

Town of Niverville

**Consolidated Financial Statements
For the Year Ended December 31, 2017**

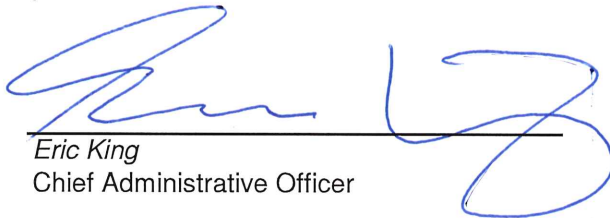
STATEMENT OF RESPONSIBILITY

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 The Chartered Professional Accountants Canada.

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

Council of the Town 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 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 Town in accordance with Canadian public sector accounting standards.



Eric King
Eric King
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, 2017 and the Consolidated Statements of Operations and Accumulated Surplus, Change in Net Financial Assets and Cash Flows for the year ended December 31, 2017, 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, 2017, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2017 in accordance with Canadian Public Sector Accounting Standards.

Exchange

Chartered Professional Accountants LLP
Winnipeg, Manitoba
June 26, 2018

Town of Niverville

Consolidated Financial Statements

For the Year Ended December 31, 2017

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Town of Niverville
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2017

	<u>2017</u>	<u>2016</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 6,914,275	\$ 5,349,311
Amounts receivable (Note 4)	1,982,988	2,474,889
Real estate properties held for sale (Note 2)	105,921	71,231
Other inventories for sale (Note 5)	<u>5,216</u>	<u>34,578</u>
	<u>\$ 9,008,400</u>	<u>\$ 7,930,009</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 1,706,230	\$ 716,138
Long-term debt (Note 8)	<u>809,200</u>	<u>957,572</u>
	<u>2,515,430</u>	<u>1,673,710</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 6,492,970</u>	<u>\$ 6,256,299</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 30,762,344	\$ 28,398,559
Real Estate Inventories (Note 5)	524,189	478,497
Inventories (Note 5)	973	1,673
Prepaid expenses	<u>31,059</u>	<u>41,966</u>
	<u>31,318,565</u>	<u>28,920,695</u>
ACCUMULATED SURPLUS (Note 15)	<u>\$ 37,811,535</u>	<u>\$ 35,176,994</u>

COMMITMENTS (NOTES 10 AND 13)

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, 2017

	2017 Budget (Note 14)	2017 Actual	2016 Actual
REVENUE			
Property taxes	\$ 3,094,465	\$ 3,295,273	\$ 3,083,880
Grants in lieu of taxation	79,358	28,524	27,747
User fees	221,921	616,454	284,948
Permits, licences and fines	44,750	71,400	47,832
Investment income	21,094	102,663	86,910
Other revenue	2,579,657	745,998	507,149
Water and sewer	794,261	2,341,199	2,215,145
Grants - Province of Manitoba	1,014,957	1,316,003	986,308
Grants - other	191,182	289,977	264,613
Total revenue (Schedules 2, 4 and 5)	<u>8,041,645</u>	<u>8,807,491</u>	<u>7,504,532</u>
EXPENSES			
General government services	858,445	956,840	802,739
Protective services	523,704	535,129	497,923
Transportation services	1,700,783	1,753,248	1,437,218
Environmental health services	296,110	284,519	391,761
Public health and welfare services	39,301	756	15,890
Regional planning and development	287,500	64,271	44,731
Resource conservation and industrial development	611,196	964,533	134,187
Recreation and cultural services	682,254	636,606	654,242
Water and sewer services	4,715,162	977,048	1,365,908
Total expenses (Schedules 3, 4 and 5)	<u>9,714,455</u>	<u>6,172,950</u>	<u>5,344,599</u>
ANNUAL SURPLUS (DEFICIT)	<u>(1,672,810)</u>	2,634,541	2,159,933
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>35,176,994</u>	<u>33,017,061</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 37,811,535</u>	<u>\$ 35,176,994</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, 2017

	<u>2017 Budget (Note 14)</u>	<u>2017 Actual</u>	<u>2016 Actual</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (1,672,810)</u>	<u>\$ 2,634,541</u>	<u>\$ 2,159,933</u>
Acquisition of tangible capital assets	(3,714,464)	(3,725,461)	(2,624,887)
Amortization of tangible capital assets	1,361,674	1,361,674	1,278,305
Loss (Gain) on sale of tangible capital assets	-	-	-
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	(44,991)	71,231
Decrease (increase) in prepaid expense	-	10,908	82,591
	<u>(2,352,790)</u>	<u>(2,397,870)</u>	<u>(1,192,760)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>\$ (4,025,600)</u>	<u>236,671</u>	<u>967,173</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>6,256,299</u>	<u>5,289,126</u>
NET FINANCIAL ASSETS, END OF YEAR		<u>\$ 6,492,970</u>	<u>\$ 6,256,299</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, 2017

	<u>2017</u>	<u>2016</u>
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 2,634,541	\$ 2,159,933
Changes in non-cash items:		
Amounts receivable	491,901	(328,929)
Inventories	30,062	(14,310)
Prepays	10,907	82,591
Accounts payable and accrued liabilities	990,092	(134,938)
Landfill closure and post closure liabilities	-	-
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	-
Amortization	1,361,673	1,278,305
	<u>5,519,176</u>	<u>3,042,652</u>
Cash provided by operating transactions		
	<u>5,519,176</u>	<u>3,042,652</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	(3,725,459)	(2,553,656)
	<u>(3,725,459)</u>	<u>(2,553,656)</u>
Cash applied to capital transactions		
	<u>(3,725,459)</u>	<u>(2,553,656)</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	(80,382)	(71,231)
Loans and advances issued	-	-
	<u>(80,382)</u>	<u>(71,231)</u>
Cash applied to investing transactions		
	<u>(80,382)</u>	<u>(71,231)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	-	-
Debt repayment	(148,371)	(142,290)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	-	-
	<u>(148,371)</u>	<u>(142,290)</u>
Cash applied to financing transactions		
	<u>(148,371)</u>	<u>(142,290)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	1,564,964	275,475
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>5,349,311</u>	<u>5,073,836</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 6,914,275</u>	<u>\$ 5,349,311</u>

The accompanying notes are an integral part of this financial statement

Town of Niverville
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

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 Town. 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 Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. 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.

