

MUNICIPALITY OF HARRISON PARK
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

MUNICIPALITY OF HARRISON PARK
TABLE OF CONTENTS
For the year ended December 31, 2021

	Page
STATEMENT OF RESPONSIBILITY	3
INDEPENDENT AUDITOR'S REPORT, dated March 15, 2023	4 - 5
FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	6
Consolidated Statement of Operations	7
Consolidated Statement of Changes in Net Financial Assets	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10 - 21
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	22
Schedule 2 - Consolidated Schedule of Revenues	23 - 24
Schedule 3 - Consolidated Schedule of Expenses	25 - 26
Schedule 4 - Consolidated Statement of Operations by Program	27 - 28
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	29
Schedule 6 - Schedule of Changes in Reserve Fund Balances	30 - 33
Schedule 7 - Schedule of L.U.D. Operations	34 - 35
Schedule 8 - Schedule of Financial Position for Utility	36
Schedule 9 - Schedule of Utility Operations	37 - 41
Schedule 10 - Reconciliation of the Financial Plan to the Budget	42
Schedule 11 - Analysis of Taxes on Roll	43
Schedule 12 - Analysis of Tax Levy	44
Schedule 13 - Schedule of General Operating Fund Expenses	45 - 46
Schedule 14 - Reconciliation of Annual Surplus	47

STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Municipality of Harrison Park:

The Municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the consolidated financial statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

Council is composed of elected officials who are not employees of the Municipality. Council is responsible for overseeing management in the performance of its financial reporting responsibilities. Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. Council is also responsible for recommending the appointment of the Municipality's external auditors.

Sensus Chartered Professional Accountants Ltd., an independent firm of Chartered Professional Accountants, is appointed by Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and administration to discuss their audit findings.

Ian Drul
Reeve

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:
Municipality of Harrison Park
Onanole, Manitoba

Opinion

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

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of Harrison Park as at December 31, 2021, and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Municipality of Harrison Park 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 Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal 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 Harrison Park'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 Harrison Park or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality of Harrison Park's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 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 Harrison Park'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 Harrison Park'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 Harrison Park 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 group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Brandon, Manitoba
March 15, 2023


Chartered Professional Accountants Ltd.

MUNICIPALITY OF HARRISON PARK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash (Note 3)	\$ 9,963,816	\$ 8,890,772
Amounts receivable (Note 4)	989,590	896,124
	<u>10,953,406</u>	<u>9,786,896</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	427,530	636,719
Severance and sick leave payable	39,603	48,535
Deferred revenue (Note 2)	51,606	51,535
Landfill closure and post closure liabilities (Note 7)	10,574	9,713
Long-term debt (Note 8)	1,102,645	1,194,759
	<u>1,631,958</u>	<u>1,941,261</u>
NET FINANCIAL ASSETS	<u>9,321,448</u>	<u>7,845,635</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	12,394,605	12,743,844
Inventories (Note 5)	34,658	25,221
Prepaid expenses	24,848	25,541
Real estate properties held for sale (Note 2)	26,869	26,869
	<u>12,480,980</u>	<u>12,821,475</u>
ACCUMULATED SURPLUS (Note 16)	<u>\$ 21,802,428</u>	<u>\$ 20,667,110</u>
COMMITMENTS (Note 11)		

MUNICIPALITY OF HARRISON PARK
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2021

	2021 Budget (Note 14)	2021 Actual	2020 Actual
REVENUE			
Property taxes	\$ 3,597,663	\$ 3,619,174	\$ 3,628,236
Grants in lieu of taxation	36,410	36,411	39,122
User fees	325,309	337,545	376,588
Permits, licences and fines	1,050	1,400	2,200
Investment income	60,000	125,915	122,822
Other revenue	40,000	92,712	56,007
Water and sewer	545,350	704,113	775,527
Grants - Province of Manitoba	479,150	610,634	544,978
Grants - Other	102,764	204,543	193,893
Total revenue (Schedules 2, 4 and 5)	5,187,696	5,732,447	5,739,373
EXPENSES			
General government services	866,959	821,254	798,520
Protective services	328,773	369,807	330,057
Transportation services	2,197,968	1,957,242	2,028,308
Environmental health services	359,306	349,609	320,038
Public health and welfare services	22,143	13,666	19,297
Regional planning and development	177,281	108,352	108,185
Resource conservation and industrial development	49,336	54,046	40,268
Recreation and cultural services	188,371	191,579	189,263
Water and sewer services	734,849	731,574	714,081
Total expenses (Schedules 3, 4 and 5)	4,924,986	4,597,129	4,548,017
ANNUAL SURPLUS	\$ 262,710	1,135,318	1,191,356
ACCUMULATED SURPLUS, BEGINNING OF YEAR		20,667,110	19,475,754
ACCUMULATED SURPLUS, END OF YEAR		\$ 21,802,428	\$ 20,667,110

MUNICIPALITY OF HARRISON PARK
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the year ended December 31, 2021

	2021 Budget (Note 14)	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ 262,710	\$ 1,135,318	\$ 1,191,356
Acquisition of tangible capital assets	(8,824,289)	(345,446)	(691,313)
Amortization of tangible capital assets	600,199	600,199	586,471
Write down of tangible capital assets		29,983	
Gain on sale of tangible capital assets		(13,627)	(9,202)
Proceeds on sale of tangible capital assets		78,130	251,401
Decrease (increase) in inventories		(9,437)	23,844
Decrease in prepaid expenses		693	2,957
	(8,224,090)	340,495	164,158
CHANGE IN NET FINANCIAL ASSETS	\$ (7,961,380)	1,475,813	1,355,514
NET FINANCIAL ASSETS, BEGINNING OF YEAR		7,845,635	6,490,121
NET FINANCIAL ASSETS, END OF YEAR		\$ 9,321,448	\$ 7,845,635

