

TOWN OF THE PAS

**Consolidated Financial Statements
For the Year Ended December 31, 2011**

INDEPENDENT AUDITORS' REPORT

To The Mayor and members of Council of the
Town of The Pas

We have audited the accompanying consolidated financial statements of the Town of The Pas, which comprise the consolidated statement of financial position as at December 31, 2011, and the consolidated statements of operations and accumulated surplus, change in net financial debt and cash flows for the year ended December 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Town of The Pas as at December 31, 2011, and the results of its operations, change in net financial debt, and cash flows for the year ended December 31, 2011 in accordance with Canadian Public Sector Accounting Standards.

Hauger Monist Angers

CHARTERED ACCOUNTANTS

The Pas, Manitoba
July 18, 2012

THE PAS

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TOWN OF THE PAS
Consolidated Financial Statements
For the Year Ended December 31, 2011

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**TOWN OF THE PAS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2011**

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 4,592,298	\$ 1,983,272
Amounts receivable (Note 4)	1,715,090	1,833,743
Real estate properties held for sale	35,499	34,147
Other inventories for sale (Note 5)	<u>58,155</u>	<u>19,117</u>
	<u>\$ 6,401,042</u>	<u>\$ 3,870,279</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 1,427,664	\$ 1,519,864
Deferred revenue	85,788	87,243
Landfill closure and post closure liabilities (Note 7)	189,719	169,134
Long-term debt (Note 8)	4,713,539	2,843,260
Other liabilities	<u>16,139</u>	<u>18,422</u>
	<u>6,432,849</u>	<u>4,637,923</u>
NET FINANCIAL DEBT	<u>\$ (31,807)</u>	<u>\$ (767,644)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 27,303,533	\$ 26,383,133
Inventories (Note 5)	295,003	333,976
Prepaid expenses	<u>60,365</u>	<u>78,146</u>
	<u>27,658,901</u>	<u>26,795,255</u>
ACCUMULATED SURPLUS (Note 13)	<u>\$ 27,627,094</u>	<u>\$ 26,027,611</u>

CONTINGENCIES (NOTE 9)

Approved on behalf of Council:

Alan McLauchlan
Mayor

Ken Gurba
Councillor

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2011

	<u>2011 Budget (Note 12)</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
REVENUE			
Property taxes	\$ 5,043,063	\$ 5,020,509	\$ 4,840,725
Grants in lieu of taxation	812,644	812,912	820,980
User fees	2,228,019	2,127,919	2,408,637
Permits, licences and fines	66,000	39,581	67,957
Investment income	20,000	86,939	29,969
Other revenue	55,303	138,230	100,314
Water and sewer	1,720,700	1,961,975	1,733,972
Grants - Province of Manitoba	1,150,512	2,519,070	1,606,266
Grants - other	539,319	683,164	525,367
	<u>11,635,560</u>	<u>13,390,299</u>	<u>12,134,187</u>
Total revenue (Schedules 2, 4 and 5)			
EXPENSES			
General government services	1,751,697	1,761,088	1,510,069
Protective services	2,260,601	2,177,848	2,107,959
Transportation services	2,852,466	2,651,589	2,955,496
Environmental health services	526,979	597,693	453,440
Public health and welfare services	85,563	74,698	57,657
Regional planning and development	42,680	32,824	18,864
Resource conservation and industrial development	172,348	116,541	80,776
Recreation and cultural services	2,656,435	2,586,186	2,434,795
Water and sewer services	1,840,097	1,792,349	1,789,578
	<u>12,188,866</u>	<u>11,790,816</u>	<u>11,408,634</u>
Total expenses (Schedules 3, 4 and 5)			
ANNUAL SURPLUS (DEFICIT)	<u><u>(553,306)</u></u>	<u>1,599,483</u>	725,553
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>26,027,611</u>	<u>25,302,058</u>
ACCUMULATED SURPLUS, END OF YEAR		<u><u>\$ 27,627,094</u></u>	<u><u>\$ 26,027,611</u></u>

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT
For the Year Ended December 31, 2011

	<u>2011 Budget (Note 12)</u>	<u>2011 Actual</u>	<u>2010 Actual</u>
ANNUAL SURPLUS (DEFICIT)	\$ (553,306)	\$ 1,599,483	\$ 725,553
Acquisition of tangible capital assets	(57,500)	(2,338,965)	(1,639,321)
Amortization of tangible capital assets	1,418,565	1,418,565	1,497,858
Gain on sale of tangible capital assets	-	-	(984)
Proceeds on sale of tangible capital assets	-	-	35,000
Decrease (increase) in inventories	38,973	38,973	(59,719)
Decrease (increase) in prepaid expense	17,781	17,781	(35,573)
	<u>1,417,819</u>	<u>(863,646)</u>	<u>(202,739)</u>
CHANGE IN NET FINANCIAL DEBT	<u>864,513</u>	735,837	522,814
NET FINANCIAL DEBT, BEGINNING OF YEAR		<u>(767,644)</u>	<u>(1,290,458)</u>
NET FINANCIAL DEBT, END OF YEAR		<u>\$ (31,807)</u>	<u>\$ (767,644)</u>

