

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

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

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated 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.

Reid & Miller Chartered Professional Accountants Inc. as the Municipality's appointed external auditors, have audited the Consolidated 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 Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.



Joann Murphy
CAO

Independent Auditors' Report

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

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Gimli as at December 31, 2018, and the results of its operations and its consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Opinion

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

June 27, 2019
Winnipeg, Manitoba



Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED FINANCIAL STATEMENTS
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RURAL MUNICIPALITY OF GIMLI

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2018

	2018 Actual \$	2017 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	12,803,669	14,188,843
Accounts receivable (note 3)	<u>6,023,108</u>	<u>5,442,812</u>
	<u>18,826,777</u>	<u>19,631,655</u>
LIABILITIES		
Accounts payable and accrued liabilities (note 6)	4,131,830	3,475,198
Deferred revenue (note 7)	1,407,942	1,381,273
Long-term debt (note 8)	<u>14,384,470</u>	<u>15,256,937</u>
	<u>19,924,242</u>	<u>20,113,408</u>
NET DEBT	<u>(1,097,465)</u>	<u>(481,753)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (schedule 1)	66,098,806	55,256,198
Inventories (note 4)	520,319	525,493
Prepaid expenses	<u>91,691</u>	<u>73,914</u>
	<u>66,710,816</u>	<u>55,855,605</u>
ACCUMULATED SURPLUS (note 18)	<u>65,613,351</u>	<u>55,373,852</u>

Approved on Behalf of the Council

_____ Mayor

_____ Councillor

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF GIMLI**CONSOLIDATED STATEMENT OF OPERATIONS****For the Year Ended December 31, 2018**

	2018 Budget \$	2018 Actual \$	2017 Actual \$
REVENUE			
Property taxes	8,351,812	8,436,011	8,295,287
Grants in lieu of taxation	114,427	114,427	110,751
User fees	2,296,826	2,918,780	2,383,473
Grants - Province of Manitoba	1,020,045	1,071,455	1,123,652
Grants - Other	378,729	399,033	388,665
Permits, licences and fees	103,110	145,511	127,947
Investment revenue	35,000	228,671	179,408
Other revenue	320,424	303,281	394,250
Water and sewer	2,042,129	9,723,974	6,888,640
Total revenue (<i>schedules 2, 4 and 5</i>)	<u>14,662,502</u>	<u>23,341,143</u>	<u>19,892,073</u>
EXPENSES			
General government services	1,445,494	1,229,651	1,221,744
Protective services	1,079,458	1,049,039	1,087,011
Transportation services	4,337,270	4,004,629	4,483,709
Environmental health services	874,381	851,303	690,770
Public health and welfare services	89,908	90,360	122,540
Regional planning and development	281,701	259,595	249,437
Resource conservation and industrial development	1,052,167	1,048,097	1,029,363
Recreation and cultural services	1,962,219	1,740,923	1,634,683
Water and sewer	3,219,285	2,828,047	2,617,589
Total expenses (<i>schedules 3, 4 and 5</i>)	<u>14,341,883</u>	<u>13,101,644</u>	<u>13,136,846</u>
ANNUAL SURPLUS	320,619	10,239,499	6,755,227
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>55,373,852</u>	<u>55,373,852</u>	<u>48,618,625</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>55,694,471</u></u>	<u><u>65,613,351</u></u>	<u><u>55,373,852</u></u>

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED STATEMENT OF NET DEBT
For the Year Ended December 31, 2018

	2018	2018	2017
	Budget	Actual	Actual
	\$	\$	\$
ANNUAL SURPLUS	320,619	10,239,499	6,755,227
Acquisition of tangible capital assets	-	(12,937,955)	(6,941,861)
Proceeds on disposal of tangible capital assets	-	121,500	241,407
Amortization of tangible capital assets	2,016,221	2,024,397	1,967,243
Gain on sale of tangible capital assets	-	(50,550)	(113,409)
Decrease in inventories	-	5,174	13,509
Increase in prepaid expense	-	(17,777)	(4,994)
CHANGE IN SURPLUS (DEFICIT)	2,336,840	(615,712)	1,917,122
NET DEBT BEGINNING OF YEAR	(481,753)	(481,753)	(2,398,875)
NET DEBT END OF YEAR	1,855,087	(1,097,465)	(481,753)

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	2018	2017
	Actual	Actual
	\$	\$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	10,239,499	6,755,227
Changes in non-cash items:		
Amortization	2,024,397	1,967,243
Gain on disposal of tangible capital assets	(50,550)	(113,409)
	12,213,346	8,609,061
Net changes in non-cash working capital affecting operations <i>(note 22)</i>	90,402	(3,481,631)
	12,303,748	5,127,430
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	121,500	241,407
Cash used to acquire tangible capital assets	(12,937,955)	(6,941,861)
	(12,816,455)	(6,700,454)
FINANCING		
Long-term debt issued	-	838,767
Reduction in long-term debt	(872,467)	-
	(872,467)	838,767
DECREASE IN CASH AND TEMPORARY INVESTMENTS	(1,385,174)	(734,257)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	14,188,843	14,923,100
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	12,803,669	14,188,843
CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:		
Cash and temporary investments	12,803,669	13,980,393
Temporary investments	-	208,450
	12,803,669	14,188,843

The accompanying notes are an integral part of these financial statements

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

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:

	Consolidated	
	<u>2018</u>	<u>2017</u>
East Interlake Planning District	59.85 %	59.85 %
Evergreen Regional Library	56.13 %	56.13 %

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

Eastern Interlake Handi-van Inc.

61.91 %

61.91 %

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.

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, 2018

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	5 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, 2018

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.

Unearned 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 amounts 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, 2018

3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	<u>2018</u>	<u>2017</u>
	\$	\$
Tax assets (<i>schedule 10</i>)	1,342,959	1,264,507
Government grants and receivables	4,035,430	3,570,648
Utility customers	358,127	366,063
Organizations and individuals	390,224	287,901
Other governments	29,352	9,956
	<u>6,156,092</u>	<u>5,499,075</u>
Allowance for doubtful accounts	<u>(132,984)</u>	<u>(56,263)</u>
	<u><u>6,023,108</u></u>	<u><u>5,442,812</u></u>

4. INVENTORIES

	<u>2018</u>	<u>2017</u>
	\$	\$
Gravel	75,341	131,026
Culverts	86,573	59,632
Fuel	54,171	39,831
Grader blades and shop supplies	42,603	41,896
Water and sewer supplies	247,211	248,375
Other inventory	14,420	4,733
	<u>520,319</u>	<u>525,493</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 3.075%. As at December 31, 2018 the balance owing was \$ nil (2017 - \$ nil).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2018</u>	<u>2017</u>
	\$	\$
Trade payable	1,907,118	1,244,418
Government payables	26,720	33,757
Accrued expenses	312,200	344,249
Accrued interest payable	95,338	95,451
School levies	1,140,608	1,157,572
Deposits	56,140	58,140
Property tax prepayments	593,706	541,611
	<u>4,131,830</u>	<u>3,475,198</u>

