

MUNICIPALITY OF BIFROST-RIVERTON

**Consolidated Financial Statements
For the Year Ended December 31, 2021**

STATEMENT OF RESPONSIBILITY

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

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

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

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



Jordan Willner
Chief Administrative Officer

INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the
MUNICIPALITY OF BIFROST-RIVERTON

Opinion

We have audited the accompanying consolidated financial statements of the Municipality of Bifrost - Riverton, which comprise the consolidated statement of financial position as at December 31, 2021 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2021, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of Bifrost - Riverton as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Sector Accounting Standards.

Basis for Qualified 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 Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

The Municipality has been unable to provide appropriate evidence to support the existence of the aggregate inventory at December 31, 2021. Therefore, we are unable to verify the valuation of the aggregate inventory. Consequently we are unable to determine whether any adjustments to these amounts were necessary.

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

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

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

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

Auditors' Responsibility

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
December 8, 2022

MUNICIPALITY OF BIFROST-RIVERTON

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MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 1,864,280	\$ 1,837,099
Amounts receivable (Note 4)	<u>699,320</u>	<u>640,411</u>
	<u>\$ 2,563,600</u>	<u>\$ 2,477,510</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 631,274	\$ 275,335
Landfill closure and post closure liabilities (Note 7)	51,176	42,958
Long-term debt (Note 8)	668,678	1,038,795
Obligations under capital lease (Note 9)	<u>68,386</u>	<u>106,292</u>
	<u>1,419,514</u>	<u>1,463,380</u>
NET FINANCIAL ASSETS	<u>\$ 1,144,086</u>	<u>\$ 1,014,130</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 14,209,868	\$ 13,347,296
Inventories (Note 5)	220,000	231,655
Prepaid expenses	<u>50,654</u>	<u>90,390</u>
	<u>14,480,522</u>	<u>13,669,341</u>
ACCUMULATED SURPLUS (Note 13)	<u><u>\$ 15,624,608</u></u>	<u><u>\$ 14,683,471</u></u>

Commitments (Note 20)

Approved on behalf of Council:

Reeve

Councillor

The accompanying notes are an integral part of this financial statement

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2021

	<u>2021 Budget (Note 12)</u>	<u>2021 Actual</u>	<u>2020 Actual</u>
REVENUE			
Property taxes	\$ 3,917,261	\$ 3,922,388	\$ 3,772,935
Grants in lieu of taxation	104,496	104,496	105,292
User fees	378,908	406,731	345,153
Permits, licences and fines	100	115	126
Investment income	4,000	22,959	28,199
Other revenue	129,965	229,834	254,250
Water and sewer	60,250	61,875	60,304
Grants - Province of Manitoba	501,067	561,813	857,469
Grants - other	550,298	811,799	316,300
	<u>5,646,345</u>	<u>6,122,010</u>	<u>5,740,028</u>
EXPENSES			
General government services	713,814	700,083	658,468
Protective services	315,323	418,111	263,188
Transportation services	2,698,640	2,330,667	2,503,339
Environmental health services	52,144	458,577	297,822
Public health and welfare services	52,053	45,216	44,835
Regional planning and development	76,502	79,790	73,186
Resource conservation and industrial development	201,650	195,567	220,092
Recreation and cultural services	726,627	866,011	763,658
Water and sewer services	104,906	86,851	90,462
	<u>4,941,659</u>	<u>5,180,873</u>	<u>4,915,050</u>
	<u>\$ 704,686</u>	<u>941,137</u>	<u>824,978</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>14,683,471</u>	<u>13,858,493</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 15,624,608</u>	<u>\$ 14,683,471</u>

The accompanying notes are an integral part of this financial statement

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2021

	2021 Budget (Note 12)	2021 Actual	2020 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 704,686	\$ 941,137	\$ 824,978
Acquisition of tangible capital assets	(1,282,723)	(1,573,208)	(2,455,429)
Amortization of tangible capital assets	707,353	707,819	616,180
Loss (Gain) on disposal of tangible capital assets	-	2,817	31,291
Proceeds on disposal of tangible capital assets	-	-	689,880
Decrease (increase) in inventories	-	11,655	36,165
Decrease (increase) in prepaid expense	-	39,736	(34,250)
	(575,370)	(811,181)	(1,116,163)
CHANGE IN NET FINANCIAL ASSETS	\$ 129,316	129,956	(291,185)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		1,014,130	1,305,315
NET FINANCIAL ASSETS, END OF YEAR		\$ 1,144,086	\$ 1,014,130

The accompanying notes are an integral part of this financial statement

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 941,137	\$ 824,978
Changes in non-cash items:		
Amounts receivable	(58,909)	381,988
Inventories	11,655	36,165
Prepays	39,736	(34,250)
Accounts payable and accrued liabilities	355,939	(356,698)
Landfill closure and post closure liabilities	8,218	14,726
Environmental liabilities	-	-
Loss (Gain) on disposal of tangible capital asset	2,817	31,291
Amortization	707,819	616,180
	<u>2,008,412</u>	<u>1,514,380</u>
CAPITAL TRANSACTIONS		
Proceeds on disposal of tangible capital assets	-	689,880
Cash used to acquire tangible capital assets	(1,573,208)	(2,455,429)
	<u>(1,573,208)</u>	<u>(1,765,549)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>-</u>	<u>-</u>
Cash applied to investing transactions	-	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	583,410
Debt repayment	(370,117)	(73,606)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	(37,906)	(36,878)
	<u>(408,023)</u>	<u>472,926</u>
Cash applied to financing transactions	-	-
INCREASE IN CASH AND TEMPORARY INVESTMENTS	27,181	221,757
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	1,837,099	1,615,342
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 1,864,280</u>	<u>\$ 1,837,099</u>

