

OFFICE COPY

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2020**


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.

  
\_\_\_\_\_  
H. John Visser  
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, 2020, 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, 2020, 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.

July 21, 2021  
Winnipeg, Manitoba

*Reid & Miller*  
Chartered Professional Accountants Inc.

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**CONSOLIDATED FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2020**

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

**As at December 31, 2020**

	2020 Actual \$	2019 Actual \$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (note 3)	4,190,521	3,599,297
Accounts receivable (note 4)	768,982	952,502
Portfolio investments (note 5)	144,099	155,930
	<u>5,103,602</u>	<u>4,707,729</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (note 9)	3,256,357	3,324,142
Long-term debt (note 10)	3,402,407	446,151
	<u>6,658,764</u>	<u>3,770,293</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>(1,555,162)</u>	<u>937,436</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (schedule 1)	18,441,318	15,205,854
Inventories (note 6)	62,184	52,597
Prepaid expenses (note 7)	14,409	12,667
	<u>18,517,911</u>	<u>15,271,118</u>
<b>ACCUMULATED SURPLUS (note 19)</b>	<u>16,962,749</u>	<u>16,208,554</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, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
	(Unaudited)		
<b>REVENUE</b>			
Property taxes	1,368,778	1,403,418	1,301,897
Grants in lieu of taxation	9,357	9,357	9,226
User fees	70,950	58,028	71,182
Grants - Province of Manitoba	174,234	851,383	118,793
Grants - Other	79,185	79,185	154,454
Permits, licences and fees	10,000	26,016	31,725
Investment revenue	15,000	71,433	81,041
Other revenue	19,965	47,150	36,139
Water and sewer	746,975	972,929	1,340,293
Total revenue ( <i>schedules 2, 4 and 5</i> )	<u>2,494,444</u>	<u>3,518,899</u>	<u>3,144,750</u>
<b>EXPENSES</b>			
General government services	501,528	479,390	478,665
Protective services	193,000	152,210	155,607
Transportation services	494,201	439,010	444,832
Environmental health services	95,100	108,573	91,089
Public health and welfare services	905	905	905
Regional planning and development	95,200	104,852	89,161
Resource conservation and industrial development	95,200	494,502	40,010
Recreation and cultural services	36,875	39,166	59,037
Water and sewer	816,227	946,096	926,993
Total expenses ( <i>schedules 3, 4 and 5</i> )	<u>2,328,236</u>	<u>2,764,704</u>	<u>2,286,299</u>
<b>ANNUAL SURPLUS</b>	166,208	754,195	858,451
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>16,208,554</u>	<u>16,208,554</u>	<u>15,350,103</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><u>16,374,762</u></u>	<u><u>16,962,749</u></u>	<u><u>16,208,554</u></u>

The accompanying notes are an integral part of these financial statements

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**  
**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
	(Unaudited)		
<b>ANNUAL SURPLUS</b>	<b>166,208</b>	<b>754,195</b>	<b>858,451</b>
Acquisition of tangible capital assets	-	(3,600,870)	(935,899)
Proceeds on disposal of tangible capital assets	-	500	3,786
Amortization of tangible capital assets	294,550	365,406	362,371
Gain on sale of tangible capital assets	-	(500)	(3,786)
Increase in inventories	-	(9,587)	(5,836)
Increase in prepaid expense	-	(1,742)	18,374
<b>CHANGE IN SURPLUS (DEFICIT)</b>	<b>460,758</b>	<b>(2,492,598)</b>	<b>297,461</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>937,436</b>	<b>937,436</b>	<b>639,975</b>
<b>NET FINANCIAL ASSETS (NET DEBT), END OF YEAR</b>	<b>1,398,194</b>	<b>(1,555,162)</b>	<b>937,436</b>

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, 2020**

	2020 Actual \$	2019 Actual \$
<b>CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	754,195	858,451
Changes in non-cash items:		
Amortization	365,406	362,371
Gain on disposal of tangible capital assets	(500)	(3,786)
	<u>1,119,101</u>	<u>1,217,036</u>
Net changes in non-cash working capital affecting operations ( <i>note 22</i> )	<u>104,406</u>	<u>430,723</u>
	<u>1,223,507</u>	<u>1,647,759</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds from sale of tangible capital assets	500	3,786
Cash used to acquire tangible capital assets	(3,600,870)	(935,899)
	<u>(3,600,370)</u>	<u>(932,113)</u>
<b>INVESTING</b>		
Proceeds on sale of portfolio investments	<u>11,831</u>	<u>11,160</u>
<b>FINANCING</b>		
Long-term debt issued	3,015,917	-
Reduction in long-term debt	(59,661)	(56,496)
	<u>2,956,256</u>	<u>(56,496)</u>
<b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<b>591,224</b>	<b>670,310</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<b><u>3,599,297</u></b>	<b><u>2,928,987</u></b>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<b><u><u>4,190,521</u></u></b>	<b><u><u>3,599,297</u></u></b>
<b>CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:</b>		
Cash	1,665,931	825,078
Temporary investments	1,004,433	980,829
Internally restricted cash	1,362,864	1,273,252
Externally restricted cash	<u>157,293</u>	<u>520,138</u>
	<u><u>4,190,521</u></u>	<u><u>3,599,297</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, 2020

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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	
	2020	2019
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.

