

# **Rural Municipality of De Salaberry**

**Consolidated Financial Statements  
For the Year Ended December 31, 2017**


## 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  
Acting Chief Administrative Officer



## INDEPENDENT AUDITORS' REPORT

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

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, 2017 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2017, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### *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.

### *Opinion*

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the issues referred to in the preceding paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Municipality of De Salaberry as at December 31, 2017, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2017 in accordance with Canadian Public Sector Accounting Standards.

*Exchange*

Chartered Professional Accountants LLP  
Winnipeg, Manitoba  
March 26, 2019

# **Rural Municipality of De Salaberry**

## **Consolidated Financial Statements**

**For the Year Ended December 31, 2017**

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**Rural Municipality of De Salaberry**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 3,624,840	\$ 3,087,048
Amounts receivable (Note 4)	1,256,668	1,292,584
Investments (Note 6)	<u>35,254</u>	<u>34,843</u>
	<u>\$ 4,916,762</u>	<u>\$ 4,414,475</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 1,019,345	\$ 651,762
Unearned revenue	90,288	90,288
Long-term debt (Note 8)	<u>1,676,882</u>	<u>1,836,058</u>
	<u>2,786,515</u>	<u>2,578,108</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 2,130,247</u>	<u>\$ 1,836,367</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 10,509,225	\$ 8,738,248
Inventories (Note 5)	159,416	179,462
Prepaid expenses	<u>30,084</u>	<u>12,569</u>
	<u>10,698,725</u>	<u>8,930,279</u>
<b>ACCUMULATED SURPLUS (Note 12)</b>	<u>\$ 12,828,972</u>	<u>\$ 10,766,646</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, 2017**

	<u>2017 Budget (Note 11)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>REVENUE</b>			
Property taxes	\$ 3,021,117	\$ 3,022,371	\$ 2,953,228
Grants in lieu of taxation	22,660	16,981	22,880
User fees	382,396	426,243	327,719
Permits, licences and fines	60,200	66,301	58,290
Investment income	20,000	30,382	34,418
Other revenue	109,250	175,289	70,804
Water and sewer	368,688	313,110	361,740
Grants - Province of Manitoba	2,069,052	1,763,983	1,302,408
Grants - other	186,321	269,662	306,825
Total revenue (Schedules 2, 4 and 5)	<u>6,239,684</u>	<u>6,084,322</u>	<u>5,438,312</u>
<b>EXPENSES</b>			
General government services	813,864	749,302	855,301
Protective services	273,494	277,627	240,837
Transportation services	1,714,643	1,527,409	1,923,044
Environmental health services	359,906	379,166	326,403
Public health and welfare services	4,080	10,562	13,718
Regional planning and development	30,500	12,848	55,873
Resource conservation and industrial development	189,602	256,950	285,899
Recreation and cultural services	177,735	323,644	272,858
Water and sewer services	487,176	484,488	454,079
Total expenses (Schedules 3, 4 and 5)	<u>4,051,000</u>	<u>4,021,996</u>	<u>4,428,012</u>
<b>ANNUAL SURPLUS</b>	<u><u>\$ 2,188,684</u></u>	<u>2,062,326</u>	1,010,300
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>10,766,646</u>	<u>9,756,346</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u><u>\$ 12,828,972</u></u>	<u><u>\$ 10,766,646</u></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, 2017**

	<u>2017</u> <u>Budget</u> <u>(Note 11)</u>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 2,188,684</b>	<b>\$ 2,062,326</b>	<b>\$ 1,010,300</b>
Acquisition of tangible capital assets	(3,264,292)	(2,281,945)	(1,517,006)
Amortization of tangible capital assets	459,158	463,096	425,342
Loss (Gain) on sale of tangible capital assets	-	(39,068)	53,866
Proceeds on sale of tangible capital assets	-	86,940	177,237
Decrease (increase) in inventories	-	20,046	(15,462)
Decrease (increase) in prepaid expense	-	(17,515)	(66)
	<u>(2,805,134)</u>	<u>(1,768,446)</u>	<u>(876,089)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (616,450)</u></b>	<b>293,880</b>	<b>134,211</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<u>1,836,367</u>	<u>1,702,156</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b><u>\$ 2,130,247</u></b>	<b><u>\$ 1,836,367</u></b>

*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, 2017**

	<u>2017</u>	<u>2016</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	<b>\$ 2,062,326</b>	\$ 1,010,300
Changes in non-cash items:		
Amounts receivable	<b>35,916</b>	(117,494)
Inventories	<b>20,046</b>	(15,462)
Prepays	<b>(17,515)</b>	(66)
Investments	<b>(411)</b>	(331)
Accounts payable and accrued liabilities	<b>367,583</b>	46,716
Landfill closure and post closure liabilities	-	-
Loss (Gain) on sale of tangible capital asset	<b>(39,068)</b>	53,866
Amortization	<b>463,096</b>	425,342
	<u><b>2,891,973</b></u>	<u>1,402,871</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	<b>86,940</b>	177,237
Cash used to acquire tangible capital assets	<b>(2,281,945)</b>	(1,517,006)
	<u><b>(2,195,005)</b></u>	<u>(1,339,769)</u>
<b>INVESTING TRANSACTIONS</b>		
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	-	-
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	-	1,152,290
Debt repayment	<b>(159,176)</b>	(1,223,469)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u><b>(159,176)</b></u>	<u>(71,179)</u>
Cash applied to financing transactions	<u><b>(159,176)</b></u>	<u>(71,179)</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<b>537,792</b>	(8,077)
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>3,087,048</b></u>	<u>3,095,125</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>\$ 3,624,840</b></u></u>	<u><u>\$ 3,087,048</u></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, 2017**

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**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% (2016 - 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% (2016 - 50%)*  
*Bibliotheque Regionale Jolys Regional Library 50% (2016 - 50%)*  
*Red River Weed Control Board 50% (2016 - 50%)*

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

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

**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>2017</u>	<u>2016</u>
Cash	\$ 3,624,840	\$ 3,087,048
Temporary investments	-	-
	<u>\$ 3,624,840</u>	<u>\$ 3,087,048</u>

The Municipality has designated \$2,218,379 (2016 - \$2,051,983) 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, 2017.

### **4. Amounts Receivable**

Amounts receivable are valued at their net realizable value.

