

# **TOWN OF SWAN RIVER**

**Consolidated Financial Statements  
For the Year Ended December 31, 2010**

## STATEMENT OF RESPONSIBILITY

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

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

Council of the 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.

Pacak Kowal Hardie & Company, as the Municipality's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.



*Ms. Shirley Bateman*  
Chief Administrative Officer

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of the Town of Swan River

We have audited the accompanying consolidated financial statements of the Town of Swan River, which comprise the consolidated statement of financial position as at December 31, 2010 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated 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 control as management determines is necessary to enable the preparation of consolidated 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 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town of Swan River as at December 31, 2010, and the results of its operations, change in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Swan River, Manitoba  
December 21, 2011

*Pacak Kowal Hardie & Company*  
Chartered Accountants

# **TOWN OF SWAN RIVER**

## **Consolidated Financial Statements**

### **For the Year Ended December 31, 2010**

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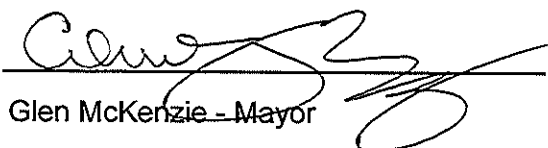
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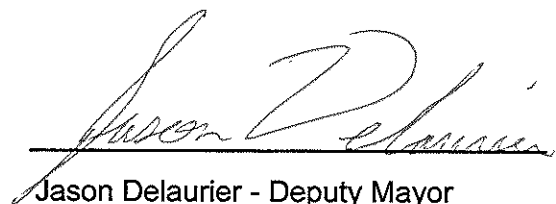
**TOWN OF SWAN RIVER**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 3,364,380	\$ 4,453,641
Amounts receivable (Note 4)	1,390,614	1,036,985
Loans and advances	-	20,667
Real estate properties held for sale	176,586	145,243
Other inventories for sale (Note 5)	820	713
Swan Valley Credit Union patronage equity shares	912	1,101
	<u>\$ 4,933,312</u>	<u>\$ 5,658,350</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	\$ 829,568	\$ 648,048
Pre-retirement bonus entitlement (Note 7)	180,797	162,321
Deferred revenue (Note 8)	185,541	183,070
Landfill closure liability (Note 9)	24,344	22,290
Long-term debt (Note 10)	256,353	424,767
	<u>1,476,603</u>	<u>1,440,496</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 3,456,710</u>	<u>\$ 4,217,854</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 19,576,034	\$ 17,758,575
Inventories (Note 5)	291,443	283,122
Prepaid expenses	38,595	33,795
	<u>19,906,072</u>	<u>18,075,492</u>
<b>ACCUMULATED SURPLUS (Note 11)</b>	<u>\$ 23,362,782</u>	<u>\$ 22,293,346</u>

COMMITMENTS (Note 12)  
CONTINGENCIES (Note 13)  
SUBSEQUENT EVENTS (Note 16)

Approved on behalf of Council:

  
Glen McKenzie - Mayor

  
Jason Delaurier - Deputy Mayor

**TOWN OF SWAN RIVER**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2010**

	<u>2010 Budget (Note 17)</u>	<u>2010 Actual</u>	<u>2009 Actual</u>
<b>REVENUE</b>			
Property taxes	\$ 3,058,948	\$ 3,113,534	\$ 2,991,340
Grants in lieu of taxation	141,900	141,900	145,291
User fees	499,716	572,613	541,416
Permits, licences and fines	38,877	43,535	42,863
Investment income	4,878	33,477	28,262
Other revenue	36,009	466,893	42,971
Water and sewer	876,850	1,120,101	951,200
Grants - Province of Manitoba	747,344	825,552	896,262
Grants - other	389,150	372,784	375,500
Total revenue (Schedules 2, 4 and 5)	<u>5,793,672</u>	<u>6,690,389</u>	<u>6,015,105</u>
<b>EXPENSES</b>			
General government services	641,053	592,492	622,517
Protective services	1,125,900	1,020,120	1,037,396
Transportation services	1,173,053	1,137,748	1,091,028
Environmental health services	549,500	510,909	517,196
Public health and welfare services	178,185	172,016	164,198
Regional planning and development services	56,025	48,947	52,361
Resource conservation and industrial development services	127,466	205,831	137,559
Recreation and cultural services	1,007,647	1,056,576	956,238
Water and sewer services	912,908	876,314	863,660
Total expenses (Schedules 3, 4 and 5)	<u>5,771,737</u>	<u>5,620,953</u>	<u>5,442,153</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 21,935</u>	<u>1,069,436</u>	<u>572,952</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		<u>22,293,346</u>	<u>21,720,394</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		<u>\$ 23,362,782</u>	<u>\$ 22,293,346</u>

**TOWN OF SWAN RIVER**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the Year Ended December 31, 2010**

	<u>2010 Budget (Note 17)</u>	<u>2010 Actual</u>	<u>2009 Actual</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 21,935</b>	<b>\$ 1,069,436</b>	<b>\$ 572,952</b>
Acquisition of tangible capital assets	(6,951,500)	(2,854,077)	(1,979,899)
Amortization of tangible capital assets	816,000	951,254	929,304
Loss (gain) on sale of tangible capital assets	-	40,170	(18,633)
Proceeds on sale of tangible capital assets	-	45,194	26,741
Decrease (increase) in inventories	-	(8,321)	23,565
Decrease (increase) in prepaid expense	-	(4,800)	13,694
	<u>(6,135,500)</u>	<u>(1,830,580)</u>	<u>(1,005,228)</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b><u>\$ (6,113,565)</u></b>	<b>(761,144)</b>	<b>(432,276)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<u>4,217,854</u>	<u>4,650,130</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b><u>\$ 3,456,710</u></b>	<b><u>\$ 4,217,854</u></b>

**TOWN OF SWAN RIVER**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 1,069,436	\$ 572,952
Changes in non-cash items:		
Amounts receivable	(353,629)	(328,036)
Inventories	(8,428)	23,714
Prepaid expenses	(4,800)	13,694
Accounts payable and accrued liabilities	181,520	(140,311)
Deferred revenue	2,471	(46,158)
Pre-retirement bonus entitlement	18,476	14,624
Landfill closure liability	2,053	1,899
Loss (gain) on sale of tangible capital assets	40,170	(18,633)
Gain on sale of real estate properties	(61,504)	-
Amortization	951,254	929,304
Cash provided by operating transactions	<u>1,837,019</u>	<u>1,023,049</u>
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets	45,194	26,741
Cash used to acquire tangible capital assets	(2,854,077)	(1,979,899)
Cash applied to capital transactions	<u>(2,808,883)</u>	<u>(1,953,158)</u>
<b>INVESTING TRANSACTIONS</b>		
Proceeds on sale of real estate properties	78,666	-
Change in Swan Valley Credit Union Limited patronage shares	189	33
Acquisition of real estate properties	(48,505)	(7,003)
Loans and advances repaid	20,667	-
Cash provided by (applied to) investing transactions	<u>51,017</u>	<u>(6,970)</u>
<b>FINANCING TRANSACTIONS</b>		
Debt repayment	(168,414)	(158,830)
Cash applied to financing transactions	<u>(168,414)</u>	<u>(158,830)</u>
<b>DECREASE IN CASH AND TEMPORARY INVESTMENTS</b>	<b>(1,089,261)</b>	<b>(1,095,909)</b>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u><b>4,453,641</b></u>	<u><b>5,549,550</b></u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u><b>\$ 3,364,380</b></u></u>	<u><u><b>\$ 4,453,641</b></u></u>



**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

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**1. Status of the Town of Swan River**

The incorporated Town of Swan River ("the Town") is a municipal government that was created in 1908 pursuant to the Manitoba Municipal Act. The Town provides or funds municipal services such as police, fire, public works, urban planning, airport, parks and recreation, library and other general government operations. The Town owns a utility, has several designated special purpose reserves and provides funding support for other financial entities involved in economic development, recreation and tourism.

