

VILLAGE OF ST-PIERRE-JOLYS

**Consolidated Financial Statements
For the Year Ended December 31, 2018**

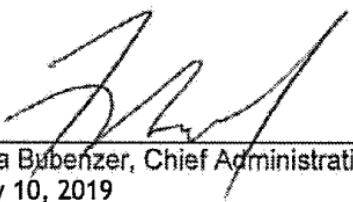
STATEMENT OF RESPONSIBILITY

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

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

Council of the Village 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.

BDO Canada LLP as the Village's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's 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 Municipality in accordance with Canadian public sector accounting standards.



Tina Bubenzer, Chief Administrative Officer
July 10, 2019



Tel: 204-956-7200
Fax: 204-926-7201
Toll-free: 866-863-6601
www.bdo.ca

BDO Canada LLP
700 - 200 Graham Avenue
Winnipeg MB R3C 4L5 Canada

INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of the
VILLAGE OF ST-PIERRE-JOLYS

Opinion

We have audited the consolidated financial statements of the Village of St. Pierre-Jolys (the "Village"), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statement of operations, consolidated statement of change in net financial assets (debt) and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Village's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Canada LLP

Chartered Professional Accountants

Winnipeg, Manitoba
July 10, 2019

VILLAGE OF ST-PIERRE-JOLYS

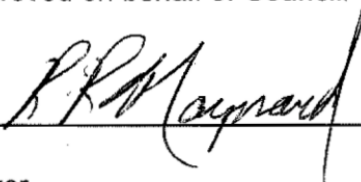
Consolidated Financial Statements For the Year Ended December 31, 2018

| | |
|--|-----------|
| Consolidated Statement of Financial Position | 5 |
| Consolidated Statement of Operations | 6 |
| Consolidated Statement of Change in Net Financial Assets | 7 |
| Consolidated Statement of Cash Flows | 8 |
| Notes to the Consolidated Financial Statements | 9 |
| Schedule 1 - Consolidated Schedule of Tangible Capital Assets | 16 |
| Schedule 2 - Consolidated Schedule of Revenues | 17 |
| Schedule 3 - Consolidated Schedule of Expenses | 18 |
| Schedule 4 - Consolidated Statement of Operations by Program | 19 |
| Schedule 5 - Consolidated Details and Reconciliation to Core Government Results | 21 |
| Schedule 6 - Schedule of Change in Reserve Fund Balances | 22 |
| Schedule 7 - Schedule of L.U.D. Operations | 23 |
| Schedule 8 - Schedule of Financial Position for Utilities | 24 |
| Schedule 9 - Schedule of Utility Operations | 25 |
| Schedule 10 - Reconciliation of the Financial Plan to the Budget | 26 |
| Schedule 11 - Analysis of Taxes on Roll | 27 |
| Schedule 12 - Analysis of Tax Levy | 28 |
| Schedule 13 - Schedule of General Operating Fund Expenses | 29 |
| Schedule 14 - Reconciliation of Annual Surplus | 30 |

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2018

| | <u>2018</u> | <u>2017</u> |
|---|---------------------|---------------------|
| FINANCIAL ASSETS | | |
| Cash | \$ 1,558,004 | \$ 820,882 |
| Amounts receivable (Note 3) | <u>469,569</u> | <u>216,743</u> |
| | <u>2,027,573</u> | <u>1,037,625</u> |
| LIABILITIES | | |
| Accounts payable and accrued liabilities (Note 4) | 179,866 | 174,750 |
| Deferred revenue (Note 6) | 310,758 | 133,134 |
| Long-term debt (Note 7) | <u>1,023,719</u> | <u>375,155</u> |
| | <u>1,514,343</u> | <u>683,039</u> |
| NET FINANCIAL ASSETS | <u>513,230</u> | <u>354,586</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Schedule 1) | 5,102,940 | 4,590,571 |
| Prepaid expenses | <u>8,511</u> | <u>5,053</u> |
| | <u>5,111,451</u> | <u>4,595,624</u> |
| ACCUMULATED SURPLUS (Note 15) | <u>\$ 5,624,681</u> | <u>\$ 4,950,210</u> |

Approved on behalf of Council:



 Mayor



 Councillor

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2018

| | 2018 Budget (Note 10) | 2018 Actual | 2017 Actual |
|--|--------------------------------------|------------------------|------------------------|
| REVENUE | | | |
| Property taxes | \$ 1,035,280 | \$ 1,059,138 | \$ 984,633 |
| Grants in lieu of taxation | 62,896 | 33,957 | 33,146 |
| User fees | 135,627 | 225,142 | 182,164 |
| Grants - Province of Manitoba | 231,053 | 226,542 | 324,150 |
| Grants - other | 222,123 | 195,538 | 179,505 |
| Permits, licences and fines | 16,440 | 18,302 | 19,867 |
| Investment income | 1,117 | 17,048 | 4,747 |
| Other revenue | 13,020 | 439,714 | 238,304 |
| Water and sewer | 114,365 | 83,138 | 831,792 |
| Total revenue (Schedules 2, 4 and 5) | 1,831,921 | 2,298,519 | 2,798,308 |
| EXPENSES | | | |
| General government services | 435,954 | 471,949 | 468,909 |
| Protective services | 219,603 | 223,148 | 214,880 |
| Transportation services | 353,902 | 347,612 | 320,605 |
| Environmental health services | 82,535 | 72,206 | 76,342 |
| Public health and welfare services | 21,547 | 19,260 | 24,033 |
| Regional planning and development | 8,500 | 3,930 | 12,866 |
| Resource conservation and industrial development | 40,160 | 38,034 | 38,771 |
| Recreation and cultural services | 321,468 | 394,486 | 272,388 |
| Water and sewer services | 130,811 | 53,423 | 62,868 |
| Total expenses (Schedules 3, 4 and 5) | 1,614,480 | 1,624,048 | 1,491,662 |
| ANNUAL SURPLUS | \$ 217,441 | 674,471 | 1,306,646 |
| ACCUMULATED SURPLUS, BEGINNING OF YEAR | | 4,950,210 | 3,643,564 |
| ACCUMULATED SURPLUS, END OF YEAR | | \$ 5,624,681 | \$ 4,950,210 |

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year Ended December 31, 2018

| | <u>2018 Budget (Note 10)</u> | <u>2018 Actual</u> | <u>2017 Actual</u> |
|--|--------------------------------------|--------------------------|------------------------|
| ANNUAL SURPLUS | \$ 217,441 | \$ 674,471 | \$ 1,306,646 |
| Acquisition of tangible capital assets | (405,500) | (855,142) | (1,621,702) |
| Amortization of tangible capital assets | 171,036 | 222,162 | 198,344 |
| Gain on sale of tangible capital assets | - | (399,813) | - |
| Proceeds on sale of tangible capital assets | - | 520,424 | - |
| Increase (decrease) in prepaid expense | - | (3,458) | 793 |
| | <u>(234,464)</u> | <u>(515,827)</u> | <u>(1,422,565)</u> |
| CHANGE IN NET FINANCIAL ASSETS | \$ (17,023) | 158,644 | (115,919) |
| NET FINANCIAL ASSETS, BEGINNING OF YEAR | | <u>354,586</u> | <u>470,505</u> |
| NET FINANCIAL ASSETS, END OF YEAR | | <u>\$ 513,230</u> | <u>\$ 354,586</u> |

