

# Rural Municipality of Piney

Consolidated Financial Statements  
For the Year Ended December 31, 2015



## STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Rural Municipality of Piney and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada.

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

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

Sharpe & Company Chartered Accountant Ltd., as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Reeve 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 Municipality in accordance with Canadian public sector accounting standards.



Martin Van Osch  
Chief Administrative Officer

## INDEPENDENT AUDITOR'S REPORT

To the Reeve and members of Council of the  
**Rural Municipality of Piney**

We have audited the accompanying financial statements of the Rural Municipality of Piney, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, change in net financial assets and cash flows for the year ended December 31, 2015, 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 is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

### *Auditor's Responsibility*

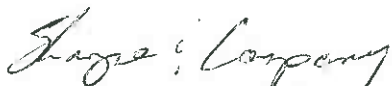
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 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 control. 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 consolidated financial statements present fairly, in all material respects, the financial position of the Rural Municipality of Piney as at December 31, 2015 and the results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2015 in accordance with Canadian public sector accounting standards.



Sharpe & Company Chartered Accountant Ltd.  
September 13, 2016  
Brandon, Manitoba

September 13, 2016

Martin Van Osch and Councilors

Rural Municipality of Piney  
Box 48  
Vassar, MB R0A 2J0

Pursuant to our appointment and the instructions of the Department of Municipal Affairs and as required by Sub Section 190(a) of the Municipal Act, we are pleased to submit a supplementary report on our evaluation of the accounting procedures and systems of control employed by the Rural Municipality of Piney for the year ended December 31, 2015. Our evaluation was made in accordance with Canadian auditing standards and included such tests and other procedures as we considered necessary in the circumstances.

Management is responsible for establishing and maintaining a system of internal administrative and accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of this system are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting policies of the Rural Municipality of Piney.

Because of inherent limitation in any systems of internal accounting and administrative control, errors or irregularities may occur and not be detected. Also projection of any evaluation of the system to future period is subject to the risk that procedure may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

We report that in our opinion:

- (a) The accounting procedures and systems of control employed by the Rural Municipality of Piney are adequate to preserve and protect its assets in so far as practical;
- (b) To the best of our knowledge and belief, the funds of the Rural Municipality of Piney have been paid or disbursed only under the authority granted by an act of the Legislature, or under authority of a resolution or by-law of the corporation made under authority of the Act of the Legislature;
- (c) No irregularity or discrepancy in the administration of the affairs of the Rural Municipality of Piney came to our notice in the course of our examination; and
- (d) There are no other matters, which we consider should be brought to the attention of the council of the Rural Municipality of Piney or the minister.

The accounts of the Rural Municipality of Piney were found to have been well maintained and we take pleasure in acknowledging the cooperation that the C.A.O. extended to us during the course of the audit.

Yours truly,



Ken Sharpe, CPA, CA  
Sharpe & Company  
Chartered Accountant Ltd.

# Rural Municipality of Piney

## Consolidated Financial Statements

For the Year Ended December 31, 2015

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**Rural Municipality of Piney**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**For the Year Ended December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 2,363,973	\$ 2,532,340
Amounts receivable (Note 4)	<u>253,001</u>	<u>224,149</u>
	<u>\$ 2,616,974</u>	<u>\$ 2,756,489</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 11,937	\$ 185,840
Deferred revenue	<u>-</u>	<u>1,500</u>
	<u>11,937</u>	<u>187,340</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 2,605,037</u>	<u>\$ 2,569,149</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 1,774,400	\$ 1,586,473
Inventories (Note 5)	216,880	108,646
Prepaid expenses	<u>16,901</u>	<u>16,251</u>
	<u>2,008,181</u>	<u>1,711,370</u>
<b>ACCUMULATED SURPLUS (Note 17)</b>	<u>\$ 4,613,218</u>	<u>\$ 4,280,519</u>

**COMMITMENTS AND CONTINGENCIES (NOTES 11 AND 12)**

Approved on behalf of Council:

  
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Reeve

  
 \_\_\_\_\_

Councillor



Rural Municipality of Piney  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
For the Year Ended December 31, 2015

