

# **TOWN OF LAC DU BONNET**

**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 Lac du Bonnet 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.

  
\_\_\_\_\_  
Darcey Wijting  
Chief Administrative Officer



## **INDEPENDENT AUDITORS' REPORT**

To the Mayor and members of Council of the  
**TOWN OF LAC DU BONNET**

We have audited the accompanying consolidated financial statements of the Town of Lac du Bonnet, 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 Lac du Bonnet 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  
June 22, 2018

# **TOWN OF LAC DU BONNET**

## **Consolidated Financial Statements**

**For the Year Ended December 31, 2017**

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**TOWN OF LAC DU BONNET**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 2,817,900	\$ 2,882,843
Amounts receivable (Note 4)	<u>420,528</u>	<u>494,354</u>
	<u>\$ 3,238,428</u>	<u>\$ 3,377,197</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 302,085	\$ 250,987
Long-term debt (Note 6)	<u>1,845,031</u>	<u>1,928,105</u>
	<u>2,147,116</u>	<u>2,179,092</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 1,091,312</u>	<u>\$ 1,198,105</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 7,876,923	\$ 7,467,184
Inventory	676	-
Prepaid expenses	<u>8,648</u>	<u>8,203</u>
	<u>7,886,247</u>	<u>7,475,387</u>
<b>ACCUMULATED SURPLUS (Note 10)</b>	<u>\$ 8,977,559</u>	<u>\$ 8,673,492</u>

**COMMITMENTS (Note 14)**

Approved on behalf of Council:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Councillor

*The accompanying notes are an integral part of this financial statement*

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2017**

	<u>2017 Budget (Note 9)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>REVENUE</b>			
Property taxes	\$ 1,259,600	\$ 1,271,798	\$ 1,359,116
Grants in lieu of taxation	100,198	100,198	108,799
User fees	42,050	30,588	19,832
Permits, licences and fines	29,700	34,443	35,904
Investment income	-	44,383	34,201
Other revenue	11,000	47,981	42,721
Water and sewer	624,500	559,870	546,105
Grants - Province of Manitoba	341,000	201,242	208,365
Grants - other	57,733	248,607	128,465
	<u>2,465,781</u>	<u>2,539,110</u>	<u>2,483,508</u>
Total revenue (Schedules 2, 4 and 5)			
<b>EXPENSES</b>			
General government services	409,706	611,642	401,041
Protective services	252,885	325,652	228,415
Transportation services	424,814	417,984	401,178
Environmental health services	112,061	116,786	124,782
Public health and welfare services	12,900	876	2,800
Regional planning and development	28,000	79,967	62,140
Resource conservation and industrial development	33,500	32,639	5,577
Recreation and cultural services	135,223	162,325	159,732
Water and sewer services	604,404	500,211	602,025
	<u>2,013,493</u>	<u>2,248,082</u>	<u>1,987,690</u>
Total expenses (Schedules 3, 4 and 5)			
<b>ANNUAL SURPLUS</b>	<u>\$ 452,288</u>	<u>291,028</u>	<u>495,818</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		8,673,492	8,177,674
<b>NEW GOVERNMENT PARTNERSHIP (Note 15)</b>		<u>13,039</u>	<u>-</u>
<b>AS RESTATED</b>		<u>8,686,531</u>	<u>8,177,674</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 8,977,559</u>	<u>\$ 8,673,492</u>

*The accompanying notes are an integral part of this financial statement*

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2017**

	<u>2017 Budget (Note 9)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 452,288</b>	<b>\$ 291,028</b>	<b>\$ 495,818</b>
Acquisition of tangible capital assets	(990,232)	(693,370)	(227,529)
Amortization of tangible capital assets	289,152	289,852	313,650
Loss (Gain) on sale of tangible capital assets	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	(134)	-
Decrease (increase) in prepaid expense	-	(350)	5,467
	<u>(701,080)</u>	<u>(404,002)</u>	<u>91,588</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (248,792)</u></b>	<b><u>(112,974)</u></b>	<b><u>587,406</u></b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>1,198,105</b>	<b>610,699</b>
<b>NEW GOVERNMENT PARTNERSHIP (Note 15)</b>		<b><u>6,181</u></b>	<b><u>-</u></b>
<b>AS RESTATED</b>		<b><u>1,204,286</u></b>	<b><u>610,699</u></b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b><u>\$ 1,091,312</u></b>	<b><u>\$ 1,198,105</u></b>

*The accompanying notes are an integral part of this financial statement*

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2017**

	<u>2017</u>	<u>2016</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 291,028	\$ 495,818
Changes in non-cash items:		
Amounts receivable	74,226	(10,507)
Inventories	(134)	-
Prepays	(350)	5,467
Accounts payable and accrued liabilities	50,998	58,320
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	<u>289,852</u>	<u>313,650</u>
Cash provided by operating transactions	<u>705,620</u>	<u>862,748</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	<u>(693,370)</u>	<u>(227,529)</u>
Cash applied to capital transactions	<u>(693,370)</u>	<u>(227,529)</u>
<b>INVESTING TRANSACTIONS</b>		
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	<u>-</u>	<u>-</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	-	-
Debt repayment	(83,074)	(78,368)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	<u>-</u>	<u>-</u>
Cash applied to financing transactions	<u>(83,074)</u>	<u>(78,368)</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<u>(70,824)</u>	<u>556,851</u>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>2,882,843</u>	<u>2,325,992</u>
<b>NEW GOVERNMENT PARTNERSHIP (Note 15)</b>	<u>5,881</u>	<u>-</u>
<b>AS RESTATED</b>	<u>2,888,724</u>	<u>2,325,992</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u>\$ 2,817,900</u></u>	<u><u>\$ 2,882,843</u></u>

*The accompanying notes are an integral part of this financial statement*

**TOWN OF LAC DU BONNET**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2017**

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**1. Status of the Town of Lac du Bonnet**

The incorporated Town of Lac du Bonnet ("the Town") is a town that was formed in 1958 pursuant to The Municipal Act. The Town provides or funds municipal services such as police, fire, public works, planning, airport, parks and recreation, library and other general government operations. The Town owns one utility, have several designated special purpose reserves and provide 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 Town does not have any controlled organizations.

