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RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

RURAL MUNICIPALITY OF WEST INTERLAKE
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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 Chartered Professional Accountants Ltd., as the Municipality's appointed external auditors, have audited the consolidated financial statements. The Auditor's 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.



Courtney Roehl
Chief Administrative Officer

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the consolidated financial statements of Rural Municipality of West Interlake, which comprise of the statement of financial position as at December 31, 2018 and the statement of operations, statement of changes in net financial assets, and statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Rural Municipality of West Interlake as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Canadian auditing standards, we exercise our professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Brandon, Manitoba
October 25, 2019


Chartered Professional Accountants Ltd.

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 2,037,000	\$ 832,274
Amounts receivable (Note 4)	1,684,941	1,504,242
Portfolio investments (Note 5)		1,240,747
Real estate properties held for sale (Note 2)	10,498	5,575
	3,732,439	3,582,838
LIABILITIES		
Bank indebtedness (Note 8)	365,564	
Accounts payable and accrued liabilities (Note 7)	245,966	155,123
Deferred revenue (Note 2)	8,546	19,500
Long-term debt (Note 9)	1,342,431	1,431,258
	1,962,507	1,605,881
NET FINANCIAL ASSETS	1,769,932	1,976,957
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	4,955,681	4,006,216
Inventories (Note 6)	30,956	38,925
Prepaid expenses	49,464	45,413
	5,036,101	4,090,554
ACCUMULATED SURPLUS	\$ 6,806,033	\$ 6,067,511
COMMITMENTS (Note 11)		

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF OPERATIONS
 For the year ended December 31, 2018

	2018 Budget (Note 14)	2018 Actual	2017 Actual
REVENUE			
Property taxes	\$ 1,924,605	\$ 1,915,733	\$ 1,842,340
Grants in lieu of taxation	133,304	133,304	132,520
User fees	191,367	233,470	168,643
Permits, licences and fines	7,950	12,342	12,392
Investment income	641	43,885	37,576
Other revenue	80,697	134,848	136,860
Water and sewer	68,900	65,601	67,137
Grants - Province of Manitoba	248,783	718,508	383,003
Grants - Other	459,169	408,187	247,432
Total revenue (Schedules 2, 4 and 5)	<u>3,115,416</u>	<u>3,665,878</u>	<u>3,027,903</u>
EXPENSES			
General government services	743,430	801,117	646,082
Protective services	258,429	356,959	330,241
Transportation services	1,046,515	909,079	958,052
Environmental health services	374,306	363,339	267,238
Public health and welfare services	22,556	29,226	22,640
Regional planning and development	85,555	70,787	104,053
Resource conservation and industrial development	109,694	87,894	70,390
Recreation and cultural services	144,360	145,203	129,495
Water and sewer services	131,512	163,752	113,349
Total expenses (Schedules 3, 4 and 5)	<u>2,916,357</u>	<u>2,927,356</u>	<u>2,641,540</u>
ANNUAL SURPLUS	<u>\$ 199,059</u>	<u>738,522</u>	<u>386,363</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>6,067,511</u>	<u>5,681,148</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 6,806,033</u>	<u>\$ 6,067,511</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
 For the year ended December 31, 2018

	2018 Budget (Note 14)	2018 Actual	2017 Actual
ANNUAL SURPLUS	\$ 199,059	\$ 738,522	\$ 386,363
Acquisition of tangible capital assets	(1,821,500)	(1,192,687)	(378,257)
Amortization of tangible capital assets	243,222	243,222	225,721
Gain on sale of tangible capital assets			(7,384)
Proceeds on sale of tangible capital assets			15,800
Decrease (increase) in inventories		7,971	(3,507)
Decrease (increase) in prepaid expenses		(4,053)	5,792
	<u>(1,578,278)</u>	<u>(945,547)</u>	<u>(141,835)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (1,379,219)</u>	<u>(207,025)</u>	244,528
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>1,976,957</u>	1,732,429
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 1,769,932</u>	<u>\$ 1,976,957</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
CONSOLIDATED STATEMENT OF CASH FLOWS
 For the year ended December 31, 2018

	2018	2017
OPERATING TRANSACTIONS		
Annual surplus	\$ 738,522	\$ 386,363
Changes in non-cash items:		
Amounts receivable	(180,701)	(114,094)
Inventories	7,971	(3,507)
Prepays	(4,053)	5,792
Accounts payable and accrued liabilities	91,970	(35,194)
Deferred revenue	(10,954)	4,500
Severance and sick leave payable	(1,126)	
Gain on sale of tangible capital assets		(7,384)
Amortization	243,222	225,721
Cash provided by operating transactions	884,851	462,197
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets		15,800
Cash used to acquire tangible capital assets	(1,192,687)	(378,257)
Cash applied to capital transactions	(1,192,687)	(362,457)
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	1,240,747	
Purchase of portfolio investments		(1,240,747)
Acquisition of real estate properties	(4,923)	(4,000)
Cash applied to investing transactions	1,235,824	(1,244,747)
FINANCING TRANSACTIONS		
Debt repayment	(88,826)	(85,822)
Advances on bank indebtedness	365,564	
Cash applied to financing transactions	276,738	(85,822)
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	1,204,726	(1,230,829)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	832,274	2,063,103
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 2,037,000	\$ 832,274

