



RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

RURAL MUNICIPALITY OF WEST INTERLAKE
TABLE OF CONTENTS
For the year ended December 31, 2016

	Page
STATEMENT OF RESPONSIBILITY	3
AUDITORS' REPORT , dated April 20, 2018	4
FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9 - 17
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	18
Schedule 2 - Consolidated Schedule of Revenues	19
Schedule 3 - Consolidated Schedule of Expenses	20 - 21
Schedule 4 - Consolidated Statement of Operations by Program	22 - 23
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	24
Schedule 6 - Schedule of Changes in Reserve Fund Balances	25 - 27
Schedule 7 - Schedule of Trust Funds	28
Schedule 8 - Schedule of Financial Position for Utility	29
Schedule 9 - Schedule of Utility Operations	30 - 32
Schedule 10 - Reconciliation of the Financial Plan to the Budget	33
Schedule 11 - Analysis of Taxes on Roll	34
Schedule 12 - Analysis of Tax Levy	35
Schedule 13 - Analysis of School Accounts	36
Schedule 14 - Schedule of General Operating Fund Expenses	37 - 38
Schedule 15 - Schedule of L.U.D. Operations	39
Schedule 16 - Schedule of Debentures Pending	40
Schedule 17 - Reconciliation of Annual Surplus (Deficit)	41

STATEMENT OF RESPONSIBILITY

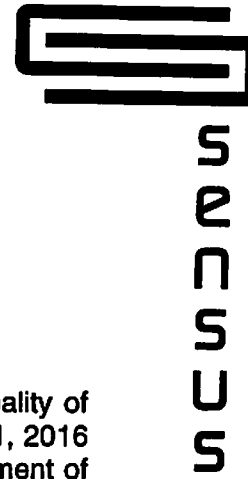
The accompanying consolidated financial statements are the responsibility of the management of the Rural Municipality of West Interlake and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Council of the Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Sensus Partnership of Chartered Professional Accountants, as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditors' Report is addressed to the Reeve 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.

Larissa Love
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

To the Reeve and Council of:
Rural Municipality of West Interlake
Eriksdale, Manitoba

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rural Municipality of West Interlake, which comprise of the statement of financial position as at December 31, 2016 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of West Interlake as at December 31, 2016, and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Brandon, Manitoba
April 20, 2018


Chartered Professional Accountants

Partnership of Chartered Professional Accountants
Understanding your Business

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash and temporary investments (Notes 2 and 3)	\$ 2,114,804	\$ 1,506,551
Amounts receivable (Note 4)	1,390,148	2,890,991
Real estate properties held for sale (Note 2)	1,575	
	<u>3,506,527</u>	<u>4,397,542</u>
LIABILITIES		
Bank indebtedness (Note 7)	51,696	50,607
Accounts payable and accrued liabilities (Note 6)	190,317	2,288,418
Deferred revenue (Note 2)	15,000	23,100
Long-term debt (Note 8)	1,517,080	
	<u>1,774,093</u>	<u>2,362,125</u>
NET FINANCIAL ASSETS	<u>1,732,434</u>	<u>2,035,417</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	3,862,097	3,544,676
Inventories (Note 5)	35,418	40,605
Prepaid expenses	51,204	31,500
	<u>3,948,719</u>	<u>3,616,781</u>
ACCUMULATED SURPLUS	<u>\$ 5,681,153</u>	<u>\$ 5,652,198</u>
COMMITMENTS AND CONTINGENCIES (Note 9)		

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2016

	2016 Budget (Note 12)	2016 Actual	2015 Actual
REVENUE			
Property taxes	\$ 1,652,310	\$ 1,676,163	\$ 1,723,382
Grants in lieu of taxation	78,750	78,750	97,163
User fees	80,026	153,495	140,520
Permits, licences and fines	14,812	18,692	20,579
Investment income	1,674	43,945	17,576
Other revenue	113,794	102,878	131,815
Water and sewer	67,900	69,646	78,092
Grants - Province of Manitoba	165,221	311,731	1,241,701
Grants - Other	230,651	253,999	235,542
Total revenue (Schedules 2, 4 and 5)	2,405,138	2,709,299	3,686,370
EXPENSES			
General government services	428,351	669,977	812,964
Protective services	311,521	266,322	571,826
Transportation services	911,300	912,887	828,647
Environmental health services	329,815	336,239	290,967
Public health and welfare services	26,628	57,902	19,742
Regional planning and development	86,134	86,348	88,501
Resource conservation and industrial development	101,967	73,275	59,908
Recreation and cultural services	103,413	147,630	137,566
Water and sewer services	196,875	129,764	190,427
Total expenses (Schedules 3, 4 and 5)	2,496,004	2,680,344	3,000,548
ANNUAL SURPLUS	\$ (90,866)	28,955	685,822
ACCUMULATED SURPLUS, BEGINNING OF YEAR		5,652,198	4,966,376
ACCUMULATED SURPLUS, END OF YEAR		\$ 5,681,153	\$ 5,652,198

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 For the year ended December 31, 2016

	2016 Budget (Note 12)	2016 Actual	2015 Actual
ANNUAL SURPLUS	\$ (90,866)	\$ 28,955	\$ 685,822
Acquisition of tangible capital assets	(695,000)	(539,904)	(278,109)
Amortization of tangible capital assets	214,258	214,258	207,054
Gain on sale of tangible capital assets		(2,037)	
Proceeds on sale of tangible capital assets		10,262	
Decrease (increase) in inventories		5,187	(10,661)
Decrease (increase) in prepaid expenses		(19,704)	117,090
	<u>(480,742)</u>	<u>(331,938)</u>	<u>35,374</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (571,608)</u>	<u>(302,983)</u>	<u>721,196</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>2,035,417</u>	<u>1,314,221</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 1,732,434</u>	<u>\$ 2,035,417</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CASH FLOWS
 For the year ended December 31, 2016

