

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2012**

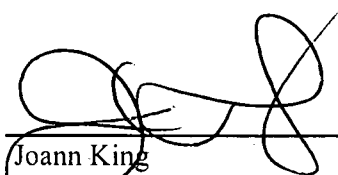
Rural Municipality of Gimli  
Box 1246  
Gimli, Manitoba  
R0C 1B0

### STATEMENT OF RESPONSIBILITY

The accompanying Financial Statements are the responsibility of the management of the Rural Municipality of Gimli and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

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.

Anthony J. Reid Chartered Accountant Inc. as the Municipality's appointed external auditors, have audited the Financial Statements. The Auditor's 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 Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian accepted accounting standards.

  
\_\_\_\_\_  
Joann King  
CAO



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## Independent Auditor's Report

To the Mayor and members of Council of the  
Rural Municipality of Gimli

I have audited the accompanying financial statements of Rural Municipality of Gimli, which comprise the consolidated statement of financial position as at December 31, 2012 and the consolidated statement of operations, cash flows and change in net debt for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

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

### Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the 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 financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion these financial statements present fairly, in all material respects, the financial position of Rural Municipality of Gimli as at December 31, 2012 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

April 24, 2014  
Winnipeg, Manitoba



Chartered Accountant

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2012**

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# RURAL MUNICIPALITY OF GIMLI

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2012

	2012 Actual \$	2011 Actual \$
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	7,834,676	6,893,968
Accounts receivable <i>(note 3)</i>	1,795,520	3,067,599
Deposits	-	37,500
	<u>9,630,196</u>	<u>9,999,067</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities <i>(note 6)</i>	2,034,657	2,205,053
Severance and vested sick leave payable <i>(note 7)</i>	62,631	-
Deferred revenue	33,228	-
Long-term debt <i>(note 8)</i>	11,654,153	11,362,693
	<u>13,784,669</u>	<u>13,567,746</u>
<b>NET DEBT</b>	<u>(4,154,473)</u>	<u>(3,568,679)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(schedule 1)</i>	43,212,061	40,239,794
Inventories <i>(note 4)</i>	342,671	329,974
Prepaid expenses	66,406	55,237
	<u>43,621,138</u>	<u>40,625,005</u>
<b>ACCUMULATED SURPLUS <i>(note 16)</i></b>	<u>39,466,665</u>	<u>37,056,326</u>

Approved on Behalf of the Council

\_\_\_\_\_ Mayor

\_\_\_\_\_ Councillor

**RURAL MUNICIPALITY OF GIMLI****CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2012**

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>REVENUE</b>			
Property taxes	5,985,958	6,108,164	5,618,778
Grants in lieu of taxation	170,442	69,926	66,812
User fees	760,324	2,232,438	1,654,918
Grants - Province of Manitoba	735,315	720,650	770,229
Grants - Other	440,306	440,163	431,167
Permits, licences and fees	127,500	143,178	246,986
Investment revenue	20,000	154,910	131,748
Other revenue	490,788	503,722	640,265
Water and sewer	1,276,684	2,874,257	4,588,945
Total revenue ( <i>schedules 2, 4 and 5</i> )	<u>10,007,317</u>	<u>13,247,408</u>	<u>14,149,848</u>
<b>EXPENSES</b>			
General government services	1,296,637	1,279,934	1,261,288
Protective services	853,960	764,090	715,872
Transportation services	3,245,997	3,414,761	2,677,045
Environmental health services	548,280	505,937	448,344
Public health and welfare services	76,400	76,400	74,489
Regional planning and development	309,747	253,389	236,996
Resource conservation and industrial development	171,964	941,474	791,046
Recreation and cultural services	1,371,276	1,379,960	1,390,639
Water and sewer	2,359,106	2,221,124	2,124,595
Total expenses ( <i>schedules 3, 4 and 5</i> )	<u>10,233,367</u>	<u>10,837,069</u>	<u>9,720,314</u>
<b>ANNUAL SURPLUS</b>	(226,050)	2,410,339	4,429,534
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>37,056,326</u>	<u>37,056,326</u>	<u>32,626,792</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><u>36,830,276</u></u>	<u><u>39,466,665</u></u>	<u><u>37,056,326</u></u>

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED STATEMENT OF NET DEBT**  
**For the Year Ended December 31, 2012**

	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>ANNUAL SURPLUS</b>	<u>(226,050)</u>	<u>2,410,339</u>	<u>4,429,534</u>
Acquisition of tangible capital assets	(4,000,000)	(4,604,524)	(3,290,360)
Proceeds on disposal of tangible capital assets	50,000	-	-
Amortization of tangible capital assets	1,528,600	1,632,257	1,485,444
Decrease (increase) in inventories	10,000	(12,697)	(95,430)
Decrease (increase) in prepaid expense	<u>10,000</u>	<u>(11,169)</u>	<u>4,306</u>
<b>CHANGE IN SURPLUS (DEFICIT)</b>	<b>(2,627,450)</b>	<b>(585,794)</b>	<b>2,533,494</b>
<b>NET DEBT BEGINNING OF YEAR</b>	<u>(3,568,679)</u>	<u>(3,568,679)</u>	<u>(6,102,173)</u>
<b>NET DEBT END OF YEAR</b>	<u><u>(6,196,129)</u></u>	<u><u>(4,154,473)</u></u>	<u><u>(3,568,679)</u></u>

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2012**

	<b>2012</b>	2011
	<b>Actual</b>	Actual
	<b>\$</b>	<b>\$</b>
<b>CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	2,410,339	4,429,534
Changes in non-cash items:		
Amortization	1,632,257	1,485,444
	<u>4,042,596</u>	<u>5,914,978</u>
Net changes in non-cash working capital affecting operations <i>(note 19)</i>	<u>1,173,676</u>	<u>(262,263)</u>
	<u>5,216,272</u>	<u>5,652,715</u>
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	<u>(4,604,524)</u>	<u>(3,290,360)</u>
<b>INVESTING</b>		
Deposits deferred	37,500	-
Realization of deposits	-	(37,500)
	<u>37,500</u>	<u>(37,500)</u>
<b>FINANCING</b>		
Long-term debt issued	<u>291,460</u>	<u>1,164,312</u>
<b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<b>940,708</b>	<b>3,489,167</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>6,893,968</b></u>	<u><b>3,404,801</b></u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>7,834,676</b></u></u>	<u><u><b>6,893,968</b></u></u>
<b>CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:</b>		
Cash and temporary investments	7,618,932	6,686,968
Temporary investments	<u>215,744</u>	<u>207,000</u>
	<u><u>7,834,676</u></u>	<u><u>6,893,968</u></u>



# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

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### 1. STATUS OF THE RURAL MUNICIPALITY OF GIMLI

The incorporated Rural Municipality of Gimli is a municipal government that was created on August 15, 1881 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

#### a) REPORTING ENTITY

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality.

The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Gimli Community Development Corporation

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 government partnerships include:

East Interlake Planning District	consolidated 59.85% (2011 59.85%)
Evergreen Regional Library	consolidated 56.13% (2011 56.13%)

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

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

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

**b) BASIS OF ACCOUNTING**

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

**c) CASH AND TEMPORARY INVESTMENTS**

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

**d) INVESTMENTS**

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

Portfolio investments are accounted for at cost.

**e) 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.

**f) 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.

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

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### g) 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.

### h) 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 and land improvements	Indefinite
Buildings and leasehold improvements	10 to 40 years
Vehicles and equipment	
Vehicles	10 to 20 years
Machinery and equipment	10 to 20 years
Computer hardware and software	4 to 10 years

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

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### Infrastructure Assets

Roads, Streets, and Bridges	
Land	Indefinite
Road surface	25 to 40 years
Road grade	40 Years
Traffic lights and equipment	10 years
Land	Indefinite
Land improvements	30 to 50 years
Underground networks	40 to 60 years
Machinery & equipment	10 to 20 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.

