

TOWN OF NIVERVILLE
INDEPENDENT AUDITOR'S REPORT
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF MANAGEMENT RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Niverville and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards 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.

Council of the Town 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.

Fort Group Chartered Professional Accountants Inc. as the Town of Niverville's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's Report is addressed to the Mayor and members of Council and appears on the following pages. 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 Town of Niverville in accordance with Canadian public sector accounting standards.

Eric King, CPA, CGA, Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of the Council of the Town of Niverville:

Opinion

We have audited the accompanying consolidated financial statements of Town of Niverville, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets, and cash flow for the year then ended, and the notes to consolidated 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 Town of Niverville as at December 31, 2020, and the results of its consolidated 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 *Auditor's Responsibilities for the Audit of the 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.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

**Winnipeg, Manitoba
May 5, 2021**

Fort Group
**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**

TOWN OF NIVERVILLE
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

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**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 7,581,526	7,695,940
Amounts receivable (Note 4)	7,929,334	6,524,028
Real estate properties held for sale	-	63,853
Other inventories for sale (Note 5)	<u>108,569</u>	<u>60,515</u>
	<u>15,619,429</u>	<u>14,344,336</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	2,252,937	2,471,702
Deferred revenue	14,400	-
Long-term debt (Note 8)	410,306	1,149,508
Line of credit (Note 9)	<u>8,240,107</u>	<u>5,537,040</u>
	<u>10,917,750</u>	<u>9,158,250</u>
NET FINANCIAL ASSETS	<u>4,701,679</u>	<u>5,186,086</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	53,769,164	45,302,160
Real estate inventories (Note 5)	578,923	543,642
Inventories (Note 5)	26,580	7,005
Prepaid expenses	<u>78,863</u>	<u>41,526</u>
	<u>54,453,530</u>	<u>45,894,333</u>
ACCUMULATED SURPLUS (Note 15)	<u>\$ 59,155,209</u>	<u>51,080,419</u>

APPROVED ON BEHALF OF COUNCIL:

Myron Dyck - Mayor

John Funk - Deputy Mayor

The accompanying notes are an integral part of this financial statement.

**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2020**

	2020		2019
	<u>Budget</u> (Note 14)	<u>Actual</u>	<u>Actual</u>
REVENUE			
Property taxes	\$ 7,464,194	3,861,172	3,824,256
Grants in lieu of taxation	66,663	26,142	25,784
User fees	1,027,106	1,285,357	576,828
Permits, licenses and fines	71,000	112,840	87,767
Investment income	151,255	122,517	143,029
Other revenue	6,343,009	2,117,032	2,425,827
Water and sewer	1,131,165	1,651,618	3,417,545
Grants - Province of Manitoba	903,989	2,717,575	2,065,815
Grants - other	<u>8,530,095</u>	<u>3,732,970</u>	<u>3,369,571</u>
Total revenue (Schedule 2, 4 and 5)	<u>25,688,476</u>	<u>15,627,223</u>	<u>15,936,422</u>
EXPENSES			
General government services	1,169,645	1,211,435	1,157,867
Protective services	666,210	642,099	667,877
Transportation services	2,182,367	1,845,476	1,586,080
Environmental health services	339,750	373,084	300,189
Public health and welfare services	63,097	63,435	30,041
Regional planning and development	172,800	86,193	75,739
Resource conservation and industrial development	1,283,073	1,172,134	438,116
Recreation and cultural services	14,957,187	1,002,012	854,726
Water and sewer services	<u>1,333,160</u>	<u>1,156,565</u>	<u>1,089,887</u>
Total expenses (Schedule 3, 4 and 5)	<u>22,167,289</u>	<u>7,552,433</u>	<u>6,200,522</u>
ANNUAL SURPLUS	<u>\$ 3,521,187</u>	<u>8,074,790</u>	<u>9,735,900</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>51,080,419</u>	<u>41,344,519</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>59,155,209</u>	<u>51,080,419</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
YEAR ENDED DECEMBER 31, 2020**

	2020		2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 14)		
ANNUAL SURPLUS	\$ <u>3,521,187</u>	<u>8,074,790</u>	<u>9,735,900</u>
Acquisition of tangible capital assets	(3,270,150)	(10,060,601)	(12,596,610)
Amortization of tangible capital assets	1,679,375	1,679,374	1,714,357
Gain on disposal of tangible capital assets	-	108,193	-
Proceeds on sale of tangible capital asset	-	(193,970)	-
Decrease (increase) in inventories	-	(54,856)	5,914
Decrease (increase) in prepaid expense	<u>-</u>	<u>(37,337)</u>	<u>14,282</u>
	<u>(1,590,775)</u>	<u>(8,559,197)</u>	<u>(10,862,057)</u>
CHANGE IN FINANCIAL ASSETS	\$ <u><u>1,930,412</u></u>	(484,407)	(1,126,157)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>5,186,086</u>	<u>6,312,243</u>
NET FINANCIAL ASSETS, END OF YEAR		<u><u>4,701,679</u></u>	<u><u>5,186,086</u></u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
CASH PROVIDED BY (USED IN):		
OPERATING TRANSACTIONS		
Annual surplus	\$ 8,074,790	9,735,900
Change in non-cash items:		
Amounts receivable	(1,405,306)	(4,245,353)
Inventories	(67,629)	42,565
Prepays	(37,337)	14,282
Accounts payable and accrued liabilities	(218,765)	1,320,943
Deferred revenue	14,400	-
Gain on sale of tangible capital assets	108,193	-
Amortization	<u>1,679,374</u>	<u>1,714,357</u>
Cash provided by operating transactions	<u>8,147,720</u>	<u>8,582,694</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	(193,970)	-
Net acquisition of tangible capital assets	<u>(10,060,601)</u>	<u>(12,596,610)</u>
Cash applied to capital transactions	<u>(10,254,571)</u>	<u>(12,596,610)</u>
INVESTING TRANSACTIONS		
Disposition of real estate properties	<u>-</u>	<u>25,472</u>
FINANCING TRANSACTIONS		
Debt advances	2,703,067	5,537,040
Debt repayment	<u>(739,202)</u>	<u>(732,162)</u>
Cash provided by financing transactions	<u>1,963,865</u>	<u>4,804,878</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(114,414)	816,434
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>7,695,940</u>	<u>6,879,506</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 7,581,526</u>	<u>7,695,940</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

1. STATUS OF THE TOWN OF NIVERVILLE

The incorporated Town of Niverville (the "Town") is a municipal government that was incorporated as the Village of Niverville on January 1, 1969 and became a Town in 1993 pursuant to the Manitoba Municipal Act. The Town provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Town operates 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 Town. 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 Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Niverville Community Development Corporation

Niverville Health Care Services Inc.

