

CITY OF THOMPSON

**Consolidated Financial Statements
For the Year Ended December 31, 2011**



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STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the City of Thompson 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.

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


Gary Cepete
Chief Administrative Officer

KENDALL & PANDYA

Chartered Accountants

300-31 Main St., P.O. Box 175, Flin Flon, MB R8A 1M7 (204) 687-8211 Fax 687-2957
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Partners.... David Kendall, FCA *
Manisha Pandya, CA *

* Operating as professional corporations

SUPPLEMENTARY AUDIT REPORT SECTION 190(2) MUNICIPAL ACT

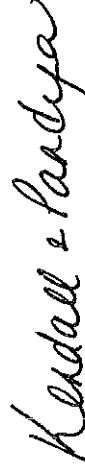
To the Mayor and Councillors
City of Thompson
Thompson, Manitoba

We have examined the financial statements of the City of Thompson as at and for the year ended December 31, 2011 and have rendered our Auditor's Report thereon dated June 25, 2012. Our examination was conducted in accordance with Canadian generally accepted auditing standards to obtain reasonable assurance whether the financial statements are free of material misstatement. This examination was not designed to, and may not, disclose deficiencies or other reportable matters.

Pursuant to our appointment as Municipal Auditors of the City of Thompson, and in accordance with the provisions of Section 190(2) based upon the examination referred to above we wish to report as follows:

- a) In our opinion, the accounting procedures and systems of control employed by the City of Thompson are adequate to preserve and protect its assets.
- b) To the best of our knowledge and belief, based on the scope of examination described above, the funds of the City of Thompson have been paid and disbursed only under authority granted by an Act of the Legislature or under authority of a resolution or by-law passed under the authority of an Act of the Legislature.
- c) In our opinion, there are no other matters which should be brought to the attention of the Minister and Council.
- d) We have no other recommendations regarding the proper performance of duties and the keeping of records and books of accounts by the City Manager, other than those listed in the management report.

Thompson, Manitoba
June 25, 2012



KENDALL & PANDYA
Chartered Accountants

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Partners.... David Kendall, FCA *
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and members of Council of the CITY OF THOMPSON:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the CITY OF THOMPSON which comprise the consolidated statement of financial position as of December 31, 2011 and the consolidated statement of operations and accumulated surplus, changes in net financial assets and cash flows for the year ended December 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

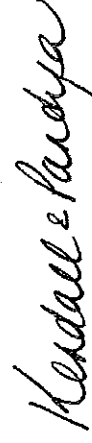
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the 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 financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Thompson, as at December 31, 2011 and its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Thompson, Manitoba
June 25, 2012



Chartered Accountants.

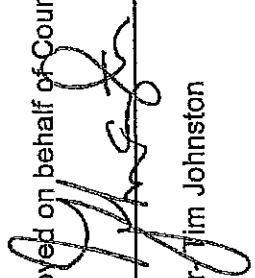
CITY OF THOMPSON
Consolidated Financial Statements
For the Year Ended December 31, 2011


Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9
Schedule 1 - Consolidated Schedule of Tangible Capital Assets	16
Schedule 2 - Consolidated Schedule of Revenues	17
Schedule 3 - Consolidated Schedule of Expenses	18
Schedule 4 - Consolidated Statement of Operations by Program	20
Schedule 5 - Consolidated Details and Reconciliation to Core Government Results	22
Schedule 6 - Schedule of Change in Reserve Fund Balances	23
Schedule 7 - Schedule of Trust Funds	24
Schedule 8 - Schedule of Financial Position for Utilities	25
Schedule 9 - Schedule of Utility Operations	26
Schedule 10 - Reconciliation of the Financial Plan to the Budget	28
Schedule 11 - Analysis of Taxes on Roll	29
Schedule 12 - Analysis of Tax Levy	30
Schedule 13 - Analysis of School Accounts	31
Schedule 14 - Schedule of General Operating Fund Expenses	33
Schedule 15 - Schedule of Debentures Pending	34
Schedule 16- Reconciliation of Annual Surplus (Deficit)	35

**CITY OF THOMPSON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2011**

	<u>2011</u>	<u>2010</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 3)	\$ 978,885	\$ 2,474,916
Amounts receivable (Note 4)	\$ 7,115,376	5,867,077
Portfolio investments (Note 5)	\$ 951,298	947,576
Loans and advances	\$ 13,754	20,634
Real estate properties held for sale	\$ 171,886	155,620
Deferred Asset	\$ 229,780	257,862
Other assets	\$ 2,103,621	1,032,580
	<u>\$ 11,564,600</u>	<u>\$ 10,756,265</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 7,865,021	\$ 5,901,838
Deferred revenue	\$ 5,318,422	1,277,992
Land deposits	\$ 181,316	164,608
Long-term debt (Note 8)	\$ 11,938,557	9,629,853
Obligations under capital lease (Note 9)	\$ 27,518	38,700
Other liabilities	\$ 2,103,621	1,032,580
	<u>27,434,455</u>	<u>18,045,571</u>
NET FINANCIAL ASSETS (NET DEBT)	\$ (15,869,855)	\$ (7,289,306)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	\$ 52,799,869	\$ 41,894,641
Inventories (Note 6)	\$ 403,583	404,398
Prepaid expenses	\$ 157,803	307,845
	<u>53,361,255</u>	<u>42,606,884</u>
ACCUMULATED SURPLUS (DEFICIT)	\$ 37,491,400	\$ 35,317,578

COMMITMENTS AND CONTINGENCIES (NOTE 9)

Approved on behalf of Council:

 Mayor, Tim Johnston


 Councillor- Charlene Lafreniere

**CITY OF THOMPSON
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2011**

	<u>2011</u>	<u>2011</u>	<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	<u>(Note 13)</u>		
REVENUE			
Property taxes	\$ 8,029,097	\$ 8,385,455	\$ 9,981,228
Grants in lieu of taxation	4,764,491	4,758,016	4,764,665
User fees	3,831,935	3,697,312	3,773,979
Grants - Province of Manitoba	12,853,459	4,935,086	4,006,140
Grants - other	951,050	740,870	881,370
Permits, licences and fines	415,558	382,675	271,294
Investment income	2,536	21,402	46,123
Other revenue	1,651,557	703,638	1,385,015
Transfers from accumulated surplus	-	-	-
Transfers from reserves	-	-	-
Water and sewer	3,670,340	3,038,643	-
Total revenue (Schedules 2, 4 and 5)	<u>36,170,023</u>	<u>26,663,097</u>	<u>25,109,814</u>
EXPENSES			
General government services	1,903,830	2,796,329	2,411,450
Protective services	8,647,312	8,572,978	8,406,262
Transportation services	4,050,315	3,327,473	3,982,899
Environmental health services	1,890,710	1,815,996	1,790,856
Public health and welfare services	267,849	249,761	231,535
Regional planning and development	426,911	13,678	20,721
Resource conservation and industrial development	911,935	591,759	786,519
Recreation and cultural services	4,313,215	4,227,270	4,144,831
Water and sewer services	3,055,203	2,894,032	2,100,264
Total expenses (Schedules 3, 4 and 5)	<u>25,467,280</u>	<u>24,489,275</u>	<u>23,875,337</u>
ANNUAL SURPLUS (DEFICIT)	10,702,742	2,173,822	1,234,477
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR	<u>35,317,578</u>	<u>35,317,578</u>	<u>34,083,101</u>
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR	<u>\$ 46,020,320</u>	<u>\$ 37,491,400</u>	<u>\$ 35,317,578</u>

