

# **TOWN OF LAC DU BONNET**

**Consolidated Financial Statements  
For the Year Ended December 31, 2018**

## 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.



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Darcey Wittig  
Chief Administrative Officer

## INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the  
**Town of Lac du Bonnet**

### *Opinion*

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, 2018 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2018, and a summary of significant accounting policies and other explanatory information.

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, 2018, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2018 in accordance with Canadian Public Sector Accounting Standards.

### *Basis for Opinion*

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

### *Responsibilities of Management and Those Charged with Governance for the 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.

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

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

### *Auditors' Responsibility*

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

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

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

*Exchange*

Chartered Professional Accountants LLP  
Winnipeg, Manitoba  
June 13, 2019

# **TOWN OF LAC DU BONNET**

## **Consolidated Financial Statements**

**For the Year Ended December 31, 2018**

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**TOWN OF LAC DU BONNET**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 3,192,405	\$ 2,817,900
Amounts receivable (Note 4)	<u>298,216</u>	<u>420,528</u>
	<u>\$ 3,490,621</u>	<u>\$ 3,238,428</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 201,707	\$ 302,085
Long-term debt (Note 6)	<u>1,756,968</u>	<u>1,845,031</u>
	<u>1,958,675</u>	<u>2,147,116</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 1,531,946</u>	<u>\$ 1,091,312</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 7,637,767	\$ 7,876,923
Inventory	678	676
Prepaid expenses	<u>16,146</u>	<u>8,648</u>
	<u>7,654,591</u>	<u>7,886,247</u>
<b>ACCUMULATED SURPLUS (Note 10)</b>	<u>\$ 9,186,537</u>	<u>\$ 8,977,559</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, 2018**

	<u>2018 Budget (Note 9)</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>REVENUE</b>			
Property taxes	\$ 1,535,818	\$ 1,173,832	\$ 1,271,798
Grants in lieu of taxation	93,390	93,391	100,198
User fees	51,050	32,128	30,588
Permits, licences and fines	29,800	35,878	34,443
Investment income	6,000	58,195	44,383
Other revenue	25,000	28,744	47,981
Water and sewer	763,174	559,210	559,870
Grants - Province of Manitoba	194,020	254,909	201,242
Grants - other	60,482	155,604	248,607
	<u>2,758,734</u>	<u>2,391,891</u>	<u>2,539,110</u>
Total revenue (Schedules 2, 4 and 5)			
<b>EXPENSES</b>			
General government services	507,655	522,382	611,642
Protective services	248,620	253,237	325,652
Transportation services	460,152	412,452	417,984
Environmental health services	117,552	114,880	116,786
Public health and welfare services	17,900	1,232	876
Regional planning and development	31,148	88,590	79,967
Resource conservation and industrial development	16,875	53,149	32,639
Recreation and cultural services	149,859	162,400	162,325
Water and sewer services	599,824	574,591	500,211
	<u>2,149,585</u>	<u>2,182,913</u>	<u>2,248,082</u>
Total expenses (Schedules 3, 4 and 5)			
<b>ANNUAL SURPLUS</b>	<u>\$ 609,149</u>	<u>208,978</u>	<u>291,028</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		8,977,559	8,686,531
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 9,186,537</u>	<u>\$ 8,977,559</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, 2018**

	<u>2018 Budget (Note 9)</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 609,149</b>	<b>\$ 208,978</b>	<b>\$ 291,028</b>
Acquisition of tangible capital assets	(1,216,750)	(109,555)	(693,370)
Amortization of tangible capital assets	348,710	348,711	289,852
Loss (Gain) on sale of tangible capital assets	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	(2)	(134)
Decrease (increase) in prepaid expense	-	(7,498)	(350)
	<u>(868,040)</u>	<u>231,656</u>	<u>(404,002)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (258,891)</u></b>	<b>440,634</b>	<b>(112,974)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<u>1,091,312</u>	<u>1,204,286</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b><u>\$ 1,531,946</u></b>	<b><u>\$ 1,091,312</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, 2018**

	<u>2018</u>	<u>2017</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 208,978	\$ 291,028
Changes in non-cash items:		
Amounts receivable	122,312	74,226
Inventories	(2)	(134)
Prepays	(7,498)	(350)
Accounts payable and accrued liabilities	(100,377)	50,998
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	348,711	289,852
	<u>572,123</u>	<u>705,620</u>
Cash provided by operating transactions		
	<u>572,123</u>	<u>705,620</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	(109,555)	(693,370)
	<u>(109,555)</u>	<u>(693,370)</u>
Cash applied to capital transactions		
	<u>(109,555)</u>	<u>(693,370)</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	(88,063)	(83,074)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(88,063)</u>	<u>(83,074)</u>
Cash applied to financing transactions		
	<u>(88,063)</u>	<u>(83,074)</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<b>374,505</b>	<b>(70,824)</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<b>2,817,900</b>	<b>2,888,724</b>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<b><u>\$ 3,192,405</u></b>	<b><u>\$ 2,817,900</u></b>

*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, 2018**

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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%) (2017 – 25%)*  
*Lac du Bonnet Regional Library Board (consolidated 26%) (2017 – 26%)*  
*Agassiz Weed Control (consolidated 5%) (2017 - 5%)*

During the previous year, the Lac du Bonnet Community Development Corporation was consolidated into the Town financial statements at 25%. It was determined that no partnership agreement was signed and the Community Development Corporation was removed for the year ending December 31, 2018.

