

RURAL MUNICIPALITY OF ST. CLEMENTS

**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 Rural Municipality of St. Clements 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 Municipality 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 Group Chartered Professional Accountants as the Municipality'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 Municipality in accordance with Canadian public sector accounting standards.



D.J. Sigmundson
Chief Administrative Officer

INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the
RURAL MUNICIPALITY OF ST. CLEMENTS

Opinion

We have audited the accompanying consolidated financial statements of the Rural Municipality of St. Clements, 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 Rural Municipality of St. Clements 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 Municipality 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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 auditor's 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 Municipality'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 Municipality'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 Municipality 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
July 25, 2019

RURAL MUNICIPALITY OF ST. CLEMENTS

Consolidated Financial Statements

For the Year Ended December 31, 2018

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RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018

	<u>2018</u>	<u>2017</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 1,625,414	\$ 739,161
Amounts receivable (Note 4)	<u>2,363,316</u>	<u>3,995,046</u>
	<u>\$ 3,988,730</u>	<u>\$ 4,734,207</u>
LIABILITIES		
Temporary borrowing (Note 6)	\$ -	\$ 3,588,509
Accounts payable and accrued liabilities (Note 7)	471,302	267,946
Landfill closure and post closure liabilities (Note 8)	1,059,745	1,009,083
Long-term debt (Note 9)	13,514,909	12,279,893
Deposits and other liabilities	<u>315,764</u>	<u>463,372</u>
	<u>15,361,720</u>	<u>17,608,803</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (11,372,990)</u>	<u>\$ (12,874,596)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1) (Note 19)	\$ 47,140,785	\$ 48,618,729
Inventories (Note 5)	740,840	741,323
Prepaid expenses (Note 19)	<u>503,238</u>	<u>49,287</u>
	<u>48,384,863</u>	<u>49,409,339</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 37,011,873</u>	<u>\$ 36,534,743</u>

Approved on behalf of Council:

Mayor

Councillor

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2018

	2018 Budget (Note 12)	2018 Actual	2017 Actual
REVENUE			
Property taxes	\$ 7,474,402	\$ 7,635,980	\$ 7,277,583
Grants in lieu of taxation	185,457	220,686	210,351
User fees	1,409,578	2,362,003	1,436,477
Permits, licences and fines	23,900	328,205	367,802
Investment income	86,520	38,161	72,170
Other revenue	180,100	459,937	336,725
Water and sewer	455,416	501,654	440,190
Grants - Province of Manitoba	1,068,188	779,441	1,179,880
Grants - other	932,335	986,208	713,752
Total revenue (Schedules 2, 4 and 5)	11,815,896	13,312,275	12,034,930
EXPENSES			
General government services	1,811,117	2,072,368	1,951,358
Protective services	1,301,717	1,725,638	1,582,224
Transportation services	5,712,369	5,238,666	4,821,568
Environmental health services	1,291,338	1,238,285	885,026
Public health and welfare services	48,000	48,061	50,485
Regional planning and development	82,500	460,422	427,812
Resource conservation and industrial development	165,320	236,708	163,395
Recreation and cultural services	452,599	576,139	472,361
Water and sewer services	1,463,411	1,238,858	1,295,072
Total expenses (Schedules 3, 4 and 5)	12,328,371	12,835,145	11,649,301
ANNUAL SURPLUS (DEFICIT)	\$ (512,475)	477,130	385,629
ACCUMULATED SURPLUS, BEGINNING OF YEAR		36,534,743	36,149,114
ACCUMULATED SURPLUS, END OF YEAR		\$ 37,011,873	\$ 36,534,743

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2018

	<u>2018</u> <u>Budget</u> <u>(Note 12)</u>	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (512,475)	\$ 477,130	\$ 385,629
Acquisition of tangible capital assets	(1,582,000)	(853,880)	(996,628)
Amortization of tangible capital assets	1,834,441	1,867,072	1,643,371
Loss (Gain) on sale of tangible capital assets	-	(20,145)	(4,574)
Proceeds on sale of tangible capital assets	-	26,891	6,843
Decrease (increase) in inventories	-	483	(7,017)
Decrease (increase) in prepaid expense	-	(453,951)	7,832
	<u>252,441</u>	<u>566,470</u>	<u>649,827</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (260,034)</u>	<u>1,043,600</u>	<u>1,035,456</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		(12,874,596)	(13,910,052)
CHANGE IN ASSET CLASSIFICATION (NOTE 19)		<u>458,006</u>	<u>-</u>
NET FINANCIAL ASSETS, AS RESTATED		<u>(12,416,590)</u>	<u>(13,910,052)</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ (11,372,990)</u>	<u>\$ (12,874,596)</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 477,130	\$ 385,629
Changes in non-cash items:		
Amounts receivable	1,631,732	1,020,449
Inventories	483	(7,017)
Prepays	(453,951)	7,832
Accounts payable and accrued liabilities	203,356	(1,240,282)
Deferred revenue	-	-
Landfill closure and post closure liabilities	50,661	(17,053)
Other liabilities	(147,608)	34,344
Loss (Gain) on sale of tangible capital asset	(20,145)	(4,574)
Loss (Gain) on sale of real estate held for sale	-	(21,823)
Amortization	1,867,072	1,643,371
Cash provided by operating transactions	<u>3,608,730</u>	<u>1,800,876</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	26,891	6,843
Cash used to acquire tangible capital assets	<u>(853,880)</u>	<u>(996,628)</u>
Cash applied to capital transactions	<u>(826,989)</u>	<u>(989,785)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	86,932
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	-
Loans and advances issued	-	-
Cash applied to investing transactions	<u>-</u>	<u>86,932</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	1,799,458	3,500,000
Debt repayment	(564,443)	(537,758)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
Cash applied to financing transactions	<u>1,235,015</u>	<u>2,962,242</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	<u>4,016,756</u>	<u>3,860,265</u>
CASH AND TEMPORARY INVESTMENTS (BANK INDEBTEDNESS), BEGINNING OF YEAR	<u>(2,849,348)</u>	<u>(6,709,613)</u>
CHANGE IN ASSET CLASSIFICATION (NOTE 19)	<u>458,006</u>	<u>-</u>
CASH AND TEMPORARY INVESTMENTS (BANK INDEBTEDNESS), AS RESTATED	<u>(2,391,342)</u>	<u>(6,709,613)</u>
CASH AND TEMPORARY INVESTMENTS (BANK INDEBTEDNESS), END OF YEAR	<u>\$ 1,625,414</u>	<u>\$ (2,849,348)</u>
REPRESENTED BY:		
CASH AND TEMPORARY INVESTMENTS	1,625,414	739,161
TEMPORARY BORROWING	-	(3,588,509)
	<u>\$ 1,625,414</u>	<u>\$ (2,849,348)</u>

The accompanying notes are an integral part of this financial statement

RURAL MUNICIPALITY OF ST. CLEMENTS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2018

1. Status of the Rural Municipality of St. Clements

The incorporated Rural Municipality of St. Clements ("the Municipality") is a municipality that was formed in 1884 pursuant to The Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality also owns two utilities, has 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 Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. There are no controlled organizations included in these consolidated financial statements.