### i) 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.

### j) 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.

### k) REVENUE RECOGNITION

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made.

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

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### D) MEASUREMENT UNCERTAINTY

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

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

### 3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	<u>2012</u>	<u>2011</u>
	\$	\$
Tax assets ( <i>schedule 11</i> )	1,006,468	893,772
Government grants and receivables	274,314	1,684,334
Utility customers	308,725	241,277
Accrued interest	79	87
Organizations and individuals	311,469	343,932
Other governments	574	810
	<u>1,901,629</u>	<u>3,164,212</u>
Allowance for doubtful accounts	<u>(106,109)</u>	<u>(96,613)</u>
	<u><u>1,795,520</u></u>	<u><u>3,067,599</u></u>

### 4. INVENTORIES

	<u>2012</u>	<u>2011</u>
	\$	\$
Gravel	102,975	116,270
Culverts	28,254	26,795
Fuel	48,429	52,058
Grader blades and shop supplies	68,719	64,645
Water and sewer supplies	83,085	58,966
Other inventory	11,209	11,240
	<u>342,671</u>	<u>329,974</u>

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### 5. BANK INDEBTEDNESS

The Municipality has an authorized line of credit of a maximum of \$4,000,000 bearing interest at a rate of 2.375%. As at December 31, 2012 the balance owing was \$ nil (2011 - \$ nil).

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2012</u>	<u>2011</u>
	\$	\$
Trade payable	510,694	945,605
Government payables	7,371	27,720
Accrued expenses	259,112	173,361
Accrued interest payable	12,831	7,019
School levies ( <i>schedule 13</i> )	773,198	714,764
Other governments	125,000	91,200
Deposits	44,089	25,690
Property tax prepayments	302,362	219,694
	<u>2,034,657</u>	<u>2,205,053</u>

### 7. SEVERANCE AND VESTED SICK LEAVE PAYABLE

	<u>2012</u>	<u>2011</u>
	\$	\$
Description	<u>62,631</u>	<u>-</u>

### 8. LONG-TERM DEBT

	<u>2012</u>	<u>2011</u>
	\$	\$
<b>General Authority:</b>		
Municipal debenture payable in annual instalments of \$13,433.92, including interest at 5.500%, due December 31, 2026.	128,827	134,844
Municipal debenture payable in annual instalments of \$44,836.43, including interest at 6.000%, due December 31, 2013.	42,298	82,203
Municipal debenture payable in annual instalments of \$29,148.48, including interest at 7.375%, due December 31, 2020.	171,553	186,916
Municipal debenture payable in annual instalments of \$5,734.40, including interest at 6.625%, due December 31, 2017.	23,750	27,653
Municipal debenture payable in annual instalments of \$38,864.64, including interest at 7.375%, due December 31, 2019.	206,742	228,737
Municipal debenture payable in annual instalments of \$16,263, including interest at 4.59%, due December 31, 2021	83,979	91,750
	<u>657,149</u>	<u>752,103</u>

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### Utility Funds:

Municipal debenture payable in annual instalments of \$115,822 including interest at 4.89%, due December 31, 2031	<b>1,412,381</b>	1,456,958
Municipal debenture payable in annual instalments of \$34,351.48 including interest at 5.625%, due December 31, 2034.	<b>427,481</b>	437,237
Municipal debenture payable in annual instalments of \$4,435.43, including interest at 5.500%, due December 31, 2026.	<b>42,534</b>	44,521
Municipal debenture payable in annual instalments of \$33,297.25, including interest at 7.250%, due December 31, 2020.	<b>196,916</b>	214,651
Municipal debenture payable in annual instalments of \$23,620.60, including interest at 7.500%, due December 31, 2020.	<b>138,353</b>	150,673
Municipal debenture payable in annual instalments of \$36,357.67, including interest at 6.625%, due December 31, 2022.	<b>259,847</b>	277,800
Municipal debenture payable in annual instalments of \$11,199.83, including interest at 6.250%, due December 31, 2028.	<b>111,266</b>	115,262
Municipal debenture payable in annual instalments of \$127,069.67, including interest at 7.750%, due December 31, 2019.	<b>667,266</b>	737,203
Municipal debenture payable in annual instalments of \$3,812.36, including interest at 7.125%, due December 31, 2020.	<b>1,862,176</b>	1,905,430
Municipal debenture payable in annual instalments of \$171,473.35, including interest at 5.750%, due December 31, 2032.	<b>2,007,332</b>	2,060,336
Municipal debenture payable in annual instalments of \$35,049.71, including interest at 5.750%, due December 31, 2032.	<b>410,305</b>	421,140
Municipal debenture payable in annual instalments of \$54,382.64, including interest at 5.625%, due December 31, 2031.	<b>625,004</b>	643,206
Municipal debenture payable in annual instalments of \$104,858.51, including interest at 5.625%, due December 31, 2031	<b>1,205,109</b>	1,240,206
Municipal debenture payable in annual instalments of \$78,829.70, including interest at 5.625%, due December 31, 2030.	<b>878,098</b>	905,967
Municipal debenture payable in annual instalments of \$55,894.03, including interest at 4.100%, due August 31, 2032	<b>752,936</b>	-
	<b>10,997,004</b>	10,610,590
	<b>11,654,153</b>	11,362,693

Estimated principal repayments for the next five years are as follows:

2013	515,054
2014	501,965
2015	533,035
2016	566,085
2017	601,246

**RURAL MUNICIPALITY OF GIMLI**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**As at December 31, 2012**

**9. DEBT CHARGES - FRONTAGE**

Purpose and By-law	2012 Levy	2011 Levy
	\$	\$
Centre Ave - 8-2002	6,484	6,484
Pelican Beach Sewer - 19-99	86,656	86,656
Solvin Paving 06-0019	13,434	13,434
Solvin Paving - 98-04	5,734	5,734
South Beach - 07-0015	3,993	3,992
Hanger Line 9-0002	11,200	11,200
Loni Beach 12-0004	114,817	-
Road Construction 11-0015	11,647	-
	253,965	127,500

**10. DEBT CHARGES - L.I.D.**

Purpose and By-law	Assessment	2012 Mill Rate	2012 Levy	2011 Levy
			\$	\$
Centre Ave - 8-2002	2,516,030	6.740	16,958	16,956
Pelican Beach Sewer - 19-99	17,256,870	1.171	20,208	20,212
North Forcemain - 98-04	241,320	58.729	14,172	14,172
Natural Gas Transmission - 16-2000	330,318,990	0.088	29,068	28,845
Sewage Pump Station - 2-2001	330,318,990	0.100	33,032	32,950
Centre Ave - 8-2002	330,318,990	0.039	12,882	12,787
Pelican Beach Sewer - 19-99	330,318,990	0.061	20,149	20,221
North Forcemain - 13-2000	330,318,990	0.029	9,579	9,516
Habour Expansion - 99-13	88,710,810	0.433	38,412	38,442
Sewage Plant - 09-0009A	131,382,480	0.544	71,472	71,492
Sewage Plant - 10-0006A	131,382,480	0.174	22,861	22,817
			288,793	288,410



**RURAL MUNICIPALITY OF GIMLI****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

As at December 31, 2012

**11. DEBT CHARGES - AT LARGE**

<b>Purpose and By-law</b>	<b>Assessment</b>	<b>2012 Mill Rate</b>	<b>Levy</b>	<b>2011 Levy</b>
			\$	\$
Ice Plant - 04-2002	419,029,800	0.107	44,836	44,666
Sewage Plant - 06-0003	419,029,800	0.187	78,359	78,447
Sewage Plant - 07-0008	419,029,800	0.248	103,919	103,970
Sewage Plant - 07-0009	419,029,800	0.129	54,055	54,050
Sewage Plant - 08-0006	419,029,800	0.083	34,779	34,907
Sewage Plant - 08-0007	419,029,800	0.406	170,126	170,031
Sewage Plant - 09-0009	455,071,160	0.192	87,374	87,364
Sewage Plant - 10-0006	455,071,160	0.025	11,377	11,431
			<u>584,825</u>	<u>584,866</u>

