

**TOWN OF NIVERVILLE**  
**INDEPENDENT AUDITOR'S REPORT**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

## **STATEMENT OF MANAGEMENT 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 Canadian Public Sector Accounting Standards 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 Municipality met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the Consolidated Financial Statements.

Fort Group Chartered Professional Accountants Inc. as the Town of Niverville'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 Town of Niverville in accordance with Canadian public sector accounting standards.

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**Eric King, CPA, CGA, Chief Administrative Officer**

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of the Council of the Town of Niverville:

### Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Town of Niverville as at December 31, 2018, and the results of its consolidated operations and its consolidated 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 Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

### Other Matter

The consolidated financial statements for the year ended December 31, 2017 were audited by another auditor who expressed an unqualified opinion on those consolidated financial statements on June 26, 2018.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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.

2.

*Your Foundation for the Future.*



**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization'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 organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements including the disclosures, and whether the consolidated financial statements representing the underlying transactions and events in a manner that achieved fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the organization to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Winnipeg, Manitoba  
May 28, 2019

*Fort Group*  
CHARTERED PROFESSIONAL  
ACCOUNTANTS INC.

**TOWN OF NIVERVILLE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**  
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**TOWN OF NIVERVILLE  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2018**

	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 6,879,506	6,914,275
Amounts receivable (Note 4)	2,278,675	1,982,988
Real estate properties held for sale	77,379	105,921
Other inventories for sale (Note 5)	<u>109,112</u>	<u>5,216</u>
	<u>9,344,672</u>	<u>9,008,400</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	1,150,759	1,706,230
Long-term debt (Note 8)	<u>1,881,670</u>	<u>809,200</u>
	<u>3,032,429</u>	<u>2,515,430</u>
<b>NET FINANCIAL ASSETS</b>	<u>6,312,243</u>	<u>6,492,970</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	34,419,901	30,762,344
Real estate inventories (Note 5)	555,594	524,189
Inventories (Note 5)	973	973
Prepaid expenses	<u>55,808</u>	<u>31,059</u>
	<u>35,032,276</u>	<u>31,318,565</u>
<b>ACCUMULATED SURPLUS (Note 15)</b>	<u><u>\$ 41,344,519</u></u>	<u><u>37,811,535</u></u>

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  
YEAR ENDED DECEMBER 31, 2018**

	<b>2018</b>		<b>2017</b>
	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>
	<b>(Note 14)</b>		
<b>REVENUE</b>			
Property taxes	\$ 3,247,230	3,556,824	3,295,273
Grants in lieu of taxation	77,869	28,785	28,524
User fees	287,385	771,126	616,454
Permits, licences and fines	61,500	82,528	71,400
Investment income	29,097	107,389	102,663
Other revenue	637,834	1,635,572	745,998
Water and sewer	945,895	1,618,277	2,341,199
Grants - Province of Manitoba	913,629	1,360,230	1,316,003
Grants - other	<u>193,504</u>	<u>293,376</u>	<u>289,977</u>
Total revenue (Schedule 2, 4 and 5)	<u>6,393,943</u>	<u>9,454,107</u>	<u>8,807,491</u>
<b>EXPENSES</b>			
General Government Services	1,110,876	1,182,523	956,840
Protective services	586,838	564,995	535,129
Transportation services	1,999,284	1,678,202	1,753,248
Environmental health services	298,500	283,137	284,519
Public health and welfare services	30,551	31,019	756
Regional planning and development	258,695	98,166	64,271
Resource conservation and industrial development	346,496	398,177	964,533
Recreation and cultural services	695,414	641,815	636,606
Water and sewer services (Schedule 9)	<u>1,709,569</u>	<u>1,043,089</u>	<u>977,048</u>
Total expenses (Schedule 3, 4 and 5)	<u>7,036,223</u>	<u>5,921,123</u>	<u>6,172,950</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ <u>(642,280)</u></b>	<b><u>3,532,984</u></b>	<b><u>2,634,541</u></b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<b><u>37,811,535</u></b>	<b><u>35,176,994</u></b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<b><u>41,344,519</u></b>	<b><u>37,811,535</u></b>

*The accompanying notes are an integral part of this financial statement.*

**TOWN OF NIVERVILLE**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2018**

	<b>2018</b>	<b>2017</b>
	<b><u>Budget</u></b> (Note 14)	<b><u>Actual</u></b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ <u>(642,280)</u>	<u>2,634,541</u>
Acquisition of tangible capital assets	(3,241,982)	(3,725,461)
Amortization of tangible capital assets	1,559,458	1,361,674
Decrease (increase) in inventories	-	(44,991)
Decrease (increase) in prepaid expense	<u>-</u>	<u>10,908</u>
	<u>(1,682,524)</u>	<u>(2,397,870)</u>
 <b>CHANGE IN FINANCIAL ASSETS</b>	 \$ <u>(2,324,804)</u>	 236,671
 <b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	 <u>6,492,970</u>	 <u>6,256,299</u>
 <b>NET FINANCIAL ASSETS, END OF YEAR</b>	 <u>6,312,243</u>	 <u>6,492,970</u>

*The accompanying notes are an integral part of this financial statement.*



**TOWN OF NIVERVILLE  
CONSOLIDATED STATEMENT OF CASH FLOW  
YEAR ENDED DECEMBER 31, 2018**

	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 3,532,984	2,634,541
Change in non-cash items:		
Amounts receivable	(295,687)	491,901
Inventories	(103,896)	30,062
Prepays	(24,749)	10,907
Accounts payable and accrued liabilities	(555,471)	990,092
Loss on disposal of tangible capital assets	-	-
Amortization	<u>1,560,134</u>	<u>1,361,673</u>
Cash provided by operating transactions	<u>4,113,315</u>	<u>5,519,176</u>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of tangible capital assets	<u>(5,217,691)</u>	<u>(3,725,459)</u>
<b>INVESTING TRANSACTIONS</b>		
Acquisition of real estate properties	<u>(2,863)</u>	<u>(80,382)</u>
<b>FINANCING TRANSACTIONS</b>		
Debt advances	1,200,000	-
Debt repayment	<u>(127,530)</u>	<u>(148,371)</u>
Cash provided by financing transactions	<u>1,072,470</u>	<u>(148,371)</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	(34,769)	1,564,964
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>6,914,275</u>	<u>5,349,311</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u>\$ 6,879,506</u></u>	<u><u>6,914,275</u></u>

*The accompanying notes are an integral part of this financial statement*

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**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 operates 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 municipality. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

*Niverville Recreation Committee Inc.*  
*Niverville Community Development Corporation*

**(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 include 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.

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**(f) 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.