	2016	2015
OPERATING TRANSACTIONS		
Annual surplus	\$ 28,955	\$ 685,822
Changes in non-cash items:		
Amounts receivable	1,500,844	1,036,377
Inventories	5,186	(10,660)
Prepays	(19,704)	117,090
Accounts payable and accrued liabilities	(2,098,444)	(468,013)
Deferred revenue	(8,100)	18,100
Severance and vested sick leave payable	343	(14,110)
Gain on sale of tangible capital assets	(2,037)	
Amortization	214,258	207,054
Cash provided by operating transactions	(378,699)	1,571,660
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	10,262	
Cash used to acquire tangible capital assets	(539,904)	(278,109)
Cash applied to capital transactions	(529,642)	(278,109)
INVESTING TRANSACTIONS		
Acquisition of real estate properties	(1,575)	
Cash applied to investing transactions	(1,575)	
FINANCING TRANSACTIONS		
Proceeds of long-term debt	1,600,000	
Debt repayment	(82,920)	
Advances on bank indebtedness	1,089	(988,619)
Cash applied to financing transactions	1,518,169	(988,619)
INCREASE IN CASH AND TEMPORARY INVESTMENTS	608,253	304,932
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	1,506,551	1,201,619
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 2,114,804	\$ 1,506,551

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

1. STATUS OF THE RURAL MUNICIPALITY OF WEST INTERLAKE

The incorporated Rural Municipality of West Interlake ("the Municipality") is a Municipality that was established as of January 1, 2015 pursuant to The Municipal Amalgamations Act. The Rural Municipality of West Interlake reflects the amalgamation of the former Rural Municipality of Siglunes and Rural Municipality of Eriksdale. The Municipality provides or funds municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations. The Municipality owns two utilities, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Eriksdale Community Development Corporation
 Eriksdale Public Library

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:

Coldwell Eriksdale Waste Disposal Grounds - 40% (2015 - 37%)
 Parkland Regional Library Service - 4% (2015 - 4%)
 Western Interlake Planning District Board - 42.32% (2015 - 42.32%)

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in - Schedule of Trust Funds.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Cash and Temporary Investments

Cash and temporary investments include cash and temporary investments which comprise term deposits and guaranteed investment certificates.

Real Estate Properties Held for Sale

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

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

Non-Financial Assets

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

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

Tangible Capital Assets

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

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets (continued)

General Tangible Capital Assets

Land	Indefinite
Land improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer hardware and software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands that have not been purchased by the Municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

Inventories

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

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

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

Deferred Revenue

Deferred revenue represents grants and user charges which have been collected, for which the related services have yet to be provided or the goods have yet to be purchased. These amounts will be recognized as revenue in the fiscal year the services are provided or the goods are purchased.

Measurement Uncertainty

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

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

3. CASH AND TEMPORARY INVESTMENTS

Cash and temporary investments are comprised of the following:

	2016	2015
Cash	\$ 2,075,904	\$ 1,426,093
Temporary Investments	38,900	80,458
	\$ 2,114,804	\$ 1,506,551

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$2,389,230 (2015 - \$2,387,382) to reserves for debt principal repayments and tangible capital asset acquisitions of which \$589,475 (2015 - \$1,112,838) is held in cash and temporary investments with the remainder representing the unfunded balance of \$1,799,755 (2015 - \$1,274,544). See Schedule 6 – Schedule of Change in Reserve Fund Balances.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2016	2015
Taxes on roll (Schedule 11)	\$ 757,733	\$ 708,775
Government grants	1,026,864	2,671,989
Utility customers (Schedule 8)	26,011	15,834
Organizations and individuals	105,251	145,048
Other governments	302,160	177,216
	<u>2,218,019</u>	<u>3,718,862</u>
Less allowance for doubtful amounts	(827,871)	(827,871)
	<u>\$ 1,390,148</u>	<u>\$ 2,890,991</u>

5. INVENTORIES

	2016	2015
Inventories for use:		
Culverts	\$ 35,418	\$ 39,904
Fuel		701
	<u>\$ 35,418</u>	<u>\$ 40,605</u>

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Accounts payable	\$ 129,201	\$ 1,282,495
Accrued expenses	61,116	61,846
School levies (Schedule 13)		944,077
	<u>\$ 190,317</u>	<u>\$ 2,288,418</u>

7. BANK INDEBTEDNESS

The Municipality is currently in a bank indebtedness position in its Rural Municipality of Eriksdale general operating bank account. The Municipality has an authorized line of credit at Noventis Credit Union Ltd. in the amount of \$100,000 with interest at 2.125% (2015 - 2.125%). The Municipality also has an authorized line of credit on its Rural Municipality of West Interlake general operating bank account at Noventis Credit Union Ltd. in the amount of \$1,600,000 with interest at 2.125% (2015 - 2.125%). The lines of credit are secured by a general security agreement and the current year tax revenue.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

8. LONG TERM DEBT

	2016	2015
General Authority		
Ward 2 debenture, payable at \$138,920 annually including interest at 3.50%, maturing December 2030.	\$ 1,517,080	\$

Principal payments due in the next five years are as follows:

2017	\$	85,822
2018		88,826
2019		91,935
2020		95,153
2021		98,483
		460,219
	\$	460,219

9. COMMITMENTS

The Municipality committed \$150,000 to the construction of a new Municipal shop in Ward 1. As of year end \$122,847 has been spent on the project and additional costs of \$44,287 have been incurred subsequent to year end to complete the project.

The Municipality committed \$62,000 for an addition to the Municipal office in Ward 1. As of year end \$55,869 has been spent on the project and additional costs of \$28,445 have been incurred subsequent to year end to complete the project.

10. RETIREMENT BENEFITS

The majority of the employees of the Municipality are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2.0% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$33,272 (2015 - \$26,763) and are included in the statement of operations.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2016

10. RETIREMENT BENEFITS (continued)

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, 2015 indicated the plan was 96.1% funded on a going concern basis and has an unfunded solvency liability of \$251.7 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, 2015.

