

ROSSBURN MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

ROSSBURN MUNICIPALITY
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STATEMENT OF RESPONSIBILITY

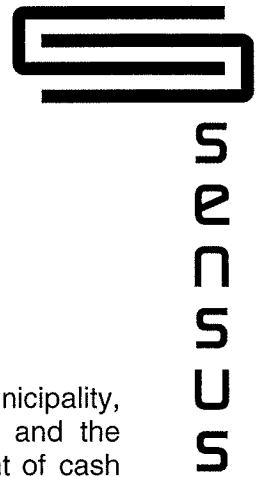
The accompanying consolidated financial statements are the responsibility of the management of the Rosscurn Municipality and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

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.

Sensus Partnership of Chartered Professional Accountants, as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditors' Report is addressed to the 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.

Cheryl Melnyk
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of:
Rosburn Municipality
Rosburn, Manitoba

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rosburn Municipality, which comprise of the statement of financial position as at December 31, 2016 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements 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 entity's internal control. 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 consolidated financial statements.

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

Basis for Qualified Opinion

The Municipality has shared control of several municipal reporting entities as noted in the Significant Accounting Policies note whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues, expenses and surplus are combined on a line-by-line basis in the consolidated financial statements of the Municipality. The financial statements of the controlled entity of the Rossman Lake Golf and Country Club Inc. were not subject to audit in 2016 and 2015 and information to support the completeness, existence, accuracy and evaluation of their financial data in accordance with Canadian Public Sector Accounting Standards was not provided. Accordingly, the Rossman Lake Golf and Country Club Inc. records have not been consolidated into the Consolidated Financial Statements, therefore, we were not able to determine whether any adjustments might be necessary to the financial data of this municipal reporting entity.

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Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Rossburn Municipality as at December 31, 2016 and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Brandon, Manitoba
February 15, 2019


Chartered Professional Accountants

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 As at December 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 2,041,045	\$ 1,669,835
Amounts receivable (Note 4)	622,090	679,280
Loans and advances (Note 5)	25,000	28,633
Real estate properties held for sale (Note 2)	44,186	13,100
Other inventories for sale (Note 5)	14,288	14,607
	<u>2,746,609</u>	<u>2,405,455</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	326,533	285,456
Deferred revenue (Note 2)	663,606	25,387
Long-term debt (Note 7)	137,482	157,091
	<u>1,127,621</u>	<u>467,934</u>
NET FINANCIAL ASSETS	<u>1,618,988</u>	<u>1,937,521</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	4,412,320	4,292,704
Inventories (Note 5)	100,655	97,287
Prepaid expenses	20,769	40,646
	<u>4,533,744</u>	<u>4,430,637</u>
ACCUMULATED SURPLUS	<u>\$ 6,152,732</u>	<u>\$ 6,368,158</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2016

	2016 Budget (Note 11)	2016 Actual	2015 Actual
REVENUE			
Property taxes	\$ 1,192,108	\$ 1,212,020	\$ 1,492,050
Grants in lieu of taxation	26,117	26,170	43,873
User fees	236,778	171,619	159,910
Permits, licences and fines	5,000	11,365	10,970
Investment income	6,650	14,640	22,828
Other revenue	17,204	138,444	56,395
Water and sewer	184,550	187,160	192,743
Grants - Province of Manitoba	1,708,498	281,862	278,955
Grants - Other	177,810	236,328	105,357
Total revenue (Schedules 2, 4 and 5)	<u>3,554,715</u>	<u>2,279,608</u>	2,363,081
EXPENSES			
General government services	482,158	433,444	422,860
Protective services	1,541,930	87,476	91,751
Transportation services	914,168	1,103,598	1,076,120
Environmental health services	131,550	117,066	117,443
Public health and welfare services	29,400	76,287	53,058
Regional planning and development	65,200	21,542	30,320
Resource conservation and industrial development	132,650	126,316	89,600
Recreation and cultural services	240,733	269,109	249,211
Water and sewer services	283,313	260,196	272,353
Total expenses (Schedules 3, 4 and 5)	<u>3,821,102</u>	<u>2,495,034</u>	2,402,716
ANNUAL DEFICIT	<u>\$ (266,387)</u>	<u>(215,426)</u>	(39,635)
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>6,368,158</u>	6,407,793
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 6,152,732</u>	<u>\$ 6,368,158</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 For the year ended December 31, 2016

	2016 Budget (Note 11)	2016 Actual	2015 Actual
ANNUAL DEFICIT	\$ (266,387)	\$ (215,426)	\$ (39,635)
Acquisition of tangible capital assets	(229,547)	(430,361)	(671,644)
Amortization of tangible capital assets	273,334	273,334	253,570
Loss (gain) on sale of tangible capital assets		(38,043)	66,371
Proceeds on sale of tangible capital assets		75,454	167,400
Increase in inventories		(3,368)	(42,509)
Decrease (increase) in prepaid expenses		19,877	(5,459)
	43,787	(103,107)	(232,271)
CHANGE IN NET FINANCIAL ASSETS	\$ (222,600)	(318,533)	(271,906)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		1,937,521	2,209,427
NET FINANCIAL ASSETS, END OF YEAR		\$ 1,618,988	\$ 1,937,521

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CASH FLOWS
 For the year ended December 31, 2016

