

Town of Niverville

**Consolidated Financial Statements
For the Year Ended December 31, 2016**

STATEMENT OF RESPONSIBILITY

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

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.

Exchange chartered professional accountants, LLP as the Town's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as he considers 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 Town in accordance with Canadian generally accepted accounting principles.


Jim Buys
Chief Administrative Officer



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying consolidated financial statements of the Town of Niverville, which comprise the Consolidated Statement of Financial Position as at December 31, 2016 and the Consolidated Statements of Operations and Accumulated Surplus, Change in Net Financial Assets and Cash Flows for the year ended December 31, 2016, 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 consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Niverville as at December 31, 2016, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2016 in accordance with Canadian Public Sector Accounting Standards.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
October 30, 2017

Town of Niverville

Consolidated Financial Statements

For the Year Ended December 31, 2016

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Town of Niverville
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2016

	<u>2016</u>	<u>2015</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 5,349,311	\$ 5,073,836
Amounts receivable (Note 4)	2,474,889	2,145,960
Other inventories for sale (Note 5)	34,578	20,268
	<u>\$ 7,858,778</u>	<u>\$ 7,240,064</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 716,138	\$ 851,076
Long-term debt (Note 8)	957,572	1,099,862
	<u>1,673,710</u>	<u>1,950,938</u>
NET FINANCIAL ASSETS	<u>\$ 6,185,068</u>	<u>\$ 5,289,126</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 28,948,287	\$ 27,601,705
Inventories (Note 5)	1,673	1,673
Prepaid expenses	41,966	124,557
	<u>28,991,926</u>	<u>27,727,935</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 35,176,994</u>	<u>\$ 33,017,061</u>

COMMITMENTS (NOTE 9)

Approved on behalf of Council:

Myron Dyck - Mayor

John Funk - Deputy Mayor

The accompanying notes are an integral part of this financial statement

Town of Niverville
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2016

	<u>2016 Budget (Note 13)</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
REVENUE			
Property taxes	\$ 2,895,543	\$ 3,083,880	\$ 2,862,494
Grants in lieu of taxation	76,839	27,747	23,787
User fees	185,970	284,948	328,425
Permits, licences and fines	34,200	47,832	47,089
Investment income	33,579	86,910	118,470
Other revenue	284,420	507,151	2,747,914
Water and sewer	831,481	2,215,145	2,052,017
Grants - Province of Manitoba	753,600	986,308	989,974
Grants - other	182,102	264,613	285,275
	<u>5,277,734</u>	<u>7,504,534</u>	<u>9,455,445</u>
EXPENSES			
General government services	843,145	802,739	659,672
Protective services	466,211	497,923	491,263
Transportation services	1,544,853	1,437,220	1,266,284
Environmental health services	297,090	391,761	269,821
Public health and welfare services	21,051	15,890	658
Regional planning and development	231,200	44,731	22,233
Resource conservation and industrial development	198,657	134,187	84,104
Recreation and cultural services	647,669	654,242	482,451
Water and sewer services	1,019,455	1,365,908	1,090,811
	<u>5,269,331</u>	<u>5,344,601</u>	<u>4,367,297</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 8,403</u>	<u>2,159,933</u>	<u>5,088,148</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>33,017,061</u>	<u>27,928,913</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 35,176,994</u>	<u>\$ 33,017,061</u>

The accompanying notes are an integral part of this financial statement

Town of Niverville
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2016

	<u>2016 Budget (Note 13)</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ 8,403	\$ 2,159,933	\$ 5,088,148
Acquisition of tangible capital assets	-	(2,624,887)	(5,111,659)
Amortization of tangible capital assets	1,263,457	1,278,305	1,121,956
Loss (Gain) on sale of tangible capital assets	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	-	(8)
Decrease (increase) in prepaid expense	-	82,591	(103,308)
	<u>1,263,457</u>	<u>(1,263,991)</u>	<u>(4,093,019)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ 1,271,860</u>	895,942	995,129
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>5,289,126</u>	<u>4,293,997</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 6,185,068</u>	<u>\$ 5,289,126</u>

The accompanying notes are an integral part of this financial statement

Town of Niverville
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016

	<u>2016</u>	<u>2015</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 2,159,933	\$ 5,088,148
Changes in non-cash items:		
Amounts receivable	(328,929)	(346,029)
Inventories	(14,310)	(4,590)
Prepays	82,591	(103,307)
Accounts payable and accrued liabilities	(134,938)	(264,243)
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	<u>1,278,305</u>	<u>1,121,956</u>
Cash provided by operating transactions	<u>3,042,652</u>	<u>5,491,935</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	<u>(2,624,887)</u>	<u>(5,058,162)</u>
Cash applied to capital transactions	<u>(2,624,887)</u>	<u>(5,058,162)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	-
Proceeds on sale of real estate properties	-	-
Loans and advances repaid	-	-
Purchase of portfolio investments	-	-
Acquisition of real estate properties	-	(53,498)
Loans and advances issued	-	-
Cash applied to investing transactions	<u>-</u>	<u>(53,498)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(142,290)	(140,732)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
Cash applied to financing transactions	<u>(142,290)</u>	<u>(140,732)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	275,475	239,543
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,073,836</u>	<u>4,834,293</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 5,349,311</u></u>	<u><u>\$ 5,073,836</u></u>

The accompanying notes are an integral part of this financial statement

Town of Niverville

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2016

1. Status of the Town of Niverville

The incorporated Town of Niverville ('the Town') is a municipal government that was incorporated as the Village of Niverville on January 1, 1969 and became a Town in 1993 pursuant to the Manitoba Municipal Act. The Town provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, and other general government operations. The Town 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 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:

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 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:

Niverville Recreation Committee Inc.

Niverville Community Development Corporation

The Town has a partnership agreement in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards and commissions are accounted for on a proportionate consolidation basis whereby the Town'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:

NRT Municipal Broadband Inc.

33.33%

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

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

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.

f) Landfill Closure and Post Closure Liabilities

The Town of Niverville does not have a landfill. The RM of Richot owns the landfill and it is managed by Mid-Canada Waste Services. The Town of Niverville pays a fee based on the tonnage disposed. It is assumed that the fee includes portioned closure and post closure costs.