	2015 Budget (Note 9)	2015 Actual	2014 Actual
<b>REVENUE</b>			
Property taxes	\$ 850,630	\$ 932,876	\$ 891,423
Grants in lieu of taxation	98,355	38,685	38,519
User fees	264,532	273,734	255,367
Permits, licences and fines	8,600	2,425	1,081
Investment income	20,000	39,906	48,518
Other revenue	42,500	119,199	105,981
Grants - Province of Manitoba	405,500	470,524	436,524
Grants - other	118,500	122,756	100,412
Total revenue (Schedules 2, 4 and 5)	<u>1,808,617</u>	<u>2,000,105</u>	<u>1,877,825</u>
<b>EXPENSES</b>			
General government services	401,931	412,342	421,182
Protective services	278,637	267,820	261,165
Transportation services	752,108	610,700	694,173
Environmental health services	164,101	148,903	152,933
Public health and welfare services	14,916	14,916	14,916
Regional planning and development	12,500	27,613	32,098
Resource conservation and industrial development	48,100	92,245	73,953
Recreation and cultural services	91,500	92,867	88,404
Total expenses (Schedules 3, 4 and 5)	<u>1,763,793</u>	<u>1,667,406</u>	<u>1,738,824</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>44,824</u>	332,699	139,001
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>4,280,519</u>	<u>4,141,518</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 4,613,218</u>	<u>\$ 4,280,519</u>



Rural Municipality of Piney  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
For the Year Ended December 31, 2015

	<u>2015 Budget (Note 9)</u>	<u>2015 Actual</u>	<u>2014 Actual</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 44,824</u>	<u>\$ 332,699</u>	<u>\$ 139,001</u>
Acquisition of tangible capital assets		(350,758)	(168,659)
Amortization of tangible capital assets	162,831	162,831	151,700
Decrease (increase) in inventories		(108,234)	30,723
Decrease (increase) in prepaid expense		(650)	(2,734)
	<u>162,831</u>	<u>(296,811)</u>	<u>11,030</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<u>207,655</u>	35,888	150,031
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<u>2,569,149</u>	<u>2,419,118</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<u>\$ 2,605,037</u>	<u>\$ 2,569,149</u>





**Rural Municipality of Piney**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus (deficit)	\$ 332,699	\$ 139,001
Changes in non-cash items:		
Amounts receivable	(28,852)	1,589
Inventories	(108,234)	30,723
Prepays	(650)	(2,734)
Accounts payable and accrued liabilities	(173,903)	6,320
Deferred revenue	(1,500)	1,500
Amortization	162,831	151,700
Cash provided by operating transactions	<u>182,391</u>	<u>328,099</u>
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	<u>(350,758)</u>	<u>(168,659)</u>
Cash applied to capital transactions	<u>(350,758)</u>	<u>(168,659)</u>
<b>INCREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<u>(168,367)</u>	<u>159,440</u>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>2,532,340</u>	<u>2,372,900</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u>\$ 2,363,973</u>	<u>\$ 2,532,340</u>



**Rural Municipality of Piney**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

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**1. Status of the Rural Municipality of Piney**

The incorporated Rural Municipality of Piney is a municipal government that was created on January 1, 1945 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Municipality has 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 Municipality. 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 Municipality. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the municipality. Inter-fund and inter-company balances and transactions have been eliminated.

The Municipality has one partnership agreement 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 Municipality'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:

*Piney Stuartburn Weed Control District (consolidated 50%) (2014 – consolidated 35%)*  
*Vita Veterinary Services Board (consolidated 29%) (2014 – consolidated 0%)*

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

**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.



**Rural Municipality of Piney**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

**f) Non-Financial Assets**

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

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

**g) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality does not capitalize internal finance charges as part of the cost of its tangible capital assets.

**General Tangible Capital Assets**

Land	Indefinite
Land Improvements	10 to 30 years
Buildings and leasehold improvements	
Buildings	25 to 40 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	5 years
Machinery, equipment and furniture	10 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	4 years

**Infrastructure Assets**

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

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 municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

**h) Leases**

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

**i) Inventories**

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

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



**Rural Municipality of Piney**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

**j) Revenue Recognition**

Revenues are recognized as they are earned and measurable.