	2016	2015
OPERATING TRANSACTIONS		
Annual deficit	\$ (215,426)	\$ (39,635)
Changes in non-cash items:		
Amounts receivable	57,184	(203,431)
Inventories	(3,050)	(42,110)
Prepays	19,877	(5,459)
Accounts payable and accrued liabilities	41,077	181,959
Deferred revenue	638,226	(247)
Loss (gain) on sale of tangible capital assets	(38,043)	66,371
Amortization	273,334	253,570
Cash provided by operating transactions	<u>773,179</u>	<u>211,018</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	75,454	167,400
Cash used to acquire tangible capital assets	(430,361)	(671,644)
Cash applied to capital transactions	<u>(354,907)</u>	<u>(504,244)</u>
INVESTING TRANSACTIONS		
Loans and advances repaid	3,633	4,796
Acquisition of real estate properties	(31,086)	
Cash applied to investing transactions	<u>(27,453)</u>	<u>4,796</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt		82,000
Debt repayment	(19,609)	(37,040)
Advances on bank indebtedness		(45,301)
Cash applied to financing transactions	<u>(19,609)</u>	<u>(341)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	<u>371,210</u>	<u>(288,771)</u>
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>1,669,835</u>	<u>1,958,606</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 2,041,045</u>	<u>\$ 1,669,835</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

1. STATUS OF THE ROSSBURN MUNICIPALITY

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

- Rossman Lake Golf and Country Club Inc.
- Rossburn District Handivan Committee
- Rossburn Recreation Commission
- Rossburn and District Fire Department
- Rossburn Planning District
- Rossburn Recycling
- Rossburn and District Agri-Rec Centre
- Rossburn and District Community Development Corporation Inc.
- Rossburn Museum and Heritage Society
- Rossburn Regional Library

The Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The municipality does not have any government partnerships:

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Schedule 7 - Schedule of Trust Funds.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

Investments

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

Portfolio investments are accounted for at cost.

Real Estate Properties Held for Sale

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

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

Landfill Closure and Post Closure Liabilities

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

Non-Financial Assets

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

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

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

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

General Tangible Capital Assets

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

Infrastructure Assets

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

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

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

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

Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

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

Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

Measurement Uncertainty

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

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

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2016	2015
Cash	\$ 2,037,745	\$ 1,666,825
Temporary Investments	3,300	3,010
	<u>\$ 2,041,045</u>	<u>\$ 1,669,835</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$670,796 (2015 - \$602,119) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has an authorized overdraft on its general operating bank account at Vanguard Credit Union Ltd. in the amount of \$550,000 with interest at 2.20% (2015 - 2.20%). Unauthorized overdraft is charged with 24.00% interest.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2016	2015
Taxes on roll (Schedule 11)	\$ 201,148	\$ 252,339
Utility customers (Schedule 8)	73,122	65,106
Organizations and individuals	158,991	185,228
Other governments	188,829	176,607
	<u>622,090</u>	<u>679,280</u>
	<u>\$ 622,090</u>	<u>\$ 679,280</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

5. INVENTORIES

Inventories for sale:

	2016	2015
History books	\$ 14,288	\$ 14,607
	<u>\$ 14,288</u>	<u>\$ 14,607</u>

Inventories for use:

Gravel	\$	\$ 14,000
Culverts	80,609	63,469
Fuel	3,958	3,018
Maintenance materials	16,088	16,800
	<u>\$ 100,655</u>	<u>\$ 97,287</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Accounts payable	\$ 216,711	\$ 184,417
Accrued expenses	33,512	24,849
School levies (Schedule 13)	76,310	76,190
	<u>\$ 326,533</u>	<u>\$ 285,456</u>

7. LONG TERM DEBT

	2016	2015
General Authority		
Debenture, payable at \$9,860 annually including interest at 3.50%, maturing December, 2024.	\$ 67,776	\$ 75,010
Utility Funds		
Debenture, payable at \$15,658 annually including interest at 4%, maturing December 2021.	69,706	82,081
	<u>\$ 137,482</u>	<u>\$ 157,091</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

7. LONG TERM DEBT (continued)

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

2017	\$	20,357
2018		21,134
2019		21,941
2020		22,779
2021		23,648
		<u>23,648</u>
	\$	<u>109,859</u>

8. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2.0% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$22,861 (2015 - \$30,044) 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, 2015 indicated the plan was 96.1% funded on a going concern basis and has an unfunded solvency liability of \$251.7 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, 2015.

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

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

9. 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.

10. COMMITMENTS

On September 13, 2016 the Rossburn Municipality passed a resolution to provide a capital cost contribution to secure 189,200 cubic meters of water per year from the Municipality of Russell-Binscarth's Potable Water Distribution System. The capital cost contribution is to be expected to be \$498,874. An agreement has been signed on September 21, 2018.