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2018

| | <u>2018</u> | <u>2017</u> |
|--|----------------------------|--------------------------|
| OPERATING TRANSACTIONS | | |
| Annual surplus | \$ 674,471 | \$ 1,306,646 |
| Changes in non-cash items: | | |
| Amounts receivable | (252,826) | (107,997) |
| Prepaid expenses | (3,458) | 793 |
| Accounts payable and accrued liabilities | 5,116 | 80,487 |
| Deferred revenue | 177,624 | 44,275 |
| Gain on sale of tangible capital assets | (399,813) | - |
| Amortization | 222,162 | 198,344 |
| Cash provided by operating transactions | <u>423,276</u> | <u>1,522,548</u> |
| CAPITAL TRANSACTIONS | | |
| Proceeds on sale of tangible capital assets | 520,424 | - |
| Cash used to acquire tangible capital assets | (855,142) | (1,621,702) |
| Cash applied to capital transactions | <u>(334,718)</u> | <u>(1,621,702)</u> |
| INVESTING TRANSACTIONS | | |
| Cash provided by investing transactions | <u>-</u> | <u>-</u> |
| FINANCING TRANSACTIONS | | |
| Cash applied to financing transactions | <u>648,564</u> | <u>(57,190)</u> |
| INCREASE (DECREASE) IN CASH | 737,122 | (156,344) |
| CASH, BEGINNING OF YEAR | 820,882 | 977,226 |
| CASH, END OF YEAR | <u>\$ 1,558,004</u> | <u>\$ 820,882</u> |

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

1. Status of the Village of St. Pierre-Jolys

The incorporated Village of St. Pierre-Jolys (the "Village") is a municipal government that was created on December 31, 1947 pursuant to the Manitoba Municipal Act. The Village provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library and other general government operations. The Village owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and culture.

2. Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with Canadian generally accepted 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 Village. 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 Village. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Village. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include Parc Carillon (Parc Carillon and St. Pierre Recreational Centre for 2017).

The Village has several partnership agreements in place, and as such, consistent with generally accepted accounting treatment for government partnerships, the following local agencies, boards, and commissions are accounted on a proportionate consolidation basis whereby the Village's prorata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-entity balances and transactions have been eliminated. The government partnerships include:

St. Pierre / De Salaberry Handi-Transit Inc. (30%) (2017 - 30%)
Bibliothèque Regionale Jolys Regional Library (20%) (2017 - 20%)
Rat River Recreation Commission (50%) (2017 - 50%)

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

The Village does not administer any 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) 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.

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

2. Significant Accounting Policies (continued)

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

General Tangible Capital Assets

| | |
|---|----------------|
| Land | Indefinite |
| Land improvements | 30 years |
| Buildings and leasehold improvements | |
| Buildings | 25 years |
| Vehicles and Equipment | |
| Vehicles | 5 years |
| Machinery, equipment and furniture | 10 to 20 years |
| Maintenance and road construction equipment | 15 years |
| Computer hardware and software | 4 to 10 years |

Infrastructure Assets

| | |
|----------------------|------------|
| Transportation | |
| Land | Indefinite |
| Road surface | 20 years |
| Road grade | 40 years |
| Sewer | |
| Land | Indefinite |
| Land improvements | 30 years |
| Underground networks | 50 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 Village, forests, water, and other natural resources are not recognized as tangible capital assets.

e) 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.

f) 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 unspent grants as well as 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 they are spent or the services are provided.

g) 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.

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

2. Significant Accounting Policies (continued)

h) Employee Future Benefits

The Village pays the employer portion of a multi-employer defined benefit pension plan handled by the Municipal Employees' Pension Plan (MEPP) for its employees. Under this plan, specific fixed amounts are contributed by the Village each period for services rendered by the employees matching employee contributions.

For those defined benefit obligations that accumulate but do not vest such as sick pay, the benefit costs are recognized and recorded only in the period when the employee is sick given that the liability for sick pay benefits has been determined to be insignificant at year end.

3. Amounts Receivable

Amounts receivable are valued at their net realizable value.

| | <u>2018</u> | <u>2017</u> |
|-------------------------------|-------------------|-------------------|
| Taxes on roll (Schedule 11) | \$ 74,923 | \$ 65,213 |
| Government grants | 86,210 | 124,436 |
| Organizations and individuals | 261,699 | 10,632 |
| Other governments | 46,736 | 16,462 |
| | <u>\$ 469,569</u> | <u>\$ 216,743</u> |

4. Accounts Payable and Accrued Liabilities

| | <u>2018</u> | <u>2017</u> |
|------------------|-------------------|-------------------|
| Accounts payable | \$ 163,633 | \$ 143,545 |
| School levies | 16,233 | 31,205 |
| | <u>\$ 179,866</u> | <u>\$ 174,750</u> |

5. Line of Credit

The Village has a line of credit available limited to \$275,000 that bears interest at prime (4.10% as at December 31, 2018). As of December 31, 2018, the line of credit balance was nil (nil as at December 31, 2017).

6. Deferred Revenue

Grants were received from Manitoba Hydro which were to be spent on capital projects. The grant was deferred as follows:

| | <u>2018</u> | <u>2017</u> |
|---|-------------------|-------------------|
| Deferred grant revenue balance, beginning of year | \$ 133,134 | \$ 88,859 |
| Funding received during the year | 185,045 | 89,675 |
| Recognized as revenue during the year | <u>(7,421)</u> | <u>(45,400)</u> |
| Deferred grant revenue balance, end of year | <u>\$ 310,758</u> | <u>\$ 133,134</u> |

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

7. Long-term Debt

| | <u>2018</u> | <u>2017</u> |
|--|---------------------|-------------------|
| <u>General Authority</u> | | |
| Debenture, interest at 7.75%, payable at \$14,495 annually including interest, maturing December, 2019 | \$ 13,452 | \$ 25,937 |
| Debenture, interest at 7.125%, payable at \$1,906 annually including interest, maturing December, 2020 | 3,440 | 4,991 |
| Debenture, interest at 5.50%, payable at \$7,113 annually including interest, maturing December, 2025 | 40,422 | 45,056 |
| Debenture, interest at 5.625%, payable at \$6,929 annually including interest, maturing December, 2024 | 34,479 | 39,203 |
| Debenture, interest at 3.25%, payable at \$10,838 annually including interest, maturing December, 2023 | 48,248 | 56,814 |
| Debenture, interest at 4.5%, payable at \$26,761 annually including interest, maturing December, 2020 | <u>50,114</u> | <u>73,564</u> |
| | <u>190,155</u> | <u>245,565</u> |
| <u>Utility Funds</u> | | |
| Debenture, interest at 4.00%, payable at \$40,563 annually including interest, maturing December, 2032 | 428,477 | - |
| Debenture, interest at 5.0%, payable at \$5,341 annually including interest, maturing December, 2019 | <u>5,087</u> | <u>9,931</u> |
| | <u>\$ 433,564</u> | <u>\$ 9,931</u> |
| <u>Short-term Loan</u> | | |
| Caisse Financial Group, interest at prime (4.1% as at December 31, 2018), maturing May 1, 2019. | 400,000 | - |
| Caisse Financial Group, interest at prime, matured on June 1, 2018. | <u>-</u> | <u>119,659</u> |
| | <u>\$ 1,023,719</u> | <u>\$ 375,155</u> |

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

| | |
|------|-----------|
| 2019 | \$ 86,917 |
| 2020 | 71,441 |
| 2021 | 45,980 |
| 2022 | 47,992 |
| 2023 | 50,092 |

Schedule of Debentures Pending

| <u>Authority</u> | <u>Purpose</u> | <u>Amount Authorized</u> |
|------------------|---|--------------------------|
| By-law # 2018-1 | Borrowing of funds for the new Village municipal office | \$ 550,000 |

8. Retirement Benefits

The majority of the employees of the Village 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.