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2011

	<u>2011</u>	<u>2010</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,599,483	\$ 725,553
Changes in non-cash items:		
Amounts receivable	118,653	95,921
Inventories	(65)	(56,794)
Prepays	17,781	(35,573)
Accounts payable and accrued liabilities	(92,200)	14,384
Landfill closure and post closure liabilities	20,585	19,054
Deferred revenue	(1,455)	(4,183)
Other liabilities	(2,283)	533
Gain on sale of tangible capital asset	-	(984)
Amortization	1,418,565	1,497,858
Cash provided by operating transactions	<u>3,079,064</u>	<u>2,255,769</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	35,000
Cash used to acquire tangible capital assets	<u>(2,338,965)</u>	<u>(1,639,321)</u>
Cash applied to capital transactions	<u>(2,338,965)</u>	<u>(1,604,321)</u>
INVESTING TRANSACTIONS		
Acquisition of real estate properties	<u>(1,352)</u>	-
Cash applied to investing transactions	<u>(1,352)</u>	-
FINANCING TRANSACTIONS		
Proceeds of long-term debt	2,200,000	-
Debt repayment	<u>(329,721)</u>	<u>(373,527)</u>
Cash applied to financing transactions	<u>1,870,279</u>	<u>(373,527)</u>
INCREASE IN CASH AND TEMPORARY INVESTMENTS	2,609,026	277,921
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>1,983,272</u>	<u>1,705,351</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 4,592,298</u></u>	<u><u>\$ 1,983,272</u></u>

TOWN OF THE PAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011

1. Status of the Town of The Pas

The incorporated Town of The Pas ("the Town") is a municipal government that was created in 1912 pursuant to the Manitoba Municipal Act. The Town provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Town owns a utility, 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 Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

a) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

Kelsey Recreation Commission
Sam Waller Museum
The Pas Regional Library
The Pas and Area Recycling Centre
The Pas Wellness Centre

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

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

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

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

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

f) Landfill Closure and Post Closure Liabilities

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

g) Non-Financial Assets

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

Real estate properties and inventories held for sale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date.

h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. **The Town does not capitalize interest 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	10 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 to 15 years
Machinery, equipment and furniture	5 to 15 years
Maintenance and road construction equipment	10 to 15 years
Computer Hardware and Software	4 years

Infrastructure Assets

Transportation	
Land	Indefinite
Road surface	20 years
Road grade	40 years
Water and Sewer	
Land	Indefinite
Land improvements	10 to 30 years
Buildings	10 to 40 years
Underground networks	50 years
Machinery and equipment	10 to 15 years

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

i) Leases

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

j) Inventories

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

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

k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

Government transfers are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made.

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

l) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	<u>2011</u>	<u>2010</u>
Cash	\$ 4,579,162	\$ 1,970,253
Temporary investments	<u>13,136</u>	<u>13,019</u>
	<u>\$ 4,592,298</u>	<u>\$ 1,983,272</u>

Temporary investments are comprised of guaranteed investment certificates which have a market value approximating cost.

4. Amounts Receivable

Amounts receivable are valued at their net realizable value.

	<u>2011</u>	<u>2010</u>
Taxes on roll (Schedule 11)	\$ 487,165	\$ 525,316
Government grants	394,102	656,246
Utility customers	617,433	602,143
Organizations and individuals	299,521	266,184
Other governments	138,520	45,825
Miscellaneous	<u>176,941</u>	<u>136,106</u>
	2,113,682	2,231,820
Less allowances for doubtful amounts	<u>(398,592)</u>	<u>(398,077)</u>
	<u>\$ 1,715,090</u>	<u>\$ 1,833,743</u>

5. Inventories

Inventories for sale:

	<u>2011</u>	<u>2010</u>
Aviation fuel	\$ 37,523	\$ 15,259
Other	<u>20,632</u>	<u>3,858</u>
	<u>\$ 58,155</u>	<u>\$ 19,117</u>

Inventories for use:

	<u>2011</u>	<u>2010</u>
Fuel	\$ 48,745	\$ 26,471
Aggregate	69,259	141,899
Other supplies	<u>176,999</u>	<u>165,606</u>
	<u>\$ 295,003</u>	<u>\$ 333,976</u>

6. Accounts Payable and Accrued Liabilities

	<u>2011</u>	<u>2010</u>
Accounts payable	\$ 912,320	\$ 1,014,619
Accrued expenses	380,269	365,182
School levies (Schedule 13)	135,075	140,063
	<u>\$ 1,427,664</u>	<u>\$ 1,519,864</u>

7. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

The Town is currently operating a Class 1 landfill site. Legislation requires closure and post-closure care of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	<u>2011</u>	<u>2010</u>
Estimated closure and post closure costs over the next 20 years	\$ 259,300	\$ 259,300
Discount rate	5.00%	5.00%
Discounted costs	<u>\$ 238,232</u>	<u>\$ 226,888</u>
Expected year capacity will be reached	2015	2015
Capacity (ha):		
Used to date	4.38	4.10
Remaining	1.12	1.40
Total	5.50	5.50
Percent utilized	<u>79.64%</u>	<u>74.55%</u>
Liability based on percentage	<u>\$ 189,719</u>	<u>\$ 169,134</u>

8. Long Term Debt

	<u>2011</u>	<u>2010</u>
General Authority:		
Debenture, interest at 5.75%, payable at \$150,918 annually including interest, maturing December 1, 2019	\$ 946,516	\$ 1,037,763
Debenture, interest at 5.63%, payable at \$169,100 annually including interest, maturing December 1, 2025	1,608,917	1,683,328
Debenture, interest at 4.625%, payable at \$206,615 annually including interest, maturing December 31, 2025	<u>2,095,135</u>	<u>-</u>
	<u>\$ 4,650,568</u>	<u>\$ 2,721,091</u>
Utility Funds:		
Debenture, interest at 6.38%, payable at \$66,986 annually including interest, maturing December 1, 2012	\$ 62,971	\$ 122,169
	<u>\$ 4,713,539</u>	<u>\$ 2,843,260</u>

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

2012	\$ 347,777
2013	\$ 299,849
2014	\$ 315,695
2015	\$ 332,387
2016	\$ 349,970

9. Contingencies

During a previous year a breach of contract claim was filed against the Town by Titan X, a company involved in the construction of the Wellness Centre. At the current time the likelihood of success is not determinable. If the Town is not successful in defending the claim it will be liable for \$99,772 plus costs. The Town has filed a counter-claim against Titan X.

