

RURAL MUNICIPALITY OF LAC DU BONNET

**Consolidated Financial Statements
For the Year Ended December 31, 2022**

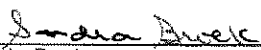
STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Lac du Bonnet 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.



Sandra Broek
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
RURAL MUNICIPALITY OF LAC DU BONNET

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of Lac du Bonnet, which comprise the consolidated statement of financial position as at December 31, 2022 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Lac du Bonnet as at December 31, 2022, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2022 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 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 opinion.

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' Responsibilities for the Audit of the Financial Statements

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.

- 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
- 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
- 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.

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
October 12, 2023

1-554 St. Mary's Road, Winnipeg, Manitoba R2M 3L5
Telephone (204) 943-4584 Fax (204) 957-5195
E-mail: info@exg.ca Website: www.exg.ca

RURAL MUNICIPALITY OF LAC DU BONNET


Consolidated Financial Statements For the Year Ended December 31, 2022

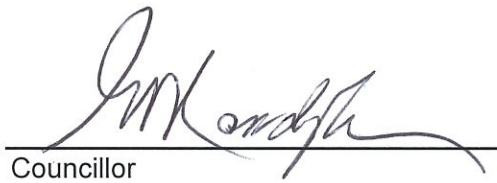
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**RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022**

	<u>2022</u>	<u>2021</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 6,004,245	\$ 7,175,192
Amounts receivable (Note 4)	<u>894,889</u>	<u>887,731</u>
	<u>6,899,134</u>	<u>8,062,923</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	1,258,486	2,038,116
Long-term debt (Note 7)	<u>297,770</u>	<u>317,804</u>
	<u>1,556,256</u>	<u>2,355,920</u>
NET FINANCIAL ASSETS	<u>5,342,878</u>	<u>5,707,003</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	11,053,074	10,213,187
Inventories (Note 5)	464,742	694,904
Prepaid expenses	<u>39,603</u>	<u>39,680</u>
	<u>11,557,419</u>	<u>10,947,771</u>
ACCUMULATED SURPLUS (Note 11)	<u>\$ 16,900,297</u>	<u>\$ 16,654,774</u>

Approved on behalf of Council:


Reeve


Councillor

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	<u>2022 Budget (Note 10)</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
REVENUE			
Property taxes	\$ 3,867,413	\$ 4,003,475	\$ 3,841,096
Grants in lieu of taxation	386,027	346,326	280,491
User fees	791,038	517,728	522,894
Permits, licences and fines	200	173,231	190,278
Investment income	25,125	133,152	64,953
Other revenue	155,527	401,211	272,501
Water and sewer	111,718	92,846	64,847
Grants - Province of Manitoba	472,620	591,028	503,137
Grants - other	278,771	220,564	392,878
	<u>6,088,439</u>	<u>6,479,561</u>	<u>6,133,075</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	1,806,172	1,426,219	1,715,980
Protective services	618,190	521,949	443,088
Transportation services	3,183,366	2,828,219	2,460,075
Environmental health services	758,410	606,104	692,515
Public health and welfare services	25,750	23,140	34,310
Regional planning and development	285,899	210,357	186,571
Resource conservation and industrial development	318,971	250,854	212,835
Recreation and cultural services	396,888	266,156	301,399
Water and sewer services	140,626	101,040	92,617
	<u>7,534,272</u>	<u>6,234,038</u>	<u>6,139,390</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS (DEFICIT)	<u>\$ (1,445,833)</u>	245,523	(6,315)
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>16,654,774</u>	<u>16,661,089</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 16,900,297</u>	<u>\$ 16,654,774</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2022

	<u>2022 Budget (Note 10)</u>	<u>2022 Actual</u>	<u>2021 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (1,445,833)	\$ 245,523	\$ (6,315)
Acquisition of tangible capital assets	(1,153,239)	(1,578,157)	(507,823)
Amortization of tangible capital assets	694,574	700,520	659,172
Loss (Gain) on sale of tangible capital assets	-	(162,420)	-
Proceeds on sale of tangible capital assets	-	200,171	-
Decrease (increase) in inventories	-	230,162	(450,765)
Decrease (increase) in prepaid expense	-	76	(18,154)
	<u>(458,665)</u>	<u>(609,648)</u>	<u>(317,570)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (1,904,498)</u>	(364,125)	(323,885)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>5,707,003</u>	<u>6,030,888</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 5,342,878</u>	<u>\$ 5,707,003</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 245,523	\$ (6,315)
Changes in non-cash items:		
Amounts receivable	(7,158)	53,797
Inventories	230,162	(450,765)
Prepays	76	(18,154)
Accounts payable and accrued liabilities	(779,630)	743,486
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	(162,420)	-
Amortization	700,520	659,172
	<u>227,073</u>	<u>981,221</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	200,171	-
Cash used to acquire tangible capital assets	(1,578,157)	(507,823)
	<u>(1,377,986)</u>	<u>(507,823)</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	-	-
Debt repayment	(20,034)	(19,403)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(20,034)</u>	<u>(19,403)</u>
Cash applied to financing transactions	-	-
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(1,170,947)	453,995
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	7,175,192	6,721,197
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 6,004,245</u>	<u>\$ 7,175,192</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF LAC DU BONNET
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

1. Status of the Rural Municipality of Lac du Bonnet

The incorporated Rural Municipality of Lac du Bonnet ("The Municipality") is a municipality that was formed in 1917 pursuant to The Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, 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 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 entities include:

Lac du Bonnet Community Development Corporation

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:

Agassiz Weed Control District (42%) (2021 - 42%)

Lac du Bonnet Planning District (75%) (2021 - 75%)

Lac du Bonnet Regional Library (74%) (2021 - 74%)

Lac du Bonnet Airport Authority (69%) (2021 - 69%)

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. There were no trust funds administered by the Municipality as of December 31, 2022.

