

MUNICIPALITY OF NORTH CYPRESS - LANGFORD

**Consolidated Financial Statements
For the Year Ended December 31, 2020**

STATEMENT OF RESPONSIBILITY

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

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

The Council is composed of individuals who are neither management nor employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Municipality's external auditors.

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

Trish Fraser

Chief Administrative Officer

To the Reeve and Members of Council of the
MUNICIPALITY OF NORTH CYPRESS - LANGFORD

Report on the Audit of the Consolidated Financial Statements**Qualified Opinion**

We have audited the consolidated financial statements of the Municipality of North Cypress-Langford which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, change in net financial assets, cash flows and supporting schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality of North Cypress-Langford as at December 31, 2020, 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 Qualified Opinion

We were unable to satisfy ourselves concerning the opening or closing inventory quantity. Accordingly, we were unable to determine whether any adjustments might have been necessary in regard to inventories, expenses, accumulated surplus, changes in net financial assets, and cash flows.

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 Consolidated Financial Statements section of our report. We are independent of the Municipality of North Cypress-Langford 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 Municipality of North Cypress-Langford'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 Municipality of North Cypress-Langford to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality of North Cypress-Langford'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.

INDEPENDENT AUDITOR'S REPORT

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 Municipality of North Cypress-Langford'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 Municipality of North Cypress-Langford'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 Municipality of North Cypress-Langford to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality 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 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.

November 29th, 2021
Brandon, Manitoba

MNP LLP
Chartered Professional Accountants

MUNICIPALITY OF NORTH CYPRESS - LANGFORD

Consolidated Financial Statements

For the Year Ended December 31, 2020

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MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 6,120,342	\$ 5,414,513
Amounts receivable (Note 4)	1,370,616	907,268
Loans and advances	37,488	42,488
Real estate properties held for sale	9,071	9,071
Other inventories for sale (Note 5)	3,480	3,480
Other assets	590	-
	<u>\$ 7,541,587</u>	<u>\$ 6,376,820</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 2,021,945	\$ 498,340
Unearned revenue	10,862	10,359
Landfill closure and post closure liabilities (Note 7)	7,362	6,288
Long-term debt (Note 8)	29,137	57,717
	<u>2,069,306</u>	<u>572,704</u>
NET FINANCIAL ASSETS	<u>\$ 5,472,281</u>	<u>\$ 5,804,116</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 12,155,014	\$ 11,533,713
Inventories (Note 5)	142,845	370,807
Prepaid expenses	50,083	63,150
	<u>12,347,942</u>	<u>11,967,670</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 17,820,223</u>	<u>\$ 17,771,786</u>

COMMITMENTS AND CONTINGENCIES (NOTES 9 AND 12)

Approved on behalf of council:

Reeve

Councillor

The accompanying notes are an integral part of these consolidated financial statements

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2020

	<u>2020 Budget (Note 13)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
REVENUE			
Property taxes	\$ 2,997,560	\$ 3,075,587	\$ 3,137,183
Grants in lieu of taxation	619,390	602,858	608,562
User fees	417,437	486,742	483,171
Permits, licences and fines	24,163	24,163	32,003
Investment income	73,376	89,173	155,155
Other revenue	59,127	241,876	184,079
Water and sewer	105,800	118,945	117,425
Grants - Province of Manitoba	281,239	936,526	282,939
Grants - other	267,223	431,566	480,556
	<u>4,845,315</u>	<u>6,007,436</u>	<u>5,481,073</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	653,335	690,568	630,227
Protective services	203,293	719,844	172,336
Transportation services	2,323,055	2,708,972	2,127,942
Environmental health services	428,400	424,941	404,661
Public health and welfare services	147,648	135,967	173,268
Regional planning and development	70,946	70,946	72,648
Resource conservation and industrial development	120,338	94,886	138,171
Recreation and cultural services	958,945	970,695	1,381,637
Water and sewer services	136,128	142,180	152,822
	<u>5,042,088</u>	<u>5,958,999</u>	<u>5,253,712</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS (DEFICIT)	<u>\$ (196,773)</u>	48,437	227,361
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>17,771,786</u>	<u>17,544,425</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 17,820,223</u>	<u>\$ 17,771,786</u>

The accompanying notes are an integral part of these consolidated financial statements

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2020

	<u>2020 Budget (Note 13)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (196,773)	\$ 48,437	\$ 227,361
Acquisition of tangible capital assets	(1,405,276)	(1,980,434)	(558,812)
Amortization of tangible capital assets	578,430	578,430	596,509
Loss on sale of tangible capital assets	-	119,459	447,917
Proceeds on sale of tangible capital assets	-	661,244	62,696
Change in gov't partnership ownership	-	-	17
Decrease in inventories	-	227,962	45,251
Decrease (increase) in prepaid expense	-	13,067	(21,691)
	<u>(826,846)</u>	<u>(380,272)</u>	<u>571,887</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (1,023,619)</u>	(331,835)	799,248
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>5,804,116</u>	<u>5,004,868</u>
NET FINANCIAL ASSETS, END OF YEAR		<u><u>\$ 5,472,281</u></u>	<u><u>\$ 5,804,116</u></u>

The accompanying notes are an integral part of these consolidated financial statements

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 48,437	\$ 227,361
Changes in non-cash items:		
Amounts receivable	(463,348)	423,484
Inventories	227,962	45,251
Prepays	13,067	(21,691)
Other assets	(590)	-
Accounts payable and accrued liabilities	1,523,605	(614,772)
Unearned revenue	503	(1,594)
Landfill closure and post closure liabilities	1,074	677
Change in gov't partnership ownership	-	17
Loss on sale of tangible capital asset	119,459	447,917
Amortization	578,430	596,509
	<u>2,048,599</u>	<u>1,103,159</u>
Cash provided by operating transactions		
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	661,244	62,696
Cash used to acquire tangible capital assets	(1,980,434)	(558,812)
	<u>(1,319,190)</u>	<u>(496,116)</u>
Cash applied to capital transactions		
INVESTING TRANSACTIONS		
Loans and advances repaid	5,000	-
Loans and advances issued	-	(5,000)
	<u>5,000</u>	<u>(5,000)</u>
Cash provided by (applied to) investing transactions		
FINANCING TRANSACTIONS		
Debt repayment	(28,580)	(27,362)
	<u>(28,580)</u>	<u>(27,362)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	705,829	574,681
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,414,513</u>	<u>4,839,832</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 6,120,342</u>	<u>\$ 5,414,513</u>

The accompanying notes are an integral part of these consolidated financial statements

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

1. Status of the Municipality of North Cypress-Langford

The incorporated Municipality of North Cypress-Langford is a municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The "Municipality of North Cypress-Langford" reflects the amalgamation of the former "Rural Municipality of North-Cypress" and the "Rural Municipality of Langford". The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality also owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. Significant accounting policies

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

a) Reporting entity

The consolidated financial statements include the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. There are no controlled organizations.