**(g) 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

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Tangible Capital Assets (continued)**

Certain assets which have historical or cultural value including works of art, historical documents

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

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.

**(h) 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.

**(i) 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.

**(j) 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.

**(k) Measurement Uncertainty**

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the consolidated financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the consolidated 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.

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**3. CASH AND TEMPORARY INVESTMENTS**

Cash and temporary investments are comprised of the following:

	<u><b>2018</b></u>	<u><b>2017</b></u>
Cash and Temporary Investments	\$ <u>6,879,506</u>	<u>6,914,275</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$5,325,795 (2017 - \$5,171,113) to reserves for debt principal repayments and tangible capital assets acquisitions. See Schedule 6 - Schedule of Change in Reserve Fund Balances.

**4. AMOUNTS RECEIVABLE**

Amounts receivable are valued at their net realizable value.

	<u><b>2018</b></u>	<u><b>2017</b></u>
Taxes on roll (Schedule 11)	\$ 1,110,889	1,061,533
Government grants	67,750	178,530
Utility customers	232,137	220,835
Organizations and individuals	937,467	595,735
Other governments	<u>50,716</u>	<u>43,467</u>
	2,398,959	2,100,100
Less allowances for doubtful amounts	<u>(120,284)</u>	<u>(117,112)</u>
	<u>\$ 2,278,675</u>	<u>1,982,988</u>

**5. INVENTORIES**

	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>Inventories for sale:</b>		
Water meters	\$ 65,367	5,216
Recycle bins & spare parts for waste carts	<u>43,745</u>	<u>-</u>
	<u>109,112</u>	<u>5,216</u>
<b>Real estate inventories</b>	<u>\$ 555,594</u>	<u>524,189</u>
<b>Inventories for use:</b>		
Materials & supplies for use	<u>\$ 973</u>	<u>973</u>
(Public Works-base supply of hardware and parts)		

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2018</u>	<u>2017</u>
Accounts payable	\$ 1,014,209	1,554,894
Accrued liabilities	<u>136,550</u>	<u>151,336</u>
	<u>\$ 1,150,759</u>	<u>1,706,230</u>

**7. LANDFILL CLOSURE AND POST CLOSURE LIABILITIES**

The Town does not have a landfill. The Municipality of Richot owns the landfill and it is managed by Mid-Canada Waste Services. The Town 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**

	<b>2018</b>	<b>2017</b>
<b>General Authority</b>		
Non-interest bearing mortgage, payable in two annual instalments of \$600,000, secured by the property	\$ 1,200,000	-
Debenture (BL 601-03 LID#10), interest at 6.375%, payable at \$2,184 annually including interest, maturing 2018		2,053
Mortgage, interest at 5.309%, payable at \$49,762 annually including interest, maturing 2022	202,521	246,936
Debenture (BL 647-07 LID#14), interest at 5.283%, payable at \$53,254 annually including interest, maturing 2021	179,042	232,836
Debenture (BL 653-07 LID#15), interest at 5.875%, payable at \$4,276 annually including interest, maturing 2022	<u>14,107</u>	<u>17,158</u>
	<u>1,595,670</u>	<u>498,983</u>
<b>Utility Funds</b>		
Crow Wing Water Debenture (BL 659-08 LID#12), interest at 5.391%, payable at \$34,286 annually including interest, maturing 2027	<u>286,000</u>	<u>310,217</u>
	<u>\$ 1,881,670</u>	<u>809,200</u>

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

2019	\$ 732,162
2020	769,982
2021	146,618
2022	88,335
2023	31,488
Thereafter	<u>113,085</u>
	<u>\$ 1,881,670</u>



**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**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 entered into a contract with WSP Canada for \$90,000 for the detailed design and tendering of the 3rd Avenue South Lift Station and Forcemain upgrades. The Town has also entered into cost-sharing agreements with developers for their portions of the total cost of the complete project (design and tendering, construction, and expenses). Full costs will be determined after the tendering.

The Town has entered into an agreement with CP rail to move forward with the construction of a pedestrian crossings at the north and south ends of PR311. The project is to be completed in the 2019 fiscal year and the costs for design and construction are not to exceed \$80,000.

**11. RETIREMENT BENEFITS**

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

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$62,460 (2017 - \$54,425) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2015 indicated the plan was 92.7% funded on a going concern basis and had an unfunded solvency liability of \$1,056.60 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.

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**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 Province has authorized fencing around one cell to be removed as this cell is now considered decommissioned. The rest of the cells are expected to be decommissioned over the next two to three years with the decommissioned cell being developed into parkland in 2019.

In 2018, the Town purchased 329 Bronstone Drive to be renovated for the new Town Administration Office and Fire Department. Renovations will take place in early 2019 and the Town Office is expected to move in May 1, 2019. In 2019, council declared 86 Main Street as a surplus asset and will be available for sale by RFP.