	<u>2017</u>	<u>2016</u>
Taxes on roll (Schedule 11)	\$ 225,955	\$ 388,658
Government grants	795,158	548,251
Utility customers	51,494	59,506
Accrued interest	-	-
Organizations and individuals	62,956	146,127
Other governments	121,105	150,042
	<u>1,256,668</u>	<u>1,292,584</u>
Less allowances for doubtful amounts	-	-
	<u>\$ 1,256,668</u>	<u>\$ 1,292,584</u>

<b>5. Inventories</b>	<b>2017</b>	<b>2016</b>
Gravel	\$ 158,516	\$ 179,462
Other	900	-
	<u>\$ 159,416</u>	<u>\$ 179,462</u>
<b>6. Investments</b>	<b>2017</b>	<b>2016</b>
Surplus shares held with Caisse Group Financial	\$ 1,755	\$ 1,755
<b>Red River Weed Control Board:</b>		
Various fixed term deposits held at Caisse Groupe Financiers, bearing interest ranging from 1.70% to 2.35%	32,767	32,356
<b>Club Sportif Iberville St. Malo</b>		
Surplus shares held with the Caisse Group Financier	732	732
	<u>\$ 35,254</u>	<u>\$ 34,843</u>
<b>7. Accounts Payable and Accrued Liabilities</b>	<b>2017</b>	<b>2016</b>
Accounts payable	\$ 501,716	\$ 398,176
Accrued expenses	83,118	57,231
Accrued interest payable	-	-
Refundable deposits	108,296	120,897
School levies	263,475	-
Other governments	62,740	75,458
	<u>\$ 1,019,345</u>	<u>\$ 651,762</u>
<b>8. Long Term Debt</b>	<b>2017</b>	<b>2016</b>
<b>General Authority:</b>		
By-law 2270-06, debenture, interest at 5.50%, payable at \$15,203 annually including interest, maturing December 31, 2024	\$ 86,397	\$ 96,304
By-law 2284-11, debenture, interest at 5.800%, payable at \$8,718 annually including interest, maturing December 31, 2029	78,088	82,048
	<u>\$ 164,485</u>	<u>\$ 178,352</u>
<b>Utility Funds:</b>		
By-law 2264-09, debenture for St. Malo Utility, interest at 6.000%, payable at \$20,924 annually including interest, maturing December 31, 2028	\$ 165,027	\$ 175,426
By-law 2246-07, debenture for St. Malo Utility, interest at 5.875%, payable at \$14,240 annually including interest, maturing December 31, 2027	105,430	113,029
By-law 2150, debenture for St. Malo Utility, interest at 6.500%, payable at \$15,882 annually including interest, maturing December 1, 2021	54,410	66,002
By-law 2183-03, debenture for St. Malo Utility, interest at 6.150%, payable at \$7,126 annually including interest, maturing December 1, 2023	4,857	39,569
By-law 2228-06, debenture for St. Malo Utility, interest at 5.935%, payable at \$5,637 annually including interest, maturing December 1, 2025	35,096	38,451
Sub-total, continued on next page	<u>\$ 364,820</u>	<u>\$ 432,477</u>

Sub-total, from previous page	<u>\$ 364,820</u>	<u>\$ 432,477</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	35,096	38,451
By-law 2316-13, debenture for St. Malo Utility, interest at 3.875%, payable at \$11,234 annually including interest, maturing December 31, 2027	91,685	99,080
By-law 2335-15, debenture for St. Malo Utility, interest at 4.250%, payable at \$48,878 annually including interest, maturing December 31, 2035	606,374	628,538
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>414,422</u>	<u>459,160</u>
	<u>\$ 1,512,397</u>	<u>\$ 1,657,706</u>
	<u>\$ 1,676,882</u>	<u>\$ 1,836,058</u>

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

2018	\$ 135,000
2019	\$ 136,100
2020	\$ 142,350
2021	\$ 148,907
2022	\$ 139,905

## 9. Retirement Benefits

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

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 \$68,088 (2016 - \$61,771) 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, 2016 indicated the plan was 98.0% 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, 2016.

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

## 10. Financial Instruments

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

**11. Budget**

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

**12. Accumulated Surplus**

	<u>2017</u>	<u>2016</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 2,108,324	\$ 2,354,917
Utility operating fund(s) - Nominal surplus	(404,600)	(385,011)
TCA net of related borrowings	8,814,280	6,880,199
Reserve funds	<u>2,218,379</u>	<u>2,051,983</u>
Accumulated surplus of municipality unconsolidated	<b>12,736,383</b>	10,902,088
Accumulated surpluses of consolidated entities	<u>92,589</u>	<u>88,234</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><b>\$ 12,828,972</b></u>	<u><b>\$ 10,766,646</b></u>

**13. 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 \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2017:

a) Compensation and expenses paid to members of council amounted to \$116,608 in aggregate.

b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Marc Marion	\$ 13,764	\$ 2,382	\$ 16,146
Councillor - Patrick Catellier	8,149	1,051	9,200
Councillor - Andre Carbonneau	12,947	1,987	14,934
Councillor - Darrel Cure	12,522	2,680	15,202
Councillor - Ron Martel	11,689	3,121	14,810
Councillor - Gabriel Gosselin	13,337	7,993	21,330
Councillor - Hans Gorter	8,797	5,389	14,186
Committee member - James Gosselin	3,600	-	3,600
Committee member - Francois Lambert	3,600	-	3,600
Committee member - Maurice Comeault	3,600	-	3,600
	<u>\$ 92,005</u>	<u>\$ 24,603</u>	<u>\$ 116,608</u>

c) The following officers received compensation in excess of \$50,000:

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Kristine Shields</i>	<i>Chief Administrative Officer</i>	\$ 96,355
<i>Todd Gregoire</i>	<i>Public Works</i>	\$ 70,826
<i>André Laroche</i>	<i>Public Works</i>	\$ 64,001
<i>Julius Andrusiak</i>	<i>Public Works</i>	\$ 62,387
<i>Yves Roy</i>	<i>Public Works</i>	\$ 58,801
<i>Jakob Wiebe</i>	<i>Public Works</i>	\$ 58,566
<i>Yves Bouchard</i>	<i>Public Works</i>	\$ 55,960
<i>Melissa Groening</i>	<i>Administration</i>	\$ 51,590
<i>Suzanne Hebert</i>	<i>Administration</i>	\$ 51,010
<i>Jackie Chubey</i>	<i>Administration</i>	\$ 50,644