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. There are no trust funds administered by the Town.

**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.

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

**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 used.

**3. Cash and Temporary Investments**

Cash and temporary investments are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 3,192,405	\$ 2,817,900
Temporary investments	-	-
	<u>\$ 3,192,405</u>	<u>\$ 2,817,900</u>

The Town has designated \$2,008,736 (2017 - \$1,523,644) 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>2018</u>	<u>2017</u>
Taxes on roll (Schedule 11)	\$ 113,881	\$ 144,612
Government grants	10,713	42,751
Utility customers	83,549	112,629
Accrued interest	-	-
Organizations and individuals	25,681	87,232
Other governments	69,285	45,303
	<u>303,109</u>	<u>432,527</u>
Less allowances for doubtful amounts	<u>(4,893)</u>	<u>(11,999)</u>
	<u>\$ 298,216</u>	<u>\$ 420,528</u>

**5. Accounts Payable and Accrued Liabilities**

	<u>2018</u>	<u>2017</u>
Accounts payable	\$ 100,745	\$ 148,896
Accrued expenses	27,842	34,585
Refundable deposits	41,850	27,100
School levies	31,270	91,504
Other governments	-	-
	<u>\$ 201,707</u>	<u>\$ 302,085</u>

## 6. Long Term Debt

	<u>2018</u>	<u>2017</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	\$ 703,170	\$ 752,444
Royal Bank Debenture for Water and Sewer, interest at 5.68%, payable at \$4,687 monthly including interest, maturing January 2035	592,129	\$ 614,055
Royal Bank Debenture for Water and Sewer, interest at 5.05%, payable at \$3,387 monthly including interest, maturing November 2035	<u>461,669</u>	<u>478,532</u>
	<u>\$ 1,756,968</u>	<u>\$ 1,845,031</u>

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

2019	\$ 93,355
2020	\$ 98,966
2021	\$ 104,916
2022	\$ 111,226
2023	\$ 117,918

## 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 \$23,327 (2017 - \$21,172) and are included in the statement of operations.

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

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

## 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**

	<u>2018</u>	<u>2017</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 67,460	\$ 206,814
Utility operating fund(s) - Nominal surplus	1,191,186	1,166,063
TCA net of related borrowings	5,874,387	6,031,892
Reserve funds	<u>2,008,736</u>	<u>1,523,644</u>
Accumulated surplus of town unconsolidated	9,141,769	8,928,413
Accumulated surpluses of consolidated entities	<u>44,768</u>	<u>49,146</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 9,186,537</u>	<u>\$ 8,977,559</u>

**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 \$75,000 annually to any member of council, officer or employee of the Town. For the year ended December 31, 2018:

- 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 \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
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 Sveinson	<u>6,000</u>	<u>2,785</u>	<u>8,785</u>
	<u>\$ 32,575</u>	<u>\$ 14,157</u>	<u>\$ 46,732</u>

- c) There were no officers that received compensation in excess of \$75,000.

**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>2018</u>	<u>2017</u>
<b>Financial Position</b>		
Financial Assets	\$ 80,327	\$ 69,933
Liabilities	<u>(42,794)</u>	<u>(28,759)</u>
Net financial assets (liabilities)	\$ 37,533	\$ 41,174
Non-financial assets	<u>7,235</u>	<u>7,972</u>
Accumulated surplus	<u>\$ 44,768</u>	<u>\$ 49,146</u>
<b>Result of Operations</b>		
Revenues	\$ 89,458	\$ 91,254
Expenses	<u>(93,836)</u>	<u>(83,280)</u>
Annual surplus	\$ (4,378)	\$ 7,974
Elimination of revenues/expenses for consolidation	<u>(6,888)</u>	<u>(6,881)</u>
Consolidated annual surplus	<u>\$ (11,266)</u>	<u>\$ 1,093</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, 2018 was \$40,700 (2017 - \$40,700).