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 for on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenue and expenses are combined on a line by line basis in the consolidated financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Carberry Community Memorial Hall (50%) (2019 – 50%)
Carberry Plains Archives (50%) (2019 – 50%)
Carberry Plains Arts Council (50%) (2019 – 50%)
Carberry Plains Community Centre Operating Fund (50%) (2019 - 50%)
Carberry North Cypress-Langford Recreation (50%) (2019 - 50%)
Carberry Plains Cemetery Inc. (50%) (2019 - 50%)
Carberry Plains Cultural Centre - Museum (50%) (2019 - 50%)
Carberry Plains Service for Seniors (50%) (2019 - 50%)
Carberry Handi-Van Service (50%) (2019 - 50%)
The Cypress Planning District (41.46%) (2019 - 41.46%)
Evergreen Environmental Technologies Ltd. (21.25%) (2019 - 21.25%)
Western Manitoba Regional Library (3.75%) (2019 - 3.75%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these consolidated financial statements.

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.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real estate properties held for sale

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

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

f) Landfill closure and post closure liabilities

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

g) Non-financial assets

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

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

h) Tangible capital assets

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

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer hardware and software	4 years

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

General Tangible Capital Assets (continued)

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

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

i) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership 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 sale are recorded at the lower of cost and net realizable value.

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

k) Revenue recognition

Revenues are recognized as they are earned and measurable.

Government transfers 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 revenue and expenses in circumstances where the actual accrued amounts 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.

Measurement uncertainty in these consolidated financial statements exists in the accrual of the landfill closure and post closure liabilities. The accrual of the landfill liabilities is based on estimated future cash flows discounted to the consolidated 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.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

m) Recent accounting pronouncements

Portfolio Investments (PS 3041)

In March 2012, as a result of the issuance of PS 3450 Financial Instruments, the Public Sector Accounting Board (PSAB) issued new PS 3041 Portfolio Investments, which revises and replaces PS 3030 Temporary Investments and PS 3040 Portfolio Investments. The main features of the new standard are:

- PS 3041 does not make a distinction between temporary and portfolio investments, and is cross referenced and conformed to the requirements of PS 3450.
- Investments previously within the scope of PS 3030, which are not cash equivalents, are now accounted for within the scope of PS 3041.

This Section is effective in the same period PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation and PS 3450 are adopted. PS 1201, PS 2601 and PS 3450 are to be adopted together and were to be effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted.

Financial Instruments (PS 3450)

In June 2011, the Public Sector Accounting Board (PSAB) issued new PS 3450 Financial Instruments. The new standard establishes requirements for recognition, measurement, derecognition, presentation and disclosure of financial assets and financial liabilities, including derivatives. The main features of the new standard are:

- Financial instruments are classified into two measurement categories: fair value, or cost or amortized cost.
 - Almost all derivatives, including embedded derivatives not closely related to the host contract, are measured at fair value.
 - Portfolio investments in equity instruments quoted in an active market are measured at fair value.
 - Other financial assets and financial liabilities are generally measured at cost or amortized cost.
 - An entity may elect to measure any group of financial assets or financial liabilities (or both) at fair value when the entity has a risk management or investment strategy to manage those items on a fair value basis.
- Remeasurement gains and losses on financial instruments measured at fair value are reported in the statement of remeasurement gains and losses until the financial instrument is derecognized.
- Budget to actual comparisons are not required within the statement of remeasurement gains and losses;
- Financial liabilities are derecognized when, and only when, they are extinguished.
- Financial assets and financial liabilities are only offset and reported on a net basis if a legally enforceable right to set off the recognized amounts exist, and the entity intends to settle on a net basis or realize/settle the amounts simultaneously.

In May 2012, the transitional provisions for this Section were amended, effective at the time the standard is initially applied, to clarify that the measurement provisions are applied prospectively. Adjustments to previous carrying amounts are recognized in opening accumulated remeasurement gains or losses. Additionally, a new transitional provision has been added that applies to government organizations transitioning from the standards in Part V of the CPA Canada Handbook – Accounting with items classified as available for sale. Accumulated other comprehensive income (OCI) from items classified as available for sale is recognized in accumulated remeasurement gains or losses on transition.

PS 3450 was to be effective for fiscal years beginning on or after April 1, 2019. In March 2018, the Public Sector Accounting Board (PSAB) approved an extension of the effective date to fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section and amendments are now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted. In the period that a public sector entity applies PS 3450, it also applies PS 1201 and PS 2601.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

2. Significant accounting policies (continued)

m) Recent accounting pronouncements (continued)

Asset Retirement Obligations (PS 3280)

In August 2018, new PS 3280 Asset Retirement Obligations was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new PS 3280 establishes standards on how to account for and report a liability for asset retirement obligations (ARO). As asset retirement obligations associated with landfills are included in the scope of new PS 3280, PS 3270 Solid Waste Landfill Closure and Post-Closure Liability will be withdrawn.

The main features of this standard are as follows:

- An ARO represents a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner.
- When an asset is no longer in productive use, the associated asset retirement costs are expensed.
- Measurement of the ARO liability should result in the best estimate of the amount required to retire a tangible capital asset at the financial statement date.
- Subsequent measurement of the ARO liability results in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.
- The best method to estimate the liability is often a present value technique.

This standard was to be effective for fiscal years beginning on or after April 1, 2021. On June 25, 2020, the PSAB made the decision to defer the effective date by one year due to the impact of the COVID-19 pandemic. The new Section is now effective for annual financial statements relating to fiscal years beginning on or after April 1, 2022. Early application continues to be permitted.