The Town owns properties that may contain environmental contamination and require site reclamation. The amount of any such obligation has not been determined.

10. Retirement Benefits

The majority of the employees of the Town are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) earnings times years of service, plus 2% of their final average yearly non-CPP earnings times years of service. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Canadian Institute of Chartered Accountants 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 requires that employees contribute 6.3% of basic annual earnings up to the CPP ceiling plus 7.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Town on behalf of its employees amounted to \$189,672 (2010 - \$182,696) and are included in the statement of operations.

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

11. Financial Instruments

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

12. 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.

13. Accumulated Surplus

	2011	2010
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	1,436,927	1,436,168
Utility operating fund - Nominal surplus	753,832	442,874
TCA net of related borrowings	19,960,346	18,536,930
Reserve funds	2,831,919	2,958,186
Accumulated surplus of Town unconsolidated	24,983,024	23,374,158
Accumulated surpluses of consolidated entities	2,644,070	2,653,453
Accumulated surplus per Consolidated Statement of Financial Position	\$ 27,627,094	\$ 26,027,611

14. 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, 2011:

- a) Compensation paid to members of council amounted to \$81,995 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	Compensation	Expenses	Total
Mayor- Alan McLauchlan	\$ 17,841	\$ 7,869	\$ 25,710
Councillor - Raymond Clarkson	10,428	3,126	13,554
Councillor - James Scott	10,712	1,480	12,192
Councillor - Ken Gurba	11,730		11,730
Councillor - John Marnock	10,428	1,029	11,457
Councillor - Bert Lagimodiere	10,428	801	11,229
Councillor - Andrew Forward	10,428	-	10,428
	<u>\$ 81,995</u>	<u>\$ 14,305</u>	<u>\$ 96,300</u>

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

Name	Position	Amount
<i>Randi Salamanowicz</i>	<i>Chief Administrative Officer</i>	\$ 89,297
<i>Vincent Anderson</i>	<i>Municipal Superintendent</i>	\$ 88,063
<i>Wayne Finnerty</i>	<i>Airport Equipment Operator</i>	\$ 76,448
<i>Richard Paetzold</i>	<i>Fire Chief</i>	\$ 73,700
<i>Tom Kobar</i>	<i>Chief Financial Officer</i>	\$ 72,770
<i>Amber Whitehead</i>	<i>KRC Director</i>	\$ 71,860
<i>Conrad Watts</i>	<i>Public Works Supervisor</i>	\$ 70,383
<i>Glenn Lorch</i>	<i>WTP - Chief Operator</i>	\$ 68,171
<i>Keith Coutts</i>	<i>Airport Operator 3</i>	\$ 64,932
<i>Reg Erickson</i>	<i>Workplace Health and Safety</i>	\$ 64,819
<i>Jennifer Early</i>	<i>Assistant Chief Admin. Officer</i>	\$ 64,177
<i>Dennis Lajambe</i>	<i>Airport Operator 4</i>	\$ 63,833
<i>Gordon Lagace</i>	<i>Maintenance Labourer</i>	\$ 62,376
<i>Edgar Parreno</i>	<i>Assistant Municipal Sup.</i>	\$ 59,985
<i>Clayton Paul</i>	<i>Winton Pool Maintenance</i>	\$ 55,531
<i>Conrad Hofmann</i>	<i>Chief Mechanic</i>	\$ 55,231
<i>Brian Larock</i>	<i>Garage Mechanic</i>	\$ 52,989
<i>Michael Arsenault</i>	<i>Arena Maintenance Labourer</i>	\$ 52,356
<i>Gary Lagace</i>	<i>Cemetery Maintenance</i>	\$ 52,283
<i>Peter Letkeman</i>	<i>Town Operator 1</i>	\$ 52,158
<i>Richard Palmer</i>	<i>Equipment Operator</i>	\$ 51,364
<i>Sharain Jones</i>	<i>Sam Waller Museum Director</i>	\$ 51,286
<i>John Gislason</i>	<i>WTP Operator 2</i>	\$ 50,661
<i>Scott Pidskalny</i>	<i>Dog Catcher</i>	\$ 50,619
<i>Allan Babey</i>	<i>Purchasing Manager</i>	\$ 50,294

15. 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.

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

TOWN OF THE PAS

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2011

SCHEDULE 1

Cost	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	2011	2010
Opening costs	1,375,300	15,234,795	3,180,179	231,095	72,358	8,939,371	14,670,459	1,264,079	44,967,636	43,499,778
Additions during the year	19,668	68,305	119,295	13,521	85,140	-	2,632,663	2,021,646	4,960,238	1,637,858
Disposals and write downs	-	-	-	-	-	-	-	(2,621,273)	(2,621,273)	(170,000)
Closing costs	1,394,968	15,303,100	3,299,474	244,616	157,498	8,939,371	17,303,122	664,452	47,306,601	44,967,636
Accumulated Amortization										
Opening accum'd amortization	133,253	3,877,187	1,364,513	100,822	-	4,613,678	8,495,050	-	18,584,503	17,224,092
Amortization	30,225	397,929	267,581	33,554	-	300,901	388,375	-	1,418,565	1,497,858
Disposals and write downs	-	-	-	-	-	-	-	-	-	(137,447)
Closing accum'd amortization	163,478	4,275,116	1,632,094	134,376	-	4,914,579	8,883,425	-	20,003,068	18,584,503
Net Book Value of Tangible Capital Assets	1,231,490	11,027,984	1,667,380	110,240	157,498	4,024,792	8,419,697	664,452	27,303,533	26,383,133