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

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

**k) Measurement Uncertainty**

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues are unknown at the time the 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>2015</u>	<u>2014</u>
Cash	\$ 489,785	\$ 472,222
Temporary Investments	1,874,188	2,060,118
	<u>\$ 2,363,973</u>	<u>\$ 2,532,340</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$1,380,337 (2012 \$1,338,906) to reserves for tangible capital asset acquisitions. See Schedule 6 – Schedule of Change in Reserve Fund Balances.

**4. Amounts Receivable**

Amounts receivable are valued at their net realizable value.

	<u>2015</u>	<u>2014</u>
Taxes on roll (Schedule 8)	\$ 120,203	\$ 111,552
Government grants	-	45,239
Organizations and individuals	111,526	33,100
Other governments	21,272	34,258
	<u>\$ 253,001</u>	<u>\$ 224,149</u>

**5. Inventories**

**Inventories for sale:**

	<u>2015</u>	<u>2014</u>
Other	11,012	-
Real estate held for sale	43,348	50,710
	<u>\$ 54,360</u>	<u>\$ 50,710</u>

**Inventories for use:**

	<u>2015</u>	<u>2014</u>
Chemicals, herbicides, insecticides	\$ 3,810	\$ 2,860
Culverts	11,029	11,148
Gravel	137,255	29,040
Other supplies	10,426	14,888
	<u>\$ 216,880</u>	<u>\$ 108,646</u>



Rural Municipality of Piney  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2015

**6. Accounts Payable and Accrued Liabilities**

	<u>2015</u>	<u>2014</u>
Accounts payable	\$ 123,441	\$ 104,367
Accrued expenses	22,096	14,351
School levies (Schedule 10)	<u>(133,600)</u>	<u>67,122</u>
	<u>\$ 11,937</u>	<u>\$ 185,840</u>

**7. 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 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 Municipality on behalf of its employees amounted to \$37,543 (2014 - \$35,569) 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, 2014 indicated the plan was 95.2% funded on a going concern basis and had an unfunded solvency liability of \$237.2 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, 2014.

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.

**8. Financial Instruments**

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

**9. Budget**

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



**Rural Municipality of Piney**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

**10. Accumulated Surplus**

	<u>2015</u>	<u>2014</u>
Accumulated surplus consists of the following:		
General operating fund - Nominal surplus	1,637,268	1,311,826
TCA net of related borrowings	1,774,400	1,586,473
Reserve funds	<u>1,218,390</u>	<u>1,380,337</u>
Accumulated surplus of municipality unconsolidated	4,630,058	4,278,636
Accumulated surplus of consolidated entities	<u>(16,840)</u>	1,883
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 4,613,218</u>	<u>\$ 4,280,519</u>

**11. Public Sector Compensation Disclosure**

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure

- a) Compensation paid to members of council amounted to \$62,476 in aggregate.
- b) There were no members of council, officers or employees receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - Wayne Anderson	9,867	1,265	\$ 11,132
Councillor - Ken Prociw	11,436	6,029	17,465
Councillor - Dale Edbom	9,793	1,317	11,110
Councillor - David Beaudry	8,825	2,603	11,428
Councillor - Melanie Parent	8,973	2,368	11,341
	<u>\$ 48,894</u>	<u>\$ 13,582</u>	<u>\$ 62,476</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Martin Van Osch</i>	C.A.O.	\$ 67,120
<i>Harold Grawberger</i>	Public Works Foreman	\$ 59,332

**12. Landfill Closure and Post Closure Liabilities**

**a) Operating Landfill Site**

The Municipality is currently operating 3 Class 3 landfill sites within the municipality. 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. While management recognizes that there will be a future liability associated with the closure and post-closure care of the landfill sites the estimated future costs of these liabilities cannot be reasonably determined.

**13. Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. The municipality:
  - is directly responsible; or
  - accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

The municipality is not aware of any contaminated sites for which a liability may exist.





**Rural Municipality of Piney**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2015**

**14. Segmented Information**

The Rural Municipality of Piney 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

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.