**14. 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>\$ 22,943</u>	<u>\$ (3,940)</u>	<u>\$ 19,003</u>

## 15. 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.

## 16. Government Partnerships

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

	2017	2016
<b>Financial Position</b>		
Financial Assets	\$ 79,736	\$ 73,321
Liabilities	5,364	6,421
Net financial assets (liabilities)	\$ 74,372	\$ 66,900
Non-financial assets	19,491	22,509
Accumulated surplus	<u>\$ 93,863</u>	<u>\$ 89,409</u>
<b>Result of Operations</b>		
Revenues	\$ 147,296	\$ 153,501
Expenses	142,842	142,134
Annual surplus	\$ 4,454	\$ 11,367
Elimination of revenues/expenses upon consolidation	\$ 39,248	\$ 40,939
Consolidated annual surplus (deficit)	<u>\$ (34,794)</u>	<u>\$ (29,572)</u>

## 17. 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:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
St. Malo	<u>\$ 202,771</u>	<u>\$ -</u>	<u>\$ 8,397</u>	<u>\$ 194,374</u>

### Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Otterburne	<u>\$ 17,941</u>	<u>\$ -</u>	<u>\$ 3,588</u>	<u>\$ 14,353</u>

**Rural Municipality of De Salaberry**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**Year Ended December 31, 2017**

**SCHEDULE 1**

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2017	2016
<b>Cost</b>										
Opening costs	\$ 359,334	\$ 988,944	\$ 3,690,039	\$ 101,724	\$ -	\$ 5,890,625	\$ 6,166,775	\$ 1,045,835	\$ 18,243,276	\$ 17,078,366
Additions during the year	40,666	-	310,533	-	-	2,932,951	-	1,480,117	4,764,267	1,793,503
Disposals and write downs	-	-	(113,235)	-	-	-	-	(2,482,322)	(2,595,557)	(628,593)
Closing costs	400,000	988,944	3,887,337	101,724	-	8,823,576	6,166,775	43,630	20,411,986	18,243,276
<b>Accumulated Amortization</b>										
Opening accum'd amortization	42,376	789,140	1,482,882	89,281	-	5,010,241	2,091,108	-	9,505,028	9,200,678
Amortization	5,549	10,786	221,658	3,773	-	79,783	141,547	-	463,096	425,342
Disposals and write downs	-	-	(65,363)	-	-	-	-	-	(65,363)	(120,992)
Closing accum'd amortization	47,925	799,926	1,639,177	93,054	-	5,090,024	2,232,655	-	9,902,761	9,505,028
Net Book Value of Tangible Capital Assets	\$ 352,075	\$ 189,018	\$ 2,248,160	\$ 8,670	\$ -	\$ 3,733,552	\$ 3,934,120	\$ 43,630	\$ 10,509,225	\$ 8,738,248



Rural Municipality of De Salaberry  
**CONSOLIDATED SCHEDULE OF REVENUES**  
For the Year Ended December 31, 2017

**SCHEDULE 2**

	2017 Actual	2016 Actual
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 2,933,624	\$ 2,843,646
Taxes added	88,747	109,582
	<u>3,022,371</u>	<u>2,953,228</u>
<b>Grants in lieu of taxation:</b>		
Federal government	16,981	22,880
Federal government enterprises	-	-
Provincial government	-	-
Provincial government enterprises	-	-
Other municipal governments	-	-
Non-government organizations	-	-
	<u>16,981</u>	<u>22,880</u>
<b>User fees</b>		
Sales of service	206,651	154,758
Sales of goods	29,159	32,136
Rentals	190,433	140,825
Development charges	-	-
Facility use fees	-	-
	<u>426,243</u>	<u>327,719</u>
<b>Permits, licences and fines</b>		
Permits	49,727	35,302
Licences	5,704	15,732
Fees	10,870	7,256
Fines	-	-
	<u>66,301</u>	<u>58,290</u>
<b>Investment income:</b>		
Cash and temporary investments	30,382	34,418
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>30,382</u>	<u>34,418</u>
<b>Other revenue:</b>		
Gain (loss) on sale of tangible capital assets	39,068	(53,866)
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Penalties and interest	40,743	50,249
Miscellaneous:		
Tax sale fees	23,293	15,730
Rebates	24,369	26,968
Other	47,816	31,723
	<u>175,289</u>	<u>70,804</u>
<b>Water and sewer</b>		
Municipal utility(ies) (Schedule 9)	313,110	361,740
Consolidated water co-operatives	-	-
	<u>313,110</u>	<u>361,740</u>
<b>Grants - Province of Manitoba</b>		
Municipal operating grants	188,592	191,791
Other unconditional grants	34,848	27,144
Conditional grants	1,540,543	1,083,473
	<u>1,763,983</u>	<u>1,302,408</u>
<b>Grants - other</b>		
Federal government - gas tax funding	188,585	186,321
Federal government - other	-	-
Other municipal governments	81,077	120,504
	<u>269,662</u>	<u>306,825</u>
<b>Total revenue</b>	<u>\$ 6,084,322</u>	<u>\$ 5,438,312</u>

Rural Municipality of De Salaberry  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
For the Year Ended December 31, 2017

**SCHEDULE 3**

	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>General government services:</b>		
Legislative	\$ 134,091	\$ 130,728
General administrative	469,700	505,231
Other	135,405	219,342
	<u>739,196</u>	<u>855,301</u>
<b>Protective services:</b>		
Police	-	-
Fire	160,565	127,017
Emergency measures	24,992	19,495
Other	92,070	94,325
	<u>277,627</u>	<u>240,837</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	1,183,394	1,543,768
Ditches and road drainage	57,383	37,117
Bridge maintenance	269	4,987
Sidewalk and boulevard maintenance	1,008	45,139
Street lighting	23,939	32,179
Other	-	-
Air transport	-	-
Public transit	-	-
Other	271,522	259,854
	<u>1,537,515</u>	<u>1,923,044</u>
<b>Environmental health services:</b>		
Waste collection and disposal	304,610	254,999
Recycling	49,584	47,453
Other	24,972	23,951
	<u>379,166</u>	<u>326,403</u>
<b>Public health and welfare services:</b>		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	6,483	9,639
	<u>10,562</u>	<u>13,718</u>
<b>Regional planning and development</b>		
Planning and zoning	1,639	50,000
Urban renewal	-	-
Beautification and land rehabilitation	11,209	5,873
Urban area weed control	-	-
Other	-	-
	<u>12,848</u>	<u>55,873</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	97,974	108,719
Drainage of land	-	-
Veterinary services	-	10,056
Water resources and conservation	-	-
Regional development	152,008	135,228
Industrial development	-	-
Tourism	-	-
Other	6,968	31,896
	<u>256,950</u>	<u>285,899</u>
<b>Sub-totals forward</b>	<u>\$ 3,213,864</u>	<u>\$ 3,701,075</u>

Rural Municipality of De Salaberry  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
For the Year Ended December 31, 2017

**SCHEDULE 3**

	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>Sub-totals forward</b>	<b>\$ 3,213,864</b>	<b>\$ 3,701,075</b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	2,488	391
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	232,552	194,008
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	73,388	77,178
Other cultural facilities	15,216	1,281
	<u>323,644</u>	<u>272,858</u>
<b>Water and sewer services (Schedule 9)</b>		
Municipal utility(ies) (Schedule 9)	484,488	454,079
Consolidated water co-operatives	-	-
	<u>484,488</u>	<u>454,079</u>
<b>Total expenses</b>	<b><u>\$ 4,021,996</u></b>	<b><u>\$ 4,428,012</u></b>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2017

	General Government		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>REVENUE</b>										
Property taxes	\$ 2,833,151	\$ 2,772,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	16,981	22,880	-	-	-	-	-	-	-	-
User fees	155,074	111,750	35,284	-	-	-	100,665	85,999	1,651	2,965
Grants - other	237,931	241,045	-	-	-	-	-	24,887	4,087	3,232
Permits, licences and fines	17,071	5,333	2,309	2,245	800	10,532	-	-	-	-
Investment income	29,509	33,237	-	-	-	-	-	-	-	-
Other revenue	149,037	65,173	20,785	-	-	-	2,912	2,000	21	12
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	197,606	218,935	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	53,201	66,622	-	-	1,487,342	991,017	-	-	-	-
<b>Total revenue</b>	<b>\$ 3,689,561</b>	<b>\$ 3,537,082</b>	<b>\$ 58,378</b>	<b>\$ 2,245</b>	<b>\$ 1,488,142</b>	<b>\$ 1,001,549</b>	<b>\$ 103,577</b>	<b>\$ 112,886</b>	<b>\$ 5,759</b>	<b>\$ 6,209</b>
<b>EXPENSES</b>										
Personnel services	\$ 465,177	\$ 489,872	\$ 57,308	\$ 45,158	\$ 577,362	\$ 537,797	\$ 87,294	\$ 67,831	\$ 368	\$ 676
Contract services	184,931	190,041	76,165	51,477	167,700	128,771	231,699	208,330	1,265	1,081
Utilities	19,689	21,695	8,708	6,719	31,562	40,223	4,171	3,999	-	-
Maintenance materials and supplies	48,409	53,357	78,644	71,564	500,808	1,017,880	31,030	20,792	3,649	6,471
Grants and contributions	-	1,150	-	-	-	-	-	-	4,079	4,079
Amortization	6,024	11,436	33,773	48,686	249,977	198,373	24,972	23,951	1,179	1,387
Interest on long term debt	-	-	10,055	10,789	-	-	-	-	-	-
Other	25,072	87,750	12,974	6,444	-	-	-	1,500	22	24
<b>Total expenses</b>	<b>\$ 749,302</b>	<b>\$ 855,301</b>	<b>\$ 277,627</b>	<b>\$ 240,837</b>	<b>\$ 1,527,409</b>	<b>\$ 1,923,044</b>	<b>\$ 379,166</b>	<b>\$ 326,403</b>	<b>\$ 10,562</b>	<b>\$ 13,718</b>
<b>Surplus (Deficit)</b>	<b>\$ 2,940,259</b>	<b>\$ 2,681,781</b>	<b>\$ (219,249)</b>	<b>\$ (238,592)</b>	<b>\$ (39,267)</b>	<b>\$ (921,495)</b>	<b>\$ (275,589)</b>	<b>\$ (213,517)</b>	<b>\$ (4,803)</b>	<b>\$ (7,509)</b>

\* 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, 2017

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>REVENUE</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,220	\$ 181,121	\$ 3,022,371	\$ 2,953,228
Grants in lieu of taxation	-	-	-	-	-	-	-	-	16,981	22,880
User fees	-	-	45,730	52,729	87,839	74,276	-	-	426,243	327,719
Grants - other	-	-	18,365	17,500	9,279	20,161	-	-	269,662	306,825
Permits, licences and fines	-	-	40,856	34,510	5,265	5,670	-	-	66,301	58,290
Investment income	-	-	873	1,181	-	-	-	-	30,382	34,418
Other revenue	-	-	-	558	2,534	3,061	-	-	175,289	70,804
Water and sewer	-	-	-	-	-	-	313,110	361,740	313,110	361,740
Prov of MB - Unconditional Grants	-	-	-	-	25,834	25,834	-	-	223,440	244,769
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	1,540,543	1,057,639
Total revenue	\$ -	\$ -	\$ 105,824	\$ 106,478	\$ 130,751	\$ 129,002	\$ 502,330	\$ 542,861	\$ 6,084,322	\$ 5,438,312
<b>EXPENSES</b>										
Personnel services	\$ -	\$ -	\$ 179,122	\$ 166,360	\$ 67,321	\$ 70,511	\$ 119,523	\$ 82,977	\$ 1,553,475	\$ 1,461,182
Contract services	1,639	50,000	33,051	68,254	56,826	45,652	39,473	32,598	792,749	776,204
Utilities	-	-	1,865	1,809	32,610	32,680	15,650	16,775	114,255	123,900
Maintenance materials and supplies	11,209	5,873	21,428	17,590	38,822	58,772	90,904	106,286	824,903	1,358,585
Grants and contributions	-	-	17,500	27,556	125,329	62,695	-	-	146,908	95,480
Amortization	-	-	3,677	3,864	1,947	1,926	141,547	135,724	463,096	425,347
Interest on long term debt	-	-	-	-	-	-	73,929	70,784	83,984	81,573
Other	-	-	307	466	789	622	3,462	8,935	42,626	105,741
Total expenses	\$ 12,848	\$ 55,873	\$ 256,950	\$ 285,899	\$ 323,644	\$ 272,858	\$ 484,488	\$ 454,079	\$ 4,021,996	\$ 4,428,012
<b>Surplus (Deficit)</b>	\$ (12,848)	\$ (55,873)	\$ (151,126)	\$ (179,421)	\$ (192,893)	\$ (143,856)	\$ 17,842	\$ 88,782	\$ 2,062,326	\$ 1,010,300

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2017

	Core Government		Controlled Entities		Government Partnerships		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
<b>REVENUE</b>								
Property taxes	\$ 3,022,371	\$ 2,953,228	\$ -	\$ -	\$ -	\$ -	\$ 3,022,371	\$ 2,953,228
Grants in lieu of taxation	16,981	22,880	-	-	-	-	16,981	22,880
User fees	291,023	197,749	87,523	74,206	47,697	55,764	426,243	327,719
Grants - other	237,931	265,932	-	12,275	31,731	28,618	269,662	306,825
Permits, licences and fines	66,301	58,290	-	-	-	-	66,301	58,290
Investment income	29,509	33,237	-	-	873	1,181	30,382	34,418
Other revenue	172,734	67,173	639	2,464	1,916	1,167	175,289	70,804
Water and sewer	313,110	361,740	-	-	-	-	313,110	361,740
Prov of MB - Unconditional Grants	197,606	218,935	-	-	25,834	25,834	223,440	244,769
Prov of MB - Conditional Grants	1,540,543	1,057,639	-	-	-	-	1,540,543	1,057,639
Total revenue	\$ 5,888,109	\$ 5,236,803	\$ 88,162	\$ 88,945	\$ 108,051	\$ 112,564	\$ 6,084,322	\$ 5,438,312
<b>EXPENSES</b>								
Personnel services	\$ 1,466,513	\$ 1,369,908	\$ -	\$ -	\$ 86,962	\$ 91,274	\$ 1,553,475	\$ 1,461,182
Contract services	729,780	723,774	52,742	40,477	10,227	11,953	792,749	776,204
Utilities	80,369	90,201	30,861	30,821	3,025	2,878	114,255	123,900
Maintenance materials and supplies	762,217	1,277,487	24,612	49,944	38,074	31,154	824,903	1,358,585
Grants and contributions	146,908	95,480	-	-	-	-	146,908	95,480
Amortization	459,171	421,035	-	-	3,925	4,312	463,096	425,347
Interest on long term debt	83,984	81,573	-	-	-	-	83,984	81,573
Other	41,507	104,626	487	550	632	565	42,626	105,741
Total expenses	\$ 3,770,449	\$ 4,164,084	\$ 108,702	\$ 121,792	\$ 142,845	\$ 142,136	\$ 4,021,996	\$ 4,428,012
<b>Surplus (Deficit)</b>	\$ 2,117,660	\$ 1,072,719	\$ (20,540)	\$ (32,847)	\$ (34,794)	\$ (29,572)	\$ 2,062,326	\$ 1,010,300

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

	2017								
	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
<b>REVENUE</b>									
Investment income	\$ 3,337	\$ 4,062	\$ 162	\$ 322	\$ 1,914	\$ 97	\$ 121	\$ 54	\$ 433
Other income	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>3,337</b>	<b>4,062</b>	<b>162</b>	<b>322</b>	<b>1,914</b>	<b>97</b>	<b>121</b>	<b>54</b>	<b>433</b>
<b>EXPENSES</b>									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET REVENUES</b>	<b>3,337</b>	<b>4,062</b>	<b>162</b>	<b>322</b>	<b>1,914</b>	<b>97</b>	<b>121</b>	<b>54</b>	<b>433</b>
<b>TRANSFERS</b>									
Transfers from general operating fund	-	200,000	4,200	72,165	30,000	-	5,000	2,500	6,498
Transfers to general operating fund	(40,666)	(169,560)	-	(36,340)	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND</b>	<b>(37,329)</b>	<b>34,502</b>	<b>4,362</b>	<b>36,147</b>	<b>31,914</b>	<b>97</b>	<b>5,121</b>	<b>2,554</b>	<b>6,931</b>
<b>FUND SURPLUS, BEGINNING OF</b>	<b>351,081</b>	<b>359,892</b>	<b>16,847</b>	<b>52,037</b>	<b>194,792</b>	<b>9,583</b>	<b>12,300</b>	<b>5,353</b>	<b>42,412</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 313,752</b>	<b>\$ 394,394</b>	<b>\$ 21,209</b>	<b>\$ 88,184</b>	<b>\$ 226,706</b>	<b>\$ 9,680</b>	<b>\$ 17,421</b>	<b>\$ 7,907</b>	<b>\$ 49,343</b>

**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**

For the Year Ended December 31, 2017

	2017								2016	
	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	Total	Total
<b>REVENUE</b>										
Investment income	\$ 390	\$ 1,304	\$ 883	\$ 2,326	\$ -	\$ 1,402	\$ 99	\$ 577	\$ 17,483	\$ 8,893
Other income	-	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>390</b>	<b>1,304</b>	<b>883</b>	<b>2,326</b>	<b>-</b>	<b>1,402</b>	<b>99</b>	<b>577</b>	<b>17,483</b>	<b>8,893</b>
<b>EXPENSES</b>										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET REVENUES</b>	<b>390</b>	<b>1,304</b>	<b>883</b>	<b>2,326</b>	<b>-</b>	<b>1,402</b>	<b>99</b>	<b>577</b>	<b>17,483</b>	<b>8,893</b>
<b>TRANSFERS</b>										
Transfers from general operating fund	5,000	33,084	20,000	188,585	125,624	-	-	-	692,656	484,484
Transfers to general operating fund	(17,880)	-	(16,347)	(255,708)	-	-	-	-	(536,501)	(438,861)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	14,000	-	14,000	-
Transfers to utility operating fund	-	-	-	-	-	(21,242)	-	-	(21,242)	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND</b>	<b>(12,490)</b>	<b>34,388</b>	<b>4,536</b>	<b>(64,797)</b>	<b>125,624</b>	<b>(19,840)</b>	<b>14,099</b>	<b>577</b>	<b>166,396</b>	<b>54,516</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>44,217</b>	<b>113,465</b>	<b>99,348</b>	<b>511,918</b>	<b>-</b>	<b>138,417</b>	<b>9,754</b>	<b>90,567</b>	<b>2,051,983</b>	<b>1,997,467</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 31,727</b>	<b>\$ 147,853</b>	<b>\$ 103,884</b>	<b>\$447,121</b>	<b>\$ 125,624</b>	<b>\$ 118,577</b>	<b>\$ 23,853</b>	<b>\$ 91,144</b>	<b>\$2,218,379</b>	<b>\$2,051,983</b>