MUNICIPALITY OF HARRISON PARK
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	2021	2020
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,135,318	\$ 1,191,356
Changes in non-cash items:		
Amounts receivable	(93,466)	58,520
Inventories	(9,437)	23,844
Prepays	693	2,957
Accounts payable and accrued liabilities	(209,189)	266,353
Deferred revenue	71	18,882
Severance and sick leave payable	(8,932)	8,391
Landfill closure and post closure liabilities	861	797
Gain on sale of properties held for resale		3,907
Gain on sale of tangible capital assets	(13,627)	(9,202)
Write down of tangible capital assets	29,983	
Amortization	600,199	586,471
	<u>1,432,474</u>	<u>2,152,276</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	78,130	251,401
Cash used to acquire tangible capital assets	(345,446)	(691,313)
	<u>(267,316)</u>	<u>(439,912)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties		3,124
Acquisition of real estate properties		(11,347)
		<u>(8,223)</u>
FINANCING TRANSACTIONS		
Debt repayment	(92,114)	(88,500)
	<u>(92,114)</u>	<u>(88,500)</u>
INCREASE IN CASH	<u>1,073,044</u>	<u>1,615,641</u>
CASH, BEGINNING OF YEAR	<u>8,890,772</u>	<u>7,275,131</u>
CASH, END OF YEAR	<u>\$ 9,963,816</u>	<u>\$ 8,890,772</u>

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

1. STATUS OF THE MUNICIPALITY OF HARRISON PARK

The incorporated Municipality of Harrison Park ("the Municipality") is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Municipality of Harrison Park reflects the amalgamation of the former Rural Municipality of Harrison and Rural Municipality of Park. 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 owns three utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. SUMMARY OF 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:

Reporting Entity

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

The Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment 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:

South Mountain Waste Management Group - 33.33% (2020 - 33.33%)

The taxation with respect to the operations of the school divisions are not reflected in the Municipality 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 17.

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.

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Temporary Investments

Cash and temporary investments include cash and temporary investments which comprise term deposits and guaranteed investment certificates.

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.

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.

Non-Financial Assets

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

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

Leases

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

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.

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

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

General Tangible Capital Assets

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

Infrastructure Assets

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

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

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, stipulation 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 stipulation an equivalent amount of revenue is recognized as the liability is settled.

Deferred Revenue

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

Measurement Uncertainty

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

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

3. CASH

Cash is comprised of the following:

	2021	2020
Cash	\$ 9,963,816	\$ 8,890,772

The Municipality has designated \$4,947,319 (2020 - \$3,953,036) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Taxes on roll (Schedule 11)	\$ 432,980	\$ 496,333
Utility customers (Schedule 8)	226,731	106,618
Organizations and individuals	181,672	98,542
Other governments	148,207	194,631
	<u>\$ 989,590</u>	<u>\$ 896,124</u>

5. INVENTORIES

	2021	2020
Inventories for use:		
Culverts	\$ 20,804	\$ 9,311
Fuel	11,904	13,960
Beaver levelers	1,950	1,950
	<u>\$ 34,658</u>	<u>\$ 25,221</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payable	\$ 184,069	\$ 188,466
School levies	150,268	365,524
Accrued expenses	93,193	82,729
	<u>\$ 427,530</u>	<u>\$ 636,719</u>

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

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.

	2021	2020
Estimated closure and post closure costs over the next 87 years	\$ 5,533,283	\$ 5,533,283
Discount rate	6.00 %	6.00 %
Discount costs	34,783	32,815
Expected year capacity will be reached	2108	2108
Acres:		
Used to date	7.6	7.4
Remaining	17.4	17.6
Total	25	25
Percent utilized	30.40 %	29.60 %
Liability based on percentage	\$ 10,574	\$ 9,713

8. LONG TERM DEBT

	2021	2020
Utility Funds		
Debenture, payable at \$132,490 annually including interest at 3.980%, maturing December 2031.	\$ 1,075,679	\$ 1,161,924
Debenture, payable at \$7,715 annually including interest at 5.625%, maturing December 2025.	26,966	32,835
	\$ 1,102,645	\$ 1,194,759

Principal payments due in the next five years are as follows:

2022	\$ 95,876
2023	99,794
2024	103,874
2025	108,121
2026	104,829
	<u>\$ 512,494</u>

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

9. DEBENTURES PENDING

<u>Authority</u>	<u>Purpose</u>	<u>Authorized</u>
By-law 94	Construction of Public Works Shop in Onanole	\$ 512,664

10. OBLIGATION UNDER OPERATING LEASE

In 2021, the Municipality entered into a three year lease agreement with Caterpillar Financial Services Limited to lease a 2021 CAT motor grader with an annual payment of \$76,807 including taxes, expiring January 2024. The first lease payment commenced in January 2021 with the last payment being in January 2023.

11. COMMITMENTS

The Municipality has established a financial assistance program for the Onanole & District Recreation Corporation through the passing of By-law No. 87. The amount of the assistance is not to exceed \$250,000 or a maximum of \$50,000 per year for a period of 5 years commencing in the 2021 year and ending December 31, 2025. As of the financial statement date, \$50,000 was granted to the Corporation.

The Municipality is committed to the purchase of land located at SP Lot 8 Plan 7588 NLTO, at a purchase price of \$650,000 which will be used for the construction of Onanole Public Works Shop. As of the financial statement date, a deposit of \$10,000 was paid by the municipality for the land purchase and \$4,340 was spent for the construction cost. The remaining balance for the land purchase will be financed by long-term debt in the amount of \$512,664 and transfers from reserves. The closing date of the purchase is April 1, 2022. Subsequent to year end, the municipality spent \$3,153 on construction costs.

Furthermore, the Municipality is committed to the construction of a new Fire Hall in Onanole. As of the financial statement date, \$50,544 had been spent on the project with an additional \$37,919 spent subsequent to year end.

Lastly, a resolution was passed by the Council on September 9, 2019 to support the following projects:

Deer Road Water Project - the Municipality has applied for a grant funding under the Investing in Canada Infrastructure Program - Green Infrastructure Stream. The funding application is still pending but the Municipality commits to provide its share of \$386,770 towards the project. As of financial statement date, nothing had been spent on the project.