The Town has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Town'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:

*Lac du Bonnet Planning District (consolidated 25%) (2016 – 25%)*  
*Lac du Bonnet Regional Library Board (consolidated 26%) (2016 – 26%)*  
*Lac du Bonnet Community Development Corporation (consolidated 25%) (2016 - NIL%)*  
*Agassiz Weed Control (consolidated 5%) (2016 - NIL%)*

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

Trust funds and their related operations administered by the Town 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 fiscal year end date.

## **f) 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.

## **g) 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.

## **h) 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.

## **i) 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.

## j) Revenue Recognition

Revenues are recognized as they are earned and measurable.

### Government Transfers

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.

## k) 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

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>2017</u>	<u>2016</u>
Cash	\$ 2,817,900	\$ 2,882,843
Temporary investments	-	-
	<u>\$ 2,817,900</u>	<u>\$ 2,882,843</u>

The Town has designated \$1,523,644 (2016 - \$1,584,094) 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)	\$ 144,612	\$ 217,955
Government grants	42,751	37,012
Utility customers	112,629	191,868
Accrued interest	-	-
Organizations and individuals	87,232	38,257
Other governments	45,303	21,261
	<u>432,527</u>	<u>506,353</u>
Less allowances for doubtful amounts	<u>(11,999)</u>	<u>(11,999)</u>
	<u>\$ 420,528</u>	<u>\$ 494,354</u>

## 5. Accounts Payable and Accrued Liabilities

	<u>2017</u>	<u>2016</u>
Accounts payable	\$ 148,896	\$ 73,690
Accrued expenses	34,585	31,936
Refundable deposits	27,100	13,975
School levies	91,504	131,386
Other governments	-	-
	<u>\$ 302,085</u>	<u>\$ 250,987</u>

## 6. Long Term Debt

	<u>2017</u>	<u>2016</u>
<b>Utility Funds:</b>		
Province of Manitoba Debenture for Water and Sewer, interest at 6.38%, payable at \$97,243 annually including interest, maturing December 2028	\$ 752,444	\$ 798,766
Royal Bank Debenture for Water and Sewer, interest at 5.68%, payable at \$4,687 monthly including interest, maturing January 2035	614,055	\$ 636,068
Royal Bank Debenture for Water and Sewer, interest at 5.05%, payable at \$3,387 monthly including interest, maturing November 2035	<u>478,532</u>	<u>493,271</u>
	<u>\$ 1,845,031</u>	<u>\$ 1,928,105</u>

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

2018	\$ 88,063
2019	\$ 93,355
2020	\$ 98,966
2021	\$ 104,916
2022	\$ 111,226

## 7. 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 Town on behalf of its employees amounted to \$21,172 (2016 - \$21,057) 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.

## 8. 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.

**9. 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.

**10. Accumulated Surplus**

	<b>2017</b>	2016
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	<b>\$ 213,995</b>	\$ 372,749
Utility operating fund(s) - Nominal surplus	<b>1,166,063</b>	1,149,438
TCA net of related borrowings	<b>6,024,711</b>	5,539,079
Reserve funds	<b>1,523,644</b>	1,584,094
	<b>8,928,413</b>	8,645,360
Accumulated surplus of town unconsolidated		
Accumulated surpluses of consolidated entities	<b>49,146</b>	28,132
Accumulated surplus per Consolidated Statement of Financial Position	<b><u>\$ 8,977,559</u></b>	<b><u>\$ 8,673,492</u></b>

**11. 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 \$46,732 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	Compensation	Expenses	Total
Mayor - Gordon Peters	\$ 8,700	\$ 2,332	\$ 11,032
Councillor - Ted Mathers	6,000	4,668	10,668
Councillor - Kenneth Lodge	6,375	1,745	8,120
Councillor - Greg Short	5,500	2,627	8,127
Councillor - Keegan Sveinsson	6,000	2,785	8,785
	<b><u>\$ 32,575</u></b>	<b><u>\$ 14,157</u></b>	<b><u>\$ 46,732</u></b>

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

Name	Position	Amount
Geoff Blacklin	Public Works Manager	\$ 71,132

**12. Segmented Information**

The Town of Lac du Bonnet 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.

