

Town of Arborg

Consolidated Financial Statements
Year ended December 31, 2013

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Arborg and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by 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.

Chambers Fraser as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's 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.

Arborg, Manitoba



Lorraine Bardarson
Chief Administrative Officer

AUDITOR'S REPORT

To the Mayor and members of Council of the
Town of Arborg

We have audited the accompanying financial statements of the Town of Arborg, which comprise the consolidated statement of financial position as at December 31, 2013 and the consolidated statements of operations, change in net financial assets and cash flows for the year ended December 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the Town of Arborg as at December 31, 2013, and the consolidated results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2013 in accordance with Canadian public sector accounting standards.



Winnipeg, Canada
February 11, 2015

Chambers Fraser
Professional Accountants

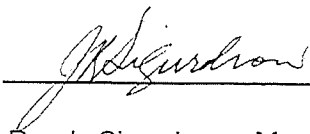
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Year ended December 31, 2013

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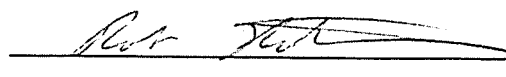
Town of Arborg
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2013

	<u>2013</u>	<u>2012</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 918,104	\$ 793,677
Amounts receivable (Note 4)	264,246	260,846
Portfolio investments (Note 5)	1,094	1,076
Inventories for sale (Note 6)	<u>78,833</u>	<u>77,363</u>
	<u>\$ 1,262,276</u>	<u>\$ 1,132,962</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 390,696	\$ 414,473
Deferred revenue (Note 8)	61,278	20,290
Landfill closure and post closure liabilities (Note 9)	19,350	16,062
Long-term debt (Note 10)	<u>752,517</u>	<u>952,602</u>
	<u>1,223,840</u>	<u>1,403,427</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 38,436</u>	<u>\$ (270,466)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 6,578,559	\$ 6,775,360
Prepaid expenses	<u>14,831</u>	<u>11,145</u>
	<u>6,593,390</u>	<u>6,786,506</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 6,631,826</u>	<u>\$ 6,516,040</u>

Approved on behalf of Council:



Randy Sigurdson - Mayor



Rob Thorsteinson - Deputy Mayor

Town of Arborg
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2013

	<u>2013 Budget (Note 13)</u>	<u>2013 Actual</u>	<u>2012 Actual</u>
REVENUE			
Property taxes	\$ 926,184	\$ 933,999	\$ 934,390
Grants in lieu of taxation	83,758	83,758	81,524
User fees	301,971	295,196	274,236
Permits, licences and fines	3,635	4,942	3,207
Investment income	7,013	15,335	11,677
Other revenue	50,120	88,861	74,160
Water and sewer	317,333	363,831	349,284
Grants - Province of Manitoba	310,305	261,847	253,108
Grants - other	57,582	107,583	57,779
	<u>2,057,901</u>	<u>2,155,352</u>	<u>2,039,365</u>
EXPENSES			
General government services	291,737	262,807	261,659
Protective services	251,802	249,019	249,095
Transportation services	389,524	387,056	351,524
Environmental health services	168,787	170,989	137,951
Public health and welfare services	35,060	36,057	30,712
Regional planning and development	10,495	10,032	9,624
Resource conservation and industrial development	78,602	76,895	34,685
Recreation and cultural services	464,408	459,238	395,711
Water and sewer services	411,112	387,473	349,465
	<u>2,101,527</u>	<u>2,039,566</u>	<u>1,820,426</u>
ANNUAL SURPLUS	<u>\$ (43,626)</u>	115,786	218,939
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>6,516,040</u>	<u>6,297,101</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 6,631,826</u>	<u>\$ 6,516,040</u>

The accompanying notes are an integral part of this financial statement

Town of Arborg
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 Year Ended December 31, 2013

	<u>2013 Budget (Note 13)</u>	<u>2013 Actual</u>	<u>2012 Actual</u>
ANNUAL SURPLUS	\$ (43,626)	\$ 115,786	\$ 218,939
Acquisition of tangible capital assets	(271,755)	(190,140)	(286,888)
Amortization of tangible capital assets	418,629	426,958	412,217
Loss (Gain) on sale of tangible capital assets		-	(1,141)
Proceeds on sale of tangible capital assets		-	10,000
Write up of assets		(40,017)	-
Decrease (increase) in prepaid expense		(3,685)	(685)
	<u>146,874</u>	<u>193,116</u>	<u>133,503</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ 103,248</u>	308,902	352,442
NET DEBT, BEGINNING OF YEAR		<u>(270,466)</u>	<u>(622,908)</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR		<u>\$ 38,436</u>	<u>\$ (270,466)</u>