Mooswa Drive Water Project - the Municipality has applied for a grant under the Investing in Canada Infrastructure Program - Green Infrastructure Stream. The funding application is still pending but the Municipality commits to provide its share of \$271,120 towards the project. As of financial statement date, \$28,843 had been spent on the project with an additional \$233,096 spent subsequent to year end.

Victor Avenue & West Water Project - the Municipality has applied for a grant funding under the Investing in Canada Infrastructure Program - Green Infrastructure Stream. The funding application is still pending but the Municipality commits to provide its share of \$807,486 towards the project. As of financial statement date, \$10,500 had been spent on the project and nothing had been spent subsequent to year end.

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

12. 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.

13. 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 2.0% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$72,592 (2020 - \$69,944) 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 has 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 requirements. As a result, solvency funding is no longer required by MEPP.

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

14. BUDGET

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

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

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, 2021:

a) There were no members of council receiving compensation in excess of \$75,000 individually.

b) Compensation paid to members of council amounted to \$82,362 in aggregate.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Jeremy Andreychuk	\$ 12,962	\$ 640	13,602
Craig Atkinson	11,166		11,166
Ian Drul	11,092	545	11,637
Jason Potter	12,780	296	13,076
Wayne Shewchuk	12,842	570	13,412
Wade Skolney	10,565		10,565
Larry Spitula	10,955		10,955
	<u>\$ 82,362</u>	<u>\$ 2,051</u>	<u>84,413</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Chad Davies	CAO	\$ 108,314

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

16. ACCUMULATED SURPLUS

	2021	2020
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 5,148,879	\$ 4,950,491
Utility Operating Fund(s) - Nominal Surplus	416,488	217,303
TCA net of related borrowings	11,291,960	11,549,085
Reserve Funds	4,947,319	3,953,036
	<hr/>	<hr/>
Accumulated Surplus of Municipality Unconsolidated	21,804,646	20,669,915
Accumulated Deficit of Consolidated Entities	(2,218)	(2,805)
	<hr/>	<hr/>
Accumulated Surplus per Consolidated Statement of Financial Position	<u>\$ 21,802,428</u>	<u>\$ 20,667,110</u>

17. TRUST FUNDS

The Municipality administers the following trust that are not consolidated in these financial statements:

	Balance, beginning of year	Excess (deficiency) of receipts over disbursements	Balance, end of year
	<hr/>	<hr/>	<hr/>
Sandy Lake Demchuk Trust	\$ 1,692	\$ (1,692)	\$
Jackfish Cemetery	7,897	(837)	7,060
Rackham Cemetery	8,695	516	9,211
Newdale Cemetery		2,016	2,016
	<hr/>	<hr/>	<hr/>
	<u>\$ 18,284</u>	<u>\$ 3</u>	<u>\$ 18,287</u>

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

18. SEGMENTED INFORMATION

The Municipality of Harrison Park provides a wide range of services to its residents. Segment information has been provided in Schedule 4 for the following services:

- General government services
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Regional planning and development
- Resource conservation and industrial development
- Recreation and cultural services
- Water and sewer services

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

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>
Sandy Lake	\$ 288,466	\$ 359	\$ 10,944	\$ 277,881
Onanole	3,291,693	5,250	75,601	3,221,342
	<u>\$ 3,580,159</u>	<u>\$ 5,609</u>	<u>\$ 86,545</u>	<u>\$ 3,499,223</u>

MUNICIPALITY OF HARRISON PARK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

19. PUBLIC UTILITIES BOARD (continued)

Sewer 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>
Sandy Lake	\$ 196,646	\$ 359	\$ 3,878	\$ 193,127
Newdale	23,096		2,084	21,012
	<u>\$ 219,742</u>	<u>\$ 359</u>	<u>\$ 5,962</u>	<u>\$ 214,139</u>

20. 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. The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	2021	2020
Financial Position		
Financial assets	\$ 3,083	\$ 3,834
Liabilities	5,301	6,639
Net debt	(2,218)	(2,805)
Non-financial assets		
Deficit	<u>\$ (2,218)</u>	<u>\$ (2,805)</u>
Result of Operations		
Revenues	\$ 14,574	\$ 13,863
Expenses	19,145	18,068
Intercompany revenue and expense eliminations	5,158	4,744
Annual surplus	<u>\$ 587</u>	<u>\$ 539</u>

21. OTHER MATTERS

During the year, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the municipality has not suffered any significant disruptions. However, certain processes and procedures were improvised to help reduce the spread of the virus such as board meetings held virtually. While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of the disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

MUNICIPALITY OF HARRISON PARK
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2021

Cost	General Capital Assets						Infrastructure			Totals	
	Land and Land Improvements	Building and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2021	2020	
Opening costs	\$ 885,217	687,384	4,092,392	58,361	58,361	12,554,377	8,729,944	580,237	\$ 27,587,912	\$ 27,224,098	
Additions during the year	118,103		133,870	20,982	54,884			17,607	345,446	691,313	
Disposals and write downs		(5,000)	(160,588)	(5,940)				(29,983)	(201,511)	(327,499)	
Transfers							528,518	(528,518)			
Closing costs	1,093,320	682,384	4,065,674	73,403	54,884	12,554,377	9,258,462	39,343	27,731,847	27,587,912	
Accumulated Amortization											
Opening accum'd amortization	234,311	461,010	1,541,329	45,029		11,121,516	1,440,873		14,844,068	14,342,897	
Amortization	17,081	15,003	286,162	7,162		79,534	195,257		600,199	586,471	
Disposals and write downs		(5,000)	(96,085)	(5,940)					(107,025)	(85,300)	
Closing accum'd amortization	251,392	471,013	1,731,406	46,251		11,201,050	1,636,130		15,337,242	14,844,068	
Net Book Value of Tangible Capital Assets	\$ 751,928	211,371	2,334,268	27,152	54,884	1,353,327	7,622,332	39,343	\$ 12,394,605	\$ 12,743,844	

Water and sewer underground networks contributed to the Municipality totals \$6,371,249 and were capitalized at their fair value at the time of their receipt.

The Municipality has 740 km of roads that were capitalized at a nominal value of \$8,588,460.