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 requirements. As a result, solvency funding is no longer required by MEPP.

11. FINANCIAL INSTRUMENTS

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

12. BUDGET

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

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

13. ACCUMULATED SURPLUS

	2016	2015
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus (Deficit)	\$ 880,741	\$ (383,161)
Utility Operating Fund(s) - Nominal Surplus	6,359	14,982
TCA net of related borrowings	2,174,207	3,453,505
Reserve Funds	2,389,230	2,387,382
Accumulated Surplus of Municipality Unconsolidated	5,450,537	5,472,708
Accumulated Surpluses of Consolidated Entities	230,616	179,490
Accumulated Surplus per Consolidated Statement of Financial Position	\$ 5,681,153	\$ 5,652,198

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

14. PUBLIC SECTOR COMPENSATION DISCLOSURE

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2016:

- a) Compensation paid to members of council amounted to \$80,640 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>
Randy Helgason	\$ 11,660	\$ 3,357	\$ 15,017
Merle Day	9,530	3,684	13,214
Keith Lundale	11,440	4,107	15,547
John Wainwright	9,120	3,214	12,334
John Bezemer	8,870	3,298	12,168
Carroll Hull	10,550	2,768	13,318
Art Jonasson	6,870	3,408	10,278
Kenneth Budge - LUD	4,200		4,200
Larry Williamson - LUD	4,200		4,200
Sandra McDougall - LUD	4,200		4,200
	<u>\$ 80,640</u>	<u>\$ 23,836</u>	<u>\$ 104,476</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Cameron Godfrey	W1 Grader Operator	\$ 52,968
Daniel LaBrash	W2 WDG/Utility/Public Works	51,879
Larissa Love	CAO	71,134
Leslie Ratte	W2 Utility/Public Works	54,520

15. 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.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2016

16. SEGMENTED INFORMATION

The Rural Municipality of West Interlake provides a wide range of services to its residents. Segment information has been provided in Schedule 4 for the following services:

- General government services
- Protective services
- Transportation services
- Environmental health services
- Public health and welfare services
- Regional planning and development
- Resource conservation and industrial development
- Recreation and cultural services
- Water and sewer services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

17. GOVERNMENT PARTNERSHIPS

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

	2016	2015
Financial Position		
Financial assets	\$ 104,072	\$ 78,090
Liabilities	<u>62,233</u>	<u>24,193</u>
Net financial assets	41,839	53,897
Non-financial assets	<u>109,974</u>	<u>19,405</u>
Accumulated surplus	<u>\$ 151,813</u>	<u>\$ 73,302</u>
 Result of Operations		
Revenues	\$ 233,668	\$ 176,270
Expenses	223,290	235,004
Intercompany revenue and expense eliminations	<u>68,133</u>	<u>43,236</u>
Annual surplus (deficit)	<u>\$ 78,511</u>	<u>\$ (15,498)</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2016

Cost	General Capital Assets					Infrastructure		Totals	
	Land and Land Improvements	Building and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction	Roads, Streets, and Bridges	Water and Sewer	2016	2015
Opening costs	\$ 1,043,731	1,158,807	1,866,660	91,721	18,052	6,278,363	2,121,140	\$ 12,578,474	\$ 12,300,365
Additions during the year	59,127		113,539		334,206	33,032		539,904	278,109
Disposals and write downs	(5,000)		(19,941)	(7,468)				(32,409)	
Transfers		88,800			(88,800)				
Closing costs	<u>1,097,858</u>	<u>1,247,607</u>	<u>1,960,258</u>	<u>84,253</u>	<u>263,458</u>	<u>6,311,395</u>	<u>2,121,140</u>	<u>13,085,969</u>	<u>12,578,474</u>
Accumulated Amortization									
Opening accum'd amortization	59,734	988,108	1,125,025	61,918		5,742,348	1,056,665	9,033,798	8,826,744
Amortization	6,082	19,381	123,746	5,282		27,092	32,675	214,258	207,054
Disposals and write downs			(18,180)	(6,004)				(24,184)	
Closing accum'd amortization	<u>65,816</u>	<u>1,007,489</u>	<u>1,230,591</u>	<u>61,196</u>		<u>5,769,440</u>	<u>1,089,340</u>	<u>9,223,872</u>	<u>9,033,798</u>
Net Book Value of Tangible Capital Assets	<u>\$ 1,032,042</u>	<u>240,118</u>	<u>729,667</u>	<u>23,057</u>	<u>263,458</u>	<u>541,955</u>	<u>1,031,800</u>	<u>\$ 3,862,097</u>	<u>\$ 3,544,676</u>

Water and sewer underground networks contributed to the Municipality totals \$2,099,389 and were capitalized at their fair value at the time of their receipt.



RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 2 - CONSOLIDATED SCHEDULE OF REVENUES
For the year ended December 31, 2016

	2016 Actual	2015 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,593,489	\$ 1,685,160
Taxes added	82,674	38,222
	<u>1,676,163</u>	<u>1,723,382</u>
Grants in lieu of taxation:	<u>78,750</u>	<u>97,163</u>
User fees:		
Sales of service	70,554	61,445
Rentals	82,941	79,075
	<u>153,495</u>	<u>140,520</u>
Permits, licences and fines:		
Permits	17,276	19,636
Licences	1,416	943
	<u>18,692</u>	<u>20,579</u>
Investment income:		
Cash and temporary investments	<u>43,945</u>	<u>17,576</u>
Other revenue:		
Gain on sale of tangible capital assets	5,262	
Penalties and interest	88,931	90,245
Miscellaneous	8,200	40,475
Donations	485	1,095
	<u>102,878</u>	<u>131,815</u>
Water and sewer		
Municipal utility	<u>69,646</u>	<u>78,092</u>
Grants - Province of Manitoba:		
General assistance payment	87,486	87,486
Municipal program grants	41,952	41,952
Conditional grants	182,293	1,112,263
	<u>311,731</u>	<u>1,241,701</u>
Grants - other:		
Federal government - gas tax funding	119,138	113,464
Federal government - other		28,900
Other local governments	134,861	93,178
	<u>253,999</u>	<u>235,542</u>
Total revenue	<u>\$ 2,709,299</u>	<u>\$ 3,686,370</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
 For the year ended December 31, 2016

