

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2017


Rural Municipality of Rockwood
Box 902
Stonewall, Manitoba
R0C 2Z0

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Rockwood and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

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

Reid & Associates as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Members 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.


Chris Luellman
CAO



REID & ASSOCIATES
Chartered Professional Accountants Inc.

Independent Auditors' Report

To the Members and members of Council of the
Rural Municipality of Rockwood

We have audited the accompanying financial statements of Rural Municipality of Rockwood, which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statement of operations, cash flows and change in net financial assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the 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 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 these financial statements present fairly, in all material respects, the financial position of Rural Municipality of Rockwood as at December 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

August 15, 2018
Winnipeg, Manitoba

Reid & Associates

Chartered Professional Accountants Inc.

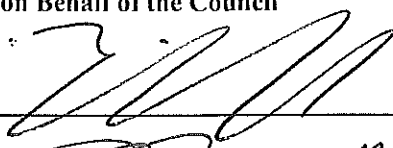
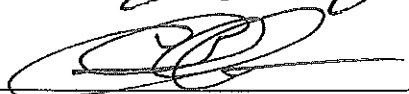
RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

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RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2017

	2017 Actual \$	2016 Actual \$
FINANCIAL ASSETS		
Cash and temporary investments	9,160,278	7,109,676
Accounts receivable <i>(note 3)</i>	4,645,501	3,126,694
Portfolio investments <i>(note 4)</i>	28,503	55,306
	<u>13,834,282</u>	<u>10,291,676</u>
LIABILITIES		
Bank indebtedness	2,780,363	933,986
Accounts payable and accrued liabilities <i>(note 6)</i>	3,327,035	3,408,169
Deferred revenue <i>(note 7)</i>	1,007	4,611
Landfill closure and post closure liabilities <i>(note 8)</i>	45,130	41,283
Long-term debt <i>(note 9)</i>	1,981,359	259,228
Obligations under capital lease <i>(note 10)</i>	129,535	-
	<u>8,264,429</u>	<u>4,647,277</u>
NET FINANCIAL ASSETS	<u>5,569,853</u>	<u>5,644,399</u>
NON-FINANCIAL ASSETS		
Tangible capital assets <i>(schedule 1)</i>	34,014,354	33,273,082
Inventories <i>(note 5)</i>	111,554	84,458
Prepaid expenses	47,873	45,282
	<u>34,173,781</u>	<u>33,402,822</u>
ACCUMULATED SURPLUS <i>(note 19)</i>	<u>39,743,634</u>	<u>39,047,221</u>

Approved on Behalf of the Council


 _____ Reeve

 _____ Councillor

The accompanying notes are an integral part of these financial statements

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2017

	2017 Budget \$	2017 Actual \$	2016 Actual \$
REVENUE			
Property taxes	4,037,363	3,964,864	3,824,260
Grants in lieu of taxation	325,715	325,715	395,988
User fees	715,426	692,932	941,103
Grants - Province of Manitoba	533,374	729,557	684,230
Grants - Other	728,479	740,428	2,062,341
Permits, licences and fees	1,385,875	1,246,617	1,286,220
Investment revenue	41,030	135,348	103,394
Other revenue	127,523	150,245	165,481
Water and sewer	1,105,515	1,549,205	1,453,909
Total revenue (<i>schedules 2, 4 and 5</i>)	9,000,300	9,534,911	10,916,926
EXPENSES			
General government services	921,317	999,586	985,769
Protective services	608,868	679,570	623,541
Transportation services	4,050,378	3,539,599	4,075,129
Environmental health services	570,300	600,070	555,405
Public health and welfare services	5,000	4,241	4,241
Regional planning and development	305,532	282,811	293,093
Resource conservation and industrial development	119,354	118,008	121,734
Recreation and cultural services	914,023	911,666	872,514
Water and sewer	1,477,283	1,702,947	1,901,113
Total expenses (<i>schedules 3, 4 and 5</i>)	8,972,055	8,838,498	9,432,539
ANNUAL SURPLUS	28,245	696,413	1,484,387
ACCUMULATED SURPLUS, BEGINNING OF YEAR	39,047,221	39,047,221	37,562,834
ACCUMULATED SURPLUS, END OF YEAR	39,075,466	39,743,634	39,047,221

The accompanying notes are an integral part of these financial statements

Reld & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD**CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS****For the Year Ended December 31, 2017**

	2017 Budget \$	2017 Actual \$	2016 Actual \$
ANNUAL SURPLUS	28,245	696,413	1,484,387
Acquisition of tangible capital assets	(7,361,849)	(2,291,266)	(2,046,990)
Proceeds on disposal of tangible capital assets	225,000	184,960	284,984
Amortization of tangible capital assets	1,174,584	1,325,732	1,369,268
Loss (gain) on sale of tangible capital assets	-	39,302	(24,632)
Increase in inventories	-	(27,096)	(5,848)
Decrease (increase) in prepaid expense	-	(2,591)	689
CHANGE IN SURPLUS (DEFICIT)	(5,934,020)	(74,546)	1,061,858
NET FINANCIAL ASSETS BEGINNING OF YEAR	5,644,399	5,644,399	4,582,541
NET FINANCIAL ASSETS END OF YEAR	(289,621)	5,569,853	5,644,399

The accompanying notes are an integral part of these financial statements

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

	2017 Actual \$	2016 Actual \$
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING TRANSACTIONS		
Annual surplus	696,413	1,484,387
Changes in non-cash items:		
Amortization	1,325,732	1,369,268
Loss (Gain) on disposal of tangible capital assets	39,302	(24,632)
	<u>2,061,447</u>	<u>2,829,023</u>
Net changes in non-cash working capital affecting operations (<i>note 22</i>)	<u>(1,629,385)</u>	<u>(1,648,369)</u>
	<u>432,062</u>	<u>1,180,654</u>
CAPITAL TRANSACTIONS		
Proceeds from sale of tangible capital assets	184,960	284,984
Cash used to acquire tangible capital assets	<u>(2,291,266)</u>	<u>(2,046,990)</u>
	<u>(2,106,306)</u>	<u>(1,762,006)</u>
INVESTING		
Proceeds on sale of portfolio investments	<u>26,803</u>	<u>25,203</u>
FINANCING		
Long-term debt issued	1,722,131	111,780
Increase in obligations under capital lease	<u>129,535</u>	<u>-</u>
	<u>1,851,666</u>	<u>111,780</u>
INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS	<u>204,225</u>	<u>(444,369)</u>
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>6,175,690</u>	<u>6,620,059</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>6,379,915</u></u>	<u><u>6,175,690</u></u>
CASH AND TEMPORARY INVESTMENTS IS REPRESENTED BY:		
Cash and temporary investments	8,190,837	6,155,369
Temporary investments	754,540	742,912
Externally restricted cash	214,901	211,395
Bank indebtedness	<u>(2,780,363)</u>	<u>(933,986)</u>
	<u><u>6,379,915</u></u>	<u><u>6,175,690</u></u>

The accompanying notes are an integral part of these financial statements

Reld & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

1. STATUS OF THE RURAL MUNICIPALITY OF ROCKWOOD

The incorporated Rural Municipality of Rockwood is a municipal government that was created on February 14, 1880 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, 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. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies:

a) REPORTING ENTITY

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Municipality. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Municipality.

