

ROSSBURN MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

ROSSBURN MUNICIPALITY
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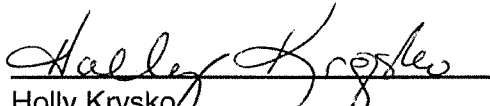
STATEMENT OF RESPONSIBILITY

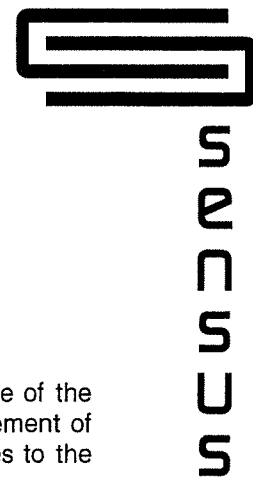
The accompanying consolidated financial statements are the responsibility of the management of the Rossburn Municipality and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

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 Chartered Professional Accountants Ltd., as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditor's Report is addressed to the Mayor 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.


Holly Krysko
Chief Administrative Officer



INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of Rossgburn Municipality, which comprise of the statement of financial position as at December 31, 2018 and the statements of operations, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rossgburn Municipality as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Rossgburn Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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

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

As part of an audit in accordance with Canadian auditing standards, we exercise our professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rossburn Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Rossburn Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Rossburn Municipality to cease to continue as a going concern.

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

Brandon, Manitoba
October 16, 2019



Chartered Professional Accountants Ltd.

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 612,816	\$ 888,899
Amounts receivable (Note 4)	655,323	629,314
Loans and advances (Note 18)	25,000	25,000
Real estate properties held for sale (Note 2)	51,302	44,186
Other inventories for sale (Note 5)	23,599	14,288
	<u>1,368,040</u>	<u>1,601,687</u>
LIABILITIES		
Bank indebtedness (Note 3)	128,256	
Accounts payable and accrued liabilities (Note 6)	913,360	579,775
Deferred revenue (Note 2)	128,917	24,863
Long-term debt (Note 7)	95,990	117,125
	<u>1,266,523</u>	<u>721,763</u>
NET FINANCIAL ASSETS	<u>101,517</u>	<u>879,924</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	4,381,078	4,486,716
Inventories (Note 5)	20,413	44,300
Prepaid expenses	29,554	31,753
	<u>4,431,045</u>	<u>4,562,769</u>
ACCUMULATED SURPLUS	<u>\$ 4,532,562</u>	<u>\$ 5,442,693</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF OPERATIONS
 For the year ended December 31, 2018

	2018 Budget (Note 12)	2018 Actual	2017 Actual
REVENUE			
Property taxes	\$ 1,407,505	\$ 1,407,640	\$ 1,226,104
Grants in lieu of taxation	18,181	18,208	24,613
User fees	325,578	208,948	190,612
Permits, licences and fines	10,498	8,823	14,027
Investment income	1,000	20,107	11,847
Other revenue	232,312	66,904	65,759
Water and sewer	240,284	181,931	198,939
Grants - Province of Manitoba	210,850	354,311	934,471
Grants - Other	198,122	103,955	74,468
Total revenue (Schedules 2, 4 and 5)	<u>2,644,330</u>	<u>2,370,827</u>	<u>2,740,840</u>
EXPENSES			
General government services	376,852	564,327	496,358
Protective services	80,116	78,009	118,263
Transportation services	1,062,656	1,211,986	1,872,215
Environmental health services	147,156	62,968	85,524
Public health and welfare services	23,294	78,670	88,811
Regional planning and development	89,150	32,265	28,883
Resource conservation and industrial development	125,551	69,152	134,133
Recreation and cultural services	326,784	347,165	424,195
Water and sewer services	340,851	836,416	202,496
Total expenses (Schedules 3, 4 and 5)	<u>2,572,410</u>	<u>3,280,958</u>	<u>3,450,878</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 71,920</u>	<u>(910,131)</u>	<u>(710,038)</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		5,442,693	6,152,731
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 4,532,562</u>	<u>\$ 5,442,693</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 For the year ended December 31, 2018

	2018 Budget (Note 12)	2018 Actual	2017 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 71,920	\$ (910,131)	\$ (710,038)
Acquisition of tangible capital assets	(472,500)	(188,523)	(630,643)
Amortization of tangible capital assets	292,861	292,861	284,331
Loss (gain) on sale of tangible capital assets		(1,900)	103,993
Proceeds on sale of tangible capital assets		3,200	167,923
Decrease in inventories		23,885	56,355
Decrease (increase) in prepaid expenses		2,201	(10,981)
	<u>(179,639)</u>	<u>131,724</u>	<u>(29,022)</u>
CHANGE IN NET FINANCIAL ASSETS	\$ (107,719)	(778,407)	(739,060)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		879,924	1,618,984
NET FINANCIAL ASSETS, END OF YEAR		\$ 101,517	\$ 879,924