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

8. Retirement Benefits (continued)

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$25,293 (2017 - \$20,974) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2017 indicated the plan was 100.8% funded on a going concern basis and had an unfunded solvency liability of \$246 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2017.

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

9. Financial Instruments

The Village as part of its operations carries a number of financial instruments. It is management's opinion the Village 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.

10. Budget

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

11. 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 Village. For the year ended December 31, 2018:

a) Compensation paid to members of council amounted to \$42,519 in aggregate.

b) There were no members of council receiving compensation in excess of \$50,000 individually.

| <u>Council Members</u> | <u>Compensation</u> | <u>Expenses</u> | <u>Total</u> |
|-----------------------------|---------------------|-----------------|------------------|
| Mayor - Raymond Maynard | \$ 7,927 | \$ 464 | \$ 8,391 |
| Councillor - Luc Nadeau | 6,198 | 354 | 6,552 |
| Councillor - Francine Roy | 6,219 | 150 | 6,369 |
| Councillor - Mona Fallis | 9,266 | 584 | 9,850 |
| Councillor - Paul Gauthier | 6,645 | 1,942 | 8,587 |
| Councillor - Raymond Gagne | 1,584 | 74 | 1,658 |
| Councillor - Paule Peloquin | 1,113 | - | 1,113 |
| | <u>\$ 38,951</u> | <u>\$ 3,567</u> | <u>\$ 42,519</u> |

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

| <u>Name</u> | <u>Position</u> | <u>Amount</u> |
|-----------------|------------------------------|---------------|
| Daniel Forest | Assistant Operations Manager | \$ 50,449 |
| Michel Carriere | Operations Manager | 56,791 |

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

12. 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 Village 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.

| <u>Description of Utility</u> | <u>Unamortized Opening Balance</u> | <u>Additions During Year</u> | <u>Amortization During Year</u> | <u>Unamortized Balance Ending</u> |
|-------------------------------|--|----------------------------------|-------------------------------------|---|
| St. Pierre-Jolys sewer | \$ 1,304,625 | \$ 81,284 | \$ 3,826 | \$ 1,382,083 |

13. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

This relates to the revenues and expenses that relate to the operations of the Village itself and cannot be directly attributed to a specific segment.

Protective Services

Protection is comprised of fire protection, building inspection, emergency operations and animal control services. The fire department is comprised of paid on-call volunteers who provide fire suppression services, fire prevention programs, training and education. The fire department also responds to motor vehicle accidents. The building inspector inspects residential buildings for compliance with the Manitoba Building Code. Emergency operations include the emergency services coordinator as well as the emergency operations centres when required.

Transportation Services

Transportation services is responsible for snow clearing, cleaning streets in urban areas, grading gravel roads, and applying dust abatement to gravel roads. The department maintains boulevards and parks in the urban areas as well as maintenance. The department is also responsible for maintaining and improving drainage along municipal roads as well as paying for utility costs for street lights in urban and rural areas.

Environmental Health Services

The Village utilizes the Rural Municipality of de Salaberry's landfill for waste disposal.

Public Health and Welfare Services

The Village pays the Province of Manitoba an annual levy to administer social assistance to their residents.

Regional Planning and Development

The Village is responsible for final decisions on subdivision applications and for its Zoning By-Laws. The Village also supports the Seine-Rat River Conservation District, which is committed to sustainable development and addressing water-related issues.

Resource Conservation and Industrial Development

St. Pierre en Boom is responsible for encouraging development within the Village.

VILLAGE OF ST-PIERRE-JOLYS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2018

13. Segmented Information (continued)

Recreation and Cultural Services

The Village provides services in order to improve the health and development of its citizens. Library services are provided by Bibliothèque Regionale Jolys Regional Library. As well, St. Pierre Recreational Centre, Rat River Recreation Commission, and Parc Carillon are operated by the Village for recreational purposes.

Water and Sewer Services

This department maintains the water and sewer utility in the Village, processing and cleaning sewage and ensuring the water and sewer systems meet all provincial standards.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The revenues and expenses and controlled organizations that are directly attributable to a particular segment are allocated to that segment.

14. Government Partnerships

The Village has entered partnership agreements for other municipal services as described in Note 2 to the consolidated financial statements. The condensed supplementary financial information is as follows:

| | <u>2018</u> | <u>2017</u> |
|-----------------------|------------------|------------------|
| Financial position | | |
| Total assets | \$ 41,768 | \$ 33,435 |
| Total liabilities | <u>2,721</u> | <u>2,662</u> |
| Accumulated surplus | <u>\$ 39,047</u> | <u>\$ 30,773</u> |
| Results of Operations | | |
| Revenues | \$ 58,724 | \$ 57,041 |
| Expenses | <u>50,450</u> | <u>53,452</u> |
| Annual surplus | <u>\$ 8,274</u> | <u>\$ 3,589</u> |

15. Accumulated Surplus

| | <u>2018</u> | <u>2017</u> |
|--|---------------------|---------------------|
| Accumulated surplus consists of the following: | | |
| General operating fund - Nominal surplus | \$ 646,036 | \$ 506,068 |
| Utility operating fund - Nominal surplus | 216,208 | 216,208 |
| TCA net of related borrowings | 3,512,203 | 3,167,733 |
| Reserve funds | <u>833,870</u> | <u>570,996</u> |
| Accumulated surplus of municipality unconsolidated | 5,208,318 | 4,461,005 |
| Accumulated surpluses of consolidated entities | <u>416,363</u> | <u>489,205</u> |
| Accumulated surplus per Consolidated Statement of Financial Position | <u>\$ 5,624,681</u> | <u>\$ 4,950,210</u> |

16. Subsequent Events

Effective January 1, 2019, the responsibilities of Parc Carillon have been transferred to the Village of St. Pierre Jolys and the entity has dissolved.

