

R.M. OF REYNOLDS

**Consolidated Financial Statements
For the Year Ended December 31, 2012**

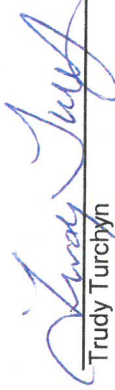
STATEMENT OF RESPONSIBILITY

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

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

Council of the 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.

The Exchange Chartered Accountants LLP 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 generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.



Trudy Turchyn

Chief Administrative Officer



THE EXCHANGE

chartered accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Reeve and members of Council of the
R.M. OF REYNOLDS

We have audited the accompanying financial statements of the Rural Municipality of Reynolds, which comprise the consolidated statement of financial position as at December 31, 2012 and the consolidated statements of operations, change in net financial assets and cash flows for the year ended December 31, 2012, 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 financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 financial statements present fairly, in all material respects, the consolidated financial position of the Rural Municipality of Reynolds as at December 31, 2012, and the consolidated results of its operations, change in net financial assets, and cash flows for the year ended December 31, 2012 in accordance with Canadian public sector accounting standards.

The Exchange

chartered accountants, LLP
Winnipeg, Manitoba
February 10, 2015

R.M. OF REYNOLDS
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For the Year Ended December 31, 2012

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R.M. OF REYNOLDS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2012

	2012	2011
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 3,240,978	\$ 3,182,016
Amounts receivable (Note 4)	<u>285,010</u>	<u>207,734</u>
	<u>\$ 3,525,988</u>	<u>\$ 3,389,750</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	\$ 340,984	\$ 296,732
Landfill closure and post closure liabilities (Note 7)	<u>334</u>	<u>291</u>
	<u>341,318</u>	<u>297,023</u>
NET FINANCIAL ASSETS	<u>\$ 3,184,670</u>	<u>\$ 3,092,727</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 1,220,788	\$ 1,263,161
Inventories (Note 5)	1,560	2,640
Prepaid expenses	<u>53,853</u>	<u>4,018</u>
	<u>1,276,201</u>	<u>1,269,819</u>
ACCUMULATED SURPLUS	<u>\$ 4,460,871</u>	<u>\$ 4,362,546</u>

Approved on behalf of Council:

David Turchyn - Reeve

Councillor

R.M. OF REYNOLDS
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2012

	2012 Budget (Note 10)	2012 Actual	2011 Actual
REVENUE			
Property taxes	\$ 548,063	\$ 548,649	\$ 598,261
Grants in lieu of taxation	57,550	57,550	64,501
User fees	74,170	105,197	129,810
Permits, licences and fines	10	20	-
Investment income	35,248	65,829	57,628
Other revenue	741	-	-
Water and sewer	-	-	-
Grants - Province of Manitoba	195,804	315,629	135,554
Grants - other	173,689	226,313	248,719
Total revenue (Schedules 2, 4 and 5)	<u>1,085,274</u>	<u>1,319,187</u>	<u>1,234,473</u>
EXPENSES			
General government services	368,642	333,606	332,117
Protective services	244,315	200,566	222,078
Transportation services	283,656	375,784	255,345
Environmental health services	168,714	172,764	171,132
Public health and welfare services	15,497	15,497	15,497
Regional planning and development	121,844	65,886	58,726
Resource conservation and industrial development	62,473	37,841	43,618
Recreation and cultural services	26,525	18,918	5,500
Water and sewer services	-	-	-
Total expenses (Schedules 3, 4 and 5)	<u>1,291,665</u>	<u>1,220,862</u>	<u>1,104,013</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (206,391)</u>	<u>98,325</u>	<u>130,460</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>4,362,546</u>	<u>4,232,086</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 4,460,871</u>	<u>\$ 4,362,546</u>

R.M. OF REYNOLDS
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2012

	2012 Budget (Note 10)	2012 Actual	2011 Actual
ANNUAL SURPLUS (DEFICIT)	\$ (206,391)	\$ 98,325	\$ 130,460
Acquisition of tangible capital assets	(79,300)	(33,017)	(23,843)
Amortization of tangible capital assets	65,349	75,390	71,924
Loss (Gain) on sale of tangible capital assets	-	-	22
Accumulated Amortization adjustment	-	-	(3,629)
Proceeds on sale of tangible capital assets	-	-	-
Decrease (increase) in inventories	-	1,080	610
Decrease (increase) in prepaid expense	-	(49,835)	10,253
	<u>(13,951)</u>	<u>(6,382)</u>	<u>55,337</u>
CHANGE IN NET FINANCIAL ASSETS	\$ (220,342)	91,943	185,797
NET FINANCIAL ASSETS, BEGINNING OF YEAR		3,092,727	2,906,930
NET FINANCIAL ASSETS, END OF YEAR		\$ 3,184,670	\$ 3,092,727

