RURAL MUNICIPALITY OF THOMPSON

CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2022

RURAL MUNICIPALITY OF THOMPSON
TABLE OF CONTENTS
For the year ended December 31, 2022

	Page
STATEMENT OF RESPONSIBILITY	3
INDEPENDENT AUDITOR'S REPORT, dated January 25, 2024	4 - 5
FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	6
Consolidated Statement of Operations	7
Consolidated Statement of Change in Net Financial Assets	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10 - 23
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	24
Schedule 2 - Consolidated Schedule of Revenues	25 - 26
Schedule 3 - Consolidated Schedule of Expenses	27 - 28
Schedule 4 - Consolidated Statement of Operations by Program	29 - 30
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	31
Schedule 6 - Schedule of Changes in Reserve Fund Balances	32 - 35
Schedule 7 - Schedule of L.U.D. Operations	36
Schedule 8 - Schedule of Financial Position for Utility	37
Schedule 9 - Schedule of Utility Operations	38 - 42
Schedule 10 - Reconciliation of the Financial Plan to the Budget	43
Schedule 11 - Analysis of Taxes on Roll	44
Schedule 12 - Analysis of Tax Levy	45
Schedule 13 - Schedule of General Operating Fund Expenses	46 - 47
Schedule 14 - Reconciliation of Annual Surplus (Deficit)	48

STATEMENT OF RESPONSIBILITY

To the Reeve and Council of Rural Municipality of Thompson:

Management is responsible for preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

Council is composed entirely of Members 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 financial information included in the annual report. Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and 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 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 council and management to discuss their audit findings.

Brian Callum
Reeve

INDEPENDENT AUDITOR'S REPORT

To the Reeve and Council of:
Rural Municipality of Thompson
Miami, Manitoba

Opinion

We have audited the consolidated financial statements of Rural Municipality of Thompson, which comprise of the statement of financial position as at December 31, 2022 and the statement of operations, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of Thompson as at December 31, 2022, and the results of 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 Rural Municipality of Thompson in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we 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 Rural Municipality of Thompson'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 Rural Municipality of Thompson or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Canadian auditing standards, we exercise our 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 Rural Municipality of Thompson'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 Rural Municipality of Thompson'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 Rural Municipality of Thompson to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represents 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 directions, 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
January 25, 2024

Sensus
Chartered Professional Accountants Ltd.

RURAL MUNICIPALITY OF THOMPSON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash (Note 3)	$ 2,630,075	$ 2,198,856
Amounts receivable (Note 4)	447,492	421,983
Portfolio investments (Note 5)	24,764	
Other inventories for sale (Note 6)	2,400	2,460
	3,104,731	2,623,299
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	360,355	461,067
Severance and sick leave payable		6,078
Deferred revenue (Note 2)	652,616	203,948
Landfill closure and post closure liabilities (Note 8)	15,160	13,717
Long-term debt (Note 9)	968,784	1,098,535
	1,996,915	1,783,345
NET FINANCIAL ASSETS	1,107,816	839,954
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	6,340,091	5,601,165
Inventories (Note 6)	1,988	2,542
Prepaid expenses	34,539	27,798
Real estate properties held for sale (Note 2)	36,883	57,936
	6,413,501	5,689,441
ACCUMULATED SURPLUS (Note 14)	$ 7,521,317	$ 6,529,395

RURAL MUNICIPALITY OF THOMPSON
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2022

	2022 Budget (Note 13)	2022 Actual	2021 Actual
REVENUE			
Property taxes	$ 1,718,375	$ 1,815,127	$ 1,748,494
Grants in lieu of taxation	8,764	4,814	3,101
User fees	320,889	253,336	210,213
Permits, licences and fines	21,272	24,779	23,260
Investment income	5,380	55,389	24,761
Other revenue	16,110	1,063,392	399,370
Water and sewer	448,458	646,828	456,059
Grants - Province of Manitoba	120,549	421,328	413,162
Grants - Other	129,304	560,962	177,427
Total revenue (Schedules 2, 4 and 5)	2,789,101	4,845,955	3,455,847
EXPENSES			
General government services	438,978	512,944	484,438
Protective services	139,907	137,500	156,956
Transportation services	1,056,234	1,437,582	1,083,826
Environmental health services	220,777	195,820	193,578
Public health and welfare services	48,990	74,533	75,653
Regional planning and development	13,703	16,355	15,420
Resource conservation and industrial development	67,295	67,140	60,551
Recreation and cultural services	201,174	978,969	890,136
Water and sewer services	463,880	433,190	431,490
Total expenses (Schedules 3, 4 and 5)	2,650,938	3,854,033	3,392,048
ANNUAL SURPLUS	$ 138,163	991,922	63,799
ACCUMULATED SURPLUS, BEGINNING OF YEAR		6,529,395	6,465,596
ACCUMULATED SURPLUS, END OF YEAR		$ 7,521,317	$ 6,529,395

RURAL MUNICIPALITY OF THOMPSON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2022

	2022 Budget (Note 13)	2022 Actual	2021 Actual
ANNUAL SURPLUS	$ 138,163	$ 991,922	$ 63,799
Acquisition of tangible capital assets	(535,808)	(1,065,783)	(1,251,885)
Amortization of tangible capital assets	326,690	326,690	291,978
Loss on sale of tangible capital assets		167	126,856
Proceeds on sale of tangible capital assets			85,241
Decrease in properties held for sale		21,054	9,682
Decrease in inventories		554	
Decrease (increase) in prepaid expenses		(6,742)	11,403
	(209,118)	(724,060)	(726,725)
CHANGE IN NET FINANCIAL ASSETS	$ (70,955)	267,862	(662,926)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		839,954	1,502,880
NET FINANCIAL ASSETS, END OF YEAR		$ 1,107,816	$ 839,954