### 13. Government Partnerships

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

	<u>2017</u>	<u>2016</u>
<b>Financial Position</b>		
Financial Assets	\$ 69,933	\$ 41,721
Liabilities	<u>(28,759)</u>	<u>(13,657)</u>
Net financial assets (liabilities)	\$ 41,174	\$ 28,064
Non-financial assets	<u>7,972</u>	<u>68</u>
Accumulated surplus	<u>\$ 49,146</u>	<u>\$ 28,132</u>
<b>Result of Operations</b>		
Revenues	\$ 91,254	\$ 79,013
Expenses	<u>(83,280)</u>	<u>(69,569)</u>
Annual surplus	\$ 7,974	\$ 9,444
Elimination of revenues/expenses for consolidation	<u>(6,881)</u>	<u>(6,214)</u>
Consolidated annual surplus	<u>\$ 1,093</u>	<u>\$ 3,230</u>

### 14. Commitments

The Town has a landfill agreement with Local Government District of Pinawa. The agreement is in place until January 1, 2020. The agreement states that the Town will pay \$45 per metric tonne and the rate is to be reviewed annually. Actual tonnage reports have not been made since 2003, and usage is estimated using the WRARS calculation of 0.66 per capita annually. Actual costs incurred for the year ending December 31, 2017 was \$40,700 (2016 - \$40,520).

### 15. New Government Partnership

During the year, the Town joined the Lac du Bonnet Community Development Corporation and Agassiz Weed Control. Due to the new agreements, the opening tangible capital assets, opening net financial assets, and opening accumulated surplus was adjusted for the entry into the new agreements and the new consolidation of the partnerships.

**TOWN OF LAC DU BONNET**  
**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
<b>Cost</b>										
Opening costs	\$ 553,507	\$ 1,136,236	\$ 1,405,417	\$ 35,582	\$ -	\$ 1,075,910	\$ 6,807,297	\$ 375,081	\$ 11,389,030	\$ 11,161,501
New Government Partnership (Note 15)	-	-	10,476	-	-	-	-	-	10,476	-
Additions during the year	40,686	-	2,709	-	-	321,300	320,515	8,160	693,370	227,529
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Closing costs	<u>594,193</u>	<u>1,136,236</u>	<u>1,418,602</u>	<u>35,582</u>	<u>-</u>	<u>1,397,210</u>	<u>7,127,812</u>	<u>383,241</u>	<u>12,092,876</u>	<u>11,389,030</u>
<b>Accumulated Amortization</b>										
Opening accum'd amortization	8,087	787,604	1,085,202	23,907	-	369,327	1,647,719	-	3,921,846	3,608,196
New Government Partnership (Note 15)	-	-	4,255	-	-	-	-	-	4,255	-
Amortization	6,362	26,381	53,329	4,453	-	56,473	142,854	-	289,852	313,650
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	<u>14,449</u>	<u>813,985</u>	<u>1,142,786</u>	<u>28,360</u>	<u>-</u>	<u>425,800</u>	<u>1,790,573</u>	<u>-</u>	<u>4,215,953</u>	<u>3,921,846</u>
Net Book Value of Tangible Capital Assets	<u>\$ 579,744</u>	<u>\$ 322,251</u>	<u>\$ 275,816</u>	<u>\$ 7,222</u>	<u>\$ -</u>	<u>\$ 971,410</u>	<u>\$ 5,337,239</u>	<u>\$ 383,241</u>	<u>\$ 7,876,923</u>	<u>\$ 7,467,184</u>

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**For the Year Ended December 31, 2017**

**SCHEDULE 2**

	<b>2017</b>	2016
	<b>Actual</b>	Actual
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 1,254,547	\$ 1,356,795
Taxes added	17,251	2,321
	<u>1,271,798</u>	<u>1,359,116</u>
<b>Grants in lieu of taxation:</b>		
Federal government	-	-
Federal government enterprises	10,620	11,616
Provincial government	52,157	57,227
Provincial government enterprises	37,421	39,956
Other local governments	-	-
Non-government organizations	-	-
	<u>100,198</u>	<u>108,799</u>
<b>User fees</b>		
Parking meters	-	-
Sales of service	16,932	7,232
Sales of goods	406	975
Rentals	13,250	11,625
Development charges	-	-
Facility use fees	-	-
	<u>30,588</u>	<u>19,832</u>
<b>Permits, licences and fines</b>		
Permits	17,742	18,349
Licences	660	505
Fees	11,904	13,488
Fines	4,137	3,562
	<u>34,443</u>	<u>35,904</u>
<b>Investment income:</b>		
Cash and temporary investments	44,383	34,201
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>44,383</u>	<u>34,201</u>
<b>Other revenue:</b>		
Gain on sale of tangible capital assets	-	-
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Penalties and interest	26,726	25,419
Miscellaneous (specify):	21,255	17,302
	<u>47,981</u>	<u>42,721</u>
<b>Water and sewer</b>		
Municipal utility(ies) (Schedule 9)	559,870	546,105
Consolidated water co-operatives	-	-
	<u>559,870</u>	<u>546,105</u>
<b>Grants - Province of Manitoba</b>		
General assistance payment	183,470	169,578
General support grant	-	-
Municipal program grants (formerly VLT revenues)	-	20,483
Other unconditional grants	11,234	11,249
Conditional grants	6,538	7,055
	<u>201,242</u>	<u>208,365</u>
<b>Grants - other</b>		
Federal government - gas tax funding	58,434	57,733
Federal government - other	117,740	-
Other local governments	72,433	70,732
	<u>248,607</u>	<u>128,465</u>
<b>Total revenue</b>	<u>\$ 2,539,110</u>	<u>\$ 2,483,508</u>

## CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
<b>General government services:</b>		
Legislative	\$ 46,975	\$ 42,951
General administrative	358,566	232,771
Other	206,101	125,319
	<u>611,642</u>	<u>401,041</u>
<b>Protective services:</b>		
Police	149,794	149,794
Fire	117,620	27,979
Emergency measures	11,163	10,008
Other	47,075	40,634
	<u>325,652</u>	<u>228,415</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	273,498	254,058
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	18,089	10,826
Street lighting	24,583	19,896
Other	99,804	114,393
Air transport	2,010	2,005
Public transit	-	-
Other	-	-
	<u>417,984</u>	<u>401,178</u>
<b>Environmental health services:</b>		
Waste collection and disposal	75,347	68,356
Recycling	30,031	30,374
Other	11,408	26,052
	<u>116,786</u>	<u>124,782</u>
<b>Public health and welfare services:</b>		
Public health	-	1,924
Medical care	-	-
Social assistance	876	876
Other	-	-
	<u>876</u>	<u>2,800</u>
<b>Regional planning and development</b>		
Planning and zoning	54,444	49,691
Urban renewal	-	-
Beautification and land rehabilitation	4,290	1,933
Urban area weed control	20,869	10,516
Other	364	-
	<u>79,967</u>	<u>62,140</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	2,500
Industrial development	-	-
Tourism	22,639	3,077
Other	10,000	-
	<u>32,639</u>	<u>5,577</u>
<b>Sub-totals forward</b>	<u>\$ 1,585,546</u>	<u>\$ 1,225,933</u>

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2017**

**SCHEDULE 3**

	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
<b>Sub-totals forward</b>	<b>\$ 1,585,546</b>	<b>\$ 1,225,933</b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	9,080	8,995
Swimming pools and beaches	18,154	21,271
Golf courses	-	-
Skating and curling rinks	14,350	14,082
Parks and playgrounds	35,297	18,884
Other recreational facilities	25,694	30,259
Museums	1,132	1,337
Libraries	42,495	48,781
Other cultural facilities	16,123	16,123
	<u>162,325</u>	<u>159,732</u>
<b>Water and sewer services (Schedule 9)</b>		
Municipal utility(ies) (Schedule 9)	500,211	602,025
Consolidated water co-operatives	-	-
	<u>500,211</u>	<u>602,025</u>
<b>Total expenses</b>	<b><u><u>\$ 2,248,082</u></u></b>	<b><u><u>\$ 1,987,690</u></u></b>

## 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
<b>REVENUE</b>										
Property taxes	\$ 1,077,674	\$ 1,243,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	100,198	108,799	-	-	-	-	-	-	-	-
User fees	22,195	18,933	-	-	-	-	-	-	-	-
Grants - other	219,182	105,585	-	-	-	-	-	-	-	-
Permits, licences and fines	660	505	4,137	3,562	-	-	-	-	-	-
Investment income	30,239	31,769	-	-	-	-	-	-	-	-
Other revenue	42,974	37,084	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	183,470	190,061	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	6,538	7,055	-	-	-	-	-	-	-	-
Total revenue	\$ 1,683,130	\$ 1,743,151	\$ 4,137	\$ 3,562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENSES</b>										
Personnel services	\$ 268,216	\$ 180,902	\$ 26,933	\$ 12,974	\$ 102,593	\$ 94,538	\$ 48,499	\$ 43,197	\$ -	\$ -
Contract services	154,127	127,072	217,580	193,059	81,140	80,945	58,886	60,370	-	1,924
Utilities	14,601	7,305	-	-	11,453	17,846	-	-	-	-
Maintenance materials and supplies	38,594	20,344	69,154	10,397	120,984	91,451	5,340	2,251	-	-
Grants and contributions	121,779	38,635	-	-	2,010	2,005	-	-	-	-
Amortization	14,325	11,317	11,985	11,985	99,804	114,393	4,061	18,964	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	-	15,466	-	-	-	-	-	-	876	876
Total expenses	\$ 611,642	\$ 401,041	\$ 325,652	\$ 228,415	\$ 417,984	\$ 401,178	\$ 116,786	\$ 124,782	\$ 876	\$ 2,800
<b>Surplus (Deficit)</b>	<b>\$ 1,071,488</b>	<b>\$ 1,342,110</b>	<b>\$ (321,515)</b>	<b>\$ (224,853)</b>	<b>\$ (417,984)</b>	<b>\$ (401,178)</b>	<b>\$ (116,786)</b>	<b>\$ (124,782)</b>	<b>\$ (876)</b>	<b>\$ (2,800)</b>