R.M. OF REYNOLDS
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2012

	2012	2011
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 98,325	\$ 130,460
Changes in non-cash items:		
Amounts receivable	(77,275)	51,216
Inventories	1,080	610
Prepays	(49,834)	10,254
Accounts payable and accrued liabilities	44,252	7,395
Severance and vested sick leave payable	-	-
Landfill closure and post closure liabilities	41	38
Environmental liabilities	-	-
Loss (Gain) on sale of tangible capital asset	-	22
Amortization	75,390	68,295
Cash provided by operating transactions	91,979	268,290
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	-	-
Cash used to acquire tangible capital assets	(33,017)	(23,843)
Cash applied to capital transactions	(33,017)	(23,843)
INCREASE IN CASH AND TEMPORARY INVESTMENTS	58,962	244,447
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	3,182,016	2,937,569
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	\$ 3,240,978	\$ 3,182,016

R.M. OF REYNOLDS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2012

1. Status of the City/Town/Village/Rural Municipality of Reynolds

The incorporated Rural Municipality of Reynolds is a municipal government that was created as a local government district in January 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 several designated special purpose reserves and provides funding support for other financial entities involved in environmental health and regional planning and development.

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 controlled organizations include:

Whitmouth-Reynolds Planning District	55%
Whitmouth-Reynolds Weed Control District	50%
Whitmouth-Reynolds-North Whiteshell Waste Management Facility	27.62%
Whitmouth River Recreation Commission	50%

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

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

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments are accounted for at cost.

e) Real Estate Properties Held for Sale

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

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

f) Landfill Closure and Post Closure Liabilities

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

g) Non-Financial Assets

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

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

h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The Municipality 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 municipality, forests, water, and other natural resources are not recognized as tangible capital assets.

i) Leases

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

j) Inventories

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

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

k) Revenue Recognition

Revenues are recognized as they are earned and measurable.

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

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

l) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2012	2011
Cash	<u>\$ 3,240,978</u>	<u>\$ 3,182,016</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designated \$1,158,243 (2011 \$1,089,319) to reserves for debt principal repayments and 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.

	2012	2011
Taxes on roll (Schedule 11)	\$ 155,530	\$ 151,893
Government grants	118,917	71,814
Utility customers	-	-
Accrued interest	-	-
Organizations and individuals	112,468	92,184
Other governments	<u>386,915</u>	<u>315,891</u>
Less allowances for doubtful amounts	<u>(101,905)</u>	<u>(108,157)</u>
	<u>\$ 285,010</u>	<u>\$ 207,734</u>

5. Inventories

Inventories for use:

	2012	2011
Chemicals, herbicides, insecticides	\$ 1,560	\$ 2,640
Fuel	-	-
Culverts	-	-
Aggregate	-	-
Other supplies	-	-
	<u>\$ 1,560</u>	<u>\$ 2,640</u>

6. Accounts Payable and Accrued Liabilities

	2012	2011
Accounts payable	\$ 54,653	\$ 52,698
Accrued expenses	20,342	19,134
Accrued interest payable	-	-
School levies (Schedule 13)	265,989	217,086
Other governments	-	7,814
	<u>\$ 340,984</u>	<u>\$ 296,732</u>

7. Landfill Closure and Post Closure Liabilities

a) Operating Landfill Site

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

	2012	2011
Estimated closure and post closure costs over the next 50 years	\$ 54,350	\$ 54,350
Discount rate	7.00%	7.00%
Discounted costs	<u>\$ 4,107</u>	<u>\$ 3,838</u>

Expected year capacity will be reached

	2048	2048
Capacity (disclose in tonnes, volume, acreage, or years):		
Used to date	15	14
Remaining	36	37
Total	51	51
Percent utilized	<u>29.41%</u>	<u>27.45%</u>

Liability based on percentage

R.M. of Reynolds percentage of operations	<u>\$ 1,208</u>	<u>\$ 1,054</u>
R.M. of Reynolds Liability based on percentage of partnership	27.62%	27.62%
	<u>\$ 334</u>	<u>\$ 291</u>

8. 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 Canadian Institute of Chartered Accountants Handbook section PS3250.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by MEPP by placing plan assets in trust and through MEPP investment policy. The pension expense is based on the contribution rate. The MEPP requires that employees contribute 6.3% of basic annual earnings up to the CPP ceiling plus 7.5% of basic annual earnings in excess of the CPP ceiling, plus an additional 0.1% of earnings below and in excess of the CPP ceiling from employees that are not members of the Municipal Disability Income Plan. The employers are required to match the employee contributions to the MEPP. Actual contributions to MEPP made during the year by the Municipality on behalf of its employees amounted to \$6,482 (2011 - \$3,896) 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, 2011 indicated the plan was 97.5% funded on a going concern basis and had an unfunded solvency liability of \$161.3 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, 2011. The valuation also disclosed that the existing contribution rate was insufficient to pay the minimum required contribution being the normal actuarial cost of the annual benefit accrued and the required amortization payment in respect of the going concern unfunded actuarial liability. The Board of Trustees amended the plan to increase the contribution rate by 1% effective July 1, 2012 and by another 1% effective January 1, 2013 to meet the minimum contribution requirement.

