

MUNICIPALITY OF GLENELLA-LANSDOWNE
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

MUNICIPALITY OF GLENELLA-LANSDOWNE
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STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Municipality of Glenella-Lansdowne and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

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

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Sensus Chartered Professional Accountants Ltd., as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditor's Report is addressed to the 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.

Wendy Wutzke
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:
Municipality of Glenella-Lansdowne
Glenella, Manitoba

Opinion

We have audited the consolidated financial statements of Municipality of Glenella-Lansdowne, which comprise the statement of financial position as at December 31, 2019 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Municipality of Glenella-Lansdowne as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Municipality of Glenella-Lansdowne 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 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 of Glenella-Lansdowne'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 of Glenella-Lansdowne or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements


Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian auditing standards, we exercise 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 Municipality of Glenella-Lansdowne's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality of Glenella-Lansdowne's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality of Glenella-Lansdowne 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.

Brandon, Manitoba
June 11, 2020



 Chartered Professional Accountants Ltd.

MUNICIPALITY OF GLENELLA-LANSDOWNE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash (Note 3)	\$ 1,296,695	\$ 893,224
Amounts receivable (Note 4)	759,981	938,870
Loans and advances	36,003	36,003
Real estate properties held for sale (Note 2)	18,114	18,114
Other assets (Note 2)	30,301	28,682
	2,141,094	1,914,893
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	363,819	276,399
Deferred revenue (Note 2)		5,000
Landfill closure and post closure liabilities (Note 8)	39,779	36,931
Long-term debt (Note 7)	518,354	585,167
	921,952	903,497
NET FINANCIAL ASSETS	1,219,142	1,011,396
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	6,996,175	7,119,142
Inventories (Note 5)	129,423	132,725
Prepaid expenses	28,401	27,837
	7,153,999	7,279,704
ACCUMULATED SURPLUS	\$ 8,373,141	\$ 8,291,100

MUNICIPALITY OF GLENELLA-LANSDOWNE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2019

	2019 Budget (Note 11)	2019 Actual	2018 Actual
REVENUE			
Property taxes	\$ 1,515,240	\$ 1,608,872	\$ 1,552,149
Grants in lieu of taxation	6,124	6,125	6,448
User fees	92,850	100,696	78,418
Permits, licences and fines		13,656	10,782
Investment income	7,463	20,498	20,720
Other revenue	35,000	111,424	99,532
Water and sewer	108,000	366,788	529,499
Grants - Province of Manitoba	134,165	159,770	200,471
Grants - Other	70,395	132,754	78,624
Total revenue (Schedules 2, 4 and 5)	1,969,237	2,520,583	2,576,643
EXPENSES			
General government services	363,695	377,696	350,086
Protective services	90,456	91,876	86,983
Transportation services	1,028,418	1,047,035	1,053,491
Environmental health services	84,966	82,146	97,870
Public health and welfare services	13,950	13,895	14,592
Regional planning and development	39,475	23,302	33,642
Resource conservation and industrial development	59,975	58,753	59,187
Recreation and cultural services	100,047	173,935	167,341
Water and sewer services	257,110	569,904	497,363
Total expenses (Schedules 3, 4 and 5)	2,038,092	2,438,542	2,360,555
ANNUAL SURPLUS (DEFICIT)	\$ (68,855)	82,041	216,088
ACCUMULATED SURPLUS, BEGINNING OF YEAR		8,291,100	8,075,012
ACCUMULATED SURPLUS, END OF YEAR		\$ 8,373,141	\$ 8,291,100

MUNICIPALITY OF GLENELLA-LANSDOWNE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 For the year ended December 31, 2019

	2019 Budget (Note 11)	2019 Actual	2018 Actual
ANNUAL SURPLUS (DEFICIT)	\$ (68,855)	\$ 82,041	\$ 216,088
Acquisition of tangible capital assets	(1,178,460)	(296,077)	(465,024)
Amortization of tangible capital assets	405,149	405,149	394,202
Loss on sale of tangible capital assets		8,395	
Proceeds on sale of tangible capital assets		5,500	
Decrease (increase) in inventories		3,302	(33,801)
Increase in prepaid expenses		(564)	(4,313)
	(773,311)	125,705	(108,936)
CHANGE IN NET FINANCIAL ASSETS	\$ (842,166)	207,746	107,152
NET FINANCIAL ASSETS, BEGINNING OF YEAR		1,011,396	904,244
NET FINANCIAL ASSETS, END OF YEAR		\$ 1,219,142	\$ 1,011,396

MUNICIPALITY OF GLENELLA-LANSDOWNE
CONSOLIDATED STATEMENT OF CASH FLOWS
 For the year ended December 31, 2019