The Municipality 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 Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Red River Planning District (18.75%) (2017 - 18.75%)
Selkirk Weed Control District (38%) (2017 - 38%)
North Red Community Water Maintenance (33.3%) (2017 - 33.3%)
Gaynor Family Regional Library (25%) (2017 - 25%)
Red River North Flood Consortium (20%) (2017 - 20%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The Municipality did not administer any trust funds at year-end.

b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

c) Cash and Temporary Investments

Cash and temporary investments include cash and short-term investments with maturities of three months or less from the date of acquisition.

d) Investments

Temporary investments are accounted for at the lower of cost and market.

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

Real estate properties held for sale are recorded at the lower of cost and net realizable value. Cost includes the amount of acquisition, legal fees, and improvements to prepare the properties for sale or servicing.

It is reasonably anticipated that real estate properties held for resale will be sold outside the reporting entity within one year of the balance sheet date.

f) Landfill Closure and Post Closure Liabilities

The estimated cost to close and maintain solid waste landfill sites are based on estimated future expenses, in current dollars, adjusted for estimated inflation, and are charged to expenses as the landfill capacity is used.

g) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality does not capitalize internal finance charges as part of the cost of its tangible capital assets.

General Tangible Capital Assets

Land	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 Municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

i) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

j) Inventories

Inventories held for sale are recorded at the lower of cost and net realizable value.

Inventories held for consumption are recorded at the lower of cost and replacement value.

k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

l) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2018</u>	<u>2017</u>
Cash	\$ 1,625,414	\$ 739,161
Temporary investments	-	-
	<u>\$ 1,625,414</u>	<u>\$ 739,161</u>

The Municipality has designated \$2,347,760 (2017 - \$2,696,204) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Municipality has access to a line of credit as disclosed in Note 6.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2018</u>	<u>2017</u>
Taxes on roll (Schedule 11)	\$ 1,789,192	\$ 1,687,871
Government grants	89,942	1,716,254
Utility customers	105,602	128,153
Accrued interest	-	-
Organizations and individuals	371,414	585,194
Other governments	155,614	137,730
	<u>2,511,764</u>	<u>4,255,202</u>
Less allowances for doubtful amounts	<u>(148,448)</u>	<u>(260,156)</u>
	<u>\$ 2,363,316</u>	<u>\$ 3,995,046</u>

5. Inventories

Inventories for sale:

	<u>2018</u>	<u>2017</u>
Sunset Bay lots	<u>\$ 725,000</u>	<u>\$ 725,000</u>

Inventories for use:

Fuel	\$ 12,776	\$ 12,761
Aggregate	1,200	1,200
Supplies	<u>1,864</u>	<u>2,362</u>
	<u>\$ 15,840</u>	<u>\$ 16,323</u>
	<u>\$ 740,840</u>	<u>\$ 741,323</u>

6. Temporary Borrowings

	<u>2018</u>	<u>2017</u>
Line of credit with Sunova Credit Union, \$6,799,000 available, interest rate 3.20%	<u>\$ -</u>	<u>\$ 3,588,509</u>

7. Accounts Payable and Accrued Liabilities

	<u>2018</u>	<u>2017</u>
Accounts payable	\$ 338,095	\$ 85,378
Accrued expenses	86,662	136,018
Accrued interest payable	-	-
School levies	-	-
Other governments	<u>46,545</u>	<u>46,550</u>
	<u>\$ 471,302</u>	<u>\$ 267,946</u>

8. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Municipality is currently operating Class 1 landfill sites in the Municipality. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	<u>2018</u>	<u>2017</u>
Landfill Cell A - Opened 1997		
Estimated closure and post closure costs	<u>\$ 1,141,024</u>	<u>\$ 1,141,024</u>
Discount rate	<u>6.00%</u>	<u>6.00%</u>
Discounted costs	<u>\$ 688,398</u>	<u>\$ 688,398</u>
Expected year capacity will be reached	2019	2018
Capacity (disclosed in tonnes):		
Used to date	487,500	475,000
Remaining	12,500	25,000
Total	500,000	500,000
Percent utilized	<u>97.50%</u>	<u>95.00%</u>
Liability based on percentage	<u>\$ 671,188</u>	<u>\$ 653,978</u>
Landfill Cell B - Opened 2009		
Estimated closure and post closure costs	<u>\$ 963,913</u>	<u>\$ 963,913</u>
Discount rate	<u>6.00%</u>	<u>6.00%</u>
Discounted costs	<u>\$ 445,036</u>	<u>\$ 414,139</u>
Expected year capacity will be reached	2027	2018
Capacity (disclosed in tonnes):		
Used to date	480,200	471,600
Remaining	69,800	78,400
Total	550,000	550,000
Percent utilized	<u>87.31%</u>	<u>85.75%</u>
Liability based on percentage	<u>\$ 388,557</u>	<u>\$ 355,105</u>
Total liability	<u>\$ 1,059,745</u>	<u>\$ 1,009,083</u>

b) Closed Landfill Site(s)

Legislation requires the Municipality to monitor its closed landfill site(s). Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. As at December 31, 2018, there are no closed landfill sites.

9. Long Term Debt

	<u>2018</u>	<u>2017</u>
General Authority:		
Debenture 15/21 for Grand Marais Heritage Centre, interest at 3.05%, payable at \$58,764 annually including interest, maturing December 2022	\$ 218,174	\$ 268,742
	-	
Debenture 6/15 for Roxanne Close Shoreline, interest at 3.50%, payable at \$5,383 annually including interest, maturing December 2034	<u>65,100</u>	<u>68,099</u>
	<u>\$ 283,274</u>	<u>\$ 336,841</u>
Utility Funds:		
Debenture 10/01 for Lockport (LID) sewer treatment, interest at 7.00%, payable at \$12,049 annually including interest, matured November 2018	\$ -	\$ 11,260
Debenture 5/15 for Sunset (LID) low pressure sewer system, interest at 3.50%, payable at \$117,623 annually including interest, maturing 2034	1,422,550	1,488,090
Debenture 10/16 for Old River Rd (LID) low pressure sewer system, interest at 3.69%, payable at \$38,179 annually including interest, maturing December 2035	475,839	495,725
Debenture 11/16 for East Selkirk (LID-A) water & low pressure sewer system, interest at 3.69%, payable at \$184,857 annually including interest, maturing December 2035	2,303,959	2,400,247
Debenture 11/16 for East Selkirk (LID-B) water & low pressure sewer system, interest at 3.69%, payable at \$116,606 annually including interest, maturing December 2035	1,453,309	1,514,047
Debenture 16/16 for East Selkirk water & low pressure sewer system, interest at 2.0%, payable at \$ 172,688 annually (declining) including interest, maturing June 2036	2,246,927	2,375,323
Debenture 4/17 for the East Selkirk Lagoon, interest at 4.25%, payable at \$263,269 annually including interest, maturing December 2036	3,266,094	3,385,480
Debenture 9/2018 for East Selkirk water & low pressure sewer system, interest at 4.08%, payable at \$133,348 annually including interest, maturing December 2038	<u>1,799,458</u>	<u>-</u>
	<u>\$ 12,968,136</u>	<u>\$ 11,670,172</u>
Government Partnerships:		
Red River Planning District Commercial line of credit of \$1,405,330 with Sunova Credit Union, bears interest at prime. Interest is charged monthly and is secured by a general security agreement	\$ 263,499	272,880
	<u>\$ 13,514,909</u>	<u>\$ 12,279,893</u>