The accompanying notes are an integral part of this financial statement

MUNICIPALITY OF BIFROST-RIVERTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

1. Status of the Municipality of Bifrost-Riverton

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

2. Significant Accounting Policies

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

a) Reporting Entity

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

Riverton-Bifrost Parks & Recreation (consolidated 100%) (2020 - consolidated 100%)

The Municipality has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Bar Waste Authority Co-op Inc. (consolidated 67%) (2020 - consolidated 67%)

Eastern Interlake Planning District (consolidated 14.5%) (2020 - consolidated 14.5%)

Evergreen Regional Library (consolidated 29%) (2020 - consolidated 29%)

Interlake Weed Control District (consolidated 25%) (2020 - consolidated 25%)

Arborg-Bifrost Parks and Recreation Commission (consolidated 40%) (2020 - consolidated 40%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Note 16 to the financial statements.

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.

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 internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

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

Infrastructure Assets

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

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

i) Leases

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

j) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower of cost and replacement value.

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2021</u>	<u>2020</u>
Cash	\$ 677,920	\$ 214,923
Line of credit	(605,394)	
Temporary investments	<u>1,791,754</u>	1,622,176
	<u>\$ 1,864,280</u>	<u>\$ 1,837,099</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$1,304,831 (2020 - \$1,602,774) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has arranged for a Line of Credit with their financial institution in the amount of \$3,250,000, bearing interest at prime less 0.875%. As at December 31, 2021, \$2,644,606 remains available for use (2020 - \$3,000,000).

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2021</u>	<u>2020</u>
Taxes on roll (Schedule 11)	\$ 251,013	\$ 402,875
Government grants	-	13,817
Utility customers	-	1,544
Accrued interest	-	-
Organizations and individuals	209,678	101,627
Other governments	<u>238,629</u>	120,548
	<u>699,320</u>	640,411
Less allowances for doubtful amounts	-	-
	<u>\$ 699,320</u>	<u>\$ 640,411</u>

5. Inventories

Inventories for use:

	<u>2021</u>	<u>2020</u>
Chemicals, herbicides, insecticides	\$ 13,025	\$ 4,220
Fuel	-	-
Culverts	103,991	106,897
Aggregate	102,984	120,538
Other supplies	-	-
	<u>\$ 220,000</u>	<u>\$ 231,655</u>

6. Accounts Payable and Accrued Liabilities

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 631,274	\$ 275,335
School levies	-	-
Other governments	-	-
	<u>\$ 631,274</u>	<u>\$ 275,335</u>

7. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Municipality is currently operating a Class 2 landfill site within the Municipality through a government partnership. 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.

As at December 31, 2021, there is one active cell and three closed cells. In 2022, a new cell was opened. The estimated date of closure for the active cell is June 30, 2022.

Each cell is estimated to have a post closure cost of \$15,000 with an additional \$1,000 per year for 25 years related to gas management operations. The cost to close a cell is anticipated to be the same regardless of how much the cell is being used.

The liability has been reduced by costs incurred to acquire soil and clay for future closure and maintenance of the cells. At December 31, 2021, there was \$24,102 available for future use.

For the year ended December 31, 2021, a discount rate of 3.400% (2020 - 0.700%) was applied to the future cash outflows related to the closure and post-closure costs. The Municipality has recorded its 67% of the liability which represents its portion of the liability.

8. Long Term Debt

	<u>2021</u>	<u>2020</u>
General Authority:		
Debenture, interest at 5.50%, payable at \$35,118 annually including interest, maturing December 31, 2024	\$ 94,746	\$ 123,094
Debenture, interest at 4.50%, payable at \$132,896 annually including interest, maturing October 1, 2025	<u>471,215</u>	<u>583,410</u>
	<u>\$ 565,961</u>	<u>\$ 706,504</u>

Utility Funds:

Debenture, interest at 4.00%, payable at \$19,595 annually including interest, maturing December 31, 2027

\$ 102,717 \$ 117,607

Consolidated Government Partnerships

BAR Waste Authority Co-op loan bearing interest at prime plus 1.00% per annum, repayable in annual blended payments of \$20,750, paid out during the year.

\$ - \$ 74,332

Arborg Bifrost Parks & Recreation Commission, Noventis Credit Union loan bearing interest at prime per annum, repayable in monthly blended payments of \$2,355, secured by general security agreement and letters of comfort from the Town of Arborg and the Municipality of Bifrost-Riverton, paid out during the year.

- 122,312

Arborg Bifrost Parks & Recreation Commission, Noventis Credit Union loan bearing interest at prime per annum, repayable in annual blended payments of \$32,500, secured by general security agreement and letters of comfort from the Town of Arborg and the Municipality of Bifrost-Riverton, paid out during the year.

- 18,040

\$ - \$ 214,684

\$ 668,678 \$ 1,038,795

The above amounts of the entity debts represents the Municipality's prorated share of the total entity debt in accordance with the partnership arrangements described in Note 2 a).