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

7. DEFERRED REVENUE

	<u>2018</u>	<u>2017</u>
	\$	\$
Deferred revenue	26,500	26,500
Unexpended pool funding	<u>1,381,442</u>	<u>1,354,773</u>
	<u>1,407,942</u>	<u>1,381,273</u>

8. LONG-TERM DEBT

	<u>2018</u>	<u>2017</u>
	\$	\$
General Authority:		
Municipal debenture payable in annual instalments of \$121,178.06, including interest at 3.84%, due December 31, 2036.	1,554,173	1,613,396
Municipal debenture payable in annual instalments of \$13,433.92, including interest at 5.500%, due December 31, 2026.	85,098	93,395
Municipal debenture payable in annual instalments of \$29,148.48, including interest at 7.375%, due December 31, 2020.	52,428	75,974
Municipal debenture payable in annual instalments of \$38,864.64, including interest at 7.375%, due December 31, 2019.	36,195	69,904
Municipal debenture payable in annual instalments of \$32,337.18, including interest at 3.06%, due February 28, 2025.	201,015	226,424
Municipal debenture payable in annual instalments of \$11,646.66, including interest at 4.59%, due December 31, 2021.	31,611	41,345
Municipal debenture payable in annual instalments of \$98,764.67, including interest at 4.48%, due October 1, 2033.	<u>1,062,148</u>	<u>1,111,134</u>
	<u>3,022,668</u>	<u>3,231,572</u>

Utility Funds:

Municipal debenture payable in annual instalments of \$115,822 including interest at 4.89%, due December 31, 2031	1,095,225	1,154,588
Municipal debenture payable in annual instalments of \$34,351.48 including interest at 5.625%, due December 31, 2034.	356,271	369,820
Municipal debenture payable in annual instalments of \$4,435.43, including interest at 5.500%, due December 31, 2026.	28,097	30,836
Municipal debenture payable in annual instalments of \$143,620.50, including interest at 3.89%, due September 1, 2036.	1,834,499	1,904,051
Municipal debenture payable in annual instalments of \$98,366.26, including interest at 4.230%, due June 1, 2041.	1,428,691	1,465,084
Municipal debenture payable in annual instalments of \$33,297.25, including interest at 7.250%, due December 31, 2020.	59,994	86,985
Municipal debenture payable in annual instalments of \$23,620.60, including interest at 7.500%, due December 31, 2020.	42,412	61,426
Municipal debenture payable in annual instalments of \$36,357.67, including interest at 6.625%, due December 31, 2022.	124,201	150,583

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

Municipal debenture payable in annual instalments of \$11,199.83, including interest at 6.250%, due December 31, 2028.	81,464	87,214
Municipal debenture payable in annual instalments of \$127,069.67, including interest at 7.750%, due December 31, 2019.	117,929	227,377
Municipal debenture payable in annual instalments of \$159,961.61, including interest at 6.125%, due December 31, 2033.	1,540,976	1,602,768
Municipal debenture payable in annual instalments of \$171,473.35, including interest at 5.750%, due December 31, 2032.	1,618,807	1,692,937
Municipal debenture payable in annual instalments of \$35,049.71, including interest at 5.750%, due December 31, 2032.	330,889	346,042
Municipal debenture payable in annual instalments of \$54,382.64, including interest at 5.625%, due December 31, 2031.	492,156	517,433
Municipal debenture payable in annual instalments of \$104,858.51, including interest at 5.625%, due December 31, 2031	948,956	997,694
Municipal debenture payable in annual instalments of \$78,829.70, including interest at 5.625%, due December 31, 2030.	674,698	713,399
Municipal debenture payable in annual instalments of \$55,894.03, including interest at 4.100%, due December 31, 2032	586,537	617,128
	11,361,802	12,025,365
	14,384,470	15,256,937

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

2019	921,400
2020	807,300
2021	762,900
2022	789,900
2023	793,200

Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
By-law 16-0013	Water Treatment and Distribution Upgrade	3,370,000
By-law 17-0003	Waste Water Treatment system upgrade	6,000,000

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

9. DEBT CHARGES - FRONTAGE

Purpose and By-law	2018 Levy	2017 Levy
	\$	\$
Centre Ave - 8-2002	6,484	6,484
Pelican Beach Sewer - 19-99	85,979	86,656
Solvin Paving 06-0019	13,434	13,434
Solvin Paving - 98-04	-	5,734
South Beach - 07-0015	3,992	3,992
Hanger Line 9-0002	11,200	11,200
Loni Beach 12-0004	114,815	114,815
Road Construction 11-0015	11,542	11,647
South Beach Sewer 12-0016	55,894	55,894
Reg Sewer 16-0011	143,620	143,620
	446,960	453,476

10. DEBT CHARGES - L.I.D.

Purpose and By-law	Assessment	2018 Mill Rate	2018 Levy	2017 Levy
			\$	\$
Centre Ave - 8-2002	3,060,240	5.541	16,957	16,957
Pelican Beach Sewer - 19-99	19,782,860	1.021	20,198	20,205
North Forcemain - 13-2000	1,183,610	11.974	14,173	14,173
Natural Gas Transmission - 16-2000	407,770,510	0.071	28,952	29,026
Sewage Pump Station - 2-2001	407,268,110	0.082	33,396	33,298
Centre Ave - 8-2002	407,553,470	0.032	13,041	13,025
Pelican Beach Sewer - 19-99	407,770,510	0.049	19,982	20,004
North Forcemain - 13-2000	407,770,510	0.023	9,378	9,412
Habour Expansion - 99-13	101,648,320	0.370	37,610	37,593
Sewage Plant - 09-0009A	149,333,270	0.474	70,784	70,739
South Force Main 16-0009	37,518,470	1.311	49,186	49,186
Sewage Plant - 10-0006A	149,333,270	0.152	22,699	22,706
			336,356	336,324

RURAL MUNICIPALITY OF GIMLI**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2018****11. DEBT CHARGES - AT LARGE**

Purpose and By-law	Assessment	2018 Mill Rate	Levy	2017 Levy
			\$	\$
Sewage Plant - 06-0003	509,543,350	0.153	77,960	77,772
Sewage Plant - 07-0008	509,543,350	0.203	103,437	103,367
Sewage Plant - 07-0009	509,543,350	0.106	54,012	53,653
Sewage Plant - 08-0006	509,543,350	0.068	34,649	34,948
Sewage Plant - 08-0007	509,543,350	0.332	169,168	169,326
Fire Hall 16-0018	509,543,350	0.235	119,743	119,611
South Force Main16-0009B	551,407,510	0.089	49,075	49,101
Sewage Plant - 09-0009	551,727,670	0.158	87,173	87,161
Sewage Plant - 10-0006	551,727,670	0.021	11,586	11,620
Grader - 14-0021	509,543,350	0.063	32,101	32,223
			<u>738,904</u>	<u>738,782</u>

12. RESERVES

Purpose and By-law	Assessment	2018 Mill Rate	Levy	2017 Levy
			\$	\$
Machinery Replacement - 03-0022	509,543,350	0.203	103,437	103,860
Road Development - 07-0027	509,543,350	0.097	49,426	49,223
			<u>152,863</u>	<u>153,083</u>

As at December 31, 2018

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 required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP.. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$146,685 (2017 - \$155,377) and are included in the statement of operations.

