

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

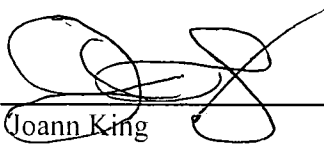
Rural Municipality of Gimli
Box 1246
Gimli, Manitoba
R0C 1B0

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 Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

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 public sector accounting standards.



Joann King
CAO

Anthony J. Reid
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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, 2013 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, 2013 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

December 18, 2014
Winnipeg, Manitoba



Chartered Accountant

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

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RURAL MUNICIPALITY OF GIMLI

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2013

	2013 Actual \$	2012 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	12,330,847	7,834,678
Accounts receivable <i>(note 3)</i>	2,317,362	1,797,664
Deposits	4,884	-
	<u>14,653,093</u>	<u>9,632,342</u>
LIABILITIES		
Accounts payable and accrued liabilities <i>(note 6)</i>	2,150,238	2,067,659
Deferred revenue <i>(note 7)</i>	2,679,585	4,016,377
Long-term debt <i>(note 8)</i>	12,744,226	11,654,153
	<u>17,574,049</u>	<u>17,738,189</u>
NET DEBT	<u>(2,920,956)</u>	<u>(8,105,847)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	42,802,220	43,212,061
Inventories <i>(note 4)</i>	422,383	342,671
Prepaid expenses	75,339	66,406
	<u>43,299,942</u>	<u>43,621,138</u>
ACCUMULATED SURPLUS <i>(note 16)</i>	<u>40,378,986</u>	<u>35,515,291</u>

Approved on Behalf of the Council

_____ Mayor

_____ Councillor

RURAL MUNICIPALITY OF GIMLI**CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2013**

	2013 Budget \$	2013 Actual \$	2012 Actual \$
REVENUE			
Property taxes	6,289,361	6,399,524	6,108,164
Grants in lieu of taxation	72,091	72,091	69,926
User fees	1,760,038	2,050,478	2,228,466
Grants - Province of Manitoba	710,950	733,968	720,650
Grants - Other	439,440	233,208	287,077
Permits, licences and fees	129,750	117,351	143,178
Investment revenue	20,000	132,544	109,406
Other revenue	499,101	664,040	423,991
Water and sewer	1,501,117	5,101,339	2,874,257
Total revenue (<i>schedules 2, 4 and 5</i>)	<u>11,421,848</u>	<u>15,504,543</u>	<u>12,965,115</u>
EXPENSES			
General government services	1,353,152	1,201,080	1,200,203
Protective services	872,352	691,921	764,090
Transportation services	4,183,004	3,431,620	3,414,762
Environmental health services	580,114	507,468	505,937
Public health and welfare services	78,094	78,094	76,400
Regional planning and development	313,947	272,765	253,389
Resource conservation and industrial development	881,557	874,483	941,474
Recreation and cultural services	577,478	1,446,443	1,379,960
Water and sewer	2,390,327	2,136,974	2,221,124
Total expenses (<i>schedules 3, 4 and 5</i>)	<u>11,230,025</u>	<u>10,640,848</u>	<u>10,757,339</u>
ANNUAL SURPLUS	191,823	4,863,695	2,207,776
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>35,515,291</u>	<u>35,515,291</u>	<u>33,307,515</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>35,707,114</u></u>	<u><u>40,378,986</u></u>	<u><u>35,515,291</u></u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED STATEMENT OF NET DEBT
For the Year Ended December 31, 2013

	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
ANNUAL SURPLUS	<u>191,823</u>	<u>4,863,695</u>	<u>2,207,776</u>
Acquisition of tangible capital assets	(1,294,139)	(1,267,787)	(4,604,524)
Proceeds on disposal of tangible capital assets	50,000	25,500	-
Amortization of tangible capital assets	1,657,108	1,664,426	1,632,257
Gain on sale of tangible capital assets	-	(12,298)	-
Increase in inventories	-	(79,712)	(12,697)
Increase in prepaid expense	-	(8,933)	(11,169)
CHANGE IN SURPLUS (DEFICIT)	604,792	5,184,891	(788,357)
NET DEBT BEGINNING OF YEAR	<u>(8,105,847)</u>	<u>(8,105,847)</u>	<u>(7,317,490)</u>
NET DEBT END OF YEAR	<u><u>(7,501,055)</u></u>	<u><u>(2,920,956)</u></u>	<u><u>(8,105,847)</u></u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

	2013	2012
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	4,863,695	2,207,776
Changes in non-cash items:		
Amortization	1,664,426	1,632,257
Gain on disposal of tangible capital assets	<u>(12,298)</u>	<u>-</u>
	6,515,823	3,840,033
Net changes in non-cash working capital affecting operations <i>(note 19)</i>	<u>(1,862,556)</u>	<u>1,376,241</u>
	<u>4,653,267</u>	<u>5,216,274</u>
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	25,500	-
Cash used to acquire tangible capital assets	<u>(1,267,787)</u>	<u>(4,604,524)</u>
	<u>(1,242,287)</u>	<u>(4,604,524)</u>
INVESTING		
Deposits deferred	-	37,500
Realization of deposits	<u>(4,884)</u>	<u>-</u>
	<u>(4,884)</u>	<u>37,500</u>
FINANCING		
Long-term debt issued	<u>1,090,073</u>	<u>291,460</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	4,496,169	940,710
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>7,834,678</u>	<u>6,893,968</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>12,330,847</u></u>	<u><u>7,834,678</u></u>
CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:		
Cash and temporary investments	12,107,552	7,618,934
Temporary investments	<u>223,295</u>	<u>215,744</u>
	<u><u>12,330,847</u></u>	<u><u>7,834,678</u></u>

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

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 Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) REPORTING ENTITY

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

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

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% (2012 59.85%)
Evergreen Regional Library	consolidated 56.13% (2012 56.13%)

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

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, 2013

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, 2013

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

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.

l) 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.

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	<u>2013</u>	<u>2012</u>
	\$	\$
Tax assets (<i>schedule 11</i>)	1,133,664	1,006,468
Government grants and receivables	742,925	274,314
Utility customers	370,620	308,725
Accrued interest	55	79
Organizations and individuals	178,244	313,613
Other governments	5,221	574
	<u>2,430,729</u>	<u>1,903,773</u>
Allowance for doubtful accounts	<u>(113,367)</u>	<u>(106,109)</u>
	<u><u>2,317,362</u></u>	<u><u>1,797,664</u></u>

4. INVENTORIES

	<u>2013</u>	<u>2012</u>
	\$	\$
Gravel	141,534	102,975
Culverts	43,468	28,254
Fuel	68,378	48,429
Grader blades and shop supplies	68,813	68,719
Water and sewer supplies	94,516	83,085
Other inventory	5,674	11,209
	<u>422,383</u>	<u>342,671</u>

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, 2013 the balance owing was \$ nil (2012 - \$ nil).