RURAL MUNICIPALITY OF THOMPSON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2022

	2022	2021
OPERATING TRANSACTIONS		
Annual surplus	$ 991,922	$ 63,799
Changes in non-cash items:		
Amounts receivable	(25,507)	(15,918)
Inventories	615	278
Prepaids	(6,742)	11,403
Accounts payable and accrued liabilities	(102,458)	376,445
Deferred revenue	448,668	197,953
Severance and sick leave payable	(4,332)	945
Landfill closure and post closure liabilities	1,443	1,323
Gain on sale of properties held for resale	(77,144)	(80,306)
Loss on sale of tangible capital assets	167	126,856
Amortization	326,690	291,978
Cash provided by operating transactions	1,553,322	974,756
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets		85,241
Cash used to acquire tangible capital assets	(1,065,783)	(1,251,885)
Cash applied to capital transactions	(1,065,783)	(1,166,644)
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	98,196	89,988
Purchase of portfolio investments	(24,764)	
Cash applied to investing transactions	73,432	89,988
FINANCING TRANSACTIONS		
Proceeds of long-term debt	48,462	459,066
Debt repayment	(178,214)	(93,405)
Cash applied to financing transactions	(129,752)	365,661
INCREASE IN CASH	431,219	263,761
CASH, BEGINNING OF YEAR	2,198,856	1,935,095
CASH, END OF YEAR	$ 2,630,075	$ 2,198,856

1. STATUS OF THE RURAL MUNICIPALITY OF THOMPSON

The incorporated Rural Municipality of Thompson ("the Municipality") is a municipal government that was created on January 6, 1909 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns two 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:

Pembina Valley Water Cooperative Inc. (2%) (2021 - 2%)
MSTW Planning District (1.90%) (2021 - 1.90%)
South Central Regional Library (4.35%) (2021 - 4.35%)

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

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

Portfolio investments are accounted for at cost.

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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets (continued)

General Tangible Capital Assets

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

Infrastructure Assets

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

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

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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Future Changes in Accounting Standards

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- PS 3450 Financial Instruments (effective January 1, 2023) defines and provides guidance for accounting and reporting all types of financial instruments including derivatives.
- PS 2601 Foreign Currency Translation (effective January 1, 2023) replaces PS 2600 with revised accounting and reporting principles for transactions that are denominated in a foreign currency.
- PS 1201 Financial Statement Presentation replaces PS 1200 with general reporting principles for disclosure of information and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3041 Portfolio Investments replaces PS 3040 with revised accounting and reporting principles for portfolio investments and is effective in the period PS 2601 and PS 3450 are adopted.
- PS 3280 Asset Retirement Obligations (effective January 1, 2023) defines and provides guidance for accounting and reporting retirement obligations associated with tangible capital assets and includes the withdrawal of PS 3270 Solid Waste Landfill Closure and Post-Closure Liability.
- PS 3400 Revenue (effective January 1, 2024), a new standard establishing guidance on the recognition, measurement, and disclosure of revenue. Earlier adoption is permitted.
- PS 3160 Public Private Partnerships (effective January 1, 2024), is a new standard establishing guidance on the recognition, measurement, and disclosure of public private partnership arrangements. Earlier adoption is permitted.

These new accounting standards have not been applied in preparing these consolidated financial statements.

The Municipality is currently assessing the impact of the new standards, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined.

3. CASH

Cash is comprised of the following:

		2022	2021
Cash	$	2,630,075	$ 2,198,856

The Municipality has an authorized line of credit with Access Credit Union Ltd. The Access Credit Union Ltd. general operating bank account has an authorized limit of $525,000 (2021 - $525,000) with interest at 6.45% (2021 - 2.45%). The line of credit is secured by a general security agreement and the current year taxes.

The Municipality has designated $1,253,653 (2021 - $1,337,045) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

		2022		2021
Taxes on roll (Schedule 11)	$	182,674	$	161,869
Utility customers (Schedule 8)		24,106		14,924
Organizations and individuals		186,122		144,519
Other governments		54,590		100,671
	$	447,492	$	421,983

5. PORTFOLIO INVESTMENTS

		2022		2021
Marketable securities:				
Pembina Valley Water Cooperative Inc. - Unrealized gain (losses) attributed to derivatives - interest rate swaps	$	24,764	$	

The interest rate swaps are derivative financial instruments. They effectively lock in a fixed rate through November 2041. Management does not believe that the demand features of the callable debt will be exercised in the current period. Assuming payment of the callable debt is not demanded.

6. INVENTORIES

Inventories for sale:

		2022		2021
History books	$	2,400	$	2,460
Inventories for use:				
Water Co-op	$	1,988	$	2,542

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		2022		2021
Accounts payable	$	347,162	$	430,058
Accrued expenses		13,193		31,009
	$	360,355	$	461,067

8. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

The Municipality is currently operating a Class 2 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.