\* 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
<b>REVENUE</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,124	\$ 115,756	\$ 1,271,798	\$ 1,359,116
Grants in lieu of taxation	-	-	-	-	-	-	-	-	100,198	108,799
User fees	6,921	-	-	-	1,472	899	-	-	30,588	19,832
Grants - other	17,795	11,250	-	-	11,630	11,630	-	-	248,607	128,465
Permits, licences and fines	29,646	31,837	-	-	-	-	-	-	34,443	35,904
Investment income	489	136	-	-	181	161	13,474	2,135	44,383	34,201
Other revenue	1,097	195	-	-	3,910	5,442	-	-	47,981	42,721
Water and sewer	-	-	-	-	-	-	559,870	546,105	559,870	546,105
Prov of MB - Unconditional Grants	-	-	-	-	11,234	11,249	-	-	194,704	201,310
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	6,538	7,055
Total revenue	\$ 55,948	\$ 43,418	\$ -	\$ -	\$ 28,427	\$ 29,381	\$ 767,468	\$ 663,996	\$ 2,539,110	\$ 2,483,508
<b>EXPENSES</b>										
Personnel services	\$ 34,351	\$ 26,598	\$ 1,455	\$ 1,459	\$ 52,779	\$ 49,797	\$ 77,833	\$ 124,919	\$ 612,659	\$ 534,384
Contract services	37,077	32,136	10,000	3,039	61,907	51,974	105,797	168,104	726,514	718,623
Utilities	619	604	-	-	1,867	1,793	-	-	28,540	27,548
Maintenance materials and supplies	6,957	1,858	1,184	1,079	16,133	19,720	62,677	52,378	321,023	199,478
Grants and contributions	-	-	20,000	-	13,342	20,090	-	-	157,131	60,730
Amortization	700	-	-	-	16,123	16,123	142,854	140,868	289,852	313,650
Interest on long term debt	-	-	-	-	-	-	111,050	115,756	111,050	115,756
Other	263	944	-	-	174	235	-	-	1,313	17,521
Total expenses	\$ 79,967	\$ 62,140	\$ 32,639	\$ 5,577	\$ 162,325	\$ 159,732	\$ 500,211	\$ 602,025	\$ 2,248,082	\$ 1,987,690
<b>Surplus (Deficit)</b>	\$ (24,019)	\$ (18,722)	\$ (32,639)	\$ (5,577)	\$ (133,898)	\$ (130,351)	\$ 267,257	\$ 61,971	\$ 291,028	\$ 495,818

## 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
<b>REVENUE</b>								
Property taxes	\$ 1,271,798	\$ 1,359,116	\$ -	\$ -	\$ -	\$ -	\$ 1,271,798	\$ 1,359,116
Grants in lieu of taxation	100,198	108,799	-	-	-	-	100,198	108,799
User fees	22,195	18,933	-	-	8,393	899	30,588	19,832
Grants - other	219,182	105,585	-	-	29,425	22,880	248,607	128,465
Permits, licences and fines	4,797	4,067	-	-	29,646	31,837	34,443	35,904
Investment income	43,713	33,904	-	-	670	297	44,383	34,201
Other revenue	42,974	37,084	-	-	5,007	5,637	47,981	42,721
Water and sewer	559,870	546,105	-	-	-	-	559,870	546,105
Prov of MB - Unconditional Grants	183,470	190,061	-	-	11,234	11,249	194,704	201,310
Prov of MB - Conditional Grants	6,538	7,055	-	-	-	-	6,538	7,055
Total revenue	\$ 2,454,735	\$ 2,410,709	\$ -	\$ -	\$ 84,375	\$ 72,799	\$ 2,539,110	\$ 2,483,508
<b>EXPENSES</b>								
Personnel services	\$ 555,142	\$ 483,713	\$ -	\$ -	\$ 57,517	\$ 50,671	\$ 612,659	\$ 534,384
Contract services	716,382	710,736	-	-	10,132	7,887	726,514	718,623
Utilities	26,054	25,151	-	-	2,486	2,397	28,540	27,548
Maintenance materials and supplies	309,014	192,043	-	-	12,009	7,435	321,023	199,478
Grants and contributions	157,131	60,730	-	-	-	-	157,131	60,730
Amortization	289,151	313,650	-	-	701	-	289,852	313,650
Interest on long term debt	111,050	115,756	-	-	-	-	111,050	115,756
Other	876	16,342	-	-	437	1,179	1,313	17,521
Total expenses	\$ 2,164,800	\$ 1,918,121	\$ -	\$ -	\$ 83,282	\$ 69,569	\$ 2,248,082	\$ 1,987,690
<b>Surplus (Deficit)</b>	\$ 289,935	\$ 492,588	\$ -	\$ -	\$ 1,093	\$ 3,230	\$ 291,028	\$ 495,818

TOWN OF LAC DU BONNET  
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
 For the Year Ended December 31, 2017

SCHEDULE 6

	2017						
	Water Utility Reserve #4	General Reserve #5	Building Reserve #6	Equipment Replacement Reserve #7	Fire Equipment Reserve #8	Hospital and Personal Care Reserve #9	Recreation Land Reserve #10
<b>REVENUE</b>							
Investment income	\$ 3,469	\$ 5,696	\$ 2,977	\$ 2,282	\$ 805	\$ 2,389	\$ 2,333
Other income	-	-	-	-	-	-	-
Total revenue	<u>3,469</u>	<u>5,696</u>	<u>2,977</u>	<u>2,282</u>	<u>805</u>	<u>2,389</u>	<u>2,333</u>
<b>EXPENSES</b>							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<b>3,469</b>	<b>5,696</b>	<b>2,977</b>	<b>2,282</b>	<b>805</b>	<b>2,389</b>	<b>2,333</b>
<b>TRANSFERS</b>							
Transfers from general operating fund	-	-	20,000	40,000	25,000	-	25,000
Transfers to general operating fund	-	(173,649)	(26,732)	-	(19,332)	-	(16,485)
Transfer between reserves	-	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	109,042	-	-	-	-	-	-
Transfers to utility operating fund	(200,000)	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	<b>(87,489)</b>	<b>(167,953)</b>	<b>(3,755)</b>	<b>42,282</b>	<b>6,473</b>	<b>2,389</b>	<b>10,848</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>357,028</b>	<b>330,529</b>	<b>174,718</b>	<b>209,030</b>	<b>99,080</b>	<b>163,178</b>	<b>184,394</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 269,539</b>	<b>\$ 162,576</b>	<b>\$ 170,963</b>	<b>\$ 251,312</b>	<b>\$ 105,553</b>	<b>\$ 165,567</b>	<b>\$ 195,242</b>