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements.

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2020**

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**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.

**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.

# RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

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### 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

#### 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.

# RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

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### 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.

### 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, 2020**

**3. CASH AND TEMPORARY INVESTMENTS**

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
	\$	\$
Cash	1,665,931	825,078
Temporary investments	1,004,433	980,829
Internally restricted cash	1,362,864	1,273,252
Externally restricted cash	157,293	520,138
	<u>4,190,521</u>	<u>3,599,297</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>2020</u>	<u>2019</u>
	\$	\$
Tax assets ( <i>schedule 10</i> )	187,240	185,352
Government grants and receivables	168,282	537,776
Utility customers	105,678	79,426
Organizations and individuals	196,893	51,049
Other governments	117,089	104,815
Other	-	3,000
	<u>775,182</u>	<u>961,418</u>
Allowance for doubtful accounts	<u>(6,200)</u>	<u>(8,916)</u>
	<u>768,982</u>	<u>952,502</u>

**5. PORTFOLIO INVESTMENTS**

	<u>2020</u>	<u>2019</u>
	\$	\$
Marketable securities		
Municipal debenture, bearing interest at 6.000% with principal and interest payments paid annually, due December 31, 2029.	72,346	78,286
Municipal debenture, bearing interest at 6.000% with principal and interest payments paid annually, due December 31, 2029.	71,753	77,644
	<u>144,099</u>	<u>155,930</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2020**

**6. INVENTORIES**

	<u>2020</u>	<u>2019</u>
	\$	\$
Gravel	11,423	10,620
Culverts	5,782	1,942
Fuel	2,654	4,285
Chemicals (other)	23,295	13,145
Other	19,030	22,605
	<u>62,184</u>	<u>52,597</u>

**7. PREPAID EXPENSES**

	<u>2020</u>	<u>2019</u>
	\$	\$
Insurance	9,679	8,405
Vehicle insurance	114	84
Other	4,616	4,178
	<u>14,409</u>	<u>12,667</u>

**8. BANK INDEBTEDNESS**

The Municipality has an authorized line of credit of a maximum of \$500,000 bearing interest at a rate of 2.75%.  
As at December 31, 2020 the balance owing was \$ Nil (2019 - \$ Nil).

**9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2020</u>	<u>2019</u>
	\$	\$
Trade payables	456,249	675,946
Government payables	2,490,048	2,366,748
Accrued expenses	40,684	40,849
School levies	143,071	117,116
Deposits	118,491	116,449
Other	7,814	7,034
	<u>3,256,357</u>	<u>3,324,142</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2020**

**10. LONG-TERM DEBT**

	<u>2020</u>	<u>2019</u>
	\$	\$
<b>General Authority:</b>		
Municipal debenture payable in annual instalments of \$25,466 including interest at 5.375%, due December 31, 2021.	24,167	47,101
Municipal debenture payable in annual instalments of \$222,548 including interest at 4.500%, due December 31, 2044.	<u>3,015,917</u>	<u>-</u>
	<u>3,040,084</u>	<u>47,101</u>
<b>Utility Funds:</b>		
Municipal debenture payable in annual instalments of \$36,927 including interest at 5.625%, due December 31, 2027.	208,914	232,748
Municipal debenture payable in annual instalments of \$1,646 including interest at 5.625%, due December 31, 2027.	9,310	10,372
Municipal debenture payable in annual instalments of \$21,186 including interest at 6.000%, due December 31, 2029.	<u>144,099</u>	<u>155,930</u>
	<u>362,323</u>	<u>399,050</u>
	<u>3,402,407</u>	<u>446,151</u>

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

2021	140,000
2022	122,000
2023	128,000
2024	134,000
2025	141,000

**Schedule of Debenture Pending**

<u>Authority</u>	<u>Purpose</u>	<u>Amount Authorized</u>
By-law 5-2019	Construction of a Broadband Network	794,528

**11. DEBT CHARGES - FRONTAGE**

<u>Purpose and By-law</u>	<u>2020</u>	<u>2019</u>
	<u>Levy</u>	<u>Levy</u>
	\$	\$
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, 2020

**12. DEBT CHARGES - AT LARGE**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>Mill Rate</u>	<u>2020 Levy</u>	<u>2019 Levy</u>
			\$	\$
Public Works Building ByLaw 3-2007	136,424,460	0.186	<u>25,375</u>	<u>25,301</u>

**13. RESERVES**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>Mill Rate</u>	<u>2020 Levy</u>	<u>2019 Levy</u>
			\$	\$
General Reserve	136,424,460	0.073	9,959	9,967
Public Works and Environment Reserve	136,424,460	0.473	64,529	64,402
Protective Services Reserve	136,424,460	0.219	29,877	29,773
Recreation and Culture Reserve	136,424,460	0.117	15,962	15,973
Buildings and Land Reserve	136,424,460	0.160	21,828	21,851
			<u>142,155</u>	<u>141,966</u>

## RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

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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 \$30,379 (2019 - \$25,331) and are included in the statement of operations.