	2019	2018
OPERATING TRANSACTIONS		
Annual surplus	\$ 82,041	\$ 216,088
Changes in non-cash items:		
Amounts receivable	178,889	(253,529)
Inventories	3,302	(33,801)
Prepays	(564)	(4,313)
Accounts payable and accrued liabilities	87,420	58,500
Deferred revenue	(5,000)	5,000
Other assets	(1,619)	62
Landfill closure and post closure liabilities	2,848	14,615
Loss on sale of tangible capital assets	8,395	
Amortization	405,149	394,202
Cash provided by operating transactions	760,861	396,824
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	5,500	
Cash used to acquire tangible capital assets	(296,077)	(465,024)
Cash applied to capital transactions	(290,577)	(465,024)
FINANCING TRANSACTIONS		
Proceeds of long-term debt	120,000	
Debt repayment	(186,813)	(219,026)
Cash applied to financing transactions	(66,813)	(219,026)
INCREASE (DECREASE) IN CASH	403,471	(287,226)
CASH, BEGINNING OF YEAR	893,224	1,180,450
CASH, END OF YEAR	\$ 1,296,695	\$ 893,224

MUNICIPALITY OF GLENELLA-LANSDOWNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

1. STATUS OF THE MUNICIPALITY OF GLENELLA-LANSDOWNE

The incorporated Municipality of Glenella-Lansdowne ("the Municipality") is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Municipality of Glenella-Lansdowne reflects the amalgamation of the former Rural Municipality of Glenella and Rural Municipality of Lansdowne. The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Arden Curling Club Bar
 Glenella Recreation Commission
 Lansdowne Recreation Commission

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:

Neepawa and Area Planning District Board - 15% (2018 - 15%)
 Yellowhead Regional Water Co-op Inc. - 20% (2018 - 20%)

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

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

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

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

Real Estate Properties Held for Sale

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

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

Landfill Closure and Post Closure Liabilities

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

Non-Financial Assets

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

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

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.

Deferred Revenue

Deferred revenues represents water line connection 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.

Other assets

Other assets represents patronage dividends held with Neepawa-Gladstone Cooperative Ltd.

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

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

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 years
Buildings and leasehold improvements	
Buildings	10 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	5 to 25 years
Machinery, equipment and furniture	5 to 10 years
Maintenance and road construction equipment	3 to 25 years
Computer hardware and software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 years
Road grade	40 years
Bridges	40 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Buildings	10 to 25 years
Underground networks	50 years
Machinery and equipment	5 to 10 years

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

MUNICIPALITY OF GLENELLA-LANSDOWNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

Deferred revenue 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.

Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Measurement uncertainty in these financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the financial statement date. The estimate of the future cash flows and the closure date of the landfill are based upon the best estimates by management. The actual future cash flows and closure date may differ significantly.

3. CASH

Cash is comprised of the following:

	2019	2018
Cash	\$ 1,296,695	\$ 893,224

The Municipality has designated \$883,678 (2018 - \$712,663) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has an authorized line of credit of \$300,000 with Beautiful Plains Credit Union Ltd. with interest charged at a rate of 3.45% (2018 - 3.45%).

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2019	2018
Taxes on roll (Schedule 11)	\$ 273,453	\$ 235,220
Government grants (Schedule 8)	224,736	235,164
Organizations and individuals	55,360	152,817
Other governments	21,015	29,217
Utility customers (Schedule 8)	185,417	286,452
	<u>\$ 759,981</u>	<u>\$ 938,870</u>

5. INVENTORIES

	2019	2018
Inventories for use:		
Gravel	\$ 77,084	\$ 84,187
General	52,339	48,538
	<u>\$ 129,423</u>	<u>\$ 132,725</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
School levies	\$ 108,157	\$ 97,393
Other governments	116,526	67,174
Accounts payable	117,001	88,927
Accrued expenses	22,135	22,905
	<u>\$ 363,819</u>	<u>\$ 276,399</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

7. LONG TERM DEBT

	2019	2018
General Authority		
Debenture, payable at \$12,023 annually including interest at 3.45%, maturing December 2022.	\$ 26,791	\$ 37,520
Debenture, payable at \$20,327 annually including interest at 3.45%, matured December 2019.		9,996
Debenture, payable at \$19,631 annually including interest at 3.45%, matured December 2019.		19,141
Debenture, payable at \$11,589 annually including interest at 3.45%, maturing December 2028.	84,337	92,727
Debenture, payable at \$51,502 annually including interest at 3.45%, maturing December 2022.	100,683	147,110
Debenture, payable at \$56,497 annually including interest at 3.45%, maturing December 2023.	165,213	214,317
	<u>377,024</u>	<u>520,811</u>
Utility Funds		
Debenture, payable at \$40,471 annually including interest at 3.45%, maturing December 2020.	14,852	53,478
Debenture, payable at \$4,776 annually including interest at 3.45%, maturing December 2021.	6,478	10,878
Debenture, payable at \$8,420 annually including interest at 3.45%, maturing December 2039.	120,000	
	<u>141,330</u>	<u>64,356</u>
	<u>\$ 518,354</u>	<u>\$ 585,167</u>

