

Rural Municipality of De Salaberry

**Consolidated Financial Statements
For the Year Ended December 31, 2018**

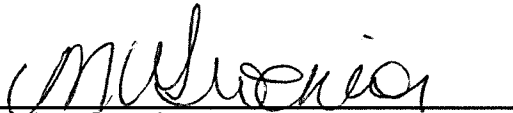
STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the RM of De Salaberry and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants Canada.

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

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

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



Melissa Groening
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
Rural Municipality of De Salaberry

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of De Salaberry, which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2018, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of the report, the consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of De Salaberry as at December 31, 2018, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2018 in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

The Municipality operates a landfill, however no assessment has been performed into any potential environmental liability that exists to properly close the landfill. Since there has been no assessment, we are unable to verify the completeness of any environmental liabilities, related expenses or impact on net financial assets and accumulated surplus.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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'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's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
August 1, 2019

Rural Municipality of De Salaberry


Consolidated Financial Statements For the Year Ended December 31, 2018

Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	17
Schedule 2 - Consolidated Schedule of Revenues	18
Schedule 3 - Consolidated Schedule of Expenses	19
Schedule 4 - Consolidated Statement of Operations by Program	21
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	23
Schedule 6 - Schedule of Change in Reserve Fund Balances	24
Schedule 7 - Schedule of L.U.D. Operations	26
Schedule 8 - Schedule of Financial Position for Utilities	27
Schedule 9 - Schedule of Utility Operations	28
Schedule 10 - Reconciliation of the Financial Plan to the Budget	32
Schedule 11 - Analysis of Taxes on Roll	33
Schedule 12 - Analysis of Tax Levy	34
Schedule 13 - Schedule of General Operating Fund Expenses	35
Schedule 14 - Reconciliation of Annual Surplus (Deficit)	37

**Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018**

	<u>2018</u>	<u>2017</u> (Note 19)
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 4,405,021	\$ 3,624,840
Amounts receivable (Note 4)	661,100	1,256,668
Investments (Note 6)	35,540	35,254
	<u>\$ 5,101,661</u>	<u>\$ 4,916,762</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 494,016	\$ 1,019,345
Unearned revenue (Note 8)	480,847	90,288
Long-term debt (Note 9)	1,541,880	1,676,882
	<u>2,516,743</u>	<u>2,786,515</u>
NET FINANCIAL ASSETS	<u>\$ 2,584,918</u>	<u>\$ 2,130,247</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1, Note 19)	\$ 10,698,001	\$ 10,663,825
Inventories (Note 5)	175,594	159,416
Prepaid expenses	25,765	30,084
	<u>10,899,360</u>	<u>10,853,325</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 13,484,278</u>	<u>\$ 12,983,572</u>

Approved on behalf of Council:



Reeve



Councillor

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2018

	<u>2018 Budget (Note 12)</u>	<u>2018 Actual</u>	<u>2017 Actual (Note 19)</u>
REVENUE			
Property taxes	\$ 3,027,479	\$ 2,996,490	\$ 3,022,371
Grants in lieu of taxation	21,514	21,514	16,981
User fees	447,710	476,594	426,243
Permits, licences and fines	55,400	61,041	66,301
Investment income	15,000	69,953	30,382
Other revenue	103,900	155,797	175,289
Water and sewer	306,769	297,471	313,110
Grants - Province of Manitoba	307,962	318,749	1,763,983
Grants - other	195,194	273,782	269,662
	<u>4,480,928</u>	<u>4,671,391</u>	<u>6,084,322</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	770,005	765,874	749,302
Protective services	270,281	267,135	277,627
Transportation services	1,725,755	1,696,355	1,527,409
Environmental health services	374,923	396,437	379,166
Public health and welfare services	5,082	10,895	10,562
Regional planning and development	28,500	8,860	12,848
Resource conservation and industrial development	188,201	245,567	256,950
Recreation and cultural services	179,235	302,045	323,644
Water and sewer services	491,464	477,517	487,688
	<u>4,033,446</u>	<u>4,170,685</u>	<u>4,025,196</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS	<u>\$ 447,482</u>	<u>500,706</u>	<u>2,059,126</u>
ACCUMULATED SURPLUS, AS PREVIOUSLY STATED		12,828,972	10,766,646
CORRECTION OF AN ERROR (Note 19)		<u>154,600</u>	<u>157,800</u>
ACCUMULATED SURPLUS, AS RESTATED		<u>12,983,572</u>	<u>10,924,446</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 13,484,278</u>	<u>\$ 12,983,572</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2018

	<u>2018</u> <u>Budget</u> <u>(Note 12)</u>	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u> <u>(Note 19)</u>
ANNUAL SURPLUS	\$ 447,482	\$ 500,706	\$ 2,059,126
Acquisition of tangible capital assets	(1,283,600)	(653,589)	(2,281,945)
Amortization of tangible capital assets	614,707	614,707	466,296
Loss (Gain) on sale of tangible capital assets	-	3,705	(39,068)
Proceeds on sale of tangible capital assets	-	1,001	86,940
Decrease (increase) in inventories	-	(16,178)	20,046
Decrease (increase) in prepaid expense	-	4,319	(17,515)
	<u>(668,893)</u>	<u>(46,035)</u>	<u>(1,765,246)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (221,411)</u>	454,671	293,880
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>2,130,247</u>	<u>1,836,367</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 2,584,918</u>	<u>\$ 2,130,247</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u> (Note 19)
OPERATING TRANSACTIONS		
Annual surplus	\$ 500,706	\$ 2,059,126
Changes in non-cash items:		
Amounts receivable	595,568	35,916
Inventories	(16,178)	20,046
Prepays	4,319	(17,515)
Investments	(286)	(411)
Accounts payable and accrued liabilities	(134,770)	367,583
Landfill closure and post closure liabilities	-	-
Loss (Gain) on sale of tangible capital asset	3,705	(39,068)
Amortization	614,707	466,296
	<u>1,567,771</u>	<u>2,891,973</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	1,001	86,940
Cash used to acquire tangible capital assets	(653,589)	(2,281,945)
	<u>(652,588)</u>	<u>(2,195,005)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>-</u>	<u>-</u>
Cash applied to investing transactions	-	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(135,002)	(159,176)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(135,002)</u>	<u>(159,176)</u>
Cash applied to financing transactions	-	-
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	780,181	537,792
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	3,624,840	3,087,048
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 4,405,021</u>	<u>\$ 3,624,840</u>

The accompanying notes are an integral part of this financial statement

Rural Municipality of De Salaberry
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

1. Status of the Rural Municipality of De Salaberry

The incorporated Rural Municipality of De Salaberry ("the Municipality") is a municipal government that was created on 1883 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, 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. Significant Accounting Policies

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

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, 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 controlled organizations include:

Club Sportif Iberville St. Malo 100% (2017 - 100%)

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

St. Pierre/De Salaberry Handi-Transit Inc 50% (2017 - 50%)
Bibliotheque Regionale Jolys Regional Library 50% (2017 - 50%)
Red River Weed Control Board 50% (2017 - 50%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Note 15.