		2022		2021
Estimated closure and post closure costs over the next 13 years	$	50,000	$	50,000
Discount rate		6.50 %		6.50 %
Discount costs		22,051		20,705
Expected year capacity will be reached		2035		2035
Capacity (tonnes):				
Used to date		68,750		66,250
Remaining		31,250		33,750
Total		100,000		100,000
Percent utilized		68.75 %		66.25 %
Liability based on percentage	$	15,160	$	13,717

9. LONG TERM DEBT

	2022	2021
General Authority		
Debenture, payable to Access Credit Union Ltd. at $66,448 annually including interest at 3.55%, maturing December 2025.	$ 162,083	$ 222,725
Debenture, payable to Access Credit Union Ltd. at $19,400 annually including interest at 3.989%, maturing December 2029.	113,738	128,031
Debenture, payable to Access Credit Union Ltd. at $84,251.57 annually including interest at 2.25%, maturing December 2026.	315,387	394,251
South Central Regional Library - CEBA $40,000 non-interest bearing until December 31, 2022. Repayment of 75% of the principal on or before December 31, 2022, will result in the remaining balance being forgiven. Beginning January 1, 2023, the loan will bear interest at 5% payable monthly, with the outstanding principal due in full by the maturity date, December 31, 2025.	1,740	1,740
	592,948	746,747
Utility Funds		
Demand loan, payable to CIBC, $103,368 monthly principal and interest installments with monthly interest payments fixed through interest rate swaps at 3.56% including stamping fee of .81% until July 2023, unless demanded matures July 2033. Pembina Valley Water Cooperative Inc.	204,293	219,912
Demand loan, payable to CIBC, $8,077 monthly principal installments plus interest at 2.3% plus stamping fee of .81%, unless demanded matures July 2033. Pembina Valley Water Cooperative Inc.	19,636	21,448
Demand loan, payable to CIBC, $15,280 monthly principal installments plus interest at 0.47% plus stamping fee of 0.81%, unless demanded matures July 2033. Pembina Valley Water Cooperative Inc.	42,853	46,282
Demand loan, payable to CIBC, $12,500 monthly principal installments plus interest at 2.45% plus stamping fee of 0.81%, unless demanded matures November 2041. Pembina Valley Water Cooperative Inc.	53,060	55,866
Demand loan, payable to CIBC, the advance is part of a revolving demand for capital projects, with interest only payments until the earlier of twelve months after the initial advance and completion of each discrete project, at which time repayment terms will be set. Interest is charged at prime rate minus 0.25%. Pembina Valley Water Cooperative Inc.	55,994	7,532

9. LONG TERM DEBT (continued)

CEBA loan - $60,000 non-interest bearing until December 31, 2023. Repayment of 67% of the principal on or before December 31, 2023, will result in the remaining balance being forgiven. Beginning January 1, 2024, the loan will bear interest at 5% payable monthly, with the outstanding principal due in full by the maturity date, December 31, 2025. Pembina Valley Water Cooperative Inc.		748
	375,836	351,788
$	968,784	$ 1,098,535

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

2023	$ 173,057
2024	178,162
2025	166,728
2026	121,978
2027	41,017
	$ 680,942

10. SCHEDULE OF DEBENTURES PENDING

Authority	Purpose	Authorized
		$ NIL

11. 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 $36,524 (2021 - $37,227) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2021 indicated the plan was 101.4% funded on a going concern basis and has an unfunded solvency liability of $249 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2021.

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

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. 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.

14. ACCUMULATED SURPLUS

	2022	2021
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	$ 689,989	$ 598,111
Utility Operating Fund(s) - Nominal Surplus	152,529	63,301
TCA net of related borrowings	4,752,212	4,058,908
Reserve Funds	1,253,653	1,337,045
Accumulated Surplus of Municipality Unconsolidated	6,848,383	6,057,365
Accumulated Surpluses of Consolidated Entities	672,934	472,030
Accumulated Surplus per Consolidated Statement of Financial Position	$ 7,521,317	$ 6,529,395

15. RELATED PARTY TRANSACTIONS

During the course of the year the Municipality had transactions with councilors and their businesses for insurance and contract mowing. Included in operations were transactions totaling $59,731 (2021 - $55,319). These transactions are considered to be in the normal course of the operations and were measured at the exchange value (the amount of consideration established and agreed to by the related parties), which approximate the arm's length equivalent value.

16. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding $75,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2022:

a) Compensation paid to members of council amounted to $99,376 in aggregate.

b) No members of council receiving compensation in excess of $75,000 individually.

Council Members:

	Compensation	Expenses	Total
Brian Callum	$ 20,030	$ 621	$ 20,651
Walter McTavish	16,225	2,914	19,139
Travis Reichert	13,537	1,363	14,900
Wayne Gall	13,300	1,074	14,374
Heather Imrie	12,775	407	13,182
Royce Burnett	10,550	459	11,009
Ronald Rothwell	3,200	691	3,891
Donna Cox	2,625	216	2,841
Cody Faux	2,550	268	2,818
Judy Knox	2,500		2,500
Barbara Murray	2,084		2,084
	$ 99,376	$ 8,013	$ 107,389

c) No officers or employees that received compensation in excess of $75,000.

17. TRUST FUNDS

The Municipality administers the following trust funds:

	Balance, beginning of year	Excess (deficiency) of receipts over disbursements	Balance, end of year
ET Collins	$ 76,988	$ 2,816	$ 79,804
SK Watchorn	51,152	716	51,868
	$ 128,140	$ 3,532	$ 131,672

18. PUBLIC UTILITIES BOARD

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets 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 it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

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

Water services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Rural	$ 1,140,918	$	$ 36,652	$ 1,104,266

19. SEGMENTED INFORMATION

The Rural Municipality of Thompson 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.

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:

	2022	2021
Financial Position		
Financial assets	$ 187,959	$ 119,143
Liabilities	514,350	447,637
Net debt	(326,391)	(328,494)
Non-financial assets	999,325	800,524
Accumulated surplus	$ 672,934	$ 472,030
Result of Operations		
Revenues	$ 407,307	$ 228,061
Expenses	207,288	205,131
Intercompany revenue and expense eliminations	3,603	914
Annual surplus	$ 203,622	$ 23,844

21. COMMITMENTS

The Municipality has committed to the construction of the Miami Active Living Center with a total estimated project costs of $1,294,542. The project has received funding from the Government of Canada for $492,216 and the Province of Manitoba for $410,139 resulting in $392,187 to be financed by the Municipality. In July 2022, a fire occurred and destroyed the building resulting in a significant impairment of the asset. The building is under the insurance of the construction company LCL Construction Ltd. that has sufficient coverage to cover the replacement of the building. As a result of the impairment, at year end expenditures of $704,098 (2021 - $581,673) have been expensed and $581,704 (2021 - $271,379) in grants and $101,898 (2021 - $310,294) in donation revenue has been recognized accordingly from the Province of Manitoba and contributors. Furthermore, at year end $745,706 is included in revenue and as asset under construction under tangible capital assets as it represents the progress of re-construction of the Miami Active Living Center as of year end that was covered through the insurance of the original construction company. Subsequent to year end, the re-construction of the Miami Active Living was completed and the building became operational in June of 2023.

