

**RESOLUTION NO. 157-19
ROSSBURN MUNICIPALITY**

April 23, 2019

MOVED BY: KALVIN KRESHEWSKI

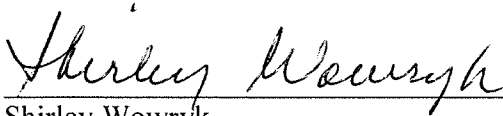
SECONDED BY: RUSS ANDREW

RESOLUTION 157-19

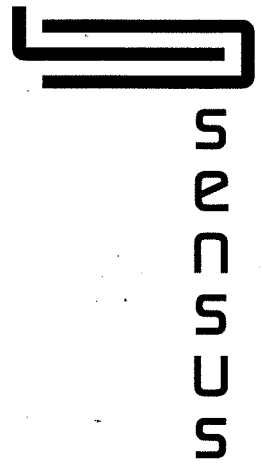
BE IT RESOLVED THAT the Rossburn Municipality Audited Financial Statements, prepared by Sensus Chartered Professional Accountant, for the 2017 fiscal year be accepted.

CARRIED

Certified a true copy of this resolution, passed by the Council of the Rossburn Municipality, on the 23rd day of April, 2019



Shirley Wowryk
Acting Chief Administrative Officer
ROSSBURN MUNICIPALITY



May 9, 2019

Rosburn Municipality
Mayor and Councilors
Box 100
Rosburn, Manitoba R0J 1V0

Dear Sir/Madame:

Please find enclosed one copy of the 2017 Consolidated Financial Report for the Rosburn Municipality.

If you have any further questions please do not hesitate to contact our office.

Yours truly,
SENSUS Chartered
Professional Accountants Ltd.

A handwritten signature in black ink that reads "Harold Reid, CPA, CA".

Harold Reid, CPA, CA

Enclosure

Box 610 Russell, MB R0J 1W0 ph. 204-773-2106 fax 204-773-3410
sensusrsl@sensuscpa.ca

ROSSBURN MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

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 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.

Mayor

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rossburn Municipality, which comprise of the statement of financial position as at December 31, 2017 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 audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rossburn Municipality as at December 31, 2017 and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Brandon, Manitoba
April 30, 2019



Chartered Professional Accountants

Partnership of Chartered Professional Accountants
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ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2017

	2017	2016
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 888,899	\$ 2,041,045
Amounts receivable (Note 4)	629,314	622,090
Loans and advances (Note 5)	25,000	25,000
Real estate properties held for sale (Note 2)	44,186	44,186
Other inventories for sale (Note 5)	14,288	14,288
	<u>1,601,687</u>	<u>2,746,609</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	579,775	326,533
Deferred revenue (Note 2)	24,859	663,610
Long-term debt (Note 7)	117,125	137,482
	<u>721,759</u>	<u>1,127,625</u>
NET FINANCIAL ASSETS	<u>879,928</u>	<u>1,618,984</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	4,486,716	4,412,320
Inventories (Note 5)	44,300	100,655
Prepaid expenses	31,750	20,773
	<u>4,562,766</u>	<u>4,533,748</u>
ACCUMULATED SURPLUS	<u>\$ 5,442,694</u>	<u>\$ 6,152,732</u>
COMMITMENTS AND CONTINGENCIES (Note 9)		

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF OPERATIONS
 For the year ended December 31, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
REVENUE			
Property taxes	\$ 1,222,580	\$ 1,226,103	\$ 1,212,020
Grants in lieu of taxation	25,343	24,613	26,170
User fees	180,514	190,612	171,619
Permits, licences and fines	5,000	14,027	11,365
Investment income	5,000	11,847	14,640
Other revenue	106,835	65,760	138,442
Water and sewer	212,859	198,939	191,960
Grants - Province of Manitoba	388,302	934,471	433,314
Grants - Other	133,832	74,468	84,877
Total revenue (Schedules 2, 4 and 5)	<u>2,280,265</u>	<u>2,740,840</u>	<u>2,284,407</u>
EXPENSES			
General government services	426,171	496,358	433,444
Protective services	139,328	118,263	92,276
Transportation services	1,058,077	1,872,215	1,103,598
Environmental health services	119,829	85,524	117,066
Public health and welfare services	37,400	88,811	76,287
Regional planning and development	77,472	28,883	21,542
Resource conservation and industrial development	179,741	134,133	126,316
Recreation and cultural services	254,408	424,195	269,109
Water and sewer services	264,419	202,496	260,196
Total expenses (Schedules 3, 4 and 5)	<u>2,556,845</u>	<u>3,450,878</u>	<u>2,499,834</u>
ANNUAL DEFICIT	<u>\$ (276,580)</u>	<u>(710,038)</u>	<u>(215,427)</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		6,152,732	6,368,159
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 5,442,694</u>	<u>\$ 6,152,732</u>