**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><b>2018</b></u>	<u><b>2017</b></u>
Accumulated surplus consists of the following:		
General operating fund - Nominal Surplus	\$ 1,493,613	1,261,243
Utility operating fund(s) - Nominal Surplus	1,110,520	600,782
TCA net of related borrowings	32,483,202	29,882,927
Reserve Funds	<u>5,325,795</u>	<u>5,171,113</u>
Accumulated surplus of municipality unconsolidated	<u>40,413,130</u>	<u>36,916,065</u>
Accumulated surpluses of consolidated entities	<u>931,389</u>	<u>895,470</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u><b>\$ 41,344,519</b></u>	<u><b>37,811,535</b></u>

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**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, 2018:

a) Compensation paid to members of Council amounted to \$74,450 in aggregate.

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

<u>Council Member</u>	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor Myron Dyck	\$ 18,938	1,129	20,067
Councillor John Funk	13,837	926	14,763
Councillor Cris Wiebe	12,916	895	13,811
Councillor Nathan Dueck	12,282	841	13,123
Councillor Kevin Stott	<u>12,134</u>	<u>552</u>	<u>12,686</u>
	<u>\$ 70,107</u>	<u>4,343</u>	<u>74,450</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
Jim Buys	Executive Advisor	\$ 111,584
Eric King	CAO	104,888
Ryan Dyck	Operations Manager	77,948
Andrew Rempel	Utilities Manager	58,247
Karl Neufeld	Operation Equipment Manager	55,871
Audrey Neufeld	Assistant CAO	53,437
Cory Enns	Recreation Facilities Manager	52,416

**17. TRUST FUNDS**

The Town administers the following trusts:

	<u>Balance, beginning of year</u>	<u>Excess, Receipts over Disbursements</u>	<u>Balance, end of year</u>
General Trust	\$ 3,625	67	3,692
Memorial Trust	1,982	37	2,019
W. Church Endowment Fund	15,146	-	15,146
Building Permit Trust	<u>216,461</u>	<u>7,075</u>	<u>223,536</u>
	<u>\$ 237,214</u>	<u>7,179</u>	<u>244,393</u>

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**18. SEGMENTED INFORMATION**

The Town 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 consolidated 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><b>2018</b></u>	<u><b>2017</b></u>
<b>Financial Position</b>		
Financial assets	\$ -	16
Financial liabilities	-	(16)
Net financial assets (liabilities)	<u>-</u>	<u>-</u>
Non-financial assets	-	-
Accumulated surplus	<u>-</u>	<u>-</u>
<b>Result of Operations</b>		
Revenues	-	2,910
Expenses	<u>-</u>	<u>38,103</u>
Annual surplus	<u>\$ -</u>	<u>(35,193)</u>

**TOWN OF NIVERVILLE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2018**

**20.COMPARATIVE FIGURES**

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

**21.PUBLIC UTILITIES BOARD - Unaudited**

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 Public Sector Accounting Board.

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:**

	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Utility #1 - Spruce Drive	\$ <u>6,569,029</u>	<u>497,701</u>	<u>240,734</u>	<u>6,825,996</u>

**Sewer services:**

Description of Utility	Unamortized Opening Balance	Additions During Year	Amortization During Year	Unamortized Balance Ending
Town Sewer Utilities	\$ <u>3,877,357</u>	<u>-</u>	<u>74,458</u>	<u>3,802,899</u>

**SCHEDULE 1**

**TOWN OF NIVERVILLE  
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
YEAR ENDED DECEMBER 31, 2018**

	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	
<b>Cost</b>									
Opening costs	\$ 2,873,915	2,178,931	3,324,207	49,925	117,561	14,719,097	19,853,893	-	43,117,529
Additions during the year	880,704	2,018,818	117,560	-	170,132	555,874	1,514,088	3,104,810	39,392,071
Disposals, write downs, transfers	(14,379)	-	(10,845)	-	(14,261)	-	-	(3,104,810)	4,974,767
Closing costs	3,740,240	4,197,749	3,430,922	49,925	273,432	15,274,971	21,367,981	-	(1,249,309)
									43,117,529
<b>Accumulated amortization</b>									
Opening accumulated amortization	383,433	1,189,063	1,298,526	44,190	-	4,741,584	4,698,389	-	12,355,185
Amortization	80,547	162,279	225,207	4,682	-	429,334	658,085	-	1,560,134
Disposals, write downs, transfers	-	-	-	-	-	-	-	-	-
Closing accumulated amortization	463,980	1,351,342	1,523,733	48,872	-	5,170,918	5,356,474	-	13,915,319
									10,993,512
<b>NET BOOK VALUE</b>	\$ 3,276,260	2,846,407	1,907,189	1,053	273,432	10,104,053	16,011,507	-	30,762,344



## SCHEDULE 2

### TOWN OF NIVERVILLE CONSOLIDATED SCHEDULE OF REVENUES YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 3,296,242	3,145,199
Taxes added	<u>260,582</u>	<u>150,074</u>
	<u>3,556,824</u>	<u>3,295,273</u>
<b>Grants in lieu of taxation:</b>		
Federal government	2,240	2,240
Provincial government	<u>26,545</u>	<u>26,284</u>
	<u>28,785</u>	<u>28,524</u>
<b>User fees:</b>		
Road transport		
Sales of service	341,707	252,705
Sales of goods	1,060	1,250
Rentals	14,785	22,355
Development charges	413,574	337,578
Facility use fees	<u>-</u>	<u>2,566</u>
	<u>771,126</u>	<u>616,454</u>
<b>Permits, licenses and fines:</b>		
Permits	55,780	53,895
Licences	7,501	5,755
Fines	<u>19,247</u>	<u>11,750</u>
	<u>82,528</u>	<u>71,400</u>
<b>Investment income:</b>		
Cash and temporary investments	<u>107,389</u>	<u>102,663</u>
<b>Other revenue:</b>		
Sale of real estate held for sale	250,324	506,221
Contributed assets	21,000	
Penalties and interest	134,649	121,253
Miscellaneous (specify): Donations	1,020,357	9,635
Miscellaneous (specify): Town Sundry	<u>209,242</u>	<u>108,889</u>
	<u>1,635,572</u>	<u>745,998</u>
<b>Water and sewer:</b>		
Water and sewer (Schedule 9)	1,659,217	2,382,139
Less tax levies and invstmnt income incl above	<u>(40,940)</u>	<u>(40,940)</u>
	<u>1,618,277</u>	<u>2,341,199</u>
<b>Grants - Province of Manitoba:</b>		
General assistance payment	227,945	604,477
General support grant	13,259	
Municipal Programs grant	518,296	156,031
Conditional grants	<u>600,730</u>	<u>555,495</u>
	<u>1,360,230</u>	<u>1,316,003</u>
<b>Grants - other:</b>		
Federal government - gas tax funding	200,286	193,504
Federal government - other	2,456	-
Other local governments	<u>90,634</u>	<u>96,473</u>
	<u>293,376</u>	<u>289,977</u>
<b>TOTAL REVENUE</b>	<u>\$ 9,454,107</u>	<u>8,807,491</u>

