

TOWN OF NIVERVILLE
INDEPENDENT AUDITOR'S REPORT
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

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, 2021, 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, 2021, 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
September 20, 2022**

Fort Group
**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**

TOWN OF NIVERVILLE
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021

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**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 11,011,451	7,581,526
Amounts receivable (Note 4)	7,381,070	7,929,334
Other inventories for sale (Note 5)	<u>113,600</u>	<u>108,569</u>
	<u>18,506,121</u>	<u>15,619,429</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	2,115,046	2,252,937
Deferred revenue	-	14,400
Long-term debt (Note 8)	263,687	410,306
Line of credit (Note 9)	<u>9,260,951</u>	<u>8,240,107</u>
	<u>11,639,684</u>	<u>10,917,750</u>
NET FINANCIAL ASSETS	<u>6,866,437</u>	<u>4,701,679</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	60,496,834	53,769,164
Real estate inventories (Note 5)	490,528	578,923
Inventories (Note 5)	75,493	26,580
Prepaid expenses	<u>103,794</u>	<u>78,863</u>
	<u>61,166,649</u>	<u>54,453,530</u>
ACCUMULATED SURPLUS (Note 15)	<u>\$ 68,033,086</u>	<u>59,155,209</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, 2021**

	2021		2020
	<u>Budget</u> (Note 14)	<u>Actual</u>	<u>Actual</u>
REVENUE			
Property taxes	\$ 4,015,424	4,596,474	3,861,172
Grants in lieu of taxation	68,456	27,969	26,142
User fees	1,441,557	2,388,532	1,285,357
Permits, licenses and fines	80,000	169,903	112,840
Investment income	54,445	128,567	122,517
Other revenue	2,721,633	2,391,589	2,117,032
Water and sewer	1,214,400	2,810,784	1,651,618
Grants - Province of Manitoba	1,578,130	2,115,178	2,782,503
Grants - other	<u>1,765,574</u>	<u>2,803,135</u>	<u>3,668,042</u>
Total revenue (Schedule 2, 4 and 5)	<u>12,939,619</u>	<u>17,432,131</u>	<u>15,627,223</u>
EXPENSES			
General government services	1,196,835	1,077,929	1,211,435
Protective services	747,706	702,227	642,099
Transportation services	2,018,109	1,654,945	1,845,476
Environmental health services	350,260	408,930	373,084
Public health and welfare services	44,961	12,995	63,435
Regional planning and development	118,500	70,698	86,193
Resource conservation and industrial development	1,992,247	2,045,432	1,172,134
Recreation and cultural services	5,423,726	1,386,975	1,002,012
Water and sewer services	<u>1,407,374</u>	<u>1,194,123</u>	<u>1,156,565</u>
Total expenses (Schedule 3, 4 and 5)	<u>13,299,718</u>	<u>8,554,254</u>	<u>7,552,433</u>
ANNUAL SURPLUS	<u>\$ (360,099)</u>	<u>8,877,877</u>	<u>8,074,790</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>59,155,209</u>	<u>51,080,419</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>68,033,086</u>	<u>59,155,209</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, 2021**

	2021		2020
	<u>Budget</u> (Note 14)	<u>Actual</u>	<u>Actual</u>
ANNUAL SURPLUS	\$ <u>(360,099)</u>	<u>8,877,877</u>	<u>8,074,790</u>
Net acquisition of tangible capital assets	(3,337,271)	(8,635,470)	(10,060,601)
Amortization of tangible capital assets	1,924,228	1,924,230	1,679,374
Gain on disposal of tangible capital assets	-	(10,284)	108,193
Proceeds on sale of tangible capital asset	-	(6,146)	(193,970)
Decrease (increase) in inventories	-	39,482	(54,856)
Decrease (increase) in prepaid expense	<u>-</u>	<u>(24,931)</u>	<u>(37,337)</u>
	<u>(1,413,043)</u>	<u>(6,713,119)</u>	<u>(8,559,197)</u>
 CHANGE IN FINANCIAL ASSETS	 \$ <u>(1,773,142)</u>	 2,164,758	 (484,407)
 NET FINANCIAL ASSETS, BEGINNING OF YEAR		 <u>4,701,679</u>	 <u>5,186,086</u>
 NET FINANCIAL ASSETS, END OF YEAR		 <u>6,866,437</u>	 <u>4,701,679</u>

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

**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENT OF CASH FLOW
YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
CASH PROVIDED BY (USED IN):		
OPERATING TRANSACTIONS		
Annual surplus	\$ 8,877,877	8,074,790
Change in non-cash items:		
Amounts receivable	548,264	(1,405,306)
Inventories	(53,944)	(67,629)
Prepays	(24,931)	(37,337)
Accounts payable and accrued liabilities	(137,891)	(218,765)
Deferred revenue	(14,400)	14,400
Gain on sale of tangible capital assets	(10,284)	108,193
Amortization	<u>1,924,230</u>	<u>1,679,374</u>
Cash provided by operating transactions	<u>11,108,921</u>	<u>8,147,720</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	(6,146)	(193,970)
Net acquisition of tangible capital assets	<u>(8,635,470)</u>	<u>(10,060,601)</u>
Cash applied to capital transactions	<u>(8,641,616)</u>	<u>(10,254,571)</u>
INVESTING TRANSACTIONS		
Disposition of real estate properties	<u>88,394</u>	<u>28,572</u>
FINANCING TRANSACTIONS		
Debt advances	1,020,844	2,703,067
Debt repayment	<u>(146,619)</u>	<u>(739,202)</u>
Cash provided by financing transactions	<u>874,225</u>	<u>1,963,865</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	3,429,925	(114,414)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>7,581,526</u>	<u>7,695,940</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ <u>11,011,451</u>	<u>7,581,526</u>