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2018

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 | Assets Under Construction | 2018 | 2017 |
| Cost | | | | | | | | | | |
| Opening costs | \$ 371,981 | \$ 626,791 | \$ 1,389,841 | \$ 45,983 | \$ - | \$ 1,548,366 | \$ 966,277 | \$ 1,888,524 | \$ 6,837,763 | \$ 5,216,061 |
| Additions during the year | 34,900 | 70,753 | 165,873 | 6,488 | 399,980 | - | 2,065,230 | 166,533 | 2,909,757 | 1,621,702 |
| Disposals and write downs | (1,562) | (204,913) | - | - | - | - | - | (2,054,615) | (2,261,090) | - |
| Closing costs | 405,319 | 492,632 | 1,555,714 | 52,471 | 399,980 | 1,548,366 | 3,031,507 | 442 | 7,486,431 | 6,837,763 |
| Accumulated Amortization | | | | | | | | | | |
| Opening accum'd amortization | 83,008 | 337,556 | 647,755 | 32,666 | - | 645,146 | 501,061 | - | 2,247,192 | 2,048,848 |
| Amortization | 8,393 | 21,697 | 115,184 | 7,962 | - | 52,977 | 15,949 | - | 222,162 | 198,344 |
| Disposals and write downs | - | (85,863) | - | - | - | - | - | - | (85,863) | - |
| Closing accum'd amortization | 91,401 | 273,390 | 762,939 | 40,628 | - | 698,123 | 517,010 | - | 2,383,491 | 2,247,192 |
| Net Book Value of tangible capital assets | \$ 313,918 | \$ 219,242 | \$ 792,775 | \$ 11,843 | \$ 399,980 | \$ 850,243 | \$ 2,514,497 | \$ 442 | \$ 5,102,940 | \$ 4,590,571 |

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2018

SCHEDULE 2

| | 2018 Actual | 2017 Actual |
|--|---------------------|---------------------|
| Property taxes | | |
| Municipal taxes levied (Schedule 12) | \$ 1,051,706 | \$ 969,381 |
| Taxes added | 7,432 | 15,252 |
| | <u>1,059,138</u> | <u>984,633</u> |
| Grants in lieu of taxation | | |
| Federal government | 12,740 | 12,014 |
| Provincial government | 11,962 | 10,411 |
| Provincial government enterprises | 9,255 | 10,721 |
| | <u>33,957</u> | <u>33,146</u> |
| User fees | | |
| Parking meters | - | - |
| Sales of service | 225,142 | 180,064 |
| Rentals | - | 2,100 |
| Development charges | - | - |
| | <u>225,142</u> | <u>182,164</u> |
| Grants - Province of Manitoba | | |
| General assistance payment | 196,489 | 196,745 |
| Municipal program grants | - | - |
| Conditional grants | 30,053 | 127,405 |
| | <u>226,542</u> | <u>324,150</u> |
| Grants - other | | |
| Federal government - gas tax funding | 62,179 | 60,074 |
| Federal government - other | 15,985 | 9,476 |
| Other local governments | 117,374 | 109,955 |
| | <u>195,538</u> | <u>179,505</u> |
| Permits, licences and fines | | |
| Permits | 10,102 | 7,647 |
| Licences | 2,959 | 3,209 |
| Fines | 5,241 | 9,011 |
| | <u>18,302</u> | <u>19,867</u> |
| Investment income | | |
| Cash and temporary investments | 17,031 | 4,459 |
| Other: short-term deposits | 17 | 288 |
| | <u>17,048</u> | <u>4,747</u> |
| Other revenue | | |
| Gain on sale of tangible capital assets | 399,813 | - |
| Penalties and interest | 7,329 | 5,512 |
| Miscellaneous (fundraising and donations) | 32,572 | 232,792 |
| | <u>439,714</u> | <u>238,304</u> |
| Water and sewer services (Schedule 9) | <u>83,138</u> | <u>831,792</u> |
| Total revenue | <u>\$ 2,298,519</u> | <u>\$ 2,798,308</u> |

CONSOLIDATED SCHEDULE OF EXPENSES

Year Ended December 31, 2018

| | 2018 Actual | 2017 Actual |
|---|---------------------|---------------------|
| General government services | | |
| Legislative | \$ 38,951 | \$ 45,551 |
| General administrative | 329,047 | 295,691 |
| Other | 103,951 | 127,667 |
| | <u>471,949</u> | <u>468,909</u> |
| Protective services | | |
| Police | 152,679 | 151,805 |
| Fire | 50,145 | 40,786 |
| Emergency measures | 5,812 | 5,618 |
| Other protection | 14,512 | 16,671 |
| | <u>223,148</u> | <u>214,880</u> |
| Transportation services | | |
| Road transport | | |
| Administration and engineering | 544 | - |
| Road and street maintenance | 209,655 | 178,200 |
| Sidewalk and boulevard maintenance | 401 | 2,786 |
| Street lighting | 19,337 | 18,741 |
| Other | 117,675 | 120,878 |
| | <u>347,612</u> | <u>320,605</u> |
| Environmental health services | | |
| Waste collection and disposal | 15,083 | 23,273 |
| Recycling | 22,057 | 20,695 |
| Other | 35,066 | 32,374 |
| | <u>72,206</u> | <u>76,342</u> |
| Public health and welfare services | | |
| Public health | 17,751 | 22,524 |
| Social assistance | 1,509 | 1,509 |
| | <u>19,260</u> | <u>24,033</u> |
| Regional planning and development | | |
| Planning and zoning | - | 5,050 |
| Urban renewal | - | - |
| Beautification and land rehabilitation | 3,930 | 7,816 |
| | <u>3,930</u> | <u>12,866</u> |
| Resource conservation and industrial development | | |
| Veterinary services | 4,765 | 4,436 |
| Water resources and conservation | 1,000 | 1,315 |
| Regional development | 31,560 | 31,419 |
| Tourism | 709 | 1,601 |
| | <u>38,034</u> | <u>38,771</u> |
| Recreation and cultural services | | |
| Administration | - | - |
| Community centers and halls | 130,447 | 32,962 |
| Parks and playgrounds | 72,588 | 74,710 |
| Libraries | 33,465 | 33,262 |
| Other cultural facilities | 27,456 | 131,454 |
| | <u>394,486</u> | <u>272,388</u> |
| Water and sewer services (Schedule 9) | <u>53,423</u> | <u>62,868</u> |
| Total expenses | <u>\$ 1,624,048</u> | <u>\$ 1,491,662</u> |