**2. Significant Accounting Policies**

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

**a) Reporting Entity**

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits or risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Inter-fund and inter-company balances and transactions have been eliminated. The controlled organizations include:

*Swan River Parks and Recreation Commission*  
*Swan River Municipal Developers Ltd.*  
*Swan River Handi Transit Van*  
*The War Veterans Community Hall Inc. (operating as Veterans Community Hall)*

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

*Swan Valley District Recreation Commission (consolidated 46.0%, 2009 - 46.0%)*  
*Swan Valley Municipal Airport Commission (consolidated 37.0%, 2009 - 37.0%)*  
*North-West Regional Library (consolidated 54.0%, 2009 - 54.0%)*  
*Swan Valley Planning District (consolidated 14.3%, 2009 - 14.3%)*  
*G7 Physician Retention and Recruitment Fund (consolidated 42.0%, 2009 - 42.0%)*

The Town also has several shared services agreements in place with the Rural Municipality of Swan River. Jointly-owned tangible capital assets have been reported at only the Town's portion. Shared operating expenses have been reported in total, with the portion recovered from the RM reported as sales of service revenue. The shared services agreements are as follows:

*Swan River Fire Department (65.0% share with RM, 2009 - 65.0%)*  
*Swan River Landfill Site (74.0% share with RM, 2009 - 74.0%)*  
*Birchwood Cemetery (75.0% share with RM, 2009 - 75.0%)*  
*Swan River Centennial Arena (70.0% share with RM, 2009 - 70.0%)*  
*Swan River Kinsmen Pool (72.0% share with RM, 2009 - 72.0%)*

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

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

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

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2. **Significant Accounting Policies** *(continued)*

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

**g) Non-Financial Assets**

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

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

**h) Tangible Capital Assets**

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

**General Tangible Capital Assets**

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

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

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2. **Significant Accounting Policies** (continued)

**h) Tangible Capital Assets** (continued)

**Infrastructure Assets**

Transportation

Land	Indefinite
Road surface	20 to 30 years
Road grade	40 years
Bridges	25 to 50 years
Traffic lights, signage and equipment	10 years

Water and Sewer

Land	Indefinite
Land improvements	30 to 50 years
Buildings	25 to 40 years
Underground networks	40 to 60 years
Machinery and equipment	10 to 20 years
Dams and other surface water structures	40 to 60 years

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

**i) Leases**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of 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 amortization of tangible capital assets and in the accrual of the landfill closure liability. The amortization of tangible capital assets is based on estimates of useful lives for groupings of similar assets. The accrual of the landfill closure liability is based on estimated future cash flow to close the landfill discounted to the financial statement date. The estimated useful lives of tangible capital assets and future cash flow and closure date of the landfill are based upon management's best estimates, which may differ significantly from actual results.

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

**3. Cash and Temporary Investments**

Cash and temporary investments are comprised of the following:

	<u>2010</u>	<u>2009</u>
Cash	\$ 3,350,643	\$ 4,429,131
Temporary investments	<u>13,737</u>	<u>24,510</u>
	<u>\$ 3,364,380</u>	<u>\$ 4,453,641</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Town has designated \$3,292,943 (2009 \$3,481,341) 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.

	<u>2010</u>	<u>2009</u>
Taxes on roll ( <i>Schedule 11</i> )	\$ 691,723	\$ 596,971
Government grants	302,964	67,888
Utility customers	177,684	185,508
Organizations and individuals	172,055	116,012
Other governments	73,011	107,346
Accrued interest	<u>37</u>	<u>30</u>
	1,417,474	1,073,755
Less allowances for doubtful amounts	<u>(26,860)</u>	<u>(36,770)</u>
	<u>\$ 1,390,614</u>	<u>\$ 1,036,985</u>

**5. Inventories**

**Inventories for sale:**

	<u>2010</u>	<u>2009</u>
Concession supplies	<u>\$ 820</u>	<u>\$ 713</u>

**Inventories for use:**

General

Fuel	\$ 10,736	\$ 11,563
Granulars	27,493	42,666
Dust control	7,246	8,470
Sidewalk unistone	16,160	14,269
Culverts	11,228	10,605
Traffic services	8,103	9,823
Janitorial supplies	<u>63</u>	<u>178</u>
	<u>81,029</u>	<u>97,574</u>

Utility

Connections	22,298	20,823
Water treatment chemicals	9,665	11,584
Sewage collection	53,314	50,638
Water meters	35,555	11,123
Transmission and distribution	<u>89,582</u>	<u>91,380</u>
	<u>210,414</u>	<u>185,548</u>
	<u>\$ 291,443</u>	<u>\$ 283,122</u>

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

**6. Accounts Payable and Accrued Liabilities**

	<u>2010</u>	<u>2009</u>
Trade accounts payable	\$ 248,817	\$ 377,899
Employee remittances payable	43,438	193
Other governments	199,401	2,616
Accrued vacation liability	147,644	120,188
Accrued salaries and wages payable	10,730	4,445
Other accrued expenses	20,882	17,633
Trust funds ( <i>Schedule 7</i> )	158,656	125,074
	<u>\$ 829,568</u>	<u>\$ 648,048</u>

**7. Pre-Retirement Bonus Entitlement**

Each employee of the Town will be paid a pre-retirement bonus in a lump sum to a maximum of 100 days upon his or her death, retirement or termination of service, calculated as follows:

- Four days per year of seniority for a permanent employee retiring at age 55 or over, with at least five years of seniority.
- Four days per year of seniority for a permanent employee terminating employment after completing ten years of seniority.
- Pro-rata calculation as follows for a seasonal employee either retiring at age 55 or over with at least five years of seniority, or terminating employment after completing ten years of seniority:  
Average annual hours actually worked from last date of employment,  
divided by annual full-time hours, multiplied by entitlement of a permanent employee.

The change in pre-retirement bonus entitlement during the year is shown below.

	<u>2010</u>	<u>2009</u>
Opening balance	\$ 162,321	\$ 147,697
Earned during the year	18,476	27,176
Paid out during the year	-	(12,552)
Ending balance	<u>\$ 180,797</u>	<u>\$ 162,321</u>

**8. Deferred Revenue**

	<u>2010</u>	<u>2009</u>
Land sale deposits	\$ -	\$ 3,586
Prepaid taxes	13,094	11,792
Prepaid utility	75,144	73,559
Water meter deposits	90,950	87,814
Unused grants	3,203	1,419
Rental prepayments and deposits	3,150	4,900
	<u>\$ 185,541</u>	<u>\$ 183,070</u>

**9. Landfill Closure Liability**

The Town is currently operating a Class 2 landfill site together with, and located in, the Rural Municipality of Swan River. Legislation requires closure of solid waste landfill sites. Closure costs include final covering and landscaping of the landfill. The Town has reported the entire landfill closure liability in these financial statements, as the Rural Municipality has not yet accepted responsibility for its share since the liability was not addressed in either the joint-ownership or shared services agreements.

