

Town of Arborg

**Consolidated Financial Statements
Year ended December 31, 2014**

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, 2014 and the consolidated statements of operations, change in net financial assets and cash flows for the year ended December 31, 2014, 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, 2014, and the consolidated results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2014 in accordance with Canadian Public Sector Accounting Standards.



Winnipeg, Canada
January 26, 2016

Chambers Fraser
Professional Accountants

Town of Arborg

Consolidated Financial Statements

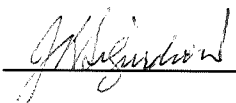
Year ended December 31, 2014

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**Town of Arborg
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2014**

	<u>2014</u>	<u>2013</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 1,040,355	\$ 918,104
Amounts receivable (Note 4)	234,350	264,246
Portfolio investments (Note 5)	-	1,094
Inventories for sale (Note 6)	<u>119,583</u>	<u>78,833</u>
	<u>\$ 1,394,288</u>	<u>\$ 1,262,276</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 414,745	\$ 390,696
Deferred revenue (Note 8)	87,299	61,278
Landfill closure and post closure liabilities (Note 9)	26,085	19,350
Long-term debt (Note 10)	<u>583,482</u>	<u>752,517</u>
	<u>1,111,611</u>	<u>1,223,840</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 282,677</u>	<u>\$ 38,436</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 6,421,193	\$ 6,578,559
Prepaid expenses	<u>20,766</u>	<u>14,831</u>
	<u>6,441,959</u>	<u>6,593,390</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 6,724,635</u>	<u>\$ 6,631,826</u>

Approved on behalf of Council:



Randy Sigurdson - Mayor



Rob Thorsteinson - Deputy Mayor

Town of Arborg
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2014

	<u>2014 Budget (Note 13)</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
REVENUE			
Property taxes	\$ 949,561	\$ 954,357	\$ 933,999
Grants in lieu of taxation	79,461	79,461	83,758
User fees	309,071	307,772	295,196
Permits, licences and fines	4,125	4,451	4,942
Investment income	8,503	18,443	15,335
Other revenue	24,887	40,194	88,860
Water and sewer	360,744	312,674	363,831
Grants - Province of Manitoba	1,945,985	355,829	261,847
Grants - other	62,568	54,428	107,583
	<u>3,744,905</u>	<u>2,127,609</u>	<u>2,155,351</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	348,348	320,917	262,807
Protective services	259,286	258,294	249,019
Transportation services	399,449	396,001	387,056
Environmental health services	158,848	150,884	170,989
Public health and welfare services	40,070	38,363	36,057
Regional planning and development	15,225	8,272	10,032
Resource conservation and industrial development	84,910	42,544	76,895
Recreation and cultural services	406,884	403,578	459,238
Water and sewer services	425,908	415,947	387,472
	<u>2,138,928</u>	<u>2,034,800</u>	<u>2,039,565</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS	<u>\$ 1,605,977</u>	92,809	115,786
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>6,631,826</u>	<u>6,516,040</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 6,724,635</u>	<u>\$ 6,631,826</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, 2014

	<u>2014 Budget (Note 13)</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
ANNUAL SURPLUS	<u>\$ 1,605,977</u>	<u>\$ 92,809</u>	<u>\$ 115,786</u>
Acquisition of tangible capital assets	(3,801,102)	(297,756)	(190,140)
Amortization of tangible capital assets	422,877	455,121	426,958
Loss (Gain) on sale of tangible capital assets		-	-
Proceeds on sale of tangible capital assets		-	-
Write up of assets		-	(40,017)
Decrease (increase) in prepaid expense		<u>(5,933)</u>	<u>(3,685)</u>
	<u>(3,378,225)</u>	<u>151,432</u>	<u>193,116</u>
CHANGE IN NET FINANCIAL ASSETS	<u><u>\$ (1,772,248)</u></u>	<u>244,241</u>	<u>308,902</u>
NET DEBT, BEGINNING OF YEAR		<u>38,436</u>	<u>(270,466)</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR		<u><u>\$ 282,677</u></u>	<u><u>\$ 38,436</u></u>

The accompanying notes are an integral part of this financial statement

Town of Arborg
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 92,809	\$ 115,786
Changes in non-cash items:		
Amounts receivable	29,896	(3,400)
Inventories	(40,749)	(1,471)
Prepays	(5,935)	(3,683)
Accounts payable and accrued liabilities	24,050	(23,777)
Deferred revenue	26,021	40,988
Landfill closure and post closure liabilities	6,735	3,288
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	455,121	426,957
Cash provided by operating transactions	<u>587,947</u>	<u>554,688</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Write up of assets	-	(40,017)
Cash used to acquire tangible capital assets	<u>(297,756)</u>	<u>(190,140)</u>
Cash applied to capital transactions	<u>(297,756)</u>	<u>(230,157)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	1,094	-
Purchase of portfolio investments	-	(18)
Cash provided by investing transactions	<u>1,094</u>	<u>(18)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	207,200	175,000
Debt repayment	<u>(376,235)</u>	<u>(375,086)</u>
Cash applied to financing transactions	<u>(169,035)</u>	<u>(200,086)</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	122,250	124,427
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>918,104</u>	<u>793,677</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 1,040,355</u></u>	<u><u>\$ 918,104</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, 2014