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

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.

m) Future Changes in Accounting Standards

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- PS 3450 Financial Instruments (effective January 1, 2023) defines and provides guidance for accounting and reporting all types of financial instruments including derivatives.
- PS 2601 Foreign Currency Translation (effective January 1, 2023) replaces PS 2600 with revised accounting and reporting principles for transactions that are denominated in a foreign currency.
- PS 1201 Financial Statement Presentation replaces PS 1200 with general reporting principles for disclosure of information and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3041 Portfolio Investments replaces PS 3040 with revised accounting and reporting principles for portfolio investments and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3280 Asset Retirement Obligations (effective January 1, 2023) defines and provides guidance for accounting and reporting retirement obligations associated with tangible capital assets and includes the withdrawal of PS 3270 Solid Waste Landfill Closure and Post-Closure Liability.
- PS 3400 Revenue (effective January 1, 2024), a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue. Earlier adoption is permitted.
- PS 3160 Public Private Partnerships (effective January 1, 2024), is a new standard establishing guidance on the recognition, measurement and disclosure of public private partnerships arrangements. Earlier adoption is permitted.

These new accounting standards have not been applied in preparing these consolidated financial statements.

The Municipality is currently assessing the impact of the new standards, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2022</u>	<u>2021</u>
Cash	\$ 6,004,245	\$ 7,175,192
Temporary investments	-	-
	<u>\$ 6,004,245</u>	<u>\$ 7,175,192</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$3,840,640 (2021 - \$4,603,723) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has access to a \$500,000 line of credit at Sunova Credit Union at an interest rate of 6.45%. The Municipality has utilized \$Nil (2021 - \$Nil) at December 31, 2022.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2022</u>	<u>2021</u>
Taxes on roll (Schedule 11)	\$ 655,388	\$ 609,584
Government grants	13,305	100,608
Utility customers	42,758	24,745
Organizations and individuals	114,612	89,531
Other governments	90,760	84,992
	<u>916,823</u>	<u>909,460</u>
Less allowances for doubtful amounts	<u>(21,934)</u>	<u>(21,729)</u>
	<u>\$ 894,889</u>	<u>\$ 887,731</u>

5. Inventories

Inventories for use:

	<u>2022</u>	<u>2021</u>
Fuel	\$ 8,682	\$ 8,895
Culverts	53,123	46,395
Aggregate	368,893	635,436
Other supplies	34,044	4,178
	<u>\$ 464,742</u>	<u>\$ 694,904</u>

6. Accounts Payable and Accrued Liabilities

	<u>2022</u>	<u>2021</u>
Accounts payable	\$ 684,718	\$ 1,428,415
Wages payable	53,546	54,248
Vacation liability	86,681	69,022
Accrued expenses	-	-
School levies	400,387	385,166
Other governments	33,154	101,265
	<u>\$ 1,258,486</u>	<u>\$ 2,038,116</u>

7. Long Term Debt

	<u>2022</u>	<u>2021</u>
Brookfield Utility Debenture By-Law 10-19, interest at 3.25%, payable at \$30,363 annually including interest, maturing October 31, 2034	\$ 297,770	\$ 317,804

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

2023	\$ 20,685
2024	\$ 21,357
2025	\$ 22,052
2026	\$ 22,768
2027	\$ 23,508

8. 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.

9. 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 \$130,568 (2021 - \$127,440) 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, 2021 indicated the plan was 101.3% funded on a going concern basis and had an unfunded solvency liability of \$249.0 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, 2021.

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.

10. 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.

11. Accumulated Surplus

	2022	2021
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,829,005	\$ 1,828,846
Utility operating fund(s) - Nominal surplus	86,081	55,038
TCA net of related borrowings	10,720,298	9,855,532
Reserve funds	3,840,640	4,603,723
Accumulated surplus of municipality unconsolidated	16,476,024	16,343,139
Accumulated surpluses of consolidated entities	424,273	311,635
Accumulated surplus per Consolidated Statement of Financial Position	\$ 16,900,297	\$ 16,654,774

12. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$75,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2022:

- a) Compensation paid to members of council amounted to \$106,414 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	Compensation	Expenses	Total
Reeve - Loren Schinkel	\$ 21,901	\$ 4,036	\$ 25,937
Deputy Reeve - Scott Jones	12,489	1,969	14,458
Deputy Reeve - Greg Mandzuk	2,445	684	3,129
Councillor - Jeff Easton	1,986	460	2,446
Councillor - Violet Enns-Preston	2,690	598	3,288
Councillor - Cindy Kellendonk	2,118	540	2,658
Councillor - Robert Doyle	16,861	2,635	19,496
Councillor - Grant Hein	14,553	1,837	16,390
Councillor - Darrell Scheirich	16,069	2,543	18,612
	<u>\$ 91,112</u>	<u>\$ 15,302</u>	<u>\$ 106,414</u>

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

Name	Position	Amount
<i>Cameron Bell</i>	<i>Former Chief Administrative Officer</i>	\$ 215,484
<i>Sandra Broek</i>	<i>Deputy CAO / Chief Administrative Officer</i>	\$ 125,193
<i>Jen Hoffman</i>	<i>Public Works Foreman</i>	\$ 80,516
<i>Albert Miller</i>	<i>Building Inspector</i>	\$ 78,000

13. Segmented Information

The Rural Municipality of Lac du Bonnet 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.

