

# **TOWN OF ALTONA**

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

## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Altona 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.

Exchange Chartered Professional Accountants LLP as the Town's appointed external auditors, have audited the Consolidated Financial Statements. The Auditors' report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian 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.



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Dan Gagne  
Chief Administrative Officer



## INDEPENDENT AUDITORS' REPORT

To the Mayor and members of Council of the  
**TOWN OF ALTONA**

### *Opinion*

We have audited the accompanying consolidated financial statements of the Town of Altona, which comprise the consolidated statement of financial position as at December 31, 2018 and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year ended December 31, 2018, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Altona as at December 31, 2018, and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2018 in accordance with Canadian Public Sector Accounting Standards.

### *Basis for Opinion*

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

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

*Exchange*

Chartered Professional Accountants LLP  
Winnipeg, Manitoba  
July 18, 2019

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

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**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 5,843,242	\$ 3,258,867
Amounts receivable (Note 4)	1,207,611	2,268,357
Portfolio investments (Note 5)	33	33
Loans and advances (Note 6)	935,000	-
Real estate properties held for sale (Note 7)	-	334,279
Other inventories for sale (Note 8)	1,866	2,066
Other assets	<u>527</u>	<u>-</u>
	<u>\$ 7,988,279</u>	<u>\$ 5,863,602</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 9)	\$ 485,832	\$ 523,906
Landfill closure and post closure liabilities (Note 10)	133,203	121,190
Long-term debt (Note 11)	6,993,859	5,414,238
Derivative contract (Note 11)	<u>15,771</u>	<u>-</u>
	<u>7,628,665</u>	<u>6,059,334</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>\$ 359,614</u>	<u>\$ (195,732)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 38,236,141	\$ 36,906,476
Inventories (Note 8)	284,691	244,005
Prepaid expenses	<u>61,401</u>	<u>45,646</u>
	<u>38,582,233</u>	<u>37,196,127</u>
<b>ACCUMULATED SURPLUS (Note 16)</b>	<u>\$ 38,941,847</u>	<u>\$ 37,000,396</u>

**COMMITMENTS (NOTE 12)**

Approved on behalf of Council:

\_\_\_\_\_  
 Mayor

  
 \_\_\_\_\_  
 Councillor

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2018**

	<b>2018 Budget (Note 15)</b>	<b>2018 Actual</b>	<b>2017 Actual</b>
<b>REVENUE</b>			
Property taxes	\$ 4,797,124	\$ 4,845,690	\$ 4,634,893
Grants in lieu of taxation	69,327	69,327	66,736
User fees	1,426,730	1,483,888	1,704,767
Permits, licences and fines	19,500	53,398	34,027
Investment income	60,000	181,382	94,588
Other revenue	27,000	522,266	146,562
Water and sewer	3,487,300	3,617,484	5,869,162
Grants - Province of Manitoba	1,021,400	1,011,446	906,668
Grants - other	220,805	417,010	351,044
Total revenue (Schedules 2, 4 and 5)	<u>11,129,186</u>	<u>12,201,891</u>	<u>13,808,447</u>
<b>EXPENSES</b>			
General government services	1,812,102	1,137,217	952,939
Protective services	1,657,906	1,687,220	1,576,698
Transportation services	1,511,792	1,425,577	1,426,212
Environmental health services	767,331	733,278	701,943
Public health and welfare services	88,350	94,080	173,859
Regional planning and development	54,000	73,440	36,844
Resource conservation and industrial development	465,555	468,049	402,722
Recreation and cultural services	1,924,773	2,014,903	2,049,651
Water and sewer services	2,555,774	2,626,676	2,485,823
Total expenses (Schedules 3, 4 and 5)	<u>10,837,583</u>	<u>10,260,440</u>	<u>9,806,691</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 291,603</u>	1,941,451	4,001,756
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>37,000,396</u>	<u>32,998,640</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 38,941,847</u>	<u>\$ 37,000,396</u>

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2018**

	<u>2018 Budget (Note 15)</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 291,603</b>	<b>\$ 1,941,451</b>	<b>\$ 4,001,756</b>
Acquisition of tangible capital assets	(6,893,970)	(3,449,878)	(6,403,431)
Amortization of tangible capital assets	1,807,033	1,909,893	1,662,635
Loss (Gain) on sale of tangible capital assets	-	21,524	1,060
Proceeds on sale of tangible capital assets	-	188,797	33,250
Decrease (increase) in inventories	-	(40,686)	1,134
Decrease (increase) in prepaid expense	-	(15,755)	4,130
	<u>(5,086,937)</u>	<u>(1,386,105)</u>	<u>(4,701,222)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (4,795,334)</u></b>	<b>555,346</b>	<b>(699,466)</b>
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>		<u>(195,732)</u>	<u>503,734</u>
<b>NET FINANCIAL ASSETS (DEBT), END OF YEAR</b>		<b><u>\$ 359,614</u></b>	<b><u>\$ (195,732)</u></b>

**TOWN OF ALTONA**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	<u>\$ 1,941,451</u>	<u>\$ 4,001,756</u>
Changes in non-cash items:		
Amounts receivable	1,060,746	(732,400)
Other assets	(527)	-
Inventories	(40,486)	1,054
Prepays	(15,755)	4,131
Accounts payable and accrued liabilities	(38,077)	(255,339)
Landfill closure and post closure liabilities	12,013	11,247
Loss (Gain) on sale of tangible capital asset	21,524	1,060
Loss (Gain) on sale of real estate held for sale	-	-
Amortization	<u>1,909,893</u>	<u>1,662,635</u>
Cash provided by operating transactions	<u>4,850,783</u>	<u>4,694,144</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	188,797	33,250
Cash used to acquire tangible capital assets	<u>(3,449,878)</u>	<u>(6,403,431)</u>
Cash applied to capital transactions	<u>(3,261,081)</u>	<u>(6,370,181)</u>
<b>INVESTING TRANSACTIONS</b>		
Sale (purchase) of real estate properties	334,279	(334,279)
Purchase of assets for lease	-	-
Loans and advances repaid	-	-
Loans and advances issued	(935,000)	-
Proceeds on redemption (purchase) of portfolio investments	-	-
Repayments under financing agreements	-	-
Cash applied to investing transactions	<u>(600,721)</u>	<u>(334,279)</u>
<b>FINANCING TRANSACTIONS</b>		
Proceeds of long-term debt	2,955,205	1,524,825
Debt repayment	<u>(1,359,811)</u>	<u>(460,919)</u>
Cash provided by (applied to) financing transactions	<u>1,595,394</u>	<u>1,063,906</u>
<b>INCREASE (DECREASE) IN CASH AND TEMPORARY INVESTMENTS</b>	<b>2,584,375</b>	<b>(946,410)</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>3,258,867</u>	<u>4,205,277</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u>\$ 5,843,242</u></u>	<u><u>\$ 3,258,867</u></u>



**TOWN OF ALTONA**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2018**

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**1. Status of the Town of Altona**

The incorporated Town of Altona ("the Town") is a municipal government that was created on October 24, 1956 pursuant to the Manitoba Municipal Act. It was first incorporated as a Village on December 31, 1945. The Town provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library and other general government operations. The Town owns one utility, has several designated special purpose reserves and provides funding support for other financial entities involved in public health, economic development and recreation.

