

TOWN OF STE. ANNE

**Consolidated Financial Statements
For the Year Ended December 31, 2017**

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Ste. Anne 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 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.

Council of the Town met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Exchange Chartered Professional Accountants LLP as the Town's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Town in accordance with Canadian public sector accounting standards.

Marc Darker

Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the
Town of Ste. Anne

We have audited the accompanying consolidated financial statements of the Town of Ste. Anne, which comprise the Consolidated Statement of Financial Position as at December 31, 2017 and the Consolidated Statements of Operations and Accumulated Surplus, Change in Net Financial Assets and Cash Flows for the year ended December 31, 2017, 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 consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of 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 circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Ste. Anne as at December 31, 2017, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2017 in accordance with Canadian Public Sector Accounting Standards.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
November 23, 2018

TOWN OF STE. ANNE

Consolidated Financial Statements

For the Year Ended December 31, 2017

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TOWN OF STE. ANNE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2017

	<u>2017</u>	<u>2016</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 1,912,113	\$ 1,898,928
Amounts receivable (Note 4)	919,346	796,071
Portfolio investments (Note 5)	<u>2,645</u>	<u>2,645</u>
	<u>\$ 2,834,104</u>	<u>\$ 2,697,644</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 445,945	\$ 404,531
Long-term debt (Note 7)	3,000,268	2,691,430
Obligations under capital lease (Note 8)	<u>508,059</u>	<u>-</u>
	<u>3,954,272</u>	<u>3,095,961</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (1,120,168)</u>	<u>\$ (398,317)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 9,260,893	\$ 7,846,391
Prepaid expenses	<u>56,127</u>	<u>48,247</u>
	<u>9,317,020</u>	<u>7,894,638</u>
ACCUMULATED SURPLUS (DEFICIT) (Note 14)	<u>\$ 8,196,852</u>	<u>\$ 7,496,321</u>

COMMITMENTS AND CONTINGENCIES (NOTES 9 AND 10)

Approved on behalf of Council:

Mayor/Reeve

Councillor

The accompanying notes are an integral part of this financial statement

TOWN OF STE. ANNE
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2017

	<u>2017 Budget (Note 13)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
REVENUE			
Property taxes	\$ 1,747,372	\$ 1,803,308	\$ 1,715,021
Grants in lieu of taxation	32,080	32,127	31,939
User fees	424,709	528,480	500,593
Permits, licences and fines	166,126	142,765	142,059
Investment income	9,600	25,461	26,981
Other revenue	119,947	156,790	232,957
Water and sewer	3,143	55,342	174,292
Grants - Province of Manitoba	618,081	814,386	891,647
Grants - other	228,700	245,007	452,807
Total revenue (Schedules 2, 4 and 5)	<u>3,349,758</u>	<u>3,803,666</u>	<u>4,168,296</u>
EXPENSES			
General government services	618,992	663,151	512,105
Protective services	791,846	765,015	766,054
Transportation services	635,091	557,062	580,396
Environmental health services	205,000	189,664	160,523
Public health and welfare services	2,200	2,195	2,195
Regional planning and development	1,500	791	51,483
Resource conservation and industrial development	349,537	236,653	212,721
Recreation and cultural services	467,828	498,460	541,620
Water and sewer services	182,664	190,144	126,375
Total expenses (Schedules 3, 4 and 5)	<u>3,103,135</u>	<u>3,103,135</u>	<u>2,953,472</u>
ANNUAL SURPLUS (DEFICIT)	<u><u>\$ 3,349,758</u></u>	<u>700,531</u>	<u>1,214,824</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>7,496,321</u>	<u>6,281,497</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 8,196,852</u></u>	<u><u>\$ 7,496,321</u></u>

The accompanying notes are an integral part of this financial statement

TOWN OF STE. ANNE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2017

	<u>2017 Budget (Note 13)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ 3,349,758	\$ 700,531	\$ 1,214,824
Acquisition of tangible capital assets	(1,185,980)	(1,815,234)	(1,406,825)
Amortization of tangible capital assets	356,101	378,551	314,336
Loss (Gain) on sale of tangible capital assets	-	(13,420)	(122,635)
Proceeds on sale of tangible capital assets	-	35,601	132,410
Decrease (increase) in inventories	-	-	-
Decrease (increase) in prepaid expense	-	(7,880)	3,265
	<u>(829,879)</u>	<u>(1,422,382)</u>	<u>(1,079,449)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ 2,519,879</u>	(721,851)	135,375
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR		<u>(398,317)</u>	<u>(533,692)</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR		<u>\$ (1,120,168)</u>	<u>\$ (398,317)</u>