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.

9. 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, the fair value of these financial instruments approximates their carrying values.

10. 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.

11. Public Sector Compensation Disclosure

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2012:

- a) Compensation paid to members of council amounted to \$110,103 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Reeve - David Turchyn	\$ 9,683	\$ 2,993	\$ 12,676
Councillor - Garry Gaetz	8,475	3,313	11,788
Councillor - Curtis Buley	7,899	2,194	10,092
Councillor - John Miscavitch	10,381	6,562	16,943
Councillor - Mike Turchyn	8,885	3,987	12,872
Councillor - Maurice Yaremchuk	12,073	5,086	17,159
Councillor - Florence Campbell	10,915	4,393	15,308
Councillor - Jim Colbert	9,355	3,910	13,265
	<u>\$ 77,665</u>	<u>\$ 32,438</u>	<u>\$ 110,103</u>

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

<u>Name</u>	<u>Position</u>	<u>Amount</u>
<i>Trudy Turchyn</i>	CAO	\$ 57,987

12. Accumulated Surplus

Accumulated surplus consists of the following:

	<u>2012</u>	<u>2011</u>
General Fund Nominal Surplus	\$ 2,003,416	\$ 1,844,237
Utility Operating Fund(s) Nominal Surplus	-	-
TCA net of related borrowings	1,120,508	1,263,161
Reserve Funds	<u>1,158,243</u>	<u>1,089,319</u>
Accumulated surplus of municipality unconsolidated	4,282,166	4,196,717
Accumulated surplus of consolidated entities	<u>178,705</u>	<u>165,829</u>
Accumulated surplus per Consolidated Statement of Financial Position	<u>\$ 4,460,871</u>	<u>\$ 4,362,546</u>

SCHEDULE 1

R.M. OF REYNOLDS
 CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
 Year Ended December 31, 2012

	Cost		Accumulated Amortization		Net Book Value of Tangible Capital Assets	
	2012	2011	2012	2011	2012	2011
General Capital Assets						
Land and Land Leasehold Improvements	\$ 165,882	\$ 448,519	\$ 211,188	\$ 45,349	\$ 1,347,949	\$ 2,218,887
Buildings and Leasehold Improvements	15,872	-	3,424	13,721	-	23,843
Vehicles and Equipment	-	-	-	-	-	(22)
Computer Hardware and Software	181,754	448,519	214,612	59,070	1,347,949	2,218,887
Infrastructure						
Roads, Streets, and Bridges	23,563	139,224	101,183	23,796	667,959	883,802
Amortization	2,355	17,941	15,520	5,944	33,630	71,924
Disposals and write downs	-	-	-	-	-	-
Closing accu'm'd amortization	25,918	157,165	116,703	29,740	701,589	955,726
Totals	\$ 155,836	\$ 291,354	\$ 97,909	\$ 29,330	\$ 646,360	\$ 1,263,161
	23,563	139,224	101,183	23,796	667,959	883,802
	2,355	17,941	15,520	5,944	33,630	71,924
	-	-	-	-	-	-
	25,918	157,165	116,703	29,740	701,589	955,726
	\$ 155,836	\$ 291,354	\$ 97,909	\$ 29,330	\$ 646,360	\$ 1,263,161

The Municipality has 167.74 km of roads that are capitalized at a nominal value of \$888,947.

**CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2012**

	2012 Actual	2011 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 519,562	\$ 561,326
Taxes added	15,627	25,457
Penalties and interest	13,460	11,478
	<u>548,649</u>	<u>598,261</u>
Grants in lieu of taxation:		
Federal government	45,298	53,837
Federal government enterprises		-
Provincial government	10,252	8,984
Provincial government enterprises		-
Other local governments	2,000	1,680
Non-government organizations		-
	<u>57,550</u>	<u>64,501</u>
User fees		
Parking meters	-	-
Sales of service	72,679	102,588
Sales of goods	21,471	21,761
Rentals	3,147	3,341
Development charges	7,900	2,120
Facility use fees		-
	<u>105,197</u>	<u>129,810</u>
Permits, licences and fines		
Permits	-	-
Licences	20	-
Fees	-	-
Fines	-	-
	<u>20</u>	<u>-</u>
Investment income:		
Cash and temporary investments	65,829	57,628
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>65,829</u>	<u>57,628</u>
Other revenue:		
Gain on sale of tangible capital assets	-	-
Gain on sale of real estate held for sale	-	-
Contributed assets	-	-
Miscellaneous (specify):	-	-
	<u>-</u>	<u>-</u>
Water and sewer		
Municipal utility(ies) (Schedule 9)	-	-
Consolidated water co-operatives	-	-
	<u>-</u>	<u>-</u>
Grants - Province of Manitoba		
General assistance payment	-	-
General support grant	51,116	58,080
VLТ revenues	24,107	24,761
Other unconditional grants	-	-
Conditional grants	240,406	52,713
	<u>315,629</u>	<u>135,554</u>
Grants - other		
Federal government - gas tax funding	76,957	76,957
Federal government - other	1,747	1,905
Other local governments	147,609	169,857
	<u>226,313</u>	<u>248,719</u>
Total revenue	<u>\$ 1,319,187</u>	<u>\$ 1,234,473</u>

