

Rural Municipality of Armstrong

Consolidated Financial Statements
Year ended December 31, 2021

STATEMENT OF RESPONSIBILITY

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

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

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

Inwood, Manitoba

Date January 10, 2023


Corlie Larsen
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

To the Reeve and members of Council of the
Rural Municipality of Armstrong

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Rural Municipality of Armstrong, which comprise the statement of financial position as at December 31, 2021 and the statements of operations, changes in net financial assets and cash flows for the year ended December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Gramadale as at December 31, 2021, and the results of its consolidated operations, change in net financial assets, cash flows and supporting schedules 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 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 these 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 financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Winnipeg, Canada
January 10, 2023

Chambers Fraser
Chartered Professional Accountants

Rural Municipality of Armstrong

Consolidated Financial Statements

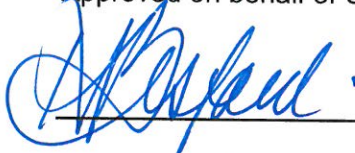
Year ended December 31, 2021

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**Rural Municipality of Armstrong
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021**

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 5,758,819	\$ 5,439,469
Amounts receivable (Note 4)	410,765	578,838
	<u>\$ 6,169,584</u>	<u>\$ 6,018,307</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 244,702	\$ 310,343
Deferred revenue (Note 7)	645,744	488,711
Landfill closure and post closure liabilities (Note 8)	52,040	75,000
	<u>942,487</u>	<u>874,054</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 5,227,098</u>	<u>\$ 5,144,253</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	2,625,792	2,527,516
Inventories (Note 5)	56,116	55,632
Prepaid expenses	33,769	30,405
	<u>2,715,677</u>	<u>2,613,553</u>
ACCUMULATED SURPLUS (Note 12)	<u>\$ 7,942,775</u>	<u>\$ 7,757,806</u>

Approved on behalf of Council:



Kate Basford - Reeve



Pat Stein - Deputy Reeve

Rural Municipality of Armstrong
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2021

	<u>2021 Budget (Note 11)</u>	<u>2021 Actual</u>	<u>2020 Actual</u>
REVENUE			
Property taxes	\$ 1,488,246	\$ 1,497,099	\$ 1,466,936
Grants in lieu of taxation	98,162	98,162	98,115
User fees	258,707	256,198	200,703
Permits, licences and fines	3,000	4,668	4,095
Investment income	30,064	39,764	61,696
Other revenue	51,000	196,454	221,122
Grants - Province of Manitoba	500,647	505,154	601,582
Grants - other	101,038	47,415	230,576
	<u>2,530,864</u>	<u>2,644,914</u>	<u>2,884,827</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	468,701	467,468	439,019
Protective services	365,609	376,373	351,063
Transportation services	1,268,208	1,279,348	1,331,800
Environmental health services	195,623	165,123	146,560
Public health and welfare services	10,800	10,720	10,720
Regional planning and development	47,320	29,896	30,438
Resource conservation and industrial development	140,398	129,515	133,675
Recreation and cultural services	1,501	1,501	1,501
	<u>2,498,160</u>	<u>2,459,945</u>	<u>2,444,777</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS (DEFICIT)	<u>\$ 32,704</u>	184,969	440,050
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR (Note 12)		<u>7,757,806</u>	<u>7,317,756</u>
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR		<u>\$ 7,942,775</u>	<u>\$ 7,757,806</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of Armstrong
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year Ended December 31, 2021