The municipality has a partnership agreement in place, and as such, consistent with Canadian Public Sector Accounting Standards for government partnerships, the following entity is accounted on a proportionate consolidation basis whereby the municipality's pro-rate 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 partnership includes:

RSR Water Co-Operative (Consolidated 36%)

(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.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 include the amount of acquisition, legal fees and improvements to prepare the properties for sale or servicing.

It is reasonably estimated that real estate properties held for resale will be sold outside the reporting entity within one year of the date of the Statement of Financial Position.

(f) 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.

(g) 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 Town does not capitalize internal finance charges as part of the cost of its tangible capital assets.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Tangible Capital Assets (continued)

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 and Crown lands that have not been purchased by the Town, such as forests, water, and other natural resources are not recognized as tangible capital assets.

(h) 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.

(i) 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.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) 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. 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.

(k) Measurement Uncertainty

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the consolidated 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.

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash and temporary investments	\$ <u>7,581,526</u>	<u>7,695,940</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$4,852,328 (2019 - \$4,924,297) to reserves for debt principal repayments and tangible capital assets acquisitions. See Schedule 6 - Schedule of Change in Reserve Fund Balances.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	<u>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 1,707,115	1,324,676
Government grants	4,656,159	3,290,687
Utility customers	267,183	262,623
Organizations and individuals	1,298,026	1,463,049
Other governments	<u>128,080</u>	<u>306,297</u>
	8,056,563	6,647,332
Less allowances for doubtful amounts	<u>(127,229)</u>	<u>(123,304)</u>
	<u>\$ 7,929,334</u>	<u>6,524,028</u>

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

5. INVENTORIES

	<u>2020</u>	<u>2019</u>
Inventories for sale:		
Water meters	\$ 69,597	18,791
Recycle bins	31,689	33,948
Anniversary clothing	-	7,776
Vaccines	<u>7,283</u>	<u>-</u>
	<u>\$ 108,569</u>	<u>60,515</u>
 Real estate inventory for sale (long term - note 2)	 <u>\$ 578,923</u>	 <u>543,642</u>
 Inventories for use:		
Materials and supplies for use	<u>\$ 26,580</u>	<u>7,005</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 2,058,189	2,285,544
Accrued liabilities	194,748	135,965
Other governments	<u>-</u>	<u>50,193</u>
	<u>\$ 2,252,937</u>	<u>2,471,702</u>

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

The Town of Niverville does not have a landfill. The Rural Municipality of Richot owns the landfill and it is managed by Mid-Canada Waste Services. The Town of Niverville pays a fee based on the tonnage disposed. It is assumed that the fee includes portioned closure and post closure costs.

8. LONG TERM DEBT

	<u>2020</u>	<u>2019</u>
General Authority		
Non-interest bearing mortgage from 5783411 Manitoba Ltd., payable in two annual instalments of \$600,000, secured by the property, maturing January 2020	\$ -	600,000
RBC Mortgage, interest at 5.309%, payable at \$49,762 annually including interest, maturing December 2022	106,494	155,749
Debenture (BL 647-07 LID#14), interest at 5.283% payable at \$66,095 annually including interest, maturing December 2021	62,778	122,406
Debenture (BL 647-07 LID#15), interest at 5.875% payable at \$4,276 annually including interest, maturing December 2022	<u>7,456</u>	<u>10,876</u>
	176,728	889,031
Utility Funds		
Debenture (BL 659-08 LID#12), interest at 5.391%, payable at \$34,286 annually including interest, maturing December 2027	<u>233,578</u>	<u>260,477</u>
	<u>\$ 410,306</u>	<u>1,149,508</u>

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

8. LONG TERM DEBT (Continued)

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

2021	\$	146,618
2022		88,335
2023		31,488
2024		33,185
2025		34,974
Thereafter		<u>75,706</u>
	\$	<u>410,306</u>

9. LINE OF CREDIT

The Town has a line of credit through Niverville Credit Union. This agreement has a maximum limit of \$9,000,000 (2019 - \$9,000,000). At December 31, 2020 the Town had a balance of \$8,240,107 (2019 - \$5,537,040). The amount outstanding is charged interest 3.95%. The amounts are due on demand.

10. SCHEDULE OF DEBENTURE PENDING

Authority	Purpose	Amount Authorized
BL 762-16	Community Resource Recreation Centre general borrowing	\$ 4,500,000

11. COMMITMENTS

The Town has entered into a contract with Von Ast Construction and Hildebrand Architecture Inc. for the construction of the Town of Niverville Community Resource Recreation Centre. The total contract price is \$15,696,069. At December 31, 2020, the project is 69% complete.

The Town has entered into a contract with the Manitoba Water Services Board for project management services for a water treatment plant expansion design project. The budgeted contract price is \$250,000.

12. RETIREMENT BENEFITS

The majority of the employees of the Town are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Public Sector Accounting Standards Handbook section PS 3250.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

12. RETIREMENT BENEFITS (Continued)

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 year by the Town on behalf of its employees are expected to be \$70,616 (2019 - \$69,386) and are included in the statement of operations.

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

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

13. FINANCIAL INSTRUMENTS

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town 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.

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

14. BUDGET

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Town 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.