**TOWN OF LAC DU BONNET**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**  
**For the Year Ended December 31, 2017**

**SCHEDULE 6**

	2017				2016	
	Airport Reserve #11	Gas Tax Reserve #12	Contingency Operations Reserve #13	Wastewater Utility Reserve #15	Total	Total
<b>REVENUE</b>						
Investment income	\$ 124	\$ 976	\$ 266	\$ 2,861	\$ 24,178	\$ 24,272
Other income	-	-	-	-	-	-
<b>Total revenue</b>	<b>124</b>	<b>976</b>	<b>266</b>	<b>2,861</b>	<b>24,178</b>	<b>24,272</b>
<b>EXPENSES</b>						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET REVENUES</b>	<b>124</b>	<b>976</b>	<b>266</b>	<b>2,861</b>	<b>24,178</b>	<b>24,272</b>
<b>TRANSFERS</b>						
Transfers from general operating fund	1,400	58,434	-	-	169,834	246,792
Transfers to general operating fund	-	-	-	-	(236,198)	(207,917)
Transfer between reserves	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	72,694	181,736	150,000
Transfers to utility operating fund	-	-	-	-	(200,000)	(254,191)
Acquisition of tangible capital assets	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	<b>1,524</b>	<b>59,410</b>	<b>266</b>	<b>75,555</b>	<b>(60,450)</b>	<b>(41,044)</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>10,483</b>	<b>-</b>	<b>27,942</b>	<b>27,712</b>	<b>1,584,094</b>	<b>1,625,138</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 12,007</b>	<b>\$ 59,410</b>	<b>\$ 28,208</b>	<b>\$ 103,267</b>	<b>\$ 1,523,644</b>	<b>\$ 1,584,094</b>

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.

For the Year Ended December 31, 2017

	2017 Budget	2017 Actual	2016 Actual
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
<b>Total revenue</b>	-	-	-
<b>Expenses</b>			
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	-	-	-
<b>Total expenses</b>	-	-	-
<b>Net revenues (expenses)</b>	-	-	-
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
<b>Change in L.U.D. balances</b>	<u>\$ -</u>	-	-
<b>Unexpended balance, beginning of year</b>		-	-
<b>Unexpended balance, end of year</b>		<u>\$ -</u>	<u>\$ -</u>

## SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

December 31, 2017

	<u>2017 Total</u>	<u>2016 Total</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	\$ 845,293	\$ 770,276
Amounts receivable (Note 14)	112,629	191,868
Portfolio investments	-	-
Due from other funds	<u>208,593</u>	<u>187,294</u>
	<u>\$ 1,166,515</u>	<u>\$ 1,149,438</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 452	\$ -
Deferred revenue	-	-
Long-term debt (Note 9)	1,845,031	1,928,105
Due to other funds	<u>-</u>	<u>-</u>
	<u>1,845,483</u>	<u>1,928,105</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>\$ (678,968)</u>	<u>\$ (778,667)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 5,720,481	\$ 5,534,659
Inventories	-	-
Prepaid expenses	<u>-</u>	<u>-</u>
	<u>5,720,481</u>	<u>5,534,659</u>
<b>FUND SURPLUS (DEFICIT)</b>	<u>\$ 5,041,513</u>	<u>\$ 4,755,992</u>

**SCHEDULE OF UTILITY OPERATIONS - Water and Sewer**  
**For the Year Ended December 31, 2017**

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 260,500	\$ 268,422	\$ 269,911
Bulk Water fees	118,000	127,830	118,051
sub-total- water	<u>378,500</u>	<u>396,252</u>	<u>387,962</u>
<b>Sewer</b>			
Sewer fees	159,600	142,961	146,666
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>159,600</u>	<u>142,961</u>	<u>146,666</u>
<b>Property taxes</b>	<u>-</u>	<u>194,124</u>	<u>115,756</u>
<b>Government transfers</b>			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other</b>			
Hydrant rentals	6,300	6,300	6,300
Connection charges	600	1,600	351
Installation service	-	-	-
Penalties	4,500	3,334	4,826
Contributed tangible capital assets	-	-	-
Investment income	-	13,474	2,135
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	75,000	9,423	-
sub-total- other	<u>86,400</u>	<u>34,131</u>	<u>13,612</u>
<b>Total revenue</b>	<u>\$ 624,500</u>	<u>\$ 767,468</u>	<u>\$ 663,996</u>

TOWN OF LAC DU BONNET  
 SCHEDULE OF UTILITY OPERATIONS (cont'd) - Water and Sewer  
 For the Year Ended December 31, 2017