**15. 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:

	2015	2014
<b>Financial Position</b>		
Financial Assets	\$ 16,932	\$ 4,391
Liabilities	\$ 11,217	\$ 6,274
Net financial assets (liabilities)	\$ 5,715	\$ (1,883)
Non-financial assets	\$ -	\$ -
Accumulated surplus	\$ 5,715	\$ (1,883)
<b>Result of Operations</b>		
Revenues	\$ 54,024	\$ 24,627
Expenses	\$ 46,481	\$ 28,252
Annual surplus	\$ 7,543	\$ (3,625)



**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
For the Year Ended December 31, 2015**

**SCHEDULE 1**

Cost	General Capital Assets					Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Infrastructure Roads, Streets, and Bridges	2015	2014
Opening costs	916,833	790,949	567,208	39,777	8,308,018	10,622,785	10,454,126
Additions during the year	-	-	110,649	665	239,444	350,758	168,659
Disposals and write downs	-	-	-	-	-	-	-
Closing costs	<b>916,833</b>	<b>790,949</b>	<b>677,857</b>	<b>40,442</b>	<b>8,547,462</b>	<b>10,973,543</b>	<b>10,622,785</b>
<b>Accumulated Amortization</b>							
Opening accum'd amortization	223,023	318,822	246,409	30,959	8,217,099	9,036,312	8,884,612
Amortization	24,377	23,838	100,338	4,405	9,873	162,831	151,700
Disposals and write downs	-	-	-	-	-	-	-
Closing accum'd amortization	<b>247,400</b>	<b>342,660</b>	<b>346,747</b>	<b>35,364</b>	<b>8,226,972</b>	<b>9,199,143</b>	<b>9,036,312</b>
Net Book Value of Tangible Capital Assets	<b>669,433</b>	<b>448,289</b>	<b>331,110</b>	<b>5,078</b>	<b>320,490</b>	<b>1,774,400</b>	<b>1,586,473</b>





Rural Municipality of Piney  
**CONSOLIDATED SCHEDULE OF REVENUES**  
For the Year Ended December 31, 2015

**SCHEDULE 2**

	2015 Actual	2014 Actual
<b>Property taxes:</b>		
Municipal taxes levied (Schedule 9)	\$ 874,450	\$ 866,536
Taxes added	58,426	24,887
	<u>932,876</u>	<u>891,423</u>
<b>Grants in lieu of taxation:</b>		
Federal government	6,963	6,933
Federal government enterprises	1,161	1,156
Provincial government	18,182	18,104
Provincial government enterprises	12,379	12,326
	<u>38,685</u>	<u>38,519</u>
<b>User fees</b>		
Sales of service	71,618	32,653
Sales of land	193,697	212,436
Sales of goods	2,019	2,578
Rentals	4,000	4,500
Development charges	2,400	3,200
	<u>273,734</u>	<u>255,367</u>
<b>Permits, licences and fines</b>		
Permits	2,094	810
Licences	74	71
Fines	257	200
	<u>2,425</u>	<u>1,081</u>
<b>Investment income:</b>		
Cash and temporary investments	39,906	48,518
	<u>39,906</u>	<u>48,518</u>
<b>Other revenue:</b>		
Penalties and interest	24,063	23,582
Misc (specify): Recycling, ins prems repaid, other misc	95,136	82,399
	<u>119,199</u>	<u>105,981</u>
<b>Grants - Province of Manitoba</b>		
General assistance payment	68,212	68,212
Municipal program grants ( <i>formerly VLT revenues</i> )	29,912	29,912
Conditional grants	372,400	338,400
	<u>470,524</u>	<u>436,524</u>
<b>Grants - other</b>		
Federal government - gas tax funding	88,468	88,478
Other local governments	34,288	11,934
	<u>122,756</u>	<u>100,412</u>
<b>Total revenue</b>	<u>2,000,105</u>	<u>1,877,825</u>



Rural Municipality of Piney  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
For the Year Ended December 31, 2015