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

2020	\$ 142,253
2021	129,058
2022	75,421
2023	21,858
2024	14,832
	<u>\$ 383,422</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2019

8. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

Operating Landfill Site

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

	2019	2018
Estimated closure and post closure costs over the next 16 years	\$ 128,542	\$ 128,542
Discount rate	6.50 %	6.50 %
Discount costs	46,930	44,066
Expected year capacity will be reached	2035	2035
Percent utilized	84.76 %	83.81 %
Liability based on percentage	\$ 39,779	\$ 36,931

9. SCHEDULE OF DEBENTURES PENDING

<u>Authority</u>	<u>Purpose</u>	<u>Authorized</u>
None		\$

10. FINANCIAL INSTRUMENTS

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

11. BUDGET

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

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

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

12. RETIREMENT BENEFITS

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$30,707 (2018 - \$29,230) 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 has 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 requirements. As a result, solvency funding is no longer required by MEPP.

13. ACCUMULATED SURPLUS

	2019	2018
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 922,202	\$ 860,478
Utility Operating Fund(s) - Nominal Surplus	(54,392)	(62,053)
TCA net of related borrowings	4,551,582	4,493,079
Reserve Funds	883,678	712,663
Accumulated Surplus of Municipality Unconsolidated	6,303,070	6,004,167
Accumulated Surpluses of Consolidated Entities	2,070,071	2,286,933
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 8,373,141	\$ 8,291,100

MUNICIPALITY OF GLENELLA-LANSLOWNE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

14. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$75,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2019:

- a) Compensation paid to members of council amounted to \$71,320 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Richard Funk	\$ 13,230	\$ 1,771	\$ 15,001
Greg McConnell	9,090	1,109	10,199
Roland Marohn	8,520	1,021	9,541
Don Boxall	9,290	934	10,224
Bryan McCutchin	12,130	1,123	13,253
Arnie Suski	9,880	1,432	11,312
John Pottinger	9,180	1,398	10,578
	<u>\$ 71,320</u>	<u>\$ 8,788</u>	<u>\$ 80,108</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Wendy Wutzke	CAO	\$ 75,184

15. TRUST FUNDS

The Municipality administers the following trust funds:

	<u>Balance, beginning of year</u>	<u>Excess (deficiency) of receipts over disbursements</u>	<u>Balance, end of year</u>
Roy Lewis Trust	\$ <u>17,348</u>	\$ <u>(415)</u>	\$ <u>16,933</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2019

16. PUBLIC UTILITIES BOARD

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

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

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

17. SEGMENTED INFORMATION

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

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

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

18. SUBSEQUENT EVENTS

Subsequent to year end, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the municipality has not suffered any significant disruptions, and we are therefore unable to estimate the effect of the pandemic on the municipality's operations. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of the disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

MUNICIPALITY OF GLENELLA-LANSDOWNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2019

19. GOVERNMENT PARTNERSHIPS

The Municipality has several partnership agreements for municipal services. The consolidated financial statements include the Municipality's proportionate interest, as disclosed in Note 2. The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	2019	2018
Financial Position		
Financial assets	\$ 197,267	\$ 296,548
Liabilities	54,058	50,969
Net financial assets	143,209	245,579
Non-financial assets	1,926,862	2,041,354
Accumulated surplus	\$ 2,070,071	\$ 2,286,933
Result of Operations		
Revenues	\$ 174,792	\$ 194,260
Expenses	392,490	333,230
Intercompany revenue and expense eliminations	836	1,330
Annual deficit	\$ (216,862)	\$ (137,640)

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2019

Cost	General Capital Assets				Infrastructure		Totals	
	Land and Land Improvements	Building and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2018
Opening costs	\$ 137,406	744,413	2,828,967	81,623	16,113,353	7,053,677	320,581	\$ 27,280,020
Additions during the year		12,583	38,710	5,297		21,980	217,507	296,077
Disposals and write downs			(23,819)	(1,424)		(556)		(25,799)
Transfers						538,088	(538,088)	
Closing costs	137,406	756,996	2,843,858	85,496	16,113,353	7,613,189		27,550,298
Accumulated Amortization								
Opening accum'd amortization	36,584	516,591	1,213,334	76,131	15,912,746	2,405,492		20,160,878
Amortization	2,464	19,873	155,620	2,834	9,960	214,398		405,149
Disposals and write downs			(9,924)	(1,424)		(556)		(11,904)
Closing accum'd amortization	39,048	536,464	1,359,030	77,541	15,922,706	2,619,334		20,554,123
Net Book Value of Tangible Capital Assets	\$ 98,358	220,532	1,484,828	7,955	190,647	4,993,855		\$ 6,996,175
								\$ 7,119,142

Water and sewer underground networks contributed to the Municipality totals \$3,804,181 and were capitalized at their fair value at the time of their receipt.