	2016 Actual	2015 Actual
General government services:		
Legislative	\$ 130,009	\$ 130,733
General administrative	519,222	662,956
Other	20,746	19,275
	<u>669,977</u>	<u>812,964</u>
Protective services:		
Fire	78,315	79,894
Emergency measures	145,383	449,427
Other protection	42,624	42,505
	<u>266,322</u>	<u>571,826</u>
Transportation services:		
Road transport		
Administration and engineering	432,265	401,477
Road and street maintenance	450,739	394,036
Sidewalk and boulevard maintenance		5,760
Street lighting	26,110	25,033
Other	3,773	2,341
	<u>912,887</u>	<u>828,647</u>
Environmental health services:		
Waste collection and disposal	317,796	281,081
Recycling	17,930	9,197
Other	513	689
	<u>336,239</u>	<u>290,967</u>
Public health and welfare services:		
Public health	5,667	4,615
Medical care	46,924	9,816
Social assistance	5,311	5,311
	<u>57,902</u>	<u>19,742</u>
Regional planning and development:		
Planning and zoning	78,485	83,703
Beautification and land rehabilitation	7,863	4,798
	<u>86,348</u>	<u>88,501</u>
Sub-total	<u>\$ 2,329,675</u>	<u>\$ 2,612,647</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
 For the year ended December 31, 2016

	2016 Actual	2015 Actual
Sub-total (Carry forward)	\$ 2,329,675	\$ 2,612,647
Resource conservation and industrial development:		
Veterinary services	16,320	16,320
Water resources and conservation	15,395	15,541
Regional development	40,583	27,486
Tourism	560	144
Other	417	417
	<u>73,275</u>	<u>59,908</u>
Recreation and cultural services:		
Administration	14,507	14,507
Community centres and halls	14,323	21,546
Parks and playgrounds	9,899	9,317
Museums	16,437	792
Libraries	59,870	82,078
Other cultural facilities	7,818	9,326
Loss on withdrawal from organization	21,551	
Loss on sale of tangible capital assets	3,225	
	<u>147,630</u>	<u>137,566</u>
Water and sewer (Schedule 9)		
Municipal utility	129,764	190,427
	<u>129,764</u>	<u>190,427</u>
Total expenses	\$ 2,680,344	\$ 3,000,548

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2016

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes	\$ 1,657,343	\$ 1,704,561								
Grants in lieu of taxation	78,750	97,163								
User fees	107,146	92,032	7,082	4,901	7,169	1,999	28,959	21,000		1,000
Grants - other	120,338	149,964					96,536	52,469		
Permits, licences and fines	1,416	943								
Investment income	43,689	17,056					42	56		
Other revenue	100,124	126,260								
Water and sewer										
Prov of MB - unconditional grants	129,437	129,437								
Prov of MB - conditional grants	19,130	27,451	82,249	970,931		34,630	36,356	13,114		
Total revenue	2,257,373	2,344,867	89,331	975,832	7,169	36,629	161,893	86,639		1,000
EXPENSES										
Personnel services	346,497	325,696	32,628	38,843	325,315	297,479	58,038	56,435		
Contract services	102,566	274,723	16,632	16,714	184,839	150,422	226,018	177,507	10,178	9,586
Utilities	20,291	19,275	18,218	14,222	41,135	47,435	2,435	3,246	800	340
Maintenance, materials and supplies	161,651	163,395	127,733	460,872	254,647	229,312	33,787	44,414	40,604	3,778
Grants and contributions	4,231	1,200							1,992	1,992
Amortization	5,051	4,955	42,599	41,175	106,951	103,999	15,961	9,365	4,328	4,046
Interest on long term debt			23,321							
Other	29,690	23,720	5,191							
Total expenses	669,977	812,964	266,322	571,826	912,887	828,647	336,239	290,967	57,902	19,742
Surplus (Deficit)	\$ 1,587,396	\$ 1,531,903	(176,991)	404,006	(905,718)	(792,018)	(174,346)	(204,328)	(57,902)	(18,742)

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

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2016

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes							18,820	18,821	\$ 1,676,163	\$ 1,723,382
Grants in lieu of taxation									78,750	97,163
User fees		2,563			3,139	17,025			153,495	140,520
Grants - other	17,305	14,789			19,820	18,320			253,999	235,542
Permits, licences and fines	17,276	19,636							18,692	20,579
Investment income	128	171	37	40	49	253			43,945	17,576
Other revenue	2,413	1,496			341	4,059			102,878	131,815
Water and sewer							69,646	78,092	69,646	78,092
Prov of MB - unconditional grants									129,437	129,437
Prov of MB - conditional grants	3,837	17,815		1,000	40,722	47,323			182,294	1,112,264
Total revenue	40,959	56,470	37	1,040	64,071	86,980	88,466	96,913	2,709,299	3,686,370
EXPENSES										
Personnel services	50,931	47,979	26,953	11,248	9,846	22,484	34,004	35,572	884,212	835,736
Contract services	3,566	3,183	3,834	8,670	7,669	22,797	29,016	84,593	584,318	748,195
Utilities	1,319	1,627			18,053	21,567	13,055	8,218	115,306	115,930
Maintenance, materials and supplies	14,216	21,756	2,189	536	22,410	15,532	20,620	24,694	677,857	964,289
Grants and contributions	16,289	13,783	39,882	39,037	58,564	47,230			120,958	103,242
Amortization			417	417	6,276	6,955	32,675	36,142	214,258	207,054
Interest on long term debt									23,321	
Other	27	173			24,812	1,001	394	1,208	60,114	26,102
Total expenses	86,348	88,501	73,275	59,908	147,630	137,566	129,764	190,427	2,680,344	3,000,548
Surplus (Deficit)	(45,389)	(32,031)	(73,238)	(58,868)	(83,559)	(50,586)	(41,298)	(93,514)	\$ 28,955	\$ 685,822