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

2019	\$	619,275
2020	\$	637,851
2021	\$	657,136
2022	\$	677,159
2023	\$	639,182

10. Retirement Benefits

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees are expected to be \$147,625 (2017 - \$142,951) 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.

11. Financial Instruments

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

12. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Municipality has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - Reconciliation of the Financial Plan to the Budget.

13. Accumulated Surplus

	<u>2018</u>	<u>2017</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 218,538	\$ (1,067,712)
Utility operating fund(s) - Nominal surplus	(538,445)	(2,338,784)
TCA net of related borrowings	33,773,552	36,023,762
Reserve funds	<u>2,347,760</u>	<u>2,696,204</u>
Accumulated surplus of municipality unconsolidated	35,801,405	35,313,470
Accumulated surpluses of consolidated entities	<u>1,210,468</u>	<u>1,221,273</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 37,011,873</u>	<u>\$ 36,534,743</u>

14. 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 Municipality. For the year ended December 31, 2018:

- a) Compensation paid to members of council amounted to \$304,509 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 - Deborah Fiebelkorn	\$ 43,894	\$ 17,852	\$ 61,746
Deputy Mayor - Kenneth Thomas	27,165	10,688	37,853
Councillor - David Sutherland	29,293	6,675	35,968
Councillor - Ray Frey	24,008	8,578	32,586
Councillor - Glen Basarowich	34,316	16,731	51,047
Councillor - Gerald Drobot	25,078	10,705	35,783
Councillor - Robert Belanger	24,143	7,102	31,245
Councillor - David Horbas	3,986	1,464	5,450
Councillor - Scott Spicer	4,335	1,573	5,908
Councillor - Sandra Strang	5,117	1,806	6,923
	<u>\$ 221,335</u>	<u>\$ 83,174</u>	<u>\$ 304,509</u>

- c) The following officers received compensation in excess of \$75,000:

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>D.J. Sigmundson</i>	<i>CAO</i>	\$ 145,826
<i>Gregory Elson</i>	<i>Director of Public Works</i>	\$ 98,242
<i>Darren Otto</i>	<i>Public Works Lead Hand</i>	\$ 92,963
<i>Colleen Sailor</i>	<i>Assistant CAO</i>	\$ 86,546

15. Segmented Information

The Rural Municipality of St. Clements 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.

16. Government Partnerships

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

	<u>2018</u>	<u>2017</u>
Financial Position		
Financial assets	\$ 961,877	\$ 955,205
Financial liabilities	<u>317,299</u>	<u>329,727</u>
Net financial assets (liabilities)	<u>644,578</u>	625,478
Non-financial assets	<u>565,890</u>	<u>595,795</u>
Accumulated surplus	<u>\$ 1,210,468</u>	<u>\$ 1,221,273</u>
Result of Operations		
Revenues	\$ 1,229,921	\$ 1,076,403
Expenses	<u>1,240,726</u>	<u>973,137</u>
Annual surplus	<u>(10,805)</u>	103,266
Elimination of revenues(expenses) upon consolidation	<u>49,115</u>	<u>49,707</u>
Consolidated annual surplus (deficit)	<u>\$ (59,920)</u>	<u>\$ 53,559</u>

17. Public Utilities Board

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

For information purposes, the Municipality has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

No capital grants have been deferred and amortized in these financial statements.

Water services:

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
East Selkirk	\$ 1,964,593	\$ -	\$ 40,719	\$ 1,923,874
	<u>\$ 1,964,593</u>	<u>\$ -</u>	<u>\$ 40,719</u>	<u>\$ 1,923,874</u>

Sewer services:

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
East Selkirk	\$ 1,964,593	\$ -	\$ 40,719	\$ 1,923,874
Henderson	<u>3,839,826</u>	<u>-</u>	<u>79,996</u>	<u>3,759,830</u>
	<u>\$ 5,804,419</u>	<u>\$ -</u>	<u>\$ 120,715</u>	<u>\$ 5,683,704</u>

18. Comparative Figures

Some of the comparative figures have been reclassified to conform with the current year's presentation.

19. Change in Asset Classification

The Red River Planning District participated in the construction of a new office building which was substantially completed in January 2014. An agreement concerning the legal status of the District's interest in the property had not been reached at the time. In previous years, these costs were reported as a capital asset and amortized over a period of 40 years.

In October 2018, the District entered into an agreement with the City of Selkirk whereby the construction costs incurred were deemed to be prepayment of rent for a period of 30 years commencing on January 10, 2014 and ending on January 10, 2044.

The change in asset classification has been accounted for prospectively. The unamortized construction costs as at January 1, 2018 have been reclassified to prepaid rent and amortized over the remaining term of the lease in the annual amount of \$93,950. The adjustment to past amortized costs in the amount of \$32,882 was recorded in 2018