The accompanying notes are an integral part of this financial statement

Town of Arborg
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2013

	<u>2013</u>	<u>2012</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 115,786	\$ 218,939
Changes in non-cash items:		
Amounts receivable	(3,400)	12,042
Inventories	(1,471)	-
Prepays	(3,687)	(685)
Accounts payable and accrued liabilities	(23,777)	109,853
Deferred revenue	40,988	(43,373)
Landfill closure and post closure liabilities	3,288	6,844
Loss (Gain) on sale of tangible capital asset	-	(1,141)
Amortization	426,958	412,217
Cash provided by operating transactions	<u>554,685</u>	<u>714,695</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	10,000
Write up of assets	(40,017)	-
Cash used to acquire tangible capital assets	<u>(190,140)</u>	<u>(286,888)</u>
Cash applied to capital transactions	<u>(230,157)</u>	<u>(276,888)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Purchase of portfolio investments	<u>(18)</u>	<u>(15)</u>
Cash provided by investing transactions	<u>(18)</u>	<u>(15)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	<u>(200,086)</u>	<u>(232,573)</u>
Cash applied to financing transactions	<u>(200,086)</u>	<u>(232,573)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	124,424	205,219
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>793,677</u>	<u>588,457</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 918,101</u></u>	<u><u>\$ 793,677</u></u>

The accompanying notes are an integral part of this financial statement

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

1. Status of the Town of Arborg

The incorporated Town of Arborg is a municipal government that was first created as a Village in 1964 pursuant to the Manitoba Municipal Act. The Municipality continued as a Town as of October 25, 1997. The Town provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library and other general government operations. The Municipality owns a utility, has several designated special purpose reserves and provides funding support for other financial entities involved in environmental health, recreation and cultural services.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants 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.

The Municipality has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Municipality's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

Arborg Bifrost Parks & Recreation Commission (consolidated 50%) (2012 – consolidated 50%)
BAR Waste Authority Co-op Inc. (consolidated 38%) (2012 – consolidated 38%)
Evergreen Public Library (consolidated 10%) (2012 – consolidated 10%)

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

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) 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.

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

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.

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 per acceptance by Town. 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 interest charges as part of the cost of its tangible capital assets.

The cost, less residual value, of the tangible capital asset is amortized on a straight line basis over its useful life. Assets under construction are not amortized until put into use.

The estimated useful lives are as follows:

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 40 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 years
Road grade	40 years
Water and Sewer	
Land	Indefinite
Land improvements	30 years
Buildings	25 to 40 years
Underground networks	40 to 50 years
Machinery and equipment	5 to 10 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.

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.

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

i) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Certain government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the acquisition of tangible capital assets. In addition, certain user charges and fees are collected for which the related service have yet to be performed. Revenue is recognized in the fiscal year when the related costs are incurred, services performed or the tangible capital assets are acquired.

In accordance with PSAB guidelines, government transfers, as well as revenue from contributed assets, are required to be recognized as revenue in the consolidated financial statements in the fiscal year in which the tangible capital assets are acquired.

j) 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.

These financial statements include the existence of measurement uncertainty in the accrual of the landfill closure, post closure and environmental 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>2013</u>	<u>2012</u>
Cash	\$ 918,104	\$ 793,677
Temporary Investments	<u>-</u>	<u>-</u>
	<u>\$ 918,104</u>	<u>\$ 793,677</u>

The Municipality has designated the following cash to reserves for commitments and tangible capital asset acquisitions.

Designated Reserve Funds	<u>\$ 706,363</u>	<u>\$ 523,634</u>
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4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2013</u>	<u>2012</u>
Taxes on roll (Schedule 11)	\$ 77,774	\$ 77,250
Government grants	26,249	27,863
Utility customers	70,143	69,893
Organizations and individuals	43,313	46,356
Other governments	51,766	54,085
	<u>269,245</u>	<u>275,447</u>
Less allowances for doubtful amounts	<u>(5,000)</u>	<u>(14,601)</u>
	<u>\$ 264,245</u>	<u>\$ 260,846</u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

5. Portfolio Investments

	<u>2013</u>	<u>2012</u>
Term deposits	\$ 1,094	\$ 1,076
	<u>\$ 1,094</u>	<u>\$ 1,076</u>

6. Inventories

Inventories for sale:

	<u>2013</u>	<u>2012</u>
Land	\$ 78,833	\$ 77,363
	<u>\$ 78,833</u>	<u>\$ 77,363</u>

7. Accounts Payable and Accrued Liabilities

	<u>2013</u>	<u>2012</u>
Accounts payable	\$ 207,122	\$ 186,058
Accrued expenses	57,626	55,989
Accrued interest payable	2,388	3,061
School levies (Schedule 13)	14,391	57,601
Other governments	109,169	111,764
	<u>\$ 390,696</u>	<u>\$ 414,473</u>

8. Deferred Revenue:

	<u>2013</u>	<u>2012</u>
Federal Gas Tax Funding	\$ -	\$ 811
Handi-Transit Vehicle Replacement Funding	18,827	18,617
	<u>18,827</u>	<u>19,428</u>
Other	42,451	862
	<u>\$ 61,278</u>	<u>\$ 20,290</u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

9. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Municipality is currently operating a Class 2 landfill site through the government partnership, BAR Waste Authority Co-op Inc. 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>2013</u>	<u>2012</u>
Estimated closure and post closure costs over the next 15 years	<u>\$ 22,800</u>	<u>\$ 17,480</u>
Discount rate	<u>0.90%</u>	<u>1.50%</u>
Total landfill closure and post closure liabilities	<u>\$ 19,350</u>	<u>\$ 16,062</u>

10. Long Term Debt

General Authority:

	<u>2013</u>	<u>2012</u>
Debenture for paving, at 9.13%, \$55,262 annually including interest, maturing December, 2015	\$ 97,048	\$ 139,575
Debenture for paving, at 8.63%, \$17,275 annually including interest, maturing December, 2015	30,543	44,021
Debenture for paving, at 5.38%, \$36,161 annually including interest, maturing December, 2020	206,425	230,212
Debenture for paving, at 5.50%, \$7,960 annually including interest, maturing December, 2016	21,476	27,901
Debenture for paving, at 5.25%, \$6,685 annually including interest, maturing December, 2017	23,568	28,744
Debenture for CP Land, at 4.00%, payable at \$22,535 annually including interest, maturing December, 2013	-	22,071
	<u>\$ 379,060</u>	<u>\$ 492,524</u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

Utility Funds:

Debenture for water and sewer, at 6.88%, \$24,019 annually including interest, maturing December, 2016	\$ 63,178	\$ 81,587
Debenture for water and sewer, at 5.50%, \$20,764 annually including interest, maturing December, 2015	38,337	56,019
Debenture for water and sewer, interest at 4.00%, \$10,782 annually including interest, maturing December, 2014	10,367	20,336
Debenture for water and sewer, at 4.00%, payable at \$27,404 annually including interest, maturing December, 2015	51,687	76,050
	<u>\$ 163,569</u>	<u>\$ 233,992</u>
Debenture long term debt	\$ 542,629	\$ 726,516

The debentures of the Municipality have been issued with terms ranging from 5 to 20 years to maturity.

Other long term debt:

Term promissory note with CIBC, \$22,500 annually including interest at prime less 1/2%, maturing August, 2014.	9,595	31,554
Loan payable to RM of Birfost, \$15,115 including interest at prime less 1/2%, maturing November, 2014.	13,609	28,530
For proportionate consolidated government partnerships:		
Term promissory note with Arborg Credit Union, \$15,000 annually plus interest at prime, maturing September, 2035.	175,000	150,645
Mortgage with Noventis Credit Union, \$11,040 annual blended payments including interest at 3.39%, maturing February, 2016.	11,684	15,357
	<u>\$ 752,517</u>	<u>\$ 952,602</u>

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

2013	\$ 235,708
2014	199,629
2015	184,328
2016	75,443
2017	52,343

11. 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 Canadian Institute of Chartered Accountants Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$24,368 (2012 - \$16,730) 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, 2012 indicated the plan was 94% funded on a going concern basis and had an unfunded solvency liability of \$220.5 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, 2012.

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

12. Financial Instruments

The 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.

13. 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.

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

14. Accumulated Surplus

	<u>2013</u>	<u>2012</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	134,991	134,923
Utility operating fund - Nominal surplus	57,720	57,720
General capital fund - Capital surplus	2,825,270	2,798,277
Utility capital fund - Capital surplus	3,012,215	3,059,213
Reserve funds	<u>706,365</u>	<u>523,635</u>
	<u>6,736,561</u>	6,573,768
Deferred revenue - Reserves	<u>(18,827)</u>	<u>(19,428)</u>
Accumulated surplus of municipality unconsolidated	6,717,734	6,554,340
Accumulated deficit of consolidated entities	<u>(85,908)</u>	<u>(38,300)</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 6,631,826</u>	<u>\$ 6,516,040</u>

15. Public Sector Compensation Disclosure

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2013:

- a) Compensation paid to members of council amounted to \$26,287 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Randy Sigurdson	\$ 5,605	\$ 3,321	\$ 8,926
Councillor - Rob Thorsteinson	5,215	4,586	9,801
Councillor - Vivian Leduchowski	5,457	4,432	9,889
Councillor - Susan Bauernhuber	5,005	4,121	9,126
Councillor - Erica Bardarson	<u>5,005</u>	<u>4,043</u>	<u>9,048</u>
	<u>\$ 26,287</u>	<u>\$ 20,503</u>	<u>\$ 46,790</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Lorraine Bardarson	Chief Administrative Officer	\$ 60,820
Bruce Swanson	Public Works Foreman	\$ 62,608
Marcel Sutyla	Assistant Public Works	\$ 54,494

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2013

16. 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.

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Water services	\$ 1,370,531	\$ 4,047	\$ 57,082	\$ 1,317,496
Sewer services	296,773	-	16,781	279,992
	<u>\$ 1,667,304</u>	<u>\$ 4,047</u>	<u>\$ 73,863</u>	<u>\$ 1,597,488</u>

Town of Arborg
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2013

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	2013	2012
Cost										
Opening costs	2,587,715	1,704,380	925,339	6,387	-	1,188,822	5,937,175	-	12,349,818	12,119,687
Additions during the year	107,183	11,315	21,089	113	-	-	50,440	-	190,140	286,888
Disposals and adjustments	47,953	-	-	-	-	-	-	-	47,953	(56,757)
Closing costs	<u>2,742,851</u>	<u>1,715,695</u>	<u>946,428</u>	<u>6,500</u>	<u>-</u>	<u>1,188,822</u>	<u>5,987,615</u>	<u>-</u>	<u>12,587,911</u>	<u>12,349,818</u>
Accumulated Amortization										
Opening accum'd amortization	754,565	1,065,276	428,303	1,693	-	680,652	2,643,969	-	5,574,458	5,210,139
Amortization	77,509	44,206	72,641	1,363	-	63,378	167,861	-	426,958	412,217
Disposals and adjustments	7,936	-	-	-	-	-	-	-	7,936	(47,898)
Closing accum'd amortization	<u>840,010</u>	<u>1,109,482</u>	<u>500,944</u>	<u>3,056</u>	<u>-</u>	<u>744,030</u>	<u>2,811,830</u>	<u>-</u>	<u>6,009,352</u>	<u>5,574,458</u>
Net Book Value of Tangible Capital Assets	<u>1,902,841</u>	<u>606,213</u>	<u>445,484</u>	<u>3,444</u>	<u>-</u>	<u>444,792</u>	<u>3,175,785</u>	<u>-</u>	<u>6,578,559</u>	<u>6,775,360</u>