MUNICIPALITY OF HARRISON PARK
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
For the year ended December 31, 2021

	2021 Actual	2020 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 3,558,949	\$ 3,556,035
Taxes added	60,225	72,201
	<u>3,619,174</u>	<u>3,628,236</u>
 Grants in lieu of taxation:		
Federal government	<u>36,411</u>	39,122
 User fees:		
Sales of service	331,994	371,669
Sales of goods	1,910	1,366
Rentals	3,641	3,553
	<u>337,545</u>	<u>376,588</u>
 Permits, licences and fines:		
Permits	<u>1,400</u>	2,200
 Investment income:		
Cash and temporary investments	<u>125,915</u>	122,822
 Other revenue:		
Gain on sale of tangible capital assets	14,550	9,202
Penalties and interest	37,446	39,723
Miscellaneous	40,716	7,082
	<u>92,712</u>	<u>56,007</u>
 Water and sewer		
Municipal utility	<u>704,113</u>	<u>775,527</u>
 Grants - Province of Manitoba:		
Municipal operating grants	200,668	200,668
Other unconditional grants	3,904	35,034
Conditional grants	406,062	309,276
	<u>610,634</u>	<u>544,978</u>
 Sub-total	<u>\$ 5,527,904</u>	<u>\$ 5,545,480</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2021

	2021	2020
	Actual	Actual
Sub-total (Carry forward)	\$ 5,527,904	\$ 5,545,480
Grants - other:		
Federal government - gas tax funding	178,549	87,291
Federal government - other		97,109
Other municipal governments	25,994	9,493
	<u>204,543</u>	<u>193,893</u>
Total revenue	\$ 5,732,447	\$ 5,739,373

MUNICIPALITY OF HARRISON PARK
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2021

	2021 Actual	2020 Actual
General government services:		
Legislative	\$ 97,348	\$ 100,820
General administrative	703,823	670,463
Other	20,083	23,330
Loss on sale of properties held for resale		3,907
	<u>821,254</u>	<u>798,520</u>
Protective services:		
Fire	273,323	255,211
Emergency measures	14,683	12,519
Other protection	81,801	62,327
	<u>369,807</u>	<u>330,057</u>
Transportation services:		
Road transport		
Administration and engineering	515,910	505,900
Road and street maintenance	1,390,261	1,471,842
Bridge maintenance	5,830	354
Street lighting	40,814	40,848
Other	3,504	9,364
Loss on disposal of tangible capital assets	923	
	<u>1,957,242</u>	<u>2,028,308</u>
Environmental health services:		
Waste collection and disposal	314,070	275,236
Recycling	35,539	44,802
	<u>349,609</u>	<u>320,038</u>
Public health and welfare services:		
Public health	1,773	2,404
Medical care		5,000
Social assistance	11,893	11,893
	<u>13,666</u>	<u>19,297</u>
Regional planning and development:		
Planning and zoning	104,135	99,560
Urban renewal	2,499	4,789
Beautification and land rehabilitation	1,260	
Other	458	3,836
	<u>108,352</u>	<u>108,185</u>
Sub-total	\$ 3,619,930	\$ 3,604,405

MUNICIPALITY OF HARRISON PARK
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES (continued)
For the year ended December 31, 2021

	2021 Actual	2020 Actual
Sub-total (Carry forward)	\$ 3,619,930	\$ 3,604,405
Resource conservation and industrial development:		
Veterinary services	4,387	4,354
Water resources and conservation	25,997	24,075
Tourism		810
Other	23,662	11,029
	<u>54,046</u>	<u>40,268</u>
Recreation and cultural services:		
Administration	163,624	111,555
Swimming pools and beaches	11,380	12,035
Skating and curling rinks		50,000
Parks and playgrounds	7,178	7,783
Other recreational facilities	1,655	
Museums	2,742	2,478
Other cultural facilities	5,000	5,412
	<u>191,579</u>	<u>189,263</u>
Water and sewer (Schedule 9)		
Municipal utility	731,574	714,081
	<u>731,574</u>	<u>714,081</u>
Total expenses	\$ 4,597,129	\$ 4,548,017

MUNICIPALITY OF HARRISON PARK
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2021

	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	\$ 3,478,969	\$ 3,488,031								
Grants in lieu of taxation	36,411	39,122								
User fees	14,638	11,191	73,735	101,375	59,225	71,461	135,036	140,126	13,666	14,297
Grants - other	194,228	184,400					10,315	9,493		
Permits, licences and fines	1,400	2,200								
Investment income	125,915	122,822								
Other revenue	92,712	56,007								
Water and sewer										
Prov of MB - unconditional grants	204,572	235,702	65,832	26,187	337,337	280,096	2,893	2,993		
Prov of MB - conditional grants										
Total revenue	4,148,845	4,139,475	139,567	127,562	396,562	351,557	148,244	152,612		
EXPENSES										
Personnel services	509,548	490,907	45,219	38,342	503,339	495,672	144,743	139,428		
Contract services	138,533	114,635	37,923	49,039	462,116	398,539	118,192	103,659	13,666	14,297
Utilities	20,083	23,166	18,642	20,996	16,174	15,064	4,133	4,310		
Maintenance, materials and supplies	106,385	105,156	127,294	105,975	739,577	880,960	75,598	67,298		
Grants and contributions	19,985	8,734	2,655							5,000
Amortization	9,351	15,753	138,074	115,705	235,113	238,073	6,219	5,315		
Interest on long term debt										
Other	17,369	40,169			923		724	28		
Total expenses	821,254	798,520	369,807	330,057	1,957,242	2,028,308	349,609	320,038	13,666	19,297
Surplus (Deficit)	\$ 3,327,591	\$ 3,340,955	(230,240)	(202,495)	(1,560,680)	(1,676,751)	(201,365)	(167,426)	(13,666)	(19,297)