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

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

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 - 37% (2017 - 37%)
- Parkland Regional Library Service - 4% (2017 - 4%)
- Western Interlake Planning District Board - 42.32% (2017 - 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 Note 17.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

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, 2018

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, 2018

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:	2018	2017
Cash	\$ 1,974,805	\$ 766,574
Temporary investments	62,195	65,700
	\$ 2,037,000	\$ 832,274

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$2,154,974 (2017 - \$2,453,015) to reserves for debt principal repayments and tangible capital asset acquisitions of which \$1,966,574 (2017 - \$611,052) is held in cash and temporary investments and \$0 (2017 - \$1,240,747) in portfolio investments with the remainder representing the unfunded balance of \$188,400 (2017 - \$601,216). 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, 2018

4. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2018	2017
Taxes on roll (Schedule 11)	\$ 754,631	\$ 694,901
Government grants	1,300,147	938,382
Utility customers (Schedule 8)	19,693	39,815
Accrued interest		11,983
Organizations and individuals	35,120	35,419
Other governments	403,221	611,613
	<u>2,512,812</u>	<u>2,332,113</u>
Less allowance for doubtful amounts	(827,871)	(827,871)
	<u>\$ 1,684,941</u>	<u>\$ 1,504,242</u>

5. PORTFOLIO INVESTMENTS

	2018	2017
Non redeemable term deposits	\$	\$ 1,240,747

The aggregate market value of the marketable securities at December 31, 2018 is \$0 (2017 - \$1,240,747). The Municipality has designated \$0 (2017 - \$1,240,747) to reserves for debt principal repayment and tangible capital asset acquisitions. See Schedule 6 - Schedule of Change in Reserve Fund Balances. Portfolio investments earned \$1,395 in investment income during the year (2017 - \$15,970).

6. INVENTORIES

	2018	2017
Inventories for use:		
Culverts	\$ 30,956	\$ 38,925

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Accounts payable	\$ 220,490	\$ 109,088
Accrued expenses	25,476	46,035
	<u>\$ 245,966</u>	<u>\$ 155,123</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

8. BANK INDEBTEDNESS

The Municipality 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 \$1,700,000 with interest at 3.075% (2017 - 2.375%). The lines of credit are secured by a general security agreement and the current year tax revenue.

9. LONG TERM DEBT

General Authority

Ward 2 debenture, payable at \$138,920 annually including interest at 3.50%, maturing December 2030.

	2018	2017
	\$ 1,342,431	\$ 1,431,258

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

2019	\$ 91,935
2020	95,153
2021	98,483
2022	101,930
2023	105,498
	<hr/>
	\$ 492,999

10. DEBENTURES PENDING

<u>Authority</u>	<u>Purpose</u>	<u>Authorized</u>
		\$

11. COMMITMENTS

The Municipality has committed to an Ashern Wastewater System upgrade with an anticipated project cost of \$343,250 to be done under the Clean Water and Wastewater Fund. The project will be funded with contributions of \$85,813 from the Province of Manitoba, \$171,625 from the Federal Government, and the remainder covered by the Municipality. As of the financial statement date \$530,265 had been spent on the project. All cost overruns will be covered through municipal funds or borrowing.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

12. 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 \$32,454 (2017 - \$31,492) and are included in the statement of operations.

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

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

13. 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.

14. 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.

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2018

15. ACCUMULATED SURPLUS

	2018	2017
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus	\$ 971,295	\$ 960,539
Utility Operating Fund(s) - Nominal Surplus	3,913	24,351
TCA net of related borrowings	3,438,060	2,390,048
Reserve Funds	2,154,974	2,453,015
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Accumulated Surplus of Municipality Unconsolidated	6,568,242	5,827,953
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Accumulated Surpluses of Consolidated Entities	237,791	239,558
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Accumulated Surplus per Consolidated Statement of Financial Position	<u>\$ 6,806,033</u>	<u>\$ 6,067,511</u>

16. 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, 2018:

- a) Compensation paid to members of council amounted to \$84,999 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>
Art Jonasson	\$ 9,570	\$ 6,963	\$ 16,533
Clayton Gibson	10,959	1,560	12,519
Keith Lundale	8,480	3,477	11,957
Randy Helgason	8,910	2,606	11,516
Merle Day	8,530	2,752	11,282
John Bezemer	7,650	3,291	10,941
John Wainwright	7,400	2,656	10,056
Carroll Hull	4,000	1,750	5,750
Kenneth Budge - LUD	3,500		3,500
Larry Williamson - LUD	3,500		3,500
Sandra McDougall - LUD	3,500		3,500
Courtney Roehl	2,100	1,038	3,138
Penny-Anne Wainwright	1,760	664	2,424
Paul Murphy	1,640	700	2,340
Gudjon Lyle Finney	1,400	674	2,074
Dylan Geisler - LUD	700		700
Stefan Jonasson	700		700
Trevor Emilson - LUD	700		700
	<hr/>		
	\$ 84,999	\$ 28,131	\$ 113,130

RURAL MUNICIPALITY OF WEST INTERLAKE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2018

16. PUBLIC SECTOR COMPENSATION DISCLOSURE (continued)

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	\$	52,026
Larissa Love	CAO		82,522
Jennifer Rohl	Assistant CAO		53,336

17. TRUST FUNDS

The Municipality administers the following trust funds:

	<u>Balance, beginning of year</u>	<u>Excess (deficiency) of receipts over disbursements</u>	<u>Balance, end of year</u>
McEwen Park Trust	\$ 37,941	\$ 1,297	\$ 39,238

18. 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, 2018

19. 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.