**SCHEDULE 3**

	2015 Actual	2014 Actual
<b>General government services:</b>		
Legislative	\$ 62,717	\$ 53,987
General administrative	315,428	339,482
Other	34,197	27,713
	<u>412,342</u>	<u>421,182</u>
<b>Protective services:</b>		
Police	-	176
Fire	150,942	152,672
Emergency measures	4,642	11,511
Other	112,236	96,806
	<u>267,820</u>	<u>261,165</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	108,268	96,689
Road and street maintenance	423,525	528,554
Bridge maintenance	1,791	254
Street lighting	34,529	33,289
Air transport	9,979	9,974
Other	32,608	25,413
	<u>610,700</u>	<u>694,173</u>
<b>Environmental health services:</b>		
Waste collection and disposal	92,162	99,090
Recycling	27,032	25,135
Other	29,709	28,708
	<u>148,903</u>	<u>152,933</u>
<b>Public health and welfare services:</b>		
Social assistance	14,916	14,916
	<u>14,916</u>	<u>14,916</u>
<b>Regional planning and development</b>		
Planning and zoning	1,289	571
Beautification and land rehabilitation	240	342
Drainage of land	16,044	20,006
Other	10,040	11,179
	<u>27,613</u>	<u>32,098</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	68,233	62,404
Veterinary services	16,743	5,554
Water resources and conservation	5,800	5,800
Tourism	1,469	195
	<u>92,245</u>	<u>73,953</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	92,867	88,404
	<u>92,867</u>	<u>88,404</u>
<b>Total expenses</b>	<u>1,667,406</u>	<u>1,738,824</u>



**CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM**  
For the Year Ended December 31, 2015

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>REVENUE</b>										
Property taxes	\$ 947,597	\$ 915,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	38,685	38,519	-	-	-	-	-	-	-	-
User fees	19,612	10,726	32,144	8,780	15,264	6,813	300	720	-	-
Grants - other	88,467	88,478	-	-	-	-	-	-	-	-
Permits, licences and fines	4,826	4,281	-	-	-	-	-	-	-	-
Investment income	39,877	48,518	-	-	-	-	-	-	-	-
Other revenue	23,341	10,425	-	-	-	-	45,253	41,269	-	-
Prov of MB - Unconditional Grants	98,124	98,124	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	372,400	338,400	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 1,632,929</b>	<b>\$ 1,552,476</b>	<b>\$ 32,144</b>	<b>\$ 8,780</b>	<b>\$ 15,264</b>	<b>\$ 6,813</b>	<b>\$ 45,553</b>	<b>\$ 41,989</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENSES</b>										
Personnel services	\$ 228,044	\$ 239,035	\$ 49,332	\$ 51,620	\$ 107,443	\$ 92,404	\$ 1,311	\$ 846	\$ -	\$ -
Contract services	131,090	141,552	70,960	64,208	357,050	527,577	115,564	123,874	-	-
Utilities	11,363	10,212	23,405	25,962	34,529	33,289	-	-	-	-
Maintenance materials and supplies	11,246	15,020	18,487	29,192	74,270	10,690	4,977	1,242	-	-
Grants and contributions	8,200	-	9,775	-	4,800	4,800	-	-	14,916	-
Amortization	7,311	9,132	95,861	90,183	32,608	25,413	27,051	26,971	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Other	15,088	6,231	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>\$ 412,342</b>	<b>\$ 421,182</b>	<b>\$ 267,820</b>	<b>\$ 261,165</b>	<b>\$ 610,700</b>	<b>\$ 694,173</b>	<b>\$ 148,903</b>	<b>\$ 152,933</b>	<b>\$ 14,916</b>	<b>\$ 14,916</b>
<b>Surplus (Deficit)</b>	<b>\$ 1,220,587</b>	<b>\$ 1,131,294</b>	<b>\$ (235,676)</b>	<b>\$ (252,385)</b>	<b>\$ (595,436)</b>	<b>\$ (687,360)</b>	<b>\$ (103,350)</b>	<b>\$ (110,944)</b>	<b>\$ (14,916)</b>	<b>\$ (14,916)</b>