The accompanying notes are an integral part of this financial statement

TOWN OF STE. ANNE
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 700,531	\$ 1,214,824
Changes in non-cash items:		
Amounts receivable	(123,275)	173,544
Inventories	-	-
Prepays	(7,880)	3,265
Accounts payable and accrued liabilities	41,414	(86,543)
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	(13,420)	(122,635)
Amortization	378,551	314,336
	<u>975,921</u>	<u>1,496,791</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	35,601	132,410
Cash used to acquire tangible capital assets	(1,815,234)	(1,406,825)
	<u>(1,779,633)</u>	<u>(1,274,415)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
	<u>-</u>	<u>-</u>
Cash applied to investing transactions	-	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	513,129	-
Debt repayment	(204,291)	(194,645)
Obligation under capital lease	546,869	-
Repayment of obligation under capital lease	(38,810)	-
	<u>816,897</u>	<u>(194,645)</u>
Cash applied to financing transactions	-	-
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	13,185	27,731
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>1,898,928</u>	<u>1,871,197</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 1,912,113</u></u>	<u><u>\$ 1,898,928</u></u>

The accompanying notes are an integral part of this financial statement

TOWN OF STE. ANNE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

1. Town of Ste. Anne

The incorporated Town of Ste. Anne is a municipal government that was created in 1963 pursuant to the Manitoba Municipal Act. The Town provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Town owns one utility, 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 public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

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

Sainte-Anne Community Development Corporation
Bibliothèque Sainte-Anne Library
Sainte-Anne Sport & Recreation

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 Town are not consolidated in these financial statements. The trust funds administered by the Town 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) 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.

f) 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 Town does not capitalize internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Town, forests, water, and other natural resources are not recognized as tangible capital assets.

g) 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.

h) 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.

i) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2016</u>	<u>2015</u>
Cash	\$ 1,912,113	\$ 1,898,928
Temporary investments	-	-
	<u>\$ 1,912,113</u>	<u>\$ 1,898,928</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$1,823,941 (2016 \$1,743,277) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2017</u>	<u>2016</u>
Taxes on roll (Schedule 11)	\$ 345,006	\$ 277,770
Government grants	447,447	397,794
Utility customers	-	-
Accrued interest	-	-
Organizations and individuals	131,447	124,688
Other governments	-	-
	<u>923,900</u>	<u>800,252</u>
Less allowances for doubtful amounts	<u>(4,554)</u>	<u>(4,181)</u>
	<u>\$ 919,346</u>	<u>\$ 796,071</u>

5. Portfolio Investments

	<u>2017</u>	<u>2016</u>
Other investments	<u>\$ 2,645</u>	<u>\$ 2,645</u>

6. Accounts Payable and Accrued Liabilities

	<u>2017</u>	<u>2016</u>
Accounts payable	\$ 167,562	\$ 218,695
Accrued expenses	217,898	160,872
Accrued interest payable	2,309	2,309
School levies	58,176	22,655
Other governments	-	-
	<u>\$ 445,945</u>	<u>\$ 404,531</u>

7. Long Term Debt

	<u>2017</u>	<u>2016</u>
General Authority:		
Debenture for fire truck, By-Law 11-2008, interest at 5.375%, payable at \$11,736 annually including interest, maturing December 2018	\$ 11,138	\$ 21,708
Debenture for Local Improvement, Lafrenière Bridge, By-Law 13-2004, interest at 6.25%, payable at \$44,477 annually including interest, maturing December 2019	81,258	118,339
Debenture for Local Improvement, Gagnier Bay, By-Law 1-2006, interest at 5.375%, payable at \$12,127 annually including interest, maturing December 2020	32,795	42,630
Debenture for Local Improvement, Chaput Cove, By-Law 2-2008, interest at 5.5%, payable at \$1,594 annually including interest, maturing December 2022	6,807	7,963
Debenture for Arena Expansion, By-Law 12-2004, interest at 6.375%, payable at \$35,943 annually including interest, maturing December 2024	198,027	219,950
Debenture for LUD Perreault Street, By-Law 1-2009, interest at 6.0%, payable at \$4,458 annually including interest, maturing December 2028	35,157	37,372
Debenture for Local Improvement, By-Law 15-2012, interest at 4.0%, payable at \$4,880 annually including interest, maturing December 31, 2027	39,585	42,755
Debenture for Local Improvement, By-Law 16-2014, interest at 4.0%, payable at \$20,507 annually including interest, maturing December 31, 2027	192,456	204,771
Debenture for Local Improvement, By-Law 16-2017, interest at 2.875%, payable at \$25,000 annually including interest, maturing December 31, 2019	47,924	-
Debenture for Local Improvement, By-Law 7-2015, interest at 3.625%, payable at \$28,470 annually including interest, maturing December 31, 2030	291,018	308,312
Debenture for Local Improvement, Ayson Place, By-Law 18-2012, interest at 4.0%, payable at \$1,265 annually including interest, maturing December 31, 2027	10,264	11,086
	<u>\$ 946,429</u>	<u>\$ 1,014,886</u>
Utility Funds:		
Debenture for Lagoon land, By-Law 10-2017, interest at 4.0%, payable at \$46,151 annually including interest, maturing August 31, 2032	513,129	-
Debenture for Sewer Upgrades, By-Law 12-2011, interest at 4.5%, payable at \$15,104 annually including interest, maturing December 31, 2026	109,787	119,513
	<u>\$ 622,916</u>	<u>\$ 119,513</u>
Controlled Entities:		
Bank term loan, interest at 4.05%, repayable in monthly blended payments of \$11,650, maturing January 2, 2021, secured by 30 Dawson Road and a general security agreement	\$ 1,478,847	\$ 1,557,031
less debentures owned by the Town	<u>(47,924)</u>	
	<u>\$ 3,000,268</u>	<u>\$ 2,691,430</u>