RURAL MUNICIPALITY OF ST. CLEMENTS
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
Cost										
Opening costs	\$ 4,927,650	\$ 8,177,525	\$ 7,654,359	\$ 129,952	\$ 245,583	\$ 30,525,641	\$ 27,908,423	\$ 31,340	\$ 79,600,473	\$ 78,688,513
Change in Asset Classification (Note 19)	-	(508,759)	-	-	-	-	-	-	(508,759)	-
Additions during the year	116,000	69,597	534,177	7,786	310,797	-	-	1,120	1,039,477	996,628
Disposals and write downs	-	-	(80,018)	-	(185,597)	-	-	-	(265,615)	(84,668)
Closing costs	<u>5,043,650</u>	<u>7,738,363</u>	<u>8,108,518</u>	<u>137,738</u>	<u>370,783</u>	<u>30,525,641</u>	<u>27,908,423</u>	<u>32,460</u>	<u>79,865,576</u>	<u>79,600,473</u>
Accumulated Amortization										
Opening accum'd amortization	676,844	2,144,626	4,621,871	111,405	-	20,998,369	2,428,629	-	30,981,744	29,420,768
Change in Asset Classification (Note 19)	-	(50,753)	-	-	-	-	-	-	(50,753)	-
Amortization	113,610	241,928	521,579	11,192	-	365,995	612,768	-	1,867,072	1,643,371
Disposals and write downs	-	-	(73,272)	-	-	-	-	-	(73,272)	(82,395)
Closing accum'd amortization	<u>790,454</u>	<u>2,335,801</u>	<u>5,070,178</u>	<u>122,597</u>	<u>-</u>	<u>21,364,364</u>	<u>3,041,397</u>	<u>-</u>	<u>32,724,791</u>	<u>30,981,744</u>
Net Book Value of Tangible Capital Assets	<u>\$ 4,253,196</u>	<u>\$ 5,402,562</u>	<u>\$ 3,038,340</u>	<u>\$ 15,141</u>	<u>\$ 370,783</u>	<u>\$ 9,161,277</u>	<u>\$ 24,867,026</u>	<u>\$ 32,460</u>	<u>\$ 47,140,785</u>	<u>\$ 48,618,729</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2018

SCHEDULE 2

	2018 Actual	2017 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 7,395,852	\$ 7,135,887
Taxes added	240,128	141,696
	7,635,980	7,277,583
Grants in lieu of taxation:		
Federal government	10,810	11,397
Federal government enterprises	1,830	1,012
Provincial government	22,589	19,351
Provincial government enterprises	185,457	178,591
Other municipal governments	-	-
Non-government organizations	-	-
	220,686	210,351
User fees		
Parking meters	-	-
Sales of service	1,650,166	1,180,556
Sales of goods	-	-
Rentals	218,124	200,921
Development charges	493,713	55,000
Facility use fees	-	-
	2,362,003	1,436,477
Permits, licences and fines		
Permits	314,500	346,988
Licences	13,705	14,614
Fees	-	-
Fines	-	6,200
	328,205	367,802
Investment income:		
Cash and temporary investments	38,161	72,170
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	38,161	72,170
Other revenue:		
Gain on sale of tangible capital assets	20,145	4,574
Gain on sale of real estate held for sale	-	21,823
Contributed assets	-	-
Penalties and interest	255,762	212,995
Miscellaneous (specify):		
Recoveries	89,806	33,408
Donations	2,200	3,395
Other revenue	92,024	60,530
	459,937	336,725
Water and sewer		
Municipal utility(ies) (Schedule 9)	501,654	440,190
Consolidated water co-operatives	-	-
	501,654	440,190
Grants - Province of Manitoba		
Municipal operating grants	562,258	562,750
Other unconditional grants	-	-
Conditional grants	217,183	617,130
	779,441	1,179,880
Grants - other		
Federal government - gas tax funding	594,351	574,227
Federal government - other	250,000	-
Other municipal governments	141,857	139,525
	986,208	713,752
Total revenue	\$ 13,312,275	\$ 12,034,930

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 3

	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
General government services:		
Legislative	\$ 304,508	\$ 322,542
General administrative	1,254,022	1,142,101
Other	513,838	486,715
	<u>2,072,368</u>	<u>1,951,358</u>
Protective services:		
Police	187,999	166,083
Fire	543,751	632,788
Emergency measures	71,364	104,004
Other	922,524	679,349
	<u>1,725,638</u>	<u>1,582,224</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	5,159,015	4,760,802
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	7,268
Street lighting	79,651	53,498
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>5,238,666</u>	<u>4,821,568</u>
Environmental health services:		
Waste collection and disposal	1,238,285	885,026
Recycling	-	-
Other	-	-
	<u>1,238,285</u>	<u>885,026</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	48,061	48,061
Other	-	2,424
	<u>48,061</u>	<u>50,485</u>
Regional planning and development		
Planning and zoning	419,367	395,908
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	41,055	31,904
	<u>460,422</u>	<u>427,812</u>
Resource conservation and industrial development		
Rural area weed control	131,597	127,695
Natural resources	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	89,919	21,198
Industrial development	-	-
Tourism	12,192	11,502
Other	3,000	3,000
	<u>236,708</u>	<u>163,395</u>
Sub-totals forward	<u>\$ 11,020,148</u>	<u>\$ 9,881,868</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 3

	<u>2018 Actual</u>	<u>2017 Actual</u>
Sub-totals forward	<u>\$ 11,020,148</u>	<u>\$ 9,881,868</u>
Recreation and cultural services:		
Administration	-	-
Community centers and halls	293,209	107,812
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	-	-
Other recreational facilities	18,628	100,436
Museums	-	-
Libraries	264,302	264,113
Other cultural facilities	-	-
	<u>576,139</u>	<u>472,361</u>
Water and sewer services		
Municipal utility(ies) (Schedule 9)	1,238,858	1,295,072
Consolidated water co-operatives	-	-
	<u>1,238,858</u>	<u>1,295,072</u>
Total expenses	<u><u>\$ 12,835,145</u></u>	<u><u>\$ 11,649,301</u></u>

RURAL MUNICIPALITY OF ST. CLEMENTS

SCHEDULE 4

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
REVENUE										
Property taxes	\$ 6,842,748	\$ 6,476,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	220,686	210,351	-	-	-	-	-	-	-	-
User fees	185,800	167,934	671,641	450,374	245,951	16,551	693,067	670,783	-	-
Grants - other	845,789	575,665	1,200	1,691	-	-	-	-	-	-
Permits, licences and fines	20,630	29,089	-	-	-	-	-	-	-	-
Investment income	25,864	63,530	6,210	4,993	-	-	-	-	-	-
Other revenue	447,505	321,662	386	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	562,258	562,750	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	42,669	43,064	70,680	69,229	-	400,000	-	-	-	-
Total revenue	\$ 9,193,949	\$ 8,450,532	\$ 750,117	\$ 526,287	\$ 245,951	\$ 416,551	\$ 693,067	\$ 670,783	\$ -	\$ -
EXPENSES										
Personnel services	\$ 1,091,115	\$ 1,059,506	\$ 524,114	\$ 508,089	\$ 1,293,492	\$ 1,167,168	\$ 284,792	\$ 284,235	\$ -	\$ -
Contract services	499,872	446,184	415,614	376,343	2,498,247	2,462,365	503,441	326,086	-	-
Utilities	35,692	35,014	51,819	45,882	112,717	100,884	7,339	4,718	-	-
Maintenance materials and supplies	67,835	43,062	419,413	384,079	649,039	508,173	371,114	218,044	-	-
Grants and contributions	115,105	107,897	3,354	1,691	-	-	-	-	48,061	48,061
Amortization	17,531	13,923	250,829	236,267	682,439	580,281	71,599	51,943	-	-
Interest on long term debt	55,437	69,121	30	-	-	-	-	-	-	-
Other	189,781	176,651	60,465	29,873	2,732	2,697	-	-	-	2,424
Total expenses	\$ 2,072,368	\$ 1,951,358	\$ 1,725,638	\$ 1,582,224	\$ 5,238,666	\$ 4,821,568	\$ 1,238,285	\$ 885,026	\$ 48,061	\$ 50,485
Surplus (Deficit)	\$ 7,121,581	\$ 6,499,174	\$ (975,521)	\$ (1,055,937)	\$ (4,992,715)	\$ (4,405,017)	\$ (545,218)	\$ (214,243)	\$ (48,061)	\$ (50,485)