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 4,927,146	\$ 4,717,162
Taxes added	18,916	34,646
Penalties and interest	74,446	88,917
	<u>5,020,508</u>	<u>4,840,725</u>
Grants in lieu of taxation:		
Federal government	1,160	27,668
Federal government enterprises	5,229	4,857
Provincial government	313,408	288,133
Provincial government enterprises	493,115	500,322
	<u>812,912</u>	<u>820,980</u>
User fees		
Sales of service	878,584	878,212
Sales of goods	573,949	929,184
Facility use fees	675,386	601,241
	<u>2,127,919</u>	<u>2,408,637</u>
Permits, licences and fines		
Permits	11,714	43,024
Fines	27,867	24,934
	<u>39,581</u>	<u>67,958</u>
Investment income:		
Cash and temporary investments	86,939	29,969
	<u>86,939</u>	<u>29,969</u>
Other revenue:		
Miscellaneous	138,230	100,313
	<u>138,230</u>	<u>100,313</u>
Water and sewer		
Municipal utility (Schedule 9)	1,961,975	1,733,972
	<u>1,961,975</u>	<u>1,733,972</u>
Grants - Province of Manitoba		
General assistance payment	920,884	893,799
General support grant	80,679	79,387
VLT revenues	83,330	82,706
Conditional grants	1,434,178	550,374
	<u>2,519,071</u>	<u>1,606,266</u>
Grants - other		
Federal government - gas tax funding	305,042	305,042
Federal government - other	164,414	24,519
Other local governments	213,708	195,806
	<u>683,164</u>	<u>525,367</u>
Total revenue	<u>13,390,299</u>	<u>12,134,187</u>

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
General government services:		
Legislative	\$ 81,995	\$ 73,212
General administrative	1,269,673	1,123,212
Other	409,420	313,645
	<u>1,761,088</u>	<u>1,510,069</u>
Protective services:		
Police	1,736,389	1,652,491
Fire	299,653	376,871
Emergency measures	92,986	23,107
Other	48,820	55,490
	<u>2,177,848</u>	<u>2,107,959</u>
Transportation services:		
Road transport		
Administration and engineering	340,655	376,514
Road and street maintenance	722,665	810,716
Street lighting	126,472	126,437
Other	180,979	177,357
Air transport	1,280,819	1,464,472
	<u>2,651,590</u>	<u>2,955,496</u>
Environmental health services:		
Waste collection and disposal	317,911	293,687
Recycling	174,704	108,189
Other	105,079	51,564
	<u>597,694</u>	<u>453,440</u>
Public health and welfare services:		
Public health	74,698	57,657
Regional planning and development		
Urban area weed control	32,823	18,864
Resource conservation and industrial development		
Regional development	70,321	49,830
Tourism	46,219	30,946
	<u>116,540</u>	<u>80,776</u>
Recreation and cultural services:		
Administration	176,934	200,494
Swimming pools and beaches	499,144	480,123
Skating and curling rinks	396,909	350,197
Parks and playgrounds	130,006	105,858
Other recreational facilities	864,983	814,693
Museums	265,266	230,488
Libraries	252,943	252,942
	<u>2,586,185</u>	<u>2,434,795</u>
Water and sewer services (Schedule 9)		
Municipal utility (Schedule 9)	1,792,350	1,789,578
Total expenses	<u>11,790,816</u>	<u>11,408,634</u>

TOWN OF THE PAS

SCHEDULE 4

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2011

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
REVENUE										
Property taxes	\$ 5,020,509	\$ 4,840,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	812,912	820,980	-	-	-	-	-	-	-	-
User fees	129,955	159,904	108,994	104,330	1,017,021	1,406,501	110,580	31,498	20,010	17,210
Grants - other	383,842	305,042	-	-	-	-	70,000	48,750	-	-
Permits, licences and fines	39,581	67,957	-	-	-	-	-	-	-	-
Investment income	86,939	29,969	-	-	-	-	-	-	-	-
Other revenue	53,680	45,671	-	-	6,619	8,550	19,803	26,788	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,084,893	1,055,893	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	40,000	-	-	-	-	-	-	-	-	-
Total revenue	\$ 7,652,311	\$ 7,326,141	\$ 108,994	\$ 104,330	\$ 1,023,640	\$ 1,415,051	\$ 200,383	\$ 107,036	\$ 20,010	\$ 17,210
EXPENSES										
Personnel services	\$ 805,162	\$ 706,964	\$ 197,323	\$ 259,853	\$ 983,066	\$ 947,014	\$ 367,714	\$ 322,252	\$ 67,392	\$ 53,773
Contract services	186,126	203,984	1,566,854	1,502,010	23,578	16,305	22,232	21,979	250	1,020
Utilities	81,896	78,100	29,980	31,283	183,985	179,440	10,083	4,058	-	-
Maintenance materials and supplies	86,814	71,656	128,662	72,919	935,266	1,181,931	75,793	39,579	7,056	2,864
Grants and contributions	125,684	90,914	-	-	-	-	-	-	-	-
Amortization	57,670	51,024	60,080	66,447	452,673	562,222	41,034	39,028	-	-
Interest on long term debt	256,109	180,203	-	-	-	-	-	-	-	-
Other	161,627	127,224	194,949	175,448	73,021	68,584	79,591	26,544	-	-
Total expenses	\$ 1,761,088	\$ 1,510,069	\$ 2,177,848	\$ 2,107,960	\$ 2,651,589	\$ 2,955,496	\$ 596,447	\$ 453,440	\$ 74,698	\$ 57,657
Surplus (Deficit)	\$ 5,891,223	\$ 5,816,072	\$ (2,068,854)	\$ (2,003,630)	\$ (1,627,949)	\$ (1,540,445)	\$ (396,064)	\$ (346,404)	\$ (54,688)	\$ (40,447)