3. Cash and temporary investments

Cash and temporary investments are comprised of the following:

	<u>2020</u>	<u>2019</u>
Cash	\$ 4,023,472	\$ 3,281,785
Temporary investments	<u>2,096,870</u>	<u>2,132,728</u>
	<u>\$ 6,120,342</u>	<u>\$ 5,414,513</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated **\$3,073,799** (2019 - \$3,286,876) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances. Included in the reserve is cash of **\$3,113,713** (2019 - \$3,112,910).

4. Amounts receivable

Amounts receivable are valued at their net realizable value.

	<u>2020</u>	<u>2019</u>
Taxes on roll (Schedule 11)	\$ 324,678	\$ 333,333
Government grants	496,979	221,337
Utility customers	22,944	25,749
Accrued interest	36,554	37,592
Organizations and individuals	203,441	122,383
Other governments	<u>287,928</u>	<u>168,295</u>
	1,372,524	908,689
Less allowances for doubtful amounts	<u>(1,908)</u>	<u>(1,421)</u>
	<u>\$ 1,370,616</u>	<u>\$ 907,268</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

5. Inventories

Inventories for sale:

	<u>2020</u>	<u>2019</u>
History books	<u>\$ 3,480</u>	<u>\$ 3,480</u>

Inventories for use:

	<u>2020</u>	<u>2019</u>
Chemicals, herbicides, insecticides	\$ -	\$ -
Fuel	7,990	7,038
Culverts	-	-
Aggregate	126,323	354,284
Other supplies	8,532	9,485
	<u>\$ 142,845</u>	<u>\$ 370,807</u>

6. Accounts payable and accrued liabilities

	<u>2020</u>	<u>2019</u>
Accounts payable	\$ 518,409	\$ 623,962
Accrued expenses	88,637	82,863
Accrued interest payable	-	-
School levies	1,339,563	-
Other governments	75,336	(208,485)
	<u>\$ 2,021,945</u>	<u>\$ 498,340</u>

7. Landfill closure and post closure liabilities

a) Operating landfill site

Evergreen Environmental Technologies Ltd. is currently operating a Class 1 landfill site in the Rural Municipality of Minto-Odanah. 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>2020</u>	<u>2019</u>
Estimated closure and post closure costs over the next 75 years	<u>\$ 677,680</u>	<u>\$ 677,680</u>
Discount rate	<u>6.00%</u>	<u>6.00%</u>
Discounted costs	<u>\$ 36,809</u>	<u>\$ 33,288</u>
Expected year capacity will be reached	2094	2094
Capacity (tonnes):		
Used to date	24,862	23,481
Remaining	99,450	100,831
Total	<u>124,312</u>	<u>124,312</u>
Percent utilized	<u>20.00%</u>	<u>18.89%</u>
Liability based on percentage	<u>\$ 7,362</u>	<u>\$ 6,288</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

8. Long-term debt

	<u>2020</u>	<u>2019</u>
General authority:		
Bank of Montreal Inc., loan with annual payments of \$30,512, interest at a rate of 3.70%. Secured by a GSA, matures December 2021.	<u>\$ 29,137</u>	<u>\$ 57,717</u>
Principal payments required in the next year are as follows:		
2021	\$ 29,137	

9. Commitments

Evergreen Environmental Technologies Corporation entered into a five year lease agreement beginning January 1, 2017 where 195 acres of land is leased at \$18/acre equal to \$3,161 per year. The lease agreement expires January 1, 2022.

The Municipality is committed to purchase gravel under a purchase contract for a total of 80,000 yards of gravel for a four year term, ending in 2023. The commitment for 2021 is \$20,000.

The Municipality is committed to support the fundraising efforts of the Neepawa and District Medical Committee in their application to conduct a Fund Raising Lottery and agreed to fund any shortcomings in the line of credit as per contribution agreement.

The Municipality has committed to an annual contribution of \$60,000 to the North Cypress/ Carberry Recreation Reserve Fund held with the Carberry and Area Community Foundation. Encroachment of capital is permitted upon receipt of a letter of resolution signed by both Reeve and Mayor on behalf of joint Councils. The balance in this fund is \$1,231,135 as per the 2020 Financial Statements of the Carberry and Area Community Foundation.

10. Retirement benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during 2020 by the Municipality on behalf of its employees are expected to be \$146,500 (2019 - \$154,534) and are included in the statement of operations.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

10. Retirement benefits (continued)

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

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

11. Financial instruments

The Municipality, as part of its operations, carries a number of financial instruments. It is management's opinion that 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 values of these financial instruments approximate their carrying values.

12. Contingencies

Various claims have been made against the Municipality as at December 31, 2020. If proven, it is possible that these claims may have a material adverse effect on the financial position of the Municipality. The Municipality is disputing the claims and as the outcome is not determinable at this time, no amount has been accrued in the financial statements.

13. Budget

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

14. Accumulated surplus

	<u>2020</u>	<u>2019</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,806,247	\$ 1,952,987
Utility operating fund - Deficit	(51,066)	(41,652)
TCA net of related borrowings	11,586,540	11,067,614
Reserve funds	<u>3,073,799</u>	<u>3,286,876</u>
Accumulated surplus of Municipality unconsolidated	16,415,520	16,265,825
Accumulated surpluses of consolidated entities	<u>1,404,703</u>	<u>1,505,961</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 17,820,223</u>	<u>\$ 17,771,786</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

15. Public Sector Compensation Disclosure

It is a requirement of The Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of Council, and of individual compensation in an amount exceeding \$75,000 annually to any member of Council, officer or employee of the Municipality. For the year ended December 31, 2020:

- a) There were no members of Council receiving compensation in excess of \$75,000 individually.
- b) There were no officers and employees receiving compensation in excess of \$75,000.