The 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:

	Consolidated	
	2017	2016
South Interlake Regional Library	58.00 %	58.00 %
Rockwood-Rosser Weed Control District	53.00 %	53.00 %
South Interlake Planning District Board	50.00 %	50.00 %
Rockwood Woodlands By-law Enforcement	50.00 %	50.00 %
Teulon-Rockwood Recreation Commission	50.00 %	50.00 %
Cartier Regional Water Co-op Inc	14.29 %	14.29 %
South Interlake Emergency Measures Board	20.00 %	20.00 %

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

Stonewall & District Handi-Van Service	24.00 %	24.00 %
Teulon & District Handi-Van	45.00 %	45.00 %
Stonewall Rockwood Fire Department	48.50 %	48.50 %

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

Trust funds and their related operations administered by the Municipality are not consolidated in these financial statements. The trust funds administered by the Municipality are presented in Schedule 7 - Schedule of Trust Funds.

The Grosse Isle Utility is owned jointly with the Rural Municipality of Rosser; therefore, these financial statements only consolidate 50% of the Utility.

b) BASIS OF ACCOUNTING

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

c) CASH AND TEMPORARY INVESTMENTS

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

d) INVESTMENTS

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

Portfolio investments are accounted for at cost.

e) REAL ESTATE PROPERTIES HELD FOR SALE

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

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

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

f) LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

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

g) NON-FINANCIAL ASSETS

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

h) TANGIBLE CAPITAL ASSETS

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

General Tangible Capital Assets

Land and land improvements	Indefinite
Buildings and leasehold improvements	10 to 40 years
Vehicles and equipment	
Vehicles	10 to 20 years
Machinery and equipment	10 to 20 years
Computer hardware and software	4 to 10 years

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

Infrastructure Assets

Roads, Streets, and Bridges

Land	Indefinite
Road surface	25 to 40 years
Road grade	40 Years
Traffic lights and equipment	10 years
Land	Indefinite
Land improvements	30 to 50 years
Underground networks	40 to 60 years
Machinery & equipment	10 to 20 years

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

i) LEASES

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

j) INVENTORIES

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

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

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

k) REVENUE RECOGNITION

Revenues are recognized as they are earned and measurable.

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

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

l) MEASUREMENT UNCERTAINTY

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

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

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

3. ACCOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	2017	2016
	\$	\$
Tax assets (<i>schedule 10</i>)	551,869	658,238
Government grants and receivables	426,602	494,079
Utility customers	170,430	80,319
Accrued interest	-	1,400
Organizations and individuals	2,279,150	359,243
Other governments	1,254,400	1,566,327
	4,682,451	3,159,606
Allowance for doubtful accounts	(36,950)	(32,912)
	4,645,501	3,126,694

4. PORTFOLIO INVESTMENTS

	2017	2016
	\$	\$
Marketable securities		
Municipal debenture, bearing interest at 6.346% with principal and interest payments paid annually, due December 31, 2018.	28,503	55,306

5. INVENTORIES

	2017	2016
	\$	\$
Culverts	56,470	48,846
Chemicals (weed)	164	919
Grader blades	34,323	21,662
Street and road signage	13,730	12,442
Other	6,867	589
	111,554	84,458

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2017</u>	<u>2016</u>
	\$	\$
Accounts payable	560,043	482,144
Government payables	1,989,728	1,974,337
Accrued expenses	101,070	209,180
Other governments	10,601	107,065
Deposits	665,593	608,493
Other	-	26,950
	<u>3,327,035</u>	<u>3,408,169</u>

7. DEFERRED REVENUE

	<u>2017</u>	<u>2016</u>
	\$	\$
Unexpended grants	<u>1,007</u>	<u>4,611</u>

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

8. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES

Operating Landfill Sites:

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

Estimated closure and post closure costs are calculated as follows:

	2017	2016
Teulon Landfill	\$	\$
Estimated closure and post closure costs	570,158	570,158
Discount rate applied	6.50 %	6.50 %
Discounted costs	72,808	68,871
Expected year landfill capacity to be reached	2050	2050
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	41,425	39,650
Remaining	58,575	60,350
Total	100,000	100,000
Percent utilized	41.43 %	39.65 %
Total	30,161	27,307
Komarno Landfill	2017	2016
	\$	\$
Estimated closure and post closure costs	307,395	307,395
Discount rate applied	6.50 %	6.50 %
Discounted costs	36,133	34,939
Expected year landfill capacity to be reached	2058	2058
Expected end year for post closure care	N/A	N/A
Capacity (tonnes):		
Used to date	16,571	16,000
Remaining	23,429	24,000
Total	40,000	40,000
Percent utilized	41.43 %	40.00 %
Total	14,969	13,976

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

9. LONG-TERM DEBT

	<u>2017</u>	<u>2016</u>
	\$	\$
Utility Funds:		
Municipal debenture payable in annual instalments of \$30,312 including interest at 6.3460%, due December 31, 2018.	28,503	55,306
Municipal debenture payable in annual instalments of \$32,438, including interest at 3.500%, due December 31, 2027**.	134,886	145,995
Municipal debenture payable in annual instalments of \$10,066, including interest at 4.6250%, due December 31, 2025**.	33,027	36,377
Municipal debenture payable in annual instalments of \$4,662, including interest at 5.000%, due December 31, 2020**.	6,348	8,266
Municipal debenture payable in annual instalments of \$9,825, including interest at 5.375%, due December 31, 2019**.	9,086	13,284
Municipal debenture payable in annual instalments of \$232,595, including interest at 3.50%, due December 31, 2026.	<u>1,769,509</u>	<u>-</u>
	<u>1,981,359</u>	<u>259,228</u>

**These debentures have been issued in the Grosse Isles Utility which is owned jointly with the Rural Municipality of Rosser. Therefore, the debentures are reflected in the consolidated statements based on the percentage ownership of the utility system.

Estimated principal repayments for the next five years are as follows:

2018	220,606
2019	198,979
2020	201,191
2021	205,978
2022	213,233

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

10. OBLIGATIONS UNDER CAPITAL LEASE

Future minimum lease payments under the capital lease together with the obligation due under the capital lease are as follows:

	2017	2016
	\$	\$
2018	32,404	-
2019	32,404	-
2020	32,404	-
2021	32,404	-
2022	27,004	-
Total minimum lease payments	156,620	-
Less amount representing future interest at 4.79%	27,085	-
Balance of obligation	129,535	-

Interest expense includes \$811 (2016 - \$nil) with respect to this obligation.

Assets under capital lease included in vehicles, machinery and road construction equipment.

	2017	2016
	\$	\$
Cost of leased tangible capital asset	161,465	-
Accumulated amortization of leased tangible capital asset	-	-
	161,465	-

Amortization expense includes \$nil on leased tangible capital assets.

11. DEBT CHARGES - FRONTAGE

Purpose and By-law	2017 Levy	2016 Levy
	\$	\$
Balmoral Sewer and Water - 19/01	30,313	30,313
Grosse Isle	15,795	15,795
Gunton	35,085	35,085
	81,193	81,193

RURAL MUNICIPALITY OF ROCKWOOD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****As at December 31, 2017****12. RESERVES**

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2017 Mill Rate</u>	<u>Levy</u>	<u>2016 Levy</u>
			\$	\$
General Reserve	442,948,570	0.373	165,220	166,261
Machinery Replacement	442,948,570	0.436	193,126	184,637
Fire Equipment	442,948,570	0.207	91,690	92,318
Office Equipment	442,948,570	0.006	2,658	2,625
Public Works Equipment			-	9,188
Drainage	442,948,570	0.726	321,581	323,333
Parks and Playgrounds	442,948,570	0.010	4,429	4,813
Municipal Shop Reserve	442,948,570	0.104	46,067	46,378
			<u>824,771</u>	<u>829,553</u>

13. SPECIAL LEVIES

<u>Purpose and By-law</u>	<u>Assessment</u>	<u>2017 Mill Rate</u>	<u>Levy</u>	<u>2016 Levy</u>
			\$	\$
Waste Management			<u>193,440</u>	<u>183,024</u>

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

14. RETIREMENT BENEFITS

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$100,366 (2016 - \$95,490) 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, 2016 indicated the plan was 98.0% funded on a going concern basis and had an unfunded solvency liability of \$246.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2016.