R.M. OF REYNOLDS

SCHEDULE 3

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2012

	2012 Actual	2011 Actual
General government services:		
Legislative	\$ 59,449	\$ 63,867
General administrative	204,979	204,146
Other	69,178	64,104
	<u>333,606</u>	<u>332,117</u>
Protective services:		
Police	129	141
Fire	183,579	188,337
Emergency measures	6,333	4,021
Other	10,525	29,579
	<u>200,566</u>	<u>222,078</u>
Transportation services:		
Road transport		
Administration and engineering	18,633	24,902
Road and street maintenance	350,181	224,028
Bridge maintenance		
Sidewalk and boulevard maintenance		
Street lighting	6,970	6,415
Other		
Air transport		
Public transit		
Other		
	<u>-</u>	<u>-</u>
	<u>375,784</u>	<u>255,345</u>
Environmental health services:		
Waste collection and disposal	1,080	1,582
Recycling	29,833	30,050
Other	141,851	139,500
	<u>172,764</u>	<u>171,132</u>
Public health and welfare services:		
Public health	15,497	15,497
Medical care		
Social assistance		
Other		
	<u>-</u>	<u>-</u>
	<u>15,497</u>	<u>15,497</u>
Regional planning and development		
Planning and zoning	65,886	58,726
Urban renewal		
Beautification and land rehabilitation		
Urban area weed control		
General Land Assembly		
	<u>-</u>	<u>-</u>
	<u>65,886</u>	<u>58,726</u>
Resource conservation and industrial development		
Rural area weed control	33,276	31,879
Drainage of land	3,570	8,138
Veterinary services		
Water resources and conservation		
Regional development		2,716
Industrial development		
Tourism	995	885
Other		
	<u>-</u>	<u>-</u>
	<u>37,841</u>	<u>43,618</u>
Administration		
Community centers and halls	8,650	5,500
Swimming pools and beaches		
Golf courses		
Skating and curling rinks		
Parks and playgrounds		
Other recreational facilities	10,268	
Museums		
Libraries		
Other cultural facilities		
	<u>-</u>	<u>-</u>
	<u>18,918</u>	<u>5,500</u>
Water and sewer services (Schedule 9)		
Municipal utility(ies) (Schedule 9)		
Consolidated water co-operatives		
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 1,220,862</u>	<u>\$ 1,104,013</u>

SCHEDULE 4

R.M. OF REYNOLDS
 CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
 For the Year Ended December 31, 2012

	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	
	General	Government*	Protective	Transportation	Environmental Health	Public Health and	Welfare Services	2012	2011	2012	2011
REVENUE											
Property taxes	\$ 548,649	\$ 598,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	57,550	64,501	-	-	-	-	-	-	-	-	-
User fees	15,157	15,623	27,113	52,541	29,276	35,278	19,235	43,981	19,235	-	-
Grants - other	140,444	210,883	-	-	43,981	19,235	-	-	-	-	-
Permits, licences and fines	20	-	-	-	-	-	-	-	-	-	-
Investment income	64,995	56,467	-	-	351	509	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	75,223	82,841	-	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	70,406	28,247	-	170,000	-	21,166	-	-	-	-	-
Total revenue	\$ 972,444	\$ 1,056,823	\$ 27,113	\$ 170,000	\$ 73,608	\$ 76,188	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES											
Personnel services	\$ 186,400	\$ 181,566	\$ 56,080	\$ 46,075	\$ 10,348	\$ 14,963	\$ 45,216	\$ 45,723	\$ -	\$ -	\$ -
Contract services	106,612	109,025	84,238	107,328	265,261	132,144	52,528	51,702	-	-	-
Utilities	7,183	8,398	9,107	9,891	6,207	6,039	3,654	3,392	-	-	-
Maintenance materials and supplies	11,883	19,367	25,296	33,041	60,338	68,569	13	1,330	-	-	-
Grants and contributions	15,525	12,080	129	141	-	-	61,847	1,689	15,497	15,497	15,497
Amortization	6,003	1,681	25,716	25,602	33,630	33,630	9,506	10,476	-	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	56,820	-	-	-	-
Total expenses	\$ 333,606	\$ 332,117	\$ 200,566	\$ 222,078	\$ 375,784	\$ 255,345	\$ 172,764	\$ 171,132	\$ 15,497	\$ 15,497	\$ 15,497
Surplus (Deficit)	\$ 638,838	\$ 724,706	\$ (173,453)	\$ (169,537)	\$ (205,784)	\$ (255,345)	\$ (99,156)	\$ (94,944)	\$ (15,497)	\$ (15,497)	\$ (15,497)