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

	2016	2015
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 1,110,481	\$ 1,442,306
Utility Operating Fund(s) - Nominal Surplus	(34,439)	15,197
TCA net of related borrowings	3,991,335	3,896,408
Reserve Funds	670,796	602,119
Accumulated Surplus of Municipality Unconsolidated	<u>5,738,173</u>	<u>5,956,030</u>
Accumulated Surpluses of Consolidated Entities	414,559	412,128
Accumulated Surplus per Consolidated Statement of Financial Position	<u>\$ 6,152,732</u>	<u>\$ 6,368,158</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

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, 2016:

- a) Compensation paid to members of council amounted to \$91,150 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>
Brian Brown	\$ 14,640	\$ 3,202	17,842
Lawrence Maduke	12,630	1,184	13,814
William Antonow	11,810	2,103	13,913
Dennis Kaskiw	12,980	2,593	15,573
Manley Mackedenski	12,530	1,544	14,074
Dallas Miller	12,890	2,263	15,153
John Kostecki	13,670	2,235	15,905
	<u>\$ 91,150</u>	<u>\$ 15,124</u>	<u>106,274</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Cheryl Melnyk	CAO	\$ 61,957
Jason Grassinger	Public Works Supervisor	53,992

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

14. SEGMENTED INFORMATION

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

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

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

15. PRIOR PERIOD ADJUSTMENT

During the year it was discovered that land was not recorded as property held for resale under the former Rural Municipality of Rossburn. The adjustment resulted in an increase to the 2015 opening accumulated surplus and property held for resale of \$13,100

During the year it was discovered that a receivable from Disaster and Financial Assistance (DFA) was not recorded in the correct period. The adjustment resulted in an increase to the 2015 accumulated surplus and accounts receivable of \$47,720.

16. SUBSEQUENT EVENT

On September 14, 2017 the Municipality terminated the lease agreement with the leaseholder of the Rossman Lake Campground at a cost of \$126,000 to compensate the tenant for improvements made to the water plant and to the leased premise. The lease agreement was drafted by the legal council of the Municipality and it was confirmed through communication with the legal council that the former tenant of the Campground currently owes the Municipality \$27,462 for the final utility payment and camping deposits. This receivable has been subsequently written off as it was deemed uncollectable upon advice for the municipality's legal council.

ROSSBURN MUNICIPALITY
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2016

Cost	General Capital Assets						Infrastructure			Totals	
	Land and Land Improvements	Building and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2016	2015	
Opening costs	\$ 1,093,217	1,514,466	1,787,430	26,716	214,994	8,502,377	1,305,653	3,018	\$ 14,447,871	\$ 14,107,817	
Additions during the year	106,249		291,319	1,152	4,059	14,838	12,744		430,361	671,644	
Disposals and write downs	(7,151)		(142,211)						(149,362)	(331,590)	
Transfers					(201,379)	201,379					
Closing costs	<u>1,192,315</u>	<u>1,514,466</u>	<u>1,936,538</u>	<u>27,868</u>	<u>17,674</u>	<u>8,718,594</u>	<u>1,318,397</u>	<u>3,018</u>	<u>14,728,870</u>	<u>14,447,871</u>	
Accumulated Amortization											
Opening accum'd amort	144,992	589,235	691,156	24,071		8,019,829	685,884		10,155,167	9,999,416	
Amortization	16,959	37,214	138,695	1,913		30,034	48,519		273,334	253,570	
Disposals and write downs			(111,951)						(111,951)	(97,819)	
Closing accum'd amortization	<u>161,951</u>	<u>626,449</u>	<u>717,900</u>	<u>25,984</u>		<u>8,049,863</u>	<u>734,403</u>		<u>10,316,550</u>	<u>10,155,167</u>	
Net Book Value of Tangible Capital Assets	<u>\$ 1,030,364</u>	<u>888,017</u>	<u>1,218,638</u>	<u>1,884</u>	<u>17,674</u>	<u>668,731</u>	<u>583,994</u>	<u>3,018</u>	<u>\$ 4,412,320</u>	<u>\$ 4,292,704</u>	

Water and sewer underground networks contributed to the Municipality totals \$859,988 and were capitalized at their fair value at the time of their receipt.

The Municipality has 430 km of roads that were capitalized at a nominal value of \$7,740,806.

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
 For the year ended December 31, 2016

	2016 Actual	2015 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,199,045	\$ 1,479,198
Taxes added	12,975	12,852
	<u>1,212,020</u>	<u>1,492,050</u>
Grants in lieu of taxation:		
Grants in lieu of taxation	26,170	43,873
	<u>26,170</u>	<u>43,873</u>
User fees:		
Sales of service	126,070	115,300
Rentals	37,941	38,912
Facility use fees	7,608	5,698
	<u>171,619</u>	<u>159,910</u>
Permits, licences and fines:		
Permits	11,355	10,947
Licences	10	23
	<u>11,365</u>	<u>10,970</u>
Investment income:		
Cash and temporary investments	14,640	22,828
	<u>14,640</u>	<u>22,828</u>
Other revenue:		
Gain on sale of tangible capital assets	38,043	
Gain on sale of real estate held for sale	20,683	
Donations	9,406	
Penalties and interest	23,889	23,062
Miscellaneous	46,423	33,333
	<u>138,444</u>	<u>56,395</u>
Water and sewer		
Municipal utility	187,160	192,743
	<u>187,160</u>	<u>192,743</u>
Grants - Province of Manitoba:		
General assistance payment	51,353	41,482
General support grant	69,166	32,168
Municipal program grants	25,150	25,150
Conditional grants	136,193	180,155
	<u>281,862</u>	<u>278,955</u>
Sub-total	<u>\$ 2,043,280</u>	<u>\$ 2,257,724</u>