Principal payments required in each of the next five years are as follows:

2018	\$ 1,711,276
2019	\$ 163,560
2020	\$ 160,155
2021	\$ 123,626
2022	\$ 114,467

8. Obligation Under Capital Lease

Future minimum lease payments under the capital lease together with the obligation due under the capital lease are as follows:

	<u>2017</u>	<u>2016</u>
2018	\$ 88,589	\$ -
2019	\$ 88,589	-
2020	\$ 88,589	-
2021	\$ 88,589	-
2022	\$ 198,307	-
Remainder of lease	-	-
Total minimum lease payments	\$ 552,663	\$ -
Less amount representing future interest at rates of 11.8% to 4.45%	<u>44,604</u>	-
Balance of obligation	<u>\$ 508,059</u>	<u>\$ -</u>

Interest expense includes \$7,902 (2016 - \$-) with respect to this obligation.

Assets under capital lease includes vehicles, machinery and road construction equipment.

	<u>2017</u>	<u>2016</u>
Cost of leased tangible capital asset(s)	\$ 531,977	\$ -
Accumulated amortization of leased tangible capital asset(s)	<u>(22,040)</u>	-
	<u>\$ 509,937</u>	<u>\$ -</u>

Amortization expense includes \$22,040 (2016 - \$-) on leased tangible capital assets.

9. Commitments

The Town has committed \$25,000 annually for the financial assistance towards the 24 unit Supportive Housing Complex of Villa Youville for the next 11 years.

The Town has committed \$60,000 annually for the Ste. Anne Hospital expansion for the next 5 years.

The Town has negotiated a long-term contract with Bristol Hauling for handling and disposal of garbage. The contract ends January 31, 2019. Annual charges under the contract are determined by reference to certain waste volumes handled.

10. Contingencies

Lawsuits have been filed against the Town for incidents which arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcome of the lawsuits, now pending, is not determinable. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

The City has unconditionally guaranteed the payment of principal and interest on capital improvement loan for a local organization. The outstanding balance on this loan as at December 31, 2017 is \$134,504. The Town paid the 2017 payment of \$19,500 on behalf of the organization.

11. Retirement Benefits

The majority of the employees of the Town 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 are expected to be **\$57,801** (2016 - \$50,999) and are included in the statement of operations.

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

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

12. Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town 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.

13. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Town 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.

14. Accumulated Surplus

	<u>2017</u>	<u>2016</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 288,433	\$ 292,448
Utility operating fund(s) - Nominal surplus	115,164	155,597
TCA net of related borrowings	5,641,849	5,061,884
Reserve funds	<u>1,823,941</u>	<u>1,743,277</u>
Accumulated surplus of Town unconsolidated	7,869,387	7,253,206
Accumulated surpluses of consolidated entities	<u>327,465</u>	<u>243,115</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 8,196,852</u>	<u>\$ 7,496,321</u>

15. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Town. For the year ended December 31, 2017:

- a) Compensation paid to members of council amounted to \$31,545 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Richard Pelletier	\$ 9,450	\$ -	\$ 9,450
Councillor - Yvan St. Vincent	7,650	-	7,650
Councillor - Wayne Setlack	7,600	-	7,600
Councillor - Ginette Gagnon	7,650	-	7,650
Councillor - Maranda Lanouette	7,650	-	7,650
	-	-	-
	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ 40,000</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Marc Robichaud</i>	<i>Chief of Police</i>	\$ 86,207
<i>Nicole Champagne</i>	<i>Chief Administrative Officer</i>	\$ 65,910
<i>Marc Darker</i>	<i>Chief Administrative Officer</i>	\$ 73,545
<i>Roger Pelland</i>	<i>Foreman</i>	\$ 55,780
<i>Kyle Isenor</i>	<i>Police Sargent</i>	\$ 77,245
<i>Jaqueline Lawford</i>	<i>Police Constable</i>	\$ 50,900
<i>Genevieve Gingras</i>	<i>Finance Officer</i>	\$ 63,817

16. Trust Funds

The Town of Ste. Anne administers the following trust:

	Balance, beg. of the year	Excess of Receipts over Disbursements	Balance, end of the year
<i>Martin Courcelles</i>	\$ 5,234	\$ 77	\$ 5,311
<i>Heritage</i>	\$ 14,220	\$ 585	\$ 14,805
<i>Lagoon</i>	\$ 1,839	\$ 18	\$ 1,857
	<u>\$ 21,293</u>	<u>\$ 680</u>	<u>\$ 21,973</u>

17. Segmented Information

The Town of Ste. Anne 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.

19. Public Utilities 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 Town 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 Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Utility #1	\$ 619,202	\$ 18,212	\$ 28,695	\$ 608,719

20. Subsequent Event

Subsequent to the year end, the debt guaranteed by the Town as described in Note 10 has become the responsibility of the Town, pursuant to its guarantee. The Town is determining the appropriate treatment for the loan.