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

SCHEDULE 4

R.M. OF REYNOLDS
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2012

	2012	2011	2012	2011	2012	2011	2012	2011	Total
	2012	2011	2012	2011	2012	2011	2012	2011	Total
REVENUE									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 598,261
Grants in lieu of taxation	-	-	-	-	-	-	-	-	64,501
User fees	23,031	17,667	8,701	665	9,955	8,701	17,667	129,810	129,810
Grants - other	11,494	11,494	7,325	7,107	23,069	23,069	226,313	248,719	248,719
Permits, licenses and fines	-	-	-	-	-	-	20	-	20
Investment income	135	517	483	-	57,628	57,628	65,829	57,628	57,628
Other revenue	-	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	-	-	-	-	82,841	82,841	75,223	82,841	82,841
Prov of MB - Conditional Grants	3,300	3,300	-	-	240,406	240,406	52,713	52,713	52,713
Total revenue	\$ 34,525	\$ 32,596	\$ 17,763	\$ 16,325	\$ 23,734	\$ -	\$ -	\$ -	\$ 1,319,187
EXPENSES									
Personnel services	\$ 18,586	\$ 20,235	\$ 8,611	\$ 7,508	\$ 6,220	\$ -	\$ -	\$ -	\$ 316,070
Contract services	20,990	12,029	7,695	14,968	2,625	-	-	-	427,196
Utilities	400	281	309	311	468	-	-	-	28,312
Maintenance materials and supplies	366	637	6,041	5,898	930	-	-	-	128,842
Grants and contributions	25,544	25,544	14,650	14,214	8,650	5,500	-	-	74,665
Amortization	-	-	535	535	-	-	-	-	71,924
Interest on long term debt	-	-	-	-	-	-	-	-	-
Other	-	-	184	184	25	-	-	-	57,004
Total expenses	\$ 65,886	\$ 58,726	\$ 37,841	\$ 43,618	\$ 18,918	\$ 5,500	\$ -	\$ -	\$ 1,104,013
Surplus (Deficit)	\$ (31,361)	\$ (26,130)	\$ (20,078)	\$ (27,293)	\$ 4,816	\$ (5,500)	\$ -	\$ -	\$ 130,460

SCHEDULE 5

R.M. OF REYNOLDS

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2012

	2012		2011		2012		2011	
	Government		Partnerships		Controlled Entities		Core Government	
	2012	2011	2012	2011	2012	2011	2012	2011
REVENUE								
Property taxes	\$ 548,649	\$ 548,649	\$ -	\$ -	\$ -	\$ -	\$ 598,261	\$ 598,261
Grants in lieu of taxation	57,550	57,550	-	-	-	-	64,501	64,501
User fees	50,170	105,197	-	-	55,027	57,951	71,859	129,810
Grants - other	163,486	226,313	-	-	62,827	37,836	210,883	248,719
Permits, licenses and fines	20	20	-	-	-	-	-	-
Investment income	64,995	65,829	-	-	834	1,161	56,467	57,628
Other revenue	-	-	-	-	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	75,223	75,223	-	-	-	-	82,841	82,841
Prov of MB - Conditional Grants	217,364	240,406	-	-	23,042	24,466	28,247	52,713
Total revenue	\$ 1,177,457	\$ 1,319,187	\$ -	\$ -	\$ 141,730	\$ 121,414	\$ 1,113,059	\$ 1,234,473
EXPENSES								
Personnel services	\$ 252,828	\$ 331,461	\$ -	\$ -	\$ 78,633	\$ 73,466	\$ 242,604	\$ 316,070
Contract services	510,012	539,949	-	-	29,937	29,146	398,050	427,196
Utilities	22,496	27,328	-	-	4,832	3,984	24,328	28,312
Maintenance materials and supplies	100,565	104,867	-	-	4,302	5,222	123,620	128,842
Grants and contributions	140,759	141,842	-	-	1,083	1,689	72,976	74,665
Amortization	65,349	75,390	-	-	10,041	11,011	60,913	71,924
Interest on long term debt	-	-	-	-	-	-	-	-
Other	-	25	-	-	25	1,187	55,817	57,004
Total expenses	\$ 1,092,009	\$ 1,220,862	\$ -	\$ -	\$ 128,853	\$ 125,705	\$ 978,308	\$ 1,104,013
Surplus (Deficit)	\$ 85,448	\$ 98,325	\$ -	\$ -	\$ 12,877	\$ (4,291)	\$ 134,751	\$ 130,460