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2016

	2016 Actual	2015 Actual
Sub-total (Carry forward)	\$ 2,043,280	\$ 2,257,724
Grants - other:		
Federal government - gas tax funding	56,490	53,800
Other local governments	179,838	51,557
	<u>236,328</u>	<u>105,357</u>
Total revenue	\$ 2,279,608	\$ 2,363,081

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
 For the year ended December 31, 2016

	2016 Actual	2015 Actual
General government services:		
Legislative	\$ 107,222	\$ 99,954
General administrative	310,027	294,011
Other	16,195	28,895
	<u>433,444</u>	<u>422,860</u>
Protective services:		
Fire	659	515
Emergency measures	7,596	7,407
Other protection	79,221	83,829
	<u>87,476</u>	<u>91,751</u>
Transportation services:		
Road transport		
Administration and engineering	267,662	271,687
Road and street maintenance	644,710	603,795
Bridge maintenance	67	15
Sidewalk and boulevard maintenance	7,129	499
Street lighting	17,897	17,142
Other	166,133	116,611
Loss on disposal of tangible capital assets		66,371
	<u>1,103,598</u>	<u>1,076,120</u>
Environmental health services:		
Waste collection and disposal	87,099	82,602
Recycling	29,867	33,647
Other	100	1,194
	<u>117,066</u>	<u>117,443</u>
Public health and welfare services:		
Public health	13,444	7,331
Medical care	59,230	42,177
Social assistance	3,613	3,550
	<u>76,287</u>	<u>53,058</u>
Regional planning and development:		
Planning and zoning	12,696	3,843
Beautification and land rehabilitation	7,513	13,959
Urban area weed control		12,518
Other	1,333	
	<u>21,542</u>	<u>30,320</u>
Sub-total	<u>\$ 1,839,413</u>	<u>\$ 1,791,552</u>

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
 For the year ended December 31, 2016

	2016 Actual	2015 Actual
Sub-total (Carry forward)	\$ 1,839,413	\$ 1,791,552
Resource conservation and industrial development:		
Rural area weed control	7,957	11,826
Veterinary services	4,196	4,196
Water resources and conservation	14,678	12,985
Regional development	16,194	14,699
Tourism	8,252	10,867
Other	75,039	35,027
	<u>126,316</u>	<u>89,600</u>
Recreation and cultural services:		
Administration	23,912	33,634
Community centres and halls	26,541	27,727
Swimming pools and beaches	3,570	5,733
Golf courses		3,058
Skating and curling rinks	48,651	46,724
Parks and playgrounds	2,412	1,798
Other recreational facilities	96,698	69,877
Museums	2,222	9,249
Libraries	16,567	7,624
Other cultural facilities	48,536	43,787
	<u>269,109</u>	<u>249,211</u>
Water and sewer (Schedule 9)		
Municipal utility	260,196	272,353
Total expenses	\$ 2,495,034	\$ 2,402,716

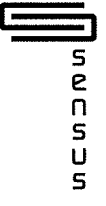
ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2016

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes	\$1,212,020	\$1,492,050								
Grants in lieu of taxation	26,170	43,873								
User fees	44,349	58,154	370		16,940	2,130	69,643	65,573	17,856	8,151
Grants - other	209,237	101,520								
Permits, licences and fines	11,365	10,970							439	896
Investment income	13,306	20,365							22,000	
Other revenue	112,626	26,033	1,139	29,937						
Water and sewer										
Prov of MB - unconditional grants	88,421	77,320							32,923	12,477
Prov of MB - conditional grants	136,193	180,155								
Total revenue	1,853,687	2,010,440	1,509	29,937	16,940	2,130	69,643	65,573	73,218	21,524
EXPENSES										
Personnel services	249,633	240,017	12,997	11,735	256,569	260,344	63,522	58,348	21,420	15,426
Contract services	73,763	73,768	33,267	39,732	411,512	214,130	29,661	30,660	18,095	13,839
Utilities	12,696	13,775	6,616	7,149	13,010	14,696	5,646	6,227	1,299	598
Maintenance, materials and supplies	61,133	51,149	16,448	10,253	285,485	395,273	9,308	13,279	12,182	6,887
Grants and contributions	8,161	9,032	600						8,000	6,000
Amortization	16,273	13,771	16,532	21,184	134,397	120,446	8,929	8,929	13,891	9,348
Interest on long term debt	17	167			2,625	2,951				
Other	11,768	21,181	1,016	1,698		68,280			1,400	960
Total expenses	433,444	422,860	87,476	91,751	1,103,598	1,076,120	117,066	117,443	76,287	53,058
Surplus (Deficit)	\$ 1,420,243	\$ 1,587,580	(85,967)	(61,814)	(1,086,658)	(1,073,990)	(47,423)	(51,870)	(3,069)	(31,534)

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

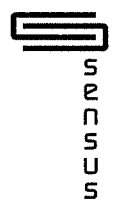
ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2016