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

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

#### 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, 2020

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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, we 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, 2020

### 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>2020</u>	<u>2019</u>
	\$	\$
<b>Financial Position</b>		
Financial Assets	883,818	4,340,987
Liabilities	<u>18,164,914</u>	<u>20,836,057</u>
	(17,281,096)	(16,495,070)
Non-financial Assets	<u>67,139,250</u>	<u>65,898,929</u>
Accumulated Surplus	<u>49,858,154</u>	<u>49,403,859</u>
<b>Result of Operations</b>		
Revenue	4,397,564	7,264,600
Expenses	<u>3,943,269</u>	<u>4,039,438</u>
Annual Surplus	<u>454,295</u>	<u>3,225,162</u>

### 19. ACCUMULATED SURPLUS

	<u>2020</u>	<u>2019</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	1,944,872	1,116,186
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(9,289,998)	(9,201,029)
General Operating Tangible Capital Assets, net of related borrowings	2,622,905	2,440,787
Tangible Capital Assets, net of related borrowings	12,416,006	12,318,916
Reserve Funds	<u>2,285,930</u>	<u>2,614,600</u>
Accumulated surplus of Municipality unconsolidated	<u>9,979,715</u>	<u>9,289,460</u>
Accumulated surpluses of consolidated government partnerships	<u>6,983,034</u>	<u>6,919,094</u>
Accumulated Surplus per Statement of Financial Position	<u>16,962,749</u>	<u>16,208,554</u>

# RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2020

### 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, 2020:

- (a) Compensation paid to members of council amounted to \$55,884 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	10,217	-	10,217
Delmer Nott	12,261	2,114	14,375
Jim Proulx	10,084	49	10,133
Barry Straub	11,208	141	11,349
Rick Van Wyk	12,114	236	12,350
	<u>55,884</u>	<u>2,540</u>	<u>58,424</u>

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

Name	Position	Amount
Shelley Jensen	Chief Administrative Officer	79,583

### 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			Unamortized
Description of Utility	Opening Balance	Additions During Year	Amortization During Year	Ending Balance
St Francois Xavier Utility Operating Fund	<u>349,102</u>	<u>-</u>	<u>9,435</u>	<u>339,667</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2020**

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**22. CHANGES IN WORKING CAPITAL**

	<u>2020</u>	<u>2019</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	183,520	(493,451)
Inventories	(9,587)	(5,836)
Prepaid expenses	(1,742)	18,374
Accounts payable and accrued liabilities	<u>(67,785)</u>	<u>911,636</u>
	<u>104,406</u>	<u>430,723</u>

RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER  
 CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2020

Cost	General Capital Assets							2020	2019	
	Land and Buildings and Improvements	Land Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer Construction	Actual	Actual	
Balance, beginning of year	2,152,083	808,005	1,792,662	75,937	-	534,855	15,212,242	-	20,575,784	19,646,174
Asset purchases	9,775	-	233,242	1,990	3,115,917	4,115	235,831	-	3,600,870	935,899
Disposals and write downs	-	-	165,264	-	-	-	-	-	165,264	6,289
Balance, end of year	2,161,858	808,005	1,860,640	77,927	3,115,917	538,970	15,448,073	-	24,011,390	20,575,784
Accumulated Amortization										
Balance, beginning of year	982,812	504,114	1,050,808	60,188	-	277,732	2,494,276	-	5,369,930	5,013,848
Amortization	35,831	12,941	120,333	6,369	-	14,464	175,468	-	365,406	362,371
Disposals and write downs	-	-	165,264	-	-	-	-	-	165,264	6,289
Balance, end of year	1,018,643	517,055	1,005,877	66,557	-	292,196	2,669,744	-	5,570,072	5,369,930
Net book value	1,143,215	290,950	854,763	11,370	3,115,917	246,774	12,778,329	-	18,441,318	15,205,854