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2013</u>	<u>2012</u>
	\$	\$
Trade payable	487,795	481,065
Government payables	4,469	70,002
Accrued expenses	276,892	259,112
Accrued interest payable	12,329	12,831
School levies (<i>schedule 13</i>)	892,162	773,198
Other governments	80,000	125,000
Deposits	54,967	44,089
Property tax prepayments	341,624	302,362
	<u>2,150,238</u>	<u>2,067,659</u>

7. DEFERRED REVENUE

	<u>2013</u>	<u>2012</u>
	\$	\$
Deferred revenue	25,000	25,000
Prepaid recreation fees	-	8,228
Unexpended grant revenue - Regional sewer system	428,562	2,000,000
Unexpended gas tax funding	968,502	751,113
Unexpended pool funding	1,257,521	1,232,036
	<u>2,679,585</u>	<u>4,016,377</u>

In the current year PSAB standard 3410 (government transfers) has been applied retrospectively which has resulted in a change to opening net surplus in the amount of \$3,983,149. This retrospective application has also resulted in the prior year comparatives being restated

8. LONG-TERM DEBT

	<u>2013</u>	<u>2012</u>
	\$	\$
General Authority:		
Municipal debenture payable in annual instalments of \$13,433.92, including interest at 5.500%, due December 31, 2026.	122,478	128,827
Municipal debenture payable in annual instalments of \$44,836.43, including interest at 6.000%, due December 31, 2013.	-	42,298
Municipal debenture payable in annual instalments of \$29,148.48, including interest at 7.375%, due December 31, 2020.	155,057	171,553
Municipal debenture payable in annual instalments of \$5,734.40, including interest at 6.625%, due December 31, 2017.	19,589	23,750
Municipal debenture payable in annual instalments of \$38,864.64, including interest at 7.375%, due December 31, 2019.	183,125	206,742
Municipal debenture payable in annual instalments of \$16,263, including interest at 4.59%, due December 31, 2021	76,185	83,979

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

Municipal debenture payable in annual instalments of \$98,767.67, including interest at 4.48%, due October 1, 20133.	1,286,954	-
Municipal debenture payable in annual instalments of \$38,218.84, including interest at 3.48%, due March 1, 2033.	318,172	-
	2,161,560	657,149

Utility Funds:

Municipal debenture payable in annual instalments of \$115,822 including interest at 4.89%, due December 31, 2031	1,365,624	1,412,381
Municipal debenture payable in annual instalments of \$34,351.48 including interest at 5.625%, due December 31, 2034.	417,175	427,481
Municipal debenture payable in annual instalments of \$4,435.43, including interest at 5.500%, due December 31, 2026.	40,438	42,534
Municipal debenture payable in annual instalments of \$33,297.25, including interest at 7.250%, due December 31, 2020.	177,895	196,916
Municipal debenture payable in annual instalments of \$23,620.60, including interest at 7.500%, due December 31, 2020.	125,109	138,353
Municipal debenture payable in annual instalments of \$36,357.67, including interest at 6.625%, due December 31, 2022.	240,704	259,847
Municipal debenture payable in annual instalments of \$11,199.83, including interest at 6.250%, due December 31, 2028.	107,020	111,266
Municipal debenture payable in annual instalments of \$127,069.67, including interest at 7.750%, due December 31, 2019.	591,910	667,266
Municipal debenture payable in annual instalments of \$3,812.36, including interest at 7.125%, due December 31, 2020.	1,816,273	1,862,176
Municipal debenture payable in annual instalments of \$171,473.35, including interest at 5.750%, due December 31, 2032.	1,951,281	2,007,332
Municipal debenture payable in annual instalments of \$35,049.71, including interest at 5.750%, due December 31, 2032.	398,848	410,305
Municipal debenture payable in annual instalments of \$54,382.64, including interest at 5.625%, due December 31, 2031.	605,778	625,004
Municipal debenture payable in annual instalments of \$104,858.51, including interest at 5.625%, due December 31, 2031	1,168,038	1,205,109
Municipal debenture payable in annual instalments of \$78,829.70, including interest at 5.625%, due December 31, 2030.	848,661	878,098
Municipal debenture payable in annual instalments of \$55,894.03, including interest at 4.100%, due August 31, 2032	727,912	752,936
	10,582,666	10,997,004
	12,744,226	11,654,153

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

2014	570,221
2015	604,077
2016	640,029
2017	678,212

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

2018

713,035

9. DEBT CHARGES - FRONTAGE

Purpose and By-law	2013 Levy	2012 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	3,992	3,993
Hanger Line 9-0002	11,200	11,200
Loni Beach 12-0004	114,815	114,817
Road Construction 11-0015	11,647	11,647
South Beach Sewer 06-0019	55,894	-
	309,856	253,965

10. DEBT CHARGES - L.I.D.

Purpose and By-law	Assessment	2013 Mill Rate	2013 Levy	2012 Levy
			\$	\$
Centre Ave - 8-2002	2,695,330	6.291	16,956	16,958
Pelican Beach Sewer - 19-99	17,761,660	1.138	21,026	20,208
North Forcemain - 98-04	962,220	14.729	14,173	14,172
Natural Gas Transmission - 16-2000	335,994,880	0.087	29,232	29,068
Sewage Pump Station - 2-2001	335,994,880	0.099	33,320	33,032
Centre Ave - 8-2002	335,994,880	0.039	13,104	12,882
Pelican Beach Sewer - 19-99	335,994,880	0.060	20,160	20,149
North Forcemain - 13-2000	335,994,880	0.028	9,408	9,579
Habour Expansion - 99-13	89,126,780	0.431	38,414	38,412
Sewage Plant - 09-0009A	132,117,160	0.540	71,343	71,472
Sewage Plant - 10-0006A	132,117,160	0.173	22,856	22,861
			289,992	288,793

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

As at December 31, 2013

11. DEBT CHARGES - AT LARGE

Purpose and By-law	Assessment	2013 Mill Rate	Levy	2012 Levy
			\$	\$
Ice Plant - 04-2002	425,121,660	0.105	44,638	44,836
Sewage Plant - 06-0003	425,121,660	0.184	78,222	78,359
Sewage Plant - 07-0008	425,121,660	0.245	104,155	103,919
Sewage Plant - 07-0009	425,121,660	0.127	53,990	54,055
Sewage Plant - 08-0006	425,121,660	0.082	34,860	34,779
Sewage Plant - 08-0007	425,121,660	0.400	170,049	170,126
Sewage Plant - 09-0009	460,965,670	0.190	87,579	87,374
Sewage Plant - 10-0006	460,965,670	0.025	11,524	11,377
			<u>585,017</u>	<u>584,825</u>