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 estimated that real estate properties held for resale will be sold outside the reporting entity within one year of the date of the Statement of Financial Position.

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.

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2017</u>	<u>2016</u>
Cash and Temporary investments	<u>\$ 6,914,275</u>	<u>\$ 5,349,311</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$5,171,113 (2016 \$4,482,196) 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 have a market value approximating cost.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2017</u>	<u>2016</u>
Taxes on roll (Schedule 11)	\$ 1,061,533	\$ 971,162
Government grants	178,530	10,033
Utility customers	220,835	204,532
Accrued interest	-	-
Organizations and individuals	595,735	1,287,572
Other governments	43,467	97,765
	<u>2,100,100</u>	<u>2,571,064</u>
Less allowances for doubtful amounts	<u>(117,112)</u>	<u>(96,175)</u>
	<u>\$ 1,982,988</u>	<u>\$ 2,474,889</u>

5. Inventories**Inventories for sale:**

	<u>2017</u>	<u>2016</u>
Water Meters	\$ 5,216	\$ 31,251
Recycle bins & Spare parts for Waste Carts	-	3,327
Other	-	-
	<u>-</u>	<u>-</u>
	<u>\$ 5,216</u>	<u>\$ 34,578</u>
Real Estate inventory for sale (long term - Note 2)	<u>\$ 524,189</u>	<u>\$ 478,497</u>

Inventories for use:

Materials & supplies for use (Public Works-base supply of hardware and parts)	<u>\$ 973</u>	<u>\$ 1,673</u>
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6. Accounts Payable and Accrued Liabilities

	<u>2017</u>	<u>2016</u>
Accounts payable	\$ 1,554,894	\$ 313,375
Accrued expenses	151,336	91,222
Accrued interest payable	-	-
School levies	-	247,558
Other governments	-	63,983
	<u>\$ 1,706,230</u>	<u>\$ 716,138</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>2017</u>	<u>2016</u>
General Authority:		
Debenture (BL 573-02 LID#8), interest at 6.500%, payable at \$18,452 annually including interest, matured during the year	\$ -	\$ 17,326
Debenture (BL 601-03 LID#10), interest at 6.375%, payable at \$2,184 annually including interest, maturing 2018	2,053	3,983
Debenture (BL 658-09 LID#13), interest at 5.309%, payable at \$49,762 annually including interest, maturing 2022	246,936	289,111
Debenture (BL 647-07 LID#14), interest at 5.283%, payable at \$53,254 annually including interest, maturing 2021	232,836	283,930
Debenture (BL 653-07 LID#15), interest at 5.875%, payable at \$4,276 annually including interest, maturing 2022	17,158	20,040
	<u>\$ 498,983</u>	<u>\$ 614,390</u>
Utility Funds:		
Fifth Avenue Estates Water Debenture (BL 577-02 LID#9), interest at 6.500%, payable at \$14,672 annually including interest, matured during the year	\$ -	\$ 9,986
Crow Wing Water Debenture (BL 659-08 LID#12), interest at 5.391%, payable at \$34,286 annually including interest, maturing 2027	310,217	333,196
	<u>\$ 310,217</u>	<u>\$ 343,182</u>
	<u>\$ 809,200</u>	<u>\$ 957,572</u>

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

2018	\$ 128,836
2019	132,162
2020	139,202
2021	146,618
2022	88,335

9. Schedule of Debenture Pending

Authority	Purpose	Amount Authorized
BL 762-16	Multi-Plex General Borrowing	4,500,000
BL 776-17	Water Pipeline and new well field	600,000

10. Commitments

The Town has outstanding contractual obligations of approximately \$498,137 at December 31, 2017 (2016 - \$783,915) for capital works.

The Town has entered into an agreement with CHM2 for the Main Street Functional Design Project. The contract price with CH2M, being the highest scoring bidder (based on criteria of price, quality of work, timing of work, company reputation), is \$69,685.

This project is underway and expected to be completed by March 15, 2018. The outstanding portion of the commitment is \$15,887.

The Town has undertaken a Project to implement the new water source since completing the analysis beginning in 2016 and completed in 2017. The analysis identified 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 the implementation phase of the project. The Manitoba Water Services Board has agreed to equally share the cost of the project to a maximum funding amount of \$1,250,000. 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 \$767,750 leaving the Town's outstanding commitment of \$482,250.

11. 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 \$54,425 (2016 - \$54,301) 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.

12. 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.

13. 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.

Subsequent to the year end, the government partnership, the NRT Municipal Broadband Inc. was dissolved by mutual consent of the three partners.

14. 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.