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) 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.

No assessment has been performed into any potential environmental liability that exists to close the landfill, therefore any environmental liabilities, related expenses or impact on net financial assets and accumulated surplus have not been verified.

e) 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.

f) 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.

g) 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.

h) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government Transfers

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

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

i) 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 and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 4,405,021	\$ 3,624,840
Temporary investments	-	-
	<u>\$ 4,405,021</u>	<u>\$ 3,624,840</u>

The Municipality has designated \$2,459,463 (2017 - \$2,218,379) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has arranged a \$500,000 line of credit with their financial institution. The line of credit bears interest at 3.5% and \$500,000 was available for use as at December 31, 2018.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2018</u>	<u>2017</u>
Taxes on roll (Schedule 11)	\$ 125,993	\$ 225,955
Government grants	327,443	795,158
Utility customers	55,468	51,494
Accrued interest	-	-
Organizations and individuals	61,887	62,956
Other governments	90,309	121,105
	<u>661,100</u>	<u>1,256,668</u>
Less allowances for doubtful amounts	-	-
	<u>\$ 661,100</u>	<u>\$ 1,256,668</u>

5. Inventories	2018	2017
Gravel	\$ 174,819	\$ 158,516
Other	775	900
	<u>\$ 175,594</u>	<u>\$ 159,416</u>
6. Investments	2018	2017
Surplus shares held with Caisse Group Financier	\$ 1,755	\$ 1,755
Red River Weed Control Board:		
Various fixed term deposits held at Caisse Groupe Financier, bearing interest ranging from 1.60% to 2.35%	33,053	32,767
Club Sportif Iberville St. Malo		
Surplus shares held with the Caisse Group Financier	732	732
	<u>\$ 35,540</u>	<u>\$ 35,254</u>
7. Accounts Payable and Accrued Liabilities	2018	2017
Accounts payable	\$ 263,804	\$ 501,716
Accrued expenses	104,266	83,118
Refundable deposits	121,708	108,296
School levies	-	263,475
Other governments	4,238	62,740
	<u>\$ 494,016</u>	<u>\$ 1,019,345</u>
8. Unearned Revenue	2018	2017
Manitoba Hydro Bipole Project	<u>\$ 480,847</u>	<u>\$ 90,288</u>
9. Long Term Debt	2018	2017
General Authority:		
By-law 2270-06, debenture, interest at 5.500%, payable at \$15,203 annually including interest, maturing December 31, 2024	\$ 75,946	\$ 86,397
By-law 2284-11, debenture, interest at 5.800%, payable at \$8,718 annually including interest, maturing December 31, 2029	73,899	78,088
	<u>\$ 149,845</u>	<u>\$ 164,485</u>
Utility Funds:		
By-law 2264-09, debenture for St. Malo Utility, interest at 6.000%, payable at \$20,924 annually including interest, maturing December 31, 2028	\$ 154,005	\$ 165,027
By-law 2246-07, debenture for St. Malo Utility, interest at 5.875%, payable at \$14,240 annually including interest, maturing December 31, 2027	97,384	105,430
By-law 2150, debenture for St. Malo Utility, interest at 6.500%, payable at \$15,882 annually including interest, maturing December 1, 2021	42,064	54,410
By-law 2183-03, debenture for St. Malo Utility, interest at 6.150%, payable at \$7,126 annually including interest. The remaining balance was repaid in the current year	-	4,857
By-law 2228-06, debenture for St. Malo Utility, interest at 5.935%, payable at \$5,637 annually including interest, maturing December 1, 2025	31,541	35,096
Sub-total, continued on next page	<u>\$ 324,994</u>	<u>\$ 364,820</u>

Sub-total, from previous page	<u>\$ 324,994</u>	<u>\$ 364,820</u>
By-law 2234-06, debenture for St. Malo Utility, interest at 5.935%, payable at \$5,637 annually including interest, maturing December 1, 2025	31,541	35,096
By-law 2316-13, debenture for St. Malo Utility, interest at 3.875%, payable at \$11,234 annually including interest, maturing December 31, 2027	84,004	91,685
By-law 2335-15, debenture for St. Malo Utility, interest at 4.250%, payable at \$48,878 annually including interest, maturing December 31, 2035	583,267	606,374
By-law 2336-16, debenture for St. Malo Utility, interest at 3.250%, payable at \$59,661 annually including interest, maturing December 31, 2025	<u>368,229</u>	<u>414,422</u>
	<u>\$ 1,392,035</u>	<u>\$ 1,512,397</u>
	<u>\$ 1,541,880</u>	<u>\$ 1,676,882</u>

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

2019	\$ 136,100
2020	\$ 142,350
2021	\$ 148,907
2022	\$ 139,905
2023	\$ 146,095

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
By-law # 2368-18	Purchase of new fire truck	\$ 325,000

10. Retirement Benefits

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$69,406 (2017 - \$68,088) 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, 2017 indicated the plan was 100.8% funded on a going concern basis and had an unfunded solvency liability of \$246.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2017.

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

11. Financial Instruments

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion 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.

12. 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.

13. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,186,752	\$ 2,108,324
Utility operating fund(s) - Nominal surplus	(329,135)	(404,600)
TCA net of related borrowings	9,027,534	8,968,880
Reserve funds	<u>2,459,463</u>	<u>2,218,379</u>
Accumulated surplus of municipality unconsolidated	13,344,614	12,890,983
Accumulated surpluses of consolidated entities	<u>139,664</u>	<u>92,589</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 13,484,278</u>	<u>\$ 12,983,572</u>

14. 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, 2018:

- a) Compensation and expenses paid to members of council amounted to \$118,679 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Marc Marion	\$ 12,595	\$ 1,720	\$ 14,315
Reeve - Darrel Curé	3,207	1,129	4,336
Councillor - Patrick Catellier	8,271	1,261	9,532
Councillor - Andre Carbonneau	9,860	1,491	11,351
Councillor - Darrel Curé	9,778	2,905	12,683
Councillor - Ronald Martel	11,055	4,003	15,058
Councillor - Gabriel Gosselin	10,584	3,119	13,703
Councillor - Brune Hébert	2,044	1,159	3,203
Councillor - Louis Courcelles	2,008	1,132	3,140
Councillor - Wain Wiwsionski	2,666	3,191	5,857
Councillor - Hans Gorter	6,893	4,557	11,450
Councillor - Gabriel Tétrault	2,156	1,095	3,251
Committee member - James Gosselin	3,600	-	3,600
Committee member - François Lambert	3,600	-	3,600
Committee member - Maurice Comeault	3,600	-	3,600
	<u>\$ 91,917</u>	<u>\$ 26,762</u>	<u>\$ 118,679</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Kristine Shields</i>	<i>Chief Administrative Officer</i>	\$ 88,561

15. Trust Funds

The Rural Municipality of De Salaberry administers the following trusts:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
Fond Laval Trust	<u>\$ 19,003</u>	<u>\$ 299</u>	<u>\$ 19,302</u>

16. Segmented Information

The Rural Municipality of De Salaberry provides a wide ranges of services to its residents.

Segment information has been provided in Schedule 4 for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

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

17. Government Partnerships

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

	<u>2018</u>	<u>2017</u>
Financial Position		
Financial Assets	\$ 93,925	\$ 79,736
Liabilities	<u>6,534</u>	<u>5,364</u>
Net financial assets (liabilities)	\$ 87,391	\$ 74,372
Non-financial assets	<u>17,631</u>	<u>19,491</u>
Accumulated surplus	<u>\$ 105,022</u>	<u>\$ 93,863</u>
Result of Operations		
Revenues	\$ 158,334	\$ 147,296
Expenses	<u>147,175</u>	<u>142,842</u>
Annual surplus	\$ 11,159	\$ 4,454
Elimination of revenues/expenses upon consolidation	<u>\$ 39,160</u>	<u>\$ 39,248</u>
Consolidated annual surplus (deficit)	<u>\$ (28,001)</u>	<u>\$ (34,794)</u>

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 and government transfers do not meet the recommendations of PSAB.

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:

<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>
St. Malo	<u>\$ 194,374</u>	<u>\$ -</u>	<u>\$ 8,397</u>	<u>\$ 185,977</u>

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>
Otterburne	<u>\$ 41,397</u>	<u>\$ -</u>	<u>\$ 2,598</u>	<u>\$ 38,799</u>

19. Correction of an Error

During the year, it was determined that contributed assets related to property developments in previous years were not recorded as tangible capital assets. Due to this, tangible capital assets was increased by \$154,600, amortization increased by \$3,200 and opening accumulated surplus increased by \$157,800 for the year ended December 31, 2017. The opening accumulated surplus for the year ended December 31, 2018 was also increased by \$154,600.

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2018

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer (Note 19)	Assets Under Construction	2018	2017 (Note 19)
Cost										
Opening costs	\$ 400,000	\$ 988,944	\$ 3,887,336	\$ 101,724	\$ -	\$ 8,823,576	\$ 6,326,775	\$ 43,631	\$ 20,571,986	\$ 18,403,276
Additions during the year	-	-	441,502	998	31,303	129,448	66,535	-	669,786	4,764,267
Disposals and write downs	-	-	(44,410)	-	-	-	-	(16,197)	(60,607)	(2,595,557)
Closing costs	400,000	988,944	4,284,428	102,722	31,303	8,953,024	6,393,310	27,434	21,181,165	20,571,986
Accumulated Amortization										
Opening accum'd amortization	47,925	799,926	1,639,177	93,054	-	5,090,024	2,238,055	-	9,908,161	9,507,228
Amortization	5,549	10,786	237,933	2,586	-	211,276	146,577	-	614,707	466,296
Disposals and write downs	-	-	(39,704)	-	-	-	-	-	(39,704)	(65,363)
Closing accum'd amortization	53,474	810,712	1,837,406	95,640	-	5,301,300	2,384,632	-	10,483,164	9,908,161
Net Book Value of Tangible Capital Assets	\$ 346,526	\$ 178,232	\$ 2,447,022	\$ 7,082	\$ 31,303	\$ 3,651,724	\$ 4,008,678	\$ 27,434	\$ 10,698,001	\$ 10,663,825

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2018

SCHEDULE 2

	2018 Actual	2017 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 2,949,967	\$ 2,933,624
Taxes added	46,523	88,747
	<u>2,996,490</u>	<u>3,022,371</u>
Grants in lieu of taxation:		
Federal government	21,514	16,981
Federal government enterprises	-	-
Provincial government	-	-
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>21,514</u>	<u>16,981</u>
User fees		
Sales of service	276,995	206,651
Sales of goods	61,444	29,159
Rentals	138,155	190,433
Development charges	-	-
Facility use fees	-	-
	<u>476,594</u>	<u>426,243</u>
Permits, licences and fines		
Permits	44,881	49,727
Licences	4,830	5,704
Fees	11,330	10,870
Fines	-	-
	<u>61,041</u>	<u>66,301</u>
Investment income:		
Cash and temporary investments	69,953	30,382
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>69,953</u>	<u>30,382</u>
Other revenue:		
Gain (loss) on sale of tangible capital assets	(3,705)	39,068
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Penalties and interest	42,112	40,743
Miscellaneous:		
Tax sale fees	23,670	23,293
Rebates	34,308	24,369
Other	59,412	47,816
	<u>155,797</u>	<u>175,289</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	297,471	313,110
Consolidated water co-operatives	-	-
	<u>297,471</u>	<u>313,110</u>
Grants - Province of Manitoba		
Municipal operating grants	188,430	188,592
Other unconditional grants	70,707	34,848
Conditional grants	59,612	1,540,543
	<u>318,749</u>	<u>1,763,983</u>
Grants - other		
Federal government - gas tax funding	195,194	188,585
Federal government - other	3,438	-
Other municipal governments	75,150	81,077
	<u>273,782</u>	<u>269,662</u>
Total revenue	<u>\$ 4,671,391</u>	<u>\$ 6,084,322</u>