12. RESERVES

Purpose and By-law	Assessment	2013 Mill Rate	Levy	2012 Levy
			\$	\$
Machinery Replacement - 03-0022	425,121,660	0.244	103,730	103,965
Road Development - 07-0027	425,121,660	0.117	49,739	49,467
125th Anniversary - 07-0035			-	4,192
			<u>153,469</u>	<u>157,624</u>

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

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 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 requires 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 \$124,586 (2012 - \$94,107) 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, 2012 indicated the plan was 94% funded on a going concern basis and had an unfunded solvency liability of \$220.5 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, 2012.

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, 2013

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>2013</u>	<u>2012</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	5,701,186	5,107,140
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(1,414,376)	(6,340,921)
General Operating Tangible Capital Assets, net of related borrowings	11,621,724	12,414,688
Utility Operating Tangible Capital Assets, net of related borrowings	17,342,947	18,258,524
Reserve Funds	6,095,670	5,167,307
Accumulated surplus of municipality unconsolidated	39,347,151	34,606,738
Accumulated surpluses of consolidated controlled entities	961,347	860,664
Accumulated surpluses of consolidated government partnerships	70,488	47,889
Accumulated Surplus per Statement of Financial Position	40,378,986	35,515,291

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

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 exceeding \$50,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2013:

- (a) Compensation paid to members of council amounted to \$112,500 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	22,750	1,551	24,301
Daniel Luprypa	24,035	2,505	26,540
Peter Peiluck	19,760	2,954	22,714
Richard Petrowski	19,590	2,478	22,068
Lorentz Zaborosky	26,365	3,845	30,210
	<u>112,500</u>	<u>13,333</u>	<u>125,833</u>

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

Name	Position	Amount
Franz, Kevin	Public Works	50,454
Hjelmeland, Darcy	Public Works	96,595
King, Joann	Administration	100,274
Kmet, Tom	Public Works	52,425
O'Hara, Stuart	Public Works	58,860
Ouellette, Ovide	Public Works	58,590
Smith, Darryl G	Public Works	54,914
Zaborosky, Phyllis	Recreation	55,025
Zapotochny, Tony	Public Works	55,080

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2013

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:	Unamortized			Unamortized
	Opening	Additions	Amortization	
Description of Utility	Balance	During Year	During Year	Ending Balance
LUD of Gimli	109,825	-	5,317	104,508
Pelican Beach	55,479	-	1,520	53,959
	<u>165,304</u>	<u>-</u>	<u>6,837</u>	<u>158,467</u>

Sewer Services:	Unamortized			Unamortized
	Opening	Additions	Amortization	
Description of Utility	Balance	During Year	During Year	Ending Balance
Regional Sewer System	14,931,164	1,902,534	277,866	16,555,832

19. CHANGES IN WORKING CAPITAL

	<u>2013</u>	<u>2012</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	(519,698)	1,270,812
Inventories	(79,712)	(12,697)
Prepaid expenses	(8,933)	(11,169)
Accounts payable and accrued liabilities	82,579	(102,524)
Deferred revenue	(1,336,792)	231,819
	<u>(1,862,556)</u>	<u>1,376,241</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2013

	General Capital Assets					Infrastructure			2013	2012
	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
Cost										
Balance, beginning 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
Asset purchases	110,000	45,083	219,806	10,049	38,285	546,314	4,104,198	214,632	5,288,367	4,604,524
Disposals and write downs	11,550	61,900	-	-	459,400	-	-	3,561,180	4,094,030	67,078
Balance, end of year	5,550,442	6,534,334	6,324,192	408,182	38,285	16,486,249	34,039,866	214,632	69,596,182	68,401,845
Accumulated Amortization										
Balance, beginning of year	523,414	3,920,559	3,783,507	388,081	-	12,332,903	4,241,320	-	25,189,784	23,624,605
Amortization	49,416	285,011	433,342	7,439	-	303,239	585,979	-	1,664,426	1,632,257
Disposals and write downs	-	60,248	-	-	-	-	-	-	60,248	67,078
Balance, end of year	572,830	4,145,322	4,216,849	395,520	-	12,636,142	4,827,299	-	26,793,962	25,189,784
Net book value	4,977,612	2,389,012	2,107,343	12,662	38,285	3,850,107	29,212,567	214,632	42,802,220	43,212,061

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF REVENUES

Schedule 2

For the Year Ended December 31, 2013

	2013 Budget \$	2013 Actual \$	2012 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 12</i>)	6,224,361	6,265,629	6,042,239
Taxes added	65,000	133,895	65,925
	<u>6,289,361</u>	<u>6,399,524</u>	<u>6,108,164</u>
GRANTS IN LIEU OF TAXATION			
Federal government	4,440	4,440	4,364
Provincial government	4,652	4,652	8,661
Provincial government enterprises	62,999	62,999	56,901
	<u>72,091</u>	<u>72,091</u>	<u>69,926</u>
USER FEES			
Sales of service	155,020	452,051	462,782
Sales of goods	663,200	478,298	660,639
Rentals	106,128	270,670	277,627
Development charges	10,000	6,831	10,353
Facility use fees	825,690	842,628	817,065
	<u>1,760,038</u>	<u>2,050,478</u>	<u>2,228,466</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	460,000	459,757	461,157
General support grant	28,500	31,069	26,673
VLT revenues	95,000	94,659	96,913
Conditional grants	112,450	133,483	135,907
Other provincial grant	15,000	15,000	-
	<u>710,950</u>	<u>733,968</u>	<u>720,650</u>
GRANTS - OTHER			
Federal government - gas tax funding	316,395	110,000	163,309
Other local governments	123,045	123,208	123,768
	<u>439,440</u>	<u>233,208</u>	<u>287,077</u>
PERMITS, LICENCES AND FEES			
Permits	16,500	18,100	17,175
Licences	88,250	57,353	55,731
Fines	25,000	20,794	27,714
Subdivision fees	-	21,104	42,558
	<u>129,750</u>	<u>117,351</u>	<u>143,178</u>
INVESTMENT REVENUE			
Interest	20,000	5,872	(11,993)
Municipal debenture interest	-	126,672	121,399
	<u>20,000</u>	<u>132,544</u>	<u>109,406</u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF REVENUES

