

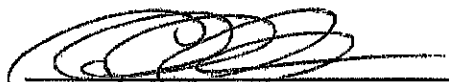
Rural Municipality of Rockwood  
Box 902  
Stonewall, Manitoba  
R0C 2Z0

### STATEMENT OF RESPONSIBILITY

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

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

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



Chris Luellman  
CAO

**Independent Auditors' Report**

To the Members and members of Council of the  
Rural Municipality of Rockwood

**Opinion**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Rockwood as at December 31, 2019, and the results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

**Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

**Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rural Municipality of Rockwood'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 Rural Municipality of Rockwood's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Rural Municipality of Rockwood 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.

October 14, 2020  
Winnipeg, Manitoba

*Reid & Miller*

Chartered Professional Accountants Inc.

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2019**

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**RURAL MUNICIPALITY OF ROCKWOOD**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**As at December 31, 2019**

	2019 Actual \$	2018 Actual \$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	12,269,669	11,461,129
Accounts receivable (note 3)	2,872,704	3,298,394
Portfolio investments (note 4)	105,606	-
Deposits (note 6)	-	25,000
	<u>15,247,979</u>	<u>14,784,523</u>
<b>LIABILITIES</b>		
Bank indebtedness	2,003,471	1,956,193
Accounts payable and accrued liabilities (note 7)	4,635,262	4,645,961
Deferred revenue (note 8)	4,590	982
Landfill closure and post closure liabilities (note 9)	55,898	49,285
Long-term debt (note 10)	1,561,774	1,760,752
Obligations under capital lease (note 11)	89,987	106,669
	<u>8,350,982</u>	<u>8,519,842</u>
<b>NET FINANCIAL ASSETS</b>	<u>6,896,997</u>	<u>6,264,681</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (schedule 1)	33,978,335	32,895,435
Inventories (note 5)	128,453	122,610
Prepaid expenses	97,531	54,476
	<u>34,204,319</u>	<u>33,072,521</u>
<b>ACCUMULATED SURPLUS (note 22)</b>	<u>41,101,316</u>	<u>39,337,202</u>

Approved on Behalf of the Council

  
\_\_\_\_\_ Reeve

  
\_\_\_\_\_ Councillor

The accompanying notes are an integral part of these financial statements

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED STATEMENT OF OPERATIONS**

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

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>REVENUE</b>			
Property taxes	4,345,642	4,273,224	4,248,584
Grants in lieu of taxation	355,846	355,846	333,114
User fees	737,402	943,973	704,844
Grants - Province of Manitoba	629,494	634,527	565,072
Grants - Other	639,919	1,083,051	686,544
Permits, licences and fees	1,473,052	2,153,894	1,446,342
Investment revenue	160,651	373,652	252,599
Other revenue	114,273	159,724	213,975
Water and sewer	1,456,219	2,103,706	1,576,010
Total revenue ( <i>schedules 2, 4 and 5</i> )	<u>9,912,498</u>	<u>12,081,597</u>	<u>10,027,084</u>
<b>EXPENSES</b>			
General government services	1,144,109	1,129,864	1,101,414
Protective services	580,369	584,656	582,879
Transportation services	4,225,824	4,236,578	3,853,382
Environmental health services	626,000	604,852	651,443
Public health and welfare services	4,241	4,241	4,241
Regional planning and development	412,822	437,564	295,262
Resource conservation and industrial development	120,605	120,263	125,097
Recreation and cultural services	936,587	1,060,437	921,218
Water and sewer	2,068,321	2,139,028	2,823,160
Total expenses ( <i>schedules 3, 4 and 5</i> )	<u>10,118,878</u>	<u>10,317,483</u>	<u>10,358,096</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>(206,380)</b>	<b>1,764,114</b>	<b>(331,012)</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u><b>39,337,202</b></u>	<u><b>39,337,202</b></u>	<u><b>39,668,214</b></u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><u><b>39,130,822</b></u></u>	<u><u><b>41,101,316</b></u></u>	<u><u><b>39,337,202</b></u></u>

The accompanying notes are an integral part of these financial statements

**RURAL MUNICIPALITY OF ROCKWOOD**

**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS**

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

	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>(206,380)</u>	<u>1,764,114</u>	<u>(331,012)</u>
Acquisition of tangible capital assets	-	(2,750,655)	(1,052,606)
Proceeds on disposal of tangible capital assets	225,000	183,615	683,522
Amortization of tangible capital assets	1,306,135	1,425,990	1,427,849
Loss (gain) on sale of tangible capital assets	-	58,150	(15,266)
Increase in inventories	-	(5,843)	(11,056)
Increase in prepaid expense	-	(43,055)	(6,603)
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<u>1,324,755</u>	<u>632,316</u>	<u>694,828</u>
<b>NET FINANCIAL ASSETS BEGINNING OF YEAR</b>	<u>6,264,681</u>	<u>6,264,681</u>	<u>5,569,853</u>
<b>NET FINANCIAL ASSETS END OF YEAR</b>	<u>7,589,436</u>	<u>6,896,997</u>	<u>6,264,681</u>

The accompanying notes are an integral part of these financial statements

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2019**

	2019 Actual \$	2018 Actual \$
<b>CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	1,764,114	(331,012)
Changes in non-cash items:		
Amortization	1,425,990	1,427,849
Loss (Gain) on disposal of tangible capital assets	58,150	(15,266)
	<u>3,248,254</u>	<u>1,081,571</u>
Net changes in non-cash working capital affecting operations <i>(note 25)</i>	<u>376,314</u>	<u>1,729,684</u>
	<u>3,624,568</u>	<u>2,811,255</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds from sale of tangible capital assets	183,615	683,522
Cash used to acquire tangible capital assets	<u>(2,750,655)</u>	<u>(1,052,606)</u>
	<u>(2,567,040)</u>	<u>(369,084)</u>
<b>INVESTING</b>		
Purchase of portfolio investments	(105,606)	-
Proceeds on sale of portfolio investments	-	28,503
Realization of deposits	25,000	(25,000)
	<u>(80,606)</u>	<u>3,503</u>
<b>FINANCING</b>		
Reduction in long-term debt	(198,978)	(220,607)
Decrease in obligations under capital lease	<u>(16,682)</u>	<u>(22,866)</u>
	<u>(215,660)</u>	<u>(243,473)</u>
<b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<b>761,262</b>	<b>2,202,201</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>9,504,936</b></u>	<u><b>7,302,735</b></u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>10,266,198</b></u></u>	<u><u><b>9,504,936</b></u></u>
<b>CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:</b>		
Cash and temporary investments	11,343,645	10,540,084
Temporary investments	700,000	701,036
Externally restricted cash	226,024	220,009
Bank indebtedness	<u>(2,003,471)</u>	<u>(1,956,193)</u>
	<u><u><b>10,266,198</b></u></u>	<u><u><b>9,504,936</b></u></u>

The accompanying notes are an integral part of these financial statements



# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

### 1. STATUS OF THE RURAL MUNICIPALITY OF ROCKWOOD

The incorporated Rural Municipality of Rockwood is a municipal government that was created on February 14, 1880 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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

#### a) REPORTING ENTITY

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

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

	Consolidated	
	<u>2019</u>	<u>2018</u>
South Interlake Regional Library	58.00 %	58.00 %
Rockwood-Rosser Weed Control District	53.00 %	53.00 %
South Interlake Planning District Board	50.00 %	50.00 %
Rockwood Woodlands By-law Enforcement	50.00 %	50.00 %
Teulon-Rockwood Recreation Commission	50.00 %	50.00 %
Cartier Regional Water Co-op Inc	14.29 %	14.29 %
South Interlake Emergency Measures Board	20.00 %	20.00 %

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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Stonewall & District Handi-Van Service	24.00 %	24.00 %
Teulon & District Handi-Van	45.00 %	45.00 %
Stonewall Rockwood Fire Department	48.50 %	48.50 %
John Q	8.33 %	7.69 %

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

The Grosse Isle Utility is owned jointly with the Rural Municipality of Rosser; therefore, these financial statements only consolidate 50% of the Utility.