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

2022	\$	178,271
2023	\$	180,553
2024	\$	150,316
2025	\$	18,118
2026	\$	18,842

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
By-law # 18-2017	Water Management Project as a LIP	\$ 4,000,000
By-law # 1-2021	Riverton-Bifrost Fire Department Fire Hall	\$ 1,000,000

9. Obligation Under Capital Lease(s)

Future minimum lease payments under the capital lease together with the obligation due under the capital lease are as follows:

	<u>2021</u>	<u>2020</u>
2021	\$ -	\$ 40,344
2022	40,344	40,344
2023	32,958	32,958
Remainder of lease	-	-
Total minimum lease payments	<u>\$ 73,302</u>	<u>\$ 113,646</u>
Less amount representing future interest at 2.739%	<u>4,916</u>	<u>7,354</u>
Balance of obligation	<u>\$ 68,386</u>	<u>\$ 106,292</u>

Interest expense includes \$3,461 (2020 - \$4,456) with respect to this obligation.

Assets under capital lease includes equipment.

	<u>2021</u>	<u>2020</u>
Cost of leased tangible capital asset(s)	\$ 261,507	\$ 261,507
Accumulated amortization of leased tangible capital asset(s)	<u>(101,221)</u>	<u>(90,865)</u>
	<u>\$ 160,286</u>	<u>\$ 170,642</u>

Amortization expense includes \$10,356 (2020 - \$10,356) on leased tangible capital assets.

10. Retirement Benefits

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$55,993 (2020 - \$56,797) 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, 2020 indicated the plan was 96.7% funded on a going concern basis and had an unfunded solvency liability of \$333.3 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, 2020.

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

11. Financial Instruments

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

12. Budget

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

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

13 Accumulated Surplus

	<u>2021</u>	<u>2020</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 762,838	\$ 938,687
Utility operating fund(s) - Nominal surplus	(46,921)	(54,315)
TCA net of related borrowings	12,442,205	11,689,298
Reserve funds	<u>1,304,831</u>	<u>1,602,774</u>
Accumulated surplus of municipality unconsolidated	14,462,953	14,176,444
Accumulated surpluses of consolidated entities	<u>1,161,655</u>	<u>507,027</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 15,624,608</u>	<u>\$ 14,683,471</u>

14. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2021:

- a) Compensation paid to members of council amounted to \$88,316 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Brian Johnson	\$ 14,692	\$ 2,850	\$ 17,542
Councillor - Frode Andersen	10,098	1,453	11,551
Councillor - Chad Johnson	10,327	1,378	11,705
Councillor - Morley Nordal	2,531	252	2,783
Councillor - Ken Stadnek	4,252	570	4,822
Councillor - Colin Bjarnason	12,259	1,464	13,723
Councillor - David King	10,915	1,633	12,548
Councillor - Gordon Klym	11,794	1,848	13,642
	<u>\$ 76,868</u>	<u>\$ 11,448</u>	<u>\$ 88,316</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Comeau, Jason</i>	<i>Public Works Manager/Fire Chief</i>	\$ 80,487
<i>Willner, Jordan</i>	<i>Chief Administrative Officer</i>	\$ 103,911
<i>Neil, Triska</i>	<i>Heavy Equipment Operator</i>	\$ 75,350

15. Trust Funds

The Municipality of Bifrost-Riverton administers the following trust:

	<u>Balance, beg. of the year</u>	<u>Excess of Receipts over Disbursements</u>	<u>Balance, end of the year</u>
<i>Hecla/Grindstone</i>	<u>\$ 24,573</u>	<u>\$ 498</u>	<u>\$ 25,071</u>

16. Segmented Information

The Municipality of Bifrost-Riverton provides a wide ranges of services to its residents.

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

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

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

17. Government Partnerships

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

	<u>2021</u>	<u>2020</u>
Financial Position		
Financial assets	\$ 246,992	\$ 139,189
Financial liabilities	<u>(168,879)</u>	<u>(332,214)</u>
Net financial assets (liabilities)	78,113	(193,025)
Non-financial assets	<u>1,062,262</u>	<u>732,804</u>
Accumulated surplus	<u>\$ 1,140,375</u>	<u>\$ 539,779</u>
Result of Operations		
Revenues	\$ 687,792	\$ 419,396
Expenses	<u>87,196</u>	<u>450,483</u>
Annual surplus	<u>\$ 600,596</u>	<u>\$ (31,087)</u>

18. Public Utilities Board

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

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

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

Sewer services:

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Utility	<u>\$ 550,285</u>	<u>\$ -</u>	<u>\$ 19,365</u>	<u>\$ 530,920</u>

19. Subsequent Event

COVID-19

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

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

20. Commitments

The Municipality has entered into a multi year contract for household refuse collection which calls for monthly payments to the contractor in the amount of \$2,600 plus GST. The contract expires December 31, 2022.