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%) (2013 – consolidated 50%)
BAR Waste Authority Co-op Inc. (consolidated 38%) (2013 – consolidated 38%)
Evergreen Public Library (consolidated 10%) (2013 – 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, 2014

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, 2014

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>2014</u>	<u>2013</u>
Cash	\$ 1,040,355	\$ 918,104
Temporary Investments	-	-
	<u>\$ 1,040,355</u>	<u>\$ 918,104</u>

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

Designated Reserve Funds	<u>\$ 730,788</u>	<u>\$ 523,634</u>
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4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2014</u>	<u>2013</u>
Taxes on roll (Schedule 11)	\$ 83,281	\$ 77,774
Government grants	29,630	26,249
Utility customers	58,312	70,143
Organizations and individuals	44,890	43,314
Other governments	23,072	51,766
	<u>239,185</u>	<u>269,246</u>
Less allowances for doubtful amounts	<u>(4,835)</u>	<u>(5,000)</u>
	<u>\$ 234,350</u>	<u>\$ 264,246</u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2014

5. Portfolio Investments

	<u>2014</u>	<u>2013</u>
Term deposits	\$ -	\$ 1,094
	<u>\$ -</u>	<u>\$ 1,094</u>

6. Inventories

Inventories for sale:

	<u>2014</u>	<u>2013</u>
Land	\$ 119,583	\$ 78,833
	<u>\$ 119,583</u>	<u>\$ 78,833</u>

7. Accounts Payable and Accrued Liabilities

	<u>2014</u>	<u>2013</u>
Accounts payable	\$ 183,670	\$ 207,123
Accrued expenses	34,146	57,625
Accrued interest payable	1,660	2,388
School levies (Schedule 13)	26,841	14,391
Other governments	168,428	109,169
	<u>\$ 414,745</u>	<u>\$ 390,696</u>

8. Deferred Revenue:

	<u>2014</u>	<u>2013</u>
Federal Gas Tax Funding	\$ 19,569	\$ 811
Handi-Transit Vehicle Replacement Funding	19,043	18,617
	<u>38,612</u>	<u>19,428</u>
Other	48,687	41,850
	<u>\$ 87,299</u>	<u>\$ 61,278</u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2014

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>2014</u>	<u>2013</u>
Estimated closure and post closure costs over the next 15 years	<u>\$ 22,800</u>	<u>\$ 22,800</u>
Discount rate	<u>0.90%</u>	<u>0.90%</u>
Total landfill closure and post closure liabilities	<u><u>\$ 26,085</u></u>	<u><u>\$ 19,350</u></u>

10. Long Term Debt

General Authority:

	<u>2014</u>	<u>2013</u>
Debenture for paving, at 9.13%, \$55,262 annually including interest, maturing December, 2015	\$ 50,642	\$ 97,049
Debenture for paving, at 8.63%, \$17,275 annually including interest, maturing December, 2015	15,903	30,543
Debenture for paving, at 5.38%, \$36,161 annually including interest, maturing December, 2020	181,360	206,425
Debenture for paving, at 5.50%, \$7,960 annually including interest, maturing December, 2016	14,697	21,476
Debenture for paving, at 5.25%, \$6,685 annually including interest, maturing December, 2017	18,120	23,568
	<u><u>\$ 280,722</u></u>	<u><u>\$ 379,061</u></u>

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2014

Utility Funds:

Debenture for water and sewer, at 6.88%, \$24,019 annually including interest, maturing December, 2016	\$ 43,502	\$ 63,178
Debenture for water and sewer, at 5.50%, \$20,764 annually including interest, maturing December, 2015	19,681	38,337
Debenture for water and sewer, interest at 4.00%, \$10,782 annually including interest, maturing December, 2014	-	10,367
Debenture for water and sewer, at 4.00%, payable at \$27,404 annually including interest, maturing December, 2015	26,350	51,687

\$ 89,533	\$ 163,569
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Debenture long term debt	\$ 370,255	\$ 542,630
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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
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Loan payable to RM of Birstost, \$15,115 including interest at prime less 1/2%, maturing November, 2014.	-	13,609
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For proportionate consolidated government partnerships:

Term promissory note with Arborg Credit Union, \$15,000 annually plus interest at prime, maturing September, 2035.	205,342	175,000
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Mortgage with Noventis Credit Union, \$11,040 annual blended payments including interest at 3.39%, maturing February, 2016.	7,885	11,684
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\$ 583,482	\$ 752,518
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Principal payments required in each of the next five years are as follows:

2015	\$ 187,831
2016	81,448
2017	51,812
2018	42,832
2019	42,300

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 \$24,344 (2013 - \$24,3680) 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, 2013 indicated the plan was 93.3% funded on a going concern basis and had an unfunded solvency liability of \$139.8 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, 2013.