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**Schedule 2**

**CONSOLIDATED SCHEDULE OF REVENUES**

**For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
(Unaudited)			
<b>PROPERTY TAXES</b>			
Municipal taxes levied <i>(schedule 11)</i>	1,328,778	1,328,778	1,248,377
Taxes added	40,000	74,640	53,520
	<u>1,368,778</u>	<u>1,403,418</u>	<u>1,301,897</u>
<b>GRANTS IN LIEU OF TAXATION</b>			
Provincial government	3,324	3,324	3,537
Provincial government enterprises	6,033	6,033	5,689
	<u>9,357</u>	<u>9,357</u>	<u>9,226</u>
<b>USER FEES</b>			
Sales of service	70,950	58,028	71,182
<b>GRANTS - PROVINCE OF MANITOBA</b>			
General assistance payment	114,784	199,260	114,784
Conditional grants	59,450	652,123	4,009
	<u>174,234</u>	<u>851,383</u>	<u>118,793</u>
<b>GRANTS - OTHER</b>			
Federal government - gas tax funding	75,935	75,935	151,354
Other local governments	3,250	3,250	3,100
	<u>79,185</u>	<u>79,185</u>	<u>154,454</u>
<b>PERMITS, LICENCES AND FEES</b>			
Permits	10,000	25,576	31,260
Licences	-	440	465
	<u>10,000</u>	<u>26,016</u>	<u>31,725</u>
<b>INVESTMENT REVENUE</b>			
Interest	15,000	71,369	80,900
Other interest	-	64	141
	<u>15,000</u>	<u>71,433</u>	<u>81,041</u>
<b>OTHER REVENUE</b>			
Gain on sale of tangible capital assets	-	500	3,786
Miscellaneous	4,965	18,219	9,444
Penalties and interest	15,000	28,431	22,909
	<u>19,965</u>	<u>47,150</u>	<u>36,139</u>
<b>WATER AND SEWER</b>			
Municipal utility <i>(schedule 8)</i>	310,252	358,180	326,288
Consolidated water co-operatives	436,723	614,749	1,014,005
	<u>746,975</u>	<u>972,929</u>	<u>1,340,293</u>
<b>TOTAL REVENUE</b>	<u>2,494,444</u>	<u>3,518,899</u>	<u>3,144,750</u>



## CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
(Unaudited)			
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	74,000	57,087	65,302
General administrative	427,528	422,303	413,363
	<u>501,528</u>	<u>479,390</u>	<u>478,665</u>
<b>PROTECTIVE SERVICES</b>			
Fire	157,875	134,768	133,882
Emergency measures	35,125	17,442	21,725
	<u>193,000</u>	<u>152,210</u>	<u>155,607</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Administration and engineering	12,400	12,334	13,018
Road and street maintenance	427,701	382,139	399,866
Sidewalk and boulevard maintenance	500	-	-
Street lighting	14,700	16,190	16,254
Traffic services	25,000	14,441	619
Other	13,900	13,906	15,075
	<u>494,201</u>	<u>439,010</u>	<u>444,832</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	64,000	69,823	60,675
Recycling	30,500	38,750	30,176
Lagoons and wells	600	-	238
	<u>95,100</u>	<u>108,573</u>	<u>91,089</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Social assistance	905	905	905
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	90,600	99,720	84,597
Urban renewal	4,600	5,132	4,564
	<u>95,200</u>	<u>104,852</u>	<u>89,161</u>
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	500	60	810
Drainage of land	89,500	490,841	35,297
Pest control	5,200	3,601	3,903
	<u>95,200</u>	<u>494,502</u>	<u>40,010</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Administration	8,000	4,860	3,195
Community centers and halls	14,775	11,533	47,599
Parks and playgrounds	12,100	9,369	6,263
Other recreational facilities	-	12,084	-
Libraries	2,000	1,320	1,980
	<u>36,875</u>	<u>39,166</u>	<u>59,037</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**CONSOLIDATED SCHEDULE OF EXPENSES**

**For the Year Ended December 31, 2020**

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(Unaudited)</b>		
<b>WATER AND SEWER</b>			
Municipal utility ( <i>schedule 8</i> )	<b>399,500</b>	<b>394,817</b>	362,564
Consolidated water co-operatives	<b>416,727</b>	<b>551,279</b>	564,429
	<b>816,227</b>	<b>946,096</b>	926,993
<b>TOTAL EXPENSES</b>	<b>2,328,236</b>	<b>2,764,704</b>	2,286,299