	<u>2021 Budget (Note 11)</u>	<u>2021 Actual</u>	<u>2020 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ 32,704	\$ 184,969	\$ 440,050
Acquisition of tangible capital assets	(283,500)	(255,054)	(336,081)
Amortization of tangible capital assets	147,855	147,855	123,842
Loss (Gain) on sale of tangible capital assets	-	(119,312)	(150,677)
Proceeds on sale of tangible capital assets	-	128,235	151,774
Decrease (increase) in inventories	-	(484)	(3,529)
Decrease (increase) in prepaid expense	-	(3,365)	(4,114)
	<u>(135,645)</u>	<u>(102,124)</u>	<u>(218,784)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>(102,941)</u>	82,845	221,266
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR		<u>5,144,253</u>	<u>4,922,988</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR		<u>\$ 5,227,098</u>	<u>\$ 5,144,253</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of Armstrong
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 184,969	\$ 440,050
Changes in non-cash items:		
Amounts receivable	168,071	85,152
Inventories	(484)	(3,529)
Prepays	(3,364)	(4,114)
Accounts payable and accrued liabilities	(65,641)	18,998
Deferred revenue	157,034	(125,599)
Landfill closure and post closure liabilities	(22,960)	-
Loss (Gain) on sale of tangible capital asset	(119,312)	(150,677)
Amortization	147,855	123,842
Cash provided by (applied to) operating transactions	<u>446,168</u>	<u>384,123</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	128,235	151,774
Cash used to acquire tangible capital assets	<u>(255,054)</u>	<u>(336,081)</u>
Cash provided by (applied to) capital transactions	<u>(126,819)</u>	<u>(184,307)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	319,349	199,816
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,439,469</u>	<u>5,239,654</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 5,758,819</u></u>	<u><u>\$ 5,439,469</u></u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

1. Status of the Rural Municipality of Armstrong

The Local Government District of Armstrong (LGD) was created in 1944 through an amalgamation of the Rural Municipalities of Chatfield, Armstrong and Kreuzburg. In 1996 the LGD attained Rural Municipality status pursuant to changes in The Municipal Act. The Municipality provides or funds municipal services such as fire, public works, planning, and other general government operations. The Municipality has a number of designated special purpose reserves and provides funding support for other financial entities involved in providing municipal services.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

a) Reporting Entity

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

Interlake Weed Control District (15%) (2020 – 15%)
Fisher Armstrong Planning Board (50%) (2020 – 50%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Note 14 - Schedule of Trust Funds.

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) Landfill Closure and Post Closure Liabilities

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

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.

g) Tangible Capital Assets

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

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

The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over its useful life. Assets under construction are not amortized until put into use.

The estimated useful lives are as follows:

General Tangible Capital Assets

Land	Indefinite
Buildings and leasehold improvements	
Buildings - Wood Frame	25 years
Buildings - Brick	40 years
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

Land	Indefinite
Road surface	20 years
Road grade	40 years
Drains	40 years

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

i) Leases

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

j) Inventories

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

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

Unearned revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

l) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2021</u>	<u>2020</u>
Cash	<u>\$ 5,758,819</u>	<u>\$ 5,439,469</u>
	<u><u>\$ 5,758,819</u></u>	<u><u>\$ 5,439,469</u></u>

The Municipality has designated the following cash to reserves for commitments and tangible capital asset acquisitions.

Designated Reserve Funds	<u><u>\$ 2,937,531</u></u>	<u><u>\$ 2,491,679</u></u>
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4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2021</u>	<u>2020</u>
Taxes on roll (Schedule 10)	\$ 272,884	\$ 344,348
Government grants	-	8,009
Organizations and individuals	126,768	214,505
Other governments	14,113	14,976
	<u>\$ 413,765</u>	<u>\$ 581,838</u>
Less allowances for doubtful amounts	<u>(3,000)</u>	<u>(3,000)</u>
	<u><u>\$ 410,765</u></u>	<u><u>\$ 578,838</u></u>

5. Inventories

Inventories for use:

	<u>2021</u>	<u>2020</u>
Culverts	<u>\$ 56,116</u>	<u>\$ 55,632</u>
	<u><u>\$ 56,116</u></u>	<u><u>\$ 55,632</u></u>

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

6. Accounts Payable and Accrued Liabilities

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 42,000	\$ 75,990
Accrued expenses	22,605	34,510
School levies	180,097	192,805
Other governments	-	7,039
	<u>\$ 244,702</u>	<u>\$ 310,343</u>

7. Deferred Revenue:

	<u>2021</u>	<u>2020</u>
Federal Gas Tax Funding	<u>\$ 645,744</u>	<u>\$ 488,711</u>

8. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Municipality is currently operating a Class 3 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	<u>2021</u>	<u>2020</u>
Estimated closure and post closure costs over the next 15 years	<u>\$ 50,000</u>	<u>\$ -</u>
Discount rate	<u>5.00%</u>	<u>5.00%</u>
Discounted costs	<u>\$ 26,516</u>	<u>\$ -</u>
Expected year capacity will be reached	2033	
Capacity (years):		
Used to date	1	-
Remaining	12	-
Total	13	-
Percent utilized	<u>7.69%</u>	<u>0.00%</u>
Liability based on percentage	<u>\$ 2,040</u>	<u>\$ -</u>

b) Closed Landfill Site(s)

Estimated closure and post closure costs over the next 15 years	<u>\$ 50,000</u>	<u>\$ 75,000</u>
Total landfill closure and post closure liabilities	<u>\$ 52,040</u>	<u>\$ 75,000</u>

9. Retirement Benefits

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

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

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 2020 by the municipality on behalf of its employees are expected to be **\$10,396** (2020 - \$9,691) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2020 indicated the plan was 96.7% funded on a going concern basis and had an unfunded solvency liability of \$333.3 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2020.