The Municipality has 894 km of roads that were capitalized at a nominal value of \$15,811,240.

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
 For the year ended December 31, 2019

	2019 Actual	2018 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,552,584	\$ 1,544,158
Taxes added	60,175	10,641
Discounts	(3,887)	(2,650)
	<u>1,608,872</u>	<u>1,552,149</u>
Grants in lieu of taxation:		
Grants in lieu of taxation	<u>6,125</u>	<u>6,448</u>
User fees:		
Sales of service	77,461	59,251
Rentals	23,235	19,167
	<u>100,696</u>	<u>78,418</u>
Permits, licences and fines:		
Permits	<u>13,656</u>	<u>10,782</u>
Investment income:		
Cash and temporary investments	<u>20,498</u>	<u>20,720</u>
Other revenue:		
Contributed assets	20,384	
Penalties and interest	22,214	19,957
Miscellaneous	68,826	79,575
	<u>111,424</u>	<u>99,532</u>
Water and sewer		
Municipal utility	210,851	358,890
Consolidated water co-operatives	155,937	170,609
	<u>366,788</u>	<u>529,499</u>
Grants - Province of Manitoba:		
General assistance payment	44,471	58,396
Municipal program grants	63,449	12,116
Conditional grants	51,850	129,959
	<u>159,770</u>	<u>200,471</u>
Grants - other:		
Federal government - gas tax funding	126,682	70,439
Federal government - other	1,363	1,339
Other local governments	4,709	6,846
	<u>132,754</u>	<u>78,624</u>
Total revenue	<u>\$ 2,520,583</u>	<u>\$ 2,576,643</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2019

	2019 Actual	2018 Actual
General government services:		
Legislative	\$ 72,691	\$ 65,479
General administrative	301,034	280,607
Other	3,971	4,000
	<u>377,696</u>	<u>350,086</u>
Protective services:		
Fire	60,296	55,801
Emergency measures	11,583	11,429
Other protection	19,997	19,753
	<u>91,876</u>	<u>86,983</u>
Transportation services:		
Road transport		
Administration and engineering	425,276	433,037
Road and street maintenance	577,562	572,569
Bridge maintenance	3,345	5,484
Sidewalk and boulevard maintenance	1,932	3,949
Street lighting	9,576	11,859
Other	20,949	26,593
Loss on disposal of tangible capital assets	8,395	
	<u>1,047,035</u>	<u>1,053,491</u>
Environmental health services:		
Waste collection and disposal	81,696	97,420
Other	450	450
	<u>82,146</u>	<u>97,870</u>
Public health and welfare services:		
Public health	6,666	6,670
Medical care	2,539	3,232
Social assistance	4,690	4,690
	<u>13,895</u>	<u>14,592</u>
Regional planning and development:		
Planning and zoning	23,302	33,642
Sub-total (carry forward)	<u>\$ 1,635,950</u>	<u>\$ 1,636,664</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES (continued)
 For the year ended December 31, 2019

	2019 Actual	2018 Actual
Sub-total (carry forward)	\$ 1,635,950	\$ 1,636,664
Resource conservation and industrial development:		
Veterinary services	9,028	9,028
Water resources and conservation	44,110	43,520
Regional development	244	218
Other	5,371	6,421
	58,753	59,187
Recreation and cultural services:		
Administration	47,597	43,885
Community centres and halls	30,118	37,456
Skating and curling rinks	79,584	73,731
Parks and playgrounds	16,636	12,269
	173,935	167,341
Water and sewer (Schedule 9)		
Municipal utility	195,977	184,327
Consolidated water co-operatives	373,927	313,036
	569,904	497,363
Total expenses	\$ 2,438,542	\$ 2,360,555

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
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
REVENUE										
Property taxes	\$ 1,604,096	\$ 1,516,349								
Grants in lieu of taxation	6,125	6,448								
User fees	23,235	19,167								
Grants - other	128,045	71,778			7,558	7,485	1,400	2,125		
Permits, licences and fines										
Investment income	20,008	20,119								
Other revenue	72,304	60,508								
Water and sewer										
Prov of MB - unconditional grants	107,920	70,512								
Prov of MB - conditional grants	51,850	124,566								
Total revenue	2,013,583	1,889,447			7,558	7,485	1,400	2,125		
EXPENSES										
Personnel services	237,642	221,558	24,519	26,137	423,853	431,614	47,317	41,282	12,223	12,159
Contract services	59,491	55,726	23,697	23,301	38,835	99,042	32,917	51,995		
Utilities	18,698	19,038	12,579	12,239	22,060	20,257	1,115	1,256		
Maintenance, materials and supplies	23,517	26,957	13,750	7,649	390,774	337,219	581	3,121	33	
Grants and contributions	8,164	7,047								
Amortization	7,345	9,206	14,132	13,340	149,988	147,315	216	216	1,639	2,433
Interest on long term debt			3,199	4,317	13,130	18,044				
Other					8,395					
Total expenses	377,696	350,086	91,876	86,983	1,047,035	1,053,491	82,146	97,870	13,895	14,592
Surplus (Deficit)	\$ 1,635,887	\$ 1,539,361	(91,876)	(86,983)	(1,039,477)	(1,046,006)	(80,746)	(95,745)	(13,895)	(14,592)