CITY OF THOMPSON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2011

	2011 Budget (Note 13)	2011 Actual	2010 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 10,702,742	\$ 2,173,822	\$ 1,234,477
Acquisition of tangible capital assets	(11,853,601)	(12,839,866)	(6,268,622)
Amortization of tangible capital assets	1,910,563	1,910,563	1,787,522
Loss (Gain) on sale of tangible capital assets	-	3,076	-
Proceeds on sale of tangible capital assets	-	21,000	-
Decrease (increase) in inventories	-	815	(5,019)
Decrease (increase) in prepaid expense	-	150,042	19,344
	<u>(9,943,038)</u>	<u>(10,754,370)</u>	<u>(4,466,775)</u>
CHANGE IN NET FINANCIAL ASSETS	<u>759,704</u>	<u>(8,580,548)</u>	<u>(3,232,298)</u>
NET FINANCIAL ASSETS, BEGINNING OF YEAR		<u>(7,289,306)</u>	<u>(4,057,008)</u>
NET FINANCIAL ASSETS, END OF YEAR		<u><u>\$(15,869,855)</u></u>	<u><u>\$ (7,289,306)</u></u>

CITY OF THOMPSON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2011

	2011	2010
OPERATING TRANSACTIONS		
Annual surplus (deficit)	\$ 2,173,822	\$ 1,234,477
Changes in non-cash items:		
Amounts receivable	(1,248,299)	(2,324,579)
Inventories	815	(5,019)
Prepays	150,042	19,344
Accounts payable and accrued liabilities	1,963,183	2,030,925
Deferred Revenue	4,040,430	984,317
Land deposits	16,708	(6,372)
Loss (Gain) on sale of tangible capital asset	3,076	1,787,522
Amortization	1,910,563	(257,862)
Deferred Asset	28,082	-
Cash provided by operating transactions	<u>9,038,421</u>	<u>3,462,754</u>
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	21,000	-
Cash used to acquire tangible capital assets	<u>(12,839,866)</u>	<u>(6,268,622)</u>
Cash applied to capital transactions	<u>(12,818,866)</u>	<u>(6,268,622)</u>
INVESTING TRANSACTIONS		
Proceeds on sale of portfolio investments	-	(17,439)
Proceeds on sale of real estate properties	97,120	97,120
Loans and advances repaid	6,880	(6,298)
Purchase of portfolio investments	(3,722)	-
Acquisition of real estate properties	(16,266)	-
Loans and advances issued	-	-
Cash applied to investing transactions	<u>(13,108)</u>	<u>73,383</u>
FINANCING TRANSACTIONS		
Proceeds of long-term debt	3,165,208	1,249,851
Debt repayment	(856,504)	(808,607)
Obligation under capital lease	-	-
Repayment of obligation under capital lease	<u>(11,182)</u>	<u>23,909</u>
Cash applied to financing transactions	<u>2,297,522</u>	<u>465,153</u>
DECREASE IN CASH AND TEMPORARY INVESTMENTS	<u>(1,496,031)</u>	<u>(2,267,333)</u>
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>2,474,916</u>	<u>4,742,249</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR	<u>\$ 978,885</u>	<u>\$ 2,474,916</u>

CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011

1. Status of the City of Thompson

The incorporated City of Thompson is a municipal government that was created on July 7, 1970 pursuant to the Manitoba Municipal Act. The Municipality provides or funds municipal services such as police, fire, public works, urban planning, parks and recreation, library, zoo and other general government operations. The Municipality does not own 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 generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies:

a) Reporting Entity

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

Thompson Planning District
Thompson Public Library
Thompson Zoological Society
Thompson Community Development Corporation
Thompson Recycling Centre

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

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

b) Basis of Accounting

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

c) Cash and Temporary Investments

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

d) Investments

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

Portfolio investments, if any, are accounted for at cost.

**CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011**

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.

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

f) Non-Financial Assets

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

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

g) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the

General Tangible Capital Assets

Amortized Over

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

Infrastructure Assets

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

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

**CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011**

h) Leases

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

i) Inventories

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

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

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

k) Measurement Uncertainty

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

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

3. Cash and Temporary Investments

Cash and temporary investments are comprised of the following:

	2011	2010
Cash	\$ 978,885	\$ 2,474,916
Temporary Investments	<u>-</u>	<u>-</u>
	<u>\$ 978,885</u>	<u>\$ 2,474,916</u>

Temporary investments are comprised mainly of guaranteed investment certificates and term deposits and have a market value approximating cost. The Municipality has designate \$0 (2010 \$0) 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.

	2011	2010
Taxes on roll (Schedule 11)	\$ 1,309,527	\$ 1,380,969
Government grants	2,093,443	1,298,558
Utility customers	1,416,690	-
Accrued interest	-	-
Organizations and individuals	2,244,321	2,831,580
Other governments	<u>219,254</u>	<u>397,893</u>
	7,283,236	5,909,000
Less allowances for doubtful amounts	<u>167,860</u>	<u>41,923</u>
	<u>\$ 7,115,376</u>	<u>\$ 5,867,077</u>

**CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011**

5. Portfolio Investments	2011	2010
Marketable securities:		
Government of Canada	-	\$ -
Province of Manitoba	-	-
Municipal Debentures	-	-
Other investments	<u>\$ 951,298</u>	<u>947,576</u>
	<u>\$ 951,298</u>	<u>\$ 947,576</u>

The aggregate market value of the marketable securities at December 31, 2011 is \$951,298 (2010 - \$947,576). Portfolio investments earned \$21,229 in investment income during the year (2010 - \$24,433).