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, 2014

14. Accumulated Surplus

	<u>2014</u>	<u>2013</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	138,523	134,991
Utility operating fund - Nominal surplus	57,720	57,720
General capital fund - Capital surplus	2,765,164	2,825,270
Utility capital fund - Capital surplus	3,101,959	3,012,215
Reserve funds	<u>730,788</u>	<u>706,365</u>
	<u>6,794,154</u>	<u>6,736,561</u>
Deferred revenue - Reserves	<u>(38,612)</u>	<u>(18,827)</u>
Accumulated surplus of municipality unconsolidated	6,755,542	6,717,734
Accumulated deficit of consolidated entities	<u>(30,907)</u>	<u>(85,908)</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><u>\$ 6,724,635</u></u>	<u><u>\$ 6,631,826</u></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, 2014:

- a) Compensation paid to members of council amounted to \$27,227 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	\$ 6,545	\$ 4,574	\$ 11,119
Councillor - Rob Thorsteinson	5,075	4,386	9,461
Councillor - Vivian Leduchowski	5,272	4,150	9,422
Councillor - Susan Bauernhuber	5,260	5,008	10,268
Councillor - Erica Bardarson	<u>5,075</u>	<u>3,998</u>	<u>9,073</u>
	<u><u>\$ 27,227</u></u>	<u><u>\$ 22,116</u></u>	<u><u>\$ 49,343</u></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	\$ 62,644
Bruce Swanson	Public Works Foreman	\$ 68,218
Marcel Sutyla	Assistant Public Works	\$ 55,488

Town of Arborg
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2014

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	\$ 1,317,496	\$ 85,338	\$ 62,770	\$ 1,340,064
Sewer services	279,992	-	16,781	263,211
	<u>\$ 1,597,488</u>	<u>\$ 85,338</u>	<u>\$ 79,551</u>	<u>\$ 1,603,275</u>

Town of Arborg
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2014

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	2014	2013
Cost										
Opening costs	2,742,849	1,715,695	946,429	6,500	-	1,188,822	5,987,615	-	12,587,910	12,397,770
Additions during the year	-	-	89,696	-	26,256	-	181,804	-	297,756	190,140
Disposals and adjustments	-	-	(3,613)	(144)	-	-	-	-	(3,757)	-
Closing costs	<u>2,742,849</u>	<u>1,715,695</u>	<u>1,032,512</u>	<u>6,356</u>	<u>26,256</u>	<u>1,188,822</u>	<u>6,169,419</u>	<u>-</u>	<u>12,881,909</u>	<u>12,587,910</u>
Accumulated Amortization										
Opening accum'd amortization	840,011	1,109,481	500,944	3,055	-	744,030	2,811,831	-	6,009,352	5,574,459
Amortization	80,103	45,148	99,078	1,319	-	63,378	166,095	-	455,121	426,957
Disposals and adjustments	-	-	(3,613)	(144)	-	-	-	-	(3,757)	7,936
Closing accum'd amortization	<u>920,114</u>	<u>1,154,629</u>	<u>596,409</u>	<u>4,230</u>	<u>-</u>	<u>807,408</u>	<u>2,977,926</u>	<u>-</u>	<u>6,460,716</u>	<u>6,009,352</u>
Net Book Value of Tangible Capital Assets	<u>1,822,735</u>	<u>561,066</u>	<u>436,103</u>	<u>2,126</u>	<u>26,256</u>	<u>381,414</u>	<u>3,191,493</u>	<u>-</u>	<u>6,421,193</u>	<u>6,578,558</u>

Town of Arborg
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2014

SCHEDULE 2

	<u>2014 Actual</u>	<u>2013 Actual</u>
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 949,850	\$ 924,574
Taxes added	4,507	9,425
	<u>954,357</u>	<u>933,999</u>
Grants in lieu of taxation:		
Federal government	4,718	4,715
Federal government enterprises	2,021	2,019
Provincial government	16,561	15,708
Provincial government enterprises	60,458	59,082
	<u>79,461</u>	<u>83,758</u>
User fees		
Sales of service	257,123	241,709
Rentals	50,649	52,962
	<u>307,772</u>	<u>295,196</u>
Permits, licences and fines		
Licences	2,117	2,297
Fines	2,334	2,645
	<u>4,451</u>	<u>4,942</u>
Investment income:		
Cash and temporary investments	18,443	15,335
	<u>18,443</u>	<u>15,335</u>
Other revenue:		
Penalties and interest	15,263	17,207
Miscellaneous (specify):		
Donations	-	31,946
Sundry income	24,931	39,707
	<u>40,194</u>	<u>88,860</u>
Water and sewer (Schedule 4)	<u>312,674</u>	<u>363,831</u>
Grants - Province of Manitoba		
General assistance payment	182,745	182,745
Municipal program grants	21,685	21,685
Conditional grants	151,399	57,417
	<u>355,829</u>	<u>261,847</u>
Grants - other		
Federal government - gas tax funding	52,424	105,726
Other local governments	2,004	1,857
	<u>54,428</u>	<u>107,583</u>
Total revenue	<u><u>2,127,609</u></u>	<u><u>2,155,351</u></u>