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2016

	Core Government		Controlled Entities		Government Partnerships		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE								
Property taxes	\$ 1,676,163	\$ 1,723,382					\$ 1,676,163	\$ 1,723,382
Grants in lieu of taxation	78,750	97,163					78,750	97,163
User fees	129,189	122,239		385	24,306	17,896	153,495	140,520
Grants - other	120,338	149,964			133,661	85,578	253,999	235,542
Permits, licences and fines	1,416	943			17,276	19,636	18,692	20,579
Investment income	43,689	17,056	37	171	219	349	43,945	17,576
Other revenue	100,124	126,260		3,972	2,754	1,583	102,878	131,815
Water and sewer	69,646	78,092					69,646	78,092
Prov of MB - unconditional grants	129,437	129,437					129,437	129,437
Prov of MB - conditional grants	126,842	1,039,072		21,964	55,452	51,228	182,294	1,112,264
Total revenue	2,475,594	3,483,608	37	26,492	233,668	176,270	2,709,299	3,686,370
EXPENSES								
Personnel services	826,395	768,597		12,290	57,817	54,849	884,212	835,736
Contract services	481,907	643,020	1,017	8,483	101,394	96,692	584,318	748,195
Utilities	111,891	107,486		4,042	3,415	4,402	115,306	115,930
Maintenance, materials and supplies	644,651	902,383	1,629	8,991	31,577	52,915	677,857	964,289
Grants and contributions	89,331	75,626	8,167	7,176	23,460	20,440	120,958	103,242
Amortization	208,694	200,945		612	5,564	5,497	214,258	207,054
Interest on long term debt	23,321						23,321	
Other	35,275	24,928	24,776	965	63	209	60,114	26,102
Total expenses	2,421,465	2,722,985	35,589	42,559	223,290	235,004	2,680,344	3,000,548
Surplus (Deficit)	\$ 54,129	\$ 760,623	(35,552)	(16,067)	10,378	(58,734)	\$ 28,955	\$ 685,822

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016							Sub Total
	Health Care Reserve - Siglunes	LUD of Ashern Reserve	Drainage Reserve - Siglunes	Handi Van Reserve - Siglunes	Community Services Reserve - Siglunes	Water Reserve - Siglunes	Sewer Reserve - Siglunes	
FINANCIAL ASSETS								
Cash and temporary investments	\$ 3,160	\$	\$	\$	\$ 13,579	\$	\$	\$ 16,739
Due (to) from other funds	1,326	219,078	70,000	39,822	13,853	52,567	45,444	442,090
	<u>\$ 4,486</u>	<u>\$ 219,078</u>	<u>\$ 70,000</u>	<u>\$ 39,822</u>	<u>\$ 27,432</u>	<u>\$ 52,567</u>	<u>\$ 45,444</u>	<u>\$ 458,829</u>
REVENUE								
Investment income	\$ 36	740		45		103	64	\$ 988
Other income								
Total revenue	<u>36</u>	<u>740</u>		<u>45</u>		<u>103</u>	<u>64</u>	<u>988</u>
EXPENSES								
Investment charges	20			20			20	60
Other expenses		20				20		40
Total expenses	<u>20</u>	<u>20</u>		<u>20</u>		<u>20</u>	<u>20</u>	<u>100</u>
NET REVENUES	16	720		25		83	44	888
TRANSFERS								
Debt repayment								
Transfers from operating fund		228,947						228,947
Transfers to operating fund		(101,752)						(101,752)
Transfers from utility fund								
Transfers to utility fund								
Acquisition of tangible capital assets								
CHANGE IN RESERVE FUND BALANCES	16	127,915		25		83	44	128,083
FUND SURPLUS, BEGINNING OF YEAR	<u>4,470</u>	<u>91,163</u>	<u>70,000</u>	<u>39,797</u>	<u>27,432</u>	<u>52,484</u>	<u>45,400</u>	<u>330,746</u>
FUND SURPLUS, END OF YEAR	<u>\$ 4,486</u>	<u>219,078</u>	<u>70,000</u>	<u>39,822</u>	<u>27,432</u>	<u>52,567</u>	<u>45,444</u>	<u>\$ 458,829</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016							Sub Total
	Cemetery Reserve - Eriksdale	Eriksdale Utility General Reserve	Building and Land Reserve - Eriksdale	Gas Tax Reserve	General Reserve - Siglunes	Equipment Replacement Reserve - Siglunes	Fire Department Reserve - Siglunes	
FINANCIAL ASSETS								
Cash and temporary investments	\$ 14,020	\$ 36,899	\$ 111,740	\$ 17,280	\$	\$	\$	\$ 179,939
Due (to) from other funds	150			704,871	257,988	199,377	111,001	1,273,387
	<u>\$ 14,170</u>	<u>\$ 36,899</u>	<u>\$ 111,740</u>	<u>\$ 722,151</u>	<u>\$ 257,988</u>	<u>\$ 199,377</u>	<u>\$ 111,001</u>	<u>\$ 1,453,326</u>
REVENUE								
Investment income	\$ 273	439	3,745	2,479	187		745	\$ 7,868
Other income	150							150
Total revenue	<u>423</u>	<u>439</u>	<u>3,745</u>	<u>2,479</u>	<u>187</u>		<u>745</u>	<u>8,018</u>
EXPENSES								
Investment charges							20	20
Other expenses								
Total expenses							<u>20</u>	<u>20</u>
NET REVENUES	423	439	3,745	2,479	187		725	7,998
TRANSFERS								
Debt repayment								
Transfers from operating fund			35,000	119,138				154,138
Transfers to operating fund	(634)		(192,780)					(193,414)
Transfers from utility fund								
Transfers to utility fund								
Acquisition of tangible capital assets				(101,145)				(101,145)
CHANGE IN RESERVE FUND BALANCES	(211)	439	(154,035)	20,472	187		725	(132,423)
FUND SURPLUS, BEGINNING OF YEAR	14,381	36,460	265,775	701,679	257,801	199,377	110,276	1,585,749
FUND SURPLUS, END OF YEAR	<u>\$ 14,170</u>	<u>36,899</u>	<u>111,740</u>	<u>722,151</u>	<u>257,988</u>	<u>199,377</u>	<u>111,001</u>	<u>\$ 1,453,326</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2016