14. 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:

	2022	2021
Financial Position		
Financial Assets	\$ 317,272	\$ 283,166
Liabilities	73,082	79,035
Net financial assets (liabilities)	244,190	204,131
Non-financial assets	54,797	46,499
Accumulated surplus	\$ 298,987	\$ 250,630
Result of Operations		
Revenues	\$ 235,018	\$ 217,952
Expenses	186,661	183,089
Annual surplus	48,357	34,863
Elimination of revenues(expenses) upon consolidation	83,192	44,386
Consolidated annual surplus (deficit)	\$ (34,835)	\$ (9,523)

15. Public Utilities Board

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

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

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining Net Book Value.

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Tanco Utility	\$ -	\$ -	\$ -	\$ -
Whitemouth Utility	518,219	-	10,796	507,423
	<u>\$ 518,219</u>	<u>\$ -</u>	<u>\$ 10,796</u>	<u>\$ 507,423</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Tanco Utility	\$ -	\$ -	\$ -	\$ -
Whitemouth Utility	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

16. Contingencies

Lawsuits have been filed against the Municipality for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcome of the lawsuits, now pending is not determinable. Should any loss result from the resolution of these claims, such losses will be charged to operation in the year of resolution.

17. Comparative Figures

Balances in the prior year have been reclassified to comply with the current year presentation.

18. Subsequent Events

In January 2023, the Municipality released \$250,000 to the Lac du Bonnet Heritage Corporation for the proposed initiative of constructing a personal care home in the region.

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2022

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	2022	2021
Cost										
Opening costs	\$ 1,837,717	\$ 1,644,237	\$ 6,649,180	\$ 470,727	\$ 42,009	\$ 13,757,733	\$ 2,955,783	\$ 2,259	\$ 27,359,645	\$ 26,857,971
Additions during the year	111,842	56,214	714,624	64,996	633,522	-	-	-	1,581,198	1,145,924
Disposals and write downs	-	-	(447,405)	(2,563)	(3,041)	-	-	-	(453,009)	(644,250)
Closing costs	1,949,559	1,700,451	6,916,399	533,160	672,490	13,757,733	2,955,783	2,259	28,487,834	27,359,645
Accumulated Amortization										
Opening accum'd amortization	281,379	1,008,503	4,104,923	337,041	-	10,698,573	716,039	-	17,146,458	16,493,435
Amortization	16,323	44,378	459,260	63,883	-	37,077	79,599	-	700,520	659,172
Disposals and write downs	-	-	(409,755)	(2,463)	-	-	-	-	(412,218)	(6,149)
Closing accum'd amortization	297,702	1,052,881	4,154,428	398,461	-	10,735,650	795,638	-	17,434,760	17,146,458
Net Book Value of Tangible Capital Assets	\$ 1,651,857	\$ 647,570	\$ 2,761,971	\$ 134,699	\$ 672,490	\$ 3,022,083	\$ 2,160,145	\$ 2,259	\$ 11,053,074	\$ 10,213,187

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2022

SCHEDULE 2

	2022 Actual	2021 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 3,877,393	\$ 3,808,289
Taxes added	126,082	32,807
	<u>4,003,475</u>	<u>3,841,096</u>
Grants in lieu of taxation:		
Federal government	-	-
Federal government enterprises	-	-
Provincial government	346,326	280,491
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>346,326</u>	<u>280,491</u>
User fees		
Parking meters	-	-
Sales of service	419,083	421,378
Sales of goods	5,545	8,983
Rentals	10,845	600
Development charges	11,173	14,615
Facility use fees	71,082	77,318
	<u>517,728</u>	<u>522,894</u>
Permits, licences and fines		
Permits	172,751	190,068
Licences	480	210
Fees	-	-
Fines	-	-
	<u>173,231</u>	<u>190,278</u>
Investment income:		
Cash and temporary investments	133,152	64,953
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>133,152</u>	<u>64,953</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	162,420	-
Gain on sale of land	-	-
Contributed assets	-	-
Penalties and interest	82,924	86,214
Miscellaneous (specify):		
Insurance proceeds	-	22,488
MTCML/Fuel rebates	61,023	72,340
Insurance rebates	37,443	36,354
Donations	-	7,518
Crown grazing leases	17,284	13,409
Miscellaneous	40,117	34,178
	<u>401,211</u>	<u>272,501</u>
Water and sewer		
Municipal utilities (Schedule 9)	92,846	64,847
Consolidated water co-operatives	-	-
	<u>92,846</u>	<u>64,847</u>
Grants - Province of Manitoba		
Municipal operating grants	255,125	238,611
Other unconditional grants	-	-
Conditional grants	335,903	264,526
	<u>591,028</u>	<u>503,137</u>
Grants - other		
Federal government - gas tax funding	175,596	343,558
Federal government - other	8,530	26,057
Other municipal governments	36,438	23,263
	<u>220,564</u>	<u>392,878</u>
Total revenue	<u>\$ 6,479,561</u>	<u>\$ 6,133,075</u>