**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 Professional 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:

*Altona Community Development Corporation Inc.*

The Town has several partnership agreements in place, and as such, consistent with Canadian public sector accounting standards for government partnerships, the following local agencies, boards and commissions are accounted on a proportionate consolidation basis whereby the Town's pro-rata share of each of the assets, liabilities, revenues and expenses are combined on a line by line basis in the financial statements. Inter-company balances and transactions have been eliminated. The government partnerships include:

*Altona & District Health Care Centre Inc. (47.40%) (2017 - 47.40%)*  
*Pembina Valley Water Cooperative Inc. (5.56%) (2017 - 5.56%)*  
*South Central Regional Library (12.94%) (2017 - 12.94%)*  
*Rhineland, Plum Coulee, Gretna, Altona Planning District (41.50%) (2017 - 41.50%)*  
*Supporting Entrepreneurs through Economic Development (50%) (2017 - 0%)*

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

Trust funds and their related operations administered by the Town are not consolidated in these financial statements. There were no trust funds administered by the Town as of December 31, 2018.

**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 includes cash and short-term investments with maturities of three months or less from the date of acquisition.

#### **d) Investments**

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	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

#### **Infrastructure Assets**

Transportation	
Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights and equipment	10 years
Water and Sewer	
Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

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

**i) Assets for lease**

The Town recognizes income from financing agreements equal to the interest that it pays on the mortgage assumed when the assets for lease were constructed.

**j) Inventories**

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

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

**k) Revenue Recognition**

Revenues are recognized as they are earned and measurable.

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

Unearned 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>2018</u>	<u>2017</u>
Cash	<u>\$ 5,843,242</u>	<u>\$ 3,258,867</u>

The Town has designated \$4,182,052 (2017 - \$4,086,288) to reserves for debt principal repayments and tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

The Town has arranged a \$1,500,000 line of credit with their financial institution to address the shortfall in cash resources as compared to reserves for debt principal repayment and tangible capital acquisitions. The line of credit bears interest at 2.7%, and the full amount of the \$1,500,000 was available for use as at December 31, 2018. (2017 - \$1,500,000)

**4. Amounts Receivable**

Amounts receivable are valued at their net realizable value.

	<u>2018</u>	<u>2017</u>
Taxes on roll (Schedule 11)	\$ 210,092	\$ 298,064
Government grants	134,845	1,214,816
Utility customers	448,006	398,744
Organizations and individuals	341,137	201,837
Other governments	87,826	167,878
	<u>1,221,906</u>	<u>2,281,339</u>
Less allowance for doubtful accounts	(14,295)	(12,982)
	<u>\$ 1,207,611</u>	<u>\$ 2,268,357</u>

**5. Portfolio Investments**

	<u>2018</u>	<u>2017</u>
Access Credit Union surplus shares	\$ 33	\$ 33

**6. Loans and advances**

Altona Community Development Corporation Inc. (ACDC), a controlled organization of the Town, has issued loans to various local companies with interest rates ranging from 4.40% to 4.55% with monthly blended payments of \$2,775 and \$2,960. The loans mature on October 31, 2027 and May 31, 2028.

**7. Real estate properties held for resale**

Altona Community Development Corporation Inc. (ACDC), a controlled organization of the Town, owns properties which are being held for resale. The properties are recorded at cost and include the costs to acquire the land as well as additions to the properties.

**8. Inventories**

**Inventories for sale:**

	<u>2018</u>	<u>2017</u>
Food and beverages	\$ 1,866	\$ 2,066

**Inventories for use:**

	<u>2018</u>	<u>2017</u>
Utility chemicals and other materials	\$ 121,774	\$ 45,486
Fuel	1,496	1,377
Public works materials	19,032	18,482
Sand	12,264	4,037
	<u>\$ 154,566</u>	<u>\$ 69,382</u>

**Consolidated Entities:**

Land held for resale by the Altona Community Development Corporation, not expected to be sold within one year	\$ 130,125	\$ 174,623
	<u>\$ 284,691</u>	<u>\$ 244,005</u>

**9. Accounts Payable and Accrued Liabilities**

	<u>2018</u>	<u>2017</u>
Accounts payable	\$ 142,206	\$ 144,394
Accrued expenses	167,342	207,536
Accrued interest payable	-	-
Government remittances payable	78,525	69,325
Refundable deposits	4,200	11,525
School levies	34,813	70,966
Other governments	58,746	20,160
	<u>\$ 485,832</u>	<u>\$ 523,906</u>

**10. Landfill Closure and Post Closure Liabilities**

**a) Operating Landfill Site**

The Town administers a Class 2 landfill site and has a cost-sharing agreement in place with the Rural Municipality of Rhineland. 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>2018</u>	<u>2017</u>
Estimated closure and post closure costs	<u>\$ 2,308,640</u>	<u>\$ 2,308,640</u>
Discount rate	<u>5.25%</u>	<u>5.25%</u>
<b>Discounted costs</b>	<u>\$ 283,410</u>	<u>\$ 269,310</u>
Expected year capacity will be reached	<b>2059</b>	<b>2059</b>
Capacity in volume:		
Used to date (%)	<b>47</b>	<b>45</b>
Remaining (%)	<b>53</b>	<b>55</b>
Total (%)	<b>100</b>	<b>100</b>
Percent utilized	<u>47%</u>	<u>45%</u>
<b>Liability based on percentage</b>	<u><u>\$ 133,203</u></u>	<u><u>\$ 121,190</u></u>

**b) Closed Landfill Site**

Legislation requires the Town to monitor its closed landfill sites. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports. Costs for post closure care for the closed landfill sites cannot be reasonably estimated at this time.

**11. Long Term Debt**

	<u>2018</u>	<u>2017</u>
<b>General Authority:</b>		
Debenture, interest at 6.875%, payable at \$196,303 annually including interest, maturing December 31, 2023	<b>\$ 807,584</b>	<b>\$ 939,310</b>
Debenture, interest at 3.000%, payable at \$33,905 annually including interest, maturing December 31, 2023	<b>150,939</b>	<b>177,735</b>
Komatsu Financial loan, interest at 0.000%, payable at \$2,951 monthly including interest, maturing October 23, 2021	<u><b>91,479</b></u>	<u><b>-</b></u>
	<u><b>\$ 1,050,002</b></u>	<u><b>\$ 1,117,045</b></u>
<b>Utility Funds:</b>		
Debenture, interest at 4.950%, payable at \$10,246 monthly including interest, maturing December 31, 2024	<b>\$ 637,150</b>	<b>\$ 726,164</b>
Debenture, interest at 3.940%, payable at \$102,468 annually including interest, maturing December 31, 2035	<b>1,252,411</b>	<b>1,303,520</b>
Debenture, interest at 3.800%, payable at \$79,513 annually including interest, maturing December 31, 2036	<b>1,023,141</b>	<b>1,062,287</b>
Debenture, interest at 3.860%, payable at \$115,782 annually including interest, maturing December 31, 2032	<u><b>1,234,398</b></u>	<u><b>-</b></u>
	<u><b>\$ 4,147,100</b></u>	<u><b>\$ 3,091,971</b></u>

**Controlled Entities:**

Altona Community Development Corporation

Rosenort Credit Union loan bearing interest at 4.550% per annum, repayable in monthly blended payments of \$2,775. The loan matures October 31, 2027 and is secured by property with a net worth of \$164,039.	\$ 458,830	\$ 266,647
Rosenort Credit Union loan bearing interest at 4.400% per annum, repayable in monthly blended payments of \$2,960. The loan matures May 31, 2028 and is secured by property with a net worth of \$850,000.	<u>475,000</u>	<u>-</u>
	<u>\$ 933,830</u>	<u>\$ 266,647</u>

**Consolidated Government Partnerships:**

Pembina Valley Water Cooperative Inc.