### b) BASIS OF ACCOUNTING

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

### c) CASH AND TEMPORARY INVESTMENTS

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

### d) INVESTMENTS

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

Portfolio investments are accounted for at cost.

### e) REAL ESTATE PROPERTIES HELD FOR SALE

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

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

### f) LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

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

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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### g) NON-FINANCIAL ASSETS

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

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

### h) TANGIBLE CAPITAL ASSETS

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

#### General Tangible Capital Assets

Land and land improvements	Indefinite
Buildings and leasehold improvements	5 to 50 years
Vehicles and equipment	
Vehicles	5 to 25 years
Machinery and equipment	4 to 20 years
Computer hardware and software	4 to 10 years

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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### Infrastructure Assets

Roads, Streets, and Bridges	
Land	Indefinite
Road surface	20 to 40 years
Road grade	40 years
Traffic lights and equipment	10 years
Land	Indefinite
Land improvements	15 to 40 years
Underground networks	20 to 50 years
Machinery & equipment	5 to 20 years

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

### i) LEASES

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

### j) INVENTORIES

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

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

Cost is determined on a first in, first out basis.

## RURAL MUNICIPALITY OF ROCKWOOD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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#### k) REVENUE RECOGNITION

Revenues are recognized as they are earned and measurable.

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

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.

#### D) MEASUREMENT UNCERTAINTY

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

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for obsolete inventory. Amortization is based on the estimated useful lives of the tangible capital assets.

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

**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**3. ACCOUNTS RECEIVABLE**

Amounts receivable are valued at their net realizable value.

	<u>2019</u>	<u>2018</u>
	\$	\$
Tax assets ( <i>schedule 10</i> )	982,700	730,698
Government grants and receivables	945,255	453,526
Utility customers	160,422	166,150
Accrued interest	2,854	-
Organizations and individuals	367,032	756,539
Other governments	455,043	1,228,694
	<u>2,913,306</u>	<u>3,335,607</u>
Allowance for doubtful accounts	(40,602)	(37,213)
	<u><u>2,872,704</u></u>	<u><u>3,298,394</u></u>

**4. PORTFOLIO INVESTMENTS**

	<u>2019</u>	<u>2018</u>
	\$	\$
Marketable securities		
Municipal debentures, bearing interest at 5.4% with principal and interest payments paid annually, due December 31, 2025	<u>105,606</u>	-

These debentures have been issued to the Grosse Isle Utility which is jointly owned by the Rural Municipality of Rosser. Therefore, the debentures are reflected in the consolidated statements based on the percentage ownership of the utility system.

**5. INVENTORIES**

	<u>2019</u>	<u>2018</u>
	\$	\$
Culverts	62,590	58,911
Chemicals (other)	13,145	11,685
Grader blades	32,081	32,712
Street and road signage	16,683	18,222
Other	3,954	1,080
	<u>128,453</u>	<u>122,610</u>

**6. DEPOSITS**

	<u>2019</u>	<u>2018</u>
	\$	\$
Debentures levied in advance	-	25,000

**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2019</u>	<u>2018</u>
	\$	\$
Accounts payable	554,301	1,469,932
Government payables	2,930,778	2,074,708
Accrued expenses	994,957	797,155
School levies	-	3
Other governments	48,519	195,829
Deposits	72,350	72,200
Other	34,357	36,134
	<u>4,635,262</u>	<u>4,645,961</u>

**8. DEFERRED REVENUE**

	<u>2019</u>	<u>2018</u>
	\$	\$
Unexpended grants	<u>4,590</u>	<u>982</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**9. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES**

**Operating Landfill Sites:**

The Municipality is currently operating a 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.

Estimated closure and post closure costs are calculated as follows:

Teulon Landfill	<u>2019</u>	<u>2018</u>
	\$	\$
Estimated closure and post closure costs	<b>566,894</b>	570,158
Discount rate applied	<b>6.50 %</b>	6.50 %
Discounted costs	<u><b>86,170</b></u>	<u>76,992</u>
Expected year landfill capacity to be reached	<b>2050</b>	2050
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	<b>44,975</b>	43,200
Remaining	<b>55,025</b>	56,800
Total	<u><b>100,000</b></u>	<u>100,000</u>
Percent utilized	<u><b>44.98 %</b></u>	43.20 %
Total	<u><b>38,755</b></u>	<u>33,261</u>
Komarno Landfill	<u>2019</u>	<u>2018</u>
	\$	\$
Estimated closure and post closure costs	<b>304,163</b>	307,395
Discount rate applied	<b>6.50 %</b>	6.50 %
Discounted costs	<u><b>38,710</b></u>	<u>37,389</u>
Expected year landfill capacity to be reached	<b>2058</b>	2058
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	<b>17,714</b>	17,143
Remaining	<b>22,286</b>	22,857
Total	<u><b>40,000</b></u>	<u>40,000</u>
Percent utilized	<u><b>44.29 %</b></u>	42.86 %
Total	<u><b>17,143</b></u>	<u>16,024</u>



**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**10. LONG-TERM DEBT**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>Utility Funds:</b>		
Municipal debenture payable in annual instalments of \$32,438, including interest at 3.500%, due December 31, 2027**.	<b>111,488</b>	123,388
Municipal debenture payable in annual instalments of \$10,066, including interest at 4.6250%, due December 31, 2025**.	<b>25,854</b>	29,521
Municipal debenture payable in annual instalments of \$4,662, including interest at 5.000%, due December 31, 2020**.	<b>2,220</b>	4,334
Municipal debenture payable in annual instalments of \$9,825, including interest at 5.375%, due December 31, 2019**.	-	4,662
Municipal debenture payable in annual instalments of \$232,595, including interest at 3.50%, due December 31, 2026.	<b>1,422,212</b>	<b>1,598,847</b>
	<b><u>1,561,774</u></b>	<b><u>1,760,752</u></b>

\*\*These debentures have been issued in the Grosse Isles Utility which is owned jointly with the Rural Municipality of Rosser. Therefore, the debentures are reflected in the consolidated statements based on the percentage ownership of the utility system.

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

2020	201,191
2021	205,978
2022	213,233
2023	220,743
2024	228,519

**Schedule of Debenture Pending**

<u>Authority</u>	<u>Purpose</u>	<u>Amount Authorized</u>
Sunova Credit Union	Teulon-Rockwood Fire Hall	700,000

**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**11. OBLIGATIONS UNDER CAPITAL LEASE**

The Municipality has entered into a capital lease for a vehicle and equipment. Future minimum lease payments under the capital leases together with the obligation due under the capital lease are as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
2019	-	32,404
2020	<b>34,381</b>	32,404
2021	<b>34,381</b>	32,404
2022	<b>29,030</b>	27,004
2023	<b>2,277</b>	-
Total minimum lease payments	<b>100,069</b>	124,216
Less amount representing future interest at 6.79%	<b>10,082</b>	17,547
Balance of obligation	<b><u>89,987</u></b>	<b><u>106,669</u></b>

Interest expense includes \$7,074 (2018 - \$8,832) with respect to this obligation.

Assets under capital lease included in vehicles, machinery and road construction equipment.