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2022

SCHEDULE 3

	2022 Actual	2021 Actual
General government services:		
Legislative	\$ 162,681	\$ 113,225
General administrative	915,176	1,185,385
Other	348,362	417,370
	<u>1,426,219</u>	<u>1,715,980</u>
Protective services:		
Police	156,773	117,424
Fire	254,910	201,056
Emergency measures	27,450	32,880
Other	82,816	91,728
	<u>521,949</u>	<u>443,088</u>
Transportation services:		
Road transport		
Administration and engineering	6,124	-
Road and street maintenance	2,802,294	2,437,792
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	16,848	15,028
Other	2,953	7,255
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>2,828,219</u>	<u>2,460,075</u>
Environmental health services:		
Waste collection and disposal	491,283	585,910
Recycling	106,212	97,781
Other	8,609	8,824
	<u>606,104</u>	<u>692,515</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	3,096	3,096
Other	20,044	31,214
	<u>23,140</u>	<u>34,310</u>
Regional planning and development		
Planning and zoning	210,357	186,571
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>210,357</u>	<u>186,571</u>
Resource conservation and industrial development		
Rural area weed control	87,264	103,510
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	114,407	78,922
Industrial development	-	-
Tourism	1,050	1,550
Other	48,133	28,853
	<u>250,854</u>	<u>212,835</u>
Sub-totals forward	<u>\$ 5,866,842</u>	<u>\$ 5,745,374</u>

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2022

SCHEDULE 3

	2022 Actual	2021 Actual
Sub-totals forward	\$ 5,866,842	\$ 5,745,374
Recreation and cultural services:		
Administration	17,865	46,054
Community centers and halls	23,795	23,795
Swimming pools and beaches	12,782	4,924
Golf courses	-	-
Skating and curling rinks	60,707	38,029
Parks and playgrounds	3,493	6,245
Other recreational facilities	28,558	73,454
Museums	4,095	5,557
Libraries	104,263	96,479
Other cultural facilities	10,598	6,862
	<u>266,156</u>	<u>301,399</u>
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	101,040	92,617
Consolidated water co-operatives	-	-
	<u>101,040</u>	<u>92,617</u>
Total expenses	<u>\$ 6,234,038</u>	<u>\$ 6,139,390</u>

RURAL MUNICIPALITY OF LAC DU BONNET
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2022

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	\$ 4,003,475	\$ 3,841,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	346,326	280,491	-	-	-	-	-	-	-	-
User fees	286,842	280,978	57,144	92,851	1,100	1,550	69,874	68,765	-	-
Grants - other	184,126	369,615	-	-	-	-	-	-	-	-
Permits, licences and fines	405	210	-	-	-	297	-	-	-	-
Investment income	59,351	24,597	8,145	3,384	24,425	16,629	11,155	5,987	23,940	12,103
Other revenue	314,380	189,407	9,034	-	66,054	74,127	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	255,125	238,611	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	163,154	127,722	-	-	-	-	81,284	75,178	-	-
Total revenue	\$ 5,613,184	\$ 5,352,727	\$ 74,323	\$ 96,235	\$ 91,579	\$ 92,603	\$ 162,313	\$ 149,930	\$ 23,940	\$ 12,103
EXPENSES										
Personnel services	\$ 770,779	\$ 978,199	\$ 63,874	\$ 78,015	\$ 805,120	\$ 928,840	\$ 356,987	\$ 435,091	\$ -	\$ -
Contract services	498,320	599,505	270,995	209,480	420,984	280,439	127,879	133,705	12,165	8,020
Utilities	15,834	17,242	23,586	12,848	49,026	42,497	8,625	5,718	-	-
Maintenance materials and supplies	33,274	34,455	84,178	58,488	1,161,599	838,532	13,730	25,740	2,321	18,490
Grants and contributions	33,050	21,462	-	-	-	-	-	-	-	-
Amortization	74,059	63,668	79,316	84,257	391,490	369,767	98,617	92,261	8,654	7,800
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	903	1,449	-	-	-	-	266	-	-	-
Total expenses	\$ 1,426,219	\$ 1,715,980	\$ 521,949	\$ 443,088	\$ 2,828,219	\$ 2,460,075	\$ 606,104	\$ 692,515	\$ 23,140	\$ 34,310
Surplus (Deficit)	\$ 4,186,965	\$ 3,636,747	\$ (447,626)	\$ (346,853)	\$ (2,736,640)	\$ (2,367,472)	\$ (443,791)	\$ (542,585)	\$ 800	\$ (22,207)