Canadian Imperial Bank of Commerce demand facility with 30 day Bankers' Acceptances reducing by \$5,747 principal and interest installments per month, with monthly interest payments fixed through interest rate swaps at 3.56% including stamping fee of 0.81% until July 2023, amortized over 15 years. Secured by a general security agreement over accounts receivable and all property owned by the Cooperative. If not demanded, matures July 2033. (5.56% of \$14,094,957)	\$ 783,053	\$ -
Canadian Imperial Bank of Commerce demand facility with 30 day Bankers' Acceptances reducing by \$449 principal installments per month, plus interest at the CIBC Bankers' Acceptance floating rate (2.30% at December 31, 2018) plus stamping fee of 0.81%, amortized over 15 years. Secured by a general security agreement over accounts receivable and all property owned by the Cooperative. If not demanded, matures July 2033. (5.56% of \$1,437,740)	79,874	-
Canadian Imperial Bank of Commerce demand loan, repaid during the year.	-	32,401
Canadian Imperial Bank of Commerce demand loan, repaid during the year.	-	205,591
Canadian Imperial Bank of Commerce demand loan, repaid during the year.	-	449,787
Canadian Imperial Bank of Commerce demand loan, repaid during the year.	-	227,007
<u>Altona &amp; District Health Care Centre Inc.</u>		
Access Credit Union loan, repaid during the year	-	5,303
Access Credit Union loan, repaid during the year	<u>-</u>	<u>18,486</u>
	<u>\$ 862,927</u>	<u>\$ 938,575</u>
	<u>\$ 6,993,859</u>	<u>\$ 5,414,238</u>

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

2019	\$ 510,275
2020	\$ 558,382
2021	\$ 578,318
2022	\$ 576,028
2023	\$ 604,699

The interest rate swap is a derivative financial instrument. It has effectively locked in a fixed rate through July 2023. The fair value of the interest rate swap (in favour of the counterparty) of \$15,771 (2017 - \$Nil) is recorded in the statement of financial position with the fluctuations being recorded in the statement of operations.

## 12. Commitments

### a) Pembina Valley Water Cooperative Inc.

Pembina Valley Water Cooperative Inc. has entered into numerous contracts, with expiry dates, with the following cooperative members: The Town of Carman (2018), the City of Winkler (2018) and City of Morden (2023). The contracts with the Town of Carman, the City of Winkler and City of Morden are volume based, identifying the amount of water that each organization must purchase from the Cooperative in any given year.

### b) Altona & District Health Care Centre Inc.

The Town has entered into an agreement with the Town of Gretna and Rural Municipalities of Rhineland and Montcalm to jointly fund any annual operating deficit that the Altona & District Health Care Centre Inc. may incur.

### c) Rhineland, Plum Coulee, Gretna, Altona Planning District (RPGA)

The Town has entered into an agreement with the Towns of Gretna and Plum Coulee and the Rural Municipality of Rhineland to jointly fund any annual operating deficit incurred by RPGA.

## 13. 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 Professional 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 8.3% of basic annual earnings up to the CPP ceiling plus 9.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Town on behalf of its employees amounted to \$173,141 (2017 - \$165,022) and are included in the statement of operations.

Subject to the following paragraph, any unfunded liabilities are to be funded by the participating employers. The most recent actuarial valuation as of December 31, 2017 indicated the plan was 100.8% funded on a going concern basis and had an unfunded solvency liability of \$246.8 million. The solvency position of the plan is determined by comparing the plan assets to the actuarial present value of the benefits accrued in respect of credited service up to the valuation date, calculated as if the plan were wound up on December 31, 2017.

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

## 14. 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.

## 15. 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.

**16. Accumulated Surplus**

	<u>2018</u>	<u>2017</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus (deficit)	\$ 184,886	\$ 212,423
Utility operating fund(s) - Nominal surplus	1,586,551	301,208
TCA net of related borrowings	31,082,792	30,709,335
Reserve funds	<u>4,182,052</u>	<u>4,086,288</u>
Accumulated surplus of municipality unconsolidated	37,036,281	35,309,254
Accumulated surpluses of consolidated entities	<u>1,905,566</u>	<u>1,691,142</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 38,941,847</u>	<u>\$ 37,000,396</u>

**17. 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 \$75,000 annually to any member of council, officer or employee of the Town. For the year ended December 31, 2018:

- a) Compensation paid to members of council amounted to \$114,452 in aggregate.
- b) There were no members of council receiving compensation in excess of \$75,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Mel Klassen	\$ 19,738	\$ 1,915	\$ 21,653
Mayor - Al Friesen	16,255	2,060	18,315
Councillor - Tim Fast	12,559	3,565	16,124
Councillor - Ann Kroeker	9,579	85	9,664
Councillor - Glen Robinson	13,043	65	13,108
Councillor - Terry Wiebe	10,832	2,657	13,489
Councillor - Donna Rosling-Walters	11,101	-	11,101
Councillor - Curt Letkeman	1,982	242	2,224
Councillor - Joel Pankewich	2,508	-	2,508
Councillor - Harvey Shroeder	3,016	146	3,162
Councillor - Jordan Siemens	<u>2,888</u>	<u>216</u>	<u>3,104</u>
	<u>\$ 103,501</u>	<u>\$ 10,951</u>	<u>\$ 114,452</u>

- c) The following officers received compensation in excess of \$75,000:

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Perry Batchelor</i>	<i>Police Chief</i>	\$ 116,021
<i>Daniel Defer</i>	<i>Police Sergeant</i>	\$ 108,768
<i>Daniel Gagne</i>	<i>CAO</i>	\$ 108,300
<i>Delores Loewen</i>	<i>Assistant CAO</i>	\$ 99,294
<i>Shawn Tarnick</i>	<i>Police Corporal</i>	\$ 94,065
<i>Mark Legal</i>	<i>Police Constable</i>	\$ 92,082
<i>Terence Fehr</i>	<i>Director of Finance</i>	\$ 91,016
<i>Brendan Funk</i>	<i>Police Constable</i>	\$ 87,197
<i>Anthony Dueck</i>	<i>Police Constable</i>	\$ 85,667
<i>Bradley Wiebe</i>	<i>Police Constable</i>	\$ 84,540
<i>Dustin Giesbrecht</i>	<i>Police Constable</i>	\$ 81,567
<i>Greg Zimmerman</i>	<i>Fire Chief</i>	\$ 78,634
<i>Clint Derksen</i>	<i>Public Works</i>	\$ 76,488
<i>Ron Epp</i>	<i>Recreation</i>	\$ 76,117



**18. Segmented Information**

The Town of Altona provides a wide ranges of services to its residents.

Segment information has been provided in Schedule 4 for the following services:

- General Government
- Protective Services
- Transportation Services
- Environmental Health
- Public Health and Welfare Services
- Regional Planning and Development
- Resources Conservation and Industrial Development
- Recreation and Cultural Services
- Water and Sewer Services

Revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies of the segments are consistent with those followed in the preparation of the financial statements as described in the summary of significant accounting policies.