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 3

	2018 Actual	2017 Actual (Note 19)
General government services:		
Legislative	\$ 143,025	\$ 144,197
General administrative	492,187	469,700
Other	130,662	135,405
	<u>765,874</u>	<u>749,302</u>
Protective services:		
Police	-	-
Fire	164,580	160,565
Emergency measures	21,190	24,992
Other	81,365	92,070
	<u>267,135</u>	<u>277,627</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	1,218,139	1,173,288
Ditches and road drainage	1,076	57,383
Bridge maintenance	910	269
Sidewalk and boulevard maintenance	5,343	1,008
Street lighting	27,476	23,939
Other	-	-
Air transport	-	-
Public transit	-	-
Other	443,411	271,522
	<u>1,696,355</u>	<u>1,527,409</u>
Environmental health services:		
Waste collection and disposal	312,138	304,610
Recycling	57,188	49,584
Other	27,111	24,972
	<u>396,437</u>	<u>379,166</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	6,816	6,483
	<u>10,895</u>	<u>10,562</u>
Regional planning and development		
Planning and zoning	2,792	1,639
Urban renewal	-	-
Beautification and land rehabilitation	6,068	11,209
Urban area weed control	-	-
Other	-	-
	<u>8,860</u>	<u>12,848</u>
Resource conservation and industrial development		
Rural area weed control	103,968	97,974
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	136,412	152,008
Industrial development	-	-
Tourism	-	-
Other	5,187	6,968
	<u>245,567</u>	<u>256,950</u>
Sub-totals forward	<u>\$ 3,391,123</u>	<u>\$ 3,213,864</u>

Rural Municipality of De Salaberry
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 3

	<u>2018 Actual</u>	<u>2017 Actual (Note 19)</u>
Sub-totals forward	\$ 3,391,123	\$ 3,213,864
Recreation and cultural services:		
Administration	-	-
Community centers and halls	1,546	2,488
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	224,480	232,552
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	72,059	73,388
Other cultural facilities	3,960	15,216
	<u>302,045</u>	<u>323,644</u>
Water and sewer services (Schedule 9)		
Municipal utility(ies) (Schedule 9)	477,517	487,688
Consolidated water co-operatives	-	-
	<u>477,517</u>	<u>487,688</u>
Total expenses	\$ 4,170,685	\$ 4,025,196

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	General Government		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE										
Property taxes	\$ 2,807,270	\$ 2,833,151	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	21,514	16,981	-	-	-	-	-	-	-	-
User fees	129,830	155,074	41,703	35,284	-	-	147,566	100,665	2,450	1,651
Grants - other	241,788	237,931	-	-	-	-	-	-	2,245	4,087
Permits, licences and fines	14,910	17,071	3,232	2,309	1,000	800	-	-	-	-
Investment income	69,044	29,509	-	-	-	-	-	-	-	-
Other revenue	127,195	149,037	-	20,785	-	-	2,108	2,912	20	21
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	232,449	197,606	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	59,612	53,201	-	-	-	1,487,342	-	-	-	-
Total revenue	\$ 3,703,612	\$ 3,689,561	\$ 44,935	\$ 58,378	\$ 1,000	\$ 1,488,142	\$ 149,674	\$ 103,577	\$ 4,715	\$ 5,759
EXPENSES										
Personnel services	\$ 477,848	\$ 465,177	\$ 49,237	\$ 57,308	\$ 575,850	\$ 590,546	\$ 74,224	\$ 87,294	\$ 297	\$ 368
Contract services	205,790	184,931	67,422	76,165	73,655	154,516	246,906	231,699	1,061	1,265
Utilities	20,574	19,689	9,078	8,708	35,510	31,562	5,103	4,171	-	-
Maintenance materials and supplies	49,536	48,409	89,207	78,644	617,499	500,808	43,093	31,030	4,454	3,649
Grants and contributions	895	-	-	-	-	-	-	-	4,079	4,079
Amortization	5,915	6,024	34,244	33,773	393,841	249,977	27,111	24,972	1,002	1,179
Interest on long term debt	-	-	9,281	10,055	-	-	-	-	-	-
Other	5,316	25,072	8,666	12,974	-	-	-	-	2	22
Total expenses	\$ 765,874	\$ 749,302	\$ 267,135	\$ 277,627	\$ 1,696,355	\$ 1,527,409	\$ 396,437	\$ 379,166	\$ 10,895	\$ 10,562
Surplus (Deficit)	\$ 2,937,738	\$ 2,940,259	\$ (222,200)	\$ (219,249)	\$ (1,695,355)	\$ (39,267)	\$ (246,763)	\$ (275,589)	\$ (6,180)	\$ (4,803)

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017 (Note 19)	2018	2017 (Note 19)
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,220	\$ 189,220	\$ 2,996,490	\$ 3,022,371
Grants in lieu of taxation	-	-	-	-	-	-	-	-	21,514	16,981
User fees	-	-	55,415	45,730	99,630	87,839	-	-	476,594	426,243
Grants - other	-	-	19,031	18,365	10,718	9,279	-	-	273,782	269,662
Permits, licences and fines	-	-	37,664	40,856	4,235	5,265	-	-	61,041	66,301
Investment income	-	-	695	873	214	-	-	-	69,953	30,382
Other revenue	-	-	-	-	26,474	2,534	-	-	155,797	175,289
Water and sewer	-	-	-	-	-	-	297,471	313,110	297,471	313,110
Prov of MB - Unconditional Grants	-	-	-	-	26,688	25,834	-	-	259,137	223,440
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	59,612	1,540,543
Total revenue	\$ -	\$ -	\$ 112,805	\$ 105,824	\$ 167,959	\$ 130,751	\$ 486,691	\$ 502,330	\$ 4,671,391	\$ 6,084,322
EXPENSES										
Personnel services	\$ -	\$ -	\$ 170,838	\$ 179,122	\$ 66,250	\$ 67,321	\$ 105,938	\$ 119,523	\$ 1,520,482	\$ 1,566,659
Contract services	2,792	1,639	29,015	33,051	42,021	56,826	28,879	39,473	697,541	779,565
Utilities	-	-	1,606	1,865	34,645	32,610	16,401	15,650	122,917	114,255
Maintenance materials and supplies	6,068	11,209	22,409	21,428	38,527	38,822	109,900	90,904	980,693	824,903
Grants and contributions	-	-	18,000	17,500	116,943	125,329	-	-	139,917	146,908
Amortization	-	-	3,551	3,677	2,458	1,947	146,585	144,747	614,707	466,296
Interest on long term debt	-	-	-	-	-	-	66,877	73,929	76,158	83,984
Other	-	-	148	307	1,201	789	2,937	3,462	18,270	42,626
Total expenses	\$ 8,860	\$ 12,848	\$ 245,567	\$ 256,950	\$ 302,045	\$ 323,644	\$ 477,517	\$ 487,688	\$ 4,170,685	\$ 4,025,196
Surplus (Deficit)	\$ (8,860)	\$ (12,848)	\$ (132,762)	\$ (151,126)	\$ (134,086)	\$ (192,893)	\$ 9,174	\$ 14,642	\$ 500,706	\$ 2,059,126