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

RURAL MUNICIPALITY OF LAC DU BONNET

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2022

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,003,475	\$ 3,841,096
Grants in lieu of taxation	-	-	-	-	-	-	-	-	346,326	280,491
User fees	-	-	96,403	66,500	6,365	12,250	-	-	517,728	522,894
Grants - other	-	-	24,592	11,417	11,846	11,846	-	-	220,564	392,878
Permits, licences and fines	172,826	189,771	-	-	-	-	-	-	173,231	190,278
Investment income	3,304	499	762	275	2,070	1,479	-	-	133,152	64,953
Other revenue	-	-	2,798	1,433	8,945	7,534	-	-	401,211	272,501
Water and sewer	-	-	-	-	-	-	92,846	64,847	92,846	64,847
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	255,125	238,611
Prov of MB - Conditional Grants	-	-	51,656	11,106	39,809	50,520	-	-	335,903	264,526
Total revenue	\$ 176,130	\$ 190,270	\$ 176,211	\$ 90,731	\$ 69,035	\$ 83,629	\$ 92,846	\$ 64,847	\$ 6,479,561	\$ 6,133,075
EXPENSES										
Personnel services	\$ 169,225	\$ 146,897	\$ 24,658	\$ 30,425	\$ 96,905	\$ 87,661	\$ 100	\$ 100	\$ 2,287,648	\$ 2,685,228
Contract services	26,898	24,100	138,709	97,775	7,880	42,554	33,644	17,748	1,537,474	1,413,326
Utilities	1,417	1,443	1,963	2,421	5,989	5,746	1,307	1,136	107,747	89,051
Maintenance materials and supplies	12,817	13,639	75,300	65,110	9,853	15,862	26,752	33,766	1,419,824	1,104,082
Grants and contributions	-	-	979	10,764	133,883	142,417	-	-	167,912	174,643
Amortization	-	-	8,704	5,651	10,598	6,862	28,908	28,908	700,346	659,174
Interest on long term debt	-	-	-	-	-	-	10,329	10,959	10,329	10,959
Other	-	492	541	689	1,048	297	-	-	2,758	2,927
Total expenses	\$ 210,357	\$ 186,571	\$ 250,854	\$ 212,835	\$ 266,156	\$ 301,399	\$ 101,040	\$ 92,617	\$ 6,234,038	\$ 6,139,390
Surplus (Deficit)	\$ (34,227)	\$ 3,699	\$ (74,643)	\$ (122,104)	\$ (197,121)	\$ (217,770)	\$ (8,194)	\$ (27,770)	\$ 245,523	\$ (6,315)

RURAL MUNICIPALITY OF LAC DU BONNET

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2022

	Core Government		Controlled Entities		Government Partnerships		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE								
Property taxes	\$ 4,003,475	\$ 3,410,310	\$ -	\$ -	\$ -	\$ -	\$ 4,003,475	\$ 3,841,096
Grants in lieu of taxation	346,326	335,278	-	-	-	-	346,326	280,491
User fees	416,168	213,780	42,909	-	58,651	88,757	517,728	522,894
Grants - other	132,004	150,703	50,000	-	38,560	25,024	220,564	392,878
Permits, licences and fines	173,231	190,278	-	-	-	-	173,231	190,278
Investment income	128,027	74,892	-	-	5,125	1,457	133,152	64,953
Other revenue	390,784	360,650	279	558	10,148	7,913	401,211	272,501
Water and sewer	92,846	2,436	-	-	-	-	92,846	64,847
Prov of MB - Unconditional Grants	255,125	116,199	-	-	-	-	255,125	238,611
Prov of MB - Conditional Grants	296,560	165,643	-	9,450	39,343	50,415	335,903	264,526
Total revenue	\$ 6,234,546	\$ 5,020,169	\$ 93,188	\$ 10,008	\$ 151,827	\$ 173,566	\$ 6,479,561	\$ 6,133,075
EXPENSES								
Personnel services	\$ 2,198,377	\$ 2,591,576	\$ -	\$ -	\$ 89,271	\$ 93,652	\$ 2,287,648	\$ 2,685,228
Contract services	1,390,135	1,314,974	114,407	75,814	32,932	22,538	1,537,474	1,413,326
Utilities	99,795	80,884	-	-	7,952	8,167	107,747	89,051
Maintenance materials and supplies	1,371,513	1,047,120	-	2,517	48,311	54,445	1,419,824	1,104,082
Grants and contributions	167,076	174,643	-	-	836	-	167,912	174,643
Amortization	694,574	656,363	-	-	5,772	2,811	700,346	659,174
Interest on long term debt	10,329	10,959	-	-	-	-	10,329	10,959
Other	1,170	1,451	-	-	1,588	1,476	2,758	2,927
Total expenses	\$ 5,932,969	\$ 5,877,970	\$ 114,407	\$ 78,331	\$ 186,662	\$ 183,089	\$ 6,234,038	\$ 6,139,390
Surplus (Deficit)	\$ 301,577	\$ (857,801)	\$ (21,219)	\$ (68,323)	\$ (34,835)	\$ (9,523)	\$ 245,523	\$ (6,315)

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2022

SCHEDULE 6

	2022							
	General Reserve	Capital Dev. Reserve	Fire Fighting Reserve	Handi-Van Reserve	Machinery Reserve	Mun Office Reserve	Recreation Reserve	Flood Condition Reserve
REVENUE								
Investment income	\$ 6,070	\$ 1,146	\$ 3,361	\$ -	\$ 4,970	\$ 58	\$ 717	\$ 4,784
Other income	-	-	-	-	-	-	-	-
Total revenue	6,070	1,146	3,361	-	4,970	58	717	4,784
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	6,070	1,146	3,361	-	4,970	58	717	4,784
TRANSFERS								
Transfers from general operating fund	-	11,173	-	-	221,671	-	2,192	-
Transfers to general operating fund	-	(50,000)	(7,586)	-	(172,905)	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	6,070	(37,681)	(4,225)	-	53,736	58	2,909	4,784
FUND SURPLUS, BEGINNING OF YEAR	280,624	59,035	171,378	45,000	244,050	2,986	36,610	236,897
FUND SURPLUS, END OF YEAR	\$ 286,694	\$ 21,354	\$ 167,153	\$ 45,000	\$ 297,786	\$ 3,044	\$ 39,519	\$ 241,681