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

10. Financial Instruments

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

11. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results.

The 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.

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

12. Accumulated Surplus

	<u>2021</u>	<u>2020</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,979,231	\$ 3,178,768
General capital fund - Capital surplus	2,618,454	2,519,502
Reserve funds	<u>2,937,530</u>	<u>2,491,679</u>
	<u>8,535,215</u>	<u>8,189,949</u>
Deferred revenue - Reserves	<u>(645,744)</u>	<u>(488,711)</u>
Accumulated surplus of municipality unconsolidated	<u>7,889,471</u>	7,701,238
Accumulated surpluses of consolidated entities	<u>53,304</u>	<u>56,568</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 7,942,775</u>	<u>\$ 7,757,806</u>

13. Public Sector Compensation Disclosure

It is a requirement of The Municipal Act that the annual financial statement disclose the amount of compensation, expenses and any other payment made to council or committee members by the type of each payment and the total amount of payment to each member of council of the municipality. For the year ended December 31, 2021:

- a) Compensation paid to members of council amounted to \$64,592 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Susan Smerchanski	\$ 13,564	\$ 1,894	\$ 15,458
Councillor - Ted Sumka	11,143	2,126	13,269
Councillor - Adam Krochenski	9,361	788	10,149
Councillor - Paul Humeny	10,290	1,445	11,735
Councillor - Ralph Hazelton	10,479	1,616	12,095
Councillor - Allen Evanchyshin	9,755	999	10,754
	-	-	-
	<u>\$ 64,592</u>	<u>\$ 8,868</u>	<u>\$ 73,460</u>

It is a requirement of The Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$75,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2021:

- c) There were no officers that received compensation in excess of \$75,000.

14. Trust Funds

The Rural Municipality of Armstrong administers the following trusts:

	<u>Balance, beg. of the year</u>	<u>Net Receipts (Disbursements)</u>	<u>Balance, end of the year</u>
Fraserwood Sidewalks	\$ 1,530	\$ 14	\$ 1,544
Chatfield Cemetery	5,498	(301)	5,197
Fraserwood Sports Club	396	4	400
Fraserwood Heritage park	1,816	48	1,864
Narcisse Snake Pits	254	2	256
Community Clubs	101	1	102
Age Friendly	1,243	11	1,254
	<u>\$ 10,838</u>	<u>\$ (221)</u>	<u>\$ 10,617</u>

Rural Municipality of Armstrong
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

15. Segmented Information

The Rural Municipality of Armstrong 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

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

16. Government Partnerships

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

	<u>2021</u>	<u>2020</u>
Financial Position		
Financial assets	\$ 42,412	\$ 51,591
Financial liabilities	<u>4,261</u>	<u>5,569</u>
Net financial assets (liabilities)	<u>38,151</u>	46,022
Non financial assets	<u>15,153</u>	<u>10,546</u>
Accumulated surplus	<u>\$ 53,304</u>	<u>\$ 56,568</u>
Results of operations		
Revenues	\$ 41,674	\$ 33,269
Expenses	<u>44,938</u>	<u>25,566</u>
Consolidated annual surplus	<u>\$ (3,264)</u>	<u>\$ 7,703</u>

Rural Municipality of Armstrong
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2021