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

In 2010, the Government of Manitoba enacted a regulation which permits sponsors of public sector pension plans, including MEPP, to elect permanent exemption from solvency funding requirements subject to certain conditions stated in the regulation. MEPP has elected permanent exemption from solvency 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, 2018

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 9 - 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. SEGMENTED INFORMATION

The Rural Municipality of Gimli provides a wide ranges of services to its residents.

Segment information has been provided in *Schedule 4* for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

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

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

17. GOVERNMENT PARTNERSHIPS

The municipality has several partnership agreements for municipal services. The consolidated financial statements include the municipality's proportionate interest, as disclosed in note 2(a). The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Financial Position		
Financial Assets	222,828	260,122
Liabilities	<u>25,076</u>	<u>24,407</u>
	197,752	235,715
Non-financial Assets	<u>56,532</u>	<u>83,951</u>
Accumulated Surplus	<u><u>254,284</u></u>	<u><u>319,666</u></u>
Result of Operations		
Revenue	495,539	671,023
Expenses	<u>560,920</u>	<u>540,633</u>
Annual Surplus (Deficit)	<u><u>(65,381)</u></u>	<u><u>130,390</u></u>

18. ACCUMULATED SURPLUS

	<u>2018</u>	<u>2017</u>
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	6,960,924	6,636,411
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(9,228,275)	(2,335,543)
General Operating Tangible Capital Assets, net of related borrowings	13,321,339	13,458,775
Utility Operating Tangible Capital Assets, net of related borrowings	37,829,896	25,853,711
Reserve Funds	9,696,289	7,835,400
Invested in water and sewer systems	<u>5,425,788</u>	<u>2,324,726</u>
Accumulated surplus of municipality unconsolidated	<u>64,005,961</u>	<u>53,773,480</u>
Accumulated surpluses of consolidated controlled entities	1,453,742	1,406,395
Accumulated surpluses of consolidated government partnerships	<u>153,648</u>	<u>193,977</u>
Accumulated Surplus per Statement of Financial Position	<u><u>65,613,351</u></u>	<u><u>55,373,852</u></u>

RURAL MUNICIPALITY OF GIMLI
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

19. TRUST FUNDS

The Rural Municipality of Gimli administers the following trusts:

	Balance, beginning of the year	Excess of Receipts over Disbursements	Balance, end of the year
Stefanson Memorial Fund	79,376	1,710	81,086

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

20. 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, 2018:

- (a) Compensation paid to members of council amounted to \$137,690 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 Greenberg	4,939	177	5,116
Daniel Luprypa	23,692	2,734	26,426
Peter Peiluck	23,396	180	23,576
Richard Petrowski	24,934	697	25,631
Sigrun Thora Palson	27,097	1,299	28,396
Randy Woroniuk	24,388	52	24,440
Peter Holfeuer	5,757	280	6,037
Cody Magnusson	3,487	133	3,620
	<u>137,690</u>	<u>5,552</u>	<u>143,242</u>

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

Name	Position	Amount
Bergman, Timothy	Public Works/Utility	56,465
Conley, Michael	Public Works/Utility	51,340
Cosgrove, Kelly	Administration	72,166
Franz, Kevin	Public Works	57,761
Hjelmeland, Darcy	Public Works	106,756
Kmet, Tom	Public Works	58,545
Kraynyk, Gerald	Public Works	64,594
Marks, Ken	Public Works	50,438
Murphy, Joann	CAO	109,722
O'Hara, Stuart	Public Works	67,750
Prise, Sandy	Recreation Centre	54,883
Symynyshen, Steve	Public Works	50,646
Votour, Scott	Recreation Centre	50,679
Woytowich, Barry	Public Works	51,139
Zapotochny, Tony	Public Works	66,636

RURAL MUNICIPALITY OF GIMLI

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2018

21. 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	83,240	-	5,317	77,923
Pelican Beach	47,879	-	1,520	46,359
Industrial Park	2,324,726	3,086,487	-	5,411,213
	<u>2,455,845</u>	<u>3,086,487</u>	<u>6,837</u>	<u>5,535,495</u>

Sewer Services: Description of Utility	Unamortized			Unamortized
	Opening Balance	Additions During Year	Amortization During Year	Ending Balance
Regional Sewer System	20,614,637	3,579,767	444,660	23,749,744

22. CHANGES IN WORKING CAPITAL

	<u>2018</u>	<u>2017</u>
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	(580,296)	(2,553,368)
Inventories	5,174	13,509
Prepaid expenses	(17,777)	(4,994)
Accounts payable and accrued liabilities	656,632	(969,517)
Deferred revenue	26,669	32,739
	<u>90,402</u>	<u>(3,481,631)</u>

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2018

	General Capital Assets					Infrastructure			2018	2017
	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	5,629,885	8,775,396	8,637,364	424,577	2,203,395	16,747,304	41,747,816	4,898,669	89,064,406	82,303,791
Asset purchases	13,729	2,553,261	392,510	66,843	31,311	-	-	12,083,696	15,141,350	6,941,861
Disposals and write downs	70,950	-	2,699	1,378	2,203,395	-	-	-	2,278,422	181,246
Balance, end of year	5,572,664	11,328,657	9,027,175	490,042	31,311	16,747,304	41,747,816	16,982,365	101,927,334	89,064,406
Accumulated Amortization										
Balance, beginning of year	787,559	5,197,136	5,860,354	402,584	-	13,904,300	7,656,275	-	33,808,208	31,894,213
Amortization	57,233	336,726	476,399	10,673	-	323,306	820,060	-	2,024,397	1,967,243
Disposals and write downs	-	-	2,699	1,378	-	-	-	-	4,077	53,248
Balance, end of year	844,792	5,533,862	6,334,054	411,879	-	14,227,606	8,476,335	-	35,828,528	33,808,208
Net book value	4,727,872	5,794,795	2,693,121	78,163	31,311	2,519,698	33,271,481	16,982,365	66,098,806	55,256,198