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**Year Ended December 31, 2018**

**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	2018	2017
<b>Cost</b>										
Opening costs	\$ 594,193	\$ 1,136,236	\$ 1,418,602	\$ 35,582	\$ -	\$ 1,397,210	\$ 7,127,812	\$ 383,241	\$ 12,092,876	\$ 11,399,506
Additions during the year	26,485	7,405	34,488	-	6,564	-	393,501	24,353	492,796	693,370
Disposals and write downs	-	-	-	-	-	-	-	(383,241)	(383,241)	-
Closing costs	<u>620,678</u>	<u>1,143,641</u>	<u>1,453,090</u>	<u>35,582</u>	<u>6,564</u>	<u>1,397,210</u>	<u>7,521,313</u>	<u>24,353</u>	<u>12,202,431</u>	<u>12,092,876</u>
<b>Accumulated Amortization</b>										
Opening accum'd amortization	14,449	813,985	1,142,786	28,360	-	425,800	1,790,573	-	4,215,953	3,926,101
Amortization	7,591	26,381	53,962	4,453	-	69,861	186,463	-	348,711	289,852
Disposals and write downs	-	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	<u>22,040</u>	<u>840,366</u>	<u>1,196,748</u>	<u>32,813</u>	<u>-</u>	<u>495,661</u>	<u>1,977,036</u>	<u>-</u>	<u>4,564,664</u>	<u>4,215,953</u>
Net Book Value of Tangible Capital Assets	<u>\$ 598,638</u>	<u>\$ 303,275</u>	<u>\$ 256,342</u>	<u>\$ 2,769</u>	<u>\$ 6,564</u>	<u>\$ 901,549</u>	<u>\$ 5,544,277</u>	<u>\$ 24,353</u>	<u>\$ 7,637,767</u>	<u>\$ 7,876,923</u>

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 2**

	<b>2018</b>	2017
	<b>Actual</b>	Actual
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	<b>\$ 1,159,466</b>	\$ 1,254,547
Taxes added	<b>14,366</b>	17,251
	<b>1,173,832</b>	1,271,798
<b>Grants in lieu of taxation:</b>		
Federal government	-	-
Federal government enterprises	<b>8,119</b>	10,620
Provincial government	<b>52,029</b>	52,157
Provincial government enterprises	<b>33,243</b>	37,421
Other local governments	-	-
Non-government organizations	-	-
	<b>93,391</b>	100,198
<b>User fees</b>		
Parking meters	-	-
Sales of service	<b>16,318</b>	16,932
Sales of goods	<b>710</b>	406
Rentals	<b>15,100</b>	13,250
Development charges	-	-
Facility use fees	-	-
	<b>32,128</b>	30,588
<b>Permits, licences and fines</b>		
Permits	<b>21,576</b>	17,742
Licences	<b>345</b>	660
Fees	<b>12,591</b>	11,904
Fines	<b>1,366</b>	4,137
	<b>35,878</b>	34,443
<b>Investment income:</b>		
Cash and temporary investments	<b>58,195</b>	44,383
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<b>58,195</b>	44,383
<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	<b>20,519</b>	26,726
Miscellaneous (specify):	<b>8,225</b>	21,255
	<b>28,744</b>	47,981
<b>Water and sewer</b>		
Municipal utility(ies) (Schedule 9)	<b>559,210</b>	559,870
Consolidated water co-operatives	-	-
	<b>559,210</b>	559,870
<b>Grants - Province of Manitoba</b>		
General assistance payment	<b>243,232</b>	183,470
General support grant	-	-
Municipal program grants ( <i>formerly VLT revenues</i> )	-	-
Other unconditional grants	<b>11,677</b>	11,234
Conditional grants	-	6,538
	<b>254,909</b>	201,242
<b>Grants - other</b>		
Federal government - gas tax funding	<b>60,482</b>	58,434
Federal government - other	<b>696</b>	117,740
Other local governments	<b>94,426</b>	72,433
	<b>155,604</b>	248,607
<b>Total revenue</b>	<b>\$ 2,391,891</b>	\$ 2,539,110

## CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2018

	2018 Actual	2017 Actual
<b>General government services:</b>		
Legislative	\$ 49,112	\$ 46,975
General administrative	340,201	358,566
Other	133,069	206,101
	<u>522,382</u>	<u>611,642</u>
<b>Protective services:</b>		
Police	149,794	149,794
Fire	52,649	117,620
Emergency measures	15,481	11,163
Other	35,313	47,075
	<u>253,237</u>	<u>325,652</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	256,860	273,498
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	3,299	18,089
Street lighting	36,841	24,583
Other	113,442	99,804
Air transport	2,010	2,010
Public transit	-	-
Other	-	-
	<u>412,452</u>	<u>417,984</u>
<b>Environmental health services:</b>		
Waste collection and disposal	70,056	75,347
Recycling	33,133	30,031
Other	11,691	11,408
	<u>114,880</u>	<u>116,786</u>
<b>Public health and welfare services:</b>		
Public health	-	-
Medical care	-	-
Social assistance	876	876
Other	356	-
	<u>1,232</u>	<u>876</u>
<b>Regional planning and development</b>		
Planning and zoning	61,502	54,444
Urban renewal	-	-
Beautification and land rehabilitation	6,238	4,290
Urban area weed control	20,850	20,869
Other	-	364
	<u>88,590</u>	<u>79,967</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	-
Industrial development	-	-
Tourism	8,046	22,639
Other	45,103	10,000
	<u>53,149</u>	<u>32,639</u>
<b>Sub-totals forward</b>	<u>\$ 1,445,922</u>	<u>\$ 1,585,546</u>