**SCHEDULE 3**

**TOWN OF NIVERVILLE  
CONSOLIDATED SCHEDULE OF EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>General government services:</b>		
Legislative	\$ 80,608	78,508
General Administrative	1,015,169	838,029
Other Administrative	<u>86,746</u>	<u>40,303</u>
	<u>1,182,523</u>	<u>956,840</u>
<b>Protective services:</b>		
Police	221,976	234,245
Fire and Emergency Medical Response	263,949	254,128
Emergency Measures	14,152	12,080
Other Protection	<u>64,918</u>	<u>34,676</u>
	<u>564,995</u>	<u>535,129</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	700,803	769,550
Road and street maintenance	766,219	846,621
Bridges and culvert maintenance	18,136	24,192
Sidewalk and boulevard maintenance	105,636	48,451
Street lighting	71,954	57,736
Other	<u>15,454</u>	<u>6,698</u>
	<u>1,678,202</u>	<u>1,753,248</u>
<b>Environmental health services:</b>		
Waste collection and disposal	160,394	149,838
Recycling	112,405	133,311
Other	<u>10,338</u>	<u>1,370</u>
	<u>283,137</u>	<u>284,519</u>
<b>Public health and welfare services:</b>		
Social assistance	30,361	98
Other	<u>658</u>	<u>658</u>
	<u>31,019</u>	<u>756</u>
<b>Regional planning and development:</b>		
Planning and zoning	39,410	20,357
Urban renewal	19,636	15,353
Beautification and land rehabilitation	34,451	22,941
Urban area weed control	<u>4,669</u>	<u>5,620</u>
	<u>98,166</u>	<u>64,271</u>
<b>Resource conservation and industrial development:</b>		
Regional development	117,501	415,531
Industrial development	<u>280,676</u>	<u>549,003</u>
	<u>398,177</u>	<u>964,534</u>
<b>SUB-TOTALS FORWARD</b>	<b>\$ <u>4,236,219</u></b>	<b><u>4,559,297</u></b>

**SCHEDULE 3**

**TOWN OF NIVERVILLE  
CONSOLIDATED SCHEDULE OF EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

<b>SUB-TOTALS FORWARD</b>	<b>\$ <u>4,236,219</u></b>	<b>\$ <u>4,559,297</u></b>
<b>Recreation and cultural services:</b>		
Administration	105,741	112,113
Community centers and halls	73,867	78,023
Swimming pools and beaches	46,540	57,177
Arenas, Skating and curling rinks	234,722	223,041
Parks and playgrounds	<u>180,945</u>	<u>166,251</u>
	<u>641,815</u>	<u>636,605</u>
<b>Water and sewer services (Schedule 9):</b>	<u>1,043,089</u>	<u>977,048</u>
<b>TOTAL EXPENSES</b>	<b>\$ <u>5,921,123</u></b>	<b>\$ <u>6,172,950</u></b>

**TOWN OF NIVERVILLE**  
**CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>General Government</u>		<u>Protective Services</u>		<u>Transportation Services</u>		<u>Environmental Health Services</u>		<u>Public Health and Welfare Services</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>										
Property taxes	\$ 3,515,884	3,254,333	-	-	-	-	-	-	-	-
Grants in lieu of taxation	28,785	28,524	-	-	-	-	-	-	-	-
User fees	353,239	361,183	-	-	-	195	-	-	76,180	-
Grants - other	293,376	289,977	-	-	-	-	-	-	-	-
Permits, licences and fines	26,748	17,505	-	-	-	-	-	-	-	-
Investment income	98,798	105,674	524	353	1,974	3,342	-	-	-	-
Other revenue	1,385,248	239,777	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Unconditional Grants - Province of Manitoba	759,500	760,508	-	-	-	-	-	-	-	-
Conditional Grants - Province of Manitoba	467,027	405,256	-	-	4,897	6,402	128,806	143,837	-	-
	6,928,605	5,462,737	524	353	6,871	9,939	128,806	143,837	76,180	-
<b>EXPENSES</b>										
Personnel services	456,565	418,802	111,608	132,539	413,758	428,405	-	-	-	-
Contract services	43,112	44,551	260,651	250,741	17,161	65,119	194,358	204,279	5,100	-
Utilities	20,354	23,032	10,016	8,242	15,245	11,609	-	-	271	63
Maintenance materials and supplies	34,744	7,110	29,612	24,063	609,774	651,809	17,200	10,340	24,953	35
Grants and contributions	84,614	40,303	-	-	-	-	-	-	-	-
Amortization	125,549	32,664	69,514	65,221	548,076	528,801	51	51	-	-
Interest on long term debt	-	-	-	-	26,549	32,905	-	-	-	-
Other	417,585	390,378	83,594	54,323	47,639	34,600	71,528	69,849	695	658
	1,182,523	956,840	564,995	535,129	1,678,202	1,753,248	283,137	284,519	31,019	756
<b>SURPLUS (DEFICIT)</b>	<b>\$ 5,746,082</b>	<b>4,505,897</b>	<b>(564,471)</b>	<b>(534,776)</b>	<b>(1,671,331)</b>	<b>(1,743,309)</b>	<b>(154,331)</b>	<b>(140,682)</b>	<b>45,161</b>	<b>(756)</b>