20. GOVERNMENT PARTNERSHIPS

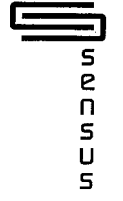
The Municipality has several partnership agreements for municipal services. The consolidated financial statements include the Municipality's proportionate interest, as disclosed in Note 2. The aggregate financial statements of the government partnerships, in condensed summary, are as follows:

	2018	2017
Financial Position		
Financial assets	\$ 72,843	\$ 69,280
Liabilities	31,742	31,875
Net financial assets	<u>41,101</u>	37,405
Non-financial assets	<u>114,263</u>	124,435
Accumulated surplus	<u>\$ 155,364</u>	<u>\$ 161,840</u>
Result of Operations		
Revenues	\$ 172,074	\$ 178,354
Expenses	221,682	220,700
Intercompany revenue and expense eliminations	<u>43,132</u>	52,373
Annual surplus (deficit)	<u>\$ (6,476)</u>	<u>\$ 10,027</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 1 - CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the year ended December 31, 2018

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	2018	2017
Opening costs	\$ 1,178,554	1,622,599	2,013,389	84,253	31,172	6,392,358	2,125,814	\$ 13,448,139	\$ 13,085,969
Additions during the year	69,680	42,947	135,034	3,465	882,272	54,389	4,900	1,192,687	378,257
Disposals and write downs									(16,087)
Transfers									
Closing costs	1,248,234	1,665,546	2,148,423	87,718	913,444	6,446,747	2,130,714	14,640,826	13,448,139
Accumulated Amortization									
Opening accum'd amortization	75,612	1,032,248	1,348,740	66,012		5,797,141	1,122,170	9,441,923	9,223,872
Amortization	8,411	42,488	119,168	9,432		30,375	33,348	243,222	225,721
Disposals and write downs									(7,670)
Closing accum'd amortization	84,023	1,074,736	1,467,908	75,444		5,827,516	1,155,518	9,685,145	9,441,923
Net Book Value of Tangible Capital Assets	\$ 1,164,211	590,810	680,515	12,274	913,444	619,231	975,196	\$ 4,955,681	\$ 4,006,216

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, 2018

	2018 Actual	2017 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 1,897,727	\$ 1,839,657
Taxes added	18,006	2,683
	<u>1,915,733</u>	<u>1,842,340</u>
Grants in lieu of taxation:	<u>133,304</u>	<u>132,520</u>
User fees:		
Sales of service	152,962	103,241
Rentals	80,508	65,402
	<u>233,470</u>	<u>168,643</u>
Permits, licences and fines:		
Permits	11,816	11,459
Licences	526	933
	<u>12,342</u>	<u>12,392</u>
Investment income:		
Cash and temporary investments	<u>43,885</u>	<u>37,576</u>
Other revenue:		
Gain on sale of tangible capital assets		7,384
Penalties and interest	85,363	97,028
Miscellaneous	49,485	32,448
	<u>134,848</u>	<u>136,860</u>
Water and sewer		
Municipal utility	<u>65,601</u>	<u>67,137</u>
Grants - Province of Manitoba:		
Municipal operating grants	120,775	120,873
Conditional grants	597,733	262,130
	<u>718,508</u>	<u>383,003</u>
Grants - other:		
Federal government - gas tax funding	124,811	120,585
Federal government - other	18,439	23,977
Federal government - Clean Water and Wastewater Fund	171,625	
Other municipal governments	93,312	102,870
	<u>408,187</u>	<u>247,432</u>
Total revenue	<u>\$ 3,665,878</u>	<u>\$ 3,027,903</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES
 For the year ended December 31, 2018

	2018 Actual	2017 Actual
General government services:		
Legislative	\$ 136,877	\$ 130,623
General administrative	653,395	505,408
Other	10,845	10,051
	<u>801,117</u>	<u>646,082</u>
Protective services:		
Fire	187,562	97,406
Emergency measures	115,262	172,279
Other protection	54,135	60,556
	<u>356,959</u>	<u>330,241</u>
Transportation services:		
Road transport		
Administration and engineering	356,807	396,609
Road and street maintenance	522,633	529,404
Street lighting	29,639	29,071
Other		2,968
	<u>909,079</u>	<u>958,052</u>
Environmental health services:		
Waste collection and disposal	334,972	242,937
Recycling	27,710	23,666
Other	657	635
	<u>363,339</u>	<u>267,238</u>
Public health and welfare services:		
Public health	4,819	5,381
Medical care	19,096	11,948
Social assistance	5,311	5,311
	<u>29,226</u>	<u>22,640</u>
Regional planning and development:		
Planning and zoning	69,160	80,263
Beautification and land rehabilitation	1,627	23,790
	<u>70,787</u>	<u>104,053</u>
Sub-total	<u>\$ 2,530,507</u>	<u>\$ 2,328,306</u>

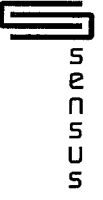
RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 3 - CONSOLIDATED SCHEDULE OF EXPENSES - Continued
For the year ended December 31, 2018