**TOWN OF LAC DU BONNET**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 3**

	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>Sub-totals forward</b>	<b>\$ 1,445,922</b>	<b>\$ 1,585,546</b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	9,230	9,080
Swimming pools and beaches	16,148	18,154
Golf courses	-	-
Skating and curling rinks	18,492	14,350
Parks and playgrounds	23,690	35,297
Other recreational facilities	32,661	25,694
Museums	1,132	1,132
Libraries	44,924	42,495
Other cultural facilities	16,123	16,123
	<u>162,400</u>	<u>162,325</u>
<b>Water and sewer services (Schedule 9)</b>		
Municipal utility(ies) (Schedule 9)	574,591	500,211
Consolidated water co-operatives	-	-
	<u>574,591</u>	<u>500,211</u>
<b>Total expenses</b>	<b><u>\$ 2,182,913</u></b>	<b><u>\$ 2,248,082</u></b>

## CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>										
Property taxes	\$ 979,708	\$ 1,077,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	93,391	100,198	-	-	-	-	-	-	-	-
User fees	23,927	22,195	-	-	-	-	-	-	-	-
Grants - other	131,934	219,182	-	-	-	-	-	-	-	-
Permits, licences and fines	345	660	1,366	4,137	-	-	-	-	-	-
Investment income	36,965	30,239	-	-	-	-	-	-	-	-
Other revenue	25,131	42,974	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	243,232	183,470	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	6,538	-	-	-	-	-	-	-	-
Total revenue	\$ 1,534,633	\$ 1,683,130	\$ 1,366	\$ 4,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENSES</b>										
Personnel services	\$ 238,752	\$ 268,216	\$ 22,040	\$ 26,933	\$ 117,940	\$ 102,593	\$ 49,782	\$ 48,499	\$ -	\$ -
Contract services	201,042	154,127	166,476	183,710	66,395	81,140	60,291	58,886	356	-
Utilities	8,972	14,601	-	-	14,247	11,453	-	-	-	-
Maintenance materials and supplies	36,189	38,594	30,222	69,154	98,418	120,984	755	5,340	-	-
Grants and contributions	13,361	121,779	22,429	33,870	2,010	2,010	-	-	-	-
Amortization	15,791	14,325	12,070	11,985	113,442	99,804	4,052	4,061	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	8,275	-	-	-	-	-	-	-	876	876
Total expenses	\$ 522,382	\$ 611,642	\$ 253,237	\$ 325,652	\$ 412,452	\$ 417,984	\$ 114,880	\$ 116,786	\$ 1,232	\$ 876
<b>Surplus (Deficit)</b>	<b>\$ 1,012,251</b>	<b>\$ 1,071,488</b>	<b>\$ (251,871)</b>	<b>\$ (321,515)</b>	<b>\$ (412,452)</b>	<b>\$ (417,984)</b>	<b>\$ (114,880)</b>	<b>\$ (116,786)</b>	<b>\$ (1,232)</b>	<b>\$ (876)</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, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,124	\$ 194,124	\$ 1,173,832	\$ 1,271,798
Grants in lieu of taxation	-	-	-	-	-	-	-	-	93,391	100,198
User fees	6,768	6,921	-	-	1,433	1,472	-	-	32,128	30,588
Grants - other	11,545	17,795	-	-	12,125	11,630	-	-	155,604	248,607
Permits, licences and fines	34,167	29,646	-	-	-	-	-	-	35,878	34,443
Investment income	996	489	-	-	245	181	19,989	13,474	58,195	44,383
Other revenue	120	1,097	-	-	3,493	3,910	-	-	28,744	47,981
Water and sewer	-	-	-	-	-	-	559,210	559,870	559,210	559,870
Prov of MB - Unconditional Grants	-	-	-	-	11,677	11,234	-	-	254,909	194,704
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	-	6,538
Total revenue	\$ 53,596	\$ 55,948	\$ -	\$ -	\$ 28,973	\$ 28,427	\$ 773,323	\$ 767,468	\$ 2,391,891	\$ 2,539,110
<b>EXPENSES</b>										
Personnel services	\$ 42,188	\$ 34,351	\$ 7,588	\$ 1,455	\$ 47,000	\$ 52,779	\$ 86,382	\$ 77,833	\$ 611,672	\$ 612,659
Contract services	39,539	37,077	10,377	10,000	25,860	31,027	132,595	105,797	702,931	661,764
Utilities	773	619	-	-	2,133	1,867	-	-	26,125	28,540
Maintenance materials and supplies	5,067	6,957	7,090	1,184	13,198	16,133	63,090	62,677	254,029	321,023
Grants and contributions	-	-	22,208	20,000	57,929	44,222	-	-	117,937	221,881
Amortization	769	700	-	-	16,123	16,123	186,463	142,854	348,710	289,852
Interest on long term debt	-	-	-	-	-	-	106,061	111,050	106,061	111,050
Other	254	263	5,886	-	157	174	-	-	15,448	1,313
Total expenses	\$ 88,590	\$ 79,967	\$ 53,149	\$ 32,639	\$ 162,400	\$ 162,325	\$ 574,591	\$ 500,211	\$ 2,182,913	\$ 2,248,082
<b>Surplus (Deficit)</b>	\$ (34,994)	\$ (24,019)	\$ (53,149)	\$ (32,639)	\$ (133,427)	\$ (133,898)	\$ 198,732	\$ 267,257	\$ 208,978	\$ 291,028

## CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>								
Property taxes	\$ 1,173,832	\$ 1,271,798	\$ -	\$ -	\$ -	\$ -	\$ 1,173,832	\$ 1,271,798
Grants in lieu of taxation	93,391	100,198	-	-	-	-	93,391	100,198
User fees	23,927	22,195	-	-	8,201	8,393	32,128	30,588
Grants - other	131,934	219,182	-	-	23,670	29,425	155,604	248,607
Permits, licences and fines	1,711	4,797	-	-	34,167	29,646	35,878	34,443
Investment income	56,954	43,713	-	-	1,241	670	58,195	44,383
Other revenue	25,131	42,974	-	-	3,613	5,007	28,744	47,981
Water and sewer	559,210	559,870	-	-	-	-	559,210	559,870
Prov of MB - Unconditional Grants	243,232	183,470	-	-	11,677	11,234	254,909	194,704
Prov of MB - Conditional Grants	-	6,538	-	-	-	-	-	6,538
Total revenue	\$ 2,309,322	\$ 2,454,735	\$ -	\$ -	\$ 82,569	\$ 84,375	\$ 2,391,891	\$ 2,539,110
<b>EXPENSES</b>								
Personnel services	\$ 545,731	\$ 555,142	\$ -	\$ -	\$ 65,941	\$ 57,517	\$ 611,672	\$ 612,659
Contract services	696,005	651,632	-	-	6,926	10,132	702,931	661,764
Utilities	23,219	26,054	-	-	2,906	2,486	26,125	28,540
Maintenance materials and supplies	243,033	309,014	-	-	10,996	12,009	254,029	321,023
Grants and contributions	117,937	221,881	-	-	-	-	117,937	221,881
Amortization	347,941	289,151	-	-	769	701	348,710	289,852
Interest on long term debt	106,061	111,050	-	-	-	-	106,061	111,050
Other	9,151	876	-	-	6,297	437	15,448	1,313
Total expenses	\$ 2,089,078	\$ 2,164,800	\$ -	\$ -	\$ 93,835	\$ 83,282	\$ 2,182,913	\$ 2,248,082
<b>Surplus (Deficit)</b>	\$ 220,244	\$ 289,935	\$ -	\$ -	\$ (11,266)	\$ 1,093	\$ 208,978	\$ 291,028

## SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	2018						
	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	\$ 4,723	\$ 186	\$ 3,938	\$ 2,914	\$ 1,132	\$ 3,298	\$ 3,221
Other income	-	-	-	-	-	-	-
Total revenue	<u>4,723</u>	<u>186</u>	<u>3,938</u>	<u>2,914</u>	<u>1,132</u>	<u>3,298</u>	<u>3,221</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>4,723</b>	<b>186</b>	<b>3,938</b>	<b>2,914</b>	<b>1,132</b>	<b>3,298</b>	<b>3,221</b>
<b>TRANSFERS</b>							
Transfers from general operating fund	-	82,040	20,000	40,000	25,000	-	25,000
Transfers to general operating fund	-	-	(20,450)	-	(13,750)	-	(16,757)
Transfer between reserves	-	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	130,875	-	-	-	-	-	-
Transfers to utility operating fund	(16,847)	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	<b>118,751</b>	<b>82,226</b>	<b>3,488</b>	<b>42,914</b>	<b>12,382</b>	<b>3,298</b>	<b>11,464</b>
<b>FUND SURPLUS, BEGINNING 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>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 388,290</b>	<b>\$ 244,802</b>	<b>\$ 174,451</b>	<b>\$ 294,226</b>	<b>\$ 117,935</b>	<b>\$ 168,865</b>	<b>\$ 206,706</b>

TOWN OF LAC DU BONNET  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
For the Year Ended December 31, 2018