**TOWN OF NIVERVILLE**  
**CONSOLIDATED STATEMENTS OF OPERATIONS BY PROGRAM**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Regional Planning and Development</u>		<u>Resource Conservation and Industrial Development</u>		<u>Recreation and Cultural Services</u>		<u>Water and Sewer Services</u>		<u>Total</u>
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2017</u>
<b>Revenue</b>									
Property taxes	\$ -	-	-	-	-	-	40,940	40,940	3,295,273
Grants in lieu of taxation	-	-	-	-	-	-	-	-	28,524
User fees	-	2,566	-	-	341,707	252,510	-	-	616,454
Grants - other	-	-	-	-	-	-	-	-	289,977
Permits, licences and fines	55,780	53,895	-	-	-	-	-	-	71,400
Investment income	-	344	1,607	561	4,486	1,917	-	-	102,663
Other revenue	-	-	250,324	506,221	-	-	-	-	745,998
Water and sewer	-	-	-	-	-	-	1,618,277	2,341,199	2,341,199
Grants - Province of Manitoba	-	-	-	-	-	-	-	-	760,508
Grants - other	-	-	-	-	-	-	-	-	555,495
	55,780	56,805	251,931	506,782	346,193	254,427	1,659,217	2,382,139	8,807,491
<b>Expenses</b>									
Personnel services	-	-	-	-	180,036	188,893	24,740	24,576	1,193,215
Contract services	-	-	8,143	69,629	38,267	34,173	80,293	55,272	723,764
Utilities	-	-	-	-	57,222	39,042	44,561	37,574	119,562
Maintenance materials and supplies	39,120	28,561	214,733	433,626	67,262	99,341	184,259	201,000	1,455,885
Grants and contributions	-	-	-	-	-	-	-	-	40,303
Amortization	-	-	805	805	157,378	127,949	658,085	606,183	1,361,674
Interest on long term debt	-	-	-	-	-	-	16,723	19,529	52,434
Other	59,046	35,710	174,496	460,474	141,650	147,207	34,428	32,914	1,226,113
	98,166	64,271	398,177	964,534	641,815	636,605	1,043,089	977,048	6,172,950
<b>SURPLUS (DEFICIT)</b>	\$ (42,386)	(7,466)	(146,246)	(457,752)	(295,622)	(382,178)	616,128	1,405,091	2,634,541

**TOWN OF NIVERVILLE**  
**CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Core Government</u>		<u>Controlled Entities</u>		<u>Government Partnerships</u>		<u>Total</u>
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2017</u>
<b>REVENUE</b>							
Property taxes	\$ 3,556,824	3,295,273	-	-	-	-	3,556,824
Grants in lieu of taxation	28,785	28,524	-	-	-	-	28,785
User fees	756,341	591,533	14,785	22,355	-	2,566	771,126
Grants - other	293,376	289,977	-	-	-	-	293,376
Permits, licences and fines	82,528	71,400	-	-	-	-	82,528
Investment income	106,292	102,069	1,097	250	-	344	107,389
Other revenue	1,385,248	239,777	250,324	506,221	-	-	1,635,572
Water and sewer	1,618,277	2,341,199	-	-	-	-	1,618,277
Unconditional Grants - Province of Manitoba	1,291,055	760,508	-	-	-	-	1,291,055
Conditional Grants - Province of Manitoba	69,175	555,495	-	-	-	-	69,175
	9,187,901	8,275,755	266,206	528,826	-	2,910	9,454,107
<b>EXPENSES</b>							
Personnel services	1,186,707	1,193,215	-	-	-	-	1,186,707
Contract services	638,942	654,135	8,143	68,325	-	1,304	647,085
Utilities	147,669	119,562	-	-	-	-	147,669
Maintenance materials and supplies	1,006,924	1,022,259	214,733	433,626	-	-	1,221,657
Grants and contributions	84,614	3,536	-	-	-	36,767	84,614
Amortization	1,558,653	1,360,869	805	805	-	-	1,559,458
Interest on long term debt	43,272	52,434	-	-	-	-	43,272
Other	1,020,106	1,214,501	10,555	11,579	-	33	1,030,661
	5,686,887	5,620,511	234,236	514,335	-	38,104	5,921,123
<b>SURPLUS (DEFICIT)</b>	<u>\$ 3,501,014</u>	<u>2,655,244</u>	<u>31,970</u>	<u>14,491</u>	<u>-</u>	<u>(35,194)</u>	<u>2,634,541</u>



**TOWN OF NIVERVILLE**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**  
**YEAR ENDED DECEMBER 31, 2018**

2018

	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
<b>REVENUE</b>									
Investment income	\$ 41,172	69	524	4,866	2,003	5,275	1,974	2,479	311
Other revenue	<u>500</u>	-	<u>1,440</u>	<u>117,738</u>	-	-	<u>13,000</u>	-	-
Total revenue	<u>41,672</u>	<u>69</u>	<u>1,964</u>	<u>122,604</u>	<u>2,003</u>	<u>5,275</u>	<u>14,974</u>	<u>2,479</u>	<u>311</u>
<b>EXPENSES</b>									
Investment charges	-	-	-	-	-	-	-	-	-
Other expenses	<u>47,001</u>	<u>258</u>	<u>1,440</u>	-	-	-	<u>2,600</u>	-	-
Total expenses	<u>47,001</u>	<u>258</u>	<u>1,440</u>	-	-	-	<u>2,600</u>	-	-
<b>NET REVENUE</b>	<u>(5,329)</u>	<u>(189)</u>	<u>524</u>	<u>122,604</u>	<u>2,003</u>	<u>5,275</u>	<u>12,374</u>	<u>2,479</u>	<u>311</u>
<b>TRANSFERS</b>									
Transfers from general operating fund	2,526,627	76,500	85,665		89,840	120,000	310,000	324,191	6,153
Transfers to general operating fund	-	-	-	-	-	-	-	-	-
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	<u>(2,473,686)</u>	<u>(73,426)</u>	<u>(7,166)</u>	<u>(167,552)</u>	<u>(70,741)</u>	-	<u>(113,843)</u>	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	47,612	2,885	79,023	(44,948)	21,102	125,275	208,531	326,670	6,464
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<u>2,154,182</u>	<u>4,653</u>	<u>29,305</u>	<u>281,582</u>	<u>111,282</u>	<u>308,053</u>	<u>70,364</u>	<u>185,744</u>	<u>18,709</u>
<b>FUND SURPLUS, END OF YEAR \$</b>	<u>2,201,794</u>	<u>7,538</u>	<u>108,328</u>	<u>236,634</u>	<u>132,384</u>	<u>433,328</u>	<u>278,895</u>	<u>512,414</u>	<u>25,173</u>