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

15. 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.

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

16. 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 9 - Reconciliation of the Financial Plan to the Budget*.

The budget numbers are unaudited and, accordingly, I express no assurance in respect to the budget.

17. SEGMENTED INFORMATION

The Rural Municipality of Rockwood provides a wide ranges of services to its residents.

Segment information has been provided in *Schedule 4* for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

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

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

18. GOVERNMENT PARTNERSHIPS

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

	2017	2016
	\$	\$
Financial Position		
Financial Assets	4,237,720	6,112,080
Liabilities	16,087,400	16,056,256
	(11,849,680)	(9,944,176)
Non-financial Assets	59,797,264	58,868,341
Accumulated Surplus	47,947,584	48,924,165
Result of Operations		
Revenue	5,146,165	6,992,636
Expenses	6,122,749	5,378,890
Annual Surplus (Deficit)	(976,584)	1,613,746

19. ACCUMULATED SURPLUS

	2017	2016
	\$	\$
Accumulated surplus consists of the following:		
General Operating Fund - Nominal Surplus, excluding Tangible Capital Assets	2,713,231	2,395,917
Utility Operating Funds - Nominal Deficit, excluding Tangible Capital Assets	(11,150,634)	(12,667,299)
General Operating Tangible Capital Assets, net of related borrowings	8,636,626	8,173,871
Tangible Capital Assets, net of related borrowings	23,608,219	25,099,211
Reserve Funds	8,571,233	8,512,376
Accumulated surplus of municipality unconsolidated	32,378,675	31,514,076
Accumulated surpluses of consolidated government partnerships	7,364,959	7,533,145
Accumulated Surplus per Statement of Financial Position	39,743,634	39,047,221

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

20. 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 in exceeding \$50,000 annually to any member of council, officer or employee of the municipality. For the year ended December 31, 2017:

- (a) Compensation paid to members of council amounted to \$119,861 in aggregate;
- (b) There were no members of council receiving compensation in excess of \$50,000 individually. The breakdown of compensation and expenses paid to members of council are as follows:

Council Member	Compensation	Expenses	Total
Jim Campbell	22,335	2,590	24,925
William Pinchin	14,993	1,552	16,545
William Matheson	14,150	1,268	15,418
Mark Hildebaugh	19,247	2,582	21,829
Terrence Hartle	17,288	2,393	19,681
Lyle Willis	13,959	1,606	15,565
Art Goudy	17,889	1,737	19,626
	<u>119,861</u>	<u>13,728</u>	<u>133,589</u>

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

Name	Position	Amount
Robert Boitson	Public Works	62,991
Brian Hornick	Public Works	61,687
Greg Hryciw	Public Works	79,188
Keith Hynes	Public Works	70,855
Chris Luellman	CAO	102,423
Garry McClure	Public Works	66,577
Wayne Michaluk	Public Works	69,396
Michael Powroznik	Public Works	62,216
Alan Schick	Public Works	88,909
Timothy Scott	Public Works	60,106
Ian Soroka	Public Works	59,709
Scott Taylor	Public Works	62,956
Ian Tesarski	Public Works	86,097
Roberta VanCaeyzeele	Administration	55,867

RURAL MUNICIPALITY OF ROCKWOOD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2017

21. PUBLIC UTILITY BOARD

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

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

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

Water Services:		Unamortized		Unamortized
		Opening	Additions	Ending
Description of Utility	Balance	During Year	During Year	Balance
Stony Mountain	668,169	-	28,354	639,815
Balmoral	574,170	-	15,949	558,221
Grosse Isle	776,252	-	18,190	758,062
Gunton	1,839,999	-	40,000	1,799,999
	<u>3,858,590</u>	<u>-</u>	<u>102,493</u>	<u>3,756,097</u>

Sewer Services:		Unamortized		Unamortized
		Opening	Additions	Ending
Description of Utility	Balance	During Year	During Year	Balance
Stony Mountain	468,287	-	20,361	447,926
Balmoral	1,515,973	-	15,949	1,500,024
Grosse Isle	661,434	-	15,472	645,962
Gunton	1,839,999	-	40,000	1,799,999
	<u>4,485,693</u>	<u>-</u>	<u>91,782</u>	<u>4,393,911</u>

22. CHANGES IN WORKING CAPITAL

	2017	2016
	\$	\$
Net changes in non-cash working capital affecting operations		
Accounts receivable	(1,518,807)	1,826,118
Inventories	(27,096)	(5,848)
Prepaid expenses	(2,591)	689
Accounts payable and accrued liabilities	(81,134)	(2,078,838)
Deferred revenue	(3,604)	(1,394,052)
Landfill closure and post closure liabilities	3,847	3,562
	<u>(1,629,385)</u>	<u>(1,648,369)</u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2017

	General Capital Assets						Infrastructure		2017	2016
	Land and Buildings and Land Leasehold	Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets under Construction	Actual	Actual
Cost										
Balance, beginning of year	1,234,997	2,683,975	4,845,262	201,998	-	18,448,291	29,633,164	2,372,504	59,420,191	57,863,764
Asset purchases	139,167	436,877	871,437	476	14,178	-	651,773	177,358	2,291,266	2,046,990
Disposals and write downs	-	2,263	557,435	231	-	-	-	-	559,929	490,563
Balance, end of year	1,374,164	3,118,589	5,159,264	202,243	14,178	18,448,291	30,284,937	2,549,862	61,151,528	59,420,191
Accumulated Amortization										
Balance, beginning of year	920	1,021,327	2,481,519	144,628	-	15,592,258	6,906,457	-	26,147,109	25,008,052
Amortization	3,679	76,667	310,334	24,242	-	360,196	550,614	-	1,325,732	1,369,268
Disposals and write downs	-	374	335,062	231	-	-	-	-	335,667	230,211
Balance, end of year	4,599	1,097,620	2,456,791	168,639	-	15,952,454	7,457,071	-	27,137,174	26,147,109
Net book value	1,369,565	2,020,969	2,702,473	33,604	14,178	2,495,837	22,827,866	2,549,862	34,014,354	33,273,082

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2017

Schedule 2

	2017 Budget \$	2017 Actual \$	2016 Actual \$
PROPERTY TAXES			
Municipal taxes levied <i>(schedule 11)</i>	3,877,363	3,877,363	3,693,375
Taxes added	160,000	87,501	130,885
	<u>4,037,363</u>	<u>3,964,864</u>	<u>3,824,260</u>
GRANTS IN LIEU OF TAXATION			
Federal government	232,923	232,923	317,240
Federal government enterprises	1,295	1,295	1,244
Provincial government	25,306	25,306	13,765
Provincial government enterprises	66,058	66,058	63,611
Other local governments	133	133	128
	<u>325,715</u>	<u>325,715</u>	<u>395,988</u>
USER FEES			
Sales of service	661,949	641,515	885,346
Sales of goods	2,100	1,380	1,710
Rentals	51,377	50,037	54,047
	<u>715,426</u>	<u>692,932</u>	<u>941,103</u>
GRANTS - PROVINCE OF MANITOBA			
General assistance payment	316,000	406,184	315,838
VLT revenues	121,000	-	120,350
Conditional grants	96,374	323,373	248,042
	<u>533,374</u>	<u>729,557</u>	<u>684,230</u>
GRANTS - OTHER			
Federal government - gas tax funding	430,000	435,330	1,871,613
Federal government - other	-	586	3,600
Other local governments	295,608	301,641	186,780
Other grant	2,871	2,871	348
	<u>728,479</u>	<u>740,428</u>	<u>2,062,341</u>
PERMITS, LICENCES AND FEES			
Permits	198,075	141,167	194,970
Licences	1,800	1,800	1,800
Aggregate mining and transportation fees	1,120,000	1,083,606	1,048,882
Leases	6,000	6,044	5,568
Subdivision fees	60,000	14,000	35,000
	<u>1,385,875</u>	<u>1,246,617</u>	<u>1,286,220</u>
INVESTMENT REVENUE			
Interest	40,530	135,348	103,394
Other interest	500	-	-
OTHER REVENUE			
Gain (loss) on sale of tangible capital assets	-	(39,302)	24,632
Miscellaneous	72,523	125,344	86,952
Penalties and interest	55,000	64,203	53,897
	<u>127,523</u>	<u>150,245</u>	<u>165,481</u>
WATER AND SEWER			
Municipal utilities <i>(schedule 8)</i>	689,792	1,078,757	707,719