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2017

	2017 Budget (Note 12)	2017 Actual	2016 Actual
ANNUAL DEFICIT	\$ (276,580)	\$ (710,038)	\$ (215,427)
Acquisition of tangible capital assets	(472,500)	(630,643)	(430,361)
Amortization of tangible capital assets	284,331	284,331	273,334
Loss (gain) on sale of tangible capital assets		103,993	(38,043)
Proceeds on sale of tangible capital assets		167,923	75,454
Decrease (increase) in inventories		56,357	(3,368)
Decrease (increase) in prepaid expenses		(10,979)	19,874
	(188,169)	(29,018)	(103,110)
CHANGE IN NET FINANCIAL ASSETS	\$ (464,749)	(739,056)	(318,537)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		1,618,984	1,937,521
NET FINANCIAL ASSETS, END OF YEAR		\$ 879,928	\$ 1,618,984

ROSSBURN MUNICIPALITY
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2017

	2017	2016
OPERATING TRANSACTIONS		
Annual deficit	\$ (710,038)	\$ (215,427)
Changes in non-cash items:		
Amounts receivable	(7,227)	57,190
Inventories	56,356	(3,050)
Prepays	(10,979)	19,874
Accounts payable and accrued liabilities	253,242	41,077
Deferred revenue	(638,747)	638,223
Loss (gain) on sale of tangible capital assets	103,993	(38,043)
Amortization	284,331	273,334
Cash provided by operating transactions	<u>(669,069)</u>	<u>773,178</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	167,923	75,454
Cash used to acquire tangible capital assets	(630,643)	(430,361)
Cash applied to capital transactions	<u>(462,720)</u>	<u>(354,907)</u>
INVESTING TRANSACTIONS		
Loans and advances repaid		3,633
Acquisition of real estate properties		(31,086)
Cash applied to investing transactions		<u>(27,453)</u>
FINANCING TRANSACTIONS		
Debt repayment	(20,357)	(19,609)
Cash applied to financing transactions	<u>(20,357)</u>	<u>(19,609)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	(1,152,146)	371,209
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	2,041,045	1,669,836
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 888,899	\$ 2,041,045

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

1. STATUS OF THE ROSSBURN MUNICIPALITY

The incorporated Rosssburn Municipality (“the Municipality”) is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Rosssburn Municipality reflects the amalgamation of the former Town of Rosssburn and Rural Municipality of Rosssburn. 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:

- Rosssburn District Handivan Committee
- Rosssburn Recreation Commission
- Rosssburn and District Fire Department
- Rosssburn Planning District
- Rosssburn Recycling
- Rosssburn and District Agri-Rec Centre
- Rosssburn Museum and Heritage Society
- Rosssburn 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 Note 15 - Schedule of Trust Funds.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

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, 2017

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, 2017

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, 2017

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2017	2016
Cash	\$ 885,335	\$ 2,037,745
Temporary investments	3,564	3,300
	<u>\$ 888,899</u>	<u>\$ 2,041,045</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$730,426 (2016 - \$670,797) 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 3.15% (2016 - 2.20%). Unauthorized overdraft is charged with 24.00% interest.

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2017	2016
Taxes on roll (Schedule 11)	\$ 144,240	\$ 201,149
Utility customers (Schedule 8)	67,340	73,122
Organizations and individuals	148,619	158,991
Other governments	290,467	188,828
	<u>650,666</u>	<u>622,090</u>
Less allowance for doubtful amounts	(21,352)	
	<u>\$ 629,314</u>	<u>\$ 622,090</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

5. INVENTORIES

Inventories for sale:

	2017	2016
History books	\$ 14,288	\$ 14,288

Inventories for use:

Culverts	18,765	80,609
Fuel	4,850	3,958
Maintenance materials	20,685	16,088
	\$ 44,300	\$ 100,655

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
Accounts payable	\$ 451,813	\$ 216,711
Accrued expenses	66,555	33,512
School levies	61,407	76,310
	\$ 579,775	\$ 326,533

7. LONG TERM DEBT

	2017	2016
General Authority		
Debenture, payable at \$9,860 annually including interest at 3.50%, maturing December, 2024.	\$ 60,288	\$ 67,776
Utility Funds		
Debenture, payable at \$15,658 annually including interest at 4%, maturing December 2021.	56,837	69,706
	\$ 117,125	\$ 137,482

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

7. LONG TERM DEBT (continued)

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

2018	\$	21,134
2019		21,941
2020		22,779
2021		23,648
2022		8,893
		<u>98,395</u>
	\$	<u>98,395</u>

8. SCHEDULE OF DEBENTURES PENDING

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

9. COMMITMENTS

The Rossburn Municipal has entered into an agreement with the Government of Manitoba on August 9, 2017 for the construction of a handi-van storage building. The project is estimated to cost a total of \$102,933, of this cost the Government of Manitoba has agreed to reimburse the Municipality 25% of eligible costs as well as reimburse 50% in eligible expenses on behalf of the Government of Canada. The construction must be completed by March 31, 2018 or such later date as Manitoba may allow in writing. As of the financial statement date the municipality incurred \$123,106 in building costs with \$30,706 being eligible for reimbursement.