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2021

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2021	2020
Cost										
Opening costs	\$ 3,015,690	\$ 1,470,331	\$ 4,930,646	\$ 124,772	\$ 124,151	\$ 26,312,665	\$ 2,849,753	\$ -	\$ 38,828,008	\$ 37,450,806
Additions during the year	358,896	-	401,890	40,410	623,037	136,375	12,600	-	1,573,208	2,455,429
Transfer during the year	78,329	-	-	-	(78,329)	-	-	-	-	-
Disposals and write downs	-	-	(2,817)	-	-	-	-	-	(2,817)	(1,078,227)
Closing costs	3,452,915	1,470,331	5,329,719	165,182	668,859	26,449,040	2,862,353	-	40,398,399	38,828,008
Accumulated Amortization										
Opening accum'd amortization	563,163	743,001	2,025,947	85,292	-	20,737,077	1,326,232	-	25,480,712	25,221,318
Amortization	88,962	43,723	284,991	21,143	-	206,968	62,032	-	707,819	616,180
Disposals and write downs	-	-	-	-	-	-	-	-	-	(356,786)
Closing accum'd amortization	652,125	786,724	2,310,938	106,435	-	20,944,045	1,388,264	-	26,188,531	25,480,712
Net Book Value of Tangible Capital Assets	\$ 2,800,790	\$ 683,607	\$ 3,018,781	\$ 58,747	\$ 668,859	\$ 5,504,995	\$ 1,474,089	\$ -	\$ 14,209,868	\$ 13,347,296

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2021

SCHEDULE 2

	<u>2021 Actual</u>	<u>2020 Actual</u>
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 3,866,200	\$ 3,697,729
Taxes added	56,188	75,206
	<u>3,922,388</u>	<u>3,772,935</u>
Grants in lieu of taxation:		
Federal government	-	-
Federal government enterprises	104,496	105,292
Provincial government	-	-
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>104,496</u>	<u>105,292</u>
User fees		
Parking meters	-	-
Sales of service	397,890	334,788
Sales of goods	-	-
Rentals	8,841	10,365
Development charges	-	-
Facility use fees	-	-
	<u>406,731</u>	<u>345,153</u>
Permits, licences and fines		
Permits	-	-
Licences	115	126
Fees	-	-
Fines	-	-
	<u>115</u>	<u>126</u>
Investment income:		
Cash and temporary investments	22,959	28,199
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>22,959</u>	<u>28,199</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	(2,817)	(31,291)
Gain on sale of real estate held for sale	-	-
Contributed assets	-	103,708
Penalties and interest	50,562	64,259
Miscellaneous (specify):	182,089	117,574
	<u>229,834</u>	<u>254,250</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	61,875	60,304
Consolidated water co-operatives	-	-
	<u>61,875</u>	<u>60,304</u>
Grants - Province of Manitoba		
Municipal operating grants	254,033	456,273
Other unconditional grants	-	-
Conditional grants	307,780	401,196
	<u>561,813</u>	<u>857,469</u>
Grants - other		
Federal government - gas tax funding	371,849	181,793
Federal government - other	-	-
Other municipal governments	439,950	134,507
	<u>811,799</u>	<u>316,300</u>
Total revenue	<u>\$ 6,122,010</u>	<u>\$ 5,740,028</u>

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 3

	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
General government services:		
Legislative	\$ 109,299	\$ 134,393
General administrative	447,307	451,144
Other	143,477	72,931
	<u>700,083</u>	<u>658,468</u>
Protective services:		
Police	-	-
Fire	418,111	258,688
Emergency measures	-	-
Other	-	4,500
	<u>418,111</u>	<u>263,188</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	2,306,581	2,477,357
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	18,969	19,317
Other	5,117	6,665
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>2,330,667</u>	<u>2,503,339</u>
Environmental health services:		
Waste collection and disposal	347,622	222,166
Recycling	86,189	72,656
Other	24,766	3,000
	<u>458,577</u>	<u>297,822</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	6,516	6,643
Other	38,700	38,192
	<u>45,216</u>	<u>44,835</u>
Regional planning and development		
Planning and zoning	79,790	73,186
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>79,790</u>	<u>73,186</u>
Resource conservation and industrial development		
Rural area weed control	73,413	74,994
Drainage of land	-	-
Veterinary services	11,500	11,500
Water resources and conservation	10,000	10,000
Regional development	100,654	123,598
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>195,567</u>	<u>220,092</u>
Sub-totals forward	<u>\$ 4,228,011</u>	<u>\$ 4,060,930</u>

MUNICIPALITY OF BIFROST-RIVERTON
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 3

	<u>2021 Actual</u>	<u>2020 Actual</u>
Sub-totals forward	<u>\$ 4,228,011</u>	<u>\$ 4,060,930</u>
Recreation and cultural services:		
Administration	370,794	365,296
Community centers and halls	-	-
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	454,946	308,859
Other recreational facilities	-	-
Museums	-	-
Libraries	40,271	89,503
Other cultural facilities	-	-
	<u>866,011</u>	<u>763,658</u>
Water and sewer services		
Municipal utility(ies) (Schedule 9)	86,851	90,462
Consolidated water co-operatives	-	-
	<u>86,851</u>	<u>90,462</u>
Total expenses	<u><u>\$ 5,180,873</u></u>	<u><u>\$ 4,915,050</u></u>