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2018

	2018	2017
OPERATING TRANSACTIONS		
Annual deficit	\$ (910,131)	\$ (710,038)
Changes in non-cash items:		
Amounts receivable	(26,015)	(7,224)
Inventories	14,576	56,356
Prepays	2,201	(10,982)
Accounts payable and accrued liabilities	333,585	334,642
Deferred revenue	104,057	(720,147)
Loss on sale of real estate held for sale	2,659	
Loss (gain) on sale of tangible capital assets	(1,900)	103,993
Amortization	292,861	284,331
	<hr/>	<hr/>
Cash provided by operating transactions	(188,107)	(669,069)
	<hr/>	<hr/>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	3,200	167,923
Cash used to acquire tangible capital assets	(188,523)	(630,643)
	<hr/>	<hr/>
Cash applied to capital transactions	(185,323)	(462,720)
	<hr/>	<hr/>
INVESTING TRANSACTIONS		
Proceeds on sale of real estate properties	2,710	
Acquisition of real estate properties	(12,485)	
	<hr/>	<hr/>
Cash applied to investing transactions	(9,775)	
	<hr/>	<hr/>
FINANCING TRANSACTIONS		
Debt repayment	(21,134)	(20,357)
Advances on bank indebtedness	128,256	
	<hr/>	<hr/>
Cash applied to financing transactions	107,122	(20,357)
	<hr/>	<hr/>
DECREASE IN CASH AND TEMPORARY INVESTMENTS	(276,083)	(1,152,146)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	888,899	2,041,045
	<hr/>	<hr/>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 612,816	\$ 888,899
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ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

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:

- Rossburn District Handivan Committee
- Rossburn Recreation Commission
- Rossburn and District Fire Department

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 Note 15 - Schedule of Trust Funds.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

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, 2018

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, 2018

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, 2018

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2018	2017
Cash	\$ 604,808	\$ 885,335
Temporary investments	8,008	3,564
	<u>\$ 612,816</u>	<u>\$ 888,899</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$886,572 (2017 - \$730,424) 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 Fusion Credit Union Ltd. in the amount of \$550,000 with interest at 3.45% (2017 - 3.15%). Unauthorized overdraft is charged with 24.00% interest.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2018	2017
Taxes on roll (Schedule 11)	\$ 180,297	\$ 144,240
Utility customers (Schedule 8)	60,095	67,340
Organizations and individuals	141,449	148,619
Other governments	304,097	290,467
	<u>685,938</u>	<u>650,666</u>
Less allowance for doubtful amounts	(30,615)	(21,352)
	<u>\$ 655,323</u>	<u>\$ 629,314</u>

5. INVENTORIES

Inventories for sale:

	2018	2017
History books	\$ 23,599	\$ 14,288

Inventories for use:

Culverts	12,880	18,765
Fuel		4,850
Maintenance materials	7,533	20,685
	<u>\$ 20,413</u>	<u>\$ 44,300</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Accounts payable	\$ 741,767	\$ 451,813
Accrued expenses	91,016	66,555
School levies	80,577	61,407
	<u>\$ 913,360</u>	<u>\$ 579,775</u>

7. LONG TERM DEBT

	2018	2017
General Authority		
Debenture, payable at \$9,860 annually including interest at 3.50%, maturing December, 2024.	\$ 52,538	\$ 60,288
Utility Funds		
Debenture, payable at \$15,658 annually including interest at 4%, maturing December 2021.	43,452	56,837
	<u>\$ 95,990</u>	<u>\$ 117,125</u>

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

2019	\$ 21,941
2020	22,779
2021	23,648
2022	8,893
2023	9,204
	<u>\$ 86,465</u>

8. SCHEDULE OF DEBENTURES PENDING

<u>Authority</u>	<u>Purpose</u>	<u>Authorized</u>
		\$

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

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 2.0% 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 \$27,329 (2017 - \$25,624) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2017 indicated the plan was 100.8% funded on a going concern basis and has an unfunded solvency liability of \$246.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2017.

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency 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. COMMITMENTS

On September 13, 2016 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 \$498,874 which has been recorded as an accounts payable for 2018 and paid subsequent to year end.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

12. BUDGET

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

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

13. ACCUMULATED SURPLUS

	2018	2017
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus (deficit)	\$ (36,061)	\$ 308,289
Utility Operating Fund(s) - Nominal Surplus (deficit)	(631,461)	6,421
TCA net of related borrowings	4,159,129	4,125,191
Reserve Funds	886,572	730,424
	<hr/>	
Accumulated Surplus of Municipality Unconsolidated	4,378,179	5,170,325
Accumulated Surpluses of Consolidated Entities	154,383	272,368
	<hr/>	
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 4,532,562	\$ 5,442,693
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ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

14. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2018:

- a) Compensation paid to members of council amounted to \$88,500 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	\$ 12,900	\$ 2,172	15,072
Lawrence Maduke	9,920	720	10,640
William Antonow	9,150	875	10,025
Dennis Kaskiw	9,240	780	10,020
Manley Mackedenski	9,420	772	10,192
Dallas Miller	9,900	1,049	10,949
John Kostecki	10,400	2,038	12,438
Russ Andrew	2,490	544	3,034
Edward Budz	2,490	524	3,014
Adam Grabowski	2,390	866	3,256
Kalvin Kreshewski	2,120	808	2,928
Kerry Lawless	2,810	382	3,192
Darren Naherniak	2,660	525	3,185
Emile Sabourin	2,610	3,336	5,946
	<u>\$ 88,500</u>	<u>\$ 15,391</u>	<u>\$ 103,891</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Cheryl Melnyk	CAO	\$ 66,147
Jason Grassinger	Public Works Supervisor	54,098
Allan Cottingham	Public Works Employee	51,397

15. TRUST FUNDS

The Municipality administers the following trust funds:

	Balance, beginning of year	Excess (deficiency) of receipts over disbursements	Balance, end of year
Cemetery Trust	<u>\$ 74,998</u>	<u>\$ 4,646</u>	<u>\$ 79,644</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

16. 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.

17. SUBSEQUENT EVENT

During the 2018 year Rossburn Municipality collected taxes for a commercial levy in the amount of \$20,000 of which \$16,171 was unspent as of the year end date. This balance will be carried forward to 2019 and used as related expenditures are incurred.

18. LOANS AND ADVANCES

The loans and advances balance comprised of \$25,000 owed from the Rossman Lake Golf & Country Club for a repayable grant provided to the organization in 2009. The loan is repayable on an interest free basis due within 10 years of issuance.

ROSSBURN MUNICIPALITY
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2018

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	2018	2017	
Opening costs	\$ 1,194,915	1,501,160	2,080,725	27,868	142,990	8,718,594	1,323,636	3,018	\$ 14,992,906	\$ 14,728,870	
Additions during the year		81,974	27,476		50,773		28,300		188,523	630,643	
Disposals and write downs	(1,300)								(1,300)	(366,607)	
Transfers		123,106			(123,106)						
Closing costs	1,193,615	1,706,240	2,108,201	27,868	70,657	8,718,594	1,351,936	3,018	15,180,129	14,992,906	
Accumulated Amortization											
Opening accum'd amortization	178,603	655,378	779,419	27,366		8,088,957	776,467		10,506,190	10,316,550	
Amortization	17,770	36,795	156,234	340		39,092	42,630		292,861	284,331	
Disposals and write downs										(94,691)	
Closing accum'd amortization	196,373	692,173	935,653	27,706		8,128,049	819,097		10,799,051	10,506,190	
Net Book Value of Tangible Capital Assets	\$ 997,242	1,014,067	1,172,548	162	70,657	590,545	532,839	3,018	\$ 4,381,078	\$ 4,486,716	

Water and sewer underground networks contributed to the Municipality totals \$874,145 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, 2018

	2018 Actual	2017 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,394,962	\$ 1,214,680
Taxes added	12,678	11,424
	<u>1,407,640</u>	<u>1,226,104</u>
Grants in lieu of taxation:		
Grants in lieu of taxation	<u>18,208</u>	<u>24,613</u>
User fees:		
Sales of service	187,282	127,361
Rentals	19,424	56,419
Facility use fees	2,242	6,832
	<u>208,948</u>	<u>190,612</u>
Permits, licences and fines:		
Permits	8,810	14,017
Licences	13	10
	<u>8,823</u>	<u>14,027</u>
Investment income:		
Cash and temporary investments	<u>20,107</u>	<u>11,847</u>
Other revenue:		
Gain on sale of tangible capital assets	1,900	2,500
Loss on sale of real estate held for sale	(2,659)	
Penalties and interest	21,324	23,344
Miscellaneous	46,339	39,915
	<u>66,904</u>	<u>65,759</u>
Water and sewer		
Municipal utility	<u>181,931</u>	<u>198,939</u>
Grants - Province of Manitoba:		
Municipal operating grants	83,747	114,415
Other unconditional grants		2,121
Conditional grants	270,564	817,935
	<u>354,311</u>	<u>934,471</u>
Sub-total	<u>\$ 2,266,872</u>	<u>\$ 2,666,372</u>

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2018

	2018 Actual	2017 Actual
Sub-total (Carry forward)	\$ 2,266,872	\$ 2,666,372
Grants - other:		
Federal government - gas tax funding	59,180	57,177
Federal government - other	40,827	
Other municipal governments	3,948	17,291
	<u>103,955</u>	<u>74,468</u>
Total revenue	\$ 2,370,827	\$ 2,740,840