	<u>2019</u>	<u>2018</u>
	\$	\$
Cost of leased tangible capital asset	<b>171,165</b>	161,465
Accumulated amortization of leased tangible capital asset	<b>22,984</b>	10,764
	<b><u>148,181</u></b>	<b><u>150,701</u></b>

**12. DEBT CHARGES - FRONTAGE**

<u>Purpose and By-law</u>	<u>2019</u>	<u>2018</u>
	Levy	Levy
	\$	\$
Balmoral Sewer and Water - 19/01	-	30,313
Grosse Isle	<b>15,795</b>	15,795
Gunton	<b>35,085</b>	35,085
	<b><u>50,880</u></b>	<b><u>81,193</u></b>

**13. DEBT CHARGES - AT LARGE**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2019</u>	<u>2018</u>
		Mill Rate	Levy
			Levy
			\$
Gunton utility debenture	<b>464,114,160</b>	<b>0.177</b>	<b>82,287</b>
Grosse Isle	<b>464,114,160</b>	<b>0.052</b>	<b>24,227</b>
			<b><u>106,514</u></b>
			<b><u>84,377</u></b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2019**

**14. RESERVES**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2019 Mill Rate</u>	<u>Levy</u>	<u>2018 Levy</u>
			\$	\$
General Reserve	464,114,160	0.356	165,178	165,545
Fire Equipment	464,114,160	0.198	91,802	91,715
Office Equipment	464,114,160	0.006	2,785	2,751
Public Works Equipment	464,114,160	0.415	192,747	193,059
Drainage	464,114,160	0.692	321,213	321,918
Parks and Playgrounds	464,114,160	0.198	91,802	4,586
Municipal Shop Reserve	464,114,160	0.099	45,901	45,857
			<u>911,428</u>	<u>825,431</u>

**15. SPECIAL LEVIES**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2019 Mill Rate</u>	<u>Levy</u>	<u>2018 Levy</u>
			\$	\$
Waste Management			<u>241,875</u>	<u>204,385</u>

## RURAL MUNICIPALITY OF ROCKWOOD

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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#### 16. 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 \$109,529 (2018 - \$103,099) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2018 indicated the plan was 101.3% funded on a going concern basis and had an unfunded solvency liability of \$229.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2018.

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

#### 17. FINANCIAL INSTRUMENTS

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

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

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### 18. BUDGET

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

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in *Schedule 9 - Reconciliation of the Financial Plan to the Budget*.

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

### 19. SEGMENTED INFORMATION

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

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

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

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

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

### 20. 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>2019</u>	<u>2018</u>
	\$	\$
<b>Financial Position</b>		
Financial Assets	9,158,206	4,002,112
Liabilities	<u>22,317,000</u>	<u>16,071,761</u>
	(13,158,794)	(12,069,649)
Non-financial Assets	<u>65,189,670</u>	<u>59,601,161</u>
Accumulated Surplus	<u>52,030,876</u>	<u>47,531,512</u>
<b>Result of Operations</b>		
Revenue	10,391,295	6,162,402
Expenses	<u>5,828,243</u>	<u>5,645,910</u>
Annual Surplus	<u>4,563,052</u>	<u>516,492</u>

### 21. CONTINGENT ASSETS

The Municipality is a joint plaintiff in certain legal actions in which a monetary award has been sought. The amount sought has not been disclosed as this could be expected to have an adverse effect on the outcome. The settlement will be recognized as revenue in the year in which the amount is determinable.

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

### 22. ACCUMULATED SURPLUS

	<u>2019</u>	<u>2018</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	1,048,495	1,499,265
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(10,552,067)	(9,814,012)
General Operating Tangible Capital Assets, net of related borrowings	9,296,544	8,634,141
Tangible Capital Assets, net of related borrowings	23,259,579	22,662,447
Reserve Funds	9,417,955	8,838,364
Accumulated surplus of municipality unconsolidated	<u>32,470,506</u>	<u>31,820,205</u>
Accumulated surpluses of consolidated government partnerships	<u>8,630,810</u>	<u>7,516,997</u>
Accumulated Surplus per Statement of Financial Position	<u><u>41,101,316</u></u>	<u><u>39,337,202</u></u>

#### PRIOR PERIOD ADJUSTMENT:

The prior year financial statements for the Grosse Isle Utility have been restated to include a transfer of property taxes in the amount of \$74,000; these statements have included an increase in the utility income for the prior year of \$37,000 and an corresponding decrease in the prior year revenue and the current year opening net assets.

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

In addition, the prior year financial statements have been restated to include Municipality's proportionate share of the government partnership John Q. Assets increased by \$6,003, liabilities increased by \$1,105 and annual and accumulated surplus increased by \$4,898 in 2018 as a result of this change.

Additionally these statements have been restated to begin amortizing the completed Balmoral utility water sewer infrastructure. Assets for the utility have been decreased by \$113,132 and the corresponding decrease in net assets for the utility.

# RURAL MUNICIPALITY OF ROCKWOOD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

### 23. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of The *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount in excess of \$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 \$147,510 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$75,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Art Goudy	21,113	3,301	24,414
Terrence Hartle	20,097	3,355	23,452
Lyle Willis	17,820	2,961	20,781
Tom Huffman	21,028	3,002	24,030
Curtis McClintock	20,878	2,495	23,373
Wes Taplin	26,112	4,130	30,242
Neal Wirgau	20,462	2,811	23,273
	<u>147,510</u>	<u>22,055</u>	<u>169,565</u>

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

Name	Position	Amount
Chris Luellman	CAO	115,316
Alan Schick	Public Works	92,586
Ian Tesarski	Public Works	88,808
Greg Hryciw	Public Works	83,745
Hendrik Visser	Manager of Finance	75,105



**RURAL MUNICIPALITY OF ROCKWOOD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2019

**24. PUBLIC UTILITY BOARD**

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

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

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

Water Services: Description of Utility	Unamortized			Unamortized Ending Balance
	Opening Balance	Additions During Year	Amortization During Year	
Stony Mountain	611,461	-	28,357	583,104
Balmoral	542,272	-	15,949	526,323
Grosse Isle	369,936	-	9,095	360,841
Gunton	1,759,999	-	40,000	1,719,999
	<u>3,283,668</u>	<u>-</u>	<u>93,401</u>	<u>3,190,267</u>

Sewer Services: Description of Utility	Unamortized			Unamortized Ending Balance
	Opening Balance	Additions During Year	Amortization During Year	
Stony Mountain	427,565	-	20,360	407,205
Balmoral	1,427,567	-	34,785	1,392,782
Grosse Isle	315,245	-	7,736	307,509
Gunton	1,759,999	-	40,000	1,719,999
	<u>3,930,376</u>	<u>-</u>	<u>102,881</u>	<u>3,827,495</u>

**25. CHANGES IN WORKING CAPITAL**

	2019	2018
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	425,690	1,347,107
Inventories	(5,843)	(11,056)
Prepaid expenses	(43,055)	(6,603)
Accounts payable and accrued liabilities	(10,699)	396,106
Deferred revenue	3,608	(25)
Landfill closure and post closure liabilities	6,613	4,155
	<u>376,314</u>	<u>1,729,684</u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2019

	General Capital Assets						Infrastructure		2019	2018
	Land and Buildings and Land Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Roads, Streets, and Bridges	Water and Sewer Construction	Assets under Construction	Assets under Construction	Actual	Actual	
<b>Cost</b>										
Balance, beginning of year	1,443,256	3,445,322	210,328	18,448,291	32,399,725	-	-	61,374,974	61,151,528	
Asset purchases	25,057	789,566	15,639	-	990,989	-	-	2,533,151	388,274	
Disposals and write downs	-	150,159	8,950	-	-	-	-	420,602	164,828	
Balance, end of year	1,468,313	4,084,729	217,017	18,448,291	33,390,714	-	-	63,487,523	61,374,974	
<b>Accumulated Amortization</b>										
Balance, beginning of year	18,038	1,182,022	192,934	16,312,650	8,138,431	-	-	28,479,539	27,212,596	
Amortization	17,259	94,689	11,911	360,196	570,492	-	-	1,425,990	1,427,849	
Disposals and write downs	-	150,158	8,953	-	-	-	-	396,341	160,906	
Balance, end of year	35,297	1,126,553	195,892	16,672,846	8,708,923	-	-	29,509,188	28,479,539	
<b>Net book value</b>	<b>1,433,016</b>	<b>2,958,176</b>	<b>21,125</b>	<b>1,775,445</b>	<b>24,681,791</b>	<b>-</b>	<b>-</b>	<b>33,978,335</b>	<b>32,895,435</b>	