Town of Arborg
CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2014

SCHEDULE 3

	<u>2014</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
General government services:		
Legislative	23,452	\$ 20,863
General administrative	224,384	180,081
Other	73,081	61,863
	<u>320,917</u>	<u>262,807</u>
Protective services:		
Police	149,794	149,794
Fire	78,638	76,189
Emergency measures	7,530	3,923
Other protection	22,332	19,113
	<u>258,294</u>	<u>249,019</u>
Transportation services:		
Road transport		
Road and street maintenance	373,816	363,922
Street lighting	22,185	23,134
	<u>396,001</u>	<u>387,056</u>
Environmental health services:		
Waste collection and disposal	100,844	115,421
Other	50,040	55,568
	<u>150,884</u>	<u>170,989</u>
Public health and welfare services:		
Public health	34,347	32,041
Social assistance	4,016	4,016
	<u>38,363</u>	<u>36,057</u>
Regional planning and development		
Planning and zoning	8,157	8,247
Beautification and land rehabilitation	75	1,825
	<u>8,272</u>	<u>10,032</u>
Resource conservation and industrial development		
Rural area weed control	2,354	4,390
Drainage of land	809	699
Veterinary services	2,500	2,500
Regional development	34,574	66,969
Other	2,307	2,337
	<u>42,544</u>	<u>76,895</u>
Recreation and cultural services:		
Administration	1,740	-
Parks and playgrounds	6,057	6,658
Other recreational facilities	365,214	425,533
Libraries	30,567	27,047
Other cultural facilities	-	-
	<u>403,578</u>	<u>459,238</u>
Water and sewer services (Schedule 4)	<u>415,947</u>	<u>387,472</u>
Total expenses	<u><u>2,034,800</u></u>	<u><u>2,039,565</u></u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2014

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUE										
Property taxes	\$ 871,387	\$ 851,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	79,461	83,758	-	-	-	-	-	-	-	-
User fees	52,486	56,211	3,820	2,641	5,454	5,092	78,417	76,653	-	-
Permits, licences and fines	202	147	2,589	2,975	-	-	-	-	-	-
Investment income	16,437	13,894	237	322	1,742	920	-	-	-	-
Other revenue	21,479	42,803	-	-	-	-	1,835	2,429	-	-
Water and sewer										
Prov of MB - Unconditional Grants	204,430	204,430	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	43,205	-	-	-	-	2,116	2,857	1,249	20,000	20,000
Grants - other	-	-	-	-	52,424	105,726	-	-	-	-
Total revenue	\$ 1,289,087	\$ 1,252,274	\$ 6,646	\$ 5,938	\$ 59,620	\$ 113,854	\$ 83,109	\$ 80,331	\$ 20,000	\$ 20,000
EXPENSES										
Personnel services	\$ 112,066	\$ 110,608	\$ 24,836	\$ 26,006	\$ 108,269	\$ 98,763	\$ 18,387	\$ 26,116	\$ -	\$ -
Contract services	84,038	84,718	165,129	161,808	415	482	38,037	29,054	-	-
Utilities	14,107	12,654	9,859	8,544	30,714	30,823	936	1,043	-	-
Maintenance materials and supplies	59,527	20,151	17,325	14,150	64,705	58,763	39,660	52,949	-	-
Grants and contributions	21,940	16,615	1,000	1,000	-	-	50,040	55,568	38,316	33,556
Amortization	20,563	19,620	20,746	18,113	167,020	164,582	3,824	6,259	-	-
Interest on long term debt	-	-	-	-	24,879	33,642	-	-	-	-
Other	8,711	(1,562)	19,400	19,400	-	-	-	-	47	2,501
Total expenses	\$ 320,952	\$ 262,804	\$ 258,295	\$ 249,021	\$ 396,002	\$ 387,055	\$ 150,884	\$ 170,989	\$ 38,363	\$ 36,057
Surplus (Deficit)	\$ 968,135	\$ 989,470	\$ (251,649)	\$ (243,083)	\$ (336,382)	\$ (273,201)	\$ (67,775)	\$ (90,658)	\$ (18,363)	\$ (16,057)