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 to be expected to be \$498,874. An agreement was signed in September 2018.

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

10. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2.0% 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 \$25,624 (2016 - \$22,861) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2016 indicated the plan was 98.0% funded on a going concern basis and 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, 2016.

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

11. FINANCIAL INSTRUMENTS

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

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

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

	2017	2016
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 323,951	\$ 1,105,678
Utility Operating Fund(s) - Nominal Surplus	(9,239)	(29,638)
TCA net of related borrowings	4,125,191	3,991,335
Reserve Funds	730,426	670,797
	<hr/>	<hr/>
Accumulated Surplus of Municipality Unconsolidated	5,170,329	5,738,172
Accumulated Surpluses of Consolidated Entities	272,365	414,560
	<hr/>	<hr/>
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 5,442,694	\$ 6,152,732

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

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, 2017:

- a) Compensation paid to members of council amounted to \$88,110 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	\$ 14,400	\$ 3,243	17,643
Lawrence Maduke	13,220	2,258	15,478
William Antonow	11,150	1,301	12,451
Dennis Kaskiw	11,600	1,398	12,998
Manley Mackedenski	11,480	904	12,384
Dallas Miller	12,330	1,680	14,010
John Kostecki	13,930	2,365	16,295
	<u>\$ 88,110</u>	<u>\$ 13,149</u>	<u>101,259</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Cheryl Melnyk	CAO	\$ 66,137
Jason Grassinger	Public Works Supervisor	55,785
Gary Glushka	Public Works Employee	51,141

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>83,598</u>	\$ <u>(8,600)</u>	\$ <u>74,998</u>

ROSSBURN MUNICIPALITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2017

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.

ROSSBURN MUNICIPALITY
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2017

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	2017	2016
Opening costs	\$ 1,192,315	1,514,466	1,936,538	27,868	17,674	8,718,594	1,318,397	3,018	\$ 14,728,870	\$ 14,447,430
Additions during the year	2,600	6,696	490,792	125,316			5,239		630,643	430,430
Disposals and write downs		(20,002)	(346,605)						(366,607)	(149,430)
Transfers										
Closing costs	<u>1,194,915</u>	<u>1,501,160</u>	<u>2,080,725</u>	<u>27,868</u>	<u>142,990</u>	<u>8,718,594</u>	<u>1,323,636</u>	<u>3,018</u>	<u>14,992,906</u>	<u>14,728,430</u>
Accumulated Amortization										
Opening accum'd amortization	161,951	626,449	717,900	25,984		8,049,863	734,403		10,316,550	10,155,273
Amortization	16,652	35,926	149,213	1,382		39,094	42,064		284,331	273,111
Disposals and write downs		(6,997)	(87,694)						(94,691)	(111,430)
Closing accum'd amortization	<u>178,603</u>	<u>655,378</u>	<u>779,419</u>	<u>27,366</u>		<u>8,088,957</u>	<u>776,467</u>		<u>10,506,190</u>	<u>10,316,550</u>
Net Book Value of Tangible Capital Assets	<u>\$ 1,016,312</u>	<u>845,782</u>	<u>1,301,306</u>	<u>502</u>	<u>142,990</u>	<u>629,637</u>	<u>547,169</u>	<u>3,018</u>	<u>\$ 4,486,716</u>	<u>\$ 4,412,430</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, 2017

	2017 Actual	2016 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,214,679	\$ 1,199,045
Taxes added	11,424	12,975
	<u>1,226,103</u>	<u>1,212,020</u>
Grants in lieu of taxation:		
Grants in lieu of taxation	<u>24,613</u>	26,170
User fees:		
Sales of service	127,361	126,070
Rentals	56,419	37,941
Facility use fees	6,832	7,608
	<u>190,612</u>	<u>171,619</u>
Permits, licences and fines:		
Permits	14,017	11,355
Licences	10	10
	<u>14,027</u>	<u>11,365</u>
Investment income:		
Cash and temporary investments	<u>11,847</u>	14,640
Other revenue:		
Gain on sale of tangible capital assets	2,500	38,043
Gain on sale of real estate held for sale		20,683
Donations		9,406
Penalties and interest	23,344	23,889
Miscellaneous	39,916	46,421
	<u>65,760</u>	<u>138,442</u>
Water and sewer		
Municipal utility	<u>198,939</u>	191,960
Grants - Province of Manitoba:		
Municipal operating grants	114,415	145,670
Other unconditional grants	2,121	
Conditional grants	817,935	287,644
	<u>934,471</u>	<u>433,314</u>
Sub-total	<u>\$ 2,666,372</u>	<u>\$ 2,199,530</u>

ROSSBURN MUNICIPALITY
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES (continued)
For the year ended December 31, 2017