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017 (Note 19)	2018	2017	2018	2017	2018	2017 (Note 19)
REVENUE								
Property taxes	\$ 2,996,490	\$ 3,022,371	\$ -	\$ -	\$ -	\$ -	\$ 2,996,490	\$ 3,022,371
Grants in lieu of taxation	21,514	16,981	-	-	-	-	21,514	16,981
User fees	319,099	291,023	99,480	87,523	58,015	47,697	476,594	426,243
Grants - other	241,788	237,931	-	-	31,994	31,731	273,782	269,662
Permits, licences and fines	61,041	66,301	-	-	-	-	61,041	66,301
Investment income	69,044	29,509	214	-	695	873	69,953	30,382
Other revenue	129,303	172,734	24,708	639	1,786	1,916	155,797	175,289
Water and sewer	297,471	313,110	-	-	-	-	297,471	313,110
Prov of MB - Unconditional Grants	232,449	197,606	-	-	26,688	25,834	259,137	223,440
Prov of MB - Conditional Grants	59,612	1,540,543	-	-	-	-	59,612	1,540,543
Total revenue	\$ 4,427,811	\$ 5,888,109	\$ 124,402	\$ 88,162	\$ 119,178	\$ 108,051	\$ 4,671,391	\$ 6,084,322
EXPENSES								
Personnel services	\$ 1,424,084	\$ 1,479,697	\$ -	\$ -	\$ 96,398	\$ 86,962	\$ 1,520,482	\$ 1,566,659
Contract services	651,664	716,596	36,566	52,742	9,311	10,227	697,541	779,565
Utilities	87,206	80,369	32,775	30,861	2,936	3,025	122,917	114,255
Maintenance materials and supplies	915,981	762,217	29,633	24,612	35,079	38,074	980,693	824,903
Grants and contributions	139,917	146,908	-	-	-	-	139,917	146,908
Amortization	611,725	462,371	-	-	2,982	3,925	614,707	466,296
Interest on long term debt	76,158	83,984	-	-	-	-	76,158	83,984
Other	16,924	41,507	873	487	473	632	18,270	42,626
Total expenses	\$ 3,923,659	\$ 3,773,649	\$ 99,847	\$ 108,702	\$ 147,179	\$ 142,845	\$ 4,170,685	\$ 4,025,196
Surplus (Deficit)	\$ 504,152	\$ 2,114,460	\$ 24,555	\$ (20,540)	\$ (28,001)	\$ (34,794)	\$ 500,706	\$ 2,059,126

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	2018								
	General Reserve	Machinery Replacement Reserve	Handi-Van Reserve	Waste Disposal Reserve	RM Office Reserve	EDO Office Reserve	Office Technology Reserve	St. Pierre Fire Reserve	St. Pierre Fire Vehicle Reserve
REVENUE									
Investment income	\$ 5,032	\$ 6,229	\$ 349	\$ 1,551	\$ 3,676	\$ 156	\$ 269	\$ 132	\$ 804
Other income	6,066	1,050	-	-	-	-	-	-	200
Total revenue	11,098	7,279	349	1,551	3,676	156	269	132	1,004
EXPENSES									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-
NET REVENUES	11,098	7,279	349	1,551	3,676	156	269	132	1,004
TRANSFERS									
Transfers from general operating fund	-	225,000	4,200	78,000	30,000	-	5,000	2,500	5,000
Transfers to general operating fund	-	(298,918)	-	-	(15,744)	-	(11,721)	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND	11,098	(66,639)	4,549	79,551	17,932	156	(6,452)	2,632	6,004
FUND SURPLUS, BEGINNING OF	313,752	394,394	21,209	88,184	226,706	9,680	17,421	7,907	49,343
FUND SURPLUS, END OF YEAR	\$ 324,850	\$ 327,755	\$ 25,758	\$ 167,735	\$ 244,638	\$ 9,836	\$ 10,969	\$ 10,539	\$ 55,347

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	2018									2017	
	St. Malo Fire Reserve	St. Malo Fire Vehicle Reserve	Recreation Reserve	Gas Tax Reserve	Gravel Pit Reserve	St. Malo Utility Reserve	Otterburne Utility Reserve	St. Malo LUD Reserve	St. Malo PW Shop Reserve	Total	Total
REVENUE											
Investment income	\$ 576	\$ 2,411	\$ 1,707	\$ 5,022	\$ 2,092	\$ 1,907	\$ 384	\$ 1,508	\$ -	\$ 33,805	\$ 17,483
Other income	-	100	150	-	-	-	100	-	-	7,666	-
Total revenue	<u>576</u>	<u>2,511</u>	<u>1,857</u>	<u>5,022</u>	<u>2,092</u>	<u>1,907</u>	<u>484</u>	<u>1,508</u>	<u>-</u>	<u>41,471</u>	<u>17,483</u>
EXPENSES											
Investment charges	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET REVENUES	576	2,511	1,857	5,022	2,092	1,907	484	1,508	-	41,471	17,483
TRANSFERS											
Transfers from general operating fund	5,000	20,000	20,000	195,194	130,000	-	-	-	25,000	744,894	692,656
Transfers to general operating fund	(14,180)	-	-	(48,834)	(89,349)	-	-	-	-	(478,746)	(536,501)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	14,000
Transfers to utility operating fund	-	-	-	-	-	(66,535)	-	-	-	(66,535)	(21,242)
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND	(8,604)	22,511	21,857	151,382	42,743	(64,628)	484	1,508	25,000	241,084	166,396
FUND SURPLUS, BEGINNING OF	31,727	147,853	103,884	447,121	125,624	118,577	23,853	91,144	-	2,218,379	2,051,983
FUND SURPLUS, END OF YEAR	\$ 23,123	\$ 170,364	\$125,741	\$598,503	\$168,367	\$ 53,949	\$ 24,337	\$ 92,652	\$ 25,000	\$2,459,463	\$2,218,379