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

**CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM**  
For the Year Ended December 31, 2015

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total
	2015	2014	2015	2014	2015	2014	2015	2014	
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 915,005
Grants in lieu of taxation	-	-	-	-	-	-	-	-	38,519
User fees	193,697	225,128	19,659	-	-	-	280,676	-	252,167
Grants - other	-	11,934	28,778	-	-	-	117,245	-	100,412
Permits, licences and fines	-	-	-	-	-	-	4,826	-	4,281
Investment income	-	-	29	-	-	-	39,906	-	48,518
Other revenue	3,547	7,900	49	-	22,946	22,805	95,136	-	82,399
Prov of MB - Unconditional Grants	-	-	-	-	-	-	98,124	-	98,124
Prov of MB - Conditional Grants	-	-	5,510	-	-	-	377,910	-	338,400
<b>Total revenue</b>	<b>\$ 197,244</b>	<b>\$ 244,962</b>	<b>\$ 54,025</b>	<b>\$ -</b>	<b>\$ 22,946</b>	<b>\$ 22,805</b>	<b>\$ 2,000,105</b>	<b>\$ -</b>	<b>\$ 1,877,825</b>
<b>EXPENSES</b>									
Personnel services		\$ 24,007	\$ 36,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 407,912
Contract services	27,542	38,158	34,575	15,900	25,287	24,094	762,068	-	935,363
Utilities	-	-	1,688	-	-	-	70,985	-	69,463
Maintenance materials and supplies	71	4,334	18,476	413	-	-	127,527	-	60,891
Grants and contributions	-	(6,312)	787	29,389	67,580	64,310	106,058	-	107,103
Amortization	-	-	-	-	-	-	162,831	-	151,699
Interest on long term debt	-	162	439	-	-	-	439	-	162
Other	-	-	-	-	-	-	15,088	-	6,231
<b>Total expenses</b>	<b>\$ 27,613</b>	<b>\$ 60,349</b>	<b>\$ 92,245</b>	<b>\$ 45,702</b>	<b>\$ 92,867</b>	<b>\$ 88,404</b>	<b>\$ 1,667,406</b>	<b>\$ -</b>	<b>\$ 1,738,824</b>
<b>Surplus (Deficit)</b>	<b>\$ 169,631</b>	<b>\$ 184,613</b>	<b>\$ (38,220)</b>	<b>\$ (45,702)</b>	<b>\$ (69,921)</b>	<b>\$ (65,599)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 139,001</b>



CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2015

	Core Government		Government Partnerships		Total
	2015	2014	2015	2014	
<b>REVENUE</b>					
Property taxes	\$ 947,597	\$ 915,005	\$ -	\$ -	\$ 947,597
Grants in lieu of taxation	38,685	38,519	-	-	38,685
User fees	261,017	239,475	19,659	12,692	280,676
Grants - other	88,467	88,478	28,778	11,934	117,245
Permits, licences and fines	4,826	4,281	-	-	4,826
Investment income	39,877	48,518	29	-	39,906
Other revenue	95,087	82,399	49	-	95,136
Prov of MB - Unconditional Grants	98,124	98,124	-	-	98,124
Prov of MB - Conditional Grants	372,400	338,400	5,510	-	377,910
<b>Total revenue</b>	<b>\$ 1,946,080</b>	<b>\$ 1,853,199</b>	<b>\$ 54,025</b>	<b>\$ 24,626</b>	<b>\$ 2,000,105</b>
<b>EXPENSES</b>					
Personnel services	\$ 386,130	\$ 383,905	\$ 36,280	\$ 24,007	\$ 422,410
Contract services	741,456	928,472	20,612	6,891	762,068
Utilities	69,297	69,463	1,688	-	70,985
Maintenance materials and supplies	109,051	57,388	18,476	3,503	127,527
Grants and contributions	137,071	113,415	(31,013)	(6,312)	106,058
Amortization	162,831	151,699	-	-	162,831
Interest on long term debt	-	-	439	162	439
Other	15,088	6,231	-	-	15,088
<b>Total expenses</b>	<b>\$ 1,620,924</b>	<b>\$ 1,710,573</b>	<b>\$ 46,482</b>	<b>\$ 28,251</b>	<b>\$ 1,667,406</b>
<b>Surplus (Deficit)</b>	<b>\$ 325,156</b>	<b>\$ 142,626</b>	<b>\$ 7,543</b>	<b>\$ (3,625)</b>	<b>\$ 332,699</b>
					<b>\$ 1,738,824</b>
					<b>\$ 139,001</b>