**19. Government Partnerships**

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

	<u>2018</u>	<u>2017</u>
<b>Financial Position</b>		
Financial Assets	\$ 379,696	\$ 248,045
Liabilities	<u>(932,223)</u>	<u>(943,890)</u>
Net financial assets (liabilities)	\$ (552,527)	\$ (695,845)
Non-financial assets	<u>1,937,254</u>	<u>1,992,360</u>
Accumulated surplus	<u>\$ 1,384,727</u>	<u>\$ 1,296,515</u>
<b>Result of Operations</b>		
Revenues	\$ 720,829	\$ 596,076
Expenses	<u>632,617</u>	<u>562,188</u>
Annual surplus	\$ 88,212	\$ 33,888
Elimination of revenues/expenses upon consolidation	<u>(116,222)</u>	<u>(101,087)</u>
Consolidated annual surplus (deficit)	<u>\$ (28,010)</u>	<u>\$ (67,199)</u>

**20. Public Utilities Board**

The Public Utilities Board (PUB) regulates the rates charged by all water and sewer utilities, except the City of Winnipeg utility and those utilities operated by the Manitoba Water Services Board. PUB has the authority to order any owner of a utility to adopt uniform and prescribed accounting policies. PUB's prescribed accounting policies on tangible capital assets and government transfers do not meet the recommendations of PSAB.

For information purposes, the Town has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

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

**Water services:**

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Altona	<u>\$ 1,105,117</u>	<u>\$ 704,173</u>	<u>\$ 103,988</u>	<u>\$ 1,705,302</u>

**Sewer services:**

<u>Description of Utility</u>	<u>Unamortized Opening Balance</u>	<u>Additions During Year</u>	<u>Amortization During Year</u>	<u>Unamortized Balance Ending</u>
Altona	<u>\$ 280,708</u>	<u>\$ -</u>	<u>\$ 22,600</u>	<u>\$ 258,108</u>

**21. Comparative Figures**

Some of the comparative figures have been restated to correspond with current year presentation.

**TOWN OF ALTONA**  
**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**For the Year Ended December 31, 2018**

**SCHEDULE 1**

	General Capital Assets					Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Asset Under Construction	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2018	2017
<b>Cost</b>										
Opening costs	\$ 5,353,234	\$ 12,131,395	\$ 4,251,532	\$ 275,657	\$ 1,348,684	\$ 18,723,308	\$ 14,025,359	\$ 9,807,891	\$ 65,917,060	\$ 59,757,489
Additions during the year	1,179,875	221,367	885,905	22,709	695,352	520,949	10,515,256	1,198,412	15,239,825	6,792,319
Disposals and write downs	-	-	(404,418)	-	(1,506,985)	(340,128)	-	(10,282,962)	(12,534,493)	(632,748)
Closing costs	6,533,109	12,352,762	4,733,019	298,366	537,051	18,904,129	24,540,615	723,341	68,622,392	65,917,060
<b>Accumulated Amortization</b>										
Opening accum'd amortization	1,130,625	5,157,169	2,219,802	173,608	-	13,643,643	6,685,737	-	29,010,584	27,557,498
Amortization	249,542	386,238	317,446	54,226	-	429,848	472,593	-	1,909,893	1,662,635
Disposals and write downs	-	-	(194,098)	-	-	(340,128)	-	-	(534,226)	(209,549)
Closing accum'd amortization	1,380,167	5,543,407	2,343,150	227,834	-	13,733,363	7,158,330	-	30,386,251	29,010,584
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 5,152,942</b>	<b>\$ 6,809,355</b>	<b>\$ 2,389,869</b>	<b>\$ 70,532</b>	<b>\$ 537,051</b>	<b>\$ 5,170,766</b>	<b>\$ 17,382,285</b>	<b>\$ 723,341</b>	<b>\$ 38,236,141</b>	<b>\$ 36,906,476</b>

**TOWN OF ALTONA**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 2**

	<b>2018</b> <b>Actual</b>	<b>2017</b> <b>Actual</b>
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 12)	\$ 4,779,235	\$ 4,542,308
Taxes added	26,370	57,999
Penalties and interest	40,085	34,586
	<u>4,845,690</u>	<u>4,634,893</u>
<b>Grants in lieu of taxation:</b>		
Federal government	7,549	6,894
Federal government enterprises	-	-
Provincial government	2,116	2,082
Provincial government enterprises	59,662	57,760
Other local governments	-	-
Non-government organizations	-	-
	<u>69,327</u>	<u>66,736</u>
<b>User fees</b>		
Sales of service	692,592	642,507
Sales of goods	19,700	9,850
Rentals	31,375	19,710
Facility use fees	740,221	1,032,700
	<u>1,483,888</u>	<u>1,704,767</u>
<b>Permits, licences and fines</b>		
Permits	36,962	8,447
Licences	10,750	12,178
Fines	5,686	13,402
	<u>53,398</u>	<u>34,027</u>
<b>Investment income:</b>		
Cash and temporary investments	150,820	94,588
Assets for lease	-	-
Other (specify):	30,562	-
	<u>181,382</u>	<u>94,588</u>
<b>Other revenue:</b>		
Gain on sale of real estate held for sale	39,116	-
Gain on settlement of debt	-	-
Gain (loss) on disposal of tangible capital assets	(21,524)	(1,060)
Contributed assets	-	-
Gain on sale of assets for lease	-	-
Miscellaneous (specify):		
Donations	447,558	20,694
Other	57,116	126,928
	<u>522,266</u>	<u>146,562</u>
<b>Water and sewer</b>		
Municipal utility(ies) (Schedule 9)	3,312,156	5,559,588
Consolidated water co-operatives	305,328	309,574
	<u>3,617,484</u>	<u>5,869,162</u>
<b>Grants - Province of Manitoba</b>		
Municipal operating grants	731,385	688,658
Other unconditional grants	107,141	76,420
Conditional grants	172,920	141,590
	<u>1,011,446</u>	<u>906,668</u>
<b>Grants - other</b>		
Federal government - gas tax funding	231,290	223,459
Federal government - other	15,363	13,858
Other municipal governments	170,357	113,727
	<u>417,010</u>	<u>351,044</u>
<b>Total revenue</b>	<u>\$ 12,201,891</u>	<u>\$ 13,808,447</u>

**TOWN OF ALTONA**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 3**

	2018 Actual	2017 Actual
<b>General government services:</b>		
Legislative	\$ 151,671	\$ 145,813
General administrative	554,840	532,819
Other	430,706	274,307
	<u>1,137,217</u>	<u>952,939</u>
<b>Protective services:</b>		
Police	1,143,619	1,063,933
Fire	326,115	311,832
Emergency measures	34,565	32,708
Other	182,921	168,225
	<u>1,687,220</u>	<u>1,576,698</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	59,693	57,395
Road and street maintenance	1,207,563	1,203,147
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	80,031	87,005
Street lighting	75,331	71,979
Other	-	-
Brush and grass cutting	-	-
Air transport	2,246	2,856
Other	713	3,830
	<u>1,425,577</u>	<u>1,426,212</u>
<b>Environmental health services:</b>		
Waste collection and disposal	473,534	462,800
Recycling	162,444	225,898
Other	97,300	13,245
	<u>733,278</u>	<u>701,943</u>
<b>Public health and welfare services:</b>		
Public health	5,023	3,649
Medical care	81,283	162,436
Social assistance	7,774	7,774
Handi-Van	-	-
	<u>94,080</u>	<u>173,859</u>
<b>Regional planning and development</b>		
Planning and zoning	73,440	36,844
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>73,440</u>	<u>36,844</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	366,121	303,762
Industrial development	101,928	98,960
Tourism	-	-
Other	-	-
	<u>468,049</u>	<u>402,722</u>
<b>Sub-totals forward</b>	<u>\$ 5,618,861</u>	<u>\$ 5,271,217</u>