SCHEDULE OF L.U.D. OPERATIONS - L.U.D. of St. Malo

For the Year Ended December 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation	\$ 447,658	\$ 447,658	\$ 440,591
Other Revenue	24,250	22,200	38,329
Total revenue	<u>471,908</u>	<u>469,858</u>	<u>478,920</u>
Expenses			
General Government:			
Indemnities	12,900	65,304	20,959
Transportation Services			
Road and street maintenance	250,100	193,082	235,727
Ditches and road drainage	41,500	1,076	57,383
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	7,000	5,343	1,008
Street lighting	34,500	19,152	16,414
Other	71,764	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Regional planning and development			
Beautification and land rehabilitation	25,000	6,068	11,209
Urban area weed control	-	-	-
Other	-	-	-
Resource conservation and industrial development			
Rural area weed control	-	150	69
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	<u>442,764</u>	<u>290,175</u>	<u>342,769</u>
Net revenues (expenses)	29,144	179,683	136,151
Transfers:			
Transfers from (to) operating fund	125,856	-	-
Transfers to capital	(130,000)	(97,968)	(249,688)
Transfers from (to) reserves	(25,000)	(25,000)	45,245
Change in L.U.D. balances	<u>\$ -</u>	<u>56,715</u>	<u>(68,292)</u>
Unexpended balance, beginning of year		<u>230,709</u>	<u>299,001</u>
Unexpended balance, end of year		<u>\$ 287,424</u>	<u>\$ 230,709</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2018

	2018			2017
	St. Malo Utility	Otterburne Utility	Total	Total (Note 19)
FINANCIAL ASSETS				
Cash and temporary investments	\$ 50	\$ -	\$ 50	\$ 50
Amounts receivable	55,468	-	55,468	51,494
Portfolio investments	-	-	-	-
Due from other funds	-	83,551	83,551	59,177
	<u>\$ 55,518</u>	<u>\$ 83,551</u>	<u>\$ 139,069</u>	<u>\$ 110,721</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 7)	1,392,035	-	1,392,035	1,512,396
Due to other funds	468,204	-	468,204	515,321
	<u>1,860,239</u>	<u>-</u>	<u>1,860,239</u>	<u>2,027,717</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (1,804,721)</u>	<u>\$ 83,551</u>	<u>\$ (1,721,170)</u>	<u>\$(1,916,996)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ 3,764,535	\$271,567	\$ 4,036,102	\$ 4,132,350
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	<u>3,764,535</u>	<u>271,567</u>	<u>4,036,102</u>	<u>4,132,350</u>
FUND SURPLUS (DEFICIT)	<u>\$ 1,959,814</u>	<u>\$355,118</u>	<u>\$ 2,314,932</u>	<u>\$ 2,215,354</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS - St. Malo Utility
For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
REVENUE			
Water			
Water fees	\$ 156,000	\$ 160,279	\$ 155,550
Bulk Water fees	-	-	-
sub-total- water	<u>156,000</u>	<u>160,279</u>	<u>155,550</u>
Sewer			
Sewer fees	71,300	75,774	64,202
Lagoon tipping fees	7,500	5,730	7,140
sub-total- sewer	<u>78,800</u>	<u>81,504</u>	<u>71,342</u>
Property taxes	<u>189,220</u>	<u>189,220</u>	<u>189,220</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	1,600	1,600	1,600
Connection charges	-	500	1,500
Installation service	23,000	28,500	29,000
Penalties	2,000	1,721	1,992
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	19,500	17,688	50,298
sub-total- other	<u>46,100</u>	<u>50,009</u>	<u>84,390</u>
Total revenue	<u>\$ 470,120</u>	<u>\$ 481,012</u>	<u>\$ 500,502</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS (cont'd) - St. Malo Utility
For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
EXPENSES			
General			
Administration	\$ 123,250	\$ 103,295	\$ 79,217
Training costs	-	2,246	884
Billing and collection	8,000	7,707	8,066
Utilities (telephone, electricity, etc.)	19,000	13,590	12,831
sub-total- general	<u>150,250</u>	<u>126,838</u>	<u>100,998</u>
Water General			
Purification and treatment	10,500	12,253	9,808
Water purchases	-	-	-
Transmission and distribution	48,000	27,827	34,214
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	2,000	3,750	10,600
Other water supply costs	6,500	17,323	66,959
sub-total- water general	<u>67,000</u>	<u>61,153</u>	<u>121,581</u>
Water Amortization & Interest			
Amortization	-	105,239	97,650
Interest on long term debt	21,731	19,873	23,287
sub-total- water amortization & interest	<u>21,731</u>	<u>125,112</u>	<u>120,937</u>
Sewer General			
Collection system costs	17,000	7,556	10,812
Treatment and disposal cost	5,500	-	-
Lift Station costs	11,200	22,081	8,952
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	7,500	41,253	16,563
sub-total- sewer general	<u>41,200</u>	<u>70,890</u>	<u>36,327</u>
Sewage Amortization & Interest			
Amortization	-	30,362	36,114
Interest on long term debt	47,004	47,004	50,641
sub-total- sewer amortization & interest	<u>47,004</u>	<u>77,366</u>	<u>86,755</u>
Total expenses	<u>327,185</u>	<u>461,359</u>	<u>466,598</u>
NET OPERATING SURPLUS	142,935	19,653	33,904
TRANSFERS			
Transfers from (to) operating fund	(120,485)	-	-
Transfers from (to) capital	(75,000)	-	-
Transfers from (to) reserve funds	52,550	66,535	21,242
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	86,188	55,146
FUND SURPLUS, BEGINNING OF YEAR		<u>1,873,626</u>	<u>1,818,480</u>
FUND SURPLUS, END OF YEAR		<u>\$ 1,959,814</u>	<u>\$ 1,873,626</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS - Otterburne Utility
For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	23,869	23,869	22,088
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>23,869</u>	<u>23,869</u>	<u>22,088</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	4,500	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	158	39
Gain on sale of tangible capital assets	-	-	-
Other income	2,000	1,021	1,789
sub-total- other	<u>2,000</u>	<u>5,679</u>	<u>1,828</u>
Total revenue	<u>\$ 25,869</u>	<u>\$ 29,548</u>	<u>\$ 23,916</u>