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2018

	2018 Actual	2017 Actual
General government services:		
Legislative	\$ 100,631	\$ 99,553
General administrative	449,288	383,448
Other	14,408	13,357
	<u>564,327</u>	<u>496,358</u>
Protective services:		
Fire	50,043	4,978
Emergency measures	7,709	7,514
Other protection	20,257	105,771
	<u>78,009</u>	<u>118,263</u>
Transportation services:		
Road transport		
Administration and engineering	336,267	296,208
Road and street maintenance	729,403	749,337
Bridge maintenance	395	6,318
Sidewalk and boulevard maintenance	7,337	4,564
Street lighting	19,211	18,457
Other	119,373	703,843
Loss on disposal of tangible capital assets		93,488
	<u>1,211,986</u>	<u>1,872,215</u>
Environmental health services:		
Waste collection and disposal	50,530	73,677
Recycling	12,438	11,847
	<u>62,968</u>	<u>85,524</u>
Public health and welfare services:		
Public health	13,492	19,671
Medical care	61,628	65,581
Social assistance	3,550	3,559
	<u>78,670</u>	<u>88,811</u>
Regional planning and development:		
Planning and zoning	24,124	23,939
Urban renewal		17
Beautification and land rehabilitation	3,718	4,927
Other	4,423	
	<u>32,265</u>	<u>28,883</u>
Sub-total	<u>\$ 2,028,225</u>	<u>\$ 2,690,054</u>

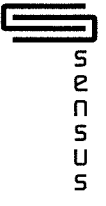
ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
 For the year ended December 31, 2018

	2018 Actual	2017 Actual
Sub-total (Carry forward)	\$ 2,028,225	\$ 2,690,054
Resource conservation and industrial development:		
Rural area weed control	4,925	1,940
Veterinary services	4,196	4,196
Water resources and conservation	13,117	13,108
Regional development		13,783
Loss on disposal of tca		13,005
Tourism	4,510	6,389
Other	42,404	81,712
	<u>69,152</u>	<u>134,133</u>
Recreation and cultural services:		
Administration	23,545	46,573
Community centres and halls	38,514	39,747
Swimming pools and beaches	364	3,381
Skating and curling rinks	53,751	59,175
Parks and playgrounds	70,824	2,426
Other recreational facilities	106,873	219,382
Museums	1,260	2,578
Libraries	14,426	16,548
Other cultural facilities	37,608	34,385
	<u>347,165</u>	<u>424,195</u>
Water and sewer (Schedule 9)		
Municipal utility	836,416	202,496
	<u>836,416</u>	<u>202,496</u>
Total expenses	<u>\$ 3,280,958</u>	<u>\$ 3,450,878</u>

ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2018

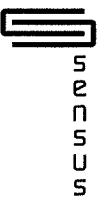
	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE										
Property taxes	\$ 1,391,982	\$ 1,210,446								
Grants in lieu of taxation	18,208	24,613								
User fees	26,247	60,627	2,595		8,623	28,782	56,368	16,532	16,845	
Grants - other	100,007	57,177								
Permits, licences and fines	8,823	14,027								
Investment income	19,923	11,724							125	105
Other revenue	39,450	61,171	2,030	2,700					20	
Water and sewer										
Prov of MB - unconditional grants	76,422	88,231							18,243	19,625
Prov of MB - conditional grants	252,321	817,935								
Total revenue	1,933,383	2,345,951	4,625	2,700	8,623	28,782	56,368	52,763	34,920	36,575
EXPENSES										
Personnel services	251,752	294,045	299	31,233	325,175	281,803	5,740	38,858	21,437	22,005
Contract services	64,700	97,824	44,628	29,486	426,140	842,376	35,743	32,165	22,286	27,344
Utilities	11,911	13,217	9,016	9,594	21,255	22,031	7,404	291	1,656	1,459
Maintenance, materials and supplies	65,697	51,152	5,978	28,305	273,558	480,687	5,325	5,281	7,623	12,023
Grants and contributions	15,696	10,702							3,000	4,000
Amortization	8,543	15,436	18,088	19,278	157,655	143,269	8,756	8,929	22,435	21,741
Interest on long term debt		96			7,187	7,194				
Other	146,028	13,886		367	1,016	94,855			233	239
Total expenses	564,327	496,358	78,009	118,263	1,211,986	1,872,215	62,968	85,524	78,670	88,811
Surplus (Deficit)	\$ 1,369,056	\$ 1,849,593	(73,384)	(115,563)	(1,203,363)	(1,843,433)	(6,600)	(32,761)	(43,750)	(52,236)