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2020

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>										
Property taxes	1,403,418	1,301,897	-	-	-	-	-	-	-	-
Grants in lieu of taxation	9,357	9,226	-	-	-	-	-	-	-	-
User fees	2,658	3,168	6,177	1,733	2,633	1,323	25,795	31,232	-	-
Grants - Province of Manitoba	851,383	118,793	-	-	-	-	-	-	-	-
Grants - Other	75,935	151,354	-	-	-	-	-	-	-	-
Permits, licences and fees	-	-	-	-	-	-	440	465	-	-
Investment revenue	71,433	81,041	-	-	-	-	-	-	-	-
Other revenue	39,251	34,353	-	-	500	-	7,399	-	-	-
Water and sewer	(59,758)	(59,758)	-	-	-	-	-	-	-	-
Consolidated water co-operatives	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>2,393,677</b>	<b>1,640,074</b>	<b>6,177</b>	<b>1,733</b>	<b>3,133</b>	<b>1,323</b>	<b>33,634</b>	<b>31,697</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>										
Personnel services	297,953	285,210	32,513	33,503	139,360	122,993	14,185	13,311	-	-
Contract services	31,291	47,912	17,442	18,225	7,703	19,559	86,708	70,279	905	905
Utilities	10,292	11,133	10,778	11,466	5,770	3,184	-	-	-	-
Maintenance materials & supplies	125,470	115,056	36,424	40,889	172,661	184,842	1,076	850	-	-
Grants & contributions	425	675	-	-	-	-	-	-	-	-
Amortization	14,997	18,304	55,053	51,524	110,984	110,552	6,604	6,649	-	-
Interest on long term debt	-	-	-	-	2,532	3,702	-	-	-	-
Other operating expense	(1,038)	375	-	-	-	-	-	-	-	-
Other operating expense	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>479,390</b>	<b>478,665</b>	<b>152,210</b>	<b>155,607</b>	<b>439,010</b>	<b>444,832</b>	<b>108,573</b>	<b>91,089</b>	<b>905</b>	<b>905</b>
<b>SURPLUS (DEFICIT)</b>	<b>1,914,287</b>	<b>1,161,409</b>	<b>(146,033)</b>	<b>(153,874)</b>	<b>(435,877)</b>	<b>(443,509)</b>	<b>(74,939)</b>	<b>(59,392)</b>	<b>(905)</b>	<b>(905)</b>

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

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2020

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2020	2019	2020	2019	2020	2019	2020	2019	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>									
Property taxes	-	-	-	-	-	-	-	-	1,301,897
Grants in lieu of taxation	-	-	-	-	-	-	-	-	9,226
User fees	5,065	18,026	-	-	-	-	15,700	-	71,182
Grants - Province of Manitoba	-	-	-	-	-	-	-	-	118,793
Grants - Other	3,250	3,100	-	-	-	-	-	-	154,454
Permits, licences and fees	25,576	31,260	-	-	-	-	-	-	31,725
Investment revenue	-	-	-	-	-	-	-	-	26,016
Other revenue	-	-	-	-	-	-	-	-	71,433
Water and sewer	-	-	-	-	-	-	1,786	-	47,150
Consolidated water co-operatives	-	-	-	-	-	-	417,938	386,046	358,180
	-	-	-	-	-	-	614,749	1,014,005	614,749
<b>Total revenue</b>	<b>33,891</b>	<b>52,386</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,048,387</b>	<b>1,417,537</b>	<b>3,518,899</b>
<b>EXPENSES</b>									
Personnel services	71,619	67,731	-	-	-	-	45,969	47,535	678,809
Contract services	-	-	472,721	38,632	6,139	4,786	53,121	39,281	714,788
Utilities	-	-	-	-	2,063	2,257	-	-	106,820
Maintenance materials & supplies	29,983	16,709	21,781	1,378	27,520	48,507	167,311	145,631	841,245
Grants & contributions	3,250	4,721	-	-	2,050	2,050	-	-	5,725
Amortization	-	-	-	-	1,394	1,437	105,385	103,440	365,406
Interest on long term debt	-	-	-	-	-	-	23,031	25,027	26,594
Other operating expense	-	-	-	-	-	-	-	-	375
Other operating expense	-	-	-	-	-	-	-	-	(1,038)
	-	-	-	-	-	-	-	-	1,650
<b>Total expenses</b>	<b>104,852</b>	<b>89,161</b>	<b>494,502</b>	<b>40,010</b>	<b>39,166</b>	<b>59,037</b>	<b>394,817</b>	<b>362,564</b>	<b>2,764,704</b>
<b>SURPLUS (DEFICIT)</b>	<b>(70,961)</b>	<b>(36,775)</b>	<b>(494,502)</b>	<b>(40,010)</b>	<b>(39,166)</b>	<b>(59,037)</b>	<b>653,570</b>	<b>1,054,973</b>	<b>754,195</b>