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 Town does not capitalize internal finance charges as part of the cost of its tangible capital assets.

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 Town, 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.

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.

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2016</u>	<u>2015</u>
Cash	\$ 5,349,311	\$ 5,073,836
Temporary investments	-	-
	<u>\$ 5,349,311</u>	<u>\$ 5,073,836</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$4,482,196 (2015 \$4,207,616) to reserves for debt principal repayments and tangible capital assets acquisitions. See Schedule 6 - Schedule of Change in Reserve Fund Balances.

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2016</u>	<u>2015</u>
Taxes on roll (Schedule 11)	\$ 971,162	\$ 961,005
Government grants	10,033	36,117
Utility customers	204,532	169,455
Accrued interest	-	-
Organizations and individuals	1,287,572	981,917
Other governments	97,765	90,270
	<u>2,571,064</u>	<u>2,238,764</u>
Less allowances for doubtful amounts	<u>(96,175)</u>	<u>(92,804)</u>
	<u>\$ 2,474,889</u>	<u>\$ 2,145,960</u>

5. Inventories

Inventories for sale:

	<u>2016</u>	<u>2015</u>
Water Meters	\$ 31,250	\$ 18,177
Composters & recycle bins	3,328	2,091
Other	-	-
	<u>-</u>	<u>-</u>
	<u>\$ 34,578</u>	<u>\$ 20,268</u>

Inventories for use:

	<u>\$ 1,673</u>	<u>\$ 1,673</u>
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6. Accounts Payable and Accrued Liabilities

	<u>2016</u>	<u>2015</u>
Accounts payable	\$ 313,375	\$ 385,588
Accrued expenses	91,222	104,326
Accrued interest payable	-	-
School levies (Schedule 13)	247,558	281,544
Other governments	63,983	79,618
	<u>\$ 716,138</u>	<u>\$ 851,076</u>

7. Landfill Closure and Post Closure Liabilities

The Town of Niverville does not have a landfill. The RM of Richot owns the landfill and it is managed by Mid-Canada Waste Services. The Town of Niverville pays a fee based on the tonnage disposed. It is assumed that the fee includes portioned closure and post closure costs.

8. Long Term Debt

	<u>2016</u>	<u>2015</u>
General Authority:		
Debenture (BL 570-02 LID#7), interest at 7.000%, payable at \$1,845 annually including interest, maturing 2016	\$ -	\$ 1,724
Debenture (BL 573-02 LID#8), interest at 6.500%, payable at \$18,452 annually including interest, maturing 2017	17,326	33,595
Debenture (BL 601-03 LID#10), interest at 6.375%, payable at \$2,184 annually including interest, maturing 2018	3,983	5,797
Debenture (BL 658-09 LID#13), interest at 5.309%, payable at \$49,762 annually including interest, maturing 2022	289,111	329,161
Debenture (BL 647-07 LID#14), interest at 5.283%, payable at \$53,254 annually including interest, maturing 2021	283,930	332,461
Debenture (BL 653-07 LID#15), interest at 5.875%, payable at \$4,276 annually including interest, maturing 2022	20,040	22,762
	<u>\$ 614,390</u>	<u>\$ 725,500</u>
Utility Funds:		
Fifth Avenue Estates Water Debenture (BL 577-02 LID#9), interest at 6.500%, payable at \$14,672 annually including interest, maturing 2017	\$ 9,986	\$ 19,363
Crow Wing Water Debenture (BL 659-08 LID#12), interest at 5.391%, payable at \$34,286 annually including interest, maturing 2027	333,196	354,999
	<u>\$ 343,182</u>	<u>\$ 374,362</u>
	<u>\$ 957,572</u>	<u>\$ 1,099,862</u>

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

2017	\$ 148,373
2018	\$ 128,836
2019	\$ 132,162
2020	\$ 139,202
2021	\$ 146,618

9. Commitments

The Town has outstanding contractual obligations of approximately \$783,915 at December 31, 2016 (2015 - \$268,861) for capital works.

The Town has entered into an agreement with Prostar HDD Ltd. for the Watermain Distribution Extension Project. The contract price with Prostar HDD Ltd., being the highest scoring bidder (based on criteria of price, quality of work, timing of work, company reputation), is \$1,154,507.

While this phase of the project was completed in 2016, to the point of the water service being provided to customers, holdbacks and finishing work remained outstanding at December 31, 2016 in the amount of \$25,120.

The Town has undertaken a project to upgrade the water treatment plant to accommodate the water main extensions on Main Street. The Town has entered into a contract for engineering services for the project with WSP Canada Ltd. for \$33,800. As at December 31, 2016 this obligation remains outstanding as the work is incomplete.

The Town has entered into an agreement with Contec Projects Ltd. (for the water treatment plant upgrade) who submitted the lowest tender price of \$417,668. The portion of this project incomplete and therefore outstanding at December 31, 2016 was \$361,830.

The Town has undertaken to complete an analysis identifying a new well field that will provide sustainable water requirements. The Town is a party to a funding agreement with the Manitoba Water Services Board, for a \$850,000 expansion project and has agreed to equally share the cost of the project. The Water Services Board is managing this project and periodically invoices the Town for 50% of the costs. The amount invoiced (and paid) to date is \$62,835.19 leaving the Town's outstanding commitment of \$363,165.

10. Retirement Benefits

The majority of the employees of the Town 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 Town on behalf of its employees amounted to \$54,301 (2015 - \$42,263) 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, 2015 indicated the plan was 96.1% funded on a going concern basis and had an unfunded solvency liability of \$251.7 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2015.

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

11. Financial Instruments

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

12. Subsequent Events

The Niverville Wetlands Project is a multi-phase project that includes the revegetation of the wetland and storage cells involved in the decommissioning of the old lagoon site. The Town, together with Ducks Unlimited and the University of Manitoba began the project in 2012. Environment Canada provided funding from 2014 to 2016. The project is still in process, additional Funding requests are in progress.

13. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Town 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.