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



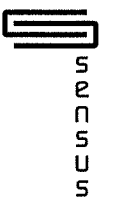
ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE										
Property taxes							15,658	15,658	\$ 1,407,640	\$ 1,226,104
Grants in lieu of taxation								18,208	208,948	24,613
User fees									103,955	190,612
Grants - other			13,702	17,893	98,583	17,893			8,823	74,468
Permits, licences and fines					3,948	17,291			20,107	14,027
Investment income					59				66,904	11,847
Other revenue			18	1,888	25,404				181,931	65,759
Water and sewer					7,325	8,680	198,939		83,747	198,939
Prov of MB - unconditional grants									270,564	116,536
Prov of MB - conditional grants										817,935
Total revenue			13,720	45,752	135,319	197,589	214,597	2,370,827	2,740,840	
EXPENSES										
Personnel services					54,154	53,912	48,845	29,255	707,402	764,111
Contract services	25,202	24,680	9,009	7,883	81,568	79,900	535,207	53,077	1,244,483	1,194,735
Utilities			29,262	7,092	52,992	52,541	19,005	20,607	152,501	126,832
Maintenance, materials and supplies	2,640	4,158	4,267	11,115	110,327	33,885	171,614	53,223	647,029	679,829
Grants and contributions		45	21,241	7,796	33,213	23,326	42,630	47,733	292,861	57,114
Amortization			1,541	1,540		32,074	15,548	2,807	22,735	284,331
Interest on long term debt							3,567	1,463	166,214	10,097
Other	4,423		3,832	74,462	7,115	148,557				333,829
Total expenses	32,265	28,883	69,152	134,133	347,165	836,416	202,496	3,280,958	3,450,878	
Surplus (Deficit)	<u>(32,265)</u>	<u>(28,883)</u>	<u>(69,152)</u>	<u>(120,413)</u>	<u>(211,846)</u>	<u>(638,827)</u>	<u>12,101</u>	<u>\$ (910,131)</u>	<u>\$ (710,038)</u>	



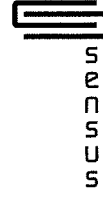
ROSSBURN MUNICIPALITY
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE								
Property taxes	\$ 1,407,640	\$ 1,226,104					\$ 1,407,640	\$ 1,226,104
Grants in lieu of taxation	18,208	24,613					18,208	24,613
User fees	186,161	168,948	22,787	21,664			208,948	190,612
Grants - other	100,007	57,177	3,948	17,291			103,955	74,468
Permits, licences and fines	8,823	14,027					8,823	14,027
Investment income	19,923	11,724	184	123			20,107	11,847
Other revenue	39,450	61,171	27,454	4,588			66,904	65,759
Water and sewer	181,931	198,939					181,931	198,939
Prov of MB - unconditional grants	76,422	88,231	7,325	28,305			83,747	116,536
Prov of MB - conditional grants	252,321	817,935	18,243				270,564	817,935
Total revenue	2,290,886	2,668,869	79,941	71,971			2,370,827	2,740,840
EXPENSES								
Personnel services	631,811	656,961	75,591	107,150			707,402	764,111
Contract services	1,226,106	1,169,763	18,377	24,972			1,244,483	1,194,735
Utilities	150,845	115,860	1,656	10,972			152,501	126,832
Maintenance, materials and supplies	613,867	630,775	33,162	49,054			647,029	679,829
Grants and contributions	47,733	44,114		13,000			47,733	57,114
Amortization	261,544	237,498	31,317	46,833			292,861	284,331
Interest on long term debt	22,735	10,097					22,735	10,097
Other	158,866	266,507	7,348	67,322			166,214	333,829
Total expenses	3,113,507	3,131,575	167,451	319,303			3,280,958	3,450,878
Deficit	\$ (822,621)	\$ (462,706)	(87,510)	(247,332)			\$ (910,131)	\$ (710,038)



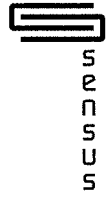
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	2018					Sub Total
	Building Replacement Reserve - Ward 1	Hospital Reserve - Ward 1	Road Reconstruction Reserve - Ward 1	Rossman Lake Resort Reserve - Ward 1	Vista Centennial Reserve - Ward 1	
REVENUE						
Investment income	83	161	815	1,023	19	\$ 2,101
Other income						
Total revenue	83	161	815	1,023	19	2,101
EXPENSES						
Investment charges						
Other expenses						
Total expenses						
NET REVENUES	83	161	815	1,023	19	2,101
TRANSFERS						
Debt repayment						
Transfers from operating fund						
Transfers to operating fund						
Transfers from utility fund						
Transfers to utility fund						
Acquisition of tangible capital assets						
CHANGE IN RESERVE FUND BALANCES	83	161	815	1,023	19	2,101
FUND SURPLUS, BEGINNING OF YEAR	11,265	21,940	3,021	57,695	2,528	96,449
FUND SURPLUS, END OF YEAR	\$ 11,348	22,101	3,836	58,718	2,547	\$ 98,550



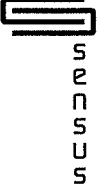
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	2018							
	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	\$ 602	3,867		201	1,333	719	696	\$ 7,418
Other income								
Total revenue	602	3,867		201	1,333	719	696	7,418
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	602	3,867		201	1,333	719	696	7,418
TRANSFERS								
Debt repayment								
Transfers from operating fund								
Transfers to operating fund		59,180			60,000	25,000		144,180
Transfers from utility fund								
Transfers to utility fund							(5,400)	(5,400)
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	602	63,047		201	61,333	25,719	(4,704)	146,198
FUND SURPLUS, BEGINNING OF YEAR	37,328	161,669	20	12,497	78,105	40,433	84,882	414,934
FUND SURPLUS, END OF YEAR	\$ 37,930	224,716	20	12,698	139,438	66,152	80,178	\$ 561,132



ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	2018					2017	
	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	\$ 1,855	171	383		791	49	\$ 6,974
Other income							
Total revenue	<u>1,855</u>	<u>171</u>	<u>383</u>		<u>791</u>	<u>49</u>	<u>12,768</u>
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	<u>1,855</u>	<u>171</u>	<u>383</u>		<u>791</u>	<u>49</u>	<u>12,768</u>
TRANSFERS							
Debt repayment							
Transfers from operating fund							122,177
Transfers to operating fund							(69,521)
Transfers from utility fund					10,000		10,000
Transfers to utility fund							
Acquisition of tangible capital assets		(5,400)					(10,800)
CHANGE IN RESERVE FUND BALANCES	<u>1,855</u>	<u>(5,229)</u>	<u>383</u>		<u>10,791</u>	<u>49</u>	<u>156,148</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>114,976</u>	<u>10,596</u>	<u>20,146</u>	<u>677</u>	<u>69,584</u>	<u>3,062</u>	<u>730,424</u>
FUND SURPLUS, END OF YEAR	<u>\$ 116,831</u>	<u>5,367</u>	<u>20,529</u>	<u>677</u>	<u>80,375</u>	<u>3,111</u>	<u>\$ 886,572</u>

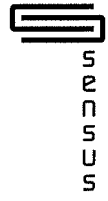


ROSSBURN MUNICIPALITY
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS -
For the year ended December 31, 2018

	2018 Budget	2018 Actual	2017 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 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2018

	2018		2017	
	Rosburn	Sunset Point	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ 49,015	\$	\$ 49,015	\$ 131,120
Amounts receivable (Note 4)	59,643	452	60,095	67,340
	<u>108,658</u>	<u>452</u>	<u>109,110</u>	<u>198,460</u>
LIABILITIES				
Accounts payable and accrued liabilities	564,988		564,988	4,012
Deferred revenue	748		748	748
Long-term debt (Note 7)	43,452		43,452	56,837
Due to other funds	61,940	120,870	182,810	208,377
	<u>671,128</u>	<u>120,870</u>	<u>791,998</u>	<u>269,974</u>
NET DEBT	(562,470)	(120,418)	(682,888)	(71,514)
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	535,857		535,857	550,187
Inventories	7,533		7,533	20,685
Prepaid expenses	442		442	413
	<u>543,832</u>		<u>543,832</u>	<u>571,285</u>
FUND SURPLUS (DEFICIT)	(18,638)	(120,418)	(139,056)	499,771
	\$	\$	\$	\$



ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Rosscburn
For the year ended December 31, 2018

REVENUE	Budget	2018	2017
Water			
Water fees	\$ 181,500	\$ 157,192	\$ 177,470
Sub-Total - Water	<u>181,500</u>	<u>157,192</u>	<u>177,470</u>
Sewer			
Sewer fees	<u>5,000</u>	<u>6,927</u>	<u>5,448</u>
Sub-Total - Sewer	<u>5,000</u>	<u>6,927</u>	<u>5,448</u>
Property taxes		<u>15,658</u>	<u>15,658</u>
Government transfers			
Government transfers - operating	<u>17,000</u>		
Sub-Total - Government transfers	<u>17,000</u>		
Other			
Hydrant rentals	4,800	4,800	4,800
Connection charges	500	175	223
Penalties	1,500	2,788	2,871
Investment income	200	1,669	1,210
Other income	<u>23,527</u>	<u>1,270</u>	<u>853</u>
Sub-Total - Other	<u>30,527</u>	<u>10,702</u>	<u>9,957</u>
Total revenue	<u>\$ 234,027</u>	<u>\$ 190,479</u>	<u>\$ 208,533</u>

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Rossburn
 For the year ended December 31, 2018