**12. RESERVES**

<b>Purpose and By-law</b>	<b>Assessment</b>	<b>2012 Mill Rate</b>	<b>Levy</b>	<b>2011 Levy</b>
			\$	\$
Machinery Replacement - 03-0022	419,212,650	0.248	103,965	103,641
Road Development - 07-0027	419,212,650	0.118	49,467	49,568
125th Anniversary - 07-0035	419,212,650	0.010	4,192	4,131
			<u>157,624</u>	<u>157,340</u>

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

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### 13. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Institute of Chartered Accountants 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. Prior to the contribution rate increase noted below, the MEPP required that employees contribute 6.3% of basic annual earnings up to the CPP ceiling plus 7.5% 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 \$94,107.29 (2011 - \$82,675.37) 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, 2011 indicated the plan was 97.5% funded on a going concern basis and had an unfunded solvency liability of \$161.3 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, 2011. The valuation also disclosed that the existing contribution rate was insufficient to pay the minimum required contribution being the normal actuarial cost of the annual benefit accrued and the required amortization payment in respect of the going concern unfunded actuarial liability. The Board of Trustees amended the plan to increase the contribution rate by 1% effective July 1, 2012 and by another 1% effective January 1, 2013 to meet the minimum contribution requirement..

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

### 14. 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.

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### 15. 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*.

The budget numbers are unaudited and, accordingly, I express no assurance in respect to the budget.

### 16. ACCUMULATED SURPLUS

	<u>2012</u>	<u>2011</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	<b>6,339,178</b>	6,565,053
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	<b>(4,340,922)</b>	(3,944,428)
General Operating Tangible Capital Assets, net of related borrowings	<b>12,414,688</b>	12,385,661
Utility Operating Tangible Capital Assets, net of related borrowings	<b>18,258,524</b>	15,982,998
Reserve Funds	<b>5,918,419</b>	5,298,320
Accumulated surplus of municipality unconsolidated	<b>38,589,887</b>	36,287,604
Accumulated surpluses of consolidated controlled entities	<b>828,890</b>	723,290
Accumulated surpluses of consolidated government partnerships	<b>47,888</b>	45,432
Accumulated Surplus per Statement of Financial Position	<b>39,466,665</b>	37,056,326

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### 17. 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 in excess of \$50,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2012:

- (a) Compensation paid to members of council amounted to \$114,130 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$50,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Lynn Greenburg	24,670	1,886	26,556
Daniel Luprypa	24,990	2,973	27,963
Peter Peiluck	20,480	2,940	23,420
Richard Petrowski	20,120	2,087	22,207
Lorentz Zaborosky	23,870	2,896	26,766
	<u>114,130</u>	<u>12,782</u>	<u>126,912</u>

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

Name	Position	Amount
Hjelmeland, Darcy	Public Works	93,195
King, Joann	Administration	90,724
Kmet, Tom	Public Works	56,483
O'Hara, Stuart	Public Works	58,588
Ouellette, Ovide	Public Works	54,125
Zaborosky, Phyllis	Recreation	54,283
Zapotochny, Tony	Public Works	52,528

# RURAL MUNICIPALITY OF GIMLI

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2012

### 18. PUBLIC UTILITY BOARD

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

For information purposes, the Municipality has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

No capital grants have been deferred and amortized in these financial statements.

Water Services: Description of Utility	Unamortized			Unamortized
	Opening Balance	Additions During Year	Amortization During Year	Ending Balance
LUD of Gimli	115,142	-	5,317	109,825
Pelican Beach	57,000	-	1,521	55,479
	<u>172,142</u>	<u>-</u>	<u>6,838</u>	<u>165,304</u>

Sewer Services: Description of Utility	Unamortized			Unamortized
	Opening Balance	Additions During Year	Amortization During Year	Ending Balance
Regional Sewer System	14,620,110	577,654	266,600	14,931,164

### 19. CHANGES IN WORKING CAPITAL

	<u>2012</u>	<u>2011</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	1,272,079	(496,299)
Inventories	(12,697)	(95,430)
Prepaid expenses	(11,169)	4,306
Accounts payable and accrued liabilities	(170,396)	345,247
Severance and vested sick leave payable	62,631	-
Deferred revenue	33,228	(20,087)
	<u>1,173,676</u>	<u>(262,263)</u>

## CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2012

	General Capital Assets					Infrastructure			2012	2011
	Land and Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets under Construction	Actual	Actual
<b>Cost</b>										
Balance, beginning of year	5,451,892	6,082,078	5,461,625	432,146	247,684	15,939,935	29,448,829	800,210	63,864,399	60,574,038
Asset purchases	100	469,073	675,826	-	211,716	-	486,839	2,760,970	4,604,524	16,904,113
Disposals and write downs	-	-	33,065	34,013	-	-	-	-	67,078	13,613,752
Balance, end of year	5,451,992	6,551,151	6,104,386	398,133	459,400	15,939,935	29,935,668	3,561,180	68,401,845	63,864,399
<b>Accumulated Amortization</b>										
Balance, beginning of year	474,609	3,625,289	3,407,982	410,809	-	12,050,465	3,655,451	-	23,624,605	22,139,160
Amortization	48,805	295,270	408,590	11,285	-	282,438	585,869	-	1,632,257	1,485,444
Disposals and write downs	-	-	33,065	34,013	-	-	-	-	67,078	(1)
Balance, end of year	523,414	3,920,559	3,783,507	388,081	-	12,332,903	4,241,320	-	25,189,784	23,624,605
<b>Net book value</b>	<b>4,928,578</b>	<b>2,630,592</b>	<b>2,320,879</b>	<b>10,052</b>	<b>459,400</b>	<b>3,607,032</b>	<b>25,694,348</b>	<b>3,561,180</b>	<b>43,212,061</b>	<b>40,239,794</b>

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED SCHEDULE OF REVENUES**

**Schedule 2**

**For the Year Ended December 31, 2012**

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>PROPERTY TAXES</b>			
Municipal taxes levied ( <i>schedule 12</i> )	5,905,958	6,042,239	5,461,943
Taxes added	80,000	65,925	156,835
	<u>5,985,958</u>	<u>6,108,164</u>	<u>5,618,778</u>
<b>GRANTS IN LIEU OF TAXATION</b>			
Federal government	170,442	4,364	3,665
Provincial government	-	8,661	8,095
Provincial government enterprises	-	56,901	55,052
	<u>170,442</u>	<u>69,926</u>	<u>66,812</u>
<b>USER FEES</b>			
Sales of service	388,595	462,782	426,724
Sales of goods	63,500	660,639	69,277
Rentals	291,492	277,627	293,303
Development charges	10,000	10,353	48,120
Facility use fees	6,737	821,037	817,494
	<u>760,324</u>	<u>2,232,438</u>	<u>1,654,918</u>
<b>GRANTS - PROVINCE OF MANITOBA</b>			
General assistance payment	472,000	461,157	472,470
General support grant	31,000	26,673	31,199
VLT revenues	92,000	96,913	91,245
Conditional grants	126,315	135,907	126,315
Other provincial grant	14,000	-	49,000
	<u>735,315</u>	<u>720,650</u>	<u>770,229</u>
<b>GRANTS - OTHER</b>			
Federal government - gas tax funding	316,395	316,395	316,395
Other local governments	123,911	123,768	114,772
	<u>440,306</u>	<u>440,163</u>	<u>431,167</u>
<b>PERMITS, LICENCES AND FEES</b>			
Permits	15,000	17,175	20,685
Licences	90,500	55,731	54,560
Fines	22,000	27,714	29,522
Subdivision fees	-	42,558	142,219
	<u>127,500</u>	<u>143,178</u>	<u>246,986</u>
<b>INVESTMENT REVENUE</b>			
Interest	20,000	33,511	26,164
Municipal debenture interest	-	121,399	105,584
	<u>20,000</u>	<u>154,910</u>	<u>131,748</u>