TOWN OF STE. ANNE
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2017

SCHEDULE 1

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2017	2016
Cost										
Opening costs	\$ 1,074,355	\$ 4,938,608	\$ 892,460	\$ 171,546	\$ 36,894	\$ 4,072,793	\$ 2,081,752	\$ -	\$ 13,268,408	\$ 11,871,356
Additions during the year	183,733	-	677,331	-	-	409,987	507,759	36,424	1,815,234	1,406,825
Transfer during the year	-	-	-	-	(36,894)	36,894	-	-	-	-
Disposals and write downs	-	-	(61,968)	-	-	-	-	-	(61,968)	(9,773)
Closing costs	1,258,088	4,938,608	1,507,823	171,546	-	4,519,674	2,589,511	36,424	15,021,674	13,268,408
Accumulated Amortization										
Opening accum'd amortization	6,458	2,438,483	327,923	91,056	-	1,909,874	648,223	-	5,422,017	5,107,681
Amortization	13,200	137,397	74,920	6,633	-	112,838	33,563	-	378,551	314,336
Disposals and write downs	-	-	(39,787)	-	-	-	-	-	(39,787)	-
Closing accum'd amortization	19,658	2,575,880	363,056	97,689	-	2,022,712	681,786	-	5,760,781	5,422,017
Net Book Value of Tangible Capital Assets	\$ 1,238,430	\$ 2,362,728	\$ 1,144,767	\$ 73,857	\$ -	\$ 2,496,962	\$ 1,907,725	\$ 36,424	\$ 9,260,893	\$ 7,846,391

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,699,348	\$ 1,651,491
Taxes added	103,960	63,530
	<u>1,803,308</u>	<u>1,715,021</u>
Grants in lieu of taxation:		
Federal government	-	-
Federal government enterprises	-	-
Provincial government	32,127	31,939
Provincial government enterprises	-	-
Other local governments	-	-
Non-government organizations	-	-
	<u>32,127</u>	<u>31,939</u>
User fees		
Parking meters	-	-
Sales of service	204,840	271,410
Sales of goods	-	-
Rentals	213,040	180,483
Development charges	110,600	48,700
Facility use fees	-	-
	<u>528,480</u>	<u>500,593</u>
Permits, licences and fines		
Permits	115,195	106,599
Licences	-	-
Fees	2,925	2,115
Fines	24,645	33,345
	<u>142,765</u>	<u>142,059</u>
Investment income:		
Cash and temporary investments	25,461	26,981
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>25,461</u>	<u>26,981</u>
Other revenue:		
Gain on sale of tangible capital assets	13,420	122,635
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Penalties and interest	46,131	36,511
Miscellaneous (specify):	97,239	73,811
	<u>156,790</u>	<u>232,957</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	55,342	174,292
Consolidated water co-operatives	-	-
	<u>55,342</u>	<u>174,292</u>
Grants - Province of Manitoba		
General assistance payment	351,452	257,937
General support grant	-	-
Municipal program grants	-	28,551
Other unconditional grants	-	-
Conditional grants	462,934	605,159
	<u>814,386</u>	<u>891,647</u>
Grants - other		
Federal government - gas tax funding	88,881	87,815
Federal government - other	-	62,400
Other local governments	156,126	302,592
	<u>245,007</u>	<u>452,807</u>
Total revenue	<u>\$ 3,803,666</u>	<u>\$ 4,168,296</u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
General government services:		
Legislative	\$ 40,439	\$ 39,732
General administrative	423,533	303,706
Other	199,179	168,667
	<u>663,151</u>	<u>512,105</u>
Protective services:		
Police	520,546	507,317
Fire	194,023	194,465
Emergency measures	16,875	8,039
Other	33,571	56,233
	<u>765,015</u>	<u>766,054</u>
Transportation services:		
Road transport		
Administration and engineering	67,890	90,382
Road and street maintenance	449,041	444,694
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	24,271	25,389
Other	15,860	19,931
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>557,062</u>	<u>580,396</u>
Environmental health services:		
Waste collection and disposal	125,558	111,500
Recycling	63,106	48,023
Other	1,000	1,000
	<u>189,664</u>	<u>160,523</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	2,195	2,195
Other	-	-
	<u>2,195</u>	<u>2,195</u>
Regional planning and development		
Planning and zoning	-	18,165
Urban renewal	-	-
Beautification and land rehabilitation	791	33,318
Urban area weed control	-	-
Other	-	-
	<u>791</u>	<u>51,483</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	236,653	212,721
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>236,653</u>	<u>212,721</u>
Sub-totals forward	<u>\$ 2,414,531</u>	<u>\$ 2,285,477</u>

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2017

	<u>2017 Actual</u>	<u>2016 Actual</u>
Sub-totals forward	<u>\$ 2,414,531</u>	<u>\$ 2,285,477</u>
Recreation and cultural services:		
Administration	45,948	-
Community centers and halls	-	-
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	309,344	457,613
Parks and playgrounds	38,653	35,520
Other recreational facilities	-	-
Museums	19	1,175
Libraries	104,496	47,312
Other cultural facilities	-	-
	<u>498,460</u>	<u>541,620</u>
Water and sewer services (Schedule 9)		
Municipal utility(ies) (Schedule 9)	190,144	126,375
Consolidated water co-operatives	-	-
	<u>190,144</u>	<u>126,375</u>
Total expenses	<u><u>\$ 3,103,135</u></u>	<u><u>\$ 2,953,472</u></u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2017