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF REVENUES

Schedule 2

For the Year Ended December 31, 2018

	2018 Budget \$	2018 Actual \$	2017 Actual \$
PROPERTY TAXES			
Municipal taxes levied (<i>schedule 11</i>)	8,216,812	8,216,812	7,997,675
Taxes added	135,000	219,199	297,612
	<u>8,351,812</u>	<u>8,436,011</u>	<u>8,295,287</u>
GRANTS IN LIEU OF TAXATION			
Federal government	4,635	4,635	4,612
Provincial government	7,895	7,895	6,692
Provincial government enterprises	101,897	101,897	99,447
	<u>114,427</u>	<u>114,427</u>	<u>110,751</u>
USER FEES			
Sales of service	756,454	660,652	661,848
Sales of goods	333,660	1,087,913	457,705
Rentals	267,731	264,707	292,443
Development charges	-	500	-
Facility use fees	938,981	905,008	971,477
	<u>2,296,826</u>	<u>2,918,780</u>	<u>2,383,473</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	484,901	374,274	484,901
General support grant	75,436	28,504	66,149
VLT revenues	94,281	252,515	94,981
Conditional grants	140,427	409,912	152,597
Other provincial grant	225,000	6,250	325,024
	<u>1,020,045</u>	<u>1,071,455</u>	<u>1,123,652</u>
GRANTS - OTHER			
Federal government - gas tax funding	315,666	330,698	319,501
Other local governments	53,157	53,157	59,559
Other grant	9,906	15,178	9,605
	<u>378,729</u>	<u>399,033</u>	<u>388,665</u>
PERMITS, LICENCES AND FEES			
Permits	13,000	16,350	17,500
Licences	65,110	71,890	71,865
Fines	25,000	31,353	33,332
Subdivision fees	-	25,918	5,250
	<u>103,110</u>	<u>145,511</u>	<u>127,947</u>
INVESTMENT REVENUE			
Interest	35,000	101,625	91,734
Municipal debenture interest	-	127,046	87,674
	<u>35,000</u>	<u>228,671</u>	<u>179,408</u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF REVENUES

Schedule 2

For the Year Ended December 31, 2018

	2018	2018	2017
	Budget	Actual	Actual
	\$	\$	\$
OTHER REVENUE			
Gain on sale of tangible capital assets	-	50,550	113,409
Miscellaneous	180,374	95,098	137,637
Penalties and interest	140,050	157,633	143,204
	<u>320,424</u>	<u>303,281</u>	<u>394,250</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	<u>2,042,129</u>	<u>9,723,974</u>	<u>6,888,640</u>
TOTAL REVENUE	<u><u>14,662,502</u></u>	<u><u>23,341,143</u></u>	<u><u>19,892,073</u></u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2018

	2018 Budget \$	2018 Actual \$	2017 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	203,500	185,263	182,390
General administrative	1,241,994	1,044,388	1,039,354
	<u>1,445,494</u>	<u>1,229,651</u>	<u>1,221,744</u>
PROTECTIVE SERVICES			
Police	487,846	441,334	477,780
Fire	513,612	553,954	550,909
Other protective services	46,400	38,896	35,156
By-law enforcement	31,600	14,855	23,166
	<u>1,079,458</u>	<u>1,049,039</u>	<u>1,087,011</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	4,070,643	3,751,339	4,205,424
Air transport	145,956	111,272	140,574
Public transit	120,671	142,018	137,711
	<u>4,337,270</u>	<u>4,004,629</u>	<u>4,483,709</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	420,440	415,287	285,273
Recycling	235,000	239,967	235,000
Lagoons and wells	218,941	196,049	170,497
	<u>874,381</u>	<u>851,303</u>	<u>690,770</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	18,600	18,600	50,929
Social assistance	71,308	71,760	71,611
	<u>89,908</u>	<u>90,360</u>	<u>122,540</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	281,701	259,595	249,437
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	61,461	57,204	57,356
Water resources and conservation	18,339	17,839	17,839
Regional development	15,875	13,463	13,700
Industrial development	867,250	885,216	874,959
Tourism	88,242	74,375	65,337
Other	1,000	-	172
	<u>1,052,167</u>	<u>1,048,097</u>	<u>1,029,363</u>

RURAL MUNICIPALITY OF GIMLI
CONSOLIDATED SCHEDULE OF EXPENSES

Schedule 3

For the Year Ended December 31, 2018

	2018 Budget \$	2018 Actual \$	2017 Actual \$
RECREATION AND CULTURAL SERVICES			
Administration	34,868	29,386	27,077
Community centers and halls	68,650	61,230	59,009
Swimming pools and beaches	368,059	258,359	82,712
Skating and curling rinks	1,199,737	1,113,713	1,197,893
Parks and playgrounds	83,855	73,402	67,489
Libraries	167,608	165,391	161,816
Other cultural facilities	39,442	39,442	38,687
	<u>1,962,219</u>	<u>1,740,923</u>	<u>1,634,683</u>
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	<u>3,219,285</u>	<u>2,828,047</u>	<u>2,617,589</u>
TOTAL EXPENSES	<u><u>14,341,883</u></u>	<u><u>13,101,644</u></u>	<u><u>13,136,846</u></u>