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED SCHEDULE OF REVENUES**

**Schedule 2**

**For the Year Ended December 31, 2012**

	<b>2012 Budget \$</b>	<b>2012 Actual \$</b>	<b>2011 Actual \$</b>
<b>OTHER REVENUE</b>			
Miscellaneous	395,788	388,733	402,901
Prepaid debenture levies	-	-	136,370
Penalties and interest	95,000	114,989	100,994
	<u>490,788</u>	<u>503,722</u>	<u>640,265</u>
<b>WATER AND SEWER</b>			
Municipal utilities ( <i>schedule 9</i> )	<u>1,276,684</u>	<u>2,874,257</u>	<u>4,588,945</u>
<b>TOTAL REVENUE</b>	<u><u>10,007,317</u></u>	<u><u>13,247,408</u></u>	<u><u>14,149,848</u></u>



## CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2012

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	168,785	163,602	170,461
General administrative	<u>1,127,852</u>	<u>1,116,332</u>	<u>1,090,827</u>
	<u>1,296,637</u>	<u>1,279,934</u>	<u>1,261,288</u>
<b>PROTECTIVE SERVICES</b>			
Police	422,918	409,647	384,184
Fire	376,167	306,310	299,827
Other protective services	52,875	39,527	28,281
By-law enforcement	<u>2,000</u>	<u>8,606</u>	<u>3,580</u>
	<u>853,960</u>	<u>764,090</u>	<u>715,872</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Road and street maintenance	3,149,697	3,311,539	2,592,353
Air transport	53,925	46,890	46,442
Public transit	<u>42,375</u>	<u>56,332</u>	<u>38,250</u>
	<u>3,245,997</u>	<u>3,414,761</u>	<u>2,677,045</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	303,328	293,539	251,239
Recycling	80,000	104,511	78,437
Lagoons and wells	<u>164,952</u>	<u>107,887</u>	<u>118,668</u>
	<u>548,280</u>	<u>505,937</u>	<u>448,344</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Public health	13,000	13,000	12,034
Social assistance	<u>63,400</u>	<u>63,400</u>	<u>62,455</u>
	<u>76,400</u>	<u>76,400</u>	<u>74,489</u>
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	<u>309,747</u>	<u>253,389</u>	<u>236,996</u>
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	64,950	63,974	61,257
Water resources and conservation	19,339	96,436	17,839
Regional development	30,035	17,643	23,993
Industrial development	2,700	712,714	650,243
Tourism	52,940	50,707	37,714
Other	<u>2,000</u>	<u>-</u>	<u>-</u>
	<u>171,964</u>	<u>941,474</u>	<u>791,046</u>

**RURAL MUNICIPALITY OF GIMLI**  
**CONSOLIDATED SCHEDULE OF EXPENSES**

**Schedule 3**

**For the Year Ended December 31, 2012**

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>RECREATION AND CULTURAL SERVICES</b>			
Community centers and halls	67,800	78,974	95,983
Swimming pools and beaches	111,550	114,126	102,830
Skating and curling rinks	923,686	926,137	944,054
Parks and playgrounds	40,700	43,358	39,121
Libraries	194,859	188,184	176,621
Other cultural facilities	32,681	29,181	32,030
	<u>1,371,276</u>	<u>1,379,960</u>	<u>1,390,639</u>
<b>WATER AND SEWER</b>			
Municipal utilities ( <i>schedule 9</i> )	<u>2,359,106</u>	<u>2,221,124</u>	<u>2,124,595</u>
<b>TOTAL EXPENSES</b>	<u><u>10,233,367</u></u>	<u><u>10,837,069</u></u>	<u><u>9,720,314</u></u>

## CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2012

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>										
Property taxes	6,108,164	5,618,778	-	-	-	-	-	-	-	-
Grants in lieu of taxation	69,926	66,812	-	-	-	-	-	-	-	-
User fees	111,732	117,683	-	-	648,928	34,734	100,598	81,079	-	-
Grants - Province of Manitoba	585,699	646,229	-	-	46,778	31,360	13,761	11,997	-	-
Grants - Other	316,395	316,395	-	-	-	-	-	-	-	-
Permits, licences and fees	83,445	84,082	-	-	2,750	6,200	-	-	-	-
Investment revenue	74,260	59,193	16,058	15,024	8,165	3,060	-	-	-	-
Other revenue	470,875	453,152	-	-	-	136,370	-	-	-	-
Water and sewer	1,062,591	(946,900)	-	-	-	-	-	-	-	-
Total revenue	6,757,905	6,415,424	16,058	15,024	706,621	211,724	114,359	93,076	-	-
<b>EXPENSES</b>										
Personnel services	553,708	541,225	195,869	183,885	1,110,700	1,078,785	233,875	216,329	-	-
Contract services	14,860	40,329	363,519	341,949	317,318	288,769	166,081	140,744	32,594	31,628
Utilities	62,571	61,042	19,084	19,189	149,781	147,798	2,117	2,319	-	-
Maintenance materials & supplies	511,290	464,789	101,220	92,663	1,223,716	586,593	58,918	52,457	-	-
Grants & contributions	38,026	37,170	-	-	-	-	-	-	43,806	42,861
Amortization	21,895	26,011	84,398	78,186	600,121	565,295	44,946	36,495	-	-
Interest on long term debt	30,654	33,220	-	-	13,125	9,805	-	-	-	-
Bad debts expense	46,930	57,502	-	-	-	-	-	-	-	-
Total expenses	1,279,934	1,261,288	764,090	715,872	3,414,761	2,677,045	505,937	448,344	76,400	74,489
<b>SURPLUS (DEFICIT)</b>	<b>5,477,971</b>	<b>5,154,136</b>	<b>(748,032)</b>	<b>(700,848)</b>	<b>(2,708,140)</b>	<b>2,465,321)</b>	<b>(391,578)</b>	<b>(355,268)</b>	<b>(76,400)</b>	<b>(74,489)</b>

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

## CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2012

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>										
Property taxes	-	-	-	-	-	-	-	-	6,108,164	5,618,778
Grants in lieu of taxation	-	-	-	-	-	-	-	-	69,926	66,812
User fees	103,044	121,262	-	-	1,268,136	1,300,160	-	-	2,232,438	1,654,918
Grants - Province of Manitoba	-	-	-	-	74,412	80,643	-	-	720,650	770,229
Grants - Other	71,741	62,602	-	-	52,027	52,170	-	-	440,163	431,167
Permits, licences and fees	56,983	156,704	-	-	-	-	-	-	143,178	246,986
Investment revenue	12,681	13,566	-	-	39,707	35,246	4,039	5,659	154,910	131,748
Other revenue	20,000	20,000	-	-	12,847	30,743	-	-	503,722	640,265
Water and sewer	-	-	-	-	-	-	3,936,848	5,535,845	2,874,257	4,588,945
Total revenue	<b>264,449</b>	374,134	-	-	<b>1,447,129</b>	1,498,962	<b>3,940,887</b>	5,541,504	<b>3,247,408</b>	4,149,848
<b>EXPENSES</b>										
Personnel services	131,590	117,937	15,140	11,966	471,632	456,695	900,441	855,782	3,612,955	3,462,604
Contract services	75,025	71,750	477,032	438,084	2,281	2,574	69,195	65,137	1,517,905	1,420,964
Utilities	2,990	2,773	26,592	20,971	138,384	127,009	35,515	85,236	437,034	466,337
Maintenance materials & supplies	42,958	43,456	311,871	250,460	486,892	541,093	-	-	2,736,865	2,031,511
Grants & contributions	-	-	11,122	2,189	81,354	84,203	-	-	174,308	166,423
Amortization	826	1,080	99,717	67,376	194,485	171,874	585,869	539,127	1,632,257	1,485,444
Interest on long term debt	-	-	-	-	4,932	7,191	630,104	579,313	678,815	629,529
Bad debts expense	-	-	-	-	-	-	-	-	46,930	57,502
Total expenses	<b>253,389</b>	236,996	<b>941,474</b>	791,046	<b>1,379,960</b>	1,390,639	<b>2,221,124</b>	2,124,595	<b>0,837,069</b>	9,720,314
<b>SURPLUS (DEFICIT)</b>	<b>11,060</b>	137,138	<b>(941,474)</b>	(791,046)	<b>67,169</b>	108,323	<b>1,719,763</b>	3,416,909	<b>2,410,339</b>	4,429,534