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2017

Schedule 2

	2017 Budget \$	2017 Actual \$	2016 Actual \$
Consolidated water co-operatives	415,723	470,448	746,190
	<u>1,105,515</u>	<u>1,549,205</u>	<u>1,453,909</u>
TOTAL REVENUE	<u><u>9,000,300</u></u>	<u><u>9,534,911</u></u>	<u><u>10,916,926</u></u>

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2017

Schedule 3

	2017 Budget \$	2017 Actual \$	2016 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	153,000	145,515	150,770
General administrative	701,067	786,859	767,321
Other	67,250	67,212	67,678
	<u>921,317</u>	<u>999,586</u>	<u>985,769</u>
PROTECTIVE SERVICES			
Fire	531,058	576,993	542,951
Emergency measures	21,000	46,800	23,725
By-law enforcement	56,810	55,777	56,865
	<u>608,868</u>	<u>679,570</u>	<u>623,541</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	602,400	594,719	583,419
Road and street maintenance	3,233,032	2,751,612	3,286,913
Sidewalk and boulevard maintenance	25,000	7,777	16,745
Street lighting	40,000	32,083	35,633
Public transit	149,946	153,408	152,419
	<u>4,050,378</u>	<u>3,539,599</u>	<u>4,075,129</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	563,300	592,518	543,615
Lagoons and wells	7,000	7,552	11,790
	<u>570,300</u>	<u>600,070</u>	<u>555,405</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Social assistance	5,000	4,241	4,241
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	305,532	282,811	293,093
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	119,354	118,008	121,734
RECREATION AND CULTURAL SERVICES			
Administration	3,250	3,251	2,606
Community centers and halls	528,565	501,569	473,895
Skating and curling rinks	25,000	25,000	25,000
Parks and playgrounds	10,000	12,521	10,137
Other recreational facilities	-	-	15,000
Libraries	345,208	369,088	345,585
Other cultural facilities	2,000	237	291
	<u>914,023</u>	<u>911,666</u>	<u>872,514</u>

RURAL MUNICIPALITY OF ROCKWOOD
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2017

Schedule 3

	2017 Budget \$	2017 Actual \$	2016 Actual \$
WATER AND SEWER			
Municipal utilities (<i>schedule 8</i>)	1,037,700	1,121,536	1,387,106
Consolidated water co-operatives	439,583	581,411	514,007
	<u>1,477,283</u>	<u>1,702,947</u>	<u>1,901,113</u>
TOTAL EXPENSES	<u>8,972,055</u>	<u>8,838,498</u>	<u>9,432,539</u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 4

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2017

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	3,964,864	3,824,260	-	-	-	-	-	-	-	-
Grants in lieu of taxation	325,715	395,988	-	-	-	-	-	-	-	-
User fees	85,537	88,348	32,135	34,840	150,714	350,692	260,097	282,836	-	-
Grants - Province of Manitoba	599,684	556,317	-	-	47,040	19,080	-	-	-	-
Grants - Other	435,330	1,871,613	48,952	51,021	34,751	35,609	-	-	-	-
Permits, licences and fees	1,115,500	1,098,850	-	-	-	-	-	-	-	-
Investment revenue	116,825	85,145	231	190	-	-	-	-	-	-
Other revenue	124,217	155,543	2,062	506	193	802	-	-	-	-
Water and sewer	(82,607)	(82,607)	-	-	-	-	-	-	-	-
Total revenue	6,685,065	7,993,457	83,380	86,557	232,698	406,183	260,097	282,836	-	-
EXPENSES										
Personnel services	490,848	511,237	174,080	178,576	859,961	908,108	111,934	108,171	-	-
Contract services	106,870	122,153	197,859	107,139	7,508	7,215	210,886	203,141	4,241	4,241
Utilities	-	-	4,097	4,457	1,598	1,406	-	-	-	-
Maintenance materials & supplies	270,800	244,197	108,809	127,426	2,033,415	2,540,525	277,250	244,093	-	-
Grants & contributions	-	(1,923)	130,422	87,069	30,659	31,571	-	-	-	-
Amortization	67,212	67,678	64,303	118,874	605,567	586,174	-	-	-	-
Interest on long term debt	-	-	-	-	876	-	-	-	-	-
Other operating expense	63,856	42,427	-	-	15	130	-	-	-	-
Total expenses	999,586	985,769	679,570	623,541	3,539,599	4,075,129	600,070	555,405	4,241	4,241
SURPLUS (DEFICIT)	5,685,479	7,007,688	(596,190)	(536,984)	3,306,901	3,668,946	(339,973)	(272,569)	(4,241)	(4,241)

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

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 4

CONSOLIDATED SCHEDULE OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2017

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE										
Property taxes	-	-	-	-	-	-	-	-	3,964,864	3,824,260
Grants in lieu of taxation	-	-	-	-	-	-	-	-	325,715	395,988
User fees	-	1,125	80,786	88,033	83,663	95,229	-	-	692,932	941,103
Grants - Province of Manitoba	-	-	-	-	82,833	108,833	-	-	729,557	684,230
Grants - Other	23,061	16,137	11,780	11,780	186,554	76,181	-	-	740,428	2,062,341
Permits, licences and fees	131,117	187,370	-	-	-	-	-	-	1,246,617	1,286,220
Investment revenue	11,628	11,084	957	995	2,828	3,477	2,879	2,503	135,348	103,394
Other revenue	6,768	1,370	584	479	16,421	6,781	-	-	150,245	165,481
Water and sewer	-	-	-	8,232	-	-	1,161,188	790,176	1,078,757	707,719
Total revenue	172,574	217,086	94,107	109,519	372,299	290,501	1,164,067	792,679	9,534,911	0,916,926
EXPENSES										
Personnel services	194,119	162,772	41,828	43,554	276,618	232,026	367,532	375,165	2,516,920	2,519,609
Contract services	27,173	18,956	708	719	143,074	146,276	224,193	405,095	922,512	1,014,935
Utilities	3,049	3,268	830	799	9,512	44,716	226,189	232,744	245,275	287,390
Maintenance materials & supplies	32,603	40,789	55,048	58,803	136,873	72,196	320,866	281,077	3,235,664	3,609,106
Grants & contributions	24,439	65,691	11,802	11,803	316,773	339,628	7,700	41,095	521,795	574,934
Amortization	1,428	1,617	7,792	6,056	28,816	37,672	550,614	551,197	1,325,732	1,369,268
Interest on long term debt	-	-	-	-	-	-	5,853	14,740	6,729	14,740
Other operating expense	-	-	-	-	-	-	-	-	63,871	42,557
Total expenses	282,811	293,093	118,008	121,734	911,666	872,514	1,702,947	1,901,113	8,838,498	9,432,539
SURPLUS (DEFICIT)	(110,237)	(76,007)	(23,901)	(12,215)	(539,367)	(582,013)	(538,880)	(1,108,434)	696,413	1,484,387

