

TOWN OF THE PAS

**Consolidated Financial Statements
For the Year Ended December 31, 2013**

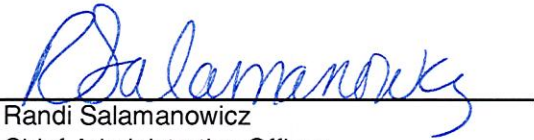
STATEMENT OF RESPONSIBILITY

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

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

Council of the Town met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

Collins Barrow HMA LLP as the Town'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 in accordance with Canadian public sector accounting standards.



Randi Salamanowicz
Chief Administrative Officer

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, 2013, and the consolidated statements of operations and accumulated surplus, change in net financial debt and cash flows for the year ended December 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material 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, 2013, and the results of its operations, change in net financial debt, and cash flows for the year ended December 31, 2013 in accordance with Canadian Public Sector Accounting Standards.



CHARTERED ACCOUNTANTS

The Pas, Manitoba
October 15, 2104

TOWN OF THE PAS

Consolidated Financial Statements For the Year Ended December 31, 2013

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TOWN OF THE PAS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2013

	<u>2013</u>	<u>2012</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 2,820,893	\$ 4,177,654
Amounts receivable (Note 4)	4,323,081	1,970,110
Real estate properties held for sale	35,499	39,777
Other inventories for sale (Note 5)	<u>108,084</u>	<u>65,648</u>
	<u>\$ 7,287,557</u>	<u>\$ 6,253,189</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 1,453,029	\$ 2,329,932
Deferred revenue (Note 7)	1,333,176	81,510
Landfill closure and post closure liabilities (Note 8)	235,908	211,939
Long-term debt (Note 9)	6,039,039	4,365,763
Other liabilities	<u>30,131</u>	<u>24,297</u>
	<u>9,091,283</u>	<u>7,013,441</u>
NET FINANCIAL DEBT (NOTES 1, 7)	<u>\$ (1,803,726)</u>	<u>\$ (760,252)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 29,903,604	\$ 28,852,727
Inventories (Note 5)	303,361	343,867
Prepaid expenses	<u>64,236</u>	<u>65,202</u>
	<u>30,271,201</u>	<u>29,261,796</u>
ACCUMULATED SURPLUS (NOTES 1, 7, 15)	<u>\$ 28,467,475</u>	<u>\$ 28,501,544</u>

CONTINGENCIES AND COMMITMENT (NOTES 10 AND 11)

Approved on behalf of Council:

Alan McLauchlan
Mayor

James Scott
Deputy Mayor and Councillor

The accompanying notes are an integral part of this financial statement

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2013

	2013 Budget (Note 14)	2013 Actual	2012 Actual
REVENUE			
Property taxes	\$ 5,726,819	\$ 5,892,412	\$ 5,430,980
Grants in lieu of taxation	1,005,311	950,049	843,963
User fees	2,415,858	2,416,733	1,923,521
Permits, licences and fines	43,000	50,924	47,373
Investment income	88,000	64,236	108,616
Other revenue	533,395	828,207	1,081,138
Water and sewer	2,025,000	1,973,130	2,206,717
Grants - Province of Manitoba	1,257,883	1,360,981	1,411,313
Grants - other	976,966	903,963	874,294
Total revenue (Schedules 2, 4 and 5)	14,072,232	14,440,635	13,927,915
EXPENSES			
General government services	1,912,282	1,733,237	1,848,153
Protective services	2,765,807	2,658,825	2,539,081
Transportation services	2,722,897	2,897,502	2,844,208
Environmental health services	813,810	798,464	724,743
Public health and welfare services	79,600	85,595	79,428
Regional planning and development	14,400	3,119	26,727
Resource conservation and industrial development	187,225	134,875	181,610
Recreation and cultural services	2,884,766	2,906,035	2,792,188
Water and sewer services	2,188,547	2,246,267	2,017,327
Total expenses (Schedules 3, 4 and 5)	13,569,334	13,463,919	13,053,465
ANNUAL SURPLUS	502,898	976,716	874,450
ACCUMULATED SURPLUS, BEGINNING OF YEAR		28,501,544	27,627,094
ADOPTION OF GOVERNMENT TRANSFERS (NOTES 1, 7)		(1,010,785)	-
ACCUMULATED SURPLUS, END OF YEAR		\$28,467,475	\$ 28,501,544

The accompanying notes are an integral part of this financial statement

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT
For the Year Ended December 31, 2013

	<u>2013 Budget (Note 14)</u>	<u>2013 Actual</u>	<u>2012 Actual</u>
ANNUAL SURPLUS	<u>\$ 502,898</u>	<u>\$ 976,716</u>	<u>\$ 874,450</u>
Acquisition of tangible capital assets	(2,684,271)	(2,684,271)	(3,106,823)
Amortization of tangible capital assets	1,582,823	1,582,823	1,551,752
Loss on sale of tangible capital assets	33,071	33,071	2,944
Proceeds on sale of tangible capital assets	17,500	17,500	2,933
Decrease (increase) in inventories	40,506	40,506	(48,864)
Decrease (increase) in prepaid expense	966	966	(4,837)
	<u>(1,009,405)</u>	<u>(1,009,405)</u>	<u>(1,602,895)</u>
CHANGE IN NET FINANCIAL DEBT	<u>(506,507)</u>	(32,689)	(728,445)
NET FINANCIAL DEBT, BEGINNING OF YEAR		(760,252)	(31,807)
ADOPTION OF GOVERNMENT TRANSFERS (NOTES 1, 7)		<u>(1,010,785)</u>	<u>-</u>
NET FINANCIAL DEBT, END OF YEAR		<u>\$ (1,803,726)</u>	<u>\$ (760,252)</u>