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2018

SCHEDULE 4

| | General Government* | | Protective Services | | Transportation Services | | Environmental Health Services | | Public Health and Welfare Services | |
|------------------------------------|---------------------|-------------------|---------------------|---------------------|-------------------------|---------------------|-------------------------------|--------------------|------------------------------------|--------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| REVENUE | | | | | | | | | | |
| Property taxes | \$ 978,273 | \$ 904,997 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Grants in lieu of taxation | 33,957 | 33,146 | - | - | - | - | - | - | - | - |
| User fees | 200,655 | 97,819 | - | - | - | - | 18,450 | 17,775 | 1,470 | 990 |
| Prov of MB - Unconditional Grants | 196,489 | 196,745 | - | - | - | - | - | - | - | - |
| Prov of MB - Conditional Grants | - | 10,410 | - | - | - | 92,660 | - | - | - | - |
| Grants - other | 153,568 | 96,352 | - | - | - | - | - | - | - | - |
| Permits, licences and fines | 18,302 | 19,867 | - | - | - | - | - | - | - | - |
| Investment income | 15,689 | 3,656 | 102 | 16 | 468 | 50 | 200 | - | 571 | 544 |
| Other revenue | 407,164 | 5,512 | - | - | - | - | - | - | 22,530 | 11,481 |
| Water and sewer | - | - | - | - | - | - | - | - | - | - |
| Total revenue | 2,004,097 | 1,368,504 | 102 | 16 | 468 | 92,710 | 18,650 | 17,775 | 24,571 | 13,015 |
| EXPENSES | | | | | | | | | | |
| Personnel services | 250,005 | 233,696 | 180,802 | 187,090 | 168,466 | 144,689 | 2,310 | 12,458 | 178 | 221 |
| Contract services | 161,687 | 127,501 | 21,940 | 17,273 | 6,601 | 20,014 | 41,082 | 40,279 | 2,939 | 5,316 |
| Utilities | 9,935 | 10,163 | 2,193 | - | 23,343 | 21,492 | - | - | - | - |
| Maintenance materials and supplies | 5,609 | 6,637 | 11,410 | 4,056 | 51,600 | 48,759 | 12,773 | 10,171 | - | - |
| Grants and contributions | 7,951 | 45,636 | - | - | - | - | 9,558 | 8,411 | 9,174 | 9,174 |
| Amortization | 16,141 | 13,665 | 6,803 | 6,461 | 77,098 | 75,257 | 6,483 | 5,023 | 4,294 | 4,400 |
| Interest on long-term debt | 20,621 | 15,976 | - | - | 20,144 | 10,144 | - | - | - | 2,720 |
| Other | - | 15,635 | - | - | 360 | 250 | - | - | 2,675 | 2,202 |
| Total expenses | 471,949 | 468,909 | 223,148 | 214,880 | 347,612 | 320,605 | 72,206 | 76,342 | 19,260 | 24,033 |
| Surplus (Deficit) | \$ 1,532,148 | \$ 899,595 | \$ (223,046) | \$ (214,864) | \$ (347,144) | \$ (227,895) | \$ (53,556) | \$ (58,567) | \$ 5,311 | \$ (11,018) |

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

VILLAGE OF ST-PIERRE-JOLYS
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2018

SCHEDULE 4

| | Regional Planning and Development | | Resource Conservation and Industrial Dev | | Recreation and Cultural Services | | Water and Sewer Services | | Total | |
|------------------------------------|--------------------------------------|--------------------|---|--------------------|-------------------------------------|-------------------|-----------------------------|-------------------|-------------------|---------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| REVENUE | | | | | | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 80,865 | \$ 79,636 | \$ 1,059,138 | 984,633 |
| Grants in lieu of taxation | - | - | - | - | - | - | - | - | 33,957 | 33,146 |
| User fees | - | - | - | - | 4,567 | 65,580 | - | - | 225,142 | 182,164 |
| Prov of MB - Unconditional Grants | - | - | - | - | - | - | - | - | 196,489 | 196,745 |
| Prov of MB - Conditional Grants | - | - | - | - | 30,053 | 24,335 | - | - | 30,053 | 127,405 |
| Grants - other | - | - | - | - | 41,970 | 83,153 | - | - | 195,538 | 179,505 |
| Permits, licences and fines | - | - | - | - | - | - | - | - | 18,302 | 19,867 |
| Investment income | - | - | - | - | 8 | 475 | 10 | 6 | 17,048 | 4,747 |
| Other revenue | - | - | - | - | 10,020 | 221,311 | - | - | 439,714 | 238,304 |
| Water and sewer | - | - | - | - | - | - | 83,138 | 831,792 | 83,138 | 831,792 |
| Total revenue | - | - | - | - | 86,618 | 394,854 | 164,013 | 911,434 | 2,298,519 | 2,798,308 |
| EXPENSES | | | | | | | | | | |
| Personnel services | - | - | - | - | 103,889 | 88,014 | 8,001 | 6,698 | 713,651 | 672,866 |
| Contract services | 240 | 6,904 | 1,610 | 1,784 | 5,947 | 11,331 | 4,270 | 5,946 | 246,316 | 236,348 |
| Utilities | - | - | - | 518 | 44,562 | 35,032 | 7,582 | 7,111 | 87,615 | 74,316 |
| Maintenance materials and supplies | - | - | 709 | 1,083 | 93,774 | 6,181 | 17,124 | 26,440 | 192,999 | 103,327 |
| Grants and contributions | 3,690 | 5,962 | 33,765 | 33,436 | 35,771 | (62,370) | - | - | 99,909 | 40,249 |
| Amortization | - | - | 1,950 | 1,950 | 93,442 | 75,643 | 15,949 | 15,946 | 222,160 | 198,345 |
| Interest on long-term debt | - | - | - | - | 113 | 419 | 497 | 727 | 41,375 | 29,986 |
| Bad debt | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | 16,988 | 118,138 | - | - | 20,023 | 136,225 |
| Total expenses | 3,930 | 12,866 | 38,034 | 38,771 | 394,486 | 272,388 | 53,423 | 62,868 | 1,624,048 | 1,491,662 |
| Surplus (Deficit) | \$ (3,930) | \$ (12,866) | \$ (38,034) | \$ (38,771) | \$ (307,868) | \$ 122,466 | \$ 110,590 | \$ 848,566 | \$ 674,471 | \$ 1,306,646 |

VILLAGE OF ST-PIERRE-JOLYS

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

Year Ended December 31, 2018

| | Core Government | | Controlled Entities | | Government Partnerships | | Total | |
|------------------------------------|-------------------|---------------------|---------------------|------------------|-------------------------|-----------------|-------------------|---------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2009 |
| REVENUE | | | | | | | | |
| Property taxes | \$ 1,059,138 | \$ 984,633 | \$ - | \$ - | \$ - | \$ - | \$ 1,059,138 | \$ 984,633 |
| Grants in lieu of taxation | 33,957 | 33,146 | - | - | - | - | 33,957 | 33,146 |
| User fees | 219,105 | 115,594 | - | 56,301 | 6,037 | 10,269 | 225,142 | 182,164 |
| Prov of MB - Unconditional Grants | 196,489 | 196,745 | - | - | - | - | 196,489 | 196,745 |
| Prov of MB - Conditional Grants | - | 103,070 | - | - | 30,053 | 24,335 | 30,053 | 127,405 |
| Grants - other | 160,989 | 141,752 | - | 10,000 | 34,549 | 27,753 | 195,538 | 179,505 |
| Permits, licences and fines | 18,302 | 19,867 | - | - | - | - | 18,302 | 19,867 |
| Investment income | 17,031 | 4,459 | 5 | 276 | 12 | 12 | 17,048 | 4,747 |
| Other revenue | 429,694 | 16,993 | 9,114 | 220,287 | 906 | 1,024 | 439,714 | 238,304 |
| Water and sewer | 83,138 | 831,792 | - | - | - | - | 83,138 | 831,792 |
| Total revenue | <u>2,217,843</u> | <u>2,448,051</u> | <u>9,119</u> | <u>286,864</u> | <u>71,557</u> | <u>63,393</u> | <u>2,298,519</u> | <u>2,798,308</u> |
| EXPENSES | | | | | | | | |
| Personnel services | 663,532 | 584,631 | 6,817 | 48,624 | 43,302 | 39,611 | 713,651 | 672,866 |
| Contract services | 239,733 | 224,258 | 2,822 | 8,861 | 3,761 | 3,229 | 246,316 | 236,348 |
| Utilities | 86,314 | 39,310 | 891 | 34,687 | 410 | 319 | 87,615 | 74,316 |
| Maintenance materials and supplies | 187,561 | 97,146 | 1,970 | 1,183 | 3,468 | 4,998 | 192,999 | 103,327 |
| Grants and contributions | 99,909 | 40,249 | - | - | - | - | 99,909 | 40,249 |
| Amortization | 171,036 | 145,574 | 50,165 | 51,449 | 959 | 1,322 | 222,160 | 198,345 |
| Interest on long-term debt | 41,262 | 29,567 | 113 | 419 | - | - | 41,375 | 29,986 |
| Bad debt | - | - | - | - | - | - | - | - |
| Other | 360 | 15,885 | 7,700 | 105,647 | 11,963 | 14,693 | 20,023 | 136,225 |
| Total expenses | <u>1,489,707</u> | <u>1,176,620</u> | <u>70,478</u> | <u>250,870</u> | <u>63,863</u> | <u>64,172</u> | <u>1,624,048</u> | <u>1,491,662</u> |
| Surplus (Deficit) | <u>\$ 728,136</u> | <u>\$ 1,271,431</u> | <u>\$ (61,359)</u> | <u>\$ 35,994</u> | <u>\$ 7,694</u> | <u>\$ (779)</u> | <u>\$ 674,471</u> | <u>\$ 1,306,646</u> |