	2017	2016
	Actual	Actual
Sub-total (Carry forward)	\$ 2,666,372	\$ 2,199,530
Grants - other:		
Federal government - gas tax funding	57,177	56,490
Other municipal governments	17,291	28,387
	74,468	84,877
Total revenue	\$ 2,740,840	\$ 2,284,407

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
For the year ended December 31, 2017

	2017 Actual	2016 Actual
General government services:		
Legislative	\$ 99,553	\$ 107,222
General administrative	383,448	310,027
Other	13,357	16,195
	<u>496,358</u>	<u>433,444</u>
Protective services:		
Fire	4,978	5,459
Emergency measures	7,514	7,596
Other protection	105,771	79,221
	<u>118,263</u>	<u>92,276</u>
Transportation services:		
Road transport		
Administration and engineering	296,208	267,662
Road and street maintenance	749,337	644,710
Bridge maintenance	6,318	67
Sidewalk and boulevard maintenance	4,564	7,129
Street lighting	18,457	17,897
Other	703,843	166,133
Loss on disposal of tangible capital assets	93,488	
	<u>1,872,215</u>	<u>1,103,598</u>
Environmental health services:		
Waste collection and disposal	73,677	87,099
Recycling	11,847	29,867
Other		100
	<u>85,524</u>	<u>117,066</u>
Public health and welfare services:		
Public health	19,671	13,444
Medical care	65,581	59,230
Social assistance	3,559	3,613
	<u>88,811</u>	<u>76,287</u>
Regional planning and development:		
Planning and zoning	23,939	12,696
Urban renewal	17	
Beautification and land rehabilitation	4,927	7,513
Other		1,333
	<u>28,883</u>	<u>21,542</u>
Sub-total	<u>\$ 2,690,054</u>	<u>\$ 1,844,213</u>

ROSSBURN MUNICIPALITY
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
For the year ended December 31, 2017

	2017 Actual	2016 Actual
Sub-total (Carry forward)	\$ 2,690,054	\$ 1,844,213
Resource conservation and industrial development:		
Rural area weed control	1,940	7,957
Veterinary services	4,196	4,196
Water resources and conservation	13,108	14,678
Regional development	13,783	16,194
Loss on disposal of tca	13,005	
Tourism	6,389	8,252
Other	81,712	75,039
	134,133	126,316
Recreation and cultural services:		
Administration	46,573	23,912
Community centres and halls	39,747	26,541
Swimming pools and beaches	3,381	3,570
Skating and curling rinks	59,175	48,651
Parks and playgrounds	2,426	2,412
Other recreational facilities	219,382	96,698
Museums	2,578	2,222
Libraries	16,548	16,567
Other cultural facilities	34,385	48,536
	424,195	269,109
Water and sewer (Schedule 9)		
Municipal utility	202,496	260,196
	202,496	260,196
Total expenses	\$ 3,450,878	\$ 2,499,834

ROSSBURN MUNICIPALITY
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2017

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE										
Property taxes	\$1,226,103	\$1,212,020								
Grants in lieu of taxation	24,613	26,170								
User fees	60,627	44,349		370	28,782	16,940	52,763	69,643	16,845	17,856
Grants - other	57,177	57,786								
Permits, licences and fines	14,027	11,365								
Investment income	11,724	13,306							105	439
Other revenue	61,172	112,624	2,700	1,139						22,000
Water and sewer										
Prov of MB - unconditional grants	88,231	88,422							19,625	32,923
Prov of MB - conditional grants	817,935	287,644								
Total revenue	2,361,609	1,853,686	2,700	1,509	28,782	16,940	52,763	69,643	36,575	73,218
EXPENSES										
Personnel services	294,046	249,633	31,233	12,997	281,802	256,569	38,858	63,522	22,005	21,420
Contract services	97,824	73,763	29,486	38,067	842,377	411,512	32,165	29,661	27,344	18,095
Utilities	13,217	12,696	9,594	6,616	22,031	13,010	291	5,646	1,459	1,299
Maintenance, materials and supplies	51,152	61,133	28,305	16,448	480,687	285,485	5,281	9,308	12,023	12,182
Grants and contributions	10,702	8,161		600					4,000	8,000
Amortization	15,435	16,273	19,278	16,532	143,269	134,397	8,929	8,929	21,741	13,891
Interest on long term debt	96	17			7,194	2,625				
Other	13,886	11,768	367	1,016	94,855				239	1,400
Total expenses	496,358	433,444	118,263	92,276	1,872,215	1,103,598	85,524	117,066	88,811	76,287
Surplus (Deficit)	\$1,865,251	\$1,420,242	(115,563)	(90,767)	(1,843,433)	(1,086,658)	(32,761)	(47,423)	(52,236)	(3,069)