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED SCHEDULE OF REVENUES**

**Schedule 2**

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

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>PROPERTY TAXES</b>			
Municipal taxes levied ( <i>schedule 11</i> )	4,180,842	4,180,842	4,015,383
Taxes added	164,800	92,382	233,201
	<u>4,345,642</u>	<u>4,273,224</u>	<u>4,248,584</u>
<b>GRANTS IN LIEU OF TAXATION</b>			
Federal government	241,451	241,451	234,489
Federal government enterprises	1,405	1,405	1,357
Provincial government	30,706	30,706	28,614
Provincial government enterprises	82,144	82,144	68,518
Other local governments	140	140	136
	<u>355,846</u>	<u>355,846</u>	<u>333,114</u>
<b>USER FEES</b>			
Sales of service	647,944	850,006	649,932
Sales of goods	1,550	1,823	1,515
Rentals	87,908	92,144	53,397
	<u>737,402</u>	<u>943,973</u>	<u>704,844</u>
<b>GRANTS - PROVINCE OF MANITOBA</b>			
General assistance payment	416,655	416,655	411,676
Conditional grants	212,839	217,713	153,396
Other provincial grant	-	159	-
	<u>629,494</u>	<u>634,527</u>	<u>565,072</u>
<b>GRANTS - OTHER</b>			
Federal government - gas tax funding	421,007	839,152	450,586
Federal government - other	-	3,160	3,098
Other local governments	218,912	234,002	215,410
Other grant	-	6,737	17,450
	<u>639,919</u>	<u>1,083,051</u>	<u>686,544</u>
<b>PERMITS, LICENCES AND FEES</b>			
Permits	298,321	884,830	276,526
Licences	1,800	1,800	1,800
Aggregate mining and transportation fees	1,150,000	1,131,683	1,153,714
Fines	250	180	260
Leases	6,681	5,901	7,042
Subdivision fees	16,000	129,500	7,000
	<u>1,473,052</u>	<u>2,153,894</u>	<u>1,446,342</u>
<b>INVESTMENT REVENUE</b>			
Interest	160,651	373,652	252,599
<b>OTHER REVENUE</b>			
Gain (loss) on sale of tangible capital assets	-	(58,150)	15,266
Miscellaneous	49,273	135,134	131,372
Penalties and interest	65,000	82,740	67,337
	<u>114,273</u>	<u>159,724</u>	<u>213,975</u>
<b>WATER AND SEWER</b>			
Municipal utilities ( <i>schedule 8</i> )	1,035,639	1,087,915	991,921

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED SCHEDULE OF REVENUES**

**Schedule 2**

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

	<b>2019 Budget \$</b>	<b>2019 Actual \$</b>	<b>2018 Actual \$</b>
Consolidated water co-operatives	<u>420,580</u>	<u>1,015,791</u>	<u>584,089</u>
	<u>1,456,219</u>	<u>2,103,706</u>	<u>1,576,010</u>
<b>TOTAL REVENUE</b>	<u><u>9,912,498</u></u>	<u><u>12,081,597</u></u>	<u><u>10,027,084</u></u>

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED SCHEDULE OF EXPENSES**

**Schedule 3**

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

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	210,804	190,563	142,042
General administrative	855,805	862,410	872,718
Other	77,500	76,891	86,654
	<u>1,144,109</u>	<u>1,129,864</u>	<u>1,101,414</u>
<b>PROTECTIVE SERVICES</b>			
Fire	485,627	496,653	491,900
Emergency measures	24,000	20,831	23,393
By-law enforcement	70,742	67,172	67,586
	<u>580,369</u>	<u>584,656</u>	<u>582,879</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Administration and engineering	641,000	644,292	613,397
Road and street maintenance	3,347,223	3,361,347	3,027,510
Sidewalk and boulevard maintenance	15,000	6,405	8,694
Street lighting	40,000	34,495	36,403
Public transit	182,601	190,039	167,378
	<u>4,225,824</u>	<u>4,236,578</u>	<u>3,853,382</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	619,000	598,015	644,457
Lagoons and wells	7,000	6,837	6,986
	<u>626,000</u>	<u>604,852</u>	<u>651,443</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Social assistance	4,241	4,241	4,241
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	412,822	432,908	288,002
Other	-	4,656	7,260
	<u>412,822</u>	<u>437,564</u>	<u>295,262</u>
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	119,605	117,157	124,896
Drainage of land	1,000	3,106	201
	<u>120,605</u>	<u>120,263</u>	<u>125,097</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Administration	21,500	21,502	7,830
Community centers and halls	522,948	606,510	476,403
Skating and curling rinks	25,000	25,000	25,000
Parks and playgrounds	13,000	27,027	12,761
Libraries	353,639	379,984	399,030
Other cultural facilities	500	414	194
	<u>936,587</u>	<u>1,060,437</u>	<u>921,218</u>

**RURAL MUNICIPALITY OF ROCKWOOD**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2019**

**Schedule 3**

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>WATER AND SEWER</b>			
Municipal utilities ( <i>schedule 8</i> )	1,661,741	1,574,599	2,269,862
Consolidated water co-operatives	<u>406,580</u>	<u>564,429</u>	<u>553,298</u>
	<u>2,068,321</u>	<u>2,139,028</u>	<u>2,823,160</u>
<b>TOTAL EXPENSES</b>	<u><u>10,118,878</u></u>	<u><u>10,317,483</u></u>	<u><u>10,358,096</u></u>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 4

**CONSOLIDATED SCHEDULE 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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>										
Property taxes	4,273,224	4,248,584	-	-	-	-	-	-	-	-
Grants in lieu of taxation	355,846	333,114	-	-	-	-	-	-	-	-
User fees	131,868	92,669	165,363	28,668	189,167	151,157	287,860	272,753	-	-
Grants - Province of Manitoba	555,155	468,176	-	-	13,500	13,500	-	-	-	-
Grants - Other	839,152	450,586	-	-	42,209	36,584	-	-	-	-
Permits, licences and fees	1,277,314	1,179,916	-	-	-	-	-	-	-	-
Investment revenue	337,461	227,509	-	-	-	-	-	-	-	-
Other revenue	94,194	157,318	-	892	1,811	2,528	-	-	-	-
Water and sewer	(237,561)	(284,522)	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>7,626,653</b>	<b>6,873,350</b>	<b>165,363</b>	<b>29,560</b>	<b>246,687</b>	<b>203,769</b>	<b>287,860</b>	<b>272,753</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>										
Personnel services	617,925	567,893	131,055	130,410	1,033,032	919,834	117,189	114,584	-	-
Contract services	115,028	125,835	166,219	163,999	8,521	7,498	215,677	223,823	4,241	4,241
Utilities	-	-	-	464	1,601	1,703	-	-	-	-
Maintenance materials & supplies	246,370	278,716	59,541	53,880	2,494,016	2,270,225	271,986	313,036	-	-
Grants & contributions	-	-	154,270	157,397	42,910	31,655	-	-	-	-
Amortization	76,349	86,654	73,571	76,729	648,891	612,929	-	-	-	-
Interest on long term debt	26,328	-	-	-	7,607	9,538	-	-	-	-
Other operating expense	47,864	42,316	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>1,129,864</b>	<b>1,101,414</b>	<b>584,656</b>	<b>582,879</b>	<b>4,236,578</b>	<b>3,853,382</b>	<b>604,852</b>	<b>651,443</b>	<b>4,241</b>	<b>4,241</b>
<b>SURPLUS (DEFICIT)</b>	<b>6,496,789</b>	<b>5,771,936</b>	<b>(419,293)</b>	<b>(553,319)</b>	<b>3,989,891</b>	<b>3,649,613</b>	<b>(316,992)</b>	<b>(378,690)</b>	<b>(4,241)</b>	<b>(4,241)</b>