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

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2017

	Core Government		Government Partnerships		Total	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
REVENUE						
Property taxes	3,964,864	3,824,260	-	-	3,964,864	3,824,260
Grants in lieu of taxation	325,715	395,988	-	-	325,715	395,988
User fees	436,954	673,489	255,978	267,614	692,932	941,103
Grants - Province of Manitoba	599,684	556,317	129,873	127,913	729,557	684,230
Grants - Other	435,330	1,871,613	305,098	190,728	740,428	2,062,341
Permits, licences and fees	1,115,500	1,098,850	131,117	187,370	1,246,617	1,286,220
Investment revenue	119,704	87,648	15,644	15,746	135,348	103,394
Other revenue	124,217	155,543	26,028	9,938	150,245	165,481
Water and sewer	1,078,757	707,719	-	-	1,078,757	707,719
Total revenue	8,200,725	9,371,427	1,334,186	1,545,499	9,534,911	0,916,926
EXPENSES						
Personnel services	1,753,275	1,834,211	763,645	685,398	2,516,920	2,519,609
Contract services	862,412	963,979	60,100	50,956	922,512	1,014,935
Utilities	146,271	179,819	99,004	107,571	245,275	287,390
Maintenance materials & supplies	2,654,044	3,107,755	581,620	501,351	3,235,664	3,609,106
Grants & contributions	689,021	751,302	(167,226)	(176,368)	521,795	574,934
Amortization	1,154,940	1,200,457	170,792	168,811	1,325,732	1,369,268
Interest on long term debt	12,306	13,858	(5,577)	882	6,729	14,740
Other operating expense	63,856	42,427	15	130	63,871	42,557
Total expenses	7,336,125	8,093,808	1,502,373	1,338,731	8,838,498	9,432,539
SURPLUS (DEFICIT)	864,600	1,277,619	(168,187)	206,768	696,413	1,484,387

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

	General Reserve	Machinery Replacement Reserve	Fire Equipment Reserve	Community Enhancement Reserve	Admin Building Reserve	Teulon-Rockwood Centennial Hall Reserve	Dedication Fee Reserve
	\$	\$	\$	\$	\$	\$	\$
FINANCIAL ASSETS							
Cash and temporary investments	411,195	58,216	280,204	749,254	90,372	13,925	212,781
Portfolio investments	28,503	-	-	-	-	-	-
Due from other funds	4,262	144,133	22,867	291,885	(10,375)	-	39,000
	<u>443,960</u>	<u>202,349</u>	<u>303,071</u>	<u>1,041,139</u>	<u>79,997</u>	<u>13,925</u>	<u>251,781</u>
LIABILITIES							
Due to other funds	-	-	-	-	-	1,500	-
REVENUE							
Investment revenue	10,217	1,177	4,571	12,223	1,475	226	3,471
Water and sewer	-	-	-	-	-	-	-
	<u>10,217</u>	<u>1,177</u>	<u>4,571</u>	<u>12,223</u>	<u>1,475</u>	<u>226</u>	<u>3,471</u>
EXPENSES							
Transportation services	-	-	-	-	-	-	-
Recreation and cultural services	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
TRANSFERS							
Debt repayments	-	2,701	-	-	-	-	-
Transfers from (to) operating fund	(143,122)	(210,000)	(99,000)	-	(3,000)	-	(4,000)
Transfers from (to) utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	226,508	379,448	500,840	-	777	-	-
Transfer from Reserves	-	(48,146)	-	-	-	-	-
	<u>(83,386)</u>	<u>(124,003)</u>	<u>(401,840)</u>	<u>-</u>	<u>2,223</u>	<u>-</u>	<u>4,000</u>
CHANGE IN FUND BALANCES	(73,169)	(122,826)	(397,269)	12,223	3,698	226	7,471
FUND SURPLUS, BEGINNING OF YEAR	517,129	325,175	700,340	1,028,916	76,299	12,199	244,310

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

	Road Construction Reserve \$	Equipment Repair Reserve \$	Teulon- Rockwood Green Acres Park \$	Teulon Rockwood Waste Disposal Reserve \$	Drainage Reserve \$	Parks and Playgrounds \$	Gas Tax Reserve \$
FINANCIAL ASSETS							
Cash and temporary investments	435,861	13,998	63,970	82,656	-	51,025	214,901
Portfolio investments	-	-	-	-	-	-	-
Due from other funds	-	(13,998)	-	30,208	-	129,600	1,809,945
	<u>435,861</u>	<u>-</u>	<u>63,970</u>	<u>112,864</u>	<u>-</u>	<u>180,625</u>	<u>2,024,846</u>
LIABILITIES							
Due to other funds	37,108	-	41,000	-	-	-	-
REVENUE							
Investment revenue	7,110	-	1,044	1,349	-	832	3,506
Water and sewer	-	-	-	-	-	-	-
	<u>7,110</u>	<u>-</u>	<u>1,044</u>	<u>1,349</u>	<u>-</u>	<u>832</u>	<u>3,506</u>
EXPENSES							
Transportation services	-	-	-	-	-	-	-
Recreation and cultural services	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS							
Debt repayments	-	-	-	-	-	-	-
Transfers from (to) operating fund	55,000	-	-	(7,360)	-	(28,000)	(435,330)
Transfers from (to) utility fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	127,554
Transfer from Reserves	-	(48,146)	-	-	-	-	-
	<u>(55,000)</u>	<u>(48,146)</u>	<u>-</u>	<u>7,360</u>	<u>-</u>	<u>28,000</u>	<u>307,776</u>
CHANGE IN FUND BALANCES	<u>(47,890)</u>	<u>(48,146)</u>	<u>1,044</u>	<u>8,709</u>	<u>-</u>	<u>28,832</u>	<u>311,282</u>
FUND SURPLUS, BEGINNING OF YEAR	<u>446,643</u>	<u>48,146</u>	<u>21,926</u>	<u>104,155</u>	<u>-</u>	<u>151,793</u>	<u>1,713,564</u>

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

	Sewer & Water Expansion Reserve \$	Aggregate Reserve \$	Stony Mountain Replacement \$	Balmoral Transportatio n reserve Replacement \$	Grosse Isle Utility Reserve \$	2017 Actual \$
FINANCIAL ASSETS						
Cash and temporary investments	181,662	1,120,822	176,480	37,263	12,451	4,207,036
Portfolio investments	-	-	-	-	-	28,503
Due from other funds	106,836	2,023,539	16,648	21,575	(824)	4,415,301
	<u>288,498</u>	<u>3,144,361</u>	<u>193,128</u>	<u>58,838</u>	<u>11,627</u>	<u>8,650,840</u>
LIABILITIES						
Due to other funds	-	-	-	-	-	79,608
REVENUE						
Investment revenue	2,964	18,284	2,879	608	-	71,936
Water and sewer	-	-	-	-	176	176
	<u>2,964</u>	<u>18,284</u>	<u>2,879</u>	<u>608</u>	<u>176</u>	<u>72,112</u>
EXPENSES						
Transportation services	-	62,817	-	-	-	62,817
Recreation and cultural services	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-
	<u>-</u>	<u>62,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,817</u>
TRANSFERS						
Debt repayments	-	-	-	-	-	2,701
Transfers from (to) operating fund	(6,000)	(377,519)	-	-	824	(1,307,507)
Transfers from (to) utility fund	-	-	12,800	2,000	-	14,800
Acquisition of tangible capital assets	-	-	34,918	-	-	1,270,045
Transfer from Reserves	-	-	-	-	-	-
	<u>6,000</u>	<u>377,519</u>	<u>(22,118)</u>	<u>2,000</u>	<u>(824)</u>	<u>49,561</u>
CHANGE IN FUND BALANCES	8,964	332,986	(19,239)	2,608	(648)	58,856
FUND SURPLUS, BEGINNING OF YEAR	<u>279,534</u>	<u>2,811,375</u>	<u>212,367</u>	<u>56,230</u>	<u>12,275</u>	<u>8,512,376</u>