**TOWN OF NIVERVILLE**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**  
**YEAR ENDED DECEMBER 31, 2018**

	2018						2017
	Fair Insurance Reserve Fund 53	Development fees Fund 35	Gas Tax Reserve Fund 55	Sewer Utility Replacement Reserve Fund 70	Water Utility Replacement Reserve Fund 72	Utility Reserve Fund 56	
REVENUE							Total
Investment income	\$ 10	514	13,375	4,870	-	39	67,487
Other revenue	-	-	-	232,909	62,927	-	337,773
Total revenue	10	514	13,375	237,779	62,927	39	405,260
EXPENSES							
Investment charges	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	2,132	89,037
Total expenses	-	-	-	-	-	2,132	89,037
NET REVENUE	10	514	13,375	237,779	62,927	(2,093)	316,223
TRANSFERS							
Transfers from general operating fund			200,286				1,577,413
Transfers to general operating fund	-	-	-	-	-	-	763,450
Transfer from nominal surplus	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	(338,483)	(287,771)	(504,476)	-	(1,968,168)
CHANGE IN RESERVE FUND BALANCES	10	514	(124,822)	(49,992)	(441,549)	(2,093)	688,918
FUND SURPLUS, BEGINNING OF YEAR	-	30,702	624,392	265,717	1,084,296	2,133	4,482,195
FUND SURPLUS, END OF YEAR \$	10	31,216	499,570	215,725	642,747	40	5,171,113

**SCHEDULE 7**

**THE TOWN OF NIVERVILLE  
SCHEDULE OF L.U.D OPERATIONS  
YEAR ENDED DECEMBER 31, 2018**

	<b><u>2018 Budget</u></b>	<b><u>2018 Actual</u></b>	<b><u>2017 Actual</u></b>
<b>Revenue</b>			
Taxation	\$ -	-	-
Other Revenue	-	-	-
	<hr/>	<hr/>	<hr/>
Total revenue	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Expenses</b>			
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	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenses	-	-	-
	<hr/>	<hr/>	<hr/>
<b>NET REVENUES (EXPENSES)</b>	-	-	-
	<hr/>	<hr/>	<hr/>

**SCHEDULE 7**

**THE TOWN OF NIVERVILLE  
SCHEDULE OF L.U.D OPERATIONS  
YEAR ENDED DECEMBER 31, 2018**

	<b><u>2018 Budget</u></b>	<b><u>2018 Actual</u></b>	<b><u>2017 Actual</u></b>
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Change in L.U.D. balances</b>	<b>\$ -</b>	-	-
	<hr/>		
<b>UNEXPENDED, BEGINNING OF YEAR</b>		-	-
		<hr/>	<hr/>
<b>UNEXPENDED, END OF YEAR</b>		-	-
		<hr/>	<hr/>

**SCHEDULE 8**

**TOWN OF NIVERVILLE  
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES  
YEAR ENDED DECEMBER 31, 2018**

	<b>Sewer Utility</b>	<b>2018 Water Utility</b>	<b>Total</b>	<b>2017 Total</b>
<b>FINANCIAL ASSETS</b>				
Amounts receivable	\$ -	232,136	232,136	220,835
Due from other funds	<u>1,256,287</u>	<u>975,174</u>	<u>2,231,461</u>	<u>1,542,300</u>
	<u>1,256,287</u>	<u>1,207,310</u>	<u>2,463,597</u>	<u>1,763,135</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	-	85,534	85,534	33,837
Long-term debt (Note 9)	-	286,000	286,000	310,217
Due to other funds	<u>122,145</u>	<u>1,210,765</u>	<u>1,332,910</u>	<u>1,133,732</u>
	<u>122,145</u>	<u>1,582,299</u>	<u>1,704,444</u>	<u>1,477,786</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>1,134,142</u>	<u>(374,989)</u>	<u>759,153</u>	<u>285,349</u>
<b>NON-FINANCIAL ASSETS</b>				
Tangible capital assets (Schedule 1)	<u>6,960,726</u>	<u>9,050,781</u>	<u>16,011,507</u>	<u>15,155,500</u>
<b>FUND SURPLUS</b>	<u>\$ 8,094,868</u>	<u>8,741,159</u>	<u>16,836,027</u>	<u>15,446,065</u>

**SCHEDULE 9 - S**

**TOWN OF NIVERVILLE  
SCHEDULE OF UTILITY OPERATIONS - SEWER  
DECEMBER 31, 2018**

	<b>2018</b>	<b>2017</b>
	<b><u>Budget</u></b>	<b><u>Actual</u></b>
<b>Sewer</b>		<b><u>Actual</u></b>
Sewer fees	\$ 510,516	495,943
Other income	<u>-</u>	<u>300</u>
<b>Total Revenue</b>	<u>516,516</u>	<u>502,468</u>
<b>EXPENSES</b>		
<b>General</b>		
Administration	30,400	29,113
Training costs	2,500	1,925
Billing and collection	14,000	5,827
Utilities (telephone, electricity, etc.)	<u>12,200</u>	<u>9,829</u>
Sub-total-general	59,100	46,694
<b>Sewer General</b>		
Collection system costs	37,500	39,672
Lift Station costs	<u>41,500</u>	<u>57,739</u>
Sub-total-sewer-general	79,000	97,411
<b>Sewer amortization &amp; interest</b>		
Amortization	-	245,559
<b>Total expenses</b>	<u>138,100</u>	<u>389,664</u>
<b>NET OPERATING SURPLUS</b>	<u>378,416</u>	<u>112,804</u>
<b>TRANSFERS</b>		
Transfers from (to) operating fund		62,294
Transfers from (to) reserve funds	(44,000)	(75,000)
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 334,416</u>	<u>100,098</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>7,673,663</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>8,094,868</u>

**SCHEDULE 9 - W**

**TOWN OF NVERVILLE  
SCHEDULE OF UTILITY OPERATIONS - SPRUCE DRIVE WATER  
DECEMBER 31, 2018**

	<b>2018</b>		<b>2017</b>
	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 424,879	455,622	412,962
Bulk Water fees	-	90	90
<b>Property taxes</b>	-	40,940	40,940
<b>Government transfers</b>			
Capital	200	497,701	1,353,604
<b>Other</b>			
Hydrant rentals	7,500	13,837	24,289
Penalties	4,500	4,342	4,124
Other income	16,110	46,397	43,662
<b>Total revenue</b>	<u>453,189</u>	<u>1,058,929</u>	<u>1,879,671</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	21,200	20,175	20,512
Training costs	2,000	2,725	155
Billing and collection	29,000	35,883	25,473
Utilities (telephone, electricity, etc.)	29,700	32,272	27,845
Sub-total-general	81,900	91,055	73,985
<b>Water General</b>			
Purification and treatment	697,761	83,092	133,246
<b>Water amortization &amp; interest</b>			
Amortization	-	403,777	360,624
Interest on long term debt	-	16,724	19,529
Sub-total-water amortization & interest	-	420,501	380,153
<b>Total expenses</b>	<u>779,661</u>	<u>594,648</u>	<u>587,384</u>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<u>\$ (326,472)</u>	<u>464,281</u>	<u>1,292,287</u>

**SCHEDULE 9 - W**

**TOWN OF NVERVILLE  
SCHEDULE OF UTILITY OPERATIONS - SPRUCE DRIVE WATER  
DECEMBER 31, 2018**

	<b>2018</b>	<b>2017</b>
	<b><u>Budget</u></b>	<b><u>Actual</u></b>
<b>TRANSFERS</b>		
Transfers from (to) reserve funds	-	-
<b>CHANGE IN UTILITY FUND BALANCE</b>	<b><u>\$ (326,472)</u></b>	<b><u>968,757</u></b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<b><u>7,772,402</u></b>
<b>FUND SURPLUS, END OF YEAR</b>		<b><u>8,741,159</u></b>



SCHEDULE 10

TOWN OF NIVERVILLE  
RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET  
YEAR ENDED DECEMBER 31, 2018

	Financial Plan General	Financial Plan Utilities	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>								
Property taxes	\$ 3,247,230	-	-	-	-	-	-	3,247,230
Grants in lieu of taxation	77,869	-	-	-	-	-	-	77,869
User fees	272,600	-	-	-	-	-	14,785	287,385
Grants - Province of Manitoba	913,629	-	-	-	-	-	-	913,629
Grants - other	193,504	-	-	-	-	-	-	193,504
Permits, licences and fines	61,500	-	-	-	-	-	-	61,500
Investment income	28,000	-	-	-	-	-	1,097	29,097
Other revenue	363,900	23,610	-	-	-	-	250,324	637,834
Water and sewer	-	945,895	-	-	(3,241,982)	-	-	945,895
Transfers from accumulated surplus	3,241,982	-	-	-	(500,000)	-	-	-
Transfers from reserves	-	500,000	-	-	(3,741,982)	-	-	-
Total revenue	8,400,214	1,469,505	-	-	-	-	266,206	\$ 6,393,944
<b>EXPENSES</b>								
General government services	\$ 985,327	-	125,549	-	-	-	-	1,110,876
Protective services	517,324	-	69,514	-	-	-	-	586,838
Transportation services	1,424,659	-	548,076	26,549	-	-	-	1,999,284
Environmental health services	298,500	-	-	-	-	-	-	298,500
Public health and welfare services	30,500	-	51	-	-	-	-	30,551
Regional planning and development	258,695	-	-	-	-	-	-	258,695
Economic Development Services	112,300	-	805	-	-	-	233,391	346,496
Recreation and cultural services	537,996	-	157,378	-	-	-	40	695,414
Water and sewer services	-	1,034,761	658,085	16,723	-	-	-	1,709,569
Fiscal services:								
Transfer to capital	-	-	-	-	-	-	-	-
Debt charges	176,955	-	-	(176,955)	-	-	-	-
Other fiscal services	-	-	-	-	-	-	-	-
Transfer to reserves	4,054,786	49,812	-	-	(4,104,598)	-	-	-
Allowance for tax assets	3,172	-	-	-	(3,172)	-	-	-
Total expenses	8,400,214	1,084,573	1,559,458	(133,683)	(4,107,770)	-	233,431	7,036,224
<b>SURPLUS (DEFICIT)</b>	\$ -	384,932	(1,559,458)	133,683	365,788	-	32,775	(642,280)