CONSOLIDATED SCHEDULE OF REVENUES

Year Ended December 31, 2013

	2013 Actual	2012 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 924,574	\$ 909,041
Taxes added	9,425	25,349
	<u>933,999</u>	<u>934,390</u>
Grants in lieu of taxation:		
Federal government	4,715	4,492
Federal government enterprises	2,019	2,074
Provincial government	15,708	15,530
Provincial government enterprises	59,082	57,342
	<u>83,758</u>	<u>81,524</u>
User fees		
Sales of service	241,709	242,481
Rentals	52,962	31,755
	<u>295,196</u>	<u>274,236</u>
Permits, licences and fines		
Licences	2,297	2,199
Fines	2,645	1,008
	<u>4,942</u>	<u>3,207</u>
Investment income:		
Cash and temporary investments	15,335	11,677
	<u>15,335</u>	<u>11,677</u>
Other revenue:		
Gain on sale of tangible capital assets	-	8,000
Contributed assets	-	20,000
Penalties and interest	17,207	19,364
Miscellaneous (specify):		
Donations	31,946	892
Sundry income	39,708	25,904
	<u>88,861</u>	<u>74,160</u>
Water and sewer (Schedule 4)	<u>363,831</u>	<u>349,284</u>
Grants - Province of Manitoba		
General assistance payment	182,745	183,301
VLT revenues	21,685	22,130
Conditional grants	57,417	47,677
	<u>261,847</u>	<u>253,108</u>
Grants - other		
Federal government - gas tax funding	105,726	55,724
Other local governments	1,857	2,055
	<u>107,583</u>	<u>57,779</u>
Total revenue	<u><u>2,155,352</u></u>	<u><u>2,039,365</u></u>

CONSOLIDATED SCHEDULE OF EXPENSES

Year Ended December 31, 2013

	2013 Actual	2012 Actual
General government services:		
Legislative	20,863	\$ 20,863
General administrative	180,081	165,800
Other	61,863	74,996
	<u>262,807</u>	<u>261,659</u>
Protective services:		
Police	149,794	143,922
Fire	76,189	77,115
Emergency measures	3,923	4,737
Other protection	19,113	23,321
	<u>249,019</u>	<u>249,095</u>
Transportation services:		
Road transport		
Road and street maintenance	363,922	329,297
Street lighting	23,134	22,227
	<u>387,056</u>	<u>351,524</u>
Environmental health services:		
Waste collection and disposal	115,421	105,149
Other	55,568	32,802
	<u>170,989</u>	<u>137,951</u>
Public health and welfare services:		
Public health	32,041	26,696
Social assistance	4,016	4,016
	<u>36,057</u>	<u>30,712</u>
Regional planning and development		
Planning and zoning	8,247	7,874
Beautification and land rehabilitation	1,825	1,750
	<u>10,032</u>	<u>9,624</u>
Resource conservation and industrial development		
Rural area weed control	4,390	2,353
Drainage of land	699	699
Veterinary services	2,500	2,500
Regional development	66,969	27,322
Other	2,337	1,811
	<u>76,895</u>	<u>34,685</u>
Recreation and cultural services:		
Administration	-	207
Parks and playgrounds	6,658	6,279
Other recreational facilities	425,533	361,816
Libraries	27,047	27,409
Other cultural facilities	-	-
	<u>459,238</u>	<u>395,711</u>
Water and sewer services (Schedule 4)	<u>387,473</u>	<u>349,465</u>
Total expenses	<u><u>2,039,566</u></u>	<u><u>1,820,426</u></u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2013