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

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 4

**CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM**

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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>										
Property taxes	-	-	-	-	-	-	-	-	4,273,224	4,248,584
Grants in lieu of taxation	-	-	-	-	-	-	-	-	355,846	333,114
User fees	600	800	64,818	78,392	104,297	80,405	-	-	943,973	704,844
Grants - Province of Manitoba	-	-	159	-	65,713	83,396	-	-	634,527	565,072
Grants - Other	24,228	23,730	11,780	11,780	165,682	163,864	-	-	1,083,051	686,544
Permits, licences and fees	876,580	266,426	-	-	-	-	-	-	2,153,894	1,446,342
Investment revenue	25,346	15,867	1,409	1,306	4,497	3,722	4,939	4,195	373,652	252,599
Other revenue	9,637	16,287	2,365	5,310	51,717	31,640	-	-	159,724	213,975
Water and sewer	-	-	-	9,124	-	-	1,325,206	1,276,222	1,087,915	991,921
<b>Total revenue</b>	<b>936,391</b>	<b>323,110</b>	<b>80,531</b>	<b>105,912</b>	<b>391,906</b>	<b>363,027</b>	<b>1,330,145</b>	<b>1,280,417</b>	<b>2,081,597</b>	<b>0,027,084</b>
<b>EXPENSES</b>										
Personnel services	229,029	198,149	40,093	41,098	338,221	281,176	389,610	362,413	2,896,154	2,615,557
Contract services	10,621	17,473	4,227	917	121,272	156,194	429,094	1,161,689	1,074,900	1,861,669
Utilities	3,196	2,836	897	858	10,304	9,691	277,844	239,162	293,842	254,714
Maintenance materials & supplies	109,176	44,864	54,902	61,434	117,957	128,942	329,471	290,658	3,683,419	3,441,755
Grants & contributions	83,058	30,212	11,803	11,803	426,821	310,331	10,000	52,362	728,862	593,760
Amortization	2,484	1,728	8,341	8,987	45,862	34,884	570,492	605,938	1,425,990	1,427,849
Interest on long term debt	-	-	-	-	-	-	132,517	110,933	166,452	120,471
Other operating expense	-	-	-	-	-	-	-	-	47,864	42,316
<b>Total expenses</b>	<b>437,564</b>	<b>295,262</b>	<b>120,263</b>	<b>125,097</b>	<b>1,060,437</b>	<b>921,218</b>	<b>2,139,028</b>	<b>2,823,155</b>	<b>0,317,483</b>	<b>0,358,096</b>
<b>SURPLUS (DEFICIT)</b>	<b>498,827</b>	<b>27,848</b>	<b>(39,732)</b>	<b>(19,185)</b>	<b>(668,531)</b>	<b>(558,191)</b>	<b>(808,883)</b>	<b>(1,542,738)</b>	<b>1,764,114</b>	<b>(331,012)</b>

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



CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2019

	Core Government		Government Partnerships		Total	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>						
Property taxes	4,273,224	4,248,584	-	-	4,273,224	4,248,584
Grants in lieu of taxation	355,846	333,114	-	-	355,846	333,114
User fees	670,614	435,560	273,359	269,284	943,973	704,844
Grants - Province of Manitoba	555,155	468,176	79,372	96,896	634,527	565,072
Grants - Other	839,152	450,586	243,899	235,958	1,083,051	686,544
Permits, licences and fees	1,277,314	1,179,916	876,580	266,426	2,153,894	1,446,342
Investment revenue	342,400	231,704	31,252	20,895	373,652	252,599
Other revenue	124,573	157,318	35,151	56,657	159,724	213,975
Water and sewer	1,087,915	991,921	-	-	1,087,915	991,921
<b>Total revenue</b>	<b>9,526,193</b>	<b>8,496,879</b>	<b>2,555,404</b>	<b>1,530,205</b>	<b>2,081,597</b>	<b>0,027,084</b>
<b>EXPENSES</b>						
Personnel services	2,104,638	1,877,052	791,516	738,505	2,896,154	2,615,557
Contract services	1,045,536	1,789,294	29,364	72,375	1,074,900	1,861,669
Utilities	187,352	160,712	106,490	94,002	293,842	254,714
Maintenance materials & supplies	3,071,024	2,900,943	612,395	540,812	3,683,419	3,441,755
Grants & contributions	958,531	831,785	(229,669)	(238,025)	728,862	593,760
Amortization	1,296,694	1,259,912	129,296	167,937	1,425,990	1,427,849
Interest on long term debt	164,255	117,916	2,197	2,555	166,452	120,471
Other operating expense	47,864	42,316	-	-	47,864	42,316
<b>Total expenses</b>	<b>8,875,894</b>	<b>8,979,930</b>	<b>1,441,589</b>	<b>1,378,166</b>	<b>0,317,483</b>	<b>0,358,096</b>
<b>SURPLUS (DEFICIT)</b>	<b>650,299</b>	<b>(483,051)</b>	<b>1,113,815</b>	<b>152,039</b>	<b>1,764,114</b>	<b>(331,012)</b>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 6

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

For the Year Ended December 31, 2019

	General Reserve	Machinery Replacement Reserve	Equipment Reserve	Fire Equipment Reserve	Community Enhancement Reserve	Admin Building Reserve	Tenlon-Rockwood Centennial Hall Reserve	Dedication Fee Reserve
	\$	\$	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>								
Cash and temporary investments	432,476	75,951	294,706	788,031	95,049	-	223,794	
Portfolio investments	-	-	-	211,211	-	-	-	-
Due from other funds	149,438	43,660	50,726	38,549	(11,240)	-	63,000	
	<u>581,914</u>	<u>119,611</u>	<u>345,432</u>	<u>1,037,791</u>	<u>83,809</u>	<u>-</u>	<u>286,794</u>	
<b>LIABILITIES</b>								
Due to other funds	-	-	-	-	-	-	-	-
<b>REVENUE</b>								
Investment revenue	11,509	2,021	7,842	33,949	2,529	-	5,955	
Water and sewer	-	-	-	-	-	-	-	-
	<u>11,509</u>	<u>2,021</u>	<u>7,842</u>	<u>33,949</u>	<u>2,529</u>	<u>-</u>	<u>5,955</u>	
<b>TRANSFERS</b>								
Transfers from (to) operating fund	122,682	273,110	201,521	11,000	(3,865)	-	12,000	
Transfers from (to) utility fund	(108,056)	(409,003)	(324,078)	(25,058)	-	-	-	
Acquisition of tangible capital assets	14,626	(135,893)	(122,557)	(36,058)	(3,865)	-	12,000	
	<u>26,135</u>	<u>(133,872)</u>	<u>(114,715)</u>	<u>(2,109)</u>	<u>(1,336)</u>	<u>-</u>	<u>17,955</u>	
<b>CHANGE IN FUND BALANCES</b>								
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>555,779</u>	<u>253,483</u>	<u>460,147</u>	<u>1,039,900</u>	<u>85,145</u>	<u>-</u>	<u>268,839</u>	
<b>FUND SURPLUS, END OF YEAR</b>	<u>581,914</u>	<u>119,611</u>	<u>345,432</u>	<u>1,037,791</u>	<u>83,809</u>	<u>-</u>	<u>286,794</u>	