6. Inventories	2011	2010
Inventories for use:		
Chemicals, herbicides, insecticides	-	\$ -
Fuel	5,127	1,734
Culverts	178,734	145,184
Aggregate	8,602	15,159
Other supplies	211,121	242,321
	<u>\$ 403,583</u>	<u>\$ 404,398</u>

7. Accounts Payable and Accrued Liabilities	2011	2010
Accounts payable	6,971,187	\$ 5,043,253
Accrued expenses	893,834	858,585
Accrued interest payable	-	-
School levies (Schedule 13)	-	-
Other governments	-	-
	<u>\$ 7,865,021</u>	<u>\$ 5,901,838</u>

8. Long Term Debt General Authority:	2011	2010
Debenture, interest at 6.750%, payable at \$84,293 annually including interest, maturing December 1, 2012	78,962	\$ 152,932
Debenture, interest at 6.750%, payable at \$16,211 annually including interest, maturing December 1, 2012	15,185	29,410
Debenture, interest at 6.875%, payable at \$233,695 annually including interest, maturing December ¹ , 2017	1,118,226	1,264,955
Debenture, interest at 6.625%, payable at \$177,770 annually including interest, maturing December 1, 2017	857,247	970,708
Debenture, interest at 6.625%, payable at \$27,498 annually including interest, maturing December 1, 2018	150,151	166,611
Debenture, interest at 5.500%, payable at \$354,502 annually including interest, maturing December 1, 2024	3,232,026	3,399,553
Debenture, interest at 5.625%, payable at \$147,669 annually including interest, maturing December 1, 2023	1,263,885	1,336,382
Debenture, interest at 5.5%, payable at \$41,351 annually including interest, maturing December 1, 2023	376,966	396,507
Debenture, interest at 5.5%, payable at \$83,167 annually including interest, maturing December 1, 2023	758,237	797,539
Debenture, interest at 5.0%, payable at \$304,943 annually including interest, maturing December 1, 2026	3,165,208	-
	<u>11,016,094</u>	<u>8,514,597</u>

**CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011**

Utility Fund:

Debtenture, interest at 4.910%, payable at \$84,224 annually including interest, maturing December 1, 2015	\$	298,576	\$	364,532
Debtenture, interest at 4.930%, payable at \$161,808 annually including interest, maturing December 1, 2015		<u>573,887</u>		<u>700,723</u>
Thompson Community Development Corp.:		<u>872,463</u>		<u>1,065,256</u>
Loan payable, Province of Manitoba, non-interest	\$	<u>50,000</u>	\$	<u>50,000</u>
	\$	<u><u>11,938,557</u></u>	\$	<u><u>9,629,853</u></u>

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

2012	\$1,238,060
2013	\$1,211,411
2014	\$1,282,967
2015	\$1,358,829
2016	\$1,193,227

9. Obligation Under Capital Leases

Future minimum lease payments under the capital lease together with the obligation due under the capital lease are as follows:

2012	\$	10,874
2013		10,874
2014		9,968
2015		-
2016		-
Remainder of lease		-
Total minimum lease payments	\$	<u>31,716</u>
Less amount representing future interest at 9.25%		<u>4,198</u>
Balance of obligation	\$	<u><u>27,518</u></u>

Interest expense includes \$3,255 (2010 - \$1,535) with respect to this obligation.

Assets under capital lease includes office equipment.

	<u>2011</u>	<u>2010</u>
Cost of leased tangible capital assets	\$	\$
	36,016	50,813
Accumulated amortization of leased tangible capital assets	<u>18,008</u>	<u>16,893</u>
	\$	\$
	<u><u>18,008</u></u>	<u><u>33,920</u></u>

**CITY OF THOMPSON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the Year Ended December 31, 2011**

15. Public Sector Compensation Disclosure

It is a requirement of the Public Sector Compensation Disclosure Act that annual public disclosure be made of aggregate compensation paid to members of council, and of individual compensation in an amount exceeding \$50,000 annually to any member of council, officer or employee of the Municipality. For the year ended December 31, 2011:

- a) Compensation paid to members of council amounted to \$112,480 in aggregate.
- b) There were no members of council receiving compensation in excess of \$50,000 individually.

Council Members:

	<u>Compensation</u>	<u>Expenses</u>	<u>Total</u>
Mayor - Tim Johnston	\$ 29,745	\$ 13,004	\$ 42,750
Councillor - Stella Locker	9,915		9,915
Councillor - Charlene Lafreniere	10,876	6,960	17,836
Councillor - Judy Kolada	9,915	1,622	11,537
Councillor - Erin Hogan	9,915	9,155	19,070
Councillor - Luke Robinson	12,175	4,513	16,688
Councillor - Penelope Byer	9,915	1,246	11,161
Councillor- Dennis Fenske	10,107	477	10,584
Councillor- Brad Evenson	9,915		9,915
	<u>\$ 112,480</u>	<u>\$ 36,977</u>	<u>\$ 149,456</u>

- c) Officers having received compensation in excess of \$50,000 are listed, audited and reported in a separate audit report.

16. 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 Municipality has deferred the capital grants it has received in the past for its utilities and amortized them over the useful life of the related tangible capital asset.

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

CITY OF THOMPSON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2011

SCHEDULE 1

	General Capital Assets				Infrastructure			Totals	
	Land and Land Improvements	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Roads, Streets, and Bridges	Water and Sewer	Assets Under Construction	2,011	2010
Cost									
Opening costs	2,152,482	15,108,583	9,824,287	294,644	18,511,405	34,035,886	2,632,909	82,560,196	76,335,355
Additions during the year	334,296	63,258	1,057,455	17,132	1,341,129	3,255,129	6,847,790	12,916,188	6,268,622
Disposals and write downs	-	-	(182,314)	-	-	-	-	(182,314)	(43,780)
Closing costs	<u>2,486,778</u>	<u>15,171,841</u>	<u>10,699,427</u>	<u>311,775</u>	<u>19,852,535</u>	<u>37,291,015</u>	<u>9,480,699</u>	<u>95,294,070</u>	<u>82,560,196</u>
Accumulated Amortization									
Opening accum'd amortization	289,041	3,366,744	4,238,739	111,148	7,990,698	24,669,184	-	40,665,555	38,921,814
Amortization	50,124	242,991	726,417	37,464	298,747	554,820	-	1,910,563	1,787,522
Disposals and write downs	-	-	(81,916)	-	-	-	-	(81,916)	(43,780)
Closing accum'd amortization	<u>339,165</u>	<u>3,609,735</u>	<u>4,883,240</u>	<u>148,612</u>	<u>8,289,445</u>	<u>25,224,004</u>	<u>-</u>	<u>42,494,201</u>	<u>40,665,555</u>
Net Book Value of Tangible Capital Assets	<u>2,147,613</u>	<u>11,562,106</u>	<u>5,816,187</u>	<u>163,163</u>	<u>11,563,089</u>	<u>12,067,011</u>	<u>9,480,699</u>	<u>52,799,869</u>	<u>41,894,641</u>

Water and sewer underground networks contributed to the Municipality totals \$10,498,103 and were capitalized at their fair value at the time of their receipt.