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

	2016 Actual \$
FINANCIAL ASSETS	
Cash and temporary investments	4,142,434
Portfolio investments	55,306
Due from other funds	4,339,243
	<u>8,536,983</u>
LIABILITIES	
Due to other funds	24,607
REVENUE	
Investment revenue	72,794
Water and sewer	150
	<u>72,944</u>
EXPENSES	
Transportation services	21,919
Recreation and cultural services	15,000
Water and sewer	74,098
	<u>111,017</u>
TRANSFERS	
Debt repayments	-
Transfers from (to) operating fund	(1,357,313)
Transfers from (to) utility fund	17,800
Acquisition of tangible capital assets	921,954
Transfer from Reserves	-
	<u>453,159</u>
CHANGE IN FUND BALANCES	
	415,086
FUND SURPLUS, BEGINNING OF YEAR	<u>8,097,290</u>

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

FUND SURPLUS, END OF YEAR	443,960	202,349	303,071	1,041,139	79,997	12,425	251,781
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RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

FUND SURPLUS, END OF YEAR	398,753	-	22,970	112,864	-	180,625	2,024,846
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RURAL MUNICIPALITY OF ROCKWOOD

Schedule 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

FUND SURPLUS, END OF YEAR						
	288,498	3,144,361	193,128	58,838	(200,000)	11,627
						8,571,232

RURAL MUNICIPALITY OF ROCKWOOD

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2017

FUND SURPLUS, END OF YEAR

8,512,376

Schedule 6

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 7

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES

For the Year Ended December 31, 2017

	Stony Mountain \$	Balmoral \$	Grosse Isle \$	Gunton \$	2017 Actual \$	2016 Actual \$
FINANCIAL ASSETS						
Accounts receivable <i>(note 3)</i>	283,675	15,124	53,138	1,784,545	2,136,482	82,252
Due from other funds	128,605	3,893	824	(532,809)	(399,487)	(1,458,927)
	<u>412,280</u>	<u>19,017</u>	<u>53,962</u>	<u>1,251,736</u>	<u>1,736,995</u>	<u>(1,376,675)</u>
LIABILITIES						
Bank indebtedness	-	-	931,648	-	931,648	930,933
Accounts payable and accrued liabilities <i>(note 6)</i>	24,193	-	(55,283)	-	(31,090)	44,467
Long-term debt <i>(note 9)</i>	-	28,503	183,347	1,769,509	1,981,359	259,228
Due to other funds	1,572,300	778,288	957,376	204,321	3,512,285	1,912,831
	<u>1,596,493</u>	<u>806,791</u>	<u>2,017,088</u>	<u>1,973,830</u>	<u>6,394,202</u>	<u>3,147,459</u>
NON-FINANCIAL ASSETS						
Tangible capital assets <i>(schedule 1)</i>	4,186,403	3,931,872	3,319,793	5,673,130	17,111,198	16,952,440
Inventories	-	-	589	-	589	589
Prepaid expenses	605	1,516	77	810	3,008	3,017
	<u>4,187,008</u>	<u>3,933,388</u>	<u>3,320,459</u>	<u>5,673,940</u>	<u>17,114,795</u>	<u>16,956,046</u>
FUND SURPLUS	<u>3,002,795</u>	<u>3,145,614</u>	<u>1,357,333</u>	<u>4,951,846</u>	<u>12,457,588</u>	<u>12,431,912</u>

Reid & Associates Chartered Professional Accountants Inc.

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 8

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2017

	STONY MOUNTAIN UTILITY		
	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	146,600	200,699	136,809
Bulk water fees	-	300	294
	<u>146,600</u>	<u>200,999</u>	<u>137,103</u>
SEWER			
Sewer fees	<u>61,500</u>	<u>89,894</u>	<u>52,441</u>
GOVERNMENT TRANSFERS			
Capital	<u>-</u>	<u>165,930</u>	<u>-</u>
OTHER REVENUE			
Hydrant rentals	12,000	12,000	12,000
Connection charges	600	162,190	400
Installation service	15,500	16,000	4,000
Penalties	2,600	2,993	2,793
Other income	<u>111,000</u>	<u>111,596</u>	<u>114,178</u>
	<u>141,700</u>	<u>304,779</u>	<u>133,371</u>
TOTAL REVENUE	<u>349,800</u>	<u>761,602</u>	<u>322,915</u>
EXPENSES			
GENERAL			
Administration	<u>39,000</u>	<u>46,572</u>	<u>45,233</u>
WATER			
Purification and treatment	8,000	10,321	9,481
Transmission and distribution	120,000	102,628	135,420
Transportation services	69,000	73,856	103,059
Connection costs	<u>10,000</u>	<u>2,500</u>	<u>8,300</u>
	<u>207,000</u>	<u>189,305</u>	<u>256,260</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>82,500</u>	<u>82,296</u>	<u>94,867</u>
SEWER			
Collection system costs	81,000	129,314	132,450
Treatment and disposal costs	2,000	598	711
Lift station costs	<u>8,000</u>	<u>8,535</u>	<u>11,247</u>
	<u>91,000</u>	<u>138,447</u>	<u>144,408</u>

RURAL MUNICIPALITY OF ROCKWOOD**Schedule 8****SCHEDULE OF UTILITY OPERATIONS****For the Year Ended December 31, 2017**

	2017 Budget \$	2017 Actual \$	2016 Actual \$
SEWER AMORTIZATION AND INTEREST			
Amortization	<u>57,600</u>	<u>57,606</u>	<u>58,031</u>
TOTAL EXPENSES	<u>477,100</u>	<u>514,226</u>	<u>598,799</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(127,300)	247,376	(275,884)
TRANSFERS			
Transfers from (to) utility fund	<u>-</u>	<u>(12,800)</u>	<u>(12,800)</u>
CHANGE IN UTILITY FUND BALANCE	(127,300)	234,576	(288,684)
FUND SURPLUS, BEGINNING OF YEAR	<u>2,768,219</u>	<u>2,768,219</u>	<u>3,056,903</u>
FUND SURPLUS, END OF YEAR	<u><u>2,640,919</u></u>	<u><u>3,002,795</u></u>	<u><u>2,768,219</u></u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 8