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

SCHEDULE 4

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2011

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2011	2010	2011	2010	2011	2010	2011	2010	
REVENUE									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,840,725
Grants in lieu of taxation	-	-	-	-	-	-	-	-	820,980
User fees	-	-	876	876	741,360	688,318	-	-	2,408,637
Grants - other	-	-	-	-	231,962	171,575	-	-	525,367
Permits, licences and fines	-	-	-	-	-	-	-	-	67,957
Investment income	-	-	-	-	-	-	-	-	29,969
Other revenue	-	-	-	-	55,926	19,305	-	-	100,314
Water and sewer	-	-	-	-	-	-	1,961,975	1,733,972	1,733,972
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,055,893
Prov of MB - Conditional Grants	-	-	-	-	144,755	117,108	1,248,983	433,265	550,373
Total revenue	\$ -	\$ -	\$ 876	\$ 876	\$ 1,174,003	\$ 996,306	\$ 3,210,958	\$ 2,167,237	\$ 13,390,299
EXPENSES									
Personnel services	\$ 3,713	\$ 8,392	\$ 50,219	\$ 3,621	\$ 1,484,248	\$ 1,496,149	\$ 652,327	\$ 639,321	\$ 4,611,164
Contract services	13,760	-	-	-	107,876	60,978	850	850	1,921,526
Utilities	-	-	1,784	2,129	248,441	221,687	237,853	207,425	724,122
Maintenance materials and supplies	5,549	670	7,287	8,124	181,150	135,119	406,005	469,079	1,981,941
Grants and contributions	-	-	-	-	-	1,144	-	-	92,058
Amortization	-	-	23,068	18,525	381,319	376,039	402,722	384,573	1,497,858
Interest on long term debt	-	-	-	-	-	-	7,788	11,336	191,539
Other	9,801	9,801	21,009	35,205	197,572	156,852	84,805	76,993	676,651
Total expenses	\$ 32,823	\$ 18,863	\$ 103,367	\$ 67,604	\$ 2,600,606	\$ 2,447,968	\$ 1,792,350	\$ 1,789,577	\$ 11,790,816
Surplus (Deficit)	\$ (32,823)	\$ (18,863)	\$ (103,367)	\$ (66,728)	\$ (1,426,603)	\$ (1,451,662)	\$ 1,418,608	\$ 377,660	\$ 725,553

TOWN OF THE PAS

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2011

	Core Government		Controlled Entities		Government Partnerships		Total
	2011	2010	2011	2010	2011	2010	
REVENUE							
Property taxes	\$ 5,020,509	\$ 4,840,725	\$ -	\$ -	\$ -	\$ -	\$ 4,840,725
Grants in lieu of taxation	812,912	820,980	-	-	-	-	820,980
User fees	1,357,299	1,715,990	770,621	692,647	-	-	2,408,637
Grants - other	383,842	305,042	299,323	220,325	-	-	525,367
Permits, licences and fines	39,581	67,957	-	-	-	-	67,957
Investment income	86,939	29,969	-	-	-	-	29,969
Other revenue	60,299	54,222	77,928	46,092	-	-	100,314
Water and sewer	1,961,975	1,733,972	-	-	-	-	1,733,972
Prov of MB - Unconditional Grants	1,084,893	1,055,893	-	-	-	-	1,055,893
Prov of MB - Conditional Grants	1,288,983	433,265	145,195	117,108	-	-	550,373
Total revenue	\$ 12,097,232	\$ 11,058,015	\$ 1,293,067	\$ 1,076,172	\$ -	\$ -	\$ 13,390,299
EXPENSES							
Personnel services	\$ 3,012,190	\$ 2,866,630	\$ 1,598,974	\$ 1,570,709	\$ -	\$ -	\$ 4,437,339
Contract services	1,807,916	1,741,719	113,610	65,407	-	-	1,807,126
Utilities	536,984	500,420	257,038	223,702	-	-	724,122
Maintenance materials and supplies	1,633,336	1,838,858	200,246	143,083	-	-	1,981,941
Grants and contributions	125,684	92,058	-	-	-	-	92,058
Amortization	1,023,509	1,110,087	395,057	387,771	-	-	1,497,858
Interest on long term debt	263,897	191,539	-	-	-	-	191,539
Other	613,239	512,310	209,136	164,341	-	-	676,651
Total expenses	\$ 9,016,755	\$ 8,853,621	\$ 2,774,061	\$ 2,555,013	\$ -	\$ -	\$ 11,408,634
Surplus (Deficit)	\$ 3,080,477	\$ 2,204,394	\$ (1,480,994)	\$ (1,478,841)	\$ -	\$ -	\$ 725,553

SCHEDULE 6

TOWN OF THE PAS
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 Year Ended December 31, 2011

	2011							
	General	Equipment Replacement	Winton Pool	Fire Equipment	Computer Replacement	Land Development	Arena Renovations	Civic Centre
REVENUE								
Investment income	\$ 3,569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-	-	-
Total revenue	<u>3,569</u>	-	-	-	-	-	-	-
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	<u>-</u>	-	-	-	-	-	-	-
NET REVENUES	<u>3,569</u>	-	-	-	-	-	-	-
TRANSFERS								
Debt repayments	-	-	-	-	-	-	-	-
Transfers from (to) operating fund	1,268,983	300,000	7,236	96,890	-	-	15,907	-
Transfers from (to) utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	<u>(2,082,944)</u>	-	<u>(34,660)</u>	<u>(30,345)</u>	<u>(13,521)</u>	<u>(3,990)</u>	<u>(7,429)</u>	-
CHANGE IN RESERVE FUND BALANCES	<u>(810,392)</u>	<u>300,000</u>	<u>(27,424)</u>	<u>66,545</u>	<u>(13,521)</u>	<u>(3,990)</u>	<u>8,478</u>	-
FUND SURPLUS, BEGINNING OF YEAR	<u>702,217</u>	<u>30,955</u>	<u>56,211</u>	<u>9,461</u>	<u>42,223</u>	<u>158,708</u>	<u>136,626</u>	<u>1,993</u>
FUND SURPLUS, END OF YEAR	<u>\$ (108,175)</u>	<u>\$ 330,955</u>	<u>\$ 28,787</u>	<u>\$ 76,006</u>	<u>\$ 28,702</u>	<u>\$ 154,718</u>	<u>\$ 145,104</u>	<u>\$ 1,993</u>