**TOWN OF ALTONA**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 3**

	<u>2018 Actual</u>	<u>2017 Actual</u>
<b>Sub-totals forward</b>	<b><u>\$ 5,618,861</u></b>	<b><u>\$ 5,271,217</u></b>
<b>Recreation and cultural services:</b>		
Administration	846,193	843,824
Community centers and halls	-	-
Swimming pools and beaches	255,783	242,962
Golf courses	-	-
Skating and curling rinks	437,944	495,057
Parks and playgrounds	256,218	274,433
Other recreational facilities	-	-
Museums	-	-
Libraries	218,765	193,375
Other cultural facilities	-	-
	<u>2,014,903</u>	<u>2,049,651</u>
<b>Water and sewer services (Schedule 9)</b>		
Municipal utility(ies) (Schedule 9)	2,272,431	2,181,427
Consolidated water co-operatives	354,245	304,396
	<u>2,626,676</u>	<u>2,485,823</u>
<b>Total expenses</b>	<b><u><u>\$ 10,260,440</u></u></b>	<b><u><u>\$ 9,806,691</u></u></b>

## TOWN OF ALTONA

## SCHEDULE 4

## CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>										
Property taxes	\$4,845,690	\$4,624,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	69,327	66,736	-	-	-	-	-	-	-	-
User fees	184,505	108,121	308,330	295,946	19,385	27,400	496,338	810,435	56,307	42,572
Grants - other	261,783	245,645	11,531	13,858	-	-	-	-	18,388	31,482
Permits, licences and fines	10,750	20,625	5,686	13,402	-	-	-	-	-	-
Investment income	148,521	92,094	-	-	-	-	-	-	2,206	1,370
Other revenue	22,831	6,042	26,667	25,602	4,800	6,836	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	731,385	688,657	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	37,955	6,696	19,126	114,024	100,000	-	-	-
<b>Total revenue</b>	<b>\$ 6,274,792</b>	<b>\$ 5,852,797</b>	<b>\$ 390,169</b>	<b>\$ 355,504</b>	<b>\$ 43,311</b>	<b>\$ 148,260</b>	<b>\$ 596,338</b>	<b>\$ 810,435</b>	<b>\$ 76,901</b>	<b>\$ 75,424</b>
<b>EXPENSES</b>										
Personnel services	\$ 481,524	\$ 461,386	\$ 1,231,212	\$ 1,138,207	\$ 417,705	\$ 396,657	\$ 139,899	\$ 131,297	\$ -	\$ -
Contract services	207,090	196,667	161,399	130,963	70,502	99,147	398,759	377,151	29,853	27,451
Utilities	22,626	22,310	55,251	49,650	90,339	86,650	5,433	7,375	3,411	2,981
Maintenance materials and supplies	37,145	33,724	130,519	147,516	228,391	225,733	54,626	140,536	16,232	21,377
Grants and contributions	103,905	86,055	1,998	1,978	-	-	30,255	28,800	22,558	37,048
Amortization	92,569	104,991	101,496	103,273	608,103	606,266	82,606	-	21,261	38,421
Interest on long term debt	-	-	-	-	7,109	8,579	-	-	258	1,399
Bad debts	-	-	-	-	-	-	-	-	-	-
Other	192,358	47,806	5,345	5,111	3,428	3,180	21,700	16,784	507	45,182
<b>Total expenses</b>	<b>\$1,137,217</b>	<b>\$ 952,939</b>	<b>\$ 1,687,220</b>	<b>\$ 1,576,698</b>	<b>\$ 1,425,577</b>	<b>\$ 1,426,212</b>	<b>\$ 733,278</b>	<b>\$ 701,943</b>	<b>\$ 94,080</b>	<b>\$ 173,859</b>
<b>Surplus (Deficit)</b>	<b>\$ 5,137,575</b>	<b>\$ 4,899,858</b>	<b>\$ (1,297,051)</b>	<b>\$ (1,221,194)</b>	<b>\$ (1,382,266)</b>	<b>\$ (1,277,952)</b>	<b>\$ (136,940)</b>	<b>\$ 108,492</b>	<b>\$ (17,179)</b>	<b>\$ (98,435)</b>

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

## TOWN OF ALTONA

## SCHEDULE 4

## CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2018

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,016	\$ 4,845,690	\$ 4,634,893
Grants in lieu of taxation	-	-	-	-	-	-	-	-	69,327	66,736
User fees	8,838	4,046	-	-	410,185	416,247	-	-	1,483,888	1,704,767
Grants - other	18,235	9,432	45,860	-	61,213	50,627	-	-	417,010	351,044
Permits, licences and fines	36,962	-	-	-	-	-	-	-	53,398	34,027
Investment income	-	-	30,562	947	93	177	-	-	181,382	94,588
Other revenue	-	-	39,416	-	428,552	108,082	-	-	522,266	146,562
Water and sewer	-	-	-	-	-	-	3,617,484	5,869,162	3,617,484	5,869,162
Prov of MB - Unconditional Grants	-	-	-	-	107,141	76,421	-	-	838,526	765,078
Prov of MB - Conditional Grants	-	-	-	-	15,839	20,870	-	-	172,920	141,590
Total revenue	\$ 64,035	\$ 13,478	\$ 115,838	\$ 947	\$ 1,023,023	\$ 672,424	\$ 3,617,484	\$ 5,879,178	\$ 12,201,891	\$ 13,808,447
<b>EXPENSES</b>										
Personnel services	\$ 55,837	\$ 4,656	\$ 112,226	\$ 99,052	\$ 812,155	\$ 799,896	\$ 376,638	\$ 355,762	\$ 3,627,196	\$ 3,386,913
Contract services	7,597	17,446	33,593	22,061	158,741	141,955	1,080,702	1,188,068	2,148,236	2,200,909
Utilities	-	-	1,442	1,248	191,505	169,589	144,530	141,386	514,537	481,189
Maintenance materials and supplies	625	330	18,199	11,503	225,271	324,712	247,667	261,418	958,675	1,166,849
Grants and contributions	9,381	14,412	37,501	2,044	44,625	44,559	1,502	1,623	251,725	216,519
Amortization	-	-	6,543	5,814	471,962	450,918	525,353	352,952	1,909,893	1,662,635
Interest on long term debt	-	-	25,573	1,207	64,578	73,052	218,833	170,909	316,351	255,146
Bad debts	-	-	-	-	-	-	-	-	-	-
Other	-	-	232,972	259,793	46,066	44,970	31,451	13,705	533,827	436,531
Total expenses	\$ 73,440	\$ 36,844	\$ 468,049	\$ 402,722	\$ 2,014,903	\$ 2,049,651	\$ 2,626,676	\$ 2,485,823	\$ 10,260,440	\$ 9,806,691
<b>Surplus (Deficit)</b>	\$ (9,405)	\$ (23,366)	\$ (352,211)	\$ (401,775)	\$ (991,880)	\$ (1,377,227)	\$ 990,808	\$ 3,393,355	\$ 1,941,451	\$ 4,001,756

## CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2018

	Core Government		Controlled Entities		Government Partnerships		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
<b>REVENUE</b>								
Property taxes	\$ 4,845,690	\$ 4,634,893	\$ -	\$ -	\$ -	\$ -	\$ 4,845,690	\$ 4,634,893
Grants in lieu of taxation	69,327	66,736	-	-	-	-	69,327	66,736
User fees	1,431,456	1,660,746	-	-	52,432	44,021	1,483,888	1,704,767
Grants - other	273,314	259,503	-	-	143,696	91,541	417,010	351,044
Permits, licences and fines	16,436	34,027	-	-	36,962	-	53,398	34,027
Investment income	148,521	92,094	30,562	947	2,299	1,547	181,382	94,588
Other revenue	475,149	145,476	39,416	-	7,701	1,086	522,266	146,562
Water and sewer	3,312,156	5,559,589	-	-	305,328	309,573	3,617,484	5,869,162
Prov of MB - Unconditional Grants	782,335	717,857	-	-	56,191	47,221	838,526	765,078
Prov of MB - Conditional Grants	172,920	141,590	-	-	-	-	172,920	141,590
Total revenue	\$ 11,527,304	\$ 13,312,511	\$ 69,978	\$ 947	\$ 604,609	\$ 494,989	\$ 12,201,891	\$ 13,808,447
<b>EXPENSES</b>								
Personnel services	\$ 3,393,299	\$ 3,207,034	\$ 1,147	\$ 1,722	\$ 232,750	\$ 178,157	\$ 3,627,196	\$ 3,386,913
Contract services	2,040,330	2,130,425	27,680	21,811	80,226	48,673	2,148,236	2,200,909
Utilities	483,735	453,939	-	-	30,802	27,250	514,537	481,189
Maintenance materials and supplies	821,912	1,043,609	10,940	11,121	125,823	112,119	958,675	1,166,849
Grants and contributions	250,223	214,896	-	-	1,502	1,623	251,725	216,519
Amortization	1,807,033	1,550,635	6,543	5,814	96,317	106,186	1,909,893	1,662,635
Interest on long term debt	243,373	213,180	25,573	1,207	47,405	40,759	316,351	255,146
Bad debts	-	-	-	-	-	-	-	-
Other	283,129	129,317	232,904	259,793	17,794	47,421	533,827	436,531
Total expenses	\$ 9,323,034	\$ 8,943,035	\$ 304,787	\$ 301,468	\$ 632,619	\$ 562,188	\$ 10,260,440	\$ 9,806,691
<b>Surplus (Deficit)</b>	\$ 2,204,270	\$ 4,369,476	\$ (234,809)	\$ (300,521)	\$ (28,010)	\$ (67,199)	\$ 1,941,451	\$ 4,001,756



TOWN OF ALTONA  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
For the Year Ended December 31, 2018

SCHEDULE 6

	2018									2017	
	General	Replacement	Building	Recreation	Cemetery	Gas Tax	Utility	Solid Waste	Economic Development	Total	Total
<b>REVENUE</b>											
Investment income	\$ 13,910	\$ 8,375	\$ 7,249	\$ -	\$ 1,506	\$ -	\$ 25,364	\$ 1,469	\$ 1,466	\$ 59,339	\$ 33,307
Other income	-	-	-	-	4,500	-	-	-	-	4,500	-
<b>Total revenue</b>	<b>13,910</b>	<b>8,375</b>	<b>7,249</b>	<b>-</b>	<b>6,006</b>	<b>-</b>	<b>25,364</b>	<b>1,469</b>	<b>1,466</b>	<b>63,839</b>	<b>33,307</b>
<b>EXPENSES</b>											
Investment charges	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	1,025	-	-	-	-	-	-	1,025	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>1,025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,025</b>	<b>-</b>
<b>NET REVENUES</b>	<b>13,910</b>	<b>8,375</b>	<b>6,224</b>	<b>-</b>	<b>6,006</b>	<b>-</b>	<b>25,364</b>	<b>1,469</b>	<b>1,466</b>	<b>62,814</b>	<b>33,307</b>
<b>TRANSFERS</b>											
Transfers from general operating fund	349,000	240,000	267,876	-	8,000	231,290	-	-	50,000	1,146,166	643,901
Transfers to general operating fund	(124,601)	(448,223)	(286,392)	-	-	-	-	-	-	(859,216)	(906,628)
Transfer from nominal surplus	-	-	-	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	100,000	-	-	100,000	526,000
Transfers to utility operating fund	-	-	-	-	-	-	(354,000)	-	-	(354,000)	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND</b>	<b>238,309</b>	<b>(199,848)</b>	<b>(12,292)</b>	<b>-</b>	<b>14,006</b>	<b>231,290</b>	<b>(228,636)</b>	<b>1,469</b>	<b>51,466</b>	<b>95,764</b>	<b>296,580</b>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	<b>957,907</b>	<b>576,736</b>	<b>499,211</b>	<b>-</b>	<b>103,743</b>	<b>-</b>	<b>1,746,641</b>	<b>101,131</b>	<b>100,919</b>	<b>4,086,288</b>	<b>3,789,708</b>
<b>FUND SURPLUS, END OF YEAR</b>	<b>\$ 1,196,216</b>	<b>\$ 376,888</b>	<b>\$ 486,919</b>	<b>\$ -</b>	<b>\$ 117,749</b>	<b>\$ 231,290</b>	<b>\$ 1,518,005</b>	<b>\$ 102,600</b>	<b>\$ 152,385</b>	<b>\$ 4,182,052</b>	<b>\$ 4,086,288</b>

TOWN OF ALTONA

SCHEDULE 7

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.

For the Year Ended December 31, 2018

	2018 Budget	2018 Actual	2017 Actual
<b>Revenue</b>			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
<b>Total revenue</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenses</b>			
General Government:			
Indemnities	-	-	-
Transportation Services			
Road and street maintenance	-	-	-
Bridge maintenance	-	-	-
Sidewalk and boulevard maintenance	-	-	-
Street lighting	-	-	-
Other	-	-	-
Environmental health			
Waste collection and disposal	-	-	-
Recycling	-	-	-
Other	-	-	-
Regional planning and development			
Planning and zoning	-	-	-
Urban renewal	-	-	-
Beautification and land rehabilitation	-	-	-
Urban area weed control	-	-	-
Other	-	-	-
Recreation and cultural services			
Community centers and halls	-	-	-
Swimming pools and beaches	-	-	-
Golf courses	-	-	-
Skating and curling rinks	-	-	-
Parks and playgrounds	-	-	-
Other recreational facilities	-	-	-
Museums	-	-	-
Libraries	-	-	-
Other cultural facilities	-	-	-
<b>Total expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net revenues (expenses)</b>	-	-	-
<b>Transfers:</b>			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
<b>Change in L.U.D. balances</b>	<u><u>\$ -</u></u>	-	-
<b>Unexpended balance, beginning of year</b>		<u>-</u>	<u>-</u>
<b>Unexpended balance, end of year</b>		<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