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	8,436,011	8,295,287	-	-	-	-	-	-	-	-
Grants in lieu of taxation	114,427	110,751	-	-	-	-	-	-	-	-
User fees	164,488	154,292	21,154	9,759	1,105,959	497,726	122,449	116,576	-	-
Grants - Province of Manitoba	628,107	953,108	-	-	77,695	66,871	9,290	6,001	-	-
Grants - Other	330,698	319,501	-	-	15,178	14,788	-	-	-	-
Permits, licences and fees	103,243	105,197	-	-	2,850	4,550	-	-	-	-
Investment revenue	152,969	120,332	12,067	7,892	48,562	34,166	-	-	-	-
Other revenue	299,327	372,580	-	-	1,710	2,010	-	-	-	-
Water and sewer	(1,288,591)	(1,288,591)	-	-	-	-	-	-	-	-
Total revenue	<u>8,940,679</u>	<u>9,142,457</u>	<u>33,221</u>	<u>17,651</u>	<u>1,251,954</u>	<u>620,111</u>	<u>131,739</u>	<u>122,577</u>	<u>-</u>	<u>-</u>
EXPENSES										
Personnel services	466,819	421,744	211,022	194,433	995,222	1,073,906	208,620	263,044	-	-
Contract services	102,521	93,488	498,017	468,896	222,767	1,014,148	492,807	291,507	38,194	35,094
Utilities	64,765	58,964	34,823	29,025	181,729	170,262	2,455	2,189	-	-
Maintenance materials & supplies	465,891	547,914	152,888	242,337	1,830,508	1,439,571	56,731	55,029	552	-
Grants & contributions	60,772	53,511	-	-	47,431	53,397	-	-	51,614	87,446
Amortization	31,353	30,877	90,335	88,175	713,794	717,272	90,690	79,001	-	-
Interest on long term debt	10,616	14,558	61,954	64,145	13,178	15,153	-	-	-	-
Bad debts expense	26,914	688	-	-	-	-	-	-	-	-
Total expenses	<u>1,229,651</u>	<u>1,221,744</u>	<u>1,049,039</u>	<u>1,087,011</u>	<u>4,004,629</u>	<u>4,483,709</u>	<u>851,303</u>	<u>690,770</u>	<u>90,360</u>	<u>122,540</u>
SURPLUS (DEFICIT)	<u>7,711,028</u>	<u>7,920,713</u>	<u>(1,015,818)</u>	<u>(1,069,360)</u>	<u>(2,752,675)</u>	<u>(3,863,598)</u>	<u>(719,564)</u>	<u>(568,193)</u>	<u>(90,360)</u>	<u>(122,540)</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, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	8,436,011	8,295,287
Grants in lieu of taxation	-	-	-	-	-	-	-	-	114,427	110,751
User fees	87,443	166,904	-	-	1,417,287	1,438,216	-	-	2,918,780	2,383,473
Grants - Province of Manitoba	-	-	-	-	356,363	97,672	-	-	1,071,455	1,123,652
Grants - Other	26,634	27,531	-	-	26,523	26,845	-	-	399,033	388,665
Permits, licences and fees	39,418	18,200	-	-	-	-	-	-	145,511	127,947
Investment revenue	6,359	4,403	-	-	1,306	6,970	7,408	5,645	228,671	179,408
Other revenue	-	-	-	-	2,244	19,660	-	-	303,281	394,250
Water and sewer	-	-	-	-	-	-	1,012,565	8,177,231	9,723,974	6,888,640
Total revenue	159,854	217,038	-	-	1,803,723	1,589,363	1,019,973	8,182,876	3,341,143	9,892,073
EXPENSES										
Personnel services	169,127	153,134	16,390	14,269	758,294	646,386	1,238,893	1,006,043	4,064,387	3,772,959
Contract services	-	2,670	500,240	538,232	7,463	3,180	59,881	46,777	1,921,890	2,493,992
Utilities	4,196	4,149	16,227	15,035	167,342	130,261	33,351	18,042	504,888	427,927
Maintenance materials & supplies	63,814	65,279	425,118	329,836	570,836	673,736	227	-	3,566,565	3,353,702
Grants & contributions	22,283	23,981	(18,116)	17,049	67,236	64,970	-	-	231,220	300,354
Amortization	175	224	108,238	114,942	169,752	116,150	820,060	820,602	2,024,397	1,967,243
Interest on long term debt	-	-	-	-	-	-	675,635	726,125	761,383	819,981
Bad debts expense	-	-	-	-	-	-	-	-	26,914	688
Total expenses	259,595	249,437	1,048,097	1,029,363	1,740,923	1,634,683	2,828,047	2,617,589	3,101,644	3,136,846
SURPLUS (DEFICIT)	(99,741)	(32,399)	(1,048,097)	(1,029,363)	62,800	(45,320)	8,191,926	5,565,287	0,239,499	6,755,227

* 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, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Property taxes	8,436,011	8,295,287	-	-	-	-	8,436,011	8,295,287
Grants in lieu of taxation	114,427	110,751	-	-	-	-	114,427	110,751
User fees	1,898,639	1,171,844	897,780	964,880	122,361	246,749	2,918,780	2,383,473
Grants - Province of Manitoba	963,872	1,040,826	6,250	-	101,333	82,826	1,071,455	1,123,652
Grants - Other	330,698	319,501	-	-	68,335	69,164	399,033	388,665
Permits, licences and fees	145,511	127,947	-	-	-	-	145,511	127,947
Investment revenue	228,671	179,408	-	-	-	-	228,671	179,408
Other revenue	303,281	393,903	-	-	-	347	303,281	394,250
Water and sewer	9,723,974	6,888,640	-	-	-	-	9,723,974	6,888,640
Total revenue	22,145,084	18,528,107	904,030	964,880	292,029	399,086	23,341,143	19,892,073
EXPENSES								
Personnel services	3,774,222	3,484,632	-	-	290,165	288,327	4,064,387	3,772,959
Contract services	1,501,429	2,025,660	416,166	464,406	4,295	3,926	1,921,890	2,493,992
Utilities	485,928	410,246	13,168	12,057	5,792	5,624	504,888	427,927
Maintenance materials & supplies	3,105,362	3,001,140	360,845	270,884	100,358	81,678	3,566,565	3,353,702
Grants & contributions	357,891	382,398	(41,358)	(5,000)	(85,313)	(77,044)	231,220	300,354
Amortization	1,899,474	1,835,690	107,862	114,218	17,061	17,335	2,024,397	1,967,243
Interest on long term debt	761,383	819,981	-	-	-	-	761,383	819,981
Bad debts expense	26,914	688	-	-	-	-	26,914	688
Total expenses	11,912,603	11,960,435	856,683	856,565	332,358	319,846	13,101,644	13,136,846
SURPLUS (DEFICIT)	10,232,481	6,567,672	47,347	108,315	(40,329)	79,240	10,239,499	6,755,227