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2022

	General Capital Assets					Infrastructure			Totals	
Cost	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	2022	2021
Opening costs	$ 281,563	1,093,092	2,940,531	63,517		8,292,706	5,165,405	2,873	$ 17,839,687	$ 16,903,767
Additions during the year	71,850	2,838	15,302	85	745,706		230,002		1,065,783	1,251,885
Disposals and write downs			(2,604)						(2,604)	(315,965)
Transfers										
Closing costs	353,413	1,095,930	2,953,229	63,602	745,706	8,292,706	5,395,407	2,873	18,902,866	17,839,687
Accumulated Amortization										
Opening accum'd amortization	28,614	460,558	1,092,952	58,331		8,052,721	2,545,346		12,238,522	12,050,412
Amortization	3,183	35,560	161,674	3,176		16,923	106,174		326,690	291,978
Disposals and write downs			(2,437)						(2,437)	(103,868)
Closing accum'd amortization	31,797	496,118	1,252,189	61,507		8,069,644	2,651,520		12,562,775	12,238,522
Net Book Value of Tangible Capital Assets	$ 321,616	599,812	1,701,040	2,095	745,706	223,062	2,743,887	2,873	$ 6,340,091	$ 5,601,165

Water and sewer underground networks contributed to the Municipality totals $3,706,338 and were capitalized at their fair value at the time of their receipt.

The Municipality has 403 km of roads that were capitalized at a nominal value of $7,258,000.

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
For the year ended December 31, 2022

	2022 Actual	2021 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	$ 1,783,075	$ 1,712,272
Taxes added	32,052	36,222
	1,815,127	1,748,494
Grants in lieu of taxation:	4,814	3,101
User fees:		
Sales of service	240,767	196,302
Rentals	7,569	6,411
Lot levy	5,000	7,500
	253,336	210,213
Permits, licences and fines:		
Permits	24,294	22,550
Licences	485	710
	24,779	23,260
Investment income:		
Cash and temporary investments	55,389	24,761
Other revenue:		
Gain (loss) on sale of tangible capital assets		(126,856)
Gain on sale of real estate held for sale	77,144	80,306
Proceeds from construction company insurance agent	745,706	
Penalties and interest	22,787	23,845
Miscellaneous	217,755	422,075
	1,063,392	399,370
Water and sewer (Schedule 9)		
Municipal utility	312,393	290,527
Consolidated water co-operatives	334,435	165,532
	646,828	456,059
Sub-total	$ 3,863,665	$ 2,865,258

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2022

		2022 Actual	2021 Actual
Sub-total (Carry forward)	$	3,863,665	$ 2,865,258
Grants - Province of Manitoba:			
Municipal operating grants		122,822	120,549
Conditional grants		298,506	292,613
		421,328	413,162
Grants - other:			
Federal government - gas tax funding		80,006	156,533
Federal government - other		442,944	
Other municipal governments		38,012	20,894
		560,962	177,427
Total revenue	$	4,845,955	$ 3,455,847

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2022

	2022 Actual	2021 Actual
General government services:		
Legislative	$ 110,495	$ 98,675
General administrative	378,867	368,181
Other	23,582	17,582
	512,944	484,438
Protective services:		
Fire	47,733	54,941
Emergency measures	31,038	42,281
Other protection	58,729	59,734
	137,500	156,956
Transportation services:		
Road transport		
Administration and engineering	358,631	338,268
Road and street maintenance	887,047	604,027
Bridge maintenance	165,385	127,525
Street lighting	10,922	10,784
Other	15,597	3,222
	1,437,582	1,083,826
Environmental health services:		
Waste collection and disposal	175,503	176,348
Recycling	20,317	17,230
	195,820	193,578
Public health and welfare services:		
Public health	68,972	68,883
Medical care	2,740	3,815
Social assistance	2,821	2,955
	74,533	75,653
Regional planning and development:		
Planning and zoning	16,355	15,420
Sub-total	$ 2,374,734	$ 2,009,871

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
For the year ended December 31, 2022

		2022 Actual	2021 Actual
Sub-total (Carry forward)	$	2,374,734	$ 2,009,871
Resource conservation and industrial development:			
Rural area weed control		42,438	28,785
Veterinary services		6,998	6,911
Water resources and conservation		10,658	10,195
Regional development			1,804
Other		7,046	12,856
		67,140	60,551
Recreation and cultural services:			
Administration		6,197	5,763
Miami Active Living Center impairment		704,098	581,673
Skating and curling rinks		87,903	65,840
Parks and playgrounds		35,800	63,926
Other recreational facilities		34,674	76,075
Museums		1,200	1,138
Libraries		108,930	95,721
Loss on disposals of tangible capital assets		167	
		978,969	890,136
Water and sewer (Schedule 9)			
Municipal utility		296,081	292,304
Consolidated water co-operatives		137,109	139,186
		433,190	431,490
Total expenses	$	3,854,033	$ 3,392,048