Schedule 2

For the Year Ended December 31, 2013

	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
OTHER REVENUE			
Gain on sale of tangible capital assets	-	12,298	-
Miscellaneous	389,101	426,587	309,002
Prepaid debenture levies	-	86,063	-
Penalties and interest	110,000	139,092	114,989
	<u>499,101</u>	<u>664,040</u>	<u>423,991</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 9</i>)	<u>1,501,117</u>	<u>5,101,339</u>	<u>2,874,257</u>
TOTAL REVENUE	<u><u>11,421,848</u></u>	<u><u>15,504,543</u></u>	<u><u>12,965,115</u></u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2013

	2013 Budget \$	2013 Actual \$	2012 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	168,785	156,046	163,602
General administrative	1,184,367	1,045,034	1,036,601
	<u>1,353,152</u>	<u>1,201,080</u>	<u>1,200,203</u>
PROTECTIVE SERVICES			
Police	430,998	346,042	409,647
Fire	384,647	310,166	306,310
Other protective services	46,707	28,777	39,527
By-law enforcement	10,000	6,936	8,606
	<u>872,352</u>	<u>691,921</u>	<u>764,090</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	4,050,795	3,298,190	3,311,540
Air transport	89,834	75,967	46,890
Public transit	42,375	57,463	56,332
	<u>4,183,004</u>	<u>3,431,620</u>	<u>3,414,762</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	313,433	285,155	293,539
Recycling	100,000	100,816	104,511
Lagoons and wells	166,681	121,497	107,887
	<u>580,114</u>	<u>507,468</u>	<u>505,937</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	13,000	13,000	13,000
Social assistance	65,094	65,094	63,400
	<u>78,094</u>	<u>78,094</u>	<u>76,400</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	313,947	272,765	253,389
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	67,450	64,024	63,974
Water resources and conservation	19,339	17,839	96,436
Regional development	27,878	22,226	17,643
Industrial development	727,200	737,688	712,714
Tourism	37,690	32,706	50,707
Other	2,000	-	-
	<u>881,557</u>	<u>874,483</u>	<u>941,474</u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2013

	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
RECREATION AND CULTURAL SERVICES			
Community centers and halls	57,674	50,292	78,974
Swimming pools and beaches	112,003	123,022	114,126
Skating and curling rinks	134,600	1,017,770	926,137
Parks and playgrounds	43,008	41,492	43,358
Libraries	195,845	183,019	188,184
Other cultural facilities	34,348	30,848	29,181
	<u>577,478</u>	<u>1,446,443</u>	<u>1,379,960</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 9</i>)	<u>2,390,327</u>	<u>2,136,974</u>	<u>2,221,124</u>
TOTAL EXPENSES	<u><u>11,230,025</u></u>	<u><u>10,640,848</u></u>	<u><u>10,757,339</u></u>

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2013

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	6,399,524	6,108,164	-	-	-	-	-	-	-	-
Grants in lieu of taxation	72,091	69,926	-	-	-	-	-	-	-	-
User fees	118,998	111,732	-	-	433,740	648,928	102,610	100,598	-	-
Grants - Province of Manitoba	599,303	585,699	-	-	47,838	46,778	10,007	13,761	-	-
Grants - Other	110,000	163,309	-	-	-	-	-	-	-	-
Permits, licences and fees	78,147	83,445	-	-	4,650	2,750	-	-	-	-
Investment revenue	52,287	28,756	22,457	16,058	17,349	8,165	-	-	-	-
Other revenue	544,377	391,144	-	-	86,063	-	-	-	-	-
Water and sewer	(1,046,604)	(1,062,591)	-	-	-	-	-	-	-	-
Total revenue	<u>6,928,123</u>	<u>6,479,584</u>	<u>22,457</u>	<u>16,058</u>	<u>589,640</u>	<u>706,621</u>	<u>112,617</u>	<u>114,359</u>	<u>-</u>	<u>-</u>
EXPENSES										
Personnel services	563,491	553,708	206,046	195,869	1,207,225	1,110,701	240,069	233,875	-	-
Contract services	27,651	14,860	296,382	363,519	180,462	317,318	174,512	166,081	32,594	32,594
Utilities	58,416	62,571	18,734	19,084	153,177	149,781	2,592	2,117	-	-
Maintenance materials & supplies	438,558	431,559	86,361	101,220	1,246,250	1,223,716	40,150	58,918	-	-
Grants & contributions	39,120	38,026	-	-	-	-	-	-	45,500	43,806
Amortization	20,140	21,895	84,398	84,398	631,992	600,121	50,145	44,946	-	-
Interest on long term debt	27,899	30,654	-	-	12,514	13,125	-	-	-	-
Bad debts expense	25,805	46,930	-	-	-	-	-	-	-	-
Total expenses	<u>1,201,080</u>	<u>1,200,203</u>	<u>691,921</u>	<u>764,090</u>	<u>3,431,620</u>	<u>3,414,762</u>	<u>507,468</u>	<u>505,937</u>	<u>78,094</u>	<u>76,400</u>
SURPLUS (DEFICIT)	<u>5,727,043</u>	<u>5,279,381</u>	<u>(669,464)</u>	<u>(748,032)</u>	<u>(2,841,980)</u>	<u>(2,708,141)</u>	<u>(394,851)</u>	<u>(391,578)</u>	<u>(78,094)</u>	<u>(76,400)</u>