* 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, 2014

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,969	\$ 82,969	\$ 954,356	\$ 934,000
Grants in lieu of taxation	-	-	-	-	-	-	-	-	79,461	83,758
User fees	-	-	-	-	167,595	154,599	-	-	307,772	295,196
Permits, licences and fines	-	-	1,660	1,820	-	-	-	-	4,451	4,942
Investment income	24	187	-	-	3	13	-	-	18,443	15,336
Other revenue	-	-	-	-	16,880	43,626	-	-	40,194	88,858
Water and sewer	-	-	-	-	-	-	312,674	363,831	312,674	363,831
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	204,430	204,430
Prov of MB - Conditional Grants	-	-	-	-	-	30,005	\$ 85,338	\$ 4,047	151,400	57,417
Grants - other	-	-	2,004	1,857	-	-	-	-	54,428	107,583
Total revenue	\$ 24	\$ 187	\$ 3,664	\$ 3,677	\$ 184,478	\$ 228,243	\$ 480,981	\$ 450,847	\$ 2,127,609	\$ 2,155,351
EXPENSES										
Personnel services	\$ -	\$ -	\$ -	\$ -	\$ 170,768	\$ 167,722	\$ 128,168	\$ 122,458	\$ 562,494	\$ 551,673
Contract services	85	1,891	4,690	1,957	36,656	22,381	14,870	19,921	343,920	322,212
Utilities	-	-	-	-	57,370	55,967	16,946	16,345	129,932	125,376
Maintenance materials and supplies	-	-	1,099	1,787	63,061	116,030	72,444	43,155	317,821	306,985
Grants and contributions	8,148	8,141	32,960	28,169	908	32,746	-	-	153,312	175,795
Amortization	-	-	-	-	54,615	52,958	166,095	167,861	432,863	429,393
Interest on long term debt	-	-	-	-	-	-	8,819	12,438	33,698	46,080
Other	-	-	3,797	44,983	20,201	11,435	8,604	5,294	60,760	82,051
Total expenses	\$ 8,233	\$ 10,032	\$ 42,546	\$ 76,896	\$ 403,579	\$ 459,239	\$ 415,946	\$ 387,472	\$ 2,034,800	\$ 2,039,565
Surplus (Deficit)	\$ (8,209)	\$ (9,845)	\$ (38,882)	\$ (73,219)	\$ (219,101)	\$ (230,996)	\$ 65,035	\$ 63,375	\$ 92,809	\$ 115,786

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
Year Ended December 31, 2014

	Core Government		Government Partnerships		Total	
	2014	2013	2014	2013	2014	2013
REVENUE						
Property taxes	\$ 954,356	\$ 934,000	\$ -	\$ -	\$ 954,356	\$ 934,000
Grants in lieu of taxation	79,461	83,758	-	-	79,461	83,758
User fees	113,779	118,012	193,993	177,184	307,772	295,196
Permits, licences and fines	4,451	4,942	-	-	4,451	4,942
Investment income	18,440	15,323	3	13	18,443	15,336
Other revenue	21,479	42,803	18,715	46,055	40,194	88,858
Water and sewer	312,674	363,831			312,674	363,831
Prov of MB - Unconditional Grants	204,430	204,430			204,430	204,430
Prov of MB - Conditional Grants	108,195	27,412	43,205	30,005	151,400	57,417
Grants - other	54,428	107,583	-	-	54,428	107,583
Total revenue	<u>\$ 1,871,693</u>	<u>\$ 1,902,094</u>	<u>\$ 255,916</u>	<u>\$ 253,257</u>	<u>\$ 2,127,609</u>	<u>\$ 2,155,351</u>
EXPENSES						
Personnel services	\$ 408,346	\$ 393,957	\$ 154,148	\$ 157,716	\$ 562,494	\$ 551,673
Contract services	287,719	281,542	56,201	40,670	343,920	322,212
Utilities	75,223	71,611	54,709	53,765	129,932	125,376
Maintenance materials and supplies	248,876	185,019	68,945	121,966	317,821	306,985
Grants and contributions	152,149	148,295	1,163	27,500	153,312	175,795
Amortization	422,877	418,629	9,986	10,764	432,863	429,393
Interest on long term debt	33,698	46,080	-	-	33,698	46,080
Other	47,941	79,089	12,819	2,962	60,760	82,051
Total expenses	<u>\$ 1,676,829</u>	<u>\$ 1,624,222</u>	<u>\$ 357,971</u>	<u>\$ 415,343</u>	<u>\$ 2,034,800</u>	<u>\$ 2,039,565</u>
Surplus (Deficit)	<u>\$ 194,864</u>	<u>\$ 277,872</u>	<u>\$ (102,055)</u>	<u>\$ (162,086)</u>	<u>\$ 92,809</u>	<u>\$ 115,786</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2014

	2014							
	General	Economic Development	Gas Tax	Building	Sidewalk Renewal	Equipment Replacement	Fire	Paving
REVENUE								
Investment income	\$ 2,304	\$ 24	\$ 190	\$ 159	\$ 56	\$ 415	\$ 237	\$ 1,270
Other income	-	-	-	-	-	-	-	3,426
NET REVENUES	2,304	24	190	159	56	415	237	4,696
TRANSFERS								
Transfers from general operating	-	-	71,804	-	-	10,000	-	34,700
Transfers to general operating	-	(2,100)	(17,224)	-	-	-	-	-
Transfers from utility operating	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	(35,200)	(13,875)	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	2,304	(2,076)	19,570	(13,716)	(4,882)	10,415	237	36,396
FUND SURPLUS, BEGINNING OF YEAR	199,034	2,100	-	13,871	4,882	30,395	20,654	111,306
FUND SURPLUS, END OF YEAR	\$ 201,338	\$ 24	\$ 19,570	\$ 155	\$ (0)	\$ 40,810	\$ 20,891	\$ 147,702