15. Accumulated Surplus

	<u>2017</u>	<u>2016</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal Surplus	\$ 1,261,243	\$ 1,258,598
Utility operating fund(s)- Nominal Surplus	600,782	1,250,201
TCA net of related borrowings	29,882,927	27,289,943
Reserve Funds	<u>5,171,113</u>	<u>4,482,196</u>
Accumulated surplus of Town unconsolidated	36,916,065	34,280,938
Accumulated surpluses of consolidated entities	<u>895,472</u>	<u>896,056</u>
Accumulated surplus per Consolidated Statement	<u>\$ 37,811,537</u>	<u>\$ 35,176,994</u>

16. Public Sector Compensation Disclosure

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

- a) Compensation paid to members of council amounted to \$71,892 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

		<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor Myron Dyck	Jan-Dec	\$ 19,013	\$ 1,350	\$ 20,363
Councillor John Funk	Jan-Dec	13,219	558	13,777
Councillor Cris Wiebe	Jan-Dec	11,962	549	12,511
Councillor Nathan Dueck	Jan-Dec	11,991	561	12,552
Councillor Kevin Stott	Jan-Dec	11,991	698	12,689
		<u>\$ 68,176</u>	<u>\$ 3,716</u>	<u>\$ 71,892</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Jim Buys</i>	CAO	\$ 114,186
<i>Eric King</i>	Finance Administration Manager	\$ 87,353
<i>Ryan Dyck</i>	Operations Works Manager	\$ 74,629
<i>Cory Enns</i>	Recreation Facilities Manager	\$ 50,141
<i>Andrew Rempel</i>	Utilities Manager	\$ 55,070

17. Trust Funds

The Town of Niverville administers the following trust:

	<u>Balance, beg. of the year</u>	<u>Excess of Receipts over Disbursements</u>	<u>Balance, end of the year</u>
<i>General Trust</i>	\$ 3,570	\$ 55	\$ 3,625
<i>Memorial Trust</i>	1,952	30	1,982
<i>W. Church Endowment Trust</i>	15,146	-	15,146
<i>Building Permit Trust</i>	139,317	77,144	216,461
	<u>\$ 159,985</u>	<u>\$ 77,229</u>	<u>\$ 237,214</u>

18. 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.

19. Government Partnerships

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

	<u>2017</u>	<u>2016</u>
Financial Position		
Financial assets	\$ 16	\$ 36,638
Financial liabilities	\$ (16)	\$ (1,345)
Net financial assets (liabilities)	\$ -	\$ 35,293
Non-financial assets	\$ -	\$ -
Accumulated surplus	<u>\$ -</u>	<u>\$ 35,293</u>
Result of Operations		
Revenues	\$ 2,910	\$ 4,718
Expenses	<u>\$ 38,103</u>	<u>\$ 1,387</u>
Annual surplus	<u>\$ (35,193)</u>	<u>\$ 3,331</u>

20. Comparative Figures

Certain of the comparative figures have been restated to better conform with current year presentation.

21. 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	\$ 5,422,261	\$ 1,353,604	\$ 206,836.00	\$ 6,569,029
	-	-	-	-
	<u>\$ 5,422,261</u>	<u>\$ 1,353,604</u>	<u>\$ 206,836</u>	<u>\$ 6,569,029</u>

Sewer services:

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Town Sewer Utilities	\$ 3,951,815	\$ -	\$ 74,458	\$ 3,877,357
	-	-	-	-
	<u>\$ 3,951,815</u>	<u>\$ -</u>	<u>\$ 74,458</u>	<u>\$ 3,877,357</u>

Town of Niverville
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
For the Year Ended December 31, 2017

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	Asset Under Construction	2017	2016
Cost										
Opening costs	\$ 2,420,128	\$ 2,080,621	\$ 3,206,073	\$ 49,925	\$ 208,691	\$ 14,187,772	\$ 16,314,883	\$ 923,978	\$ 39,392,071	\$ 36,767,182
Additions during the year	559,794	98,310	118,134	-	128,194	531,325	3,539,010	-	4,974,767	3,429,962
Disposals, write downs, transfers	(106,007)	-	-	-	(219,324)	-	-	(923,978)	(1,249,309)	(805,073)
Closing costs	2,873,915	2,178,931	3,324,207	49,925	117,561	14,719,097	19,853,893	-	43,117,529	39,392,071
Accumulated Amortization										
Opening accum'd amortization	338,017	1,124,754	1,083,965	38,850	-	4,315,720	4,092,206	-	10,993,512	9,715,208
Amortization	45,416	64,309	214,561	5,340	-	425,864	606,183	-	1,361,673	1,278,304
Disposals, write downs, transfers	-	-	-	-	-	-	-	-	-	-
Closing accum'd amortization	383,433	1,189,063	1,298,526	44,190	-	4,741,584	4,698,389	-	12,355,185	10,993,512
Net Book Value of Tangible Capital Assets	\$ 2,490,482	\$ 989,868	\$ 2,025,681	\$ 5,735	\$ 117,561	\$ 9,977,513	\$ 15,155,504	\$ -	\$ 30,762,344	\$ 28,398,559