**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
For the Year Ended December 31, 2015**

	2015			2014
	General Reserve	Gas Tax Reserve	Fire Dept Reserve	Total
<b>REVENUE</b>				
Investment income	\$ 13,359	\$ 8,653	\$ 1,782	\$ 28,078
Total revenue	13,359	8,653	1,782	28,078
<b>NET REVENUES</b>	13,359	8,653	1,782	28,078
<b>TRANSFERS</b>				
Transfers from general operating fund	-	132,759	-	88,478
Transfers to general operating fund	-	(198,500)	(120,000)	(75,125)
<b>CHANGE IN RESERVE FUND BALANCES</b>	13,359	(57,088)	(118,218)	41,431
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	493,411	658,512	228,414	1,380,337
<b>FUND SURPLUS, END OF YEAR</b>	\$ 506,770	\$ 601,424	\$ 110,196	\$ 1,218,390



Rural Municipality of Piney  
 RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET  
 For the Year Ended December 31, 2015

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>								
Property taxes	\$ 850,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,630
Grants in lieu of taxation	98,355	-	-	-	-	-	-	98,355
User fees	264,532	-	-	-	-	-	-	264,532
Permits, licences and fines	8,600	-	-	-	-	-	-	8,600
Investment income	20,000	-	-	-	-	-	-	20,000
Other revenue	42,500	-	-	-	-	-	-	42,500
Grants - Province of Manitoba	405,500	-	-	-	-	-	-	405,500
Grants - other	118,500	-	-	-	-	-	-	118,500
Transfers from reserves	230,000	-	-	-	(230,000)	-	-	-
<b>Total revenue</b>	<b>\$ 2,038,617</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (230,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,808,617</b>
<b>EXPENSES</b>								
General government services	\$ 388,620	\$ -	\$ 7,311	\$ 6,000	\$ -	\$ -	\$ -	\$ 401,931
Protective services	182,776	-	95,861	-	-	-	-	278,637
Transportation services	719,500	-	32,608	-	-	-	-	752,108
Environmental health services	137,050	-	27,051	-	-	-	-	164,101
Public health and welfare services	14,916	-	-	-	-	-	-	14,916
Regional planning and development	12,500	-	-	-	-	-	-	12,500
Resource cons and industrial dev	48,100	-	-	-	-	-	-	48,100
Recreation and cultural services	91,500	-	-	-	-	-	-	91,500
Fiscal services:								
Transfer to capital	339,120	-	-	-	(339,120)	-	-	-
Short term interest	6,000	-	-	(6,000)	-	-	-	-
Transfer to reserves	93,500	-	-	-	(93,500)	-	-	-
Allowance for tax assets	5,035	-	-	-	(5,035)	-	-	-
<b>Total expenses</b>	<b>\$ 2,038,617</b>	<b>\$ -</b>	<b>\$ 162,831</b>	<b>\$ -</b>	<b>\$ (437,655)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,763,793</b>
<b>Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (162,831)</b>	<b>\$ -</b>	<b>\$ 207,655</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,824</b>



Rural Municipality of Piney  
 ANALYSIS OF TAXES ON ROLL  
 For the Year Ended December 31, 2015

SCHEDULE 8

	<u>2015</u>	<u>2014</u>
<b>Balance, beginning of year</b>	<b>\$ 111,552</b>	<b>\$ 122,861</b>
<b>Add:</b>		
Tax levy (Schedule 9)	2,257,373	2,232,985
Taxes added	58,426	24,887
Penalties or interest	14,721	13,548
<b>Sub-total</b>	<b><u>2,330,520</u></b>	<b><u>2,271,420</u></b>
<b>Deduct:</b>		
Cash collections - current	1,896,162	1,829,615
Cash collections - arrears	77,495	121,049
Writeoffs	12,993	6,231
M.P.T.C. - cash advance	335,219	325,834
<b>Sub-total</b>	<b><u>2,321,869</u></b>	<b><u>2,282,729</u></b>
<b>Balance, end of year</b>	<b><u>\$ 120,203</u></b>	<b><u>\$ 111,552</u></b>





Rural Municipality of Piney  
 ANALYSIS OF TAX LEVY  
 For the Year Ended December 31, 2015