	2018 Actual	2017 Actual
Sub-total (Carry forward)	\$ 2,530,507	\$ 2,328,306
Resource conservation and industrial development:		
Veterinary services	16,320	16,320
Water resources and conservation	14,745	15,585
Regional development	55,612	37,083
Tourism	800	985
Other	417	417
	<u>87,894</u>	<u>70,390</u>
Recreation and cultural services:		
Administration	19,671	18,559
Community centres and halls	27,915	27,724
Skating and curling rinks	8,085	949
Parks and playgrounds	10,808	10,207
Other recreational facilities	2,800	140
Museums	1,117	957
Libraries	64,727	65,071
Other cultural facilities	10,080	5,888
	<u>145,203</u>	<u>129,495</u>
Water and sewer (Schedule 9)		
Municipal utility	163,752	113,349
Total expenses	<u><u>\$ 2,927,356</u></u>	<u><u>\$ 2,641,540</u></u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2018

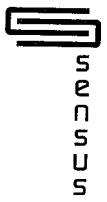
	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE										
Property taxes	\$ 1,896,913	\$ 1,823,520								
Grants in lieu of taxation	133,304	132,520								
User fees	114,012	95,088	34,795	29,447	16,425	13,018	47,008	26,706	5,500	
Grants - other	144,450	145,762					223,564	60,192		
Permits, licences and fines	526	933					537	479		
Investment income	43,028	36,885								
Other revenue	133,865	135,631								
Water and sewer										
Prov of MB - unconditional grants	120,775	120,873	431,867	111,676	28,205	102,489	103,616	20,508		
Prov of MB - conditional grants										
Total revenue	2,586,873	2,491,212	466,662	141,123	44,630	115,507	374,725	107,885	5,500	
EXPENSES										
Personnel services	392,474	343,825	89,426	49,976	237,493	290,721	80,055	23,317	8,406	10,346
Contract services	134,214	117,943	64,973	34,564	177,216	156,363	213,757	184,239	1,724	346
Utilities	6,671	6,215	21,254	19,743	49,302	49,317	3,527	3,147	12,246	5,101
Maintenance, materials and supplies	215,272	158,370	91,967	128,513	325,754	355,765	40,227	33,153	2,494	2,519
Grants and contributions	6,651	3,955							4,356	4,328
Amortization	9,991	4,766	39,245	44,347	119,314	105,886	25,773	23,382		
Interest on long term debt			50,094	53,098						
Other	35,844	11,008								
Total expenses	801,117	646,082	356,959	330,241	909,079	958,052	363,339	267,238	29,226	22,640
Surplus (Deficit)	\$ 1,785,756	\$ 1,845,130	109,703	(189,118)	(864,449)	(842,545)	11,386	(159,353)	(23,726)	(22,640)

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



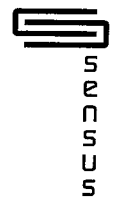
RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 4 - CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the year ended December 31, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2018	2017	2018	2017	2018	2017	2018	2017	
REVENUE									
Property taxes							18,820	18,820	\$ 1,842,340
Grants in lieu of taxation									133,304
User fees					15,730	4,384			233,470
Grants - other	20,325	21,971			19,848	19,507			408,187
Permits, licences and fines	11,816	11,459							12,392
Investment income	36	85	61	41	223	86			43,885
Other revenue	863	931			120	298			134,848
Water and sewer							65,601	67,137	65,601
Prov of MB - unconditional grants									120,775
Prov of MB - conditional grants					34,045	27,457			597,733
Total revenue	33,040	34,446	61	41	69,966	51,732	84,421	85,957	3,665,878
EXPENSES									
Personnel services	33,989	67,154	51,406	27,843	9,296	9,000	39,235	30,487	933,374
Contract services	3,644	3,550	3,234	1,749	19,198	17,838	27,539	20,622	652,181
Utilities	1,719	1,437			27,160	24,706	12,547	13,512	123,904
Maintenance, materials and supplies	6,581	10,420	1,376	1,038	20,740	6,290	51,084	15,628	765,247
Grants and contributions	24,372	21,226	31,461	39,343	57,686	61,859	33,347	32,831	122,664
Amortization			417	417	10,779	9,764			243,222
Interest on long term debt									50,094
Other	482	266			344	38		269	36,670
Total expenses	70,787	104,053	87,894	70,390	145,203	129,495	163,752	113,349	2,927,356
Surplus (Deficit)	(37,747)	(69,607)	(87,833)	(70,349)	(75,237)	(77,763)	(79,331)	(27,392)	\$ 738,522
									\$ 386,363



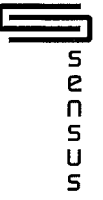
RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 5 - CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
For the year ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
REVENUE								
Property taxes	\$ 1,915,733	\$ 1,842,340					\$ 1,915,733	\$ 1,842,340
Grants in lieu of taxation	133,304	132,520					133,304	132,520
User fees	203,227	145,835			30,243	22,808	233,470	168,643
Grants - other	316,075	145,762			92,112	101,670	408,187	247,432
Permits, licences and fines	526	933			11,816	11,459	12,342	12,392
Investment income	43,028	36,885	61	41	796	650	43,885	37,576
Other revenue	133,865	135,631			983	1,229	134,848	136,860
Water and sewer	65,601	67,137					65,601	67,137
Prov of MB - unconditional grants	120,775	120,873					120,775	120,873
Prov of MB - conditional grants	561,609	221,592			36,124	40,538	597,733	262,130
Total revenue	3,493,743	2,849,508	61	41	172,074	178,354	3,665,878	3,027,903
EXPENSES								
Personnel services	890,089	785,975					933,374	842,323
Contract services	545,249	445,351					652,181	547,214
Utilities	119,179	114,341	1,200	1,074	43,285	56,348	123,904	118,423
Maintenance, materials and supplies	728,121	689,238	576	53	4,725	4,082	765,247	714,278
Grants and contributions	104,892	97,429	395	7,438	36,550	24,987	122,664	128,902
Amortization	230,035	215,566			17,377	24,035	243,222	225,721
Interest on long term debt	50,094	53,098			13,187	10,155	50,094	53,098
Other	35,844	11,277			826	304	36,670	11,581
Total expenses	2,703,503	2,412,275	2,171	8,565	221,682	220,700	2,927,356	2,641,540
Surplus (Deficit)	\$ 790,240	\$ 437,233	(2,110)	(8,524)	(49,608)	(42,346)	\$ 738,522	\$ 386,363



RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	Rec Reserve	2018 Health Care Reserve - Sigtunes	LUD of Ashern Reserve	Sub Total
FINANCIAL ASSETS				
Cash and temporary investments				
Due (to) from other funds	13,573	4,709	193,252	211,534
	\$	\$	\$	\$
	13,573	4,709	193,252	211,534
	\$	\$	\$	\$
REVENUE				
Investment income	285	145	6,209	6,639
Other income				
Total revenue	285	145	6,209	6,639
EXPENSES				
Investment charges				
Other expenses				
Total expenses				
NET REVENUES	285	145	6,209	6,639
TRANSFERS				
Debt repayment				
Transfers from operating fund	3,196		(139,923)	3,196
Transfers to operating fund				(139,923)
Transfers from utility fund				
Transfers to utility fund				
Acquisition of tangible capital assets				
CHANGE IN RESERVE FUND BALANCES	3,481	145	(133,714)	(130,088)
FUND SURPLUS, BEGINNING OF YEAR	10,092	4,564	326,966	341,622
FUND SURPLUS, END OF YEAR	13,573	4,709	193,252	211,534

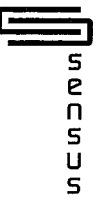


RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	Drainage Reserve - Siglunes	Handi Van Reserve - Siglunes	2018 Community Services Reserve - Siglunes	Water Reserve - Siglunes	Sewer Reserve - Siglunes	Sub Total
FINANCIAL ASSETS						
Cash and temporary investments	\$ 72,639	41,378	27,574	35,432	27,985	205,008
Due (to) from other funds	\$ 72,639	41,378	27,574	35,432	27,985	205,008
REVENUE						
Investment income	1,994	1,136	640	1,257	1,044	6,071
Other income						
Total revenue	1,994	1,136	640	1,257	1,044	6,071
EXPENSES						
Investment charges						
Other expenses						
Total expenses						
NET REVENUES	1,994	1,136	640	1,257	1,044	6,071
TRANSFERS						
Debt repayment						
Transfers from operating fund			(750)			(750)
Transfers to operating fund						
Transfers from utility fund				(10,383)	(10,383)	(20,766)
Transfers to utility fund						
Acquisition of tangible capital assets						
CHANGE IN RESERVE FUND BALANCES	1,994	1,136	(110)	(9,126)	(9,339)	(15,445)
FUND SURPLUS, BEGINNING OF YEAR	70,645	40,242	27,684	44,558	37,324	220,453
FUND SURPLUS, END OF YEAR	72,639	41,378	27,574	35,432	27,985	205,008

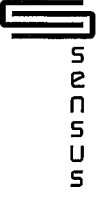
RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	2018							
	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	Sub Total
FINANCIAL ASSETS								
Cash and temporary investments	\$ 14,485	\$ 38,114	\$ 35,555	\$ 99,811	\$ 48,411	\$ 176,712	\$ 115,862	\$ 187,965
Due (to) from other funds	6,005	(9,680)	(9,085)	708,845				1,037,070
	<u>\$ 20,490</u>	<u>\$ 28,434</u>	<u>\$ 26,470</u>	<u>\$ 808,656</u>	<u>\$ 48,411</u>	<u>\$ 176,712</u>	<u>\$ 115,862</u>	<u>\$ 1,225,035</u>
REVENUE								
Investment income	\$ 277	728	642	4,668	4,682	5,631	2,963	\$ 19,591
Other income								
Total revenue	<u>277</u>	<u>728</u>	<u>642</u>	<u>4,668</u>	<u>4,682</u>	<u>5,631</u>	<u>2,963</u>	<u>19,591</u>
EXPENSES								
Investment charges								
Other expenses								
Total expenses								
NET REVENUES	277	728	642	4,668	4,682	5,631	2,963	19,591
TRANSFERS								
Debt repayment								
Transfers from operating fund				124,811				130,516
Transfers to operating fund	5,705		(9,085)	(92,000)	(159,503)	(30,132)		(290,720)
Transfers from utility fund		10,320						10,320
Transfers to utility fund		(20,000)		(25,000)				(20,000)
Acquisition of tangible capital assets								(25,000)
CHANGE IN RESERVE FUND BALANCES	5,982	(8,952)	(8,443)	12,479	(154,821)	(24,501)	2,963	(175,293)
FUND SURPLUS, BEGINNING OF YEAR	14,508	37,386	34,913	796,177	203,232	201,213	112,899	1,400,328
FUND SURPLUS, END OF YEAR	<u>\$ 20,490</u>	<u>28,434</u>	<u>26,470</u>	<u>808,656</u>	<u>48,411</u>	<u>176,712</u>	<u>115,862</u>	<u>\$ 1,225,035</u>



RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 6 - SCHEDULE OF CHANGES IN RESERVE FUND BALANCES
For the year ended December 31, 2018

	2018					2017	
	General Reserve - Eriksdale	Equipment Reserve - Eriksdale	Road Replacement Reserve - Eriksdale	Health Care Reserve - Eriksdale	Fire Equipment Reserve - Eriksdale	Drainage Reserve - Eriksdale	Total
FINANCIAL ASSETS							
Cash and temporary investments	\$ 171,199	\$ 159,403	\$ 3,784	\$ 47,416	\$ 58,066	\$ 34,423	\$ 662,256
Due (to) from other funds	(4,800)	30,000		30,726	(16,820)		1,492,718
Total revenue	\$ 166,399	\$ 189,403	\$ 3,784	\$ 78,142	\$ 41,246	\$ 34,423	\$ 2,154,974
REVENUE							
Investment income	\$ 3,430	3,191	67	819	1,166	658	\$ 41,632
Other income							
Total revenue	3,430	3,191	67	819	1,166	658	41,632
EXPENSES							
Investment charges							
Other expenses							
Total expenses							
NET REVENUES	3,430	3,191	67	819	1,166	658	41,632
TRANSFERS							
Debt repayment							
Transfers from operating fund							
Transfers to operating fund	(4,800)	30,000		10,579	(18,000)		174,291
Transfers from utility fund				(4,325)			(458,518)
Transfers to utility fund							10,320
Acquisition of tangible capital assets							(40,766)
							(25,000)
CHANGE IN RESERVE FUND BALANCES	(1,370)	33,191	67	7,073	(16,834)	658	(298,041)
FUND SURPLUS, BEGINNING OF YEAR	167,769	156,212	3,717	71,069	58,080	33,765	2,453,015
FUND SURPLUS, END OF YEAR	\$ 166,399	\$ 189,403	\$ 3,784	\$ 78,142	\$ 41,246	\$ 34,423	\$ 2,154,974
							\$ 2,453,015



RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 7 - SCHEDULE OF L.U.D. OPERATIONS - Ashern
For the year ended December 31, 2018

	2018 Budget	2018 Actual	2017 Actual
REVENUE			
Taxation	\$ 189,927	\$ 189,927	\$ 210,370
GBG No. 3/14		51,250	51,250
Other revenue	22,000	2,138	22,804
Total revenue	211,927	243,315	284,424
EXPENSES			
General government			
Indemnities	16,170	12,600	13,100
Other general government	3,007	6,618	6,569
Transportation services			
Road and street maintenance	118,000	42,385	109,004
Sidewalk and boulevard maintenance		5,045	4,853
Street lighting	18,000	17,891	17,277
Environmental health			
Waste collection and disposal		45,775	9,820
Regional planning and development			
Beautification and land rehabilitation	2,000	363	355
Recreation and cultural services			
Parks and playgrounds	4,250	2,133	3,209
Total expenses	161,427	132,810	164,187
NET REVENUES	50,500	110,505	120,237
TRANSFERS			
Transfers from (to) L.U.D. reserve		20,886	(105,102)
Contribution to capital	(50,500)	(131,391)	(15,135)
CHANGES IN L.U.D. BALANCES	\$		
UNEXPENDED BALANCE, BEGINNING OF YEAR			
UNEXPENDED BALANCE, END OF YEAR		\$	\$

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 8- SCHEDULE OF FINANCIAL POSITION FOR UTILITY
For the year ended December 31, 2018

	2018		2017	
	Eriksdale	Ashern	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments (Note 3)	\$	100	\$	100
Amounts receivable (Note 4)		19,693		39,815
Due from other funds	51,274		51,274	
	<u>51,274</u>	<u>19,793</u>	<u>71,067</u>	<u>39,915</u>
LIABILITIES				
Due to other funds		67,154	67,154	15,564
		<u>67,154</u>	<u>67,154</u>	<u>15,564</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>51,274</u>	<u>(47,361)</u>	<u>3,913</u>	<u>24,351</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	20,620	954,576	975,196	1,003,644
	<u>20,620</u>	<u>954,576</u>	<u>975,196</u>	<u>1,003,644</u>
FUND SURPLUS	<u>\$ 71,894</u>	<u>\$ 907,215</u>	<u>\$ 979,109</u>	<u>\$ 1,027,995</u>

COMMITMENTS (Note 11)

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Eriksdale
For the year ended December 31, 2018

REVENUE	Budget	2018	2017
Property taxes	\$ 18,820	\$ 18,820	\$ 18,820
Total revenue	<u>18,820</u>	<u>18,820</u>	<u>18,820</u>
EXPENSES			
General			
Administration	3,000	1,660	1,726
Sub-Total - General	<u>3,000</u>	<u>1,660</u>	<u>1,726</u>
Water Amortization			
Sub-Total - Water Amortization & Interest			
Sewer General			
Collection system costs	100	387	489
Lift station costs	5,400	26,503	5,326
Sub-Total - Sewer General	<u>5,500</u>	<u>26,890</u>	<u>5,815</u>
Sewer Amortization and Interest			
Amortization		1,332	817
Sub-Total - Sewer Amortization & Interest		<u>1,332</u>	<u>817</u>
Total expenses	<u>8,500</u>	<u>29,882</u>	<u>8,358</u>
NET REVENUES (DEFICIT)	<u>\$ 10,320</u>	<u>(11,062)</u>	<u>10,462</u>
TRANSFERS			
Transfers from reserve funds		<u>9,680</u>	
CHANGE IN UTILITY FUND BALANCE		(1,382)	10,462
FUND SURPLUS, BEGINNING OF YEAR		<u>73,276</u>	<u>62,814</u>
FUND SURPLUS, END OF YEAR	<u>\$ 71,894</u>	<u>\$ 73,276</u>	