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes									\$ 1,212,020	\$ 1,492,050
Grants in lieu of taxation									26,170	43,873
User fees			1,250	3,082	21,211	22,820			171,619	159,910
Grants - other			7,727	2,290	19,364	1,547			236,328	105,357
Permits, licences and fines					62	13			11,365	10,970
Investment income			833	1,554	2,679	425			14,640	22,828
Other revenue									138,444	56,395
Water and sewer							187,160	192,743	187,160	192,743
Prov of MB - unconditional grants			15,000		9,325	9,003			145,669	98,800
Prov of MB - conditional grants									136,193	180,155
Total revenue			24,810	6,926	52,641	33,808	187,160	192,743	2,279,608	2,363,081
EXPENSES										
Personnel services		19,623	22,428	24,142	68,102	51,141	27,540	51,130	722,211	731,906
Contract services	15,493	7,385	11,767	13,635	78,875	57,634	99,945	94,695	772,378	545,478
Utilities			18,990	16,960	47,497	44,862	19,064	19,090	124,818	123,357
Maintenance, materials and supplies	4,156	3,063	15,804	6,567	31,647	41,534	59,487	57,344	495,650	585,349
Grants and contributions	1,333		52,283	22,924	11,011	20,427			80,055	58,383
Amortization			1,540	2,873	31,919	31,356	48,519	45,660	273,333	253,567
Interest on long term debt				148			3,283	3,759	5,925	7,025
Other	560	249	3,504	2,351	58	2,257	2,358	675	20,664	97,651
Total expenses	21,542	30,320	126,316	89,600	269,109	249,211	260,196	272,353	2,495,034	2,402,716
Surplus (Deficit)	(21,542)	(30,320)	(101,506)	(82,674)	(216,468)	(215,403)	(73,036)	(79,610)	\$ (215,426)	\$ (39,635)



ROSSBURN MUNICIPALITY
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2016

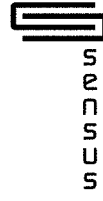
	Core Government		Controlled Entities		Government Partnerships		Total
	2016	2015	2016	2015	2016	2015	
REVENUE							
Property taxes	\$ 1,212,020	\$ 1,492,050					\$ 1,212,020
Grants in lieu of taxation	26,170	43,873					26,170
User fees	145,709	142,139	25,910	17,771			171,619
Grants - other	209,237	101,520	27,091	3,837			236,328
Permits, licences and fines	11,365	10,970					11,365
Investment income	13,306	20,365	1,334	2,463			14,640
Other revenue	112,626	26,033	25,818	30,362			138,444
Water and sewer	187,160	192,743					187,160
Prov of MB - unconditional grants	88,421	77,320	57,248	21,480			145,669
Prov of MB - conditional grants	136,193	180,155					136,193
Total revenue	2,142,207	2,287,168	137,401	75,913			2,279,608
EXPENSES							
Personnel services	620,591	663,430	101,620	68,476			722,211
Contract services	747,569	521,876	24,809	23,602			772,378
Utilities	116,176	114,174	8,642	9,183			124,818
Maintenance, materials and supplies	457,226	554,137	38,424	31,212			495,650
Grants and contributions	57,101	56,093	22,954	2,290			80,055
Amortization	235,763	219,938	37,570	33,629			273,333
Interest on long term debt	5,925	6,877		148			5,925
Other	18,190	92,461	2,474	5,190			20,664
Total expenses	2,258,541	2,228,986	236,493	173,730			2,495,034
Surplus (Deficit)	\$ (116,334)	\$ 58,182	(99,092)	(97,817)			\$ (215,426)
							\$ (39,635)



ROSSBURN

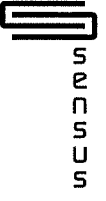
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016					Sub Total
	Building Replacement Reserve - Ward 1	Hospital Reserve - Ward 1	Road Reconstruction Reserve - Ward 1	Rossmore Lake Resort Reserve - Ward 1	Vista Centennial Reserve - Ward 1	
REVENUE						
Investment income	86	168	851	442	20	\$ 1,567
Other income						
Total revenue	86	168	851	442	20	1,567
EXPENSES						
Investment charges						
Other expenses						
Total expenses						
NET REVENUES	86	168	851	442	20	1,567
TRANSFERS						
Debt repayment						
Transfers from operating fund						
Transfers from operating fund						
Transfers from utility fund						
Transfers to utility fund						
Acquisition of tangible capital assets						
CHANGE IN RESERVE FUND BALANCES	86	168	851	442	20	1,567
FUND SURPLUS, BEGINNING OF YEAR	11,074	21,569	1,145	56,720	2,485	92,993
FUND SURPLUS, END OF YEAR	\$ 11,160	21,737	1,996	57,162	2,505	\$ 94,560



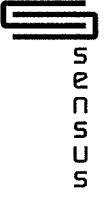
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016							
	Health Needs Reserve - Ward 2	Gas Tax Reserve	Handivan Reserve - Ward 2	Agri-Rec Reserve - Ward 2	General Reserve - Ward 1	Fire Reserve - Ward 1	Equipment Replacement Reserve - Ward 1	Sub Total
REVENUE								
Investment income	\$ 276	338		93	907	333	1,111	\$ 3,058
Other income								
Total revenue	276	338		93	907	333	1,111	3,058
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	276	338		93	907	333	1,111	3,058
TRANSFERS								
Debt repayment								
Transfers from operating fund		56,490						56,490
Transfers to operating fund								
Transfers from utility fund								
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	276	56,828		93	907	333	1,111	59,548
FUND SURPLUS, BEGINNING OF YEAR	36,708	51,822	20	12,289	116,399	39,700	52,579	309,517
FUND SURPLUS, END OF YEAR	\$ 36,984	108,650	20	12,382	117,306	40,033	53,690	\$ 369,065