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

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM (continued)
For the year ended December 31, 2019

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE										
Property taxes										
Grants in lieu of taxation										
User fees										
Grants - other	4,709	6,846								
Permits, licences and fines	13,656	10,782			68,503	49,641				
Investment income	490	601								
Other revenue		29			39,120	38,995				
Water and sewer										
Prov of MB - unconditional grants							366,788	529,499		
Prov of MB - conditional grants		5,393								
Total revenue	18,855	23,651			107,623	88,636	371,564	565,299	2,520,583	2,576,643
EXPENSES										
Personnel services	15,294	11,035			45,904	43,962	131,333	106,247	925,862	881,835
Contract services	6,008	20,711			32,343	25,561	32,548	36,200	252,705	340,362
Utilities	435	431	14,643	15,667	33,639	37,261	7,408	6,963	95,934	97,445
Maintenance, materials and supplies	1,542	1,465			43,002	43,203	118,903	132,630	592,102	552,244
Grants and contributions			44,110	43,520	19,047	17,354	214,398	206,771	52,274	50,567
Amortization	23						2,220	4,291	405,149	394,202
Interest on long term debt								4,261	20,188	29,085
Other							63,094		94,328	14,815
Total expenses	23,302	33,642	58,753	59,187	173,935	167,341	569,904	497,363	2,438,542	2,360,555
Surplus (Deficit)	(4,447)	(9,991)	(58,753)	(59,187)	(66,312)	(78,705)	(198,340)	67,936	\$ 82,041	\$ 216,088

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2019

	Core Government		Controlled Entities		Government Partnerships		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE								
Property taxes	\$ 1,608,872	\$ 1,552,149					\$ 1,608,872	\$ 1,552,149
Grants in lieu of taxation	6,125	6,448					6,125	6,448
User fees	100,696	78,418					100,696	78,418
Grants - other	128,045	71,778					132,754	78,624
Permits, licences and fines					4,709	6,846	13,656	10,782
Investment income					13,656	10,782	20,498	20,720
Other revenue	20,008	20,119			490	601	111,424	99,532
Water and sewer	111,424	99,503				29	366,788	529,499
Prov of MB - unconditional grants	210,851	358,890			155,937	170,609	107,920	70,512
Prov of MB - conditional grants	107,920	70,512					51,850	129,959
	51,850	124,566				5,393		
Total revenue	2,345,791	2,382,383			174,792	194,260	2,520,583	2,576,643
EXPENSES								
Personnel services	810,639	790,971			115,223	90,864	925,862	881,835
Contract services	249,269	329,755			3,436	10,607	252,705	340,362
Utilities	95,499	97,014			435	431	95,934	97,445
Maintenance, materials and supplies	507,921	456,886			84,181	95,358	592,102	552,244
Grants and contributions	52,274	50,567					52,274	50,567
Amortization	268,358	258,493			136,791	135,709	405,149	394,202
Interest on long term debt	20,188	29,085					20,188	29,085
Other	41,904	14,554			52,424	261	94,328	14,815
Total expenses	2,046,052	2,027,325			392,490	333,230	2,438,542	2,360,555
Surplus (Deficit)	\$ 299,739	\$ 355,058			(217,698)	(138,970)	\$ 82,041	\$ 216,088

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2019

	2019				
	Utility Reserve - Glenella	Utility Reserve - Arden	Capital Projects Reserve	LUD Arden Reserve	Sub Total
REVENUE					
Investment income	288			283	\$ 571
Other income					
Total revenue	288			283	571
EXPENSES					
Investment charges					
Other expenses					
Total expenses					
NET REVENUES	288			283	571
TRANSFERS					
Debt repayment					
Transfers from operating fund					
Transfers to operating fund	3,000				3,000
Transfers from utility fund	(6,670)	(6,503)			(13,173)
Transfers to utility fund					
Acquisition of tangible capital assets					
CHANGE IN RESERVE FUND BALANCES	(3,382)	(6,503)		283	(9,602)
FUND SURPLUS, BEGINNING OF YEAR	13,445	6,503	19	12,739	32,706
FUND SURPLUS, END OF YEAR	\$ 10,063	19		13,022	\$ 23,104

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES (continued)
For the year ended December 31, 2019