The accompanying notes are an integral part of this financial statement

TOWN OF THE PAS
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

	<u>2013</u>	<u>2012</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 976,716	\$ 874,450
Changes in non-cash items:		
Amounts receivable	(2,352,971)	(255,020)
Inventories	(1,930)	(56,357)
Prepays	966	(4,837)
Accounts payable and accrued liabilities	(876,903)	902,268
Landfill closure and post closure liabilities	23,969	22,220
Deferred revenue	240,881	(4,278)
Other liabilities	5,834	8,158
Loss on sale of tangible capital asset	33,071	2,944
Amortization	<u>1,582,823</u>	<u>1,551,752</u>
Cash provided by operating transactions	<u>(367,544)</u>	<u>3,041,300</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	17,500	2,933
Cash used to acquire tangible capital assets	<u>(2,684,271)</u>	<u>(3,106,823)</u>
Cash applied to capital transactions	<u>(2,666,771)</u>	<u>(3,103,890)</u>
INVESTING TRANSACTIONS		
Disposal (acquisition) of real estate properties	<u>4,278</u>	<u>(4,278)</u>
Cash applied to investing transactions	<u>4,278</u>	<u>(4,278)</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	1,973,125	
Debt repayment	<u>(299,849)</u>	<u>(347,776)</u>
Cash applied to financing transactions	<u>1,673,276</u>	<u>(347,776)</u>
DECREASE IN CASH AND TEMPORARY INVESTMENTS	<u>(1,356,761)</u>	<u>(414,644)</u>
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>4,177,654</u>	<u>4,592,298</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u><u>\$ 2,820,893</u></u>	<u><u>\$ 4,177,654</u></u>

The accompanying notes are an integral part of this financial statement

TOWN OF THE PAS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2013

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 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	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.

New Standard on Government Transfers

Government transfers are recognized in the financial statements when the transfer is authorized and eligibility criteria are met except, when and to the extent, stipulations by the transferor gives rise to an obligation that meets the definition of a liability. Stipulations by the transferor may require that the funds only be used for providing specific services or the acquisition of tangible capital assets. For transfers with stipulations an equivalent amount of revenue is recognized as the liability is settled.

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

l) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2013	2012
Cash	\$ 2,820,893	\$ 4,157,591
Temporary investments	-	20,063
	<u>\$ 2,820,893</u>	<u>\$ 4,177,654</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.

	2013	2012
Taxes on roll (Schedule 11)	\$ 1,168,911	\$ 743,642
Government grants	279,464	17,974
Utility customers	758,382	1,055,537
Organizations and individuals	72,289	178,779
Other governments	133,550	178,915
Debenture proceeds	1,973,125	
Miscellaneous	363,106	236,168
	<u>4,748,827</u>	<u>2,411,015</u>
Less allowances for doubtful amounts	<u>(425,746)</u>	<u>(440,905)</u>
	<u>\$ 4,323,081</u>	<u>\$ 1,970,110</u>

5. Inventories

Inventories for sale:

	2013	2012
Aviation fuel	\$ 72,162	\$ 28,989
Other	35,922	36,659
	<u>\$ 108,084</u>	<u>\$ 65,648</u>

Inventories for use:

	2013	2012
Fuel	\$ 13,843	\$ 17,973
Aggregate	103,043	172,460
Other supplies	186,475	153,434
	<u>\$ 303,361</u>	<u>\$ 343,867</u>

6. Accounts Payable and Accrued Liabilities

	2013	2012
Accounts payable	\$ 870,526	\$ 1,540,268
Accrued expenses	378,164	584,445
School levies (Schedule 13)	204,339	205,219
	<u>\$ 1,453,029</u>	<u>\$ 2,329,932</u>

7. Deferred Revenue

On January 1, 2013 the Town prospectively adopted the provisions of PS 3410 Government Transfers. Adoption of this new accounting standard resulted in a reclassification of balances previously presented as Gas Tax reserves, which meet the definition of a liability, to deferred revenue. Transactions related to Gas Tax funding during the year are:

	2013	2012
Gas Tax balance, beginning of year		
Reclassified from reserve (Schedule 6)	\$ 1,010,785	
Funding received during the year	305,042	
Interest earned	16,029	
Recognized as revenue during the year	(118,647)	-
Gas Tax balance, end of year	1,213,209	
Other deferred revenue	\$ 119,967	\$ 81,510
	<u>\$ 1,333,176</u>	<u>\$ 81,510</u>

8. 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.

	2013	2012
Estimated closure and post closure costs over the next 20 years	\$ 289,572	\$ 289,572
Discount rate	5.00%	5.00%
Discounted costs	<u>\$ 262,651</u>	<u>\$ 250,143</u>
Expected year capacity will be reached	2015	2015
Capacity (ha):		
Used to date	4.94	4.66
Remaining	0.56	0.84
Total	5.50	5.50
Percent utilized	<u>89.82%</u>	<u>84.73%</u>
Liability based on percentage	<u>\$ 235,908</u>	<u>\$ 211,939</u>

9. Long Term Debt

	2013	2012
General Authority:		
Debenture, interest at 5.75%, payable at \$150,918 annually including interest, maturing December 1, 2019	\$ 747,980	\$ 850,022
Debenture, interest at 5.63%, payable at \$169,100 annually including interest, maturing December 1, 2025	1,447,302	1,530,320
Debenture, interest at 4.625%, payable at \$206,615 annually including interest, maturing December 31, 2025	1,870,632	1,985,421
Debenture, interest at 4.375%, payable at \$191,447 annually including interest, maturing December 31, 2027	1,973,125	
	<u>\$ 6,039,039</u>	<u>\$ 4,365,763</u>

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

2014	420,819
2015	442,108
2016	464,493
2017	488,025
2018	512,767

10. 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.