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

TOWN OF NIVERVILLE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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>2021</u>	<u>2020</u>
Cash and temporary investments	\$ <u>11,011,451</u>	<u>7,581,526</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$6,048,440 (2020 - \$4,852,328) 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>2021</u>	<u>2020</u>
Taxes on roll (Schedule 11)	\$ 1,062,204	1,707,115
Government grants	3,604,680	4,656,159
Utility customers	306,194	267,183
Organizations and individuals	2,475,220	1,298,026
Other governments	<u>64,652</u>	<u>128,080</u>
	7,512,950	8,056,563
Less allowances for doubtful amounts	<u>(131,880)</u>	<u>(127,229)</u>
	<u>\$ 7,381,070</u>	<u>7,929,334</u>

**TOWN OF NIVERVILLE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

5. INVENTORIES

	<u>2021</u>	<u>2020</u>
Inventories for sale:		
Water meters	\$ 38,651	69,597
Recycle bins	68,051	31,689
Vaccines	<u>6,898</u>	<u>7,283</u>
	<u>\$ 113,600</u>	<u>108,569</u>
 Real estate inventory for sale	 <u>\$ 490,528</u>	 <u>578,923</u>
 Inventories for use:		
Materials and supplies for use	<u>\$ 75,493</u>	<u>26,580</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 1,813,419	2,058,189
Accrued liabilities	201,626	194,748
Other governments	<u>100,001</u>	<u>-</u>
	<u>\$ 2,115,046</u>	<u>2,252,937</u>

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

The Town of Niverville does not have a landfill. The Rural Municipality of Ritchot 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>2021</u>	<u>2020</u>
General Authority		
RBC Mortgage, interest at 5.309%, payable at \$49,762 annually including interest, maturing December 2022	54,624	106,494
Debenture (BL 647-07 LID#14), interest at 5.283% payable at \$66,095 annually including interest, maturing December 2021	-	62,778
Debenture (BL 647-07 LID#15), interest at 5.875% payable at \$4,276 annually including interest, maturing December 2022	<u>3,834</u>	<u>7,456</u>
	58,458	176,728
 Utility Funds		
Debenture (BL 659-08 LID#12), interest at 5.391%, payable at \$34,286 annually including interest, maturing December 2027	<u>205,229</u>	<u>233,578</u>
	<u>\$ 263,687</u>	<u>410,306</u>

**TOWN OF NIVERVILLE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

8. LONG TERM DEBT (Continued)

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

2022	\$	88,335
2023		31,488
2024		33,185
2025		34,974
2026		38,846
Thereafter		<u>36,859</u>
	\$	<u>263,687</u>

9. LINE OF CREDIT

The Town has a line of credit through Niverville Credit Union. This agreement has a maximum limit of \$13,000,000 (2020 - \$9,000,000). At December 31, 2021 the Town had a balance of \$9,260,951 (2020 - \$8,240,107). The amount outstanding is charged interest at 2.45% (2020 - 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 the Manitoba Water Services Board for project management services for a water treatment plant expansion design project. The budgeted contract price is \$10,000,000, where the Town is responsible for \$6,750,000 of the total budgeted cost.

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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 \$82,672 (2020 - \$70,616) 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 96.7% funded on a going concern basis and had an unfunded solvency liability of \$337.1 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.

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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>2021</u>	<u>2020</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal Surplus	\$ 7,324,041	6,304,774
Utility operating fund(s) - Nominal Surplus	2,678,864	2,071,962
Tangible capital assets net of related borrowings	50,878,394	45,037,822
Reserve funds	<u>6,048,440</u>	<u>4,852,328</u>
Accumulated surplus of Town	<u>\$ 66,929,739</u>	<u>58,266,886</u>
Accumulated surpluses of controlled entities	<u>1,103,347</u>	<u>888,323</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 68,033,086</u>	<u>59,155,209</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, 2021:

- a) Compensation paid to members of Council amounted to \$97,515 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	\$ 25,502	886	26,388
Councillor - John Funk	18,693	860	19,553
Councillor - Cris Wiebe	16,678	542	17,220
Councillor - Nathan Dueck	16,690	587	17,277
Councillor - Kevin Stott	<u>16,690</u>	<u>387</u>	<u>17,077</u>
	<u>\$ 94,253</u>	<u>3,262</u>	<u>97,515</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Eric King	CAO	129,742
Ryan Dyck	Operations Manager	81,177

TOWN OF NIVERVILLE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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	\$ 3,813	23	3,836
Memorial Trust	2,085	13	2,098
W. Church Endowment Fund	15,125	-	15,125
Building Permit Trust	<u>377,594</u>	<u>33,578</u>	<u>411,172</u>
	<u>\$ 398,617</u>	<u>33,614</u>	<u>432,231</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>2021</u>	<u>2020</u>
Financial Position		
Financial assets	\$ 14,026	7,778
Financial liabilities	<u>1,926</u>	<u>4,908</u>
Net financial assets (liabilities)	12,100	2,870
Non-financial assets	<u>-</u>	<u>-</u>
Accumulated surplus	<u>12,100</u>	<u>2,870</u>
Result of Operations		
Revenues	-	13,824
Expenses	<u>5,170</u>	<u>18,730</u>
Annual surplus	<u>\$ (5,170)</u>	<u>(4,906)</u>