It is a requirement of The Municipal Act that the annual consolidated 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, 2020:

- c) Compensation paid to members of Council amounted to \$82,861 in aggregate.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Bob Adriaansen	\$ 13,398	\$ 2,915	\$ 16,313
Deputy Reeve - Ray Drayson	13,137	3,772	16,909
Councillor - Harold Tolton	11,753	530	12,283
Councillor - Clyde McCallum	9,337	309	9,646
Councillor - Malcom Murray	11,723	1,048	12,771
Councillor - Dallis Olmstead	11,708	1,118	12,826
Councillor - David Blair	11,805	925	12,730
	<u>\$ 82,861</u>	<u>\$ 10,617</u>	<u>\$ 93,478</u>

16. Trust funds

The Municipality of North Cypress-Langford administers the following trust:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
<i>Search & Rescue Trust</i>	<u>\$ 20,178</u>	<u>\$ 155</u>	<u>\$ 20,333</u>

17. Segmented information

The Municipality of North Cypress-Langford 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
- Resource Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenue 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.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2020

18. 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>2020</u>	<u>2019</u>
Financial Position		
Financial assets	\$ 885,091	\$ 930,634
Financial liabilities	<u>24,464</u>	<u>(162,768)</u>
Net financial assets	\$ 860,627	\$ 1,093,402
Non-financial assets	<u>544,076</u>	<u>412,559</u>
Accumulated surplus	<u>\$ 1,404,703</u>	<u>\$ 1,505,961</u>
Result of Operations		
Revenue	\$ 443,304	\$ 635,145
Expenses	<u>544,562</u>	<u>552,224</u>
Annual surplus (deficit)	<u>\$ (101,258)</u>	<u>\$ 82,921</u>

19. Public Utilities Board

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

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

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

The following table provides historical information on capital grants for tangible or contributed capital assets with a remaining net book value.

Water services:

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Water Supply Pipeline	<u>\$ 462,500</u>	<u>\$ -</u>	<u>\$ 15,247</u>	<u>\$ 447,253</u>

20. COVID-19 impact on operations

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Municipality's operations were impacted by COVID-19 due to closure of facilities to the public for normal operations. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

21. Comparative figures

Certain comparative figures have been reclassified to conform with the current year presentation.

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2020

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	2020	2019
Cost										
Opening costs	2,787,947	2,421,862	5,576,167	42,473	364,962	15,275,579	1,516,396	-	27,985,386	28,111,295
Additions during the year	189,353	15,042	1,553,646	226	199,563	22,604	-	-	1,980,434	558,812
Transfers	35,274	394,257	6,691	-	(436,222)	-	-	-	-	-
Disposals and write downs	-	-	(1,420,792)	-	-	-	-	-	(1,420,792)	(684,721)
Closing costs	3,012,574	2,831,161	5,715,712	42,699	128,303	15,298,183	1,516,396	-	28,545,028	27,985,386
Accumulated Amortization										
Opening accum'd amortization	461,574	1,172,839	2,424,930	41,135	-	11,822,259	528,936	-	16,451,673	16,029,255
Amortization	51,533	53,494	396,210	582	-	46,283	30,328	-	578,430	596,509
Disposals and write downs	-	-	(640,089)	-	-	-	-	-	(640,089)	(174,091)
Closing accum'd amortization	513,107	1,226,333	2,181,051	41,717	-	11,868,542	559,264	-	16,390,014	16,451,673
Net Book Value of Tangible Capital Assets	2,499,467	1,604,828	3,534,661	982	128,303	3,429,641	957,132	-	12,155,014	11,533,713

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
Property taxes		
Municipal taxes levied (Schedule 12)	\$ 2,979,031	\$ 3,024,427
Taxes added	96,556	112,756
	<u>3,075,587</u>	<u>3,137,183</u>
Grants in lieu of taxation		
Federal government	548,476	559,394
Federal government enterprises	-	-
Provincial government	6,138	6,071
Provincial government enterprises	21,010	19,422
Other municipal governments	-	-
Non-government organizations	27,234	23,675
	<u>602,858</u>	<u>608,562</u>
User fees		
Parking meters	-	-
Sales of service	261,316	194,659
Sales of goods	7,763	9,753
Rentals	46,294	67,816
Development charges	-	-
Facility use fees	171,369	210,943
	<u>486,742</u>	<u>483,171</u>
Permits, licences and fines		
Permits	22,683	25,845
Licences	-	-
Fees	1,480	4,281
Fines	-	1,877
	<u>24,163</u>	<u>32,003</u>
Investment income		
Cash and temporary investments	89,173	155,155
Marketable securities	-	-
Municipal debentures	-	-
	<u>89,173</u>	<u>155,155</u>
Other revenue		
Gain on sale of tangible capital assets	-	11,723
Gain on sale of real estate held for sale	-	1,562
Contributed assets	77,881	-
Penalties and interest	33,264	30,356
Miscellaneous	130,731	140,438
	<u>241,876</u>	<u>184,079</u>
Water and sewer		
Municipal utility (Schedule 9)	118,945	117,425
Consolidated water co-operatives	-	-
	<u>118,945</u>	<u>117,425</u>
Grants - Province of Manitoba		
Municipal operating grants	222,384	222,384
Other unconditional grants	-	-
Conditional grants	714,142	60,555
	<u>936,526</u>	<u>282,939</u>
Grants - other		
Federal government - gas tax funding	147,727	294,449
Federal government - other	165,045	2,764
Other municipal governments	118,794	183,343
	<u>431,566</u>	<u>480,556</u>
Total revenue	<u>\$ 6,007,436</u>	<u>\$ 5,481,073</u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2020

	2020 Actual	2019 Actual
General government services		
Legislative	\$ 91,996	\$ 113,351
General administrative	459,637	395,786
Other	138,935	121,090
	<u>690,568</u>	<u>630,227</u>
Protective services		
Police	4,385	4,605
Fire	146,672	154,798
Emergency measures	12,270	11,913
Other	556,517	1,020
	<u>719,844</u>	<u>172,336</u>
Transportation services		
Road transport		
Administration and engineering	2,153	1,262
Road and street maintenance	2,282,929	1,960,041
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	6,998	5,913
Other	388,427	126,154
Air transport	-	-
Public transit	28,465	34,572
Other	-	-
	<u>2,708,972</u>	<u>2,127,942</u>
Environmental health services		
Waste collection and disposal	371,192	396,177
Recycling	514	1,038
Other	53,235	7,446
	<u>424,941</u>	<u>404,661</u>
Public health and welfare services		
Public health	127,971	165,309
Medical care	-	-
Social assistance	3,083	3,083
Other	4,913	4,876
	<u>135,967</u>	<u>173,268</u>
Regional planning and development		
Planning and zoning	70,946	72,648
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>70,946</u>	<u>72,648</u>
Resource conservation and industrial development		
Rural area weed control	2,702	35,865
Drainage of land	-	-
Veterinary services	3,270	3,270
Water resources and conservation	49,518	49,211
Regional development	30,576	31,060
Industrial development	-	-
Tourism	-	-
Other	8,820	18,765
	<u>94,886</u>	<u>138,171</u>
Sub-totals forward	<u>4,846,124</u>	<u>3,719,253</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 3