The Municipality has 67 km of roads that are capitalized at a nominal value of \$3,981,315

CITY OF THOMPSON

SCHEDULE 2

CONSOLIDATED SCHEDULE OF REVENUES
For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
Property taxes:		
Municipal taxes levied (Schedule 12)	\$ 7,836,262	\$ 9,513,066
Taxes added	397,696	334,890
Penalties and interest	151,496	133,272
	<u>8,385,455</u>	<u>9,981,228</u>
Grants in lieu of taxation:		
Federal government	11,557	17,444
Federal government enterprises	-	-
Provincial government	224,349	281,983
Provincial government enterprises	-	-
Other local governments	-	-
Non-government organizations	4,522,109	4,465,238
	<u>4,758,016</u>	<u>4,764,665</u>
User fees		
Parking meters	-	-
Sales of service	2,292,413	2,283,717
Sales of goods	535,946	584,052
Rentals	413,264	380,246
Development charges	24,483	66,316
Facility use fees	431,206	459,648
	<u>3,697,312</u>	<u>3,773,979</u>
Permits, licences and fines		
Permits	220,866	91,307
Licences	82,847	110,115
Aggregate mining and transportation fees	-	-
Fines	78,962	69,872
	<u>382,675</u>	<u>271,294</u>
Investment income:		
Cash and temporary investments	21,402	46,123
Marketable securities	-	-
Municipal debentures	-	-
Other (specify):	-	-
	<u>21,402</u>	<u>46,123</u>
Other revenue:		
Municipal accomodation tax	536,970	498,026
Miscellaneous other grants and revenue	70,667	27,808
Gain on sale of tangible capital assets	(3,076)	-
Gain on sale of real estate held for sale	99,076	859,181
Gain on land sales	703,638	1,385,015
	<u>3,038,643</u>	<u>-</u>
Water and sewer		
Water and Sewer (Schedule 9)	-	-
Grants - Province of Manitoba		
General assistance payment	2,215,460	2,150,299
General support grant	194,600	194,772
VLT revenues	193,445	191,946
Other unconditional grants	2,331,580	1,469,123
Conditional grants	4,935,086	4,006,140
Grants - other		
Federal government - gas tax funding	733,870	881,370
Federal government - other	7,000	-
Other local governments	740,870	881,370
	<u>26,663,097</u>	<u>25,109,814</u>
Total revenue		

CITY OF THOMPSON

SCHEDULE 3

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
General government services:		
Legislative	\$ 288,106	\$ 262,592
General administrative	1,808,013	1,733,265
Other	700,209	415,593
	<u>2,796,329</u>	<u>2,411,450</u>
Protective services:		
Police	4,907,530	4,470,628
Fire	1,315,854	1,209,453
Emergency measures	46	-
Other protection	2,349,547	2,726,182
	<u>8,572,978</u>	<u>8,406,262</u>
Transportation services:		
Road transport		
Administration and engineering	713,039	984,995
Road and street maintenance	1,404,413	1,729,030
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	213,514	278,655
Street lighting	247,837	253,793
Other	320,689	332,149
Air transport	-	-
Public transit	427,981	404,277
Other		
	<u>3,327,473</u>	<u>3,982,899</u>
Environmental health services:		
Waste collection and disposal	890,236	862,773
Recycling	851,822	858,496
Other	73,937	69,587
	<u>1,815,996</u>	<u>1,790,856</u>
Public health and welfare services:		
Public health	88,162	69,936
Medical care	-	-
Hospital care	-	-
Social assistance	161,599	161,599
	<u>249,761</u>	<u>231,535</u>
Regional planning and development		
Planning and zoning	832	94
Urban renewal	-	-
Beautification and land rehabilitation	12,846	20,627
Urban area weed control	-	-
Other	-	-
	<u>13,678</u>	<u>20,721</u>
Resource conservation and industrial development		
Rural area weed control		
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	577,782	700,805
Industrial development		
Tourism	13,956	85,697
Other	21	17
	<u>591,759</u>	<u>786,519</u>
Sub-totals forward	<u>17,367,974</u>	<u>17,630,243</u>
Sub-totals forward	<u>17,367,974</u>	<u>17,630,243</u>

CITY OF THOMPSON

SCHEDULE 3

CONSOLIDATED SCHEDULE OF EXPENSES
For the Year Ended December 31, 2011

Recreation and cultural services:

Administration	923,040	932,829
Community centers and halls	645,810	510,523
Swimming pools and beaches	918,470	992,409
Golf courses	7,500	-
Skating and curling rinks	704,743	648,508
Parks and playgrounds	189,254	185,344
Other recreational facilities	146,129	201,317
Museums	53,281	53,512
Libraries	407,964	405,326
Other cultural facilities	231,079	215,065
	<u>4,227,270</u>	<u>4,144,832</u>

Water and sewer services

Water and sewer services (Schedule 9)

	<u>2,894,032</u>	<u>2,100,264</u>
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Total expenses

	<u>24,489,275</u>	<u>23,875,339</u>
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CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

For the Year Ended December 31, 2011

	General Government*		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
REVENUE										
Property taxes	\$ 8,385,455	\$ 8,341,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants in lieu of taxation	4,758,016	4,764,665	-	-	-	-	-	-	-	-
User fees	133,345	247,801	1,925,012	1,975,330	252,566	153,314	685,286	638,465	21,675	12,190
Grants - other	2,603,505	2,537,017	-	-	-	-	-	-	-	-
Permits, licences and fines	941,756	140,245	527,349	527,346	415,651	358,876	-	-	-	-
Investment income	733,870	881,370	-	-	-	-	265,120	265,120	-	-
Other revenue	94,891	88,537	287,786	171,402	-	-	-	-	-	-
Water and sewer	21,402	46,123	-	-	-	-	-	-	-	-
Prov of MB - Unconditional Grants	604,562	525,834	-	-	-	-	-	-	-	-
Prov of MB - Conditional Grants	-	-	-	-	-	-	-	-	-	-
Total revenue	\$ 18,276,801	\$ 17,573,058	\$ 2,740,147	\$ 2,674,078	\$ 668,217	\$ 512,190	\$ 950,406	\$ 903,585	\$ 21,675	\$ 12,190
EXPENSES										
Personnel services	\$ 1,674,346	\$ 1,547,101	\$ 3,641,552	\$ 3,620,100	\$ 2,003,242	\$ 2,093,717	\$ 856,195	\$ 854,455	\$ 42,431	\$ 31,659
Contract services	419,523	487,373	4,257,405	4,138,469	668,131	549,997	593,435	574,065	18,292	13,405
Utilities	74,580	71,964	111,201	107,648	334,383	329,009	66,057	155,513	-	-
Maintenance materials and supplies	169,758	135,556	175,879	178,981	(207,017)	549,599	115,092	74,447	7,438	4,872
Grants and contributions	332,882	43,208	-	-	-	-	-	-	181,599	181,599
Amortization	85,344	81,688	224,628	193,301	528,734	460,577	185,217	132,376	-	-
Interest on long term debt	-	4,664	162,313	167,763	-	-	-	-	-	-
Other	39,897	39,896	-	-	-	-	-	-	-	-
Total expenses	\$ 2,796,329	\$ 2,411,450	\$ 8,572,978	\$ 8,406,262	\$ 3,327,473	\$ 3,982,899	\$ 1,815,996	\$ 1,790,856	\$ 249,761	\$ 231,535
Surplus (Deficit)	\$ 15,480,472	\$ 15,161,608	\$ (5,832,831)	\$ (5,732,184)	\$ (2,659,256)	\$ (3,470,709)	\$ (865,590)	\$ (887,271)	\$ (228,086)	\$ (219,345)