TOWN OF NIVERVILLE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

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>6,677,684</u>	<u>1,159,399</u>	<u>306,019</u>	<u>7,531,064</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Town sewer utilities	\$ <u>5,898,664</u>	<u>179,949</u>	<u>116,074</u>	<u>5,962,539</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, 2021**

	<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>2021</u>	<u>2020</u>
Cost									
Opening costs	\$ 6,494,166	4,019,835	4,234,909	155,413	13,170,280	17,431,218	24,907,124	70,412,945	60,352,344
Additions during the year	967,853	3,874,972	1,003,811	5,508	-	207,177	2,597,179	8,656,500	10,152,908
Disposals, write downs, and transfers	-	-	(21,030)	-	-	-	-	(21,030)	(92,307)
Closing costs	<u>7,462,019</u>	<u>7,894,807</u>	<u>5,217,690</u>	<u>160,921</u>	<u>13,170,280</u>	<u>17,638,395</u>	<u>27,504,303</u>	<u>79,048,415</u>	<u>70,412,945</u>
Accumulated amortization									
Opening accumulated amortization	625,590	1,086,299	1,985,261	71,055	-	6,095,798	6,779,778	16,643,781	15,050,183
Amortization	166,183	265,039	296,826	15,572	-	470,439	710,171	1,924,230	1,679,374
Disposals, write downs, and transfers	-	-	(16,430)	-	-	-	-	(16,430)	(85,776)
Closing accumulated amortization	<u>791,773</u>	<u>1,351,338</u>	<u>2,265,657</u>	<u>86,627</u>	<u>-</u>	<u>6,566,237</u>	<u>7,489,949</u>	<u>18,551,581</u>	<u>16,643,781</u>
NET BOOK VALUE	<u>\$ 6,670,246</u>	<u>6,543,469</u>	<u>2,952,033</u>	<u>74,294</u>	<u>13,170,280</u>	<u>11,072,158</u>	<u>20,014,354</u>	<u>60,496,834</u>	<u>53,769,164</u>

SCHEDULE 2

**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF REVENUES
YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
Property taxes:		
Municipal taxes levied	\$ 4,055,673	3,644,972
Taxes added	<u>540,801</u>	<u>216,200</u>
	<u>4,596,474</u>	<u>3,861,172</u>
Grants in lieu of taxation:		
Provincial Government	<u>27,969</u>	<u>26,142</u>
User fees:		
Sales of service	618,857	427,541
Sale of goods	2,131	1,137
Rentals	11,550	15,225
Development charges	807,337	324,733
Facility use fees	<u>948,657</u>	<u>516,721</u>
	<u>2,388,532</u>	<u>1,285,357</u>
Permits, licenses and fines:		
Permits	154,169	98,242
Licenses	6,165	3,700
Fines	<u>9,569</u>	<u>10,898</u>
	<u>169,903</u>	<u>112,840</u>
Investment income:		
Cash and temporary investments	<u>128,567</u>	<u>122,517</u>
Other revenue:		
Sale of real estate held for sale	951,865	455,650
Contributed assets	377,489	70,896
Penalties and interest	268,397	321,516
Miscellaneous: Donations	475,626	776,297
Miscellaneous: Surplus lands	4,392	193,469
Miscellaneous: Town sundry	313,129	298,845
Miscellaneous: Reporting entity sundry	<u>691</u>	<u>359</u>
	<u>2,391,589</u>	<u>2,117,032</u>
Water and sewer:		
Municipal utilities	<u>2,810,784</u>	<u>1,651,618</u>
Grants - Province of Manitoba:		
Municipal operating grants	309,496	309,496
Urban policing grant	518,296	518,296
Conditional grants	<u>1,287,386</u>	<u>1,954,711</u>
	<u>2,115,178</u>	<u>2,782,503</u>
Grants - other:		
Federal government - gas tax funding	507,467	248,095
Federal Government - other	2,269,083	3,363,866
Other local governments	<u>26,585</u>	<u>56,081</u>
	<u>2,803,135</u>	<u>3,668,042</u>
TOTAL REVENUE	<u>\$ 17,432,131</u>	<u>15,627,223</u>

SCHEDULE 3

**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF EXPENSES
YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
General government services:		
Legislative	\$ 106,808	101,943
General administrative	902,141	931,365
Other	<u>68,980</u>	<u>74,671</u>
	<u>1,077,929</u>	<u>1,107,979</u>
Protective services:		
Police	231,878	205,873
Fire and emergency medical response	371,783	288,404
Emergency measures	4,613	74,843
Other protection	<u>93,953</u>	<u>72,979</u>
	<u>702,227</u>	<u>642,099</u>
Transportation services:		
Road transport		
Administration and engineering	824,561	873,997
Road and street maintenance	640,950	768,244
Bridge maintenance	30,919	12,136
Sidewalk and boulevard maintenance	73,442	85,126
Street lighting	78,428	90,375
Other	<u>6,645</u>	<u>15,598</u>
	<u>1,654,945</u>	<u>1,845,476</u>
Environmental health services:		
Waste collection and disposal	209,021	198,884
Recycling	176,238	216,444
Other	<u>23,671</u>	<u>61,212</u>
	<u>408,930</u>	<u>476,540</u>
Public health and welfare services:		
Social assistance	658	658
Other	<u>12,337</u>	<u>62,777</u>
	<u>12,995</u>	<u>63,435</u>
Regional planning and development:		
Planning and zoning	4,016	10,931
Urban renewal	49,596	38,518
Beautification and land rehabilitation	10,312	32,214
Urban weed control	<u>6,774</u>	<u>4,530</u>
	<u>70,698</u>	<u>86,193</u>
Resource conservation and industrial development:		
Water resources and conservation	95,791	52,480
Industrial development	1,914,641	1,119,654
Other	<u>35,000</u>	<u>-</u>
	<u>2,045,432</u>	<u>1,172,134</u>
SUB-TOTAL	\$ <u>5,973,156</u>	<u>5,393,856</u>