	2020	2019
	Actual	Actual
Sub-totals forward	4,846,124	3,719,253
Recreation and cultural services		
Administration	195,243	239,826
Community centers and halls	44,473	167,671
Swimming pools and beaches	-	-
Golf courses	3,000	3,000
Skating and curling rinks	381,191	603,723
Parks and playgrounds	144,214	147,861
Other recreational facilities	62,020	80,616
Museums	22,200	11,771
Libraries	85,833	89,292
Other cultural facilities	32,521	37,877
	970,695	1,381,637
Water and sewer services		
Municipal utility (Schedule 9)	142,180	152,822
Consolidated water co-operatives	-	-
	142,180	152,822
Total expenses	\$ 5,958,999	\$ 5,253,712

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2020

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE										
Property taxes	\$ 3,075,587	\$ 3,137,183	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	602,858	608,562	-	-	-	-	-	-	-	-
User fees	28,900	26,935	19,400	21,250	120,004	79,840	228,435	242,545	19,834	16,278
Grants - other	164,343	-	-	-	151,429	299,158	1,594	1,594	8,000	33,193
Permits, licences and fines	-	-	-	-	-	-	-	-	-	-
Investment income	25,336	92,997	2,025	3,847	26,260	20,666	4,123	3,462	1,751	4,327
Other revenue	71,135	98,317	31,350	-	1,646	6,370	2,163	5,393	3,950	4,818
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	222,384	222,384	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	627,685	-	7,404	5,413	-	-	17,195	-
Total revenue	\$ 4,190,543	\$ 4,186,378	\$ 680,460	\$ 25,097	\$ 306,743	\$ 411,447	\$ 236,315	\$ 252,994	\$ 50,730	\$ 58,616
EXPENSES										
Personnel services	\$ 308,278	\$ 248,115	\$ -	\$ -	\$ 542,308	\$ 490,406	\$ 67,013	\$ 83,401	\$ 49,020	\$ 55,216
Contract services	186,577	237,383	62,255	89,692	340,996	800,413	252,171	232,435	6,519	6,334
Utilities	6,798	12,400	-	5,727	29,630	23,034	6,577	8,213	5,736	1,082
Maintenance materials and supplies	29,824	8,250	607,466	30,362	1,291,665	429,200	33,746	29,615	7,543	34,524
Grants and contributions	14,957	41,941	-	-	4,202	4,941	19,496	-	22,053	25,470
Amortization	5,592	5,593	50,123	46,336	350,725	356,924	25,497	22,916	43,735	44,035
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	138,542	76,545	-	219	149,446	23,024	20,441	28,081	1,361	6,607
Total expenses	\$ 690,568	\$ 630,227	\$ 719,844	\$ 172,336	\$ 2,708,972	\$ 2,127,942	\$ 424,941	\$ 404,661	\$ 135,967	\$ 173,268
Surplus (Deficit)	\$ 3,499,975	\$ 3,556,151	\$ (39,384)	\$ (147,239)	\$ (2,402,229)	\$ (1,716,495)	\$ (188,626)	\$ (151,667)	\$ (85,237)	\$ (114,652)

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

SCHEDULE 4

**MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2020**

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2020	2019	2020	2019	2020	2019	2020	2019	
REVENUE									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,137,183
Grants in lieu of taxation	-	-	-	-	-	-	-	-	602,858
User fees	(1,741)	-	7,883	-	64,027	96,323	-	-	486,742
Grants - other	11,650	11,650	-	-	94,550	134,961	-	-	431,566
Permits, licences and fines	24,163	32,003	-	-	-	-	-	-	24,163
Investment income	1,160	-	-	276	25,647	25,318	2,871	4,262	89,173
Other revenue	-	-	-	-	131,632	69,181	-	-	241,876
Water and sewer	-	-	-	-	-	-	118,945	117,425	118,945
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	222,384
Prov of MB - Conditional Grants	-	-	-	-	61,858	55,142	-	-	714,142
Total revenue	\$ 35,232	\$ 43,653	\$ 7,883	\$ 276	\$ 377,714	\$ 380,925	\$ 121,816	\$ 121,687	\$ 6,007,436
EXPENSES									
Personnel services	\$ 50,327	\$ 48,886	\$ 127	\$ 35,297	\$ 242,732	\$ 231,674	\$ 5,000	\$ 9,872	\$ 1,264,805
Contract services	4,930	24,230	2,701	25,634	37,028	37,804	93,041	4,702	986,218
Utilities	1,309	1,457	-	355	48,979	45,459	2,993	2,635	102,022
Maintenance materials and supplies	795	2,152	-	5,305	68,506	156,136	10,818	105,432	2,050,363
Grants and contributions	11,649	(8,251)	83,238	52,481	504,057	390,499	-	-	659,652
Amortization	-	-	6,791	15,517	65,639	75,007	30,328	30,181	578,430
Interest on long term debt	-	-	2,029	3,248	-	-	-	-	2,029
Other	1,936	4,174	-	334	3,754	445,058	-	-	315,480
Total expenses	\$ 70,946	\$ 72,648	\$ 94,886	\$ 138,171	\$ 970,695	\$ 1,381,637	\$ 142,180	\$ 152,822	\$ 5,958,999
Surplus (Deficit)	\$ (35,714)	\$ (28,995)	\$ (87,003)	\$ (137,895)	\$ (592,981)	\$ (1,000,712)	\$ (20,364)	\$ (31,135)	\$ 48,437
									\$ 227,361

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the Year Ended December 31, 2020