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$ 851,031	\$ 851,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	83,758	81,524	-	-	-	-	-	-	-	-
User fees	56,211	35,258	2,641	96	5,092	5,063	76,653	56,353	-	-
Permits, licences and fines	147	164	2,975	1,323	-	-	-	-	-	-
Investment income	13,894	10,609	322	253	920	801	-	-	-	-
Other revenue	42,804	51,716	-	-	-	-	2,429	2,088	-	-
Water and sewer										
Prov of MB - Unconditional Grants	204,430	205,431	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	-	-	2,116	2,070	1,249	-	20,000	20,000
Grants - other	-	-	-	-	105,726	55,724	-	-	-	-
Total revenue	<u>\$ 1,252,275</u>	<u>\$ 1,236,123</u>	<u>\$ 5,938</u>	<u>\$ 1,672</u>	<u>\$ 113,854</u>	<u>\$ 63,658</u>	<u>\$ 80,331</u>	<u>\$ 58,441</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>
EXPENSES										
Personnel services	\$ 110,608	\$ 107,517	\$ 26,006	\$ 27,029	\$ 98,763	\$ 84,438	\$ 26,116	\$ 23,496	\$ -	\$ -
Contract services	84,718	79,346	161,808	156,108	482	456	29,054	22,963	-	-
Utilities	12,654	11,580	8,544	9,180	30,823	29,183	1,043	873	-	-
Maintenance materials and supplies	20,151	12,498	14,150	14,058	58,763	36,767	52,949	54,522	-	-
Grants and contributions	16,615	18,402	1,000	1,000	-	-	55,568	32,802	33,556	30,556
Amortization	19,620	18,640	18,113	22,321	164,582	158,888	6,259	3,295	-	-
Interest on long term debt	-	-	-	-	33,642	41,793	-	-	-	-
Other	(1,561)	13,673	19,400	19,400	-	-	-	-	2,501	156
Total expenses	<u>\$ 262,805</u>	<u>\$ 261,656</u>	<u>\$ 249,021</u>	<u>\$ 249,096</u>	<u>\$ 387,055</u>	<u>\$ 351,525</u>	<u>\$ 170,989</u>	<u>\$ 137,951</u>	<u>\$ 36,057</u>	<u>\$ 30,712</u>
Surplus (Deficit)	<u>\$ 989,470</u>	<u>\$ 974,467</u>	<u>\$ (243,083)</u>	<u>\$ (247,424)</u>	<u>\$ (273,201)</u>	<u>\$ (287,867)</u>	<u>\$ (90,658)</u>	<u>\$ (79,510)</u>	<u>\$ (16,057)</u>	<u>\$ (10,712)</u>

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2013

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,969	\$ 82,969	\$ 934,000	\$ 934,390
Grants in lieu of taxation	-	-	-	-	-	-	-	-	83,758	81,524
User fees	-	-	-	-	154,599	177,465	-	-	295,196	274,235
Permits, licences and fines	-	-	1,820	1,720	-	-	-	-	4,942	3,207
Investment income	187	-	-	-	13	14	-	-	15,336	11,677
Other revenue	-	-	-	-	43,626	20,357	-	-	88,859	74,161
Water and sewer	-	-	-	-	-	-	363,831	349,284	363,831	349,284
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	204,430	205,431
Prov of MB - Conditional Grants	-	-	-	-	30,005	23,208	\$ 4,047	\$ 2,399	57,417	47,677
Grants - other	-	-	1,857	1,720	-	335	-	-	107,583	57,779
Total revenue	\$ 187	\$ -	\$ 3,677	\$ 3,440	\$ 228,243	\$ 221,379	\$ 450,847	\$ 434,652	\$ 2,155,352	\$ 2,039,365
EXPENSES										
Personnel services	\$ -	\$ -	\$ -	\$ -	\$ 167,722	\$ 152,836	\$ 122,458	\$ 107,232	\$ 551,673	\$ 502,548
Contract services	1,891	1,750	1,957	3,126	22,381	33,755	19,921	14,190	322,212	311,694
Utilities	-	-	-	-	55,967	49,319	16,345	16,425	125,376	116,560
Maintenance materials and supplies	-	-	1,787	957	116,030	90,783	43,155	34,654	306,985	244,239
Grants and contributions	8,141	7,873	28,169	30,282	32,746	3,703	-	-	175,795	124,618
Amortization	-	-	-	-	52,958	52,957	167,861	156,116	429,393	412,217
Interest on long term debt	-	-	-	-	-	-	12,438	15,872	46,080	57,665
Other	-	-	44,983	320	11,435	12,360	5,294	4,976	82,052	50,885
Total expenses	\$ 10,032	\$ 9,623	\$ 76,896	\$ 34,685	\$ 459,239	\$ 395,713	\$ 387,472	\$ 349,465	\$ 2,039,566	\$ 1,820,426
Surplus (Deficit)	\$ (9,845)	\$ (9,623)	\$ (73,219)	\$ (31,245)	\$ (230,996)	\$ (174,334)	\$ 63,375	\$ 85,187	\$ 115,786	\$ 218,939

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
Year Ended December 31, 2013

	Core Government		Government Partnerships		Total	
	2013	2012	2013	2012	2013	2012
REVENUE						
Property taxes	\$ 934,000	\$ 934,390	\$ -	\$ -	\$ 934,000	\$ 934,390
Grants in lieu of taxation	83,758	81,524	-	-	83,758	81,524
User fees	118,012	71,719	177,184	202,516	295,196	274,235
Permits, licences and fines	4,942	3,207	-	-	4,942	3,207
Investment income	15,323	11,663	13	14	15,336	11,677
Other revenue	42,804	51,716	46,055	22,445	88,859	74,161
Water and sewer	363,831	349,284			363,831	349,284
Prov of MB - Unconditional Grants	204,430	205,431			204,430	205,431
Prov of MB - Conditional Grants	27,412	24,469	30,005	23,208	57,417	47,677
Grants - other	107,583	57,444	-	335	107,583	57,779
Total revenue	\$ 1,902,095	\$ 1,790,847	\$ 253,257	\$ 248,518	\$ 2,155,352	\$ 2,039,365
EXPENSES						
Personnel services	\$ 393,957	\$ 354,481	\$ 157,716	\$ 148,067	\$ 551,673	\$ 502,548
Contract services	281,542	262,237	40,670	49,457	322,212	311,694
Utilities	71,611	69,121	53,765	47,439	125,376	116,560
Maintenance materials and supplies	185,019	143,151	121,966	101,088	306,985	244,239
Grants and contributions	148,295	120,932	27,500	3,686	175,795	124,618
Amortization	418,629	404,418	10,764	7,799	429,393	412,217
Interest on long term debt	46,080	57,665	-	-	46,080	57,665
Other	79,090	46,087	2,962	4,798	82,052	50,885
Total expenses	\$ 1,624,223	\$ 1,458,092	\$ 415,343	\$ 362,334	\$ 2,039,566	\$ 1,820,426
Surplus (Deficit)	\$ 277,872	\$ 332,755	\$ (162,086)	\$ (113,816)	\$ 115,786	\$ 218,939