CONSOLIDATED SCHEDULE OF REVENUES

For the Year Ended December 31, 2017

	2017 Actual	2016 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 3,145,200	\$ 2,944,507
Taxes added	150,073	139,373
	<u>3,295,273</u>	<u>3,083,880</u>
Grants in lieu of taxation:		
Federal government	2,240	2,240
Federal government enterprises	-	-
Provincial government	26,284	25,507
Provincial government enterprises	-	-
Other local governments	-	-
Non-government organizations	-	-
	<u>28,524</u>	<u>27,747</u>
User fees		
Parking meters	-	-
Sales of service	252,510	226,551
Sales of goods	1,250	8,072
Rentals	22,355	-
Development charges	337,773	45,925
Facility use fees	2,566	4,400
	<u>616,454</u>	<u>284,948</u>
Permits, licences and fines		
Permits	53,895	37,359
Licences	5,755	4,471
Fees	-	-
Fines	11,750	6,002
	<u>71,400</u>	<u>47,832</u>
Investment income:		
Cash and temporary investments	102,663	79,206
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):		7,704
	<u>102,663</u>	<u>86,910</u>
Other revenue:		
Gain on sale of tangible capital assets	-	-
Sale of real estate held for sale	506,221	-
Contributed assets	-	321,647
Penalties and interest	121,253	122,701
Miscellaneous (specify): Donations	9,635	24,775
Miscellaneous (specify): Surplus lands	-	-
Miscellaneous (specify): Town Sundry	108,889	5,872
Miscellaneous (specify): Reporting Entity Sundry	-	32,154
	<u>745,998</u>	<u>507,149</u>
Water and sewer:		
Municipal utilities (Schedule 9)	2,341,199	2,215,145
Consolidated water co-operatives	-	-
	<u>2,341,199</u>	<u>2,215,145</u>
Grants - Province of Manitoba		
General assistance payment	604,477	561,560
General support grant	-	-
Municipal Programs grant	156,031	56,273
Conditional grants	555,495	368,475
	<u>1,316,003</u>	<u>986,308</u>
Grants - other		
Federal government - gas tax funding	193,504	191,182
Federal government - other	-	60,365
Other local governments	96,473	13,066
	<u>289,977</u>	<u>264,613</u>
Total revenue	<u>\$ 8,807,491</u>	<u>\$ 7,504,532</u>

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

	2017	2016
	Actual	Actual
General government services:		
Legislative	\$ 78,508	\$ 81,740
General administrative	838,029	685,186
Other	40,303	35,813
	<u>956,840</u>	<u>802,739</u>
Protective services:		
Police	234,245	203,607
Fire and Emergency Medical Response	254,128	265,328
Emergency measures	12,080	-
Other protection	34,676	28,988
	<u>535,129</u>	<u>497,923</u>
Transportation services:		
Road transport		
Administration and engineering	769,550	583,822
Road and street maintenance	846,621	751,662
Bridges and culvert maintenance	24,192	17,876
Sidewalk and boulevard maintenance	48,451	29,337
Street lighting	57,736	46,080
Other	6,698	8,441
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>1,753,248</u>	<u>1,437,218</u>
Environmental health services:		
Waste collection and disposal	149,838	153,598
Recycling	133,311	152,922
Other	1,370	85,241
	<u>284,519</u>	<u>391,761</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Hospital care	-	-
Social assistance	658	658
Other	98	15,232
	<u>756</u>	<u>15,890</u>
Regional planning and development		
Planning and zoning	20,357	1,101
Urban renewal	15,353	2,032
Beautification and land rehabilitation	22,941	38,052
Urban area weed control	5,620	3,546
Other	-	-
	<u>64,271</u>	<u>44,731</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	415,532	22,000
Industrial development	549,001	112,187
Tourism	-	-
Other	-	-
	<u>964,533</u>	<u>134,187</u>
Sub-totals forward	<u>\$ 4,559,296</u>	<u>\$ 3,324,449</u>

Town of Niverville
CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2017

SCHEDULE 3

	2016	2015
	Actual	Actual
Sub-totals forward	\$ 4,559,296	\$ 3,324,449
Recreation and cultural services:		
Administration	112,113	104,425
Community centers and halls	78,023	97,254
Swimming pools and beaches	57,177	36,787
Golf courses	-	-
Arenas, Skating and curling rinks	223,042	229,834
Parks and playgrounds	166,251	185,942
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	636,606	654,242
Water and sewer services (Schedule 9)		
Municipal utilities (Schedule 9)	977,048	1,365,908
Consolidated water co-operatives	-	-
	977,048	1,365,908
Total expenses	\$ 6,172,950	\$ 5,344,599

CONSOLIDATED STATEMENT 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	\$ 3,254,333	\$ 3,042,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	28,524	27,747	-	-	-	-	-	-	-	-
User fees	361,183	48,553	-	-	195	5,443	-	-	-	-
Grants - other	289,977	251,547	-	12,066	-	-	-	-	-	-
Permits, licences and fines	17,505	10,473	-	-	-	-	-	-	-	-
Investment income	96,146	79,994	353	109	3,342	2,709	-	-	-	-
Other revenue	239,777	474,996	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	760,508	617,833	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	405,256	184,086	-	-	6,402	13,686	143,837	157,190	-	-
Total revenue	\$ 5,453,209	\$ 4,738,169	\$ 353	\$ 12,175	\$ 9,939	\$ 21,838	\$ 143,837	\$ 157,190	\$ -	\$ -
EXPENSES										
Personnel services	\$ 418,802	\$ 362,025	\$ 132,539	\$ 92,281	\$ 428,405	\$ 380,029	\$ -	\$ -	\$ -	\$ -
Contract services	44,551	28,565	250,741	243,758	65,119	5,263	204,279	258,706	-	-
Utilities	23,032	9,107	8,242	8,326	11,609	11,493	-	-	63	64
Maintenance materials and supplie	7,110	13,739	24,063	48,167	651,809	447,727	10,340	-	35	15,168
Grants and contributions	40,303	35,813	-	-	-	-	-	-	-	-
Amortization	32,664	32,400	65,221	56,976	528,801	522,439	51	51	-	-
Interest on long term debt	-	-	-	-	32,905	39,049	-	-	-	-
Other	\$ 390,378	321,090	54,323	48,415	34,600	31,218	69,849	133,004	658	658
Total expenses	\$ 956,840	\$ 802,739	\$ 535,129	\$ 497,923	\$ 1,753,248	\$ 1,437,218	\$ 284,519	\$ 391,761	\$ 756	\$ 15,890
Surplus (Deficit)	\$ 4,496,369	\$ 3,935,430	\$ (534,776)	\$ (485,748)	\$ (1,743,309)	\$ (1,415,380)	\$ (140,682)	\$ (234,571)	\$ (756)	\$ (15,890)

