298</b>          |
|   | <b><u>810,251</u></b>   | <b><u>926,993</u></b>   | <b><u>896,509</u></b>   |
| <b>TOTAL EXPENSES</b>                   | <b><u>2,258,336</u></b> | <b><u>2,286,299</u></b> | <b><u>2,214,324</u></b> |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM**

Schedule 4

For the Year Ended December 31, 2019

|                                  | General Government* |                  | Protective Services |                  | Transportation Services |                  | Environmental Health Services |                 | Public Health and Welfare Services |              |
|----------------------------------|---------------------|------------------|---------------------|------------------|-------------------------|------------------|-------------------------------|-----------------|------------------------------------|--------------|
|                                  | 2019                | 2018             | 2019                | 2018             | 2019                    | 2018             | 2019                          | 2018            | 2019                               | 2018         |
|                                  | \$                  | \$               | \$                  | \$               | \$                      | \$               | \$                            | \$              | \$                                 | \$           |
| <b>REVENUE</b>                   |                     |                  |                     |                  |                         |                  |                               |                 |                                    |              |
| Property taxes                   | 1,301,897           | 1,251,151        | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Grants in lieu of taxation       | 9,226               | 9,135            | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| User fees                        | 3,168               | 2,165            | 1,733               | 5,720            | 1,323                   | 50               | 31,232                        | 28,236          | -                                  | -            |
| Grants - Province of Manitoba    | 118,793             | 97,296           | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Grants - Other                   | 151,354             | 90,157           | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Permits, licences and fees       | -                   | -                | -                   | -                | -                       | -                | 465                           | 595             | -                                  | -            |
| Investment revenue               | 81,041              | 64,722           | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Other revenue                    | 34,353              | 22,097           | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Water and sewer                  | -                   | -                | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Consolidated water co-operatives | -                   | -                | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| <b>Total revenue</b>             | <b>1,699,832</b>    | <b>1,536,723</b> | <b>1,733</b>        | <b>5,720</b>     | <b>1,323</b>            | <b>50</b>        | <b>31,697</b>                 | <b>28,831</b>   | <b>-</b>                           | <b>-</b>     |
| <b>EXPENSES</b>                  |                     |                  |                     |                  |                         |                  |                               |                 |                                    |              |
| Personnel services               | 285,210             | 287,565          | 33,503              | 42,156           | 122,993                 | 128,395          | 13,311                        | 14,065          | -                                  | -            |
| Contract services                | 47,912              | 44,259           | 18,225              | 17,610           | 19,559                  | 16,755           | 70,279                        | 63,648          | 905                                | 905          |
| Utilities                        | 11,133              | 10,496           | 11,466              | 11,641           | 3,184                   | 2,665            | -                             | -               | -                                  | -            |
| Maintenance materials & supplies | 115,056             | 110,689          | 40,889              | 34,033           | 184,842                 | 150,655          | 850                           | 132             | -                                  | -            |
| Grants & contributions           | 675                 | 525              | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Amortization                     | 18,304              | 21,218           | 51,524              | 51,534           | 110,552                 | 118,942          | 6,649                         | 6,129           | -                                  | -            |
| Interest on long term debt       | -                   | -                | -                   | 1,190            | 3,702                   | 4,812            | -                             | -               | -                                  | -            |
| Other operating expense          | 375                 | 643              | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| Other operating expense          | -                   | -                | -                   | -                | -                       | -                | -                             | -               | -                                  | -            |
| <b>Total expenses</b>            | <b>478,665</b>      | <b>475,395</b>   | <b>155,607</b>      | <b>158,164</b>   | <b>444,832</b>          | <b>422,224</b>   | <b>91,089</b>                 | <b>83,974</b>   | <b>905</b>                         | <b>905</b>   |
| <b>SURPLUS (DEFICIT)</b>         | <b>1,221,167</b>    | <b>1,061,328</b> | <b>(153,874)</b>    | <b>(152,444)</b> | <b>(443,509)</b>        | <b>(422,174)</b> | <b>(59,392)</b>               | <b>(55,143)</b> | <b>(905)</b>                       | <b>(905)</b> |