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

## CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2012

	Core Government		Controlled Entities		Government Partnerships		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUE</b>								
Property taxes	6,108,164	5,618,778	-	-	-	-	6,108,164	5,618,778
Grants in lieu of taxation	69,926	66,812	-	-	-	-	69,926	66,812
User fees	1,318,710	764,282	812,698	809,640	101,030	80,996	2,232,438	1,654,918
Grants - Province of Manitoba	657,528	703,879	-	-	63,122	66,350	720,650	770,229
Grants - Other	316,395	316,395	-	-	123,768	114,772	440,163	431,167
Permits, licences and fees	143,178	246,986	-	-	-	-	143,178	246,986
Investment revenue	154,910	131,748	-	-	-	-	154,910	131,748
Other revenue	503,722	640,265	-	-	-	-	503,722	640,265
Water and sewer	2,874,257	4,588,945	-	-	-	-	2,874,257	4,588,945
Total revenue	12,146,790	13,078,090	812,698	809,640	287,920	262,118	13,247,408	14,149,848
<b>EXPENSES</b>								
Personnel services	3,400,286	3,269,901	-	-	212,669	192,703	3,612,955	3,462,604
Contract services	1,121,432	1,060,223	394,192	358,167	2,281	2,574	1,517,905	1,420,964
Utilities	407,813	442,952	24,865	19,235	4,356	4,150	437,034	466,337
Maintenance materials & supplies	2,480,278	1,762,931	193,218	208,940	63,369	59,640	2,736,865	2,031,511
Grants & contributions	174,308	166,423	-	-	-	-	174,308	166,423
Amortization	1,534,645	1,421,383	94,824	61,620	2,788	2,441	1,632,257	1,485,444
Interest on long term debt	678,815	629,529	-	-	-	-	678,815	629,529
Bad debts expense	46,930	57,502	-	-	-	-	46,930	57,502
Total expenses	9,844,507	8,810,844	707,099	647,962	285,463	261,508	10,837,069	9,720,314
<b>SURPLUS (DEFICIT)</b>	<b>2,302,283</b>	<b>4,267,246</b>	<b>105,599</b>	<b>161,678</b>	<b>2,457</b>	<b>610</b>	<b>2,410,339</b>	<b>4,429,534</b>

## SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2012

	General Reserve \$	Machinery Replacement Reserve \$	Industrial Park Reserve \$	Building Reserve \$	Fire Equipment Reserve \$	Capital Levy Reserve \$
<b>FINANCIAL ASSETS</b>						
Cash and temporary investments	-	-	-	-	211,178	-
Due from other funds	1,438,963	200,588	442,483	175,520	89,553	45,705
	<u>1,438,963</u>	<u>200,588</u>	<u>442,483</u>	<u>175,520</u>	<u>300,731</u>	<u>45,705</u>
<b>REVENUE</b>						
Investment revenue	<u>22,032</u>	<u>3,254</u>	<u>12,681</u>	<u>3,442</u>	<u>16,058</u>	<u>4,043</u>
<b>EXPENSES</b>						
General government services	44,810	-	-	-	-	-
Protective services	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-
	<u>44,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TRANSFERS</b>						
Transfers from (to) operating fund	(317,000)	(180,160)	(49,034)	-	(60,809)	(42,558)
Acquisition of tangible capital assets	18,190	132,050	271,169	-	-	191,165
	<u>298,810</u>	<u>48,110</u>	<u>(222,135)</u>	<u>-</u>	<u>60,809</u>	<u>(148,607)</u>
<b>CHANGE IN FUND BALANCES</b>	<b>276,032</b>	<b>51,364</b>	<b>(209,454)</b>	<b>3,442</b>	<b>76,867</b>	<b>(144,564)</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b><u>1,162,931</u></b>	<b><u>149,224</u></b>	<b><u>651,937</u></b>	<b><u>172,078</u></b>	<b><u>223,864</u></b>	<b><u>190,269</u></b>
<b>FUND SURPLUS, END OF YEAR</b>	<b><u>1,438,963</u></b>	<b><u>200,588</u></b>	<b><u>442,483</u></b>	<b><u>175,520</u></b>	<b><u>300,731</u></b>	<b><u>45,705</u></b>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2012

	LUD of Gimli General Reserve \$	Rural Special Services Area Reserve \$	Drainage Capital Reserve \$	Gas Tax Reserve \$	Road Maintenance and Construction Reserve \$	Handi Transit Vehicle Reserve \$
<b>FINANCIAL ASSETS</b>						
Cash and temporary investments	-	-	-	-	-	-
Due from other funds	84	86	507,026	751,113	131,464	15,366
	<u>84</u>	<u>86</u>	<u>507,026</u>	<u>751,113</u>	<u>131,464</u>	<u>15,366</u>
<b>REVENUE</b>						
Investment revenue	2	2	3,314	11,228	1,296	301
	<u>2</u>	<u>2</u>	<u>3,314</u>	<u>11,228</u>	<u>1,296</u>	<u>301</u>
<b>EXPENSES</b>						
General government services	-	-	-	-	-	-
Protective services	-	-	-	-	-	-
Transportation services	-	-	-	-	36,000	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,000</u>	<u>-</u>
<b>TRANSFERS</b>						
Transfers from (to) operating fund	-	-	(338,000)	(316,395)	(57,291)	-
Acquisition of tangible capital assets	-	-	-	163,309	-	-
	<u>-</u>	<u>-</u>	<u>338,000</u>	<u>153,086</u>	<u>57,291</u>	<u>-</u>
<b>CHANGE IN FUND BALANCES</b>	<b>2</b>	<b>2</b>	<b>341,314</b>	<b>164,314</b>	<b>22,587</b>	<b>301</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>82</b>	<b>84</b>	<b>165,712</b>	<b>586,799</b>	<b>108,877</b>	<b>15,065</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>84</b>	<b>86</b>	<b>507,026</b>	<b>751,113</b>	<b>131,464</b>	<b>15,366</b>

## SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2012

	125th Anniversary Reserve \$	Recreation Pool Fund Reserve \$	LUD of Gimli Utility Reserve \$	LUD of Gimli Replacement Utility Reserve \$	South Beach Utility Reserve Fund \$	Centre Ave W Reserve \$
<b>FINANCIAL ASSETS</b>						
Cash and temporary investments	-	1,232,036	-	-	-	-
Due from other funds	10,503	-	7,442	274,672	93,434	24,246
	<u>10,503</u>	<u>1,232,036</u>	<u>7,442</u>	<u>274,672</u>	<u>93,434</u>	<u>24,246</u>
<b>REVENUE</b>						
Investment revenue	<u>356</u>	<u>34,276</u>	<u>74</u>	<u>2,719</u>	<u>925</u>	<u>240</u>
<b>EXPENSES</b>						
General government services	-	-	-	-	-	-
Protective services	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TRANSFERS</b>						
Transfers from (to) operating fund	5,853	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-
	<u>(5,853)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN FUND BALANCES</b>	<b>(5,497)</b>	<b>34,276</b>	<b>74</b>	<b>2,719</b>	<b>925</b>	<b>240</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>16,000</b>	<b>1,197,760</b>	<b>7,368</b>	<b>271,953</b>	<b>92,509</b>	<b>24,006</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>10,503</b>	<b>1,232,036</b>	<b>7,442</b>	<b>274,672</b>	<b>93,434</b>	<b>24,246</b>



## SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2012

	Pelican Beach Reserve \$	Multiplex Reserve \$	2012 Actual \$	2011 Actual \$
<b>FINANCIAL ASSETS</b>				
Cash and temporary investments	-	-	1,443,214	1,394,481
Due from other funds	8,133	258,825	4,475,206	3,903,839
	<u>8,133</u>	<u>258,825</u>	<u>5,918,420</u>	<u>5,298,320</u>
<b>REVENUE</b>				
Investment revenue	<u>81</u>	<u>5,075</u>	<u>121,399</u>	<u>105,584</u>
<b>EXPENSES</b>				
General government services	-	-	44,810	-
Protective services	-	-	-	13,052
Transportation services	-	-	36,000	-
	<u>-</u>	<u>-</u>	<u>80,810</u>	<u>13,052</u>
<b>TRANSFERS</b>				
Transfers from (to) operating fund	-	-	(1,355,394)	(1,171,881)
Acquisition of tangible capital assets	-	-	775,883	797,568
	<u>-</u>	<u>-</u>	<u>579,511</u>	<u>374,313</u>
<b>CHANGE IN FUND BALANCES</b>	<b>81</b>	<b>5,075</b>	<b>620,100</b>	<b>466,845</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u><b>8,052</b></u>	<u><b>253,750</b></u>	<u><b>5,298,320</b></u>	<u><b>4,831,475</b></u>
<b>FUND SURPLUS, END OF YEAR</b>	<u><u><b>8,133</b></u></u>	<u><u><b>258,825</b></u></u>	<u><u><b>5,918,420</b></u></u>	<u><u><b>5,298,320</b></u></u>

SCHEDULE OF TRUST FUNDS

For the Year Ended December 31, 2012

	Health Care Fund \$	Stefanson Memorial Fund \$	2012 Actual \$	2011 Actual \$
<b>FINANCIAL ASSETS</b>				
Cash and temporary investments	57,681	99,520	157,201	153,985
Accounts receivable	<u>(53,027)</u>	<u>-</u>	<u>(53,027)</u>	<u>(53,027)</u>
	<u>4,654</u>	<u>99,520</u>	<u>104,174</u>	<u>100,958</u>
<b>REVENUE</b>				
Investment income	<u>952</u>	<u>2,264</u>	<u>3,216</u>	<u>2,726</u>
<b>Excess of revenue over expenses</b>	<b>952</b>	<b>2,264</b>	<b>3,216</b>	<b>2,726</b>
<b>Fund balance, beginning of year</b>	<u>3,702</u>	<u>97,256</u>	<u>100,958</u>	<u>98,232</u>
<b>Fund balance, end of year</b>	<u><u>4,654</u></u>	<u><u>99,520</u></u>	<u><u>104,174</u></u>	<u><u>100,958</u></u>

## SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2012

	LUD of Gimli	Pelican Beach	South Beach	Loni Beach	Industrial Park	Regional Sewer System	2012 Actual	2011 Actual
	\$	\$	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>								
Accounts receivable ( <i>note 3</i> )	78,963	5,595	-	-	43,498	184,274	312,330	245,242
Due from other funds	19,210	149,124	-	-	66,913	259,500	494,747	561,782
	<u>98,173</u>	<u>154,719</u>	<u>-</u>	<u>-</u>	<u>110,411</u>	<u>443,774</u>	<u>807,077</u>	<u>807,024</u>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities ( <i>note 6</i> )	1,647	888	-	-	13,137	115,874	131,546	377,154
Severance and vested sick leave payable ( <i>note 7</i> )	-	-	-	-	-	62,631	62,631	-
Long-term debt ( <i>note 8</i> )	-	333,633	-	-	453,833	10,209,538	10,997,004	10,610,590
Due to other funds	327,232	151,548	-	-	262,712	4,295,414	5,036,906	4,433,264
	<u>328,879</u>	<u>486,069</u>	<u>-</u>	<u>-</u>	<u>729,682</u>	<u>14,683,457</u>	<u>16,228,087</u>	<u>15,421,008</u>
<b>NON-FINANCIAL ASSETS</b>								
Tangible capital assets ( <i>schedule 1</i> )	623,575	985,274	-	-	861,504	26,785,175	29,255,528	26,593,588
Inventories	-	-	-	-	73,555	9,530	83,085	58,966
	<u>623,575</u>	<u>985,274</u>	<u>-</u>	<u>-</u>	<u>935,059</u>	<u>26,794,705</u>	<u>29,338,613</u>	<u>26,652,554</u>
<b>FUND SURPLUS</b>	<u>392,869</u>	<u>653,924</u>	<u>-</u>	<u>-</u>	<u>315,788</u>	<u>12,555,022</u>	<u>13,917,603</u>	<u>12,038,570</u>

**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**

**Schedule 9**

**For the Year Ended December 31, 2012**

	<b>LUD OF GIMLI UTILITY</b>		
	<b>2012</b>	<b>2012</b>	2011
	<b>Budget</b>	<b>Actual</b>	Actual
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	<u>325,000</u>	<u>320,826</u>	320,869
<b>OTHER REVENUE</b>			
Hydrant rentals	5,000	5,000	5,000
Penalties	1,500	1,410	1,223
Other income	-	4,135	4,611
	<u>6,500</u>	<u>10,545</u>	10,834
<b>TOTAL REVENUE</b>	<u>331,500</u>	<u>331,371</u>	331,703
<b>EXPENSES</b>			
<b>WATER</b>			
Purification and treatment	242,510	199,561	199,964
Transportation services	82,000	31,483	81,491
	<u>324,510</u>	<u>231,044</u>	281,455
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	<u>25,000</u>	<u>25,751</u>	14,282
<b>SEWER</b>			
Collection system costs	<u>-</u>	<u>5,913</u>	-
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	<u>-</u>	<u>-</u>	14,282
<b>TOTAL EXPENSES</b>	<u>349,510</u>	<u>262,708</u>	310,019
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	(18,010)	68,663	21,684
<b>TRANSFERS</b>			
Transfer to Regional Sewer System	<u>(264,000)</u>	<u>(263,683)</u>	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	(282,010)	(195,020)	21,684
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>587,889</u>	<u>587,889</u>	566,205
<b>FUND SURPLUS, END OF YEAR</b>	<u>305,879</u>	<u>392,869</u>	587,889

*Anthony J. Reid Chartered Accountant Inc.*

**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**

**Schedule 9**

**For the Year Ended December 31, 2012**

	<b>PELICAN BEACH UTILITY</b>		
	<b>2012</b> <b>Budget</b> \$	<b>2012</b> <b>Actual</b> \$	2011 Actual \$
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	<u>23,725</u>	<u>20,908</u>	14,977
<b>PROPERTY TAXES</b>	<u>31,768</u>	<u>63,535</u>	127,070
<b>OTHER REVENUE</b>			
Connection charges	-	410	200
Penalties	<u>250</u>	<u>44</u>	82
	<u>250</u>	<u>454</u>	282
<b>TOTAL REVENUE</b>	<u>55,743</u>	<u>84,897</u>	142,329
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	<u>1,800</u>	<u>1,900</u>	1,800
<b>WATER</b>			
Transmission and distribution	<u>15,007</u>	<u>12,907</u>	15,516
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	30,000	28,878	44,670
Interest on long-term debt	<u>29,000</u>	<u>28,567</u>	62,163
	<u>59,000</u>	<u>57,445</u>	106,833
<b>TOTAL EXPENSES</b>	<u>75,807</u>	<u>72,252</u>	124,149
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	(20,064)	12,645	18,180
<b>TRANSFERS</b>			
Transfer to Regional Sewer System	<u>230,000</u>	<u>229,880</u>	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	(250,064)	(217,235)	18,180
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>871,159</u>	<u>871,159</u>	852,979
<b>FUND SURPLUS, END OF YEAR</b>	<u>621,095</u>	<u>653,924</u>	871,159