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2022

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes	$ 1,815,127	$ 1,748,494								
Grants in lieu of taxation	4,814	3,101								
User fees	14,216	13,911					236,572	194,202		
Grants - other	534,025	156,533								
Permits, licences and fines	8,426	7,968								
Investment income	54,694	24,476								
Other revenue	312,582	396,646								
Water and sewer										
Prov of MB - unconditional grants	261,582	391,928								
Prov of MB - conditional grants	120,585				17,925					
Total revenue	3,126,051	2,743,057			17,925		236,572	194,202		
EXPENSES										
Personnel services	270,325	233,511			346,978	330,749	109,838	113,521	9,520	9,117
Contract services	113,776	97,855	42,925	49,269	284,483	233,064	1,350	1,391	21,125	27,797
Utilities	11,837	10,721	11,990	12,241	12,853	9,796	7,403	11,315	5,333	5,002
Maintenance, materials and supplies	65,384	46,928	27,568	42,541	660,334	413,876	70,748	60,870	35,815	29,922
Grants and contributions	9,949	40,521								
Amortization	19,108	21,206	49,807	47,031	127,490	96,341	6,481	6,481		762
Interest on long term debt	5,806	7,347			5,444				2,740	3,053
Other	16,759	26,349	5,210	5,874						
Total expenses	512,944	484,438	137,500	156,956	1,437,582	1,083,826	195,820	193,578	74,533	75,653
Surplus (Deficit)	$ 2,613,107	$ 2,258,619	(137,500)	(156,956)	(1,419,657)	(1,083,826)	40,752	624	(74,533)	(75,653)

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

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2022

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE										
Property taxes									$ 1,815,127	$ 1,748,494
Grants in lieu of taxation									4,814	3,101
User fees	722	633			1,826	1,467			253,336	210,213
Grants - other					26,937	20,894			560,962	177,427
Permits, licences and fines	16,353	15,292							24,779	23,260
Investment income	584	241			111	44			55,389	24,761
Other revenue	269	581			750,541	2,059		84	1,063,392	399,370
Water and sewer							646,828	456,059	646,828	456,059
Prov of MB - unconditional grants									261,582	391,928
Prov of MB - conditional grants					21,236	21,234			159,746	21,234
Total revenue	17,928	16,747			800,651	45,698	646,828	456,143	4,845,955	3,455,847
EXPENSES										
Personnel services	7,751	7,888			36,067	33,527	42,345	37,053	822,824	765,366
Contract services	668	284	25,702	31,766	33,261	58,733	182,547	195,504	705,837	695,663
Utilities	217	232			5,631	4,705	30,708	20,174	85,972	74,186
Maintenance, materials and supplies	4,037	3,397			41,322	35,485	58,285	64,678	963,493	697,695
Grants and contributions			41,438	28,785	136,155	152,708			187,542	222,014
Amortization	469	617			17,161	16,173	106,174	103,365	326,690	291,978
Interest on long term debt					5,107	5,647	13,131	9,263	32,228	25,310
Other	3,213	3,002			704,265	583,158		1,453	729,447	619,836
Total expenses	16,355	15,420	67,140	60,551	978,969	890,136	433,190	431,490	3,854,033	3,392,048
Surplus (Deficit)	1,573	1,327	(67,140)	(60,551)	(178,318)	(844,438)	213,638	24,653	$ 991,922	$ 63,799

RURAL MUNICIPALITY OF THOMPSON

SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the year ended December 31, 2022

	Core Government		Controlled Entities		Government Partnerships		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUE								
Property taxes	$ 1,815,127	$ 1,748,494					$ 1,815,127	$ 1,748,494
Grants in lieu of taxation	4,814	3,101					4,814	3,101
User fees	250,788	208,113			2,548	2,100	253,336	210,213
Grants - other	534,025	156,533			26,937	20,894	560,962	177,427
Permits, licences and fines	8,426	7,968			16,353	15,292	24,779	23,260
Investment income	54,694	24,476			695	285	55,389	24,761
Other revenue	1,058,289	396,646			5,103	2,724	1,063,392	399,370
Water and sewer	312,393	290,527			334,435	165,532	646,828	456,059
Prov of MB - unconditional grants	261,582	391,928					261,582	391,928
Prov of MB - conditional grants	138,510				21,236	21,234	159,746	21,234
Total revenue	4,438,648	3,227,786			407,307	228,061	4,845,955	3,455,847
EXPENSES								
Personnel services	736,661	686,898			86,163	78,468	822,824	765,366
Contract services	691,811	684,821			14,026	10,842	705,837	695,663
Utilities	74,640	63,300			11,332	10,886	85,972	74,186
Maintenance, materials and supplies	917,574	638,627			45,919	59,068	963,493	697,695
Grants and contributions	187,542	222,014					187,542	222,014
Amortization	293,353	261,314			33,337	30,664	326,690	291,978
Interest on long term debt	19,097	16,047			13,131	9,263	32,228	25,310
Other	726,067	613,896			3,380	5,940	729,447	619,836
Total expenses	3,646,745	3,186,917			207,288	205,131	3,854,033	3,392,048
Surplus (Deficit)	$ 791,903	$ 40,869			200,019	22,930	$ 991,922	$ 63,799

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022				
	Maple Avenue Reserve	Emergency Preparedness Reserve	Road Maintenance Reserve	Capital Lot Levy Reserve	Sub Total
REVENUE					
Investment income					$
Other income					
Total revenue					
EXPENSES					
Investment charges					
Other expenses					
Total expenses					
NET REVENUES					
TRANSFERS					
Debt repayment					
Transfers from operating fund					
Transfers to operating fund			(50,000)		(50,000)
Transfers from utility fund					
Transfers to utility fund					
Acquisition of tangible capital assets					
CHANGE IN RESERVE FUND BALANCES			(50,000)		(50,000)
FUND SURPLUS, BEGINNING OF YEAR	5,623	49,293	102,334	19,093	176,343
FUND SURPLUS, END OF YEAR	5,623	49,293	52,334	19,093	$ 126,343