14. Accumulated Surplus

	2016	2015
Accumulated surplus consists of the following:		
General operating fund - Nominal Surplus	\$ 1,258,598	\$ 2,922,907
Utility operating fund(s)- Nominal Surplus	1,250,201	(2,008,043)
TCA net of related borrowings	27,289,943	27,144,902
Reserve Funds	<u>4,482,196</u>	<u>4,207,616</u>
Accumulated surplus of Town unconsolidated	34,280,938	32,267,382
Accumulated surpluses of consolidated entities	<u>896,056</u>	<u>749,679</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 35,176,994</u>	<u>\$ 33,017,061</u>

15. Public Sector Compensation Disclosure

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

- Compensation paid to members of council amounted to \$67,991 in aggregate.
- There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor Myron Dyck	\$ 19,545	\$ 2,125	\$ 21,670
Councillor John Funk	13,375	735	14,110
Councillor Cris Wiebe	12,098	714	12,812
Councillor John Falk	6,308	237	6,545
Councillor Kevin Stott	12,024	830	12,854
	<u>\$ 63,350</u>	<u>\$ 4,641</u>	<u>\$ 67,991</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Jim Buys</i>	CAO	\$ 114,866
<i>Ryan Dyck</i>	Public Works Manager	\$ 72,878
<i>Eric King</i>	Finance Administration Manager	\$ 82,190

16. Segmented Information

The Town of Niverville 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.

17. Government Partnerships

The Town 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:

	2016	2015
Financial Position		
Financial assets	\$ 36,638	\$ 32,576
Financial liabilities	(1,345)	(614)
Net financial assets (liabilities)	35,293	31,962
Non-financial assets	-	-
Accumulated surplus	<u>\$ 35,293</u>	<u>\$ 31,962</u>
Result of Operations		
Revenues	\$ 4,718	\$ 4,400
Expenses	\$ 1,387	\$ -
Annual surplus	<u>\$ 3,331</u>	<u>\$ 4,400</u>

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 Town 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:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Utility #1 - Spruce Drive	<u>\$ 4,475,481</u>	<u>\$ 1,017,281</u>	<u>\$ 177,113</u>	<u>\$ 5,315,649</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Town Sewer Utilities	<u>\$ 4,034,531</u>	<u>\$ -</u>	<u>\$ 65,425</u>	<u>\$ 3,969,106</u>

Town of Niverville
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the Year Ended December 31, 2016

SCHEDULE 1

	General Capital Assets					Infrastructure		Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	2016	2015
Cost									
Opening costs	2,831,548	1,792,696	2,577,781	46,765	663,421	13,846,563	15,558,139	37,316,913	32,205,254
Additions during the year	138,312	287,926	628,292	3,160	336,794	341,209	1,680,719	3,416,412	5,787,987
Disposals, write downs, transfers	-	-	-	-	(791,525)	-	-	(791,525)	(676,328)
Closing costs	2,969,860	2,080,622	3,206,073	49,925	208,690	14,187,772	17,238,858	39,941,800	37,316,913
Accumulated Amortization									
Opening accum'd amortization	298,257	1,067,830	899,127	33,774	-	3,884,131	3,532,089	9,715,208	8,593,252
Amortization	39,760	56,924	184,838	5,076	-	431,590	560,117	1,278,305	1,121,956
Disposals, write downs, transfers	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	338,017	1,124,754	1,083,965	38,850	-	4,315,721	4,092,206	10,993,513	9,715,208
Net Book Value of Tangible Capital Assets	<u>\$ 2,631,843</u>	<u>\$ 955,868</u>	<u>\$ 2,122,108</u>	<u>\$ 11,075</u>	<u>\$ 208,690</u>	<u>\$ 9,872,051</u>	<u>\$ 13,146,652</u>	<u>\$ 28,948,287</u>	<u>\$ 27,601,705</u>

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2016

	2016 Actual	2015 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 2,944,507	\$ 2,697,111
Taxes added	139,373	165,383
	<u>3,083,880</u>	<u>2,862,494</u>
Grants in lieu of taxation:		
Federal government	2,240	2,240
Federal government enterprises	-	-
Provincial government	25,507	21,547
Provincial government enterprises	-	-
Other local governments	-	-
Non-government organizations	-	-
	<u>27,747</u>	<u>23,787</u>
User fees		
Parking meters	-	-
Sales of service	226,552	208,311
Sales of goods	8,071	226
Rentals	-	-
Development charges	45,925	115,488
Facility use fees	4,400	4,400
	<u>284,948</u>	<u>328,425</u>
Permits, licences and fines		
Permits	37,359	38,803
Licences	4,471	5,202
Fees	-	-
Fines	6,002	3,084
	<u>47,832</u>	<u>47,089</u>
Investment income:		
Cash and temporary investments	79,206	83,174
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	7,704	35,296
	<u>86,910</u>	<u>118,470</u>
Other revenue:		
Gain on sale of tangible capital assets	-	-
Sale of real estate held for sale	-	-
Contributed assets	321,647	2,546,930
Penalties and interest	122,703	97,608
Miscellaneous (specify): Donations	24,775	49,883
Miscellaneous (specify): Surplus lands	-	-
Miscellaneous (specify): Town Sundry	5,872	53,431
Miscellaneous (specify): Reporting Entity Sundry	32,154	62
	<u>507,151</u>	<u>2,747,914</u>
Water and sewer:		
Municipal utilities (Schedule 9)	2,215,145	2,052,017
Consolidated water co-operatives	-	-
	<u>2,215,145</u>	<u>2,052,017</u>
Grants - Province of Manitoba		
General assistance payment	561,560	561,560
General support grant	-	-
Municipal Programs grant	56,273	56,273
Conditional grants	368,475	372,141
	<u>986,308</u>	<u>989,974</u>
Grants - other		
Federal government - gas tax funding	191,182	194,862
Federal government - other	60,365	90,413
Other local governments	13,066	-
	<u>264,613</u>	<u>285,275</u>
Total revenue	<u><u>7,504,534</u></u>	<u><u>9,455,445</u></u>