* 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, 2013

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	6,399,524	6,108,164
Grants in lieu of taxation	-	-	-	-	-	-	-	-	72,091	69,926
User fees	125,827	103,044	-	-	1,269,303	1,264,164	-	-	2,050,478	2,228,466
Grants - Province of Manitoba	-	-	-	-	76,820	74,412	-	-	733,968	720,650
Grants - Other	69,946	71,741	-	-	53,262	52,027	-	-	233,208	287,077
Permits, licences and fees	34,554	56,983	-	-	-	-	-	-	117,351	143,178
Investment revenue	8,775	12,681	-	-	27,717	39,707	3,959	4,039	132,544	109,406
Other revenue	20,000	20,000	-	-	13,600	12,847	-	-	664,040	423,991
Water and sewer	-	-	-	-	-	-	6,147,943	3,936,848	5,101,339	2,874,257
Total revenue	259,102	264,449	-	-	1,440,702	1,443,157	6,151,902	3,940,887	15,504,543	12,965,115
EXPENSES										
Personnel services	140,382	131,590	14,922	15,140	504,813	471,632	849,493	900,441	3,726,441	3,612,956
Contract services	67,811	75,025	470,419	477,032	2,183	2,281	57,728	69,195	1,309,742	1,517,905
Utilities	3,643	2,990	27,039	26,592	131,273	138,384	12,010	35,515	406,884	437,034
Maintenance materials & supplies	60,294	42,958	250,890	311,871	540,938	486,892	-	-	2,663,441	2,657,134
Grants & contributions	-	-	1,321	11,122	83,453	81,354	-	-	169,394	174,308
Amortization	635	826	109,892	99,717	181,245	194,485	585,979	585,869	1,664,426	1,632,257
Interest on long term debt	-	-	-	-	2,538	4,932	631,764	630,104	674,715	678,815
Bad debts expense	-	-	-	-	-	-	-	-	25,805	46,930
Total expenses	272,765	253,389	874,483	941,474	1,446,443	1,379,960	2,136,974	2,221,124	10,640,848	10,757,339
SURPLUS (DEFICIT)	(13,663)	11,060	(874,483)	(941,474)	(5,741)	63,197	4,014,928	1,719,763	4,863,695	2,207,776

* 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, 2013

	Core Government		Controlled Entities		Government Partnerships		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Property taxes	6,399,524	6,108,164	-	-	-	-	6,399,524	6,108,164
Grants in lieu of taxation	72,091	69,926	-	-	-	-	72,091	69,926
User fees	1,088,854	1,318,710	835,895	808,726	125,729	101,030	2,050,478	2,228,466
Grants - Province of Manitoba	668,148	657,528	1,570	-	64,250	63,122	733,968	720,650
Grants - Other	110,000	163,309	-	-	123,208	123,768	233,208	287,077
Permits, licences and fees	117,351	143,178	-	-	-	-	117,351	143,178
Investment revenue	132,544	109,406	-	-	-	-	132,544	109,406
Other revenue	664,040	423,991	-	-	-	-	664,040	423,991
Water and sewer	5,101,339	2,874,257	-	-	-	-	5,101,339	2,874,257
Total revenue	14,353,891	11,868,469	837,465	808,726	313,187	287,920	15,504,543	12,965,115
EXPENSES								
Personnel services	3,504,316	3,400,287	-	-	222,125	212,669	3,726,441	3,612,956
Contract services	912,494	1,121,432	395,065	394,192	2,183	2,281	1,309,742	1,517,905
Utilities	376,695	407,813	25,181	24,865	5,008	4,356	406,884	437,034
Maintenance materials & supplies	2,394,107	2,400,547	210,675	193,218	58,659	63,369	2,663,441	2,657,134
Grants & contributions	169,394	174,308	-	-	-	-	169,394	174,308
Amortization	1,555,958	1,534,645	105,861	94,824	2,607	2,788	1,664,426	1,632,257
Interest on long term debt	674,715	678,815	-	-	-	-	674,715	678,815
Bad debts expense	25,805	46,930	-	-	-	-	25,805	46,930
Total expenses	9,613,484	9,764,777	736,782	707,099	290,582	285,463	10,640,848	10,757,339
SURPLUS (DEFICIT)	4,740,407	2,103,692	100,683	101,627	22,605	2,457	4,863,695	2,207,776

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	General Reserve \$	Machinery Replacement Reserve \$	Industrial Park Reserve \$	Building Reserve \$	Fire Equipment Reserve \$	Capital Levy Reserve \$
FINANCIAL ASSETS						
Cash and temporary investments	-	-	-	-	233,375	-
Due from other funds	1,656,369	295,684	476,075	185,854	133,559	70,000
	<u>1,656,369</u>	<u>295,684</u>	<u>476,075</u>	<u>185,854</u>	<u>366,934</u>	<u>70,000</u>
REVENUE						
Investment revenue	<u>28,728</u>	<u>4,096</u>	<u>8,775</u>	<u>3,498</u>	<u>22,457</u>	<u>3,191</u>
EXPENSES						
General government services	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS						
Transfers from (to) operating fund	(188,678)	(91,000)	(24,817)	(6,836)	(43,746)	(21,104)
Acquisition of tangible capital assets	-	-	-	-	-	-
	<u>188,678</u>	<u>91,000</u>	<u>24,817</u>	<u>6,836</u>	<u>43,746</u>	<u>21,104</u>
CHANGE IN FUND BALANCES	217,406	95,096	33,592	10,334	66,203	24,295
FUND SURPLUS, BEGINNING OF YEAR	1,438,963	200,588	442,483	175,520	300,731	45,705
FUND SURPLUS, END OF YEAR	<u>1,656,369</u>	<u>295,684</u>	<u>476,075</u>	<u>185,854</u>	<u>366,934</u>	<u>70,000</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	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 \$
FINANCIAL ASSETS						
Cash and temporary investments	-	-	-	-	-	-
Due from other funds	86	88	727,458	968,502	360,477	15,674
	<u>86</u>	<u>88</u>	<u>727,458</u>	<u>968,502</u>	<u>360,477</u>	<u>15,674</u>
REVENUE						
Investment revenue	2	2	10,232	10,994	2,713	308
	<u>2</u>	<u>2</u>	<u>10,232</u>	<u>10,994</u>	<u>2,713</u>	<u>308</u>
EXPENSES						
General government services	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS						
Transfers from (to) operating fund	-	-	(210,200)	(206,395)	(226,300)	-
Acquisition of tangible capital assets	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>210,200</u>	<u>206,395</u>	<u>226,300</u>	<u>-</u>
CHANGE IN FUND BALANCES	2	2	220,432	217,389	229,013	308
FUND SURPLUS, BEGINNING OF YEAR	84	86	507,026	751,113	131,464	15,366
FUND SURPLUS, END OF YEAR	86	88	727,458	968,502	360,477	15,674

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	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 \$
FINANCIAL ASSETS						
Cash and temporary investments	-	1,257,521	-	-	-	-
Due from other funds	10,860	-	7,516	277,392	94,359	24,486
	<u>10,860</u>	<u>1,257,521</u>	<u>7,516</u>	<u>277,392</u>	<u>94,359</u>	<u>24,486</u>
REVENUE						
Investment revenue	<u>357</u>	<u>25,485</u>	<u>74</u>	<u>2,720</u>	<u>925</u>	<u>240</u>
EXPENSES						
General government services	-	-	-	-	-	-
Transportation services	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS						
Transfers from (to) operating fund	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCES	357	25,485	74	2,720	925	240
FUND SURPLUS, BEGINNING OF YEAR	10,503	1,232,036	7,442	274,672	93,434	24,246
FUND SURPLUS, END OF YEAR	10,860	1,257,521	7,516	277,392	94,359	24,486