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2013

	2013							
	General	Economic Development	Gas Tax	Building	Sidewalk Renewal	Equipment Replacement	Fire	Paving
REVENUE								
Investment income	\$ 2,115	\$ 187	\$ 176	\$ 332	\$ 54	\$ 285	\$ 230	\$ 580
Other income	-	-	-	-	-	-	-	-
NET REVENUES	2,115	187	176	332	54	285	230	580
TRANSFERS								
Transfers from general operating	8,868	-	105,725	5,000	-	10,000	-	71,934
Transfers to general operating	-	(14,687)	(17,224)	(8,042)	-	-	-	(7,600)
Transfers from utility operating	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	(89,488)	(10,315)	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	10,983	(14,500)	(811)	(13,025)	54	10,285	230	64,914
FUND SURPLUS, BEGINNING OF YEAR	188,051	16,600	811	26,896	4,827	20,110	20,424	46,392
FUND SURPLUS, END OF YEAR	\$ 199,034	\$ 2,100	\$ (0)	\$ 13,871	\$ 4,881	\$ 30,395	\$ 20,654	\$ 111,306

Town of Arborg
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 Year Ended December 31, 2013

SCHEDULE 6

	2013						2012
	Walking	Handi-van	ABFD	Library	Age Friendly Initiative	Utility Replacement	Total
REVENUE							
Investment income	\$ 107	\$ 210	\$ 92	\$ -	\$ -	\$ 1,913	\$ 6,281
Other income	-	-	-	-	-	-	-
NET REVENUES	107	210	92	-	-	1,913	6,281
TRANSFERS							
Transfers from general operating	11,312	-	2,641	-	-	-	215,480
Transfers to general operating	-	-	(2,048)	-	-	-	(49,601)
Transfers from utility operating	-	-	-	-	-	110,373	110,373
Acquisition of tangible capital assets	-	-	-	-	-	-	(99,803)
CHANGE IN RESERVE FUND BALANCES	11,419	210	685	-	-	112,286	182,730
FUND SURPLUS, BEGINNING OF YEAR	-	18,617	10,857	-	-	170,049	523,634
FUND SURPLUS, END OF YEAR	\$ 11,419	\$ 18,827	\$ 11,542	\$ -	\$ -	\$ 282,335	\$ 706,363

Town of Arborg
SCHEDULE OF TRUST FUNDS
Year Ended December 31, 2013

SCHEDULE 7

	Total	
	2013	2012
ASSETS		
Cash and temporary investments	\$ -	\$ -
Portfolio investments	-	-
Other	-	-
	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES		
Due to Municipality	\$ -	\$ -
Fund balance	-	-
	<u>\$ -</u>	<u>\$ -</u>
REVENUES		
Contributions and donations	\$ -	\$ -
Investment income	-	-
	<u>-</u>	<u>-</u>
EXPENDITURES		
Cemetery maintenance	-	-
Distribution to beneficiaries	-	-
Other	-	-
	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

Year Ended December 31, 2013

	<u>2013</u>	<u>2012</u>
	Total	Total
FINANCIAL ASSETS		
Amounts receivable	<u>\$ 70,141</u>	<u>\$ 69,892</u>
	<u>\$ 70,141</u>	<u>\$ 69,892</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 11,264	\$ 11,471
Long-term debt (Note 10)	163,569	233,993
Due to other funds	<u>1,159</u>	<u>702</u>
	<u>175,992</u>	<u>246,166</u>
NET DEBT	<u>\$ (105,851)</u>	<u>\$ (176,274)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	<u>\$ 3,175,784</u>	<u>\$ 3,293,206</u>
FUND SURPLUS	<u>\$ 3,069,933</u>	<u>\$ 3,116,932</u>