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS - Ashern
 For the year ended December 31, 2018

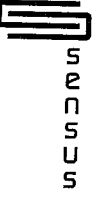
	Budget	2018	2017
REVENUE			
Water			
Water fees	\$ 62,000	\$ 60,551	\$ 60,646
Sub-Total - Water	<u>62,000</u>	<u>60,551</u>	<u>60,646</u>
Other			
Hydrant rentals	3,000	3,000	3,000
Penalties	3,400	2,050	3,491
Other income	500		
Sub-Total - Other	<u>6,900</u>	<u>5,050</u>	<u>6,491</u>
Total revenue	<u>\$ 68,900</u>	<u>\$ 65,601</u>	<u>\$ 67,137</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 9 - SCHEDULE OF UTILITY OPERATIONS (continued) - Ashern
For the year ended December 31, 2018

	Budget	2018	2017
EXPENSES			
General			
Administration	\$	\$ 2,818	\$ 6,000
Sub-Total - General		<u>2,818</u>	<u>6,000</u>
Water General			
Purification and treatment	55,315	61,140	41,466
Other waster supply costs			2,660
Sub-Total - Water General	<u>55,315</u>	<u>61,140</u>	<u>44,126</u>
Water Amortization & Interest			
Amortization		<u>22,812</u>	<u>22,812</u>
Sub-Total - Water Amortization & Interest		<u>22,812</u>	<u>22,812</u>
Sewer General			
Collection system costs	25,405	27,188	17,603
Treatment and disposal cost	3,500	2,271	2,177
Lift station costs	5,445	8,015	3,071
Connection costs		424	
Sub-Total - Sewer General	<u>34,350</u>	<u>37,898</u>	<u>22,851</u>
Sewer Amortization & Interest			
Amortization		<u>9,202</u>	<u>9,202</u>
Sub-Total - Water Amortization & Interest		<u>9,202</u>	<u>9,202</u>
Total expenses	<u>89,665</u>	<u>133,870</u>	<u>104,991</u>
DEFICIT	<u>\$ (20,765)</u>	<u>(68,269)</u>	<u>(37,854)</u>
TRANSFERS			
Transfers from reserve funds		<u>20,765</u>	<u>17,229</u>
CHANGE IN UTILITY FUND BALANCE		<u>(47,504)</u>	<u>(20,625)</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>954,719</u>	<u>975,344</u>
FUND SURPLUS, END OF YEAR	<u>\$</u>	<u>907,215</u>	<u>\$ 954,719</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 10 - RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
For the year ended December 31, 2018

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Consolidated Entities	PSAB Budget
REVENUE							
Property taxes	\$ 1,905,785	18,820					\$ 1,924,605
Grants in lieu of taxation	133,304						133,304
User fees	148,957						191,367
Grants - Province of Manitoba	228,037					42,410	248,783
Grants - other	294,847					20,746	459,169
Permits, licences and fines	7,950					164,322	7,950
Investment income	500						
Other revenue	80,000					141	641
Water and sewer		68,900				697	80,697
Transfer from accumulated surplus	138,920				(138,920)		
Transfers from reserves		10,445			(10,445)		
Total revenue	<u>2,938,300</u>	<u>98,165</u>			<u>(149,365)</u>	<u>228,316</u>	<u>3,115,416</u>
EXPENSES							
General government services	733,409						743,430
Protective services	169,090		9,991				258,429
Transportation services	927,200		39,245	50,094	30		1,046,515
Environmental health services	225,010		119,315				374,306
Public health and welfare services	18,200		16,194			133,102	22,556
Regional planning and development	38,995		4,356				85,555
Resource cons and industrial dev	107,106		417			46,560	85,555
Recreation and cultural services	94,350		7,171			2,171	109,694
Water and sewer services		98,165	33,347			42,839	144,360
Fiscal services:							
Transfer to capital	316,500		(316,500)				
Deficit recovery	23,490				(23,490)		
Debtenture debt charges	138,920			(138,920)			
Transfer to reserves	146,000				(146,000)		
Allowance for tax assets	30				(30)		
Total expenses	<u>2,938,300</u>	<u>98,165</u>	<u>(86,464)</u>	<u>(88,826)</u>	<u>(169,490)</u>	<u>224,672</u>	<u>2,916,357</u>
Surplus (Deficit)			<u>86,464</u>	<u>88,826</u>	<u>20,125</u>	<u>3,644</u>	<u>\$ 199,059</u>



RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 11 - ANALYSIS OF TAXES ON ROLL
 For the year ended December 31, 2018