SCHEDULE 9

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ 111,000	\$ 38,703	\$ 81,850
Training costs	-	-	1,713
Billing and collection	3,000	1,415	2,798
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>114,000</u>	<u>40,118</u>	<u>86,361</u>
<b>Water General</b>			
Purification and treatment	45,000	114,382	109,467
Water purchases	-	-	-
Transmission and distribution	20,000	18,888	32,931
Hydrant maintenance	2,000	1,558	1,931
Transportation services	-	-	-
Connection costs	1,000	834	724
Other	93,000	4,575	66,556
sub-total- water general	<u>161,000</u>	<u>140,237</u>	<u>211,609</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	133,265	131,279
Interest on long term debt	111,047	111,050	115,756
sub-total- water amortization & interest	<u>111,047</u>	<u>244,315</u>	<u>247,035</u>
<b>Sewer General</b>			
Collection system costs	22,000	7,714	3,363
Treatment and disposal cost	24,000	44,200	24,034
Lift Station costs	12,500	14,038	17,606
Transportation services	-	-	-
Connection costs	2,000	-	421
Other sewage & disposal costs	15,000	-	2,007
sub-total- sewer general	<u>75,500</u>	<u>65,952</u>	<u>47,431</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	-	9,589	9,589
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>-</u>	<u>9,589</u>	<u>9,589</u>
<b>Total expenses</b>	<u>461,547</u>	<u>500,211</u>	<u>602,025</u>
<b>NET OPERATING SURPLUS</b>	<b>162,953</b>	<b>267,257</b>	<b>61,971</b>
<b>TRANSFERS</b>			
Transfers from (to) operating fund	111,050	-	-
Transfers from (to) capital	(415,000)	-	-
Transfers from (to) reserve funds	140,997	18,264	104,190
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ -</u>	<b>285,521</b>	<b>166,161</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>4,755,992</u>	<u>4,589,831</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 5,041,513</u>	<u>\$ 4,755,992</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
<b>REVENUE</b>								
Property taxes	\$ 1,259,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,259,600
Grants in lieu of taxation	100,198	-	-	-	-	-	-	100,198
User fees	42,050	-	-	-	-	-	-	42,050
Permits, licences and fines	29,700	-	-	-	-	-	-	29,700
Investment income	-	-	-	-	-	-	-	-
Other revenue	11,000	-	-	-	-	-	-	11,000
Water and sewer	-	624,500	-	-	-	-	-	624,500
Grants - Province of Manitoba	341,000	-	-	-	-	-	-	341,000
Grants - other	57,733	-	-	-	-	-	-	57,733
Transfers from accumulated surplus	-	111,050	-	-	(111,050)	-	-	-
Transfers from reserves	417,732	322,733	-	-	(740,465)	-	-	-
Total revenue	\$ 2,259,013	\$ 1,058,283	\$ -	\$ -	\$ (851,515)	\$ -	\$ -	\$ 2,465,781
<b>EXPENSES</b>								
General government services	\$ 394,970	\$ -	\$ 14,325	\$ -	\$ 411	\$ -	\$ -	\$ 409,706
Protective services	240,900	-	11,985	-	-	-	-	252,885
Transportation services	325,010	-	99,804	-	-	-	-	424,814
Environmental health services	108,000	-	4,061	-	-	-	-	112,061
Public health and welfare services	12,900	-	-	-	-	-	-	12,900
Regional planning and development	28,000	-	-	-	-	-	-	28,000
Resource cons and industrial dev	33,500	-	-	-	-	-	-	33,500
Recreation and cultural services	119,100	-	16,123	-	-	-	-	135,223
Water and sewer services	-	350,500	142,854	111,050	-	-	-	604,404
Fiscal services:								-
Transfer to capital	575,232	415,000	-	-	(990,232)	-	-	-
Transfer to utility	194,124	-	-	-	(194,124)	-	-	-
Debt charges	-	111,047	-	(111,047)	-	-	-	-
Transfer to reserves	226,866	181,736	-	-	(408,602)	-	-	-
Allowance for tax assets	411	-	-	-	(411)	-	-	-
Total expenses	\$ 2,259,013	\$ 1,058,283	\$ 289,152	\$ 3	\$ (1,592,958)	\$ -	\$ -	\$ 2,013,493
<b>Surplus (Deficit)</b>	\$ -	\$ -	\$ (289,152)	\$ (3)	\$ 741,443	\$ -	\$ -	\$ 452,288

**TOWN OF LAC DU BONNET  
ANALYSIS OF TAXES ON ROLL  
December 31, 2017**

**SCHEDULE 11**

	<u>2017</u>	<u>2016</u>
<b>Balance, beginning of year</b>	<b>\$ 217,955</b>	<b>\$ 129,284</b>
<b>Add:</b>		
Tax levy (Schedule 12)	2,122,369	2,200,371
Taxes added	17,251	2,321
Penalties or interest	26,726	25,419
Other accounts added	-	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
<b>Sub-total</b>	<b><u>2,166,346</u></b>	<b><u>2,228,111</u></b>
<b>Deduct:</b>		
Cash collections - current	1,816,516	1,875,626
Cash collections - arrears	179,780	20,370
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	243,393	243,444
Other credits (specify)	-	-
<b>Sub-total</b>	<b><u>2,239,689</u></b>	<b><u>2,139,440</u></b>
<b>Balance, end of year</b>	<b><u><u>\$ 144,612</u></u></b>	<b><u><u>\$ 217,955</u></u></b>

TOWN OF LAC DU BONNET  
ANALYSIS OF TAX LEVY  
For the Year Ended December 31, 2017