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE								
Property taxes	\$ 3,075,587	\$ 3,137,183	\$ -	\$ -	\$ -	\$ -	\$ 3,075,587	\$ 3,137,183
Grants in lieu of taxation	602,858	608,562	-	-	-	-	602,858	608,562
User fees	236,456	180,700	-	-	250,286	302,471	486,742	483,171
Grants - other	312,070	298,274	-	-	119,496	182,282	431,566	480,556
Permits, licences and fines	-	-	-	-	24,163	32,003	24,163	32,003
Investment income	80,797	146,686	-	-	8,376	8,469	89,173	155,155
Other revenue	259,749	107,409	-	-	(17,873)	76,670	241,876	184,079
Water and sewer	118,945	117,425	-	-	-	-	118,945	117,425
Prov of MB - Unconditional Grants	222,384	222,384	-	-	-	-	222,384	222,384
Prov of MB - Conditional Grants	655,286	27,305	-	-	58,856	33,250	714,142	60,555
Total revenue	\$ 5,564,132	\$ 4,845,928	\$ -	\$ -	\$ 443,304	\$ 635,145	\$ 6,007,436	\$ 5,481,073
EXPENSES								
Personnel services	\$ 991,250	\$ 936,254	\$ -	\$ -	\$ 273,555	\$ 266,613	\$ 1,264,805	\$ 1,202,867
Contract services	890,171	1,394,336	-	-	96,047	64,291	986,218	1,458,627
Utilities	45,330	46,124	-	-	56,692	54,238	102,022	100,362
Maintenance materials and supplies	1,938,440	597,497	-	-	111,923	203,479	2,050,363	800,976
Grants and contributions	714,793	611,488	-	-	(55,141)	(104,407)	659,652	507,081
Amortization	544,263	565,726	-	-	34,167	30,783	578,430	596,509
Interest on long term debt	2,029	3,248	-	-	-	-	2,029	3,248
Other	288,161	546,815	-	-	27,319	37,227	315,480	584,042
Total expenses	\$ 5,414,437	\$ 4,701,488	\$ -	\$ -	\$ 544,562	\$ 552,224	\$ 5,958,999	\$ 5,253,712
Surplus (Deficit)	\$ 149,695	\$ 144,440	\$ -	\$ -	\$ (101,258)	\$ 82,921	\$ 48,437	\$ 227,361

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2020

SCHEDULE 6

	2020							
	General Reserve	Equipment Replacement Reserve	Municipal Building Reserve	Gas Tax Reserve	Fire Safety Reserve	Shelterbelt Reserve	Health Care Reserve	Sub-total
REVENUE								
Investment income	\$ 7,963	\$ 12,923	\$ 528	\$ 7,293	\$ 2,025	\$ 352	\$ 1,000	\$ 32,084
Other income	-	-	-	-	-	-	-	-
Total revenue	7,963	12,923	528	7,293	2,025	352	1,000	32,084
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	7,963	12,923	528	7,293	2,025	352	1,000	32,084
TRANSFERS								
Transfers from general operating fund	-	450,000	50,000	147,727	22,500	5,000	-	675,227
Transfers to general operating fund	-	-	-	-	-	-	(4,913)	(4,913)
Transfer from nominal surplus	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(844,068)	(94,779)	(9,404)	(13,762)	-	-	(962,013)
CHANGE IN RESERVE FUND BALANCES	7,963	(381,145)	(44,251)	145,616	10,763	5,352	(3,913)	(259,615)
FUND SURPLUS, BEGINNING OF YEAR	366,136	602,213	86,791	529,500	100,510	15,859	49,706	1,750,715
FUND SURPLUS, END OF YEAR	\$ 374,099	\$ 221,068	\$ 42,540	\$ 675,116	\$ 111,273	\$ 21,211	\$ 45,793	\$ 1,491,100

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2020

SCHEDULE 6

	2020							
	Recreation Reserve	Wellness Reserve	Montrose School Cairn Reserve	Road Building Reserve	Equipment Repair Reserve	Emergency Services Reserve	Environmental Reserve	Sub-total
REVENUE								
Investment income	\$ 18,350	\$ 3,819	\$ 19	\$ 5,147	\$ 215	\$ -	\$ 1,174	\$ 60,808
Other income	-	-	-	-	-	-	-	-
Total revenue	18,350	3,819	19	5,147	215	-	1,174	60,808
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	18,350	3,819	19	5,147	215	-	1,174	60,808
TRANSFERS								
Transfers from general operating fund	70,826	10,000	-	-	-	-	-	756,053
Transfers to general operating fund	(1,000)	-	-	(81,663)	-	-	-	(87,576)
Transfer from nominal surplus	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	(962,013)
CHANGE IN RESERVE FUND BALANCES	88,176	13,819	19	(76,516)	215	-	1,174	(232,728)
FUND SURPLUS, BEGINNING OF YEAR	824,486	175,252	879	328,379	9,907	-	53,755	3,143,373
FUND SURPLUS, END OF YEAR	\$ 912,662	\$ 189,071	\$ 898	\$ 251,863	\$ 10,122	\$ -	\$ 54,929	\$ 2,910,645

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2020

SCHEDULE 6

	2020			2019	
	PCH/ Lake Irwin	Water	Capital Water	Total	Total
REVENUE					
Investment income	\$ 273	\$ 2,851	\$ 20	\$ 63,952	\$ 67,630
Other income	-	-	-	-	-
Total revenue	273	2,851	20	63,952	67,630
EXPENSES					
Investment charges	-	-	-	-	-
Other expenses	-	-	-	-	-
Total expenses	-	-	-	-	-
NET REVENUES	273	2,851	20	63,952	67,630
TRANSFERS					
Transfers from general operating fund	-	-	-	756,053	973,942
Transfers to general operating fund	-	-	-	(87,576)	(18,752)
Transfer from nominal surplus	-	-	-	-	-
Transfers from utility operating fund	-	16,507	-	16,507	-
Transfers to utility operating fund	-	-	-	-	(33,828)
Acquisition of tangible capital assets	-	-	-	(962,013)	(406,065)
CHANGE IN RESERVE FUND BALANCES	273	19,358	20	(213,077)	582,927
FUND SURPLUS, BEGINNING OF YEAR	12,513	130,068	922	3,286,876	2,703,949
FUND SURPLUS, END OF YEAR	\$ 12,786	\$ 149,426	\$ 942	\$ 3,073,799	\$ 3,286,876

SCHEDULE OF L.U.D. OPERATIONS
For the Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other revenue	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
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	<u>-</u>	<u>-</u>	<u>-</u>
Net revenue (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other (specify):	-	-	-
Change in L.U.D. balances	<u><u>\$ -</u></u>	-	-
Unexpended balance, beginning of year		<u>-</u>	<u>-</u>
Unexpended balance, end of year		<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
SCHEDULE OF FINANCIAL POSITION FOR UTILITY
As at December 31, 2020