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

RURAL MUNICIPALITY OF ST. CLEMENTS

SCHEDULE 4

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
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 793,232	\$ 801,096	\$ 7,635,980	\$ 7,277,583
Grants in lieu of taxation	-	-	-	-	-	-	-	-	220,686	210,351
User fees	517,644	80,928	33,398	35,916	14,502	13,991	-	-	2,362,003	1,436,477
Grants - other	36,579	35,514	31,426	30,814	71,214	70,068	-	-	986,208	713,752
Permits, licences and fines	307,575	338,713	-	-	-	-	-	-	328,205	367,802
Investment income	5,718	3,253	369	394	-	-	-	-	38,161	72,170
Other revenue	2,297	978	1,920	4,561	7,829	9,524	-	-	459,937	336,725
Water and sewer	-	-	-	-	-	-	501,654	440,190	501,654	440,190
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	562,258	562,750
Prov of MB - Conditional Grants	-	-	-	-	103,834	104,837	-	-	217,183	617,130
Total revenue	\$ 869,813	\$ 459,386	\$ 67,113	\$ 71,685	\$ 197,379	\$ 198,420	\$ 1,294,886	\$ 1,241,286	\$ 13,312,275	\$ 12,034,930
EXPENSES										
Personnel services	\$ 239,450	\$ 228,876	\$ 115,811	\$ 66,314	\$ 162,225	\$ 168,443	\$ 28,772	\$ 43,129	\$ 3,739,771	\$ 3,525,760
Contract services	73,643	69,021	39,731	19,782	9,727	14,100	39,212	62,762	4,079,487	3,776,643
Utilities	18,544	18,493	556	546	9,828	7,601	70,696	63,569	307,191	276,707
Maintenance materials and supplies	61,363	33,167	30,586	29,602	42,956	42,604	77,417	79,548	1,719,723	1,338,279
Grants and contributions	55,105	52,178	33,200	27,490	138,635	127,172	-	-	393,460	364,489
Amortization	2,712	17,806	16,671	19,371	212,523	112,172	612,768	611,608	1,867,072	1,643,371
Interest on long term debt	9,605	7,919	-	-	-	-	407,443	434,456	472,515	511,496
Other	-	352	153	290	245	269	2,550	-	255,926	212,556
Total expenses	\$ 460,422	\$ 427,812	\$ 236,708	\$ 163,395	\$ 576,139	\$ 472,361	\$ 1,238,858	\$ 1,295,072	\$ 12,835,145	\$ 11,649,301
Surplus (Deficit)	\$ 409,391	\$ 31,574	\$ (169,595)	\$ (91,710)	\$ (378,760)	\$ (273,941)	\$ 56,028	\$ (53,786)	\$ 477,130	\$ 385,629

RURAL MUNICIPALITY OF ST. CLEMENTS

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE								
Property taxes	\$ 7,635,980	\$ 7,277,583	\$ -	\$ -	\$ -	\$ -	\$ 7,635,980	\$ 7,277,583
Grants in lieu of taxation	220,686	210,351	-	-	-	-	220,686	210,351
User fees	1,730,421	984,909	-	-	631,582	451,568	2,362,003	1,436,477
Grants - other	845,789	575,665	-	-	140,419	138,087	986,208	713,752
Permits, licences and fines	20,630	29,089	-	-	307,575	338,713	328,205	367,802
Investment income	25,864	63,530	-	-	12,297	8,640	38,161	72,170
Other revenue	447,505	321,662	-	-	12,432	15,063	459,937	336,725
Water and sewer	501,654	440,190	-	-	-	-	501,654	440,190
Prov of MB - Unconditional Grants	562,258	562,750	-	-	-	-	562,258	562,750
Prov of MB - Conditional Grants	140,682	542,503	-	-	76,501	74,627	217,183	617,130
Total revenue	\$ 12,131,469	\$ 11,008,232	\$ -	\$ -	\$ 1,180,806	\$ 1,026,698	\$ 13,312,275	\$ 12,034,930
EXPENSES								
Personnel services	\$ 3,104,808	\$ 2,987,871	\$ -	\$ -	\$ 634,963	\$ 537,889	\$ 3,739,771	\$ 3,525,760
Contract services	3,896,571	3,634,415	-	-	182,916	142,228	4,079,487	3,776,643
Utilities	290,897	265,260	-	-	16,294	11,447	307,191	276,707
Maintenance materials and supplies	1,396,431	1,126,792	-	-	323,292	211,487	1,719,723	1,338,279
Grants and contributions	393,317	364,365	-	-	143	124	393,460	364,489
Amortization	1,834,761	1,598,128	-	-	32,311	45,243	1,867,072	1,643,371
Interest on long term debt	462,880	503,577	-	-	9,635	7,919	472,515	511,496
Other	214,754	195,754	-	-	41,172	16,802	255,926	212,556
Total expenses	\$ 11,594,419	\$ 10,676,162	\$ -	\$ -	\$ 1,240,726	\$ 973,139	\$ 12,835,145	\$ 11,649,301
Surplus (Deficit)	\$ 537,050	\$ 332,070	\$ -	\$ -	\$ (59,920)	\$ 53,559	\$ 477,130	\$ 385,629

RURAL MUNICIPALITY OF ST. CLEMENTS

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	2018								
	Capital Improvements	Election	Nuisance Grounds	Bridge Repair	Public Works	Fire	Police	Environment	Gas Tax
REVENUE									
Investment income	\$ 3,821	\$ 318	\$ -	\$ 2,536	\$ 3,019	\$ 11,640	\$ -	\$ 2,690	\$ 9,593
Other income	-	-	-	-	-	-	-	-	-
Total revenue	3,821	318	-	2,536	3,019	11,640	-	2,690	9,593
EXPENSES									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-
NET REVENUES	3,821	318	-	2,536	3,019	11,640	-	2,690	9,593
TRANSFERS									
Transfers from general operating fund	317,500	-	-	32,599	340,000	278,317	-	25,000	594,351
Transfers to general operating fund	(19,048)	(23,225)	-	-	(370,814)	(129,038)	-	(50,000)	(175,256)
Transfer from nominal surplus	(200,000)	-	-	-	-	-	-	-	(600,000)
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-
Transfers from reserve fund	-	-	-	-	-	-	-	-	-
Transfers to reserve fund	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	102,273	(22,907)	-	35,135	(27,795)	160,919	-	(22,310)	(171,312)
FUND SURPLUS, BEGINNING OF YEAR	102,977	22,907	-	119,603	239,936	481,317	-	110,516	617,277
FUND SURPLUS, END OF YEAR	\$ 205,250	\$ -	\$ -	\$ 154,738	\$ 212,141	\$ 642,236	\$ -	\$ 88,206	\$ 445,965