15. ACCUMULATED SURPLUS

	<u>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal Surplus	\$ 6,304,774	5,294,496
Utility operating fund(s) - Nominal Surplus	2,071,962	1,339,929
Tangible capital assets net of related borrowings	45,037,822	38,560,788
Reserve funds	<u>4,852,328</u>	<u>4,924,297</u>
Accumulated surplus of Town	<u>\$ 58,266,886</u>	<u>50,119,510</u>
Accumulated surpluses of controlled entities	<u>888,323</u>	<u>960,909</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 59,155,209</u>	<u>51,080,419</u>

16. 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 Town. For the year ended December 31, 2020:

- a) Compensation paid to members of Council amounted to \$95,680 in aggregate.
- b) There were no members of Council receiving compensation in excess of \$75,000 individually.

<u>Council Member</u>	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Myron Dyck	\$ 25,274	767	26,041
Councillor - John Funk	18,281	481	18,762
Councillor - Cris Wiebe	16,467	555	17,022
Councillor - Nathan Dueck	16,546	460	17,006
Councillor - Kevin Stott	<u>16,413</u>	<u>436</u>	<u>16,849</u>
	<u>\$ 92,981</u>	<u>2,699</u>	<u>95,680</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Eric King	CAO	124,931
Ryan Dyck	Operations Manager	90,783

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

17. TRUST FUNDS

The Town of Niverville administers the following trusts:

	<u>Balance, beginning of year</u>	<u>Excess (receipts) over Disbursements</u>	<u>Balance, end of year</u>
General Trust	\$ 3,766	46	3,812
Memorial Trust	2,060	25	2,085
W. Church Endowment Fund	15,145	22	15,167
Building Permit Trust	<u>288,496</u>	<u>89,097</u>	<u>377,593</u>
	<u>\$ 309,467</u>	<u>89,190</u>	<u>398,657</u>

18. SEGMENTED INFORMATION

The Town of Niverville 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 consolidated financial statements as described in the summary of significant accounting policies.

19. GOVERNMENT PARTNERSHIPS

The Town has a 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>2020</u>	<u>2019</u>
Financial Position		
Financial assets	\$ 7,778	-
Financial liabilities	<u>143,806</u>	<u>-</u>
Net financial assets (liabilities)	151,584	-
Non-financial assets	<u>-</u>	<u>-</u>
Accumulated surplus	<u>151,584</u>	<u>-</u>
Result of Operations		
Revenues	13,824	-
Expenses	<u>18,730</u>	<u>-</u>
Annual surplus	<u>\$ (4,906)</u>	<u>-</u>

**TOWN OF NIVERVILLE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020**

20. PUBLIC UTILITIES BOARD - Unaudited

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 Public Sector Accounting Board.

For information purposes, the Town 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 Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Spruce Drive	\$ <u>6,683,254</u>	<u>1,332</u>	<u>262,537</u>	<u>6,422,049</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Town sewer utilities	\$ <u>5,570,213</u>	<u>367,776</u>	<u>113,075</u>	<u>5,824,914</u>

21. COMPARATIVE FIGURES

Certain of the comparative figures have been restated to better conform with current year presentation.

22. UNCERTAINTY DUE TO COVID-19

The safety measures to combat COVID-19 (Coronavirus) and the government response continue to evolve and change quickly. It is management's opinion that the Town adequately adapted to the impact of this pandemic and will continue to maintain operations for the foreseeable future. Management is currently accessing government financial assistance programs for which it is eligible. While management will continue to monitor and evaluate the implications of the pandemic, it is difficult to predict the extent and duration this pandemic could have on the future finances and operations of the Town.

**TOWN OF NIVERVILLE
 CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
 YEAR ENDED DECEMBER 31, 2020**

	<u>General Capital Assets</u>				<u>Infrastructure</u>			<u>Totals</u>	
	<u>Land and Land Improvements</u>	<u>Buildings and Leasehold Improvements</u>	<u>Vehicles and Equipment</u>	<u>Computer Hardware and Software</u>	<u>General Asset Under Construction</u>	<u>Roads, Streets, and Bridges</u>	<u>Water and Sewer</u>	<u>2020</u>	<u>2019</u>
Cost									
Opening costs	\$ 5,912,389	3,753,794	3,886,805	135,556	5,749,706	16,582,895	24,331,199	60,352,344	48,328,780
Additions during the year	581,777	358,348	348,104	19,857	7,420,574	848,323	575,925	10,152,908	12,927,185
Disposals, write downs, and transfers	-	(92,307)	-	-	-	-	-	(92,307)	(330,575)
Closing costs	<u>6,494,166</u>	<u>4,019,835</u>	<u>4,234,909</u>	<u>155,413</u>	<u>13,170,280</u>	<u>17,431,218</u>	<u>24,907,124</u>	<u>70,412,945</u>	<u>60,925,390</u>
Accumulated amortization									
Opening accumulated amortization	475,217	1,105,110	1,721,105	56,220	-	5,630,660	6,061,871	15,050,183	13,908,873
Amortization	150,373	66,965	264,156	14,835	-	465,138	717,907	1,679,374	1,714,357
Disposals, write downs, and transfers	-	(85,776)	-	-	-	-	-	(85,776)	-
Closing accumulated amortization	<u>625,590</u>	<u>1,086,299</u>	<u>1,985,261</u>	<u>71,055</u>	<u>-</u>	<u>6,095,798</u>	<u>6,779,778</u>	<u>16,643,781</u>	<u>15,623,230</u>
NET BOOK VALUE	<u>\$ 5,868,576</u>	<u>2,933,536</u>	<u>2,249,648</u>	<u>84,358</u>	<u>13,170,280</u>	<u>11,335,420</u>	<u>18,127,346</u>	<u>53,769,164</u>	<u>45,302,160</u>