SCHEDULE 3**TOWN OF NIVERVILLE
CONSOLIDATED SCHEDULE OF EXPENSES
YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
SUB-TOTALS FORWARD	\$ <u>5,973,156</u>	\$ <u>5,393,856</u>
Recreation and cultural services:		
Administration	169,150	143,377
Community centers and halls	684,688	398,311
Swimming pools and beaches	57,628	52,494
Arenas, skating and curling rinks	269,345	276,286
Parks and playgrounds	<u>206,164</u>	<u>131,544</u>
	<u>1,386,975</u>	<u>1,002,012</u>
Water and sewer services (Schedule 9):	<u>1,194,123</u>	<u>1,156,565</u>
TOTAL EXPENSES	\$ <u>8,554,254</u>	\$ <u>7,552,433</u>

**TOWN OF NIVERVILLE
CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM
YEAR ENDED DECEMBER 31, 2021**

	<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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
REVENUE										
Property taxes	\$ 4,555,534	3,820,232	-	-	-	-	-	-	-	-
Grants in lieu of taxation	27,969	26,142	-	-	-	-	-	-	-	-
User fees	34,062	565,394	3,078	-	109,103	7,150	568	-	55,330	52,675
Grants - other	581,312	3,732,970	-	-	-	-	-	-	4,422	-
Permits, licenses and fines	32,134	14,598	-	-	-	-	-	-	-	-
Investment income	111,608	111,418	441	1,231	2,948	3,236	-	-	-	-
Other revenue	913,548	1,661,382	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Province of Manitoba - Unconditional Grants	819,074	827,792	518,296	-	-	-	-	-	-	-
Province of Manitoba - conditional grants	19,209	1,770,685	-	-	-	-	127,447	119,098	-	-
	<u>7,094,450</u>	<u>12,530,613</u>	<u>521,815</u>	<u>1,231</u>	<u>112,051</u>	<u>10,386</u>	<u>128,015</u>	<u>119,098</u>	<u>59,752</u>	<u>52,675</u>
EXPENSES										
Personnel services	483,227	462,953	106,264	88,120	463,055	542,540	14,455	-	-	-
Contract services	42,093	29,310	237,145	253,687	5,419	14,845	202,735	260,749	-	10,088
Utilities	36,354	42,626	7,139	9,219	9,080	12,611	310	-	-	254
Maintenance, materials and supplies	9,406	10,576	77,488	99,182	484,144	600,567	25,462	22,615	2,185	52,435
Grants and contributions	68,980	74,671	-	-	-	-	-	-	-	-
Amortization	65,041	82,324	107,530	89,072	620,900	606,950	1,891	(3)	-	-
Interest on long term debt	-	-	-	-	9,408	15,374	-	-	-	-
Other	372,828	508,975	166,661	102,819	62,939	52,589	164,077	89,723	10,810	658
	<u>1,077,929</u>	<u>1,211,435</u>	<u>702,227</u>	<u>642,099</u>	<u>1,654,945</u>	<u>1,845,476</u>	<u>408,930</u>	<u>373,084</u>	<u>12,995</u>	<u>63,435</u>
SURPLUS (DEFICIT)	<u>\$ 6,016,521</u>	<u>11,319,178</u>	<u>(180,412)</u>	<u>(640,868)</u>	<u>(1,542,894)</u>	<u>(1,835,090)</u>	<u>(280,915)</u>	<u>(253,986)</u>	<u>46,757</u>	<u>(10,760)</u>

TOWN OF NIVERVILLE
CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM
YEAR ENDED DECEMBER 31, 2021