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 6

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

For the Year Ended December 31, 2019

	Construction Reserve	Road Reserve	Equipment Repair Reserve	Teulon-Rockwood Green Acres Park	Teulon Rockwood Waste Disposal Reserve	Drainage Reserve	Parks and Playgrounds	Gas Tax Reserve
	\$	\$	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>								
Cash and temporary investments	458,419	-	-	67,280	86,934	-	53,666	226,024
Portfolio investments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	40,208	-	46,080	2,324,683
	<u>458,419</u>	<u>-</u>	<u>-</u>	<u>67,280</u>	<u>127,142</u>	<u>-</u>	<u>99,746</u>	<u>2,550,707</u>
<b>LIABILITIES</b>								
Due to other funds	(244,120)	-	-	(49,485)	-	-	-	-
<b>REVENUE</b>								
Investment revenue	12,198	-	-	1,790	2,313	-	1,428	6,015
Water and sewer	-	-	-	-	-	-	-	-
	<u>12,198</u>	<u>-</u>	<u>-</u>	<u>1,790</u>	<u>2,313</u>	<u>-</u>	<u>1,428</u>	<u>6,015</u>
<b>TRANSFERS</b>								
Transfers from (to) operating fund	(88,067)	-	-	8,485	5,000	-	35,294	839,152
Transfers from (to) utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	(130,782)	-
	<u>(88,067)</u>	<u>-</u>	<u>-</u>	<u>(8,485)</u>	<u>5,000</u>	<u>-</u>	<u>(95,488)</u>	<u>839,152</u>
<b>CHANGE IN FUND BALANCES</b>	(75,869)	-	-	(6,695)	7,313	-	(94,060)	845,167
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	290,168	-	-	24,490	119,829	-	193,806	1,705,540
<b>FUND SURPLUS, END OF YEAR</b>	<u>214,299</u>	<u>-</u>	<u>-</u>	<u>17,795</u>	<u>127,142</u>	<u>-</u>	<u>99,746</u>	<u>2,550,707</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 6

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

For the Year Ended December 31, 2019

	Sewer & Water Expansion Reserve	Aggregate Reserve	Stony Mountain Replacement	Balmoral Transportation Replacement	Grosse Isle Utility Reserve	Gunton Reserve
	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>						
Cash and temporary investments	191,064	1,178,830	185,614	39,192	15,618	-
Portfolio investments	-	-	-	-	-	-
Due from other funds	65,671	2,490,463	-	(100,000)	-	-
	<u>256,735</u>	<u>3,669,293</u>	<u>185,614</u>	<u>39,192</u>	<u>15,618</u>	<u>-</u>
<b>LIABILITIES</b>						
Due to other funds	-	-	(95,292)	(18,245)	-	-
<b>REVENUE</b>						
Investment revenue	5,084	31,368	4,939	1,043	-	-
Water and sewer	-	-	-	-	270	-
	<u>5,084</u>	<u>31,368</u>	<u>4,939</u>	<u>1,043</u>	<u>270</u>	<u>-</u>
<b>TRANSFERS</b>						
Transfers from (to) operating fund	-	175,098	-	-	50,000	-
Transfers from (to) utility fund	-	-	(29,683)	-	-	-
Acquisition of tangible capital assets	(41,165)	-	(45,457)	(39,820)	-	-
	<u>(41,165)</u>	<u>175,098</u>	<u>(75,140)</u>	<u>(39,820)</u>	<u>50,000</u>	<u>-</u>
<b>CHANGE IN FUND BALANCES</b>	(36,081)	206,466	(70,201)	(38,777)	270	-
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	292,816	3,462,827	160,523	59,724	15,348	-
<b>FUND SURPLUS, END OF YEAR</b>	<u>256,735</u>	<u>3,669,293</u>	<u>90,322</u>	<u>20,947</u>	<u>15,618</u>	<u>-</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

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

	2019 Actual \$	2018 Actual \$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	4,412,648	4,306,133
Portfolio investments	211,211	-
Due from other funds	5,201,238	4,738,617
	<u>9,825,097</u>	<u>9,044,750</u>
<b>LIABILITIES</b>		
Due to other funds	<u>(407,142)</u>	<u>(206,386)</u>
<b>REVENUE</b>		
Investment revenue	129,983	101,509
Water and sewer	270	221
	<u>130,253</u>	<u>101,730</u>
<b>TRANSFERS</b>		
Transfers from (to) operating fund	1,602,440	973,702
Transfers from (to) utility fund	(29,683)	(833,300)
Acquisition of tangible capital assets	<u>(1,123,419)</u>	<u>-</u>
	<u>449,338</u>	<u>140,402</u>
<b>CHANGE IN FUND BALANCES</b>	<b>579,591</b>	<b>242,132</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>8,838,364</b>	<b>8,596,232</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b><u>9,417,955</u></b>	<b><u>8,838,364</u></b>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 7

**SCHEDULE OF FINANCIAL POSITION FOR UTILITIES**

For the Year Ended December 31, 2019

	Stony Mountain	Balmoral	Grosse Isle	Gunton	2019 Actual	2018 Actual
	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>						
Accounts receivable (note 3)	133,004	13,403	85,324	14,307	246,038	258,915
Deposits (note 6)	81,738	(146,698)	-	-	-	25,000
Due from other funds	214,742	(133,295)	85,324	739,473	674,513	619,273
					920,551	903,188
<b>LIABILITIES</b>						
Bank indebtedness	-	-	2,003,365	-	2,003,365	1,956,159
Accounts payable and accrued liabilities (note 7)	35,261	-	1,250	-	36,511	881,093
Long-term debt (note 10)	-	-	245,167	1,422,212	1,667,379	1,760,752
Due to other funds	(154,870)	47,460	103,070	19,704	15,364	664,757
	190,131	(47,460)	2,146,712	1,402,508	3,691,891	3,933,247
<b>NON-FINANCIAL ASSETS</b>						
Tangible capital assets (schedule 1)	3,248,750	3,636,882	3,166,643	5,420,989	15,473,264	15,874,105
Inventories	-	-	958	-	958	1,080
Prepaid expenses	989	2,229	112	1,300	4,630	3,309
	3,249,739	3,639,111	3,167,713	5,422,289	15,478,852	15,878,494
<b>FUND SURPLUS</b>						
	3,274,350	3,553,276	1,106,325	4,773,561	12,707,512	12,848,435

Reid & Miller Chartered Professional Accountants Inc.

## SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2019

	STONY MOUNTAIN UTILITY		
	2019	2019	2018
	Budget	Actual	Actual
	\$	\$	\$
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	400,711	387,874	397,913
Bulk water fees	400	-	405
	<u>401,111</u>	<u>387,874</u>	<u>398,318</u>
<b>SEWER</b>			
Sewer fees	207,168	221,766	206,138
Lagoon tipping fees	-	14,924	-
	<u>207,168</u>	<u>236,690</u>	<u>206,138</u>
<b>OTHER REVENUE</b>			
Hydrant rentals	12,000	18,200	12,000
Connection charges	-	600	(75)
Installation service	-	8,000	14,050
Penalties	7,874	6,664	7,640
Other income	40,405	46,040	40,204
	<u>60,279</u>	<u>79,504</u>	<u>73,819</u>
<b>TOTAL REVENUE</b>	<u>668,558</u>	<u>704,068</u>	<u>678,275</u>
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	64,500	48,349	50,144
<b>WATER</b>			
Purification and treatment	20,000	13,791	13,851
Transmission and distribution	145,359	138,514	136,215
Transportation services	99,500	81,090	79,312
Connection costs	-	-	52,362
	<u>264,859</u>	<u>233,395</u>	<u>281,740</u>
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	110,000	109,700	107,290
<b>SEWER</b>			
Collection system costs	78,822	71,643	62,448
Treatment and disposal costs	82,000	97,568	805,142
Lift station costs	55,000	22,040	18,156
Other sewer expense	110,577	-	-
	<u>326,399</u>	<u>191,251</u>	<u>885,746</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 8