* 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, 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,940	\$ 40,940	\$ 3,295,273	\$ 3,083,880
Grants in lieu of taxation	-	-	-	-	-	-	-	-	28,524	27,747
User fees	2,566	4,400	-	-	252,510	226,552	-	-	616,454	284,948
Grants - other	-	-	-	-	-	1,000	-	-	289,977	264,613
Permits, licences and fines	53,895	37,359	-	-	-	-	-	-	71,400	47,832
Investment income	344	318	561	257	1,917	3,523	-	-	102,663	86,910
Other revenue	-	-	506,221	32,153	-	-	-	-	745,998	507,149
Water and sewer	-	-	-	-	-	-	2,341,199	2,215,145	2,341,199	2,215,145
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	760,508	617,833
Prov of MB - Conditional Grants	-	-	-	-	-	13,513	-	-	555,495	368,475
Total revenue	\$ 56,805	\$ 42,077	\$ 506,782	\$ 32,410	\$ 254,427	\$ 244,588	\$ 2,382,139	\$ 2,256,085	\$ 8,807,491	\$ 7,504,532
EXPENSES										
Personnel services	\$ -	\$ -	\$ -	\$ 2,643	\$ 188,893	\$ 172,557	\$ 24,576	\$ 28,404	\$ 1,193,215	\$ 1,037,939
Contract services	-	-	69,629	-	34,173	34,157	55,272	78,102	723,764	648,551
Utilities	-	-	-	2,768	39,042	43,806	37,574	37,718	119,562	113,282
Maintenance materials and supplie	28,561	41,598	433,626	-	99,341	110,431	201,000	605,076	1,455,885	1,281,906
Grants and contributions	-	-	-	-	-	-	-	-	40,303	35,813
Amortization	-	-	805	600	127,949	105,721	606,183	560,117	1,361,674	1,278,304
Interest on long term debt	-	-	-	-	-	-	19,529	26,842	52,434	65,891
Other	35,710	3,133	460,473	128,176	147,208	187,570	32,914	29,649	1,226,113	882,913
Total expenses	\$ 64,271	\$ 44,731	\$ 964,533	\$ 134,187	\$ 636,606	\$ 654,242	\$ 977,048	\$ 1,365,908	\$ 6,172,950	\$ 5,344,599
Surplus (Deficit)	\$ (7,466)	\$ (2,654)	\$ (457,751)	\$ (101,777)	\$ (382,179)	\$ (409,654)	\$ 1,405,091	\$ 890,177	\$ 2,634,541	\$ 2,159,933

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2017

	Core Government		Controlled Entities		Government Partnerships		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE								
Property taxes	\$ 3,295,273	\$ 3,083,880	\$ -	\$ -	\$ -	\$ -	\$ 3,295,273	\$ 3,083,880
Grants in lieu of taxation	28,524	27,747	-	-	-	-	28,524	27,747
User fees	591,533	280,548	22,355	-	2,566	4,400	616,454	284,948
Grants - other	289,977	264,613	-	-	-	-	289,977	264,613
Permits, licences and fines	71,400	47,832	-	-	-	-	71,400	47,832
Investment income	102,069	86,331	250	261	344	318	102,663	86,910
Other revenue	239,777	474,997	506,221	32,152	-	-	745,998	507,149
Water and sewer	2,341,199	2,215,145	-	-	-	-	2,341,199	2,215,145
Prov of MB - Unconditional Grants	760,508	617,833	-	-	-	-	760,508	617,833
Prov of MB - Conditional Grants	555,495	368,475	-	-	-	-	555,495	368,475
Total revenue	\$ 8,275,755	\$ 7,467,401	\$ 528,826	\$ 32,413	\$ 2,910	\$ 4,718	\$ 8,807,491	\$ 7,504,532
							-	
EXPENSES								
Personnel services	\$ 1,193,215	\$ 1,037,939	\$ -	\$ -	\$ -	\$ -	\$ 1,193,215	\$ 1,037,939
Contract services	654,135	578,401	68,325	68,763	1,304	1,387	723,764	648,551
Utilities	119,562	110,514	-	2,768	-	-	119,562	113,282
Maintenance materials and supplies	1,022,259	1,281,826	433,626	81	-	-	1,455,885	1,281,906
Grants and contributions	3,536	35,813	-	-	36,767	-	40,303	35,813
Amortization	1,360,869	1,277,705	805	600	-	-	1,361,674	1,278,304
Interest on long term debt	52,434	65,891	-	-	-	-	52,434	65,891
Other	1,214,501	882,880	11,579	33	33	-	1,226,113	882,913
Total expenses	\$ 5,620,511	\$ 5,270,969	\$ 514,335	\$ 72,245	\$ 38,104	\$ 1,387	\$ 6,172,950	\$ 5,344,599
Surplus (Deficit)	\$ 2,655,244	\$ 2,196,432	\$ 14,491	\$ (39,832)	\$ (35,194)	\$ 3,331	\$ 2,634,541	\$ 2,159,933

Town of Niverville
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 For the Year Ended December 31, 2017