**SCHEDULE 12**

	2017		2016	
	Assessment	Mill Rate	Levy	Levy
<b>Other governments (L.U.D.):</b>				
Name of LUD	\$ -	\$ -	\$ -	\$ -
sub-total- L.U.D.			-	-
<b>Debt charges:</b>				
B/L 32/04	\$ 65,765,300	\$ 1.380	90,756	91,189
B/L 103/10	\$ 65,765,300	\$ 0.799	52,546	52,483
B/L 116/10	\$ 65,765,300	\$ 0.577	37,947	38,706
Other (specify)	\$ -	\$ -	-	-
sub-total- Debt charges			181,249	182,377
Deferred surplus	\$ -	\$ -	-	-
<b>Reserves:</b>				
Fire Equip Replacement 437/85	\$ 57,788,050	\$ 0.400	23,115	23,627
General 442/86	\$ 57,788,050		-	9,796
Equipment Replacement 374/83	\$ 57,788,050	\$ 0.640	36,984	60,507
Recreation Land	\$ 57,788,050	\$ 0.400	23,115	-
New Proposed Facility Res	\$ 57,788,050	\$ 0.320	18,492	19,017
Airport 100/10	\$ 57,788,050	\$ 0.023	1,329	1,729
sub-total- Reserves			103,036	114,676
General municipal	\$ 57,788,050	\$ 15.248	881,152	976,761
<b>Special levies:</b>				
Library 554/92	\$ 57,788,050	\$ 0.249	14,389	17,288
Recreation District 560/93	\$ 57,788,050	\$ 0.147	8,495	8,644
Arena 330/82	\$ 57,788,050	\$ 0.240	13,869	14,407
Fire Department 17/02	\$ 57,788,050	\$ 0.769	44,439	35,152
Community Centre 299/80	\$ 57,788,050	\$ 0.137	7,917	7,491
sub-total- Special levies			89,109	82,981
Business tax (rate%)	\$ -	\$ -	-	-
<b>Total municipal taxes (Schedule 2)</b>			<b>1,254,547</b>	<b>1,356,795</b>
Education support levy	\$ 10,160,520	\$ 10.500	106,685	107,806
<b>Special levies:</b>				
Sunrise School Division	\$ 55,480,470	\$ 13.719	761,137	735,770
Name of school division	\$ -	\$ -	-	-
sub-total- Special levies			761,137	735,770
<b>Total education taxes</b>			<b>867,822</b>	<b>843,576</b>
<b>Total tax levy (Schedule 11)</b>			<b>\$ 2,122,369</b>	<b>\$ 2,200,371</b>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
<b>General government services:</b>		
Legislative	\$ 46,975	\$ 42,951
General administrative	358,667	232,771
Other	206,101	125,319
	<u>611,743</u>	<u>401,041</u>
<b>Protective services:</b>		
Police	149,794	149,794
Fire	117,620	28,475
Emergency measures	11,163	9,512
Other	47,075	40,634
	<u>325,652</u>	<u>228,415</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	273,498	254,058
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	18,089	10,826
Street lighting	24,583	19,896
Other	99,804	114,393
Air transport	2,010	2,005
Public transit	-	-
Other	-	-
	<u>417,984</u>	<u>401,178</u>
<b>Environmental health services:</b>		
Waste collection and disposal	75,347	68,356
Recycling	30,031	30,374
Other	11,408	26,052
	<u>116,786</u>	<u>124,782</u>
<b>Public health and welfare services:</b>		
Public health	-	1,924
Medical care	-	-
Social assistance	876	876
Other	-	-
	<u>876</u>	<u>2,800</u>
<b>Regional planning and development</b>		
Planning and zoning	15,028	16,109
Urban renewal	-	-
Beautification and land rehabilitation	4,290	1,933
Urban area weed control	11,413	10,516
Other	-	-
	<u>30,731</u>	<u>28,558</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	2,500
Industrial development	-	-
Tourism	22,639	3,077
Other	10,000	-
	<u>32,639</u>	<u>5,577</u>
<b>Sub-totals forward</b>	<u>\$ 1,536,411</u>	<u>\$ 1,192,351</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	<u>2017 Actual</u>	<u>2016 Actual</u>
<b>Sub-totals forward</b>	<b><u>\$ 1,536,411</u></b>	<b><u>\$ 1,192,351</u></b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	9,080	8,995
Swimming pools and beaches	18,154	21,271
Golf courses	-	-
Skating and curling rinks	14,350	14,082
Parks and playgrounds	35,297	18,884
Other recreational facilities	25,694	30,259
Museums	1,132	1,337
Libraries	15,233	19,008
Other cultural facilities	16,123	16,123
	<u>135,063</u>	<u>129,959</u>
<b>Total expenses</b>	<b><u>\$ 1,671,474</u></b>	<b><u>\$ 1,322,310</u></b>

TOWN OF LAC DU BONNET

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2017

	2017		2016	
	General	Utility		Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	<b>\$ (158,752)</b>	<b>\$ 16,626</b>	<b>\$ (142,126)</b>	\$ 535,171
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	169,834	181,736	351,570	396,792
Eliminate revenue - transfers from reserves	(236,198)	(200,000)	(436,198)	(462,108)
Increase revenue - reserve funds interest	24,178	-	24,178	24,272
Eliminate transfers between funds	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	1,093	-	1,093	3,230
Decrease expense - elimination of contributions to consolidating entities	6,881	-	6,881	6,214
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(146,298)	(142,854)	(289,152)	(313,650)
Decrease expense - principal portion of debenture debt	-	83,074	83,074	78,368
Eliminate expense - acquisitions of tangible capital assets	363,033	328,675	691,708	227,529
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 23,771</b>	<b>\$ 267,257</b>	<b>\$ 291,028</b>	<b>\$ 495,818</b>