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

For the Year Ended December 31, 2017

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Taxation	\$ 440,591	\$ 440,591	\$ 417,314
Other Revenue	24,250	38,329	31,505
Total revenue	<u>464,841</u>	<u>478,920</u>	448,819
<b>Expenses</b>			
General Government:			
Indemnities	12,000	10,853	10,993
Transportation Services			
Road and street maintenance	204,841	245,833	388,508
Ditches and road drainage	100,000	57,383	37,117
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	4,000	1,008	45,139
Street lighting	37,000	16,414	24,460
Other	23,000	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Regional planning and development			
Beautification and land rehabilitation	27,000	11,209	5,873
Urban area weed control	-	-	-
Other	-	-	-
Resource conservation and industrial development			
Rural area weed control	-	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>407,841</u>	<u>342,769</u>	512,090
<b>Net revenues (expenses)</b>	<b>57,000</b>	<b>136,151</b>	<b>(63,271)</b>
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	200,000	-	-
Transfers to capital	(303,500)	(249,688)	(59,599)
Transfers from (to) reserves	46,500	45,245	123,403
<b>Change in L.U.D. balances</b>	<u>\$ -</u>	<u>(68,292)</u>	533
<b>Unexpended balance, beginning of year</b>		<u>299,001</u>	298,468
<b>Unexpended balance, end of year</b>		<u>\$ 230,709</u>	<u>\$ 299,001</u>

## SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2017

	2017			2016
	St. Malo Utility	Otterburne Utility	Total	Total
<b>FINANCIAL ASSETS</b>				
Cash and temporary investments	\$ 50	\$ -	\$ 50	\$ 50
Amounts receivable	51,494	-	51,494	59,506
Portfolio investments	-	-	-	-
Due from other funds	-	59,177	59,177	59,368
	<u>\$ 51,544</u>	<u>\$ 59,177</u>	<u>\$ 110,721</u>	<u>\$ 118,924</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 7)	1,512,396	-	1,512,396	1,657,707
Due to other funds	515,321	-	515,321	523,302
	<u>2,027,717</u>	<u>-</u>	<u>2,027,717</u>	<u>2,181,009</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>\$ (1,976,173)</u>	<u>\$ 59,177</u>	<u>\$ (1,916,996)</u>	<u>\$(2,062,085)</u>
<b>NON-FINANCIAL ASSETS</b>				
Tangible capital assets (Schedule 1)	\$ 3,849,799	\$127,951	\$ 3,977,750	\$ 4,075,667
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	<u>3,849,799</u>	<u>127,951</u>	<u>3,977,750</u>	<u>4,075,667</u>
<b>FUND SURPLUS (DEFICIT)</b>	<u>\$ 1,873,626</u>	<u>\$187,128</u>	<u>\$ 2,060,754</u>	<u>\$ 2,013,582</u>

Rural Municipality of De Salaberry  
**SCHEDULE OF UTILITY OPERATIONS - St. Malo Utility**  
**For the Year Ended December 31, 2017**

**SCHEDULE 9**

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 148,500	\$ 155,550	\$ 148,448
Bulk Water fees	-	-	-
sub-total- water	<u>148,500</u>	<u>155,550</u>	<u>148,448</u>
<b>Sewer</b>			
Sewer fees	62,500	64,202	61,933
Lagoon tipping fees	-	7,140	4,200
sub-total- sewer	<u>62,500</u>	<u>71,342</u>	<u>66,133</u>
<b>Property taxes</b>	<u>189,220</u>	<u>189,220</u>	<u>181,121</u>
<b>Government transfers</b>			
Operating	70,000	-	9,938
Capital	-	-	-
sub-total- government transfers	<u>70,000</u>	<u>-</u>	<u>9,938</u>
<b>Other</b>			
Hydrant rentals	1,600	1,600	1,600
Connection charges	-	1,500	5,500
Installation service	23,000	29,000	32,562
Penalties	1,500	1,992	1,328
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	37,500	50,298	93,879
sub-total- other	<u>63,600</u>	<u>84,390</u>	<u>134,869</u>
<b>Total revenue</b>	<u>\$ 533,820</u>	<u>\$ 500,502</u>	<u>\$ 540,509</u>

Rural Municipality of De Salaberry  
**SCHEDULE OF UTILITY OPERATIONS (cont'd) - St. Malo Utility**  
**For the Year Ended December 31, 2017**

**SCHEDULE 9**

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ 101,500	\$ 79,217	\$ 56,564
Training costs	-	884	553
Billing and collection	6,000	8,066	6,816
Utilities (telephone, electricity, etc.)	19,950	12,831	13,504
sub-total- general	<u>127,450</u>	<u>100,998</u>	<u>77,437</u>
<b>Water General</b>			
Purification and treatment	12,700	9,808	11,223
Water purchases	-	-	-
Transmission and distribution	46,000	34,214	53,216
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	2,000	10,600	2,886
Other water supply costs	25,050	66,959	42,766
sub-total- water general	<u>85,750</u>	<u>121,581</u>	<u>110,091</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	97,650	86,733
Interest on long term debt	23,287	23,287	24,762
sub-total- water amortization & interest	<u>23,287</u>	<u>120,937</u>	<u>111,495</u>
<b>Sewer General</b>			
Collection system costs	21,500	10,812	16,719
Treatment and disposal cost	3,500	-	-
Lift Station costs	12,100	8,952	24,259
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	6,700	16,563	13,596
sub-total- sewer general	<u>43,800</u>	<u>36,327</u>	<u>54,574</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	-	36,114	41,224
Interest on long term debt	50,642	50,641	46,022
sub-total- sewer amortization & interest	<u>50,642</u>	<u>86,755</u>	<u>87,246</u>
<b>Total expenses</b>	<u>330,929</u>	<u>466,598</u>	<u>440,843</u>
<b>NET OPERATING SURPLUS</b>	<b>202,891</b>	<b>33,904</b>	<b>99,666</b>
<b>TRANSFERS</b>			
Transfers from (to) operating fund	(115,291)	-	-
Transfers from (to) capital	(100,000)	-	-
Transfers from (to) reserve funds	12,400	21,242	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ -</u>	<u>55,146</u>	<u>99,666</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>1,818,480</u>	<u>1,718,814</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 1,873,626</u>	<u>\$ 1,818,480</u>

Rural Municipality of De Salaberry  
**SCHEDULE OF UTILITY OPERATIONS - Otterburne Utility**  
For the Year Ended December 31, 2017