Town of Arborg
SCHEDULE OF UTILITY OPERATIONS
 Year Ended December 31, 2013

SCHEDULE 9

	2013 Budget	2013 Actual	2012 Actual
REVENUE			
Water			
Water fees	\$ 193,700	\$ 223,608	\$ 217,235
sub-total- water	<u>193,700</u>	<u>223,608</u>	<u>217,235</u>
Sewer			
Sewer fees	65,300	79,364	72,954
Lagoon tipping fees	3,449	3,449	3,449
sub-total- sewer	<u>68,749</u>	<u>82,813</u>	<u>76,403</u>
Property taxes			
	<u>82,969</u>	<u>82,969</u>	<u>82,969</u>
Government transfers			
Government transfers - capital	-	4,047	2,399
sub-total- government transfers	<u>-</u>	<u>4,047</u>	<u>2,399</u>
Other			
Hydrant rentals	19,400	19,400	19,400
Connection charges	520	449	957
Penalties	1,250	1,486	1,292
Other income	33,714	36,075	33,997
sub-total- other	<u>54,884</u>	<u>57,410</u>	<u>55,646</u>
 Total revenue	 <u>400,302</u>	 <u>450,847</u>	 <u>434,652</u>
EXPENSES			
General			
Administration	88,610	67,459	65,626
Training costs	3,500	6,185	876
Billing and collection	2,210	3,246	2,550
sub-total- general	<u>94,320</u>	<u>76,890</u>	<u>69,052</u>
Water			
Purification and treatment	24,425	23,498	21,807
Transmission and distribution	23,659	23,124	18,585
Service and other supply costs	45,650	44,945	38,048
Connection costs	1,000	560	451
sub-total- water general	<u>94,734</u>	<u>92,127</u>	<u>78,891</u>
Water Amortization & Interest			
Amortization	123,667	123,667	113,332
Interest on long term debt	11,425	11,425	14,512
sub-total- water amortization & interest	<u>135,092</u>	<u>135,092</u>	<u>127,844</u>
Sewer			
Collection system costs	36,679	32,590	24,705
Treatment and disposal cost	700	1,111	613
Lift Station costs	4,380	4,456	4,215
sub-total- sewer general	<u>41,759</u>	<u>38,157</u>	<u>29,533</u>
Sewer Amortization & Interest			
Amortization	44,194	44,194	42,785
Interest on long term debt	1,013	1,013	1,360
sub-total- sewer amortization & interest	<u>45,207</u>	<u>45,207</u>	<u>44,145</u>
 Total expenses	 <u>411,112</u>	 <u>387,473</u>	 <u>349,465</u>
 NET REVENUES	 <u>(10,810)</u>	 <u>63,374</u>	 <u>85,187</u>
TRANSFERS			
Transfers from (to) reserve funds	55,000	(110,373)	(85,507)
 CHANGE IN UTILITY FUND BALANCE	 <u>\$ 44,190</u>	 <u>(46,999)</u>	 <u>(320)</u>
 FUND SURPLUS, BEGINNING OF YEAR		 <u>3,116,932</u>	 <u>3,117,252</u>
 FUND SURPLUS, END OF YEAR		 <u>\$ 3,069,933</u>	 <u>\$ 3,116,932</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2013

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 926,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 926,184
Grants in lieu of taxation	83,758	-	-	-	-	-	-	83,758
User fees	124,787	-	-	-	-	-	177,184	301,971
Permits, licences and fines	3,635	-	-	-	-	-	-	3,635
Investment income	7,000	-	-	-	-	-	13	7,013
Other revenue	4,065	-	-	-	-	-	46,055	50,120
Water and sewer		317,333	-	-	-	-	-	317,333
Grants - Province of Manitoba	280,300	-	-	-	-	-	30,005	310,305
Grants - other	57,582	-	-	-	-	-	-	57,582
Transfers from General		82,969			(82,969)			-
Transfers from reserves	152,724	55,000	-	-	(207,724)	-	-	-
Total revenue	\$ 1,640,035	\$ 455,302	\$ -	\$ -	\$ (290,693)	\$ -	\$ 253,257	\$ 2,057,901
EXPENSES								
General government services	\$ 266,540	\$ -	\$ 19,620	\$ 4,000	\$ 1,577	\$ -	\$ -	\$ 291,737
Protective services	233,689	-	18,113	-	-	-	-	251,802
Transportation services	191,300	-	164,582	33,642	-	-	-	389,524
Environmental health services	135,143	-	-	-	-	-	33,644	168,787
Public health and welfare services	35,060	-	-	-	-	-	-	35,060
Regional planning and development	14,181	-	-	-	-	-	(3,686)	10,495
Resource cons and industrial dev	78,602	-	-	-	-	-	-	78,602
Recreation and cultural services	145,048	-	48,453	-	-	-	270,907	464,408
Water and sewer services		230,813	167,861	12,438	-	-	-	411,112
Fiscal services:								
Transfer to capital	161,710	141,520	(303,230)	-	-	-	-	-
Debt charges	184,554	82,969	-	(267,523)	-	-	-	-
Short term interest	4,000	-	-	(4,000)	-	-	-	-
Transfer to Utility	82,969	-	-	-	(82,969)	-	-	-
Transfer to reserves	105,662	-	-	-	(105,662)	-	-	-
Allowance for tax assets	1,577	-	-	-	(1,577)	-	-	-
Total expenses	\$ 1,640,035	\$ 455,302	\$ 115,399	\$ (221,443)	\$ (188,631)	\$ -	\$ 300,865	\$ 2,101,527
Surplus (Deficit)	\$ -	\$ -	\$ (115,399)	\$ 221,443	\$ (102,062)	\$ -	\$ (47,608)	\$ (43,626)

Town of Arborg
 ANALYSIS OF TAXES ON ROLL
 Year Ended December 31, 2013

SCHEDULE 11

	<u>2013</u>	<u>2012</u>
Balance, beginning of year	\$ 77,250	\$ 116,612
Add:		
Tax levy (Schedule 12)	1,419,533	1,362,510
Taxes added	9,425	25,349
Penalties or interest	17,207	19,364
Other accounts added	5,034	4,932
Sub-total	<u>1,451,199</u>	<u>1,412,155</u>
Deduct:		
Cash collections	1,238,533	1,238,849
Writeoffs	2,309	212
M.P.T.C. - cash advance	209,834	212,456
Sub-total	<u>1,450,676</u>	<u>1,451,517</u>
Balance, end of year	<u><u>\$ 77,774</u></u>	<u><u>\$ 77,250</u></u>