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE										
Property taxes	\$ 1,656,603	\$ 1,569,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	32,127	31,939	-	-	-	-	-	-	-	-
User fees	115,505	49,821	13,032	16,950	1,902	6,169	-	-	-	-
Grants - other	88,881	266,189	135,000	114,000	-	-	-	-	-	-
Permits, licences and fines	118,120	108,714	24,645	33,345	-	-	-	-	-	-
Investment income	25,461	26,981	-	-	-	-	-	-	-	-
Other revenue	96,174	226,468	-	-	13,420	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	351,452	286,488	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	178,550	3,060	14,878	-	137,806	38,727	34,227	57,896	-	12,000
Total revenue	\$ 2,662,873	\$ 2,568,838	\$ 187,555	\$ 164,295	\$ 153,128	\$ 44,896	\$ 34,227	\$ 57,896	\$ -	\$ 12,000
EXPENSES										
Personnel services	\$ 242,182	\$ 192,510	\$ 497,795	\$ 500,315	\$ 295,256	\$ 306,700	\$ 32,431	\$ 33,726	\$ -	\$ -
Contract services	238,521	156,299	11,803	7,309	26,669	2,081	122,045	100,789	2,195	2,195
Utilities	7,277	6,218	42,725	46,328	27,624	32,125	-	-	-	-
Maintenance materials and supplies	26,362	60,539	138,195	134,405	33,331	92,231	9,960	13,008	-	-
Grants and contributions	94,700	93,469	-	-	-	-	15,136	13,000	-	-
Amortization	315	-	53,963	48,618	159,660	129,715	10,092	-	-	-
Interest on long term debt	-	-	20,534	28,340	14,522	17,544	-	-	-	-
Other	53,794	3,070	-	739	-	-	-	-	-	-
Total expenses	\$ 663,151	\$ 512,105	\$ 765,015	\$ 766,054	\$ 557,062	\$ 580,396	\$ 189,664	\$ 160,523	\$ 2,195	\$ 2,195
Surplus (Deficit)	\$ 1,999,722	\$ 2,056,733	\$ (577,460)	\$ (601,759)	\$ (403,934)	\$ (535,500)	\$ (155,437)	\$ (102,627)	\$ (2,195)	\$ 9,805

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2017

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,705	\$ 145,843	\$ 1,803,308	\$ 1,715,021
Grants in lieu of taxation	-	-	-	-	-	-	-	-	32,127	31,939
User fees	-	-	213,040	180,483	185,001	247,170	-	-	528,480	500,593
Grants - other	-	-	-	-	21,126	72,618	-	-	245,007	452,807
Permits, licences and fines	-	-	-	-	-	-	-	-	142,765	142,059
Investment income	-	-	-	-	-	-	-	-	25,461	26,981
Other revenue	-	-	12,608	6,489	34,588	-	-	-	156,790	232,957
Water and sewer	-	-	-	-	-	-	55,342	174,292	55,342	174,292
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	351,452	286,488
Prov of MB - Conditional Grants	-	-	9,240	-	88,233	493,476	-	-	462,934	605,159
Total revenue	\$ -	\$ -	\$ 234,888	\$ 186,972	\$ 328,948	\$ 813,264	\$ 202,047	\$ 320,135	\$ 3,803,666	\$ 4,168,296
EXPENSES										
Personnel services	\$ -	\$ -	\$ -	\$ -	\$ 149,148	\$ 158,881	\$ 47,678	\$ 30,634	\$ 1,264,490	\$ 1,222,766
Contract services	-	18,165	8,952	88,844	98,466	81,398	58,361	25,028	567,012	482,108
Utilities	-	-	50,419	-	38,055	40,024	-	-	166,100	124,695
Maintenance materials and supplies	791	862	19,077	-	63,750	117,556	36,152	41,521	327,618	460,122
Grants and contributions	-	-	33,616	4,682	60,600	63,222	-	-	204,052	174,373
Amortization	-	-	50,228	50,228	70,730	62,380	33,563	23,395	378,551	314,336
Interest on long term debt	-	-	61,387	64,828	14,020	15,334	14,390	5,797	124,853	131,843
Other	-	32,456	12,974	4,139	3,691	2,825	-	-	70,459	43,229
Total expenses	\$ 791	\$ 51,483	\$ 236,653	\$ 212,721	\$ 498,460	\$ 541,620	\$ 190,144	\$ 126,375	\$ 3,103,135	\$ 2,953,472
Surplus (Deficit)	\$ (791)	\$ (51,483)	\$ (1,765)	\$ (25,749)	\$ (169,512)	\$ 271,644	\$ 11,903	\$ 193,760	\$ 700,531	\$ 1,214,824