11. Commitment

The Town has committed to developing a lake front subdivision. Budgeted capital expenditures are \$846,052 of which \$542,949 has been incurred prior to year end. Subsequent to year end the Town decreased the price on the unsold lots in the subdivision by \$35,000. In recognition of the inequity that would result to the purchasers of the four previously purchased lots the Town has committed to retroactively refund these individuals \$35,000 from the net proceeds of future lot sales when such sales occur.

12. 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 Chartered Professional Accountants of Canada Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. the MEPP required that employees contribute 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$274,429 (2012 - \$198,706) 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, 2012 indicated the plan was 94% funded on a going concern basis and had an unfunded solvency liability of \$220.5 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, 2012.

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.

13. 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.

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

	2013	2012
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	\$ 1,054,068	\$ (770,199)
Utility operating fund - Nominal surplus	1,084,298	1,145,196
TCA net of related borrowings	23,609,992	24,287,762
Reserve funds	2,636,715	3,719,548
Accumulated surplus of Town unconsolidated	28,385,073	28,382,307
Accumulated surpluses of consolidated entities	82,402	119,237
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 28,467,475</u>	<u>\$ 28,501,544</u>

16. 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.

17. Comparative Figures

Certain comparative figures for the prior year have been reclassified in order to conform with the financial statement presentation adopted for the current year.

18. 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. To view this disclosure please contact the Town of The Pas and request the audited Public Sector Compensation Disclosure Schedule.

TOWN OF THE PAS

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2013

SCHEDULE 1

	General Capital Assets					Infrastructure		Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2012 2013
Cost									
Opening costs	1,473,851	15,391,808	4,111,660	257,453	2,140,307	8,939,371	17,362,086	717,073	50,393,609 47,306,601
Additions during the year	112,100	2,657,909	988,482	11,216	658,727	-	1,067,135	118,647	5,614,216 3,307,517
Disposals and write downs			(249,860)		(2,222,975)		(72,760)	(706,970)	(220,509) (220,509)
Closing costs	1,585,951	18,049,717	4,850,282	268,669	576,059	8,939,371	18,356,461	128,750	52,755,260 50,393,609
Accumulated Amortization									
Opening accum'd amortization	195,505	4,669,413	1,924,924	169,869		5,215,408	9,365,763		21,540,882 20,003,068
Amortization	33,469	401,590	325,424	37,601		300,829	483,910		1,582,823 1,551,752
Disposals and write downs			(217,479)				(54,570)	-	(272,049) (13,938)
Closing accum'd amortization	228,974	5,071,003	2,032,869	207,470	-	5,516,237	9,795,103	-	22,851,656 21,540,882
Net Book Value of Tangible Capital Assets	1,356,977	12,978,714	2,817,413	61,199	576,059	3,423,134	8,561,358	128,750	29,903,604 28,852,727

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2013

	2013 Actual	2012 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 5,756,082	\$ 5,357,156
Taxes added	136,330	73,824
	<u>5,892,412</u>	<u>5,430,980</u>
Grants in lieu of taxation:		
Federal government	85,410	73,620
Federal government enterprises	6,383	5,936
Provincial government	267,131	254,278
Provincial government enterprises	591,125	510,129
	<u>950,049</u>	<u>843,963</u>
User fees		
Sales of service	932,382	698,100
Sales of goods	893,102	723,240
Facility use fees	591,249	502,181
	<u>2,416,733</u>	<u>1,923,521</u>
Permits, licences and fines		
Permits	13,351	12,638
Fines	37,573	34,735
	<u>50,924</u>	<u>47,373</u>
Investment income:		
Cash and temporary investments	64,236	108,616
	<u>64,236</u>	<u>108,616</u>
Other revenue:		
Miscellaneous	710,641	1,001,409
Penalties and interest	117,566	79,729
	<u>828,207</u>	<u>1,081,138</u>
Water and sewer		
Municipal utility (Schedule 9)	1,973,130	2,206,717
	<u>1,973,130</u>	<u>2,206,717</u>
Grants - Province of Manitoba		
General assistance payment	956,268	954,205
General support grant	83,797	84,911
VLT revenues	84,850	86,976
Conditional grants	236,066	285,221
	<u>1,360,981</u>	<u>1,411,313</u>
Grants - other		
Federal government - gas tax funding	102,618	305,042
Federal government - other	508,765	290,356
Other local governments	292,580	278,896
	<u>903,963</u>	<u>874,294</u>
Total revenue	<u>14,440,635</u>	<u>13,927,915</u>

CONSOLIDATED SCHEDULE OF EXPENSES

For the Year Ended December 31, 2013

	2013 Actual	2012 Actual
General government services:		
Legislative	\$ 83,746	\$ 82,292
General administrative	1,193,128	1,270,603
Other	456,363	495,258
	<u>1,733,237</u>	<u>1,848,153</u>
Protective services:		
Police	2,187,338	2,093,653
Fire	391,000	397,596
Emergency measures	44,285	23,278
Other	36,202	24,554
	<u>2,658,825</u>	<u>2,539,081</u>
Transportation services:		
Road transport		
Administration and engineering	331,052	329,427
Road and street maintenance	755,085	822,140
Street lighting	124,942	119,410
Other	223,357	229,054
Air transport	1,463,066	1,344,177
	<u>2,897,502</u>	<u>2,844,208</u>
Environmental health services:		
Waste collection and disposal	444,192	378,515
Recycling	278,472	239,858
Other	75,800	106,370
	<u>798,464</u>	<u>724,743</u>
Public health and welfare services:		
Public health	85,595	79,428
Regional planning and development		
Urban area weed control	3,119	26,727
Resource conservation and industrial development		
Regional development	90,965	108,753
Tourism	43,910	72,857
	<u>134,875</u>	<u>181,610</u>
Recreation and cultural services:		
Administration	199,774	212,617
Swimming pools and beaches	594,908	502,353
Skating and curling rinks	381,272	336,107
Parks and playgrounds	134,233	175,766
Other recreational facilities	1,032,002	1,020,885
Museums	275,171	272,697
Libraries	288,675	271,763
	<u>2,906,035</u>	<u>2,792,188</u>
Water and sewer services (Schedule 9)		
Municipal utility (Schedule 9)	2,246,267	2,017,327
Total expenses	<u>13,463,919</u>	<u>13,053,465</u>

TOWN OF THE PAS

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
For the Year Ended December 31, 2013

SCHEDULE 4

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$ 5,892,412	\$ 5,430,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	950,049	843,963	-	-	-	-	-	-	-	-
User fees	25,736	6,184	91,265	88,222	1,316,411	1,061,979	218,273	123,592	32,387	22,180
Grants - other	304,842	445,357	-	-	264,464	-	132,160	127,486	-	-
Permits, licences and fines	50,924	47,373	-	-	-	-	-	-	-	-
Investment income	64,236	108,616	-	-	-	-	-	-	-	-
Other revenue	657,895	899,141	-	-	9,562	8,401	40,998	70,755	-	-
Water and sewer		-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	1,124,915	1,126,093	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	127,843	139,852	-	-	-	-	-	-	-	-
Total revenue	\$ 9,198,852	\$ 9,047,559	\$ 91,265	\$ 88,222	\$ 1,590,437	\$ 1,070,380	\$ 391,431	\$ 321,833	\$ 32,387	\$ 22,180
EXPENSES										
Personnel services	\$ 762,135	\$ 765,780	\$ 211,075	\$ 240,223	\$ 1,120,123	\$ 1,160,193	\$ 500,405	\$ 410,665	\$ 75,148	\$ 67,093
Contract services	166,585	200,583	1,850,957	1,746,230	27,302	36,947	40,537	41,037	200	1,090
Utilities	82,766	79,801	32,441	29,104	224,142	212,383	14,501	11,969	-	-
Maintenance materials and supplies	84,994	105,994	114,488	88,664	967,751	884,365	96,396	85,440	10,246	11,245
Grants and contributions	241,412	228,826	-	-	-	-	-	-	-	-
Amortization	58,760	59,711	56,415	60,216	499,758	462,825	44,814	57,990	-	-
Interest on long term debt	226,782	241,826	-	-	-	-	-	-	-	-
Other	109,803	165,632	393,449	374,644	58,426	87,495	101,811	117,642	-	-
Total expenses	\$ 1,733,237	\$ 1,848,153	\$ 2,658,825	\$ 2,539,081	\$ 2,897,502	\$ 2,844,208	\$ 798,464	\$ 724,743	\$ 85,594	\$ 79,428
Surplus (Deficit)	\$ 7,465,615	\$ 7,199,406	\$ (2,567,560)	\$ (2,450,859)	\$ (1,307,065)	\$ (1,773,828)	\$ (407,033)	\$ (402,910)	\$ (53,207)	\$ (57,248)

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

TOWN OF THE PAS

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

Year Ended December 31, 2013

SCHEDULE 4

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE										
Property taxes	\$	-	\$	-	\$	-	\$	-	\$	5,892,412
Grants in lieu of taxation	-	-	-	-	-	-	-	-	-	843,963
User fees	-	-	6,830	-	725,831	621,364	-	-	950,049	1,923,521
Grants - other	-	-	-	-	202,497	301,451	-	-	2,416,733	874,294
Permits, licences and fines	-	-	-	-	-	-	-	-	903,963	47,373
Investment income	-	-	-	-	-	-	-	-	50,924	108,616
Other revenue	-	-	-	-	119,752	102,841	-	-	828,207	1,081,138
Water and sewer	-	-	-	-	-	-	1,973,130	2,206,717	1,973,130	2,206,717
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	1,124,915	1,126,093
Prov of MB - Conditional Grants	-	-	-	-	108,223	145,368	-	-	236,066	285,220
Total revenue	\$	-	\$	6,830	\$	1,156,303	\$	1,171,024	\$	14,440,635
EXPENSES										
Personnel services		4,484	\$	67,231	\$	1,692,016	\$	1,519,949	\$	5,317,194
Contract services	2,037	6,272		-	95,712	117,099	1,628	1,605	2,184,958	2,150,863
Utilities		-	1,610	2,564	270,288	266,352	273,133	156,935	898,881	759,108
Maintenance materials and supplies	1,082	6,170	7,153	16,736	251,154	227,890	554,020	586,849	2,087,284	2,013,353
Grants and contributions		-	-	-	-	-	-	-	241,412	228,826
Amortization		-	25,125	22,852	385,713	386,184	512,238	501,975	1,582,823	1,551,753
Interest on long term debt		-	-	-	-	-	-	4,014	226,782	245,840
Other		9,801	33,756	114,944	211,153	274,714	16,187	15,136	924,585	1,160,008
Total expenses	\$	3,119	\$	134,875	\$	2,906,036	\$	2,792,188	\$	13,463,919
Surplus (Deficit)	\$	(3,119)	\$	(128,045)	\$	(1,749,733)	\$	(1,621,164)	\$	976,716
										874,450

TOWN OF THE PAS

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2013

SCHEDULE 5

	Core Government		Controlled Entities		Government Partnerships		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
REVENUE								
Property taxes	\$ 5,892,412	\$ 5,430,980	\$ -	\$ -	\$ -	\$ -	\$ 5,892,412	\$ 5,430,980
Grants in lieu of taxation	950,049	843,963	-	-	-	-	950,049	843,963
User fees	1,649,230	1,280,696	767,503	642,825	-	-	2,416,733	1,923,521
Grants - other	569,305	445,357	334,658	428,937	-	-	903,963	874,294
Permits, licences and fines	50,924	47,373	-	-	-	-	50,924	47,373
Investment income	64,236	108,616	-	-	-	-	64,236	108,616
Other revenue	667,457	907,542	160,750	173,596	-	-	828,207	1,081,138
Water and sewer	1,973,130	2,206,717	-	-	-	-	1,973,130	2,206,717
Prov of MB - Unconditional Grants	1,124,915	1,126,093	-	-	-	-	1,124,915	1,126,093
Prov of MB - Conditional Grants	127,843	139,852	108,223	145,368	-	-	236,066	285,220
Total revenue	\$ 13,069,501	\$ 12,537,189	\$ 1,371,134	\$ 1,390,726	\$ -	\$ -	\$ 14,440,635	\$ 13,927,915
EXPENSES								
Personnel services	\$ 3,458,424	\$ 3,283,895	\$ 1,858,770	\$ 1,659,819	\$ -	\$ -	\$ 5,317,194	\$ 4,943,714
Contract services	2,071,612	2,024,148	113,346	126,715	-	-	2,184,958	2,150,863
Utilities	616,885	482,887	281,996	276,221	-	-	898,881	759,108
Maintenance materials and supplies	1,794,663	1,749,798	292,621	263,555	-	-	2,087,284	2,013,353
Grants and contributions	241,412	228,826	-	-	-	-	241,412	228,826
Amortization	1,175,824	1,139,589	406,999	412,164	-	-	1,582,823	1,551,753
Interest on long term debt	226,782	245,840	-	-	-	-	226,782	245,840
Other	693,809	866,436	230,776	293,572	-	-	924,585	1,160,008
Total expenses	\$ 10,279,411	\$ 10,021,419	\$ 3,184,508	\$ 3,032,046	\$ -	\$ -	\$ 13,463,919	\$ 13,053,465
Surplus (Deficit)	\$ 2,790,090	\$ 2,515,770	\$ (1,813,374)	\$ (1,641,320)	\$ -	\$ -	\$ 976,716	\$ 874,450

TOWN OF THE PAS

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2013

SCHEDULE 6

	2013							
	General	Equipment Replacement	Winton Pool	Fire Equipment	Computer Replacement	Land Development	Arena Renovations	Civic Centre
REVENUE								
Investment income	\$ 5,601	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	17,500	-	-	-	-	-	-
Total revenue	5,601	17,500	-	-	-	-	-	-
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	5,601	17,500	-	-	-	-	-	-
TRANSFERS								
Debt repayments	-	-	-	-	-	-	-	-
Transfers from (to) operating fund	102,000	325,000	9,738	90,017	-	(235,693)	13,645	42,000
Transfers from (to) utility fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	(333,318)	(4,008)	(33,323)	(8,219)	-	(10,972)	(36,165)
CHANGE IN RESERVE FUND BALANCES	107,601	9,182	5,730	56,694	(8,219)	(235,693)	2,673	5,835
FUND SURPLUS, BEGINNING OF YEAR	(101,784)	95,930	68,048	157,203	15,865	256,218	214,559	1,993
FUND SURPLUS, END OF YEAR	\$ 5,817	\$ 105,112	\$ 73,778	\$ 213,897	\$ 7,646	\$ 20,525	\$ 217,232	\$ 7,828

TOWN OF THE PAS

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2013

SCHEDULE 6

	2013							
	Utility Replacement	Infrastructure	Lakeside Develop.	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	-	-	421,905	(23,816)	35,000	-	-	-
Transfers from (to) utility fund	300,000	-	-	-	-	-	-	-
Acquisition of tangible capital assets	(93,358)	-	(290,223)	(241,121)	-	-	-	(1,988)
CHANGE IN RESERVE FUND BALANCES	206,642	-	131,682	(264,937)	35,000	-	-	(1,988)
FUND SURPLUS, BEGINNING OF YEAR	632,892	345,246	92,925	431,751	2,634	5,141	77,602	56,109
FUND SURPLUS, END OF YEAR	\$ 839,534	\$ 345,246	\$ 224,607	\$ 166,814	\$ 37,634	\$ 5,141	\$ 77,602	\$ 54,121

TOWN OF THE PAS

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2013

SCHEDULE 6

2013

	Centennial Celebration	Federal Fuel Tax	Parks and Playgrounds	Waste Dispo -sal Grounds	Community Enhancement	Destination Marketing	Wellness Equipment	Sask River Waterfront
REVENUE								
Investment income	-		\$ -	\$ -	\$ -	-	-	
Other income	-	-	-	-	-	-	7,810	
Total revenue	-	-	-	-	-	-	7,810	-
EXPENSES								
Investment charges	-	-	-	-	-	-	-	
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	-	-	-	-	-	-	7,810	
TRANSFERS								
Debt repayments	-	-	-	-	-	-	-	-
Transfers from (to) operating fund	(49,602)		-	46,239	(10,692)	(9,725)	-	49,602
Transfers from (to) utility fund	-	-	-	-	-	-	-	-
Transfer to deferred revenue (Notes 1, 7)	-	(1,010,785)	-	-	-	-	-	-
Acquisition of tangible capital assets	-		-	(155,882)	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(49,602)	(1,010,785)	-	(109,643)	(10,692)	(9,725)	7,810	49,602
FUND SURPLUS, BEGINNING OF YEAR	49,602	1,010,785	40,000	156,620	45,251	60,180	4,778	-
FUND SURPLUS, END OF YEAR	\$ -	\$ -	\$ 40,000	\$ 46,977	\$ 34,559	\$ 50,455	\$ 12,588	\$ 49,602

TOWN OF THE PAS
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
Year Ended December 31, 2013

SCHEDULE 6

	2013										2012
										Total	Total
REVENUE											
Investment income	\$	-	\$	-	\$	-	\$	-	\$	5,601	\$ 18,969
Other income		-		-		-		-		25,310	-
Total revenue		-		-		-		-		30,911	18,969
EXPENSES											
Investment charges		-		-		-		-		-	-
Other expenses		-		-		-		-		-	-
Total expenses		-		-		-		-		-	-
NET REVENUES		-		-		-		-		30,911	18,969
TRANSFERS											
Debt repayments		-		-		-		-		-	-
Transfers from (to) operating fund		-		-		-		-		805,618	1,585,617
Transfers from (to) utility fund		-		-		-		-		300,000	300,000
Transfer to deferred revenue (Notes 1, 7)		-		-		-		-		(1,010,785)	
Acquisition of tangible capital assets		-		-		-		-		(1,208,577)	(1,016,957)
CHANGE IN RESERVE FUND BALANCES		-		-		-		-		(1,082,833)	887,629
FUND SURPLUS, BEGINNING OF YEAR		-		-		-		-		3,719,548	2,831,919
FUND SURPLUS, END OF YEAR	\$	-	\$	-	\$	-	\$	-	\$	2,636,715	\$ 3,719,548

TOWN OF THE PAS
SCHEDULE OF TRUST FUNDS
For the Year Ended December 31, 2013

SCHEDULE 7

	Handivan										2013	Total	2012
ASSETS													
Cash and temporary investments	\$ 30,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,130	\$ -	\$ 24,297
Portfolio investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from Municipality	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 30,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,130</u>	<u>\$ -</u>	<u>\$ 24,297</u>
LIABILITIES AND FUND BALANCES													
Due to Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
REVENUES													
Contributions and donations	\$ 5,000		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 7,500
Investment income	833		-	-	-	-	-	-	-	-	833	-	658
	<u>5,833</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,833</u>	<u>-</u>	<u>8,158</u>
EXPENDITURES													
Cemetery maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	5,833	-	-	-	-	-	-	-	-	-	5,833	-	8,158
FUND BALANCE, BEGINNING OF YEAR	24,297										24,297		16,139
FUND BALANCE, END OF YEAR	<u>\$ 30,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,130</u>	<u>\$ -</u>	<u>\$ 24,297</u>

TOWN OF THE PAS
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
December 31, 2013

SCHEDULE 8

	2013										2012
	Water and Sewer										Total
	\$	-	\$	-	\$	-	\$	-	\$	-	\$
		758,382		-		-		-		758,382	1,055,537
		-		-		-		-		-	-
		-		-		-		-		-	-
		-		-		-		-		-	-
	\$	758,382	\$	-	\$	-	\$	-	\$	758,382	\$ 1,055,537
	\$	-	\$	-	\$	-	\$	-	\$	-	\$
		-		-		-		-		-	-
		-		-		-		-		-	-
		263,980		-		-		-		263,980	518,827
		263,980		-		-		-		263,980	518,827
	\$	494,402	\$	-	\$	-	\$	-	\$	494,402	\$ 536,710
	\$	8,690,108	\$	-	\$	-	\$	-	\$	8,690,108	\$ 8,713,396
	\$	9,184,510	\$	-	\$	-	\$	-	\$	9,184,510	\$ 9,250,106

CONTINGENCIES (Note 10)

SCHEDULE OF UTILITY OPERATIONS - Water and Sewer
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
REVENUE			
Water			
Water fees	\$ 1,465,000	\$ 1,394,969	\$ 1,543,135
Bulk water sales	7,000	5,134	5,415
sub-total- sewer	<u>1,472,000</u>	<u>1,400,103</u>	<u>1,548,550</u>
Sewer			
Sewer fees	490,000	469,795	574,467
Lagoon tipping fees	4,815	4,815	4,815
sub-total- sewer	<u>494,815</u>	<u>474,610</u>	<u>579,282</u>
Government transfers			
Capital	-	-	-
sub-total- government transfers	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Hydrant rentals	26,700	26,700	26,700
Connection charges	-	-	-
Penalties	30,000	71,567	50,775
Other income	1,485	150	1,410
sub-total- other	<u>58,185</u>	<u>98,417</u>	<u>78,885</u>
Total revenue	<u>2,025,000</u>	<u>1,973,130</u>	<u>2,206,717</u>

TOWN OF THE PAS
SCHEDULE OF UTILITY OPERATIONS (cont'd) - Water and Sewer
For the Year Ended December 31, 2013

	<u>Budget</u>	<u>2013</u>	<u>2012</u>
EXPENSES			
General			
Administration	363,407	289,730	264,393
Training costs		55,950	35,423
Billing and collection	46,087	60,459	61,211
sub-total- general	<u>409,494</u>	<u>406,139</u>	<u>361,027</u>
Water General			
Purification and treatment	482,903	445,211	453,859
Transmission and distribution	506,272	600,517	371,170
sub-total- water general	<u>989,175</u>	<u>1,045,728</u>	<u>825,029</u>
Water Amortization & Interest			
Amortization	283,555	293,136	288,442
Interest on long term debt	-	-	4,014
sub-total- water amortization & interest	<u>283,555</u>	<u>293,136</u>	<u>292,456</u>
Sewer General			
Collection system costs	117,368	108,481	173,852
Treatment and disposal cost	64,601	58,723	70,474
Lift Station costs	104,362	114,957	80,957
sub-total- sewer general	<u>286,331</u>	<u>282,161</u>	<u>325,283</u>
Sewage Amortization & Interest			
Amortization	219,993	219,103	213,532
sub-total- sewer amortization & interest	<u>219,993</u>	<u>219,103</u>	<u>213,532</u>
Total expenses	<u>2,188,548</u>	<u>2,246,267</u>	<u>2,017,327</u>
NET OPERATING SURPLUS	(163,548)	(273,137)	189,390
TRANSFERS			
Transfers from (to) operating fund	-	414,183	72,258
Transfers from (to) reserve funds	<u>(300,000)</u>	<u>(206,642)</u>	<u>(241,036)</u>
CHANGE IN UTILITY FUND BALANCE	<u>\$ (463,548)</u>	(65,596)	20,612
FUND SURPLUS, BEGINNING OF YEAR		<u>9,250,106</u>	<u>9,229,494</u>
FUND SURPLUS, END OF YEAR		<u><u>\$ 9,184,510</u></u>	<u><u>\$ 9,250,106</u></u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2013

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 5,726,819	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,726,819
Grants in lieu of taxation	1,005,311	-	-	-	-	-	-	1,005,311
User fees	1,559,056	-	-	-	-	-	856,802	2,415,858
Permits, licences and fines	43,000	-	-	-	-	-	-	43,000
Investment income	75,000	-	-	-	-	-	13,000	88,000
Other revenue	432,307	-	-	-	-	-	101,088	533,395
Water and sewer	-	2,025,000	-	-	-	-	-	2,025,000
Grants - Province of Manitoba	1,185,478	-	-	-	-	-	72,405	1,257,883
Grants - other	500,529	-	-	-	-	-	476,437	976,966
Transfers from accumulated surplus	859,400	-	-	-	(859,400)	-	-	-
Transfers from reserves	50,953	-	-	-	(50,953)	-	-	-
Total revenue	\$ 11,437,853	\$ 2,025,000	\$ -	\$ -	\$ (910,353)	\$ -	\$ 1,519,732	\$ 14,072,232
EXPENSES								
General government services	\$ 1,626,740	\$ -	\$ 58,760	\$ 226,782	\$ -	\$ -	\$ -	\$ 1,912,282
Protective services	2,709,392	-	56,415	-	-	-	-	2,765,807
Transportation services	2,214,448	-	508,449	-	-	-	-	2,722,897
Environmental health services	466,556	-	44,814	-	-	23,968	278,472	813,810
Public health and welfare services	79,600	-	-	-	-	-	-	79,600
Regional planning and development	14,400	-	-	-	-	-	-	14,400
Resource cons and industrial dev	162,100	-	25,125	-	-	-	-	187,225
Recreation and cultural services	1,324,024	-	385,713	-	-	-	1,175,029	2,884,766
Water and sewer services	-	1,685,000	503,547	-	-	-	-	2,188,547
Fiscal services:								-
Transfer to capital	903,459	-	(903,459)	-	-	-	-	-
Debt charges	773,631	-	-	(773,631)	-	-	-	-
Short term interest	-	-	-	-	-	-	-	-
Transfer to reserves	1,154,399	300,000	-	-	(1,454,399)	-	-	-
Allowance for tax assets	9,104	-	-	-	(9,104)	-	-	-
Total expenses	\$ 11,437,853	\$ 1,985,000	\$ 679,364	\$ (546,849)	\$ (1,463,503)	\$ 23,968	\$ 1,453,501	\$ 13,569,334
Surplus (Deficit)	\$ -	\$ 40,000	\$ (679,364)	\$ 546,849	\$ 553,150	\$ (23,968)	\$ 66,231	\$ 502,898

TOWN OF THE PAS
ANALYSIS OF TAXES ON ROLL
December 31, 2013

SCHEDULE 11

	2013	2012
Balance, beginning of year	\$ 743,642	\$ 487,165
Add:		
Tax levy (Schedule 12)	8,883,042	8,378,859
Taxes added	136,329	73,825
Penalties or interest	117,566	79,728
Other accounts added	22,011	22,923
Municipal fees	975	1,200
Other added to taxes	171	3,460
Water added to taxes	75,394	1,734
Tax overpaid refunds	253	6,582
Sub-total	9,235,741	8,568,311
Deduct:		
Cash collections - current	7,334,073	6,997,114
Cash collections - arrears	592,387	426,426
Tax cancelled	4,428	4,463
Tax discounts	-	-
M.P.T.C. - cash advance	879,611	882,905
Other credits	(27)	926
Sub-total	8,810,472	8,311,834
Balance, end of year	\$ 1,168,911	\$ 743,642