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

MUNICIPALITY OF HARRISON PARK
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the 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	
REVENUE									
Property taxes							140,205	140,205	\$ 3,619,174
Grants in lieu of taxation									36,411
User fees	53,841	42,140	1,070		10,295				337,545
Grants - other									204,543
Permits, licences and fines									2,200
Investment income									125,915
Other revenue									92,712
Water and sewer						704,113	775,527		704,113
Prov of MB - unconditional grants									204,572
Prov of MB - conditional grants									406,062
Total revenue	53,841	42,140	1,070		10,295	844,318	915,732	5,732,447	5,739,373
EXPENSES									
Personnel services	74,034	74,496				45,480	57,181	1,322,363	1,296,026
Contract services	31,534	23,794	4,387	4,355	4,886	42,512	25,827	853,749	741,415
Utilities								59,032	63,536
Maintenance, materials and supplies	2,784	6,305	23,662	10,820	7,178	172,700	212,406	1,255,178	1,396,703
Grants and contributions			25,997	24,885	163,330	158,025		211,967	196,644
Amortization					16,185	195,257	195,440	600,199	586,471
Interest on long term debt						48,092	51,705	48,092	51,705
Other		3,590		208		227,533	171,522	246,549	215,517
Total expenses	108,352	108,185	54,046	40,268	191,579	731,574	714,081	4,597,129	4,548,017
Surplus (Deficit)	(54,511)	(66,045)	(52,976)	(40,268)	(191,579)	112,744	201,651	\$ 1,135,318	\$ 1,191,356

MUNICIPALITY OF HARRISON PARK
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2021

	Core Government		Controlled Entities		Government Partnerships		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE								
Property taxes	\$ 3,619,174	\$ 3,628,236					\$ 3,619,174	\$ 3,628,236
Grants in lieu of taxation	36,411	39,122					36,411	39,122
User fees	336,179	375,211			1,366	1,377	337,545	376,588
Grants - other	194,228	184,400			10,315	9,493	204,543	193,893
Permits, licences and fines	1,400	2,200					1,400	2,200
Investment income	125,915	122,822					125,915	122,822
Other revenue	92,712	56,007					92,712	56,007
Water and sewer	704,113	775,527					704,113	775,527
Prov of MB - unconditional grants	204,572	235,702					204,572	235,702
Prov of MB - conditional grants	403,169	306,283			2,893	2,993	406,062	309,276
Total revenue	5,717,873	5,725,510	14,574	13,863	5,732,447	5,739,373	5,739,373	5,739,373
EXPENSES								
Personnel services	1,308,849	1,282,383			13,514	13,643	1,322,363	1,296,026
Contract services	850,438	738,306			3,311	3,109	853,749	741,415
Utilities	57,845	62,339			1,187	1,197	59,032	63,536
Maintenance, materials and supplies	1,254,769	1,396,612			409	91	1,255,178	1,396,703
Grants and contributions	211,967	196,644					211,967	196,644
Amortization	600,199	586,471					600,199	586,471
Interest on long term debt	48,092	51,705					48,092	51,705
Other	245,825	215,489			724	28	246,549	215,517
Total expenses	4,577,984	4,529,949	19,145	18,068	4,597,129	4,548,017	4,597,129	4,548,017
Surplus (Deficit)	\$ 1,139,889	\$ 1,195,561	(4,571)	(4,205)	\$ 1,135,318	\$ 1,191,356	\$ 1,135,318	\$ 1,191,356

MUNICIPALITY OF HARRISON PARK
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2021

	2021						
	South Shore Replacement Reserve	Newdate Utility Reserve	Sandy Lake Utility Reserve	Village of Newdale Reserve	Village of Sandy Lake Reserve	Health Facility Reserve	Sub Total
REVENUE							
Investment income	\$ 131	338	2,353	1,364	2,470	952	\$ 7,608
Other income							
Total revenue	131	338	2,353	1,364	2,470	952	7,608
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	131	338	2,353	1,364	2,470	952	7,608
TRANSFERS							
Debt repayment							
Transfers from operating fund				12,000	37,000		49,000
Transfers to operating fund							
Transfers from utility fund		10,000	30,000				40,000
Transfers to utility fund							
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES	131	10,338	32,353	13,364	39,470	952	96,608
FUND SURPLUS, BEGINNING OF YEAR	12,551	42,615	70,410	123,997	292,134	66,424	608,131
FUND SURPLUS, END OF YEAR	\$ 12,682	52,953	102,763	137,361	331,604	67,376	\$ 704,739

MUNICIPALITY OF HARRISON PARK
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES (continued)
For the year ended December 31, 2021

	2021			
	Street Paving Reserve	Gas Tax Reserve	Onanole Water & Sewer Reserve	Sub Total
REVENUE				
Investment income				
Other income	1,384	5,478	5,381	12,243
Total revenue	<u>1,384</u>	<u>5,478</u>	<u>5,381</u>	<u>12,243</u>
EXPENSES				
Investment charges				
Other expenses				
Total expenses				
NET REVENUES	<u>1,384</u>	<u>5,478</u>	<u>5,381</u>	<u>12,243</u>
TRANSFERS				
Debt repayment				
Transfers from operating fund	100,000	178,549		278,549
Transfers to operating fund				
Transfers from utility fund		(5,672)		(5,672)
Transfers to utility fund				
Acquisition of tangible capital assets				
CHANGE IN RESERVE FUND BALANCES	<u>101,384</u>	<u>178,355</u>	<u>5,381</u>	<u>285,120</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>289,640</u>	<u>589,088</u>	<u>74,189</u>	<u>952,917</u>
FUND SURPLUS, END OF YEAR	<u>\$ 391,024</u>	<u>767,443</u>	<u>79,570</u>	<u>\$ 1,238,037</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES (continued)
For the year ended December 31, 2021

	2021							Sub Total
	Park Southwest Reserve	Park Southeast Reserve	Waste Disposal Reserve	Public Works Shop Reserve	Bridge Reserve	Recreation Reserve	Administration Reserve Surplus	
REVENUE								
Investment income	\$ 42	72	1,197	4,197	3,239	47	3,979	\$ 12,773
Other income								
Total revenue	42	72	1,197	4,197	3,239	47	3,979	12,773
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	42	72	1,197	4,197	3,239	47	3,979	12,773
TRANSFERS								
Debt repayment								
Transfers from operating fund			35,000	98,000	15,000		317,606	465,606
Transfers to operating fund								
Transfers from utility fund								
Transfers to utility fund				(10,000)				(10,000)
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	42	72	36,197	92,197	18,239	47	321,585	468,379
FUND SURPLUS, BEGINNING OF YEAR	2,845	4,898	70,737	401,499	268,119	3,241	674,320	1,425,659
FUND SURPLUS, END OF YEAR	\$ 2,887	4,970	106,934	493,696	286,358	3,288	995,905	\$ 1,894,038