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2016

	2016 Actual	2015 Actual
General government services:		
Legislative	\$ 81,740	\$ 79,892
General administrative	685,186	541,896
Other	35,813	37,884
	<u>802,739</u>	<u>659,672</u>
Protective services:		
Police	203,607	201,547
Fire and Emergency Medical Response	265,328	258,828
Emergency measures	-	5,210
Other protection	28,988	25,678
	<u>497,923</u>	<u>491,263</u>
Transportation services:		
Road transport		
Administration and engineering	583,822	513,586
Road and street maintenance	751,662	616,740
Bridges and culvert maintenance	17,876	34,676
Sidewalk and boulevard maintenance	29,339	49,417
Street lighting	46,080	47,579
Other	8,441	4,286
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>1,437,220</u>	<u>1,266,284</u>
Environmental health services:		
Waste collection and disposal	153,598	122,923
Recycling	152,922	143,372
Other	85,241	3,526
	<u>391,761</u>	<u>269,821</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Hospital care	-	-
Social assistance	658	658
Other	15,232	-
	<u>15,890</u>	<u>658</u>
Regional planning and development		
Planning and zoning	1,101	-
Urban renewal	2,032	375
Beautification and land rehabilitation	38,052	12,833
Urban area weed control	3,546	9,025
Other	-	-
	<u>44,731</u>	<u>22,233</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	22,000	17,818
Industrial development	112,187	66,286
Tourism	-	-
Other	-	-
	<u>134,187</u>	<u>84,104</u>
Sub-totals forward	<u>\$ 3,324,451</u>	<u>\$ 2,794,035</u>

**Town of Niverville
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2016**

SCHEDULE 3

	<u>2016 Actual</u>	<u>2015 Actual</u>
Sub-totals forward	<u>\$ 3,324,451</u>	<u>\$ 2,794,035</u>
Recreation and cultural services:		
Administration	104,425	101,795
Community centers and halls	97,254	35,797
Swimming pools and beaches	36,787	-
Golf courses	-	-
Arenas, Skating and curling rinks	229,834	217,543
Parks and playgrounds	185,942	127,316
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	<u>654,242</u>	<u>482,451</u>
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	1,365,908	1,090,811
Consolidated water co-operatives	-	-
	<u>1,365,908</u>	<u>1,090,811</u>
Total expenses	<u>5,344,601</u>	<u>4,367,297</u>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2016

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes	\$ 3,042,940	\$ 2,821,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	27,747	23,787	-	-	-	-	-	-	-	-
User fees	48,553	328,425	-	-	5,443	-	-	-	-	-
Grants - other	251,547	258,037	12,066	12,066	-	-	-	-	-	-
Permits, licences and fines	10,473	8,286	-	-	-	-	-	-	-	-
Investment income	79,994	92,486	109	83	2,709	2,209	-	-	-	-
Other revenue	474,996	2,747,914	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	617,833	617,833	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	184,086	174,207	-	-	13,686	11,435	157,190	148,914	-	-
Total revenue	\$ 4,738,169	\$ 7,072,529	\$ 12,175	\$ 12,149	\$ 21,838	\$ 13,644	\$ 157,190	\$ 148,914	\$ -	\$ -
EXPENSES										
Personnel services	\$ 362,025	\$ 296,012	\$ 92,281	\$ 102,088	\$ 380,029	\$ 302,536	\$ -	\$ -	\$ -	\$ -
Contract services	28,565	35,649	243,758	239,666	5,263	24,711	258,706	222,252	-	-
Utilities	9,107	9,769	8,326	8,154	11,493	13,006	-	-	64	-
Maintenance materials and supplie	13,739	8,663	48,167	48,586	447,729	463,272	-	-	15,168	-
Grants and contributions	35,813	37,884	-	-	-	-	-	-	-	-
Amortization	32,400	30,790	56,976	52,192	522,439	393,014	51	51	-	-
Interest on long term debt	-	-	-	-	39,049	45,285	-	-	-	-
Other	\$ 321,090	240,905	48,415	40,577	31,218	24,460	133,004	47,518	658	658
Total expenses	\$ 802,739	\$ 659,672	\$ 497,923	\$ 491,263	\$ 1,437,220	\$ 1,266,284	\$ 391,761	\$ 269,821	\$ 15,890	\$ 658
Surplus (Deficit)	\$ 3,935,430	\$ 6,412,857	\$ (485,748)	\$ (479,114)	\$ (1,415,382)	\$ (1,252,640)	\$ (234,571)	\$ (120,907)	\$ (15,890)	\$ (658)

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2016

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,940	\$ 40,940	\$ 3,083,880	\$ 2,862,494
Grants in lieu of taxation	-	-	-	-	-	-	-	-	27,747	23,787
User fees	4,400	-	-	-	226,552	-	-	-	284,948	328,425
Grants - other	-	-	-	-	1,000	15,172	-	-	264,613	285,275
Permits, licences and fines	37,359	38,803	-	-	-	-	-	-	47,832	47,089
Investment income	318	-	257	21,526	3,523	2,166	-	-	86,910	118,470
Other revenue	-	-	32,155	-	-	-	-	-	507,151	2,747,914
Water and sewer	-	-	-	-	-	-	2,215,145	2,052,017	2,215,145	2,052,017
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	617,833	617,833
Prov of MB - Conditional Grants	-	-	-	-	13,513	37,585	-	-	368,475	372,141
Total revenue	\$ 42,077	\$ 38,803	\$ 32,412	\$ 21,526	\$ 244,588	\$ 54,923	\$ 2,256,085	\$ 2,092,957	\$ 7,504,534	\$ 9,455,445
EXPENSES										
Personnel services	\$ -	\$ -	\$ 2,643	\$ 6,100	\$ 172,557	\$ 164,440	\$ 28,404	\$ 15,172	\$ 1,037,939	\$ 886,348
Contract services	-	-	-	-	34,157	39,803	78,102	39,877	648,551	601,958
Utilities	-	-	2,768	2,459	43,806	41,422	37,718	37,235	113,282	112,045
Maintenance materials and supplie	41,598	21,858	-	-	110,430	66,908	605,076	364,978	1,281,907	974,265
Grants and contributions	-	-	-	-	-	-	-	-	35,813	37,884
Amortization	-	-	600	600	105,722	84,097	560,117	561,212	1,278,305	1,121,956
Interest on long term debt	-	-	-	-	-	-	26,842	22,083	65,891	67,368
Other	3,133	375	128,176	74,945	187,570	85,781	29,649	50,254	882,913	565,473
Total expenses	\$ 44,731	\$ 22,233	\$ 134,187	\$ 84,104	\$ 654,242	\$ 482,451	\$ 1,365,908	\$ 1,090,811	\$ 5,344,601	\$ 4,367,297
Surplus (Deficit)	\$ (2,654)	\$ 16,570	\$ (101,775)	\$ (62,578)	\$ (409,654)	\$ (427,528)	\$ 890,177	\$ 1,002,146	\$ 2,159,933	\$ 5,088,148