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2017

	Core Government		Controlled Entities		Government Partnerships		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE								
Property taxes	\$ 1,803,308	\$ 1,715,021	\$ -	\$ -	\$ -	\$ -	\$ 1,803,308	\$ 1,715,021
Grants in lieu of taxation	32,127	31,939	-	-	-	-	32,127	31,939
User fees	180,249	138,371	348,231	362,222	-	-	528,480	500,593
Grants - other	223,881	423,590	21,126	29,217	-	-	245,007	452,807
Permits, licences and fines	142,765	142,059	-	-	-	-	142,765	142,059
Investment income	25,461	26,981	-	-	-	-	25,461	26,981
Other revenue	109,593	226,468	47,197	6,489	-	-	156,790	232,957
Water and sewer	55,342	174,292	-	-	-	-	55,342	174,292
Prov of MB - Unconditional Grants	351,452	286,488	-	-	-	-	351,452	286,488
Prov of MB - Conditional Grants	439,686	584,838	23,248	20,321	-	-	462,934	605,159
Total revenue	\$ 3,363,864	\$ 3,750,047	\$ 439,802	\$ 418,249	\$ -	\$ -	\$ 3,803,666	\$ 4,168,296
EXPENSES								
Personnel services	\$ 1,221,445	\$ 1,100,096	\$ 43,045	\$ 122,670	\$ -	\$ -	\$ 1,264,490	\$ 1,222,766
Contract services	504,720	430,018	62,292	52,090	-	-	567,012	482,108
Utilities	78,867	98,723	87,233	25,972	-	-	166,100	124,695
Maintenance materials and supplies	295,306	426,490	32,312	33,632	-	-	327,618	460,122
Grants and contributions	204,052	174,373	-	-	-	-	204,052	174,373
Amortization	326,033	263,974	52,518	50,362	-	-	378,551	314,336
Interest on long term debt	63,466	67,015	61,387	64,828	-	-	124,853	131,843
Other	53,794	36,265	16,665	6,964	-	-	70,459	43,229
Total expenses	\$ 2,747,683	\$ 2,596,954	\$ 355,452	\$ 356,518	\$ -	\$ -	\$ 3,103,135	\$ 2,953,472
Surplus (Deficit)	\$ 616,181	\$ 1,153,093	\$ 84,350	\$ 61,731	\$ -	\$ -	\$ 700,531	\$ 1,214,824

TOWN OF STE. ANNE
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2017

SCHEDULE 6

	2017										2016	
	General Reserve	Gas Tax Reserve	Machinery Reserve	Protective Reserve	Sidewalk/Road Reserve	Hydro BipoleIII Reserve	Splash Park Reserve	Museum Reserve	Recreation Reserve	Utility Reserve	Total	Total
REVENUE												
Investment income	\$ 475	\$ 4,384	\$ 3,312	\$ 2,352	\$ 3,312	\$ 1,870	\$ 268	\$ 297	\$ 254	\$ 3,048	\$ 19,572	\$ 15,760
Other income	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	475	4,384	3,312	2,352	3,312	1,870	268	297	254	3,048	19,572	15,760
EXPENSES												
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-	-	-
NET REVENUES	475	4,384	3,312	2,352	3,312	1,870	268	297	254	3,048	19,572	15,760
TRANSFERS												
Transfers from general operating fund	-	88,881	52,710	137,650	52,710	160,473	-	-	-	-	492,424	275,899
Transfers to general operating fund	(45,000)	(214,000)	(98,076)	(6,300)	(98,076)	-	-	-	-	-	(461,452)	(384,195)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	30,120	30,120	14,740
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-	(80,037)
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(44,525)	(120,735)	(42,054)	133,702	(42,054)	162,343	268	297	254	33,168	80,664	(157,833)
FUND SURPLUS, BEGINNING OF YEAR	45,929	444,894	268,184	215,693	268,184	203,628	25,870	54,401	25,328	260,275	1,743,277	1,901,110
FUND SURPLUS, END OF YEAR	\$ 1,404	\$ 324,159	\$ 226,130	\$ 349,395	\$ 226,130	\$ 365,971	\$ 26,138	\$ 54,698	\$ 25,582	\$ 293,443	\$ 1,823,941	\$ 1,743,277

**SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2017**

	<u>2017 Budget</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	<u>\$ -</u>	-	-
Unexpended balance, beginning of year		<u>-</u>	<u>-</u>
Unexpended balance, end of year		<u>\$ -</u>	<u>\$ -</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

As at December 31, 2017

	<u>2017</u>	<u>2016</u>
FINANCIAL ASSETS		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	-	-
Portfolio investments	-	-
Due from other funds	115,164	155,597
	<u>\$ 115,164</u>	<u>\$ 155,597</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ -
Deferred revenue	-	-
Long-term debt (Note7)	622,916	119,513
Due to other funds	-	15,000
	<u>622,916</u>	<u>134,513</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (507,752)</u>	<u>\$ 21,084</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 1,944,149	\$ 1,433,530
Inventories	-	-
Prepaid expenses	-	-
	<u>1,944,149</u>	<u>1,433,530</u>
FUND SURPLUS (DEFICIT)	<u><u>\$ 1,454,614</u></u>	<u><u>\$ 1,454,614</u></u>

COMMITMENTS AND CONTINGENCIES (Notes 9 and 10)