MUNICIPALITY OF BIFROST-RIVERTON

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2021

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ 3,922,388	\$ 3,772,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	104,496	105,292	-	-	-	-	-	-	-	-
User fees	45,577	23,011	-	883	60,847	60,433	90,539	76,863	-	-
Grants - other	375,033	181,793	91,243	-	-	-	170,333	-	-	-
Permits, licences and fines	115	126	-	-	-	-	-	-	-	-
Investment income	22,959	28,199	-	-	-	-	-	-	-	-
Other revenue	218,281	278,492	-	-	-	(31,291)	(2,115)	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	254,033	456,273	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	142,081	13,971	30,000	151,780	-	3,980	61,871	55,274	12,730	23,875
Total revenue	\$ 5,084,963	\$ 4,860,092	\$ 121,243	\$ 152,663	\$ 60,847	\$ 33,122	\$ 320,628	\$ 132,137	\$ 12,730	\$ 23,875
EXPENSES										
Personnel services	\$ 365,982	\$ 342,382	\$ 112,989	\$ 72,413	\$ 546,624	\$ 526,971	\$ 20,350	\$ 44,313	\$ -	\$ -
Contract services	213,913	215,039	103,227	96,221	507,648	726,257	137,028	162,529	6,516	-
Utilities	14,905	15,016	20,645	17,602	26,511	30,463	1,993	1,994	-	-
Maintenance materials and supplies	19,074	12,056	126,307	63,774	806,058	873,518	15,816	6,668	-	-
Grants and contributions	800	4,150	-	(83,124)	-	-	222,748	44,456	32,056	38,191
Amortization	24,776	22,881	45,630	96,139	431,915	346,130	39,220	33,964	6,644	6,644
Interest on long term debt	10,175	14,995	-	-	11,610	-	1,457	2,410	-	-
Other	50,458	31,949	9,313	163	301	-	19,965	1,488	-	-
Total expenses	\$ 700,083	\$ 658,468	\$ 418,111	\$ 263,188	\$ 2,330,667	\$ 2,503,339	\$ 458,577	\$ 297,822	\$ 45,216	\$ 44,835
Surplus (Deficit)	\$ 4,384,880	\$ 4,201,624	\$ (296,868)	\$ (110,525)	\$ (2,269,820)	\$ (2,470,217)	\$ (137,949)	\$ (165,685)	\$ (32,486)	\$ (20,960)

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

MUNICIPALITY OF BIFROST-RIVERTON

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2021

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,922,388	\$ 3,772,935
Grants in lieu of taxation	-	-	-	-	-	-	-	-	104,496	105,292
User fees	50,780	98,087	56,058	-	102,930	85,876	-	-	406,731	345,153
Grants - other	14,056	20,326	6,976	-	154,158	114,181	-	-	811,799	316,300
Permits, licences and fines	-	-	-	-	-	-	-	-	115	126
Investment income	-	-	-	-	-	-	-	-	22,959	28,199
Other revenue	618	1,043	622	-	12,428	6,006	-	-	229,834	254,250
Water and sewer	-	-	-	-	-	-	61,875	60,304	61,875	60,304
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	254,033	456,273
Prov of MB - Conditional Grants	-	12,862	-	-	61,098	139,454	-	-	307,780	401,196
Total revenue	\$ 65,454	\$ 132,318	\$ 63,656	\$ -	\$ 330,614	\$ 345,517	\$ 61,875	\$ 60,304	\$ 6,122,010	\$ 5,740,028
EXPENSES										
Personnel services	\$ 44,366	\$ 43,710	\$ 44,622	\$ 45,857	\$ 77,129	\$ 101,671	\$ 13,495	\$ 14,840	\$ 1,225,557	\$ 1,192,157
Contract services	33,739	26,191	68,873	65,884	76,293	431,823	-	-	1,147,237	1,723,944
Utilities	1,127	1,064	1,885	751	17,200	33,443	-	-	84,266	100,333
Maintenance materials and supplies	108	1,976	17,363	17,434	27,348	93,993	28,386	30,394	1,040,460	1,099,813
Grants and contributions	-	-	54,542	79,339	549,027	-	-	-	859,173	83,012
Amortization	398	245	1,467	1,763	117,503	68,463	40,266	39,951	707,819	616,180
Interest on long term debt	52	-	6,770	9,019	999	4,141	4,704	5,277	35,767	35,842
Other	-	-	45	45	512	30,124	-	-	80,594	63,769
Total expenses	\$ 79,790	\$ 73,186	\$ 195,567	\$ 220,092	\$ 866,011	\$ 763,658	\$ 86,851	\$ 90,462	\$ 5,180,873	\$ 4,915,050
Surplus (Deficit)	\$ (14,336)	\$ 59,132	\$ (131,911)	\$ (220,092)	\$ (535,397)	\$ (418,141)	\$ (24,976)	\$ (30,158)	\$ 941,137	\$ 824,978