**SCHEDULE 9**

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
<b>Sewer</b>			
Sewer fees	22,088	22,088	21,524
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>22,088</u>	<u>22,088</u>	<u>21,524</u>
<b>Property taxes</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Government transfers</b>			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other</b>			
Hydrant rentals	-	-	-
Connection charges	-	-	1,000
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	39	14
Gain on sale of tangible capital assets	-	-	-
Other income	2,000	1,789	1,338
sub-total- other	<u>2,000</u>	<u>1,828</u>	<u>2,352</u>
<b>Total revenue</b>	<u>\$ 24,088</u>	<u>\$ 23,916</u>	<u>\$ 23,876</u>

Rural Municipality of De Salaberry  
**SCHEDULE OF UTILITY OPERATIONS (cont'd) - Otterburne Utility**  
**For the Year Ended December 31, 2017**

**SCHEDULE 9**

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ -	\$ -	\$ -
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>-</u>	<u>-</u>	<u>-</u>
<b>Water General</b>			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
<b>Sewer General</b>			
Collection system costs	14,700	10,107	5,469
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>14,700</u>	<u>10,107</u>	<u>5,469</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	-	7,783	7,767
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>7,783</u>	<u>7,767</u>
<b>Total expenses</b>	<u>14,700</u>	<u>17,890</u>	<u>13,236</u>
<b>NET OPERATING SURPLUS</b>	9,388	6,026	10,640
<b>TRANSFERS</b>			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	<u>(9,388)</u>	<u>(14,000)</u>	<u>-</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ -</u>	<u>(7,974)</u>	10,640
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>195,102</u>	<u>184,462</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 187,128</u>	<u>\$ 195,102</u>

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2017

	Financial Plan General	Financial Plan Utility(ies)	LUD	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>									
Property taxes	\$ 3,021,117	\$ -	\$ 440,591	\$ -	\$ -	\$ (440,591)	\$ -	\$ -	\$ 3,021,117
Grants in lieu of taxation	22,660	-	-	-	-	-	-	-	22,660
User fees	382,396	-	-	-	-	-	-	-	382,396
Permits, licences and fines	60,200	-	-	-	-	-	-	-	60,200
Investment income	20,000	-	-	-	-	-	-	-	20,000
Other revenue	85,000	-	24,250	-	-	-	-	-	109,250
Water and sewer	-	368,688	-	-	-	-	-	-	368,688
Grants - Province of Manitoba	2,069,052	-	-	-	-	-	-	-	2,069,052
Grants - other	186,321	-	-	-	-	-	-	-	186,321
Transfers from accumulated surplus	-	-	200,000	-	-	(200,000)	-	-	-
Transfers from utility	-	189,220	-	-	-	(189,220)	-	-	-
Transfers from reserves	-	12,400	46,500	-	-	(58,900)	-	-	-
Total revenue	\$ 5,846,746	\$ 570,308	\$ 711,341	\$ -	\$ -	\$ (888,711)	\$ -	\$ -	\$ 6,239,684
<b>EXPENSES</b>									
General government services	\$ 759,844	\$ -	\$ 12,000	\$ 6,024	\$ -	\$ 35,996	\$ -	\$ -	\$ 813,864
Protective services	229,666	-	-	33,773	10,055	-	-	-	273,494
Transportation services	1,095,825	-	368,841	249,977	-	-	-	-	1,714,643
Environmental health services	334,934	-	-	24,972	-	-	-	-	359,906
Public health and welfare services	4,080	-	-	-	-	-	-	-	4,080
Regional planning and development	3,500	-	27,000	-	-	-	-	-	30,500
Resource cons and industrial dev	187,145	-	-	2,457	-	-	-	-	189,602
Recreation and cultural services	177,327	-	-	408	-	-	-	-	177,735
Water and sewer services	-	271,700	-	141,547	73,929	-	-	-	487,176
Fiscal services:									
Transfer to capital	1,774,892	100,000	303,500	-	-	(2,178,392)	-	-	-
Transfer to utility	211,308	-	-	-	-	(211,308)	-	-	-
Transfer to general	-	-	-	-	-	-	-	-	-
Debt charges	23,921	189,220	-	-	(213,141)	-	-	-	-
Short term interest	2,500	-	-	-	-	(2,500)	-	-	-
Transfer to L.U.D.	455,842	-	-	-	-	(455,842)	-	-	-
Transfer to reserves	549,966	9,388	-	-	-	(559,354)	-	-	-
Allowance for tax assets	35,996	-	-	-	-	(35,996)	-	-	-
Total expenses	\$ 5,846,746	\$ 570,308	\$ 711,341	\$ 459,158	\$ (129,157)	\$ (3,407,396)	\$ -	\$ -	\$ 4,051,000
<b>Surplus (Deficit)</b>	\$ -	\$ -	\$ -	\$ (459,158)	\$ 129,157	\$ 2,518,685	\$ -	\$ -	\$ 2,188,684

Rural Municipality of De Salaberry  
ANALYSIS OF TAXES ON ROLL  
December 31, 2017

**SCHEDULE 11**

	<u>2017</u>	<u>2016</u>
<b>Balance, beginning of year</b>	<b>\$ 388,658</b>	<b>\$ 555,526</b>
<b>Add:</b>		
Tax levy (Schedule 12)	7,098,633	6,660,081
Taxes added	88,747	109,582
Penalties or interest	40,743	50,249
Other accounts added	23,293	-
Tax Adjustments (Transferred in from A/R)	-	-
Tax Adjustments (Transferred in from Utility)	22,815	-
<b>Sub-total</b>	<b>7,274,231</b>	<b>6,819,912</b>
<b>Deduct:</b>		
Cash collections - current	6,250,234	5,800,809
Cash collections - arrears	295,664	467,590
Cash collections - future	210,436	-
Write-offs	9,598	61,698
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	671,002	656,683
Other credits (specify)	-	-
<b>Sub-total</b>	<b>7,436,934</b>	<b>6,986,780</b>
<b>Balance, end of year</b>	<b>\$ 225,955</b>	<b>\$ 388,658</b>



Rural Municipality of De Salaberry  
**ANALYSIS OF TAX LEVY**  
For the Year Ended December 31, 2017