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

**9. Landfill Closure Liability (continued)**

	<u>2010</u>	<u>2009</u>
Estimated closure costs over the next 76 years	<u>\$ 6,600,000</u>	<u>\$ 6,600,000</u>
Discount rate	<u>6.00%</u>	<u>6.00%</u>
<b>Discounted costs</b>	<u><b>\$ 78,759</b></u>	<u><b>\$ 74,301</b></u>
Expected year capacity will be reached	<u>2086</u>	<u>2086</u>
Capacity (years):		
Used to date	<u>34</u>	<u>33</u>
Remaining	<u>76</u>	<u>77</u>
Total	<u>110</u>	<u>110</u>
Percent utilized	<u>30.91%</u>	<u>30.00%</u>
<b>Liability based on percentage</b>	<u><b>\$ 24,344</b></u>	<u><b>\$ 22,290</b></u>

**10. Long Term Debt**

	<u>2010</u>	<u>2009</u>
<b>General Authority:</b>		
Debenture for natural gas transmission and distribution system, demand loan held by Royal Bank of Canada, payable at \$53,881 annually including interest at 7.14%, matured November 30, 2010	\$ -	\$ 50,290
<b>Utility Fund:</b>		
Debenture for water treatment plant and water/sewer system upgrade, demand loan held by Royal Bank of Canada, payable at \$138,982 annually including interest at 5.57%, maturing November 30, 2012	<u>256,353</u>	<u>374,477</u>
	<u><b>\$ 256,353</b></u>	<u><b>\$ 424,767</b></u>

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

2011	\$ 124,704
2012	131,649

**11. Accumulated Surplus (Deficit)**

	<u>2010</u>	<u>2009</u>
Equity in tangible capital assets	<u>\$ 19,319,681</u>	<u>\$ 17,384,098</u>
Restricted for reserves ( <i>Schedule 6</i> )	<u>3,302,532</u>	<u>3,495,353</u>
Unrestricted	<u>740,569</u>	<u>1,413,895</u>
	<u><b>\$ 23,362,782</b></u>	<u><b>\$ 22,293,346</b></u>

**12. Commitments**

**Swan Valley Employment and Training Project**

The Town has entered into an agreement with The Government of Manitoba - *Competitiveness, Training and Trade* - dated June 28, 2010 to act as the "Service Provider" for the *Swan Valley Employment and Training Project* Employment Partnership. The objective of the partnership is to provide work experience, job search assistance and employment supports for up to 20 individuals in the Swan Valley area.

Since the Province pays a financial contribution to the Town equal to the Eligible Costs incurred by the Town in carrying out the Project and the Town has not made any financial investment in the Partnership, the assets, liabilities, revenues and expenses of the Project have not been consolidated into these financial statements. The receipts of financial contributions from the Province and the disbursements for Eligible Costs are presented in Schedule 7 - *Schedule of Trust Funds*.

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

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**12. Commitments (continued)**

**Swan Valley Recreation and Wellness Centre**

The Town has committed to construct the Swan Valley Recreation and Wellness Centre to serve the residents of the Swan River Valley. The project is expected to cost \$11.8 million.

The Town has received approval for grants under the Province of Manitoba - *Building Canada Fund* for \$6.0 million expiring September 30, 2015 and Infrastructure Canada - *Municipal Rural Infrastructure Fund* for \$1.2 million expiring March 31, 2012, both of which are to be funded one-third each by the Government of Canada, Government of Manitoba and the Town. The Town is also pursuing \$4.6 million from a community fundraising campaign. In 2010, the Town obtained land for the site valued at \$235,000 by donation with the condition that it be used for a recreation and wellness centre by December 31, 2014.

Up to December 31, 2010, the Town has incurred costs of \$289,101, including geotechnical investigation, architectural design fees, and project management and consulting fees, which are included in *Assets under Construction* on Schedule 1 - *Consolidated Schedule of Tangible Capital Assets*. Subsequent to the yearend, the Town hired a general contractor and incurred additional costs totalling \$603,637.

On September 16, 2011, Town Council passed By-Law 6/2011 to provide for the expenditure and borrowing of funds for construction of Phase One, being an indoor aquatic centre. The amount of borrowing is \$2.4 million, payable in each of the years 2012 through 2031 at 6.5% interest per annum. The borrowing will be financed by a special rate of \$75 per parcel of land and a special mill rate on all property in each of the years 2012 through 2031.

**New Municipal Office Building**

The Town has committed to construct a new municipal office building, expected to cost \$2.5 million. It has hired a Project Manager and passed By-Law 5/2010 dated July 20, 2010 to authorize the construction and borrowing of \$1.5 million, with the remainder of the cost to be funded from the Office Building Reserve Fund. Costs incurred to December 31, 2010, including geotechnical analysis and architectural design, total \$66,597 and are included in *Assets under Construction* on Schedule 1 - *Consolidated Schedule of Tangible Capital Assets*.

**Skate Park**

The Town has, together with the Skateboard Union, entered into a contract for the construction of a skate park. Costs incurred to December 31, 2010 total \$74,000, including \$24,000 contributed by the Skateboard Union, and are included in *Assets under Construction* on Schedule 1 - *Consolidated Schedule of Tangible Capital Assets*. Costs incurred subsequent to the yearend total \$280,109.

**13. Contingencies**

During the 2006 fiscal year, the Town incurred costs of \$28,997 to bring certain equipment up to required standards. Management believed the costs would be reimbursed by the installation contractor under warranty, and setup an account receivable from the contractor accordingly. However, the account receivable has not yet been collected. The Town's engineering consultant is attempting to seek reconciliation with the contractor. As well, the Town has a holdback payable to the contractor for \$5,000.

**14. Retirement Benefits**

The majority of the employees of the Town are members of the Municipal Employees' Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. MEPP members will receive benefits based on 1.5% of their final average yearly Canada Pension Plan (CPP) pensionable earnings times years of service, plus 2.0% 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.

**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

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**14. Retirement Benefits** *(continued)*

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 Town on behalf of its employees amounted to \$82,281 (2009 - \$79,128) 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, 2008 indicated the plan is fully funded on a going concern basis but had an unfunded solvency liability of \$1.1 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, 2008. The current contribution rates are sufficient to fund the solvency unfunded liability by December 2013.

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.

**15. Financial Instruments**

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

**16. Subsequent Events**

On June 7, 2011, Council passed By-Law 2/2011 to amend its By-Law 2/2009 (see Schedule 16 - *Debentures Pending*) for the renewal of water mains, sewer main and storm sewer renewals, base work and any other related works on Main Street. The amendment provides that borrowing in the amount of \$289,500 be issued, payable over the years 2011 through 2015 at 4.1% interest per annum, with the annual requirement to be paid by Federal Gas Tax revenues.

**17. Budget**

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Town has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by council.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 10 - *Reconciliation of the Financial Plan to the Budget*.

**18. Public Sector Compensation Disclosure**

It is a requirement of the *Public Sector Compensation Disclosure Act* that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Town. For the year ended December 31, 2010:

- a) Compensation paid to members of council amounted to \$64,488 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.



**TOWN OF SWAN RIVER**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2010**

**18. Public Sector Compensation Disclosure (continued)**

Council Members:	Compensation	Expenses	Total
Mayor - Glen McKenzie	\$ 12,270	\$ 1,479	\$ 13,749
Councillor - Don Bobick	9,309	2,133	11,442
Councillor - Jason Delaurier	8,870	1,871	10,741
Councillor - Ken Doleman	6,572	78	6,650
Councillor - Phyllis Friesen	9,216	1,393	10,609
Councillor - Lance Jacobson	1,847	1,001	2,848
Councillor - Louise Oberton	6,789	90	6,879
Councillor - Jason Sakal	1,299	-	1,299
Councillor - Brent Scales	1,299	-	1,299
Councillor - Duane Whyte	7,017	464	7,481
	<u>\$ 64,488</u>	<u>\$ 8,509</u>	<u>\$ 72,997</u>

c) Employees who received compensation in excess of \$50,000 have been reported separately.