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

## RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

Schedule 4

## CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2019

|                                  | Regional Planning<br>and Development |                 | Resource Conservation<br>and Industrial Dev |                 | Recreation and<br>Cultural Services |                 | Water and<br>Sewer Services |                | Total            |                  |
|----------------------------------|--------------------------------------|-----------------|---|-----------------|-------------------------------------|-----------------|-----------------------------|----------------|------------------|------------------|
|                                  | 2019                                 | 2018            | 2019  | 2018            | 2019                                | 2018            | 2019                        | 2018           | 2019             | 2018             |
|                                  | \$                                   | \$              | \$  | \$              | \$                                  | \$              | \$                          | \$             | \$               | \$               |
| <b>REVENUE</b>                   |                                      |                 |   |                 |                                     |                 |                             |                |                  |                  |
| Property taxes                   | -                                    | -               | -   | -               | -                                   | -               | -                           | -              | 1,301,897        | 1,251,151        |
| Grants in lieu of taxation       | -                                    | -               | -   | -               | -                                   | -               | -                           | -              | 9,226            | 9,135            |
| User fees                        | 18,026                               | 36,283          | -   | -               | -                                   | -               | 15,700                      | 15,700         | 71,182           | 88,154           |
| Grants - Province of Manitoba    | -                                    | 1,218           | -   | -               | -                                   | -               | -                           | -              | 118,793          | 98,514           |
| Grants - Other                   | 3,100                                | 3,000           | -   | -               | -                                   | -               | -                           | -              | 154,454          | 93,157           |
| Permits, licences and fees       | 31,260                               | 8,308           | -   | -               | -                                   | -               | -                           | -              | 31,725           | 8,903            |
| Investment revenue               | -                                    | -               | -   | -               | -                                   | -               | -                           | -              | 81,041           | 64,722           |
| Other revenue                    | -                                    | -               | -   | -               | -                                   | -               | 1,786                       | -              | 36,139           | 22,097           |
| Water and sewer                  | -                                    | -               | -   | -               | -                                   | -               | 326,288                     | 321,461        | 326,288          | 321,461          |
| Consolidated water co-operatives | -                                    | -               | -   | -               | -                                   | -               | 1,014,005                   | 584,089        | 1,014,005        | 584,089          |
| <b>Total revenue</b>             | <b>52,386</b>                        | <b>48,809</b>   | <b>-</b>                                    | <b>-</b>        | <b>-</b>                            | <b>-</b>        | <b>1,357,779</b>            | <b>921,250</b> | <b>3,144,750</b> | <b>2,541,383</b> |
| <b>EXPENSES</b>                  |                                      |                 |   |                 |                                     |                 |                             |                |                  |                  |
| Personnel services               | 67,731                               | 51,147          | -   | -               | -                                   | -               | 47,535                      | 40,733         | 678,809          | 671,352          |
| Contract services                | -                                    | 3,090           | 38,632                                      | 35,012          | 4,786                               | 4,493           | 39,281                      | 42,625         | 267,638          | 246,972          |
| Utilities                        | -                                    | -               | -   | -               | 2,257                               | 1,807           | -                           | -              | 107,210          | 94,336           |
| Maintenance materials & supplies | 16,709                               | 35,686          | 1,378                                       | 14,698          | 48,507                              | 21,730          | 145,631                     | 130,626        | 829,874          | 746,798          |
| Grants & contributions           | 4,721                                | 4,365           | -   | -               | 2,050                               | 2,959           | -                           | -              | 7,446            | 7,849            |
| Amortization                     | -                                    | -               | -   | -               | 1,437                               | 2,166           | 103,440                     | 102,313        | 362,371          | 410,903          |
| Interest on long term debt       | -                                    | -               | -   | -               | -                                   | -               | 25,027                      | 26,914         | 30,926           | 35,471           |
| Other operating expense          | -                                    | -               | -   | -               | -                                   | -               | -                           | -              | 375              | 643              |
| Other operating expense          | -                                    | -               | -   | -               | -                                   | -               | 1,650                       | -              | 1,650            | -                |
| <b>Total expenses</b>            | <b>89,161</b>                        | <b>94,288</b>   | <b>40,010</b>                               | <b>49,710</b>   | <b>59,037</b>                       | <b>33,155</b>   | <b>362,564</b>              | <b>343,211</b> | <b>2,286,299</b> | <b>2,214,324</b> |
| <b>SURPLUS (DEFICIT)</b>         | <b>(36,775)</b>                      | <b>(45,479)</b> | <b>(40,010)</b>                             | <b>(49,710)</b> | <b>(59,037)</b>                     | <b>(33,155)</b> | <b>995,215</b>              | <b>578,039</b> | <b>858,451</b>   | <b>327,059</b>   |