SCHEDULE 2

**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF REVENUES
YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
Property taxes:		
Municipal taxes levied	\$ 3,644,972	3,505,226
Taxes added	<u>216,200</u>	<u>319,030</u>
	<u>3,861,172</u>	<u>3,824,256</u>
Grants in lieu of taxation:		
Provincial Government	<u>26,142</u>	<u>25,784</u>
User fees:		
Sales of service	427,541	297,788
Sale of goods	1,137	3,951
Rentals	15,225	14,785
Development charges	324,733	260,304
Facility use fees	<u>516,721</u>	<u>-</u>
	<u>1,285,357</u>	<u>576,828</u>
Permits, licenses and fines:		
Permits	98,242	70,435
Licenses	3,700	5,250
Fines	<u>10,898</u>	<u>12,082</u>
	<u>112,840</u>	<u>87,767</u>
Investment income:		
Cash and temporary investments	<u>122,517</u>	<u>143,029</u>
Other revenue:		
Sale of real estate held for sale	455,650	296,890
Contributed assets	70,896	1,350,823
Penalties and interest	321,516	146,512
Miscellaneous: Donations	776,297	299,352
Miscellaneous: Surplus lands	193,469	-
Miscellaneous: Town sundry	298,845	332,250
Miscellaneous: Reporting entity sundry	<u>359</u>	<u>-</u>
	<u>2,117,032</u>	<u>2,425,827</u>
Water and sewer:		
Municipal utilities	<u>1,651,618</u>	<u>3,417,545</u>
Grants - Province of Manitoba:		
Municipal operating grants	309,496	309,496
Urban policing grant	518,296	518,296
Conditional grants	<u>1,889,783</u>	<u>1,238,023</u>
	<u>2,717,575</u>	<u>2,065,815</u>
Grants - other:		
Federal government - gas tax funding	248,095	494,503
Federal Government - other	3,428,794	2,386,821
Other local governments	<u>56,081</u>	<u>488,247</u>
	<u>3,732,970</u>	<u>3,369,571</u>
TOTAL REVENUE	<u>\$ 15,627,223</u>	<u>15,836,422</u>

SCHEDULE 3

**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
General government services:		
Legislative	\$ 101,943	106,461
General administrative	1,034,821	1,011,472
Other	<u>74,671</u>	<u>39,934</u>
	<u>1,211,435</u>	<u>1,157,867</u>
Protective services:		
Police	205,873	249,382
Fire and emergency medical response	288,404	335,699
Emergency measures	74,843	9,265
Other protection	<u>72,979</u>	<u>73,531</u>
	<u>642,099</u>	<u>667,877</u>
Transportation services:		
Road transport		
Administration and engineering	873,997	737,844
Road and street maintenance	768,244	669,120
Bridge maintenance	12,136	15,908
Sidewalk and boulevard maintenance	85,126	63,227
Street lighting	90,375	76,565
Other	<u>15,598</u>	<u>23,416</u>
	<u>1,845,476</u>	<u>1,586,080</u>
Environmental health services:		
Waste collection and disposal	198,884	176,851
Recycling	112,988	114,648
Other	<u>61,212</u>	<u>8,690</u>
	<u>373,084</u>	<u>300,189</u>
Public health and welfare services:		
Social assistance	658	658
Other	<u>62,777</u>	<u>29,383</u>
	<u>63,435</u>	<u>30,041</u>
Regional planning and development:		
Planning and zoning	10,931	6,839
Urban renewal	38,518	26,525
Beautification and land rehabilitation	32,214	36,302
Urban weed control	<u>4,530</u>	<u>6,073</u>
	<u>86,193</u>	<u>75,739</u>
Resource conservation and industrial development:		
Water resources and conservation	52,480	67,374
Industrial development	<u>1,119,654</u>	<u>370,742</u>
	<u>1,172,134</u>	<u>438,116</u>
SUB-TOTAL	\$ <u>5,393,856</u>	<u>4,255,909</u>

SCHEDULE 3**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF EXPENSES
YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
SUB-TOTALS FORWARD	\$ <u>5,393,856</u>	\$ <u>4,255,909</u>
Recreation and cultural services:		
Administration	143,377	140,983
Community centers and halls	398,311	178,096
Swimming pools and beaches	52,494	53,718
Arenas, skating and curling rinks	276,286	302,155
Swimming pools and beaches	<u>131,544</u>	<u>179,774</u>
	<u>1,002,012</u>	<u>854,726</u>
Water and sewer services (Schedule 9):	<u>1,156,565</u>	<u>1,089,887</u>
TOTAL EXPENSES	\$ <u>7,552,433</u>	\$ <u>6,200,522</u>

TOWN OF NIVERVILLE
CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM
YEAR ENDED DECEMBER 31, 2020

	<u>General Government</u>		<u>Protective Services</u>		<u>Transportation Services</u>		<u>Environmental Health Services</u>		<u>Public Health and Welfare Services</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUE										
Property taxes	\$ 3,820,232	3,783,316	-	-	-	-	-	-	-	-
Grants in lieu of taxation	26,142	25,784	-	-	-	-	-	-	-	-
User fees	565,394	313,019	-	-	7,150	8,649	-	-	52,675	52,960
Grants - other	3,732,970	3,369,571	-	-	-	-	-	-	-	-
Permits, licenses and fines	14,598	17,332	-	-	-	-	-	-	-	-
Investment income	111,418	133,020	1,231	1,522	3,236	1,466	-	-	-	-
Other revenue	1,661,382	2,128,937	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Province of Manitoba - Unconditional Grants	827,792	827,792	-	-	-	-	-	-	-	-
Province of Manitoba - conditional grants	<u>1,770,685</u>	<u>1,109,803</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,098</u>	<u>119,571</u>	<u>-</u>	<u>-</u>
	<u>12,530,613</u>	<u>11,708,574</u>	<u>1,231</u>	<u>1,522</u>	<u>10,386</u>	<u>10,115</u>	<u>119,098</u>	<u>119,571</u>	<u>52,675</u>	<u>52,960</u>
EXPENSES										
Personnel services	462,953	521,252	88,120	129,559	542,540	389,205	-	-	-	-
Contract services	29,310	44,914	253,687	265,085	14,845	39,820	260,749	203,648	10,088	9,050
Utilities	42,626	38,416	9,219	9,516	12,611	12,288	-	-	254	259
Maintenance, materials and supplies	10,576	6,882	99,182	37,632	600,567	465,002	22,615	15,329	52,435	20,074
Grants and contributions	74,671	39,934	-	-	-	-	-	-	-	-
Amortization	82,324	136,221	89,072	99,341	606,950	595,951	(3)	1,577	-	-
Interest on long term debt	-	-	-	-	15,374	21,039	-	-	-	-
Other	<u>508,975</u>	<u>370,248</u>	<u>102,819</u>	<u>126,744</u>	<u>52,589</u>	<u>62,775</u>	<u>89,723</u>	<u>79,635</u>	<u>658</u>	<u>658</u>
	<u>1,211,435</u>	<u>1,157,867</u>	<u>642,099</u>	<u>667,877</u>	<u>1,845,476</u>	<u>1,586,080</u>	<u>373,084</u>	<u>300,189</u>	<u>63,435</u>	<u>30,041</u>
SURPLUS (DEFICIT)	<u>\$ 11,319,178</u>	<u>10,550,707</u>	<u>(640,868)</u>	<u>(666,355)</u>	<u>(1,835,090)</u>	<u>(1,575,965)</u>	<u>(253,986)</u>	<u>(180,618)</u>	<u>(10,760)</u>	<u>22,919</u>