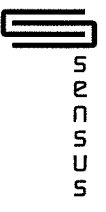
	Budget	2018	2017
EXPENSES			
General			
Administration	\$ 25,000	\$ 35,889	\$ 28,290
Billing and collection	1,000	363	
Sub-Total - General	<u>26,000</u>	<u>36,252</u>	<u>28,290</u>
Water General			
Purification and treatment	53,500	32,884	58,720
Water purchases	110,000	136,044	19,223
Connection costs		498,875	10,947
Sub-Total - Water General	<u>163,500</u>	<u>667,803</u>	<u>88,890</u>
Water Amortization and Interest			
Amortization	14,000	32,411	32,463
Interest on long term debt	15,658	15,548	2,788
Sub-Total - Water Amortization & Interest	<u>29,658</u>	<u>47,959</u>	<u>35,251</u>
Sewer General			
Collection system costs	22,000	18,670	15,857
Treatment and disposal cost	2,000	1,383	1,800
Lift station costs	15,000	6,090	10,181
Sub-Total - Sewer General	<u>39,000</u>	<u>26,143</u>	<u>27,838</u>
Sewer Amortization and Interest			
Amortization		10,219	9,601
Interest on long term debt			19
Sub-Total - Sewer Amortization & Interest		<u>10,219</u>	<u>9,620</u>
Total expenses	<u>258,158</u>	<u>788,376</u>	<u>189,889</u>
NET REVENUES (DEFICIT)	<u>\$ (24,131)</u>	<u>(597,897)</u>	<u>18,644</u>
TRANSFERS			
Transfers from operating fund		10,000	
Transfers to reserve funds		(10,000)	
CHANGE IN UTILITY FUND BALANCE		<u>(597,897)</u>	<u>18,644</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>579,259</u>	<u>560,615</u>
FUND SURPLUS (DEFICIT), END OF YEAR	<u>\$ (18,638)</u>	<u>\$ 579,259</u>	

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sunset Point
For the year ended December 31, 2018

	Budget	2018	2017
REVENUE			
Water			
Water fees	\$ 6,257	\$ 7,110	\$ 6,064
Sub-Total - Water	<u>6,257</u>	<u>7,110</u>	<u>6,064</u>
Total revenue	<u>\$ 6,257</u>	<u>\$ 7,110</u>	<u>\$ 6,064</u>
EXPENSES			
General			
Administration	\$ 1,000	\$ 3,876	\$
Sub-Total - General	<u>1,000</u>	<u>3,876</u>	
Water General			
Purification and treatment	<u>36,790</u>	<u>44,164</u>	<u>12,607</u>
Sub-Total - Water General	<u>36,790</u>	<u>44,164</u>	<u>12,607</u>
Total expenses	<u>37,790</u>	<u>48,040</u>	<u>12,607</u>
DEFICIT	<u>\$ (31,533)</u>	<u>(40,930)</u>	<u>(6,543)</u>
TRANSFERS			
CHANGE IN UTILITY FUND BALANCE		(40,930)	(6,543)
FUND DEFICIT, BEGINNING OF YEAR		<u>(79,488)</u>	<u>(72,945)</u>
FUND DEFICIT, END OF YEAR		<u>\$ (120,418)</u>	<u>\$ (79,488)</u>

ROSSBURN MUNICIPALITY
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2018

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	PSAB Budget
REVENUE						
Property taxes	\$ 1,407,505					\$ 1,407,505
Grants in lieu of taxation	18,181					18,181
User fees	325,578					325,578
Grants - Province of Manitoba	210,850					210,850
Grants - other	198,122					198,122
Permits, licences and fines	10,498					10,498
Investment income	1,000					1,000
Other revenue	232,312	240,284				232,312
Water and sewer		70,694				240,284
Transfers from reserves	169,000				(239,694)	
Total revenue	<u>2,573,046</u>	<u>310,978</u>			<u>(239,694)</u>	<u>2,644,330</u>
EXPENSES						
General government services	360,445		8,543	7,187	677	376,852
Protective services	75,609		4,507			80,116
Transportation services	905,000		157,656			1,062,656
Environmental health services	138,400		8,756			147,156
Public health and welfare services	22,600		694			23,294
Regional planning and development	89,150					89,150
Resource cons and industrial dev	124,010		1,541			125,551
Recreation and cultural services	303,147		23,637			326,784
Water and sewer services		295,948	42,630	2,273		340,851
Fiscal services:						
Transfer to capital	377,000		(392,000)			
Debt charges	25,518			(25,518)		
Short term interest					(151,490)	
Transfer to reserves	151,490				(677)	
Allowance for tax assets	677					
Total expenses	<u>2,573,046</u>	<u>310,948</u>	<u>(144,036)</u>	<u>(16,058)</u>	<u>(151,490)</u>	<u>2,572,410</u>
Surplus (Deficit)		<u>30</u>	<u>144,036</u>	<u>16,058</u>	<u>(88,204)</u>	<u>\$ 71,920</u>



ROSSBURN MUNICIPALITY
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2018

	2018	2017
Balance, beginning of year	\$ 144,240	\$ 201,148
Add:		
Tax levy (Schedule 12)	2,070,585	1,848,420
Taxes added	12,678	11,424
Penalties or interest	21,324	23,344
Tax adjustments (Tax Sale)	29,811	14,168
Sub-total	2,134,398	1,897,356
Deduct:		
Cash collections - current	1,706,420	1,542,004
Cash collections - arrears	160,640	198,391
Writeoffs	1,300	11,702
Title value of tax titles acquired	5,812	
E.P.T.C. - cash advance	224,169	202,167
Sub-total	2,098,341	1,954,264
Balance, end of year	\$ 180,297	\$ 144,240