SCHEDULE 8

	<u>2020</u>	<u>2019</u>
	Total	Total
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	22,944	25,749
Due from other funds	-	5,118
	<u>\$ 22,944</u>	<u>\$ 30,867</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ -
Unearned revenue	-	-
Long-term debt (Note 8)	-	-
Due to other funds	74,010	72,519
	<u>74,010</u>	<u>72,519</u>
NET DEBT	<u>\$ (51,066)</u>	<u>\$ (41,652)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 957,132	\$ 987,460
Inventories	-	-
Prepaid expenses	-	-
	<u>957,132</u>	<u>987,460</u>
FUND SURPLUS	<u>\$ 906,066</u>	<u>\$ 945,808</u>
COMMITMENTS AND CONTINGENCIES (Notes 9 and 12)		

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2020

REVENUE	Budget	2020	2019
Water			
Water fees	\$ 90,000	\$ 100,577	\$ 83,103
Bulk water fees	15,000	-	-
sub-total - water	<u>105,000</u>	<u>100,577</u>	<u>83,103</u>
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total - sewer	<u>-</u>	<u>-</u>	<u>-</u>
Property taxes			
	<u>-</u>	<u>-</u>	<u>-</u>
Recovery			
Deficit recovery	-	-	-
Debenture recovery	-	-	-
sub-total - recovery	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total - government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	16,400	32,800
Installation service	-	-	-
Penalties	800	1,968	1,522
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income (specify)	-	-	-
sub-total - other	<u>800</u>	<u>18,368</u>	<u>34,322</u>
Total revenue	<u>105,800</u>	<u>118,945</u>	<u>117,425</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
SCHEDULE OF UTILITY OPERATIONS (cont'd)
For the Year Ended December 31, 2020

SCHEDULE 9

	<u>Budget</u>	<u>2020</u>	<u>2019</u>
EXPENSES			
General			
Administration	5,000	5,000	11,331
Training costs	-	-	-
Billing and collection	100	200	81
Utilities (telephone, electricity, etc.)	-	2,993	2,635
Other	-	-	-
sub-total - general	<u>5,100</u>	<u>8,193</u>	<u>14,047</u>
Water general			
Purification and treatment	3,500	3,367	5,649
Water purchases	76,000	81,665	75,558
Transmission and distribution	21,200	4,845	27,387
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	13,782	-
Other water costs	-	-	-
sub-total - water general	<u>100,700</u>	<u>103,659</u>	<u>108,594</u>
Water amortization & interest			
Amortization	30,328	30,328	30,181
Interest on long term debt	-	-	-
sub-total - water amortization & interest	<u>30,328</u>	<u>30,328</u>	<u>30,181</u>
Sewer general			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total - sewer general	<u>-</u>	<u>-</u>	<u>-</u>
Sewage amortization & interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total - sewer amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>136,128</u>	<u>142,180</u>	<u>152,822</u>
NET OPERATING SURPLUS (DEFICIT)	(30,328)	(23,235)	(35,397)
TRANSFERS			
Transfers from (to) operating fund	16,507	-	-
Transfers from (to) reserve funds	<u>(16,507)</u>	<u>(16,507)</u>	<u>33,828</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ (30,328)</u>	(39,742)	(1,569)
FUND SURPLUS, BEGINNING OF YEAR		<u>945,808</u>	<u>947,377</u>
FUND SURPLUS, END OF YEAR		<u>\$ 906,066</u>	<u>\$ 945,808</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
 For the Year Ended December 31, 2020

SCHEDULE 10

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 2,997,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,997,560
Grants in lieu of taxation	619,390	-	-	-	-	-	-	619,390
User fees	167,151	-	-	-	-	-	250,286	417,437
Permits, licences and fines	-	-	-	-	-	-	24,163	24,163
Investment income	65,000	-	-	-	-	-	8,376	73,376
Other revenue	77,000	-	-	-	-	-	(17,873)	59,127
Water and sewer	-	105,800	-	-	-	-	-	105,800
Grants - Province of Manitoba	222,383	-	-	-	-	-	58,856	281,239
Grants - other	147,727	-	-	-	-	-	119,496	267,223
Transfers from accumulated surplus	190,000	16,507	-	-	(206,507)	-	-	-
Transfers from reserves/general	134,962	-	-	-	(134,962)	-	-	-
Total revenue	\$ 4,621,173	\$ 122,307	\$ -	\$ -	\$ (341,469)	\$ -	\$ 443,304	\$ 4,845,315
EXPENSES								
General government services	\$ 597,358	\$ -	\$ 5,592	\$ -	\$ 50,385	\$ -	\$ -	\$ 653,335
Protective services	153,170	-	50,123	-	-	-	-	203,293
Transportation services	1,961,543	-	340,951	-	-	-	20,561	2,323,055
Environmental health services	257,500	-	1,709	-	-	-	169,191	428,400
Public health and welfare services	51,150	-	43,735	-	-	-	52,763	147,648
Regional planning and development	19,900	-	-	-	-	-	51,046	70,946
Resource cons and industrial dev	111,518	-	6,791	2,029	-	-	-	120,338
Recreation and cultural services	642,910	-	65,034	-	-	-	251,001	958,945
Water and sewer services	-	105,800	30,328	-	-	-	-	136,128
Fiscal services:								
Transfer to capital	5,000	-	-	-	(5,000)	-	-	-
Debt charges	30,512	-	-	(30,512)	-	-	-	-
Short-term interest	50,000	-	-	-	(50,000)	-	-	-
Transfer to reserves/utility	740,227	16,507	-	-	(756,734)	-	-	-
Allowance for tax assets	385	-	-	-	(385)	-	-	-
Total expenses	\$ 4,621,173	\$ 122,307	\$ 544,263	\$ (28,483)	\$ (761,734)	\$ -	\$ 544,562	\$ 5,042,088
Surplus (Deficit)	\$ -	\$ -	\$ (544,263)	\$ 28,483	\$ 420,265	\$ -	\$ (101,258)	\$ (196,773)

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 ANALYSIS OF TAXES ON ROLL
 December 31, 2020