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

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**

**Schedule 5**

**CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS**

**For the Year Ended December 31, 2019**

|                                  | Core Government  |                  | Government Partnerships |                | Total            |                  |
|----------------------------------|------------------|------------------|-------------------------|----------------|------------------|------------------|
|                                  | 2019             | 2018             | 2019                    | 2018           | 2019             | 2018             |
|                                  | \$               | \$               | \$                      | \$             | \$               | \$               |
| <b>REVENUE</b>                   |                  |                  |                         |                |                  |                  |
| Property taxes                   | 1,301,897        | 1,251,151        | -                       | -              | 1,301,897        | 1,251,151        |
| Grants in lieu of taxation       | 9,226            | 9,135            | -                       | -              | 9,226            | 9,135            |
| User fees                        | 69,807           | 88,154           | 1,375                   | -              | 71,182           | 88,154           |
| Grants - Province of Manitoba    | 118,793          | 97,296           | -                       | 1,218          | 118,793          | 98,514           |
| Grants - Other                   | 151,354          | 90,157           | 3,100                   | 3,000          | 154,454          | 93,157           |
| Permits, licences and fees       | 31,725           | 8,903            | -                       | -              | 31,725           | 8,903            |
| Investment revenue               | 81,041           | 64,722           | -                       | -              | 81,041           | 64,722           |
| Other revenue                    | 34,353           | 22,097           | 1,786                   | -              | 36,139           | 22,097           |
| Water and sewer                  | 326,288          | 321,461          | -                       | -              | 326,288          | 321,461          |
| Consolidated water co-operatives | -                | -                | 1,014,005               | 584,089        | 1,014,005        | 584,089          |
| <b>Total revenue</b>             | <b>2,124,484</b> | <b>1,953,076</b> | <b>1,020,266</b>        | <b>588,307</b> | <b>3,144,750</b> | <b>2,541,383</b> |
| <b>EXPENSES</b>                  |                  |                  |                         |                |                  |                  |
| Personnel services               | 564,990          | 558,707          | 113,819                 | 112,645        | 678,809          | 671,352          |
| Contract services                | 239,579          | 225,307          | 28,059                  | 21,665         | 267,638          | 246,972          |
| Utilities                        | 28,040           | 26,609           | 79,170                  | 67,727         | 107,210          | 94,336           |
| Maintenance materials & supplies | 552,154          | 497,367          | 277,720                 | 249,431        | 829,874          | 746,798          |
| Grants & contributions           | 10,546           | 10,849           | (3,100)                 | (3,000)        | 7,446            | 7,849            |
| Amortization                     | 291,906          | 302,302          | 70,465                  | 108,601        | 362,371          | 410,903          |
| Interest on long term debt       | 28,729           | 32,916           | 2,197                   | 2,555          | 30,926           | 35,471           |
| Other operating expense          | 375              | 643              | -                       | -              | 375              | 643              |
| Other operating expense          | 1,650            | -                | -                       | -              | 1,650            | -                |
| <b>Total expenses</b>            | <b>1,717,969</b> | <b>1,654,700</b> | <b>568,330</b>          | <b>559,624</b> | <b>2,286,299</b> | <b>2,214,324</b> |
| <b>SURPLUS (DEFICIT)</b>         | <b>406,515</b>   | <b>298,376</b>   | <b>451,936</b>          | <b>28,683</b>  | <b>858,451</b>   | <b>327,059</b>   |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