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

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

Year Ended December 31, 2011

	Regional Planning and Development		Resource Conservation and Industrial Dev		Recreation and Cultural Services		Water and Sewer Services		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,639,762	\$ 8,385,455	\$ 9,981,228
Grants in lieu of taxation	-	-	-	-	-	-	-	-	4,758,016	4,764,665
User fees	34,999	66,416	90,295	86,150	554,135	593,083	-	1,230	3,697,312	3,773,979
Grants - other	-	-	-	-	-	-	-	-	2,603,505	2,537,017
Permits, licences and fines	-	-	-	-	181,704	177,537	-	-	2,066,460	1,204,004
Investment income	-	-	-	-	7,000	-	-	-	1,005,990	1,146,490
Other revenue	-	-	-	-	-	11,353	-	-	382,676	271,292
Water and sewer	-	-	-	-	-	-	-	-	21,402	46,123
Prov of MB - Unconditional Grants	99,076	859,181	-	-	-	-	-	-	703,638	1,385,015
Prov of MB - Conditional Grants	-	-	-	-	-	-	3,038,643	-	3,038,643	-
Total revenue	\$ 134,075	\$ 925,598	\$ 90,295	\$ 86,150	\$ 742,839	\$ 781,973	\$ 3,038,643	\$ 1,640,992	\$ 26,663,097	\$ 25,109,813
EXPENSES										
Personnel services	\$ 5,033	\$ 11,062	\$ 340,351	\$ 387,115	\$ 2,320,496	\$ 2,276,838	\$ 779,185	\$ 780,401	\$ 11,662,832	\$ 11,602,448
Contract services	1,088	2,887	93,578	152,944	440,229	488,909	191,775	359,778	6,683,457	6,767,827
Utilities	-	-	2,868	2,335	330,721	293,403	111,268	108,884	1,031,077	1,068,756
Maintenance materials and supplies	7,557	6,772	79,872	75,680	215,397	263,398	1,163,815	204,495	1,727,789	1,493,799
Grants and contributions	-	-	807	54,000	79,781	72,512	-	-	595,069	351,319
Amortization	-	-	3,653	7,117	356,961	356,824	554,820	584,290	1,939,357	1,816,173
Interest on long term debt	-	-	-	-	413,330	350,068	53,239	62,416	628,882	584,911
Other	-	-	70,630	107,329	70,357	42,881	39,930	-	220,813	190,106
Total expenses	\$ 13,678	\$ 20,721	\$ 591,759	\$ 786,519	\$ 4,227,270	\$ 4,144,831	\$ 2,894,032	\$ 2,100,264	\$ 24,489,276	\$ 23,875,338
Surplus (Deficit)	\$ 120,396	\$ 904,877	\$ (501,464)	\$ (700,369)	\$ (3,484,431)	\$ (3,362,858)	\$ 144,611	\$ (459,272)	\$ 2,173,822	\$ 1,234,475

CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS

For the Year Ended December 31, 2011

	Core Government		Controlled Entities		Government Partnerships		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
REVENUE								
Property taxes	\$ 8,385,455	\$ 9,981,228	\$ -	\$ -	\$ -	\$ -	\$ 8,385,455	\$ 9,981,228
Grants in lieu of taxation	4,758,016	4,764,665	-	-	-	-	4,758,016	4,764,665
User fees	3,376,929	3,440,158	320,383	333,821	-	-	3,697,312	3,773,979
Grants - other	2,603,505	2,537,017	-	-	-	-	2,603,505	2,537,017
Permits, licences and fines	1,637,940	800,091	428,520	403,913	-	-	2,066,460	1,204,004
Investment income	1,005,990	1,146,490	-	-	-	-	1,005,990	1,146,490
Other revenue	370,118	259,942	12,558	11,353	-	-	382,675	271,295
Water and sewer	19,866	44,554	1,536	1,569	-	-	21,402	46,123
Prov of MB - Unconditional Grants	666,144	1,350,730	37,494	34,285	-	-	703,638	1,385,015
Prov of MB - Conditional Grants	3,038,643	-	-	-	-	-	3,038,643	-
Total revenue	<u>\$ 25,862,607</u>	<u>\$ 24,324,875</u>	<u>\$ 800,491</u>	<u>\$ 784,941</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,663,097</u>	<u>\$ 25,109,816</u>
EXPENSES								
Personnel services	\$ 10,593,725	\$ 10,485,218	\$ 1,069,107	\$ 1,117,230	\$ -	\$ -	\$ 11,662,831	\$ 11,602,448
Contract services	6,501,426	6,601,396	182,031	166,430	-	-	6,683,457	6,767,826
Utilities	935,523	887,517	95,554	181,238	-	-	1,031,077	1,068,755
Maintenance materials and supplies	1,588,504	1,379,662	139,285	114,138	-	-	1,727,789	1,493,800
Grants and contributions	595,069	351,319	-	-	-	-	595,069	351,319
Amortization	1,769,855	1,673,617	169,502	142,556	-	-	1,939,357	1,816,173
Interest on long term debt	628,882	584,911	-	-	-	-	628,882	584,911
Other	103,305	39,896	117,508	150,210	-	-	220,813	190,106
Total expenses	<u>\$ 22,716,289</u>	<u>\$ 22,003,536</u>	<u>\$ 1,772,987</u>	<u>\$ 1,871,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,489,275</u>	<u>\$ 23,875,338</u>
Surplus (Deficit)	<u>\$ 3,146,318</u>	<u>\$ 2,321,338</u>	<u>\$ (972,496)</u>	<u>\$ (1,086,861)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,173,822</u>	<u>\$ 1,234,477</u>

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

For the Year Ended December 31, 2011

	General Reserve	Equipment Reserve	Infrastructure Reserve	Building Major Repairs	Gas Tax Reserve	Transit Reserve	Affordable Housing Reserve	Public Safety Reserve	2011 Total	2010 Total
REVENUE										
Investment income	\$ 16,266	\$ 1,391	\$ 1,561	\$ 3,852	\$ 638	\$ 1,410	\$360	\$302	\$ 25,779	\$ 15,926
Grants received									\$ -	\$ -
Other income			322,182	45,728	1,100,805		107,394	107,394	1,683,504	1,086,335
Total revenue	16,266	1,391	323,743	49,580	1,101,443	1,410	107,754	107,696	1,709,283	1,102,261
EXPENSES										
Investment charges	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-
Total expenses	-	-	-	-	-	-	-	-	-	-
NET REVENUES	16,266	1,391	323,743	49,580	1,101,443	1,410	107,754	107,696	\$ 1,709,283	1,102,261
TRANSFERS										
Debt repayments	11,038	-	-	-	-	-	-	-	11,038	(15,437)
Transfers from (to) operating fund	36,066	-	-	-	-	-	(58,506)	-	(22,440)	(35,358)
Transfers from (to) utility fund	-	-	-	-	-	-	-	-	-	-
Transfers from (to) capital fund	-	-	-	-	-	-	-	-	-	-
Acquisition of tangible capital assets	-	-	(187,766)	(38,435)	(852,733)	-	-	(144,371)	(1,223,305)	(1,663,134)
CHANGE IN RESERVE FUND BALANCES	63,370	1,391	135,977	11,145	248,710	1,410	49,248	(36,676)	474,575	(611,669)
FUND SURPLUS, BEGINNING OF YEAR	1,827,716	129,037	193,112	152,847	66,158	40,034	102,784	86,151	2,597,838	3,209,507
FUND SURPLUS, END OF YEAR	\$ 1,891,086	\$ 130,428	\$ 329,089	\$ 163,992	\$ 314,868	\$ 41,444	\$ 152,031	\$ 49,476	\$ 3,072,414	\$ 2,597,838

CITY OF THOMPSON
SCHEDULE OF TRUST FUNDS
For the Year Ended December 31, 2011

SCHEDULE 7

	Winterfest	Zoo	Race Relations	Skate Park	Trail Breakers	NUIC	Operation Rednose	Spirit Way	Ski Club	Community Centre	Golf Club	Rotary Park	Our Home Kikanow	Total 2011	Total 2010
ASSETS															
Cash and temporary investments	\$ 792	\$ 66,155	\$ 1,530	\$ 73,838	\$ 36,873	\$ 55,007	\$ 2,569	\$ 245,855	\$ 6,976	\$ 1,597,734	\$ 1,605	\$ 352	\$ 14,336	\$ 2,103,621	\$ 1,032,580
Portfolio investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 792</u>	<u>\$ 66,155</u>	<u>\$ 1,530</u>	<u>\$ 73,838</u>	<u>\$ 36,873</u>	<u>\$ 55,007</u>	<u>\$ 2,569</u>	<u>\$ 245,855</u>	<u>\$ 6,976</u>	<u>\$ 1,597,734</u>	<u>\$ 1,605</u>	<u>\$ 352</u>	<u>\$ 14,336</u>	<u>\$ 2,103,621</u>	<u>\$ 1,032,580</u>
LIABILITIES AND FUND BALANCES															
Due to Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance	792	66,155	1,530	73,838	36,873	55,007	2,569	245,855	6,976	1,597,734	1,605	352	14,336	2,103,621	1,032,580
	<u>\$ 792</u>	<u>\$ 66,155</u>	<u>\$ 1,530</u>	<u>\$ 73,838</u>	<u>\$ 36,326</u>	<u>\$ 55,007</u>	<u>\$ 2,569</u>	<u>\$ 245,855</u>	<u>\$ 6,976</u>	<u>\$ 1,597,734</u>	<u>\$ 1,605</u>	<u>\$ 352</u>	<u>\$ 14,336</u>	<u>\$ 2,103,621</u>	<u>\$ 1,032,580</u>
REVENUES															
Contributions and donations	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 12,350	\$ 600	\$ 1,061,032	\$ -	\$ 50	\$ 9,445	\$ 1,084,477	\$ 553,157
Investment income	8	644	19	689	374	558	19	3,245	50	5,730	139	2	157	11,635	1,014
	<u>8</u>	<u>644</u>	<u>19</u>	<u>1,689</u>	<u>374</u>	<u>558</u>	<u>19</u>	<u>15,595</u>	<u>650</u>	<u>1,066,762</u>	<u>139</u>	<u>52</u>	<u>9,602</u>	<u>1,096,112</u>	<u>554,171</u>
EXPENDITURES															
Cemetery maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	(13,121)	-	-	-	(11,950)	-	-	-	-	-	(25,071)	(15,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,121)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,950)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,071)</u>	<u>(15,000)</u>
EXCESS OF REVENUES OVER EXPENDITURES															
	8	644	19	(11,432)	374	558	19	3,645	650	1,066,762	139	52	9,602	1,071,041	541,879
FUND BALANCE, BEGINNING OF YEAR															
	784	65,511	1,511	85,270	36,498	54,449	2,550	242,210	6,325	530,972	1,465	300	4,734	1,032,580	490,701
FUND BALANCE, END OF YEAR															
	<u>\$ 792</u>	<u>\$ 66,155</u>	<u>\$ 1,530</u>	<u>\$ 73,838</u>	<u>\$ 36,873</u>	<u>\$ 55,007</u>	<u>\$ 2,569</u>	<u>\$ 245,855</u>	<u>\$ 6,976</u>	<u>\$ 1,597,734</u>	<u>\$ 1,605</u>	<u>\$ 352</u>	<u>\$ 14,336</u>	<u>\$ 2,103,621</u>	<u>\$ 1,032,580</u>

CITY OF THOMPSON
 SCHEDULE OF FINANCIAL POSITION FOR UTILITIES
 December 31, 2011

SCHEDULE 8

	2011		2010
	Water and Sewer Utility	Total	Total
FINANCIAL ASSETS			
Cash and temporary investments	\$ -	\$ -	\$ -
Amounts receivable	1,416,690	1,416,690	-
Portfolio investments	-	-	-
Due from other funds	-	-	-
	<u>\$ 1,416,690</u>	<u>\$ 1,416,690</u>	<u>\$ -</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Deferred revenue	387,252	387,252	-
Long-term debt (Note 9)	872,463	872,463	-
Due to other funds	-	-	-
	<u>1,259,715</u>	<u>1,259,715</u>	<u>-</u>
NET FINANCIAL ASSETS (NET DEBT)	<u>\$ 156,975</u>	<u>\$ 156,975</u>	<u>\$ -</u>
NON-FINANCIAL ASSETS			
Tangible capital assets (Schedule 1)	\$ 12,067,011	\$ 12,067,011	\$ -
Inventories	-	-	-
Prepaid expenses	-	-	-
	<u>12,067,011</u>	<u>12,067,011</u>	<u>-</u>
FUND SURPLUS (DEFICIT)	<u>\$ 12,223,986</u>	<u>\$ 12,223,986</u>	<u>\$ -</u>

COMMITMENTS AND CONTINGENCIES (Notes 11 and 12)

CITY OF THOMPSON

SCHEDULE 9

SCHEDULE OF UTILITY OPERATIONS - City of Thompson Water and Waste Water Utility

For the Year Ended December 31, 2011

	Budget	2011	2010
REVENUE			
Water			
Water fees	\$ 1,772,294	\$ 1,777,640	\$ -
Bulk Water fees	-	6,569	-
sub-total- water	1,772,294	1,784,210	-
Sewer			
Sewer fees	1,348,046	751,932	-
Lagoon tipping fees	-	-	-
sub-total- sewer	1,348,046	751,932	-
Property taxes	-	-	1,639,762
Government transfers			
Operating	507,000	319,190	-
Capital	-	-	-
sub-total- government transfers	507,000	319,190	-
Other			
Hydrant rentals	82,000	82,000	-
Connection charges	-	-	-
Installation service	-	-	-
Penalties	-	-	-
Contributed tangible capital assets	-	-	-
Investment income	-	-	-
Administration fees	-	-	-
Gain on sale of tangible capital assets	-	-	-
Other income	-	-	1,230
sub-total- other	39,000	101,311	1,230
	43,000	183,311	1,230
Total revenue	3,670,340	3,038,643	1,640,992

CITY OF THOMPSON

SCHEDULE 9

SCHEDULE OF UTILITY OPERATIONS - City of Thompson Water and Waste Water Utility
For the Year Ended December 31, 2011

	Budget	2011	2010
EXPENSES			
General			
Administration	1,258,368	1,124,341	1,140,179
Training costs	-	-	-
Billing and collection	-	7,610	-
Utilities (telephone, electricity, etc.)	-	-	108,884
sub-total- general	<u>1,258,368</u>	<u>1,131,951</u>	<u>1,249,063</u>
Water General			
Purification and treatment	568,640	587,607	204,495
Water purchases	-	-	-
Transmission and distribution	-	-	-
Hydrant maintenance	-	-	-
Transportation services	-	-	-
Connection costs	-	-	-
sub-total- water general	<u>568,640</u>	<u>587,607</u>	<u>204,495</u>
Water Amortization & Interest			
Amortization	250,808	336,776	354,664
Interest on long term debt	297,240	53,239	62,416
sub-total- water amortization & interest	<u>548,048</u>	<u>390,015</u>	<u>417,080</u>
Sewer General			
Collection system costs	90,082	157,763	-
Treatment and disposal cost	240,142	260,611	-
Lift Station costs	97,989	148,042	-
Transportation services	-	-	-
Connection costs	-	-	-
Other sewage & disposal costs	184,346	-	-
sub-total- sewer general	<u>612,559</u>	<u>566,416</u>	<u>-</u>
Sewage Amortization & Interest			
Amortization	162,385	218,044	229,626
Interest on long term debt	-	-	-
sub-total- sewer amortization & interest	<u>162,385</u>	<u>218,044</u>	<u>229,626</u>
Total expenses	<u>3,150,000</u>	<u>2,894,032</u>	<u>2,100,264</u>
NET OPERATING SURPLUS	520,340	144,611	(459,272)
TRANSFERS			
Transfers from (to) operating fund		-	459,272
Transfers from (to) reserve funds	(130,340)	-	-
CHANGE IN UTILITY FUND BALANCE	<u>\$ 390,000</u>	<u>144,611</u>	<u>-</u>
FUND SURPLUS, BEGINNING OF YEAR		-	-
FUND SURPLUS, END OF YEAR		<u>\$ 144,611</u>	<u>\$ -</u>

RECONCILIATION OF THE FINANCIAL PLAN TO THE BUDGET

For the Year Ended December 31, 2011

	Financial Plan General	Financial Plan Utility(ies)	Amortization (TCA)	Interest Expense	Transfers	Long Term Accruals	Consolidated Entities	PSAB Budget
REVENUE								
Property taxes	\$ 8,029,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,029,097
Grants in lieu of taxation	4,764,491	-	-	-	-	-	-	4,764,491
User fees	3,511,552	-	-	-	-	-	320,383	3,831,935
Permits, licences and fines	12,424,939	-	-	-	-	-	428,520	12,853,459
Investment income	-	-	-	-	-	-	951,050	951,050
Other revenue	403,000	-	-	-	-	-	12,558	415,558
Water and sewer	1,000	-	-	-	-	-	1,536	2,536
Grants - Province of Manitoba	2,121,424	-	-	-	(507,361)	-	37,494	1,651,557
Grants - other	-	3,670,340	-	-	-	-	-	3,670,340
Transfers from accumulated surplus	-	-	-	-	-	-	-	-
Transfers from reserves	1,545,663	-	-	-	(1,545,663)	-	-	-
Total revenue	<u>\$ 32,801,166</u>	<u>\$ 3,670,340</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,053,024)</u>	<u>\$ -</u>	<u>\$ 1,751,541</u>	<u>\$ 36,170,023</u>
EXPENSES								
General government services	\$ 1,777,958	\$ -	\$ 85,344	-	\$ 40,528	\$ -	\$ -	\$ 1,903,830
Protective services	8,165,371	-	224,628	162,313	95,000	-	-	8,647,312
Transportation services	3,521,581	-	528,734	-	-	-	-	4,050,315
Environmental health services	948,840	-	185,217	-	-	-	756,653	1,890,710
Public health and welfare services	267,849	-	-	-	-	-	-	267,849
Regional planning and development	426,411	-	-	-	-	-	500	426,911
Resource cons and industrial dev	501,665	-	-	-	-	-	410,270	911,935
Recreation and cultural services	3,010,561	-	356,961	340,129	-	-	605,564	4,313,215
Water and sewer services	-	2,439,567	554,820	60,816	-	-	-	3,055,203
Fiscal services:								
Transfer to capital	11,138,018	390,000	(11,528,018)	-	-	-	-	-
Transfer to utility	507,361	-	-	-	(507,361)	-	-	-
Debt charges	1,166,153	297,240	-	(1,463,393)	-	-	-	-
Short term interest	632	-	-	-	(632)	-	-	-
Transfer to reserves	1,233,870	130,340	-	-	(1,364,210)	-	-	-
Transfer to firefighter trust	95,000	-	-	-	(95,000)	-	-	-
Allowance for tax assets	39,896	-	-	-	(39,896)	-	-	-
Total expenses	<u>\$ 32,801,166</u>	<u>\$ 3,257,147</u>	<u>\$ (9,592,314)</u>	<u>\$ (900,134)</u>	<u>\$ (1,871,571)</u>	<u>\$ -</u>	<u>\$ 1,772,987</u>	<u>\$ 25,467,280</u>
Surplus (Deficit)	<u>\$ (0)</u>	<u>\$ 413,193</u>	<u>\$ 9,592,314</u>	<u>\$ 900,134</u>	<u>\$ (181,453)</u>	<u>\$ -</u>	<u>\$ (21,446)</u>	<u>\$ 10,702,742</u>

CITY OF THOMPSON
 ANALYSIS OF TAXES ON ROLL
 Year Ended December 31, 2011

SCHEDULE 11

	2011	2010
Balance, beginning of year	\$ 1,380,969	\$ 918,187
Add:		
Tax levy (Schedule 12)	16,094,791	17,542,062
Taxes added	441,543	401,760
Penalties or interest	167,216	63,354
Other accounts added	8,791	32,515
Tax Adjustments (specify)	-	-
Tax Adjustments (specify)	-	-
Sub-total	16,712,341	18,039,691
Deduct:		
Cash collections - current	14,297,626	15,608,764
Cash collections - arrears	649,856	205,250
Writeoffs	37,563	66,574
Title value of land sales	-	-
Title value of tax titles acquired	-	-
Tax discounts	-	-
M.P.T.C. - cash advance	1,799,083	1,696,732
Other credits (specify)	(346)	(411)
Sub-total	16,783,783	17,576,909
Balance, end of year	\$ 1,309,527	\$ 1,380,969