SCHEDULE 6

**R.M. OF REYNOLDS
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
For the Year Ended December 31, 2012**

	2012				2011			
	General Reserve	Fire Equip Reserve	Capital Improve Reserve	Gas Tax Reserve	Name of Reserve	Name of Reserve	Total	Total
REVENUE								
Investment income	\$ 19,859	\$ 1,298	\$ 629	\$ 2,686	\$ -	\$ -	\$ 24,472	\$ 22,050
Other income	-	-	4,200	-	-	-	4,200	2,200
Total revenue	19,859	1,298	4,829	2,686	-	-	28,672	24,250
EXPENSES								
Investment charges	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-
NET REVENUES	19,859	1,298	4,829	2,686	-	-	28,672	24,250
TRANSFERS								
Transfers from general operating fund	-	25,000	-	76,956	-	-	101,956	101,951
Transfers to general operating fund	(29,593)	(3,424)	-	(28,688)	-	-	(61,705)	(34,008)
Transfer from nominal surplus	-	-	-	-	-	-	-	-
Transfers from utility operating fund	-	-	-	-	-	-	-	-
Transfers to utility operating fund	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-	-	-
CHANGE IN RESERVE FUND BALANCES	(9,734)	22,874	4,829	50,954	-	-	68,923	92,193
FUND SURPLUS, BEGINNING OF YEAR	689,303	94,932	34,380	270,704	-	-	1,089,319	997,126
FUND SURPLUS, END OF YEAR	\$ 679,569	\$ 117,806	\$ 39,209	\$ 321,659	\$ -	\$ -	\$ 1,158,243	\$ 1,089,319

SCHEDULE 7

**R.M. OF REYNOLDS
SCHEDULE OF TRUST FUNDS
For the Year Ended December 31, 2012**

	ASSETS		LIABILITIES AND FUND BALANCES		REVENUES		EXPENDITURES		EXPENSES OF REVENUES OVER EXPENDITURES		FUND BALANCE, BEGINNING OF YEAR	FUND BALANCE, END OF YEAR
Name of Trust	Cash and temporary investments	Portfolio investments	Due from Municipality	Due to Municipality	Fund balance	Contributions and donations	Investment income	Cemetery maintenance	Distribution to beneficiaries	Other	-	-
Name of Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Name of Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Name of Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Name of Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Name of Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE 8

**R.M. OF REYNOLDS
SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
December 31, 2012**

	2012		2011	
	Name of Utility	Name of Utility	Name of Utility	Total
FINANCIAL ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Amounts receivable	-	-	-	-
Portfolio investments	-	-	-	-
Due from other funds	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-
Long-term debt (Note 9)	-	-	-	-
Due to other funds	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
NET FINANCIAL ASSETS (NET DEBT)	\$ -	\$ -	\$ -	\$ -
NON-FINANCIAL ASSETS				
Tangible capital assets (Schedule 1)	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-
Prepaid expenses	-	-	-	-
	\$ -	\$ -	\$ -	\$ -
FUND SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -

R.M. OF REYNOLDS
 SCHEDULE OF UTILITY OPERATIONS
 For the Year Ended December 31, 2012

SCHEDULE 9

REVENUE	Budget	2012	2011
Water			
Water fees	\$ -	\$ -	\$ -
Bulk Water fees	-	-	-
sub-total- water	-	-	-
Sewer			
Sewer fees	-	-	-
Lagoon tipping fees	-	-	-
sub-total- sewer	-	-	-
Property taxes			
	-	-	-
Government transfers			
Operating	-	-	-
Capital	-	-	-
sub-total- government transfers	-	-	-
Other			
Hydrant rentals	-	-	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	-
sub-total- other	-	-	-
Total revenue	-	-	-
EXPENSES			
General			
Administration	-	-	-
Training costs	-	-	-
Billing and collection	-	-	-
Utilities (telephone, electricity, etc.)	-	-	-
sub-total- general	-	-	-
Water General			
Purification and treatment	-	-	-
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	-	-	-
Water Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- water amortization & interest	-	-	-
Sewer General			
Collection system costs	-	-	-
Treatment and disposal cost	-	-	-
Lift Station costs	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	-	-	-
sub-total- sewer general	-	-	-
Sewage Amortization & Interest			
Amortization	-	-	-
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	-	-	-
Total expenses	-	-	-
NET OPERATING SURPLUS	-	-	-
TRANSFERS			
Transfers from (to) operating fund	-	-	-
Transfers from (to) reserve funds	-	-	-
CHANGE IN UTILITY FUND BALANCE	\$ -	-	-
FUND SURPLUS, BEGINNING OF YEAR	-	-	-
FUND SURPLUS, END OF YEAR	\$ -	-	\$ -