Schedule 6

For the Year Ended December 31, 2019

|  | General Reserve | Public Works and Environmental Reserve | Protective Services Reserve | Fire Department Equipment Reserve | Gas Tax Reserve | Recreation and Culture Reserve | Buildings and Land Reserve |
|--|-----------------|--|-----------------------------|-----------------------------------|-----------------|--------------------------------|----------------------------|
|  | \$              | \$                                     | \$                          | \$                                | \$              | \$                             | \$                         |
| <b>FINANCIAL ASSETS</b>                |                 |  |                             |                                   |                 |                                |                            |
| Cash and temporary investments         | 652,547         | 258,470                                | 247,926                     | 66                                | 520,138         | 112,248                        | 300,886                    |
| Portfolio investments                  | 77,644          | -                                      | -                           | -                                 | -               | -                              | -                          |
| Due from other funds                   | -               | 127,500                                | -                           | 26,001                            | (19,065)        | (20,000)                       | -                          |
|  | <u>648,291</u>  | <u>385,970</u>                         | <u>247,926</u>              | <u>26,067</u>                     | <u>501,073</u>  | <u>92,248</u>                  | <u>300,886</u>             |
| <b>REVENUE</b>                         |                 |  |                             |                                   |                 |                                |                            |
| Investment revenue                     | <u>18,534</u>   | <u>4,189</u>                           | <u>4,931</u>                | <u>2</u>                          | <u>7,876</u>    | <u>1,077</u>                   | <u>6,404</u>               |
| <b>TRANSFERS</b>                       |                 |  |                             |                                   |                 |                                |                            |
| Transfers from operating fund          | 22,600          | 192,500                                | 30,000                      | (26,000)                          | 132,289         | (4,000)                        | 22,000                     |
| Transfer from reserve funds            | -               | -                                      | -                           | -                                 | -               | -                              | -                          |
|  | <u>22,600</u>   | <u>192,500</u>                         | <u>30,000</u>               | <u>26,000</u>                     | <u>132,289</u>  | <u>(4,000)</u>                 | <u>22,000</u>              |
| <b>CHANGE IN FUND BALANCES</b>         | <u>41,134</u>   | <u>196,689</u>                         | <u>34,931</u>               | <u>26,002</u>                     | <u>140,165</u>  | <u>(2,923)</u>                 | <u>28,404</u>              |
| <b>FUND SURPLUS, BEGINNING OF YEAR</b> | <u>607,157</u>  | <u>189,281</u>                         | <u>212,995</u>              | <u>65</u>                         | <u>360,908</u>  | <u>95,171</u>                  | <u>272,482</u>             |
| <b>FUND SURPLUS, END OF YEAR</b>       | <u>648,291</u>  | <u>385,970</u>                         | <u>247,926</u>              | <u>26,067</u>                     | <u>501,073</u>  | <u>92,248</u>                  | <u>300,886</u>             |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**  
**For the Year Ended December 31, 2019**

**Schedule 6**

|  | Special Events<br>Reserve | Utility Reserve | 2019<br>Actual   | 2018<br>Actual   |
|--|---------------------------|-----------------|------------------|------------------|
|  | \$                        | \$              | \$               | \$               |
| <b>FINANCIAL ASSETS</b>                |                           |                 |                  |                  |
| Cash and temporary investments         | 273                       | 318,580         | 2,411,134        | 1,670,036        |
| Portfolio investments                  | -                         | 78,286          | 155,930          | 167,090          |
| Due from other funds                   | -                         | 15,000          | 47,536           | 279,469          |
|  | <u>273</u>                | <u>411,866</u>  | <u>2,614,600</u> | <u>2,116,595</u> |
| <b>REVENUE</b>                         |                           |                 |                  |                  |
| Investment revenue                     | <u>6</u>                  | <u>12,097</u>   | <u>55,116</u>    | <u>43,537</u>    |
| <b>TRANSFERS</b>                       |                           |                 |                  |                  |
| Transfers from operating fund          | -                         | -               | 421,389          | 261,824          |
| Transfer from reserve funds            | -                         | 21,500          | 21,500           | 9,754            |
|  | <u>-</u>                  | <u>21,500</u>   | <u>442,889</u>   | <u>271,578</u>   |
| <b>CHANGE IN FUND BALANCES</b>         | <u>6</u>                  | <u>33,597</u>   | <u>498,005</u>   | <u>315,115</u>   |
| <b>FUND SURPLUS, BEGINNING OF YEAR</b> | <u>267</u>                | <u>378,269</u>  | <u>2,116,595</u> | <u>1,801,480</u> |
| <b>FUND SURPLUS, END OF YEAR</b>       | <u>273</u>                | <u>411,866</u>  | <u>2,614,600</u> | <u>2,116,595</u> |



**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**SCHEDULE OF FINANCIAL POSITION FOR UTILITIES**  
**For the Year Ended December 31, 2019**