SCHEDULE OF UTILITY OPERATIONS

For the Year Ended December 31, 2017

	BALMORAL UTILITY		
	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	50,500	43,092	40,295
Bulk water fees	500	-	276
	<u>51,000</u>	<u>43,092</u>	<u>40,571</u>
SEWER			
Sewer fees	<u>48,500</u>	<u>42,349</u>	<u>39,562</u>
PROPERTY TAXES	<u>30,313</u>	<u>30,312</u>	<u>30,312</u>
OTHER REVENUE			
Hydrant rentals	2,800	2,800	2,800
Installation service	4,000	-	-
Penalties	800	689	709
Other income	9,000	7,914	8,260
	<u>16,600</u>	<u>11,403</u>	<u>11,769</u>
TOTAL REVENUE	<u>146,413</u>	<u>127,156</u>	<u>122,214</u>
EXPENSES			
GENERAL			
Administration	<u>8,000</u>	<u>5,906</u>	<u>7,906</u>
WATER			
Purification and treatment	4,500	5,928	6,357
Transmission and distribution	-	18,485	18,306
Transportation services	34,100	37,437	26,925
Connection costs	5,000	-	-
	<u>43,600</u>	<u>61,850</u>	<u>51,588</u>
WATER AMORTIZATION AND INTEREST			
Amortization	53,400	53,343	53,343
Interest on long-term debt	3,500	3,510	5,109
	<u>56,900</u>	<u>56,853</u>	<u>58,452</u>
SEWER			
Collection system costs	13,000	19,714	20,926
Treatment and disposal costs	7,000	1,305	1,800
Lift station costs	8,500	3,278	4,294
	<u>28,500</u>	<u>24,297</u>	<u>27,020</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	<u>38,600</u>	<u>38,558</u>	<u>38,558</u>

RURAL MUNICIPALITY OF ROCKWOOD**Schedule 8****SCHEDULE OF UTILITY OPERATIONS****For the Year Ended December 31, 2017**

TOTAL EXPENSES	<u>175,600</u>	<u>187,464</u>	<u>183,524</u>
EXCESS OF EXPENSES OVER REVENUE	(29,187)	(60,308)	(61,310)
TRANSFERS			
Transfers from (to) utility fund	<u>-</u>	<u>(3,500)</u>	<u>(5,000)</u>
CHANGE IN UTILITY FUND BALANCE	(29,187)	(63,808)	(66,310)
FUND SURPLUS, BEGINNING OF YEAR	<u>3,209,422</u>	<u>3,209,422</u>	<u>3,275,732</u>
FUND SURPLUS, END OF YEAR	<u>3,180,235</u>	<u>3,145,614</u>	<u>3,209,422</u>

RURAL MUNICIPALITY OF ROCKWOOD
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2017

Schedule 8

	GROSSE ISLE UTILITY		
	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	50,625	55,978	48,400
SEWER			
Sewer fees	16,500	15,970	15,850
PROPERTY TAXES	-	7,898	7,898
GOVERNMENT TRANSFERS			
Other transfer	40,995	53,495	40,995
OTHER REVENUE			
Hydrant rentals	1,725	1,725	1,725
Connection charges	-	6,388	26,895
Administration fees	8,250	8,351	8,232
Other income	32,091	9,058	83,013
	42,066	25,522	119,865
TOTAL REVENUE	150,186	158,863	233,008
EXPENSES			
GENERAL			
Administration	17,285	24,219	30,493
Billing and collection	2,840	2,603	2,415
	20,125	26,822	32,908
WATER			
Purification and treatment	750	332	778
Transmission and distribution	25,750	17,314	24,849
Water purchases	32,500	33,569	30,325
Connection costs	-	-	27,395
	59,000	51,215	83,347
WATER AMORTIZATION AND INTEREST			
Amortization	47,600	47,585	46,250
Interest on long-term debt	8,000	7,920	8,749
	55,600	55,505	54,999
SEWER			
Treatment and disposal costs	3,250	49,067	112,719
Lift station costs	2,225	1,383	1,298
	5,475	50,450	114,017
SEWER AMORTIZATION AND INTEREST			
Amortization	29,100	29,069	27,918

RURAL MUNICIPALITY OF ROCKWOOD
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2017

Schedule 8

TOTAL EXPENSES	<u>169,300</u>	<u>213,061</u>	<u>313,189</u>
EXCESS OF EXPENSES OVER REVENUE	(19,114)	(54,198)	(80,181)
TRANSFERS			
Transfers from (to) operating fund	<u>-</u>	<u>(824)</u>	<u>(74,098)</u>
CHANGE IN UTILITY FUND BALANCE	(19,114)	(53,374)	(6,083)
FUND SURPLUS, BEGINNING OF YEAR	<u>1,410,707</u>	<u>1,410,707</u>	<u>1,416,790</u>
FUND SURPLUS, END OF YEAR	<u>1,391,593</u>	<u>1,357,333</u>	<u>1,410,707</u>

RURAL MUNICIPALITY OF ROCKWOOD
SCHEDULE OF UTILITY OPERATIONS
For the Year Ended December 31, 2017

Schedule 8

	GUNTON UTILITY		
	2017	2017	2016
	Budget	Actual	Actual
	\$	\$	\$
REVENUE			
WATER			
Water fees	<u>34,500</u>	<u>35,954</u>	<u>35,217</u>
SEWER			
Sewer fees	<u>24,500</u>	<u>24,362</u>	<u>23,546</u>
PROPERTY TAXES	<u>36,500</u>	<u>36,500</u>	<u>36,500</u>
OTHER REVENUE			
Hydrant rentals	4,000	4,000	4,000
Connection charges	10,000	5,200	5,400
Penalties	1,500	1,463	1,022
Other income	<u>15,000</u>	<u>6,088</u>	<u>6,354</u>
	<u>30,500</u>	<u>16,751</u>	<u>16,776</u>
TOTAL REVENUE	<u>126,000</u>	<u>113,567</u>	<u>112,039</u>
EXPENSES			
GENERAL			
Administration	<u>7,000</u>	<u>4,888</u>	<u>6,813</u>
WATER			
Purification and treatment	2,500	-	11
Transmission and distribution	25,000	29,488	27,959
Transportation services	17,500	8,507	10,979
Connection costs	<u>4,000</u>	<u>5,200</u>	<u>5,400</u>
	<u>49,000</u>	<u>43,195</u>	<u>44,349</u>
WATER AMORTIZATION AND INTEREST			
Amortization	<u>63,000</u>	<u>63,035</u>	<u>63,035</u>
SEWER			
Collection system costs	17,000	21,777	20,479
Lift station costs	<u>16,500</u>	<u>10,672</u>	<u>19,602</u>
	<u>33,500</u>	<u>32,449</u>	<u>40,081</u>
SEWER AMORTIZATION AND INTEREST			
Amortization	<u>63,200</u>	<u>63,218</u>	<u>63,218</u>
TOTAL EXPENSES	<u>215,700</u>	<u>206,785</u>	<u>217,496</u>
EXCESS OF EXPENSES OVER REVENUE	<u>(89,700)</u>	<u>(93,218)</u>	<u>(105,457)</u>
TRANSFERS			

RURAL MUNICIPALITY OF ROCKWOOD
SCHEDULE OF UTILITY OPERATIONS

Schedule 8

For the Year Ended December 31, 2017

Transfers from (to) utility fund	<u>-</u>	<u>1,500</u>	<u>-</u>
CHANGE IN UTILITY FUND BALANCE	(89,700)	(91,718)	(105,457)
FUND SURPLUS, BEGINNING OF YEAR	<u>5,043,564</u>	<u>5,043,564</u>	<u>5,149,021</u>
FUND SURPLUS, END OF YEAR	<u><u>4,953,864</u></u>	<u><u>4,951,846</u></u>	<u><u>5,043,564</u></u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 9