	2019					2018	
	General Reserve	Public Works Reserve	Building Reserve	Fire Equipment Reserve	LUD of Glenella Reserve	Gas Tax Reserve	Total
REVENUE							
Investment income	\$ 654	8,813	401	944	125	2,260	\$ 13,768
Other income							\$ 12,902
							134,112
Total revenue	654	8,813	401	944	125	2,260	13,768
							147,014
EXPENSES							
Investment charges							
Other expenses							
							140,813
Total expenses							140,813
NET REVENUES	654	8,813	401	944	125	2,260	13,768
							6,201
TRANSFERS							
Debt repayment							
Transfers from operating fund						(12,023)	(12,023)
Transfers to operating fund	8,000	114,000	4,000	8,400		126,682	186,839
Transfers from utility fund							(65,737)
Transfers to utility fund						(40,741)	3,000
Acquisition of tangible capital assets	(3,201)	(24,737)		(12,960)			(53,914)
							(40,898)
CHANGE IN RESERVE FUND BALANCES	5,453	98,076	4,401	(3,616)	125	76,178	171,015
							24,775
FUND SURPLUS, BEGINNING OF YEAR	31,027	520,099	22,112	51,065	5,628	50,026	712,663
							687,888
FUND SURPLUS, END OF YEAR	\$ 36,480	618,175	26,513	47,449	5,753	126,204	\$ 883,678
							\$ 712,663

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS -
For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
REVENUE	\$	\$	\$
EXPENSES			
General government			
Transportation services			
Environmental health			
Regional planning and development			
Recreation and cultural services			
TRANSFERS			
CHANGES IN L.U.D. BALANCES	\$		
UNEXPENDED BALANCE, BEGINNING OF YEAR			
UNEXPENDED BALANCE, END OF YEAR		\$	\$

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2019

	2019			2018	
	Glenella Water System	Arden Water System	Yellowhead Water Co-op Inc.	Total	Total
FINANCIAL ASSETS					
Cash and temporary investments			\$ 2,508	\$ 2,508	\$ 2,503
Amounts receivable (Note 4)	2,323	232,134	175,697	410,154	521,616
Due from other funds			776	776	1,131
	<u>2,323</u>	<u>232,134</u>	<u>178,981</u>	<u>413,438</u>	<u>525,250</u>
LIABILITIES					
Accounts payable and accrued liabilities			51,654	51,654	112,314
Deferred revenue					5,000
Long-term debt (Note 7)	110,359	141,330		141,330	64,356
Due to other funds	<u>110,359</u>	<u>220,067</u>		<u>330,426</u>	<u>283,626</u>
	<u>(108,036)</u>	<u>361,397</u>	<u>51,654</u>	<u>523,410</u>	<u>465,296</u>
NET FINANCIAL ASSETS (NET DEBT)		<u>(129,263)</u>	<u>127,327</u>	<u>(109,972)</u>	<u>59,954</u>
NON-FINANCIAL ASSETS					
Tangible capital assets (Schedule 1)	399,357	2,668,390	1,926,108	4,993,855	4,968,767
Prepaid expenses	<u>836</u>		<u>623</u>	<u>1,459</u>	<u>4,047</u>
	<u>400,193</u>	<u>2,668,390</u>	<u>1,926,731</u>	<u>4,995,314</u>	<u>4,972,814</u>
FUND SURPLUS	<u>292,157</u>	<u>\$ 2,539,127</u>	<u>\$ 2,054,058</u>	<u>\$ 4,885,342</u>	<u>\$ 5,032,768</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE

SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Glenella Water System

For the year ended December 31, 2019

	Budget	2019	2018
REVENUE			
Water			
Water fees	\$ 35,000	\$ 34,352	\$ 34,717
Bulk water fees	500	360	417
Sub-Total - Water	35,500	34,712	35,134
Government transfers		119,441	3,515
Government transfers - capital			
Other			
Penalties	500	468	410
Other income	100		20
Sub-Total - Other	600	468	430
Total revenue	36,100	154,621	39,079
EXPENSES			
General			
Administration	19,900	17,730	16,837
Water General			
Purification and treatment	3,400	10,982	8,022
Transmission and distribution	6,300	2,682	2,286
Water meter purchases	25,000	6,670	
Sub-Total - Water General	34,700	20,334	10,308
Water Amortization and Interest		10,650	10,536
Amortization			
Total expenses	54,600	48,714	37,681
NET OPERATING SURPLUS (DEFICIT)	\$ (18,500)	105,907	1,398
TRANSFERS		3,670	(485)
Transfers from (to) reserve funds			
CHANGE IN UTILITY FUND BALANCE		109,577	913
FUND SURPLUS, BEGINNING OF YEAR		182,580	181,667
FUND SURPLUS, END OF YEAR	\$	292,157	\$ 182,580

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Arden Water System
For the year ended December 31, 2019