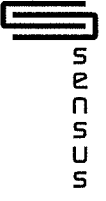
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016					2015	
	General Reserve - Ward 2	Equipment Replacement Reserve	Fire Reserve - Ward 2	Recreation Reserve - Ward 2	Utility Reserve	Parkview Subdivision Reserve - Ward 2	Total
REVENUE							
Investment income	\$ 849	78	38	659	417	23	\$ 6,030
Other income	498						1,157
Total revenue	1,347	78	38	659	417	23	7,187
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	1,347	78	38	659	417	23	7,187
TRANSFERS							
Debt repayment							
Transfers from operating fund			5,000				61,490
Transfers to operating fund							
Transfers from utility fund							
Transfers to utility fund							
Acquisition of tangible capital assets							(426,000)
CHANGE IN RESERVE FUND BALANCES	1,347	78	5,038	659	417	23	68,677
FUND SURPLUS, BEGINNING OF YEAR	112,572	10,421	5,061	17	68,527	3,011	602,119
FUND SURPLUS, END OF YEAR	\$ 113,919	10,499	10,099	676	68,944	3,034	\$ 670,796
							\$ 602,119



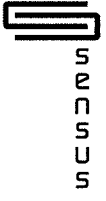
ROSSBURN MUNICIPALITY
SCHEDULE 7 - SCHEDULE OF TRUST FUNDS
For the year ended December 31, 2016

	2016	2015
	Cemetery Trust	Total
ASSETS		
Cash and temporary investments	\$ 51,108	\$ 50,322
Other	32,490	29,874
	<u>83,598</u>	<u>80,196</u>
LIABILITIES AND FUND BALANCES		
Fund balance	<u>83,598</u>	<u>80,196</u>
REVENUES		
Contributions and donations	2,615	1,194
Investment income	787	774
	<u>3,402</u>	<u>1,968</u>
EXPENDITURES		
EXCESS OF REVENUES OVER EXPENDITURES	3,402	1,968
FUND BALANCE, BEGINNING OF YEAR	<u>80,196</u>	<u>78,228</u>
FUND BALANCE, END OF YEAR	<u>\$ 83,598</u>	<u>\$ 80,196</u>



ROSSBURN MUNICIPALITY
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2016

	2016		2015	
	Rosburn	Sunset Point	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ 81,050	\$	\$ 81,050	\$ 145,808
Amounts receivable	73,122		73,122	65,106
	<u>154,172</u>		<u>154,172</u>	<u>210,914</u>
LIABILITIES				
Accounts payable and accrued liabilities	1,141		1,141	7,139
Long-term debt (Note 7)	69,706		69,706	82,081
Due to other funds	130,993	72,946	203,939	205,748
	<u>201,840</u>	<u>72,946</u>	<u>274,786</u>	<u>294,968</u>
NET DEBT	<u>(47,668)</u>	<u>(72,946)</u>	<u>(120,614)</u>	<u>(84,054)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	587,012		587,012	622,787
Inventories	16,088		16,088	16,800
Prepaid expenses	381		381	370
	<u>603,481</u>		<u>603,481</u>	<u>639,957</u>
FUND SURPLUS	<u>555,813</u>	<u>(72,946)</u>	<u>\$ 482,867</u>	<u>\$ 555,903</u>



ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Rossburn
For the year ended December 31, 2016

	Budget	2016	2015
REVENUE			
Water			
Water fees	\$ 173,000	\$ 170,662	\$ 174,349
Sub-Total - Water	173,000	170,662	174,349
Sewer			
Sewer fees	4,000	5,960	4,048
Sub-Total - Sewer	4,000	5,960	4,048
Property taxes			
Government transfers			
Other			
Hydrant rentals	4,800		4,800
Connection charges		200	75
Penalties	1,500	2,647	1,837
Investment income	500	724	655
Other income	750	1,848	1,229
Sub-Total - Other	7,550	5,419	8,596
Total revenue	\$ 184,550	\$ 182,041	\$ 186,993

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Rossburn
For the year ended December 31, 2016

EXPENSES	Budget	2016	2015
General			
Administration	\$ 42,000	\$ 25,012	\$ 33,073
Billing and collection	1,500	209	1,081
Sub-Total - General	<u>43,500</u>	<u>25,221</u>	<u>34,154</u>
Water General			
Purification and treatment	45,000	52,478	48,818
Transmission and distribution	45,000	751	49,032
Water purchases	56,353	50,117	47,151
Connection costs		1,259	
Sub-Total - Water General	<u>146,353</u>	<u>104,605</u>	<u>145,001</u>
Water Amortization and Interest			
Amortization		35,286	37,333
Interest on long term debt		3,283	3,759
Sub-Total - Water Amortization & Interest		<u>38,569</u>	<u>41,092</u>
Sewer General			
Collection system costs	8,000	29,802	13,756
Treatment and disposal cost	9,500	1,778	1,884
Lift station costs	8,500	22,707	7,860
Sub-Total - Sewer General	<u>26,000</u>	<u>54,287</u>	<u>23,500</u>
Sewer Amortization and Interest			
Amortization		13,233	8,327
Interest on long term debt	15,658		
Sub-Total - Sewer Amortization & Interest	<u>15,658</u>	<u>13,233</u>	<u>8,327</u>
Total expenses	<u>231,511</u>	<u>235,915</u>	<u>252,074</u>
DEFICIT	<u>\$ (46,961)</u>	<u>(53,874)</u>	<u>(65,081)</u>
CHANGE IN UTILITY FUND BALANCE		(53,874)	(65,081)
FUND SURPLUS, BEGINNING OF YEAR		<u>609,687</u>	<u>674,768</u>
FUND SURPLUS, END OF YEAR	<u>\$ 555,813</u>	<u>\$ 609,687</u>	