	Financial Plan	Amortization (TCA)	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE						
Property taxes	\$ 2,496,030	\$ -	\$ (1,947,967)	\$ -	\$ -	\$ 548,063
Grants in lieu of taxation	259,556	-	(202,006)	-	-	57,550
User fees	38,067	-	-	-	36,103	74,170
Permits, licences and fines	10	-	-	-	-	10
Investment income	35,000	-	-	-	248	35,248
Other revenue	-	-	-	-	741	741
Water and sewer	-	-	-	-	-	-
Grants - Province of Manitoba	163,187	-	-	-	32,617	195,804
Grants - other	126,855	-	-	-	46,834	173,689
Transfers from accumulated surplus	156,500	-	(156,500)	-	-	-
Transfers from reserves	158,752	-	(158,752)	-	-	-
Total revenue	\$ 3,433,956	\$ -	\$ (2,465,225)	\$ -	\$ 116,543	\$ 1,085,274
EXPENSES						
General government services	\$ 366,961	\$ 1,681	\$ -	\$ -	\$ -	\$ 368,642
Protective services	218,713	25,602	-	-	-	244,315
Transportation services	250,026	33,630	-	-	-	283,656
Environmental health services	97,274	-	-	-	71,440	168,714
Public health and welfare services	15,497	-	-	-	-	15,497
Regional planning and development	103,044	-	-	-	18,800	121,844
Resource cons and industrial dev	45,150	-	-	-	17,323	62,473
Recreation and cultural services	8,650	-	-	-	17,875	26,525
Water and sewer services	-	-	-	-	-	-
Fiscal services:						
School payment	2,149,973	-	(2,149,973)	-	-	-
Transfer to capital	79,300	-	(79,300)	-	-	-
Debt charges	-	-	-	-	-	-
Short term interest	-	-	-	-	-	-
Transfer to reserves	101,957	-	(101,957)	-	-	-
Allowance for tax assets	-	-	-	-	-	-
Total expenses	\$ 3,436,544	\$ 60,913	\$ (2,331,230)	\$ -	\$ 125,438	\$ 1,291,665
Surplus (Deficit)	\$ (2,588)	\$ (60,913)	\$ (133,995)	\$ -	\$ (8,895)	\$ (206,391)

R.M. OF REYNOLDS
 ANALYSIS OF TAXES ON ROLL
 For the Year Ended December 31, 2012

SCHEDULE 11

	2012	2011
Balance, beginning of year		
Add:		
Tax levy (Schedule 12)	\$ 151,893	\$ 139,640
Taxes added		
Tax levy (Schedule 12)	2,467,530	2,404,517
Penalties or interest	15,627	25,457
Other accounts added	13,460	11,478
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	2,496,616	2,441,452
Deduct:		
Cash collections - current		
Cash collections - arrears	2,124,644	2,110,904
Write-offs	114,744	99,277
Title value of land sales	-	-
Title value of tax title acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	253,592	219,017
Other credits (specify)	-	-
Sub-total	2,492,980	2,429,199
Balance, end of year	\$ 155,530	\$ 151,893

ANALYSIS OF TAX LEVY

For the Year Ended December 31, 2012

	2012		2011	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	\$ -	0.00	\$ -	\$ -
Name of LUD	\$ -	0.00	-	-
Name of LUD	\$ -	0.00	-	-
sub-total- L.U.D.				
Debt charges:				
Frontage	\$ -	0.00	-	-
Li.D.	\$ -	0.00	-	-
Other (specify)	\$ -	0.00	-	-
sub-total- Debt charges				
Deferred surplus				
Reserves:	\$ -	0.00	-	-
Machinery Replacement	\$ 96,657,480	0.23	22,521	22,434
Name of reserve	\$ -	0.00	-	-
Name of reserve	\$ -	0.00	-	-
sub-total- Reserves			22,521	22,434
General municipal				
Special levies:	\$ 96,657,480	5.17	497,041	538,892
Name of special levy	\$ -	0.00	-	-
Name of special levy	\$ -	0.00	-	-
Name of special levy	\$ -	0.00	-	-
sub-total- Special levies			-	-
Business tax (rate%)				
	\$ -	0.00	-	-
Total municipal taxes (Schedule 2)				
Education support levy	\$ 52,786,500	11.36	599,655	612,769
Special levies:				
Sunrise School Division	\$ 71,320,240	14.83	1,060,281	965,609
Seine River School Division	\$ 19,401,290	14.85	288,032	264,813
Name of school division	\$ -	0.00	-	-
sub-total- Special levies			1,348,313	1,230,422
Total education taxes				
			1,947,967	1,843,191
Total tax levy (Schedule 11)				
			\$ 2,467,530	\$ 2,404,517