RURAL MUNICIPALITY OF ST. CLEMENTS

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2018

	2018							2017	
	Recreation and Culture	Office Building	Road Reserve	Utility Expansion	East Selkirk Water	Lockport Utility	Sunset Utility	Total	
REVENUE									
Investment income	\$ 793	\$ 651	\$ 13,900	\$ 6,828	\$ 1,727	\$ 2,630	\$ 1,104	\$ 61,250	\$ 40,003
Other income	-	-	-	-	-	-	-	-	-
Total revenue	793	651	13,900	6,828	1,727	2,630	1,104	61,250	40,003
EXPENSES									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-
NET REVENUES	793	651	13,900	6,828	1,727	2,630	1,104	61,250	40,003
TRANSFERS									
Transfers from general operating fund	75,000	-	783,883	222,213	-	-	-	2,668,863	2,154,948
Transfers to general operating fund	-	(13,335)	(1,169,775)	(9,175)	-	-	-	(1,959,666)	(963,239)
Transfer from nominal surplus	-	-	-	(466,943)	(26,424)	-	-	(1,293,367)	-
Transfers from utility operating fund	-	-	-	-	98,076	35,218	41,182	174,476	74,573
Transfers to utility operating fund	-	-	-	-	-	-	-	-	(35,474)
Transfers from reserve fund	-	-	-	-	-	-	-	-	3,039
Transfers to reserve fund	-	-	-	-	-	-	-	-	(3,039)
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	(878,932)
CHANGE IN RESERVE FUND BALANCES	75,793	(12,684)	(371,992)	(247,077)	73,379	37,848	42,286	(348,444)	391,879
FUND SURPLUS, BEGINNING OF YEAR	16,983	37,061	413,892	267,443	90,215	123,999	52,078	2,696,204	2,304,325
FUND SURPLUS, END OF YEAR	\$ 92,776	\$ 24,377	\$ 41,900	\$ 20,366	\$ 163,594	\$ 161,847	\$ 94,364	\$ 2,347,760	\$ 2,696,204

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

For the Year Ended December 31, 2018

	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	\$ -	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		\$ -	\$ -

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
As at December 31, 2018

SCHEDULE 8

	2018				2017
	Lockport	East Selkirk	Sunset	Total	Total
FINANCIAL ASSETS					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts receivable	30,586	62,183	12,833	105,602	128,153
Portfolio investments	-	-	-	-	-
Due from other funds	-	-	-	-	238,030
	<u>\$ 30,586</u>	<u>\$ 62,183</u>	<u>\$ 12,833</u>	<u>\$ 105,602</u>	<u>\$ 366,183</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Connection deposits	17,136	-	-	17,136	17,136
Long-term debt (Note 9)	475,839	11,069,747	1,422,550	12,968,136	11,670,172
Due to other funds	199,305	300,740	126,866	626,911	2,687,831
	<u>692,280</u>	<u>11,370,487</u>	<u>1,549,416</u>	<u>13,612,183</u>	<u>14,375,139</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ (661,694)</u>	<u>\$ (11,308,304)</u>	<u>\$ (1,536,583)</u>	<u>\$ (13,506,581)</u>	<u>\$ (14,008,956)</u>
NON-FINANCIAL ASSETS					
Tangible capital assets (Schedule 1)	\$ 6,888,672	\$ 16,226,525	\$ 1,784,289	\$ 24,899,486	\$ 25,511,134
Inventories	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
	<u>6,888,672</u>	<u>16,226,525</u>	<u>1,784,289</u>	<u>24,899,486</u>	<u>25,511,134</u>
FUND SURPLUS (DEFICIT)	<u>\$ 6,226,978</u>	<u>\$ 4,918,221</u>	<u>\$ 247,706</u>	<u>\$ 11,392,905</u>	<u>\$ 11,502,178</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
 SCHEDULE OF UTILITY OPERATIONS - Lockport
 For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	114,500	113,677	110,974
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>114,500</u>	<u>113,677</u>	<u>110,974</u>
Property taxes	<u>130,227</u>	<u>50,227</u>	<u>81,568</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	1,000	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Prepaid LID	-	-	-
Other income	-	28	2,733
sub-total- other	<u>1,000</u>	<u>28</u>	<u>2,733</u>
Total revenue	<u>\$ 245,727</u>	<u>\$ 163,932</u>	<u>\$ 195,275</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Lockport
For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
EXPENSES			
General			
Administration	\$ 10,600	\$ 353	\$ 1,829
Training costs	-	610	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other	-	-	-
sub-total- general	<u>10,600</u>	<u>963</u>	<u>1,829</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	3,500	1,029	1,800
Treatment and disposal cost	84,786	56,969	62,240
Lift Station costs	8,700	19,526	7,215
Transportation services	-	-	-
Connection costs	-	9,175	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>96,986</u>	<u>86,699</u>	<u>71,255</u>
Sewage Amortization & Interest			
Amortization	-	164,644	170,855
Interest on long term debt	19,080	19,080	20,525
sub-total- sewer amortization & interest	<u>19,080</u>	<u>183,724</u>	<u>191,380</u>
Total expenses	<u>\$ 126,666</u>	<u>\$ 271,386</u>	<u>\$ 264,464</u>
NET OPERATING SURPLUS	119,061	(107,454)	(69,189)
TRANSFERS			
Transfers from (to) operating fund	(31,147)	9,175	-
Transfers from (to) capital fund	(80,000)	-	-
Transfers from (to) reserve funds	(7,914)	(35,218)	(40,623)
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>(133,497)</u>	<u>(109,812)</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>6,360,475</u>	<u>6,470,287</u>
FUND SURPLUS, END OF YEAR		<u>\$ 6,226,978</u>	<u>\$ 6,360,475</u>