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2013

	Pelican Beach Reserve \$	Multiplex Reserve \$	2013 Actual \$	2012 Actual \$
FINANCIAL ASSETS				
Cash and temporary investments	-	-	1,490,896	1,443,214
Due from other funds	8,133	260,700	5,573,272	4,475,206
	<u>8,133</u>	<u>260,700</u>	<u>7,064,168</u>	<u>5,918,420</u>
REVENUE				
Investment revenue	-	1,875	126,672	121,399
	<u>-</u>	<u>1,875</u>	<u>126,672</u>	<u>121,399</u>
EXPENSES				
General government services	-	-	-	44,810
Transportation services	-	-	-	36,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,810</u>
TRANSFERS				
Transfers from (to) operating fund	-	-	(1,019,076)	(1,355,394)
Acquisition of tangible capital assets	-	-	-	775,883
	<u>-</u>	<u>-</u>	<u>1,019,076</u>	<u>579,511</u>
CHANGE IN FUND BALANCES	-	1,875	1,145,748	620,100
FUND SURPLUS, BEGINNING OF YEAR	<u>8,133</u>	<u>258,825</u>	<u>5,918,420</u>	<u>5,298,320</u>
FUND SURPLUS, END OF YEAR	<u>8,133</u>	<u>260,700</u>	<u>7,064,168</u>	<u>5,918,420</u>

SCHEDULE OF TRUST FUNDS

For the Year Ended December 31, 2013

	Health Care Fund \$	Stefanson Memorial Fund \$	2013 Actual \$	2012 Actual \$
FINANCIAL ASSETS				
Cash and temporary investments	58,611	101,273	159,884	157,201
Accounts receivable	(53,027)	-	(53,027)	(53,027)
	<u>5,584</u>	<u>101,273</u>	<u>106,857</u>	<u>104,174</u>
REVENUE				
Investment income	930	1,753	2,683	3,216
Excess of revenue over expenses	930	1,753	2,683	3,216
Fund balance, beginning of year	4,654	99,520	104,174	100,958
Fund balance, end of year	<u>5,584</u>	<u>101,273</u>	<u>106,857</u>	<u>104,174</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2013

	LUD of Gimli	Pelican Beach	South Beach	Loni Beach	Industrial Park	Regional Sewer System	2013 Actual	2012 Actual
	\$	\$	\$	\$	\$	\$	\$	\$
FINANCIAL ASSETS								
Accounts receivable <i>(note 3)</i>	86,249	6,774	-	-	41,624	433,222	567,869	312,330
Deposits	-	-	-	-	-	4,884	4,884	-
Due from other funds	368,502	182,105	-	-	-	2,699,672	3,250,279	494,747
	<u>454,751</u>	<u>188,879</u>	<u>-</u>	<u>-</u>	<u>41,624</u>	<u>3,137,778</u>	<u>3,823,032</u>	<u>807,077</u>
LIABILITIES								
Accounts payable and accrued liabilities <i>(note 6)</i>	7,013	879	-	-	12,651	80,750	101,293	194,177
Long-term debt <i>(note 8)</i>	-	295,955	-	-	419,323	11,154,342	11,869,620	10,997,004
Due to other funds	559,242	210,388	-	-	180,267	4,280,733	5,230,630	7,036,906
	<u>566,255</u>	<u>507,222</u>	<u>-</u>	<u>-</u>	<u>612,241</u>	<u>15,515,825</u>	<u>17,201,543</u>	<u>18,228,087</u>
NON-FINANCIAL ASSETS								
Tangible capital assets <i>(schedule 1)</i>	597,823	956,395	-	-	838,922	26,819,427	29,212,567	29,255,528
Inventories	-	-	-	-	84,986	9,530	94,516	83,085
	<u>597,823</u>	<u>956,395</u>	<u>-</u>	<u>-</u>	<u>923,908</u>	<u>26,828,957</u>	<u>29,307,083</u>	<u>29,338,613</u>
FUND SURPLUS	<u>486,319</u>	<u>638,052</u>	<u>-</u>	<u>-</u>	<u>353,291</u>	<u>14,450,910</u>	<u>15,928,572</u>	<u>11,917,603</u>

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 9

For the Year Ended December 31, 2013

	LUD OF GIMLI UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>339,300</u>	<u>326,557</u>	320,826
OTHER REVENUE			
Hydrant rentals	5,000	5,000	5,000
Penalties	1,500	1,627	1,410
Other income	500	8,590	4,135
	<u>7,000</u>	<u>15,217</u>	10,545
TOTAL REVENUE	<u>346,300</u>	<u>341,774</u>	331,371
EXPENSES			
WATER			
Purification and treatment	230,121	212,365	199,561
Transportation services	70,000	10,207	31,483
	<u>300,121</u>	<u>222,572</u>	231,044
WATER AMORTIZATION AND INTEREST			
Amortization	<u>25,800</u>	<u>25,752</u>	25,751
SEWER			
Collection system costs	<u>-</u>	<u>-</u>	5,913
TOTAL EXPENSES	<u>325,921</u>	<u>248,324</u>	262,708
EXCESS OF REVENUE OVER EXPENSES	<u>20,379</u>	<u>93,450</u>	68,663
TRANSFERS			
Transfer to Regional Sewer System	<u>-</u>	<u>-</u>	(263,683)
CHANGE IN UTILITY FUND BALANCE	<u>20,379</u>	<u>93,450</u>	(195,020)
FUND SURPLUS, BEGINNING OF YEAR	<u>392,869</u>	<u>392,869</u>	587,889
FUND SURPLUS, END OF YEAR	<u>413,248</u>	<u>486,319</u>	392,869

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 9

For the Year Ended December 31, 2013

	PELICAN BEACH UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>26,122</u>	<u>27,292</u>	20,908
PROPERTY TAXES	<u>31,768</u>	<u>31,768</u>	63,535
OTHER REVENUE			
Connection charges	-	810	410
Penalties	150	119	44
Other income	<u>400</u>	<u>-</u>	<u>-</u>
	550	929	454
TOTAL REVENUE	<u>58,440</u>	<u>59,989</u>	84,897
EXPENSES			
GENERAL			
Administration	<u>13,154</u>	<u>5,856</u>	1,900
WATER			
Transmission and distribution	7,500	15,007	12,907
Transportation services	-	262	-
	<u>7,500</u>	<u>15,269</u>	12,907
WATER AMORTIZATION AND INTEREST			
Amortization	28,900	28,879	28,878
Interest on long-term debt	25,900	25,857	28,567
	<u>54,800</u>	<u>54,736</u>	57,445
TOTAL EXPENSES	<u>75,454</u>	<u>75,861</u>	72,252
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(17,014)	(15,872)	12,645
TRANSFERS			
Transfer to Regional Sewer System	<u>-</u>	<u>-</u>	229,880
CHANGE IN UTILITY FUND BALANCE	(17,014)	(15,872)	(217,235)
FUND SURPLUS, BEGINNING OF YEAR	<u>653,924</u>	<u>653,924</u>	871,159
FUND SURPLUS, END OF YEAR	<u>636,910</u>	<u>638,052</u>	653,924

Anthony J. Reid Chartered Accountant Inc.