Town of Arborg
ANALYSIS OF TAX LEVY
Year Ended December 31, 2013

SCHEDULE 12

	2013			2012
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D. General & Utility	42,655,960	4.640	197,924	197,629
At large	34,256,120	0.157	5,378	4,879
Reserves:				
Machinery replacement	34,256,120	0.270	9,249	9,422
Fire	34,256,120	0.000	-	4,711
Building	34,256,120	0.135	4,625	4,711
Paving	34,256,120	0.270	9,249	-
General municipal	34,256,120	20.364	697,592	687,075
Special levies:				
Cable fees	-	-	558	615
Rounding			(1)	
Total municipal taxes (Schedule 2)			924,573	909,042
Education support levy	10,216,080	11.830	120,856	111,558
Special levy:				
Evergreen SD #22	32,513,760	11.506	374,103	341,910
Adjustments of school levy to municipal taxes			1	
Total education taxes			494,960	453,468
			\$ 1,419,533	\$ 1,362,510

Town of Arborg
 ANALYSIS OF SCHOOL ACCOUNTS
 Year Ended December 31, 2013

SCHEDULE 13

	2013			2012	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 22,108	\$ 148,586	\$ (165,344)	\$ 5,350	\$ 22,108
Special levies					
Evergreen SD #22	35,493	417,628	(444,080)	9,041	35,493
Sub-total	35,493	417,628	(444,080)	9,041	35,493
Total	\$ 57,601	\$ 566,214	\$ (609,424)	\$ 14,391	\$ 57,601

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
Year Ended December 31, 2013

	2013 Actual	2012 Actual
General government services:		
Legislative	\$ 20,863	\$ 20,863
General administrative	180,081	165,800
Other	61,861	74,992
	<u>262,805</u>	<u>261,655</u>
Protective services:		
Police	149,794	143,922
Fire	76,189	77,115
Emergency measures	3,923	4,737
Other protection	19,113	23,321
	<u>249,019</u>	<u>249,095</u>
Transportation services:		
Road transport		
Road and street maintenance	363,922	329,297
Street lighting	23,134	22,227
	<u>387,056</u>	<u>351,524</u>
Environmental health services:		
Waste collection and disposal	81,777	79,298
Other	55,568	32,802
	<u>137,345</u>	<u>112,100</u>
Public health and welfare services:		
Public health	32,041	26,696
Social assistance	4,016	4,016
	<u>36,057</u>	<u>30,712</u>
Regional planning and development		
Planning and zoning	8,247	7,874
Urban renewal	3,646	3,686
Beautification and land rehabilitation	1,825	1,750
	<u>13,718</u>	<u>13,310</u>
Resource conservation and industrial development		
Rural area weed control	4,390	2,353
Drainage of land	699	699
Veterinary services	2,500	2,500
Regional development	66,969	27,322
Other	2,337	1,811
	<u>76,895</u>	<u>34,685</u>
Recreation and cultural services:		
Administration	-	207
Parks and playgrounds	6,658	6,279
Other recreational facilities	166,797	154,371
Libraries	14,876	13,736
Other cultural facilities	-	-
	<u>188,331</u>	<u>174,593</u>
Total expenses	<u><u>1,351,226</u></u>	<u><u>1,227,674</u></u>

SCHEDULE OF DEBENTURES PENDING
Year Ended December 31, 2013

Authority	Purpose	Source of Funds	Authorized	Expended
5- 2004	Road paving	Accounts payable	181,000	78,662
			<u>181,000</u>	<u>78,662</u>
			<u>\$ 181,000</u>	<u>\$ 78,662</u>

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2013

	General	2013 Utility	Total	2012 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 66	\$ -	\$ 66	\$ 23
Adjustments for reporting under public sector accounting standards				
Capital :				
Increase revenue - capital grants and other revenue	450	-	450	
Increase expense - net book value of assets disposed of	-	-	-	(8,859)
Increase expense - amortization of tangible capital assets	(250,767)	(167,861)	(418,628)	(404,418)
Eliminate expense - acquisitions of tangible capital assets	126,968	50,440	177,408	286,036
Reserve:				
Increase revenue - reserve funds interest	6,281		6,281	5,008
Eliminate expense - transfers to reserves	214,418	110,373	324,791	270,312
Eliminate revenue - transfers from reserves to operating funds	(148,341)	-	(148,341)	(185,724)
Deferred Revenue:				
Eliminate revenue - increase in deferred revenue - Gas Tax	811		811	(323)
Increase revenue - decrease in deferred revenue - Handi Van	(210)		(210)	43,662
Other:				
Eliminate expense - repayment of principal portion of long term debt	150,343	70,423	220,766	209,233
Increase expense - adjust prior period	-		-	(1,546)
	100,019	63,375	163,394	213,404
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(47,608)	-	(47,608)	5,235
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 52,411	\$ 63,375	\$ 115,786	\$ 218,639