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2022

SCHEDULE 6

	2022						
	Rd. Constr. Reserve	Public Works Reserve	Airport Reserve	Economic Dev. Reserve	CCBF Reserve	Building Reserve	Liquid/Solid Waste Reserve
REVENUE							
Investment income	\$ 8,100	\$ 19	\$ 2,462	\$ 406	\$ 13,748	\$ 452	\$ 11,155
Other income	-	-	-	-	-	-	-
Total revenue	8,100	19	2,462	406	13,748	452	11,155
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-
NET REVENUES	8,100	19	2,462	406	13,748	452	11,155
TRANSFERS							
Transfers from general operating fund	-	-	-	-	175,596	-	-
Transfers to general operating fund	(428,244)	-	(27,261)	-	(448,771)	(25,653)	(95,418)
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(420,144)	19	(24,799)	406	(259,427)	(25,201)	(84,263)
FUND SURPLUS, BEGINNING OF YEAR	1,009,900	994	131,178	20,935	627,882	39,044	535,500
FUND SURPLUS, END OF YEAR	\$ 589,756	\$ 1,013	\$ 106,379	\$ 21,341	\$ 368,455	\$ 13,843	\$ 451,237

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2022

SCHEDULE 6

	2022				2021	
	P.C. Home Reserve	Stead Glen Reserve	Emergency Reserve	Student Bursary Reserve	Total	Total
REVENUE						
Investment income	\$ 23,940	\$ 862	\$ 127	\$ 96	\$ 82,473	\$ 46,599
Other income	-	-	-	-	-	-
Total revenue	<u>23,940</u>	<u>862</u>	<u>127</u>	<u>96</u>	<u>82,473</u>	<u>46,599</u>
EXPENSES						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	23,940	862	127	96	82,473	46,599
TRANSFERS						
Transfers from general operating fund	-	-	-	-	410,632	831,568
Transfers to general operating fund	-	-	(350)	-	(1,256,188)	(576,481)
Transfer from nominal surplus	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	23,940	862	(223)	96	(763,083)	301,686
FUND SURPLUS, BEGINNING OF YEAR	1,106,805	44,405	6,000	4,500	4,603,723	4,302,037
FUND SURPLUS, END OF YEAR	\$ 1,130,745	\$ 45,267	\$ 5,777	\$ 4,596	\$ 3,840,640	\$ 4,603,723

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
 For the Year Ended December 31, 2022

SCHEDULE 7

	2022 Budget	2022 Actual	2021 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	<u>\$ -</u>	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		<u>\$ -</u>	<u>\$ -</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
 December 31, 2022

SCHEDULE 8

	2022		2021	
	Tanco Utility	Brookfield Utility	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Amounts receivable	-	42,758	42,758	24,745
Portfolio investments	-	-	-	-
Due from other funds	28,363	14,960	43,323	30,293
	<u>\$ 28,363</u>	<u>\$ 57,718</u>	<u>\$ 86,081</u>	<u>\$ 55,038</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt	-	297,770	297,770	317,804
Due to other funds	-	-	-	-
	<u>\$ -</u>	<u>\$ 297,770</u>	<u>297,770</u>	<u>317,804</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 28,363</u>	<u>\$ (240,052)</u>	<u>\$ (211,689)</u>	<u>\$ (262,766)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ 134,565	\$1,143,648	\$ 1,278,213	\$ 1,307,121
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	<u>\$ 134,565</u>	<u>\$1,143,648</u>	<u>\$ 1,278,213</u>	<u>\$ 1,307,121</u>
FUND SURPLUS (DEFICIT)	<u>\$ 162,928</u>	<u>\$ 903,596</u>	<u>\$ 1,066,524</u>	<u>\$ 1,044,355</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF UTILITY OPERATIONS - Tanco Utility
 For the Year Ended December 31, 2022

SCHEDULE 9

	<u>Budget</u>	<u>2022</u>	<u>2021</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ 1,512
Bulk Water fees	300	-	-
sub-total- water	<u>300</u>	<u>-</u>	<u>1,512</u>
Sewer			
Sewer fees	9,300	9,662	9,947
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>9,300</u>	<u>9,662</u>	<u>9,947</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	695	-	63
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	-
sub-total- other	<u>695</u>	<u>-</u>	<u>63</u>
Total revenue	<u>\$ 10,295</u>	<u>\$ 9,662</u>	<u>\$ 11,522</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF UTILITY OPERATIONS (cont'd) - Tanco Utility
 For the Year Ended December 31, 2022

SCHEDULE 9

EXPENSES	Budget	2022	2021
General			
Administration	\$ -	\$ 100	\$ -
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>-</u>	<u>100</u>	<u>-</u>
Water General			
Purification and treatment	-	-	-
Water purchases	760	-	752
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>760</u>	<u>-</u>	<u>752</u>
Water Amortization & Interest			
Amortization	-	2,721	2,721
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>2,721</u>	<u>2,721</u>
Sewer General			
Collection system costs	9,535	6,939	423
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>9,535</u>	<u>6,939</u>	<u>423</u>
Sewage Amortization & Interest			
Amortization	-	987	987
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>987</u>	<u>987</u>
Total expenses	<u>10,295</u>	<u>10,747</u>	<u>4,883</u>
NET OPERATING SURPLUS	-	(1,085)	6,639
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>(1,085)</u>	<u>6,639</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>164,013</u>	<u>157,374</u>
FUND SURPLUS, END OF YEAR		<u>\$ 162,928</u>	<u>\$ 164,013</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF UTILITY OPERATIONS - Brookfield Utility
 For the Year Ended December 31, 2022