**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2012**

**Schedule 9**

	<b>SOUTH BEACH UTILITY</b>		
	<b>2012</b> <b>Budget</b> \$	<b>2012</b> <b>Actual</b> \$	2011 Actual \$
<b>REVENUE</b>			
<b>PROPERTY TAXES</b>	-	-	4,435
<b>EXPENSES</b>			
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	-	-	12,703
Interest on long-term debt	-	-	2,552
	-	-	15,255
<b>TOTAL EXPENSES</b>	-	-	15,255
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	-	-	(10,820)
<b>TRANSFERS</b>			
Transfer to Regional Sewer System	435,314	435,314	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	(435,314)	(435,314)	(10,820)
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	435,314	435,314	446,134
<b>FUND SURPLUS, END OF YEAR</b>	-	-	435,314

**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**  
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**Schedule 9**

	<b>LONI BEACH UTILITY</b>		
	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>EXPENSES</b>			
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	-	-	2,070
<b>TOTAL EXPENSES</b>	-	-	2,070
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	-	-	(2,070)
<b>TRANSFERS</b>			
Transfer to Regional Sewer System	54,910	54,910	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	(54,910)	(54,910)	(2,070)
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	54,910	54,910	56,980
<b>FUND SURPLUS, END OF YEAR</b>	-	-	54,910

**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**

**Schedule 9**

**For the Year Ended December 31, 2012**

	<b>INDUSTRIAL PARK UTILITY</b>		
	<b>2012</b>	<b>2012</b>	2011
	<b>Budget</b>	<b>Actual</b>	Actual
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>WATER</b>			
Water fees	<u>92,000</u>	<u>107,802</u>	90,128
<b>PROPERTY TAXES</b>	<u>5,600</u>	<u>65,578</u>	176,488
<b>OTHER REVENUE</b>			
Hydrant rentals	5,000	5,000	5,000
Connection charges	-	300	210
Penalties	<u>500</u>	<u>402</u>	321
	<u>5,500</u>	<u>5,702</u>	5,531
<b>TOTAL REVENUE</b>	<u>103,100</u>	<u>179,082</u>	272,147
<b>EXPENSES</b>			
<b>GENERAL</b>			
Administration	<u>5,433</u>	<u>5,533</u>	5,300
<b>WATER</b>			
Transmission ond distribution	44,500	55,219	44,513
Transportation services	<u>4,000</u>	<u>4,032</u>	3,745
	<u>48,500</u>	<u>59,251</u>	48,258
<b>WATER AMORTIZATION AND INTEREST</b>			
Amortization	23,000	22,580	28,908
Interest on long-term debt	<u>33,000</u>	<u>33,307</u>	55,880
	<u>56,000</u>	<u>55,887</u>	84,788
<b>SEWER</b>			
Treatment and disposal costs	-	-	5,108
<b>TOTAL EXPENSES</b>	<u>109,933</u>	<u>120,671</u>	143,454
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u>(6,833)</u>	<u>58,411</u>	128,693
<b>TRANSFERS</b>			
Transfer to Regional Sewer System	<u>(67,000)</u>	<u>(66,460)</u>	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>(73,833)</u>	<u>(8,049)</u>	128,693
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>323,837</u>	<u>323,837</u>	195,144
<b>FUND SURPLUS, END OF YEAR</b>	<u>250,004</u>	<u>315,788</u>	323,837

*Anthony J. Reid Chartered Accountant Inc.*



**RURAL MUNICIPALITY OF GIMLI**  
**SCHEDULE OF UTILITY OPERATIONS**

**Schedule 9**

**For the Year Ended December 31, 2012**

	<b>REGIONAL SEWER SYSTEM UTILITY</b>		
	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>			
<b>SEWER</b>			
Sewer fees	<u>824,787</u>	<u>810,059</u>	629,608
<b>PROPERTY TAXES</b>	<u>576,551</u>	<u>933,581</u>	638,907
<b>GOVERNMENT TRANSFERS</b>			
Capital	<u>-</u>	<u>812,865</u>	2,000,000
<b>OTHER REVENUE</b>			
Connection charges	-	778,154	1,507,660
Penalties	2,500	3,065	2,119
Other income	500	3,774	6,937
	<u>3,000</u>	<u>784,993</u>	1,516,716
<b>TOTAL REVENUE</b>	<u>1,404,338</u>	<u>3,341,498</u>	4,785,231
<b>EXPENSES</b>			
<b>SEWER</b>			
Collection system costs	751,356	687,534	648,718
Treatment and disposal costs	2,500	1,069	-
	<u>753,856</u>	<u>688,603</u>	648,718
<b>SEWER AMORTIZATION AND INTEREST</b>			
Amortization	500,000	508,660	422,212
Interest on long-term debt	570,000	568,230	458,718
	<u>1,070,000</u>	<u>1,076,890</u>	880,930
<b>TOTAL EXPENSES</b>	<u>1,823,856</u>	<u>1,765,493</u>	1,529,648
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	(419,518)	1,576,005	3,255,583
<b>TRANSFERS</b>			
Acquisition of tangible capital assets	-	163,309	-
Transfer to Regional Sewer System	1,051,224	1,050,247	-
	<u>1,051,224</u>	<u>1,213,556</u>	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	631,706	2,789,561	3,255,583
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>9,765,461</u>	<u>9,765,461</u>	6,509,878
<b>FUND SURPLUS, END OF YEAR</b>	<u>10,397,167</u>	<u>12,555,022</u>	9,765,461

*Anthony J. Reid Chartered Accountant Inc.*

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2012

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Consolidated Entities \$	Government Partnerships \$	PSAB Budget \$
<b>REVENUE</b>									
Property taxes	5,985,958	-	-	-	-	-	-	-	5,985,958
Grants in lieu of taxation	170,442	-	-	-	-	-	-	-	170,442
User fees	664,392	-	-	-	13,500	-	-	82,432	760,324
Grants - Province of Manitoba	668,700	-	-	-	-	-	-	66,615	735,315
Grants - Other	316,395	-	-	-	-	-	-	123,911	440,306
Permits, licences and fees	127,500	-	-	-	-	-	-	-	127,500
Investment revenue	20,000	-	-	-	-	-	-	-	20,000
Other revenue	489,788	-	-	-	1,000	-	-	-	490,788
Transfers	28,000	-	-	-	692,224	-	-	-	720,224
Water and sewer	(617,997)	1,894,681	-	-	-	-	-	-	1,276,684
	<b>7,853,178</b>	<b>1,894,681</b>	<b>-</b>	<b>-</b>	<b>706,724</b>	<b>-</b>	<b>-</b>	<b>272,958</b>	<b>10,727,541</b>
<b>EXPENSES</b>									
General government services	1,240,637	-	22,000	30,000	4,000	-	-	-	1,296,637
Protective services	767,160	-	86,800	-	-	-	-	-	853,960
Transportation services	2,632,997	-	600,000	13,000	-	-	-	-	3,245,997
Environmental health services	489,780	-	45,000	-	13,500	-	-	-	548,280
Public health and welfare services	76,400	-	-	-	-	-	-	-	76,400
Regional planning and development	162,311	-	-	-	-	-	-	147,436	309,747
Resource conservation and industrial development	165,964	-	5,000	-	1,000	-	-	-	171,964
Recreation and cultural services	1,045,590	-	191,800	5,000	-	-	-	128,886	1,371,276
Fiscal services	658,040	541,906	-	-	(1,199,946)	-	-	-	-
Transfers	610,459	199,881	-	-	(90,116)	-	-	-	720,224
Water and sewer	-	1,149,106	578,000	632,000	-	-	-	-	2,359,106
	<b>7,849,338</b>	<b>1,890,893</b>	<b>1,528,600</b>	<b>680,000</b>	<b>(1,271,562)</b>	<b>-</b>	<b>-</b>	<b>276,322</b>	<b>10,953,591</b>
<b>SURPLUS (DEFICIT)</b>	<b>3,840</b>	<b>3,788</b>	<b>(1,528,600)</b>	<b>(680,000)</b>	<b>1,978,286</b>	<b>-</b>	<b>-</b>	<b>(3,364)</b>	<b>(226,050)</b>

## ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2012

	2012 Actual \$	2011 Actual \$
<b>BALANCE, BEGINNING OF YEAR</b>	<u>893,772</u>	<u>757,350</u>
<b>Add:</b>		
Tax Levy ( <i>schedule 12</i> )	11,166,905	10,211,092
Taxes added	65,925	156,835
Penalties and interest	114,989	100,994
Other Accounts Added	128,854	115,071
Taxes overpaid (refunds)	<u>238,957</u>	<u>223,200</u>
<b>Sub-total</b>	<u>12,609,402</u>	<u>11,564,542</u>
<b>Deduct:</b>		
Cash collections - current	9,621,116	8,757,331
Cash collections - arrears	629,932	551,663
Cancellations	13,273	38,006
Tax discounts	-	-
M.P.T.C. - cash advance	<u>1,338,613</u>	<u>1,323,770</u>
<b>Sub-total</b>	<u>11,602,934</u>	<u>10,670,770</u>
<b>BALANCE, END OF YEAR</b>	<u><u>1,006,468</u></u>	<u><u>893,772</u></u>

## ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2012

	Assessment	2012 Mill Rate	Levy	2011 Levy
<b>Debt Charges:</b>				
Frontage (note 9)			253,965	127,500
L.I.D. (note 10)			288,793	288,410
At large (note 11)			584,825	584,866
			<u>1,127,583</u>	<u>1,000,776</u>
<b>Deferred Surplus:</b>				
Utility	67,426,750	0.194	71,281	71,231
<b>Reserves:</b>				
Reserve (note 12)			157,624	157,340
<b>Other municipal levies:</b>				
General municipal	19,212,650	10.890	4,565,226	4,115,239
Business tax (rate 1.36%)			120,525	117,707
<b>Total municipal taxes (schedule 2)</b>			<u>6,042,239</u>	<u>5,462,293</u>
Education Support Levy	66,016,420	11.360	749,947	757,843
<b>Special levy:</b>				
Evergreen School Division	408,241,830	10.716	4,374,719	3,990,956
<b>Total education taxes</b>			<u>5,124,666</u>	<u>4,748,799</u>
<b>Total tax levy (schedule 11)</b>			<u>11,166,905</u>	<u>10,211,092</u>

**RURAL MUNICIPALITY OF GIMLI**  
**ANALYSIS OF SCHOOL ACCOUNTS**  
**For the Year Ended December 31, 2012**

**Schedule 13**

	Opening Balance	2012	Current Payment	Ending Balance	2011 Ending Balance
	\$	\$	\$	\$	\$
<b>Education Support Levy</b>	<b>126,318</b>	<b>795,366</b>	<b>769,769</b>	<b>151,915</b>	<b>126,318</b>
<b>Special Levies:</b>					
Evergreen School Division	588,446	4,466,572	4,433,735	621,283	588,446
<b>Sub-total</b>	<b>588,446</b>	<b>4,466,572</b>	<b>4,433,735</b>	<b>621,283</b>	<b>588,446</b>
<b>Total</b>	<b>714,764</b>	<b>5,261,938</b>	<b>5,203,504</b>	<b>773,198</b>	<b>714,764</b>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2012

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>GENERAL GOVERNMENT SERVICES</b>			
Legislative	168,785	163,602	170,461
General administrative	<u>1,127,852</u>	<u>1,071,522</u>	<u>1,090,827</u>
	<u>1,296,637</u>	<u>1,235,124</u>	<u>1,261,288</u>
<b>PROTECTIVE SERVICES</b>			
Police	422,918	409,647	384,184
Fire	376,167	306,310	286,775
Other protective services	52,875	39,527	28,281
By-law enforcement	<u>2,000</u>	<u>8,606</u>	<u>3,580</u>
	<u>853,960</u>	<u>764,090</u>	<u>702,820</u>
<b>TRANSPORTATION SERVICES</b>			
Road transport			
Road and street maintenance	3,149,697	3,275,539	2,592,353
Air transport	53,925	46,890	46,442
Public transit	<u>42,375</u>	<u>56,332</u>	<u>38,250</u>
	<u>3,245,997</u>	<u>3,378,761</u>	<u>2,677,045</u>
<b>ENVIRONMENTAL HEALTH SERVICES</b>			
Waste collection and disposal	303,328	293,539	251,239
Recycling	80,000	104,511	78,437
Lagoons and wells	<u>164,952</u>	<u>107,887</u>	<u>118,668</u>
	<u>548,280</u>	<u>505,937</u>	<u>448,344</u>
<b>PUBLIC HEALTH AND WELFARE SERVICES</b>			
Public health	13,000	13,000	12,034
Social assistance	<u>63,400</u>	<u>63,400</u>	<u>62,455</u>
	<u>76,400</u>	<u>76,400</u>	<u>74,489</u>
<b>REGIONAL PLANNING AND DEVELOPMENT</b>			
Planning and zoning	<u>162,311</u>	<u>98,673</u>	94,904
<b>RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT</b>			
Rural area weed control	64,950	63,974	61,257
Water resources and conservation	19,339	96,436	17,839
Regional development	30,035	17,643	23,993
Industrial development	2,700	5,615	2,281
Tourism	52,940	50,707	37,714
Other	<u>2,000</u>	<u>-</u>	<u>-</u>
	<u>171,964</u>	<u>234,375</u>	<u>143,084</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2012

	2012 Budget \$	2012 Actual \$	2011 Actual \$
<b>RECREATION AND CULTURAL SERVICES</b>			
Community centers and halls	67,800	78,974	95,983
Swimming pools and beaches	111,550	114,126	102,830
Skating and curling rinks	923,686	926,137	944,054
Parks and playgrounds	40,700	43,358	39,121
Libraries	65,973	57,437	57,205
Other cultural facilities	32,681	29,181	32,030
	<u>1,242,390</u>	<u>1,249,213</u>	<u>1,271,223</u>
<b>TOTAL EXPENSES</b>	<u><u>7,597,939</u></u>	<u><u>7,542,573</u></u>	<u><u>6,673,197</u></u>

## SCHEDULE OF DEBENTURES PENDING

For the Year Ended December 31, 2012

Authority	Purpose	Source of Funds	Authorized	Expended
08-0024	Thompson, Mercury, Aurora, Corona resurfacing	Own	470,760	409,922
08-0020	Loni Beach Gravity Sewer	Own	2,706,600	1,456,958
10-0012	South Beach Sewer	Own	1,662,219	752,936
12-0020	Expansion of the Gimli Fire Hall	Own	500,000	-
			<u>5,339,579</u>	<u>2,619,816</u>



## ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2012

	General \$	Utility \$	2012 Total \$	2011 Total \$
<b>CONSOLIDATED ANNUAL SURPLUS</b> ( <i>statement 2</i> )	<b>2,605,359</b>	<b>(195,020)</b>	<b>2,410,339</b>	4,429,534
Elimination of appropriations from reserves	9,853	-	9,853	-
Elimination of appropriations to reserves	(1,365,248)	-	(1,365,248)	(1,430,861)
Consolidation of reserve operations	-	-	-	224,507
Elimination of consolidated entity operations	108,056	-	108,056	(7,568)
Amortization of tangible capital assets	948,987	585,660	1,534,647	1,485,443
Principal portion of long term debt	(94,954)	(366,522)	(461,476)	(384,395)
<b>ESTIMATED EXCESS OF REVENUES AND TRANSFERS OVER EXPEDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***</b>	<b><u>2,212,053</u></b>	<b><u>24,118</u></b>	<b><u>2,236,171</u></b>	<b><u>4,316,660</u></b>

\*\*\* Please note that this is an estimate based on the adjustments presented above since it is possible that not every required adjustment for PSAB purposes that is different from and affects the results based on the municipal budget has necessarily been reflected.

Anthony J. Reid

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