	Budget	2019	2018
REVENUE			
Water			
Water fees	\$ 26,000	\$ 27,617	\$ 24,748
Bulk water fees	8,500	10,524	8,580
Sub-Total - Water	34,500	38,141	33,328
Property taxes	4,776	4,776	35,800
Government transfers			
Government transfers - capital			235,164
Other			
Hydrant rentals	450	450	450
Connection charges	30,000	11,605	45,000
Penalties	550	450	532
Other income	6,400	5,584	5,337
Sub-Total - Other	37,400	18,089	51,319
Total revenue	\$ 76,676	\$ 61,006	\$ 355,611

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Arden Water System
For the year ended December 31, 2019

	Budget	2019	2018
EXPENSES			
General			
Administration	\$ 18,850	\$ 17,876	\$ 13,951
Water General			
Purification and treatment	20,150	22,838	7,433
Water purchases	27,000	25,488	27,626
Connection costs	56,660	11,861	32,819
Sub-Total - Water General	103,810	60,187	67,878
Water Amortization & Interest			
Amortization		26,854	20,400
Interest on long term debt		2,220	4,291
Sub-Total - Water Amortization & Interest		29,074	24,691
Sewer Amortization & Interest			
Amortization		40,126	40,126
Total expenses	122,660	147,263	146,646
NET OPERATING SURPLUS (DEFICIT)	\$ (45,984)	(86,257)	208,965
TRANSFERS			
Transfer from (to) general reserve		6,503	(6,503)
Transfer from gas tax reserve		40,741	40,741
CHANGE IN UTILITY FUND BALANCE		(39,013)	243,203
FUND SURPLUS, BEGINNING OF YEAR		2,578,140	2,334,937
FUND SURPLUS, END OF YEAR		\$ 2,539,127	\$ 2,578,140

MUNICIPALITY OF GLENELLA-LANSDOWNE

SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Yellowhead Water Co-op Inc.

For the year ended December 31, 2019

	Budget	2019	2018
REVENUE			
Water			
Water fees	\$	\$ 147,830	\$ 169,945
Government transfers			
Government transfers - operating		8,102	659
Other			
Investment income		5	5
Total revenue		155,937	170,609
EXPENSES			
General			
Administration		102,095	83,173
Water General			
Purification and treatment		82,639	93,893
Other costs		52,424	261
Sub-Total - Water General		135,063	94,154
Water Amortization & Interest			
Amortization		136,769	135,709
Total expenses		373,927	313,036
DEFICIT	\$	(217,990)	(142,427)
TRANSFERS			
CHANGE IN UTILITY FUND BALANCE		(217,990)	(142,427)
FUND SURPLUS, BEGINNING OF YEAR		2,272,048	2,414,475
FUND SURPLUS, END OF YEAR	\$	2,054,058	\$ 2,272,048

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2019

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 1,510,464	4,776					\$ 1,515,240
Grants in lieu of taxation	6,124						6,124
User fees	82,275					10,575	92,850
Grants - Province of Manitoba	134,165						134,165
Grants - other	64,850					5,545	70,395
Permits, licences and fines						463	7,463
Investment income	7,000						35,000
Other revenue	35,000						108,000
Water and sewer		108,000					
Transfers from accumulated surplus	20,000				(20,000)		
Transfers from reserves	52,764	98,529			(104,924)		46,369
Total revenue	1,912,642	211,305			(124,924)	16,583	2,015,606
EXPENSES							
General government services	356,350		7,345				363,695
Protective services	73,125		14,132	3,199			90,456
Transportation services	865,300		149,988	13,130			1,028,418
Environmental health services	84,750		216				84,966
Public health and welfare services	13,950						13,950
Regional planning and development	15,030					24,445	39,475
Resource cons and industrial dev	59,975						59,975
Recreation and cultural services	81,000		19,047				100,047
Water and sewer services		177,260	77,630	2,220			257,110
Fiscal services:							
Transfer to capital				(207,150)			
Debt charges	161,633	45,517		(3,600)			
Short term interest	3,600				(197,900)		
Transfer to reserves	197,900				(21)		
Allowance for tax assets	21						
Total expenses	1,912,634	222,777	268,358	(192,201)	(197,921)	24,445	2,038,092
Surplus (Deficit)	\$ 8	(11,472)	(268,358)	192,201	72,997	(7,862)	\$ (22,486)

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2019

	2019	2018
Balance, beginning of year	\$ 235,220	\$ 236,556
Add:		
Tax levy (Schedule 12)	2,900,732	2,866,716
Taxes added	60,175	10,641
Penalties or interest	22,214	19,957
Other accounts added	8,323	11,328
Tax adjustments (Connection fee)	8,988	4,938
Sub-total	3,000,432	2,913,580
Deduct:		
Cash collections - current	2,616,874	2,516,799
Cash collections - arrears	158,039	198,776
Writeoffs	11,357	5,605
Tax discounts	3,887	2,650
E.P.T.C. - cash advance	172,042	191,086
Sub-total	2,962,199	2,914,916
Balance, end of year	\$ 273,453	\$ 235,220