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2013

Schedule 9

	SOUTH BEACH UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
EXPENSES			
EXCESS OF REVENUE OVER EXPENSES	-	-	-
TRANSFERS			
Transfer to Regional Sewer System	-	-	435,314
CHANGE IN UTILITY FUND BALANCE	-	-	(435,314)
FUND SURPLUS, BEGINNING OF YEAR	-	-	435,314
FUND SURPLUS, END OF YEAR	-	-	-

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2013

Schedule 9

	LONI BEACH UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
EXPENSES			
EXCESS OF REVENUE OVER EXPENSES	-	-	-
TRANSFERS			
Transfer to Regional Sewer System	-	-	54,910
CHANGE IN UTILITY FUND BALANCE	-	-	(54,910)
FUND SURPLUS, BEGINNING OF YEAR	-	-	54,910
FUND SURPLUS, END OF YEAR	-	-	-

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 9

For the Year Ended December 31, 2013

	INDUSTRIAL PARK UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>94,794</u>	<u>120,453</u>	107,802
PROPERTY TAXES	<u>5,599</u>	<u>5,600</u>	65,578
OTHER REVENUE			
Hydrant rentals	5,000	5,000	5,000
Connection charges	-	-	300
Penalties	500	403	402
Other income	<u>200</u>	<u>-</u>	-
	<u>5,700</u>	<u>5,403</u>	5,702
TOTAL REVENUE	<u>106,093</u>	<u>131,456</u>	179,082
EXPENSES			
GENERAL			
Administration	<u>5,638</u>	<u>2,511</u>	5,533
WATER			
Transmission ond distribution	80,500	36,251	55,219
Transportation services	<u>1,500</u>	<u>1,541</u>	4,032
	<u>82,000</u>	<u>37,792</u>	59,251
WATER AMORTIZATION AND INTEREST			
Amortization	22,600	22,582	22,580
Interest on long-term debt	<u>31,000</u>	<u>31,068</u>	33,307
	<u>53,600</u>	<u>53,650</u>	55,887
TOTAL EXPENSES	<u>141,238</u>	<u>93,953</u>	120,671
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(35,145)	37,503	58,411
TRANSFERS			
Transfer to Regional Sewer System	<u>-</u>	<u>-</u>	(66,460)
CHANGE IN UTILITY FUND BALANCE	(35,145)	37,503	(8,049)
FUND SURPLUS, BEGINNING OF YEAR	<u>315,788</u>	<u>315,788</u>	323,837
FUND SURPLUS, END OF YEAR	<u>280,643</u>	<u>353,291</u>	315,788

Anthony J. Reid Chartered Accountant Inc.

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 9

For the Year Ended December 31, 2013

	REGIONAL SEWER SYSTEM UTILITY		
	2013	2013	2012
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
SEWER			
Sewer fees	<u>1,023,651</u>	<u>1,126,551</u>	810,059
PROPERTY TAXES	<u>564,642</u>	<u>1,009,236</u>	933,581
GOVERNMENT TRANSFERS			
Capital	<u>-</u>	<u>3,473,972</u>	812,865
OTHER REVENUE			
Connection charges	-	-	778,154
Penalties	3,000	4,965	3,065
Other income	1,000	-	3,774
	<u>4,000</u>	<u>4,965</u>	784,993
TOTAL REVENUE	<u>1,592,293</u>	<u>5,614,724</u>	3,341,498
EXPENSES			
SEWER			
Collection system costs	763,914	628,761	687,534
Treatment and disposal costs	-	6,470	1,069
	<u>763,914</u>	<u>635,231</u>	688,603
SEWER AMORTIZATION AND INTEREST			
Amortization	508,800	508,766	508,660
Interest on long-term debt	575,000	574,839	568,230
	<u>1,083,800</u>	<u>1,083,605</u>	1,076,890
TOTAL EXPENSES	<u>1,847,714</u>	<u>1,718,836</u>	1,765,493
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(255,421)	3,895,888	1,576,005
TRANSFERS			
Acquisition of tangible capital assets	-	-	163,309
Transfer to Regional Sewer System	-	-	1,050,247
	<u>-</u>	<u>-</u>	1,213,556
CHANGE IN UTILITY FUND BALANCE	(255,421)	3,895,888	2,789,561
FUND SURPLUS, BEGINNING OF YEAR	<u>10,555,022</u>	<u>10,555,022</u>	7,765,461
FUND SURPLUS, END OF YEAR	<u>10,299,601</u>	<u>14,450,910</u>	10,555,022

Anthony J. Reid Chartered Accountant Inc.

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2013

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Consolidated Entities \$	Government Partnerships \$	PSAB Budget \$
REVENUE									
Property taxes	6,289,361	-	-	-	-	-	-	-	6,289,361
Grants in lieu of taxation	72,091	-	-	-	-	-	-	-	72,091
User fees	838,528	-	-	-	-	-	818,000	103,510	1,760,038
Grants - Province of Manitoba	645,200	-	-	-	-	-	1,500	64,250	710,950
Grants - Other	316,395	-	-	-	-	-	-	123,045	439,440
Permits, licences and fees	129,750	-	-	-	-	-	-	-	129,750
Investment revenue	20,000	-	-	-	-	-	-	-	20,000
Other revenue	499,101	-	-	-	-	-	-	-	499,101
Transfers	(125,000)	-	-	-	125,000	-	-	-	-
Water and sewer	(602,009)	2,103,126	-	-	-	-	-	-	1,501,117
	8,083,417	2,103,126	-	-	125,000	-	819,500	290,805	11,421,848
EXPENSES									
General government services	1,305,052	-	20,200	27,900	-	-	-	-	1,353,152
Protective services	787,902	-	84,450	-	-	-	-	-	872,352
Transportation services	3,538,454	-	632,050	12,500	-	-	-	-	4,183,004
Environmental health services	529,964	-	50,150	-	-	-	-	-	580,114
Public health and welfare services	78,094	-	-	-	-	-	-	-	78,094
Regional planning and development	148,780	-	-	-	-	-	-	165,167	313,947
Resource conservation and industrial development	152,957	-	4,100	-	-	-	724,500	-	881,557
Recreation and cultural services	265,938	-	179,400	2,500	-	-	-	129,640	577,478
Fiscal services	662,703	602,009	-	-	(1,264,712)	-	-	-	-
Transfers	613,582	323,000	-	-	(936,582)	-	-	-	-
Water and sewer	-	1,172,327	586,100	631,900	-	-	-	-	2,390,327
	8,083,426	2,097,336	1,556,450	674,800	(2,201,294)	-	724,500	294,807	11,230,025
SURPLUS (DEFICIT)	(9)	5,790	(1,556,450)	(674,800)	2,326,294	-	95,000	(4,002)	191,823