Town of Arborg
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
Year Ended December 31, 2014

SCHEDULE 6

	2014						2013	
	Walking	Handi-van	ABFD	Library	Age Friendly Initiative	Utility Replacement	Total	Total
REVENUE								
Investment income	\$ 131	\$ 217	\$ -	\$ -	\$ -	\$ 3,245	\$ 8,248	\$ 5,009
Other income	-	-	-	-	-	-	3,426	
NET REVENUES	131	217	-	-	-	3,245	11,674	5,009
TRANSFERS								
Transfers from general operating	-	-	3,820	-	-	-	120,324	165,105
Transfers to general operating	-	-	-	-	-	-	(19,324)	(17,431)
Transfers from utility operating	-	-	-	-	-	-	-	105,507
Acquisition of tangible capital assets	-	-	(6,525)	-	-	(24,712)	(80,312)	(168,293)
CHANGE IN RESERVE FUND BALANCES	131	217	(2,705)	-	-	(21,467)	24,424	89,897
FUND SURPLUS, BEGINNING OF YEAR	11,419	18,827	11,542	-	-	282,334	706,363	433,737
FUND SURPLUS, END OF YEAR	\$ 11,550	\$ 19,044	\$ 8,837	\$ -	\$ -	\$ 260,867	\$ 730,788	\$ 523,634

Town of Arborg
SCHEDULE OF TRUST FUNDS
 Year Ended December 31, 2014

SCHEDULE 7

	Total	
	2014	2013
ASSETS		
Cash and temporary investments	\$ -	\$ -
Portfolio investments	-	-
Other	-	-
	<u>\$ -</u>	<u>\$ -</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND FUND BALANCES		
Due to Municipality	\$ -	\$ -
Fund balance	-	-
	<u>\$ -</u>	<u>\$ -</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
REVENUES		
Contributions and donations	\$ -	\$ -
Investment income	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
EXPENDITURES		
Cemetery maintenance	-	-
Distribution to beneficiaries	-	-
Other	-	-
	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Town of Arborg
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
Year Ended December 31, 2014

SCHEDULE 8

	<u>2014</u>	<u>2013</u>
	Total	Total
FINANCIAL ASSETS		
Amounts receivable	\$ 58,312	\$ 70,142
Due from other funds	<u>11,044</u>	<u>-</u>
	<u>\$ 69,356</u>	<u>\$ 70,142</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 11,636	\$ 11,264
Long-term debt (Note 10)	89,534	163,569
Due to other funds	<u>-</u>	<u>1,159</u>
	<u>101,170</u>	<u>175,992</u>
NET DEBT	<u>\$ (31,814)</u>	<u>\$ (105,850)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	<u>\$ 3,191,494</u>	<u>\$ 3,175,784</u>
FUND SURPLUS	<u><u>\$ 3,159,680</u></u>	<u><u>\$ 3,069,934</u></u>

Town of Arborg
SCHEDULE OF UTILITY OPERATIONS
Year Ended December 31, 2014

SCHEDULE 9

	<u>2014 Budget</u>	<u>2014 Actual</u>	<u>2013 Actual</u>
REVENUE			
Water			
Water fees	\$ 220,700	\$ 183,354	\$ 223,608
sub-total- water	<u>220,700</u>	<u>183,354</u>	<u>223,608</u>
Sewer			
Sewer fees	78,230	61,878	79,364
Lagoon tipping fees	3,449	3,449	3,449
sub-total- sewer	<u>81,679</u>	<u>65,327</u>	<u>82,813</u>
Property taxes			
	<u>82,969</u>	<u>82,969</u>	<u>82,969</u>
Government transfers			
Government transfers - capital	1,600,000	85,338	4,047
sub-total- government transfers	<u>1,600,000</u>	<u>85,338</u>	<u>4,047</u>
Other			
Hydrant rentals	19,400	19,400	19,400
Connection charges	3,250	5,627	449
Penalties	1,340	1,526	1,486
Other income	34,375	37,440	36,075
sub-total- other	<u>58,365</u>	<u>63,993</u>	<u>57,410</u>
Total revenue	<u>2,043,713</u>	<u>480,981</u>	<u>450,847</u>
EXPENSES			
General			
Administration	88,560	68,830	67,458
Training costs	1,200	637	6,185
Billing and collection	4,408	3,238	3,246
sub-total- general	<u>94,168</u>	<u>72,705</u>	<u>76,889</u>
Water			
Purification and treatment	24,650	24,425	23,498
Transmission and distribution	39,877	51,132	23,124
Service and other supply costs	48,710	49,308	44,945
Connection costs	575	4,436	560
sub-total- water general	<u>113,812</u>	<u>129,301</u>	<u>92,127</u>
Water Amortization & Interest			
Amortization	124,061	124,061	123,667
Interest on long term debt	-	-	11,425
sub-total- water amortization & interest	<u>124,061</u>	<u>124,061</u>	<u>135,092</u>
Sewer			
Collection system costs	37,195	33,447	32,590
Treatment and disposal cost	1,150	1,190	1,111
Lift Station costs	4,669	4,390	4,456
sub-total- sewer general	<u>43,014</u>	<u>39,027</u>	<u>38,157</u>
Sewer Amortization & Interest			
Amortization	42,034	42,034	44,194
Interest on long term debt	8,819	8,819	1,013
sub-total- sewer amortization & interest	<u>50,853</u>	<u>50,853</u>	<u>45,207</u>
Total expenses	<u>425,908</u>	<u>415,947</u>	<u>387,472</u>
NET REVENUES	1,617,805	65,034	63,375
TRANSFERS			
Transfers from (to) reserve funds	265,000	24,712	(110,373)
CHANGE IN UTILITY FUND BALANCE	<u>\$ 1,882,805</u>	89,746	(46,998)
FUND SURPLUS, BEGINNING OF YEAR		<u>3,069,934</u>	<u>3,116,932</u>
FUND SURPLUS, END OF YEAR		<u>\$ 3,159,680</u>	<u>\$ 3,069,934</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