**Schedule 7**

|  | 2019<br>Actual<br>\$ | 2018<br>Actual<br>\$ |
|--|----------------------|----------------------|
| <b>FINANCIAL ASSETS</b>                        |                      |                      |
| Cash and temporary investments <i>(note 3)</i> | 405,878              | 322,983              |
| Accounts receivable <i>(note 4)</i>            | 79,426               | 88,687               |
| Due from other funds                           | <u>(495,324)</u>     | <u>(483,454)</u>     |
|  | <u>(10,020)</u>      | <u>(71,784)</u>      |
| <b>LIABILITIES</b>                             |                      |                      |
| Long-term debt <i>(note 10)</i>                | <u>399,050</u>       | <u>433,782</u>       |
| <b>NON-FINANCIAL ASSETS</b>                    |                      |                      |
| Tangible capital assets <i>(schedule 1)</i>    | 3,509,439            | 3,607,653            |
| Inventories <i>(note 6)</i>                    | <u>17,518</u>        | <u>13,818</u>        |
|  | <u>3,526,957</u>     | <u>3,621,471</u>     |
| <b>FUND SURPLUS</b>                            | <u>3,117,887</u>     | <u>3,115,905</u>     |

## SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2019

|                               | 2019<br>Budget<br>\$ | 2019<br>Actual<br>\$ | 2018<br>Actual<br>\$ |
|-------------------------------|----------------------|----------------------|----------------------|
| <b>REVENUE</b>                |                      |                      |                      |
| <b>WATER</b>                  |                      |                      |                      |
| Water fees                    | 196,000              | 194,017              | 194,632              |
| <b>SEWER</b>                  |                      |                      |                      |
| Sewer fees                    | 98,500               | 88,599               | 87,235               |
| <b>OTHER REVENUE</b>          |                      |                      |                      |
| Hydrant rentals               | 1,750                | 1,750                | 1,750                |
| Connection charges            | 3,500                | 10,750               | 4,148                |
| Penalties                     | 4,700                | 2,763                | 4,975                |
| Investment income             | -                    | 9,353                | 6,342                |
| Administration fees           | -                    | 12,706               | 12,379               |
| Other income                  | 9,150                | 6,350                | 10,000               |
|                               | <u>19,100</u>        | <u>43,672</u>        | <u>39,594</u>        |
| <b>TOTAL REVENUE</b>          | <u>313,600</u>       | <u>326,288</u>       | <u>321,461</u>       |
| <b>EXPENSES</b>               |                      |                      |                      |
| <b>GENERAL</b>                |                      |                      |                      |
| Administration                | 31,500               | 22,320               | 16,764               |
| <b>WATER</b>                  |                      |                      |                      |
| Transmission and distribution | 30,800               | 35,371               | 41,776               |
| Water purchases               | 180,000              | 145,631              | 130,626              |
| Amortization                  | 56,600               | 56,608               | 55,786               |
| Interest and long-term debt   | 25,000               | 25,027               | 26,914               |
|                               | <u>292,400</u>       | <u>262,637</u>       | <u>255,102</u>       |
| <b>SEWER</b>                  |                      |                      |                      |
| Collection system costs       | 25,000               | 25,215               | 23,969               |
| Treatment and disposal costs  | 7,200                | 3,910                | 849                  |
| Other sewer expense           | -                    | 1,650                | -                    |
|                               | <u>32,200</u>        | <u>30,775</u>        | <u>24,818</u>        |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER****Schedule 8****SCHEDULE OF UTILITY OPERATIONS****For the Year Ended December 31, 2019**

|  | <b>2019</b>      | <b>2019</b>      | <b>2018</b>      |
|--|------------------|------------------|------------------|
|  | <b>Budget</b>    | <b>Actual</b>    | <b>Actual</b>    |
|  | <b>\$</b>        | <b>\$</b>        | <b>\$</b>        |
| <b>SEWER AMORTIZATION AND INTEREST</b> |                  |                  |                  |
| Amortization                           | <u>47,000</u>    | <u>46,832</u>    | <u>46,527</u>    |
| <b>TOTAL EXPENSES</b>                  | <u>403,100</u>   | <u>362,564</u>   | <u>343,211</u>   |
| <b>EXCESS OF EXPENSES OVER REVENUE</b> | (89,500)         | (36,276)         | (21,750)         |
| <b>TRANSFERS</b>                       |                  |                  |                  |
| Transfers from utility fund            | -                | 59,758           | 59,758           |
| Transfer from reserve funds            | -                | <u>(21,500)</u>  | <u>(9,754)</u>   |
|  | <u>-</u>         | <u>38,258</u>    | <u>50,004</u>    |
| <b>CHANGE IN UTILITY FUND BALANCE</b>  | (89,500)         | 1,982            | 28,254           |
| <b>FUND SURPLUS, BEGINNING OF YEAR</b> | <u>3,115,905</u> | <u>3,115,905</u> | <u>3,087,651</u> |
| <b>FUND SURPLUS, END OF YEAR</b>       | <u>3,026,405</u> | <u>3,117,887</u> | <u>3,115,905</u> |

RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

Schedule 9

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2019

|  | Financial Plan<br>General<br>\$ | Financial Plan<br>Utility<br>\$ | Amortization<br>(TCA)<br>\$ | Interest<br>Expense<br>\$ | Transfers<br>\$  | Long Term<br>Accruals<br>\$ | Government<br>Partnerships<br>\$ | PSAB<br>Budget<br>\$ |
|--|---------------------------------|---------------------------------|-----------------------------|---------------------------|------------------|-----------------------------|----------------------------------|----------------------|
| <b>REVENUE</b>                                   |                                 |                                 |                             |                           |                  |                             |                                  |                      |
| Property taxes                                   | 1,288,377                       | -                               | -                           | -                         | -                | -                           | -                                | 1,288,377            |
| Grants in lieu of taxation                       | 9,226                           | -                               | -                           | -                         | -                | -                           | -                                | 9,226                |
| User fees  | 67,217                          | -                               | -                           | -                         | -                | -                           | 750                              | 67,967               |
| Grants - Province of Manitoba                    | 114,784                         | -                               | -                           | -                         | -                | -                           | -                                | 114,784              |
| Grants - Other                                   | 75,935                          | -                               | -                           | -                         | -                | -                           | 3,075                            | 79,010               |
| Permits, licences and fees                       | 10,000                          | -                               | -                           | -                         | -                | -                           | -                                | 10,000               |
| Investment revenue                               | 13,000                          | -                               | -                           | -                         | -                | -                           | -                                | 13,000               |
| Other revenue                                    | 19,803                          | -                               | -                           | -                         | -                | -                           | -                                | 19,803               |
| Transfers  | 192,835                         | (20,000)                        | -                           | -                         | (172,835)        | -                           | -                                | -                    |
| Water and sewer                                  | -                               | 313,600                         | -                           | -                         | -                | -                           | 420,580                          | 734,180              |
|  | <u>1,791,177</u>                | <u>293,600</u>                  | <u>-</u>                    | <u>-</u>                  | <u>(172,835)</u> | <u>-</u>                    | <u>424,405</u>                   | <u>2,336,347</u>     |
| <b>EXPENSES</b>                                  |                                 |                                 |                             |                           |                  |                             |                                  |                      |
| General government services                      | 465,434                         | -                               | 18,300                      | 7,400                     | -                | -                           | -                                | 491,134              |
| Protective services                              | 142,100                         | -                               | 51,500                      | -                         | -                | -                           | -                                | 193,600              |
| Transportation services                          | 349,834                         | -                               | 110,600                     | 3,700                     | -                | -                           | -                                | 464,134              |
| Environmental health services                    | 92,500                          | -                               | 6,650                       | -                         | -                | -                           | -                                | 99,150               |
| Public health and welfare services               | 905                             | -                               | -                           | -                         | -                | -                           | -                                | 905                  |
| Regional planning and development                | 83,617                          | -                               | -                           | -                         | -                | -                           | 3,825                            | 87,442               |
| Resource conservation and industrial development | 71,670                          | -                               | -                           | -                         | -                | -                           | -                                | 71,670               |
| Recreation and cultural services                 | 38,600                          | -                               | 1,450                       | -                         | -                | -                           | -                                | 40,050               |
| Fiscal services                                  | 101,090                         | 19,100                          | -                           | -                         | (120,190)        | -                           | -                                | -                    |
| Transfers  | 59,758                          | 59,760                          | -                           | -                         | (119,518)        | -                           | -                                | -                    |
| Water and sewer                                  | -                               | 274,500                         | 103,600                     | 25,000                    | -                | -                           | 407,151                          | 810,251              |
|  | <u>1,405,508</u>                | <u>353,360</u>                  | <u>292,100</u>              | <u>36,100</u>             | <u>(239,708)</u> | <u>-</u>                    | <u>410,976</u>                   | <u>2,258,336</u>     |
| <b>SURPLUS (DEFICIT)</b>                         | <u>385,669</u>                  | <u>(59,760)</u>                 | <u>(292,100)</u>            | <u>(36,100)</u>           | <u>66,873</u>    | <u>-</u>                    | <u>13,429</u>                    | <u>78,011</u>        |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**