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2021	2020
Cost										
Opening costs	67,547	376,232	1,617,536	56,248	240,609	18,214,133	948,455	-	21,520,759	21,185,775
Additions during the year	171,480	-	21,439	-	-	14,252	47,883	-	255,054	336,081
Transfer during the year	240,609	-	-	-	(240,609)	-	-	-	-	-
Disposals and write downs	(553)	-	(30,901)	-	-	-	-	-	(31,454)	(1,097)
Closing costs	<u>479,083</u>	<u>376,232</u>	<u>1,608,074</u>	<u>56,248</u>	<u>-</u>	<u>18,228,385</u>	<u>996,338</u>	<u>-</u>	<u>21,744,359</u>	<u>21,520,759</u>
Accumulated Amortization										
Opening accum'd amortization	1,215	270,219	734,695	50,312	-	17,593,171	343,630	-	18,993,243	18,869,400
Amortization	19,892	6,507	79,879	1,187	-	16,080	24,310	-	147,855	123,842
Disposals and write downs	-	-	(22,530)	-	-	-	-	-	(22,530)	-
Closing accum'd amortization	<u>21,107</u>	<u>276,726</u>	<u>792,043</u>	<u>51,500</u>	<u>-</u>	<u>17,609,251</u>	<u>367,940</u>	<u>-</u>	<u>19,118,568</u>	<u>18,993,243</u>
Net Book Value of Tangible Capital Assets	<u>457,975</u>	<u>99,506</u>	<u>816,031</u>	<u>4,748</u>	<u>-</u>	<u>619,134</u>	<u>628,398</u>	<u>-</u>	<u>2,625,792</u>	<u>2,527,516</u>

Rural Municipality of Armstrong
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2021

SCHEDULE 2

	<u>2021 Actual</u>	<u>2020 Actual</u>
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,468,247	\$ 1,455,524
Taxes added	<u>28,853</u>	<u>11,413</u>
	<u>1,497,099</u>	<u>1,466,936</u>
Grants in lieu of taxation:		
Provincial government	84,938	84,885
Provincial government enterprises	<u>13,224</u>	<u>13,230</u>
	<u>98,162</u>	<u>98,115</u>
User fees		
Sales of service	47,854	42,480
Rentals	<u>208,343</u>	<u>158,223</u>
	<u>256,198</u>	<u>200,703</u>
Permits, licences and fines		
Permits	1,481	2,010
Licences	<u>3,187</u>	<u>2,085</u>
	<u>4,668</u>	<u>4,095</u>
Investment income:		
Cash and temporary investments	<u>39,764</u>	<u>61,696</u>
	<u>39,764</u>	<u>61,696</u>
Other revenue:		
Gain on sale of tangible capital assets	119,312	150,677
Miscellaneous (specify):		
Penalties and interest	36,913	36,525
Other revenue	<u>40,228</u>	<u>33,920</u>
	<u>196,454</u>	<u>221,122</u>
Grants - Province of Manitoba		
General support grant	364,437	364,437
Conditional grants	<u>135,845</u>	<u>230,895</u>
	<u>505,154</u>	<u>601,582</u>
Grants - other		
Federal government - gas tax funding	47,200	230,361
Other local governments	<u>215</u>	<u>215</u>
	<u>47,415</u>	<u>230,576</u>
Total revenue	<u><u>2,644,914</u></u>	<u><u>2,884,827</u></u>

Rural Municipality of Armstrong
CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2021

SCHEDULE 3

	<u>2021 Actual</u>	<u>2020 Actual</u>
General government services:		
Legislative	\$ 73,812	\$ 76,491
General administrative	257,715	241,036
Other	135,941	121,492
	<u>467,468</u>	<u>439,019</u>
Protective services:		
Fire	294,248	196,268
Emergency measures	17,185	94,365
Other protection	64,939	60,429
	<u>376,373</u>	<u>351,063</u>
Transportation services:		
Road transport		
Road and street maintenance	1,202,342	1,254,572
Street lighting	14,876	14,463
Other	62,130	62,765
	<u>1,279,348</u>	<u>1,331,800</u>
Environmental health services:		
Waste collection and disposal	120,225	121,556
Other	44,898	25,004
	<u>165,123</u>	<u>146,560</u>
Public health and welfare services:		
Social assistance	10,720	10,720
	<u>10,720</u>	<u>10,720</u>
Regional planning and development		
Planning and zoning	-	-
Other	29,896	30,438
	<u>29,896</u>	<u>30,438</u>
Resource conservation and industrial development		
Rural area weed control	117,633	121,798
Veterinary services	6,000	6,000
Water resources and conservation	5,883	5,877
	<u>129,515</u>	<u>133,675</u>
Recreation and cultural services:		
Other cultural facilities	1,501	1,501
	<u>1,501</u>	<u>1,501</u>
Total expenses	<u><u>2,459,945</u></u>	<u><u>2,444,777</u></u>