* 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, 2017

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2017	2016	2017	2016	2017	2016	2017	2016	
REVENUE									
Property taxes							\$ 1,226,103	\$ 1,212,020	
Grants in lieu of taxation							24,613	26,170	
User fees			13,702	1,250	17,893	21,211	190,612	171,619	
Grants - other				7,727	17,291	19,364	74,468	84,877	
Permits, licences and fines							14,027	11,365	
Investment income			18	833	1,888	62	11,847	14,640	
Other revenue						2,679	65,760	138,442	
Water and sewer							198,939	191,960	
Prov of MB - unconditional grants				15,000	8,680	9,325	198,939	191,960	
Prov of MB - conditional grants							116,536	145,670	
							817,935	287,644	
Total revenue			13,720	24,810	45,752	52,641	198,939	191,960	2,284,407
EXPENSES									
Personnel services			13,000	22,428	53,912	68,102	29,255	27,540	722,211
Contract services	24,680	15,493	7,883	11,767	79,900	78,875	53,077	99,945	1,194,736
Utilities			7,092	18,990	52,541	47,497	20,607	19,064	126,832
Maintenance, materials and supplies	4,158	4,156	11,114	15,804	33,885	31,647	53,223	59,487	679,828
Grants and contributions	45		19,041	52,283	23,326	11,011			57,114
Amortization			1,541	1,540	32,074	31,919	42,064	48,519	284,331
Interest on long term debt							2,807	3,283	10,097
Other			560	3,504	148,557	58	1,463	2,358	333,829
Total expenses	28,883	21,542	134,133	126,316	424,195	269,109	202,496	260,196	2,499,834
Surplus (Deficit)	(28,883)	(21,542)	(120,413)	(101,506)	(378,443)	(216,468)	(3,557)	(68,236)	\$ (215,427)



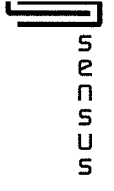
ROSSBURN MUNICIPALITY
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2017

	Core Government		Controlled Entities		Government Partnerships		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE								
Property taxes	\$ 1,226,103	\$ 1,212,020					\$ 1,226,103	\$ 1,212,020
Grants in lieu of taxation	24,613	26,170					24,613	26,170
User fees	168,948	145,709	21,664	25,910			190,612	171,619
Grants - other	57,177	57,786	17,291	27,091			74,468	84,877
Permits, licences and fines	14,027	11,365					14,027	11,365
Investment income	11,724	13,306	123	1,334			11,847	14,640
Other revenue	61,172	112,624	4,588	25,818			65,760	138,442
Water and sewer	198,939	191,960					198,939	191,960
Prov of MB - unconditional grants	88,231	88,422	28,305	57,248			116,536	145,670
Prov of MB - conditional grants	817,935	287,644					817,935	287,644
Total revenue	2,668,869	2,147,006	71,971	137,401			2,740,840	2,284,407
EXPENSES								
Personnel services	656,961	620,591	107,150	101,620			764,111	722,211
Contract services	1,169,764	752,369	24,972	24,809			1,194,736	777,178
Utilities	115,860	116,176	10,972	8,642			126,832	124,818
Maintenance, materials and supplies	630,775	457,226	49,054	38,424			679,829	495,650
Grants and contributions	44,114	57,101	13,000	22,954			57,114	80,055
Amortization	237,497	235,763	46,833	37,570			284,330	273,333
Interest on long term debt	10,097	5,925					10,097	5,925
Other	266,507	18,190	67,322	2,474			333,829	20,664
Total expenses	3,131,575	2,263,341	319,303	236,493			3,450,878	2,499,834
Surplus (Deficit)	\$ (462,706)	\$ (116,335)	(247,332)	(99,092)			\$ (710,038)	\$ (215,427)



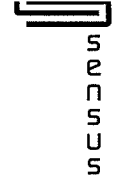
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2017

	2017					
	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	Sub Total
REVENUE						
Investment income	104	203	1,026	533	24	\$ 1,890
Other income						
Total revenue	104	203	1,026	533	24	1,890
EXPENSES						
Investment charges						
Other expenses						
Total expenses						
NET REVENUES	104	203	1,026	533	24	1,890
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	104	203	1,026	533	24	1,890
FUND SURPLUS, BEGINNING OF YEAR	11,161	21,737	1,995	57,162	2,505	94,560
FUND SURPLUS, END OF YEAR	\$ 11,265	\$ 21,940	\$ 3,021	\$ 57,695	\$ 2,529	\$ 96,450



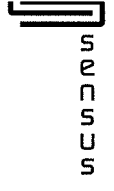
ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2017