SCHEDULE 6

	2017															2016	
	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	\$ 35,657	\$ 113	\$ 353	\$ 3,642	\$ 1,488	\$ 3,385	\$ 3,342	\$ 426	\$ 178	\$ 53	\$ 314	\$ 15,308	\$ 3,018	\$ -	\$ 210	\$ 67,487	\$ 56,552
Other income	-	-	-	62,000	-	-	-	-	-	-	9,500	-	181,904	84,369	-	337,773	53,629
Total revenue	35,657	113	353	65,642	1,488	3,385	3,342	426	178	53	9,814	15,308	184,922	84,369	210	405,260	110,181
EXPENSES																	
Investment charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	26,584	-	7,583	-	5,370	-	49,500	-	-	-	-	-	-	-	-	89,037	200,879
Total expenses	26,584	-	7,583	-	5,370	-	49,500	-	-	-	-	-	-	-	-	89,037	200,879
NET REVENUES	9,073	113	(7,230)	65,642	(3,882)	3,385	(46,158)	426	178	53	9,814	15,308	184,922	84,369	210	316,223	(90,698)
TRANSFERS																	
Transfers from general operating fund	682,096	65,000	60,000	-	83,000	75,000	186,324	164,196	6,153	(2,225)	-	193,504	75,000	-	(10,635)	1,577,413	1,353,933
Transfers to general operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	763,450	-	763,450	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(844,215)	(61,703)	(49,122)	-	(67,090)	-	(287,582)	-	-	-	-	(596,162)	(62,294)	-	-	(1,968,168)	(994,805)
CHANGE IN RESERVE FUND BALANCES	(153,046)	3,410	3,648	65,642	12,028	78,385	(147,416)	164,622	6,331	(2,172)	9,814	(387,350)	197,628	847,819	(10,425)	688,918	268,430
FUND SURPLUS, BEGINNING OF YEAR	2,307,227	1,243	25,657	215,940	99,254	229,668	217,781	21,122	12,378	2,172	20,888	1,011,742	68,089	236,476	12,558	4,482,195	4,213,766
FUND SURPLUS, END OF YEAR	\$ 2,154,181	\$ 4,653	\$ 29,305	\$ 281,582	\$ 111,282	\$ 308,053	\$ 70,365	\$ 185,744	\$ 18,709	\$ (0)	\$ 30,702	\$ 624,392	\$ 265,717	\$ 1,084,295	\$ 2,133	\$ 5,171,113	\$ 4,482,196

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2017

	<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	-	-	-
Unexpended balance, beginning of year		-	-
Unexpended balance, end of year		-	-

SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
For the Year Ended December 31, 2017

	2017		2016
	Sewer Utility	Water Utility	Total
FINANCIAL ASSETS			
Cash and temporary investments	\$ -	\$ -	\$ -
Amounts receivable	-	220,835	220,835
Portfolio investments	-	-	-
Due from other funds	731,358	810,942	1,542,300
	<u>\$ 731,358</u>	<u>\$ 1,031,777</u>	<u>\$ 1,763,135</u>
			<u>\$ 2,136,721</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	\$ 33,837	\$ 33,837
Deferred revenue	-	-	-
Long-term debt (Note 9)	-	310,217	310,217
Due to other funds	(77,030)	1,210,762	1,133,732
	<u>(77,030)</u>	<u>1,554,816</u>	<u>1,477,786</u>
			<u>1,260,944</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 808,388</u>	<u>\$ (523,039)</u>	<u>\$ 285,349</u>
			<u>\$ 875,777</u>
NON-FINANCIAL ASSETS			
Tangible capital assets (Schedule 1)	\$ 6,865,275	\$ 8,290,225	\$15,155,500
Inventories	-	5,216	5,216
Prepaid expenses	-	-	-
	<u>6,865,275</u>	<u>8,295,441</u>	<u>15,160,716</u>
			<u>13,177,903</u>
FUND SURPLUS (DEFICIT)	<u>\$ 7,673,663</u>	<u>\$ 7,772,402</u>	<u>\$15,446,065</u>
			<u>\$ 14,053,680</u>

SCHEDULE OF UTILITY OPERATIONS - Sewer
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
REVENUE			
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
Sub-total - water	<u>-</u>	<u>-</u>	<u>-</u>
Sewer			
Sewer fees	466,661	495,943	467,028
Lagoon tipping fees	-	-	-
Sub-total - sewer	<u>466,661</u>	<u>495,943</u>	<u>467,028</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	4,000	6,225	4,234
Contributed tangible capital assets	-	300	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	-
Sub-total - other	<u>4,000</u>	<u>6,525</u>	<u>4,234</u>
Total Revenue	<u>\$ 470,661</u>	<u>\$ 502,468</u>	<u>\$ 471,262</u>

**SCHEDULE OF UTILITY OPERATIONS (continued)- Sewer
For the Year Ended December 31, 2017**

EXPENSES	Budget	2017	2016
General			
Administration	\$ 30,335	\$ 29,113	\$ 24,496
Training costs	1,000	1,925	186
Billing and collection	14,000	5,827	97
Utilities (telephone, electricity, etc.)	12,200	9,829	12,540
sub-total- general	<u>57,535</u>	<u>46,694</u>	<u>37,319</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	85,000	39,672	142,641
Treatment and disposal cost	-	-	-
Lift Station costs	42,500	57,739	60,348
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>127,500</u>	<u>97,411</u>	<u>202,989</u>
Sewer amortization & interest			
Amortization	-	245,559	222,040
Interest on long term debt	-	-	-
sub-total- amortization & interest	<u>-</u>	<u>245,559</u>	<u>222,040</u>
Total expenses	<u>185,035</u>	<u>389,664</u>	<u>462,348</u>
NET OPERATING SURPLUS	285,626	112,804	8,914
TRANSFERS			
Transfers from (to) operating fund		62,294	3,304,654
Transfers from (to) reserve funds	(26,000)	(75,000)	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ 259,626.20</u>	100,098	3,313,568
FUND SURPLUS, BEGINNING OF YEAR		<u>7,573,565</u>	<u>4,259,997</u>
FUND SURPLUS, END OF YEAR		<u>\$ 7,673,663</u>	<u>\$ 7,573,565</u>