MUNICIPALITY OF HARRISON PARK
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES (continued)
For the year ended December 31, 2021

	2021						2020	
	General Reserve	Machinery Reserve	Capital Reserve	Fire Reserve	Veterinary Reserve	Park North General Reserve	Total	Total
REVENUE								
Investment income	\$ 6,641	8,309	997	4,522	91	76	\$ 53,260	\$ 63,292
Other income								
Total revenue	6,641	8,309	997	4,522	91	76	53,260	63,292
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	6,641	8,309	997	4,522	91	76	53,260	63,292
TRANSFERS								
Debt repayment							1,052,255	1,057,095
Transfers from operating fund		149,100		110,000				(50,000)
Transfers to operating fund							40,000	40,000
Transfers from utility fund	(5,250)						(10,922)	(128,154)
Transfers to utility fund	(95,000)	(35,310)					(140,310)	(123,351)
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	(93,609)	122,099	997	114,522	91	76	994,283	858,882
FUND SURPLUS, BEGINNING OF YEAR	411,300	302,520	68,293	172,815	6,227	5,174	3,953,036	3,094,154
FUND SURPLUS, END OF YEAR	\$ 317,691	424,619	69,290	287,337	6,318	5,250	\$ 4,947,319	\$ 3,953,036

MUNICIPALITY OF HARRISON PARK
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Sandy Lake
For the year ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Taxation	\$ 188,176	\$ 188,176	\$ 186,106
Other revenue	9,425	5,225	9,125
Total revenue	<u>197,601</u>	<u>193,401</u>	195,231
EXPENSES			
General government			
Indemnities	6,480	6,342	6,300
Other	9	4,621	3,656
Transportation services			
Road and street maintenance	118,788	93,625	114,479
Sidewalk and boulevard maintenance	3,500		
Street lighting	10,400	7,936	7,286
Environmental health			
Waste collection and disposal	7,452	18,064	9,163
Recycling	7,452		9,000
Other	5,015		
Regional planning and development			
Resource conservation and industrial development			
Recreation and cultural services			
Swimming pools and beaches	7,505	8,149	4,765
Parks and playgrounds	500	6,119	7,188
Total expenses	<u>167,101</u>	<u>144,856</u>	161,837
NET REVENUES	30,500	48,545	33,394
TRANSFERS			
Transfers to reserves	(37,000)	(37,000)	(57,000)
Transfers from operating fund	6,500		
CHANGES IN L.U.D. BALANCES	\$	11,545	(23,606)
UNEXPENDED BALANCE, BEGINNING OF YEAR		4,567	28,173
UNEXPENDED BALANCE, END OF YEAR		\$ 16,112	\$ 4,567

MUNICIPALITY OF HARRISON PARK
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Newdale
For the year ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Taxation	\$ 36,198	\$ 36,198	\$ 36,785
Other revenue	14,500	9,400	12,538
	<hr/>		
Total revenue	50,698	45,598	49,323
	<hr/>		
EXPENSES			
General government			
Indemnities	5,775	4,200	5,850
Other	3	1,627	1,553
Transportation services			
Road and street maintenance	26,230	25,614	24,335
Street lighting	3,250	3,104	2,801
Environmental health			
Other	500		
Regional planning and development			
Urban area weed control	10,000	4,275	
Other	100		
Recreation and cultural services			
Parks and playgrounds	3,340	1,059	595
	<hr/>		
Total expenses	49,198	39,879	35,134
	<hr/>		
NET REVENUES	1,500	5,719	14,189
TRANSFERS			
Transfers to L.U.D. reserves	(12,000)	(12,000)	(20,000)
Transfers from operating fund	10,500		
	<hr/>		
CHANGES IN L.U.D. BALANCES	\$	(6,281)	(5,811)
	<hr/>		
UNEXPENDED BALANCE, BEGINNING OF YEAR		24,685	30,496
	<hr/>		
UNEXPENDED BALANCE, END OF YEAR	\$	18,404	\$ 24,685
	<hr/>		

MUNICIPALITY OF HARRISON PARK
SCHEDULE 8 - SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2021

	2021			2020	
	Onanole	Newdale	Sandy Lake	Total	Total
FINANCIAL ASSETS					
Amounts receivable (Note 4)	\$ 158,268	\$ 8,691	\$ 59,772	\$ 226,731	\$ 106,618
Due from other funds		27,750	383,565	411,315	342,881
	<u>158,268</u>	<u>36,441</u>	<u>443,337</u>	<u>638,046</u>	<u>449,499</u>
LIABILITIES					
Long-term debt (Note 8)	1,075,679		26,966	1,102,645	1,194,759
Due to other funds	221,558			221,558	232,196
	<u>1,297,237</u>		<u>26,966</u>	<u>1,324,203</u>	<u>1,426,955</u>
	<u>(1,138,969)</u>	<u>36,441</u>	<u>416,371</u>	<u>(686,157)</u>	<u>(977,456)</u>
NET FINANCIAL ASSETS (NET DEBT)					
	<u>6,486,723</u>	<u>41,145</u>	<u>1,133,807</u>	<u>7,661,675</u>	<u>7,869,308</u>
NON-FINANCIAL ASSETS					
Tangible capital assets (Schedule 1)					
FUND SURPLUS	<u>\$ 5,347,754</u>	<u>\$ 77,586</u>	<u>\$ 1,550,178</u>	<u>\$ 6,975,518</u>	<u>\$ 6,891,852</u>
COMMITMENTS (Note 11)					

MUNICIPALITY OF HARRISON PARK
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Onanole
For the year ended December 31, 2021