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2016

	Core Government		Controlled Entities		Government Partnerships		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
REVENUE								
Property taxes	\$ 3,083,880	\$ 2,862,494	\$ -	\$ -	\$ -	\$ -	\$ 3,083,880	\$ 2,862,494
Grants in lieu of taxation	27,747	23,787	-	-	-	-	27,747	23,787
User fees	280,548	324,025	-	-	4,400	4,400	284,948	328,425
Grants - other	264,613	285,275	-	-	-	-	264,613	285,275
Permits, licences and fines	47,832	47,089	-	-	-	-	47,832	47,089
Investment income	86,331	96,839	261	21,631	318	-	86,910	118,470
Other revenue	474,997	2,747,852	32,154	62	-	-	507,151	2,747,914
Water and sewer	2,215,145	2,052,017	-	-	-	-	2,215,145	2,052,017
Prov of MB - Unconditional Grants	617,833	617,833	-	-	-	-	617,833	617,833
Prov of MB - Conditional Grants	368,475	372,141	-	-	-	-	368,475	372,141
Total revenue	\$ 7,467,401	\$ 9,429,352	\$ 32,415	\$ 21,693	\$ 4,718	\$ 4,400	\$ 7,504,534	\$ 9,455,445
EXPENSES								
Personnel services	\$ 1,037,939	\$ 886,348	\$ -	\$ -	\$ -	\$ -	\$ 1,037,939	\$ 886,348
Contract services	578,401	601,958	68,763	-	1,387	-	648,551	601,958
Utilities	110,514	109,586	2,768	2,459	-	-	113,282	112,045
Maintenance materials and supplies	1,281,826	974,265	81	-	-	-	1,281,907	974,265
Grants and contributions	35,813	37,884	-	-	-	-	35,813	37,884
Amortization	1,277,705	1,121,356	600	600	-	-	1,278,305	1,121,956
Interest on long term debt	65,891	67,368	-	-	-	-	65,891	67,368
Other	882,880	550,406	33	15,067	-	-	882,913	565,473
Total expenses	\$ 5,270,969	\$ 4,349,171	\$ 72,245	\$ 18,126	\$ 1,387	\$ -	\$ 5,344,601	\$ 4,367,297
Surplus (Deficit)	\$ 2,196,432	\$ 5,080,181	\$ (39,830)	\$ 3,567	\$ 3,331	\$ 4,400	\$ 2,159,933	\$ 5,088,148

Town of Niverville
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2016

SCHEDULE 6

	2016															2015	
	General Reserve Fund 38	Equipment Replacement Reserve Fund 30	Protective Reserve Fund 31	Capital Development Reserve Fund 32	Recreation Reserve Fund 33	Admin. Building Reserve Fund 34	Road Construction Reserve Fund 36	Recreation Facility Reserve Fund 40	Highlands Water LID#12 Reserve Fund 41	Fair Insurance Reserve Fund 53	Development fees Reserve Fund 35	Gas Tax Reserve Fund 55	Sewer Utility Replacement Reserve Fund 70	Water Utility Replacement Reserve Fund 72	Utility Reserve Fund 56	Total	Total
REVENUE																	
Investment income	\$ 25,124	\$ 1,062	\$ 109	\$ 6,092	\$ 1,345	\$ 1,711	\$ 2,709	\$ 2,175	\$ 72	\$ 291	\$ 182	\$ 11,442	\$ 3,868	\$ -	\$ 370	\$ 56,552	\$ 23,553
Other income	-	-	-	3,000	-	-	-	-	-	-	4,704	-	41,142	4,783	-	53,629	142,137
Total revenue	25,124	1,062	109	9,092	1,345	1,711	2,709	2,175	72	291	4,886	11,442	45,010	4,783	370	110,181	165,690
EXPENSES																	
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	130,898	1,000	34,186	-	34,795	-	-	-	-	-	-	-	-	-	-	200,879	104,951
Total expenses	130,898	1,000	34,186	-	34,795	-	-	-	-	-	-	-	-	-	-	200,879	104,951
NET REVENUES	(105,774)	62	(34,077)	9,092	(33,450)	1,711	2,709	2,175	72	291	4,886	11,442	45,010	4,783	370	(90,698)	60,739
TRANSFERS																	
Transfers from general operating fund	798,300	65,000	62,005	(215,211)	115,655	80,400	100,000	176,084	6,153	(15,000)	-	191,182	-	-	(10,635)	1,353,933	1,780,925
Transfers to general operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(118,088)	(136,890)	(8,440)	-	(56,379)	-	(77,929)	(251,159)	-	-	-	-	(345,920)	-	-	(994,805)	(1,427,409)
CHANGE IN RESERVE FUND BALANCES	574,438	(71,828)	19,488	(206,119)	25,826	82,111	24,780	(72,900)	6,225	(14,709)	4,886	202,624	(300,910)	4,783	(10,265)	268,430	414,255
FUND SURPLUS, BEGINNING OF YEAR	1,732,789	73,071	6,169	422,060	73,427	147,558	193,002	94,020	6,153	16,881	16,003	809,118	368,998	231,693	22,824	4,213,766	3,793,361
FUND SURPLUS, END OF YEAR	\$ 2,307,227	\$ 1,243	\$ 25,657	\$ 215,941	\$ 99,253	\$ 229,669	\$ 217,782	\$ 21,120	\$ 12,378	\$ 2,172	\$ 20,889	\$ 1,011,742	\$ 68,088	\$ 236,476	\$ 12,559	\$ 4,482,196	\$ 4,207,616