VILLAGE OF ST-PIERRE-JOLYS
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 Year Ended December 31, 2018

SCHEDULE 6

| | 2018 | | | | | | | | | | | | | | | | | 2017 | | |
|--|------------|---------------------------|-----------|----------------|------------|-----------|---------------|---------------------|------------------|----------------------|------------------|-----------|-------------|------------------|-----------------|------------|------------------|------------|------------|--------|
| | General | Garbage Truck Replacement | Fire | Street Repairs | Recreation | Gas Tax | Handi Transit | Utility Replacement | Low Flush Toilet | Contribution Lot Fee | Lagoon Expansion | Equipment | Water Study | Office Equipment | Office Building | Splash Pad | Cemetary Reserve | Total | Total | |
| REVENUE | | | | | | | | | | | | | | | | | | | | |
| Interest earned | \$ 3,554 | \$ 398 | \$ 870 | \$ 5 | \$ 102 | \$ 1,347 | \$ 540 | \$ 10 | \$ 22 | \$ 395 | \$ 452 | \$ 70 | \$ 200 | \$ 125 | \$ 211 | \$ 3 | \$ 19 | \$ 8,321 | \$ 4,658 | |
| Other revenue | - | - | - | - | - | - | - | - | - | 13,000 | - | - | - | - | - | - | 9,530 | 22,530 | 11,481 | |
| Total revenue | 3,554 | 398 | 870 | 5 | 102 | 1,347 | 540 | 10 | 22 | 13,395 | 452 | 70 | 200 | 125 | 211 | 3 | 9,549 | 30,851 | 16,139 | |
| EXPENSES | | | | | | | | | | | | | | | | | | | | |
| Investment charges | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 77,177 |
| EXPENSES | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 77,177 |
| NET REVENUES | 3,554 | 398 | 870 | 5 | 102 | 1,347 | 540 | 10 | 22 | 13,395 | 452 | 70 | 200 | 125 | 211 | 3 | 9,549 | 30,851 | (61,038) | |
| TRANSFERS | | | | | | | | | | | | | | | | | | | | |
| Debt repayments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers from (to) operating fund | 177,624 | 2,500 | 5,000 | - | - | (54,485) | - | - | - | - | 5,000 | 50,000 | - | (3,000) | 60,000 | - | - | 242,639 | 5,209 | |
| Transfers from (to) utility fund | - | - | - | - | - | - | - | - | - | - | (10,615) | - | - | - | - | - | - | (10,615) | 15,000 | |
| CHANGE IN RESERVE FUND BALANCES | 181,178 | 2,898 | 5,870 | 5 | 102 | (53,138) | 540 | 10 | 22 | 13,395 | (5,163) | 50,070 | 200 | (2,875) | 60,211 | 3 | 9,549 | 262,875 | (40,829) | |
| FUND SURPLUS, BEGINNING OF YEAR | 142,578 | 26,997 | 55,039 | 289 | 3,612 | 114,875 | 34,197 | 647 | 1,311 | 25,478 | 38,146 | 15,043 | 45,000 | 7,865 | 47,497 | 199 | 12,223 | 570,996 | 611,825 | |
| FUND SURPLUS, END OF YEAR | \$ 323,756 | \$ 29,895 | \$ 60,908 | \$ 294 | \$ 3,714 | \$ 61,737 | \$ 34,737 | \$ 657 | \$ 1,333 | \$ 38,873 | \$ 32,983 | \$ 65,113 | \$ 45,200 | \$ 4,990 | \$ 107,708 | \$ 202 | \$ 21,772 | \$ 833,870 | \$ 570,996 | |

VILLAGE OF ST-PIERRE-JOLYS
 SCHEDULE OF L.U.D. OPERATIONS
 Year Ended December 31, 2018

SCHEDULE 7

| | 2018 Budget | 2018 Actual | 2017 Actual |
|--|--------------------|--------------------|--------------------|
| Revenue | | | |
| Taxation | \$ - | \$ - | \$ - |
| Other revenue | - | - | - |
| Total revenue | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenses | | | |
| General Government: | | | |
| Indemnities | - | - | - |
| Transportation Services | | | |
| Road and street maintenance | - | - | - |
| Bridge maintenance | - | - | - |
| Ditches and road drainage | - | - | - |
| Snow and ice removal | - | - | - |
| 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 | <u>-</u> | <u>-</u> | <u>-</u> |
| Net revenues (expenses) | - | - | - |
| Transfers: | | | |
| Transfers from (to) L.U.D. reserves | - | - | - |
| Transfers from (to) operating fund | - | - | - |
| Other - Transfer to capital | - | - | - |
| Change in L.U.D. balances | <u><u>\$ -</u></u> | - | - |
| Unexpended balance, beginning of year | | <u>-</u> | <u>-</u> |
| Unexpended balance, end of year | | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

VILLAGE OF ST-PIERRE-JOLYS
 SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
 Year Ended December 31, 2018

SCHEDULE 8

| | <u>2018</u> | <u>2017</u> |
|--|----------------------------|----------------------------|
| | Total | Total |
| FINANCIAL ASSETS | | |
| Cash | \$ - | \$ - |
| Amounts receivable | - | - |
| Portfolio investments | - | - |
| Other - due from general fund | - | - |
| | <u>-</u> | <u>-</u> |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | - | - |
| Deferred revenue | - | - |
| Long-term debt (Note 7) | 433,564 | 9,931 |
| Other - due to general fund | 31,246 | 414,872 |
| | <u>464,810</u> | <u>424,803</u> |
| NET DEBT | <u>(464,810)</u> | <u>(424,803)</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Schedule 1) | 2,514,962 | 2,353,760 |
| Inventories | - | - |
| Prepaid expenses | - | - |
| | <u>2,514,962</u> | <u>2,353,760</u> |
| FUND SURPLUS | <u><u>\$ 2,050,152</u></u> | <u><u>\$ 1,928,957</u></u> |

VILLAGE OF ST-PIERRE-JOLYS
SCHEDULE OF UTILITY OPERATIONS
Year Ended December 31, 2018