SCHEDULE 13

**R.M. OF REYNOLDS
ANALYSIS OF SCHOOL ACCOUNTS
For the Year Ended December 31, 2012**

	2012		2011	
	Opening Current	Requirement Current	Payment Current	Ending Balance
Education support levy	\$ 85,254	\$ 707,400	\$ (693,617)	\$ 85,254
Special levies				
Sunrise School Division	103,089	1,145,272	(1,117,220)	103,089
Seine River School Division	28,743	297,301	(290,232)	28,743
School division	-	-	-	-
School division	-	-	-	-
School division	-	-	-	-
School division	-	-	-	-
School division	-	-	-	-
School division	-	-	-	-
Sub-total	131,832	1,442,573	(1,407,452)	131,832
Total	\$ 217,086	\$ 2,149,973	\$ (2,101,069)	\$ 217,086

R.M. OF REYNOLDS

SCHEDULE 14

SCHEDULE OF GENERAL OPERATING FUND EXPENSES
For the Year Ended December 31, 2012

	2012 Actual	2011 Actual
General government services:		
Legislative	\$ 59,449	\$ 63,862
General administrative	204,979	204,147
Other	69,178	64,104
	<u>333,605</u>	<u>332,113</u>
Protective services:		
Police	129	141
Fire	183,580	188,338
Emergency measures	6,333	4,021
Other	10,525	29,579
	<u>200,566</u>	<u>222,079</u>
Transportation services:		
Road transport		
Administration and engineering	18,633	24,902
Road and street maintenance	350,550	224,028
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	-	-
Street lighting	6,970	6,414
Other	-	-
Air transport	-	-
Public transit	-	-
Other	-	-
	<u>376,154</u>	<u>255,344</u>
Environmental health services:		
Waste collection and disposal		
Recycling	1,080	1,582
Other	29,833	30,050
	60,764	55,817
	<u>91,677</u>	<u>87,449</u>
Public health and welfare services:		
Public health	15,497	15,497
Medical care	-	-
Social assistance	-	-
Other	-	-
	<u>15,497</u>	<u>15,497</u>
Regional planning and development		
Planning and zoning	43,980	31,744
Urban renewal	-	-
Beautification and land rehabilitation	-	-
Urban area weed control	-	-
Other	-	-
	<u>43,980</u>	<u>31,744</u>
Resource conservation and industrial development		
Rural area weed control	17,686	16,839
Drainage of land	3,570	8,138
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	-	2,716
Industrial development	-	-
Tourism	995	885
Other	-	-
	<u>22,251</u>	<u>28,578</u>
Sub-totals forward	\$ 1,083,730	\$ 972,805

R.M. OF REYNOLDS

SCHEDULE 14

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2012

Sub-totals forward	\$ 1,083,730	\$ 972,805
Recreation and cultural services:		
Administration	-	-
Community centers and halls	-	5,500
Swimming pools and beaches	-	-
Golf courses	-	-
Skating and curling rinks	-	-
Parks and playgrounds	-	-
Other recreational facilities	-	-
Museums	8,650	-
Libraries	-	-
Other cultural facilities	-	-
	8,650	5,500
Total expenses	\$ 1,092,380	\$ 978,304

SCHEDULE OF L.U.D. OPERATIONS - Name of L.U.D.
For the Year Ended December 31, 2012

	2012 Budget	2012 Actual	2011 Actual
Revenue			
Taxation	\$ -	\$ -	\$ -
Other Revenue	-	-	-
Total revenue	-	-	-
Expenses			
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	-	-	-
Total expenses	-	-	-
Net revenues (expenses)	-	-	-
Transfers:			
Transfers from (to) L.U.D. reserves	-	-	-
Transfers from (to) operating fund	-	-	-
Other	-	-	-
Change in L.U.D. balances	\$ -	-	-
Unexpended balance, beginning of year			
	-	-	-
Unexpended balance, end of year	\$ -	-	\$ -

SCHEDULE 17

**R.M. OF REYNOLDS
RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)
For the Year Ended December 31, 2012**

	2012		2011	
	General	Utility	Total	Actual
MUNICIPAL NET SURPLUS UNDER THE MUNICIPAL ACT	\$ 205,357	\$ -	\$ 205,357	\$ 274,139
Adjustments for reporting under public sector accounting standards				
Eliminate expense (transfer to reserves)	106,156	-	106,156	104,151
Eliminate revenue (transfer from reserves)	(61,705)	-	(61,705)	(34,008)
Increase revenue (reserve funds interest)	24,472	-	24,472	22,050
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	12,877	-	12,877	(4,291)
Eliminate revenue (transfer from nominal surplus)	(156,500)	-	(156,500)	(183,500)
Increase expense (amortization of tangible capital assets)	(65,349)	-	(65,349)	(71,924)
Decrease expense (principal portion of debenture debt)	-	-	-	-
Eliminate expense (acquisitions of tangible capital assets)	33,017	-	33,017	23,843
	<u>\$ 98,325</u>	<u>\$ -</u>	<u>\$ 98,325</u>	<u>\$ 130,460</u>