Year Ended December 31, 2014

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 949,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 949,561
Grants in lieu of taxation	79,461	-	-	-	-	-	-	79,461
User fees	115,078	-	-	-	-	-	193,993	309,071
Permits, licences and fines	4,125	-	-	-	-	-	-	4,125
Investment income	8,500	-	-	-	-	-	3	8,503
Other revenue	6,172	-	-	-	-	-	18,715	24,887
Water and sewer		360,744	-	-	-	-	-	360,744
Grants - Province of Manitoba	302,780	1,600,000	-	-	-	-	43,205	1,945,985
Grants - other	57,737	-	-	-	-	-	4,831	62,568
Transfers from General		82,969	-	-	(82,969)	-	-	-
Transfers from reserves	225,009	265,000	-	-	(490,009)	-	-	-
Total revenue	<u>\$ 1,748,423</u>	<u>\$ 2,308,713</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (572,978)</u>	<u>\$ -</u>	<u>\$ 260,747</u>	<u>\$ 3,744,905</u>
EXPENSES								
General government services	\$ 322,775	\$ -	\$ 20,563	\$ 4,000	\$ 1,010	\$ -	\$ -	\$ 348,348
Protective services	238,540	-	20,746	-	-	-	-	259,286
Transportation services	207,550	-	167,020	24,879	-	-	-	399,449
Environmental health services	127,115	-	-	-	-	-	31,733	158,848
Public health and welfare services	40,070	-	-	-	-	-	-	40,070
Regional planning and development	15,225	-	-	-	-	-	-	15,225
Resource cons and industrial dev	84,910	-	-	-	-	-	-	84,910
Recreation and cultural services	184,418	-	48,453	-	-	-	174,013	406,884
Water and sewer services		250,994	166,095	8,819	-	-	-	425,908
Fiscal services:								
Transfer to capital	225,022	1,974,750	(2,199,772)	-	-	-	-	-
Debt charges	149,093	82,969	-	(232,062)	-	-	-	-
Short term interest	4,000	-	-	(4,000)	-	-	-	-
Transfer to Utility	82,969	-	-	-	(82,969)	-	-	-
Transfer to reserves	65,725	-	-	-	(65,725)	-	-	-
Allowance for tax assets	1,010	-	-	-	(1,010)	-	-	-
Total expenses	<u>\$ 1,748,422</u>	<u>\$ 2,308,713</u>	<u>\$ (1,776,895)</u>	<u>\$ (198,364)</u>	<u>\$ (148,694)</u>	<u>\$ -</u>	<u>\$ 205,746</u>	<u>\$ 2,138,928</u>
Surplus (Deficit)	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1,776,895</u>	<u>\$ 198,364</u>	<u>\$ (424,284)</u>	<u>\$ -</u>	<u>\$ 55,001</u>	<u>\$ 1,605,977</u>

Town of Arborg
 ANALYSIS OF TAXES ON ROLL
 Year Ended December 31, 2014

SCHEDULE 11

	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 77,774	\$ 77,250
Add:		
Tax levy (Schedule 12)	1,472,089	1,419,534
Taxes added	4,507	9,425
Penalties or interest	9,949	17,207
Other accounts added	3,538	5,034
Sub-total	1,490,083	1,451,200
Deduct:		
Cash collections	1,266,283	1,238,534
Writeoffs	1,175	2,309
M.P.T.C. - cash advance	217,118	209,834
Sub-total	1,484,576	1,450,677
Balance, end of year	\$ 83,281	\$ 77,774