SCHEDULE OF TRUST FUNDS

For the Year Ended December 31, 2016

	General Trust	Memorial Trust	W. Church Endowment Trust	Building Permit Trust	Total	
					2016	2015
ASSETS						
Cash and temporary investments	\$ 3,556	\$ 1,944	\$ 15,316	\$ 127,574	\$ 148,390	\$ 190,259
Portfolio investments	-	-	-	-	-	-
Due from Municipality	-	7	\$ 58	-	65	1,000
	<u>\$ 3,556</u>	<u>\$ 1,951</u>	<u>\$ 15,374</u>	<u>\$ 127,574</u>	<u>\$ 148,455</u>	<u>\$ 191,259</u>
LIABILITIES AND FUND BALANCES						
Due to Municipality	\$ (14)	\$ -	\$ 228	\$ (11,743)	\$ (11,529)	\$ 44,621
Fund balance	3,570	1,951	15,146	139,317	159,984	146,638
	<u>\$ 3,556</u>	<u>\$ 1,951</u>	<u>\$ 15,374</u>	<u>\$ 127,574</u>	<u>\$ 148,455</u>	<u>\$ 191,259</u>
REVENUES						
Contributions, deposits and donations	\$ -	\$ -	\$ -	\$ 11,262	\$ 11,262	\$ -
Investment income	53	25	228	2,006	2,312	121
	<u>53</u>	<u>25</u>	<u>228</u>	<u>13,268</u>	<u>13,574</u>	<u>121</u>
EXPENDITURES						
Cemetery maintenance	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-
Other	-	-	228	-	228	121
	<u>-</u>	<u>-</u>	<u>228</u>	<u>-</u>	<u>228</u>	<u>121</u>
EXCESS OF REVENUES OVER EXPENDITURES	53	25	-	13,268	13,346	-
FUND BALANCE, BEGINNING OF YEAR	3,517	1,926	15,146	126,049	146,638	146,638
FUND BALANCE, END OF YEAR	<u>\$ 3,570</u>	<u>\$ 1,951</u>	<u>\$ 15,146</u>	<u>\$ 139,317</u>	<u>\$ 159,984</u>	<u>\$ 146,638</u>

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
For the Year Ended December 31, 2016

	2016		2015	
	Sewer Utility	Water Utility	Total	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Amounts receivable	-	204,532	204,532	169,455
Portfolio investments	-	-	-	-
Due from other funds	878,342	1,053,847	1,932,189	1,125,526
	<u>\$ 878,342</u>	<u>\$ 1,258,379</u>	<u>\$ 2,136,721</u>	<u>\$ 1,294,981</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ 61,836	\$ 61,836	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 9)	-	343,182	343,182	374,362
Due to other funds	353,318	502,608	855,926	3,321,208
	<u>353,318</u>	<u>907,626</u>	<u>1,260,944</u>	<u>3,695,570</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 525,024</u>	<u>\$ 350,753</u>	<u>\$ 875,777</u>	<u>\$ (2,400,589)</u>
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ 7,048,541	\$ 6,098,111	\$13,146,652	\$ 12,026,050
Inventories	-	31,251	31,251	18,177
Prepaid expenses	-	-	-	-
	<u>7,048,541</u>	<u>6,129,362</u>	<u>13,177,903</u>	<u>12,044,227</u>
FUND SURPLUS	<u>\$ 7,573,565</u>	<u>\$ 6,480,115</u>	<u>\$14,053,680</u>	<u>\$ 9,643,638</u>

COMMITMENTS (Note 9)

SCHEDULE OF UTILITY OPERATIONS - Sewer
For the Year Ended December 31, 2016

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
Sub-total - water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	506,081	467,028	466,235
Lagoon tipping fees	-	-	-
Sub-total - sewer	<u>506,081</u>	<u>467,028</u>	<u>466,235</u>
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Government transfers			
Operating	-	-	-
Capital	-	-	-
Sub-total - government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	4,234	1,799
Contributed tangible capital assets	-	-	595,205
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	-
Sub-total - other	<u>-</u>	<u>4,234</u>	<u>597,004</u>
Total Revenue	<u>\$ 506,081</u>	<u>\$ 471,262</u>	<u>\$ 1,063,239</u>

**SCHEDULE OF UTILITY OPERATIONS (continued)- Sewer
For the Year Ended December 31, 2016**

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
EXPENSES			
General			
Administration	\$ 25,435	\$ 24,496	\$ 23,620
Training costs	-	186	-
Billing and collection	5,500	97	-
Utilities (telephone, electricity, etc.)	10,200	12,540	9,718
sub-total- general	<u>41,135</u>	<u>37,319</u>	<u>33,338</u>
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Hydrant maintenance	-	-	-
Transmission and distribution	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>-</u>	<u>-</u>	<u>-</u>
Water amortization & interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Sewer General			
Collection system costs	30,000	142,641	196,108
Treatment and disposal cost	-	-	-
Lift Station costs	119,000	60,348	58,021
Transportation services	-	-	-
Connection costs	-	-	-
\ Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>149,000</u>	<u>202,989</u>	<u>254,129</u>
Sewer amortization & interest			
Amortization	-	222,040	227,336
Interest on long term debt	-	-	-
sub-total- amortization & interest	<u>-</u>	<u>222,040</u>	<u>227,336</u>
Total expenses	<u>190,135</u>	<u>462,348</u>	<u>514,803</u>
NET OPERATING SURPLUS	315,946	8,914	548,436
TRANSFERS			
Transfers from (to) operating fund		3,304,654	165,284
Transfers from (to) reserve funds	(175,000)	-	(150,000)
CHANGE IN UTILITY FUND BALANCE	<u>\$ 140,946</u>	<u>3,313,568</u>	<u>563,720</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>4,259,997</u>	<u>3,696,277</u>
FUND SURPLUS, END OF YEAR		<u>\$ 7,573,565</u>	<u>\$ 4,259,997</u>