	<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>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
REVENUE										
Property taxes	\$ -	-	-	-	-	-	40,940	40,940	4,596,474	3,861,172
Grants in lieu of taxation	-	-	-	-	-	-	-	-	27,969	26,142
User fees	807,337	516,721	960,207	-	413,597	143,417	-	-	2,383,282	1,285,357
Grants - other	-	-	-	-	2,217,401	-	-	-	2,803,135	3,732,970
Permits, licenses and fines	143,019	98,242	-	-	-	-	-	-	175,153	112,840
Investment income	-	-	8,445	530	5,125	6,102	-	-	128,567	122,517
Other revenue	-	-	952,556	455,650	525,485	-	-	-	2,391,589	2,117,032
Water and sewer	-	-	-	-	-	-	1,844,327	1,651,618	1,844,327	1,651,618
Province of Manitoba - Unconditional Grants	-	-	-	-	-	-	-	-	1,337,370	827,792
Province of Manitoba - conditional grants	-	-	-	-	631,152	-	966,457	-	1,744,265	1,889,783
	<u>950,356</u>	<u>614,963</u>	<u>1,921,208</u>	<u>456,180</u>	<u>3,792,760</u>	<u>149,519</u>	<u>2,851,724</u>	<u>1,692,558</u>	<u>17,432,131</u>	<u>15,627,223</u>
EXPENSES										
Personnel services	1,074	-	116,005	120,792	403,064	203,342	52,855	38,674	1,639,999	1,456,421
Contract services	-	-	5,170	18,712	14,511	25,825	78,977	182,198	586,050	795,414
Utilities	-	-	-	-	61,766	36,530	46,900	50,136	161,549	151,376
Maintenance, materials and supplies	65,608	36,744	1,533,907	781,063	100,924	58,627	258,598	122,218	2,557,722	1,784,027
Grants and contributions	-	-	-	-	-	-	-	-	68,980	74,671
Amortization	-	-	8,005	5,462	410,690	181,750	710,171	717,907	1,924,228	1,683,462
Interest on long term debt	-	-	-	-	206,242	167,282	12,592	14,042	228,242	196,698
Other	4,016	49,449	382,345	246,105	189,778	328,656	34,030	31,390	1,387,484	1,410,364
	<u>70,698</u>	<u>86,193</u>	<u>2,045,432</u>	<u>1,172,134</u>	<u>1,386,975</u>	<u>1,002,012</u>	<u>1,194,123</u>	<u>1,156,565</u>	<u>8,554,254</u>	<u>7,552,433</u>
SURPLUS (DEFICIT)	\$ <u>879,658</u>	<u>528,770</u>	<u>(124,224)</u>	<u>(715,954)</u>	<u>2,405,785</u>	<u>(852,493)</u>	<u>1,657,601</u>	<u>535,993</u>	<u>8,877,877</u>	<u>8,074,790</u>

**TOWN OF NIVERVILLE
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
YEAR ENDED DECEMBER 31, 2021**

	<u>Core Government</u>		<u>Controlled Entities</u>		<u>Government Partnerships</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
REVENUE								
Property taxes	\$ 4,596,474	3,861,172	-	-	-	-	4,596,474	3,861,172
Grants in lieu of taxation	27,969	26,142	-	-	-	-	27,969	26,142
User fees	1,423,075	753,411	960,207	518,122	-	13,824	2,383,282	1,285,357
Grants - other	2,803,135	3,755,720	-	(22,750)	-	-	2,803,135	3,732,970
Permits, licenses and fines	175,153	112,840	-	-	-	-	175,153	112,840
Investment income	120,122	122,262	8,445	255	-	-	128,567	122,517
Other revenue	1,439,033	1,620,486	952,556	496,546	-	-	2,391,589	2,117,032
Water and sewer	1,844,327	1,651,618	-	-	-	-	1,844,327	1,651,618
Province of Manitoba - Unconditional Grants	1,337,370	827,792	-	-	-	-	1,337,370	827,792
Province of Manitoba - conditional grants	<u>1,744,265</u>	<u>1,889,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,744,265</u>	<u>1,889,783</u>
	<u>15,510,923</u>	<u>14,621,226</u>	<u>1,921,208</u>	<u>992,173</u>	<u>-</u>	<u>13,824</u>	<u>17,432,131</u>	<u>15,627,223</u>
EXPENSES								
Personnel services	1,523,994	1,335,629	116,005	120,792	-	-	1,639,999	1,456,421
Contract services	580,880	776,702	-	-	5,170	18,712	586,050	795,414
Utilities	161,549	151,376	-	-	-	-	161,549	151,376
Maintenance, materials and supplies	1,010,614	1,002,964	1,547,108	781,063	-	-	2,557,722	1,784,027
Grants and contributions	68,980	74,671	-	-	-	-	68,980	74,671
Amortization	1,916,223	1,678,000	8,005	5,462	-	-	1,924,228	1,683,462
Interest on long term debt	228,242	196,698	-	-	-	-	228,242	196,698
Other	<u>1,169,225</u>	<u>1,232,904</u>	<u>218,259</u>	<u>177,442</u>	<u>-</u>	<u>18</u>	<u>1,387,484</u>	<u>1,410,364</u>
	<u>6,659,707</u>	<u>6,448,944</u>	<u>1,889,377</u>	<u>1,084,759</u>	<u>5,170</u>	<u>18,730</u>	<u>8,554,254</u>	<u>7,552,433</u>
SURPLUS (DEFICIT)	<u>\$ 8,851,216</u>	<u>8,172,282</u>	<u>31,831</u>	<u>(92,586)</u>	<u>(5,170)</u>	<u>(4,906)</u>	<u>8,877,877</u>	<u>8,074,790</u>

**TOWN OF NIVERVILLE
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
YEAR ENDED DECEMBER 31, 2021**

	2021															2020	
	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	\$ 8,411	170	441	1,978	910	462	2,778	4,215	216	-	88	4,012	2,825	-	-	26,506	49,609
Other income	4,422	-	-	195,833	-	-	-	-	-	-	20,000	-	397,345	194,159	-	811,759	324,733
Total revenue	12,833	170	441	197,811	910	462	2,778	4,215	216	-	20,088	4,012	400,170	194,159	-	838,265	374,342
EXPENSES																	
Other expenses	44,946	-	56,202	35,000	7,144	-	421	-	-	-	-	-	-	-	-	143,713	134,844
NET REVENUES	(32,113)	170	(55,761)	162,811	(6,234)	462	2,357	4,215	216	-	20,088	4,012	400,170	194,159	-	694,552	239,498
TRANSFERS																	
Transfers from general operating fund	525,000	85,000	106,370	-	128,900	75,000	250,000	200,000	6,153	-	-	507,467	-	-	-	1,883,890	1,123,057
Transfers from utility operating fund												200,000				200,000	-
Acquisition of tangible capital assets	(53,333)	(85,708)	(16,554)	(1)	(116,884)	(42,417)	(179,685)	-	-	-	-	(38,726)	(156,406)	(892,614)	-	(1,582,328)	(1,434,525)
CHANGE IN RESERVE FUND BALANCES	439,554	(538)	34,055	162,810	5,782	33,045	72,672	204,215	6,369	-	20,088	472,753	443,764	(698,455)	-	1,196,114	(71,970)
FUND SURPLUS, BEGINNING OF YEAR	1,282,370	1,632	66,900	326,422	167,097	76,007	433,304	743,697	38,277	-	16,389	672,025	329,391	698,815	-	4,852,326	4,924,298
FUND SURPLUS, END OF YEAR	\$ 1,721,924	1,094	100,955	489,232	172,879	109,052	505,976	947,912	44,646	-	36,477	1,144,778	773,155	360	-	6,048,440	4,852,328

**THE TOWN OF NIVERVILLE
SCHEDULE OF L.U.D OPERATIONS
YEAR ENDED DECEMBER 31, 2021**

SCHEDULE 7

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

SCHEDULE 8

**TOWN OF NIVERVILLE
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
YEAR ENDED DECEMBER 31, 2021**

	Sewer Utility	2021 Water Utility	Total	2020 Total
FINANCIAL ASSETS				
Amounts receivable	\$ -	306,194	306,194	267,183
Due from other funds	<u>3,207,053</u>	<u>2,186,512</u>	<u>5,393,565</u>	<u>4,176,946</u>
	<u>3,207,053</u>	<u>2,492,706</u>	<u>5,699,759</u>	<u>4,444,129</u>
LIABILITIES				
Accounts payable and accrued liabilities	-	287,557	287,557	219,439
Long-term debt (Note 9)	-	205,229	205,229	233,578
Due to other funds	<u>1,398,471</u>	<u>1,373,518</u>	<u>2,771,989</u>	<u>2,222,328</u>
	<u>1,398,471</u>	<u>1,866,304</u>	<u>3,264,775</u>	<u>2,675,345</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>1,808,582</u>	<u>626,402</u>	<u>2,434,984</u>	<u>1,768,784</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	9,465,749	10,532,965	19,998,714	18,127,346
Inventories	<u>-</u>	<u>38,651</u>	<u>38,651</u>	<u>69,597</u>
	<u>9,465,749</u>	<u>10,571,616</u>	<u>20,037,365</u>	<u>18,196,943</u>
FUND SURPLUS	<u>\$ 11,274,331</u>	<u>11,198,018</u>	<u>22,472,349</u>	<u>19,965,727</u>

SCHEDULE 9 - S

**TOWN OF NIVERVILLE
SCHEDULE OF UTILITY OPERATIONS - SEWER
DECEMBER 31, 2021**

	2021		2020
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Sewer			
Sewer fees	\$ 644,000	692,997	645,333
Other			
Penalties	6,400	7,218	4,530
Contributed tangible capital assets	-	179,949	367,776
Sub-total - other	<u>6,400</u>	<u>187,167</u>	<u>372,306</u>
Total revenue	<u>650,400</u>	<u>880,164</u>	<u>1,017,639</u>
EXPENSES			
General			
Administration	27,750	24,725	22,267
Training costs	1,500	1,238	480
Billing and collection	14,000	18,138	10,159
Utilities (telephone, electricity, etc.)	12,200	12,180	12,512
Sub-total-general	<u>55,450</u>	<u>56,281</u>	<u>45,418</u>
Sewer General			
Collection system costs	266,000	72,369	58,169
Lift Station costs	<u>33,000</u>	<u>72,507</u>	<u>52,732</u>
Sub-total-sewer-general	<u>299,000</u>	<u>144,876</u>	<u>110,901</u>
Sewer amortization & interest			
Amortization	<u>-</u>	<u>287,664</u>	<u>274,821</u>
Total expenses	<u>354,450</u>	<u>488,821</u>	<u>431,140</u>
NET OPERATING SURPLUS	<u>295,950</u>	<u>391,343</u>	<u>586,499</u>
TRANSFERS			
Transfers from (to) operating fund	-	156,405	19,124
Transfers from (to) reserve funds	<u>-</u>	<u>(200,000)</u>	<u>-</u>
	<u>-</u>	<u>(43,595)</u>	<u>19,124</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ 295,950</u>	<u>347,748</u>	<u>605,623</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>10,926,583</u>	<u>10,320,960</u>
FUND SURPLUS, END OF YEAR		<u>11,274,331</u>	<u>10,926,583</u>