	2016						2015	
	General Reserve - Eriksdale	Equipment Reserve - Eriksdale	Road Replacement Reserve - Eriksdale	Health Care Reserve - Eriksdale	Fire Equipment Reserve - Eriksdale	Drainage Reserve - Eriksdale	Total	Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 150,523	\$ 122,024	\$ 3,672	\$ 37,062	\$ 46,191	\$ 33,325	\$ 589,475	\$ 1,112,838
Due (to) from other funds	<u>15,000</u>	<u>38,000</u>		<u>20,148</u>	<u>11,130</u>		<u>1,799,755</u>	<u>1,274,544</u>
Total revenue	<u>\$ 165,523</u>	<u>\$ 160,024</u>	<u>\$ 3,672</u>	<u>\$ 57,210</u>	<u>\$ 57,321</u>	<u>\$ 33,325</u>	<u>\$ 2,389,230</u>	<u>\$ 2,387,382</u>
REVENUE								
Investment income	\$ 2,058	1,114	41	908	802	397	\$ 14,176	\$ 14,413
Other income					335		485	14,674
Total revenue	<u>2,058</u>	<u>1,114</u>	<u>41</u>	<u>908</u>	<u>1,137</u>	<u>397</u>	<u>14,661</u>	<u>29,087</u>
EXPENSES								
Investment charges							80	
Other expenses							40	
Total expenses							<u>120</u>	
NET REVENUES	2,058	1,114	41	908	1,137	397	14,541	29,087
TRANSFERS								
Debt repayment								
Transfers from operating fund		35,000					418,085	228,164
Transfers to operating fund				(34,467)			(329,633)	
Transfers from utility fund								13,000
Transfers to utility fund								(13,193)
Acquisition of tangible capital assets							(101,145)	(134,753)
CHANGE IN RESERVE FUND BALANCES	2,058	36,114	41	(33,559)	1,137	397	1,848	122,305
FUND SURPLUS, BEGINNING OF YEAR	163,465	123,910	3,631	90,769	56,184	32,928	2,387,382	2,265,077
FUND SURPLUS, END OF YEAR	<u>\$ 165,523</u>	<u>160,024</u>	<u>3,672</u>	<u>57,210</u>	<u>57,321</u>	<u>33,325</u>	<u>\$ 2,389,230</u>	<u>\$ 2,387,382</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 7 - SCHEDULE OF TRUST FUNDS
For the year ended December 31, 2016

	<u>2016</u>	<u>2015</u>
	<u>McEwen Park Trust</u>	<u>Total</u>
ASSETS		
Cash and temporary investments	\$ 36,886	\$ 51,217
LIABILITIES AND FUND BALANCES		
Due to Municipality		10,000
Fund balance	36,886	41,217
	<u>36,886</u>	<u>51,217</u>
REVENUES		
Investment income	669	712
EXPENDITURES		
Distribution to beneficiaries	5,000	10,000
	<u>5,000</u>	<u>10,000</u>
EXCESS OF REVENUES OVER EXPENDITURES	(4,331)	(9,288)
FUND BALANCE, BEGINNING OF YEAR	41,217	50,505
FUND BALANCE, END OF YEAR	\$ 36,886	\$ 41,217

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2016

	2016			2015
	Eriksdale	Ashern	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments (Notes 2 and 3)	\$	\$ 100	\$ 100	\$ 100
Amounts receivable (Note 4)		26,011	26,011	15,834
Due from other funds	49,620		49,620	
	<u>49,620</u>	<u>26,111</u>	<u>75,731</u>	<u>15,934</u>
LIABILITIES				
Due to other funds		69,372	69,372	952
		<u>69,372</u>	<u>69,372</u>	<u>952</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>49,620</u>	<u>(43,261)</u>	<u>6,359</u>	<u>14,982</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	13,194	1,018,606	1,031,800	1,064,475
	<u>13,194</u>	<u>1,018,606</u>	<u>1,031,800</u>	<u>1,064,475</u>
FUND SURPLUS	<u>\$ 62,814</u>	<u>\$ 975,345</u>	<u>\$ 1,038,159</u>	<u>\$ 1,079,457</u>

COMMITMENTS AND CONTINGENCIES (Note 9)

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Eriksdale
For the year ended December 31, 2016

	Budget	2016	2015
REVENUE			
Property taxes	\$ 18,821	\$ 18,820	\$ 18,821
Other			
Connection charges	600	500	
Sub-Total - Other	600	500	
Total revenue	19,421	19,320	18,821
EXPENSES			
General			
Administration	3,400	2,400	2,400
Sub-Total - General	3,400	2,400	2,400
Sewer General			
Collection system costs	6,150	1,767	6,495
Lift station costs	3,800	3,547	3,394
Sub-Total - Sewer General	9,950	5,314	9,889
Sewer Amortization and Interest			
Amortization		661	227
Sub-Total - Sewer Amortization & Interest		661	227
Total expenses	13,350	8,375	12,516
NET OPERATING SURPLUS	\$ 6,071	10,945	6,305
TRANSFERS			
Transfers from reserve funds			9,200
CHANGE IN UTILITY FUND BALANCE		10,945	15,505
FUND SURPLUS, BEGINNING OF YEAR		51,869	36,364
FUND SURPLUS, END OF YEAR		\$ 62,814	\$ 51,869