SCHEDULE OF UTILITY OPERATIONS - Water
For the Year Ended December 31, 2016

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
REVENUE			
Water			
Water fees	\$ 325,400	\$ 304,967	\$ 235,908
Bulk Water fees	-	90	-
Sub-total - water	<u>325,400</u>	<u>305,057</u>	<u>235,908</u>
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
Sub-total - sewer	<u>-</u>	<u>-</u>	<u>-</u>
Property taxes	<u>-</u>	<u>40,940</u>	<u>40,940</u>
Government transfers			
Operating	-	-	-
Capital	-	1,017,281	-
Sub-total - government transfers	<u>-</u>	<u>1,017,281</u>	<u>-</u>
Other			
Hydrant rentals	7,500	9,300	7,400
Connection charges	-	376,151	-
Installation service	-	-	-
Penalties	1,500	2,908	4,470
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Donated Assets	-	-	710,920
Gain on sale of tangible capital assets	-	-	-
Other income	-	33,186	30,080
Sub-total - other	<u>9,000</u>	<u>421,545</u>	<u>752,870</u>
Total revenue	<u>\$ 334,400</u>	<u>\$ 1,784,823</u>	<u>\$ 1,029,718</u>

SCHEDULE OF UTILITY OPERATIONS (continued) - Water
For the Year Ended December 31, 2016

	<u>Budget</u>	<u>2016</u>	<u>2015</u>
EXPENSES			
General			
Administration	\$ 20,700	\$ 21,733	\$ 41,806
Training costs	4,000	3,724	4,410
Billing and collection	33,000	28,678	2,981
Utilities (telephone, electricity, etc.)	32,000	25,393	27,517
sub-total- general	<u>89,700</u>	<u>79,528</u>	<u>76,714</u>
Water General			
Purification and treatment	152,661	106,896	143,335
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	352,217	-
sub-total- water general	<u>152,661</u>	<u>459,113</u>	<u>143,335</u>
Water amortization & interest			
Amortization	-	338,077	333,876
Interest on long term debt	-	26,842	22,083
sub-total- water amortization & interest	<u>-</u>	<u>364,919</u>	<u>355,959</u>
Sewer			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
\Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>-</u>	<u>-</u>	<u>-</u>
Sewer amortization & interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- amortization & interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>242,361</u>	<u>903,560</u>	<u>576,008</u>
NET OPERATING SURPLUS	<u>92,039</u>	<u>881,263</u>	<u>453,710</u>
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	215,211	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ 92,039</u>	<u>1,096,474</u>	<u>453,710</u>
FUND SURPLUS, BEGINNING OF YEAR		<u>5,383,641</u>	<u>4,929,931</u>
FUND SURPLUS, END OF YEAR		<u>\$ 6,480,115</u>	<u>\$ 5,383,641</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2016

	Financial Plan General	Financial Plan Utilities	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 2,895,543	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,895,543
Grants in lieu of taxation	76,839	-	-	-	-	-	-	76,839
User fees	181,570	-	-	-	-	-	4,400	185,970
Grants - Province of Manitoba	753,600	-	-	-	-	-	-	753,600
Grants - other	182,102	-	-	-	-	-	-	182,102
Permits, licences and fines	34,200	-	-	-	-	-	-	34,200
Investment income	33,000	-	-	-	-	-	579	33,579
Other revenue	243,266	9,000	-	-	-	-	32,154	284,420
Water and sewer	-	831,481	-	-	-	-	-	831,481
Transfers from accumulated surplus	4,954,871	-	-	-	(4,954,871)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	<u>\$ 9,354,991</u>	<u>\$ 840,481</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,954,871)</u>	<u>\$ -</u>	<u>\$ 37,133</u>	<u>\$ 5,277,734</u>
EXPENSES								
General government services	\$ 810,745	\$ -	\$ 32,400	\$ -	\$ -	\$ -	\$ -	\$ 843,145
Protective services	409,235	-	56,976	-	-	-	-	466,211
Transportation services	983,365	-	522,439	39,049	-	-	-	1,544,853
Environmental health services	297,090	-	-	-	-	-	-	297,090
Public health and welfare services	21,000	-	51	-	-	-	-	21,051
Regional planning and development	231,200	-	-	-	-	-	-	231,200
Economic Development Services	125,050	-	600	-	-	-	73,007	198,657
Recreation and cultural services	541,922	-	105,722	-	-	-	25	647,669
Water and sewer services	-	432,496	560,117	26,842	-	-	-	1,019,455
Fiscal services:								
Transfer to capital	-	-	-	-	-	-	-	-
Debt charges	197,251	-	-	(197,251)	-	-	-	-
Other fiscal services	4,400	-	-	-	(4,400)	-	-	-
Transfer to reserves	5,729,573	175,000	-	-	(5,904,573)	-	-	-
Allowance for tax assets	4,160	-	-	-	(4,160)	-	-	-
Total expenses	<u>\$ 9,354,991</u>	<u>\$ 607,496</u>	<u>\$ 1,278,305</u>	<u>\$ (131,360)</u>	<u>\$ (5,913,133)</u>	<u>\$ -</u>	<u>\$ 73,032</u>	<u>\$ 5,269,331</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ 232,985</u>	<u>\$ (1,278,305)</u>	<u>\$ 131,360</u>	<u>\$ 958,262</u>	<u>\$ -</u>	<u>\$ (35,899)</u>	<u>\$ 8,403</u>

Town of Niverville
ANALYSIS OF TAXES ON ROLL
For the Year Ended December 31, 2016

SCHEDULE 11

	<u>2016</u>	<u>2015</u>
Balance, beginning of year	\$ 961,005	\$ 690,222
Add:		
Tax levy (Schedule 12)	6,291,101	5,802,429
Taxes added	139,373	165,383
Penalties or interest	122,703	97,608
Other accounts added - utilities and services	85,208	88,356
Tax Adjustments (specify):	-	-
Tax Adjustments (specify):	-	-
Sub-total	<u>6,638,385</u>	<u>6,153,776</u>
Deduct:		
Cash collections	5,155,065	4,705,887
Cash collections - arrears	620,330	381,353
Write-offs	-	-
Title value of land sales	-	-
Title value of tax titles acquired	-	-
Tax discounts	-	-
EPTCA - cash advance	852,833	795,753
Other credits	-	-
Sub-total	<u>6,628,228</u>	<u>5,882,993</u>
Balance, end of year	<u><u>\$ 971,162</u></u>	<u><u>\$ 961,005</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2016