	Budget	2021	2020
REVENUE			
Water			
Water fees	\$ 150,000	\$ 144,212	\$ 94,897
Bulk water fees	4,250	3,150	4,367
Sub-Total - Water	<u>154,250</u>	<u>147,362</u>	<u>99,264</u>
Sewer			
Sewer fees		197,785	58,418
Lagoon tipping fees	28,000	31,080	28,600
Sub-Total - Sewer	<u>28,000</u>	<u>228,865</u>	<u>87,018</u>
Property taxes	<u>132,490</u>	<u>132,490</u>	<u>132,490</u>
Government transfers		<u>5,250</u>	
Other			
Hydrant rentals	2,400	2,400	2,400
Connection charges	100,000	40,420	28,884
Penalties	200	182	
Sub-Total - Other	<u>102,600</u>	<u>43,002</u>	<u>31,284</u>
Total revenue	<u>\$ 417,340</u>	<u>\$ 556,969</u>	<u>\$ 350,056</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Onanole (continued)
For the year ended December 31, 2021

	Budget	2021	2020
EXPENSES			
General			
Administration	\$ 30,000	\$ 31,039	\$ 15,261
Water General			
Water purchases	187,000	160,447	191,858
Water Amortization and Interest			
Amortization		151,880	152,061
Interest on long term debt		46,245	49,547
Sub-Total - Water Amortization & Interest		198,125	201,608
Sewer General			
Treatment and disposal cost	62,000	82,795	57,469
Lift station costs	4,000	11,473	7,553
Sub-Total - Sewer General	66,000	94,268	65,022
Total expenses	283,000	483,879	473,749
NET OPERATING SURPLUS (DEFICIT)	\$ 134,340	73,090	(123,693)
TRANSFERS			
Transfers from reserve funds		10,922	23,171
CHANGE IN UTILITY FUND BALANCE		84,012	(100,522)
FUND SURPLUS, BEGINNING OF YEAR		5,263,742	5,364,264
FUND SURPLUS, END OF YEAR		\$ 5,347,754	\$ 5,263,742

MUNICIPALITY OF HARRISON PARK
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Newdale
For the year ended December 31, 2021

	Budget	2021	2020
REVENUE			
Sewer			
Sewer fees	\$ 34,500	\$ 34,484	\$ 34,870
Total revenue	<u>34,500</u>	<u>34,484</u>	<u>34,870</u>
EXPENSES			
Sewer General			
Collection system costs	<u>24,500</u>	12,008	38,939
Sewer Amortization & Interest			
Amortization		<u>4,677</u>	4,677
Total expenses	<u>24,500</u>	<u>16,685</u>	<u>43,616</u>
NET OPERATING SURPLUS (DEFICIT)	<u>\$ 10,000</u>	17,799	(8,746)
TRANSFERS			
Transfers to reserve funds		<u>(10,000)</u>	(10,000)
CHANGE IN UTILITY FUND BALANCE		7,799	(18,746)
FUND SURPLUS, BEGINNING OF YEAR		<u>69,787</u>	<u>88,533</u>
FUND SURPLUS, END OF YEAR	<u>\$</u>	<u>77,586</u>	<u>\$ 69,787</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sandy Lake
For the year ended December 31, 2021

REVENUE	Budget	2021	2020
Water			
Water fees	\$ 210,000	\$ 180,929	\$ 171,436
Bulk water fees	10,000	15,956	11,943
Sub-Total - Water	<u>220,000</u>	<u>196,885</u>	<u>183,379</u>
Sewer			
Sewer fees		<u>39,641</u>	<u>37,162</u>
Property taxes	<u>7,716</u>	<u>7,716</u>	<u>7,716</u>
Government transfers		<u>718</u>	<u>253,196</u>
Other			
Hydrant rentals	3,500	3,500	3,500
Penalties	500	745	
Other income	2,000	3,660	45,853
Sub-Total - Other	<u>6,000</u>	<u>7,905</u>	<u>49,353</u>
Total revenue	<u>\$ 233,716</u>	<u>\$ 252,865</u>	<u>\$ 530,806</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sandy Lake (continued)
For the year ended December 31, 2021

	Budget	2021	2020
EXPENSES			
General			
Administration	\$ 60,000	\$ 45,480	\$ 57,181
Water General			
Purification and treatment	65,000	115,788	63,620
Water Amortization & Interest			
Amortization		24,349	23,862
Sewer General			
Lift station costs	59,000	29,195	35,055
Sewer Amortization & Interest			
Amortization		14,351	14,839
Interest on long term debt		1,847	2,159
Sub-Total - Sewer Amortization & Interest		16,198	16,998
Total expenses	184,000	231,010	196,716
NET OPERATING SURPLUS	\$ 49,716	21,855	334,090
TRANSFERS			
Transfers from (to) reserve funds		(30,000)	74,983
CHANGE IN UTILITY FUND BALANCE		(8,145)	409,073
FUND SURPLUS, BEGINNING OF YEAR		1,558,323	1,149,250
FUND SURPLUS, END OF YEAR	\$ 1,550,178	\$ 1,558,323	

MUNICIPALITY OF HARRISON PARK
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2021

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 3,457,457	140,206					\$ 3,597,663
Grants in lieu of taxation	36,410						36,410
User fees	323,943					1,366	325,309
Grants - Province of Manitoba	476,257					2,893	479,150
Grants - other	87,291					15,473	102,764
Permits, licences and fines	1,050						1,050
Investment income	60,000						60,000
Other revenue	40,000						40,000
Water and sewer		545,350					545,350
Transfers from accumulated surplus	243,942				(243,942)		
Transfers from reserves	7,500				(7,500)		
Total revenue	4,733,850	685,556			(251,442)	19,732	5,187,696
EXPENSES							
General government services	857,608		9,351				866,959
Protective services	190,698		138,075				328,773
Transportation services	1,962,855		235,113				2,197,968
Environmental health services	333,943		6,219			19,144	359,306
Public health and welfare services	22,143						22,143
Regional planning and development	177,281						177,281
Resource cons and industrial dev	49,336		16,185				49,336
Recreation and cultural services	172,186		195,257	48,092			188,371
Water and sewer services		491,500					734,849
Fiscal services:							
Transfer to capital							
Debt charges	2,284	140,206		(142,490)			
Short term interest							
Transfer to reserves	960,997	40,000			(1,000,997)		
Allowance for tax assets	4,539				(4,539)		
Total expenses	4,733,870	671,706	600,200	(94,398)	(1,005,536)	19,144	4,924,986
Surplus (Deficit)	\$ (20)	13,850	(600,200)	94,398	754,094	588	\$ 262,710