SCHEDULE OF UTILITY OPERATIONS - East Selkirk

For the Year Ended December 31, 2018

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
REVENUE			
Water			
Water fees	\$ 149,700	\$ 140,427	\$ 135,530
Bulk Water fees	-	-	-
sub-total- water	<u>149,700</u>	<u>140,427</u>	<u>135,530</u>
Sewer			
Sewer fees	23,250	37,637	37,186
Lagoon tipping fees	112,000	144,307	111,790
sub-total- sewer	<u>135,250</u>	<u>181,944</u>	<u>148,976</u>
Property taxes	<u>625,382</u>	<u>625,382</u>	<u>601,905</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	12,200	12,000	12,200
Connection charges	-	8,000	-
Installation service	-	-	-
Penalties	865	-	904
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	173
Gain on sale of tangible capital assets	-	-	-
Prepaid LID	-	-	-
Other income	-	-	-
sub-total- other	<u>13,065</u>	<u>20,000</u>	<u>13,277</u>
Total revenue	<u>\$ 923,397</u>	<u>\$ 967,753</u>	<u>\$ 899,688</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF UTILITY OPERATIONS (cont'd) - East Selkirk
For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
EXPENSES			
General			
Administration	\$ 61,301	\$ 1,776	\$ 1,254
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other	-	-	-
sub-total- general	<u>61,301</u>	<u>1,776</u>	<u>1,254</u>
Water General			
Purification and treatment	37,500	42,961	42,570
Water purchases	-	-	-
Transmission and distribution	10,000	11,087	9,847
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>47,500</u>	<u>54,048</u>	<u>52,417</u>
Water Amortization & Interest			
Amortization	-	212,901	208,879
Interest on long term debt	-	211,277	226,450
sub-total- water amortization & interest	<u>-</u>	<u>424,178</u>	<u>435,329</u>
Sewer General			
Collection system costs	30,000	26,254	41,062
Treatment and disposal cost	63,000	43,474	56,345
Lift Station costs	6,000	1,038	5,740
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>99,000</u>	<u>70,766</u>	<u>103,147</u>
Sewage Amortization & Interest			
Amortization	-	186,355	183,372
Interest on long term debt	416,716	125,002	133,182
sub-total- sewer amortization & interest	<u>416,716</u>	<u>311,357</u>	<u>316,554</u>
Total expenses	<u>\$ 624,517</u>	<u>\$ 862,125</u>	<u>\$ 908,701</u>
NET OPERATING SURPLUS	298,880	105,628	(9,013)
TRANSFERS			
Transfers from (to) operating fund	(325,272)	-	-
Transfers from (to) capital fund	-	-	-
Transfers from (to) reserve funds	26,392	(98,076)	11,114
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	7,552	2,101
FUND SURPLUS, BEGINNING OF YEAR		<u>4,910,669</u>	<u>4,908,568</u>
FUND SURPLUS, END OF YEAR		<u>\$ 4,918,221</u>	<u>\$ 4,910,669</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
 SCHEDULE OF UTILITY OPERATIONS - Sunset
 For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	41,700	21,697	21,745
Lagoon tipping fees	-	23,713	6,764
sub-total- sewer	<u>41,700</u>	<u>45,410</u>	<u>28,509</u>
Property taxes	<u>117,623</u>	<u>117,623</u>	<u>117,623</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	200	63	193
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	105	-
sub-total- other	<u>200</u>	<u>168</u>	<u>193</u>
Total revenue	<u>\$ 159,523</u>	<u>\$ 163,201</u>	<u>\$ 146,325</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Sunset
For the Year Ended December 31, 2018

SCHEDULE 9

EXPENSES	<u>Budget</u>	<u>2018</u>	<u>2017</u>
General			
Administration	\$ 31,725	\$ 963	\$ 5,011
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
Other	-	-	-
sub-total- general	<u>31,725</u>	<u>963</u>	<u>5,011</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	100	658	609
Treatment and disposal cost	13,400	2,291	12,994
Lift Station costs	2,150	484	463
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	35
sub-total- sewer general	<u>15,650</u>	<u>3,433</u>	<u>14,101</u>
Sewage Amortization & Interest			
Amortization	-	48,868	48,501
Interest on long term debt	52,083	52,083	54,299
sub-total- sewer amortization & interest	<u>52,083</u>	<u>100,951</u>	<u>102,800</u>
Total expenses	<u>\$ 99,458</u>	<u>\$ 105,347</u>	<u>\$ 121,912</u>
NET OPERATING SURPLUS	60,065	57,854	24,413
TRANSFERS			
Transfers from (to) operating fund	(65,540)	-	-
Transfers from (to) capital fund	-	-	-
Transfers from (to) reserve funds	5,475	(41,182)	(9,590)
CHANGE IN UTILITY FUND BALANCE	<u>\$ -</u>	<u>16,672</u>	<u>14,823</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>231,034</u>	<u>216,211</u>
FUND SURPLUS, END OF YEAR		<u>\$ 247,706</u>	<u>\$ 231,034</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
REVENUE								
Property taxes	\$ 7,474,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,474,402
Grants in lieu of taxation	185,457	-	-	-	-	-	-	185,457
User fees	1,409,578	-	-	-	-	-	-	1,409,578
Permits, licences and fines	23,900	-	-	-	-	-	-	23,900
Investment income	86,520	-	-	-	-	-	-	86,520
Other revenue	180,100	-	-	-	-	-	-	180,100
Water and sewer	-	455,416	-	-	-	-	-	455,416
Grants - Province of Manitoba	1,068,188	-	-	-	-	-	-	1,068,188
Grants - other	932,335	-	-	-	-	-	-	932,335
Transfers from revenue fund	-	873,232	-	-	(873,232)	-	-	-
Transfers from utility	2,000	-	-	-	(2,000)	-	-	-
Transfers from reserves	3,000,193	31,867	-	-	(3,032,060)	-	-	-
Total revenue	<u>\$ 14,362,673</u>	<u>\$ 1,360,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,907,292)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,815,896</u>
EXPENSES								
General government services	\$ 1,753,466	\$ -	\$ 17,531	\$ 10,580	\$ 29,540	\$ -	\$ -	\$ 1,811,117
Protective services	1,059,712	-	242,005	-	-	-	-	1,301,717
Transportation services	5,029,930	-	682,439	-	-	-	-	5,712,369
Environmental health services	1,219,739	-	71,599	-	-	-	-	1,291,338
Public health and welfare services	48,000	-	-	-	-	-	-	48,000
Regional planning and development	82,500	-	-	-	-	-	-	82,500
Resource cons and industrial dev	165,320	-	-	-	-	-	-	165,320
Recreation and cultural services	244,500	-	208,099	-	-	-	-	452,599
Water and sewer services	-	362,763	612,768	487,880	-	-	-	1,463,411
Fiscal services:								
Transfer to capital	1,582,000	80,000	-	-	(1,662,000)	-	-	-
Transfer to utility	953,100	-	-	-	(953,100)	-	-	-
Debt charges	64,148	909,838	-	(498,460)	(475,526)	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Transfer to reserves	2,130,718	7,914	-	-	(2,138,632)	-	-	-
Allowance for tax assets	29,540	-	-	-	(29,540)	-	-	-
Total expenses	<u>\$ 14,362,673</u>	<u>\$ 1,360,515</u>	<u>\$ 1,834,441</u>	<u>\$ -</u>	<u>\$ (5,229,258)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,328,371</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,834,441)</u>	<u>\$ -</u>	<u>\$ 1,321,966</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (512,475)</u>