SCHEDULE OF UTILITY OPERATIONS - Name of Utility
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>-</u>	<u>-</u>	<u>-</u>
Property taxes	<u>147,425</u>	<u>146,705</u>	145,843
Government transfers			
Operating	-	-	-
Capital	-	18,212	164,592
sub-total- government transfers	<u>-</u>	<u>18,212</u>	<u>164,592</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	20,000	8,500
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	17,130	1,200
sub-total- other	<u>-</u>	<u>37,130</u>	<u>9,700</u>
Total revenue	<u>\$ 147,425</u>	<u>\$ 202,047</u>	<u>\$ 320,135</u>

TOWN OF STE. ANNE
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Name of Utility
For the Year Ended December 31, 2017

SCHEDULE 9

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
EXPENSES			
General			
Administration	\$ 10,000	\$ 10,000	\$ 10,000
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	131,711	24,030	8,046
Lift Station costs	-	108,161	79,137
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>131,711</u>	<u>132,191</u>	<u>87,183</u>
Sewage Amortization & Interest			
Amortization	-	33,563	23,395
Interest on long term debt	15,104	14,390	5,797
sub-total- sewer amortization & interest	<u>15,104</u>	<u>47,953</u>	<u>29,192</u>
Total expenses	<u>156,815</u>	<u>190,144</u>	<u>126,375</u>
NET OPERATING SURPLUS	(9,390)	11,903	193,760
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	6,390	(30,120)	65,297
CHANGE IN UTILITY FUND BALANCE	<u>\$ (3,000)</u>	<u>(18,217)</u>	259,057
FUND SURPLUS, BEGINNING OF YEAR		<u>1,454,614</u>	<u>1,195,557</u>
FUND SURPLUS, END OF YEAR		<u>\$ 1,436,397</u>	<u>\$ 1,454,614</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2017

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 1,599,947	\$ 147,425					\$ -	\$ 1,747,372
Grants in lieu of taxation	32,080						-	32,080
User fees	76,478						348,231	424,709
Permits, licences and fines	145,000						21,126	166,126
Investment income	9,600						-	9,600
Other revenue	72,750						47,197	119,947
Water and sewer		3,143						3,143
Grants - Province of Manitoba	594,833						23,248	618,081
Grants - other	228,700						-	228,700
Transfers from accumulated surplus								-
Transfers from reserves	522,140	37,000			(559,140)			-
Total revenue	<u>\$ 3,281,528</u>	<u>\$ 187,568</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (559,140)</u>	<u>\$ -</u>	<u>\$ 439,802</u>	<u>\$ 3,349,758</u>
EXPENSES								
General government services	\$ 618,313		\$ 315		\$ 364			\$ 618,992
Protective services	720,349		50,963	20,534				791,846
Transportation services	470,567		150,302	14,222				635,091
Environmental health services	205,000							205,000
Public health and welfare services	2,200							2,200
Regional planning and development	1,500							1,500
Resource cons and industrial dev	73,200		50,228	61,357			164,752	349,537
Recreation and cultural services	192,378		70,730	14,020			190,700	467,828
Water and sewer services		134,711	33,563	14,390				182,664
Fiscal services:								-
Transfer to capital	448,500	7,000			(455,500)			-
Debt charges	165,457	15,104			(180,561)			-
Short term interest								-
Transfer to reserves	383,700	30,610			(414,310)			-
Allowance for tax assets	364				(364)			-
Total expenses	<u>\$ 3,281,528</u>	<u>\$ 187,425</u>	<u>\$ 356,101</u>	<u>\$ 124,523</u>	<u>\$ (1,050,371)</u>	<u>\$ -</u>	<u>\$ 355,452</u>	<u>\$ 3,254,658</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ 143</u>	<u>\$ (356,101)</u>	<u>\$ (124,523)</u>	<u>\$ 491,231</u>	<u>\$ -</u>	<u>\$ 84,350</u>	<u>\$ 95,100</u>

**TOWN OF STE. ANNE
ANALYSIS OF TAXES ON ROLL
December 31, 2017**

SCHEDULE 11

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 277,770	\$ 234,725
Add:		
Tax levy (Schedule 12)	2,765,686	2,651,535
Taxes added	103,960	63,530
Penalties or interest	46,131	36,511
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	<u>2,915,777</u>	<u>2,751,576</u>
Deduct:		
Cash collections - current	2,307,526	2,262,510
Cash collections - arrears	192,415	97,421
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	348,600	348,600
Other credits (specify)	-	-
Sub-total	<u>2,848,541</u>	<u>2,708,531</u>
Balance, end of year	<u><u>\$ 345,006</u></u>	<u><u>\$ 277,770</u></u>