**19. Public Utilities Board**

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

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

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

Description of Project	Source of Grant or Contribution	Water Services	Sewer Services
<u>Unamortized balance, beginning</u>			
1974 Water plant	Manitoba Water Services Board	\$ 75,971	\$ -
1974 Water plant	Agricultural Service Centres	75,971	-
1976 Lagoon	Manitoba Water Services Board	-	10,892
1976 Lagoon	Canada Mortgage & Housing	-	28,486
1976 Water/sewer extension	Agricultural Service Centres	18,792	18,792
1976 Water/sewer extension	Agricultural Service Centres	6,956	6,956
1980 Sewer main renewal	Province of Manitoba	-	8,125
1983 Swan River Dr	Development Agreement	53,569	62,231
1994 Dale Av & Crescent Dr	Canada/Manitoba Infrastructure	15,160	15,160
1994 Southeast portions	Canada/Manitoba Infrastructure	22,586	22,586
1995 Dixie Rd Lift Station	Canada/Manitoba Infrastructure	-	36,512
1997 Pine Cove installation	Development Agreement	19,848	15,595
2002 10th Ave N renewal	Manitoba Infrastructure	88,056	88,056
2002 Willow Av replacement	Manitoba Water Services Board	92,228	-
2002 Water plant expansion	Manitoba Water Services Board	1,454,020	-
2002 Backup generator	Manitoba Water Services Board	12,989	12,989
2003 6th Ave N renewal	Manitoba Water Services Board	30,169	30,169
2003 Duncan Cr renewal	Manitoba Water Services Board	37,209	37,209
2008 Currie Rd	Development Agreement	4,903	4,903
2009 6th Ave W	Development Agreement	21,714	21,714
As previously reported		2,030,141	420,375
2009 Main St replacement	Federal Gas Tax Funding	307,698	205,132
As restated		2,337,839	625,507
<u>Additions during the year</u>			
2010 4th Ave N replacement	Manitoba Infrastructure	25,000	25,000
2010 Main St replacement	Manitoba Infrastructure	56,757	56,757
2010 Currie Rd N installation	Development Agreement	24,476	24,476
		<u>106,233</u>	<u>106,233</u>
Amortization during the year		<u>(92,258)</u>	<u>(18,822)</u>
Unamortized balance, ending		<u>\$ 2,351,814</u>	<u>\$ 712,918</u>

TOWN OF SWAN RIVER

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2010

SCHEDULE 1

Cost	General Tangible Capital Assets					Infrastructure Tangible Capital Assets			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles, Equipment and Furniture	Computer Hardware and Software	Assets under Construction	Roads, Streets and Bridges	Water and Sewer	Assets under Construction	2010	2009
Opening balance	\$ 1,899,906	\$ 3,530,356	\$ 3,503,427	\$ 132,832	\$ 54,732	\$ 8,235,912	\$ 17,051,536	\$ 42,742	\$ 34,451,443	\$ 32,727,036
Additions during the year	415,652	160,594	745,723	6,605	374,965	113,246	655,493	381,799	2,854,077	2,001,629
Disposals and write downs	-	-	(147,899)	(4,800)	-	(262,841)	262,841	-	(152,699)	(277,222)
Closing balance	<u>2,315,558</u>	<u>3,690,950</u>	<u>4,101,251</u>	<u>134,637</u>	<u>429,697</u>	<u>8,086,317</u>	<u>17,969,870</u>	<u>424,541</u>	<u>37,152,821</u>	<u>34,451,443</u>
<b>Accumulated Amortization</b>										
Opening balance	414,192	1,530,517	1,975,990	103,618	-	5,315,914	7,352,637	-	16,692,868	16,010,948
Amortization	56,080	119,364	218,880	13,077	-	224,522	319,331	-	951,254	929,304
Disposals and write downs	-	-	(64,226)	(4,628)	-	1,519	-	-	(67,335)	(247,384)
Closing balance	<u>470,272</u>	<u>1,649,881</u>	<u>2,130,644</u>	<u>112,067</u>	<u>-</u>	<u>5,541,955</u>	<u>7,671,968</u>	<u>-</u>	<u>17,576,787</u>	<u>16,692,868</u>
<b>Net Book Value of Tangible Capital Assets</b>	<u>\$ 1,845,286</u>	<u>\$ 2,041,069</u>	<u>\$ 1,970,607</u>	<u>\$ 22,570</u>	<u>\$ 429,697</u>	<u>\$ 2,544,362</u>	<u>\$ 10,297,902</u>	<u>\$ 424,541</u>	<u>\$ 19,576,034</u>	<u>\$ 17,758,575</u>

**TOWN OF SWAN RIVER**  
**CONSOLIDATED SCHEDULE OF REVENUES**  
**For the Year Ended December 31, 2010**

**SCHEDULE 2**

	2010 Actual	2009 Actual
<b>Property taxes</b>		
Municipal taxes levied ( <i>Schedule 12</i> )	\$ 2,996,145	\$ 2,903,271
Taxes added	53,252	39,323
Discounts	(24,567)	(20,289)
Penalties and interest	86,398	67,275
Excess of school tax levy over requirement	2,306	1,760
	<u>3,113,534</u>	<u>2,991,340</u>
<b>Grants in lieu of taxation</b>		
Federal government enterprises	13,691	13,832
Provincial government	31,872	33,456
Provincial government enterprises	96,337	98,003
	<u>141,900</u>	<u>145,291</u>
<b>User fees</b>		
Sales of service	367,459	315,932
Sales of goods	25,817	26,275
Rentals	16,021	14,454
Trailer park	14,536	15,795
Development charges	2,056	857
Facility use fees	141,181	164,128
Concessions	5,543	3,975
	<u>572,613</u>	<u>541,416</u>
<b>Permits, licences and fines</b>		
Permits	10,132	6,848
Licences	11,657	10,110
Fines	16,669	21,011
Fees	5,077	4,894
	<u>43,535</u>	<u>42,863</u>
<b>Investment income</b>		
Cash and temporary investments	33,477	28,262
<b>Other revenue</b>		
Gain on sale of tangible capital assets	524	18,633
Gain on sale of real estate held for sale	61,504	-
Contributed assets	341,495	-
Donations and contributions	43,175	19,485
Administration fees	1,078	-
Supplier rebates	19,117	4,853
	<u>466,893</u>	<u>42,971</u>
<b>Water and sewer (<i>Schedule 9</i>)</b>	<u>1,120,101</u>	<u>951,200</u>
<b>Grants - Province of Manitoba</b>		
General assistance payment	617,136	578,452
General support grant	17,578	10,170
VLT revenues	58,653	83,146
Conditional grants	132,185	224,494
	<u>825,552</u>	<u>896,262</u>
<b>Grants - other</b>		
Federal government - gas tax funding	210,621	227,508
Federal government - other	3,566	3,531
Other local governments	158,597	144,461
	<u>372,784</u>	<u>375,500</u>
<b>Total revenue</b>	<u>\$ 6,690,389</u>	<u>\$ 6,015,105</u>

**TOWN OF SWAN RIVER**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2010**

**SCHEDULE 3**

	<u>2010</u> Actual	<u>2009</u> Actual
<b>General government services:</b>		
Legislative	\$ 64,838	\$ 60,026
General administrative	450,613	479,349
Other	77,041	83,142
	<u>592,492</u>	<u>622,517</u>
<b>Protective services:</b>		
Police	702,211	735,943
Fire	198,052	186,452
Emergency measures	1,700	1,038
Building, electrical and plumbing inspections	20,400	19,948
Bylaw enforcement	15,474	15,267
Animal and pest control	22,915	22,434
Safety officer	59,368	56,314
	<u>1,020,120</u>	<u>1,037,396</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	103,196	111,282
Road and street maintenance	331,311	376,364
Sidewalk and boulevard maintenance	38,410	48,063
Ditches and road drainage maintenance	16,436	8,180
Storm sewer maintenance	50,854	64,071
Street cleaning	24,358	22,322
Snow and ice removal	135,772	83,587
Street lighting	67,508	61,349
Traffic services	28,313	28,638
Unallocated workshop and yard	141,551	138,791
Unallocated equipment operators	30,611	(21,721)
Other	1,346	810
Air transport	118,836	123,513
Public transit	49,246	45,779
	<u>1,137,748</u>	<u>1,091,028</u>
<b>Environmental health services:</b>		
Garbage collection	195,159	200,201
Nuisance grounds	243,220	253,163
Recycling	71,234	59,208
Other	1,296	4,624
	<u>510,909</u>	<u>517,196</u>
<b>Public health and welfare services:</b>		
Cemeteries	91,642	90,808
Physician retention and recruitment	35,619	28,635
Social welfare and assistance	43,755	43,755
Other	1,000	1,000
	<u>172,016</u>	<u>164,198</u>
<b>Regional planning and development services:</b>		
Planning and zoning	6,627	4,840
Beautification and land rehabilitation	13,440	19,620
Urban area weed control	19,216	19,268
Christmas lights, decorations, flags	9,664	8,633
	<u>48,947</u>	<u>52,361</u>
<b>Subtotals forward</b>	<u>\$ 3,482,232</u>	<u>\$ 3,484,696</u>

**TOWN OF SWAN RIVER**  
**CONSOLIDATED SCHEDULE OF EXPENSES**  
**For the Year Ended December 31, 2010**

**SCHEDULE 3**

<b>Subtotals forward</b>	<u>\$ 3,482,232</u>	<u>\$ 3,484,696</u>
<b>Resource conservation and industrial development services:</b>		
Veterinary services	5,423	5,423
Water resources and conservation	16,952	15,015
Regional development	55,767	42,422
Industrial development	7,668	10,499
Incentive program for construction development	82,304	35,281
Trailer court	19,699	15,348
Tourism	14,392	9,315
Public receptions	3,626	4,256
	<u>205,831</u>	<u>137,559</u>
<b>Recreation and cultural services:</b>		
Recreation commission and administration	72,362	73,744
Community centers and halls	83,760	79,611
Swimming pools and beaches	88,101	93,164
Skating and curling rinks and arenas	402,675	387,842
Parks and playgrounds	172,474	146,493
Other recreational facilities	61,173	6,935
Museums	7,400	7,251
Libraries	161,131	158,698
Other cultural facilities	7,500	2,500
	<u>1,056,576</u>	<u>956,238</u>
<b>Water and sewer services (Schedule 9)</b>	<u>876,314</u>	<u>863,660</u>
<b>Total expenses</b>	<u><u>\$ 5,620,953</u></u>	<u><u>\$ 5,442,153</u></u>

## TOWN OF SWAN RIVER

## SCHEDULE 4

## CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2010

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>										
Property taxes	\$ 2,974,552	\$ 2,852,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	141,900	145,291	-	-	-	-	-	-	-	-
User fees	12,232	9,529	82,718	68,904	75,780	69,451	126,856	117,347	46,935	47,502
Permits, licences and fines	25,944	20,967	17,591	21,891	-	5	-	-	-	-
Investment income	16,343	12,086	2,684	1,999	5,630	5,038	-	-	239	194
Other revenue	50,096	3,299	-	-	19,140	18,544	-	-	-	-
Water and sewer	-	-	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	693,367	671,768	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	-	-	21,038	121,019	-	-	-	-
Grants - other	-	-	-	-	221,190	238,187	-	-	15,073	13,856
<b>Total revenue</b>	<b>3,914,434</b>	<b>3,715,298</b>	<b>102,993</b>	<b>92,794</b>	<b>342,778</b>	<b>452,244</b>	<b>126,856</b>	<b>117,347</b>	<b>62,247</b>	<b>61,552</b>
<b>EXPENSES</b>										
Personnel services	348,910	368,811	206,137	190,747	162,791	151,921	158,740	168,890	60,574	50,084
Contract services	181,136	182,703	704,916	742,423	174,234	201,433	326,951	322,904	78,697	72,377
Utilities	12,003	13,032	37,526	38,010	94,227	90,746	8,643	7,687	699	824
Maintenance materials and supplies	24,707	22,907	23,838	25,217	261,215	240,479	8,305	11,628	5,988	9,202
Grants and contributions	6,530	4,508	1,700	1,000	10,757	10,709	-	-	22,244	28,730
Amortization	7,326	14,480	46,003	39,999	396,503	395,740	5,589	4,188	3,814	2,981
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Bad debts	10,728	15,175	-	-	-	-	-	-	-	-
Other	1,152	901	-	-	38,021	-	2,681	1,899	-	-
<b>Total expenses</b>	<b>592,492</b>	<b>622,517</b>	<b>1,020,120</b>	<b>1,037,396</b>	<b>1,137,748</b>	<b>1,091,028</b>	<b>510,909</b>	<b>517,196</b>	<b>172,016</b>	<b>164,198</b>
<b>Annual surplus (deficit)</b>	<b>\$ 3,321,942</b>	<b>\$ 3,092,781</b>	<b>\$ (917,127)</b>	<b>\$ (944,602)</b>	<b>\$ (794,970)</b>	<b>\$ (638,784)</b>	<b>\$ (384,053)</b>	<b>\$ (399,849)</b>	<b>\$ (109,769)</b>	<b>\$ (102,646)</b>

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

**SCHEDULE 4**

**TOWN OF SWAN RIVER**  
**CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM**  
**For the Year Ended December 31, 2010**

	Regional Planning and Development		Resource Conservation and Industrial Development		Recreation and Cultural Services		Water and Sewer Services		Total
	2010	2009	2010	2009	2010	2009	2010	2009	
<b>REVENUE</b>									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,982	\$ 138,982	\$ 3,113,534
Grants in lieu of taxation	-	-	-	-	-	-	-	-	141,900
User fees	2,056	1,275	14,536	15,795	211,500	211,613	-	-	572,613
Permits, licences and fines	-	-	-	-	-	-	-	-	43,535
Investment income	10	5	927	711	5,180	3,906	2,464	4,323	33,477
Other revenue	5,340	6,967	27,984	-	364,333	14,161	-	-	466,893
Water and sewer	-	-	-	-	-	-	1,120,101	951,200	1,120,101
Prov of MB - Unconditional Grants	-	-	-	-	-	-	-	-	693,367
Prov of MB - Conditional Grants	-	-	-	-	111,147	103,475	-	-	132,185
Grants - other	858	858	-	-	135,663	122,599	-	-	372,784
<b>Total revenue</b>	<b>8,264</b>	<b>9,105</b>	<b>43,447</b>	<b>16,506</b>	<b>827,823</b>	<b>455,754</b>	<b>1,261,547</b>	<b>1,094,505</b>	<b>6,690,389</b>
<b>EXPENSES</b>									
Personnel services	22,661	25,244	-	-	461,218	436,946	300,640	289,495	1,721,671
Contract services	14,440	18,471	9,465	8,455	95,076	86,142	110,333	115,093	1,695,248
Utilities	154	239	15,679	11,782	122,771	124,298	41,828	40,681	333,530
Maintenance materials and supplies	6,348	6,241	3,626	4,256	84,769	87,619	83,324	83,493	502,120
Grants and contributions	4,387	2,095	171,742	104,441	120,849	55,085	-	-	338,209
Amortization	950	71	1,683	1,683	166,847	162,355	319,331	307,807	948,046
Interest on long term debt	-	-	3,591	6,942	-	-	20,858	27,091	24,449
Bad debts	-	-	-	-	-	-	-	-	10,728
Other	7	-	45	-	5,046	3,793	-	-	46,952
<b>Total expenses</b>	<b>48,947</b>	<b>52,361</b>	<b>205,831</b>	<b>137,559</b>	<b>1,056,576</b>	<b>956,238</b>	<b>876,314</b>	<b>863,660</b>	<b>5,620,953</b>
<b>Annual surplus (deficit)</b>	<b>\$ (40,683)</b>	<b>\$ (43,256)</b>	<b>\$ (162,384)</b>	<b>\$ (121,053)</b>	<b>\$ (228,753)</b>	<b>\$ (500,484)</b>	<b>\$ 385,233</b>	<b>\$ 230,845</b>	<b>\$ 1,069,436</b>
									<b>\$ 572,952</b>

TOWN OF SWAN RIVER

SCHEDULE 5

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2010

	Core Government		Controlled Entities		Government Partnerships		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>								
Property taxes	\$ 3,113,534	\$ 2,991,340	\$ -	\$ -	\$ -	\$ -	\$ 3,113,534	\$ 2,991,340
Grants in lieu of taxation	141,900	145,291	-	-	-	-	141,900	145,291
User fees	328,742	302,021	199,936	193,220	43,935	46,175	572,613	541,416
Permits, licences and fines	43,535	42,863	-	-	-	-	43,535	42,863
Investment income	31,595	26,358	1,316	1,023	566	881	33,477	28,262
Other revenue	419,931	18,786	39,467	18,033	7,495	6,152	466,893	42,971
Water and sewer	1,120,101	951,200	-	-	-	-	1,120,101	951,200
Prov of MB - Unconditional Grants	693,367	671,768	-	-	-	-	693,367	671,768
Prov of MB - Conditional Grants	47,743	91,717	29,672	78,044	54,770	54,733	132,185	224,494
Grants - other	210,621	227,508	91,605	84,466	70,558	63,526	372,784	375,500
<b>Total revenue</b>	<b>6,151,069</b>	<b>5,468,852</b>	<b>361,996</b>	<b>374,786</b>	<b>177,324</b>	<b>171,467</b>	<b>6,690,389</b>	<b>6,015,105</b>
<b>EXPENSES</b>								
Personnel services	1,317,806	1,291,500	291,224	278,311	112,641	112,327	1,721,671	1,682,138
Contract services	1,579,175	1,636,079	51,246	46,673	64,827	67,249	1,695,248	1,750,001
Utilities	215,425	204,294	108,679	114,032	9,426	8,973	333,530	327,299
Maintenance materials and supplies	411,078	395,565	59,975	62,771	31,067	32,706	502,120	491,042
Grants and contributions	622,745	443,668	(230,974)	(187,804)	(53,562)	(49,296)	338,209	206,568
Amortization	828,744	815,536	27,135	21,473	92,167	92,295	948,046	929,304
Interest on long term debt	24,449	34,033	-	-	-	-	24,449	34,033
Bad debts	10,728	15,175	-	-	-	-	10,728	15,175
Other	41,812	2,800	2,995	1,856	2,145	1,937	46,952	6,593
<b>Total expenses</b>	<b>5,051,962</b>	<b>4,838,650</b>	<b>310,280</b>	<b>337,312</b>	<b>258,711</b>	<b>266,191</b>	<b>5,620,953</b>	<b>5,442,153</b>
<b>Annual surplus (deficit)</b>	<b>\$ 1,099,107</b>	<b>\$ 630,202</b>	<b>\$ 51,716</b>	<b>\$ 37,474</b>	<b>\$ (81,387)</b>	<b>\$ (94,724)</b>	<b>\$ 1,069,436</b>	<b>\$ 572,952</b>



**SCHEDULE 6**

**TOWN OF SWAN RIVER  
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
For the Year Ended December 31, 2010**

	2010						
	General BL 20/1983	Equipment Replacement BL 01/1997	Employee Benefits BL 09/1993	Fire Truck Replacement BL 05/1997	Fire Fighting Equipment BL 06/1992	Office Building BL 18/1997	Recreation Facilities BL 04/2000
<b>REVENUE</b>							
Investment income	\$ 2,521	\$ 3,292	\$ 1,022	\$ 2,649	\$ 35	\$ 6,520	\$ 5,011
<b>TRANSFERS</b>							
Transfers from general operating fund	-	100,000	5,000	40,000	-	60,000	178,000
Transfers from utility operating fund	-	-	-	-	-	-	-
Transfers to general operating fund	(42,000)	-	-	-	-	-	-
Acquisition of tangible capital assets	(48,347)	(196,552)	-	(397,000)	(3,100)	(61,160)	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	(87,826)	(93,260)	6,022	(354,351)	(3,065)	5,360	183,011
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	279,967	452,210	145,969	417,594	5,569	923,944	678,531
<b>FUND SURPLUS, END OF YEAR</b>	\$ 192,141	\$ 358,950	\$ 151,991	\$ 63,243	\$ 2,504	\$ 929,304	\$ 861,542

TOWN OF SWAN RIVER

SCHEDULE 6

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES  
For the Year Ended December 31, 2010

	2010				2009	
	Federal Gas Tax Funding BL 02/2006	Utility Replacement BL 25/1995	Handi Transit Replacement		Total	Total
<b>REVENUE</b>						
Investment income	\$ 1,471	\$ 2,464	\$ 1,101	\$ -	\$ 26,086	\$ 23,213
<b>TRANSFERS</b>						
Transfers from operating fund	210,621	-	5,000	-	598,621	573,908
Transfers from utility operating fund	-	75,000	-	-	75,000	75,000
Transfers to general operating fund	-	-	-	-	(42,000)	-
Acquisition of tangible capital assets	-	(144,369)	-	-	(850,528)	(1,099,847)
<b>CHANGE IN RESERVE FUND BALANCES</b>	212,092	(66,905)	6,101	-	(192,821)	(427,726)
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	96,185	338,134	157,250	-	3,495,353	3,923,079
<b>FUND SURPLUS, END OF YEAR</b>	\$ 308,277	\$ 271,229	\$ 163,351	\$ -	\$ 3,302,532	\$ 3,495,353

TOWN OF SWAN RIVER  
 SCHEDULE OF TRUST FUNDS  
 For the Year Ended December 31, 2010

SCHEDULE 7

	Birchwood Cemetery Perpetual Care	Swan Valley Community Round Table	Swan Valley Recreation & Wellness Centre Inc.	Community Foundation of Swan Valley Inc.	Swan Valley Christmas Cheer Board	Swan Valley Employment & Training Project	Swan Valley Stampede Junior "A" Hockey	Skateboard Union - Swan River Skate Plaza	Total
								2010	2009
<b>ASSETS</b>									
Due from municipality	\$ 128,978	\$ 1,471	\$ 11,607	\$ -	\$ 3,140	\$ -	\$ -	\$ 13,460	\$ 125,074
<b>FUND BALANCES</b>	\$ 128,978	\$ 1,471	\$ 11,607	\$ -	\$ 3,140	\$ -	\$ -	\$ 13,460	\$ 125,074
<b>REVENUES</b>									
Contributions and donations	\$ -	\$ -	\$ 18,279	\$ 1,961	\$ 3,540	\$ 133,071	\$ 3,500	\$ 13,460	\$ 173,811
Cemetery plot sales	12,925	-	-	-	-	-	-	-	12,925
Investment income	839	11	-	-	-	-	-	-	850
	13,764	11	18,279	1,961	3,540	133,071	3,500	13,460	199,772
<b>EXPENDITURES</b>									
Cemetery maintenance	8,400	-	-	-	-	-	-	-	8,400
Distribution to beneficiaries	-	-	6,672	1,961	400	133,071	3,500	-	145,604
	8,400	-	6,672	1,961	400	133,071	3,500	-	154,004
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	5,364	11	11,607	-	3,140	-	-	13,460	33,802
<b>FUND BALANCE, BEGINNING OF YEAR</b>	123,614	1,460	-	-	-	-	-	-	111,272
<b>FUND BALANCE, END OF YEAR</b>	\$ 128,978	\$ 1,471	\$ 11,607	\$ -	\$ 3,140	\$ -	\$ -	\$ 13,460	\$ 125,074

**TOWN OF SWAN RIVER**  
**SCHEDULE OF FINANCIAL POSITION FOR UTILITIES**  
**As at December 31, 2010**

**SCHEDULE 8**

	<u>2010</u>	<u>2009</u>
<b>FINANCIAL ASSETS</b>		
Amounts receivable	\$ 177,684	\$ 185,508
Due from General Operating Fund	-	583,121
	<u>\$ 177,684</u>	<u>\$ 768,629</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ -	\$ 2,000
Deferred revenue	166,094	161,373
Long-term debt (Note 10)	256,353	374,477
Due to General Operating Fund	41,534	-
	<u>463,981</u>	<u>537,850</u>
<b>NET FINANCIAL ASSETS (NET DEBT)</b>	<u>\$ (286,297)</u>	<u>\$ 230,779</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets ( <i>Schedule 1</i> )	\$ 10,685,989	\$ 9,741,641
Inventories (Note 5)	210,414	185,548
	<u>10,896,403</u>	<u>9,927,189</u>
<b>FUND SURPLUS</b>	<u>\$ 10,610,106</u>	<u>\$ 10,157,968</u>
<b>SUBSEQUENT EVENTS (Note 16)</b>		

**TOWN OF SWAN RIVER**  
**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2010**

**SCHEDULE 9**

	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2009 Actual</u>
<b>REVENUE</b>			
<b>Water</b>			
Water fees	\$ 560,000	\$ 522,210	\$ 505,969
<b>Sewer</b>			
Sewer fees	280,000	263,493	252,124
Lagoon tipping fees	9,000	8,255	8,710
	<u>289,000</u>	<u>271,748</u>	<u>260,834</u>
<b>Property taxes</b>	<u>138,982</u>	<u>138,982</u>	<u>138,982</u>
<b>Government transfers</b>			
Capital	<u>-</u>	<u>163,514</u>	<u>-</u>
<b>Other</b>			
Hydrant rentals	12,800	12,800	12,800
Connection charges	10,000	33,142	61,567
Installation service	1,700	1,500	1,640
Penalties	1,500	1,951	1,447
Contributed tangible capital assets	-	48,953	43,549
Investment income	-	1,361	1,306
Administration fees	-	62,070	60,860
Other income	1,850	852	1,228
	<u>27,850</u>	<u>162,629</u>	<u>184,397</u>
<b>Total revenue</b>	<u>1,015,832</u>	<u>1,259,083</u>	<u>1,090,182</u>

**TOWN OF SWAN RIVER**  
**SCHEDULE OF UTILITY OPERATIONS**  
**For the Year Ended December 31, 2010**

**SCHEDULE 9**

	<u>2010 Budget</u>	<u>2010 Actual</u>	<u>2009 Actual</u>
<b>EXPENSES</b>			
<b>General</b>			
Administration	72,000	74,185	69,956
Training costs	14,300	3,138	13,160
Billing and collection	11,600	7,171	8,747
	<u>97,900</u>	<u>84,494</u>	<u>91,863</u>
<b>Water General</b>			
Purification and treatment	128,600	116,067	114,283
Transmission and distribution	107,000	105,674	87,333
Service of supply	10,525	8,536	7,891
Connection costs	81,000	70,641	103,539
Other	26,000	22,825	21,683
	<u>353,125</u>	<u>323,743</u>	<u>334,729</u>
<b>Water Amortization and Interest</b>			
Amortization	179,000	187,278	179,343
Interest on long term debt	20,858	20,858	27,091
	<u>199,858</u>	<u>208,136</u>	<u>206,434</u>
<b>Sewer General</b>			
Collection system costs	65,000	55,933	48,887
Treatment and disposal costs	26,500	9,225	22,815
Lift station costs	41,525	62,730	30,468
	<u>133,025</u>	<u>127,888</u>	<u>102,170</u>
<b>Sewer Amortization</b>	<u>129,000</u>	<u>132,053</u>	<u>128,464</u>
<b>Total expenses</b>	<u>912,908</u>	<u>876,314</u>	<u>863,660</u>
<b>NET OPERATING SURPLUS</b>	102,924	382,769	226,522
<b>TRANSFERS</b>			
Transfers from reserve funds	-	144,369	1,052,347
Transfers to reserve funds	(59,800)	(75,000)	(75,000)
<b>CHANGE IN UTILITY FUND BALANCE</b>	<u>\$ 43,124</u>	452,138	1,203,869
<b>FUND SURPLUS, BEGINNING OF YEAR</b>		<u>10,157,968</u>	<u>8,954,099</u>
<b>FUND SURPLUS, END OF YEAR</b>		<u>\$ 10,610,106</u>	<u>\$ 10,157,968</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2010

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
<b>REVENUE</b>								
Property taxes	\$ 2,943,966	\$ 138,982	\$ -	\$ -	\$ (24,000)	\$ -	\$ -	\$ 3,058,948
Grants in lieu of taxation	141,900	-	-	-	-	-	-	141,900
User fees	280,785	-	-	-	-	-	218,931	499,716
Permits, licences and fines	38,877	-	-	-	-	-	-	38,877
Investment income	4,500	-	-	(771)	-	-	1,149	4,878
Other revenue	22,000	-	-	-	-	-	14,009	36,009
Water and sewer	-	876,850	-	-	-	-	-	876,850
Grants - Province of Manitoba	673,620	-	-	-	-	-	73,724	747,344
Grants - other	227,508	-	-	-	-	-	161,642	389,150
Transfers from reserves	25,000	-	-	-	(25,000)	-	-	-
<b>Total revenue</b>	<b>4,358,156</b>	<b>1,015,832</b>	<b>-</b>	<b>(771)</b>	<b>(49,000)</b>	<b>-</b>	<b>469,455</b>	<b>5,793,672</b>
<b>EXPENSES</b>								
General government services	590,325	-	15,000	-	10,728	25,000	-	641,053
Protective services	1,085,900	-	40,000	-	-	-	-	1,125,900
Transportation services	726,444	-	317,000	-	-	-	129,609	1,173,053
Environmental health services	545,500	-	4,000	-	-	-	-	549,500
Public health and welfare services	161,115	-	3,000	-	-	-	14,070	178,185
Regional planning and development	53,800	-	-	-	-	-	2,225	56,025
Resource conservation and industrial development services	121,875	-	2,000	3,591	-	-	-	127,466
Recreation and cultural services	446,886	-	127,000	-	-	-	433,761	1,007,647
Water and sewer services	-	584,050	308,000	20,858	-	-	-	912,908
Fiscal services:								
Transfer to capital	50,000	233,000	(283,000)	-	-	-	-	-
Debt charges	59,075	138,982	-	(198,057)	-	-	-	-
Tax discount and short term interest	24,000	-	-	-	(24,000)	-	-	-
Transfers to reserves	482,508	59,800	-	-	(542,308)	-	-	-
Allowance for tax assets	10,728	-	-	-	(10,728)	-	-	-
<b>Total expenses</b>	<b>4,358,156</b>	<b>1,015,832</b>	<b>533,000</b>	<b>(173,608)</b>	<b>(566,308)</b>	<b>25,000</b>	<b>579,665</b>	<b>5,771,737</b>
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (533,000)</b>	<b>\$ 172,837</b>	<b>\$ 517,308</b>	<b>\$ (25,000)</b>	<b>\$ (110,210)</b>	<b>\$ 21,935</b>

TOWN OF SWAN RIVER  
ANALYSIS OF TAXES ON ROLL  
For the Year Ended December 31, 2010