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	General Reserve \$	Machinery Replacement Reserve \$	Industrial Park Reserve \$	Building Reserve \$	Fire Equipment Reserve \$	Capital Levy Reserve \$
FINANCIAL ASSETS						
Cash and temporary investments	-	-	-	-	326,985	-
Due from other funds	2,758,596	690,844	542,042	858,207	275,926	37,110
	<u>2,758,596</u>	<u>690,844</u>	<u>542,042</u>	<u>858,207</u>	<u>602,911</u>	<u>37,110</u>
LIABILITIES						
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUE						
Investment revenue	37,424	12,776	6,359	12,106	12,067	1,810
Other revenue	-	-	-	-	14,052	-
	<u>37,424</u>	<u>12,776</u>	<u>6,359</u>	<u>12,106</u>	<u>26,119</u>	<u>1,810</u>
TRANSFERS						
Transfers from (to) operating fund	(519,728)	73,449	(161,635)	(134,000)	(40,000)	(25,918)
CHANGE IN FUND BALANCES						
	557,152	(60,673)	167,994	146,106	66,119	27,728
FUND SURPLUS, BEGINNING OF YEAR						
	<u>2,201,444</u>	<u>751,517</u>	<u>374,048</u>	<u>712,101</u>	<u>536,792</u>	<u>9,382</u>
FUND SURPLUS, END OF YEAR						
	<u>2,758,596</u>	<u>690,844</u>	<u>542,042</u>	<u>858,207</u>	<u>602,911</u>	<u>37,110</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	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	92	94	1,396,673	663,893	1,639,848	-
	<u>92</u>	<u>94</u>	<u>1,396,673</u>	<u>663,893</u>	<u>1,639,848</u>	<u>-</u>
LIABILITIES						
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUE						
Investment revenue	2	2	20,087	10,748	15,699	-
Other revenue	-	-	-	-	-	-
	<u>2</u>	<u>2</u>	<u>20,087</u>	<u>10,748</u>	<u>15,699</u>	<u>-</u>
TRANSFERS						
Transfers from (to) operating fund	-	-	(195,000)	(20,887)	(700,650)	-
	<u>-</u>	<u>-</u>	<u>(195,000)</u>	<u>(20,887)</u>	<u>(700,650)</u>	<u>-</u>
CHANGE IN FUND BALANCES	2	2	215,087	31,635	716,349	-
FUND SURPLUS, BEGINNING OF YEAR	90	92	1,181,586	632,258	923,499	-
	<u>90</u>	<u>92</u>	<u>1,181,586</u>	<u>632,258</u>	<u>923,499</u>	<u>-</u>
FUND SURPLUS, END OF YEAR	92	94	1,396,673	663,893	1,639,848	-
	<u>92</u>	<u>94</u>	<u>1,396,673</u>	<u>663,893</u>	<u>1,639,848</u>	<u>-</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	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	-	1,381,442	-	-	-	-
Due from other funds	11,678	-	8,081	298,565	101,461	26,329
	<u>11,678</u>	<u>1,381,442</u>	<u>8,081</u>	<u>298,565</u>	<u>101,461</u>	<u>26,329</u>
LIABILITIES						
Deferred revenue	-	1,381,442	-	-	-	-
Due to other funds	-	-	-	-	-	-
	<u>-</u>	<u>1,381,442</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUE						
Investment revenue	195	-	135	4,991	1,696	440
Other revenue	-	-	-	-	-	-
	<u>195</u>	<u>-</u>	<u>135</u>	<u>4,991</u>	<u>1,696</u>	<u>440</u>
TRANSFERS						
Transfers from (to) operating fund	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN FUND BALANCES	195	-	135	4,991	1,696	440
FUND SURPLUS, BEGINNING OF YEAR	11,483	-	7,946	293,574	99,765	25,889
FUND SURPLUS, END OF YEAR	11,678	-	8,081	298,565	101,461	26,329

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	Pelican Beach Reserve \$	Multiplex Reserve \$	2018 Actual \$	2017 Actual \$
FINANCIAL ASSETS				
Cash and temporary investments	-	-	1,708,427	1,659,566
Due from other funds	8,753	627,688	9,945,880	8,041,857
	<u>8,753</u>	<u>627,688</u>	<u>11,654,307</u>	<u>9,701,423</u>
LIABILITIES				
Deferred revenue	-	-	1,381,442	1,354,773
Due to other funds	-	576,577	576,577	511,250
	<u>-</u>	<u>576,577</u>	<u>1,958,019</u>	<u>1,866,023</u>
REVENUE				
Investment revenue	146	1,111	137,794	103,609
Other revenue	-	-	14,052	22,701
	<u>146</u>	<u>1,111</u>	<u>151,846</u>	<u>126,310</u>
TRANSFERS				
Transfers from (to) operating fund	-	15,327	(1,709,042)	122,030
	<u>-</u>	<u>15,327</u>	<u>(1,709,042)</u>	<u>122,030</u>
CHANGE IN FUND BALANCES	146	(14,216)	1,860,888	4,280
FUND SURPLUS, BEGINNING OF YEAR	8,607	65,327	7,835,400	7,831,120
	<u>8,607</u>	<u>65,327</u>	<u>7,835,400</u>	<u>7,831,120</u>
FUND SURPLUS, END OF YEAR	8,753	51,111	9,696,288	7,835,400
	<u>8,753</u>	<u>51,111</u>	<u>9,696,288</u>	<u>7,835,400</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2018

	LUD of Gimli	Pelican Beach	Industrial Park	Regional Sewer System	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$
FINANCIAL ASSETS						
Accounts receivable <i>(note 3)</i>	69,535	3,403	538,118	2,983,869	3,594,925	2,755,736
Due from other funds	3,162,285	377,476	1,202,383	5,822,484	10,564,628	8,758,496
	<u>3,231,820</u>	<u>380,879</u>	<u>1,740,501</u>	<u>8,806,353</u>	<u>14,159,553</u>	<u>11,514,232</u>
LIABILITIES						
Accounts payable and accrued liabilities <i>(note 6)</i>	3,210	284	532,340	947,411	1,483,245	684,301
Long-term debt <i>(note 8)</i>	-	29,482	207,345	12,187,123	12,423,950	13,136,499
Due to other funds	2,956,963	534,093	3,720,490	9,514,457	16,726,003	11,089,123
	<u>2,960,173</u>	<u>563,859</u>	<u>4,460,175</u>	<u>22,648,991</u>	<u>30,633,198</u>	<u>24,909,923</u>
NON-FINANCIAL ASSETS						
Tangible capital assets <i>(schedule 1)</i>	473,740	813,182	8,594,430	40,372,494	50,253,846	38,990,210
Inventories	177,313	-	-	69,898	247,211	248,375
	<u>651,053</u>	<u>813,182</u>	<u>8,594,430</u>	<u>40,442,392</u>	<u>50,501,057</u>	<u>39,238,585</u>
FUND SURPLUS	<u>922,700</u>	<u>630,202</u>	<u>5,874,756</u>	<u>26,599,754</u>	<u>34,027,412</u>	<u>25,842,894</u>

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2018

Schedule 8

	LUD OF GIMLI UTILITY		
	2018	2018	2017
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>395,000</u>	<u>358,452</u>	<u>389,529</u>
OTHER REVENUE			
Hydrant rentals	5,000	5,000	5,000
Penalties	2,000	1,926	1,850
Other income	2,500	2,880	2,435
	<u>9,500</u>	<u>9,806</u>	<u>9,285</u>
TOTAL REVENUE	<u>404,500</u>	<u>368,258</u>	<u>398,814</u>
EXPENSES			
WATER			
Purification and treatment	235,385	208,831	218,898
Transportation services	115,000	22,238	11,553
	<u>350,385</u>	<u>231,069</u>	<u>230,451</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>24,500</u>	<u>24,415</u>	<u>24,416</u>
SEWER			
Collection system costs	<u>-</u>	<u>-</u>	<u>563</u>
TOTAL EXPENSES	<u>374,885</u>	<u>255,484</u>	<u>255,430</u>
EXCESS OF REVENUE OVER EXPENSES	29,615	112,774	143,384
FUND SURPLUS, BEGINNING OF YEAR	<u>809,926</u>	<u>809,926</u>	<u>666,542</u>
FUND SURPLUS, END OF YEAR	<u>839,541</u>	<u>922,700</u>	<u>809,926</u>