SCHEDULE OF UTILITY OPERATIONS - Water
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
REVENUE			
Water			
Water fees	\$ 322,100	\$ 412,962	\$ 304,967
Bulk Water fees	-	90	90
Sub-total - water	<u>322,100</u>	<u>413,052</u>	<u>305,057</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	1,938,936	1,353,604	1,017,281
Sub-total - government transfers	<u>1,938,936</u>	<u>1,353,604</u>	<u>1,017,281</u>
Other			
Hydrant rentals	7,500	24,289	9,300
Connection charges	-	-	376,151
Installation service	-	-	-
Penalties	1,500	4,124	2,908
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Donated Assets	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	43,662	33,186
Sub-total - other	<u>9,000</u>	<u>72,075</u>	<u>421,545</u>
Total revenue	<u>\$ 2,270,036</u>	<u>1,879,671</u>	<u>\$ 1,784,823</u>

SCHEDULE OF UTILITY OPERATIONS (continued) - Water
For the Year Ended December 31, 2017

	<u>Budget</u>	<u>2017</u>	<u>2016</u>
EXPENSES			
General			
Administration	\$ 20,700	\$ 20,512	\$ 21,733
Training costs	500	155	3,724
Billing and collection	29,000	25,473	28,678
Utilities (telephone, electricity, etc.)	27,600	27,845	25,393
sub-total- general	<u>77,800</u>	<u>73,985</u>	<u>79,528</u>
Water General			
Purification and treatment	3,758,615	133,246	106,896
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	352,217
sub-total- water general	<u>3,758,615</u>	<u>133,246</u>	<u>459,113</u>
Water amortization & interest			
Amortization	-	360,624	338,077
Interest on long term debt	-	19,529	26,842
sub-total- water amortization & interest	<u>-</u>	<u>380,153</u>	<u>364,919</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>3,836,415</u>	<u>587,384</u>	<u>903,560</u>
NET OPERATING SURPLUS	(1,566,379)	1,292,287	881,263
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	(1,680,968)	-	215,211
CHANGE IN UTILITY FUND BALANCE	<u>\$ (3,247,347)</u>	1,292,287	1,096,474
FUND SURPLUS, BEGINNING OF YEAR		<u>6,480,115</u>	<u>5,383,641</u>
FUND SURPLUS, END OF YEAR		<u>\$ 7,772,402</u>	<u>\$ 6,480,115</u>

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	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 3,094,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,094,465
Grants in lieu of taxation	79,358	-	-	-	-	-	-	79,358
User fees	197,000	-	-	-	-	-	24,921	221,921
Grants - Province of Manitoba	1,014,957	-	-	-	-	-	-	1,014,957
Grants - other	191,182	-	-	-	-	-	-	191,182
Permits, licences and fines	44,750	-	-	-	-	-	-	44,750
Investment income	20,500	-	-	-	-	-	594	21,094
Other revenue	127,000	1,946,436	-	-	-	-	506,221	2,579,657
Water and sewer	-	794,261	-	-	-	-	-	794,261
Transfers from accumulated surplus	3,714,464	-	-	-	(3,714,464)	-	-	-
Transfers from reserves	-	1,680,968	-	-	(1,680,968)	-	-	-
Total revenue	<u>\$ 8,483,676</u>	<u>\$ 4,421,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,395,432)</u>	<u>\$ -</u>	<u>\$ 531,736</u>	<u>\$ 8,041,645</u>
EXPENSES								
General government services	\$ 825,781	\$ -	\$ 32,664	\$ -	\$ -	\$ -	\$ -	\$ 858,445
Protective services	458,483	-	65,221	-	-	-	-	523,704
Transportation services	1,139,077	-	528,801	32,905	-	-	-	1,700,783
Environmental health services	296,110	-	-	-	-	-	-	296,110
Public health and welfare services	39,250	-	51	-	-	-	-	39,301
Regional planning and development	287,500	-	-	-	-	-	-	287,500
Economic Development Services	95,550	-	805	-	-	-	514,841	611,196
Recreation and cultural services	554,280	-	127,949	-	-	-	25	682,254
Water and sewer services	-	4,089,450	606,183	19,529	-	-	-	4,715,162
Fiscal services:								
Transfer to capital	-	-	-	-	-	-	-	-
Debt charges	195,407	-	-	(195,407)	-	-	-	-
Other fiscal services	4,400	-	-	-	(4,400)	-	-	-
Transfer to reserves	4,498,246	26,000	-	-	(4,524,246)	-	-	-
Allowance for tax assets	89,592	-	-	-	(89,592)	-	-	-
Total expenses	<u>\$ 8,483,676</u>	<u>\$ 4,115,450</u>	<u>\$ 1,361,674</u>	<u>\$ (142,973)</u>	<u>\$ (4,618,238)</u>	<u>\$ -</u>	<u>\$ 514,866</u>	<u>\$ 9,714,455</u>
Surplus (Deficit)	<u>\$ -</u>	<u>\$ 306,215</u>	<u>\$ (1,361,674)</u>	<u>\$ 142,973</u>	<u>\$ (777,194)</u>	<u>\$ -</u>	<u>\$ 16,870</u>	<u>\$ (1,672,810)</u>