**SCHEDULE 11****TOWN OF NIVERVILLE  
ANALYSIS OF TAXES ON ROLL  
YEAR ENDED DECEMBER 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>Balance, beginning of year</b>	<b>\$ 1,061,533</b>	<b>971,162</b>
<b>Add:</b>		
Tax levy (Schedule 12)	6,948,219	6,744,947
Taxes added	260,582	150,074
Penalties or interest	134,649	121,253
Other accounts added - utilities and services	195,538	248,941
Tax Adjustments (specify):           Grants-in-Lieu	<u>77,869</u>	<u>79,358</u>
<b>Sub-total</b>	<b><u>7,616,857</u></b>	<b><u>7,344,573</u></b>
<b>Deduct:</b>		
Cash collections	6,033,430	5,672,337
Cash collections - arrears	661,520	704,911
EPTCA - cash advance	<u>872,550</u>	<u>876,954</u>
<b>Sub-total</b>	<b><u>7,567,500</u></b>	<b><u>7,254,202</u></b>
<b>Balance, end of year</b>	<b><u>\$ 1,110,889</u></b>	<b><u>1,061,533</u></b>

**SCHEDULE 12**

**TOWN OF NIVERVILLE  
ANALYSIS OF TAX LEVY  
YEAR ENDED DECEMBER 31, 2018**

	<b>2018</b>			<b>2017</b>
	<b>Assessment</b>	<b>Mill Rate</b>	<b>Levy</b>	<b>Levy</b>
Minister of Intergovernmental Affairs	229,149,410	0.307%	69,626	68,007
Deferred surplus			-	-
Reserves:				
Various	229,149,410	2.706%	613,704	583,267
Name of reserve			-	-
Name of reserve	-	0.000%	-	-
sub-total- Reserves			<u>613,704</u>	<u>583,267</u>
General Municipal	229,149,410	6.948%	1,575,763	1,530,717
Special levies:				
Special Services Levy	253,704,490	2.762%	696,591	608,684
Waste Management			163,603	159,118
LID Charges	410,184		<u>176,955</u>	<u>195,407</u>
sub-total- Special levies			<u>1,037,149</u>	<u>963,209</u>
<b>Total municipal taxes (Schedule 2)</b>			<u>3,296,242</u>	<u>3,145,200</u>
Education support levy	27,271,620	9.770%	253,031	246,760
Special levy:				
Special Division No 15	226,812,180	15.143%	3,398,946	3,352,987
<b>Total education taxes</b>			<u>3,651,977</u>	<u>3,599,747</u>
<b>Total tax levy (Schedule 11)</b>			<u>6,948,219</u>	<u>6,744,947</u>

**SCHEDULE 13**

**TOWN OF NIVERVILLE  
SCHEDULE OF GENERAL OPERATING FUND EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>General government services:</b>		
Legislative	\$ 80,608	\$ 78,508
General administrative	1,015,169	848,029
Other	84,614	30,303
	<u>1,180,391</u>	<u>956,840</u>
<b>Protective services:</b>		
Police	221,976	234,245
Fire and Emergency Medical Response	263,949	254,128
Emergency measures	14,152	12,080
Other	64,918	34,676
	<u>564,995</u>	<u>535,129</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	700,545	769,550
Road and street maintenance	725,198	772,597
Bridges & culverts maintenance	18,136	24,192
Sidewalk and boulevard maintenance	105,636	48,451
Street lighting	71,954	57,736
Other	15,712	6,698
Other	41,021	74,024
	<u>1,678,202</u>	<u>1,753,248</u>
<b>Environmental health services:</b>		
Waste collection and disposal	160,394	149,838
Recycling	112,405	133,311
Other	10,338	1,370
	<u>283,137</u>	<u>284,519</u>
<b>Public health and welfare services:</b>		
Social assistance	658	658
Other	30,361	98
	<u>31,019</u>	<u>756</u>
<b>Regional planning and development</b>		
Planning and zoning	39,410	20,357
Urban renewal	19,636	15,353
Beautification and land rehabilitation	34,451	22,941
Urban area weed control	2,795	4,854
Other	1,874	766
	<u>98,166</u>	<u>64,271</u>
<b>SUB-TOTAL FORWARD</b>	<u>3,835,910</u>	<u>3,594,763</u>

**SCHEDULE 13**

**TOWN OF NIVERVILLE  
SCHEDULE OF GENERAL OPERATING FUND EXPENSES  
YEAR ENDED DECEMBER 31, 2018**

	<b><u>2018</u> <u>Actual</u></b>	<b><u>2017</u> <u>Actual</u></b>
<b>SUB-TOTAL FORWARD</b>	\$ 3,835,910	\$ 3,594,763
<b>Resource conservation and industrial development</b>		
Industrial development	117,501	415,531
Other	<u>46,480</u>	<u>33,355</u>
	<u>163,981</u>	<u>448,886</u>
<b>Recreation and cultural services:</b>		
Administration	105,741	112,113
Community centers and halls	73,867	78,023
Swimming pools and beaches	46,540	57,177
Skating and curling rinks	234,682	223,017
Parks and playgrounds	<u>180,945</u>	<u>166,251</u>
	<u>641,775</u>	<u>636,581</u>
<b>TOTAL EXPENSES</b>	<u>\$ 4,641,666</u>	<u>\$ 4,680,230</u>

**TOWN OF NIVERVILLE**  
**RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)**  
**YEAR ENDED DECEMBER 31, 2018**

	2018 - Unaudited		2017 - Unaudited	
	General	Utility	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	\$ (670,200)	227,409	(442,791)	(545,835)
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	3,739,262	-	3,739,262	2,340,863
Eliminate revenue - transfers from reserves	(3,244,897)	(792,247)	(4,037,144)	(1,968,168)
Increase revenue - reserve funds revenues	151,819	300,745	452,564	316,223
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	36,006	-	36,006	(20,702)
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	(902,049)	(658,085)	(1,560,134)	(1,361,674)
Decrease expense - principal portion of debenture debt	103,313	24,217	127,530	148,373
Eliminate expense - acquisitions of tangible capital assets	3,703,603	1,514,088	5,217,691	3,725,461
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 2,916,857</b>	<b>616,127</b>	<b>3,532,984</b>	<b>2,634,541</b>