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2013

	2013 Actual \$	2012 Actual \$
BALANCE, BEGINNING OF YEAR	<u>1,006,468</u>	<u>893,772</u>
Add:		
Tax Levy (<i>schedule 12</i>)	11,821,580	11,166,905
Taxes added	133,895	65,925
Penalties and interest	139,092	114,989
Other Accounts Added	229,069	128,854
Taxes overpaid (refunds)	<u>341,624</u>	<u>238,957</u>
Sub-total	<u>13,671,728</u>	<u>12,609,402</u>
Deduct:		
Cash collections - current	10,455,451	9,621,116
Cash collections - arrears	710,865	629,932
Cancellations	18,548	13,273
Tax discounts	-	-
M.P.T.C. - cash advance	<u>1,353,200</u>	<u>1,338,613</u>
Sub-total	<u>12,538,064</u>	<u>11,602,934</u>
BALANCE, END OF YEAR	<u><u>1,133,664</u></u>	<u><u>1,006,468</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2013

	Assessment	2013 Mill Rate	Levy	2012 Levy
Debt Charges:				
Frontage (note 9)			309,856	253,965
L.I.D. (note 10)			289,992	288,793
At large (note 11)			585,017	584,825
			<u>1,184,865</u>	<u>1,127,583</u>
Deferred Surplus:				
Utility			-	71,281
Reserves:				
Reserve (note 12)			153,469	157,624
Other municipal levies:				
General municipal	25,121,660	11.298	4,805,365	4,565,226
Business tax (rate 1.36%)			121,930	120,525
Total municipal taxes (schedule 2)			<u>6,265,629</u>	<u>6,042,239</u>
Education Support Levy	66,669,280	11.830	788,698	749,947
Special levy:				
Evergreen School Division	414,327,580	11.506	4,767,253	4,374,719
Total education taxes			<u>5,555,951</u>	<u>5,124,666</u>
Total tax levy (schedule 11)			<u>11,821,580</u>	<u>11,166,905</u>

RURAL MUNICIPALITY OF GIMLI
ANALYSIS OF SCHOOL ACCOUNTS
For the Year Ended December 31, 2013

Schedule 13

	Opening Balance	2013 Current Requirement	Current Payment	Ending Balance	2012 Ending Balance
	\$	\$	\$	\$	\$
Education Support Levy	151,915	834,469	818,656	167,728	151,915
Special Levies:					
Evergreen School Division	621,283	3,604,151	3,501,000	724,434	621,283
Sub-total	621,283	3,604,151	3,501,000	724,434	621,283
Total	773,198	4,438,620	4,319,656	892,162	773,198

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2013

	2013 Budget \$	2013 Actual \$	2012 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	168,785	156,046	163,602
General administrative	1,184,367	1,045,034	991,791
	<u>1,353,152</u>	<u>1,201,080</u>	<u>1,155,393</u>
PROTECTIVE SERVICES			
Police	430,998	346,042	409,647
Fire	384,647	310,166	306,310
Other protective services	46,707	28,777	39,527
By-law enforcement	10,000	6,936	8,606
	<u>872,352</u>	<u>691,921</u>	<u>764,090</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	4,050,795	3,298,190	3,275,540
Air transport	89,834	75,967	46,890
Public transit	42,375	57,463	56,332
	<u>4,183,004</u>	<u>3,431,620</u>	<u>3,378,762</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	313,433	285,155	293,539
Recycling	100,000	100,816	104,511
Lagoons and wells	166,681	121,497	107,887
	<u>580,114</u>	<u>507,468</u>	<u>505,937</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	13,000	13,000	13,000
Social assistance	65,094	65,094	63,400
	<u>78,094</u>	<u>78,094</u>	<u>76,400</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	148,780	107,626	98,673
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	67,450	64,024	63,974
Water resources and conservation	19,339	17,839	96,436
Regional development	27,878	22,226	17,643
Industrial development	2,700	906	5,615
Tourism	37,690	32,706	50,707
Other	2,000	-	-
	<u>157,057</u>	<u>137,701</u>	<u>234,375</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2013

	2013 Budget \$	2013 Actual \$	2012 Actual \$
RECREATION AND CULTURAL SERVICES			
Community centers and halls	57,674	50,292	78,974
Swimming pools and beaches	112,003	123,022	114,126
Skating and curling rinks	134,600	1,017,770	926,137
Parks and playgrounds	43,008	41,492	43,358
Libraries	66,205	57,576	57,437
Other cultural facilities	34,348	30,848	29,181
	<u>447,838</u>	<u>1,321,000</u>	<u>1,249,213</u>
TOTAL EXPENSES	<u><u>7,820,391</u></u>	<u><u>7,476,510</u></u>	<u><u>7,462,843</u></u>

SCHEDULE OF DEBENTURES PENDING

For the Year Ended December 31, 2013

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	8,254
			<u>5,339,579</u>	<u>2,628,070</u>

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2013

	General \$	Utility \$	2013 Total \$	2012 Total \$
CONSOLIDATED ANNUAL SURPLUS (<i>statement 2</i>)	4,770,245	93,450	4,863,695	2,207,776
Elimination of appropriations from reserves	-	-	-	9,853
Elimination of appropriations to reserves	(1,019,076)	-	(1,019,076)	(1,365,248)
Elimination of consolidated entity operations	123,288	-	123,288	108,056
Amortization of tangible capital assets	969,980	585,979	1,555,959	1,534,647
Principal portion of long term debt	(217,456)	(872,616)	(1,090,072)	(461,476)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	<u>4,626,981</u>	<u>(193,187)</u>	<u>4,433,794</u>	<u>2,033,608</u>

*** 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.

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