Town of Niverville
ANALYSIS OF TAXES ON ROLL
For the Year Ended December 31, 2017

SCHEDULE 11

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 971,162	\$ 961,005
Add:		
Tax levy (Schedule 12)	6,744,947	6,291,101
Taxes added	150,074	139,373
Penalties or interest	121,253	122,703
Other accounts added - utilities and services	248,941	85,208
Tax Adjustments (specify): Heritage Centre	79,358	-
Tax Adjustments (specify):	-	-
Sub-total	<u>7,344,573</u>	<u>6,638,385</u>
Deduct:		
Cash collections	5,672,337	5,155,065
Cash collections - arrears	704,911	620,330
Write-offs	-	-
Title value of land sales	-	-
Title value of tax titles acquired	-	-
Tax discounts	-	-
EPTCA - cash advance	876,954	852,833
Other credits	-	-
Sub-total	<u>7,254,202</u>	<u>6,628,228</u>
Balance, end of year	<u><u>\$ 1,061,533</u></u>	<u><u>\$ 971,162</u></u>

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2017

			2017	2016
	Assessment	Mill Rate	Levy	Levy
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.			-	-
Debt charges:				
Frontage	-	0.000%	-	-
LI.D.				
Other (specify)	-	0.000%	-	-
sub-total- Debt charges			-	-
Minister of Intergovernmental Affairs	223,901,690	0.307%	68,007	67,327
Deferred surplus			-	-
Reserves:				
Various	223,901,690	2.633%	583,267	579,478
Name of reserve			-	-
Name of reserve	-	0.000%	-	-
sub-total- Reserves			583,267	579,478
General Municipal	223,901,690	6.910%	1,530,717	1,473,996
Special levies:				
Section 891 MA	248,513,590	2.465%	608,684	483,266
Waste Management			159,118	143,189
LID Charges	422,532		195,407	197,251
sub-total- Special levies			963,209	823,706
Business tax (rate%)	-	0.000%	-	-
Total municipal taxes (Schedule 2)			3,145,200	2,944,507
Education support levy	24,875,810	10.500%	246,760	217,029
Special levy:				
Special Division No 15	221,600,930	15.295%	3,352,987	3,129,565
Total education taxes			3,599,747	3,346,594
Total tax levy (Schedule 11)			\$ 6,744,947	\$ 6,291,101

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	2017	2016
General government services:		
Legislative	\$ 78,508	\$ 81,740
General administrative	848,029	710,186
Other	30,303	10,813
	<u>956,840</u>	<u>802,739</u>
Protective services:		
Police	234,245	203,607
Fire and Emergency Medical Response	254,128	265,328
Emergency measures	12,080	-
Other	34,676	28,988
	<u>535,129</u>	<u>497,923</u>
Transportation services:		
Road transport		
Administration and engineering	769,550	582,822
Road and street maintenance	772,597	723,490
Bridges & culverts maintenance	24,192	17,876
Sidewalk and boulevard maintenance	48,451	29,339
Street lighting	57,736	46,080
Other	6,698	9,441
Air transport	-	-
Public transit	-	-
Other	74,024	28,172
	<u>1,753,248</u>	<u>1,437,220</u>
Environmental health services:		
Waste collection and disposal	149,838	153,598
Recycling	133,311	152,922
Other	1,370	85,241
	<u>284,519</u>	<u>391,761</u>
Public health and welfare services:		
Public health	-	-
Medical care	-	-
Social assistance	658	658
Other	98	15,232
	<u>756</u>	<u>15,890</u>
Regional planning and development		
Planning and zoning	20,357	1,101
Urban renewal	15,353	(17,968)
Beautification and land rehabilitation	22,941	38,052
Urban area weed control	4,854	1,793
Other	766	1,753
	<u>64,271</u>	<u>24,731</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	-
Industrial development	415,531	22,000
Tourism	-	-
Other	33,355	58,580
	<u>448,886</u>	<u>80,580</u>
Sub-totals forward	<u>\$ 4,043,649</u>	<u>\$ 3,250,844</u>

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Sub-totals forward	<u>\$ 4,043,649</u>	<u>\$ 3,250,844</u>
Recreation and cultural services:		
Administration	112,113	104,425
Community centers and halls	78,023	97,254
Swimming pools and beaches	57,177	36,787
Golf courses	-	-
Skating and curling rinks	223,017	229,809
Parks and playgrounds	166,251	185,942
Other recreational facilities	-	-
Museums	-	-
Libraries	-	-
Other cultural facilities	-	-
	<u>636,581</u>	<u>654,217</u>
Total expenses	<u>\$ 4,680,230</u>	<u>\$ 3,905,061</u>
	-	

NAME OF MUNICIPALITY

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT) (unaudited)

For the Year Ended December 31, 2017

	2017		2016	
	General	Utility		Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ 373,095	\$ (918,929)	\$ (545,834)	\$ 618,531
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	2,265,863	75,000	2,340,863	1,353,933
Eliminate revenue - transfers from reserves	(1,905,874)	(62,294)	(1,968,168)	(994,805)
Increase revenue - reserve funds revenues	46,722	269,501	316,223	(90,968)
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(20,703)	-	(20,703)	(36,499)
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(755,491)	(606,183)	(1,361,674)	(1,277,705)
Decrease expense - principal portion of debenture debt	115,408	32,965	148,373	142,290
Eliminate expense - acquisitions of tangible capital assets	1,110,430	2,615,031	3,725,461	2,445,156
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 1,229,450	\$ 1,405,091	\$ 2,634,541	\$ 2,159,933