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2017

	Financial Plan General	Financial Plan Utilities	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Government Partnerships	PSAB Budget
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Property taxes	4,037,363	-	-	-	-	-	-	4,037,363
Grants in lieu of taxation	325,715	-	-	-	-	-	-	325,715
User fees	475,777	-	-	-	-	-	239,649	715,426
Grants - Province of Manitoba	437,000	-	-	-	-	-	96,374	533,374
Grants - Other	430,000	-	-	-	-	-	298,479	728,479
Permits, licences and fees	1,199,800	-	-	-	-	-	186,075	1,385,875
Investment revenue	30,500	-	-	-	-	-	10,530	41,030
Other revenue	114,861	-	-	-	-	-	12,662	127,523
Transfers	320,000	-	-	-	(320,000)	-	-	-
Water and sewer	(82,607)	772,399	-	-	-	-	415,723	1,105,515
	7,288,409	772,399	-	-	(320,000)	-	1,259,492	9,000,300
EXPENSES								
General government services	853,801	-	67,250	-	266	-	-	921,317
Protective services	462,010	-	63,500	-	-	-	83,358	608,868
Transportation services	3,358,032	-	586,400	1,000	-	-	104,946	4,050,378
Environmental health services	570,300	-	-	-	-	-	-	570,300
Public health and welfare services	5,000	-	-	-	-	-	-	5,000
Regional planning and development	61,000	-	-	-	-	-	244,532	305,532
Resource conservation and industrial development	26,000	-	-	-	-	-	93,354	119,354
Recreation and cultural services	578,000	-	3,250	-	-	-	332,773	914,023
Fiscal services	266	-	-	-	(266)	-	-	-
Transfers	1,374,000	84,613	-	-	(1,458,613)	-	-	-
Water and sewer	-	675,900	435,000	11,500	(84,700)	-	439,583	1,477,283
	7,288,409	760,513	1,155,400	12,500	(1,543,313)	-	1,298,546	8,972,055
SURPLUS (DEFICIT)	-	11,886	(1,155,400)	(12,500)	1,223,313	-	(39,054)	28,245

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 10

ANALYSIS OF TAXES ON ROLL

For the Year Ended December 31, 2017

	2017 Actual \$	2016 Actual \$
BALANCE, BEGINNING OF YEAR	<u>658,238</u>	<u>508,274</u>
Add:		
Tax Levy (<i>schedule 11</i>)	10,166,528	9,651,255
Taxes added	87,501	130,885
Penalties and interest	<u>64,203</u>	<u>53,897</u>
Sub-total	<u>10,976,470</u>	<u>10,344,311</u>
Deduct:		
Cash collections - current	8,317,231	7,764,507
Cash collections - arrears	524,888	372,057
Cancellations	39,142	34,929
Tax discounts	-	-
M.P.T.C. - cash advance	<u>1,525,137</u>	<u>1,514,580</u>
Sub-total	<u>10,406,398</u>	<u>9,686,073</u>
BALANCE, END OF YEAR	<u>570,072</u>	<u>658,238</u>
Error - opening balance does not balance with prior years	<u>(18,203)</u>	<u>-</u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 11

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2017

	Assessment	2017 Mill Rate	Levy	2016 Levy
Debt Charges:				
Frontage (note 11)			81,193	81,193
L.I.D.			-	-
At large			-	-
Reserves:				
Reserves (note 12)			824,771	829,553
Other municipal levies:				
General municipal	442,948,570	6.271	2,777,729	2,599,352
Special levy (note 13)			193,440	183,024
			2,971,169	2,782,376
Business tax (rate 0.00%)			230	253
Total municipal taxes (schedule 2)			3,877,363	3,693,375
Education Support Levy	25,148,100	10.500	264,056	256,426
Special levy:				
Interlake School Division	441,511,380	13.629	6,013,551	5,690,007
Evergreen School Division	264,920	10.947	2,900	2,834
Lakeshore School Division	534,460	16.200	8,658	8,613
			6,025,109	5,701,454
Total education taxes			6,289,165	5,957,880
Total tax levy (schedule 10)			10,166,528	9,651,255

RURAL MUNICIPALITY OF ROCKWOOD
Schedule 12
SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2017

	2017 Budget \$	2017 Actual \$	2016 Actual \$
GENERAL GOVERNMENT SERVICES			
Legislative	153,000	145,515	150,770
General administrative	701,067	786,859	767,321
Other	67,250	67,212	67,678
	<u>921,317</u>	<u>999,586</u>	<u>985,769</u>
PROTECTIVE SERVICES			
Fire	469,510	527,555	495,292
Emergency measures	21,000	19,032	19,302
By-law enforcement	35,000	36,080	36,500
	<u>525,510</u>	<u>582,667</u>	<u>551,094</u>
TRANSPORTATION SERVICES			
Road transport			
Administration and engineering	602,400	594,719	583,419
Road and street maintenance	3,233,032	2,688,795	3,264,994
Sidewalk and boulevard maintenance	25,000	7,777	16,745
Street lighting	40,000	32,083	35,633
Public transit	45,000	43,322	44,362
	<u>3,945,432</u>	<u>3,366,696</u>	<u>3,945,153</u>
ENVIRONMENTAL HEALTH SERVICES			
Waste collection and disposal	563,300	592,518	543,615
Lagoons and wells	7,000	7,552	11,790
	<u>570,300</u>	<u>600,070</u>	<u>555,405</u>
PUBLIC HEALTH AND WELFARE SERVICES			
Social assistance	5,000	4,241	4,241
REGIONAL PLANNING AND DEVELOPMENT			
Planning and zoning	61,000	60,878	93,828
RESOURCE CONSERVATION AND INDUSTRIAL DEVELOPMENT			
Rural area weed control	26,000	25,112	25,112
RECREATION AND CULTURAL SERVICES			
Administration	3,250	3,251	2,606
Community centers and halls	386,000	316,148	340,139
Skating and curling rinks	25,000	25,000	25,000
Parks and playgrounds	10,000	12,521	10,137
Libraries	155,000	155,365	131,008
Other cultural facilities	2,000	237	291
	<u>581,250</u>	<u>512,522</u>	<u>509,181</u>
TOTAL EXPENSES	<u>6,635,809</u>	<u>6,151,772</u>	<u>6,669,783</u>

RURAL MUNICIPALITY OF ROCKWOOD

Schedule 13

ESTIMATED RECONCILIATION OF ANNUAL SURPLUS

For the Year Ended December 31, 2017

	General	Stony Mountain	Balmoral	Grosse Isle	Gunton	2017	2016
	\$	\$	\$	\$	\$	Total	Total
CONSOLIDATED ANNUAL SURPLUS							
<i>(statement 2)</i>							
Elimination of appropriations from reserves	670,737	234,576	(63,808)	(53,374)	(91,718)	696,413	1,484,387
Elimination of appropriations to reserves	1,272,746	-	-	-	-	1,272,746	1,355,326
Consolidation of reserve operations	(1,307,507)	-	-	-	-	(1,307,507)	(1,808,485)
Elimination of consolidated entity operations	9,295	-	-	-	-	9,295	38,073
Amortization of tangible capital assets	168,187	-	-	-	-	168,187	(206,768)
Principal portion of long term debt	720,230	139,903	91,901	76,654	126,253	1,154,941	1,200,458
Proceeds on disposal of assets	-	-	(26,803)	(20,575)	-	(47,378)	(44,950)
Loss (gain) on disposal of assets	184,960	-	-	-	-	184,960	-
Change in unexpended gas tax funding	(40,486)	-	-	-	-	(40,486)	-
Acquisitions of capital assets from operating funds	-	-	-	-	-	-	(1,391,508)
	(1,374,451)	(309,335)	-	(7,124)	-	(1,690,910)	(697,848)
ESTIMATED EXCESS (DEFICIENCY) OF REVENUES AND TRANSFERS OVER EXPENDITURES FOR THE PURPOSES OF SECTION 165(1) AND (2) OF THE MUNICIPAL ACT***	303,711	65,144	1,290	(4,419)	34,535	400,261	(71,315)