Rural Municipality of Armstrong
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ 1,497,099	\$ 1,466,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	98,162	98,115	-	-	-	-	-	-	-	-
User fees	211,171	160,238	200	-	3,432	7,525	-	-	-	-
Prov of MB - Unconditional Grants	369,309	370,687	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	107,287	77,418	-	24,714	25,975	24,890	20,600	-	-
Grants - other	47,200	300,295	-	-	-	-	-	-	-	-
Permits, licences and fines	4,668	4,095	-	-	-	-	-	-	-	-
Investment income	23,344	35,957	2,322	5,655	5,219	7,602	8,816	12,367	-	-
Other revenue - schedule 2	196,454	221,122	-	-	-	-	-	-	-	-
Water and sewer										
Total revenue	\$ 2,447,406	\$ 2,764,733	\$ 79,939	\$ 5,655	\$ 33,364	\$ 41,103	\$ 33,706	\$ 32,968	\$ -	\$ -
EXPENSES										
Personnel services	\$ 220,940	\$ 212,741	\$ 66,440	\$ 69,352	\$ 85,890	\$ 73,415	\$ 42,895	\$ 40,353	\$ -	\$ -
Contract services	102,463	82,221	61,735	48,917	1,053,277	1,161,326	116,933	101,691	-	-
Utilities	12,772	13,838	17,911	18,277	2,139	1,274	3,061	4,176	-	-
Maintenance materials and supplies	19,606	18,399	158,525	143,870	78,833	37,175	5,772	-	-	-
Grants and contributions	106,940	104,671	6,482	10,218	-	-	-	-	10,720	10,720
Amortization	1,904	1,904	64,939	60,429	59,208	58,610	19,423	340	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	3,185	5,245	-	-	-	-	(22,960)	-	-	-
Total expenses	\$ 467,808	\$ 439,019	\$ 376,032	\$ 351,063	\$ 1,279,348	\$ 1,331,800	\$ 165,123	\$ 146,560	\$ 10,720	\$ 10,720
Surplus (Deficit)	\$ 1,979,598	\$ 2,325,714	\$ (296,093)	\$ (345,408)	\$ (1,245,984)	\$ (1,290,698)	\$ (131,417)	\$ (113,593)	\$ (10,720)	\$ (10,720)

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,497,099	\$ 1,466,936
Grants in lieu of taxation	-	-	-	-	-	-	-	-	98,162	98,115
User fees	-	-	27,069	31,209	-	-	-	-	241,872	198,972
Permits, licences and fines	14,326	1,731	-	-	-	-	-	-	18,994	5,826
Investment income	64	114	-	-	-	-	-	-	39,764	61,696
Water and sewer	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	196,454	221,122
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	369,309	370,687
Prov of MB - Conditional Grants	8,824	6,537	-	-	-	561	-	-	135,845	160,961
Grants - other	-	-	215	215	-	-	-	-	47,415	300,510
Total revenue	\$ 23,214	\$ 8,382	\$ 27,284	\$ 31,424	\$ -	\$ 561	\$ -	\$ -	\$ 2,644,914	\$ 2,884,827
EXPENSES										
Personnel services	\$ -	\$ -	\$ 26,323	\$ 27,064	\$ -	\$ -	\$ -	\$ -	\$ 442,488	\$ 422,925
Contract services	29,896	30,438	85,545	87,372	-	-	-	-	1,449,848	1,511,965
Utilities	-	-	-	-	-	-	-	-	35,884	37,565
Maintenance materials and supplies	-	-	4,859	6,277	-	-	-	-	267,595	205,721
Grants and contributions	-	-	11,882	11,877	-	-	-	-	136,023	137,487
Amortization	-	-	880	1,058	1,501	1,501	-	-	147,855	123,842
Interest on long term debt	-	-	27	27	-	-	-	-	27	27
Other	-	-	-	-	-	-	-	-	(19,775)	5,245
Total expenses	\$ 29,896	\$ 30,438	\$ 129,515	\$ 133,675	\$ 1,501	\$ 1,501	\$ -	\$ -	\$ 2,459,945	\$ 2,444,777
Surplus (Deficit)	\$ (6,682)	\$ (22,056)	\$ (102,231)	\$ (102,251)	\$ (1,501)	\$ (940)	\$ -	\$ -	\$ 184,969	\$ 440,050