	2018	2017
Balance, beginning of year	\$ 694,901	\$ 757,733
Add:		
Tax levy (Schedule 12)	3,196,801	3,170,387
Taxes added	18,006	2,683
Penalties or interest	85,363	97,028
Other accounts added	19,502	
Tax adjustments (Tax sale)	16,264	
Sub-total	3,335,936	3,270,098
Deduct:		
Cash collections - current	2,456,090	2,362,031
Cash collections - arrears	406,437	556,581
E.P.T.C. - cash advance	413,679	414,318
Sub-total	3,276,206	3,332,930
Balance, end of year	\$ 754,631	\$ 694,901

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 12 - ANALYSIS OF TAX LEVY
 For the year ended December 31, 2018

	2018			2017
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Ashern	17,542,580	8.624	\$ 151,287	\$ 212,099
Sub-Total - L.U.D.			<u>151,287</u>	<u>212,099</u>
General Municipal - At Large	80,638,240	6.662	<u>537,212</u>	<u>452,463</u>
Special levies:				
Ward 1 - Sewer BL No. 2/06			18,820	18,820
Ward 1 - GBG BL No. 6/15			87,210	87,210
Ward 2 - LUD GBG BL No. 3/14			51,250	51,250
Deficit Recovery W2	52,452,150	0.407	21,348	21,372
Ward 1	28,186,090	14.991	422,538	421,579
Ward 2	52,452,150	5.461	286,441	228,033
Ward 2 - Rural	34,909,470	9.213	321,621	346,831
Sub-Total - Special levies			<u>1,209,228</u>	<u>1,175,095</u>
Total municipal taxes (Schedule 2)			<u>1,897,727</u>	<u>1,839,657</u>
Education support levy	12,862,890	9.770	<u>125,670</u>	<u>132,893</u>
Special levy:				
Lakeshore School Division	79,043,770	14.850	1,173,404	1,197,837
Sub-Total - Special levies			<u>1,173,404</u>	<u>1,197,837</u>
Total education taxes			<u>1,299,074</u>	<u>1,330,730</u>
Total tax levy (Schedule 11)			<u>\$ 3,196,801</u>	<u>\$ 3,170,387</u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES
 For the year ended December 31, 2018

	2018	2017
General government services:		
Legislative	\$ 136,877	\$ 130,623
General administrative	653,395	505,408
Other	10,845	10,051
	801,117	646,082
Protective services:		
Fire	187,562	97,406
Emergency measures	115,262	172,279
Other	54,135	60,556
	356,959	330,241
Transportation services:		
Road transport		
Administration and engineering	356,807	396,609
Road and street maintenance	522,633	529,404
Street lighting	29,639	29,071
Other		2,968
	909,079	958,052
Environmental health services:		
Waste collection and disposal	229,697	158,237
Recycling	27,710	23,666
Other	657	635
	258,064	182,538
Public health and welfare services:		
Public health	4,819	5,381
Medical care	19,096	11,948
Social assistance	5,311	5,311
	29,226	22,640
Regional planning and development:		
Planning and zoning	37,342	36,799
Beautification and land rehabilitation	1,627	23,790
	38,969	60,589
Sub-total	\$ 2,393,414	\$ 2,200,142

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 13 - SCHEDULE OF GENERAL OPERATING FUND EXPENSES - continued

For the year ended December 31, 2018

	2018	2017
Sub-total (carry forward)	\$ 2,393,414	\$ 2,200,142
Resource conservation and industrial development:		
Veterinary services	16,320	16,320
Water resources and conservation	14,745	15,585
Regional development	60,260	35,956
Tourism	800	985
Other	417	417
	<u>92,542</u>	<u>69,263</u>
Recreation and cultural services:		
Administration	19,671	18,559
Community centres and halls	27,915	27,724
Skating and curling rinks	8,085	949
Parks and playgrounds	10,808	10,207
Other recreational facilities	2,800	140
Museums	1,117	957
Libraries	23,270	24,908
Other cultural facilities	10,080	5,888
	<u>103,746</u>	<u>89,332</u>
Total expenses	<u><u>\$ 2,589,702</u></u>	<u><u>\$ 2,358,737</u></u>

RURAL MUNICIPALITY OF WEST INTERLAKE
SCHEDULE 14 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the year ended December 31, 2018

	2018		2017	
	General	Utility	Total	Total
MUNICIPAL SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 15,681	(20,439) \$	(4,758) \$	116,506
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	174,291	10,320	184,611	241,424
Eliminate revenue - transfers from reserves	(483,518)	(40,766)	(524,284)	(212,984)
Increase revenue - reserve funds interest	41,632		41,632	35,340
Increase (decrease) revenue - net surplus (deficit) of consolidated entities	(1,767)		(1,767)	8,941
Increase (decrease) revenue - net surplus (deficit) of LUD(s)	110,505		110,505	120,237
Eliminate revenue - transfer from nominal surplus	(115,430)		(115,430)	(138,943)
Increase expense - amortization of tangible capital assets	(196,689)	(33,346)	(230,035)	(215,566)
Decrease expense - principal portion of debenture debt	88,826		88,826	85,822
Eliminate revenue - proceeds on sale of properties held for resale				(15,800)
Increase (decrease) revenue - gain (loss) on sale of tangible capital assets				7,384
Eliminate expense - acquisitions of tangible capital assets	1,184,322	4,900	1,189,222	354,002
NET SURPLUS (DEFICIT) PER STATEMENT OF OPERATIONS	\$ 817,853	(79,331) \$	738,522 \$	386,363