**TOWN OF NVERVILLE
SCHEDULE OF UTILITY OPERATIONS - SPRUCE DRIVE WATER
DECEMBER 31, 2021**

	2021	2020	2020
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUE			
Water			
Water fees	\$ 534,000	655,280	565,378
Bulk Water fees	-	2,262	975
	<hr/>	<hr/>	<hr/>
Sub-total - water	534,000	657,542	566,353
Property taxes	-	40,940	40,940
	<hr/>	<hr/>	<hr/>
Government transfers			
Capital	-	966,457	1,332
	<hr/>	<hr/>	<hr/>
Other			
Hydrant rentals		14,630	14,400
Penalties	5,000	5,831	3,242
Contributed tangible capital assets		192,942	-
Other income	25,000	93,220	48,652
	<hr/>	<hr/>	<hr/>
Total revenue	564,000	1,971,562	674,919
	<hr/>	<hr/>	<hr/>
EXPENSES			
General			
Administration	21,200	38,597	32,935
Training costs	2,500	535	480
Billing and collection	29,000	34,346	50,476
Utilities (telephone, electricity, etc.)	33,300	34,821	37,707
	<hr/>	<hr/>	<hr/>
Sub-total-general	86,000	108,299	121,598
Water General			
Purification and treatment	244,161	161,904	146,693
	<hr/>	<hr/>	<hr/>
Water amortization & interest			
Amortization	-	422,507	443,086
Interest on long term debt	-	12,592	14,042
	<hr/>	<hr/>	<hr/>
Sub-total-water amortization & interest	-	435,099	457,128
	<hr/>	<hr/>	<hr/>
Total expenses	330,161	705,302	725,419
	<hr/>	<hr/>	<hr/>
NET OPERATING SURPLUS	\$ 233,839	1,266,260	(50,500)
	<hr/>	<hr/>	<hr/>
TRANSFERS			
Transfers from (to) reserve funds	-	892,614	61,831
	<hr/>	<hr/>	<hr/>
CHANGE IN UTILITY FUND BALANCE	\$ 233,839	2,158,874	11,331
	<hr/>	<hr/>	<hr/>
FUND SURPLUS, BEGINNING OF YEAR		9,039,144	9,027,813
		<hr/>	<hr/>
FUND SURPLUS, END OF YEAR		11,198,018	9,039,144
		<hr/>	<hr/>

TOWN OF NIVERVILLE
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
YEAR ENDED DECEMBER 31, 2021

	<u>Financial Plan General</u>	<u>Financial Plan Utilities</u>	<u>Amortization (TCA)</u>	<u>Interest Expense</u>	<u>Transfers</u>	<u>Long Term Accruals</u>	<u>Consolidated Entities</u>	<u>PSAB Budget</u>
REVENUE								
Property taxes	\$ 4,015,424	-	-	-	-	-	-	4,015,424
Grants in lieu of taxation	68,456	-	-	-	-	-	-	68,456
User fees	481,350	-	-	-	-	-	960,207	1,441,557
Grants - Province of Manitoba	1,578,130	-	-	-	-	-	-	1,578,130
Grants - other	1,765,574	-	-	-	-	-	-	1,765,574
Permits, licenses and fines	80,000	-	-	-	-	-	-	80,000
Investment income	46,000	-	-	-	-	-	8,445	54,445
Other revenue	1,769,077	-	-	-	-	-	952,556	2,721,633
Water and sewer	-	1,214,400	-	-	-	-	-	1,214,400
Transfers from accumulated surplus	3,337,271	-	-	-	(3,337,271)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	<u>13,141,282</u>	<u>1,214,400</u>	<u>-</u>	<u>-</u>	<u>(3,337,271)</u>	<u>-</u>	<u>1,921,208</u>	<u>\$ 12,939,619</u>
	(4,657,606)							
EXPENSES								
General government services	\$ 1,131,794	-	65,041	-	-	-	-	1,196,835
Protective services	640,176	-	107,530	-	-	-	-	747,706
Transportation services	1,387,801	-	620,902	9,406	-	-	-	2,018,109
Environmental health services	350,260	-	-	-	-	-	-	350,260
Public health and welfare services	43,070	-	1,891	-	-	-	-	44,961
Regional planning and development	118,500	-	-	-	-	-	-	118,500
Economic Development Services	112,100	-	8,005	-	-	-	1,872,142	1,992,247
Recreation and cultural services	4,806,794	-	410,690	206,242	-	-	-	5,423,726
Water and sewer services	-	684,611	710,171	12,592	-	-	-	1,407,374
Fiscal services:								
Transfer to capital	1,034,095	-	-	-	(1,034,095)	-	-	-
Debt charges	174,771	-	-	(174,771)	-	-	-	-
Other fiscal services	-	-	-	-	-	-	-	-
Transfer to reserves	3,337,271	30,950	-	-	(3,368,221)	-	-	-
Allowance for tax assets	4,650	-	-	-	(4,650)	-	-	-
Total expenses	<u>13,141,282</u>	<u>715,561</u>	<u>1,924,230</u>	<u>53,469</u>	<u>(4,406,966)</u>	<u>-</u>	<u>1,872,142</u>	<u>13,299,718</u>
SURPLUS (DEFICIT)	<u>\$ -</u>	<u>498,839</u>	<u>(1,924,230)</u>	<u>(53,469)</u>	<u>1,069,695</u>	<u>-</u>	<u>49,066</u>	<u>(360,099)</u>