SCHEDULE 11

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 333,333	\$ 264,030
Add:		
Tax levy (Schedule 12)	8,663,409	8,582,145
Taxes added	96,556	112,756
Penalties or interest	33,264	30,356
Other accounts added	39,941	98,685
Sub-total	<u>8,833,170</u>	<u>8,823,942</u>
Deduct:		
Cash collections - current	7,968,568	7,965,029
Cash collections - arrears	307,877	245,756
Writeoffs	50,356	22,405
Tax discounts	50,844	55,486
E.P.T.C. - cash advance	464,180	465,963
Sub-total	<u>8,841,825</u>	<u>8,754,639</u>
Balance, end of year	<u><u>\$ 324,678</u></u>	<u><u>\$ 333,333</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2020

	2020			2019
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Brookdale Sewer	999,340	0.000	28,164	28,165
General municipal	431,915,870	3.834	<u>1,655,965</u>	<u>1,028,245</u>
Special levies:				
North Cypress Area	321,851,200	2.218	713,866	899,323
Langford Area	110,064,670	3.969	436,847	634,113
Whitemud Conservation Watershed #37	209,575,850	0.157	32,822	-
Watershed #38			-	1,115
Watershed #39			-	21,974
Watershed #40			-	7,036
Waste Disposal			-	18,300
Brookdale Oberon Rec District			-	90,300
Carberry Rec District			-	46,464
Edrans Rec District			-	136,852
Langford Rec District			-	4,135
Wellwood Rec District			-	75,440
Garbage Levy	122,032,420		96,300	25,057
B/L 1-2020 Dust Control	5,994,800		13,513	-
sub-total - Special levies			<u>1,293,348</u>	<u>1,968,017</u>
Business tax	-	0.000	<u>1,554</u>	-
Total municipal taxes (Schedule 2)			<u>2,979,031</u>	<u>3,024,427</u>
Education support levy	91,776,990	8.828	<u>810,207</u>	<u>833,354</u>
Special levies:				
Pine Creek SD	8,027,020	12.840	103,067	99,015
Beautiful Plains SD	423,373,840	11.256	4,765,496	4,619,945
Brandon SD	381,300	14.708	5,608	5,404
sub-total - Special levies			<u>4,874,171</u>	<u>4,724,364</u>
Total education taxes			<u>5,684,378</u>	<u>5,557,718</u>
Total tax levy (Schedule 11)			<u>\$ 8,663,409</u>	<u>\$ 8,582,145</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2020

SCHEDULE 13

	2020 Actual	2019 Actual
General government services		
Legislative	\$ 91,996	\$ 113,351
General administrative	459,637	395,786
Other	138,935	121,090
	<u>690,568</u>	<u>630,227</u>
Protective services		
Police	4,385	4,605
Fire	146,672	154,798
Emergency measures	12,270	11,913
Other	556,517	1,020
	<u>719,844</u>	<u>172,336</u>
Transportation services		
Road transport		
Administration and engineering	2,153	1,262
Road and street maintenance	2,282,929	1,960,041
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	6,998	5,913
Other	388,427	126,154
Air transport	-	-
Public transit	7,904	9,650
Other	-	-
	<u>2,688,411</u>	<u>2,103,020</u>
Environmental health services		
Waste collection and disposal	202,001	235,446
Recycling	514	1,038
Other	53,235	7,446
	<u>255,750</u>	<u>243,930</u>
Public health and welfare services		
Public health	75,208	94,149
Medical care	-	-
Social assistance	3,083	3,083
Other	4,913	4,876
	<u>83,204</u>	<u>102,108</u>
Regional planning and development		
Planning and zoning	19,900	19,930
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>19,900</u>	<u>19,930</u>
Resource conservation and industrial development		
Rural area weed control	2,702	35,865
Drainage of land	-	-
Veterinary services	3,270	3,270
Water resources and conservation	49,518	49,211
Regional development	30,576	31,060
Industrial development	-	-
Tourism	-	-
Other	8,820	18,765
	<u>94,886</u>	<u>138,171</u>
Sub-totals forward	<u>4,552,563</u>	<u>3,409,722</u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the Year Ended December 31, 2020

SCHEDULE 13

	<u>2020 Actual</u>	<u>2019 Actual</u>
Sub-totals forward	<u>4,552,563</u>	<u>3,409,722</u>
Recreation and cultural services		
Administration	169,834	221,639
Community centers and halls	37,776	24,587
Swimming pools and beaches	-	-
Golf courses	3,000	3,000
Skating and curling rinks	243,401	603,723
Parks and playgrounds	144,214	147,861
Other recreational facilities	62,020	80,616
Museums	8,619	5,623
Libraries	34,380	35,445
Other cultural facilities	16,450	16,450
	<u>719,694</u>	<u>1,138,944</u>
Total expenses	<u><u>\$ 5,272,257</u></u>	<u><u>\$ 4,548,666</u></u>

MUNICIPALITY OF NORTH CYPRESS - LANGFORD
 RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
 December 31, 2020

SCHEDULE 14

	2020		2019	
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT	\$ 43,258	\$ 7,093	\$ 50,351	\$ 240,838
Adjustments for reporting under public sector accounting standards				
Eliminate interfund transfers	-	-	-	-
Eliminate expense - transfers to reserves	756,053	16,507	772,560	973,942
Eliminate revenue - transfers from reserves	(1,049,589)	-	(1,049,589)	(458,645)
Increase revenue - reserve funds interest (and other income)	63,952	-	63,952	67,630
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(101,258)	-	(101,258)	82,921
Eliminate revenue - transfer from nominal surplus(es)	(190,000)	(16,507)	(206,507)	(120,342)
Increase (decrease) expense - gain (loss) on sale of tangible capital assets	(118,694)	-	(118,694)	(459,640)
Eliminate revenue - proceeds on sale of tangible capital assets	(648,000)	-	(648,000)	(25,232)
Decrease expense - debenture debt proceeds	-	-	-	-
Increase expense - amortization of tangible capital assets	(513,935)	(30,328)	(544,263)	(565,726)
Decrease expense - principal portion of debenture debt	28,580	-	28,580	27,362
Increase (decrease) revenue - gain (loss) on disposal of tangible capital assets	-	-	-	9,093
Eliminate expense - acquisitions of tangible capital assets	1,801,305	-	1,801,305	455,160
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 71,672	\$ (23,235)	\$ 48,437	\$ 227,361