TOWN OF ALTONA  
 SCHEDULE OF FINANCIAL POSITION FOR UTILITIES  
 As at December 31, 2018

SCHEDULE 8

	Total	
	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments	\$ -	\$ -
Amounts receivable	448,006	1,578,381
Portfolio investments	-	-
Due from other funds	1,024,012	-
	<u>\$ 1,472,018</u>	<u>\$ 1,578,381</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ -	\$ -
Deferred revenue	-	-
Long-term debt (Note 11)	4,147,100	3,091,971
Due to other funds	-	1,315,778
	<u>4,147,100</u>	<u>4,407,749</u>
<b>NET DEBT</b>	<u>\$ (2,675,082)</u>	<u>\$ (2,829,368)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 17,423,114	\$ 16,418,770
Inventories	114,533	38,605
Prepaid expenses	-	-
	<u>17,537,647</u>	<u>16,457,375</u>
<b>FUND SURPLUS</b>	<u>\$ 14,862,565</u>	<u>\$ 13,628,007</u>

TOWN OF ALTONA  
 SCHEDULE OF UTILITY OPERATIONS  
 For the Year Ended December 31, 2018

SCHEDULE 9

	<u>Budget</u>	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 1,833,000	\$ 1,724,124	\$ 1,857,222
Bulk Water fees	2,000	4,140	3,803
sub-total- water	<u>1,835,000</u>	<u>1,728,264</u>	<u>1,861,025</u>
<b>Sewer</b>			
Sewer fees	924,000	828,107	663,844
Lagoon tipping fees	-	-	-
sub-total- sewer	<u>924,000</u>	<u>828,107</u>	<u>663,844</u>
<b>Property taxes</b>	<u>-</u>	<u>-</u>	<u>10,016</u>
<b>Government transfers</b>			
Operating	-	-	-
Capital	681,000	704,173	2,934,352
sub-total- government transfers	<u>681,000</u>	<u>704,173</u>	<u>2,934,352</u>
<b>Other</b>			
Hydrant rentals	27,300	27,300	27,300
Connection charges	2,000	2,610	805
Installation service	-	-	-
Penalties	6,000	7,941	7,816
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Dedication Fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	12,000	13,760	64,446
sub-total- other	<u>47,300</u>	<u>51,611</u>	<u>100,367</u>
<b>Total revenue</b>	<u>\$ 3,487,300</u>	<u>\$ 3,312,155</u>	<u>\$ 5,569,604</u>

TOWN OF ALTONA  
SCHEDULE OF UTILITY OPERATIONS (cont'd...)  
For the Year Ended December 31, 2018

SCHEDULE 9

EXPENSES	Budget	2018	2017
<b>General</b>			
Administration	\$ 254,705	\$ 159,794	\$ 163,303
Training costs	-	8,692	10,395
Billing and collection	-	30,045	39,273
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	<u>254,705</u>	<u>198,531</u>	<u>212,971</u>
<b>Water General</b>			
Purification and treatment	118,700	128,472	91,140
Water purchases	1,151,000	1,064,955	1,143,844
Transmission and distribution	75,400	45,218	40,012
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Other water supply costs	-	-	-
sub-total- water general	<u>1,345,100</u>	<u>1,238,645</u>	<u>1,274,996</u>
<b>Water Amortization &amp; Interest</b>			
Amortization	-	69,398	61,834
Interest on long term debt	-	-	522
sub-total- water amortization & interest	<u>-</u>	<u>69,398</u>	<u>62,356</u>
<b>Sewer General</b>			
Collection system costs	52,400	48,327	89,659
Treatment and disposal cost	232,200	157,796	173,413
Lift Station costs	85,700	64,795	75,552
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	<u>370,300</u>	<u>270,918</u>	<u>338,624</u>
<b>Sewage Amortization &amp; Interest</b>			
Amortization	-	382,419	225,001
Interest on long term debt	420,720	171,686	131,027
sub-total- sewer amortization & interest	<u>420,720</u>	<u>554,105</u>	<u>356,028</u>
<b>Total expenses</b>	<u>2,390,825</u>	<u>2,331,597</u>	<u>2,244,975</u>
<b>NET OPERATING SURPLUS (DEFICIT)</b>	<b>1,096,475</b>	<b>980,558</b>	<b>3,324,629</b>
<b>TRANSFERS</b>			
Transfers from (to) operating fund	-	-	-
Transfers to capital fund	(1,679,000)	-	-
Transfers from (to) reserve funds	654,000	254,000	(526,000)
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 71,475</u>	<u>1,234,558</u>	<u>2,798,629</u>
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>13,628,007</u>	<u>10,829,378</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 14,862,565</u>	<u>\$ 13,628,007</u>

## TOWN OF ALTONA

## SCHEDULE 10

## RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2018

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	PSAB Budget
<b>REVENUE</b>						
Property taxes	\$ 4,797,124	\$ -	\$ -	\$ -	\$ -	\$ 4,797,124
Grants in lieu of taxation	69,327	-	-	-	-	69,327
User fees	1,426,730	-	-	-	-	1,426,730
Permits, licences and fines	19,500	-	-	-	-	19,500
Investment income	60,000	-	-	-	-	60,000
Other revenue	27,000	-	-	-	-	27,000
Water and sewer	-	3,487,300	-	-	-	3,487,300
Grants - Province of Manitoba	1,021,400	-	-	-	-	1,021,400
Grants - other	220,805	-	-	-	-	220,805
Transfers from reserves	1,767,090	754,000	-	-	(2,521,090)	-
Total revenue	\$ 9,408,976	\$ 4,241,300	\$ -	\$ -	\$ (2,521,090)	\$ 11,129,186
<b>EXPENSES</b>						
General government services	\$ 874,980	\$ -	\$ 92,569	\$ -	\$ 844,553	\$ 1,812,102
Protective services	1,556,410	-	101,496	-	-	1,657,906
Transportation services	895,110	-	608,103	8,579	-	1,511,792
Environmental health services	684,725	-	82,606	-	-	767,331
Public health and welfare services	88,350	-	-	-	-	88,350
Regional planning and development	54,000	-	-	-	-	54,000
Resource conservation and industrial development	465,555	-	-	-	-	465,555
Recreation and cultural services	1,381,280	-	470,442	73,051	-	1,924,773
Water and sewer services	-	1,970,105	451,817	133,852	-	2,555,774
Fiscal services:						
Transfer to capital	1,745,805	1,679,000	-	-	(3,424,805)	-
Transfer to utility	-	-	-	-	-	-
Debt charges	230,208	420,720	-	(650,928)	-	-
Short term interest	30,000	-	-	-	(30,000)	-
Transfer to reserves	558,000	100,000	-	-	(658,000)	-
Allowance for tax assets	844,553	-	-	-	(844,553)	-
Total expenses	\$ 9,408,976	\$ 4,169,825	\$ 1,807,033	\$ (435,446)	\$ (4,112,805)	\$ 10,837,583
<b>Surplus (Deficit)</b>	\$ -	\$ 71,475	\$ (1,807,033)	\$ 435,446	\$ 1,591,715	\$ 291,603