TOWN OF STE. ANNE
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2017

SCHEDULE 12

	2017			2016
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	\$ -	\$ -	\$ -
Name of LUD	\$ -	\$ -	-	-
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			<u>-</u>	<u>-</u>
Debt charges:				
Frontage	\$ -	-	-	-
By-law 13-2004	78,789,280	0.552	43,492	43,476
By-law 12-2004	78,789,280	0.446	35,140	35,177
By-law 11-2008	92,475,470	0.125	11,559	11,622
By-law 1-2006	\$ -	-	12,127	14,912
By-law 2-2008			1,594	1,594
By-law 15-2015			4,880	4,880
By-law 18-2012			1,265	1,265
By-law 1-2009			4,458	4,458
By-law 12-2011	\$ 85,002,900	0.175	14,876	12,127
By-law 16-2014	\$ 92,475,470	0.219	20,252	22,528
By-law 7-2015	\$ 92,475,470	0.303	28,020	34,149
L.I.D.	\$ -	-	-	-
Other (specify)	\$ -	-	-	-
sub-total- Debt charges			<u>177,663</u>	<u>186,188</u>
Deferred surplus	\$ -	-	-	-
Reserves:				
Name of reserve	\$ -	-	-	-
Name of reserve	\$ -	-	-	-
Name of reserve	\$ -	-	-	-
sub-total- Reserves			<u>-</u>	<u>-</u>
General municipal	\$ 78,789,280	4.698	<u>370,152</u>	<u>300,755</u>
Special levies:				
By-law 11-2015	\$ 92,475,470	9.075	839,215	872,061
By-law 11-2010	\$ -	-	129,465	127,883
By-law 1-2014	\$ -	-	155,434	145,036
Bibliotheque Ste. Anne	\$ 76,140,560	0.257	27,419	19,568
2008	\$ -	-	-	-
sub-total- Special levies			<u>1,151,533</u>	<u>1,164,548</u>
Business tax (rate%)	\$ -	-	-	-
Total municipal taxes (Schedule 2)			<u>1,699,348</u>	<u>1,651,491</u>
Education support levy	\$ 7,225,620	10.500	<u>75,869</u>	<u>75,330</u>
Special levies:				
Seine River	\$ 68,525,600	14.454	990,469	924,714
Name of school division	\$ -	-	-	-
Name of school division	\$ -	-	-	-
sub-total- Special levies			<u>990,469</u>	<u>924,714</u>
Total education taxes			<u>1,066,338</u>	<u>1,000,044</u>
Total tax levy (Schedule 11)			<u>\$ 2,765,686</u>	<u>\$ 2,651,535</u>

TOWN OF STE. ANNE
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2017

SCHEDULE 13

	<u>2017 Actual</u>	<u>2016 Actual</u>
General government services:		
Legislative	\$ 40,439	\$ 39,732
General administrative	423,533	303,706
Other	198,864	168,667
	<u>662,836</u>	<u>512,105</u>
Protective services:		
Police	514,238	507,317
Fire	146,365	194,465
Emergency measures	16,875	8,039
Other	33,571	56,233
	<u>711,049</u>	<u>766,054</u>
Transportation services:		
Road transport		
Administration and engineering	67,890	90,382
Road and street maintenance	288,646	444,694
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	24,271	25,389
Other	15,860	19,931
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>396,667</u>	<u>580,396</u>
Environmental health services:		
Waste collection and disposal	116,201	111,500
Recycling	63,106	48,023
Other	1,000	1,000
	<u>180,307</u>	<u>160,523</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	2,195	2,195
Other	-	-
	<u>2,195</u>	<u>2,195</u>
Regional planning and development		
Planning and zoning	-	18,165
Urban renewal	-	-
Beautification and land rehabilitation	791	33,318
Urban area weed control	-	-
Other	-	-
	<u>791</u>	<u>51,483</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	71,901	66,182
Industrial development	-	-
Tourism	-	-
Other	-	-
	<u>71,901</u>	<u>66,182</u>
Sub-totals forward	<u>\$ 2,025,746</u>	<u>\$ 2,138,938</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	<u>2017 Actual</u>	<u>2016 Actual</u>
Sub-totals forward	<u>\$ 2,025,746</u>	<u>\$ 2,138,938</u>
Recreation and cultural services:		
Administration	41,052	62,729
Community centers and halls	-	-
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	80,274	83,652
Parks and playgrounds	38,653	34,343
Other recreational facilities	-	-
Museums	19	1,175
Libraries	77,101	67,239
Other cultural facilities	-	-
	<u>237,099</u>	<u>249,138</u>
Total expenses	<u>\$ 2,262,845</u>	<u>\$ 2,388,076</u>

TOWN OF STE. ANNE

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2016

	General	2017 Utility	Total	2016 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 10,319	\$ 34,806	\$ 45,125	\$ 215,997
Adjustments for reporting under public sector accounting standards				
	-	-	-	-
Eliminate expense - transfers to reserves	492,424	-	492,424	275,889
Eliminate revenue - transfers from reserves	(461,452)	(30,120)	(491,572)	(449,492)
Increase revenue - reserve funds interest	19,572	-	19,572	15,760
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	84,350	-	84,350	61,731
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(322,538)	(33,563)	(356,101)	(308,997)
Decrease revenue - gain on disposal of tangible capital assets	(13,420)	-	(13,420)	(122,635)
Eliminate revenue - proceeds from long term debt	(546,869)	(513,129)	(1,059,998)	-
Decrease expense - principal portion of debenture debt	155,191	9,726	164,917	119,736
Eliminate expense - acquisitions of tangible capital assets	1,271,051	544,183	1,815,234	1,406,825
	\$ 688,628	\$ 11,903	\$ 700,531	\$ 1,214,814
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS				