

FINANCIAL

REPORT

2008

RURAL MUNICIPALITY
OF ALEXANDER

INDEX TO FINANCIAL STATEMENTS

Municipality of Alexander (Rural)

(Municipality)

AUDITORS' REPORT	Page 1
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	Page 1a
STATEMENTS	
1. General Operating Fund Balance Sheet	Page 2
2. General Reserve Fund Balance Sheet	Page 3
3. General Capital Fund Balance Sheet	Page 3
4. Utility Operating Fund Balance Sheet	Page 4
5. Utility Reserve Fund Balance Sheet	Page 4
6. Utility Capital Fund Balance Sheet	Page 5
7. Trust Fund Balance Sheet	Page 5
8. Surplus Accounts and Allowance For Tax Assets	Page 6
9. Statement of General Operating Fund Revenue and Expenditure	Page 7
10. Comparison of Budgeted and Actual Expenditure	Page 8 & 9
11. Statement of Utility Operating Fund Revenue and Expenditure	Page 10
12. Comparison of Utility Budgeted and Actual Expenditure	Page 10
13. Statement of Source and Application of General Capital Funds	Page 11
14. Statement of Source and Application of Utility Capital Funds	Page 12
SCHEDULES	
1. Analysis of Tax Assets	Page 13
2. Analysis of Tax Levy	Page 13
3. Analysis of Government Transfers	Page 14
4. Analysis of School Accounts	Page 14
5. Analysis of Reserve Funds	Page 15
6. Analysis of Investments	Page 16
7. Analysis of Debenture Indebtedness	Page 17
8. Debenture Changes	Page 18
9. Debentures Pending	Page 18
10. Compensation and Expenses	Page 18
STATISTICAL INFORMATION	Page 19
L.U.D. - RECONCILIATION OF REVENUE AND EXPENSES	Page 20
NOTES TO FINANCIAL STATEMENTS	Page 21

(ALL AMOUNTS HAVE BEEN ROUNDED OFF TO THE NEAREST DOLLAR)

AUDITORS' REPORT

To the Reeve and Councillors
Rural Municipality of Alexander
St. Georges, Manitoba

We have audited the balance sheet of the Rural Municipality of Alexander as at December 31, 2008 and the statements of revenue and expenditure, changes in surplus, and source and application of capital fund for the year then ended. These financial statements are the responsibility of the Municipality's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2008 and the results of its operations and the changes in its cash flows for the year then ended in accordance with generally accepted accounting principles for municipal corporations in Manitoba.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Municipality and Manitoba Intergovernmental Affairs to comply with Section 183(1) of the Municipal Act. These financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

Our audit opinion does not extend to the budget figures presented by the Municipality.

We have also issued a supplementary report as required under Section 190 of the Municipal Act.

The prior year's figures were audited by another chartered accountant.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
April 8, 2009

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

DECEMBER 31, 2008

The accompanying financial statements of the Municipality of Alexander and all the information in this annual report are the responsibility of management and have been approved by the Council on behalf of the Municipality.

The financial statements have been prepared by management in accordance with generally accepted accounting principles for Municipalities in Manitoba. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Municipality maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Municipality's assets are appropriately accounted for and adequately safeguarded.

The Municipality's Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

Council reviews the Municipality's financial statements with management and recommends their approval. Council and management meet periodically with the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. Council reviews their findings when they approve the financial statements on behalf of the municipality's residents.

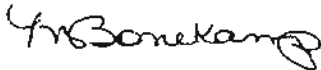
The financial statements have been audited by The Exchange Chartered Accountants LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. The Exchange Chartered Accountants LLP have full and free access to the Council.

Reeve: 

April 8, 2008
Date

Chief Administrative Officer

April 8, 2008
Date



STATEMENT 1

**GENERAL OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2008**

ASSETS

CASH

Cash on Hand	700	
Cash on Deposit		
Deposit Receipts		700

RECEIVABLES

Tax Assets - Schedule 1	755,862	
Government Grants - Schedule 3	215,000	
Own Funds and Agencies		
Utility Operating Fund		
Utility Capital Fund		
General Capital Fund		
Reserves		
Trusts		
Operating Accounts Receivable		
Organizations and Individuals	584,442	
Federal Government	87,115	
Federal Government Enterprises		
Provincial Government	5,671	
Provincial Government Enterprises	2,157	
Other Local Governments	21,774	701,159
Other Receivables		
Sub Total		1,672,021
Less: Allowances for Doubtful Accounts		
Other Allowances		1,672,021

INVESTMENTS - SCHEDULE 6

INVENTORIES

PREPAID EXPENSES

TOTAL ASSETS

1,672,721

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks		
Other Financial Institutions	230,233	
Own Funds		
Other		230,233

PAYABLES

School Levies - Schedule 4		
Own Funds and Agencies		
Utility Operating Fund	43,402	
Reserves	235,618	
Trusts		
Other		279,020
Operating Accounts Payable		
Organizations and Individuals	187,360	
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments	94,962	282,322
Debenture Instalments		561,342

OTHER LIABILITIES

Land Sale Deposits		
Debenture Levies in Advance		
Prepaid Taxes		
Deferred Revenue		

TOTAL CURRENT LIABILITIES

791,575

ALLOWANCE FOR TAX ASSETS - STATEMENT 8

42,961

NOMINAL SURPLUS - STATEMENT 8

838,185

TOTAL LIABILITIES AND SURPLUS

1,672,721

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

**UTILITY OPERATING FUND BALANCE SHEET
AS AT DECEMBER 31, 2008**

STATEMENT 4

ASSETS

CASH

Cash on Hand		
Cash on Deposit		
Deposit Receipts		

RECEIVABLES

Government Grants - Schedule 3		
Own Funds and Agencies		
General Operating Fund	43,402	
General Capital Fund		
Utility Capital Fund		
Reserves		
Trusts		43,402

Operating Accounts Receivable		
Organizations and Individuals	10,560	
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		10,560

Other Receivables		
Sub Total		53,962
Less: Allowance for Doubtful Accounts		53,962

INVESTMENTS - SCHEDULE 6		
INVENTORIES		
PREPAID EXPENSES		

TOTAL ASSETS		53,962
---------------------	--	---------------

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS

Chartered Banks		
Other Financial Institutions		
Own Funds		
Other		

PAYABLES

Own Funds and Agencies		
General Operating Fund		
Reserves		
Trusts		
Other		

Operating Accounts Payable		
Organizations and Individuals		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		

Debenture Instalments		
-----------------------	--	--

OTHER LIABILITIES

Debenture Levies in Advance		
Prepaid Consumer Accounts		
Meter Deposits		
Other		

TOTAL CURRENT LIABILITIES		
----------------------------------	--	--

NOMINAL SURPLUS - STATEMENT 8		53,962
-------------------------------	--	--------

TOTAL LIABILITIES AND SURPLUS		53,962
--------------------------------------	--	---------------

UTILITY RESERVE FUND BALANCE SHEET

STATEMENT 5

AS AT DECEMBER 31, 2008

RESERVE NAME	CASH ASSETS	INVESTMENTS (SCHEDULE 6)	DUE FROM (TO) OTHER FUNDS	OTHER ASSETS	TOTAL (SCHEDULE 5)
General	54,636				54,636
Replacement					
TOTAL	54,636				54,636

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

STATEMENT 6

**UTILITY CAPITAL FUND BALANCE SHEET
AS AT DECEMBER 31, 2008**

ASSETS

CASH ON HAND AND ON DEPOSIT - STATEMENT 14			
RECEIVABLES - STATEMENT 14			
Government Grants - Schedule 3			
Own Funds and Agencies			
Other Accounts			
Organizations and Individuals			
Federal Government			
Federal Government Enterprises			
Provincial Government			
Provincial Government Enterprises			
Other Local Governments			
CONSTRUCTION IN PROGRESS			
FIXED ASSETS			
Buildings			
Machinery and Equipment			
Land			
Other			
DEBT CHARGES RECOVERABLE (CAPITAL ASSETS)			
Debenture Levies		19,791	
Deferred Liability Levies			19,791
OTHER ASSETS			
TOTAL ASSETS			19,791

LIABILITIES AND SURPLUS

TEMPORARY BORROWINGS				
Chartered Banks				
Other Financial Institutions				
Own Funds				
Other				
PAYABLES				
Organizations and Individuals				
Federal Government				
Federal Government Enterprises				
Provincial Government				
Provincial Government Enterprises				
Other Local Governments				
OTHER LIABILITIES				
LONG-TERM DEBT				
Debentures - Schedule 8		19,791		
Deferred Liabilities - Note				19,791
CAPITAL SURPLUS - STATEMENT 8				
TOTAL LIABILITIES AND SURPLUS				19,791

STATEMENT 7

**TRUST FUND BALANCE SHEET
AS AT DECEMBER 31, 2008**

ASSETS

TRUST NAME	INVESTMENTS				TOTAL
	CASH	(Schedule 6)	OTHER FUNDS	OTHER	
Handi Van	106,928				106,928
Pension Funds					
Option Deposits					
Other					
TOTAL	106,928				106,928

LIABILITIES

	TRUST				TOTAL
	PAYABLES	OTHER FUNDS	OTHER	TRUST	
Handi Van				106,926	106,926
Pension Funds					
Option Deposits					
Other					
TOTAL				106,926	106,926

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

STATEMENT 8

**SURPLUS ACCOUNTS AND ALLOWANCE FOR TAX ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008**

ALLOWANCE FOR TAX ASSETS

Balance, January 1		60,000
Add: Transfer from Revenue - Statement 10	6,264	
Profit on Tax Title Sales		
Transfer from Nominal Surplus		
Tax Titles Established		
		6,264
Sub-Total		66,264
Deduct: Taxes Cancelled - Schedule 1	23,303	
T.S.C. Cancelled - Schedule 1		
Tax Titles Written Off - Schedule 1		
Transfer to Nominal Surplus		
Additional taxes cancelled		
		23,303
Balance, December 31 - Statement 1		42,961

NOMINAL SURPLUS - GENERAL

Balance, January 1		837,051
Add: Transfer from Deferred Surplus - Statement 9		
Transfer from Allowance for Tax Assets		
Operating Surplus - Statement 9	1,892	
Adjustment		
		1,892
Sub-Total		838,943
Deduct: Accts. Rec. Cancelled		
Transfer to General Reserve - Schedule 5		
Transfer to Allowance for Tax Assets		
Transfer to Revenue - Statement 9		
Miscellaneous adjustment	758	
Operating Deficit - Statement 9		
		758
Balance, December 31 - Statement 1		838,185

NOMINAL SURPLUS - UTILITY

Balance, January 1		30,022
Add: Transfer from Deferred Surplus - Statement 11		
Other Transfers (Specify)		
Operating Surplus Statement 11	23,940	
		23,940
Sub-Total		53,962
Deduct: Accts. Rec. Cancelled		
Transfer to Utility Revenue - Statement 11		
Operating Deficit - Statement 11		
Balance, December 31 - Statement 4		53,962

CAPITAL SURPLUS - GENERAL

Balance, January 1		3,739,428
Add: Fixed Assets Acquired	1,371,199	
Principal matured	53,881	
		1,425,080
Sub-Total		5,164,508
Deduct: Disposal of Fixed Assets		
Balance, December 31 - Statement 3		5,164,508

CAPITAL SURPLUS - UTILITY

Balance, January 1		
Add: Fixed Assets Acquired		
Sub-Total		
Deduct: Disposal of Fixed Assets		
Balance, December 31 - Statement 6		

STATEMENT 9

**GENERAL OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2008**

REVENUE

TOTAL REVENUE FROM TAXATION			2,263,099
OTHER REVENUE			
Taxes Added - Schedule 1		208,682	
Licenses and Permits		270	
Fines		669	
Parking Meters			
Sales of service			
General Government	8,148		
Protection	13,098		
Transportation	120,255		
Less: Costs		120,255	
Environmental Health		175,517	
Public Health and Welfare			
Planning and Development			
Economic Development			
Recreation and Culture		317,018	
Sales of Goods		6,871	
Rentals of Fixed Assets		16,666	
Concessions and Franchises		48,866	
Returns from Investments		18,272	
Transfers from Utilities and Enterprises			
Tax Penalties - Schedule 1		84,097	
Miscellaneous Revenue		187,826	
Grants in Lieu of Taxes - Schedule 3			
Federal Government	1,631		
Federal Government Enterprises	12,431		
Provincial Government	29,092		
Provincial Government Enterprises	138,835		
Other Local Governments			
Non-Government Organizations		181,989	
Unconditional Government Transfers - Schedule 3			
Federal Government			
Provincial - Municipal Tax Sharing	111,922		
Provincial - Municipal Support Grants - VLT Revenues	64,465		
Other Local Governments		176,387	
Conditional Government Transfers - Schedule 3			
Federal Government			
Provincial Government	665,317		
Other Local Governments	140,000	805,317	2,052,930
TOTAL REVENUE FROM EXTERNAL SOURCES			4,316,029
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8			
TRANSFER FROM RESERVES - SCHEDULE 5			221,995
OPERATING DEFICIT - STATEMENT 8			
TOTAL			4,538,024

EXPENDITURE

GENERAL GOVERNMENT SERVICES		793,867	
PROTECTIVE SERVICES		319,588	
TRANSPORTATION SERVICES		1,205,148	
ENVIRONMENTAL HEALTH SERVICES		311,539	
PUBLIC HEALTH AND WELFARE SERVICES		35,683	
ENVIRONMENTAL PLANNING AND COMMUNITY DEVELOPMENT SERVICES		44,291	
ECONOMIC DEVELOPMENT SERVICES		25,000	
RECREATION AND CULTURAL SERVICES		59,900	
FISCAL SERVICES		1,140,085	
TOTAL SERVICES		3,935,101	
SURPLUS APPROPRIATIONS AND TRANSFERS			
Deferred Surplus - Operating Deficit			
Deferred Surplus - By-Law Obligation			
Transfer to Reserves - Statement 10		601,031	601,031
OPERATING SURPLUS - STATEMENT 8			1,892
TOTAL			4,538,024

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

**GENERAL OPERATING FUND
COMPARISON OF BUDGETED AND ACTUAL EXPENDITURE**

FOR THE YEAR ENDED DECEMBER 31, 2008

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
General Government Services				
Legislative	178,900	190,145		11,245
General Administrative	491,080	483,745	7,335	
Other General Government	147,500	119,977	27,523	
Total	817,480	793,867	23,613	
Protective Services				
Police Protection	50,000	54,304		4,304
Law Enforcement				
Fire Protection	248,500	193,880	54,620	
Emergency Measures	34,000	28,774	5,226	
Other Protection	39,325	42,630		3,305
Total	371,825	319,588	52,237	
Transportation Services				
Road Transport	1,530,050	1,205,148	324,902	
Administration				
Engineering				
Roads and Streets	1,491,550	1,179,345	312,205	
Bridges, Subways				
Street Lighting	21,500	17,198	4,302	
Traffic Services	10,000	7,885	2,115	
Parking				
Other Road Transport	7,000	720	6,280	
Air Transport				
Water Transport				
Public Transit				
Total	1,530,050	1,205,148	324,902	
Environmental Health Services				
Garbage and Waste Collection and Disposal	196,075	198,725		2,650
Other Environmental Health	105,500	112,814		7,314
Total	301,575	311,539		9,964
Public Health and Welfare Services				
Public Health				
Medical Care				
Hospital Care				
Social Welfare	35,683	35,683		
Total	35,683	35,683		
Environmental Planning and Community Development Services				
Environmental Planning and Zoning	20,000	20,000		
Community Development	28,197	24,291	3,906	
Housing				
Total	48,197	44,291	3,906	
Economic Development Services				
Natural Resources				
Regional Development Commissions	30,000	25,000	5,000	
Industrial Parks and Commissions				
Other Economic Services				
Total	30,000	25,000	5,000	
Recreation and Cultural Services				
Recreation Facilities	58,500	26,963	31,537	
Cultural Buildings and Facilities	31,400	32,937		1,537
Other Recreation and Cultural Services				
Education Grants				
Total	89,900	59,900	30,000	
SUB-TOTALS FORWARD	3,224,710	2,795,016	429,694	

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

STATEMENT 11

**UTILITY OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE**

FOR THE YEAR ENDED DECEMBER 31, 2008

REVENUE

CONSUMER SALES	METERED	FLAT RATE	TOTAL
Residential	9,048		9,048
Commercial and Bulk			
Industrial			
Federal and Provincial			
Municipal and Schools			
Total	9,048		9,048
less: Discounts			
Refunds and Cancellations			9,048
SEWER SERVICE CHARGES			21,391
PENALTIES			452
HYDRANT RENTALS			400
CONSUMER INSTALLATION SERVICE			6,400
CONNECTION REVENUE - NET			
PROVINCIAL GRANTS			
OTHER REVENUE			570
TRANSFER FROM GENERAL OPERATING FUND - STATEMENT 10			
Re: Debentures		10,663	
Re: Operations			10,663
TRANSFER FROM RESERVE FUND - SCHEDULE 5			
TRANSFER FROM ACCUMULATED SURPLUS - STATEMENT 8			
OPERATING DEFICIT - STATEMENT 8			
TOTAL			48,924

EXPENDITURE

WATER SUPPLY	1,782
SEWAGE COLLECTION AND DISPOSAL	12,539
TRANSFER TO CAPITAL - STATEMENT 14	
TRANSFERS TO RESERVE - SCHEDULE 5	
DEBENTURE DEBT CHARGES - SCHEDULE 7	10,663
OTHER LONG TERM DEBT CHARGES	
SURPLUS APPROPRIATIONS - STATEMENT 8	
Deferred Surplus - Operating Deficit	
OPERATING SURPLUS - STATEMENT 8	23,940
TOTAL	48,924

STATEMENT 12

**COMPARISON OF UTILITY BUDGETED AND ACTUAL EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	ESTIMATED	ACTUAL	UNDERSPENT	OVERSPENT
Water Supply	12,650	1,782	10,868	
Sewage Collection and Disposal	13,750	12,539	1,211	
Transfer to Capital				
Transfers to Reserve				
Debenture Debt Charges		10,663		10,663
Other Long-Term Debt Charges				
Surplus Appropriations				
Total Estimated	26,400			
Total Actual		24,984		
Total Underspent			1,416	
Total Overspent				

RECONCILIATION WITH OPERATING SURPLUS OR DEFICIT

	ESTIMATED	ACTUAL	OVER (UNDER)
REVENUE	26,400	48,924	22,524
EXPENDITURE	26,400	24,984	(1,416)
OPERATING SURPLUS		23,940	23,940

THE ATTACHED NOTES (PAGE 21) FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

**STATEMENT OF SOURCE AND APPLICATION OF GENERAL CAPITAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8	46,491	
Other		46,491
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 10		1,101,785
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		269,414
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER		
TOTAL		1,417,690

APPLICATION

FIXED ASSETS

CAPITAL EXPENDITURES	FIXED ASSETS		LOCAL	TOTAL
	CONSTRUCTION	PURCHASE	IMPROVEMENTS	
General Government		16,883		16,883
Protection	46,491	174,404		220,895
Transportation		226,153		226,153
Recreation and Culture		826,058		826,058
Water treatment		127,701		127,701
TOTAL	46,491	1,371,199		1,417,690

REPAYMENT OF SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
DEBENTURE DISCOUNT AND INTEREST		
REPAYMENT OF ACCOUNTS PAYABLE		
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 3		
Cash		
Receivables		
OTHER		
TOTAL		1,417,690

**STATEMENT OF SOURCE AND APPLICATION OF UTILITY CAPITAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

SOURCE

UNEXPENDED FUNDS, JANUARY 1		
Cash		
Receivables		
SHORT-TERM BORROWING		
Bank		
Other Funds		
Other		
LONG-TERM BORROWING		
Debentures - Schedule 8		
Other		
PREPAID LOCAL IMPROVEMENT LEVIES		
CAPITAL EXPENDITURES FROM REVENUE - STATEMENT 11		
CAPITAL EXPENDITURES FROM RESERVES - SCHEDULE 5		
GRANTS - SCHEDULE 3		
Federal Government		
Federal Government Enterprises		
Provincial Government		
Provincial Government Enterprises		
Other Local Governments		
Other		
ACCOUNTS PAYABLE, DECEMBER 31		
OTHER		
TOTAL		Nil

APPLICATION

	FIXED ASSETS		LOCAL IMPROVEMENTS	TOTAL
	CONSTRUCTION	PURCHASE		
CAPITAL EXPENDITURES				
Water Supply				
Sewage Disposal				

TOTAL				
REPAYMENT OF SHORT-TERM BORROWING				
Bank				
Other Funds				
Other				
DEBENTURE DISCOUNT AND INTEREST				
REPAYMENT OF ACCOUNTS PAYABLE				
UNEXPENDED FUNDS, DECEMBER 31 - STATEMENT 6				
Cash				
Receivables				
OTHER				
TOTAL				Nil

SCHEDULE 1

ANALYSIS OF TAX ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2008

	TAXES ON ROLL	TAX SALE CERTIFICATES	TAX TITLES	AGREEMENTS OF SALE
Balance, January 1	634,883	13,135	84,215	
ADD:				
Tax Levy - Schedule 2	5,743,341			
Taxes Added - Statement 9	208,682			
Penalties or Interest Added - Statement 9	84,097			
Other Accounts Added				
Taxes Overpaid				
Transfer Re Tax Sale				
Tax Titles Acquired				
Land Sales				
TAX ADJUSTMENTS (SPECIFY)				
Advertising costs				
Legal costs	38,779			
Other				
SUB-TOTAL	6,709,782	13,135	84,215	
DEDUCT:				
Cash Collections:	5,502,457			
Arrears				
Current	5,502,457			
Transfers Re Tax Sale				
Cancellations	23,303			
Returned To Roll				
Title Value of Land Sales				
Transfers Re Titles Acquired				
Tax Discounts - Statement 10				
M.P.T.C. - Cash Advance	525,510			
Other Credits:				
TOTAL	755,862	658,512	13,135	84,215
BALANCE, DECEMBER 31				
	(Statement 1)			

SCHEDULE 2

ANALYSIS OF TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2008

	ASSESSMENT	MILL RATE	LEVY
Other Governments (L.U.D.)			
Debt Charges			
Frontage	various		13,764
Mill Rate (At Large) (L.I.D.)			
Total			13,764
Minister of Intergovernmental Affairs			
Deferred Surplus			
Reserves: Various By-Law _____	150,232,240	1.510	226,851
By-Law _____			
By-Law _____			
General Municipal	150,232,240	13.400	2,013,112
Special Levies (Specify)			
LIDS	Various		9,372
Business Tax - Rate __ %			
Total Municipal Taxes			2,263,099
Schools			
Prov. Education 1			
Prov. Education 2	4,739,330	16.080	76,209
Total Education Support Program	4,739,330	26.160	76,209
Special Division No Lord Selkirk	76,765,370	21.940	1,684,232
Sunrise	71,124,950	24.180	1,719,801

Total School Taxes			3,480,242
TOTAL TAX LEVY - SCHEDULE 1			5,743,341

SCHEDULE 3

**ANALYSIS OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	BALANCE January-1	GRANTS EARNED (Statement 9)	GRANTS RECEIVED	ADJUSTMENTS	BALANCE December-31 (Statement 1)
GENERAL FUND					
PROVINCIAL		1,009,631			215,000
Grants in Lieu		167,927	167,927		
Prov. - Mun. Tax Sharing		111,922	111,922		
Municipal Support Grants					
VLT Revenue		64,465	64,465		
Conditional Grants		665,317	450,317		215,000
General Govt.		78,431	78,431		
Protection		20,000	20,000		
Transportation		12,096	12,096		
Environmental Health					
Public Health & Welfare					
Environmental Planning		139,790	139,790		
Economic Development					
Recreation		415,000	200,000		215,000
FEDERAL					
Grants in Lieu		14,062	14,062		
Unconditional Grants					
Conditional Grants (Spec.)					
LOCAL (Specify name of Govt. and type of grant as above)					
Library Allard		140,000	140,000		
UTILITY FUND		(Statement 11)			(Statement 4)
Provincial Grant					
Federal Grant					
Local Grant					
GENERAL CAPITAL GRANTS (Specify Govt. and type as above)		(Statement 13)			(Statement 3)
UTILITY CAPITAL GRANTS		(Statement 14)			(Statement 6)
PROVINCIAL					
FEDERAL					
LOCAL					
Total		1,163,693	948,693		215,000

NOTE: Provincial and Federal includes both Government and Enterprises

SCHEDULE 4

**ANALYSIS OF SCHOOL ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2008**

	OUTSTANDING January-1	CURRENT REQUIREMENT	CURRENT PAYMENTS	OUTSTANDING December-31 (STATEMENT 1)
EDUCATION SUPPORT PROGRAM		229,002	229,002	
SPECIAL LEVIES				
School Division: Lord Selkirk		1,704,713	1,704,713	
Sunrise		2,031,546	2,031,546	
TOTAL	121,712	3,965,261	3,965,261	

SCHEDULE 5

**ANALYSIS OF RESERVE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008**

RESERVE NAME	General	Equipment Replacement	Capital Development	Office
BY-LAW NO	28/05	05-07	439	30/05
BALANCE, JANUARY 1	163,275	51,689	64,755	30,231
ADD: Interest Earned	3,339	945	1,808	678
Transfer from Operating (Statement 10)	60,000	100,000	2,100	30,000
Transfer from Nominal Surplus				
Proceeds on sale of equipment				
<hr/>				
<hr/>				
SUB-TOTAL	226,614	152,634	68,663	60,909
DEDUCT: Purchases (Statement 13)		66,130	60,000	16,500
Transfer to Revenue (Statement 9)	10,000	51,972		
Transfer to Utility capital				
<hr/>				
<hr/>				
BALANCE DECEMBER 31 - Statement 2	216,614	34,532	8,663	44,409

RESERVE NAME	Dumps and Lagoons	Fire Services	Gas Tax	
BY-LAW NO.	04/07	06/07	04/06	
BALANCE, JANUARY 1	296,891	55,549	171,953	
ADD: Interest Earned	4,654	1,695	4,062	
Transfer from Operating (Statement 10)	10,000	320,500	78,431	
Transfer from Operating (Statement 10)				
Transfer from Darlingford LUD				
<hr/>				
<hr/>				
SUB-TOTAL	311,545	377,744	254,446	
DEDUCT: Purchases (Statement 13)		126,784		
Transfer to Revenue (Statement 9)			160,023	
Transfer to Revenue (Page 20)				
Transfer to Darlingford Fire Equipment Reserve				
<hr/>				
<hr/>				
BALANCE, DECEMBER 31 - Statement 2	311,545	250,960	94,423	

RESERVE NAME	UTILITY REPLACEMENT	UTILITY	UTILITY	
BY-LAW NO.	07/00			
BALANCE, JANUARY 1	53,298			
ADD: Interest Earned	1,338			
Transfer from Operating (Statement 11)				
Transfer from General Reserve				
<hr/>				
<hr/>				
SUB-TOTAL	54,636			
DEDUCT: Purchases (Statement 14)				
Transfer to Revenue (Statement 11)				
<hr/>				
<hr/>				
BALANCE, DECEMBER 31 - Statement 5	54,636			

**ANALYSIS OF INVESTMENTS
AS AT DECEMBER 31, 2008**

TYPE	DUE DATE Y/M/D	INTEREST RATE	INTEREST EARNED	AMOUNT	TOTAL
GOVERNMENT OF CANADA					
PROVINCE OF MANITOBA AND AGENCIES					
OTHER PROVINCES OR PROVINCIAL AGENCIES					
DEBENTURE OF OWN MUNICIPALITY	BY-LAW 2010/10/31				
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS Various					
TOTAL INVESTMENTS					Nil

**INVESTMENT HOLDINGS
AS AT DECEMBER 31, 2008**

TYPE	NAME OF RESERVE	RESERVED (Statements 2 5)	TRUST (Statement 7)	UNRESERVED (Statements 1 4)	TOTAL
GOVERNMENT OF CANADA					
PROVINCE OF MANITOBA					
OTHER PROVINCES OR AGENCIES					
DEBENTURES OF OWN MUNICIPALITY					
DEBENTURES OF OTHER LOCAL GOVERNMENTS					
MANITOBA INVESTMENT POOL AUTHORITY					
OTHER INVESTMENTS					
TOTAL INVESTMENTS					Nil

**INVESTMENT CHANGES
2008**

TOTAL INVESTMENTS, JANUARY 1				
INVESTMENTS ACQUIRED				
INVESTMENTS SOLD				
INVESTMENTS MATURED				
TOTAL INVESTMENTS, DECEMBER 31				Nil

ANALYSIS OF DEBENTURE INDEBTEDNESS AS AT DECEMBER 31, 2008											
AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	CURRENT LEVY PRINCIPAL	INTEREST	OUTSTANDING December-31
S/L 11-08	Shoreline Stabilization	2008	46,491	E	Cdn	15 years	2022	5.500%	2,075	1,492	44,416
									2,075	1,492	44,416
NOTE (a): INDICATE WHETHER TOTAL SERIES PURCHASED BY: (A) FEDERAL GOVERNMENT (B) PROVINCIAL GOVERNMENT (C) OWN MUNICIPALITY (D) OTHER MUNICIPALITY (E) PUBLIC											

ANALYSIS OF DEBTURE INDEBTEDNESS AS AT DECEMBER 31, 2008											
AUTHORITY	PURPOSE	YEAR OF ISSUE	ORIGINAL AMOUNT	PURCHASED BY (A)	PAYABLE	TERM	MATURITY DATE	INTEREST RATE	CURRENT LEVY PRINCIPAL	INTEREST	OUTSTANDING December-31
B/L 25/5	Local Improvement	2006	46,005	B	CDN	5 years	12/01/10	5.13%	9,178	1,485	19,791
									9,178	1,485	19,791
									CURRENT LEVY		
									9,178	1,485	19,791
									TOTAL PRINCIPAL OUTSTANDING, DECEMBER 31, - SCHEDULE 8		
									19,791		

NOTE (a): INDICATE WHETHER TOTAL SERIES PURCHASED BY: (A) FEDERAL GOVERNMENT (B) PROVINCIAL GOVERNMENT (C) OWN MUNICIPALITY (D) OTHER MUNICIPALITY (E) PUBLIC

**STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2008**

TAXABLE ASSESSMENT (PORTIONED)

- Land
- Buildings
- Total Real Property
- Personal Property
- Subject to grant
- Total Taxable & Grant Property
- Exempt
- Business

TO BE
COMPLETED
BY DEPARTMENT

POPULATION (LATEST CENSUS OF CANADA)

4,012

BUDGET RECONCILIATION - GENERAL FUND

- Revenue - Surplus (Deficit)
- Expended - Under (Over)
- Estimated Surplus (Deficit)
- Operating Surplus (Deficit)
- Operating Surplus (Deficit) - Prior Year
- Gain or (Loss)

(3,821,383)
3,823,275
1,892
90,129
(88,237)

CASH POSITION

- Cash Surplus (Deficit) - Current Year
- Cash Surplus (Deficit) - Prior Year
- Gain or (Loss)

GENERAL FUND	COMBINED FUNDS
(790,875)	(790,875)
(458,901)	(437,813)
(331,974)	(353,062)

DEFICIT RECOVERIES AND DEFERRED SURPLUS LEVIES

GENERAL FUND OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December-31
	Date	Term	Amount			

UTILITY FUND OPERATING DEFICITS

Year	Authority			Actual Amount	Recoveries	Outstanding December-31
	Date	Term	Amount			

BY-LAW OBLIGATIONS

Year	Purpose	By-Law Number	Term	Amount	Recoveries	Outstanding December-31

TAX COLLECTIONS

TAXES ON ROLL - Current - Cash Collections	5,502,457	
- Tax Credit Programs	525,510	6,027,967
- Arrears		
- Total		6,027,967
TAX SALE CERTIFICATES		
LAND SALES		
TOTAL COLLECTIONS		6,027,967

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

1. Significant accounting policies

The financial statements of the Municipality have been prepared solely for the information and use of the Municipality and Manitoba Intergovernmental Affairs to comply with Section 183(1) of the Municipal Act. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Accrual accounting

The accrual method of accounting has been used to recognize revenue as it is earned and expenditures as they are incurred, with the exception of interest earned on term deposits which is accounted for on the cash basis.

b) Fixed assets

It is the policy of municipal corporations and government districts in Manitoba to charge fixed asset purchases to operations or against specific reserve funds in the year of acquisition and to record the cost of the purchases as assets of the general fund with an offsetting credit to capital surplus.

The assets are recorded in the capital fund without any provision for depreciation.

c) Reserve funds

Reserve funds are established by by-law for the purpose of accumulating funds for specific purposes. Appropriations to reserve funds are charged to expense in the revenue fund.

d) Requisition Taxes

As directed by the Minister, school levies have been treated as requisition taxes payable instead of expenses. This results in the school requirements being netted against revenue from taxation and grants in lieu with a corresponding elimination of the related expense accounts.

2. Public Sector Compensation Disclosure Act

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, 2008:

- a) compensation paid to members of council amounted to \$115,170 in aggregate
- b) there were no members of council receiving compensation in excess of \$50,000 individually
- c) the following officer or employee received compensation in excess of \$50,000:

Name	Position	Amount
M Bonekamp	Chief Administrative Officer	\$51,125
J Poitras	Public Works Foreman	55,762

3. Borrowing Agreement

The Municipality has a line of credit of \$800,000 with interest of 3.00 per cent. As at December 31, 2008, the line of credit was not used.

The Municipality has a line of credit of \$550,000 with interest at prime. As at December 31, 2008, the line of credit was not used.

4. Financial Instruments

The Municipality's financial instruments consist of cash, investments accounts receivable, tax assets, and accounts payable, accrued liabilities and debentures. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments. For cash, investments, accounts receivable, tax assets, and accounts payable, accrued liabilities and debentures the fair value of these financial instruments approximate their carrying values.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

5. Tangible Capital Assets

The Municipality is in the process of implementing the new accounting requirements for tangible capital assets, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The new requirements for tangible capital assets come into effect starting on January 1, 2009.

As at December 31, 2008 the Municipality has identified and listed all their tangible capital assets and has completed the valuation of most of its tangible capital asset classes. The Municipality is currently completing the valuation of their tangible capital assets and is expected to be completed by December 31, 2009.

6. Long Term Debt

The Municipality has entered into a lease agreement that will expire in 2009. Payments of \$7,524 are due in 2009.