SCHEDULE 9

| | <u>2018 Budget</u> | <u>2018 Actual</u> | <u>2017 Actual</u> |
|--|---------------------------|----------------------------|------------------------|
| REVENUE | | | |
| Sewer fees | \$ - | \$ 1,854 | \$ 836 |
| Property taxes | 80,865 | 80,865 | 79,636 |
| Bulk Water fees | - | - | - |
| Lagoon tipping fees | - | - | - |
| Hydrant rentals | - | - | - |
| Connection charges | - | - | - |
| Penalties | - | - | - |
| Government transfers - operating | - | - | - |
| Government transfers - capital | - | 81,284 | 830,956 |
| Investment income | - | - | - |
| Administration fees | - | - | - |
| Other income - donated tangible capital assets | 1,500 | - | - |
| Total revenue | <u>82,365</u> | <u>164,003</u> | <u>911,428</u> |
| EXPENSES | | | |
| General | | | |
| Administration | - | 8,001 | 6,698 |
| Training costs | - | - | - |
| Billing and collection | - | - | - |
| Utilities (telephone, electricity, etc.) | - | 720 | 720 |
| | <u>-</u> | <u>8,721</u> | <u>7,418</u> |
| Sewer | | | |
| Collection system costs | 114,365 | 17,229 | 28,195 |
| Treatment and disposal cost | - | - | - |
| Lift station costs | - | 11,027 | 10,582 |
| Transportation services | - | - | - |
| Water purchases | - | - | - |
| Connection costs | - | - | - |
| Debenture payment | - | - | - |
| | <u>114,365</u> | <u>28,256</u> | <u>38,777</u> |
| Sewer Amortization and Interest | | | |
| Amortization | 15,949 | 15,949 | 15,946 |
| Interest on long-term debt | 497 | 497 | 727 |
| | <u>16,446</u> | <u>16,446</u> | <u>16,673</u> |
| Total expenses | <u>130,811</u> | <u>53,423</u> | <u>62,868</u> |
| NET OPERATION SURPLUS (DEFICIT) | (48,446) | 110,580 | 848,560 |
| TRANSFERS | | | |
| Transfers from (to) operating fund | - | - | - |
| Transfers from (to) reserve funds | 32,000 | 10,615 | (15,000) |
| CHANGE IN UTILITY FUND BALANCE | <u>\$ (16,446)</u> | 121,195 | 833,560 |
| FUND SURPLUS, BEGINNING OF YEAR | | <u>1,928,957</u> | <u>1,095,397</u> |
| FUND SURPLUS, END OF YEAR | | <u>\$ 2,050,152</u> | <u>\$ 1,928,957</u> |

VILLAGE OF ST-PIERRE-JOLYS
 RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET
 Year Ended December 31, 2018

SCHEDULE 10

| | Financial Plan General | Financial Plan Utility(ies) | Amortization (TCA) | Interest Expense | Transfers | Consolidated Entities | PSAB Budget |
|--|---------------------------|--------------------------------|-----------------------|---------------------|--------------------|--------------------------|-------------------|
| REVENUE | | | | | | | |
| Property taxes | \$ 1,035,280 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,035,280 |
| Grants in lieu of taxation | 62,896 | - | - | - | - | - | 62,896 |
| User fees | 129,590 | - | - | - | - | 6,037 | 135,627 |
| Grants - Province of Manitoba | 201,000 | - | - | - | - | 30,053 | 231,053 |
| Grants - other | 187,574 | - | - | - | - | 34,549 | 222,123 |
| Permits, licences and fines | 16,440 | - | - | - | - | - | 16,440 |
| Investment income | 1,100 | - | - | - | - | 17 | 1,117 |
| Other revenue | 3,000 | - | - | - | - | 10,020 | 13,020 |
| Water and sewer | - | 114,365 | - | - | - | - | 114,365 |
| Transfers from accumulated surplus | 40,000 | - | - | - | (40,000) | - | - |
| Transfers from reserves | 315,500 | - | - | - | (315,500) | - | - |
| Total revenue | <u>1,992,380</u> | <u>114,365</u> | <u>-</u> | <u>-</u> | <u>(355,500)</u> | <u>80,676</u> | <u>1,831,921</u> |
| EXPENSES | | | | | | | |
| General government services | 405,092 | - | 16,141 | 13,000 | 1,721 | - | 435,954 |
| Protective services | 212,800 | - | 6,803 | - | - | - | 219,603 |
| Transportation services | 256,660 | - | 77,098 | 20,144 | - | - | 353,902 |
| Environmental health services | 76,052 | - | 6,483 | - | - | - | 82,535 |
| Public health and welfare services | 13,764 | - | 3,693 | - | - | 4,090 | 21,547 |
| Regional planning and development | 8,500 | - | - | - | - | - | 8,500 |
| Resource construction and industrial development | 38,210 | - | 1,950 | - | - | - | 40,160 |
| Recreation and cultural services | 191,710 | - | 42,919 | - | (43,412) | 130,251 | 321,468 |
| Water and sewer services | - | 114,365 | 15,949 | 497 | - | - | 130,811 |
| Fiscal services: | | | | | | | |
| Transfer to capital | 405,500 | - | (405,500) | - | - | - | - |
| Transfer to utility | 75,524 | - | - | - | (75,524) | - | - |
| Debt charges | 109,449 | - | - | (109,449) | - | - | - |
| Short term interest | 16,500 | - | - | (16,500) | - | - | - |
| Transfer to deferred surplus | - | - | - | - | - | - | - |
| Transfer to reserves | 180,898 | - | - | - | (180,898) | - | - |
| Allowance for tax assets | 1,721 | - | - | - | (1,721) | - | - |
| Total expenses | <u>1,992,380</u> | <u>114,365</u> | <u>(234,464)</u> | <u>(92,308)</u> | <u>(299,834)</u> | <u>134,341</u> | <u>1,614,480</u> |
| Surplus (Deficit) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 234,464</u> | <u>\$ 92,308</u> | <u>\$ (55,666)</u> | <u>\$ (53,665)</u> | <u>\$ 217,441</u> |

VILLAGE OF ST-PIERRE-JOLYS
ANALYSIS OF TAXES ON ROLL
Year Ended December 31, 2018

SCHEDULE 11

| | <u>2018</u> | <u>2017</u> |
|-------------------------------------|-------------------------|-------------------------|
| Balance , beginning of year | <u>\$ 65,213</u> | <u>\$ 55,981</u> |
| Add: | | |
| Tax levy (Schedule 12) | 1,603,999 | 1,510,543 |
| Taxes added | 7,432 | 15,252 |
| Penalties or interest | <u>7,329</u> | <u>5,512</u> |
| | <u>1,618,760</u> | <u>1,531,307</u> |
| Deduct: | | |
| Cash collections - current | 1,347,042 | 1,258,098 |
| Cash collections - arrears | 58,245 | 61,152 |
| M.P.T.C. - cash advance | 203,763 | 200,725 |
| Other credits - M.P.T.C. adjustment | <u>-</u> | <u>2,100</u> |
| | <u>1,609,050</u> | <u>1,522,075</u> |
| Balance , end of year | <u><u>\$ 74,923</u></u> | <u><u>\$ 65,213</u></u> |