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 8

For the Year Ended December 31, 2018

	PELICAN BEACH UTILITY		
	2018 Budget \$	2018 Actual \$	2017 Actual \$
REVENUE			
WATER			
Water fees	<u>34,000</u>	<u>31,284</u>	<u>32,384</u>
PROPERTY TAXES	<u>31,768</u>	<u>31,768</u>	<u>31,768</u>
OTHER REVENUE			
Connection charges	1,000	720	720
Penalties	200	141	138
Other income	<u>1,500</u>	<u>-</u>	<u>-</u>
	<u>2,700</u>	<u>861</u>	<u>858</u>
TOTAL REVENUE	<u>68,468</u>	<u>63,913</u>	<u>65,010</u>
EXPENSES			
GENERAL			
Administration	<u>7,024</u>	<u>7,024</u>	<u>6,230</u>
WATER			
Transmission and distribution	21,676	15,055	19,621
Transportation services	<u>6,000</u>	<u>-</u>	<u>-</u>
	<u>27,676</u>	<u>15,055</u>	<u>19,621</u>
WATER AMORTIZATION AND INTEREST			
Amortization	28,100	28,091	28,485
Interest on long-term debt	<u>4,500</u>	<u>4,405</u>	<u>6,373</u>
	<u>32,600</u>	<u>32,496</u>	<u>34,858</u>
TOTAL EXPENSES	<u>67,300</u>	<u>54,575</u>	<u>60,709</u>
EXCESS OF REVENUE OVER EXPENSES	1,168	9,338	4,301
FUND SURPLUS, BEGINNING OF YEAR	<u>620,864</u>	<u>620,864</u>	<u>616,563</u>
FUND SURPLUS, END OF YEAR	<u>622,032</u>	<u>630,202</u>	<u>620,864</u>

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 8

For the Year Ended December 31, 2018

	INDUSTRIAL PARK UTILITY		
	2018	2018	2017
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>116,000</u>	<u>107,831</u>	112,395
PROPERTY TAXES			
	<u>5,600</u>	<u>5,600</u>	5,600
GOVERNMENT TRANSFERS			
Capital	<u>-</u>	<u>3,086,486</u>	2,324,726
OTHER REVENUE			
Hydrant rentals	5,000	5,000	5,000
Penalties	1,000	661	744
Other income	300	14,576	-
	<u>6,300</u>	<u>20,237</u>	5,744
TOTAL REVENUE	<u>127,900</u>	<u>3,220,154</u>	2,448,465
EXPENSES			
GENERAL			
Administration	<u>3,563</u>	<u>3,563</u>	3,560
WATER			
Purification and treatment	33,237	4,908	6,314
Transmission and distribution	50,000	44,826	27,156
Transportation services	32,100	11,113	6,489
	<u>115,337</u>	<u>60,847</u>	39,959
WATER AMORTIZATION AND INTEREST			
Amortization	22,600	22,581	22,581
Interest on long-term debt	1,600	1,603	2,226
	<u>24,200</u>	<u>24,184</u>	24,807
TOTAL EXPENSES	<u>143,100</u>	<u>88,594</u>	68,326
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(15,200)	3,131,560	2,380,139
FUND SURPLUS, BEGINNING OF YEAR	<u>2,743,196</u>	<u>2,743,196</u>	363,057
FUND SURPLUS, END OF YEAR	<u>2,727,996</u>	<u>5,874,756</u>	2,743,196

RURAL MUNICIPALITY OF GIMLI
SCHEDULE OF UTILITY OPERATIONS

Schedule 8

For the Year Ended December 31, 2018

	REGIONAL SEWER SYSTEM UTILITY		
	2018 Budget \$	2018 Actual \$	2017 Actual \$
REVENUE			
SEWER			
Sewer fees	<u>1,472,129</u>	<u>1,447,634</u>	<u>2,939,861</u>
PROPERTY TAXES	<u>1,251,223</u>	<u>1,251,223</u>	<u>1,251,223</u>
GOVERNMENT TRANSFERS			
Capital	<u>-</u>	<u>4,648,482</u>	<u>1,069,206</u>
OTHER REVENUE			
Connection charges	-	9,000	-
Penalties	5,500	3,901	4,652
Other income	1,000	-	-
	<u>6,500</u>	<u>12,901</u>	<u>4,652</u>
TOTAL REVENUE	<u>2,729,852</u>	<u>7,360,240</u>	<u>5,264,942</u>
EXPENSES			
SEWER			
Collection system costs	1,192,000	1,014,567	770,478
Treatment and disposal costs	12,000	-	-
Transportation services	15,000	227	-
	<u>1,219,000</u>	<u>1,014,794</u>	<u>770,478</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	745,000	744,973	745,120
Interest on long-term debt	670,000	669,627	717,526
	<u>1,415,000</u>	<u>1,414,600</u>	<u>1,462,646</u>
TOTAL EXPENSES	<u>2,634,000</u>	<u>2,429,394</u>	<u>2,233,124</u>
EXCESS OF REVENUE OVER EXPENSES	95,852	4,930,846	3,031,818
FUND SURPLUS, BEGINNING OF YEAR	<u>21,668,908</u>	<u>21,668,908</u>	<u>18,637,090</u>
FUND SURPLUS, END OF YEAR	<u>21,764,760</u>	<u>26,599,754</u>	<u>21,668,908</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2018

	Financial Plan General \$	Financial Plan Utilities \$	Amortization (TCA) \$	Interest Expense \$	Transfers \$	Long Term Accruals \$	Consolidated Entities \$	Government Partnerships \$	PSAB Budget \$
REVENUE									
Property taxes	8,351,812	-	-	-	-	-	-	-	8,351,812
Grants in lieu of taxation	114,427	-	-	-	-	-	-	-	114,427
User fees	1,208,250	-	-	-	-	-	932,750	155,826	2,296,826
Grants - Province of Manitoba	926,672	-	-	-	-	-	-	93,373	1,020,045
Grants - Other	315,666	-	-	-	-	-	-	63,063	378,729
Permits, licences and fees	103,110	-	-	-	-	-	-	-	103,110
Investment revenue	35,000	-	-	-	-	-	-	-	35,000
Other revenue	320,424	-	-	-	-	-	-	-	320,424
Transfers	(50,000)	-	-	-	50,000	-	-	-	-
Water and sewer	(1,288,591)	3,330,720	-	-	-	-	-	-	2,042,129
	10,036,770	3,330,720	-	-	50,000	-	932,750	312,262	14,662,502
EXPENSES									
General government services	1,399,446	-	31,400	10,650	3,998	-	-	-	1,445,494
Protective services	926,658	-	90,800	62,000	-	-	-	-	1,079,458
Transportation services	3,567,588	-	699,200	13,250	-	-	-	57,232	4,337,270
Environmental health services	783,681	-	90,700	-	-	-	-	-	874,381
Public health and welfare services	89,908	-	-	-	-	-	-	-	89,908
Regional planning and development	132,093	-	-	-	-	-	-	149,608	281,701
Resource conservation and industrial development	213,017	-	400	-	-	-	838,750	-	1,052,167
Recreation and cultural services	1,701,466	-	168,100	-	-	-	-	92,653	1,962,219
Fiscal services	336,451	1,387,356	-	-	(1,723,807)	-	-	-	-
Transfers	847,966	219,400	-	-	(1,067,366)	-	-	-	-
Water and sewer	-	1,722,985	820,200	676,100	-	-	-	-	3,219,285
	9,998,274	3,329,741	1,900,800	762,000	(2,787,175)	-	838,750	299,493	14,341,883
SURPLUS (DEFICIT)	38,496	979	(1,900,800)	(762,000)	2,837,175	-	94,000	12,769	320,619