SCHEDULE 11

	<u>2010</u>	<u>2009</u>
<b>Balance, beginning of year</b>	<b>\$ 596,971</b>	<b>\$ 418,132</b>
<b>Add:</b>		
Tax levy ( <i>Schedule 12</i> )	5,597,229	5,539,742
Taxes added	53,252	39,323
Penalties or interest	86,398	67,275
Other accounts added	3,951	6,315
Taxes overpaid	13,529	10,105
Tax sale costs	7,132	2,483
	<u><b>5,761,491</b></u>	<u><b>5,665,243</b></u>
<b>Deduct:</b>		
Cash collections - current	4,529,703	4,458,692
Cash collections - arrears	423,337	316,053
Cancellations and writeoffs	20,637	22,473
Tax discounts	24,567	20,289
Manitoba Education Property Tax Credit - cash advance	657,172	664,997
Manitoba Education Property Tax Credit - additional	9,855	3,900
Transfers re tax sale	1,468	-
	<u><b>5,666,739</b></u>	<u><b>5,486,404</b></u>
<b>Balance, end of year</b>	<b>\$ 691,723</b>	<b>\$ 596,971</b>



TOWN OF SWAN RIVER  
ANALYSIS OF TAX LEVY  
For the Year Ended December 31, 2010

SCHEDULE 12

	2010		2009	
	Assessment	Mill Rate	Levy	Levy
Debt charges:				
Mill Rate (At Large)	\$ 145,057,180	1.310	\$ 190,025	\$ 188,191
Mill Rate (L.I.D.)	-	0.000	-	-
Frontage			5,194	5,194
			<u>195,219</u>	<u>193,385</u>
Intergovernmental Affairs	108,859,150	0.550	<u>59,873</u>	<u>55,623</u>
Reserves:				
Machinery replacement (01/1997)	108,859,150	0.880	95,796	96,656
Employee benefits (09/1993)	108,859,150	0.050	5,443	5,472
Fire truck replacement (05/1997)	108,859,150	0.350	38,101	86,626
Office building (18/1997)	108,859,150	0.530	57,695	58,359
Recreation facilities (04/2000)	108,859,150	0.440	47,898	48,328
			<u>244,933</u>	<u>295,441</u>
General Municipal	108,859,150	18.500	<u>2,013,894</u>	<u>1,942,244</u>
Special levies:				
Police, fire and street services	145,057,180	2.810	<u>407,611</u>	<u>340,191</u>
Business tax (rate%)	4,663,500	1.60%	<u>74,616</u>	<u>76,387</u>
<b>Total municipal taxes (Schedule 2)</b>			<b><u>2,996,145</u></b>	<b><u>2,903,271</u></b>
Education support levy	35,431,420	12.330	436,869	495,200
Special levy:				
Swan Valley School Division	101,941,330	21.230	<u>2,164,214</u>	<u>2,141,271</u>
<b>Total education taxes</b>			<b><u>2,601,084</u></b>	<b><u>2,636,471</u></b>
<b>Total tax levy (Schedule 11)</b>			<b><u>\$ 5,597,229</u></b>	<b><u>\$ 5,539,742</u></b>

TOWN OF SWAN RIVER  
 ANALYSIS OF SCHOOL ACCOUNTS  
 For the Year Ended December 31, 2010

SCHEDULE 13

	2010			2009
	Opening Balance	Current Requirement	Current Payment	Ending Balance
Education support levy	\$ -	\$ 465,932	\$ 465,932	\$ -
Special levies				
Swan Valley School Division	-	2,280,423	2,280,423	-
Total	\$ -	\$ 2,746,355	\$ 2,746,355	\$ -

**TOWN OF SWAN RIVER**  
**SCHEDULE OF GENERAL OPERATING FUND EXPENSES**  
**For the Year Ended December 31, 2010**

**SCHEDULE 14**

	<u>2010</u> <u>Actual</u>	<u>2009</u> <u>Actual</u>
<b>General government services:</b>		
Legislative	\$ 64,838	\$ 60,026
General administrative	450,613	464,174
Other	77,041	83,142
	<u>592,492</u>	<u>607,342</u>
<b>Protective services:</b>		
Police	702,211	735,943
Fire	198,052	186,451
Emergency measures	1,700	1,038
Building, electrical and plumbing inspections	20,400	19,948
Bylaw enforcement	15,474	15,267
Animal and pest control	22,915	22,435
Safety officer	59,368	56,314
	<u>1,020,120</u>	<u>1,037,396</u>
<b>Transportation services:</b>		
Road transport		
Administration and engineering	103,196	111,282
Road and street maintenance	332,082	377,365
Sidewalk and boulevard maintenance	38,410	48,063
Ditches and road drainage maintenance	16,436	8,180
Storm sewer maintenance	50,853	64,071
Street cleaning	24,358	22,322
Snow and ice removal	135,772	83,587
Street lighting	67,508	61,349
Traffic services	28,313	28,638
Unallocated workshop and yard	141,551	138,791
Unallocated equipment operators	30,611	(21,721)
Other	1,346	810
Air transport	17,074	16,996
Public transit	20,000	20,000
	<u>1,007,510</u>	<u>959,733</u>
<b>Environmental health services:</b>		
Garbage collection	195,159	200,201
Nuisance grounds	243,220	253,163
Recycling	71,234	59,208
Other	1,296	4,624
	<u>510,909</u>	<u>517,196</u>
<b>Public health and welfare services:</b>		
Cemeteries	91,642	90,808
Physician retention and recruitment	28,735	24,026
Social welfare and assistance	43,755	43,755
Other	1,000	1,000
	<u>165,132</u>	<u>159,589</u>
<b>Regional planning and development services:</b>		
Planning and zoning	4,530	2,714
Beautification and land rehabilitation	13,440	19,620
Urban area weed control	19,216	19,267
Christmas lights, decorations, flags	9,664	8,633
	<u>46,850</u>	<u>50,234</u>
<b>Subtotals forward</b>	<u>\$ 3,343,013</u>	<u>\$ 3,331,490</u>

## TOWN OF SWAN RIVER

## SCHEDULE 14

## SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2010

<b>Subtotals forward</b>	<b>\$ 3,343,013</b>	<b>\$ 3,331,490</b>
<b>Resource conservation and industrial development services:</b>		
Veterinary services	5,423	5,423
Water resources and conservation	16,952	15,015
Regional development	55,767	42,422
Industrial development	3,591	6,942
Incentive program for construction development	82,304	35,281
Trailer court	17,640	12,714
Tourism	16,451	11,950
Public receptions	3,626	4,256
	<u>201,754</u>	<u>134,003</u>
<b>Recreation and cultural services:</b>		
Recreation commission and administration	192,967	197,650
Community centers and halls	58,768	7,727
Swimming pools and beaches	318	318
Skating and curling rinks and arenas	91,951	92,850
Parks and playgrounds	172,474	146,493
Other recreational facilities	52,035	-
Museums	7,400	7,251
Libraries	53,238	47,534
Other cultural facilities	7,500	2,500
	<u>636,651</u>	<u>502,323</u>
<b>Total expenses</b>	<b>4,181,418</b>	<b>3,967,816</b>
<b>Transfers to</b>		
Utility fund	138,982	138,982
Reserves	593,621	558,908
	<u>593,621</u>	<u>558,908</u>
	<u>\$ 4,914,021</u>	<u>\$ 4,665,706</u>

TOWN OF SWAN RIVER  
 SCHEDULE OF DEBENTURES PENDING  
 As at December 31, 2010

SCHEDULE 16

Authority	Purpose	Source of Funds	Authorized	Expended
By-Law 05\2007	Water and sewer main extensions, base work and related works on 6th Ave W	Frontage levies and special rate over LID No. 1	\$ 75,000	\$ 60,414
By-Law 02\2009	Renewal of water and sewer mains and storm sewers, base work and related works on Main St from 4th to 9th Ave	Special mill rate on all rateable property in the years 2010 to 2014	1,000,000	1,456,428
By-Law 05/2010	Construction of a new municipal office	Special mill rate on all rateable property in the years 2010 to 2030	1,516,000	61,160
			\$ 2,591,000	\$ 1,578,002