SCHEDULE 9

	<u>Budget</u>	<u>2022</u>	<u>2021</u>
REVENUE			
Water			
Water fees	\$ 53,360	\$ 79,834	\$ 50,681
Bulk Water fees	-	-	-
sub-total- water	<u>53,360</u>	<u>79,834</u>	<u>50,681</u>
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>-</u>	<u>-</u>	<u>-</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	15,000	-	-
Installation service	-	-	-
Penalties	500	519	459
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	2,200	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	2,831	2,185
sub-total- other	<u>17,700</u>	<u>3,350</u>	<u>2,644</u>
Total revenue	<u>\$ 71,060</u>	<u>\$ 83,184</u>	<u>\$ 53,325</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF UTILITY OPERATIONS (cont'd) - Brookfield Utility
 For the Year Ended December 31, 2022

SCHEDULE 9

	<u>Budget</u>	<u>2022</u>	<u>2021</u>
EXPENSES			
General			
Administration	\$ 100	\$ 13,327	\$ 5,309
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>100</u>	<u>13,327</u>	<u>5,309</u>
Water General			
Purification and treatment	650	15,315	13,742
Water purchases	35,000	26,122	32,111
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Other water supply costs	28,810	-	413
sub-total- water general	<u>64,460</u>	<u>41,437</u>	<u>46,266</u>
Water Amortization & Interest			
Amortization	-	25,200	25,200
Interest on long term debt	11,570	10,329	10,959
sub-total- water amortization & interest	<u>11,570</u>	<u>35,529</u>	<u>36,159</u>
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>-</u>	<u>-</u>	<u>-</u>
Sewage Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>76,130</u>	<u>90,293</u>	<u>87,734</u>
NET OPERATING SURPLUS	(5,070)	(7,109)	(34,409)
TRANSFERS			
Transfers from (to) operating fund	11,570	30,363	30,363
Transfers from (to) reserve funds	(6,500)	-	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>23,254</u>	<u>(4,046)</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>880,342</u>	<u>884,388</u>
FUND SURPLUS, END OF YEAR		<u>\$ 903,596</u>	<u>\$ 880,342</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2022

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 3,867,413	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,867,413
Grants in lieu of taxation	386,027	-	-	-	-	-	-	386,027
User fees	689,478	-	-	-	-	-	101,560	791,038
Permits, licences and fines	200	-	-	-	-	-	-	200
Investment income	20,000	-	-	-	-	-	5,125	25,125
Other revenue	145,100	-	-	-	-	-	10,427	155,527
Water and sewer	-	111,718	-	-	-	-	-	111,718
Grants - Province of Manitoba	433,277	-	-	-	-	-	39,343	472,620
Grants - other	190,211	-	-	-	-	-	88,560	278,771
Transfers from accumulated surplus	1,350,000	-	-	-	(1,350,000)	-	-	-
Transfers from reserves	290,000	-	-	-	(290,000)	-	-	-
Total revenue	\$ 7,371,706	\$ 111,718	\$ -	\$ -	\$ (1,640,000)	\$ -	\$ 245,015	\$ 6,088,439
EXPENSES								
General government services	\$ 1,731,230	\$ -	\$ 74,059	\$ -	\$ 883	\$ -	\$ -	\$ 1,806,172
Protective services	538,874	-	79,316	-	-	-	-	618,190
Transportation services	2,791,876	-	391,490	-	-	-	-	3,183,366
Environmental health services	659,793	-	98,617	-	-	-	-	758,410
Public health and welfare services	17,096	-	8,654	-	-	-	-	25,750
Regional planning and development	285,899	-	-	-	-	-	-	285,899
Resource cons and industrial dev	107,304	-	2,932	-	-	-	208,735	318,971
Recreation and cultural services	293,956	-	10,598	-	-	-	92,334	396,888
Water and sewer services	-	111,718	28,908	-	-	-	-	140,626
Fiscal services:								
Transfer to capital	558,221	-	-	-	(558,221)	-	-	-
Transfer to utility	-	-	-	-	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Other	30,363	-	-	-	(30,363)	-	-	-
Transfer to reserves	356,211	-	-	-	(356,211)	-	-	-
Allowance for tax assets	883	-	-	-	(883)	-	-	-
Total expenses	\$ 7,371,706	\$ 111,718	\$ 694,574	\$ -	\$ (944,795)	\$ -	\$ 301,069	\$ 7,534,272
Surplus (Deficit)	\$ -	\$ -	\$ (694,574)	\$ -	\$ (695,205)	\$ -	\$ (56,054)	\$ (1,445,833)

RURAL MUNICIPALITY OF LAC DU BONNET
ANALYSIS OF TAXES ON ROLL
December 31, 2022

SCHEDULE 11

	<u>2022</u>	<u>2021</u>
Balance, beginning of year	\$ 609,584	\$ 640,732
Add:		
Tax levy (Schedule 12)	8,934,960	8,906,932
Taxes added	126,082	32,807
Penalties or interest	82,924	86,214
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	<u>9,143,966</u>	<u>9,025,953</u>
Deduct:		
Cash collections - current	8,164,596	7,984,471
Cash collections - arrears	457,299	505,974
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	476,267	566,656
Other credits (specify)	-	-
Sub-total	<u>9,098,162</u>	<u>9,057,101</u>
Balance, end of year	<u><u>\$ 655,388</u></u>	<u><u>\$ 609,584</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2022