Rural Municipality of De Salaberry
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Otterburne Utility
For the Year Ended December 31, 2018

SCHEDULE 9

EXPENSES	Budget	2018	2017 (Note 19)
General			
Administration	\$ -	\$ -	\$ -
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>-</u>	<u>-</u>	<u>-</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	12,500	5,175	10,107
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>12,500</u>	<u>5,175</u>	<u>10,107</u>
Sewage Amortization & Interest			
Amortization	-	10,983	10,983
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>10,983</u>	<u>10,983</u>
Total expenses	<u>12,500</u>	<u>16,158</u>	<u>21,090</u>
NET OPERATING SURPLUS	13,369	13,390	2,826
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) capital fund	(22,500)	-	-
Transfers from (to) reserve funds	9,131	-	(14,000)
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>13,390</u>	<u>(11,174)</u>
FUND SURPLUS, AS PREVIOUSLY STATED		187,128	195,102
CORRECTION OF AN ERROR (Note 19)		<u>154,600</u>	<u>157,800</u>
FUND SURPLUS, AS RESTATED		<u>341,728</u>	<u>352,902</u>
FUND SURPLUS, END OF YEAR		<u>\$ 355,118</u>	<u>\$ 341,728</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2018

	Financial Plan General	Financial Plan Utility(ies)	LUD	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE									
Property taxes	\$ 3,027,479	\$ -	\$ 447,658	\$ -	\$ -	\$ (447,658)	\$ -	\$ -	\$ 3,027,479
Grants in lieu of taxation	21,514	-	-	-	-	-	-	-	21,514
User fees	447,710	-	-	-	-	-	-	-	447,710
Permits, licences and fines	55,400	-	-	-	-	-	-	-	55,400
Investment income	15,000	-	-	-	-	-	-	-	15,000
Other revenue	79,650	-	24,250	-	-	-	-	-	103,900
Water and sewer	-	306,769	-	-	-	-	-	-	306,769
Grants - Province of Manitoba	307,962	-	-	-	-	-	-	-	307,962
Grants - other	195,194	-	-	-	-	-	-	-	195,194
Transfers from accumulated surplus	-	-	125,856	-	-	(125,856)	-	-	-
Transfers from utility	-	189,220	-	-	-	(189,220)	-	-	-
Transfers from reserves	-	62,550	-	-	-	(62,550)	-	-	-
Total revenue	\$ 4,149,909	\$ 558,539	\$ 597,764	\$ -	\$ -	\$ (825,284)	\$ -	\$ -	\$ 4,480,928
EXPENSES									
General government services	\$ 743,843	\$ -	\$ 12,900	\$ 5,915	\$ -	\$ 7,347	\$ -	\$ -	\$ 770,005
Protective services	225,982	-	-	34,244	10,055	-	-	-	270,281
Transportation services	927,050	-	404,864	393,841	-	-	-	-	1,725,755
Environmental health services	347,812	-	-	27,111	-	-	-	-	374,923
Public health and welfare services	4,080	-	-	1,002	-	-	-	-	5,082
Regional planning and development	3,500	-	25,000	-	-	-	-	-	28,500
Resource cons and industrial dev	184,650	-	-	3,551	-	-	-	-	188,201
Recreation and cultural services	176,777	-	-	2,458	-	-	-	-	179,235
Water and sewer services	-	270,950	-	146,585	73,929	-	-	-	491,464
Fiscal services:									
Transfer to capital	20,000	97,500	130,000	-	-	(247,500)	-	-	-
Transfer to utility	213,089	-	-	-	-	(213,089)	-	-	-
Transfer to general	-	-	-	-	-	-	-	-	-
Debt charges	23,921	189,220	-	-	(213,141)	-	-	-	-
Short term interest	1,500	-	-	-	-	(1,500)	-	-	-
Transfer to L.U.D.	447,658	-	-	-	-	(447,658)	-	-	-
Transfer to reserves	822,700	869	25,000	-	-	(848,569)	-	-	-
Allowance for tax assets	7,347	-	-	-	-	(7,347)	-	-	-
Total expenses	\$ 4,149,909	\$ 558,539	\$ 597,764	\$ 614,707	\$ (129,157)	\$ (1,758,316)	\$ -	\$ -	\$ 4,033,446
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ (614,707)	\$ 129,157	\$ 933,032	\$ -	\$ -	\$ 447,482

Rural Municipality of De Salaberry
ANALYSIS OF TAXES ON ROLL
December 31, 2018

SCHEDULE 11

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 225,955	\$ 388,658
Add:		
Tax levy (Schedule 12)	7,216,451	7,098,633
Taxes added	46,523	88,747
Penalties or interest	42,112	40,743
Other accounts added	-	23,293
Tax Adjustments (Transferred in from A/R)	1,319	-
Tax Adjustments (Transferred in from Utility)	19,990	22,815
Sub-total	7,326,395	7,274,231
Deduct:		
Cash collections - current	6,354,151	6,250,234
Cash collections - arrears	166,262	295,664
Cash collections - future	233,476	210,436
Write-offs	242	9,598
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	672,226	671,002
Other credits (specify)	-	-
Sub-total	7,426,357	7,436,934
Balance, end of year	\$ 125,993	\$ 225,955

Rural Municipality of De Salaberry
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2018