**Schedule 10**

**ANALYSIS OF TAXES ON ROLL**

**For the Year Ended December 31, 2019**

|                                   | 2019<br>Actual<br>\$  | 2018<br>Actual<br>\$  |
|-----------------------------------|-----------------------|-----------------------|
| <b>BALANCE, BEGINNING OF YEAR</b> | <u>165,377</u>        | <u>174,308</u>        |
| <b>Add:</b>                       |                       |                       |
| Tax Levy ( <i>schedule 11</i> )   | 2,761,476             | 2,715,758             |
| Taxes added                       | 53,520                | 21,367                |
| Penalties and interest            | 22,909                | 15,099                |
| Accounts added to tax roll        | <u>2,390</u>          | <u>32,211</u>         |
| <b>Sub-total</b>                  | <u>3,005,672</u>      | <u>2,958,743</u>      |
| <b>Deduct:</b>                    |                       |                       |
| Cash collections - current        | 2,418,391             | 2,352,722             |
| Cash collections - arrears        | 109,512               | 149,670               |
| Cancellations                     | -                     | -                     |
| Tax discounts                     | 7,154                 | 6,267                 |
| M.P.T.C. - cash advance           | <u>285,263</u>        | <u>284,707</u>        |
| <b>Sub-total</b>                  | <u>2,820,320</u>      | <u>2,793,366</u>      |
| <b>BALANCE, END OF YEAR</b>       | <u><u>185,352</u></u> | <u><u>165,377</u></u> |

## ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2019

|   | Assessment | Mill Rate | 2019<br>Levy     | 2018<br>Levy     |
|---|------------|-----------|------------------|------------------|
| Debt Charges:                             |            |           |                  |                  |
| Frontage (note 11)                        |            |           | 59,758           | 59,758           |
| L.I.D.                                    |            |           | -                | -                |
| At large (note 12)                        |            |           | 25,301           | 47,894           |
|   |            |           | <u>85,059</u>    | <u>107,652</u>   |
| Reserves:                                 |            |           |                  |                  |
| Reserve (note 13)                         |            |           | 141,966          | 142,030          |
|   |            |           | <u>141,966</u>   | <u>142,030</u>   |
| Other municipal levies:                   |            |           |                  |                  |
| General municipal                         | 27,780,990 | 7.993     | 1,021,352        | 980,102          |
| <b>Total municipal taxes (schedule 2)</b> |            |           | <u>1,248,377</u> | <u>1,229,784</u> |
| Education Support Levy                    | 4,843,340  | 9.770     | 47,319           | 47,444           |
| Special levy:                             |            |           |                  |                  |
| Prairie Rose School Division              | 19,303,910 | 11.300    | 1,348,135        | 1,321,591        |
| Portage la Prairie School Division        | 8,477,080  | 13.878    | 117,645          | 116,939          |
|   |            |           | <u>1,465,780</u> | <u>1,438,530</u> |
| <b>Total education taxes</b>              |            |           | <u>1,513,099</u> | <u>1,485,974</u> |
| <b>Total tax levy (schedule 10)</b>       |            |           | <u>2,761,476</u> | <u>2,715,758</u> |