SCHEDULE 6

TOWN OF THE PAS
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
Year Ended December 31, 2011

2011

	Utility Replacement	Infrastructure	Airport	Airport Capital Improvement	Library	Fuel Tank Replacement	Sidewalk Renewal	Cemetery Improvement
REVENUE								
Investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-	-	-
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	-	-	-	-	-	-	-	-
TRANSFERS								
Debt repayments	-	-	-	-	-	-	-	-
Transfers from (to) operating fund	-	140,000	(337,175)	65,729	-	-	-	-
Transfers from (to) utility fund	250,000	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(12,882)	-	-	(19,485)	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	237,118	140,000	(337,175)	46,244	-	-	-	-
FUND SURPLUS, BEGINNING OF YEAR	154,738	105,246	337,175	370,431	2,634	5,141	77,602	56,109
FUND SURPLUS, END OF YEAR	\$ 391,856	\$ 245,246	\$ -	\$ 416,675	\$ 2,634	\$ 5,141	\$ 77,602	\$ 56,109

SCHEDULE 6

TOWN OF THE PAS

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2011

	2011					2010
	Centennial Celebration	Federal Fuel Tax	Parks and Playgrounds	Waste Disposal Grounds	Total	Total
REVENUE						
Investment income	\$ -	\$ 7,990	\$ -	\$ -	\$ -	\$ 10,502
Other income	-	-	-	-	-	-
Total revenue	-	7,990	-	-	11,559	10,502
EXPENSES						
Investment charges	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-
NET REVENUES	-	7,990	-	-	11,559	10,502
TRANSFERS						
Debt repayments	-	-	-	-	-	-
Transfers from (to) operating fund	5,000	325,042	-	14,958	1,902,570	828,603
Transfers from (to) utility fund	-	-	-	-	250,000	175,000
Acquisition of tangible capital assets	-	(85,140)	-	-	(2,290,396)	(1,269,609)
CHANGE IN RESERVE FUND BALANCES	5,000	247,892	-	14,958	(126,267)	(255,504)
FUND SURPLUS, BEGINNING OF YEAR	31,425	541,090	40,000	98,201	2,958,186	3,213,690
FUND SURPLUS, END OF YEAR	\$ 36,425	\$ 788,982	\$ 40,000	\$ 113,159	\$ 2,831,919	\$ 2,958,186

SCHEDULE 7

**TOWN OF THE PAS
SCHEDULE OF TRUST FUNDS
For the Year Ended December 31, 2011**

	EMO	Handivan				2011	Total	2010
ASSETS								
Cash and temporary investments	\$ -	\$ 16,139	\$ -	\$ -	\$ -	\$ 16,139	\$ -	\$ -
Portfolio investments	-	-	-	-	-	-	-	-
Due from Municipality	-	-	-	-	-	-	-	18,422
	\$ -	\$ 16,139	\$ -	\$ -	\$ -	\$ 16,139	\$ -	\$ 18,422
LIABILITIES AND FUND BALANCES								
Due to Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance	-	-	-	-	-	-	-	18,422
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,422
REVENUES								
Contributions and donations	\$ -	\$ 3,323	\$ -	\$ -	\$ -	\$ 3,323	\$ -	\$ -
Investment income	-	558	-	-	-	558	-	533
	-	3,881	-	-	-	3,881	-	533
EXPENDITURES								
Cemetery maintenance	-	-	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-	-	-
Other	6,164	-	-	-	-	6,164	-	-
	6,164	-	-	-	-	6,164	-	-
EXCESS OF REVENUES OVER EXPENDITURES	(6,164)	3,881	-	-	-	(2,283)	533	-
FUND BALANCE, BEGINNING OF YEAR	6,164	12,258	-	-	-	18,422	17,889	17,889
FUND BALANCE, END OF YEAR	-	\$ 16,139	\$ -	\$ -	\$ -	\$ 16,139	\$ -	\$ 18,422

TOWN OF THE PAS
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
December 31, 2011

SCHEDULE 8

	2011				2010	
	Water and Sewer				Total	Total
FINANCIAL ASSETS						
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts receivable	642,359	-	-	-	642,359	1,035,408
Portfolio investments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
	<u>\$ 642,359</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 642,359</u>	<u>\$ 1,035,408</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Long-term debt (Note 8)	62,971	-	-	-	62,971	122,169
Due to other funds	434,043	-	-	-	434,043	681,902
	<u>497,014</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>497,014</u>	<u>804,071</u>
NET FINANCIAL ASSETS	<u>\$ 145,345</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,345</u>	<u>\$ 231,337</u>
NON-FINANCIAL ASSETS						
Tangible capital assets (Schedule 1)	\$ 9,084,149	\$ -	\$ -	\$ -	\$ 9,084,149	\$ 7,439,488
FUND SURPLUS	<u>\$ 9,229,494</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,229,494</u>	<u>\$ 7,670,825</u>
CONTINGENCIES (Note 9)						

SCHEDULE OF UTILITY OPERATIONS - Water and Sewer
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>2011</u>	<u>2010</u>
REVENUE			
Water			
Water fees	\$ 1,132,800	\$ 1,403,777	\$ 1,150,551
Bulk water sales	33,800	9,050	40,062
sub-total- sewer	<u>1,166,600</u>	<u>1,412,827</u>	<u>1,190,613</u>
Sewer			
Sewer fees	504,400	488,307	492,253
Lagoon tipping fees		4,815	4,800
sub-total- sewer	<u>504,400</u>	<u>493,122</u>	<u>497,053</u>
Government transfers			
Capital		1,248,983	433,265
sub-total- government transfers	<u>-</u>	<u>1,248,983</u>	<u>433,265</u>
Other			
Hydrant rentals	26,700	26,700	26,700
Connection charges	500	-	-
Penalties	18,000	19,763	18,861
Other income	4,500	9,563	745
sub-total- other	<u>49,700</u>	<u>56,026</u>	<u>46,306</u>
Total revenue	<u>1,720,700</u>	<u>3,210,958</u>	<u>2,167,237</u>

TOWN OF THE PAS
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Water and Sewer
For the Year Ended December 31, 2011

	<u>Budget</u>	<u>2011</u>	<u>2010</u>
EXPENSES			
General			
Administration	136,541	200,083	230,988
Training costs		30,411	19,111
Billing and collection	36,946	29,492	47,528
sub-total- general	<u>173,487</u>	<u>259,986</u>	<u>297,627</u>
Water General			
Purification and treatment	339,336	366,393	350,616
Transmission and distribution	608,488	524,152	421,438
sub-total- water general	<u>947,824</u>	<u>890,545</u>	<u>772,054</u>
Water Amortization & Interest			
Amortization	193,044	193,044	175,507
Interest on long term debt	7,788	7,788	11,336
sub-total- water amortization & interest	<u>200,832</u>	<u>200,832</u>	<u>186,843</u>
Sewer General			
Collection system costs	106,981	84,682	167,322
Treatment and disposal cost	93,279	61,828	77,166
Lift Station costs	108,016	84,800	79,500
sub-total- sewer general	<u>308,276</u>	<u>231,310</u>	<u>323,988</u>
Sewage Amortization & Interest			
Amortization	209,677	209,677	209,066
sub-total- sewer amortization & interest	<u>209,677</u>	<u>209,677</u>	<u>209,066</u>
Total expenses	<u>1,840,096</u>	<u>1,792,350</u>	<u>1,789,578</u>
NET OPERATING SURPLUS	(119,396)	1,418,608	377,659
TRANSFERS			
Transfers from (to) operating fund	(13,000)	377,179	1,025,205
Transfers from (to) reserve funds	(250,000)	(237,118)	(140,505)
CHANGE IN UTILITY FUND BALANCE	<u>\$ (382,396)</u>	1,558,669	1,262,359
FUND SURPLUS, BEGINNING OF YEAR		<u>7,670,825</u>	<u>6,408,466</u>
FUND SURPLUS, END OF YEAR		<u>\$ 9,229,494</u>	<u>\$ 7,670,825</u>

TOWN OF THE PAS

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2011

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 5,043,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,043,063
Grants in lieu of taxation	812,644	-	-	-	-	-	-	812,644
User fees	1,343,586	-	-	-	-	-	884,433	2,228,019
Permits, licences and fines	66,000	-	-	-	-	-	-	66,000
Investment income	20,000	-	-	-	-	-	-	20,000
Other revenue	25,000	-	-	-	-	-	30,303	55,303
Water and sewer	-	1,720,700	-	-	-	-	-	1,720,700
Grants - Province of Manitoba	1,055,892	-	-	-	-	-	94,620	1,150,512
Grants - other	305,042	-	-	-	-	-	234,277	539,319
Transfers from accumulated surplus	652,000	-	-	-	(652,000)	-	-	-
Transfers from reserves	-	-	-	-	-	-	-	-
Total revenue	\$ 9,323,227	\$ 1,720,700	\$ -	\$ -	\$ (652,000)	\$ -	\$ 1,243,633	\$ 11,635,560
EXPENSES								
General government services	\$ 1,437,918	\$ -	\$ 57,670	\$ 256,109	\$ -	\$ -	\$ -	\$ 1,751,697
Protective services	2,200,521	-	60,080	-	-	-	-	2,260,601
Transportation services	2,399,793	-	452,673	-	-	-	-	2,852,466
Environmental health services	366,903	-	41,034	-	-	20,585	98,457	526,979
Public health and welfare services	85,563	-	-	-	-	-	-	85,563
Regional planning and development	42,680	-	-	-	-	-	-	42,680
Resource cons and industrial dev	149,280	-	23,068	-	-	-	-	172,348
Recreation and cultural services	1,135,456	-	381,319	-	-	-	1,139,660	2,656,435
Water and sewer services	-	1,429,587	402,722	7,788	-	-	-	1,840,097
Fiscal services:								
Transfer to capital	44,500	13,000	(57,500)	-	-	-	-	-
Debt charges	593,617	-	-	(593,617)	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Transfer to reserves	864,092	250,000	-	-	(1,114,092)	-	-	-
Allowance for tax assets	2,904	-	-	-	(2,904)	-	-	-
Total expenses	\$ 9,323,227	\$ 1,692,587	\$ 1,361,066	\$ (329,720)	\$ (1,116,996)	\$ 20,585	\$ 1,238,117	\$ 12,188,866
Surplus (Deficit)	\$ -	\$ 28,113	\$ (1,361,066)	\$ 329,720	\$ 464,996	\$ (20,585)	\$ 5,516	\$ (553,306)