VILLAGE OF ST-PIERRE-JOLYS
ANALYSIS OF TAX LEVY
Year Ended December 31, 2018

SCHEDULE 12

| | 2018 | | | 2017 |
|---|------------|--------------|---------------------|---------------------|
| | Assessment | Mill Rate | Levy | Levy |
| Debt charges: | | | | |
| Mill Rate (At Large) | | | | |
| Cote Ave (2000-1) | 50,116,870 | 0.283% | \$ 14,158 | \$ 14,132 |
| Cote Ave (2000-18) | 50,116,870 | 0.037% | 1,861 | 1,859 |
| Community Dyke (2007-4) | 50,116,870 | 0.135% | 6,768 | 6,756 |
| Rescue Fire Truck (2011-8) | - | 0.000% | - | - |
| Lagoon Expansion | 50,116,870 | 0.703% | 35,232 | - |
| New Office (2009-3) | 40,419,640 | 0.259% | 10,475 | 10,453 |
| Manoir (2005-10) | 40,419,640 | 0.170% | 6,871 | 6,860 |
| Lift Station Upgrade (2009-12) | 40,419,640 | 0.128% | 5,162 | 5,151 |
| Special levies: | | | | |
| Special levies: | - | 0.000% | - | - |
| Sewer By-Law 2011-5-SS | - | Frontage | 73,183 | 71,955 |
| Garbage Collection By-Law 2011-4 | - | Frontage | 73,889 | 68,806 |
| 205 Sewer By-Law 2009-10 | - | 0.000% | - | - |
| Sunrise - Pavement By-Law 2010-9 | - | 33 Taxpayers | 26,760 | 26,761 |
| Police Levy By-Law 2010-11 | 50,116,870 | 2.923% | 146,514 | 147,512 |
| Fire Protection By-Law 2016 | 50,116,870 | 0.729% | 36,530 | 36,464 |
| General municipal: | | | | |
| Rural area | - | 0.000% | - | - |
| At large | 40,419,640 | 15.198% | 614,303 | 572,672 |
| Business tax | - | 0.000% | - | - |
| Total municipal taxes (Schedule 2) | | | 1,051,706 | 969,381 |
| Education support levy | 4,426,230 | 9.770% | 43,244 | 43,534 |
| Special levy: | | | | |
| #56 - Red River | 36,767,070 | 13.845% | 509,049 | 497,628 |
| Total education taxes | | | 552,293 | 541,162 |
| Total tax levy (Schedule 11) | | | \$ 1,603,999 | \$ 1,510,543 |

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

Year Ended December 31, 2018

| | 2018 Actual | 2017 Actual |
|--|---------------------|---------------------|
| General government services: | | |
| Legislative | \$ 38,951 | \$ 45,551 |
| General administrative | 329,047 | 295,691 |
| Other | 103,951 | 127,667 |
| | <u>471,949</u> | <u>468,909</u> |
| Protective services: | | |
| Police | 152,679 | 151,805 |
| Fire | 50,145 | 40,786 |
| Emergency measures | 5,812 | 5,618 |
| Other protection | 14,512 | 16,671 |
| | <u>223,148</u> | <u>214,880</u> |
| Transportation services: | | |
| Road transport | | |
| Administration and engineering | 544 | - |
| Engineering | - | - |
| Road and street maintenance | 209,655 | 178,200 |
| Bridge maintenance | - | - |
| Sidewalk and boulevard maintenance | 401 | 2,786 |
| Street lighting | 19,337 | 18,741 |
| Other | 117,675 | 120,878 |
| Air transport | - | - |
| Public transit | - | - |
| | <u>347,612</u> | <u>320,605</u> |
| Environmental health services: | | |
| Waste collection and disposal | 15,083 | 23,273 |
| Recycling | 22,057 | 20,695 |
| Other | 35,066 | 32,374 |
| | <u>72,206</u> | <u>76,342</u> |
| Public health and welfare services: | | |
| Public health | 13,661 | 18,635 |
| Medical care | - | - |
| Hospital care | - | - |
| Social assistance | 1,509 | 1,509 |
| | <u>15,170</u> | <u>20,144</u> |
| Regional planning and development: | | |
| Planning and zoning | - | 5,050 |
| Urban renewal | - | - |
| Beautification and land rehabilitation | 3,930 | 7,816 |
| Natural resources | - | - |
| Urban area weed control | - | - |
| Other | - | - |
| | <u>3,930</u> | <u>12,866</u> |
| Resource conservation and industrial development: | | |
| Rural area weed control | - | - |
| Drainage of land | - | - |
| Veterinary services | 4,765 | 4,436 |
| Water resources and conservation | 1,000 | 1,315 |
| Regional development | 31,560 | 31,419 |
| Industrial development | - | - |
| Tourism | 709 | 1,601 |
| Other | - | - |
| | <u>38,034</u> | <u>38,771</u> |
| Recreation and cultural services: | | |
| Administration | - | - |
| Community centers and halls | 130,447 | 32,962 |
| Swimming pools and beaches | - | - |
| Golf courses | - | - |
| Skating and curling rinks | 130,530 | - |
| Parks and playgrounds | 32,110 | 168,000 |
| Other recreational facilities | - | - |
| Museums | - | - |
| Libraries | 14,560 | 13,600 |
| Other cultural facilities | - | - |
| | <u>307,647</u> | <u>214,562</u> |
| Total expenses | <u>\$ 1,479,696</u> | <u>\$ 1,367,079</u> |

VILLAGE OF ST-PIERRE-JOLYS
RECONCILIATION OF ANNUAL SURPLUS
December 31, 2018

SCHEDULE 14
(unaudited)

| | General | 2018 Utility | Total | 2017 Total |
|---|-------------------|-------------------|-------------------|---------------------|
| MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT | \$ 139,972 | \$ - | \$ 139,972 | \$ 104,599 |
| Adjustments for reporting under public sector accounting standards | | | | |
| Eliminate expense - transfers to reserves | 372,224 | - | 372,224 | 239,624 |
| Eliminate revenue - transfers from reserves | (129,585) | (10,615) | (140,200) | (219,416) |
| Increase revenue - reserve funds income and expenses | 30,851 | - | 30,851 | (61,038) |
| Increase (decrease) revenue - Net surplus (deficit) of consolidated entities | (10,253) | - | (10,253) | 288,542 |
| Increase expense - amortization of tangible capital assets | (155,088) | (15,946) | (171,034) | (145,574) |
| Decrease expense - principal portion of debenture debt | 55,410 | 27,367 | 82,777 | 57,191 |
| Increase expense - net increase in utility capital debt (funded by general fund) | - | 383,626 | 383,626 | (278,213) |
| Decrease revenue - proceeds exceeding gain on disposal of tangible capital assets | (120,589) | - | (120,589) | - |
| Increase expense - borrowing to be funded by debenture | (280,341) | (451,000) | (731,341) | - |
| Eliminate expense - acquisitions of tangible capital assets | 654,607 | 177,148 | 831,755 | 1,320,931 |
| Decrease revenue - Transfer in Recreational Centre surplus from Consolidated Entities | (62,590) | - | (62,590) | - |
| Decrease expense - Transfer in Recreational Centre assets from Consolidated Entities | 69,273 | - | 69,273 | - |
| NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS | \$ 563,891 | \$ 110,580 | \$ 674,471 | \$ 1,306,646 |