SCHEDULE 9

	2015		2014	
	Assessment	Mill Rate	Levy	Levy
General municipal	\$ 72,328,360	\$ 12.09	<u>874,450</u>	<u>866,536</u>
<b>Total municipal taxes (Schedule 2)</b>			<u>874,450</u>	<u>866,536</u>
Education support levy	\$ 18,766,070	\$ 11.61	<u>217,874</u>	<u>213,786</u>
Special levies:				
Borderland School Division	\$ 49,633,270	\$ 16.57	<u>822,423</u>	<u>828,748</u>
Seine River School Division	\$ 22,690,460	\$ 15.10	<u>342,626</u>	<u>323,916</u>
sub-total- Special levies			<u>1,165,049</u>	<u>1,152,663</u>
<b>Total education taxes</b>			<u>1,382,923</u>	<u>1,366,449</u>
<b>Total tax levy (Schedule 8)</b>			<u>\$ 2,257,373</u>	<u>\$ 2,232,985</u>



Rural Municipality of Piney  
 ANALYSIS OF SCHOOL ACCOUNTS  
 For the Year Ended December 31, 2015

SCHEDULE 10

	2015			2014	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ 10,396	\$ 225,418	\$ (223,191)	\$ 12,623	\$ 10,396
Special levies					
Borderland School Division	41,072	867,141	(1,074,155)	(165,942)	41,072
Seine River School Division	15,654	352,133	(348,068)	19,719	15,654
Sub-total	56,726	1,219,274	(1,422,223)	(146,223)	56,726
Total	\$ 67,122	\$ 1,444,692	\$ (1,645,414)	\$ (133,600)	\$ 67,122



**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**  
**For the Year Ended December 31, 2015**

	2015 Actual	2014 Actual
<b>General government services:</b>		
Legislative	\$ 62,717	\$ 53,987
General administrative	315,428	339,482
Other	34,197	27,713
	<u>412,342</u>	<u>421,182</u>
<b>Protective services:</b>		
Police	-	176
Fire	150,942	152,672
Emergency measures	4,642	11,511
Other	112,236	96,806
	<u>267,820</u>	<u>261,165</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	108,268	96,689
Road and street maintenance	423,525	528,554
Bridge maintenance	1,791	254
Street lighting	34,529	33,289
Air transport	9,979	9,974
Other	32,608	25,413
	<u>610,700</u>	<u>694,173</u>
<b>Environmental health services:</b>		
Waste collection and disposal	92,162	99,090
Recycling	27,032	25,135
Other	29,709	28,708
	<u>148,903</u>	<u>152,933</u>
<b>Public health and welfare services:</b>		
Social assistance	14,916	14,916
	<u>14,916</u>	<u>14,916</u>
<b>Regional planning and development</b>		
Planning and zoning	1,289	571
Beautification and land rehabilitation	240	342
Drainage of land	16,044	20,006
Other (Cost of Land Sales)	10,040	11,179
	<u>27,613</u>	<u>32,098</u>
<b>Resource conservation and industrial development</b>		
Rural area weed control	32,494	34,153
Veterinary services	6,000	5,554
Water resources and conservation	5,800	5,800
Tourism	1,469	195
	<u>45,763</u>	<u>45,702</u>
<b>Recreation and cultural services:</b>		
Community centers and halls	92,867	88,404
	<u>92,867</u>	<u>88,404</u>
<b>Total expenses</b>	<u>1,620,924</u>	<u>1,710,573</u>



Rural Municipality of Piney  
**RECONCILIATION OF ANNUAL SURPLUS**  
 December 31, 2015

**SCHEDULE 12**

	2015	2015	2014
	General	Total	Total
<b>MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT</b>	\$ 299,176	\$ 299,176	\$ 525,736
<b>Adjustments for reporting under public sector accounting standards</b>			
Eliminate expense - transfers to reserves	132,759	132,759	88,478
Eliminate revenue - transfers from reserves	(318,500)	(318,500)	(75,125)
Increase revenue - reserve funds interest	23,794	23,794	28,078
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	7,543	7,543	(3,625)
Eliminate revenue - transfer from nominal surplus(es)	-	-	(441,500)
Increase expense - amortization of tangible capital assets	(162,831)	(162,831)	(151,700)
Eliminate expense - acquisitions of tangible capital assets	350,758	350,758	168,659
<b>NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS</b>	<b>\$ 332,699</b>	<b>\$ 332,699</b>	<b>\$ 139,001</b>