MUNICIPALITY OF BIFROST-RIVERTON

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2021

	Core Government		Controlled Entities		Government Partnerships		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE								
Property taxes	\$ 3,922,388	\$ 3,772,935	\$ -	\$ -	\$ -	\$ -	\$ 3,922,388	\$ 3,772,935
Grants in lieu of taxation	104,496	105,292	-	-	-	-	104,496	105,292
User fees	106,423	84,326	7,709	5,742	292,599	255,085	406,731	345,153
Grants - other	443,294	181,793	22,982	2,000	345,523	132,507	811,799	316,300
Permits, licences and fines	115	126	-	-	-	-	115	126
Investment income	22,959	28,199	-	-	-	-	22,959	28,199
Other revenue	218,280	247,203	-	7,047	11,554	-	229,834	254,250
Water and sewer	61,875	60,304	-	-	-	-	61,875	60,304
Prov of MB - Unconditional Grants	254,033	456,273	-	-	-	-	254,033	456,273
Prov of MB - Conditional Grants	269,664	359,295	-	10,097	38,116	31,804	307,780	401,196
Total revenue	\$ 5,403,527	\$ 5,295,746	\$ 30,691	\$ 24,886	\$ 687,792	\$ 419,396	\$ 6,122,010	\$ 5,740,028
EXPENSES								
Personnel services	\$ 989,886	\$ 937,465	\$ 49,204	\$ 19,141	\$ 186,467	\$ 235,551	\$ 1,225,557	\$ 1,192,157
Contract services	1,106,164	1,667,356	2,327	2,145	38,746	54,443	1,147,237	1,723,944
Utilities	64,197	64,103	-	-	20,069	36,230	84,266	100,333
Maintenance materials and supplies	981,571	991,045	-	55,158	58,889	53,610	1,040,460	1,099,813
Grants and contributions	1,229,942	83,012	(74,954)	-	(295,815)	-	859,173	83,012
Amortization	652,007	574,075	-	-	55,812	42,105	707,819	616,180
Interest on long term debt	33,311	29,291	-	-	2,456	6,551	35,767	35,842
Other	59,942	41,776	80	-	20,572	21,993	80,594	63,769
Total expenses	\$ 5,117,020	\$ 4,388,123	\$ (23,343)	\$ 76,444	\$ 87,196	\$ 450,483	\$ 5,180,873	\$ 4,915,050
Surplus (Deficit)	\$ 286,507	\$ 907,623	\$ 54,034	\$ (51,558)	\$ 600,596	\$ (31,087)	\$ 941,137	\$ 824,978

MUNICIPALITY OF BIFROST-RIVERTON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2021

	2021							
	General Reserve	Equipment Reserve	Drainage Reserve	Gas Tax Reserve	Bifrost Fire Reserve	General Reserve	Capital Reserve	Riverton Fire Reserve
REVENUE								
Investment income	\$ 1,287	\$ 954	\$ 443	\$ 5,843	\$ 1,077	\$ -	\$ 573	\$ 1,212
Other income	-	-	-	-	-	-	-	3,462
Total revenue	1,287	954	443	5,843	1,077	-	573	4,674
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	1,287	954	443	5,843	1,077	-	573	4,674
TRANSFERS								
Transfers from general operating fund	36,648	-	-	371,849	-	-	-	30,000
Transfers to general operating fund	(39,628)	(29,985)	-	(692,663)	-	-	-	-
Transfer to (from) other reserve	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(1,693)	(29,031)	443	(314,971)	1,077	-	573	34,674
FUND SURPLUS, BEGINNING OF YEAR	165,045	81,360	87,719	584,351	91,874	-	70,589	149,392
FUND SURPLUS, END OF YEAR	\$ 163,352	\$ 52,329	\$ 88,162	\$ 269,380	\$ 92,951	\$ -	\$ 71,162	\$ 184,066

MUNICIPALITY OF BIFROST-RIVERTON

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2021

	2021						2020	
	Utility Reserve	Lagoon Reserve	Building Reserve	Econ Dev Reserve	Sidewalk Reserve	Arborg Bifrost Fire Capital	Total	Total
REVENUE								
Investment income	\$ 176	\$ 170	\$ 1,436	\$ 492	\$ -	\$ 1,799	\$ 15,462	\$ 24,109
Other income	-	-	-	-	-	12,454	15,916	2,058
Total revenue	176	170	1,436	492	-	14,253	31,378	26,167
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	176	170	1,436	492	-	14,253	31,378	26,167
TRANSFERS								
Transfers from general operating fund	-	-	-	-	-	833	439,330	329,219
Transfers to general operating fund	-	-	-	-	-	(6,375)	(768,651)	(73,763)
Transfer to (from) other reserve	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	(632,794)
CHANGE IN RESERVE FUND BALANCES	176	170	1,436	492	-	8,711	(297,943)	(351,171)
FUND SURPLUS, BEGINNING OF YEAR	25,278	23,926	122,498	51,954	-	148,788	1,602,774	1,953,945
FUND SURPLUS, END OF YEAR	\$ 25,454	\$ 24,096	\$ 123,934	\$ 52,446	\$ -	\$ 157,499	\$ 1,304,831	\$ 1,602,774

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.

For the Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	\$ -	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		\$ -	\$ -

MUNICIPALITY OF BIFROST-RIVERTON
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2021

SCHEDULE 8

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	-	1,544
Portfolio investments	-	-
Due from other funds	-	-
	<u>\$ -</u>	<u>\$ 1,544</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 435	\$ 306
Deferred revenue	-	-
Long-term debt (Note 8)	102,717	117,607
Due to other funds	46,486	55,553
	<u>149,638</u>	<u>173,466</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (149,638)</u>	<u>\$ (171,922)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 848,365	\$ 876,030
Inventories	-	-
Prepaid expenses	-	-
	<u>848,365</u>	<u>876,030</u>
FUND SURPLUS (DEFICIT)	<u>\$ 698,727</u>	<u>\$ 704,108</u>

SCHEDULE OF UTILITY OPERATIONS - Name of Utility

For the Year Ended December 31, 2021

	<u>Budget</u>	<u>2021</u>	<u>2020</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	58,750	61,875	58,753
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>58,750</u>	<u>61,875</u>	<u>58,753</u>
Property taxes		-	-
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	1,500	-	1,551
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	-
sub-total- other	<u>1,500</u>	<u>-</u>	<u>1,551</u>
Total revenue	<u>\$ 60,250</u>	<u>\$ 61,875</u>	<u>\$ 60,304</u>

MUNICIPALITY OF BIFROST-RIVERTON
 SCHEDULE OF UTILITY OPERATIONS (cont'd) - Name of Utility
 For the Year Ended December 31, 2021

SCHEDULE 9

	<u>Budget</u>	<u>2021</u>	<u>2020</u>
EXPENSES			
General			
Administration	\$ 14,000	\$ 13,495	\$ 14,840
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other	-	-	-
sub-total- general	<u>14,000</u>	<u>13,495</u>	<u>14,840</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	15,000	12,849	21,020
Treatment and disposal cost	3,500	9,443	2,917
Lift Station costs	6,700	6,094	6,457
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	21,050	-	-
sub-total- sewer general	<u>46,250</u>	<u>28,386</u>	<u>30,394</u>
Sewage Amortization & Interest			
Amortization	-	40,266	39,951
Interest on long term debt	-	4,704	5,277
sub-total- sewer amortization & interest	<u>-</u>	<u>44,970</u>	<u>45,228</u>
Total expenses	<u>60,250</u>	<u>86,851</u>	<u>90,462</u>
NET OPERATING SURPLUS	-	(24,976)	(30,158)
TRANSFERS			
Transfers from (to) operating fund	-	19,595	-
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>(5,381)</u>	<u>(30,158)</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>704,108</u>	<u>734,266</u>
FUND SURPLUS, END OF YEAR		<u>\$ 698,727</u>	<u>\$ 704,108</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET - (Unaudited)

For the Year Ended December 31, 2021

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 3,917,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,917,261
Grants in lieu of taxation	104,496	-	-	-	-	-	-	104,496
User fees	78,600	-	-	-	-	-	300,308	378,908
Permits, licences and fines	100	-	-	-	-	-	-	100
Investment income	4,000	-	-	-	-	-	-	4,000
Other revenue	118,411	-	-	-	-	-	11,554	129,965
Water and sewer	-	60,250	-	-	-	-	-	60,250
Grants - Province of Manitoba	462,951	-	-	-	-	-	38,116	501,067
Grants - other	181,793	-	-	-	-	-	368,505	550,298
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	518,896	-	-	-	(518,896)	-	-	-
Total revenue	\$ 5,386,508	\$ 60,250	\$ -	\$ -	\$ (518,896)	\$ -	\$ 718,483	\$ 5,646,345
EXPENSES								
General government services	\$ 671,125	\$ -	\$ 24,776	\$ 10,175	\$ 7,738	\$ -	\$ -	\$ 713,814
Protective services	269,693	-	45,630	-	-	-	-	315,323
Transportation services	2,255,115	-	431,915	11,610	-	-	-	2,698,640
Environmental health services	217,750	-	39,069	1,457	-	-	(206,132)	52,144
Public health and welfare services	45,409	-	6,644	-	-	-	-	52,053
Regional planning and development	28,180	-	398	52	-	-	47,872	76,502
Resource cons and industrial dev	129,200	-	1,467	6,770	-	-	64,213	201,650
Recreation and cultural services	450,225	-	117,503	999	-	-	157,900	726,627
Water and sewer services	-	60,250	39,951	4,705	-	-	-	104,906
Fiscal services:								
Transfer to capital	501,224	-	-	-	(501,224)	-	-	-
Debt charges	178,518	-	-	(66,493)	(112,025)	-	-	-
Short term interest	25,000	-	-	(25,000)	-	-	-	-
Deficit recovery	58,435	-	-	(58,435)	-	-	-	-
Transfer to reserves	30,000	-	-	(30,000)	-	-	-	-
Allowance for tax assets	7,738	-	-	-	(7,738)	-	-	-
Total expenses	\$ 4,867,612	\$ 60,250	\$ 707,353	\$ (144,160)	\$ (613,249)	\$ -	\$ 63,853	\$ 4,941,659
Surplus (Deficit)	\$ 518,896	\$ -	\$ (707,353)	\$ 144,160	\$ 94,353	\$ -	\$ 654,630	\$ 704,686

**MUNICIPALITY OF BIFROST-RIVERTON
ANALYSIS OF TAXES ON ROLL
December 31, 2021**

SCHEDULE 11

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 402,875	\$ 499,972
Add:		
Tax levy (Schedule 12)	6,289,997	6,117,049
Taxes added	56,188	75,206
Penalties or interest	50,652	64,259
Other accounts added	11,056	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	<u>6,407,893</u>	<u>6,256,514</u>
Deduct:		
Cash collections - current	5,776,719	5,517,265
Cash collections - arrears	362,662	318,634
Write-offs	38,713	-
Tax discounts	-	-
E.P.T.C. - cash advance	381,661	517,712
Other credits (specify)	-	-
Sub-total	<u>6,559,755</u>	<u>6,353,611</u>
Balance, end of year	<u><u>\$ 251,013</u></u>	<u><u>\$ 402,875</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2021

	2021		2020	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	-	\$ -	\$ -
Name of LUD	\$ -	-	-	-
Name of LUD	\$ -	-	-	-
sub-total- L.U.D.			<u>-</u>	<u>-</u>
Debt charges:				
Frontage	\$ -	-	-	-
Natural Gas			-	9,888
Lagoon	\$ 16,721,940	1.023	17,107	17,079
Bifrost Sewer	\$ -	-	35,118	32,777
Motor graders	\$ 207,522,080	0.582	120,778	-
sub-total- Debt charges			<u>173,002</u>	<u>59,745</u>
Deficit recovery	\$ -	-	<u>56,717</u>	<u>56,784</u>
Reserves:				
Name of reserve	\$ -	-	-	-
Name of reserve			-	-
Name of reserve	\$ -	-	-	-
sub-total- Reserves			<u>-</u>	<u>-</u>
General municipal	\$ 207,522,080	17.373	<u>3,605,281</u>	<u>3,550,000</u>
Special levies:				
Urban Area	\$ -	-	31,200	31,200
Rural Area	\$ -	-	-	-
sub-total- Special levies			<u>31,200</u>	<u>31,200</u>
Business tax (rate%)	\$ -	-	<u>-</u>	<u>-</u>
Total municipal taxes (Schedule 2)			<u>3,866,200</u>	<u>3,697,729</u>
Education support levy	\$ 18,481,310	8.809	<u>162,802</u>	<u>154,434</u>
Special levies:				
Evergreen	\$ 203,012,470	10.980	2,229,077	2,232,708
Lakeshore	\$ 2,169,810	14.710	31,918	32,178
sub-total- Special levies			<u>2,260,995</u>	<u>2,264,886</u>
Total education taxes			<u>2,423,797</u>	<u>2,419,320</u>
Total tax levy (Schedule 11)			<u>\$ 6,289,997</u>	<u>\$ 6,117,049</u>

MUNICIPALITY OF BIFROST-RIVERTON
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 13

	2021 Actual	2020 Actual
General government services:		
Legislative	\$ 109,299	\$ 134,393
General administrative	452,908	451,144
Other	137,876	72,931
	<u>700,083</u>	<u>658,468</u>
Protective services:		
Police	-	-
Fire	418,111	258,688
Emergency measures	-	-
Other	-	4,500
	<u>418,111</u>	<u>263,188</u>
Transportation services:		
Road transport		
Administration and engineering	70,897	162,751
Road and street maintenance	2,235,684	2,344,223
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	18,969	19,316
Other	5,117	6,665
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>2,330,667</u>	<u>2,532,955</u>
Environmental health services:		
Waste collection and disposal	277,705	142,785
Recycling	86,189	41,456
Other	3,000	3,000
	<u>366,894</u>	<u>187,241</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	6,644	6,644
Other	38,572	38,191
	<u>45,216</u>	<u>44,835</u>
Regional planning and development		
Planning and zoning	31,917	26,789
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>31,917</u>	<u>26,789</u>
Resource conservation and industrial development		
Rural area weed control	9,200	9,200
Drainage of land	-	-
Veterinary services	11,500	11,500
Water resources and conservation	10,000	10,000
Regional development	100,654	123,598
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>131,354</u>	<u>154,298</u>
Sub-totals forward	<u>\$ 4,024,242</u>	<u>\$ 3,867,774</u>

MUNICIPALITY OF BIFROST-RIVERTON
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2021

SCHEDULE 13

DRAFT

	<u>2021 Actual</u>	<u>2020 Actual</u>
Sub-totals forward	<u>\$ 4,024,242</u>	<u>\$ 3,867,774</u>
Recreation and cultural services:		
Administration	370,794	365,296
Community centers and halls	-	-
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	302,692	37,807
Other recreational facilities	-	-
Museums	-	-
Libraries	34,625	34,625
Other cultural facilities	-	-
	<u>708,111</u>	<u>437,728</u>
Total expenses	<u>\$ 4,732,353</u>	<u>\$ 4,305,502</u>

MUNICIPALITY OF BIFROST-RIVERTON
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - (Unaudited)
December 31, 2021

SCHEDULE 14

	<u>General</u>	<u>2021 Utility</u>	<u>Total</u>	<u>2020 Total</u>
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (169,556)	\$ (12,200)	\$ (181,756)	\$ (128,226)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	439,330	-	439,330	329,219
Eliminate revenue - transfers from reserves	(768,651)	-	(768,651)	(706,557)
Increase revenue - reserve funds interest	31,378	-	31,378	26,167
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	654,630	-	654,630	(82,645)
Increase expense - amortization of tangible capital assets	(611,741)	(40,266)	(652,007)	(574,075)
Decrease revenue - loan proceeds	-	-	-	(583,410)
Decrease revenue - obligation under capital lease proceeds	-	-	-	-
Decrease expense - principal portion of debenture debt	140,543	14,890	155,433	52,198
Decrease expense - principal portion of capital leases	37,906	-	37,906	36,878
Eliminate expense - acquisitions of tangible capital assets	1,212,274	12,600	1,224,874	2,455,429
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 966,113	\$ (24,976)	\$ 941,137	\$ 824,978