**SCHEDULE 12**

	2017		2016	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
L.U.D. of St. Malo	\$ 54,781,450	\$ 8.000	\$ 438,252	\$ 415,047
Name of LUD	\$ -	\$ -	-	-
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			<u>438,252</u>	<u>415,047</u>
Debt charges:				
St. Malo Lagoon	\$ 38,849,690	\$ 0.406	15,773	15,840
St. Malo Water Plant Well	\$ 38,849,690	\$ 0.145	5,633	5,624
St. Malo Forcemain Upgrade	\$ 38,849,690	\$ 0.364	14,141	14,195
St. Malo Water Plant Reservoir	\$ 38,849,690	\$ 0.535	20,785	20,852
St. Charles Water and Sewer	\$ -	\$ -	4,793	4,793
Le Rang Sewer and Water	\$ -	\$ -	5,637	5,637
St. Malo FD Tanker Pumper	\$ 282,356,170	\$ 0.027	7,624	7,788
St. Malo FD Tanker Pumper	\$ 57,585,460	\$ 0.132	7,601	7,568
Dufrost Water Supply	\$ -	\$ -	8,718	8,718
St. Malo Water Plant Reservoir #2	\$ 38,849,690	\$ 0.288	11,189	11,287
Gosselin LPS	\$ -	\$ -	48,878	48,878
Lift Station	\$ -	\$ -	59,661	51,563
sub-total- Debt charges			<u>210,433</u>	<u>202,743</u>
Deferred surplus	\$ -	\$ -	-	-
Reserves:				
Rural Machinery Replacement	\$ 213,932,520	\$ 0.926	198,102	148,617
Recreation	\$ 268,713,970	\$ 0.074	19,885	29,873
St. Malo and St. Pierre FD				
General At Large	\$ 268,713,970	\$ 0.120	32,246	22,471
Municipal Office Building	\$ 268,713,970	\$ 0.111	29,827	29,873
Office Technology	\$ 268,713,970	\$ 0.019	5,106	5,023
Handivan	\$ 268,713,970	\$ 0.016	4,299	4,230
sub-total- Reserves			<u>289,464</u>	<u>240,085</u>
General municipal - Rural Area	\$ 213,932,520	\$ 4.335	927,397	954,522
General municipal - At Large	\$ 268,713,970	\$ 3.250	873,320	859,166
			<u>1,800,718</u>	<u>1,813,689</u>
Special levies:				
Otterburne Sewer Services	\$ -	\$ -	22,089	21,524
St. Malo & District Scavenging	\$ -	\$ -	-	-
Otterburne & District Scavenging	\$ -	\$ -	-	-
De Salaberry Waste Collection	\$ -	\$ -	172,669	150,558
De Salaberry Fire Protection	\$ -	\$ -	-	-
sub-total- Special levies			<u>194,758</u>	<u>172,082</u>
Business tax (rate%)	\$ -	\$ -	-	-
<b>Total municipal taxes (Schedule 2)</b>			<u>2,933,624</u>	<u>2,843,646</u>
Education support levy	\$ 32,953,290	\$ 10.500	346,010	345,046
Special levies:				
Red River School Division	\$ 227,684,990	\$ 14.066	3,202,617	2,915,677
Border Land School Division	\$ 15,863,640	\$ 16.900	268,096	223,354
Hanover School Division	\$ 22,771,290	\$ 15.295	348,287	332,358
sub-total- Special levies			<u>3,818,999</u>	<u>3,471,389</u>
<b>Total education taxes</b>			<u>4,165,009</u>	<u>3,816,435</u>
<b>Total tax levy (Schedule 11)</b>			<u>\$ 7,098,633</u>	<u>\$ 6,660,081</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
<b>General government services:</b>		
Legislative	\$ 123,238	\$ 119,735
General administrative	469,700	505,231
Other	135,405	219,342
	<u>728,343</u>	<u>844,308</u>
<b>Protective services:</b>		
Police	-	-
Fire	160,565	127,017
Emergency measures	24,992	19,495
Other	92,070	94,325
	<u>277,627</u>	<u>240,837</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	937,561	1,149,740
Bridge maintenance	269	4,987
Sidewalk and boulevard maintenance	-	-
Street lighting	7,525	7,719
Other	-	-
Air transport	-	-
Public transit	-	-
Other	271,522	259,854
	<u>1,216,877</u>	<u>1,422,300</u>
<b>Environmental health services:</b>		
Waste collection and disposal	304,610	254,999
Recycling	49,584	47,453
Other	24,972	23,951
	<u>379,166</u>	<u>326,403</u>
<b>Public health and welfare services:</b>		
Public health	-	-
Medical care	-	-
Social assistance	4,079	4,079
Other	-	-
	<u>4,079</u>	<u>4,079</u>
<b>Regional planning and development</b>		
Planning and zoning	1,639	50,000
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>1,639</u>	<u>50,000</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	35,000	47,456
Drainage of land	-	-
Veterinary services	-	10,056
Water resources and conservation	-	-
Regional development	152,008	135,228
Industrial development	-	-
Tourism	-	-
Other	6,968	31,896
	<u>193,976</u>	<u>224,636</u>
<b>Sub-totals forward</b>	<u>\$ 2,801,707</u>	<u>\$ 3,112,563</u>

**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**

**For the Year Ended December 31, 2017**

	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>Sub-totals forward</b>	<b><u>\$ 2,801,707</u></b>	<b><u>\$ 3,112,563</u></b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	2,488	391
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	144,291	96,327
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	-	-
Libraries	39,177	46,887
Other cultural facilities	15,216	1,281
	<u>201,172</u>	<u>144,886</u>
<b>Total expenses</b>	<b><u><u>\$ 3,002,879</u></u></b>	<b><u><u>\$ 3,257,449</u></u></b>

Rural Municipality of De Salaberry

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2017

	General	2017 Utility	Total	2016 Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	<b>\$ (129,219)</b>	<b>\$ (222)</b>	<b>\$ (129,441)</b>	<b>\$ (156,342)</b>
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	692,656	14,000	706,656	484,484
Eliminate revenue - transfers from reserves	(536,501)	(21,242)	(557,743)	(438,861)
Increase revenue - reserve funds interest	17,483	-	17,483	8,893
Increase revenue - reserve other income	-	-	-	-
Increase (Decrease) revenue/expense - transfers between funds	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(55,334)	-	(55,334)	(62,419)
Eliminate expense - contributions to consolidating entities	59,687	-	59,687	65,050
Increase expense - amortization of tangible capital assets	(317,624)	(141,547)	(459,171)	(421,035)
Decrease expense - principal portion of debenture debt	13,865	145,311	159,176	1,223,469
Decrease revenue - proceeds from long term debt	-	-	-	(1,152,290)
Increase (decrease) revenue - gain (loss) on disposal of tangible capital assets	39,068	-	39,068	(53,866)
Eliminate expense - acquisitions of tangible capital assets	2,238,315	43,630	2,281,945	1,513,217
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 2,022,396</b>	<b>\$ 39,930</b>	<b>\$ 2,062,326</b>	<b>\$ 1,010,300</b>