TOWN OF NIVERVILLE
CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM
YEAR ENDED DECEMBER 31, 2020

	<u>Regional Planning and Development</u>		<u>Resource Conservation and Industrial Development</u>		<u>Recreation and Cultural Services</u>		<u>Water and Sewer Services</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUE										
Property taxes	\$ -	-	-	-	-	-	40,940	40,940	3,861,172	3,824,256
Grants in lieu of taxation	-	-	-	-	-	-	-	-	26,142	25,784
User fees	516,721	-	-	-	143,417	210,849	-	-	1,285,357	585,477
Grants - other	-	-	-	-	-	-	-	-	3,732,970	3,369,571
Permits, licenses and fines	98,242	70,435	-	-	-	-	-	-	112,840	87,767
Investment income	-	-	530	753	6,102	6,268	-	-	122,517	143,029
Other revenue	-	-	455,650	296,890	-	-	-	-	2,117,032	2,425,827
Water and sewer	-	-	-	-	-	-	1,651,618	3,417,545	1,651,618	3,417,545
Province of Manitoba - Unconditional Grants	-	-	-	-	-	-	-	-	827,792	827,792
Province of Manitoba - conditional grants	-	-	-	-	-	-	-	-	1,889,783	1,229,374
	<u>614,963</u>	<u>70,435</u>	<u>456,180</u>	<u>297,643</u>	<u>149,519</u>	<u>217,117</u>	<u>1,692,558</u>	<u>3,458,485</u>	<u>15,627,223</u>	<u>15,936,422</u>
EXPENSES										
Personnel services	-	-	120,792	-	203,342	231,487	38,674	39,272	1,456,421	1,310,775
Contract services	-	-	18,712	-	25,825	37,217	182,198	69,109	795,414	668,843
Utilities	-	-	-	-	36,530	62,661	50,136	51,666	151,376	174,806
Maintenance, materials and supplies	36,744	42,375	781,063	246,245	58,627	89,580	122,218	176,101	1,784,027	1,099,220
Grants and contributions	-	-	-	-	-	-	-	-	74,671	39,934
Amortization	-	-	5,462	805	181,750	175,063	717,907	705,397	1,683,462	1,714,355
Interest on long term debt	-	-	-	-	167,282	-	14,042	15,418	196,698	36,457
Other	49,449	33,364	246,105	191,066	328,656	258,718	31,390	32,924	1,410,364	1,156,132
	<u>86,193</u>	<u>75,739</u>	<u>1,172,134</u>	<u>438,116</u>	<u>1,002,012</u>	<u>854,726</u>	<u>1,156,565</u>	<u>1,089,887</u>	<u>7,552,433</u>	<u>6,200,522</u>
SURPLUS (DEFICIT)	<u>\$ 528,770</u>	<u>(5,304)</u>	<u>(715,954)</u>	<u>(140,473)</u>	<u>(852,493)</u>	<u>(637,609)</u>	<u>535,993</u>	<u>2,368,598</u>	<u>8,074,790</u>	<u>9,735,900</u>

TOWN OF NIVERVILLE
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
YEAR ENDED DECEMBER 31, 2020

	<u>Core Government</u>		<u>Controlled Entities</u>		<u>Government Partnerships</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUE								
Property taxes	\$ 3,861,172	3,824,256	-	-	-	-	3,861,172	3,824,256
Grants in lieu of taxation	26,142	25,784	-	-	-	-	26,142	25,784
User fees	753,411	570,692	518,122	14,785	13,824	-	1,285,357	585,477
Grants - other	3,755,720	3,369,571	(22,750)	-	-	-	3,732,970	3,369,571
Permits, licenses and fines	112,840	87,767	-	-	-	-	112,840	87,767
Investment income	122,262	142,903	255	126	-	-	122,517	143,029
Other revenue	1,620,486	2,128,937	496,546	296,890	-	-	2,117,032	2,425,827
Water and sewer	1,651,618	3,417,545	-	-	-	-	1,651,618	3,417,545
Province of Manitoba - Unconditional Grants	827,792	827,792	-	-	-	-	827,792	827,792
Province of Manitoba - conditional grants	<u>1,889,783</u>	<u>1,229,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,889,783</u>	<u>1,229,374</u>
	<u>14,621,226</u>	<u>15,624,621</u>	<u>992,173</u>	<u>311,801</u>	<u>13,824</u>	<u>-</u>	<u>15,627,223</u>	<u>15,936,422</u>
EXPENSES								
Personnel services	1,335,629	1,310,775	120,792	-	-	-	1,456,421	1,310,775
Contract services	776,702	668,843	-	-	18,712	-	795,414	668,843
Utilities	151,376	174,806	-	-	-	-	151,376	174,806
Maintenance, materials and supplies	1,002,964	852,975	781,063	246,245	-	-	1,784,027	1,099,220
Grants and contributions	74,671	25,044	-	14,890	-	-	74,671	39,934
Amortization	1,678,000	1,713,550	5,462	805	-	-	1,683,462	1,714,355
Interest on long term debt	196,698	36,457	-	-	-	-	196,698	36,457
Other	<u>1,232,904</u>	<u>1,131,044</u>	<u>177,442</u>	<u>25,088</u>	<u>18</u>	<u>-</u>	<u>1,410,364</u>	<u>1,156,132</u>
	<u>6,448,944</u>	<u>5,913,494</u>	<u>1,084,759</u>	<u>287,028</u>	<u>18,730</u>	<u>-</u>	<u>7,552,433</u>	<u>6,200,522</u>
SURPLUS (DEFICIT)	<u>\$ 8,172,282</u>	<u>9,711,127</u>	<u>(92,586)</u>	<u>24,773</u>	<u>(4,906)</u>	<u>-</u>	<u>8,074,790</u>	<u>9,735,900</u>