ROSSBURN MUNICIPALITY
SCHEDULE 12 - ANALYSIS OF TAX LEVY
 For the year ended December 31, 2018

	2018			2017
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
L.I.D.	14,275,480	0.691	\$ 9,411	\$ 9,403
Other (Veterans Drive)	14,275,480	1.097	14,942	14,939
Sub-Total - Debt charges			<u>24,353</u>	<u>24,342</u>
General Municipal - At Large	63,381,870	14.770	<u>936,150</u>	<u>685,690</u>
Special levies:				
Ward 1 - Rural				385,928
Ward 2 - Urban				118,720
W2 - Bylaw 2018-002	14,275,480		139,300	
W2 - Bylaw 2018-003			30,000	
W1 - Bylaw 2018-004	53,308,370		54,159	
W1 - Bylaw 2015-005			191,000	
Commercial - bylaw 2018-006	7,265,730	2.753	20,000	
Sub-Total - Special levies			<u>434,459</u>	<u>504,648</u>
Total municipal taxes (Schedule 2)			<u>1,394,962</u>	<u>1,214,680</u>
Education support levy	2,497,020	9.770	<u>24,396</u>	<u>25,581</u>
Special levy:				
Park West	62,678,260	10.390	651,227	608,159
Sub-Total - Special levies			<u>651,227</u>	<u>608,159</u>
Total education taxes			<u>675,623</u>	<u>633,740</u>
Total tax levy (Schedule 11)			<u>\$ 2,070,585</u>	<u>\$ 1,848,420</u>

ROSSBURN MUNICIPALITY
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the year ended December 31, 2018

	2018	2017
General government services:		
Legislative	\$ 100,631	\$ 99,553
General administrative	449,288	383,448
Other	14,408	13,357
	564,327	496,358
Protective services:		
Fire	45,992	59,978
Emergency measures	7,709	7,514
Other	8,085	8,000
	61,786	75,492
Transportation services:		
Road transport		
Administration and engineering	336,267	296,208
Road and street maintenance	729,403	749,337
Bridge maintenance	395	6,318
Sidewalk and boulevard maintenance	7,337	4,564
Street lighting	19,211	18,457
Other	119,373	703,843
Loss on disposal of tangible capital assets		93,488
	1,211,986	1,872,215
Environmental health services:		
Waste collection and disposal	50,530	73,677
Recycling	12,438	11,847
	62,968	85,524
Public health and welfare services:		
Public health	21,492	27,671
Medical care	3,694	4,000
Social assistance	3,550	3,559
	28,736	35,230
Regional planning and development:		
Planning and zoning	24,124	23,939
Urban renewal		17
Beautification and land rehabilitation	3,718	4,927
Other	4,423	
	32,265	28,883
Sub-total	\$ 1,962,068	\$ 2,593,702

ROSSBURN MUNICIPALITY
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued

For the year ended December 31, 2018

	2018	2017
Sub-total (carry forward)	\$ 1,962,068	\$ 2,593,702
Resource conservation and industrial development:		
Rural area weed control	4,925	1,940
Veterinary services	4,196	4,196
Water resources and conservation	13,117	13,108
Regional development		13,783
Tourism	4,510	6,389
Other	42,404	28,148
	69,152	67,564
Recreation and cultural services:		
Administration	72,196	88,713
Community centres and halls	38,514	39,747
Swimming pools and beaches	364	3,381
Skating and curling rinks	53,751	59,175
Parks and playgrounds	70,824	2,426
Other recreational facilities		126,000
Museums	1,260	2,578
Libraries	14,426	16,548
Other cultural facilities	37,608	34,385
	288,943	372,953
Total expenses	\$ 2,320,163	\$ 3,034,219

ROSSBURN MUNICIPALITY
SCHEDULE 17 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2018

	2018		2017	
	General	Utility	Total	Total
MUNICIPAL DEFICIT UNDER THE MUNICIPAL ACT	\$ (344,349)	(637,881) \$	(982,230) \$	(722,881)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	144,180	10,000	154,180	122,177
Eliminate revenue - transfers from reserves	(10,800)		(10,800)	(69,521)
Increase revenue - reserve funds interest	12,768		12,768	6,974
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	(117,987)	(42,630)	(117,987)	(180,642)
Increase expense - amortization of tangible capital assets	(308,587)	13,384	(351,217)	(237,498)
Decrease expense - principal portion of debenture debt	7,750		7,750	20,357
Eliminate - transfers to (from) other funds	10,000	(10,000)		
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	1,900		1,900	(93,488)
Eliminate revenue - proceeds on sale of tangible capital assets	(3,200)		(3,200)	(165,422)
Eliminate expense - acquisitions of tangible capital assets	337,021	28,300	365,321	609,906
NET DEFICIT PER STATEMENT OF OPERATIONS	\$ (271,304)	(638,827) \$	(910,131) \$	(710,038)