CITY OF THOMPSON
 ANALYSIS OF TAX LEVY
 Year Ended December 31, 2011

SCHEDULE 12

	2011		2010	
	Assessment	Mill Rate	Levy	Levy
Other governments (L.U.D.):				
Name of LUD	-	0.000%	\$	\$
Name of LUD	-	0.000%	-	-
Name of LUD	-	0.000%	-	-
sub-total- L.U.D.				
Debt charges:				
Frontage	-	0.000%	-	-
L.I.D.	-	0.000%	-	-
Mill Rate (At large)	342,739,040	3.439%	1,178,680	1,166,979
sub-total- Debt charges			1,178,680	1,166,979
General Municipal	342,739,040	16.869%	5,781,665	7,298,759
Reserves:				
Name of reserve	-	0.000%	-	-
Name of reserve	-	0.000%	-	-
Name of reserve	-	0.000%	-	-
sub-total- Reserves			5,781,665	7,298,759
Special levies:				
Name of special levy	342,739,040	0.650%	222,780	222,582
Name of special levy	By-law 1827-2010			212,501
Name of special levy	By-law 1826-2010		219,432	219,432
sub-total- Special levies			442,212	654,515
Business tax (rate%)	0.0449	0.000%	432,873	398,035
Total municipal taxes (Schedule 2)				
			7,835,430	9,518,287
Education support levy	82,461,150	12.330%	1,016,746	971,279
Special levy:				
Mystery Lake #2355	333,521,530	21.735%	7,249,090	7,052,496
Mystery Lake #2355			-	-
Name of school division	-	0.000%	-	-
sub-total- Special levies			7,249,090	7,052,496
Total education taxes				
			8,265,836	8,023,775
Total tax levy (Schedule 11)				
			\$ 16,101,266	\$ 17,542,062

CITY OF THOMPSON
 ANALYSIS OF SCHOOL ACCOUNTS
 December 31, 2011

SCHEDULE 13

	2011			2010	
	Opening Balance	Current Requirement	Current Payment	Ending Balance	Ending Balance
Education support levy	\$ -	\$ 1,137,312	\$ 1,137,312	\$ -	\$ -
Special levies					
#2355 - Mystery Lake	-	7,493,742	7,493,742	-	-
School division	-	-	-	-	-
School division	-	-	-	-	-
School division	-	-	-	-	-
School division	-	-	-	-	-
School division	-	-	-	-	-
School division	-	-	-	-	-
Sub-total	-	7,493,742	7,493,742	-	-
Total	\$ -	\$ 8,631,054	\$ 8,631,054	\$ -	\$ -

CITY OF THOMPSON

SCHEDULE 14

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
General government services:		
Legislative	\$ 288,106	\$ 262,592
General administrative	1,808,013	1,733,265
Other	700,209	415,593
	<u>2,796,329</u>	<u>2,411,450</u>
Protective services:		
Police	4,907,530	4,470,628
Fire	1,315,854	1,209,453
Emergency measures	46	-
Other	2,349,547	2,726,182
	<u>8,572,978</u>	<u>8,406,262</u>
Transportation services:		
Road transport		
Administration and engineering	713,039	984,995
Road and street maintenance	1,404,413	1,729,030
Bridge maintenance	-	-
Sidewalk and boulevard maintenance	213,514	278,655
Street lighting	247,837	253,793
Other	320,689	332,149
Air transport	-	-
Public transit	427,981	404,277
Other	-	-
	<u>3,327,473</u>	<u>3,982,899</u>
Environmental health services:		
Waste collection and disposal	890,236	862,773
Recycling	95,169	16,149
Other	73,937	69,587
	<u>1,059,343</u>	<u>948,509</u>
Public health and welfare services:		
Public health	88,162	69,936
Medical care	-	-
Social assistance	-	-
Other	161,599	161,599
	<u>249,761</u>	<u>231,535</u>
Regional planning and development		
Planning and zoning	332	94
Urban renewal	-	-
Beautification and land rehabilitation	12,846	20,627
Urban area weed control	-	-
Other	-	-
	<u>13,178</u>	<u>20,721</u>
Resource conservation and industrial development		
Rural area weed control	-	-
Drainage of land	-	-
Veterinary services	-	-
Water resources and conservation	-	-
Regional development	167,512	281,741
Industrial development	-	-
Tourism	13,956	85,697
Other	21	17
	<u>181,489</u>	<u>367,455</u>
Sub-totals forward	<u>16,200,551</u>	<u>16,368,832</u>

CITY OF THOMPSON

SCHEDULE 14

SCHEDULE OF GENERAL OPERATING FUND EXPENSES

For the Year Ended December 31, 2011

	2011 Actual	2010 Actual
Sub-totals forward	16,200,551	16,368,832
Recreation and cultural services:		
Administration	923,040	932,829
Community centers and halls	645,810	510,523
Swimming pools and beaches	918,470	992,409
Golf courses	7,500	-
Skating and curling rinks	704,743	648,508
Parks and playgrounds	189,254	185,344
Other recreational facilities	146,129	201,317
Museums	53,281	53,512
Libraries	23,479	-
Other cultural facilities	10,000	10,000
	3,621,706	3,534,440
Total expenses	19,822,257	19,903,272

CITY OF THOMPSON

SCHEDULE 16

RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

December 31, 2011

	General	2011 Utility	Total	2010 Total
MUNICIPAL NET SURPLUS (DEFICIT) UNDER THE MUNICIPAL ACT	\$ (108,612)	\$ 285,537	\$ 176,925	\$ (196,514)
Adjustments for reporting under public sector accounting standards				
Eliminate expense - transfers to reserves	-	-	-	-
Eliminate revenue - transfers from reserves	1,698,842	-	1,698,842	1,663,134
Increase revenue - reserve funds interest	(1,224,265)	-	(1,224,265)	(1,102,261)
Increase (Decrease) revenue - Net surplus (deficit) of consolidated entities	36,818	-	36,818	15,926
Eliminate revenue - transfer from nominal surplus(es)	-	-	-	-
Increase expense - amortization of tangible capital assets	-	-	-	-
Decrease expense - principal portion of debenture debt	(1,355,743)	(554,820)	(1,910,563)	(1,511,323)
Eliminate expense - acquisitions of tangible capital assets	663,711	192,793	856,504	752,704
	2,318,461	221,101	2,539,562	1,612,811
NET SURPLUS (DEFICIT) PER CONSOLIDATED STATEMENT OF OPERATIONS	\$ 2,029,211	\$ 144,611	\$ 2,173,822	\$ 1,234,477