**TOWN OF NIVERVILLE
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
YEAR ENDED DECEMBER 31, 2020**

	2020															2019	
	General Reserve Fund 38	Equipment Replacement Reserve Fund 30	Protective Reserve Fund 31	Capital Development Reserve Fund 32	Recreation Reserve Fund 33	Admin. Building Reserve Fund 34	Road Construction Reserve Fund 36	Recreation Facility Reserve Fund 40	Highlands Water LID#12 Reserve Fund 41	Fair Insurance Reserve Fund 53	Development fees Reserve Fund 35	Gas Tax Reserve Fund 55	Sewer Utility Replacement Reserve Fund 70	Water Utility Replacement Reserve Fund 72	Utility Reserve Fund 56	Total	Total
REVENUE																	
Investment income	\$ 23,084	561	1,231	3,422	1,586	2,529	3,236	4,516	345	-	275	6,976	1,848	-	-	49,609	82,410
Other income	-	-	-	91,563	-	-	-	-	-	-	4,500	-	152,393	76,277	-	324,733	282,804
Total revenue	23,084	561	1,231	94,985	1,586	2,529	3,236	4,516	345	-	4,775	6,976	154,241	76,277	-	374,342	365,214
EXPENSES																	
Other expenses	103,456	21,191	5,867	-	2,726	1,604	-	-	-	-	-	-	-	-	-	134,844	22,707
NET REVENUES	(80,372)	(20,630)	(4,636)	94,985	(1,140)	925	3,236	4,516	345	-	4,775	6,976	154,241	76,277	-	239,498	342,507
TRANSFERS																	
Transfers from general operating fund	29,547	82,000	64,250	-	132,576	150,000	230,000	113,000	6,153	(10)	-	315,595	- \$	0.00	(54)	1,123,057	1,047,141
Transfers from utility operating fund																	200,000
Acquisition of tangible capital assets	(127,766)	(160,854)	(82,630)	(101,656)	(87,308)	(149,982)	(339,712)	-	-	-	-	(303,661)	(19,125)	(61,831)	-	(1,434,525)	(1,991,148)
CHANGE IN RESERVE FUND BALANCES	(178,591)	(99,484)	(23,016)	(6,671)	44,128	943	(106,476)	117,516	6,498	(10)	4,775	18,910	135,116	14,446	(54)	(71,970)	(401,500)
FUND SURPLUS, BEGINNING OF YEAR	1,460,961	101,117	89,915	333,094	122,969	75,065	539,780	626,181	31,780	10	11,613	653,115	194,275	684,369	54	4,924,298	5,325,797
FUND SURPLUS, END OF YEAR	\$ 1,282,370	1,633	66,899	326,423	167,097	76,008	433,304	743,697	38,278	(0)	16,388	672,025	329,391	698,815	-	4,852,328	4,924,297

**THE TOWN OF NIVERVILLE
SCHEDULE OF L.U.D OPERATIONS
YEAR ENDED DECEMBER 31, 2020**

	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
Revenue			
Taxation	\$ -	-	-
Other Revenue	-	-	-
	<hr/>	<hr/>	<hr/>
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	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenses	-	-	-
NET REVENUES (EXPENSES)	<hr/>	<hr/>	<hr/>
	-	-	-
	<u>2020 Budget</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
	<hr/>	<hr/>	<hr/>
Change in L.U.D. balances	\$ -	-	-
UNEXPENDED, BEGINNING OF YEAR		<hr/>	<hr/>
UNEXPENDED, END OF YEAR		<hr/>	<hr/>

SCHEDULE 8

**TOWN OF NIVERVILLE
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
YEAR ENDED DECEMBER 31, 2020**

	Sewer Utility	2020 Water Utility	Total	2019 Total
FINANCIAL ASSETS				
Amounts receivable	\$ -	267,183	267,183	262,623
Due from other funds	<u>2,507,236</u>	<u>1,669,710</u>	<u>4,176,946</u>	<u>3,135,049</u>
	<u>2,507,236</u>	<u>1,936,893</u>	<u>4,444,129</u>	<u>3,397,672</u>
LIABILITIES				
Accounts payable and accrued liabilities	-	219,439	219,439	142,323
Long-term debt (Note 9)	-	233,578	233,578	260,477
Due to other funds	<u>997,310</u>	<u>1,225,018</u>	<u>2,222,328</u>	<u>1,934,307</u>
	<u>997,310</u>	<u>1,678,035</u>	<u>2,675,345</u>	<u>2,337,107</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>1,509,926</u>	<u>258,858</u>	<u>1,768,784</u>	<u>1,060,565</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	9,416,657	8,710,689	18,127,346	18,269,327
Inventories	<u>-</u>	<u>69,597</u>	<u>69,597</u>	<u>18,791</u>
	<u>9,416,657</u>	<u>8,780,286</u>	<u>18,196,943</u>	<u>18,288,118</u>
FUND SURPLUS	<u>\$ 10,926,583</u>	<u>9,039,144</u>	<u>19,965,727</u>	<u>19,348,683</u>