SCHEDULE 11

TOWN OF NIVERVILLE
 ANALYSIS OF TAXES ON ROLL
 YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 1,707,115	1,324,676
Add:		
Tax levy (Schedule 12)	8,013,116	7,464,195
Taxes added	540,801	216,200
Penalties or interest	145,781	179,569
Other accounts added - utilities and services	120,260	599,455
Tax adjustments (specify): Grants-in Lieu	<u>68,456</u>	<u>66,663</u>
Sub-total	<u>8,888,414</u>	<u>8,526,082</u>
Deduct:		
Cash collections	7,813,114	6,390,366
Cash collections - arrears	843,277	843,277
Education Property Tax Credit Advance - cash advance	698,250	910,000
Other credits - Write off 2020 amount transferred to tax	<u>178,684</u>	<u>-</u>
Sub-total	<u>9,533,325</u>	<u>8,143,643</u>
Balance, end of year	<u>\$ 1,062,204</u>	<u>\$ 1,707,115</u>

SCHEDULE 12

**TOWN OF NIVERVILLE
ANALYSIS OF TAX LEVY
YEAR ENDED DECEMBER 31, 2021**

	2021		2020	
	Assessment	Mill Rate	Levy	Levy
Minister of Intergovernmental Affairs	262,802,830	0.271%	\$ 70,640	<u>73,536</u>
Reserves:				
Various	262,802,830	2.973%	<u>781,208</u>	<u>668,877</u>
General municipal	262,802,830	7.785%	<u>2,029,265</u>	<u>1,995,801</u>
Special levies:				
Special Services Levy	308,095,980	2.629%	806,911	731,987
Waste Management			192,875	-
LID Charges	438,285		<u>174,771</u>	<u>174,771</u>
Sub-total - Special levies			<u>1,174,557</u>	<u>906,758</u>
Total municipal taxes (Schedule 2)			<u>4,055,670</u>	<u>3,644,972</u>
Education support levy	32,725,420	8.809%	278,277	264,349
Special levy:				
Special Division No. 15	260,326,680	14.250%	<u>3,679,169</u>	<u>3,554,874</u>
Total education taxes			<u>3,957,446</u>	<u>3,819,223</u>
Total tax levy (Schedule 11)			<u>\$ 8,013,116</u>	<u>7,464,195</u>

**TOWN OF NIVERVILLE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>
General government services:		
Legislative	\$ 106,808	\$ 101,943
General administrative	902,141	1,034,821
Other	<u>133,980</u>	<u>215,671</u>
	<u>1,142,929</u>	<u>1,352,435</u>
Protective services:		
Police	231,878	205,873
Fire and emergency medical response	371,783	288,404
Emergency measures	4,613	74,843
Other	<u>93,953</u>	<u>72,979</u>
	<u>702,227</u>	<u>642,099</u>
Transportation services:		
Road transport		
Administration and engineering	824,561	852,806
Road and street maintenance	606,315	725,627
Bridges and culverts maintenance	30,919	12,136
Sidewalk and boulevard maintenance	73,442	85,126
Street lighting	78,428	90,375
Other	6,645	36,789
Other	<u>34,635</u>	<u>42,617</u>
	<u>1,654,945</u>	<u>1,845,476</u>
Environmental health services:		
Waste collection and disposal	209,021	198,884
Recycling	176,238	112,988
Other	<u>23,671</u>	<u>61,212</u>
	<u>408,930</u>	<u>373,084</u>
Public health and welfare services:		
Social assistance	658	658
Other	<u>12,337</u>	<u>62,777</u>
	<u>12,995</u>	<u>63,435</u>
Regional planning and development		
Planning and zoning	4,016	10,931
Urban renewal	49,596	38,518
Beautification and land rehabilitation	10,312	32,214
Urban area weed control	4,414	490
Other	<u>2,360</u>	<u>4,040</u>
	<u>70,698</u>	<u>86,193</u>
Resource conservation and industrial development		
Industrial development	110,191	60,256
Tourism	35,000	-
Other	<u>20,094</u>	<u>16,165</u>
	<u>165,285</u>	<u>76,421</u>
Recreation and cultural services:		
Administration	169,150	143,377
Community centers and halls	684,688	398,311
Swimming pools and beaches	57,628	52,494
Skating and curling rinks	269,345	276,286
Parks and playgrounds	<u>206,164</u>	<u>131,544</u>
	<u>1,386,975</u>	<u>1,002,012</u>
TOTAL EXPENSES	<u>\$ 5,544,984</u>	<u>\$ 5,441,155</u>

**TOWN OF NIVERVILLE
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
YEAR ENDED DECEMBER 31, 2021
UNAUDITED**

	General	<u>2021</u> Utility	Total	<u>2020</u> Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 877,851	(3,065)	874,786	(1,144,395)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,683,890	200,000	1,883,890	1,123,057
Eliminate revenue - transfers from reserves	(533,308)	(1,049,020)	(1,582,328)	(1,434,525)
Increase revenue - reserve funds revenues	100,223	594,329	694,552	239,498
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	126,588	-	126,588	49,643
Increase expense - amortization of tangible capital assets	(1,214,059)	(710,171)	(1,924,230)	(1,679,375)
Decrease expense - principal portion of debenture debt	119,770	28,349	148,119	739,202
Eliminate expense - acquisitions of tangible capital assets	<u>6,059,321</u>	<u>2,597,179</u>	<u>8,656,500</u>	<u>10,160,042</u>
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ <u>7,220,276</u>	<u>1,657,601</u>	<u>8,877,877</u>	<u>8,053,147</u>