	2017							
	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	\$ 343	363		115	799	401	1,193	\$ 3,214
Other income								
Total revenue	<u>343</u>	<u>363</u>		<u>115</u>	<u>799</u>	<u>401</u>	<u>1,193</u>	<u>3,214</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	<u>343</u>	<u>363</u>		<u>115</u>	<u>799</u>	<u>401</u>	<u>1,193</u>	<u>3,214</u>
TRANSFERS								
Debt repayment								
Transfers from operating fund		57,177			25,000		30,000	112,177
Transfers to operating fund		(4,521)			(65,000)			(69,521)
Transfers from utility fund								
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	<u>343</u>	<u>53,019</u>		<u>115</u>	<u>(39,201)</u>	<u>401</u>	<u>31,193</u>	<u>45,870</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>36,985</u>	<u>108,650</u>	<u>20</u>	<u>12,382</u>	<u>117,306</u>	<u>40,032</u>	<u>53,690</u>	<u>369,065</u>
FUND SURPLUS, END OF YEAR	<u>\$ 37,328</u>	<u>161,669</u>	<u>20</u>	<u>12,497</u>	<u>78,105</u>	<u>40,433</u>	<u>84,883</u>	<u>\$ 414,935</u>



ROSSBURN MUNICIPALITY
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2017

	2017						2016	
	General Reserve - Ward 2	Equipment Replacement Reserve	Fire Reserve - Ward 2	Recreation Reserve - Ward 2	Utility Reserve	Parkview Subdivision Reserve - Ward 2	Total	Total
REVENUE								
Investment income	\$ 1,057	97	47		640	28	\$ 6,973	\$ 6,028
Other income								1,157
Total revenue	1,057	97	47		640	28	6,973	7,185
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	1,057	97	47		640	28	6,973	7,185
TRANSFERS								
Debt repayment								
Transfers from operating fund			10,000				122,177	61,490
Transfers to operating fund							(69,521)	
Transfers from utility fund								
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	1,057	97	10,047		640	28	59,629	68,675
FUND SURPLUS, BEGINNING OF YEAR	113,919	10,499	10,099	677	68,944	3,034	670,797	602,122
FUND SURPLUS, END OF YEAR	\$ 114,976	10,596	20,146	677	69,584	3,062	\$ 730,426	\$ 670,797



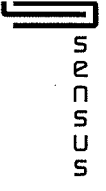
ROSSBURN MUNICIPALITY
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS -
For the year ended December 31, 2017

	2017 Budget	2017 Actual	2016 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, 2017

	2017		2016	
	Rosburn	Sunset Point	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ 131,120		\$ 131,120	\$ 81,050
Amounts receivable	67,066	274	67,340	73,122
	<u>198,186</u>	<u>274</u>	<u>198,460</u>	<u>154,172</u>
LIABILITIES				
Accounts payable and accrued liabilities	4,012		4,012	1,141
Deferred revenue	748		748	
Long-term debt (Note 7)	56,837		56,837	69,706
Due to other funds	144,274	79,763	224,037	199,140
	<u>205,871</u>	<u>79,763</u>	<u>285,634</u>	<u>269,987</u>
NET DEBT	<u>(7,685)</u>	<u>(79,489)</u>	<u>(87,174)</u>	<u>(115,815)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	550,187		550,187	587,012
Inventories	20,685		20,685	16,088
Prepaid expenses	413		413	383
	<u>571,285</u>		<u>571,285</u>	<u>603,483</u>
FUND SURPLUS (DEFICIT)	<u>\$ 563,600</u>	<u>\$ (79,489)</u>	<u>\$ 484,111</u>	<u>\$ 487,668</u>

COMMITMENTS AND CONTINGENCIES (Note 9)



ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Rossburn
For the year ended December 31, 2017

REVENUE	Budget	2017	2016
Water			
Water fees	\$ 172,000	\$ 177,470	\$ 170,662
Sub-Total - Water	<u>172,000</u>	<u>177,470</u>	<u>170,662</u>
Sewer			
Sewer fees	4,000	5,448	5,960
Sub-Total - Sewer	<u>4,000</u>	<u>5,448</u>	<u>5,960</u>
Government transfers			
Government transfers - operating	10,000		
Sub-Total - Government transfers	<u>10,000</u>		
Other			
Hydrant rentals	4,800	4,800	4,800
Connection charges		223	200
Penalties	1,500	2,871	2,647
Investment income	200	1,210	724
Other income	750	853	1,848
Sub-Total - Other	<u>7,250</u>	<u>9,957</u>	<u>10,219</u>
Total revenue	<u>\$ 193,250</u>	<u>\$ 192,875</u>	<u>\$ 186,841</u>

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Rossburn
For the year ended December 31, 2017