SCHEDULE 6

	2018				2017	
	Airport Reserve #11	Gas Tax Reserve #12	Contingency Operations Reserve #13	Wastewater Utility Reserve #15	Total	Total
<b>REVENUE</b>						
Investment income	\$ 174	\$ 2,119	\$ 374	\$ 4,017	\$ 26,096	\$ 24,178
Other income	-	-	-	-	-	-
Total revenue	<u>174</u>	<u>2,119</u>	<u>374</u>	<u>4,017</u>	<u>26,096</u>	<u>24,178</u>
<b>EXPENSES</b>						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET REVENUES</b>	<b>174</b>	<b>2,119</b>	<b>374</b>	<b>4,017</b>	<b>26,096</b>	<b>24,178</b>
<b>TRANSFERS</b>						
Transfers from general operating fund	1,400	60,482	18,634	-	272,556	169,834
Transfers to general operating fund	-	-	-	-	(50,957)	(236,198)
Transfer between reserves	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	130,875	261,750	181,736
Transfers to utility operating fund	-	-	-	(7,506)	(24,353)	(200,000)
Acquisition of tangible capital assets	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	<b>1,574</b>	<b>62,601</b>	<b>19,008</b>	<b>127,386</b>	<b>485,092</b>	<b>(60,450)</b>
<b>FUND SURPLUS, BEGINNING 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>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 13,581</b>	<b>\$ 122,011</b>	<b>\$ 47,216</b>	<b>\$ 230,653</b>	<b>\$ 2,008,736</b>	<b>\$ 1,523,644</b>

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

For the Year Ended December 31, 2018

	<u>2018 Budget</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
<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	-	-	-
Total expenses	-	-	-
<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, 2018

	2018 Total	2017 Total
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	\$ 1,128,144	\$ 845,293
Amounts receivable	83,549	112,629
Portfolio investments	-	-
Due from other funds	-	208,593
	<u>\$ 1,211,693</u>	<u>\$ 1,166,515</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 2,604	\$ 452
Deferred revenue	-	-
Long-term debt (Note 9)	1,756,968	1,845,031
Due to other funds	17,903	-
	<u>1,777,475</u>	<u>1,845,483</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>\$ (565,782)</u>	<u>\$ (678,968)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 5,568,630	\$ 5,720,481
Inventories	-	-
Prepaid expenses	-	-
	<u>5,568,630</u>	<u>5,720,481</u>
<b>FUND SURPLUS (DEFICIT)</b>	<u><u>\$ 5,002,848</u></u>	<u><u>\$ 5,041,513</u></u>

**SCHEDULE OF UTILITY OPERATIONS - Water and Sewer  
For the Year Ended December 31, 2018**

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 260,000	\$ 270,416	\$ 268,422
Bulk Water fees	118,000	140,039	127,830
sub-total- water	<u>378,000</u>	<u>410,455</u>	<u>396,252</u>
<b>Sewer</b>			
Sewer fees	158,200	145,375	142,961
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>158,200</u>	<u>145,375</u>	<u>142,961</u>
<b>Property taxes</b>	<u>194,124</u>	<u>194,124</u>	<u>194,124</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
Connection charges	1,050	1,230	1,600
Installation service	-	-	-
Penalties	3,500	2,150	3,334
Contributed tangible capital assets	-	-	-
Investment income	12,000	19,989	13,474
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	10,000	-	9,423
sub-total- other	<u>32,850</u>	<u>23,369</u>	<u>34,131</u>
<b>Total revenue</b>	<u>\$ 763,174</u>	<u>\$ 773,323</u>	<u>\$ 767,468</u>

TOWN OF LAC DU BONNET  
 SCHEDULE OF UTILITY OPERATIONS (cont'd) - Water and Sewer  
 For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	\$ 39,300	\$ 18,344	\$ 38,703
Training costs	-	-	-
Billing and collection	1,500	7,452	1,415
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>40,800</u>	<u>25,796</u>	<u>40,118</u>
<b>Water General</b>			
Purification and treatment	60,000	117,637	114,382
Water purchases	-	-	-
Transmission and distribution	19,500	32,967	18,888
Hydrant maintenance	7,000	9,288	1,558
Transportation services	-	-	-
Connection costs	1,000	1,807	834
Other	82,000	20,185	4,575
sub-total- water general	<u>169,500</u>	<u>181,884</u>	<u>140,237</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	176,875	133,265
Interest on long term debt	194,124	106,061	111,050
sub-total- water amortization & interest	<u>194,124</u>	<u>282,936</u>	<u>244,315</u>
<b>Sewer General</b>			
Collection system costs	18,000	3,061	7,714
Treatment and disposal cost	45,000	64,537	44,200
Lift Station costs	17,000	6,764	14,038
Transportation services	-	-	-
Connection costs	2,000	-	-
Other sewage & disposal costs	15,000	24	-
sub-total- sewer general	<u>97,000</u>	<u>74,386</u>	<u>65,952</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>501,424</u>	<u>574,591</u>	<u>500,211</u>
<b>NET OPERATING SURPLUS</b>	<b>261,750</b>	<b>198,732</b>	<b>267,257</b>
<b>TRANSFERS</b>			
Transfers from (to) operating fund	-	-	-
Transfers from (to) capital	-	-	-
Transfers from (to) reserve funds	<u>(261,750)</u>	<u>(237,397)</u>	<u>18,264</u>
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ -</u>	<u>(38,665)</u>	<u>285,521</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>5,041,513</u>	<u>4,755,992</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 5,002,848</u>	<u>\$ 5,041,513</u>