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022				
	WDG Closure Costs Reserve	WDG - Improvements Reserve	WDG Reserve	Workshop / Yard Improvements Reserve	Sub Total
REVENUE					
Investment income	$		1,267		$ 1,267
Other income					
Total revenue			1,267		1,267
EXPENSES					
Investment charges					
Other expenses					
Total expenses					
NET REVENUES			1,267		1,267
TRANSFERS					
Debt repayment					
Transfers from operating fund					
Transfers to operating fund			(3,000)	(13,403)	(16,403)
Transfers from utility fund					
Transfers to utility fund					
Acquisition of tangible capital assets					
CHANGE IN RESERVE FUND BALANCES			(1,733)	(13,403)	(15,136)
FUND SURPLUS, BEGINNING OF YEAR	5,853	9,481	37,861	20,286	73,481
FUND SURPLUS, END OF YEAR	$ 5,853	9,481	36,128	6,883	$ 58,345

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022						
	WDG Machinery & Equipment Reserve	Gas Tax Reserve	VLT Revenue Reserve	Cemetery Reserve	Rural Reserve	Land Sale Reserve	Sub Total
REVENUE							
Investment income		7,775					$ 7,775
Other income							
Total revenue		7,775					7,775
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES		7,775					7,775
TRANSFERS							
Debt repayment							
Transfers from operating fund		80,006					80,006
Transfers to operating fund		(173,673)				(71,850)	(245,523)
Transfers from utility fund					4,000		4,000
Transfers to utility fund							
Acquisition of tangible capital assets							
CHANGE IN RESERVE FUND BALANCES		(85,892)			4,000	(71,850)	(153,742)
FUND SURPLUS, BEGINNING OF YEAR	18,091	390,320	36,502	17,690	57,387	331,743	851,733
FUND SURPLUS, END OF YEAR	18,091	304,428	36,502	17,690	61,387	259,893	$ 697,991

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2022

	2022							2021
	General Reserve	Equipment Replacement Reserve	Bridge Reserve	Fire Truck Reserve	LUD of Miami Reserve	Miami Utility General Reserve	Total	Total
REVENUE								
Investment income	$ 8,558	1,817	538	14	3,282	1,875	$ 25,126	$ 14,283
Other income								
Total revenue	8,558	1,817	538	14	3,282	1,875	25,126	14,283
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	8,558	1,817	538	14	3,282	1,875	25,126	14,283
TRANSFERS								
Debt repayment								
Transfers from operating fund		200,000	25,000		18,044	5,000	328,050	484,607
Transfers to operating fund	(3,251)	(122,270)					(437,447)	(860,352)
Transfers from utility fund						5,000	9,000	9,000
Transfers to utility fund						(8,121)	(8,121)	
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	5,307	79,547	25,538	14	21,326	3,754	(83,392)	(352,462)
FUND SURPLUS, BEGINNING OF YEAR	64,738	44,176	10,170	537	79,249	36,618	1,337,045	1,689,507
FUND SURPLUS, END OF YEAR	$ 70,045	123,723	35,708	551	100,575	40,372	$ 1,253,653	$ 1,337,045

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Miami
For the year ended December 31, 2022

	2022 Budget	2022 Actual	2021 Actual
REVENUE			
Taxation	$ 94,050	$ 94,050	$ 88,750
Other revenue	600	2,750	3,337
Total revenue	94,650	96,800	92,087
EXPENSES			
General government			
Indemnities and office administration	21,500	19,683	20,157
Transportation services			
Road and street maintenance	18,000	2,948	1,400
Sidewalk and boulevard maintenance	2,000	5,788	324
Street lighting	4,500	4,500	4,500
Other	7,650	10,153	3,222
Environmental health			
Other	12,000	5,000	10,000
Regional planning and development			
Urban area weed control		1,000	
Other	2,000	4,700	2,340
Recreation and cultural services			
Parks and playgrounds	12,000	12,000	12,798
Libraries	3,000	3,000	3,000
Other cultural facilities	7,000	4,984	7,363
Total expenses	89,650	73,756	65,104
NET REVENUES	5,000	23,044	26,983
TRANSFERS			
Transfers to L.U.D. reserves		(18,044)	(22,939)
Transfers to utility operating fund	(5,000)	(5,000)	
CHANGES IN L.U.D. BALANCES	$		4,044
UNEXPENDED BALANCE, BEGINNING OF YEAR		35,368	31,324
UNEXPENDED BALANCE, END OF YEAR		$ 35,368	$ 35,368

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2022

	2022				2021
	Miami	Rural	Pembina Valley Water Cooperative	Total	Total
FINANCIAL ASSETS					
Cash and temporary investments	$	$	$ 98,118	$ 98,118	$ 60,434
Amounts receivable (Note 4)	89	57	23,960	24,106	14,924
Portfolio investments			24,764	24,764	
Due from other funds	12,335	140,047		152,382	90,264
	12,424	140,104	146,842	299,370	165,622
LIABILITIES					
Accounts payable and accrued liabilities			58,615	58,615	10,646
Deferred revenue			57,463	57,463	58,182
Long-term debt (Note 9)			375,836	375,836	351,788
Due to other funds					27,110
			491,914	491,914	447,726
NET DEBT	12,424	140,104	(345,072)	(192,544)	(282,104)
NON-FINANCIAL ASSETS					
Tangible capital assets (Schedule 1)	357,356	1,402,877	986,527	2,746,760	2,622,932
Inventories			1,988	1,988	2,542
Prepaid expenses			256	256	331
	357,356	1,402,877	988,771	2,749,004	2,625,805
FUND SURPLUS	$ 369,780	$ 1,542,981	$ 643,699	$ 2,556,460	$ 2,343,701