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2019

	2019			2018
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Frontage	101,427,820	0.555	56,292	56,268
L.I.D.	101,427,820	0.114	11,563	11,496
Lansdowne - Personal Care	68,685,650	0.149	10,234	20,248
Lansdowne - Grader	101,427,820		51,322	51,327
Glenella - Tractor	32,742,170	0.506	19,613	19,501
Arden Lagoon	55,787,050	0.599		
Glenella - Personal Care	32,742,170			
Arden W&S				
Sub-Total - Debt charges			<u>149,024</u>	<u>158,840</u>
Reserves:				
General	101,427,820	0.079	8,013	7,966
Equipment Replacement	101,427,820	1.124	114,005	114,049
Building	101,427,820	0.039	3,956	4,034
Fire Dept	101,427,820	0.083	8,418	7,966
Sub-Total - Reserves			<u>134,392</u>	<u>134,015</u>
General Municipal - At Large	101,427,820	12.063	<u>1,223,524</u>	<u>1,168,931</u>
Special levies:				
Arden W&S				42,691
Arden W&S	68,685,650		4,776	4,776
Lansdowne	68,685,650	0.595	40,868	34,905
Sub-Total - Special levies			<u>45,644</u>	<u>82,372</u>
Total municipal taxes (Schedule 2)			<u>1,552,584</u>	<u>1,544,158</u>
Education support levy	2,006,920	9.770	<u>19,608</u>	<u>19,590</u>
Special levy:				
Pine Creek	19,663,350	14.000	275,287	269,749
Beautiful Plains	51,664,080	11.490	593,620	576,853
Turtle River	30,100,390	15.270	459,633	456,366
Sub-Total - Special levies			<u>1,328,540</u>	<u>1,302,968</u>
Total education taxes			<u>1,348,148</u>	<u>1,322,558</u>
Total tax levy (Schedule 11)			<u>\$ 2,900,732</u>	<u>\$ 2,866,716</u>

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2019

	2019	2018
General government services:		
Legislative	\$ 72,691	\$ 65,479
General administrative	301,034	280,607
Other	3,971	4,000
	377,696	350,086
Protective services:		
Fire	60,296	55,801
Emergency measures	11,583	11,429
Other	19,997	19,753
	91,876	86,983
Transportation services:		
Road transport		
Administration and engineering	425,276	433,037
Road and street maintenance	577,562	572,569
Bridge maintenance	3,345	5,484
Sidewalk and boulevard maintenance	1,932	3,949
Street lighting	9,576	11,859
Other	20,949	26,593
Loss on disposal of tangible capital assets	8,395	
	1,047,035	1,053,491
Environmental health services:		
Waste collection and disposal	81,696	97,420
Other	450	450
	82,146	97,870
Public health and welfare services:		
Public health	6,666	6,670
Medical care	2,539	3,232
Social assistance	4,690	4,690
	13,895	14,592
Regional planning and development:		
Planning and zoning	5,575	14,778
Sub-total (carry forward)	\$ 1,618,223	\$ 1,617,800

MUNICIPALITY OF GLENELLA-LANSDOWNE
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES (continued)
 For the year ended December 31, 2019

	2019	2018
Sub-total (carry forward)	\$ 1,618,223	\$ 1,617,800
Resource conservation and industrial development:		
Veterinary services	9,028	9,028
Water resources and conservation	44,110	43,520
Regional development	244	218
Other	5,371	6,421
	58,753	59,187
Recreation and cultural services:		
Administration	47,597	43,885
Community centres and halls	30,118	37,456
Skating and curling rinks	79,584	73,731
Parks and playgrounds	16,636	12,269
	173,935	167,341
Total expenses	\$ 1,850,911	\$ 1,844,328

MUNICIPALITY OF GLENELLA-LANSLOWNE
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2019

	2019		2018	
	General	Utility	Total	Total
MUNICIPAL SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 61,726	7,659 \$	69,385 \$	(95,222)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	261,082	3,000	264,082	197,342
Eliminate revenue - transfers from reserves	(52,923)	(53,912)	(106,835)	(319,581)
Increase revenue - reserve funds interest	13,768		13,768	147,014
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	1,128	(217,990)	(216,862)	(137,640)
Increase expense - amortization of tangible capital assets	(190,728)	(77,630)	(268,358)	(258,493)
Decrease expense - principal portion of debenture debt	143,787	43,026	186,813	219,026
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	(8,395)		(8,395)	
Eliminate revenue - proceeds on new debenture debt		(120,000)	(120,000)	
Eliminate revenue - proceeds on sale of tangible capital assets	(5,500)		(5,500)	
Eliminate expense - acquisitions of tangible capital assets	56,436	217,507	273,943	463,642
NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS	\$ 280,381	(198,340) \$	82,041 \$	216,088