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

## CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2020

	Core Government		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Property taxes	1,403,418	1,301,897	-	-	1,403,418	1,301,897
Grants in lieu of taxation	9,357	9,226	-	-	9,357	9,226
User fees	58,028	69,807	-	1,375	58,028	71,182
Grants - Province of Manitoba	851,383	118,793	-	-	851,383	118,793
Grants - Other	75,935	151,354	3,250	3,100	79,185	154,454
Permits, licences and fees	26,016	31,725	-	-	26,016	31,725
Investment revenue	71,433	81,041	-	-	71,433	81,041
Other revenue	47,150	34,353	-	1,786	47,150	36,139
Water and sewer	358,180	326,288	-	-	358,180	326,288
Consolidated water co-operatives	-	-	614,749	1,014,005	614,749	1,014,005
<b>Total revenue</b>	<b>2,900,900</b>	<b>2,124,484</b>	<b>617,999</b>	<b>1,020,266</b>	<b>3,518,899</b>	<b>3,144,750</b>
<b>EXPENSES</b>						
Personnel services	596,591	564,990	108,573	113,819	705,164	678,809
Contract services	676,030	239,579	38,758	28,059	714,788	267,638
Utilities	28,903	28,040	77,917	79,170	106,820	107,210
Maintenance materials & supplies	581,203	552,154	260,042	277,720	841,245	829,874
Grants & contributions	8,975	10,546	(3,250)	(3,100)	5,725	7,446
Amortization	294,417	291,906	70,989	70,465	365,406	362,371
Interest on long term debt	25,563	28,729	1,031	2,197	26,594	30,926
Other operating expense	(1,038)	375	-	-	(1,038)	375
Other operating expense	-	1,650	-	-	-	1,650
<b>Total expenses</b>	<b>2,210,644</b>	<b>1,717,969</b>	<b>554,060</b>	<b>568,330</b>	<b>2,764,704</b>	<b>2,286,299</b>
<b>SURPLUS (DEFICIT)</b>	<b>690,256</b>	<b>406,515</b>	<b>63,939</b>	<b>451,936</b>	<b>754,195</b>	<b>858,451</b>

RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2020

	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	591,008	327,560	282,120	6,260	157,293	109,527	328,685
Portfolio investments	71,753	-	-	-	-	-	-
Due from other funds	50,000	-	-	-	(75,935)	-	-
	<u>712,761</u>	<u>327,560</u>	<u>282,120</u>	<u>6,260</u>	<u>81,358</u>	<u>109,527</u>	<u>328,685</u>
<b>REVENUE</b>							
Investment revenue	14,470	4,090	4,194	6	4,350	1,279	5,799
<b>TRANSFERS</b>							
Transfers from operating fund	50,000	(62,500)	30,000	19,813	(424,065)	16,000	22,000
Transfer from reserve funds	-	-	-	-	-	-	-
	<u>50,000</u>	<u>(62,500)</u>	<u>30,000</u>	<u>(19,813)</u>	<u>(424,065)</u>	<u>16,000</u>	<u>22,000</u>
<b>CHANGE IN FUND BALANCES</b>	64,470	(58,410)	34,194	(19,807)	(419,715)	17,279	27,799
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	648,291	385,970	247,926	26,067	501,073	92,248	300,886
<b>FUND SURPLUS, END OF YEAR</b>	<u>712,761</u>	<u>327,560</u>	<u>282,120</u>	<u>6,260</u>	<u>81,358</u>	<u>109,527</u>	<u>328,685</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**Schedule 6**

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

**For the Year Ended December 31, 2020**

	Special Events Reserve	Utility Reserve	2020 Actual	2019 Actual
	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>				
Cash and temporary investments	277	350,037	2,152,767	2,411,134
Portfolio investments	-	72,346	144,099	155,930
Due from other funds	-	15,000	(10,935)	47,536
	<u>277</u>	<u>437,383</u>	<u>2,285,931</u>	<u>2,614,600</u>
<b>REVENUE</b>				
Investment revenue	4	10,517	44,709	55,116
<b>TRANSFERS</b>				
Transfers from operating fund	-	-	(388,378)	421,389
Transfer from reserve funds	-	15,000	15,000	21,500
	<u>-</u>	<u>15,000</u>	<u>(373,378)</u>	<u>442,889</u>
<b>CHANGE IN FUND BALANCES</b>	4	25,517	(328,669)	498,005
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	273	411,866	2,614,600	2,116,595
<b>FUND SURPLUS, END OF YEAR</b>	<u>277</u>	<u>437,383</u>	<u>2,285,931</u>	<u>2,614,600</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**  
**SCHEDULE OF FINANCIAL POSITION FOR UTILITIES**

**Schedule 7**

**For the Year Ended December 31, 2020**

	2020 Actual	2019 Actual
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments <i>(note 3)</i>	416,453	405,878
Accounts receivable <i>(note 4)</i>	105,678	79,426
Due from other funds	(455,070)	(495,324)
	<u>67,061</u>	<u>(10,020)</u>
<b>LIABILITIES</b>		
Long-term debt <i>(note 10)</i>	<u>362,323</u>	<u>399,050</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(schedule 1)</i>	3,406,745	3,509,439
Inventories <i>(note 6)</i>	14,525	17,518
	<u>3,421,270</u>	<u>3,526,957</u>
<b>FUND SURPLUS</b>	<u><u>3,126,008</u></u>	<u><u>3,117,887</u></u>



## SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
(Unaudited)			
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	195,000	216,598	194,017
<b>SEWER</b>			
Sewer fees	98,500	108,480	88,599
<b>PROPERTY TAXES</b>	59,760	59,758	59,758
<b>OTHER REVENUE</b>			
Hydrant rentals	1,750	1,750	1,750
Connection charges	3,500	6,000	10,750
Penalties	2,500	3,626	2,763
Investment income	-	7,135	9,353
Administration fees	-	13,291	12,706
Other income	9,000	1,300	6,350
	16,750	33,102	43,672
<b>TOTAL REVENUE</b>	370,010	417,938	386,046
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	31,850	19,480	22,320
<b>WATER</b>			
Transmission and distribution	34,700	51,029	35,371
Water purchases	170,000	167,311	145,631
Amortization	58,250	58,224	56,608
Interest and long-term debt	23,000	23,031	25,027
	285,950	299,595	262,637
<b>SEWER</b>			
Collection system costs	25,500	26,489	25,215
Treatment and disposal costs	6,200	2,092	3,910
Other sewer expense	3,000	-	1,650
	34,700	28,581	30,775
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	47,000	47,161	46,832
<b>TOTAL EXPENSES</b>	399,500	394,817	362,564

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

**For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	(29,490)	23,121	23,482
<b>TRANSFERS</b>			
Transfer from reserve funds	-	(15,000)	(21,500)
<b>CHANGE IN UTILITY FUND BALANCE</b>	(29,490)	8,121	1,982
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>3,117,887</u>	<u>3,117,887</u>	<u>3,115,905</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u><u>3,088,397</u></u>	<u><u>3,126,008</u></u>	<u><u>3,117,887</u></u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2020

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Government Partnerships	PSAB Budget
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Property taxes	1,368,778	-	-	-	-	-	-	1,368,778
Grants in lieu of taxation	9,357	-	-	-	-	-	-	9,357
User fees	70,200	-	-	-	-	-	750	70,950
Grants - Province of Manitoba	174,234	-	-	-	-	-	-	174,234
Grants - Other	75,935	-	-	-	-	-	3,250	79,185
Permits, licences and fees	10,000	-	-	-	-	-	-	10,000
Investment revenue	15,000	-	-	-	-	-	-	15,000
Other revenue	19,965	-	-	-	-	-	-	19,965
Transfers	237,835	(32,000)	-	-	(205,835)	-	-	-
Water and sewer	(59,758)	370,010	-	-	-	-	436,723	746,975
	<b>1,921,546</b>	<b>338,010</b>	<b>-</b>	<b>-</b>	<b>(205,835)</b>	<b>-</b>	<b>440,723</b>	<b>2,494,444</b>
<b>EXPENSES</b>								
General government services	486,528	-	15,000	-	-	-	-	501,528
Protective services	137,900	-	55,100	-	-	-	-	193,000
Transportation services	380,501	-	111,200	2,500	-	-	-	494,201
Environmental health services	88,500	-	6,600	-	-	-	-	95,100
Public health and welfare services	905	-	-	-	-	-	-	905
Regional planning and development	91,200	-	-	-	-	-	4,000	95,200
Resource conservation and industrial development	95,200	-	-	-	-	-	-	95,200
Recreation and cultural services	35,475	-	1,400	-	-	-	-	36,875
Fiscal services	129,666	7,000	-	-	(136,666)	-	-	-
Transfers	-	59,760	-	-	(59,760)	-	-	-
Water and sewer	-	271,250	105,250	23,000	-	-	416,727	816,227
	<b>1,445,875</b>	<b>338,010</b>	<b>294,550</b>	<b>25,500</b>	<b>(196,426)</b>	<b>-</b>	<b>420,727</b>	<b>2,328,236</b>
<b>SURPLUS (DEFICIT)</b>	<b>475,671</b>	<b>-</b>	<b>(294,550)</b>	<b>(25,500)</b>	<b>(9,409)</b>	<b>-</b>	<b>19,996</b>	<b>166,208</b>

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2020

	2020 Actual \$	2019 Actual \$
<b>BALANCE, BEGINNING OF YEAR</b>	<u>185,352</u>	<u>165,377</u>
<b>Add:</b>		
Tax Levy ( <i>schedule 11</i> )	2,842,749	2,761,476
Taxes added	74,640	53,520
Penalties and interest	28,431	22,909
Accounts added to tax roll	<u>1,758</u>	<u>2,390</u>
<b>Sub-total</b>	<u>3,132,930</u>	<u>3,005,672</u>
<b>Deduct:</b>		
Cash collections - current	2,526,614	2,418,391
Cash collections - arrears	126,465	109,512
Cancellations	-	-
Tax discounts	6,011	7,154
M.P.T.C. - cash advance	<u>286,600</u>	<u>285,263</u>
<b>Sub-total</b>	<u>2,945,690</u>	<u>2,820,320</u>
<b>BALANCE, END OF YEAR</b>	<u><u>187,240</u></u>	<u><u>185,352</u></u>

## ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2020

	Assessment	Mill Rate	2020 Levy	2019 Levy
Debt Charges:				
Frontage (note 11)			59,758	59,758
L.I.D.			-	-
At large (note 12)			<u>25,375</u>	<u>25,301</u>
			<u>85,133</u>	<u>85,059</u>
Reserves:				
Reserve (note 13)			<u>142,155</u>	141,966
			<u>142,155</u>	<u>141,966</u>
Other municipal levies:				
General municipal	136,424,460	8.074	<u>1,101,490</u>	<u>1,021,352</u>
<b>Total municipal taxes (schedule 2)</b>			<u>1,328,778</u>	<u>1,248,377</u>
Education Support Levy	4,946,220	8.828	43,665	47,319
Special levy:				
Prairie Rose School Division	127,261,560	10.620	<u>1,351,518</u>	1,348,135
Portage la Prairie School Division	9,162,900	12.964	<u>118,788</u>	<u>117,645</u>
			<u>1,470,306</u>	<u>1,465,780</u>
<b>Total education taxes</b>			<u>1,513,971</u>	<u>1,513,099</u>
<b>Total tax levy (schedule 10)</b>			<u>2,842,749</u>	<u>2,761,476</u>

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

**Schedule 12**

**For the Year Ended December 31, 2020**

	2020 Budget \$	2020 Actual \$	2019 Actual \$
(Unaudited)			
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	74,000	57,087	65,302
General administrative	427,528	422,303	413,363
	<u>501,528</u>	<u>479,390</u>	<u>478,665</u>
<b>PROTECTIVE SERVICES</b>			
Fire	157,875	134,768	133,882
Emergency measures	35,125	17,442	21,725
	<u>193,000</u>	<u>152,210</u>	<u>155,607</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Administration and engineering	12,400	12,334	13,018
Road and street maintenance	427,701	382,139	399,866
Sidewalk and boulevard maintenance	500	-	-
Street lighting	14,700	16,190	16,254
Traffic services	25,000	14,441	619
Other	13,900	13,906	15,075
	<u>494,201</u>	<u>439,010</u>	<u>444,832</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	64,000	69,823	60,675
Recycling	30,500	38,750	30,176
Lagoons and wells	600	-	238
	<u>95,100</u>	<u>108,573</u>	<u>91,089</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Social assistance	905	905	905
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	86,600	96,939	80,696
Urban renewal	4,600	5,132	4,564
	<u>91,200</u>	<u>102,071</u>	<u>85,260</u>
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	500	60	810
Drainage of land	89,500	490,841	35,297
Pest control	5,200	3,601	3,903
	<u>95,200</u>	<u>494,502</u>	<u>40,010</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Administration	8,000	4,860	3,195
Community centers and halls	14,775	11,533	47,599
Parks and playgrounds	12,100	9,369	6,263
Other recreational facilities	-	12,084	-
Libraries	2,000	1,320	1,980
	<u>36,875</u>	<u>39,166</u>	<u>59,037</u>
<b>TOTAL EXPENSES</b>	<u>1,508,009</u>	<u>1,815,827</u>	<u>1,355,405</u>

**RURAL MUNICIPALITY OF ST. FRANCOIS XAVIER**  
**ESTIMATED RECONCILIATION OF ANNUAL SURPLUS**  
**For the Year Ended December 31, 2020**

	General	Utility	2020	2019
	\$	\$	Total	Total
			\$	\$
<b>CONSOLIDATED ANNUAL SURPLUS (statement 2)</b>				
Elimination of appropriations from reserves	746,074	8,121	754,195	858,451
Elimination of appropriations to reserves	582,313	-	582,313	4,000
Consolidation of reserve operations	(193,936)	-	(193,936)	(446,889)
Elimination of consolidated entity operations	(44,709)	-	(44,709)	(55,116)
Elimination of nominal surplus transfers	(63,939)	-	(63,939)	(451,936)
Amortization of tangible capital assets	-	-	-	45,000
Principal portion of long term debt	189,030	105,385	294,415	291,908
Acquisitions of capital assets from operating funds	(22,934)	(36,726)	(59,660)	(56,496)
	(750,906)	-	(750,906)	(44,096)
	<u>440,993</u>	<u>76,780</u>	<u>517,773</u>	<u>144,826</u>

**ESTIMATED EXCESS OF REVENUES AND TRANSFERS  
OVER EXPEDITURES FOR THE PURPOSES OF SECTION  
165(1) AND (2) OF THE MUNICIPAL ACT\*\*\***

\*\*\* 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