	2022			2021
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	\$ -	\$ -	\$ -
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			-	-
Debt charges:				
Frontage	\$ -	\$ -	-	-
L.I.D.	\$ -	\$ -	-	-
Brookfield Utility BL 10-19	\$ -	\$ -	30,363	30,363
sub-total- Debt charges			30,363	30,363
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Machinery/Handivan Replac. Res.	\$ 372,862,110	\$ 0.4430	165,178	127,609
Road Reconstr. Res. BL 44-06	\$ 372,862,110	\$ -	-	170,885
Recreation Res. BL 43-06	\$ 372,862,110	\$ -	-	-
Economic Dev. Res. BL 12-03	\$ 372,862,110	\$ -	-	18,494
Municipal Office Res. BL 41-06	\$ 372,862,110	\$ -	-	9,247
Airport Res. BL 42-06	\$ 372,862,110	\$ -	-	-
Building Res. BL 26-07	\$ 372,862,110	\$ -	-	18,124
Fire Fighting Res. BL 13-04	\$ 372,862,110	\$ -	-	9,247
Personal Care Res. BL 18-10	\$ 372,862,110	\$ -	-	-
Emergency Response Res.	\$ 372,862,110	\$ -	-	5,548
Capital Development Res.	\$ 372,862,110	\$ -	-	-
General Reserve BL 40-06	\$ 372,862,110	\$ -	-	-
sub-total- Reserves			165,178	359,154
General municipal	\$ 372,862,110	\$ 9.956	3,681,852	3,418,772
Special levies:				
Name of special levy	\$ -	\$ -	-	-
sub-total- Special levies			-	-
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			3,877,393	3,808,289
Education support levy	\$ 10,831,810	\$ 8.715	94,399	95,271
Special levies:				
Sunrise School Division No. 13	\$ 372,862,110	\$ 13.311	4,963,168	5,003,372
Name of school division	\$ -	\$ -	-	-
sub-total- Special levies			4,963,168	5,003,372
Total education taxes			5,057,567	5,098,643
Total tax levy (Schedule 11)			\$ 8,934,960	\$ 8,906,932

RURAL MUNICIPALITY OF LAC DU BONNET
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2022

SCHEDULE 13

	2022 Actual	2021 Actual
General government services:		
Legislative	\$ 162,681	\$ 113,225
General administrative	915,176	1,185,385
Other	348,362	417,370
	<u>1,426,219</u>	<u>1,715,980</u>
Protective services:		
Police	156,773	117,424
Fire	254,910	201,056
Emergency measures	27,450	32,880
Other	82,816	91,728
	<u>521,949</u>	<u>443,088</u>
Transportation services:		
Road transport		
Administration and engineering	6,124	-
Road and street maintenance	2,802,294	2,437,792
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	16,848	15,028
Other	2,953	7,255
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>2,828,219</u>	<u>2,460,075</u>
Environmental health services:		
Waste collection and disposal	491,283	585,910
Recycling	106,212	97,781
Other	8,609	8,824
	<u>606,104</u>	<u>692,515</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	3,096	3,096
Other	20,044	31,214
	<u>23,140</u>	<u>34,310</u>
Regional planning and development		
Planning and zoning	210,357	186,080
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>210,357</u>	<u>186,080</u>
Resource conservation and industrial development		
Rural area weed control	53,853	54,772
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	85,500	81,941
Industrial development	-	-
Tourism	1,050	1,550
Other	36,457	8,540
	<u>176,860</u>	<u>146,803</u>
Sub-totals forward	<u>\$ 5,792,848</u>	<u>\$ 5,678,851</u>

RURAL MUNICIPALITY OF LAC DU BONNET
 SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the Year Ended December 31, 2022

SCHEDULE 13

	<u>2022 Actual</u>	<u>2021 Actual</u>
Sub-totals forward	<u>\$ 5,792,848</u>	<u>\$ 5,678,851</u>
Recreation and cultural services:		
Administration	17,865	46,054
Community centers and halls	23,795	23,795
Swimming pools and beaches	12,782	4,924
Golf courses	-	-
Skating and curling rinks	60,707	38,029
Parks and playgrounds	3,493	6,245
Other recreational facilities	28,558	73,454
Museums	4,095	5,557
Libraries	45,879	45,879
Other cultural facilities	10,598	6,862
	<u>207,772</u>	<u>250,799</u>
Total expenses	<u>\$ 6,000,620</u>	<u>\$ 5,929,650</u>

RURAL MUNICIPALITY OF LAC DU BONNET

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) (UNAUDITED)

December 31, 2022

	2022			2021
	General	Tanco Utility	Brookfield Utility	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 1,311,816	\$ 2,623	\$ 28,420	\$ 1,340,236
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	410,632	-	-	410,632
Eliminate revenue - transfers from reserves	(1,256,188)	-	-	(1,256,188)
Eliminate expense (revenue) - transfers to (from) accumulated surplus	(1,350,000)	-	-	(1,350,000)
Eliminate expense (revenue) - transfers to (from) funds	30,363	-	(30,363)	-
Increase revenue - reserve funds interest	82,473	-	-	82,473
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(56,054)	-	-	(56,054)
Decrease expense - elimination of contributions to consolidated entities	168,692	-	-	168,692
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	-	-	-	-
Decrease revenue - proceeds from sale of tangible capital assets	-	-	-	-
Increase expense - amortization of tangible capital assets	(669,374)	(3,708)	(25,200)	(694,574)
Decrease expense - principal portion of debenture debt	-	-	20,034	20,034
Eliminate expense - acquisitions of tangible capital assets	1,580,272	-	-	1,580,272
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 252,632	\$ (1,085)	\$ (7,109)	\$ 245,523