TOWN OF THE PAS
ANALYSIS OF TAXES ON ROLL
December 31, 2011

SCHEDULE 11

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$ 525,316	\$ 676,855
Add:		
Tax levy (Schedule 12)	7,900,129	7,662,991
Taxes added	27,683	34,646
Penalties or interest	74,446	88,917
Other accounts added	14,040	28,948
Municipal fees	1,100	2,200
Water added to taxes	1,762	2,339
Tax overpaid refunds	18,422	21,482
Sub-total	<u>8,037,582</u>	<u>7,841,523</u>
Deduct:		
Cash collections - current	6,726,887	6,493,325
Cash collections - arrears	460,233	686,739
Tax cancelled	8,500	5,475
Tax discounts	-	-
M.P.T.C. - cash advance	881,083	812,535
Other credits	(970)	(5,012)
Sub-total	<u>8,075,733</u>	<u>7,993,062</u>
Balance, end of year	<u><u>\$ 487,165</u></u>	<u><u>\$ 525,316</u></u>

TOWN OF THE PAS
 ANALYSIS OF TAX LEVY
 For the Year Ended December 31, 2011

SCHEDULE 12

	2011			2010
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D. #4358	\$ 115,452,810	\$ 1.16	\$ 133,542	\$ 132,496
LI.D. #4335	\$ 115,452,810	\$ 0.05	59,668	59,200
LI.D. #4349	\$ 115,452,810	\$ 1.29	149,169	148,001
LI.D. #4435	\$ 115,452,810	\$ 1.58	181,844	-
sub-total- Debt charges			<u>524,223</u>	<u>339,697</u>
Reserves:				
Infrastructure reserve	\$ 116,217,100	\$ 0.01	119,703	
Machinery equipment repl.	\$ 116,217,100	\$ 2.21	256,840	30,000
Centennial 2012	\$ 116,217,100	\$ 0.04	4,649	5,000
General reserve	\$ 116,217,100	\$ -		241,157
sub-total- Reserves			<u>381,192</u>	<u>276,157</u>
General municipal	\$ 116,217,100	\$ 34.52	<u>4,011,898</u>	<u>3,985,248</u>
At large			<u>-</u>	<u>107,222</u>
Business fees			<u>9,833</u>	<u>8,838</u>
Total municipal taxes (Schedule 2)			<u>4,927,146</u>	<u>4,717,162</u>
Education support levy			<u>478,795</u>	<u>472,532</u>
Special levies:				
Kelsey School Division #45			<u>2,494,188</u>	<u>2,473,297</u>
Total education taxes			<u>2,972,983</u>	<u>2,945,829</u>
Total tax levy (Schedule 11)			<u>\$ 7,900,129</u>	<u>\$ 7,662,991</u>

TOWN OF THE PAS

ANALYSIS OF SCHOOL ACCOUNTS
December 31, 2011

SCHEDULE 13

	2011			2010	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 31,754	\$ 636,099	\$ (636,684)	\$ 31,169	\$ 31,754
Special levies					
Kelsey School Division #45	131,990	2,937,255	(2,965,339)	103,906	108,309
Total	\$ 163,744	\$ 3,573,354	\$ (3,602,023)	\$ 135,075	\$ 140,063

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ending December 31, 2011

	2011 Actual	2010 Actual
General government services:		
Legislative	\$ 81,995	\$ 73,212
General administrative	1,269,673	1,123,212
Other	484,420	313,645
	<u>1,836,088</u>	<u>1,510,069</u>
Protective services:		
Police	1,736,389	1,652,491
Fire	299,653	376,871
Emergency measures	92,986	23,106
Other	48,820	55,492
	<u>2,177,848</u>	<u>2,107,960</u>
Transportation services:		
Road transport		
Administration and engineering	340,655	376,514
Road and street maintenance	722,665	810,716
Street lighting	126,472	126,437
Other	105,079	177,357
Air transport	1,280,819	1,464,472
	<u>2,575,690</u>	<u>2,955,496</u>
Environmental health services:		
Waste collection and disposal	317,911	293,687
Recycling	75,000	78,558
Other	105,079	51,564
	<u>497,990</u>	<u>423,809</u>
Public health and welfare services:		
Public health	74,698	57,657
Regional planning and development		
Urban area weed control	32,823	18,863
Resource conservation and industrial development		
Regional development	70,321	49,830
Tourism	46,219	30,947
	<u>116,540</u>	<u>80,777</u>
Recreation and cultural services:		
Other recreational facilities	871,168	766,635
Museums	187,555	140,865
Libraries	130,977	109,719
	<u>1,189,700</u>	<u>1,017,219</u>
Total expenses	<u><u>8,501,377</u></u>	<u><u>8,171,850</u></u>

TOWN OF THE PAS

RECONCILIATION OF ANNUAL SURPLUS

December 31, 2011

SCHEDULE 16

	2011		2010
	General	Utility	Total
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT			
	\$ 315,583	\$ 310,957	\$ 626,540
			\$ 1,172,409
Adjustments for reporting under public sector accounting standards			
Eliminate expense - transfers to reserves	990,763	1,498,983	2,489,746
Eliminate revenue - transfers from reserves	(257,361)	(2,033,036)	(2,290,397)
Increase revenue - reserve funds interest	11,560	-	11,560
Decrease revenue - Net deficit of consolidated entities	(20,773)	-	(20,773)
Eliminate revenue - transfer from / to nominal surpluses	(652,000)	11,390	(640,610)
Increase expense - amortization of tangible capital assets	(827,556)	(402,722)	(1,230,278)
Decrease expense - principal portion of debenture debt	329,721	-	329,721
Eliminate expense - acquisitions of tangible capital assets	290,938	2,033,036	2,323,974
			1,003,603
			(1,269,609)
			10,502
			(226,051)
			(332,036)
			(1,316,945)
			373,527
			1,310,153
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS			
	\$ 180,875	\$ 1,418,608	\$ 1,599,483
			\$ 725,553