**TOWN OF ALTONA  
ANALYSIS OF TAXES ON ROLL  
For the Year Ended December 31, 2018**

**SCHEDULE 11**

	<u>2018</u>	<u>2017</u>
<b>Balance, beginning of year</b>	<b>\$ 298,064</b>	<b>\$ 234,798</b>
<b>Add:</b>		
Tax levy (Schedule 12)	7,995,528	8,111,931
Taxes added	26,370	57,999
Penalties or interest	40,085	34,586
Other accounts added	63,206	57,034
Taxes overpaid	-	-
<b>Sub-total</b>	<b><u>8,125,189</u></b>	<b><u>8,261,550</u></b>
<b>Deduct:</b>		
Cash collections - current	7,002,334	7,202,461
Cash collections - arrears	244,899	151,344
Write-offs	-	-
Tax discounts	169,154	35,979
M.P.T.C. - cash advance	796,774	808,500
<b>Sub-total</b>	<b><u>8,213,161</u></b>	<b><u>8,198,284</u></b>
<b>Balance, end of year</b>	<b><u><u>\$ 210,092</u></u></b>	<b><u><u>\$ 298,064</u></u></b>

TOWN OF ALTONA  
ANALYSIS OF TAX LEVY

SCHEDULE 12

For the Year Ended December 31, 2018

	2018		2017	
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Frontage			\$ -	\$ 10,016
Local improvement	216,561,590	0.91	197,071	229,841
At large	193,764,340	0.18	34,878	33,588
sub-total- Debt charges			<u>231,949</u>	<u>273,444</u>
Deferred surplus	-	-	-	-
Reserves:				
Machinery	193,764,340	1.23	238,330	255,639
General	-	-	-	-
Building	193,764,340	1.63	315,836	363,866
sub-total- Reserves			<u>554,166</u>	<u>619,505</u>
General municipal	193,764,340	10.57	<u>2,048,089</u>	<u>1,817,465</u>
Special levies:				
B/L 1570 - Scavenging			-	-
B/L 1571 - Health Levy	216,561,590	0.22	47,644	60,594
B/L 1622 - Protective Services	216,561,590	5.88	1,273,382	1,176,367
B/L 1744 - Solid Waste Collection	200,760,930		394,355	382,065
sub-total- Special levies			<u>1,715,381</u>	<u>1,619,026</u>
Business tax (3%) and fees	7,600,800	3.00	<u>229,651</u>	<u>212,868</u>
<b>Total municipal taxes (Schedule 2)</b>			<u>4,779,235</u>	<u>4,542,308</u>
Education support levy	57,898,400	9.770	<u>565,667</u>	<u>566,112</u>
Special levies:				
Border Land	183,943,430	14.410	<u>2,650,625</u>	<u>3,003,511</u>
sub-total- Special levies			<u>2,650,625</u>	<u>3,003,511</u>
<b>Total education taxes</b>			<u>3,216,292</u>	<u>3,569,623</u>
<b>Total tax levy</b>			<u>\$ 7,995,528</u>	<u>\$ 8,111,931</u>



TOWN OF ALTONA  
 SCHEDULE OF GENERAL OPERATING FUND EXPENSES  
 For the Year Ended December 31, 2018

SCHEDULE 13

	2018 Actual	2017 Actual
<b>General government services:</b>		
Legislative	\$ 151,671	\$ 145,813
General administrative	554,840	532,819
Other	430,706	274,307
	<u>1,137,217</u>	<u>952,939</u>
<b>Protective services:</b>		
Police	1,143,619	1,063,933
Fire	326,115	311,832
Emergency measures	34,565	32,708
Other	182,921	168,225
	<u>1,687,220</u>	<u>1,576,698</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	59,693	57,395
Road and street maintenance	1,207,563	1,203,147
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	80,031	87,005
Street lighting	75,331	71,979
Other	-	-
Brush and Grass Cutting	-	-
Air transport	2,246	2,856
Other	713	3,830
	<u>1,425,577</u>	<u>1,426,212</u>
<b>Environmental health services:</b>		
Waste collection and disposal	473,534	462,800
Recycling	162,444	225,898
Other	97,300	13,245
	<u>733,278</u>	<u>701,943</u>
<b>Public health and welfare services:</b>		
Public health	5,023	3,649
Medical care	43,893	72,449
Social assistance	7,774	7,774
Handi-Van	-	-
	<u>56,690</u>	<u>83,872</u>
<b>Regional planning and development</b>		
Planning and zoning	22,393	21,232
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>22,393</u>	<u>21,232</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	77,565	2,294
Industrial development	394,227	409,492
Tourism	-	-
Other	-	-
	<u>471,792</u>	<u>411,786</u>
<b>Sub-totals forward</b>	<u>\$ 5,534,167</u>	<u>\$ 5,174,682</u>

**TOWN OF ALTONA**  
**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**  
**For the Year Ended December 31, 2018**

**SCHEDULE 13**

	<u>2018</u> <u>Actual</u>	<u>2017</u> <u>Actual</u>
<b>Sub-totals forward</b>	<b>\$ 5,534,167</b>	<b>\$ 5,174,682</b>
<b>Recreation and cultural services:</b>		
Administration	846,193	843,824
Community centers and halls	-	-
Swimming pools and beaches	255,783	242,962
Golf courses	-	-
Skating and curling rinks	437,944	495,057
Parks and playgrounds	256,218	274,433
Other recreational facilities	-	-
Museums	-	-
Libraries	89,980	78,272
Other cultural facilities	-	-
	<u>1,886,118</u>	<u>1,934,548</u>
<b>Total expenses</b>	<b><u>\$ 7,420,285</u></b>	<b><u>\$ 7,109,230</u></b>

TOWN OF ALTONA

SCHEDULE 14

RECONCILIATION OF ANNUAL SURPLUS - Unaudited

December 31, 2018

	2018			2017
	General	Utility	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	\$ (9,838)	\$ 10,797	\$ 959	\$ 32,415
<b>Adjustments for reporting under public sector accounting standards</b>				
Eliminate expense - transfers to reserves	1,146,166	100,000	1,246,166	1,169,901
Eliminate revenue - transfers from reserves	(859,216)	(354,000)	(1,213,216)	(906,628)
Increase revenue - reserve funds interest	59,339	-	59,339	33,307
Increase revenue - reserve funds other income	4,500	-	4,500	-
Increase expense - reserve funds other expenses	(1,025)	-	(1,025)	-
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	(262,819)	-	(262,819)	(367,720)
Decrease expense - elimination of contribution to consolidating entities	428,847	-	428,847	411,170
Increase expense - landfill liability expense	(12,013)	-	(12,013)	(11,247)
Increase expense - amortization of tangible capital assets	(1,355,216)	(451,817)	(1,807,033)	(1,550,640)
Increase (Decrease) revenue - gain (loss) on disposal of tangible capital assets	(21,524)	-	(21,524)	(1,060)
Decrease revenue - proceeds on disposal of tangible capital assets	(188,455)	-	(188,455)	(33,250)
Decrease expense - principal portion of debenture debt	158,521	244,872	403,393	361,271
Eliminate expense - acquisitions of tangible capital assets	1,965,106	1,430,706	3,395,812	6,164,237
Eliminate revenue - proceeds from issuance of debentures	(91,479)	-	(91,479)	-
Eliminate revenue - proceeds from debentures pending related to capital assets	-	-	-	(1,300,000)
<b>NET SURPLUS PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 960,893</b>	<b>\$ 980,558</b>	<b>\$ 1,941,451</b>	<b>\$ 4,001,756</b>