TOWN OF THE PAS
ANALYSIS OF TAX LEVY
For the Year Ended December 31, 2013

SCHEDULE 12

	2013			2012
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
LI.D. #4358	\$ 146,895,080	\$ 0.90	\$ 132,205	\$ 133,627
LI.D. #4335				60,205
LI.D. #4381	\$ 146,895,080	\$ 1.01	148,364	149,779
LI.D. #4435	\$ 146,895,080	\$ 1.24	182,150	182,085
LI.D. #4462	\$ 146,895,080	\$ 1.48	217,404	
sub-total- Debt charges			<u>680,123</u>	<u>525,696</u>
Reserves:				
Civic Centre	\$ 124,051,780	\$ 0.29	35,975	
General	\$ 124,051,780	\$ 0.71	88,077	
Library	\$ 124,051,780	\$ 0.25	31,013	
Infrastructure reserve				86,781
Machinery equipment repl.	\$ 124,051,780	\$ 2.25	279,117	259,102
Arena reserve				52,068
Centennial 2012				8,678
Wellness equipment				8,678
Winton pool				30,993
sub-total- Reserves			<u>434,182</u>	<u>446,300</u>
General municipal	\$ 124,051,780	\$ 37.33	<u>4,630,854</u>	<u>4,373,742</u>
At large			<u>-</u>	<u>-</u>
Business fees			<u>10,923</u>	<u>11,418</u>
Total municipal taxes (Schedule 2)			<u>5,756,082</u>	<u>5,357,156</u>
Education support levy			<u>485,932</u>	<u>468,618</u>
Special levies:				
Kelsey School Division #45			<u>2,641,028</u>	<u>2,553,085</u>
Total education taxes			<u>3,126,960</u>	<u>3,021,703</u>
Total tax levy (Schedule 11)			<u>\$ 8,883,042</u>	<u>\$ 8,378,859</u>

TOWN OF THE PAS
ANALYSIS OF SCHOOL ACCOUNTS
December 31, 2013

SCHEDULE 13

	2013			2012	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 45,372	\$ 636,450	\$ (637,270)	\$ 44,552	\$ 45,372
Special levies					
Kelsey School Division	159,847	2,282,675	(2,282,735)	159,787	159,847
Total	\$ 205,219	\$ 2,919,125	\$ (2,920,005)	\$ 204,339	\$ 205,219

TOWN OF THE PAS

SCHEDULE 14

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ending December 31, 2013

	2013 Actual	2012 Actual
General government services:		
Legislative	\$ 83,746	\$ 82,292
General administrative	1,193,128	1,270,603
Other	456,363	495,258
	<u>1,733,237</u>	<u>1,848,153</u>
Protective services:		
Police	2,187,338	2,093,653
Fire	391,000	397,596
Emergency measures	44,285	23,278
Other	36,202	24,554
	<u>2,658,825</u>	<u>2,539,081</u>
Transportation services:		
Road transport		
Administration and engineering	331,052	329,427
Road and street maintenance	755,085	822,140
Street lighting	124,942	119,410
Other	223,357	229,054
Air transport	1,463,066	1,344,177
	<u>2,897,502</u>	<u>2,844,208</u>
Environmental health services:		
Waste collection and disposal	444,192	378,515
Recycling	149,000	193,000
Other	75,800	106,369
	<u>668,992</u>	<u>677,884</u>
Public health and welfare services:		
Public health	85,595	79,428
Regional planning and development		
Urban area weed control	<u>3,119</u>	<u>26,727</u>
Resource conservation and industrial development		
Regional development	90,965	108,753
Tourism	43,909	72,856
	<u>134,874</u>	<u>181,609</u>
Recreation and cultural services:		
Other recreational facilities	1,392,433	1,204,402
Museums	191,248	187,555
Libraries	134,097	131,102
	<u>1,717,778</u>	<u>1,523,059</u>
Total expenses	<u><u>9,899,922</u></u>	<u><u>9,720,149</u></u>

SCHEDULE 15

[illegible]

TOWN OF THE PAS

RECONCILIATION OF ANNUAL SURPLUS

December 31, 2013

SCHEDULE 16

	2013		2012	
	General	Utility	Total	Total
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT	\$ 693,612	\$ (60,898)	\$ 632,714	\$ 829,503
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	988,712	300,000	1,288,712	1,926,635
Eliminate revenue - transfers from reserves	(133,044)	-	(133,044)	(1,057,973)
Decrease revenue - loss on disposal of TCA	(33,071)	-	(33,071)	-
Increase revenue - reserve funds interest	16,029	-	16,029	18,969
Increase revenue - Net surplus of consolidated entities	34,695	-	34,695	1,600
Eliminate revenue - transfer from / to nominal surpluses	(759,400)	-	(759,400)	(2,700,017)
Increase expense - amortization of tangible capital assets	(1,037,478)	(512,239)	(1,549,717)	(1,513,155)
Decrease expense - principal portion of debenture debt	546,848	-	546,848	347,777
Eliminate expense - acquisitions of tangible capital assets	932,950	-	932,950	3,021,111
NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 1,249,853	\$ (273,137)	\$ 976,716	\$ 874,450