SCHEDULE 9 - S

**TOWN OF NIVERVILLE
SCHEDULE OF UTILITY OPERATIONS - SEWER
DECEMBER 31, 2020**

	2020		2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Sewer			
Sewer fees	\$ 596,000	645,333	593,016
Other			
Penalties	6,000	4,530	7,291
Contributed tangible capital assets	-	367,776	1,874,257
Sub-total - other	<u>6,000</u>	<u>372,306</u>	<u>1,881,548</u>
Total revenue	<u>602,000</u>	<u>1,017,639</u>	<u>2,474,564</u>
EXPENSES			
General			
Administration	26,750	22,267	23,576
Training costs	1,500	480	1,308
Billing and collection	14,000	10,159	10,710
Utilities (telephone, electricity, etc.)	15,200	12,512	14,749
Sub-total-general	<u>57,450</u>	<u>45,418</u>	<u>50,343</u>
Sewer General			
Collection system costs	215,000	58,169	30,110
Lift Station costs	<u>33,000</u>	<u>52,732</u>	<u>49,975</u>
Sub-total-sewer-general	<u>248,000</u>	<u>110,901</u>	<u>80,085</u>
Sewer amortization & interest			
Amortization	<u>-</u>	<u>274,821</u>	<u>262,191</u>
Total expenses	<u>305,450</u>	<u>431,140</u>	<u>392,619</u>
NET OPERATING SURPLUS	<u>296,550</u>	<u>586,499</u>	<u>2,081,945</u>
TRANSFERS			
Transfers from (to) operating fund	-	19,124	344,147
Transfers from (to) reserve funds	<u>-</u>	<u>-</u>	<u>(200,000)</u>
	<u>-</u>	<u>19,124</u>	<u>144,147</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ 296,550</u>	<u>605,623</u>	<u>2,226,092</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>10,320,960</u>	<u>8,094,868</u>
FUND SURPLUS, END OF YEAR		<u>10,926,583</u>	<u>10,320,960</u>

**TOWN OF NVERVILLE
SCHEDULE OF UTILITY OPERATIONS - SPRUCE DRIVE WATER
DECEMBER 31, 2020**

	2020		2019
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUE			
Water			
Water fees	\$ 500,915	565,378	515,557
Bulk Water fees	-	975	-
	<hr/>	<hr/>	<hr/>
Sub-total - water	500,915	566,353	515,557
Property taxes	-	40,940	40,940
	<hr/>	<hr/>	<hr/>
Government transfers			
Capital	-	1,332	7,274
	<hr/>	<hr/>	<hr/>
Other			
Hydrant rentals		14,400	14,375
Penalties	4,250	3,242	5,532
Contributed tangible capital assets		-	267,164
Other income	24,000	48,652	33,079
	<hr/>	<hr/>	<hr/>
Total revenue	529,165	674,919	883,921
	<hr/>	<hr/>	<hr/>
EXPENSES			
General			
Administration	21,200	32,935	32,779
Training costs	2,000	480	2,171
Billing and collection	29,000	50,476	30,038
Utilities (telephone, electricity, etc.)	33,100	37,707	37,067
	<hr/>	<hr/>	<hr/>
Sub-total-general	85,300	121,598	102,055
Water General			
Purification and treatment	210,461	146,693	136,589
	<hr/>	<hr/>	<hr/>
Water amortization & interest			
Amortization	-	443,086	443,206
Interest on long term debt	-	14,042	15,418
	<hr/>	<hr/>	<hr/>
Sub-total-water amortization & interest	-	457,128	458,624
	<hr/>	<hr/>	<hr/>
Total expenses	295,761	725,419	697,268
	<hr/>	<hr/>	<hr/>
NET OPERATING SURPLUS	\$ 233,404	(50,500)	286,653
	<hr/>	<hr/>	<hr/>
TRANSFERS			
Transfers from (to) reserve funds	65,888	61,831	-
	<hr/>	<hr/>	<hr/>
CHANGE IN UTILITY FUND BALANCE	\$ 299,292	11,331	286,653
	<hr/>	<hr/>	<hr/>
FUND SURPLUS, BEGINNING OF YEAR		9,027,813	8,741,160
		<hr/>	<hr/>
FUND SURPLUS, END OF YEAR		9,039,144	9,027,813
		<hr/>	<hr/>

TOWN OF NIVERVILLE
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
YEAR ENDED DECEMBER 31, 2020

	<u>Financial Plan</u> <u>General</u>	<u>Financial Plan</u> <u>Utilities</u>	<u>Amortization</u> <u>(TCA)</u>	<u>Interest</u> <u>Expense</u>	<u>Transfers</u>	<u>Long Term</u> <u>Accruals</u>	<u>Consolidated</u> <u>Entities</u>	<u>PSAB</u> <u>Budget</u>
REVENUE								
Property taxes	\$ 7,464,194	-	-	-	-	-	-	7,464,194
Grants in lieu of taxation	66,663	-	-	-	-	-	-	66,663
User fees	461,792	-	-	-	-	-	565,314	1,027,106
Grants - Province of Manitoba	903,989	-	-	-	-	-	-	903,989
Grants - other	8,530,095	-	-	-	-	-	-	8,530,095
Permits, licenses and fines	71,000	-	-	-	-	-	-	71,000
Investment income	151,000	-	-	-	-	-	254	151,254
Other revenue	5,887,000	-	-	-	-	-	456,009	6,343,009
Water and sewer	-	1,131,165	-	-	-	-	-	1,131,165
Transfers from accumulated surplus	3,270,150	-	-	-	(3,270,150)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	<u>26,805,883</u>	<u>1,131,165</u>	<u>-</u>	<u>-</u>	<u>(3,270,150)</u>	<u>-</u>	<u>1,021,577</u>	<u>\$ 25,688,475</u>
	(18,322,207)							
EXPENSES								
General government services	\$ 1,087,321	-	82,324	-	-	-	-	1,169,645
Protective services	577,138	-	89,072	-	-	-	-	666,210
Transportation services	1,564,923	-	602,070	15,374	-	-	-	2,182,367
Environmental health services	339,750	-	-	-	-	-	-	339,750
Public health and welfare services	63,100	-	(4)	-	-	-	-	63,096
Regional planning and development	172,800	-	-	-	-	-	-	172,800
Economic Development Services	164,100	-	6,255	-	-	-	1,112,718	1,283,073
Recreation and cultural services	14,608,155	-	181,750	167,282	-	-	-	14,957,187
Water and sewer services	-	601,211	717,907	14,042	-	-	-	1,333,160
Fiscal services:								
Transfer to capital	920,095	-	-	-	(920,095)	-	-	-
Debt charges	174,771	-	-	(174,771)	-	-	-	-
Other fiscal services	3,859,653	-	-	-	(3,859,653)	-	-	-
Transfer to reserves	3,270,150	145,022	-	-	(3,415,172)	-	-	-
Allowance for tax assets	3,927	-	-	-	(3,927)	-	-	-
Total expenses	<u>26,805,883</u>	<u>746,233</u>	<u>1,679,374</u>	<u>21,927</u>	<u>(8,198,847)</u>	<u>-</u>	<u>1,112,718</u>	<u>22,167,288</u>
SURPLUS (DEFICIT)	<u>\$ -</u>	<u>384,932</u>	<u>(1,679,374)</u>	<u>(21,927)</u>	<u>4,928,697</u>	<u>-</u>	<u>(91,141)</u>	<u>3,521,187</u>