Town of Arborg
 ANALYSIS OF TAX LEVY
 Year Ended December 31, 2014

SCHEDULE 12

	2014			2013
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D. General & Utility	46,248,850	3.835	177,364	197,924
At large	37,437,960	0.250	9,359	5,378
Reserves:				
Machinery replacement	37,437,960	0.000	-	9,249
Fire	37,437,960	0.250	9,359	-
Building	37,437,960	0.000	-	4,625
Paving	37,437,960	0.000	-	9,249
General municipal	37,437,960	20.120	753,252	697,592
Special levies:				
Cable fees	-	-	516	558
Rounding			-	
Total municipal taxes (Schedule 2)			949,850	924,575
Education support levy	9,985,590	11.390	113,736	120,856
Special levy:				
Evergreen SD #22	35,692,690	11.445	408,503	374,103
Adjustments of school levy to municipal taxes			-	
Total education taxes			522,239	494,959
			\$ 1,472,089	\$ 1,419,534

Town of Arborg
ANALYSIS OF SCHOOL ACCOUNTS
 Year Ended December 31, 2014

SCHEDULE 13

	2014				2013
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 5,349	\$ 140,057	\$ (136,163)	\$ 9,243	\$ 5,349
Special levies					
Evergreen SD #22	9,042	451,795	(443,239)	17,598	9,042
Sub-total	9,042	451,795	(443,239)	17,598	9,042
Total	\$ 14,391	\$ 591,852	\$ (579,402)	\$ 26,841	\$ 14,391

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
Year Ended December 31, 2014

	2014 Actual	2013 Actual
General government services:		
Legislative	\$ 23,452	\$ 20,863
General administrative	224,384	180,081
Other	73,119	61,861
	<u>320,955</u>	<u>262,805</u>
Protective services:		
Police	149,794	149,794
Fire	78,638	76,189
Emergency measures	7,530	3,923
Other protection	22,332	19,113
	<u>258,294</u>	<u>249,019</u>
Transportation services:		
Road transport		
Road and street maintenance	373,816	363,922
Street lighting	22,185	23,134
	<u>396,001</u>	<u>387,056</u>
Environmental health services:		
Waste collection and disposal	69,111	81,777
Other	50,040	55,568
	<u>119,151</u>	<u>137,345</u>
Public health and welfare services:		
Public health	34,347	32,041
Social assistance	4,016	4,016
	<u>38,363</u>	<u>36,057</u>
Regional planning and development		
Planning and zoning	8,157	8,247
Urban renewal	4,831	3,646
Beautification and land rehabilitation	75	1,825
	<u>13,063</u>	<u>13,718</u>
Resource conservation and industrial development		
Rural area weed control	2,354	4,390
Drainage of land	809	699
Veterinary services	2,500	2,500
Regional development	34,574	66,969
Other	2,307	2,337
	<u>42,544</u>	<u>76,895</u>
Recreation and cultural services:		
Administration	1,740	-
Parks and playgrounds	6,057	6,658
Other recreational facilities	206,217	166,797
Libraries	15,551	14,876
Other cultural facilities	-	-
	<u>229,565</u>	<u>188,331</u>
Total expenses	<u><u>1,417,936</u></u>	<u><u>1,351,226</u></u>

Town of Arborg
SCHEDULE OF DEBENTURES PENDING
Year Ended December 31, 2014

SCHEDULE 15

Authority	Purpose	Source of Funds	Authorized	Expended
5- 2004	Road paving	Accounts payable	181,000	78,662
3-2014	Road Paving	Accounts payable	916,330	-
4-2014	Water Main renewal	Accounts payable	503,933	-
			\$ 1,601,263	\$ 78,662

Town of Arborg
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
 December 31, 2014

SCHEDULE 16

	General	2014 Utility	Total	2013 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 3,532	\$ -	\$ 3,532	\$ 66
Adjustments for reporting under public sector accounting standards				
Capital :				
Increase revenue - capital grants and other revenue	-	-	-	450
Increase expense - amortization of tangible capital assets	(256,781)	(166,095)	(422,876)	(418,628)
Eliminate expense - acquisitions of tangible capital assets	75,132	181,804	256,936	177,408
Reserve:				
Increase revenue - reserve funds interest	8,250		8,250	6,281
Eliminate expense - transfers to reserves	123,749	-	123,749	324,791
Eliminate revenue - transfers from reserves to operating funds	(82,863)	(24,712)	(107,575)	(148,341)
Deferred Revenue:				
Decrease revenue - increase in deferred revenue - Gas Tax	(19,569)		(19,569)	811
Decrease revenue - increase in deferred revenue - Handi Van	(217)		(217)	(210)
Other:				
Eliminate expense - repayment of principal portion of long term debt	121,543	74,035	195,578	220,766
	<u>(27,224)</u>	<u>65,032</u>	<u>37,808</u>	<u>163,394</u>
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	55,001	-	55,001	(47,608)
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	<u><u>\$ 27,777</u></u>	<u><u>\$ 65,032</u></u>	<u><u>\$ 92,809</u></u>	<u><u>\$ 115,786</u></u>