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sunset Point
For the year ended December 31, 2016

	Budget	2016	2015
REVENUE			
Water			
Water fees	\$	\$ 5,119	\$ 5,750
Sub-Total - Water		5,119	5,750
Sewer			
Government transfers			
Other			
Total revenue	\$	\$ 5,119	\$ 5,750

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Sunset Point
For the year ended December 31, 2016

	Budget	2016	2015
EXPENSES			
Water General			
Purification and treatment		24,281	20,279
Sub-Total - Water General		24,281	20,279
Water Amortization & Interest			
Total expenses		24,281	20,279
DEFICIT	\$	(19,162)	(14,529)
CHANGE IN UTILITY FUND BALANCE		(19,162)	(14,529)
FUND SURPLUS, BEGINNING OF YEAR		(53,784)	(39,255)
FUND SURPLUS, END OF YEAR	\$	(72,946)	\$ (53,784)

ROSSBURN MUNICIPALITY
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2016

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 1,192,108						\$ 1,192,108
Grants in lieu of taxation	26,117						26,117
User fees	226,654					10,124	236,778
Grants - Province of Manitoba	1,708,498						1,708,498
Grants - other	167,100					10,710	177,810
Permits, licences and fines	5,000						5,000
Investment income	6,650						6,650
Other revenue	15,000					2,204	17,204
Water and sewer		184,550					184,550
Transfers from accumulated surplus		37,000			(37,000)		
Transfers from reserves	50,000	10,188			(60,188)		
Total revenue	<u>3,397,127</u>	<u>231,738</u>			<u>(97,188)</u>	<u>23,038</u>	<u>3,554,715</u>
EXPENSES							
General government services	465,819		16,273		66		482,158
Protective services	1,471,796		2,939			67,195	1,541,930
Transportation services	777,146		134,397	2,625			914,168
Environmental health services	122,621		8,929				131,550
Public health and welfare services	29,400						29,400
Regional planning and development	65,200		1,540				65,200
Resource cons and industrial dev	131,110		23,166				132,650
Recreation and cultural services	157,368		48,519	3,283		60,199	240,733
Water and sewer services		231,511					283,313
Fiscal services:							
Transfer to capital	49,007		(49,007)				
Debt charges	55,518			(55,518)			
Short term interest							
Transfer to reserves	61,490				(61,490)		
Allowance for tax assets	66				(66)		
Total expenses	<u>3,386,541</u>	<u>231,511</u>	<u>186,756</u>	<u>(49,610)</u>	<u>(61,490)</u>	<u>127,394</u>	<u>3,821,102</u>
Surplus (Deficit)	<u>\$ 10,586</u>	<u>227</u>	<u>(186,756)</u>	<u>49,610</u>	<u>(35,698)</u>	<u>(104,356)</u>	<u>\$ (266,387)</u>



ROSSBURN

ROSSBURN MUNICIPALITY
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
 For the year ended December 31, 2016

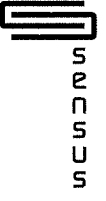
	2016	2015
Balance, beginning of year	\$ 252,339	\$ 209,565
Add:		
Tax levy (Schedule 12)	1,791,164	2,067,844
Taxes added	12,975	12,852
Penalties or interest	23,889	23,062
Other accounts added	13,470	11,537
Tax adjustments (Tax Sale)	15,835	8,663
Sub-total	1,857,333	2,123,958
Deduct:		
Cash collections - current	1,441,656	1,670,580
Cash collections - arrears	228,479	192,583
Writeoffs	8,683	1,805
Title value of land sales	25,686	
M.P.T.C. - cash advance	204,020	216,216
Sub-total	1,908,524	2,081,184
Balance, end of year	\$ 201,148	\$ 252,339

ROSSBURN MUNICIPALITY
SCHEDULE 12 - ANALYSIS OF TAX LEVY
 For the year ended December 31, 2016

	2016		2015	
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
L.I.D.	12,212,880	0.770	9,404	9,388
Other (Veterans Drive)	12,212,880	1.223	14,936	14,901
Sub-Total - Debt charges			24,340	24,289
- At Large	53,932,370	12.000	647,351	
Special levies:				
Ward 1 - Rural	44,033,150	9.155	403,123	1,012,022
Ward 2 - Urban	9,899,220	12.497	123,711	442,887
Sub-Total - Special levies			526,834	1,454,909
Business tax (-%)			520	
Total municipal taxes (Schedule 2)			1,199,045	1,479,198
Education support levy	2,488,140	10.500	26,125	25,498
Special levy:				
Park West	53,214,890	10.636	565,994	563,148
Sub-Total - Special levies			565,994	563,148
Total education taxes			592,119	588,646
Total tax levy (Schedule 11)			\$ 1,791,164	\$ 2,067,844