SCHEDULE 11

**TOWN OF NIVERVILLE
ANALYSIS OF TAXES ON ROLL
YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ <u>1,324,676</u>	<u>1,110,889</u>
Add:		
Tax levy (Schedule 12)	7,464,195	7,319,170
Taxes added	216,200	319,030
Penalties or interest	179,569	146,512
Other accounts added - utilities and services	599,455	278,446
Tax adjustments (specify): Grants-in Lieu	<u>66,663</u>	<u>67,656</u>
Sub-total	<u>8,526,082</u>	<u>8,130,814</u>
Deduct:		
Cash collections	6,390,366	6,235,168
Cash collections - arrears	843,277	787,959
Education Property Tax Credit Advance - cash advance	<u>910,000</u>	<u>893,900</u>
Sub-total	<u>8,143,643</u>	<u>7,917,027</u>
Balance, end of year	\$ <u>1,707,115</u>	\$ <u>1,324,676</u>

SCHEDULE 12

**TOWN OF NIVERVILLE
ANALYSIS OF TAX LEVY
YEAR ENDED DECEMBER 31, 2020**

	2020		2019	
	Assessment	Mill Rate	Levy	Levy
Minister of Intergovernmental Affairs	253,975,410	0.292%	\$ 73,536	71,476
Reserves:				
Various	253,975,410	2.656%	668,877	647,307
General municipal	253,975,410	7.925%	1,995,801	1,763,941
Special levies:				
Special Services Levy	298,241,330	2.464%	731,987	677,990
Waste Management			-	169,742
LID Charges	248,307		174,771	174,770
Sub-total - Special levies			906,758	1,022,502
Total municipal taxes (Schedule 2)			3,644,972	3,505,226
Education support levy	31,079,670	8.828%	264,349	259,739
Special levy:				
Special Division No. 15	251,499,260	14.256%	3,554,874	3,554,204
Total education taxes			3,819,223	3,813,943
Total tax levy (Schedule 11)			\$ 7,464,195	7,319,169

TOWN OF NIVERVILLE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
General government services:		
Legislative	\$ 101,943	\$ 106,461
General administrative	1,034,821	1,011,472
Other	<u>215,671</u>	<u>39,934</u>
	<u>1,352,435</u>	<u>1,157,867</u>
Protective services:		
Police	205,873	249,382
Fire and emergency medical response	288,404	335,699
Emergency measures	74,843	9,265
Other	<u>72,979</u>	<u>73,531</u>
	<u>642,099</u>	<u>667,877</u>
Transportation services:		
Road transport		
Administration and engineering	852,806	737,844
Road and street maintenance	725,627	602,397
Bridges and culverts maintenance	12,136	15,908
Sidewalk and boulevard maintenance	85,126	63,227
Street lighting	90,375	76,565
Other	36,789	23,416
Other	<u>42,617</u>	<u>66,723</u>
	<u>1,845,476</u>	<u>1,586,080</u>
Environmental health services:		
Waste collection and disposal	198,884	176,851
Recycling	112,988	116,225
Other	<u>61,212</u>	<u>7,113</u>
	<u>373,084</u>	<u>300,189</u>
Public health and welfare services:		
Social assistance	658	658
Other	<u>62,777</u>	<u>29,383</u>
	<u>63,435</u>	<u>30,041</u>
Regional planning and development		
Planning and zoning	10,931	6,839
Urban renewal	38,518	26,525
Beautification and land rehabilitation	32,214	36,302
Urban area weed control	490	3,989
Other	<u>4,040</u>	<u>2,084</u>
	<u>86,193</u>	<u>75,739</u>
Resource conservation and industrial development		
Industrial development	60,256	67,374
Other	<u>16,165</u>	<u>83,714</u>
	<u>76,421</u>	<u>151,088</u>
Recreation and cultural services:		
Administration	143,377	140,983
Community centers and halls	398,311	178,096
Swimming pools and beaches	52,494	53,718
Skating and curling rinks	276,286	302,155
Parks and playgrounds	<u>131,544</u>	<u>179,774</u>
	<u>1,002,012</u>	<u>854,726</u>
TOTAL EXPENSES	<u>\$ 5,441,155</u>	<u>\$ 4,641,666</u>

**TOWN OF NIVERVILLE
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
YEAR ENDED DECEMBER 31, 2020
UNAUDITED**

	General	<u>2020</u> Utility	Total	<u>2019</u> Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (1,624,269)	501,516	(1,122,753)	(1,837,364)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,123,057	-	1,123,057	1,247,141
Eliminate revenue - transfers from reserves	(1,353,569)	(80,956)	(1,434,525)	(1,991,148)
Increase revenue - reserve funds revenues	8,980	230,518	239,498	342,507
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	49,643	-	49,643	29,774
Increase expense - amortization of tangible capital assets	(961,467)	(717,908)	(1,679,375)	(1,714,357)
Decrease expense - principal portion of debenture debt	712,304	26,899	739,203	732,162
Eliminate expense - acquisitions of tangible capital assets	<u>9,584,117</u>	<u>575,925</u>	<u>10,160,042</u>	<u>12,927,185</u>
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ <u>7,538,796</u>	<u>535,994</u>	<u>8,074,790</u>	<u>9,735,900</u>