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2018

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>								
Property taxes	\$ 1,535,818	\$ 194,124	\$ -	\$ -	\$ (194,124)	\$ -	\$ -	\$ 1,535,818
Grants in lieu of taxation	93,390	-	-	-	-	-	-	93,390
User fees	51,050	-	-	-	-	-	-	51,050
Permits, licences and fines	29,800	-	-	-	-	-	-	29,800
Investment income	6,000	-	-	-	-	-	-	6,000
Other revenue	25,000	-	-	-	-	-	-	25,000
Water and sewer	-	763,174	-	-	-	-	-	763,174
Grants - Province of Manitoba	194,020	-	-	-	-	-	-	194,020
Grants - other	60,482	-	-	-	-	-	-	60,482
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	<u>\$ 1,995,560</u>	<u>\$ 957,298</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (194,124)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,758,734</u>
<b>EXPENSES</b>								
General government services	\$ 491,750	\$ -	\$ 15,791	\$ -	\$ 114	\$ -	\$ -	\$ 507,655
Protective services	236,550	-	12,070	-	-	-	-	248,620
Transportation services	346,710	-	113,442	-	-	-	-	460,152
Environmental health services	113,500	-	4,052	-	-	-	-	117,552
Public health and welfare services	17,900	-	-	-	-	-	-	17,900
Regional planning and development	30,379	-	769	-	-	-	-	31,148
Resource cons and industrial dev	16,875	-	-	-	-	-	-	16,875
Recreation and cultural services	133,736	-	16,123	-	-	-	-	149,859
Water and sewer services	-	307,300	186,463	106,061	-	-	-	599,824
Fiscal services:								-
Transfer to capital	155,000	-	-	-	(155,000)	-	-	-
Transfer to utility	194,124	-	-	-	(194,124)	-	-	-
Debt charges	-	194,124	-	-	(194,124)	-	-	-
Transfer to reserves	258,922	261,750	-	-	(520,672)	-	-	-
Allowance for tax assets	114	-	-	-	(114)	-	-	-
Total expenses	<u>\$ 1,995,560</u>	<u>\$ 763,174</u>	<u>\$ 348,710</u>	<u>\$ 106,061</u>	<u>\$ (1,063,920)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,149,585</u>
<b>Surplus (Deficit)</b>	<u>\$ -</u>	<u>\$ 194,124</u>	<u>\$ (348,710)</u>	<u>\$ (106,061)</u>	<u>\$ 869,796</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,149</u>

**TOWN OF LAC DU BONNET  
ANALYSIS OF TAXES ON ROLL  
December 31, 2018**

**SCHEDULE 11**

	<u>2018</u>	<u>2017</u>
<b>Balance, beginning of year</b>	<b>\$ 144,612</b>	<b>\$ 217,955</b>
<b>Add:</b>		
Tax levy (Schedule 12)	2,027,650	2,122,369
Taxes added	14,366	17,251
Penalties or interest	20,519	26,726
Other accounts added	1,903	-
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
<b>Sub-total</b>	<b><u>2,064,438</u></b>	<b><u>2,166,346</u></b>
<b>Deduct:</b>		
Cash collections - current	1,763,579	1,816,516
Cash collections - arrears	89,136	179,780
Write-offs	-	-
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	242,454	243,393
Other credits (specify)	-	-
<b>Sub-total</b>	<b><u>2,095,169</u></b>	<b><u>2,239,689</u></b>
<b>Balance, end of year</b>	<b><u>\$ 113,881</u></b>	<b><u>\$ 144,612</u></b>

TOWN OF LAC DU BONNET  
ANALYSIS OF TAX LEVY  
For the Year Ended December 31, 2018