	2016			2015
	<u>Assessment</u>	<u>Mill Rate</u>	<u>Levy</u>	<u>Levy</u>
Other governments (L.U.D.):				
Name of LUD	-	0.000%	\$ -	\$ -
Name of LUD	-	0.000%	-	-
Name of LUD	-	0.000%	-	-
sub-total- L.U.D.			<u>-</u>	<u>-</u>
Debt charges:				
Frontage	-	0.000%	-	-
L.I.D.				
Other (specify)	-	0.000%	-	-
sub-total- Debt charges			<u>-</u>	<u>-</u>
Minister of Intergovernmental Affairs	214,064,330	0.318%	67,327	62,619
Deferred surplus			-	-
Reserves:				
Various	214,064,330	2.737%	579,478	564,524
Name of reserve			-	-
Name of reserve	-	0.000%	-	-
sub-total- Reserves			<u>579,478</u>	<u>564,524</u>
General Municipal	214,064,330	6.962%	1,473,996	1,298,690
Special levies:				
Section 891 MA	237,863,310	2.045%	483,266	455,678
Waste Management			143,189	118,133
LID Charges	407,767		197,251	197,467
sub-total- Special levies			<u>823,706</u>	<u>771,278</u>
Business tax (rate%)	-	0.000%	-	-
Total municipal taxes (Schedule 2)			<u>2,944,507</u>	<u>2,697,111</u>
Education support levy	22,008,680	10.500%	217,029	193,659
Special levy:				
Special Division No 15	211,763,570	14.944%	3,129,565	2,911,659
Total education taxes			<u>3,346,594</u>	<u>3,105,318</u>
Total tax levy (Schedule 11)			<u>\$ 6,291,101</u>	<u>\$ 5,802,429</u>

Town of Niverville
ANALYSIS OF SCHOOL ACCOUNTS
For the Year Ended December 31, 2016

SCHEDULE 13

		2016			2015
		Opening Balance	Current Requirement	Current Payment	Ending Balance
Education support levy		<u>\$ 24,312</u>	<u>\$ 231,091</u>	<u>\$ (232,987)</u>	<u>\$ 24,312</u>
Special levies					
School division	Hanover	<u>257,232</u>	<u>3,164,472</u>	<u>(3,196,562)</u>	<u>257,232</u>
Total		<u><u>\$ 281,544</u></u>	<u><u>\$ 3,395,563</u></u>	<u><u>\$ (3,429,549)</u></u>	<u><u>\$ 281,544</u></u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2016

	2016 Actual	2015 Actual
General government services:		
Legislative	\$ 81,740	\$ 79,892
General administrative	710,186	566,896
Other	10,813	12,884
	<u>802,739</u>	<u>659,672</u>
Protective services:		
Police	203,607	201,547
Fire and Emergency Medical Response	265,328	258,828
Emergency measures	-	5,210
Other	28,988	25,678
	<u>497,923</u>	<u>491,263</u>
Transportation services:		
Road transport		
Administration and engineering	582,822	507,106
Road and street maintenance	723,490	581,160
Bridges & culverts maintenance	17,876	34,676
Sidewalk and boulevard maintenance	29,339	49,417
Street lighting	46,080	47,579
Other	9,441	10,766
Air transport	-	-
Public transit	-	-
Other	28,172	35,580
	<u>1,437,220</u>	<u>1,266,284</u>
Environmental health services:		
Waste collection and disposal	153,598	122,923
Recycling	152,922	143,372
Other	85,241	3,526
	<u>391,761</u>	<u>269,821</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	658	658
Other	15,232	-
	<u>15,890</u>	<u>658</u>
Regional planning and development		
Planning and zoning	1,101	-
Urban renewal	(17,968)	375
Beautification and land rehabilitation	38,052	12,833
Urban area weed control	1,793	7,514
Other	1,753	1,511
	<u>24,731</u>	<u>22,233</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	-
Industrial development	22,000	17,818
Tourism	-	-
Other	58,580	48,185
	<u>80,580</u>	<u>66,003</u>
Sub-totals forward	<u>\$ 3,250,844</u>	<u>\$ 2,775,934</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2016

	<u>2016 Actual</u>	<u>2015 Actual</u>
Sub-totals forward	<u>\$ 3,250,844</u>	<u>\$ 2,775,934</u>
Recreation and cultural services:		
Administration	104,425	101,795
Community centers and halls	97,254	35,797
Swimming pools and beaches	36,787	-
Golf courses	-	-
Skating and curling rinks	229,809	217,518
Parks and playgrounds	185,942	127,316
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	<u>654,217</u>	<u>482,426</u>
Total expenses	<u>3,905,061</u>	<u>3,258,360</u>

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2016

	<u>2016 Budget</u>	<u>2016 Actual</u>	<u>2015 Actual</u>
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	<u>\$ -</u>	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		<u>\$ -</u>	<u>\$ -</u>

SCHEDULE OF DEBENTURES PENDING

For the Year Ended December 31, 2016

Authority	Purpose	Source of Funds	Authorized	Expended
BL 761-16	Watermain General Borrowing	Financial Institution	\$ 189,762	-
BL 762-16	Multi-Plex General Borrowing	Financial Institution	<u>4,500,000</u>	<u>-</u>
			<u>\$ 4,689,762</u>	<u>\$ -</u>

NAME OF MUNICIPALITY

SCHEDULE 17

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) (Unaudited)

For the Year Ended December 31, 2016

	2016			2015
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 2,043,143	\$ 2,755,475	\$ 4,798,618	\$ 8,808,286
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	1,343,298	10,635	1,353,933	1,780,925
Eliminate revenue - transfers from reserves	-	-	-	-
Increase revenue - reserve funds revenues	(141,131)	50,163	(90,968)	60,739
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(36,499)	-	(36,499)	7,967
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(717,588)	(560,117)	(1,277,705)	(1,121,956)
Decrease expense - principal portion of debenture debt	(111,110)	(31,180)	(142,290)	(140,732)
Eliminate expense - acquisitions of tangible capital assets	(1,110,357)	(1,334,799)	(2,445,156)	(4,307,081)
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 1,269,756	\$ 890,177	\$ 2,159,933	\$ 5,088,148