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Miami
For the year ended December 31, 2022

	Budget	2022	2021
REVENUE			
Water			
Water fees	$ 107,556	$ 113,328	$ 99,165
Sub-Total - Water	107,556	113,328	99,165
Sewer			
Sewer fees	20,000	19,221	19,760
Sub-Total - Sewer	20,000	19,221	19,760
Other			
Hydrant rentals	1,000	1,000	1,000
Rate rider		4,836	1,600
Penalties	3,000	2,634	2,948
Other income	1,600	6,553	6,506
Sub-Total - Other	5,600	15,023	12,054
Total revenue	$ 133,156	$ 147,572	$ 130,979

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Miami
For the year ended December 31, 2022

	Budget	2022	2021
EXPENSES			
General			
Administration	$ 7,500	$ 8,050	$ 10,200
Billing and collection	2,300	2,300	3,714
Sub-Total - General	9,800	10,350	13,914
Water General			
Purification and treatment	27,000	10,081	9,549
Water purchases	55,000	83,846	63,788
Connection costs	500		45
Sub-Total - Water General	82,500	93,927	73,382
Water Amortization and Interest			
Amortization		5,818	5,818
Sub-Total - Water Amortization & Interest		5,818	5,818
Sewer General			
Treatment and disposal cost	18,600	6,972	1,027
Sub-Total - Sewer General	18,600	6,972	1,027
Sewer Amortization and Interest			
Amortization		7,848	7,848
Sub-Total - Sewer Amortization & Interest		7,848	7,848
Total expenses	110,900	124,915	101,989
NET OPERATING SURPLUS	$ 22,256	22,657	28,990
TRANSFERS			
Transfers from (to) reserve funds		3,121	(5,000)
CHANGE IN UTILITY FUND BALANCE		25,778	23,990
FUND SURPLUS, BEGINNING OF YEAR		344,002	320,012
FUND SURPLUS, END OF YEAR		$ 369,780	$ 344,002

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Rural
For the year ended December 31, 2022

	Budget	2022	2021
REVENUE			
Water			
Water fees	$ 156,197	$ 156,102	$ 146,443
Sub-Total - Water	156,197	156,102	146,443
Sewer			
Sewer fees		5,851	5,677
Sub-Total - Sewer		5,851	5,677
Other			
Penalties	2,300	2,228	2,050
Other income	5,500	640	5,378
Sub-Total - Other	7,800	2,868	7,428
Total revenue	$ 163,997	$ 164,821	$ 159,548

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Rural
For the year ended December 31, 2022

	Budget	2022	2021
EXPENSES			
General			
Administration	$ 7,300	$ 16,099	$ 16,658
Billing and collection	2,300	2,300	3,714
Sub-Total - General	9,600	18,399	20,372
Water General			
Purification and treatment	23,000	8,815	3,385
Water purchases	107,000	81,248	104,717
Connection costs		2,576	1,713
Sub-Total - Water General	130,000	92,639	109,815
Water Amortization & Interest			
Amortization		60,128	60,128
Sub-Total - Water Amortization & Interest		60,128	60,128
Total expenses	139,600	171,166	190,315
NET OPERATING SURPLUS (DEFICIT)	$ 24,397	(6,345)	(30,767)
TRANSFERS			
Transfers to reserve funds		(4,000)	(4,000)
CHANGE IN UTILITY FUND BALANCE		(10,345)	(34,767)
FUND SURPLUS, BEGINNING OF YEAR		1,553,326	1,588,093
FUND SURPLUS, END OF YEAR		$ 1,542,981	$ 1,553,326

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Pembina Valley Water Cooperative
For the year ended December 31, 2022

	Budget	2022	2021
REVENUE			
Water fees	$	$ 148,834	$ 164,087
Government transfers		157,944	1,300
Other			
Unrealized gain attributed to Derivatives - interest rate swaps		24,764	
Investment income		1,654	57
Gain on sale of tangible capital assets			84
Other income		1,239	88
Sub-Total - Other		27,657	229
Total revenue		334,435	165,616
EXPENSES			
General			
Administration		50,992	44,723
Utilities (telephone, electricity, etc)		10,721	10,232
Sub-Total - General		61,713	54,955
Water General			
Purification and treatment		29,886	43,945
Other			1,453
Sub-Total - Water General		29,886	45,398
Water Amortization & Interest			
Amortization		32,379	29,570
Interest on long term debt		13,131	9,263
Sub-Total - Water Amortization & Interest		45,510	38,833
Total expenses		137,109	139,186
NET OPERATING SURPLUS	$	197,326	26,430
TRANSFERS			
CHANGE IN UTILITY FUND BALANCE		197,326	26,430
FUND SURPLUS, BEGINNING OF YEAR		446,373	419,943
FUND SURPLUS, END OF YEAR		$ 643,699	$ 446,373

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2022

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	LUD	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	$ 1,718,375							$ 1,718,375
Grants in lieu of taxation	8,764							8,764
User fees	320,357						532	320,889
Grants - Province of Manitoba	120,549							120,549
Grants - other	80,006						49,298	129,304
Permits, licences and fines	8,200						13,072	21,272
Investment income	5,000						380	5,380
Other revenue	16,000						110	16,110
Water and sewer		297,153					151,305	448,458
Transfers from accumulated surplus	20,000				(20,000)			
Transfers from reserves	565,808				(565,808)			
Total revenue	2,863,059	297,153			(585,808)		214,697	2,789,101
EXPENSES								
General government services	412,208		19,108	5,806	1,856			438,978
Protective services	90,100		49,807					139,907
Transportation services	923,300		127,490	5,444				1,056,234
Environmental health services	214,296		6,481					220,777
Public health and welfare services	46,250			2,740				48,990
Regional planning and development							13,703	13,703
Resource cons and industrial dev	67,295							67,295
Recreation and cultural services	131,350		16,671	5,107			48,046	201,174
Water and sewer services		250,500	73,795				139,585	463,880
Fiscal services:								
Transfer to capital	565,808				(565,808)			
Debt charges	104,590			(104,590)				
Short term interest	1,000			(1,000)				
Transfer to reserves	305,006	9,000			(314,006)			
Allowance for tax assets		37,653			(37,653)			
Total expenses	2,861,203	297,153	293,352	(86,493)	(915,611)		201,334	2,650,938
Surplus (Deficit)	$		(293,352)	86,493	329,803		13,363	$ 138,163