**SCHEDULE 12**

	2018		2017	
	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	\$ 65,728,450	\$ 1.380	90,705	90,756
B/L 103/10	\$ 65,728,450	\$ 0.799	52,517	52,546
B/L 116/10	\$ 65,728,450	\$ 0.577	37,925	37,947
Other (specify)	\$ -	\$ -	-	-
sub-total- Debt charges			181,148	181,249
Deferred surplus	\$ -	\$ -	-	-
<b>Reserves:</b>				
Fire Equip Replacement 437/85	\$ 57,834,530	\$ 0.400	23,134	23,115
General 442/86	\$ 57,834,530		-	-
Equipment Replacement 374/83	\$ 57,834,530	\$ 0.639	36,956	36,984
Recreation Land	\$ 57,834,530	\$ 0.400	23,134	23,115
New Proposed Facility Res	\$ 57,834,530	\$ 0.320	18,507	18,492
Airport 100/10	\$ 57,834,530	\$ 0.022	1,272	1,329
sub-total- Reserves			103,003	103,036
General municipal	\$ 57,834,530	\$ 13.375	773,526	881,152
<b>Special levies:</b>				
Library 554/92	\$ 57,834,530	\$ 0.256	14,806	14,389
Recreation District 560/93	\$ 57,834,530	\$ 0.150	8,675	8,495
Arena 330/82	\$ 57,834,530	\$ 0.288	16,656	13,869
Fire Department 17/02	\$ 57,834,530	\$ 0.928	53,670	44,439
Community Centre 299/80	\$ 57,834,530	\$ 0.138	7,981	7,917
sub-total- Special levies			101,789	89,109
Business tax (rate%)	\$ -	\$ -	-	-
<b>Total municipal taxes (Schedule 2)</b>			<b>1,159,466</b>	<b>1,254,547</b>
Education support levy	\$ 10,125,870	\$ 9.770	98,930	106,685
<b>Special levies:</b>				
Sunrise School Division	\$ 55,565,940	\$ 13.844	769,255	761,137
Name of school division	\$ -	\$ -	-	-
sub-total- Special levies			769,255	761,137
<b>Total education taxes</b>			<b>868,185</b>	<b>867,822</b>
<b>Total tax levy (Schedule 11)</b>			<b>\$ 2,027,650</b>	<b>\$ 2,122,369</b>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	2018 Actual	2017 Actual
<b>General government services:</b>		
Legislative	\$ 49,112	\$ 46,975
General administrative	340,201	358,667
Other	133,069	206,101
	<u>522,382</u>	<u>611,743</u>
<b>Protective services:</b>		
Police	149,794	149,794
Fire	52,649	117,620
Emergency measures	15,481	11,163
Other	35,313	47,075
	<u>253,237</u>	<u>325,652</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	-	-
Road and street maintenance	256,860	273,498
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	3,299	18,089
Street lighting	36,841	24,583
Other	113,442	99,804
Air transport	2,010	2,010
Public transit	-	-
Other	-	-
	<u>412,452</u>	<u>417,984</u>
<b>Environmental health services:</b>		
Waste collection and disposal	70,056	75,347
Recycling	33,133	30,031
Other	11,691	11,408
	<u>114,880</u>	<u>116,786</u>
<b>Public health and welfare services:</b>		
Public health	-	-
Medical care	-	-
Social assistance	876	876
Other	356	-
	<u>1,232</u>	<u>876</u>
<b>Regional planning and development</b>		
Planning and zoning	19,496	15,028
Urban renewal	-	-
Beautification and land rehabilitation	6,238	4,290
Urban area weed control	10,584	11,413
Other	-	-
	<u>36,318</u>	<u>30,731</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	-
Industrial development	-	-
Tourism	8,046	22,639
Other	39,217	10,000
	<u>47,263</u>	<u>32,639</u>
<b>Sub-totals forward</b>	<u>\$ 1,387,764</u>	<u>\$ 1,536,411</u>

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2018

	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>Sub-totals forward</b>	<b><u>\$ 1,387,764</u></b>	<b><u>\$ 1,536,411</u></b>
<b>Recreation and cultural services:</b>		
Administration	-	-
Community centers and halls	9,230	9,080
Swimming pools and beaches	16,148	18,154
Golf courses	-	-
Skating and curling rinks	18,492	14,350
Parks and playgrounds	23,690	35,297
Other recreational facilities	32,661	25,694
Museums	1,132	1,132
Libraries	16,036	15,233
Other cultural facilities	16,123	16,123
	<u>133,512</u>	<u>135,063</u>
<b>Total expenses</b>	<b><u>\$ 1,521,276</u></b>	<b><u>\$ 1,671,474</u></b>

TOWN OF LAC DU BONNET

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) - Unaudited

December 31, 2018

	2018			2017
	General	Utility	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	<b>\$ (146,536)</b>	<b>\$ 25,123</b>	<b>\$ (121,413)</b>	<b>\$ (142,126)</b>
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	272,556	261,750	534,306	351,570
Eliminate revenue - transfers from reserves	(50,957)	(24,353)	(75,310)	(436,198)
Increase revenue - reserve funds interest	26,096	-	26,096	24,178
Eliminate transfers between funds	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(11,266)	-	(11,266)	1,093
Decrease expense - elimination of contributions to consolidating entities	6,888	-	6,888	6,881
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(161,477)	(186,464)	(347,941)	(289,152)
Decrease expense - principal portion of debenture debt	-	88,063	88,063	83,074
Eliminate expense - acquisitions of tangible capital assets	74,942	34,613	109,555	691,708
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 10,246</b>	<b>\$ 198,732</b>	<b>\$ 208,978</b>	<b>\$ 291,028</b>