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

Year Ended December 31, 2021

	Core Government		Government Partnerships		Total	
	2021	2020	2021	2020	2021	2020
REVENUE						
Property taxes	\$ 1,497,099	\$ 1,466,936	\$ -	\$ -	\$ 1,497,099	\$ 1,466,936
Grants in lieu of taxation	97,789	97,839	373	276	98,162	98,115
User fees	215,176	168,039	26,696	30,933	241,872	198,972
Permits, licences and fines	4,668	4,095	14,326	1,731	18,994	5,826
Investment income	39,700	61,582	64	114	39,764	61,696
Water and sewer	-	-	-	-	-	-
Other revenue	196,454	221,122	-	-	196,454	221,122
Prov of MB - Unconditional Grants	369,309	370,687	-	-	369,309	370,687
Prov of MB - Conditional Grants	135,845	160,961	-	-	135,845	160,961
Grants - other	47,200	300,295	215	215	47,415	300,510
Total revenue	\$ 2,603,240	\$ 2,851,558	\$ 41,674	\$ 33,269	\$ 2,644,914	\$ 2,884,827
EXPENSES						
Personnel services	\$ 416,165	\$ 395,861	\$ 26,323	\$ 27,064	\$ 442,488	\$ 422,925
Contract services	1,431,648	1,515,475	18,200	(3,510)	1,449,848	1,511,965
Utilities	35,884	37,565	-	-	35,884	37,565
Maintenance materials and supplies	262,736	199,444	4,859	6,277	267,595	205,721
Grants and contributions	136,023	137,487	-	-	136,023	137,487
Amortization	146,975	122,784	880	1,058	147,855	123,842
Interest on long term debt	-	-	27	27	27	27
Other	(19,775)	5,245	-	-	(19,775)	5,245
Total expenses	\$ 2,409,656	\$ 2,413,860	\$ 50,289	\$ 30,916	\$ 2,459,945	\$ 2,444,777
Surplus (Deficit)	\$ 193,584	\$ 437,697	\$ (8,615)	\$ 2,353	\$ 184,969	\$ 440,050

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
Year Ended December 31, 2021

	2021					
	<u>General</u>	<u>Equipment Replacement</u>	<u>Fire Equipment</u>	<u>Snow Removal</u>	<u>Waste Management</u>	<u>Gas Tax</u>
REVENUE						
Investment income	\$ 5,469	\$ 3,999	\$ 2,212	\$ 1,219	\$ 5,398	\$ 6,972
Other income	-	-	-	-	-	-
Total revenue	<u>5,469</u>	<u>3,999</u>	<u>2,212</u>	<u>1,219</u>	<u>5,398</u>	<u>6,972</u>
TRANSFERS						
Debt repayments						
Transfers from general operating	-	27,000	40,500	-	13,500	197,262
Transfers to general operating	-	-	-	-	-	-
Transfers from surplus	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	(19,109)	-	(15,209)	(47,200)
CHANGE IN RESERVE FUND BALANCES	<u>5,469</u>	<u>30,999</u>	<u>23,603</u>	<u>1,219</u>	<u>3,689</u>	<u>157,034</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>494,706</u>	<u>359,491</u>	<u>224,342</u>	<u>121,347</u>	<u>488,398</u>	<u>488,711</u>
FUND SURPLUS, END OF YEAR	<u>\$ 500,175</u>	<u>\$ 390,490</u>	<u>\$ 247,945</u>	<u>\$ 122,566</u>	<u>\$ 492,087</u>	<u>\$ 645,745</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2021

	2021						2020
	Capital & Flood	Chic Canal Equipment	Elections	Land Sale	Emergency	Total	Total
REVENUE							
Investment income	\$ 3,414	\$ 4	\$ 47	\$ 122	\$ 110	\$ 28,966	\$ 42,330
Other income	-	-	-	-	-	-	-
Total revenue	3,414	4	47	122	110	28,966	42,330
TRANSFERS							
Debt repayments							
Transfers from general operating	-	-	2,000	160,000	100,000	540,262	179,439
Transfers to general operating	-	-	-	-	-	-	-
Transfers from surplus	-	-	-	120,602	-	120,602	-
Acquisition of tangible capital assets	(2,460)	-	-	(160,000)	-	(243,978)	(395,388)
CHANGE IN RESERVE FUND BALANCES	954	4	2,047	120,724	100,110	445,852	(173,619)
FUND SURPLUS, BEGINNING OF YEAR	309,231	460	4,993		-	2,491,679	2,665,298
FUND SURPLUS, END OF YEAR	\$ 310,185	\$ 464	\$ 7,040	\$ 120,724	\$ 100,110	\$ 2,937,531	\$ 2,491,679