EXPENSES	Budget	2017	2016
General			
Administration	\$ 15,000	\$ 28,290	\$ 25,012
Billing and collection	1,000		209
Sub-Total - General	<u>16,000</u>	<u>28,290</u>	<u>25,221</u>
Water General			
Purification and treatment	53,500	58,720	52,478
Transmission and distribution	40,000		751
Water purchases	30,200	19,223	50,117
Connection costs		10,947	1,259
Sub-Total - Water General	<u>123,700</u>	<u>88,890</u>	<u>104,605</u>
Water Amortization and Interest			
Amortization		32,463	35,286
Interest on long term debt		2,788	3,283
Sub-Total - Water Amortization & Interest		<u>35,251</u>	<u>38,569</u>
Sewer General			
Collection system costs	7,000	15,857	29,802
Treatment and disposal cost	17,000	1,800	1,778
Lift station costs	15,000	10,181	22,707
Sub-Total - Sewer General	<u>39,000</u>	<u>27,838</u>	<u>54,287</u>
Sewer Amortization and Interest			
Amortization		9,601	13,233
Interest on long term debt	15,658	19	
Sub-Total - Sewer Amortization & Interest	<u>15,658</u>	<u>9,620</u>	<u>13,233</u>
Total expenses	<u>194,358</u>	<u>189,889</u>	<u>235,915</u>
NET REVENUES (DEFICIT)	<u>\$ (1,108)</u>	<u>2,986</u>	<u>(49,074)</u>
TRANSFERS			
CHANGE IN UTILITY FUND BALANCE		2,986	(49,074)
FUND SURPLUS, BEGINNING OF YEAR		<u>560,614</u>	<u>609,688</u>
FUND SURPLUS, END OF YEAR	<u>\$ 563,600</u>	<u>\$ 560,614</u>	

ROSSBURN MUNICIPALITY
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Sunset Point
For the year ended December 31, 2017

	Budget	2017	2016
REVENUE			
Water			
Water fees	\$ 6,257	\$ 6,064	\$ 5,119
Sub-Total - Water	<u>6,257</u>	<u>6,064</u>	<u>5,119</u>
Other			
Other income	<u>13,352</u>		
Sub-Total - Other	<u>13,352</u>		
Total revenue	<u>\$ 19,609</u>	<u>\$ 6,064</u>	<u>\$ 5,119</u>
EXPENSES			
General			
Administration	<u>\$ 1,000</u>		<u>\$</u>
Sub-Total - General	<u>1,000</u>		
Water General			
Purification and treatment	18,250	12,607	24,281
Transmission and distribution	2,500		
Water purchases	<u>3,440</u>		
Sub-Total - Water General	<u>24,190</u>	<u>12,607</u>	<u>24,281</u>
Water Amortization & Interest			
Total expenses	<u>25,190</u>	<u>12,607</u>	<u>24,281</u>
DEFICIT	<u>\$ (5,581)</u>	<u>(6,543)</u>	<u>(19,162)</u>
TRANSFERS			
CHANGE IN UTILITY FUND BALANCE		<u>(6,543)</u>	<u>(19,162)</u>
FUND DEFICIT, BEGINNING OF YEAR		<u>(72,946)</u>	<u>(53,784)</u>
FUND DEFICIT, END OF YEAR		<u>\$ (79,489)</u>	<u>\$ (72,946)</u>

ROSSBURN MUNICIPALITY
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2017

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 1,222,580						\$ 1,222,580
Grants in lieu of taxation	25,343						25,343
User fees	170,390					10,124	180,514
Grants - Province of Manitoba	388,302						388,302
Grants - other	123,122					10,710	133,832
Permits, licences and fines	5,000						5,000
Investment income	5,000						5,000
Other revenue	104,631					2,204	106,835
Water and sewer		212,859					
Transfers from accumulated surplus		38,450			(38,450)		
Transfers from reserves					(69,000)		
Total revenue	2,113,368	251,309			(107,450)	23,038	2,280,265
EXPENSES							
General government services	395,725		15,435	94	14,917		426,171
Protective services	69,194		2,939			67,195	139,328
Transportation services	902,068		148,815	7,194			1,058,077
Environmental health services	110,900		8,929				119,829
Public health and welfare services	37,400						37,400
Regional planning and development	77,472						77,472
Resource cons and industrial dev	178,201		1,540				179,741
Recreation and cultural services	170,888		23,321			60,199	254,408
Water and sewer services		219,548	42,064	2,807			264,419
Fiscal services:							
Transfer to capital	9,500		(9,500)				
Debt charges	25,518			(25,518)			
Short term interest							
Transfer to reserves	121,490				(148,832)		
Allowance for tax assets	14,917				(14,917)		
Total expenses	2,113,273	246,890	233,543	(15,423)	(148,832)	127,394	2,556,845
Surplus (Deficit)	\$ 95	4,419	(233,543)	15,423	41,382	(104,356)	\$ (276,580)

ROSSBURN MUNICIPALITY
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
For the year ended December 31, 2017

	2017	2016
Balance, beginning of year	\$ 201,149	\$ 252,339
Add:		
Tax levy (Schedule 12)	1,848,419	1,791,164
Taxes added	11,424	12,975
Penalties or interest	23,344	23,889
Other accounts added		13,470
Tax adjustments (Tax Sale)	14,168	15,835
Sub-total	1,897,355	1,857,333
Deduct:		
Cash collections - current	1,542,004	1,441,655
Cash collections - arrears	198,391	228,479
Writeoffs	11,702	8,683
Title value of land sales		25,686
E.P.T.C. - cash advance	202,167	204,020
Sub-total	1,954,264	1,908,523
Balance, end of year	\$ 144,240	\$ 201,149