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Ashern
For the year ended December 31, 2016

REVENUE	Budget	2016	2015
Water			
Water fees	\$ 61,000	\$ 62,180	\$ 72,342
Sub-Total - Water	<u>61,000</u>	<u>62,180</u>	<u>72,342</u>
Other			
Hydrant rentals	3,000	3,000	3,000
Penalties	3,300	3,353	2,750
Other income		613	
Sub-Total - Other	<u>6,300</u>	<u>6,966</u>	<u>5,750</u>
Total revenue	<u>\$ 67,300</u>	<u>\$ 69,146</u>	<u>\$ 78,092</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Ashern
For the year ended December 31, 2016

EXPENSES	Budget	2016	2015
General			
Administration	\$ 6,000	\$ 6,000	\$
Sub-Total - General	<u>6,000</u>	<u>6,000</u>	
Water General			
Purification and treatment	47,150	48,021	47,822
Other waster supply costs	8,000	7,167	8,370
Sub-Total - Water General	<u>55,150</u>	<u>55,188</u>	<u>56,192</u>
Water Amortization & Interest			
Amortization		22,812	22,812
Sub-Total - Water Amortization & Interest		<u>22,812</u>	<u>22,812</u>
Sewer General			
Collection system costs	76,900	21,349	80,722
Treatment and disposal cost	10,000	3,906	2,295
Lift station costs	2,800	2,932	2,788
Sub-Total - Sewer General	<u>89,700</u>	<u>28,187</u>	<u>85,805</u>
Sewer Amortization & Interest			
Amortization		9,202	13,102
Sub-Total - Water Amortization & Interest		<u>9,202</u>	<u>13,102</u>
Total expenses	<u>150,850</u>	<u>121,389</u>	<u>177,911</u>
DEFICIT	<u>\$ (83,550)</u>	<u>(52,243)</u>	<u>(99,819)</u>
TRANSFERS			
Transfers to reserve funds			(9,007)
CHANGE IN UTILITY FUND BALANCE		(52,243)	(108,826)
FUND SURPLUS, BEGINNING OF YEAR		1,027,588	1,136,414
FUND SURPLUS, END OF YEAR		<u>\$ 975,345</u>	<u>\$ 1,027,588</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2016

	<u>Financial Plan General</u>	<u>Financial Plan Utility</u>	<u>Amortization (TCA)</u>	<u>Interest Expense</u>	<u>Transfers</u>	<u>Consolidated Entities</u>	<u>PSAB Budget</u>
REVENUE							
Property taxes	\$ 1,633,489	18,821					\$ 1,652,310
Grants in lieu of taxation	78,750						78,750
User fees	58,366					21,660	80,026
Grants - Province of Manitoba	131,700					33,521	165,221
Grants - other	56,732					173,919	230,651
Permits, licences and fines	550					14,262	14,812
Investment income	1,500					174	1,674
Other revenue	110,096					3,698	113,794
Water and sewer		67,900					67,900
Transfer from accumulated surplus	70,000				(70,000)		
Transfers from reserves		61,400			(61,400)		
Total revenue	<u>2,141,183</u>	<u>148,121</u>			<u>(131,400)</u>	<u>247,234</u>	<u>2,405,138</u>
EXPENSES							
General government services	423,300		5,051				428,351
Protective services	245,600		42,600	23,321			311,521
Transportation services	804,350		106,950				911,300
Environmental health services	183,090		14,166			132,559	329,815
Public health and welfare services	22,300		4,328				26,628
Regional planning and development	27,000					59,134	86,134
Resource cons and industrial dev	90,900		417			10,650	101,967
Recreation and cultural services	59,170		2,507			41,736	103,413
Water and sewer services		164,200	32,675				196,875
Fiscal services:							
Transfer to capital	52,500	19,200	(71,700)				
Transfer to utility							
Debenture debt charges	106,241			(106,241)			
Transfer to reserves	126,732				(126,732)		
Allowance for tax assets							
Total expenses	<u>2,141,183</u>	<u>183,400</u>	<u>136,994</u>	<u>(82,920)</u>	<u>(126,732)</u>	<u>244,079</u>	<u>2,496,004</u>
Surplus (Deficit)	<u>\$</u>	<u>(35,279)</u>	<u>(136,994)</u>	<u>82,920</u>	<u>(4,668)</u>	<u>3,155</u>	<u>\$ (90,866)</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
 For the year ended December 31, 2016

	2016	2015
Balance, beginning of year	\$ 708,775	\$ 636,133
Add:		
Tax levy (Schedule 12)	2,893,402	3,000,058
Taxes added	82,674	38,222
Penalties or interest	88,931	90,245
Sub-total	3,065,007	3,128,525
Deduct:		
Cash collections - current	2,175,698	2,299,773
Cash collections - arrears	389,266	312,269
Writeoffs	13,555	4,985
Title value of tax titles acquired	34,173	33,691
M.P.T.C. - cash advance	403,357	405,165
Sub-total	3,016,049	3,055,883
Balance, end of year	\$ 757,733	\$ 708,775

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 12 - ANALYSIS OF TAX LEVY
 For the year ended December 31, 2016