Rural Municipality of Armstrong
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
 Year Ended December 31, 2021

SCHEDULE 7

	<u>2021</u>	<u>2020</u>
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	-	-
Portfolio investments	-	-
Due from other funds	-	-
	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ -
Deferred revenue	-	-
Long-term debt	-	-
Due to other funds	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ -</u>	<u>\$ -</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ -	\$ -
Inventories	-	-
Prepaid expenses	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
FUND SURPLUS (DEFICIT)	<u>\$ -</u>	<u>\$ -</u>

Rural Municipality of Armstrong
SCHEDULE OF UTILITY OPERATIONS
 Year Ended December 31, 2021

SCHEDULE 8

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

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

SCHEDULE 8

EXPENSES	<u>Budget</u>	<u>2010</u>	<u>2009</u>
General			
Administration	-	-	-
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>-</u>	<u>-</u>	<u>-</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Water purchases	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>-</u>	<u>-</u>	<u>-</u>
Sewage Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>
NET OPERATING SURPLUS	-	-	-
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	-	-
FUND SURPLUS, BEGINNING OF YEAR		<u>-</u>	<u>-</u>
FUND SURPLUS, END OF YEAR		<u>\$ -</u>	<u>\$ -</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2021

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 1,488,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,488,246
Grants in lieu of taxation	98,162	-	-	-	-	-	-	98,162
User fees	217,312	-	-	-	-	-	41,395	258,707
Permits, licences and fines	3,000	-	-	-	-	-	-	3,000
Investment income	30,000	-	-	-	-	-	64	30,064
Other revenue	51,000	-	-	-	-	-	-	51,000
Water and sewer	-	-	-	-	-	-	-	-
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	985,500	-	-	-	(985,500)	-	-	-
Transfers from General	-	-	-	-	-	-	-	-
Grants - Province of Manitoba	500,647	-	-	-	-	-	-	500,647
Grants - other	100,823	-	-	-	-	-	215	101,038
Total revenue	<u>\$ 3,474,690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (985,500)</u>	<u>\$ -</u>	<u>\$ 41,674</u>	<u>\$ 2,530,864</u>
EXPENSES								
General government services	\$ 466,600	\$ -	\$ 1,904	\$ -	\$ 197	\$ -	\$ -	\$ 468,701
Protective services	300,670	-	64,939	-	-	-	-	365,609
Transportation services	1,209,000	-	59,208	-	-	-	-	1,268,208
Environmental health services	176,200	-	19,423	-	-	-	-	195,623
Public health and welfare services	10,800	-	-	-	-	-	-	10,800
Regional planning and development	30,000	-	-	-	-	-	17,320	47,320
Resource cons and industrial dev	111,900	-	880	-	-	-	27,618	140,398
Recreation and cultural services	-	-	1,501	-	-	-	-	1,501
Water and sewer services	-	-	-	-	-	-	-	-
Fiscal services:								
Transfer to capital	725,500	-	(725,500)	-	-	-	-	-
Transfer to reserves	443,823	-	-	-	(443,823)	-	-	-
Transfer to accumulated surplus	-	-	-	-	-	-	-	-
Allowance for tax assets	197	-	-	-	(197)	-	-	-
Total expenses	<u>\$ 3,474,690</u>	<u>\$ -</u>	<u>\$ (577,645)</u>	<u>\$ -</u>	<u>\$ (443,823)</u>	<u>\$ -</u>	<u>\$ 44,938</u>	<u>\$ 2,498,160</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 577,645</u>	<u>\$ -</u>	<u>\$ (541,677)</u>	<u>\$ -</u>	<u>\$ (3,264)</u>	<u>\$ 32,704</u>

Rural Municipality of Armstrong
ANALYSIS OF TAXES ON ROLL
 Year Ended December 31, 2021