ROSSBURN MUNICIPALITY
SCHEDULE 12 - ANALYSIS OF TAX LEVY
For the year ended December 31, 2017

	2017			2016
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
L.I.D.	12,867,230	0.766	\$ 9,403	\$ 9,404
Other (Veterans Drive)	12,867,230	1.217	14,939	14,936
Sub-Total - Debt charges			<u>24,342</u>	<u>24,340</u>
General Municipal - At Large	54,584,490	12.562	<u>685,690</u>	<u>647,351</u>
Special levies:				
Ward 1 - Rural	44,625,520	8.648	385,928	403,123
Ward 2 - Urban	9,957,970	11.922	118,719	123,711
Sub-Total - Special levies			<u>504,647</u>	<u>526,834</u>
Business tax (-%)				<u>520</u>
Total municipal taxes (Schedule 2)			<u>1,214,679</u>	<u>1,199,045</u>
Education support levy	2,436,250	10.500	<u>25,581</u>	<u>26,125</u>
Special levy:				
Park West	53,867,010	11.290	608,159	565,994
Sub-Total - Special levies			<u>608,159</u>	<u>565,994</u>
Total education taxes			<u>633,740</u>	<u>592,119</u>
Total tax levy (Schedule 11)			<u>\$ 1,848,419</u>	<u>\$ 1,791,164</u>

ROSSBURN MUNICIPALITY
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the year ended December 31, 2017

	2017	2016
General government services:		
Legislative	\$ 99,553	\$ 107,222
General administrative	383,448	310,027
Other	13,357	16,195
	496,358	433,444
Protective services:		
Fire	59,978	57,859
Emergency measures	7,514	7,596
Other	8,000	18,060
	75,492	83,515
Transportation services:		
Road transport		
Administration and engineering	296,208	267,662
Road and street maintenance	749,337	644,710
Bridge maintenance	6,318	67
Sidewalk and boulevard maintenance	4,564	7,129
Street lighting	18,457	17,897
Other	703,843	166,133
Loss on disposal of tangible capital assets	93,488	
	1,872,215	1,103,598
Environmental health services:		
Waste collection and disposal	73,677	87,099
Recycling	11,847	29,867
Other		100
	85,524	117,066
Public health and welfare services:		
Public health	27,671	21,444
Medical care	4,000	8,361
Social assistance	3,559	3,613
	35,230	33,418
Regional planning and development:		
Planning and zoning	23,939	12,696
Urban renewal	17	
Beautification and land rehabilitation	4,927	7,513
	28,883	20,209
Sub-total	\$ 2,593,702	\$ 1,791,250

ROSSBURN MUNICIPALITY

SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued

For the year ended December 31, 2017

	2017	2016
Sub-total (carry forward)	\$ 2,593,702	\$ 1,791,250
Resource conservation and industrial development:		
Rural area weed control	1,940	7,957
Veterinary services	4,196	4,196
Water resources and conservation	13,108	14,678
Regional development	13,783	16,194
Tourism	6,389	8,252
Other	28,148	50,730
	67,564	102,007
Recreation and cultural services:		
Administration	88,713	62,912
Community centres and halls	39,747	26,541
Swimming pools and beaches	3,381	3,570
Skating and curling rinks	59,175	48,651
Parks and playgrounds	2,426	2,412
Other recreational facilities	126,000	
Museums	2,578	2,222
Libraries	16,548	16,567
Other cultural facilities	34,385	48,536
	372,953	211,411
Total expenses	\$ 3,034,219	\$ 2,104,668

ROSSBURN MUNICIPALITY
SCHEDULE 17 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2017

	2017		2016	
	General	Utility	Total	Total
MUNICIPAL SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (781,725)	\$ 58,848	\$ (722,877)	\$ (344,462)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	122,177		122,177	61,490
Eliminate revenue - transfers from reserves	(69,521)		(69,521)	
Increase revenue - reserve funds interest	6,973		6,973	7,185
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	(142,195)		(142,195)	2,432
Eliminate revenue - transfer from nominal surplus	(195,434)	(38,450)	(237,498)	(37,000)
Increase expense - amortization of tangible capital assets	7,487	(42,064)	20,357	(235,763)
Decrease expense - principal portion of debenture debt	(93,488)	12,870	(93,488)	19,609
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	(165,422)		(165,422)	26,043
Eliminate revenue - proceeds on sale of tangible capital assets	604,667		609,906	(63,454)
Eliminate expense - acquisitions of tangible capital assets		5,239		348,493
NET SURPLUS PER STATEMENT OF OPERATIONS	\$ (706,481)	\$ (3,557)	\$ (710,038)	\$ (215,427)