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2018

	2018 Actual \$	2017 Actual \$
BALANCE, BEGINNING OF YEAR	<u>1,264,507</u>	<u>1,121,889</u>
Add:		
Tax Levy (<i>schedule 11</i>)	14,466,677	14,075,523
Taxes added	219,199	297,612
Penalties and interest	157,633	143,204
Other Accounts Added	<u>157,315</u>	<u>159,576</u>
Sub-total	<u>16,265,331</u>	<u>15,797,804</u>
Deduct:		
Cash collections - current	12,522,169	12,275,806
Cash collections - arrears	913,944	763,336
Cancellations	38,191	23,001
Tax discounts	-	-
M.P.T.C. - cash advance	<u>1,448,068</u>	<u>1,471,154</u>
Sub-total	<u>14,922,372</u>	<u>14,533,297</u>
BALANCE, END OF YEAR	<u><u>1,342,959</u></u>	<u><u>1,264,507</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2018

	Assessment	2018 Mill Rate	Levy	2017 Levy
Debt Charges:				
Frontage (note 9)			446,960	453,476
L.I.D. (note 10)			336,356	336,324
At large (note 11)			738,904	738,782
			<u>1,522,220</u>	<u>1,528,582</u>
Reserves:				
Reserve (note 12)			<u>152,863</u>	<u>153,083</u>
Other municipal levies:				
General municipal	509,543,350	12.571	<u>6,405,467</u>	<u>6,183,018</u>
Business tax (rate 1.36%)			136,262	132,992
Total municipal taxes (schedule 2)			<u>8,216,812</u>	<u>7,997,675</u>
Education Support Levy	81,163,970	9.770	792,972	826,773
Special levy:				
Evergreen School Division	500,253,320	10.909	<u>5,456,893</u>	<u>5,251,075</u>
Total education taxes			<u>6,249,865</u>	<u>6,077,848</u>
Total tax levy (schedule 10)			<u>14,466,677</u>	<u>14,075,523</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	2018 Budget \$	2018 Actual \$	2017 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	203,500	185,263	182,390
General administrative	1,241,994	1,044,388	1,039,354
	<u>1,445,494</u>	<u>1,229,651</u>	<u>1,221,744</u>
PROTECTIVE SERVICES			
Police	487,846	441,334	477,780
Fire	513,612	553,954	550,909
Other protective services	46,400	38,896	35,156
By-law enforcement	31,600	14,855	23,166
	<u>1,079,458</u>	<u>1,049,039</u>	<u>1,087,011</u>
TRANSPORTATION SERVICES			
Road transport			
Road and street maintenance	4,070,643	3,751,339	4,205,424
Air transport	145,956	111,272	140,574
Public transit	63,439	63,966	64,494
	<u>4,280,038</u>	<u>3,926,577</u>	<u>4,410,492</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	420,440	415,287	285,273
Recycling	235,000	239,967	235,000
Lagoons and wells	218,941	196,049	170,497
	<u>874,381</u>	<u>851,303</u>	<u>690,770</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Public health	18,600	18,600	50,929
Social assistance	71,308	71,760	71,611
	<u>89,908</u>	<u>90,360</u>	<u>122,540</u>
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	132,093	99,258	99,346
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	61,461	57,204	57,356
Water resources and conservation	18,339	17,839	17,839
Regional development	15,875	13,463	13,700
Industrial development	28,500	28,533	18,394
Tourism	88,242	74,375	65,337
Other	1,000	-	172
	<u>213,417</u>	<u>191,414</u>	<u>172,798</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	2018 Budget \$	2018 Actual \$	2017 Actual \$
RECREATION AND CULTURAL SERVICES			
Administration	34,868	29,386	27,077
Community centers and halls	68,650	61,230	59,009
Swimming pools and beaches	368,059	258,359	82,712
Skating and curling rinks	1,199,737	1,113,713	1,197,893
Parks and playgrounds	83,855	73,402	67,489
Libraries	74,955	71,422	65,278
Other cultural facilities	39,442	39,442	38,687
	<u>1,869,566</u>	<u>1,646,954</u>	<u>1,538,145</u>
TOTAL EXPENSES	<u><u>9,984,355</u></u>	<u><u>9,084,556</u></u>	<u><u>9,342,846</u></u>

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2018

						2018	2017
	General	LUD of	Pelican	Industrial	Regional	Total	Total
	\$	Gimli	Beach	Park	Sewer	\$	\$
		\$	\$	\$	System		
					\$		\$
CONSOLIDATED ANNUAL SURPLUS							
<i>(statement 2)</i>	2,054,981	112,774	9,338	3,131,560	4,930,846	10,239,499	6,755,227
Elimination of appropriations from reserves	88,776	-	-	-	-	88,776	1,282,535
Elimination of appropriations to reserves	(1,797,818)	-	-	-	-	(1,797,818)	(1,160,505)
Consolidation of reserve operations	(151,846)	-	-	-	-	(151,846)	(151,549)
Elimination of consolidated entity operations	(7,018)	-	-	-	-	(7,018)	(187,555)
Elimination of nominal surplus transfers	-	-	-	-	-	-	220,000
Amortization of tangible capital assets	1,079,414	24,415	28,091	22,581	744,973	1,899,474	1,835,690
Principal portion of long term debt	(159,919)	-	(27,362)	(48,270)	(636,917)	(872,468)	(831,663)
Proceeds on disposal of assets	121,500	-	-	-	-	121,500	141,407
Loss (gain) on disposal of assets	(50,550)	-	-	-	-	(50,550)	(100,057)
Change in unexpended pool funds	-	-	-	-	-	-	25,239
Acquisitions of capital assets from operating funds	(853,010)	-	-	-	-	(853,010)	(6,853,953)
ESTIMATED EXCESS OF REVENUES AND TRANSFERS OVER EXPEDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	324,510	137,189	10,067	3,105,871	5,038,902	8,616,539	974,816

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REID & MILLER

CHARTERED PROFESSIONAL ACCOUNTANTS INC