SCHEDULE 10

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 344,348	\$ 349,261
Add:		
Tax levy (Schedule 12)	2,501,975	2,494,721
Taxes added	28,853	12,179
Penalties or interest	36,913	36,525
Sub-total	<u>2,567,741</u>	<u>2,543,425</u>
Deduct:		
Cash collections	2,398,605	2,224,274
Write-offs	-	-
E.P.T.C. - cash advance	240,600	324,064
Sub-total	<u>2,639,205</u>	<u>2,548,338</u>
Balance, end of year	<u><u>\$ 272,884</u></u>	<u><u>\$ 344,348</u></u>

Rural Municipality of Armstrong
ANALYSIS OF TAX LEVY
Year Ended December 31, 2021

SCHEDULE 11

	2021			2020
	Assessment	Mill Rate	Levy	Levy
General municipal	82,227,090	16.909	1,390,378	1,377,635
Reserves:				
Equipment Replacement	82,227,090	0.308	25,326	25,338
Fire Equipment	82,227,090	0.462	37,989	37,967
Waste Management	82,227,090	0.154	12,663	12,710
Elections	82,227,090	0.023	1,891	1,874
Total municipal taxes (Schedule 2)			1,468,247	1,455,524
Education support levy	2,128,960	8.809	18,754	18,921
Special levy:				
Interlake - SD#21	9,548,720	12.615	120,457	124,109
Evergreen - SD#22	46,804,730	10.980	513,916	514,822
Lakeshore - SD#23	25,873,640	14.710	380,601	381,345
sub-total- Special levies			1,014,974	1,020,276
Total education taxes			1,033,728	1,039,197
			\$ 2,501,975	\$ 2,494,721

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
Year Ended December 31, 2021

	<u>2021 Actual</u>	<u>2020 Actual</u>
General government services:		
Legislative	\$ 73,812	\$ 76,491
General administrative	257,715	241,036
Other	135,941	121,492
	<u>467,468</u>	<u>439,019</u>
Protective services:		
Fire	294,248	196,268
Emergency measures	17,185	94,365
Other protection	64,939	60,429
	<u>376,373</u>	<u>351,063</u>
Transportation services:		
Road transport		
Road and street maintenance	1,202,342	1,254,572
Street lighting	14,876	14,463
Other	62,130	62,765
	<u>1,279,348</u>	<u>1,331,800</u>
Environmental health services:		
Waste collection and disposal	120,225	121,556
Other	44,898	25,004
	<u>165,123</u>	<u>146,560</u>
Public health and welfare services:		
Social assistance	10,720	10,720
	<u>10,720</u>	<u>10,720</u>
Regional planning and development		
Planning and zoning	-	-
Other	12,576	34,815
	<u>12,576</u>	<u>34,815</u>
Resource conservation and industrial development		
Rural area weed control	90,015	91,855
Veterinary services	6,000	6,000
Water resources and conservation	5,883	5,877
	<u>101,897</u>	<u>103,732</u>
Recreation and cultural services:		
Other cultural facilities	1,501	1,501
	<u>1,501</u>	<u>1,501</u>
Total expenses	<u><u>2,415,007</u></u>	<u><u>2,419,210</u></u>

Rural Municipality of Armstrong
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
December 31, 2021

SCHEDULE 13

	General	2021 Utility	Total	2020 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 60,462	\$ -	\$ 60,462	\$ 269,585
Adjustments for reporting under public sector accounting standards				
Capital :				
Increase expense - net book value of assets disposed of	(8,923)	-	(8,923)	(1,097)
Increase expense - amortization of tangible capital assets	(146,975)	-	(146,975)	(122,784)
Eliminate expense - acquisitions of tangible capital assets	254,850	-	254,850	334,664
Reserve:				
Increase revenue - reserve funds interest	28,967	-	28,967	42,329
Eliminate expense - transfers to reserves	660,864	-	660,864	179,439
Eliminate revenue - transfers from reserves to operating funds	(243,978)	-	(243,978)	(395,388)
Deferred Revenue:				
Decrease revenue - increase in deferred revenue - Gas Tax	(157,034)	-	(157,034)	125,599
Other:				
Decrease revenue - Reverse out appropriation from general surplus	(260,000)	-	(260,000)	-
	188,233	-	188,233	432,347
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(3,264)	-	(3,264)	7,703
	184,969	-	184,969	440,050
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 184,969	\$ -	\$ 184,969	\$ 440,050