	2016		2015	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Ashern	17,982,850	10.179	\$ 183,047	\$ 159,430
Sub-Total - L.U.D			<u>183,047</u>	<u>159,430</u>
Debt charges:				
L.I.D.	54,678,470	1.835	100,335	
Sub-Total - Debt charges			<u>100,335</u>	
General Municipal - At Large	74,306,950	3.100	<u>230,352</u>	<u>462,763</u>
Special levies:				
Ward 1 - Sewer L No. 2/06			18,820	17,392
Ward 1 - Garbage BL No. 6-2015			80,675	75,075
LUD of Ashern - Garbage			51,250	46,300
Deficit Recovery W2	48,900,290	0.451	22,054	22,032
Ward 1 (Eriksdale)	25,406,660	15.293	388,544	384,561
Ward 2 - (Siglunes)	48,900,290	4.117	201,323	251,465
Ward 2 - Rural (Siglunes)	30,917,440	10.256	317,089	266,142
Sub-Total - Special levies			<u>1,079,755</u>	<u>1,062,967</u>
Total municipal taxes (Schedule 2)			<u>1,593,489</u>	<u>1,685,160</u>
Education support levy	12,012,590	10.500	<u>126,132</u>	<u>124,961</u>
Special levy:				
Lakeshore School Division	72,734,000	16.136	1,173,781	1,189,937
Sub-Total - Special levies			<u>1,173,781</u>	<u>1,189,937</u>
Total education taxes			<u>1,299,913</u>	<u>1,314,898</u>
Total tax levy (Schedule 11)			<u>\$ 2,893,402</u>	<u>\$ 3,000,058</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 13 - ANALYSIS OF SCHOOL ACCOUNTS
For the year ended December 31, 2016

	2016				2015
	Opening Balance	Current Requirements	Current Payment	Ending Balance	Ending Balance
Education support levy	\$	139,135	139,135	\$	\$
Special levies Lakeshore	944,077	1,265,811	2,209,888		944,077
Total	\$ 944,077	1,404,946	2,349,023	\$	\$ 944,077

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 14 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the year ended December 31, 2016

	2016	2015
General government services:		
Legislative	\$ 124,009	\$ 130,733
General administrative	525,222	662,956
Other	20,746	19,275
	669,977	812,964
Protective services:		
Fire	78,315	79,894
Emergency measures	145,383	449,427
Other	42,624	42,505
	266,322	571,826
Transportation services:		
Road transport		
Administration and engineering	432,265	401,477
Road and street maintenance	450,739	394,036
Sidewalk and boulevard maintenance		5,760
Street lighting	26,110	25,033
Other	3,773	2,341
	912,887	828,647
Environmental health services:		
Waste collection and disposal	253,899	188,142
Recycling	17,930	9,197
Other	513	689
	272,342	198,028
Public health and welfare services:		
Public health	5,667	4,615
Medical care	46,924	9,816
Social assistance	5,311	5,311
	57,902	19,742
Regional planning and development:		
Planning and zoning	28,240	23,896
Beautification and land rehabilitation	7,863	4,798
	36,103	28,694
Sub-total	\$ 2,215,533	\$ 2,459,901

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 14 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued
For the year ended December 31, 2016

	2016	2015
Sub-total (carry forward)	\$ 2,215,533	\$ 2,459,901
Resource conservation and industrial development:		
Veterinary services	16,320	16,320
Water resources and conservation	15,395	15,541
Regional development	37,937	29,509
Tourism	560	144
Other	417	417
	70,629	61,931
Recreation and cultural services:		
Administration	14,507	14,507
Community centres and halls	14,323	21,546
Parks and playgrounds	9,899	9,317
Museums	16,437	792
Libraries	18,855	24,204
Other cultural facilities	7,818	9,326
	81,839	79,692
Total expenses	\$ 2,368,001	\$ 2,601,524

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 15 - SCHEDULE OF L.U.D. OPERATIONS - Ashern
 For the year ended December 31, 2016

	2016 Budget	2016 Actual	2015 Actual
REVENUE			
Taxation	\$ 208,000	\$ 208,000	\$ 232,000
GBG No. 3/14	51,250	51,250	
Other revenue	10,500	2,876	16,200
Total revenue	269,750	262,126	248,200
EXPENSES			
General government			
Indemnities	13,500	13,100	13,500
Other general government	6,500	6,569	1,426
Transportation services			
Road and street maintenance	156,750	124,283	125,280
Sidewalk and boulevard maintenance	6,000	12,313	5,760
Street lighting	14,000	12,568	14,362
Environmental health			
Waste collection and disposal	19,800	11,983	10,041
Regional planning and development			
Beautification and land rehabilitation	1,500	1,300	
Urban area weed control	500	232	38
Recreation and cultural services			
Parks and playgrounds		3,822	1,776
Total expenses	218,550	186,170	172,183
NET REVENUES	51,200	75,956	76,017
TRANSFERS			
Transfers from L.U.D. reserve		101,752	
Transfers to L.U.D. reserve		(228,947)	(16,000)
Contribution to capital		(105,129)	
CHANGES IN L.U.D. BALANCES	\$ 51,200	(156,368)	60,017
UNEXPENDED BALANCE, BEGINNING OF YEAR		156,368	96,351
UNEXPENDED BALANCE, END OF YEAR		\$ 156,368	

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 16 - SCHEDULE OF DEBENTURES PENDING
For the year ended December 31, 2016

Authority	Purpose	Source of Funds	Authorized	Expended
			\$ _____	\$ _____
			\$ _____	\$ _____

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 17 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2016

	2016			2015
	General	Utility	Total	Total
MUNICIPAL SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 1,257,946	(8,623)	\$ 1,249,323	\$ 396,298
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	418,085		418,085	241,164
Eliminate revenue - transfers from reserves	(430,778)		(430,778)	(147,946)
Increase revenue - reserve funds interest	14,541		14,541	29,087
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	51,126		51,126	(5,835)
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	75,956		75,956	76,017
Eliminate revenue - transfer from nominal surplus	(70,000)		(70,000)	23,490
Increase expense - amortization of tangible capital assets	(176,019)	(32,675)	(208,694)	(200,945)
Decrease expense - principal portion of debenture debt	82,920		82,920	
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets	5,000		5,000	
Eliminate revenue - proceeds on new debenture debt	(1,600,000)		(1,600,000)	
Eliminate revenue - proceeds on sale of tangible capital assets	(10,000)		(10,000)	
Eliminate expense - acquisitions of tangible capital assets	451,476		451,476	274,492
NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS	\$ 70,253	(41,298)	\$ 28,955	\$ 685,822