**RURAL MUNICIPALITY OF ST. CLEMENTS
ANALYSIS OF TAXES ON ROLL
December 31, 2018**

SCHEDULE 11

	<u>2018</u>	<u>2017</u>
Balance, beginning of year	\$ 1,687,871	\$ 1,492,405
Add:		
Tax levy (Schedule 12)	17,843,571	17,470,309
Taxes added	240,128	141,696
Penalties or interest	248,662	206,895
Other accounts added	-	-
Refunds and discounts	-	-
Tax Adjustments (specify)	-	-
Sub-total	18,332,361	17,818,900
Deduct:		
Cash collections - current	14,574,215	14,357,483
Cash collections - arrears	1,413,123	1,033,666
Write-offs	-	-
Tax discounts	-	641
E.P.T.C. - cash advance	2,243,702	2,231,644
Other credits (specify)	-	-
Sub-total	18,231,040	17,623,434
Balance, end of year	\$ 1,789,192	\$ 1,687,871

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2018

	2018			2017
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	\$ -	\$ -	\$ -
Name of LUD	\$ -	\$ -	-	-
Name of LUD	\$ -	\$ -	-	-
sub-total- L.U.D.			<u>-</u>	<u>-</u>
Debt charges:				
Frontage	\$ -	\$ -	360,091	358,091
ES Lagoon	\$ 711,293,950	\$ 0.359	255,355	232,036
At large	\$ 711,293,950	\$ 0.081	57,615	56,928
sub-total- Debt charges			<u>673,060</u>	<u>647,055</u>
Deferred surplus	\$ -	\$ -	<u>-</u>	<u>-</u>
Reserves:				
Roads	\$ 711,293,950	\$ 1.000	711,294	720,609
Name of reserve	\$ -	\$ -	-	-
Name of reserve	\$ -	\$ -	-	-
sub-total- Reserves			<u>711,294</u>	<u>720,609</u>
General municipal	\$ 711,293,950	\$ 8.210	<u>5,839,723</u>	<u>5,764,149</u>
Special levies:				
Gull Lake 12/17	\$ -	\$ -	21,225	-
Curbside Pickup 3/18	\$ -	\$ -	146,475	-
Name of special levy	\$ -	\$ -	-	-
sub-total- Special levies			<u>167,700</u>	<u>-</u>
Business tax (rate%)	\$ -	\$ -	<u>4,074</u>	<u>4,074</u>
Total municipal taxes (Schedule 2)			<u>7,395,852</u>	<u>7,135,887</u>
Education support levy	\$ 21,768,930	\$ 9.771	<u>212,704</u>	<u>225,385</u>
Special levies:				
Lord Selkirk #11	\$ 486,630,470	\$ 14.824	7,213,810	7,046,507
Sunrise SD #13	\$ 55,339,390	\$ 13.845	766,174	747,157
River East Transcona SD #82	\$ 168,916,180	\$ 13.350	2,255,031	2,315,374
sub-total- Special levies			<u>10,235,015</u>	<u>10,109,037</u>
Total education taxes			<u>10,447,719</u>	<u>10,334,422</u>
Total tax levy (Schedule 11)			<u>\$ 17,843,571</u>	<u>\$ 17,470,309</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 13

	<u>2018 Actual</u>	<u>2017 Actual</u>
General government services:		
Legislative	\$ 304,508	\$ 322,542
General administrative	1,254,022	1,142,101
Other	513,838	486,715
	<u>2,072,368</u>	<u>1,951,358</u>
Protective services:		
Police	187,999	166,083
Fire	543,751	632,788
Emergency measures	71,364	104,004
Other	334,749	337,036
	<u>1,137,863</u>	<u>1,239,911</u>
Transportation services:		
Road transport		
Administration and engineering	-	-
Road and street maintenance	5,159,015	4,760,802
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	7,268
Street lighting	79,651	53,498
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>5,238,666</u>	<u>4,821,568</u>
Environmental health services:		
Waste collection and disposal	1,238,285	885,026
Recycling	-	-
Other	-	-
	<u>1,238,285</u>	<u>885,026</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	48,061	48,061
Other	-	-
	<u>48,061</u>	<u>48,061</u>
Regional planning and development		
Planning and zoning	70,038	71,015
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	41,055	31,904
	<u>111,093</u>	<u>102,919</u>
Resource conservation and industrial development		
Rural area weed control	49,264	43,258
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	89,919	21,198
Industrial development	-	-
Tourism	12,192	11,502
Other	3,000	3,000
	<u>154,375</u>	<u>78,958</u>
Sub-totals forward	<u>\$ 10,000,711</u>	<u>\$ 9,127,801</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2018

SCHEDULE 13

	<u>2018 Actual</u>	<u>2017 Actual</u>
Sub-totals forward	<u>\$ 10,000,711</u>	<u>\$ 9,127,801</u>
Recreation and cultural services:		
Administration	-	-
Community centers and halls	293,209	134,586
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	-	-
Other recreational facilities	18,628	23,662
Museums	-	-
Libraries	92,129	94,750
Other cultural facilities	-	-
	<u>403,966</u>	<u>252,998</u>
Total expenses	<u>\$ 10,404,677</u>	<u>\$ 9,380,799</u>

RURAL MUNICIPALITY OF ST. CLEMENTS
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) (UNAUDITED)
December 31, 2018

SCHEDULE 14

	General	2018 Utility	Total	2017 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 65,488	\$ 3,084,530	\$ 3,150,018	\$ 3,521,938
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	2,668,863	174,476	2,843,339	2,229,521
Eliminate revenue - transfers from reserves	(1,959,666)	-	(1,959,666)	(998,713)
Increase revenue - reserve funds interest	61,250	-	61,250	40,003
Increase revenue - reserve funds other revenue	-	-	-	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(59,920)	-	(59,920)	53,559
Decrease expense - contributions to consolidated entities	49,115	-	49,115	49,707
Eliminate revenue - transfer from nominal surplus(es)	-	(1,293,367)	(1,293,367)	-
Decrease (Increase) expense - decrease (increase) in landfill liability	(50,661)	-	(50,661)	17,053
Increase (decrease) revenue - gain (loss) on disposal of capital assets	(18,225)	-	-	-
Increase expense - amortization of tangible capital assets	(1,221,993)	(612,768)	(1,834,761)	(1,598,128)
Decrease revenue - proceeds from long term debt	-	(1,799,458)	(1,799,458)	(3,500,000)
Decrease expense - principal portion of debenture debt	53,568	501,495	555,063	539,349
Eliminate expense - acquisitions of tangible capital assets	833,283	1,120	834,403	31,340
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 421,102	\$ 56,028	\$ 477,130	\$ 385,629