MUNICIPALITY OF HARRISON PARK
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2021

	2021	2020
Balance, beginning of year	\$ 496,333	\$ 542,342
Add:		
Tax levy (Schedule 12)	6,274,261	6,238,194
Taxes added	60,225	72,201
Penalties or interest	37,446	39,723
Other accounts added	13,989	827
Sub-total	6,385,921	6,350,945
Deduct:		
Cash collections - current	5,692,885	5,488,593
Cash collections - arrears	449,494	499,594
Writeoffs	12,885	15,266
Title value of tax titles acquired	4,260	
E.P.T.C. - cash advance	289,750	393,501
Sub-total	6,449,274	6,396,954
Balance, end of year	\$ 432,980	\$ 496,333

MUNICIPALITY OF HARRISON PARK
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2021

	2021		2020	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
L.U.D of Newdale	2,619,350	13.816	\$ 36,188	\$ 36,785
L.U.D of Sandy Lake	19,496,720	9.493	185,082	186,106
Sub-Total - L.U.D			<u>221,270</u>	<u>222,891</u>
Debt charges:				
L.I.D.	17,325,070	0.394	7,581	7,585
Other (Bylaw 1238 and 1340)			134,774	134,774
Sub-Total - Debt charges			<u>142,355</u>	<u>142,359</u>
General Municipal - At Large	237,038,630	12.072	<u>2,861,530</u>	<u>2,702,212</u>
Special levies:				
Plan 812 Waste Disposal			3,096	3,096
Ag & Com. District of Newdale	12,891,940	0.650	8,534	8,528
Ward 1	53,704,940	3.843	206,394	305,862
Ward 2	161,217,620	0.718	115,770	171,087
Sub-Total - Special levies			<u>333,794</u>	<u>488,573</u>
Total municipal taxes (Schedule 2)			<u>3,558,949</u>	<u>3,556,035</u>
Education support levy	12,265,690	8.809	<u>108,048</u>	<u>104,643</u>
Special levy:				
Park West	28,106,470	9.857	277,046	278,304
Rolling River	207,204,160	11.246	2,330,218	2,299,212
Sub-Total - Special levies			<u>2,607,264</u>	<u>2,577,516</u>
Total education taxes			<u>2,715,312</u>	<u>2,682,159</u>
Total tax levy (Schedule 11)			<u>\$ 6,274,261</u>	<u>\$ 6,238,194</u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2021

	2021	2020
General government services:		
Legislative	\$ 97,348	\$ 100,820
General administrative	703,823	670,463
Other	20,083	23,330
Loss on sale of properties held for resale		3,907
	821,254	798,520
Protective services:		
Fire	273,323	255,211
Emergency measures	14,683	12,519
Other	81,801	62,327
	369,807	330,057
Transportation services:		
Road transport		
Administration and engineering	515,910	505,900
Road and street maintenance	1,390,261	1,471,842
Bridge maintenance	5,830	354
Street lighting	40,814	40,848
Other	3,504	9,364
Loss on disposal of tangible capital assets	923	
	1,957,242	2,028,308
Environmental health services:		
Waste collection and disposal	314,070	275,236
Recycling	21,552	31,478
	335,622	306,714
Public health and welfare services:		
Public health	1,773	2,404
Medical care		5,000
Social assistance	11,893	11,893
	13,666	19,297
Regional planning and development:		
Planning and zoning	104,135	99,560
Urban renewal	2,499	4,789
Beautification and land rehabilitation	1,260	
Other	458	3,836
	108,352	108,185
Sub-total	\$ 3,605,943	\$ 3,591,081

MUNICIPALITY OF HARRISON PARK
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES (continued)
For the year ended December 31, 2021

	2021	2020
Sub-total (carry forward)	\$ 3,605,943	\$ 3,591,081
Resource conservation and industrial development:		
Veterinary services	4,387	4,354
Water resources and conservation	25,997	24,075
Tourism		810
Other	23,662	11,029
	<u>54,046</u>	<u>40,268</u>
Recreation and cultural services:		
Administration	163,624	111,555
Swimming pools and beaches	11,380	12,035
Skating and curling rinks		50,000
Parks and playgrounds	7,178	7,783
Other recreational facilities	1,655	
Museums	2,742	2,478
Other cultural facilities	5,000	5,412
	<u>191,579</u>	<u>189,263</u>
Total expenses	<u><u>\$ 3,851,568</u></u>	<u><u>\$ 3,820,612</u></u>

MUNICIPALITY OF HARRISON PARK
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS
For the year ended December 31, 2021

	2021		2020	
	General	Utility	Total	Total
MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT	\$ 371,066	199,183 \$	570,249 \$	503,209
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,052,255	40,000	1,092,255	1,097,095
Eliminate revenue - transfers from reserves	(140,310)	(10,922)	(151,232)	(301,505)
Increase revenue - reserve funds interest	53,260		53,260	63,292
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	587		587	539
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	54,264		54,264	47,583
Eliminate revenue - transfer from nominal surplus	(226,942)		(226,942)	(170,000)
Increase expense - amortization of tangible capital assets	(404,942)	(195,257)	(600,199)	(586,471)
Decrease expense - principal portion of debenture debt		92,114	92,114	88,500
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	13,627	(29,983)	(16,356)	9,202
Eliminate revenue - proceeds on sale of tangible capital assets	(78,130)		(78,130)	(251,401)
Eliminate expense - acquisitions of tangible capital assets	327,839	17,609	345,448	691,313
NET SURPLUS PER STATEMENT OF OPERATIONS	\$ 1,022,574	112,744 \$	1,135,318 \$	1,191,356