SCHEDULE 12

	2018			2017
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
L.U.D. of St. Malo	\$ 55,689,150	\$ 8.000	\$ 445,513	\$ 438,252
Name of LUD	\$ -	\$ -	-	-
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			<u>445,513</u>	<u>438,252</u>
Debt charges:				
St. Malo Lagoon	\$ 38,849,690	\$ 0.406	15,773	15,773
St. Malo Water Plant Well	\$ 38,849,690	\$ 0.145	5,633	5,633
St. Malo Forcemain Upgrade	\$ 38,849,690	\$ 0.364	14,141	14,141
St. Malo Water Plant Reservoir	\$ 38,849,690	\$ 0.535	20,785	20,785
St. Charles Water and Sewer	\$ 664,340	\$ -	4,793	4,793
Le Rang Sewer and Water	\$ 883,730	\$ -	5,637	5,637
St. Malo FD Tanker Pumper	\$ 282,356,170	\$ 0.027	7,624	7,624
St. Malo FD Tanker Pumper	\$ 177,047,490	\$ 0.043	7,613	7,601
Dufrost Water Supply	\$ 755,050	\$ -	8,718	8,718
St. Malo Water Plant Reservoir #2	\$ 38,849,690	\$ 0.288	11,189	11,189
Gosselin LPS	\$ 6,421,970	\$ -	48,878	48,878
Lift Station	\$ 27,527,080	\$ -	59,661	59,661
sub-total- Debt charges			<u>210,444</u>	<u>210,433</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Rural Machinery Replacement	\$ 228,621,420	\$ 0.975	222,906	198,102
Gravel	\$ 228,621,420	\$ 0.564	128,942	-
Recreation	\$ 284,310,570	\$ 0.070	19,902	19,885
St. Malo and St. Pierre FD				
General At Large	\$ 284,310,570	\$ 0.114	32,411	32,246
Municipal Office Building	\$ 284,310,570	\$ 0.105	29,853	29,827
Office Technology	\$ 284,310,570	\$ 0.018	5,118	5,106
Handivan	\$ 284,310,570	\$ 0.015	4,265	4,299
sub-total- Reserves			<u>443,396</u>	<u>289,464</u>
General municipal - Rural Area	\$ 228,621,420	\$ 3.179	726,787	927,397
General municipal - At Large	\$ 284,310,570	\$ 3.240	921,166	873,320
			<u>1,647,954</u>	<u>1,800,718</u>
Special levies:				
Otterburne Sewer Services	\$ 4,295,470	\$ -	23,586	22,089
St. Malo & District Scavenging	\$ -	\$ -	-	-
Otterburne & District Scavenging	\$ -	\$ -	-	-
De Salaberry Waste Collection	\$ 70,278,740	\$ -	179,073	172,669
De Salaberry Fire Protection	\$ -	\$ -	-	-
sub-total- Special levies			<u>202,659</u>	<u>194,758</u>
Business tax (rate%)	\$ -	\$ -	-	-
Total municipal taxes (Schedule 2)			<u>2,949,967</u>	<u>2,933,624</u>
Education support levy	\$ 33,077,900	\$ 9.770	323,171	346,010
Special levies:				
Red River School Division	\$ 240,728,680	\$ 13.846	3,333,129	3,202,617
Border Land School Division	\$ 16,989,990	\$ 14.406	244,758	268,096
Hanover School Division	\$ 24,131,660	\$ 15.143	365,426	348,287
sub-total- Special levies			<u>3,943,313</u>	<u>3,818,999</u>
Total education taxes			<u>4,266,484</u>	<u>4,165,009</u>
Total tax levy (Schedule 11)			<u>\$ 7,216,451</u>	<u>\$ 7,098,633</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	2018 Actual	2017 Actual
General government services:		
Legislative	\$ 127,702	\$ 123,238
General administrative	492,187	469,700
Other	130,662	135,405
	<u>750,551</u>	<u>728,343</u>
Protective services:		
Police	-	-
Fire	164,580	160,565
Emergency measures	21,190	24,992
Other	81,365	92,070
	<u>267,135</u>	<u>277,627</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	1,025,057	937,561
Bridge maintenance	910	269
Sidewalk and boulevard maintenance	-	-
Street lighting	8,324	7,525
Other	-	-
Air transport	-	-
Public transit	-	-
Other	443,411	271,522
	<u>1,477,702</u>	<u>1,216,877</u>
Environmental health services:		
Waste collection and disposal	312,138	304,610
Recycling	57,188	49,584
Other	27,111	24,972
	<u>396,437</u>	<u>379,166</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	-	-
	<u>4,079</u>	<u>4,079</u>
Regional planning and development		
Planning and zoning	2,792	1,639
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>2,792</u>	<u>1,639</u>
Resource conservation and industrial development		
Rural area weed control	35,500	35,000
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	136,412	152,008
Industrial development	-	-
Tourism	-	-
Other	5,187	6,968
	<u>177,099</u>	<u>193,976</u>
Sub-totals forward	<u>\$ 3,075,795</u>	<u>\$ 2,801,707</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	<u>2018 Actual</u>	<u>2017 Actual</u>
Sub-totals forward	<u>\$ 3,075,795</u>	<u>\$ 2,801,707</u>
Recreation and cultural services:		
Administration	-	-
Community centers and halls	1,546	2,488
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	135,991	144,291
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	39,177	39,177
Other cultural facilities	3,960	15,216
	<u>180,674</u>	<u>201,172</u>
Total expenses	<u><u>\$ 3,256,469</u></u>	<u><u>\$ 3,002,879</u></u>

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2018

	2018			2017
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 78,420	\$ 59,266	\$ 137,686	\$ (129,441)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	744,894	-	744,894	706,656
Eliminate revenue - transfers from reserves	(478,746)	(66,535)	(545,281)	(557,743)
Increase revenue - reserve funds interest	33,805	-	33,805	17,483
Increase revenue - reserve other income	7,666	-	7,666	-
Increase (Decrease) revenue/expense - transfers between funds	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(3,446)	-	(3,446)	(55,334)
Eliminate expense - contributions to consolidating entities	50,521	-	50,521	59,687
Increase expense - amortization of tangible capital assets	(465,141)	(146,584)	(611,725)	(462,371)
Decrease expense - principal portion of debenture debt	14,641	120,361	135,002	159,176
Decrease revenue - proceeds from long term debt	-	-	-	-
Increase (decrease) revenue - gain (loss) on disposal of tangible capital assets	(3,705)	-	(3,705)	39,068
Decrease revenue - proceeds on disposal of tangible capital assets	(1,000)	-	(1,000)	-
Eliminate expense - acquisitions of tangible capital assets	489,754	66,535	556,289	2,281,945
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 467,663	\$ 33,043	\$ 500,706	\$ 2,059,126