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2022

	2022	2021
Balance, beginning of year	$ 161,869	$ 170,504
Add:		
Tax levy (Schedule 12)	3,520,146	3,461,806
Taxes added	32,052	36,222
Penalties or interest	22,787	23,845
Other accounts added	23,556	20,023
Sub-total	3,598,541	3,541,896
Deduct:		
Cash collections - current	3,299,147	3,236,510
Cash collections - arrears	152,099	154,351
Writeoffs	9,125	18,417
E.P.T.C. - cash advance	117,365	141,253
Sub-total	3,577,736	3,550,531
Balance, end of year	$ 182,674	$ 161,869

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2022

	2022			2021
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
LUD of Miami	12,201,210	7.694	$ 93,876	$ 89,124
Sub-Total - L.U.D			93,876	89,124
Debt charges:				
Frontage			19,144	19,297
Civic Centre "A1"			51,642	51,501
Civic Centre "A2"	160,177,440	0.091	14,576	15,081
Sub-Total - Debt charges			85,362	85,879
Reserves:				
Replacement	160,177,440	1.247	199,741	200,244
Bridge	147,976,230	0.169	25,008	10,290
Sub-Total - Reserves			224,749	210,534
General Municipal - Rural Area	147,976,230	4.805	711,026	682,048
- At Large	160,177,440	3.854	617,324	594,376
Special levies:				
Conservation Districts	123,432,750	0.083	10,245	10,427
Waste/Recycle			40,493	39,884
Sub-Total - Special levies			50,738	50,311
Total municipal taxes (Schedule 2)			1,783,075	1,712,272
Education support levy	4,090,990	8.713	35,645	36,031
Special levy:				
Prairie Rose	140,925,920	10.400	1,465,630	1,474,081
Western	14,918,560	13.300	198,417	202,762
Prairie Spirit	4,110,780	9.093	37,379	36,660
Sub-Total - Special levies			1,701,426	1,713,503
Total education taxes			1,737,071	1,749,534
Total tax levy (Schedule 11)			$ 3,520,146	$ 3,461,806

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2022

	2022	2021
General government services:		
Legislative	$ 110,495	$ 98,675
General administrative	378,867	368,181
Other	23,582	17,582
	512,944	484,438
Protective services:		
Fire	47,733	54,941
Emergency measures	31,038	42,281
Other	58,729	59,734
	137,500	156,956
Transportation services:		
Road transport		
Administration and engineering	358,631	338,268
Road and street maintenance	887,047	604,027
Bridge maintenance	165,385	127,525
Street lighting	10,922	10,784
Other	15,597	3,222
	1,437,582	1,083,826
Environmental health services:		
Waste collection and disposal	175,503	176,348
Recycling	20,317	17,230
	195,820	193,578
Public health and welfare services:		
Public health	68,972	68,883
Medical care	2,740	3,815
Social assistance	2,821	2,955
	74,533	75,653
Sub-total	$ 2,358,379	$ 1,994,451

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued
For the year ended December 31, 2022

	2022	2021
Sub-total (carry forward)	$ 2,358,379	$ 1,994,451
Resource conservation and industrial development:		
Rural area weed control	42,438	28,785
Veterinary services	6,998	6,911
Water resources and conservation	10,658	10,195
Regional development		1,804
Other	7,046	12,856
	67,140	60,551
Recreation and cultural services:		
Administration	6,197	5,763
Community centres and halls	704,098	581,673
Skating and curling rinks	87,903	65,840
Parks and playgrounds	35,800	63,926
Other recreational facilities	34,674	76,075
Museums	1,200	1,138
Libraries	56,158	46,110
	926,030	840,525
Total expenses	$ 3,351,549	$ 2,895,527

RURAL MUNICIPALITY OF THOMPSON
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2022

	2022			2021
	General	Utility	Total	Total
MUNICIPAL SURPLUS UNDER THE MUNICIPAL ACT	$ 73,184	89,227	$ 162,411	$ 6,965
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	328,050	9,000	337,050	493,607
Eliminate revenue - transfers from reserves	(437,447)	(8,121)	(445,568)	(860,352)
Increase revenue - reserve funds interest	25,126		25,126	14,283
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	3,578	197,326	200,904	23,844
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	23,044		23,044	26,983
Eliminate revenue - transfer from nominal surplus	(20,000)		(20,000)	
Increase expense - amortization of tangible capital assets	(219,559)	(73,794)	(293,353)	(261,314)
Decrease expense - principal portion of debenture debt	153,800		153,800	72,855
Repayment of reserve debenture	15,650		15,650	15,650
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets				(126,940)
Eliminate revenue - proceeds on new debenture debt				(394,251)
Eliminate revenue - proceeds on sale of tangible capital assets				(85,000)
Eliminate expense - acquisitions of tangible capital assets	832,858		832,858	1,137,469
NET SURPLUS PER STATEMENT OF OPERATIONS	$ 778,284	213,638	$ 991,922	$ 63,799