**RURAL MUNICIPALITY OF ST FRANCOIS XAVIER**  
**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**

**Schedule 12**

**For the Year Ended December 31, 2019**

|   | 2019<br>Budget<br>\$    | 2019<br>Actual<br>\$    | 2018<br>Actual<br>\$    |
|---|-------------------------|-------------------------|-------------------------|
| <b>GENERAL GOVERNMENT SERVICES</b>                      |                         |                         |                         |
| Legislative   | 75,450                  | 65,302                  | 49,804                  |
| General administrative                                  | 415,684                 | 413,363                 | 425,591                 |
|   | <u>491,134</u>          | <u>478,665</u>          | <u>475,395</u>          |
| <b>PROTECTIVE SERVICES</b>                              |                         |                         |                         |
| Fire  | 157,975                 | 133,882                 | 148,446                 |
| Emergency measures                                      | 35,625                  | 21,725                  | 9,718                   |
|   | <u>193,600</u>          | <u>155,607</u>          | <u>158,164</u>          |
| <b>TRANSPORTATION SERVICES</b>                          |                         |                         |                         |
| Road transport  |                         |                         |                         |
| Administration and engineering                          | 13,000                  | 13,018                  | 12,682                  |
| Road and street maintenance                             | 416,734                 | 399,866                 | 377,412                 |
| Sidewalk and boulevard maintenance                      | 1,000                   | -                       | -                       |
| Street lighting   | 16,300                  | 16,254                  | 15,845                  |
| Traffic services  | 2,000                   | 619                     | 1,005                   |
| Other   | 15,100                  | 15,075                  | 15,280                  |
|   | <u>464,134</u>          | <u>444,832</u>          | <u>422,224</u>          |
| <b>ENVIRONMENTAL HEALTH SERVICES</b>                    |                         |                         |                         |
| Waste collection and disposal                           | 99,150                  | 60,675                  | 58,118                  |
| Recycling   | -                       | 30,176                  | 25,238                  |
| Lagoons and wells                                       | -                       | 238                     | 618                     |
|   | <u>99,150</u>           | <u>91,089</u>           | <u>83,974</u>           |
| <b>PUBLIC HEALTH AND WELFARE SERVICES</b>               |                         |                         |                         |
| Social assistance                                       | 905                     | 905                     | 905                     |
| <b>REGIONAL PLANNING AND DEVELOPMENT</b>                |                         |                         |                         |
| Planning and zoning                                     | 79,617                  | 80,696                  | 64,568                  |
| Urban renewal   | 4,000                   | 4,564                   | 23,394                  |
|   | <u>83,617</u>           | <u>85,260</u>           | <u>87,962</u>           |
| <b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b> |                         |                         |                         |
| Rural area weed control                                 | -                       | 810                     | 120                     |
| Drainage of land  | 65,450                  | 35,297                  | 45,699                  |
| Pest control  | 6,220                   | 3,903                   | 3,891                   |
|   | <u>71,670</u>           | <u>40,010</u>           | <u>49,710</u>           |
| <b>RECREATION AND CULTURAL SERVICES</b>                 |                         |                         |                         |
| Administration  | 8,500                   | 3,195                   | 8,918                   |
| Community centers and halls                             | 13,000                  | 47,599                  | 13,503                  |
| Parks and playgrounds                                   | 16,750                  | 6,263                   | 9,304                   |
| Libraries   | 1,800                   | 1,980                   | 1,430                   |
|   | <u>40,050</u>           | <u>59,037</u>           | <u>33,155</u>           |
| <b>TOTAL EXPENSES</b>                                   | <u><u>1,444,260</u></u> | <u><u>1,355,405</u></u> | <u><u>1,311,489</u></u> |

RURAL MUNICIPALITY OF ST FRANCOIS XAVIER

Schedule 13

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2019

|   | General<br>\$ | Utility<br>\$ | 2019<br>Total<br>\$ | 2018<br>Total<br>\$ |
|---|---------------|---------------|---------------------|---------------------|
| <b>CONSOLIDATED ANNUAL SURPLUS</b> ( <i>statement 2</i> )   | 856,469       | 1,982         | 858,451             | 327,059             |
| Elimination of appropriations from reserves   | 4,000         | -             | 4,000               | 37,963              |
| Elimination of appropriations to reserves   | (446,889)     | -             | (446,889)           | (199,787)           |
| Consolidation of reserve operations   | (55,116)      | -             | (55,116)            | (43,537)            |
| Elimination of consolidated entity operations   | (451,936)     | -             | (451,936)           | (28,683)            |
| Elimination of nominal surplus transfers  | 45,000        | -             | 45,000              | 44,830              |
| Amortization of tangible capital assets   | 188,468       | 103,440       | 291,908             | 302,302             |
| Principal portion of long term debt   | (21,764)      | (34,732)      | (56,496)            | (75,133)            |
| Acquisitions of capital assets from operating funds   | (39,776)      | (4,320)       | (44,096)            | (134,893)           |
| <b>ESTIMATED EXCESS OF REVENUES AND TRANSFERS<br/>OVER EXPEDITURES FOR THE PURPOSES OF SECTION<br/>165(1) AND (2) OF THE MUNICIPAL ACT***</b> | <b>78,456</b> | <b>66,370</b> | <b>144,826</b>      | <b>230,121</b>      |

\*\*\* Please note that this is an estimate based on the adjustments presented above since it is possible that not every required adjustment for PSAB purposes that is different from and affects the results based on the municipal budget has necessarily been reflected.



**R | M**

REID & MILLER

CHARTERED PROFESSIONAL ACCOUNTANTS INC