ROSSBURN MUNICIPALITY
SCHEDULE 13 - ANALYSIS OF SCHOOL ACCOUNTS
For the year ended December 31, 2016

	2016			2015	
	Opening Balance	Current Requirements	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 3,439	28,048	27,981	\$ 3,506	\$ 3,439
Special levies					
Park West School Division	72,751	582,429	582,376	72,804	72,751
Sub-total	72,751	582,429	582,376	72,804	72,751
Total	\$ 76,190	610,477	610,357	\$ 76,310	\$ 76,190



ROSSBURN MUNICIPALITY
SCHEDULE 14 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the year ended December 31, 2016

	2016	2015
General government services:		
Legislative	\$ 107,222	\$ 99,954
General administrative	310,027	294,011
Other	16,195	28,895
	<u>433,444</u>	<u>422,860</u>
Protective services:		
Fire	53,059	51,115
Emergency measures	7,596	7,407
Other	18,060	25,098
	<u>78,715</u>	<u>83,620</u>
Transportation services:		
Road transport		
Administration and engineering	267,662	271,687
Road and street maintenance	644,710	603,795
Bridge maintenance	67	15
Sidewalk and boulevard maintenance	7,129	499
Street lighting	17,897	17,142
Other	166,133	116,611
Loss on disposal of tangible capital assets		66,371
	<u>1,103,598</u>	<u>1,076,120</u>
Environmental health services:		
Waste collection and disposal	87,099	82,602
Recycling	29,867	33,647
Other	100	1,194
	<u>117,066</u>	<u>117,443</u>
Public health and welfare services:		
Public health	21,444	13,331
Medical care	8,361	6,000
Social assistance	3,613	3,550
	<u>33,418</u>	<u>22,881</u>
Regional planning and development:		
Planning and zoning	12,696	3,843
Beautification and land rehabilitation	7,513	13,959
Urban area weed control		12,518
	<u>20,209</u>	<u>30,320</u>
Sub-total	<u>\$ 1,786,450</u>	<u>\$ 1,753,244</u>

ROSSBURN MUNICIPALITY

SCHEDULE 14 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued

For the year ended December 31, 2016

	2016	2015
Sub-total (carry forward)	\$ 1,786,450	\$ 1,753,244
Resource conservation and industrial development:		
Rural area weed control	7,957	11,826
Veterinary services	4,196	4,196
Water resources and conservation	14,678	12,985
Regional development	16,194	14,699
Tourism	8,252	10,867
Other	50,730	26,075
	102,007	80,648
Recreation and cultural services:		
Administration	62,912	70,362
Community centres and halls	26,541	27,727
Swimming pools and beaches	3,570	5,733
Golf courses		3,058
Skating and curling rinks	48,651	46,724
Parks and playgrounds	2,412	1,798
Other recreational facilities		357
Museums	2,222	9,249
Libraries	16,567	7,624
Other cultural facilities	48,536	43,787
	211,411	216,419
Total expenses	\$ 2,099,868	\$ 2,050,311

ROSSBURN MUNICIPALITY
SCHEDULE 15 - SCHEDULE OF L.U.D. OPERATIONS -
For the year ended December 31, 2016

	2016 Budget	2016 Actual	2015 Actual
REVENUE	\$	\$	\$
EXPENSES			
General government			
Transportation services			
Environmental health			
Regional planning and development			
Recreation and cultural services			
TRANSFERS			
CHANGES IN L.U.D. BALANCES	\$		
UNEXPENDED BALANCE, BEGINNING OF YEAR			
UNEXPENDED BALANCE, END OF YEAR		\$	\$

ROSSBURN MUNICIPALITY
SCHEDULE 16 - SCHEDULE OF DEBENTURES PENDING
 For the year ended December 31, 2016

Authority	Purpose	Source of Funds	Authorized	Expended
			\$	\$
			\$	\$
			<u> </u>	<u> </u>

ROSSBURN MUNICIPALITY
SCHEDULE 17 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2016

	2016		2015	
	General	Utility	Total	Total
MUNICIPAL SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (331,825)	(12,636) \$	(344,461) \$	202,280
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	61,490		61,490	103,800
Eliminate revenue - transfers from reserves				(426,000)
Increase revenue - reserve funds interest	7,187		7,187	6,955
Increase (decrease) revenue - net surplus (deficit) of consolidated entities				(4,139)
Eliminate revenue - transfer from nominal surplus	2,330	(37,000)	(34,670)	(53,667)
Increase expense - amortization of tangible capital assets	(187,244)	(48,519)	(235,763)	(219,938)
Decrease expense - principal portion of debenture debt	7,234	12,375	19,609	18,889
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	25,189		25,189	(66,371)
Eliminate revenue - proceeds on new debenture debt				(82,000)
Eliminate revenue - proceeds on sale of tangible capital assets	(62,500)		(62,500)	(167,400)
Eliminate expense - acquisitions of tangible capital assets	335,749	12,744	348,493	647,956
NET SURPLUS PER STATEMENT OF OPERATIONS	\$ (142,390)	(73,036) \$	(215,426) \$	(39,635)