**SCHEDULE OF UTILITY OPERATIONS**

For the Year Ended December 31, 2019

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	<u>58,000</u>	<u>57,507</u>	<u>57,606</u>
<b>TOTAL EXPENSES</b>	<u>823,758</u>	<u>640,202</u>	<u>1,382,526</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>(155,200)</u>	<u>63,866</u>	<u>(704,251)</u>
<b>TRANSFERS</b>			
Transfers from (to) utility fund	-	29,683	836,800
Acquisition of tangible capital assets	-	(45,457)	-
	<u>-</u>	<u>75,140</u>	<u>836,800</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>(155,200)</u>	<u>139,006</u>	<u>132,549</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>3,135,344</u>	<u>3,135,344</u>	<u>3,002,795</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>2,980,144</u>	<u>3,274,350</u>	<u>3,135,344</u>



**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

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

	<b>BALMORAL UTILITY</b>		
	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	49,992	65,265	44,261
Bulk water fees	500	292	643
	<u>50,492</u>	<u>65,557</u>	<u>44,904</u>
<b>SEWER</b>			
Sewer fees	<u>50,639</u>	<u>74,747</u>	<u>59,687</u>
<b>PROPERTY TAXES</b>			
	-	-	30,312
<b>OTHER REVENUE</b>			
Hydrant rentals	2,800	2,850	2,800
Penalties	700	563	676
Other income	18,000	27,623	12,371
	<u>21,500</u>	<u>31,036</u>	<u>15,847</u>
<b>TOTAL REVENUE</b>	<u>122,631</u>	<u>171,340</u>	<u>150,750</u>
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	<u>8,000</u>	<u>10,789</u>	<u>6,446</u>
<b>WATER</b>			
Purification and treatment	6,000	4,912	6,563
Transmission and distribution	35,388	38,143	34,060
Transportation services	35,000	43,277	33,922
	<u>76,388</u>	<u>86,332</u>	<u>74,545</u>
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	92,000	53,784	53,343
Interest on long-term debt	-	-	1,808
	<u>92,000</u>	<u>53,784</u>	<u>55,151</u>
<b>SEWER</b>			
Collection system costs	25,243	28,432	23,314
Treatment and disposal costs	5,500	5,714	815
Lift station costs	7,500	3,286	4,275
	<u>38,243</u>	<u>37,432</u>	<u>28,404</u>
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	<u>40,000</u>	<u>76,284</u>	<u>76,268</u>
<b>TOTAL EXPENSES</b>	<u>254,631</u>	<u>264,621</u>	<u>240,814</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

Schedule 8

**SCHEDULE OF UTILITY OPERATIONS**

For the Year Ended December 31, 2019

<b>EXCESS OF EXPENSES OVER REVENUE</b>	(132,000)	(93,281)	(90,064)
<b>TRANSFERS</b>			
Acquisition of tangible capital assets	<u>-</u>	<u>39,820</u>	<u>-</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	(132,000)	(53,461)	(90,064)
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>3,606,737</u>	<u>3,606,737</u>	<u>3,696,801</u>
<b>FUND SURPLUS, END OF YEAR</b>	<u>3,474,737</u>	<u>3,553,276</u>	<u>3,606,737</u>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

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

	<b>GROSSE ISLE UTILITY</b>		
	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	54,200	62,937	54,507
<b>SEWER</b>			
Sewer fees	24,700	15,218	15,588
<b>PROPERTY TAXES</b>	<b>60,995</b>	<b>117,068</b>	<b>98,393</b>
<b>OTHER REVENUE</b>			
Hydrant rentals	1,725	1,725	1,725
Administration fees	490	7,361	9,124
Other income	45,100	21,564	17,748
	47,315	30,650	28,597
<b>TOTAL REVENUE</b>	<b>187,210</b>	<b>225,873</b>	<b>197,085</b>
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	45,263	65,757	66,564
Billing and collection	4,495	2,710	2,704
	49,758	68,467	69,268
<b>WATER</b>			
Purification and treatment	1,700	419	734
Transmission and distribution	2,350	30,671	21,337
Water purchases	36,500	37,436	35,063
	40,550	68,526	57,134
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	48,000	47,558	47,558
<b>SEWER</b>			
Treatment and disposal costs	4,058	27,704	109,807
Lift station costs	-	1,499	1,219
Other sewer expense	23,600	-	-
	27,658	29,203	111,026
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	30,000	29,017	29,017
Interest on long-term debt	106,000	106,637	7,055
	136,000	135,654	36,072
<b>TOTAL EXPENSES</b>	<b>301,966</b>	<b>349,408</b>	<b>321,058</b>
<b>EXCESS OF EXPENSES OVER REVENUE</b>	<b>(114,756)</b>	<b>(123,535)</b>	<b>(123,973)</b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

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

**TRANSFERS**

Transfers from (to) utility fund	<u>-</u>	<u>-</u>	<u>(3,500)</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<b>(114,756)</b>	<b>(123,535)</b>	<b>(127,473)</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b><u>1,229,860</u></b>	<b><u>1,229,860</u></b>	<b><u>1,357,333</u></b>
<b>FUND SURPLUS, END OF YEAR</b>	<b><u>1,115,104</u></b>	<b><u>1,106,325</u></b>	<b><u>1,229,860</u></b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

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

	<b>GUNTON UTILITY</b>		
	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	43,086	38,240	37,804
<b>SEWER</b>			
Sewer fees	32,500	26,489	26,035
<b>PROPERTY TAXES</b>	<b>125,415</b>	<b>125,415</b>	<b>127,615</b>
<b>OTHER REVENUE</b>			
Hydrant rentals	4,000	3,150	4,000
Connection charges	-	10,630	150
Penalties	1,300	1,585	1,283
Other income	18,500	18,416	53,225
	<b>23,800</b>	<b>33,781</b>	<b>58,658</b>
<b>TOTAL REVENUE</b>	<b>224,801</b>	<b>223,925</b>	<b>250,112</b>
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	42,886	8,295	6,785
<b>WATER</b>			
Purification and treatment	3,000	382	32
Transmission and distribution	30,000	67,992	40,023
Transportation services	-	26,529	10,807
Connection costs	-	10,000	-
	<b>33,000</b>	<b>104,903</b>	<b>50,862</b>
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	63,000	63,035	63,036
Interest on long-term debt	56,000	30,173	99,515
	<b>119,000</b>	<b>93,208</b>	<b>162,551</b>
<b>SEWER</b>			
Collection system costs	13,000	36,550	20,245
Treatment and disposal costs	-	13,839	11,485
Lift station costs	10,500	6,921	10,317
	<b>23,500</b>	<b>57,310</b>	<b>42,047</b>
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	63,000	63,142	63,219
<b>TOTAL EXPENSES</b>	<b>281,386</b>	<b>326,858</b>	<b>325,464</b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 8**

**SCHEDULE OF UTILITY OPERATIONS**

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

<b>EXCESS OF EXPENSES OVER REVENUE</b>	<b>(56,585)</b>	<b>(102,933)</b>	<b>(75,352)</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b><u>4,876,494</u></b>	<b><u>4,876,494</u></b>	<b><u>4,951,846</u></b>
<b>FUND SURPLUS, END OF YEAR</b>	<b><u><u>4,819,909</u></u></b>	<b><u><u>4,773,561</u></u></b>	<b><u><u>4,876,494</u></u></b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 9**

**RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET**

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

	Financial Plan General	Financial Plan Utilities	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Government Partnerships	PSAB Budget
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Property taxes	4,345,642	-	-	-	-	-	-	4,345,642
Grants in lieu of taxation	355,846	-	-	-	-	-	-	355,846
User fees	471,700	-	-	-	-	-	265,702	737,402
Grants - Province of Manitoba	555,155	-	-	-	-	-	74,339	629,494
Grants - Other	421,007	-	-	-	-	-	218,912	639,919
Permits, licences and fees	1,185,531	-	-	-	-	-	287,521	1,473,052
Investment revenue	141,511	-	-	-	-	-	19,140	160,651
Other revenue	108,113	-	-	-	-	-	6,160	114,273
Transfers	30,000	-	-	-	(30,000)	-	-	-
Transfers	881,680	94,380	-	-	(976,060)	-	-	-
Water and sewer	(167,561)	1,203,200	-	-	-	-	420,580	1,456,219
	<b>8,328,624</b>	<b>1,297,580</b>	<b>-</b>	<b>-</b>	<b>(1,006,060)</b>	<b>-</b>	<b>1,292,354</b>	<b>9,912,498</b>
<b>EXPENSES</b>								
General government services	1,066,609	-	77,000	500	-	-	-	1,144,109
Protective services	491,127	-	65,500	-	-	-	23,742	580,369
Transportation services	3,476,035	-	618,500	7,500	-	-	123,789	4,225,824
Environmental health services	626,000	-	-	-	-	-	-	626,000
Public health and welfare services	4,241	-	-	-	-	-	-	4,241
Regional planning and development	51,365	-	-	-	-	-	361,457	412,822
Resource conservation and industrial development	26,112	-	-	-	-	-	94,493	120,605
Recreation and cultural services	618,948	-	21,500	-	-	-	296,139	936,587
Transfers	1,968,187	301,840	-	-	(2,270,027)	-	-	-
Water and sewer	-	995,741	504,000	162,000	-	-	406,580	2,068,321
	<b>8,328,624</b>	<b>1,297,581</b>	<b>1,286,500</b>	<b>170,000</b>	<b>(2,270,027)</b>	<b>-</b>	<b>1,306,200</b>	<b>10,118,878</b>
<b>SURPLUS (DEFICIT)</b>	<b>-</b>	<b>(1)</b>	<b>(1,286,500)</b>	<b>(170,000)</b>	<b>1,263,967</b>	<b>-</b>	<b>(13,846)</b>	<b>(206,380)</b>

**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 10**

**ANALYSIS OF TAXES ON ROLL**

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

	2019 Actual \$	2018 Actual \$
<b>BALANCE, BEGINNING OF YEAR</b>	<u>730,698</u>	<u>551,869</u>
<b>Add:</b>		
Tax Levy ( <i>schedule 11</i> )	10,703,872	10,431,066
Taxes added	92,382	233,201
Penalties and interest	<u>82,740</u>	<u>67,337</u>
<b>Sub-total</b>	<u>11,609,692</u>	<u>11,283,473</u>
<b>Deduct:</b>		
Cash collections - current	8,321,716	8,607,334
Cash collections - arrears	755,332	402,337
Cancellations	17,359	5,233
Tax discounts	-	-
M.P.T.C. - cash advance	<u>1,532,585</u>	<u>1,537,871</u>
<b>Sub-total</b>	<u>10,626,992</u>	<u>10,552,775</u>
<b>BALANCE, END OF YEAR</b>	<u><u>982,700</u></u>	<u><u>730,698</u></u>



**RURAL MUNICIPALITY OF ROCKWOOD**

**Schedule 11**

**ANALYSIS OF TAX LEVY**

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

	Assessment	2019 Mill Rate	Levy	2018 Levy
<b>Debt Charges:</b>				
Frontage (note 12)			50,880	81,193
L.I.D.			-	-
At large (note 13)			106,514	84,377
			<u>157,394</u>	<u>165,570</u>
<b>Reserves:</b>				
Reserves (note 14)			911,428	825,431
<b>Other municipal levies:</b>				
General municipal	464,114,160	6.183	2,869,943	2,819,767
Special levy (note 15)			241,875	204,385
			<u>3,111,818</u>	<u>3,024,152</u>
Business tax (rate 0.00%)			202	230
<b>Total municipal taxes (schedule 2)</b>			<u>4,180,842</u>	<u>4,015,383</u>
Education Support Levy	28,289,270	9.770	276,386	255,027
<b>Special levy:</b>				
Interlake School Division	458,803,640	13.587	6,233,765	6,148,603
Evergreen School Division	354,240	11.049	3,914	3,184
Lakeshore School Division	597,440	15.006	8,965	8,869
			<u>6,246,644</u>	<u>6,160,656</u>
<b>Total education taxes</b>			<u>6,523,030</u>	<u>6,415,683</u>
<b>Total tax levy (schedule 10)</b>			<u>10,703,872</u>	<u>10,431,066</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2019

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	210,804	190,563	142,042
General administrative	855,805	862,410	872,718
Other	77,500	76,891	86,654
	<u>1,144,109</u>	<u>1,129,864</u>	<u>1,101,414</u>
<b>PROTECTIVE SERVICES</b>			
Fire	485,627	496,653	491,900
Emergency measures	24,000	20,831	23,393
By-law enforcement	47,000	35,666	46,622
	<u>556,627</u>	<u>553,150</u>	<u>561,915</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Administration and engineering	641,000	644,292	613,397
Road and street maintenance	3,347,223	3,361,347	3,027,510
Sidewalk and boulevard maintenance	15,000	6,405	8,694
Street lighting	40,000	34,495	36,403
Public transit	58,812	59,230	44,822
	<u>4,102,035</u>	<u>4,105,769</u>	<u>3,730,826</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	619,000	598,015	644,457
Lagoons and wells	7,000	6,837	6,986
	<u>626,000</u>	<u>604,852</u>	<u>651,443</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Social assistance	4,241	4,241	4,241
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	51,365	108,734	55,360
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	25,112	25,112	25,112
Drainage of land	1,000	3,106	201
	<u>26,112</u>	<u>28,218</u>	<u>25,313</u>
<b>RECREATION AND CULTURAL SERVICES</b>			
Administration	21,500	21,502	7,830
Community centers and halls	419,448	531,683	378,406
Skating and curling rinks	25,000	25,000	25,000
Parks and playgrounds	13,000	27,027	12,761
Libraries	161,000	160,841	155,365
Other cultural facilities	500	414	194
	<u>640,448</u>	<u>766,467</u>	<u>579,556</u>
<b>TOTAL EXPENSES</b>	<u><u>7,150,937</u></u>	<u><u>7,301,295</u></u>	<u><u>6,710,068</u></u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 13

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2019

	General	Stony Mountain	Balmoral	Grosse Isle	Gunton	2019	2018
	\$	\$	\$	\$	\$	\$	\$
<b>CONSOLIDATED ANNUAL SURPLUS (DEFICIT)</b>							
<i>(statement 2)</i>							
Elimination of appropriations from reserves	1,905,037	139,006	(53,461)	(123,535)	(102,933)	1,764,114	(331,012)
Elimination of appropriations to reserves	1,860,219	-	-	-	-	1,860,219	1,030,663
Consolidation of reserve operations	(2,397,262)	-	-	-	-	(2,397,262)	(1,204,366)
Elimination of consolidated entity operations	(130,253)	-	-	-	-	(130,253)	(101,730)
Elimination of nominal surplus transfers	(1,113,815)	-	-	-	-	(1,113,815)	(152,039)
Amortization of tangible capital assets	30,000	(110,577)	-	-	-	(80,577)	530,675
Principal portion of long term debt	796,667	167,207	130,068	76,575	126,177	1,296,694	1,259,912
Proceeds on disposal of assets	(26,382)	-	-	(22,344)	(176,634)	(225,360)	(243,472)
Loss (gain) on disposal of assets	183,615	-	-	-	-	183,615	7,000
Acquisitions of capital assets from operating funds	58,150	-	-	-	-	58,150	(7,000)
	(1,165,976)	(59,367)	(39,820)	-	-	(1,265,163)	(644,943)
		136,269	36,787	(69,304)	(153,390)	(49,638)	143,688

ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(I) AND (2) OF THE MUNICIPAL ACT\*\*\*

**R|M**

**REID & MILLER**

CHARTERED PROFESSIONAL ACCOUNTANTS INC